

## AAEON Technology Inc. 研揚科技股份有限公司

# 2025 ANNUAL GENERAL SHAREHOLDERS' MEETING

**Meeting Agenda** 

Date: May 29, 2025

Location: 9F, No. 135, Lane 235, Pao Chiao Rd.,

Hsin-Tien Dist, New Taipei City

Translation - In case of any discrepancy between the Chinese and English versions, the Chinese version shall prevail.



Stock Code: 6579

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## AAEON Technology Inc.

## 2025 Annual General Meeting Procedures

- I. Commence Meeting
- II. Chairman's Speech
- III. Reporting Items
- IV. Adoption Items
- V. Discussions Items
- VI. Election Items
- VII. Other Motion
- VIII. Extemporal Motions
- IX. Adjournment

## AAEON Technology Inc. 2025 Annual General Meeting Agendas

Time: 9:00 am on May 29 (Wednesday), 2025.

Address: 9F, No. 135, Lane 235, Baochiao Road, Xindien District, New Taipei City (Meeting Room)

Convening method: physical shareholders meeting

- 1. Commence Meeting
- 2. Chairman's Speech
- 3. Report Items:
  - (1) Business report of 2024.
  - (2) Audit Committee's review report of 2024.
  - (3) Report of Directors' Compensation and Employees' Compensation for 2024.
  - (4) Amendment to the" Procedures for Ethical Management and Guidelines for Conduct"
- 4. Adoption Items:
  - (1) To adopt 2024 Business Report and Financial Statements.
  - (2) To adopt the proposal for distribution of 2024 profits.
- 5. Discussion Items:
  - (1) Amendment of certain provisions of the company's" Articles of Incorporation"
- 6. Election Items
  - (1) Election of Directors.
- 7. Other Motion
  - (1) Discussion to approve the lifting of non-competition restrictions for directors.
- 8. Extemporal motions
- 9. Adjournment

## Reporting Items

No. 1: Proposed by the Board

Case Summary: Please review the business report of 2024.

Description: the business report of 2024. is as follows:

Hello Ladies and Gentlemen,

Thank you for attending our 2025 annual general meeting despite your busy schedule.

In 2024, AAEON's revenue declined by 11%, mainly due to weakened overall demand and customers' slow destocking, which resulted in conservative order placement. As a result, the order volume is below the typical shipping level. Following the customers' gradual destocking, most customers started to place new orders from the fourth quarter. Accordingly, the revenue gradually increased and showed growth once again.

Even though the growth was not as good as expected, AAEON remained focused on AI edge computing. Constantly, the number of new AI projects, successful cases, and potential revenue has increased. The Company expects to see tangible results in 2025. and that the revenue would increase correspondingly.

The detailed explanations are as below:

### 1. The 2024 Business result:

## (1) Operating performance

- 1. Revenues and profits: AAEON's consolidated operating income in 2024 was NT\$7,186,031 thousand, gross profit was NT\$2,578,632 thousand, operating revenue was NT\$547,848 thousand, net income after tax was NT\$1,139,420 thousand, net profit attributable to the parent company was NT\$966,877 thousand, while earnings per share (EPS) was NT\$7.72.
- 2. Revenue analysis: In terms of regions, we witnessed negative growth in all regions, particularly the U.S. and emerging markets, with a decline of 28% and 31%, respectively. As for product lines, except for industrial mainboards, which displayed a positive growth of 7%, almost all the other product lines had negative growth. In particular, the network communication products experienced the worst performance, with a decrease of 36%.
- 3. Budget implementation: The Company did not publish our financial forecast in 2024.
- 4. Customer management: In spite of the decrease in revenue in 2024, we maintained a stable relationship with our customers. Key customers began placing new orders in the fourth quarter, restoring our performance to a normal level. The smart retail customers are especially the customers that recovered first in the downturn, with the shipment showing positive growth. In addition, the Company also achieved excellent results in the development of new customers, successfully developing several customers with orders over US\$1 million that were expected to contribute US\$5–6 million in revenue each year. The number of AI-related new customers continued to increase as well, with around 250 relevant new projects launched in 2024.

## 5. Other operational results:

- Won the 9th place in the Middle-Standing Enterprises Group of the 2024 CSR Awards of CommonWealth Magazine
- Ranked among top 15 in the Middle-Standing Enterprises Group of the 2024 CSR Awards of CommonWealth Magazine

- Won the "Single Sustainability Performance Award Social Inclusion Leader Award" of the 17th Taiwan Corporate Sustainability Awards (TCSA) in 2024
- Won the 2nd "New Taipei City Enterprise Classic Award" in 2024
- Won the 2nd "New Taipei City Enterprise Classic and Excellent Award" in 2024
- Clinched the title of "Health 99 Enterprise" of the 2024 Corporate Health Responsibility (CHR) Award (226 entries in total)
- Won the bronze medal of EcoVadis, a sustainability intelligence platform for global supply chains, in 2024 (for the 3rd consecutive years)
- Won the 1st Corporate Humanities Award Education Enhancement Excellence Award of the "ASSET Award" in 2024

## (2) Research and development and innovations

- 1. Earned the 33rd Taiwan Excellence Award in 2025
- 2. Launched the Intel GAR-A750E graphics card
- 3. Introduced new generation of Intel CPU Meteor Lake products

## (3) Marketing and promotion

- 1. The Company's official website traffic continued to hit new heights, with the annual traffic exceeding 2 million visits.
- 2. The Company was awarded the "Rising Star" by the 2024 Taiwan International Brand Value Evaluation.
- 3. The Company organized more than 100 AI-related marketing activities, including conferences, forums, exhibitions, etc.

### 2. 2025 business plan:

As the market gradually recovers, most customers are once again placing orders in a normal manner, leading to an increase in sales growth. The trend of AI continues, with relevant demand continually increasing. However, since most of the technologies or applications are new, it takes time to go through the processes of development, testing, small quantity verification, and mass deployment. As a result, it is expected that the contribution to the sales won't be significant until Q3 2025. Nevertheless, President Trump's inauguration has created uncertainties in policies and the market environment, posing potential risks in 2025.

### Key Strategies and Plans:

- 1. Rebranding: AAEON's popularity has been increasing in the global market year after year, highlighting the growing importance of brand influence. Therefore, how to make the market and the public better understand AAEON and the value represented by AAEON's brand is the main focus of rebranding this year. We hope to create another growth curve through such rebranding action.
- 2. AI software development: In recent years, AAEON's hardware development for AI edge computing platforms has been comprehensive. A variety of chip hardware platforms are covered, including Nvidia, Intel, AMD, Qualcomm, MediaTek and Rockchip. As the industry evolves, the importance of value-added software is increasing. With this in mind, AAEON is dedicated to developing software that offers customers an increasingly diverse range of solutions with various functions.
- 3. Digital transformation: The IT sector has evolved from digitalization to smartification. That is, the internal IT applications of enterprises must be oriented toward artificial intelligence. The Company will launch a series of corporate AI projects in different

departments, including the smartification of factories, sales, marketing, and knowledge management, etc.

Impacts of long-term development strategies/external competition, regulatory environment, 3. and overall business environment

AI development trends have gradually moved from cloud to edge. AAEON has excellent embedded design capabilities, adopts constant innovation as the main strategy for product development, and takes customized services as our core competitive advantage, while our superior quality is our commitment to our clients. AAEON is not only a hardware manufacturer, but also a technological service provider, providing hardware design, software development, production and manufacturing, logistics management, and after-sales services. We provide customers with industrial computing platforms of high quality, and become their trustworthy partner.

The industrial computer market is a niche market characterized by small quantities and great diversity. Service, product quality, pricing, and delivery accuracy are all key competitive factors. In the past, each manufacturer focused on its own vertical market to manage customer relations, and the competition was relatively moderate. However, in recent years, consumer electronics manufacturers have actively invested in the industrial computer market, and Chinese manufacturers have also entered this market, resulting in increasingly fierce competition in some price-sensitive markets. In addition, the new U.S. President, Donald Trump, has just taken office, and observation is needed regarding the tariff policy; it is still unclear whether this policy will impact Taiwan's exports. The Company will closely monitor changes in policies, regulations, global economics, geopolitics, and monetary trends, and will accordingly adjust its strategies in a timely manner to respond to challenges.

The "AA" of AAEON represents "Always Agile, Always Ahead." It means AAEON consistently plays a leading role in terms of technology and ensures that the Company's customers stay ahead of competition at all times. Meanwhile, the close and overlapping AA implies that AAEON is a reliable partner that always considers customers as thoroughly as possible. We will uphold the core value – focus, agility, and competitiveness. We continue to grow to be the leading vendor of AI margin calculation.

Today, we would like to express our appreciation to you all, for taking the time to participate in the annual general meeting despite your busy schedule. Finally, we hope that all you will continue to support, encourage, and provide suggestions to our Company.



Chairman: Yung-Shun Chuang

President: Chien-Hung, Lin



Chief of Accounting Officer: Jen-Chun, Wang



No. 2: Proposed by the Board

Case Summary: Audit Committee's review report of 2024. Please review.

Description: the company's "Audit Committee's review report of 2024." is as follows:

Audit Committee's Review Report of AAEON Technology Inc.

The Board of Directors has prepared the AAEON Technology Inc. ("the Company") 2024 Business Report, financial statements, and proposal for earnings distribution. The CPA firm of PwC was retained to audit the Company's financial statements and has issued an audit report relating to financial statements. The above Business Report, financial statements, and earnings distribution proposal have been examined and determined to be correct and accurate by the Audit Committee of AAEON Technology Inc. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Law, we hereby submit this report.

AAEON Technology Inc.

Chairman of the Audit Committee: Mrs. Shioulian Lin 未本意

February 27, 2025

## No. 3: Proposed by the Board

Case Summary: Report of Directors' Compensation and Employees' Compensation for 2024. Please review.

Description:

- 1. Pursuant to Article 23 of the company's bylaws: If there are any remaining earnings after offsetting the accumulated loss against the annual profit (profits before tax and expenses for distributing the employee's compensation and the director's compensation), the company shall appropriate no less than 5% as the employee's compensation and no more than 1% as the director's remuneration.
- 2. The company's 2024 profit is NT\$1,199,488,199. It is proposed to appropriate 7.29% as the employee's compensation, NT\$87,389,000 in total and 0.80% as the director's remuneration, NT\$9,630,000 in total. The payment will be made in cash. The appropriated amount is consistent with the budgeted expenditure of 2024.
- 3. The employee's compensation will only be paid to the employees of the company and our affiliates. The paid amount is based on the individual's year of service, job level, work performance, overall contribution or special achievement. The Chairman is fully authorized to handle the determinations of employee qualification subject to the foregoing amount.

## No. 4: Proposed by the Board

Case Summary: Amendment to the Company's Procedures for Ethical Management and

Guidelines for Conduct. Please review.

Description: In compliance with the Ethical Corporate Management Best Practice Principles

for TWSE/GTSM Listed Companies, the relevant Procedures for Ethical Management and Guidelines for Conduct have been amended accordingly. Please refer to Appendix 1 of this handbook for the comparison table of amendments.

## Adoption Items

## No. 1: Proposed by the Board

Case Summary: To adopt 2024 Business Report and Financial Statements.

Description:

- 1. The Board of Director has resolved on the company's 2024 operating report and financial statements on February 27, 2025. Among the others, the financial statements are audited by PwC CPAs, Shu-ching, Chang and Chun-Yao Lin; the Audit Committee has reviewed and issued the review report thereof.
- 2. The operating report is on pages 3 to 5 of this brochure. The CPA audit report and financial statements are attached as Appendix 2.

Resolution:

## No. 2: Proposed by the Board

Case Summary: To adopt the proposal for distribution of 2024 profits.

Description: pursuant to Article 23-1 of the company's bylaws, the proposal of 2024 surplus distribution is as attached schedule and explained as follows:

- 1. By adding the retained earnings from the previous year, NT\$199,229,227, to the company's net profit after tax of 2024, NT\$966,876,947, the total distributable surplus of the current period is NT\$1,062,418,479. After appropriating the legal reserve NT\$96,687,695, it is proposed to distribute NT\$872,673,788 as shareholder bonus in cash.
- 2. Cash dividends are distributed pro-rated until dollar. Any amount less than one dollar is eliminated. The total amount of fragmented dividends is recognized as the company's other income.
- 3. It is proposed that the general meeting should authorized the Chairman to have the full power not exceeding the above distribution amount if the distribution ratio has to be revised due to the changes in outstanding shares under this surplus distribution plan.
- 4. After this proposal is approved by the general meeting, the Chairman should be authorized to determine the record date and the payable date.

	黑小宝小哥	
AAEO	N Technology	Inc.
Statement	of Retained I	Earnings
	2024 市市	

Item	Amount (in NT\$)
Opening undistributed earnings	192,229,227
Current year net income after tax	966,876,947
The effects of long-term investments not recognized by shareholding percentage	0
Share-based payment	0
Profit after tax of current year and undistributed earnings other than profit after tax	966,876,947
Legal reserve appropriated	(96,687,695)
Special reserve reversed (appropriated)	0
Earnings to be allocated	1,062,418,479
Earnings distribution:	
Shareholder Bonus (NT\$5.15 per share in cash) (Note 1)	(872,673,788)
Closing undistributed earnings	189,744,691

Note 1: Calculated based on 169,451,221 outstanding shares on December 31, 2024.

Chairman:



Manager



**Accounting Supervisor:** 



## Discussion Items

## No. 1: Proposed by the Board

Proposal: Amendments to the Articles of Incorporation are submitted for resolution.

Details: We made amendments to part of the provisions of the Articles of Incorporation in response to the actual business needs. The comparison table of the provisions before and after the amendments is as follows:

Clauses after the amendment	Clauses before the amendment	Notes
Article 6	Article 6	Amended to meet the
The Company's total capital is	The Company's total capital is	Company's
NT\$ 2.5 billion, divided into	NT\$ 2 billion, divided into 200	requirements for future
250 million common shares	million common shares with a	growth.
with a par value of NT\$10. The	par value of NT\$10. The Board	growin.
Board of Directors is	of Directors is authorized to	
authorized to issue the shares in	issue the shares in different	
different times.	times.	
The company reserves NT\$ 50	The company reserves NT\$ 50	
million of the capital in the first	million of the capital in the first	
paragraph for issuing 5 million	paragraph for issuing 5 million	
shares with a par value of	shares with a par value of	
NT\$10 under the employee	NT\$10 under the employee	
stock option scheme. The	stock option scheme. The	
Board of Directors may resolve	Board of Directors may resolve	
to issue the shares in different	to issue the shares in different	
	times.	
times. Article 23	Article 23	Amended in accordance
If there is any remaining	If there is any remaining	with Paragraph 6, Article 14 of the
earnings after offsetting the	earnings after offsetting the	
accumulated loss against the	accumulated loss against the	Securities and
annual profit (profits before tax	annual profit (profits before tax	Exchange Act.
and expenses for distributing	and expenses for distributing	
employee compensation and	employee compensation and	
director compensation), the	director compensation), the	
company shall appropriate no	company shall appropriate no	
less than 5% as employee	less than 5% as employee	
compensation and no more than	compensation and no more than	
1% as director remuneration.	1% as director remuneration.	
No less than 20% of the		
aforementioned employee		
compensation shall be reserved		
for entry-level employees.		
Qualification requirements of	Qualification requirements of	
the employees who are entitled	the employees who are entitled	
to receive the employees'	to receive the employees'	
compensation may be specified	compensation may be specified	
by the Board of Directors.	by the Board of Directors.	
Article 25	Article 25	
These Articles were made on	These Articles were made on	Update instructions in
November 22, 2010.	November 22, 2010.	conjunction with this

The first amendment The first amendment and modification. and reinstatement reinstatement are made on are made on December 24, 2010. December 24, 2010. second amendment second amendment and The and reinstatement are made on June 2, reinstatement are made on June 2, 2011. 2011. The third amendment and The third amendment and reinstatement are made on June reinstatement are made on June 25, 2015. 25, 2015. fourth The amendment The fourth amendment and and reinstatement are made on April 1, reinstatement are made on April 2016. 1, 2016. The fifth fifth amendment and The amendment and reinstatement are made on June reinstatement are made on June 30, 2016. 30, 2016. The sixth amendment The sixth amendment and and reinstatement are made on June reinstatement are made on June 27, 2017. 27, 2017. The seventh amendment The seventh amendment and and reinstatement are made on July reinstatement are made on July 30, 2018. 30, 2018. The eighth amendment and The eighth amendment reinstatement are made on Mav reinstatement are made on May 31, 2023. 31, 2023. ninth The ninth amendment The amendment and reinstatement are made on May reinstatement are made on May

29, 2024.

and

## Resolution:

29, 2025.

29, 2024.

The tenth amendment

reinstatement are made on May

## **Election Items**

No. 1: Proposed by the Board

Proposal: Election of Directors.

### Details:

- 1 The tenure of the fifth term of the Company's directors will end on May 26, 2025. It is proposed to re-elect directors at the 2025 general meeting of shareholders. The old directors will be dismissed when the new directors take office.
- 2. Eight directors will be elected for the sixth term at this time, including four independent directors. The election of directors is conducted based on a candidate nomination system, and shareholders shall elect directors from the list of director candidates.
- 3. The new directors will take office immediately after the 2025 general meeting of shareholders for a term of three years from May 29, 2025, to May 28, 2028.
- 4. The list of director candidates has been reviewed and approved by the Board of Directors on April 15, 2025. The information on the director candidates is as follows:

Name Vung-Shun	Education  Honorary Doctorate in	Experience	Incumbent Chairman of	Shareholding 4,739,647	person represented
Chuang	Engineering National Taiwan University of Science and Technology	AAEON Technology Inc.	AAEON Technology Inc.	1,732,017	Investment Co., Ltd.
Chien-Hung, ,Lin	MS in Electrical Engineering National Taiwan University	Vice Sales Manager of HP / Agilent President of Advantech Co., Ltd. (Europe Region) Vice President of Advantech Co., Ltd.	President of AAEON Technology Inc.	4,739,647	Jui Hai Investment Co., Ltd.
Fu-Chieh, Chuang	Master's Degree from Carnegie Mellon University, USA	President of QQE TECHNOLOGY CO., LTD. Vice President of EVERFOCUS ELECTRONICS CORP.	President of QQE TECHNOLOGY CO., LTD. Vice President of EVERFOCUS ELECTRONICS CORP.	4,739,647	Jui Hai Investment Co., Ltd.
Jonny Shih	MBA of National Chiao Tung University	Chairman of ASUS	Chairman of ASUS	45,933,118	ASUSTeK Computer Inc.
Jonathan Tsang	MBA of Houston University	President of ASUS	President of ASUS	45,933,118	ASUSTeK Computer Inc.
S.Y. Hsu	EMBA, National Taiwan University / Fudan University	Co-CEO of ASUS	Co-CEO of ASUS	45,933,118	ASUSTeK Computer Inc.

					The name of
Name	Name Education	E-maniana.	Incumbent	Shareholding	the legal
Name	Education	Experience	meumoem	Shareholding	person
					represented
Chia-Fu, Le	Department of	Deputy Manager,	President of IBASE	43,773,212	IBASE
e	Electrical	Research and	Technology Inc.		Technology
	Engineering, Feng	Development			Inc.
	Chia University	Department, Micron			
		Communications			
		Group Co., Ltd			
Yu-Nan,	Electronics	Senior Manager,	Director of IBASE	43,773,212	IBASE
Chen	Department of	Research and	Technology Inc.		Technology
	Hungkuo Delin	Development			Inc.
	University of	Department, Micron			
	Technology	Communications			
		Group Co., Ltd.			

5. The list of independent director candidates has been reviewed and approved by the Board of Directors on April 15, 2025. The information on the independent director candidates is as follows:

Name	Education	Experience	Incumbent	Shareholding
Kun-Chih, Chen	Ph.D., University of Southern California	Assistant Professor, Singapore Management University Associate Professor, National Taiwan	Assistant Professor, Singapore Management University Associate Professor, National Taiwan	0
		University	University	
Daho Yen	LL.M,The Methodist University of U.S.A	The Deputy Minister of Ministry of Justice The Attorney General of The Highest Prosecutors Office	Director of Taishin Charity Foundation	0
Xiulian Lin	Drexel University Research Institute Department of Accounting, National Taiwan University	Partner of Deloitte United Accounting Firm	Director of Pinyou United Accounting Firm Director of Pinyou Real Estate Appraiser Office Director of Chengxin Land and Political Bureau Chairman of Human Management Consulting Co., Ltd.	0
R.T. Tsai	Bachelor of Business Administration, Wisconsin State University, USA	Vice President, Delta Electronics, Inc. Advisory Committee Member, Energy Research Center, National Taiwan University Advisory Committee Member, Joint Research Center, National Central University Executive Director, Taiwan External Trade	Honorary Chairman, Taiwan Listed Companies Association Board Member and Advisor, Taiwan Electrical and Electronic Manufacturers' Association (TEEMA) Board Director, Liver Disease Prevention & Treatment Research	0

Name	Education	Experience	Incumbent	Shareholding
		Development Council	Foundation	
		Executive Director,	Advisor, East Asian	
		Chinese Association for	Economic Association	
		Corporate Ethics		
		Education		
		Representative Director,		
		Delta Electronics (Japan),		
		Inc.		

## 6. Motion for Election

Election Results:

## Other Motion

## No. 1: Proposed by the Board

Proposal: Discussion to approve the lifting of non-competition restrictions for directors.

### Details:

- 1. The Company plans to re-elect directors at the 2025 general meeting of shareholders, and elect twelve directors for the sixth term, including four independent directors.
- 2. As per Article 209 of the Company Act, it is proposed to remove the non-compete clause for new directors on the precondition that a director acts for themselves or others within the Company's business scope to meet the needs on the ground without undermining the Company's interests.
- 3. After the director and independent director candidates have been elected, it is proposed to remove the non-compete clause for them. The relevant competition situations are as follows:

Title	Name	Concurrent positions in other c	ompanies
Director	Jui Hai Investment	ONYX HEALTHCARE INC., ONYX	Chairman
	Co., Ltd.	HEALTHCARE (SHANGHAI) LTD,	
	Representative:	iHELPER Inc., JETWAY	
	Yung-Shun,	INFORMATION CO., LTD., YanXin	
	Chuang	Investment Co., Ltd., Fu Li Investment	
		Co., Ltd., EverFocus Co., Ltd, ATECH	
		OEM INC., QQE TECHNOLOGY	
		CO., LTD., ONYX Healthcare USA,	
		Inc., ONYX Healthcare Europe B.V,	
		JET WAY COMPUTER CORP, JET	
		WAY COMPUTER B.V., JET WAY	
		(FAR EAST)INFORMATION	
		COMPANY LIMITED, TOP NOVEL	
		ENTERPRISE CORP., SCORETIME	
		INVESTMENT LIMITED., CANDID	
		INTERNATIONAL CORP.	
		AAEON EDUCATION	Director
		FOUNDATION, China University of	
		Technology, Foundation, Qi Ye	
		Electronics (Dong Wan) Co., Ltd., Dan	
		Yang Qi Ye Technology	
		Co., Ltd., LITEMAX ELECTRONICS	
		INC., Litemax Technology, Inc., King	
		Core Electronics Inc., Allied Biotech	
		Corp., MACHVISION,INC., Co., Ltd.,	
		Xac Automation Corp., CHC Healthcare	
		Group, Top Union Electronics Corp.,	
		Top Union (SuZhou) Co., Ltd., Allied	
		Oriental International Ltd., Mcfees	
		Group Inc., Feng Xin Venture Capital	

Title	Name	Concurrent positions in other of	companies
		Co., IBASE Technology Inc.,	
		WINMATE INC., PROTECTLIFE	
		INTERNATIONAL BIOMEDICAL	
		INC.	
		TAIFLEX SCIENTIFIC CO., LTD.	Independent
		ŕ	Director
Director	Jui Hai Investment	ONYX HEALTHCARE INC.	Director
	Co., Ltd.	JETWAY INFORMATION CO., LTD.	President
	Representative:		
	Chien-Hung, Lin		
Director	Jui Hai Investment	ATECH TECHNOLOGY	Chairman
Birector	Co., Ltd.	(SAMOA) LTD. \ Growing Profits	
	Representative:	Group Limited • Outstanding	
	Fu-Chieh, Chuang	Electronics Manufacturer Group	
		Co., Ltd.	
		OMA-LIGHTING CO., LTD., Tronfone	Director
			Director
		Information Co., Ltd., QQE	
		TECHNOLOGY CO., LTD., Zhenyu	
		Investment Co., Ltd., YanXin	
		Investment Co., Ltd., Opto Intelligence	
		Co., Ltd., LINKENCE	
		TECHNOLOGIES INC., WINMATE	
		INC., Dunpin No.1 Innovation	
		Investment Co., Ltd., ATECH	
		TECHNOLOGY (SAMOA) LTD.,	
		Growing Profits Group Limited,	
		Outstanding Electronics Manufacturer	
		Group Co., Ltd.	
Director	ASUSTeK	ASUSTEK COMPUTER INC.,	Chairman
	Computer Inc.	Hua-Cheng Venture Capital Corp.,	
	Representative:	Hua-Min Investment Co., Ltd.,	
	Jonny Shih	ASUSTOR INC., ASUS	
		INTERNATIONAL LIMITED,	
		CHANNEL PILOT LIMITED.	
		ASKEY, SHINEWAVE	Director
		INTERNATIONAL INC., ASUS	
		TECHNOLOGY INCORPORATION,	
		iMotion Group Inc., Youngmen	
		Computer Co., Ltd., Ming-Chun	
		Computer, eCrowd Media, Inc., GAIUS	
		AUTOMOTIVE INC.	
Director	ASUSTeK	ASUSTEK COMPUTER INC.,	Director
	Computer Inc.	UNIMAX ELECTRONICS INC.,	
	Representative:	Hua-Cheng Venture Capital Corp.,	
	representative.	1144 Chong remain Capital Corp.,	<u> </u>

Title	Name	Concurrent positions in other companies	
	Jonathan Tsang	Hua-Min Investment Co., Ltd., KARTIGEN BIOMEDICINE INC.	
Director	ASUSTeK	UPI Semiconductor Corp.	Chairman
	Computer Inc. Representative: S.Y. Hsu	ASUSTEK COMPUTER INC., Hua-Cheng Venture Capital Corp., APAQ TECHNOLOGY CO., LTD., ASUS COMPUTER INTERNATIONAL.	Director
Director	IBASE Technology Inc. Representative: Chia-Fu, Lee	NOVAKON CO., LTD.	Director
Director	IBASE	IBASE Technology Inc., IBASE Japan.	Director
	Technology Inc. Representative: Yu-Nan, Chen	IBT	Representative
Independent Director	Kun-Chih, Chen	Cowealth Medical Holding Co., Ltd.	Independent Director
Independent	Daho Yen	Tatung Company	Director
Director		TAIPEI STAR BANK, SYNCMOLD ENTERPRISE CORP., Taiwan FamilyMart.Co., Ltd.	Independent Director
Independent Director	Xiulian Lin	1 Production Film Co., CHINA MOTOR CORPORATION, uPI Semiconductor Corp.	Independent Director
Independent	R.T. Tsai	COTA Commercial Bank	Executive Director
Director		GLOBAL TEK FABRICATION CO., Ltd., SHINE TREND International Multimedia Technology CO., LTD., GRAND HALL ENTERPRISE CO., LTD.	Independent Director

Resol	lution:
I/CSO	luuon.

Extemporal motions.

Adjournment

## Appendix

## AAEON Technology Inc. Comparison Table of Procedures for Ethical Management and Guidelines for Conduct

#### Clauses after the amendment Clauses before the amendment Notes Article 5 Article 5 (Responsible Unit and Duties) (Responsible Unit and Duties) Amended to keep in line with This Corporation shall designate This Corporation shall designate Ethical Corporate the the Chairman's Office as the the Chairman's Office as the Management solely responsible unit solely responsible unit Best-Practice **Principles** for (hereinafter, "responsible unit") (hereinafter, "responsible unit") TWSE/GTSM Listed under the board of directors and under the board of directors and Companies: The preface has been amended provide it with sufficient provide it with sufficient to accommodate Article 17, resources and competent resources and competent stipulates personnel to be in charge of the personnel to be in charge of the that implementation, amendment, amendment, implementation, dedicated unit shall be provided interpretation, and interpretation, and with adequate resources and advisorv advisorv services with services with respect qualified personnel, and that the respect these **Procedures** these **Procedures** unit's frequency of reporting to and and Guidelines, the recording and Guidelines, the recording and the Board of Directors shall be filing of reports, and filing of reports, at least once a year. and monitoring of implementation. monitoring of implementation. The current Subparagraph 2 is The responsible unit shall be in The responsible unit shall be in and moved amended charge of the following matters charge of the following matters accommodate Article 17, which and also submit regular reports and also submit regular reports specifies that the dedicated unit to the board of directors: (at least once a year) to the mainly responsible board of directors: analyzing and assessing the risk Assisting in incorporating 1. of unethical conduct within the Assisting in incorporating ethics and moral values scope of business on a regular ethics and moral values into this Corporation's into this Corporation's basis. business strategy and business strategy and Subparagraph 7 is added to accommodate Article 8, which adopting appropriate adopting appropriate prevention documents prevention measures measures prescribes that against corruption and against corruption and covering the information about declaration. malfeasance ensure malfeasance ensure any policy, to to ethical ethical commitment management in management in and compliance compliance implementation of ethical with with the requirements of laws and requirements of laws and corporate management shall be prepared and retained properly. regulations. regulations. 2. Analysing and assessing 2. Adopting programs the risks of unethical prevent unethical conduct within and setting out in each conduct business scope on a regular program the standard basis and accordingly operating procedures and adopting programs conduct guidelines with prevent unethical conduct respect to this and setting out in each Corporation's operations standard and business. program the operating procedures and

conduct guidelines with

- respect this to Corporation's operations and business.
- 3. Planning the internal organization, structure, and allocation responsibilities and setting up check-and-balance mechanisms for mutual supervision of the business activities within business scope which are possibly at a higher risk for unethical conduct.
- 4. **Promoting** and coordinating awareness and educational activities with respect to ethics policy.
- 5. Developing whistle-blowing system and ensuring its operating effectiveness.
- Assisting the board of 6. directors and management in auditing and assessing whether the prevention measures taken for the purpose of implementing ethical management are effectively operating, and preparing reports on the regular assessment of compliance with ethical management in operating procedures.
- Preparing and retaining 7. properly documented information such as ethical management policy and compliance statements, situations concerning the performance undertakings and enforcement etc.

- Planning the internal organization, structure, and allocation responsibilities and setting check-and-balance mechanisms for mutual supervision of the business activities within business scope which are possibly at a higher risk for unethical conduct.
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Article 11 (Recusal) When a director, supervisor,

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The description of Paragraph 1 of this article is amended to officer or other stakeholder of officer or other stakeholder of keep in line with Paragraph 1,

this Corporation attending or present at a board meeting, or the juristic person represented thereby, has a stake in a matter under discussion in the meeting that director. supervisor, officer or stakeholder shall state the important aspects of the stake in the meeting and, where there is a likelihood that the interests of Corporation would prejudiced, may not participate in the discussion or vote on that proposal, shall recuse himself or herself from any discussion and voting, and may not exercise voting rights as proxy on behalf of another director. The directors shall exercise discipline among themselves, and may not support each other in an inappropriate manner. Where the spouse, a blood

relative within the second degree of kinship of a director, or any company which has a controlling or subordinate relation with a director has interests in the matters under discussion in the meeting of the preceding paragraph, director shall be deemed to have a personal interest in the matter. If in the course of conducting company business. personnel of this Corporation discovers that potential a conflict of interest exists involving themselves or the juristic person thev that represent, or that they or their spouse, parents, children, or a person with whom they have a relationship of interest is likely to obtain improper benefits, the personnel shall report the relevant matters to both his or her immediate supervisor and the responsible unit, and the immediate supervisor shall this Corporation attending or present at a board meeting, or the juristic person represented thereby, has a stake in a proposal at the meeting, that director, supervisor, officer or stakeholder shall state important aspects of the stake in the meeting and, where there is a likelihood that the interests of Corporation would prejudiced, may not participate in the discussion or vote on that proposal, shall recuse himself or herself from any discussion and voting, and may not exercise voting rights as proxy on behalf of another director. The directors shall exercise discipline among themselves, and may not support each other in an inappropriate manner.

If in the course of conducting company business. personnel of this Corporation discovers that a potential of conflict interest exists involving themselves or the juristic person thev that represent, or that they or their spouse, parents, children, or a person with whom they have a relationship of interest is likely to obtain improper benefits, the personnel shall report the relevant matters to both his or her immediate supervisor and the responsible unit, and the immediate supervisor shall Article 16 of the Regulations Governing Procedure for Board of Directors Meetings of Public Companies.

Paragraph 2 of this article is added to align with Paragraph 3 of Article 206 of the Company Act, which specifies that when the spouse of a director, a blood relative within the second degree of kinship of a director, or any company that has a controlling or subordinate relationship with a director has interests in the matters under discussion in the board meeting, such director shall be deemed to have a personal interest in the matter.

provide the personnel with proper instructions.

No personnel of this Corporation may use company resources on commercial activities other than those of this Corporation, nor may personnel's job performance be affected bv his or her involvement in the commercial activities other than those of this Corporation.

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No personnel of this Corporation may use company resources on commercial activities other than those of this Corporation, nor may personnel's job performance be affected bv his or involvement in the commercial activities other than those of this Corporation.

Article 13

(Intellectual Property Compliance and Prohibition against Unfair Competition)

All personnel of this Corporation shall faithfully follow the operational directions pertaining intellectual to properties as mentioned in the preceding paragraph and may not disclose to any other party any trade secrets, trademarks, patents, works, and other intellectual properties of this Corporation of which they have learned, nor may they inquire about or collect any trade secrets, trademarks, patents, and other intellectual properties of this Corporation unrelated to their individual duties.

Article 13

(Compliance with Intellectual Property Regulations and Non-disclosure of Trade Secrets)

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The title of this article is amended to keep in line with Article 15 of the Ethical Corporate Management Best-Practice Principles for TWSE/GTSM Listed Companies, which prohibits unfair competitive behaviors.

Article 14

(Prevention of Damage Caused by Products and Services to Stakeholders)

This Corporation shall collect and understand the applicable laws and regulations and international standards governing its products and services which it shall observe and gather and publish all guidelines to cause personnel of this Corporation to ensure the transparency of information about, and safety of, products and services in the course of their research and development, procurement, manufacture, provision, or sale of products and services.

This Corporation shall adopt and publish on its website a policy on the protection of the rights and interests consumers or other stakeholders to prevent its products and services from directly indirectly damaging the rights and interests, health, and safety consumers of or other stakeholders.

Where there are media reports, or sufficient facts to determine, that this Corporation's products or services are likely to pose any hazard to the safety and health of consumers or other stakeholders, this Corporation shall, within thirty days, recall those products or suspend the services, verify the facts and present a review and improvement plan.

The responsible unit of this Corporation shall report the event as in the preceding paragraph, actions taken, and subsequent reviews and corrective measures taken to the board of directors.

Article 14

(Ensuring the Transparency and Security of Product and Service Information)

This Corporation shall collect and understand the applicable laws and regulations and international standards governing its products and services which it shall observe and gather and publish all guidelines to cause personnel of this Corporation to ensure the transparency of information about, and safety of, products and services in the course of their research and development, procurement, manufacture, provision, or sale of products and services.

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The responsible unit of this Corporation shall report the event as in the preceding paragraph, actions taken, and subsequent reviews and corrective measures taken to the board of directors.

The title of this article has been amended to align with Article 16 of the Ethical Corporate Management

Best-Practice Principles for TWSE/GTSM Listed Companies, which outlines the rules regarding the prevention of harm to stakeholders from products or services.

Article 16
(Compliance and Announcement of Policy of Ethical Management)

This Corporation shall request its directors and senior management to issue a statement of compliance with the ethical management policy and require in the terms of employment that employees comply with such policy.

This Corporation shall disclose its policy of ethical management in its internal rules, annual reports, on the company's websites, and other promotional materials, and shall make timely announcements of the policy in events held for outside parties such as product launches and investor press conferences, in order to make its suppliers, customers, and other business-related institutions and personnel fully aware of its principles and rules with respect to ethical management.

Article 21

(Handling of Unethical Conduct by Personnel of this Corporation)

As an incentive to insiders and outsiders for informing unethical or unseemly conduct, this Corporation will grant a reward of not more than NT\$100,000 depending seriousness of the circumstance concerned. Insiders having made a false report or malicious accusation shall be subject to disciplinary action and be removed from office if the circumstance concerned material.

This Corporation shall internally establish and publicly announce on its website and the

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This Corporation shall internally establish and publicly announce on its website and the

Paragraph 1 of this article has been added, and the title of this article has been amended to align with Article 8 of the Ethical Corporate Management Best-Practice Principles TWSE/GTSM Listed Companies, which stipulates that listed companies shall require their directors senior management to issue a statement of compliance with ethical corporate management policy, and that the employment terms shall include provisions requiring employees' compliance with the said policy.

Subparagraph 1 of Paragraph 2, the description in Paragraph 4, and Subparagraph 3 of the same paragraph in this article are amended to align with Article 23 of the Ethical Corporate Management

Best-Practice Principles for TWSE/GTSM Listed Companies, which allows for anonymous reporting and requires appropriate actions to be taken following the investigation of the reported incidents.

intranet, or provide through an independent external institution, an independent mailbox or hotline, for insiders and outsiders of this Corporation to submit reports. A whistleblower shall at least furnish the following information:

- 1. the whistleblower's name and I.D. number (whistleblowing reports may be submitted anonymously), and an address, telephone number and e-mail address where it can be reached.
- 2. the informed party's name or other information sufficient to distinguish its identifying features.
- 3. specific facts available for investigation.

Personnel of this Corporation handling whistle-blowing matters shall represent in writing they will keep whistleblowers' identity information contents of confidential. This Corporation also undertakes to protect the whistleblowers from improper due their treatment to whistleblowing.

The responsible unit of this Corporation shall observe the following procedure in handling whistleblowing matters:

- An information shall be reported to the department head if involving the rank and file and to independent director or supervisor if involving a director or a senior executive.
- 2. The responsible unit of this Corporation and the department head or personnel being reported to in the preceding

intranet, or provide through an independent external institution, an independent mailbox or hotline, for insiders and outsiders of this Corporation to submit reports. A whistleblower shall at least furnish the following information:

- 1. the whistleblower's name and I.D. number, and an address, telephone number and e-mail address where it can be reached.
- 2. the informed party's name or other information sufficient to distinguish its identifying features.
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- 1. An information shall be reported to the department head if involving the rank and file and to independent director or supervisor if involving a director or a senior executive.
- 2. The responsible unit of this Corporation and the department head or personnel being reported to in the preceding

- subparagraph shall immediately verify the facts and, where necessary, with the assistance of the legal compliance or other related department.
- If a person being informed of is confirmed to have indeed violated the applicable laws and regulations or this Corporation's policy and regulations ethical of management, this Corporation shall immediately require the violator cease the to conduct and shall make an appropriate disposition. When necessary, this Corporation will report to the competent authority, refer said person to judicial authority for investigation, institute legal proceedings and seek damages to safeguard its reputation and its rights and interests.
- 4. Documentation of case acceptance, investigation processes and investigation results shall be retained for five years and may be retained electronically. In the event of a suit in respect of the whistleblowing case before retention period expires, the relevant information shall continue to be retained until the conclusion of the litigation.
- 5. With respect to a confirmed information, this Corporation shall charge relevant units with the task of reviewing the internal control system and relevant procedures and proposing

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- 3. If a person being informed of is confirmed to have indeed violated the applicable laws and regulations or this Corporation's policy and regulations ethical of management, this Corporation shall immediately require the violator cease the conduct and shall make an disposition. appropriate When necessary, this Corporation will institute legal proceedings and seek damages to safeguard its reputation and its rights and interests.
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- 5. With respect to a confirmed information, this Corporation shall charge relevant units with the task of reviewing the internal control system and relevant procedures and proposing

- corrective measures to prevent recurrence.
- 6. The responsible unit of this Corporation shall submit to the board of directors a report on the whistleblowing case, actions taken, and subsequent reviews and corrective measures.
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Article 23

(Internal Awareness Sessions and Establishment of a System for Rewards, Penalties, and Complaints, and Related Disciplinary Measures)

The responsible unit of this Corporation shall organize 1 awareness sessions each year and arrange for the chairperson, general manager, or senior management to communicate the importance of ethics to its directors, employees, and mandataries.

This Corporation shall link ethical management to employee performance evaluations and human resources policy, and establish clear and effective systems for rewards, penalties, and complaints.

If any personnel of this Corporation seriously violates ethical conduct, this Corporation shall dismiss the personnel from his or her position or terminate his or her employment in accordance with applicable laws and regulations or the personnel policy and procedures of this Corporation. This Corporation shall disclose

This Corporation shall disclose on its intranet information the name and title of the violator, the date and details of the violation, and the actions taken in response. Article 23

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The title of this article is amended as Paragraph 1 is about internal dissemination.

Article 24 (Enforcement)

These Procedures and Guidelines, and any amendments hereto, shall be implemented after adoption by resolution of the board of directors, and shall be delivered to each supervisor and reported to the shareholders meeting.

When these Procedures and Guidelines are submitted to the of directors board discussion, each independent director's opinions shall be taken into full consideration, and their objections and reservations expressed shall be recorded in the minutes of the board of directors meeting. An independent director that is unable to attend a board meeting in person to express objection or reservation shall provide a written opinion before the board meeting unless there is a legitimate reason to do otherwise, and the opinion shall be recorded in the minutes of the board of directors meeting. The Guideline was created on April 29, 2016, first amended on August 8, 2016, and most recently revised on February 29, 2024.

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Update instructions in conjunction with this modification.

#### INDEPENDENT AUDITORS' REPORT

(2025) Tsai-Shen-Bao-Tzi No.24003483

To the Board of Directors and Shareholders of AAEON Technology Inc.:

## **Opinion**

We have audited the accompanying consolidated balance sheets of AAEON Technology Inc. and its subsidiaries (the "Group") as of December 31, 2024 and 2023, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years ended December 31, 2024 and 2023, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of the other independent auditors, (please refer to the "Other Matters"), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024, and 2023, and its consolidated financial performance and its consolidated cash flows for the years ended December 31, 2024 and 2023 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

## **Basis for opinion**

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Independent Auditors' Responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountants in the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audits and the reports of the other independent auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audits of the Group's 2024 consolidated financial statements. These matters were addressed in the context of our audits of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's consolidated financial statements in the current period are stated as follows:

#### Existence of sales revenue

### Description

Refer to Note 4(31) for the accounting policies on revenue recognition, and Note 6(19) for the details of operating revenue.

The Group is primarily engaged in the design, manufacturing, and sale of industrial computers and peripherals. As product project orders are susceptible to the product project cycles of customers, efforts are required to explore new markets and undertake new project orders. Therefore, the revenue from products may vary due to market trends in each period. Referring to industry reports and information from peers, the overall market trend has declined this period, while revenue from certain products has grown significantly. Consequently, we consider the existence of the

aforementioned sales revenue as one of the most important audit matters for the current year.

#### How our audit addressed the matter

We have performed primary audit procedures for the above matter as follows:

- 1. Assess and test the financial statements, the internal control procedures of sales transactions are based on the Group's internal control system.
- Acquire and sample-check relevant documents of the aforementioned sales revenue transactions to confirm that customers have obtained control of the goods and assumed the risks of the goods before recognizing revenue.

#### **Evaluation of inventories**

### **Description**

Refer to Note 4(14) for the accounting policies on the evaluation of inventories; Note 5 for the uncertainty of accounting estimate and assumptions for evaluation of inventories, and Note 6(5) for the details of inventory.

The Group is primarily engaged in design, manufacturing and sales of industrial computers, medical computers and peripherals. Given long production cycle of industrial computer and medical computer products, some products or spare parts have long inventory period due to long-term supply and maintenance needs of customers. The order adjustments or lower-than-expected market conditions may lead to fluctuations in product prices or low inventory correction, which may result in higher risk in inventory devaluation or obsolescence. The Group's inventories are measured at the lower of inventory cost and net realizable value. For the inventories that exceeds its age and are individually identified to be out of date and obsolete, losses based on the policy of allowance for inventory impairment are recognized through individual assessment.

Corresponding the sales market and development strategies, the Group readily adjusts its stocking demands, with significant inventory balances as industrial computers and medical computers are the main products. In addition, given high uncertainty from the management's subjective estimates on the net realizable value used in evaluating obsolete inventories, the allowance for inventory devaluation is listed as one of the key audit matters.

### How our audit addressed the matter

We have performed primary audit procedures for the above matter as follows:

- 1. Assess the policy on allowance for inventory valuation loss based on our understanding of the operations and industry of the Group.
- 2. Inspect the managements individually identified out-of-date inventory list and checked the related supporting documents.
- 3. Test the basis of market value used in calculating the net realizable valued of inventory and validated the accuracy of net realizable value calculation of selected samples.

#### Other matters – Reference to the audits of other independent auditors

We did not audit the financial statement of certain investments accounted for under equity method. These investments accounted for under equity method amountded to \$4,021,229 thousand and \$4,104,236 thousand, constituting 28.07% and 28.55% of total assets as of December 31, 2024 and 2023, respectively, and the comprehensive income of subsidiaries, associates, and joint ventures accounted for under equity method amounted to \$189,468 thousand and \$261,687 thousand, respectively, constituting for 15.19% and 21.21% of total comprehensive income for the years ended December 31,2024 and 2023 respectively. The financial statements of these investments

accounted for under equity method were audited by other independent auditors whose reports thereon have been furnished to us and our opinion expressed herein, insofar as it relates to the amounts included in the separate financial statements and information disclosed relative to these investments, is based solely on the reports of other independent auditors.

## Other matters - Parent company only financial reports

We have audited and expressed an unmodified opinion with Other Matters section on the parent company only financial statements of AAEON Technology Inc. as of and for the years ended December 31, 2024 and 2023.

## Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the requirements of the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, as endorsed by Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the Audit Committee, are responsible for overseeing the Group's financial reporting process.

## Independent auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

As part of an audit in accordance with Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

- 1. Identify and assess the risks of material misstatement of the consolidated 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. Obtain 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 Group's internal control.
- 3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 4. Conclude 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

- 5. related to events or conditions that may cast significant doubt on the ability to continue as a going concern of the Group and its subsidiaries. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated 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 auditor's report. However, future events or conditions may cause the Group and its subsidiaries to cease to continue as a going concern.
- 6. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the accompanying notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 7. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group 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 communicate 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 identify during our audits.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate 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 determine those matters that were of most significance in the audit of 2024 consolidated financial statements and are therefore the key audit matters. We describe these matters in our auditor's 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.

PwC Taiwan Certified Public Accountant

Chang, Shu-Chiung

Lin, Chun-Yao

(Formerly known as) Financial Supervisory Commission, Executive

Approval reference: FSC No. 0990042602

(Formerly known as) Securities and Futures Commission, The Ministry of Finance

Approval reference: (85) Taiwan Finance Certificate (6) No. 68702

February 27, 2025

### Note to Readers

The accompanying consolidated financial statements are intended only to present the Consolidated statement of financial position, financial performance and cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdoctions. The standards, procedures and practices to audit such consolidated financial statements are those generally accepted and applied in the Republic of China.

The independent auditors' report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and consolidated financial statements, the Chinese version shall prevail.



			 December 31, 2024			December 31, 2023		
	Assets	Notes	 Amount			Amount		
	Current asset							
1100	Cash and cash equivalents	6. (1)	\$ 4,270,200	30	\$	4,347,976	30	
1110	Financial asset at fair value through	6. (2)						
	profit or loss - current		625,020	4		423,284	3	
1136	Financial assets measured as	8						
	amortized cost-current		90,552	1		62,331	1	
1150	Net notes receivable	6. (4)	45,323	_		13,400	-	
1170	Net accounts receivable	6. (4) and 7	832,074	6		919,566	6	
1200	Other receivables	7	27,186	-		17,377	-	
1220	Current tax assets		25,397	-		2,084	-	
130X	Inventories	6. (5)	1,319,736	9		1,491,105	10	
1410	Prepayments		96,765	1		105,134	1	
1479	Other current liabilities - other		 5,147		_	4,747		
11XX	Total current assets		 7,337,400	51	_	7,387,004	51	
	Non-current assets							
1510	Financial assets at fair value through	6. (2)						
	profit or loss - non-current		121.611	1		62,631	-	
1517	Financial assets at fair value through	6. (3)						
	other comprehensive income -							
	non-current		151,048	1		68,756	1	
1550	Investments accounted for under	6. (6), 7						
	equity method		4,054,764	28		4,138,921	29	
1600	Property, plant and equipment	6. (7), 7 and 8	1,388,010	10		1,519,684	11	
1755	Right-of-use assets	6. (8)		1			1	
1760	Investment property	6. (9) and 8	196,667	1		186,616	1	
			342,425	3		191,792	1	
1780	Intangible assets	6.(10) and 7	628,111	4		700,153	5	
1840	Deferred tax assets	6. (25)	70,435	1		88,741	1	
1900	Other non-current assets	8	 35,771			33,360		
15XX	Total non-current assets		 6,988,842	49		6,990,654	49	
1XXX	Total assets		\$ 14,326,242	100	\$	14,377,658	100	

(Continued)

# AAEON Technology Inc. and Subsidiaries CONSOLIDATED BALANCE SHEET DECEMBER 31, 2024 AND 2023 (Expressed In Thousands of New Taiwan Dollars)

	***	NT .	]	December 31, 2024			December 31, 2023	
-	Liabilities and equity	Notes		Amount			Amount	
2100	Current liability Short-term borrowings	6. (11) and 8						
2120	<del>-</del>	` '	\$	80,000	1	\$	27,000	-
2120	Financial liabilities at fair value through profit or loss - current	6. (2)		391	_		_	_
2130	Contract liability - current	6. (19)		233,296	2		225,564	2
2150	Notes payables	,		233,270	_		2	_
2170	Accounts payables			383,504	3		452,725	3
2180	Accounts payables-related parties	7		75,241	3		69,941	1
2200	Other payables	6. (13), and 7		667,921	5		672,350	5
2230	Current tax liabilities	. (),		60,537	3		105,243	1
2250	Provisions - current				-		· · · · · · · · · · · · · · · · · · ·	1
2280	Lease liability - current			33,790	-		41,519	-
2320	Long-term liabilities-current	6. (12), 8		63,746	_		44,717	-
2320	Portion	0. (12), 0		10,612	_		10,476	-
2399	Other current liabilities - other			41,071	_		47,941	_
21XX	Total current liabilities			1,650,109	11		1,697,478	12
	Non-current liabilities							
2527	Contract liability - non-current	6. (19)		56,211	-		58,686	-
2540	Long-term borrowings	6. (12), 8		123,947	1		134,499	1
2550	Provisions - non-current			13,359	-		14,507	-
2570	Deferred tax liabilities	6. (25)		262,468	2		230,873	2
2580	Lease liability - non-current			97,179	1		103,720	1
2670	Other non-current liabilities - other			14,502			16,500	
25XX	Total non-current liabilities			558,785	4		558,785	4
2XXX	Total liabilities			2,217,775	15		2,256,263	16
	Equity	•						
	Equity attributable to owners of parent							
	Share capital	6. (16)						
3110	Share capital-common stock	0. (10)		1,693,692	12		1,602,418	11
3140	Advance receipts for share capital			820	-		1,660	-
	Capital surplus	6. (15) (17)					,	
3200	Capital surplus			6,421,230	45		6,421,702	45
	Retained earnings	6. (18)						
3310	Legal reserve			674,628	5		577,944	4
3320 3350	Special reserve Undistributed retained earnings			12,359 1,159,106	8		12,359 1,331,564	9
3330	Other Equity			1,139,100	0		1,551,504	,
3400	Other Equity			146,554	1		62,953	_
31XX	Total equity attributable to	1		1.0,00		_	02,500	
	owners of parent			10,099,389	71		10,010,600	69
36XX	Non-controlling interests	4. (3)		2,009,078	14		2,110,795	15
3XXX	Total equity			12,108,467	85		12,121,395	84
	Significant contingent liabilities and	9						
	unrecognized contract commitments	11						
	Significant events after the balance sheet date	: 11						
3X2X	Total liabilities and equity		\$	14,326,242	100	\$	14,377,658	100
J			<del>-</del>	1.,520,212			1 .,5 / /,050	

The accompanying notes are an integral part of these consolidated financial statements. Manager: Chien-Hung Lin

Chairman: Yung-Shun Chuang

Accounting Supervisor: Jen-Chung Wang



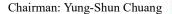
# AAEON Technology Inc. and Subsidiaries CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (Expressed In Thousands of New Taiwan Dollars, Except Earnings Per Share)

				2024		2023	
	Item	Notes		Amount	<u></u>	Amount	<u>%</u>
4000	Operating income	6. (19), 7	\$	7,186,031	100 \$	8,073,203	100
5000	Operating cost	6. (5) (23)					
		(24), and 7	(	4,607,399 ) (	64)(	5,238,829)(_	65)
5900	Operating profit			2,578,632	36	2,834,374	35
	Operating expenses	6. (23)(24)					
		and 7					
6100	Selling expense		(	764,222 ) (	10)(	715,843 ) (	9)
6200	General and administrative						
	expenses		(	553,126 ) (	8)(	489,745 ) (	6)
6300	Research and development						
	expenses		(	709,691 ) (	10)(	624,360 ) (	8)
6450	Expected credit impairment loss	12. (2)					
	or (gain)		(	3,745)	<u> </u>	1,997	
6000	<b>Total operating expense</b>		(	2,030,784)(_	28)(	1,827,951 ) (	23)
6900	Operating income			547,848	8	1,006,423	12
	Non-operating income and	d					
	expenses						
7100	Interest income			145,009	2	75,796	1
7010	Other income	6. (20)		36,529	-	32,228	-
7020	Other gains and losses	6. (21)		486,839	7	156,362	2
7050	Financial costs	6. (22)	(	8,582)	- (	6,462)	-
7060	Share of the profit of the	6. (6)					
	associates and joint ventures						
	accounted for under equity						
	method			142,344		176,426	3
7000	Total non-operating incom	e					
	and expenses			802,139	11	434,350	6
7900	Profit before income tax			1,349,987	19	1,440,773	18
7950	Income tax expense	6. (25)	(	210,567)(_	3)(	273,523)(_	4)
8200	Profit for the year		\$	1,139,420	16 \$	1,167,250	14
			(Continued)	) =			

# AAEON Technology Inc. and Subsidiaries CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (Expressed In Thousands of New Taiwan Dollars, Except Earnings Per Share)

				2024			2023	
	Item	Notes		Amount	%		Amount	%
	Other comprehensive income							
	(loss)							
	Components of other comprehensive							
	income (loss) that will not be							
	reclassified to profit or loss							
8311	Gains (losses) on	6 (14)						
0311	remeasurements of defined	0 (14)						
			\$	950		\$	422	
0216	benefit plans	( (2)	Ф	930	-	Ф	422	-
8316		6. (3)		2 (7)		,	5.204)	
0220	financial assets at FVOCI	( ( ( )		3,676	-	(	5,394)	-
8320	Share of other comprehensive							
	income of associates and joint							
	ventures accounted for under							
	equity method - not to be							
	reclassified to profit or loss in							
	subsequent periods			35,322	-		76,426	1
8349	Income tax relating to items that	6. (25)		ŕ			,	
	will not be reclassified	- ( - )	(	190)	_	(	86)	_
8310	Total amount not to be							
0310	reclassified to profit or loss							
	in subsequent periods			39,758			71,368	1
			-	39,736			/1,306	1
	To be reclassified to profit or loss							
02.61	in subsequent periods							
8361	Financial statements translation							
	differences of foreign operations			75,996	1	(	10,755)	-
8370	Share of other comprehensive	6. (6)						
	income of associates and joint							
	ventures accounted for under							
	equity method - to be							
	reclassified to profit or loss in							
	subsequent periods			7,104	_		3,985	_
8399	Income tax relating to the	6. (25)		7,10.			3,200	
0377	components of other	0. (23)						
	comprehensive income		(	15,199)			2,152	
9260	•			13,199)			<u> </u>	<u>-</u>
8360								
	reclassified to profit or loss			67 001		,	4.610.)	
	in subsequent periods			67,901	1	(	4,618)	
8300	Net Other comprehensive income		\$	107,659	1	\$	66,750	1
8500	Total comprehensive income		\$	1,247,079	17	\$	1,234,000	15
	Net income attributable to:		-					
8610	Shareholders of the parent		\$	966,877	14	\$	969,345	12
8620	Non-controlling interest		-	172,543	2	-	197,905	2
				1,139,420	16	\$	1,167,250	14
	Total as manush angina in as ma			1,137,420	10	Ψ	1,107,230	
	Total comprehensive income							
0710	attributable to:		Φ.	4 050 450		Φ.	1 0 10 000	
8710	Shareholders of the parent		\$	1,050,478	14	\$	1,042,289	13
8720	Non-controlling interest			196,601	3		191,711	2
			\$	1,247,079	17	\$	1,234,000	15
	Basic earnings per share	6. (26)						
9750	Total basic earnings per share	( -/	\$		7.72	\$		8.03
,,50	Diluted earnings per share	6. (26)	Ψ		, , , , _			3.03
9850								
9030			ф		7.65	Φ		7.00
	share				7.67	\$		7.92

The accompanying notes are an integral part of these consolidated financial statements.





Manager: Chien-Hung Lin



Accounting Supervisor: Jen-Chung Wang





							le to owners of the	ne parent					
		Share (	Capital		R	etained Earnin	gs			r Equity			
								Financial	Unrealized gains (losses) form financial				
								statements translation	assets measured at fair value				
			Advance				Undistributed	differences of	through other	Remeasurements			
		Common	receipts for	Capital		Special	retained	foreign	comprehensive	of defined		Non-controlling	
	Notes	share capital	share capital	surplus	Legal reserve	reserve	earnings	operations	income	benefit plans	Total	interests	Total
For the year ended December 31, 2023									-				
Balance at January 1, 2023		\$ 1,490,825	\$ 1,430	\$ 5,461,370	\$ 470,533	\$ 64,805	\$1,165,819	(\$ 21,405)	\$ 11,177	(\$ 2,131)	\$ 8,642,423	\$ 720,475	\$ 9,362,898
Profit fo the period		-	-	-		-	969,345	-			969,345	197,905	1,167,250
Other comprehensive income		-	_	-	-	_	-	742	72,083	119	72,944 (	6,194)	66,750
Total comprehensive income			_		_		969,345	742	72,083	119	1,042,289	191,711	1,234,000
Appropriations of 2022 earnings:	6. (18)												
Legal reserve		-	-	-	107,411	-	( 107,411)	-	-	-	-	-	-
Special reserve		-	-	-	-	( 52,446)	52,446	-	-	-	-	-	-
Cash dividends		-	-	-	-	-	( 746,127)	-	-	- (	746,127)	- (	746,127)
Issuance of new shares in exchange for other company's shares	6. (16) (17)	105,233	-	848,183	-	-	_	-	-	-	953,416	-	953,416
Recognition of changes in ownership interest in subsidiaries	6. (17)	_	_	( 3,935)	-	-	_	-	-	- (	3,935)	3,935	_
Effect from long-term investment that has not been recognized based on shareholding percentage	6. (6)(17)	-	_	162	_	-	_	-	-	-	162	_	162
Change in associates and joint ventures accounted for under equity method	6. (6) (17)	_	_	64,235	_	_	_	_	_	-	64,235	-	64,235
Share-based Payment	6. (15) (17)	-	-	4,728	-	-	( 140)	-	-	-	4,588	1,842	6,430
Employee stock options exercised	6. (15) (17)	6,360	230	46,959	_	-	-	-	-	-	53,549	15,776	69,325
Disposal of financial assets at fair value through other comprehensive income		_	_	_	_	-	( 2,368)	_	2,368	-	-	-	_
Changes in non-controlling interests-subsidiary acquisition	6 (27)	-	_	_	_	-	-	-	-	_	-	1,383,476	1,383,476
Changes in non-controlling interests- cash dividend	s 4 (3)	_				-		-			-	( 206,420) (	206,420)
Balance at December 31, 2023		\$ 1,602,418	\$ 1,660	\$ 6,421,702	\$ 577,944	\$ 12,359	\$1,331,564	(\$ 20,663)	\$ 85,628 (	\$ 2,112)	\$ 10,010,600	\$ 2,110,795	\$12,121,395

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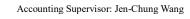
							e to owners of th	e parent					
		Share	Capital		F	Retained Earnin	gs			r Equity			
		Common	Advance receipts for	Capital		Special	Undistributed retained	Financial statements translation differences of foreign	Unrealized gains (losses) form financial assets measured at fair value through other comprehensive	Remeasurements of defined		Non-controlling	
	Notes	share capital	share capital	surplus	Legal reserve	reserve	earnings	operations	income	benefit plans	Total	interests	Total
For the year ended December 31, 2024		A 1 600 410	n 1.660	A 6 401 700	ф. <b>577</b> 044	A 12.250	#1 221 564	(0.0000)	Φ 05.630.7	£ 2.012)	# 10 010 C00	A 2 110 505	#12.121.205
Balance at January 1, 2024		\$ 1,602,418	\$ 1,660	\$ 6,421,702	\$ 577,944	\$ 12,359	+ )	(\$ 20,663)	\$ 85,628 (	\$ 2,012)	\$ 10,010,600	\$ 2,110,795	\$12,121,395
Profit fo the period		-	-	-	-	-	966,877	45.052	25.450	-	966,877	172,543	1,177,836
Other comprehensive income							-	45,873	37,470	258	83,601	24,058	60,583
Total comprehensive income							966,877	45,873	37,470	258	1,050,478	196,601	1,238,419
Appropriations of 2023 earnings:	6. (18)				0.5.504		( 05.504)						
Legal reserve		-	-	-	96,684	-	( 96,684)	-	-	-	-	-	-
Cash dividends	- /4 - O /4 = D	-	-	-	-	-	( 1,042,651)	-	-		( 1,042,651)	-	( 1,042,651)
Capital surplus-cash dividend	6. (16) (17)	80,204	-	( 80,204)	-	-	-	-	-	-	-	-	-
Recognition of changes in ownership interest in subsidiary	6. (17)	-	-	( 1,312)	-	-	-	-	-		( 1,312)	1,312	-
Change in associates and joint ventures accounted for under equity method	6. (6) (17)	-	_	17,085	_	_	_	-	-	_	17,085	-	17,085
Share-based Payment	6. (15) (17)	_	_	747	_	_	_	_	_	_	747	795	1,542
Employee stock options exercised	6. (15) (17)	11,070 (	840)	54,212	-	_	-	_	_		64,442	4,669	69,111
Changes in non-controlling interests-cash dividend		- `	<u>-</u>	-	-	-	_	-	-	-	· -	( 183,415)	( 68,017)
Changes in non-controlling interests- Subsidiary Capital Reduction by Cash	. ,	_	_	_	-	_	_	_	_	_	_	( 121,679 )	)( 121,679)
Balance at December 31, 2024		\$ 1,693,692	\$ 820	\$ 6,412,230	\$ 674,628	\$ 12,359	\$1,159,106	\$ 25,210	\$ 123,098	(\$ 1,754)	\$10,099,389	\$ 2,009,078	\$12,108,467

The accompanying notes are an integral part of these consolidated financial statements.

Chairman: Yung-Shun Chuang



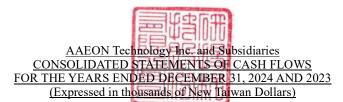
Manager: Chien-Hung Lin



## AAEON Technology Inc. and Subsidiaries CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (Expressed in thousands of New Taiwan Dollars)

			For the years ende	ed Dece	
	Notes		2024		2023
sh flows from operating activities					
Profit before tax		\$	1,349,987	\$	1,440,773
Adjustments					
Adjustments to reconcile profit (loss)					
Depreciation expense	6 (7) (8) (23)		147,521		125,992
Amortization expenses	6 (23)		92,111		63,422
Expected credit impairment losses (gains)	12 (2)		3,745	(	1,997
Costs of share-based payment awards	6 (15)		1,542		6,430
Interest income		(	145,009)	(	75,796
Dividends income	6 (20)	(	15,290)	(	11,390
Interest expenses	6 (22)		8,582		6,462
Net gain from financial assets and	6 (2) (21)				
liabilities at fair value through profit or loss		(	218,181)	(	130,978
Losses on disposal of property, plant and	6 (21)				
equipment			883		2,631
Transferred to expenses and losses			-		2,639
Depreciation expense of investment	6 (9) (21)				
property (other gains and losses)			8,244		6,277
Share of profit of associates accounted for	6 (6)				
under equity method		(	142,344)	(	176,426
Gain on lease modification	6. (8)(21)	(	542)	(	18
Changes in operating assets and liabilities					
Net changes in operating assets					
Financial assets and liabilities at fair					
value through profit or loss			383		
Notes and accounts receivable			51,121		298,714
Other receivables		(	2,563)		9,171
Inventories			171,369		970,866
Prepayments			8,067		7,399
Net changes in operating liabilities					
Contract liability			5,257	(	86,244
Notes and accounts payable					
(including related-parties)		(	69,923)	(	30,661
Other payables		Ì	2,228)	(	22,600
Other current liabilities		(	6,870)		8,086
Provisions for liabilities		(	8,877)	(	5,109
Other non-current liabilities		Ì	1,595)	(	3,836
Net cash from operating activities		`	1,241,390	`	2,403,807
Interest received			137,796		75,796
Interest paid		(	8,522)	(	6,457
Income taxes paid		ì	243,834)	ì	406,319
Net cash flows from operating activities		\	1,126,830	`	2,066,827

(Continued)



Notes   2024   2023   2024   2023   2024   2023   2024   2028   2024   2028				For the years end	led Dece	
Acquired financial assets at fair value through profit or loss   7,472   8,241		Notes		2024		2023
Disposal of financial assets at fair value through profit or loss   7,472   8,241	<u>Cash flows from investing activities</u>					
Disposal of financial assets at fair value through profit or loss   7,472   8,241	· ·				_	
Profit or loss	•		(\$	50,000)	\$	-
Acquired financial assets at fair value through other comprehensive income Acquired financial asset measured at amortized cost-current (58,863) (31,626) (31,626) (31				7.472		Q 2/11
other comprehensive income         ( 78,615 ) ( 71,769 )           Acquired financial asset measured at amortized cost-current         ( 58,863 ) ( 31,626 )           Disposal of financial asset measured at amortized cost-current         30,677 100,035           Acquisition of investments accounted for under equity method         6 (6 equity method         ( 3,548 ) ( 114,380 )           Acquisition of property, plant and equipment         6 (28)         ( 83,187 ) ( 117,977 )           Disposal of property, plant and equipment         427	•			7,472		0,241
Acquired financial asset measured at amortized cost-current   30,677   100,035			(	78,615)	(	71,769)
cost-current         (58,863) (31,626)           Disposal of financial asset measured at amortized cost-current         30,677         100,035           Acquisition of investments accounted for under equity method         6 (6)         (3,548) (14,380)           Acquisition of property, plant and equipment         6 (28)         (83,187) (117,977)           Disposal of property, plant and equipment         427         -           Acquisition of intangible asset         6 (10) (20,330) (85,548)         8,548)           Increase in other current assets         (400) (25,8)         25,8           Increase in other non-current assets         (8,109) (9,198)         9,198)           Dividends received         6 (27)         -         754,136           Acquisition of subsidiary, net of cash received         6 (27)         -         754,136           Net cash flows from investing activities         40,374         985,443           Cash flows from financing activities         53,000         27,000           Reimbursement in long-term borrowings         6 (29)         53,000         27,000           Repayment of lease principal         6 (29)         (5,856)         56,511           Cash dividends paid         6 (18)         (1,042,651)         746,127           Changes in non-controlling interests - cash			`	, ,		, ,
cost-current         30,677         100,035           Acquisition of investments accounted for under equity method         6 (6)         (3,548) (14,380)           Acquisition of property, plant and equipment Disposal of property, plant and equipment Acquisition of intangible asset         6 (28)         (83,187) (117,977)           Disposal of property, plant and equipment Acquisition of intangible asset         6 (10)         (20,330) (85,48)           Increase in other current assets         (8,109) (9,198)           Increase in other non-current assets         (8,109) (9,198)           Dividends received         304,850 (376,787)           Acquisition of subsidiary, net of cash received Net cash flows from investing activities         40,374 (985,443)           Cash flows from financing activities         40,374 (985,443)           Increase (decrease) in short-term borrowings         6 (29) (10,416) (10,416) (10,311)           Repayment of lease principal         6 (29) (10,416) (10,416) (10,311)           Repayment of lease principal         6 (29) (10,416) (10,416) (10,416)           Cash dividends paid         6 (18) (10,42,651) (10,42,651) (10,46,127)           Changes in non-controlling interests - cash 4 (3)         4 (3)           dividends prince options exercised         6 (15) (13,416) (10,42,651) (10,46,127)           Changes in non-controlling interests - Subsidiary         (13,301,906) (10,42,651) (10,42,651) (10	_		(	58,863)	(	31,626)
Acquisition of investments accounted for under equity method   Cash	Disposal of financial asset measured at amortized					
equity method   Acquisition of property, plant and equipment   6 (28)   (83,187) (117,977)     Disposal of property, plant and equipment   427       Acquisition of intangible asset   6 (10)   (20,330) (8,548)     Increase in other current assets   (400) (258)     Increase in other non-current assets   (8,109) (9,198)     Dividends received   6 (27)   -   754,136     Net cash flows from investing activities   40,374   985,443     Cash flows from financing activities   53,000   27,000     Reimbursement in long-term borrowings   6 (29)   (10,416) (10,311)     Repayment of lease principal   6 (29) (65,856) (56,511)     Cash dividends paid   6 (18) (1,042,651) (746,127)     Changes in non-controlling interests - cash   4 (3)     dividends for non-controlling interests - Changes in non-controlling interests   (133,01906) (932,044)     Effects due to changes in exchange rate   56,926 (15,453)     Increase in cash and cash equivalents   (77,776) (2,113,773)     Cash and cash equivalents at the beginning of periods   4,347,976 (2,234,203)     Cash and cash equivalents at the beginning of periods   4,347,976 (2,234,203)     Cash and cash equivalents at the beginning of periods   4,347,976 (2,234,203)     Cash and cash equivalents at the beginning of periods   4,347,976 (2,234,203)     Cash and cash equivalents at the beginning of periods   4,347,976 (2,234,203)     Cash and cash equivalents at the beginning of periods   4,347,976 (2,234,203)     Cash and cash equivalents at the beginning of periods   4,347,976 (2,234,203)     Cash and cash equivalents at the beginning of periods   4,347,976 (2,234,203)     Cash and cash equivalents at the beginning of periods   4,347,976 (2,234,203)     Cash and cash equivalents at the beginning of periods   4,347,976 (2,234,203)     Cash and cash equivalents at the beginning of periods   4,347,976 (2,234,203)     Cash and cash equivalents   4,347,976 (2,234,203)     Cash and cash equivalents   4,347,976 (2,234,203)     Cash and cash equivalents   4,347,976 (2,234,203)     Cash and				30,677		100,035
Acquisition of property, plant and equipment 6 (28) ( 83,187) ( 117,977)  Disposal of property, plant and equipment 427 - Acquisition of intangible asset 6 (10) ( 20,330) ( 8,548)  Increase in other current assets ( 400) ( 258)  Increase in other non-current assets ( 8,109) ( 9,198)  Dividends received 304,850 376,787  Acquisition of subsidiary, net of cash received 6 (27) - 754,136  Net cash flows from investing activities 40,374 985,443  Cash flows from financing activities  Increase (decrease) in short-term borrowings 6 (29) 53,000 27,000  Reimbursement in long-term borrowings 6 (29) ( 10,416) ( 10,311)  Repayment of lease principal 6 (29) ( 55,856) ( 56,511)  Cash dividends paid 6 (18) ( 1,042,651) ( 746,127)  Changes in non-controlling interests - cash dividends for non-controlling interests ( 183,415) ( 206,420)  Employee share options exercised 6 (15) 69,111 69,325  Changes in non-controlling interests - Subsidiary  Capital Reduction by Cash (13,01,906) ( 923,044)  Effects due to changes in exchange rate 56,926 ( 15,453)  Increase in cash and cash equivalents (77,776) 2,113,773  Cash and cash equivalents at the beginning of periods 4,347,976 2,234,203		6 (6)	(	2.540.)	,	14.200 )
Disposal of property, plant and equipment         427         -           Acquisition of intangible asset         6 (10)         ( 20,330) ( 20,330) ( 258)         8,548)           Increase in other current assets         ( 400) ( 258)         258)           Increase in other non-current assets         ( 8,109) ( 9,198)         9,198)           Dividends received         304,850         376,787           Acquisition of subsidiary, net of cash received         6 (27)         -         754,136           Net cash flows from investing activities         40,374         985,443           Cash flows from financing activities         1ncrease (decrease) in short-term borrowings         6 (29)         53,000         27,000           Reimbursement in long-term borrowings         6 (29)         ( 10,416) ( 10,311)         10,311)           Repayment of lease principal         6 (29)         ( 55,856) ( 56,511)         56,511           Cash dividends paid         6 (18)         ( 1,042,651) ( 746,127)         746,127)           Changes in non-controlling interests - cash dividends for non-controlling interests - 4(3)         ( 183,415) ( 206,420)         206,420)           Employee share options exercised         6 (15)         69,111         69,325           Changes in non-controlling interests - Subsidiary         ( 131,01906) ( 923,044)         923			(	· ·	,	ŕ
Acquisition of intangible asset   6 (10)   ( 20,330 ) ( 8,548 )     Increase in other current assets   ( 400 ) ( 258 )     Increase in other non-current assets   ( 8,109 ) ( 9,198 )     Dividends received   304,850   376,787     Acquisition of subsidiary, net of cash received   6 (27)   - 754,136     Net cash flows from investing activities   40,374   985,443      Cash flows from financing activities   40,374   985,443      Cash flows from financing activities   10,311     Repayment in long-term borrowings   6 (29)   ( 10,416 ) ( 10,311 )     Repayment of lease principal   6 (29)   ( 65,856 ) ( 56,511 )     Cash dividends paid   6 (18)   ( 1,042,651 ) ( 746,127 )     Changes in non-controlling interests   4 (3)     dividends for non-controlling interests   4 (3)     dividends for non-controlling interests   6 (15)   69,111   69,325     Changes in non-controlling interests   5ubsidiary     Capital Reduction by Cash   ( 121,679 )   - 206,420 )     Effects due to changes in exchange rate   56,926 ( 15,453 )     Increase in cash and cash equivalents   ( 77,776 ) ( 2,113,773     Cash and cash equivalents at the beginning of periods   4,347,976   2,234,203		6 (28)	(	· ·	(	117,977)
Increase in other current assets   ( 400 ) ( 258 )     Increase in other non-current assets   ( 8,109 ) ( 9,198 )     Dividends received   304,850   376,787     Acquisiton of subsidiary, net of cash received   6 (27)   - 754,136     Net cash flows from investing activities   40,374   985,443     Cash flows from financing activities   10,416   ( 10,311 )     Repayment of lease principal   6 (29)   ( 53,856 ) ( 56,511 )     Cash dividends paid   6 (18)   ( 1,042,651 ) ( 746,127 )     Changes in non-controlling interests - cash   dividends for non-controlling interests   ( 183,415 ) ( 206,420 )     Employee share options exercised   6 (15)   69,111   69,325     Changes in non-controlling interests - Subsidiary   Capital Reduction by Cash   Net cash flows from financing activities   ( 1301,906 ) ( 923,044 )     Effects due to changes in exchange rate   56,926 ( 15,453 )     Increase in cash and cash equivalents   ( 77,776 ) 2,113,773     Cash and cash equivalents at the beginning of periods   4,347,976   2,234,203				427		-
Increase in other non-current assets   ( 8,109 ) ( 9,198 )		6 (10)	(	20,330)	(	8,548)
Dividends received   Acquisiton of subsidiary, net of cash received   Acquisiton of subsidiary			(	400)	(	258)
Acquisition of subsidiary, net of cash received Net cash flows from investing activities Ado, 374 985,443    Cash flows from financing activities   Ado, 374 985,443	Increase in other non-current assets		(	8,109)	(	9,198)
Net cash flows from investing activities         40,374         985,443           Cash flows from financing activities         10,374         985,443           Increase (decrease) in short-term borrowings         6 (29)         53,000         27,000           Reimbursement in long-term borrowings         6 (29)         ( 10,416)         ( 10,311)           Repayment of lease principal         6 (29)         ( 65,856)         ( 56,511)           Cash dividends paid         6 (18)         ( 1,042,651)         ( 746,127)           Changes in non-controlling interests - cash         4 (3)         ( 183,415)         ( 206,420)           Employee share options exercised         6 (15)         69,111         69,325           Changes in non-controlling interests - Subsidiary         ( 121,679)         -           Capital Reduction by Cash         ( 121,679)         -           Net cash flows from financing activities         ( 1301,906)         923,044           Effects due to changes in exchange rate         56,926         15,453           Increase in cash and cash equivalents         ( 77,776)         2,113,773           Cash and cash equivalents at the beginning of periods         4,347,976         2,234,203	Dividends received			304,850		376,787
Net cash flows from investing activities         40,374         985,443           Cash flows from financing activities         Increase (decrease) in short-term borrowings         6 (29)         53,000         27,000           Reimbursement in long-term borrowings         6 (29)         ( 10,416)         10,311         10,311           Repayment of lease principal         6 (29)         ( 65,856)         56,511         65,511           Cash dividends paid         6 (18)         ( 1,042,651)         746,127           Changes in non-controlling interests - cash dividends for non-controlling interests - cash dividends for non-controlling interests         ( 183,415)         206,420           Employee share options exercised         6 (15)         69,111         69,325           Changes in non-controlling interests - Subsidiary         ( 121,679)         -           Capital Reduction by Cash         ( 1301,906)         923,044           Effects due to changes in exchange rate         56,926         15,453           Increase in cash and cash equivalents         ( 77,776)         2,113,773           Cash and cash equivalents at the beginning of periods         4,347,976         2,234,203	Acquisiton of subsidiary, net of cash received	6 (27)		-		754,136
Increase (decrease) in short-term borrowings   6 (29)   53,000   27,000     Reimbursement in long-term borrowings   6 (29)   ( 10,416 ) ( 10,311 )   Repayment of lease principal   6 (29)   ( 65,856 ) ( 56,511 )   Cash dividends paid   6 (18)   ( 1,042,651 ) ( 746,127 )   Changes in non-controlling interests - cash   4 (3)     dividends for non-controlling interests   ( 183,415 ) ( 206,420 )   Employee share options exercised   6 (15)   69,111   69,325     Changes in non-controlling interests- Subsidiary     Capital Reduction by Cash   ( 121,679 )       Net cash flows from financing activities   ( 1,301,906 ) ( 923,044 )   Effects due to changes in exchange rate   56,926 ( 15,453 )   Increase in cash and cash equivalents   ( 77,776 ) ( 2,113,773     Cash and cash equivalents at the beginning of periods   4,347,976   2,234,203	Net cash flows from investing activities			40,374		985,443
Reimbursement in long-term borrowings       6 (29)       ( 10,416 ) ( 10,311 )         Repayment of lease principal       6 (29)       ( 65,856 ) ( 56,511 )         Cash dividends paid       6 (18)       ( 1,042,651 ) ( 746,127 )         Changes in non-controlling interests - cash dividends for non-controlling interests       4 (3)       ( 183,415 ) ( 206,420 )         Employee share options exercised       6 (15)       69,111       69,325         Changes in non-controlling interests- Subsidiary Capital Reduction by Cash Net cash flows from financing activities       ( 121,679 )	Cash flows from financing activities					
Repayment of lease principal       6 (29)       ( 65,856 ) ( 56,511 )         Cash dividends paid       6 (18)       ( 1,042,651 ) ( 746,127 )         Changes in non-controlling interests - cash dividends for non-controlling interests       4 (3)       ( 183,415 ) ( 206,420 )         Employee share options exercised       6 (15)       69,111       69,325         Changes in non-controlling interests - Subsidiary Capital Reduction by Cash Net cash flows from financing activities       ( 121,679 )	Increase (decrease) in short-term borrowings	6 (29)		53,000		27,000
Repayment of lease principal       6 (29)       ( 65,856 ) ( 56,511 )         Cash dividends paid       6 (18)       ( 1,042,651 ) ( 746,127 )         Changes in non-controlling interests - cash dividends for non-controlling interests       4 (3)       ( 183,415 ) ( 206,420 )         Employee share options exercised       6 (15)       69,111       69,325         Changes in non-controlling interests- Subsidiary       Capital Reduction by Cash       ( 121,679 )       -         Net cash flows from financing activities       ( 1,301,906 ) ( 923,044 )         Effects due to changes in exchange rate       56,926 ( 15,453 )         Increase in cash and cash equivalents       ( 77,776 ) 2,113,773         Cash and cash equivalents at the beginning of periods       4,347,976   2,234,203	Reimbursement in long-term borrowings	6 (29)	(	10,416)	(	10,311)
Cash dividends paid 6 (18) ( 1,042,651 ) ( 746,127 )  Changes in non-controlling interests - cash 4 (3) dividends for non-controlling interests ( 183,415 ) ( 206,420 )  Employee share options exercised 6 (15) 69,111 69,325  Changes in non-controlling interests- Subsidiary Capital Reduction by Cash ( 121,679 )  Net cash flows from financing activities ( 1,301,906 ) ( 923,044 )  Effects due to changes in exchange rate 56,926 ( 15,453 )  Increase in cash and cash equivalents ( 77,776 ) 2,113,773  Cash and cash equivalents at the beginning of periods 4,347,976 2,234,203	Repayment of lease principal	6 (29)	(	65,856)	(	56,511)
Changes in non-controlling interests - cash 4 (3) dividends for non-controlling interests ( 183,415 ) ( 206,420 )  Employee share options exercised 6 (15) 69,111 69,325  Changes in non-controlling interests- Subsidiary  Capital Reduction by Cash ( 121,679 ) -  Net cash flows from financing activities ( 1,301,906 ) ( 923,044 )  Effects due to changes in exchange rate 56,926 ( 15,453 )  Increase in cash and cash equivalents ( 77,776 ) 2,113,773  Cash and cash equivalents at the beginning of periods 4,347,976 2,234,203	Cash dividends paid	1 1	(	· · · · · · · · · · · · · · · · · · ·	1	
dividends for non-controlling interests  Employee share options exercised 6 (15) 69,111 69,325  Changes in non-controlling interests- Subsidiary  Capital Reduction by Cash Net cash flows from financing activities  Effects due to changes in exchange rate  Effects due to changes in exchange rate  Increase in cash and cash equivalents  Cash and cash equivalents at the beginning of periods  (183,415) (206,420)  69,111 69,325  (121,679) -  (1,301,906) (923,044)  (15,453)  (177,776) 2,113,773	Changes in non-controlling interests - cash	1 1		,, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		, . ,
Changes in non-controlling interests- Subsidiary Capital Reduction by Cash Net cash flows from financing activities  Effects due to changes in exchange rate  Effects due to changes in exchange rate  Increase in cash and cash equivalents  Cash and cash equivalents at the beginning of periods  Output  Description  121,679  1301,906  1301,906  15,453  15,453  177,776  171,776  2,113,773  2,234,203		. (3)	(	183,415)	(	206,420)
Capital Reduction by Cash       ( 121,679 )       -         Net cash flows from financing activities       ( 1,301,906 )       ( 923,044 )         Effects due to changes in exchange rate       56,926 ( 15,453 )         Increase in cash and cash equivalents       ( 77,776 )       2,113,773         Cash and cash equivalents at the beginning of periods       4,347,976 ( 2,234,203 )	Employee share options exercised	6 (15)		69,111		69,325
Net cash flows from financing activities  (1,301,906) (923,044)  Effects due to changes in exchange rate  56,926 (15,453)  Increase in cash and cash equivalents  Cash and cash equivalents at the beginning of periods  4,347,976 2,234,203	Changes in non-controlling interests- Subsidiary					
Effects due to changes in exchange rate 56,926 ( 15,453 ) Increase in cash and cash equivalents ( 77,776 ) 2,113,773 Cash and cash equivalents at the beginning of periods 4,347,976 2,234,203	Capital Reduction by Cash		(	121,679)		
Increase in cash and cash equivalents ( 77,776 ) 2,113,773  Cash and cash equivalents at the beginning of periods 4,347,976 2,234,203	Net cash flows from financing activities		(	1,301,906)	(	923,044)
Cash and cash equivalents at the beginning of periods 4,347,976 2,234,203	Effects due to changes in exchange rate			56,926	()	15,453)
periods 4,347,976 2,234,203	Increase in cash and cash equivalents		(	77,776)		2,113,773
· ————————————————————————————————————	Cash and cash equivalents at the beginning of					
· ————————————————————————————————————	periods			4,347,976		2,234,203
			\$		\$	

The accompanying notes are an integral part of these consolidated financial statements

Chairman: Yung-Shun Chuang



Manager: Chien-Hung Lin



Accounting Supervisor: Jen-Chung Wang



#### Independent Auditors' Report

(2025) Tsai-Shen-Bao-Tzi No. 24004136

To the Board of Directors and Shareholders of AAEON Technology Inc.

#### **Opinion**

We have audited the accompanying separate balance sheets of AAEON Technology Inc. (the "AAEON") as of December 31, 2024 and 2023, and the related statements of comprehensive income, of changes in equity and cash flows for the years ended December 31,2023 and 2022, and notes to the separate financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of the other independent auditors, as described in the Other matter section of our report, the separate financial statements present fairly, in all material respects, the separate financial position of AAEON as of December 31, 2024 and 2023, and its financial performance and its cash flows for the years ended December 31, 2024 and 2023, 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 Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Independent Auditors' Responsibilities for the audit of the separate financial statements section of our report. We are independent of AAEON in accordance with the Norm of Professional Ethics for Certified Public Accountants in the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audits and the reports of the other independent auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of separate financial statements of the current period. These matters were addressed in the context of our audits of the separate financial statements as a whole and, in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the separate financial statements in the current period are stated as follows:

#### Existence of sales revenue

#### Description

Refer to Note 4(27) for the accounting policies on revenue recognition, and Note 6(15) for the details of operating revenue.

AAEON is primarily engaged in the design, manufacturing, and sale of industrial computers and peripherals. As product project orders are susceptible to the product project cycles of customers, efforts are required to explore new markets and undertake new project orders. Therefore, the revenue from products may vary due to market trends in each period. Referring to industry reports and information from peers, the overall market trend has declined this period, while revenue from certain products has grown significantly. Consequently, the auditor considers the existence of the aforementioned sales revenue as one of the most important audit matters for the current year.

#### How our audit addressed the matter

Our audit procedures performed in AAEON and its subsidiaries (recognized as investments accounted for under equity method) for the above matter are as follow:

1. Evaluate and test the internal control process of sales transactions during the financial reporting

- period to ensure that it operates in accordance with the company's established internal control system.
- 2. Acquire and sample-check relevant documents of the aforementioned sales revenue transactions to confirm that customers have obtained control of the goods and assumed the risks of the goods before recognizing revenue.

#### **Evaluation of inventories**

#### Description

Refer to Note 4(11) for the accounting policies on the evaluation of inventories; Note 5 for the uncertainty of accounting estimate and assumptions for evaluation of inventories, and Note 6(4) for the details of inventory.

AAEON is primarily engaged in the design, manufacturing and sales of industrial computers and peripherals. Given long production cycle of industrial computer products, and that some products or spare parts have long inventory period due to long-term supply and maintenance needs of customers. The order adjustments or lower-than-expected market conditions may lead to fluctuations in product prices or low inventory correction, which may result in higher risk in inventory devaluation or obsolescence. AAEON's inventories are measured at the lower of inventory cost and net realizable value. For the inventories that exceeds its age and are individually identified to be out of date and obsolete, losses based on the policy of allowance for inventory impairment are recognized through individual assessment.

Corresponding the sales market and development strategies, AAEON readily adjusts its stocking demands, with significant inventory balances as industrial computers are the main products. In addition, given high uncertainty from the management's subjective estimates on the net realizable value used in evaluating obsolete inventories, the allowance for inventory devaluation is listed as one of the key audit matters.

#### How our audit addressed the matter

Our audit procedures performed in AAEON and its subsidiaries (recognized as investments accounted for under equity method) for the above matter are as follow:

- 1. Assess the policy on allowance for inventory valuation loss based on our understanding of the operations and industry of AAEON.
- 2. Inspect the managements individually identified out-of-date inventory list and checked the related supporting documents.
- 3. Test the basis of market value used in calculating the net realizable value of inventory and validated the accuracy of net realizable value calculation of selected samples.

#### Other matters – reference to the audits of other independent auditors

We did not audit the financial statement of certain investments accounted for under equity method. The financial statements of these investments accounted for under equity method were audited by other independent auditors whose reports thereon have been furnished to us and our opinion expressed herein, insofar as it relates to the amounts included in the separate financial statements and information disclosed relative to these investments, is based solely on the reports of other independent auditors. These investments accounted for under equity method amounted to \$4,021,229 thousand and \$4,104,236 thousand, constituting 35.95% and 37.30% of total assets as of December 31, 2024 and 2023, respectively, and the comprehensive income (loss) of subsidiaries, associates, and joint ventures accounted for under equity method amounted to \$189,468 thousand and \$261,686 thousand, respectively, constituting for 18.04% and 25.11% of total comprehensive income for the years ended December 31, 2024 and 2023, respectively.

#### Responsibilities of management and those charged with governance for the

#### separate financial statements

Management is responsible for the preparation and fair presentation of the separate financial statements in accordance with the requirements of the "Regulation Governing the Preparation of Financial Reports by Securities Issuers" and for such internal control as management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate financial statements, management is responsible for assessing the ability to AAEON 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 AAEON or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including Audit Committee, are responsible for overseeing the financial reporting process of AAEON.

### Independent auditor's responsibilities for the audit of the separate financial statements

Our objectives are to obtain reasonable assurance about whether the separate 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 auditing standards generally accepted in 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 individual financial statements.

As part of an audit in accordance with auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 1. Identify and assess the risks of material misstatement of the individual 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. Obtain 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 internal control of AAEON.
- 3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 4. Conclude 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 ability of AAEON to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate 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 auditor's report. However, future events or conditions may cause AAEON to cease to continue as a going concern.
- 5. Evaluate the overall presentation, structure and content of the individual financial statements,

- including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within AAEON to express an opinion on the separate financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate 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 identify during our audits.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate 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 determine those matters that were of most significance in the audit of the separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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.

PwC Taiwan

Certified Public Accountant

Chang, Shu-Chiung

Lin, Chun-Yao

(Formerly known as) Financial Supervisory Commission,

Executive Yuan

Approval reference: FSC No. 0990042602

(Formerly known as) Securities and Futures Commission, The

Ministry of Finance

Approval reference: (1996) Tai-Tsai-Cheng (VI) No. 68702

February 27, 2025

#### **Notes to Readers**

The accompanying parent company only financial statements are intended only to present the statements of financial position, financial performance and cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such parent company only financial statements are those generally accepted and applied in the Republic of China.

The independent auditors' report and the accompanying parent company only financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and parent company only financial statements, the Chinese version shall prevail.



			December 31, 2024		 December 31, 2023	
-	Assets	Notes	 Amount	<u>%</u>	 Amount	
	Current asset					
1100	Cash and cash equivalents	6 (1)	\$ 3,017,545	27	\$ 2,678,019	24
1110	Financial asset at fair value through	ugh 6 (2)				
	profit or loss - current		499,765	5	289,806	3
1150	Net notes receivable	6 (3)	-	-	663	-
1170	Net accounts receivable	6 (3)	166,003	2	174,159	2
1180	Accounts receivable - net amount	of 7				
	related party		376,023	3	430,867	4
1200	Other receivables	7	18,200	-	1,457	-
130X	Inventories	6 (4)	660,269	6	803,914	7
1410	Prepayments		 32,955		 27,316	
11XX	Total current assets		 4,770,760	43	 4,415,907	40
	Non-current assets					
1510	Financial asset at fair value through	ugh 6 (2)				
	profit or loss - non-current		27,478	-	27,994	-
1550	Investments accounted for un	der 6 (5)				
	equity method		5,757,718	52	+5,941,152	54
1600	Property, plant and equipment	6 (6) and 7	361,998	3	358,604	3
1755	Right-of-use assets	6 (7)	58,830	1	40,370	-
1760	Investment property	6 (8)	153,098	1	154,059	2
1780	Intangible assets	7	14,932	-	7,332	-
1840	Deferred tax assets	6 (22)	29,985	-	43,465	1
1900	Other non-current assets		 10,724		 13,163	
15XX	Total non-current assets		 6,414,763	57	6,586,139	60
1XXX	Total assets		\$ 11,185,523	100	\$ 11,002,046	100

(Continued)



				December 31, 2024		December 31, 2023	3
	Liabilities and equity	Notes		Amount		Amount	
	Current liability						
2120	Financial liability at fair value through profit or loss - current	6 (2)	\$	391	-	\$ -	-
2130	Contract liability - current	6 (15)		97,060	1	54,471	1
2150	Notes payables			-	-	2	-
2170	Accounts payables			220,998	2	188,304	2
2180	Accounts payables - related party	7		71,312	1	65,354	1
2200	Other payables	6 (9) and 7		432,260	4	443,210	4
2230	Current tax liabilities			33,994	-	46,060	-
2250	Provisions - current			21,769	-	26,152	-
2280	Lease liability - current			29,691	-	18,244	-
2399	Other current liabilities - other			37,537	1	41,450	
21XX	Total current liabilities			945,112	9	883,247	8
	Non-current liabilities						
2527	Contract liability - non-current	6 (15)		6,626	-	5,384	-
2550	Provisions - non-current			6,101	-	7,040	-
2570	Deferred tax liabilities	6 (22)		96,672	1	71,189	1
2580	Lease liability - non-current			30,413	-	23,376	-
2600	Other non-current liabilities			1,210		1,210	
25XX	Total non-current liabilities			141,022	1	108,199	1
2XXX	Total liabilities			1,086,134	10	991,446	9
	Equity						
	Share capital	6 (12)					
3110	Share capital-common stock			1,693,692	15	1,602,418	15
3140	Advance receipts for share capital			820	-	1,660	-
	Capital surplus	6 (13)					
3200	Capital surplus			6,412,230	57	6,421,702	58
	Retained earnings	6 (14)					
3310	Legal reserve			674,628	6	577,944	5
3320	Special reserve			12,359	-	12,359	-
3350	Undistributed retained earnings			1,159,106	11	1,331,564	12
	Other equity						
3400	Other equity			146,554	1	62,953	1
3XXX	Total equity		<u>—</u> —	10,099,389	90	10,010,600	91
	Significant contingent liabilities and unrecognized contract commitments Significant events after the balance sheet date	9					
3X2X	Total liabilities and equity		\$	11,185,523	100	\$ 11,002,046	100

The accompanying notes are an integral part of these separate financial statements.

Chairman: Yung-Shun Chuang



Manager: Chien-Hung Lin



Accounting Supervisor: Jen-Chung Wang





### SEPARATE STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (Expressed In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	LApressed III Thou	isalias of frew fa	Manipolic	2024	3 I CI DIIC	<u>.10)</u>	2023	
	Item	Notes		Amount	%		Amount	%
4000	Operating revenue	6 (15) and 7	\$	3,918,896	100	\$	4,664,543	100
5000	Operating costs	6 (4) (20) (21)	)					
	•	and 7	(	2,766,263) (	70)	(	3,290,274)	(70)
5900	Gross profit from operations		·	1,152,633	30		1,374,269	30
5910	Unrealized profit from sales		(	46,624) (	1)	(	53,930) (	(1)
5920	Realized profit from sales			53,930	1		68,007	1
5950	Gross profit from operations, net			1,159,939	30		1,388,346	30
	Operating expenses	6 (20) (21) and 7	,					
6100	Selling expense		(	102,720) (	3)	(	109,175)	
6200	General and administrative expenses		(	137,713) (	4)	(	151,527) (	
6300	Research and development expenses		(	483,187) (	12)	(	480,047)	(10)
6450	Expected credit impairment loss or	12 (2)						
	(gain)		(	539)		(	5)	
6000	Total operating expense		(	724,159) (	19)	(	740,754)	16)
6900	Operating income			435,780	11		647,592	14
	Non-operating income and expenses							
7100	Interest income	6 (16)		108,232	3		57,225	1
7010	Other income	6 (17) and 7		19,091	1		19,781	1
7020	Other gains and losses	6 (18) and 7	,	405,413	10	,	105,301	2
7050	Financial costs	6 (19)	(	2,093)	-	(	1,283)	-
7070	Share of the profit of the subsidiaries,							
	associates and joint ventures accounted			126.046	2		200 700	7
7000	for under equity method			136,046	3		309,708	7
7000	Total non-operating income and			666 690	17		400.722	11
7900	expenses			666,689	17 28		490,732 1,138,324	$\frac{11}{25}$
7900 7950	Profit before income tax	6 (22)	(	1,102,469		(	1,138,324	
8200	Income tax expense	0 (22)	(	135,592) (_ 966,877	<u>3</u> )	( -	969,345	21
8200	Profit for the year		<b>D</b>	900,877		<b>D</b>	909,343	
	Other comprehensive income (loss)							
	Components of other comprehensive income (loss) that will not be reclassified							
	to profit or loss							
8311	Gains (losses) on remeasurements of							
0311	defined benefit plans		(\$	9)		\$		
8330	Share of other comprehensive income of		(3	9)	-	Ф	-	-
0330	associates and joint ventures accounted							
	for under equity method - not to be							
	reclassified to profit or loss in							
	subsequent periods			37,629	1		71,962	1
8349	Income tax relating to items that will not	6 (22)		ŕ			ŕ	
	be reclassified	,		2	-		-	-
8310	Total other comprehensive income							
	(loss) that will not be reclassified to							
	profit or loss			37,622	<u>1</u>	_	71,962	1
	Components of other comprehensive							
	income that will be reclassified to profit							
0.5.5	or loss							
8361	Financial statements translation			4 <		,	2.07.11	
0200	differences of foreign operations			46,525	1	(	2,874)	-
8380	Share of other comprehensive income of							
	associates and joint ventures accounted							
	for under equity method - to be			6,096			3,871	
8399	reclassified to profit or loss Income tax relating to the components of	6 (22)		0,090	-		3,6/1	-
0377	other comprehensive income	0 (22)	(	6,642)		(	15)	
8360	Total amount to be reclassified to		<u>'</u>	0,042)				
0500	profit or loss in subsequent periods			45,979	1		982	_
8300	Net Other comprehensive income		\$	83,601	2	\$	72,944	1
8500	Total comprehensive income		\$	1,050,478	27	\$	1,042,289	
0200	roun comprehensive income		Ψ	1,030,770		Ψ	1,072,209	
	Basic earnings per share	6 (23)						
9750	Basic earnings per share	J (23)	\$		7.72	\$		8.03
,,50	Diluted earnings per share	6 (23)	<del>*</del>		,2	<del>*</del>		0.05
9850	Diluted earnings per share	0 (23)	\$		7.67	\$		7.92
7030	Direct carnings per snare		Ψ		7.07	Ψ		1.74

The accompanying notes are an integral part of these separate financial statements.







## AAEON Technology Inc.

#### SEPARATE STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

(Expressed In Thousands of New Taiwan Dollars, except as otherwise indicated)

	Notes	Comr	non shares	receipts for	Ca	pital surplus	Leg	al reserve	Speci	al reserve		Undistributed tained earnings	tra differen	ial statements anslation aces of foreign perations	(los finas meas value t com	alized gains sses) form ncial assets sured at fair through other prehensive income	de	arements of fined fit plans		Total
For the years ended December 31, 2023																				
Balance at January 1, 2023		\$	1,490,825	\$ 1,430	\$	5,461,370	\$	470,533	\$	64,805	\$	1,165,819	(\$	21,405 )	\$	11,177	( \$	2,131)	\$	8,642,423
Profit for the period			-	-		-		-		-		969,345		-		-		-		969,345
Other comprehensive income				 								=		742		72,083		119		72,944
Total comprehensive income				_		-						969,345		742		72,083		119		1,042,289
Appropriations of 2022 earnings	6 (14)																			
Legal reserve			-	-		-		107,411		-	(	107,411)		-		-		-		-
Reversal of special reserve			-	-		-		-	(	52,446 )		52,446		-		-		-		-
Cash dividends			-	-		-		-		-	(	746,127)		-		-		-	(	746,127)
Issuance of new shares in exchange for other company's shares	6 (12) (13)		105,233	-		848,183		-		-		-		-		-		-		953,416
Recognition of changes in ownership interest in subsidiaries	6 (13)		-	-	(	3,935 )		-		-		-		-		-		-	(	3,935)
based on shareholding percentage	6 (13)		-	-		162		-		-		-		-		-		-		162
Change in associates and joint ventures accounted for under equity method	6 (13)		-	-		64,235		-		-		=		-		=		-		64,235
Share-based Payment	6 (11) (13)		-	-		4,728		-		-	(	140)		-		-		-		4,588
Employee stock options exercised	6 (11) (12) (13)		6,360	230		46,959		-		-		-		-		-		-		53,549
Disposal of financial assets at fair value through other comprehensive income				 							(_	2,368)		_		2,368		<u> </u>		<u>-</u>
Balance at December 31, 2023		\$	1,602,418	\$ 1,660	\$	6,421,702	\$	577,944	\$	12,359	\$	1,331,564	(\$	20,663 )	\$	85,628	( \$	2,012)	\$	10,010,600
For the year ended December 31, 2024																				
Balance at January 1, 2024		\$	1,602,418	\$ 1,660	\$	6,421,702	\$	577,944	\$	12,359	\$	1,331,564	(\$	20,663 )	\$	85,628	( \$	2,012)	\$	10,010,600
Profit of the period				 		-						966,877		_		-				969,345
Other comprehensive income			-	-		-		-		-		-		45,873		37,470		258		72,944
Total comprehensive income			_	_				_		_		966,877		45,873		37,470		258		1,042,289
Appropriations of 2023 earnings:	6 (14)																			
Legal reserve			-	-		-		96,684		-	(	96,844)		-		-		-		_
Cash dividends			-	-		-		-		-	(	1,042,651)		-		-		-	(	1,042,651)
Capital surplus-stock dividends	6 (12)		80,204	-	(	80,204 )		-		-		-		-		-		-		-
Recognition of changes in ownership interest in subsidiaries	6 (13)		-	-	(	1,312 )		-		-		-		-		-		-	(	1,312)
Change in associates and joint ventures accounted for under equity method	6 (13)		-	-		17,085		-		-		-		-		-		-		17,085
Share-based Payment	6 (13)		-	-		747		-		-		-		-		-		-		747
Employee stock options exercised	6 (11) (12) (13)		11,070 (	 840)		54,212					_	<u>-</u>				-			_	64,442
Balance at December 31, 2024		\$	1,693,692	\$ 820	\$	6,412,230	\$	674,628	\$	12,359	\$	1,159,106	\$	25,210	\$	123,098	( \$	1,754)	\$	10,099,389

Chairman: Yung-Shun Chuang



The accompanying notes are an integral part of these separate financial statements.

Manager: Chien-Hung Lin



Accounting Supervisor: Jen-Chung Wang

Other Equity





			For the years end	led Dece	ember 31,
	Notes		2024		2023
Cash flows from operating activities					
Profit before tax		\$	1,102,469	\$	1,138,324
Adjustments					
Adjustments to reconcile profit (loss)					
Depreciation expenses	6. (6) (7)				
	(20)		66,255		56,844
Amortization expenses	6. (20)		10,824		7,780
Expected credit impairment losses (gains)	12. (2)		539		5
Costs of share-based payment awards	6. (11)		-		2,246
Interest income	6. (16)	(	108,232)	(	57,225)
Dividend income	6. (17)	(	8,516)	(	10,982)
Interest expenses	6. (7) (19)		2,093		1,283
Net loss from financial assets and liabilities at fair value	6. (2) (18)				
through profit or loss		(	209,383)	(	106,519)
Gain on disposal of investments	6. (18)		-	(	118)
Loss on disposals of property, plant and equipment	6. (18)		-		892
Depreciation expense of investment	6. (18)				
property (other gains and losses)			961		961
Share of profit of associates accounted for under equity					
method		(	136,046)	(	309,708)
Realized (gain) loss on inter-affiliate accounts		(	7,306)	(	14,077)
Gain on lease modification	6. (7) (18)	(	554)	(	25
Changes in operating assets and liabilities					
Net changes in operating assets					
Financial assets and liability at fair value through profit or					
loss			330		_
Notes and accounts receivable (including related parties)			63,124		262,082
Other receivables		(	1,219)		3,040
Inventories			143,645		742,544
Prepayments		(	5,639)		4,933
Net changes in operating liabilities		`	,		
Contract liability			43,831	(	57,067
Notes and accounts payable (including related parties)			38,650	(	52,669
Other payables		(	9,425)	`	1,313
Other current liabilities		(	3,913)		8,380
Provisions for liabilities		(	5,322)	(	2,853
Net cash from operating activities		`	977,166	\	1,619,384
Interest received			102,065		57,225
Interest paid		(	2,093)	(	1,283 )
Income taxes paid		Ì	115,335)	(	295,728)
Net cash flows from operating activities		\	961,803	\	1,379,598

(Continued)



## SEPARATE STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023 (Expressed In Thousands of New Taiwan Dollars

			For the years ended December 31,		
	Notes		2024		2023
Cash flows from investing activities					
Disposal of financial assets at fair value through profit or loss			-		8,241
Acquisition of investments accounted for under equity method			-	(	4,831 )
Reduction of capital and refund of share capital under equity method			66,130		-
Acquisition of property, plant and equipment	6. (24)	(	31,033)	(	38,052)
Increase in intangible assets		(	18,424)	(	7,717)
Increase in refundable deposits			22		451
Increase in other non-current assets		(	3,584)	(	1,617)
Dividends received			379,892		474,923
Net cash flows from investing activities			393,003		431,398
Cash flows from financing activities					
Repayment of lease principal	6. (25)	(	33,474)	(	29,310)
Cash dividends paid	6. (14)	(	1,042,651)	(	746,127)
Increase in refundable deposits			-		312
Employee share options exercised			60,845		41,033
Net cash flows from financing activities		(	1,015,280)	(	734,092)
Increase (decrease) in cash and cash equivalents			339,526		1,076,904
Cash and cash equivalents at the beginning of periods			2,678,019		1,601,115
Cash and cash equivalents at the end of periods		\$	3,017,545	\$	2,678,019

The accompanying notes are an integral part of these separate financial statements.







#### AAEON Technology Inc.

### Procedures for Ethical Management and Guidelines for Conduct

Revision Date: August 8, 2016

#### Article 1

Purpose of Adoption and Scope of Application

This Corporation engages in commercial activities following the principles of fairness, honesty, faithfulness, and transparency. These Procedures for Ethical Management and Guidelines for Conduct (hereinafter, "Procedures and Guidelines") are adopted pursuant to the provisions of the Ethical Corporate Management Best Practice Principles Article 6.

The scope of application of these Procedures and Guidelines includes the subsidiaries of this Corporation, any incorporated foundation in which this Corporation's accumulated contributions, direct or indirect, exceed 50 percent of the total funds of the foundation, and other group enterprises and organizations, such as institutions or juristic persons, substantially controlled by this Corporation.

#### Article 2

#### Applicable Subjects

The Corporation includes corporation Director, managers, and other employees are subjects in the Procedures for Ethical Management and Guidelines for Conduct.

The managers subjected in the Principles include General Managers or equivalent job level, Vice President or equivalent job level, Assistant Vice President or equivalent job level, Financial Manager, Accounting Manager, and other management roles in the corporation.

Corporation employees subjected in the Procedures for Ethical Management and Guidelines for Conduct include any personnel who receive salary from the Corporation.

The Guidelines present itself to be universal in the context of the working environment within the Corporation.

Any provision, promise, request, or acceptance of improper benefits by any personnel of this Corporation through a third party will be presumed to be an act by the personnel of this Corporation.

#### Article 3

#### **Unethical Conduct**

For the purposes of these Procedures and Guidelines, "unethical conduct" means that any personnel of this Corporation, in the course of their duties, directly or indirectly provides, promises, requests, or accepts improper benefits or commits a breach of ethics, unlawful act, or breach of fiduciary duty for purposes of acquiring or maintaining benefits.

The counterparties of the unethical conduct under the preceding paragraph include public officials, political candidates, political parties or their staffs, and government-owned or private-owned enterprises or institutions and their directors, supervisors, managerial officers, employees, persons having substantial control, or other interested parties.

#### Article 4

#### Types of Benefits

For the purposes of these Procedures and Guidelines, the term "benefits" means any money, gratuity, gift, commission, position, service, preferential treatment, rebate, facilitating payment, entertainment, dining, or any other item of value in whatever form or name.

#### Article 5

#### Responsible Unit and Duties

This Corporation shall designate the Chairman's Office as the solely responsible unit (hereinafter, "responsible unit") under the board of directors and provide it with sufficient resources and competent

personnel to be in charge of the amendment, implementation, interpretation, and advisory services with respect to these Procedures and Guidelines, the recording and filing of reports, and the monitoring of implementation. The responsible unit shall be in charge of the following matters and also submit regular reports to the board of directors:

- 1. Assisting in incorporating ethics and moral values into this Corporation's business strategy and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations.
- 2. Adopting programs to prevent unethical conduct and setting out in each program the standard operating procedures and conduct guidelines with respect to this Corporation's operations and business.
- 3. Planning the internal organization, structure, and allocation of responsibilities and setting up check-and-balance mechanisms for mutual supervision of the business activities within the business scope which are possibly at a higher risk for unethical conduct.
- 4. Promoting and coordinating awareness and educational activities with respect to ethics policy.
- 5. Developing a whistle-blowing system and ensuring its operating effectiveness.
- 6. Assisting the board of directors and management in auditing and assessing whether the prevention measures taken for the purpose of implementing ethical management are effectively operating, and preparing reports on the regular assessment of compliance with ethical management in operating procedures.

#### Article 6

Prohibition Against Providing or Accepting Improper Benefits

Except under one of the following circumstances, when providing, accepting, promising, or requesting, directly or indirectly, any benefits as specified in Article 4, the conduct of the given personnel of this Corporation shall comply with the provisions of the Ethical Corporate Management Best Practice Principles for TWSE/GTSM-Listed Companies and these Procedures and Guidelines, and the relevant procedures shall have been carried out:

- 1. The conduct is undertaken to meet business needs and is in accordance with local courtesy, convention, or custom during domestic (or foreign) visits, reception of guests, promotion of business, and communication and coordination.
- 2. The conduct has its basis in ordinary social activities that are attended or others are invited to hold in line with accepted social custom, commercial purposes, or developing relationships.
- 3. Invitations to guests or attendance at commercial activities or factory visits in relation to business needs, when the method of fee payment, number of participants, class of accommodations, and the time period for the event or visit have been specified in advance.
- 4. Attendance at folk festivals that are open to and invite the attendance of the general public.
- 5. Rewards, emergency assistance, condolence payments, or honorariums from the management.
- 6. Money, property, or other benefits with a market value of NT\$3,000 or less offered to or accepted from a person other than relatives or friends; or gifts of property with a total market value of NT\$10,000 or less given by another party to the majority of the personnel of this Corporation, provided that the total market value of the property offered to the same counterparty or coming from the same source within a single fiscal year shall be limited to NT\$10,000.
- 7. Property with a market value of NT\$20,000 or less received due to engagement, marriage, maternity, relocation, assumption of a position, promotion or transfer, retirement, resignation, or severance, or the injury, illness, or death of the recipient or the recipient's spouse or lineal relative.
- 8. Other conduct that complies with the rules of this Corporation.

Procedures for Handling the Acceptance of Improper Benefits

Except under any of the circumstances set forth in the preceding article, when any personnel of this Corporation are provided with or are promised, either directly or indirectly, any benefits as specified in Article 4 by a third party, the matter shall be handled in accordance with the following procedures:

- 1. If there is no relationship of interest between the party providing or offering the benefit and the official duties of this Corporation's personnel, the personnel shall report to their immediate supervisor within 3 days from the acceptance of the benefit, and the responsible unit shall be notified if necessary.
- 2. If a relationship of interest does exist between the party providing or offering the benefit and the official duties of this Corporation's personnel, the personnel shall return or refuse the benefit, and shall report to his or her immediate supervisor and notify the responsible unit. When the benefit cannot be returned, then within 3 days from the acceptance of the benefit, the personnel shall refer the matter to the responsible unit for handling.

"A relationship of interest between the party providing or offering the benefit and the official duties of this Corporation's personnel," as referred to in the preceding paragraph, refers to one of the following circumstances:

- 1. When the two parties have commercial dealings, a relationship of direction and supervision, or subsidies (or rewards) for expenses.
- 2. When a contracting, trading, or other contractual relationship is being sought, is in progress, or has been established.
- 3. Other circumstances in which a decision regarding this Corporation's business, or the execution or non-execution of business, will result in a beneficial or adverse impact.

The responsible unit of this Corporation shall make a proposal, based on the nature and value of the benefit under paragraph 1, that it be returned, accepted on payment, given to the public, donated to charity, or handled in another appropriate manner. The proposal shall be implemented after being reported and approved by chairman.

#### Article 8

Prohibition of and Handling Procedure for Facilitating Payments

This Corporation shall neither provide nor promise any facilitating payment.

If any personnel of this Corporation provides or promises a facilitating payment under threat or intimidation, they shall submit a report to their immediate supervisor stating the facts and shall notify the responsible unit.

Upon receipt of the report under the preceding paragraph, the responsible unit shall take immediate action and undertake a review of relevant matters in order to minimize the risk of recurrence. In a case involving alleged illegality, the responsible unit shall also immediately report to the relevant judicial agency.

#### Article 9

Procedures for Handling Political Contributions

Political contributions by this Corporation shall be made in accordance with the following provisions, reported to the supervisor in charge for approval, and a notification given to the responsible unit, and when the amount of a contribution is NT\$100,000 or more, it shall be made only after being reported to and approved by the board of directors:

- 1. It shall be ascertained that the political contribution is in compliance with the laws and regulations governing political contributions in the country in which the recipient is located, including the maximum amount and the form in which a contribution may be made.
- 2. A written record of the decision-making process shall be kept.

- 3. Account entries shall be made for all political contributions in accordance with applicable laws and regulations and relevant procedures for accounting treatment.
- 4. In making political contributions, commercial dealings, applications for permits, or carrying out other matters involving the interests of this Corporation with the related government agencies shall be avoided.

Procedures for Handling Charitable Donations or Sponsorships

Charitable donations or sponsorships by this Corporation shall be provided in accordance with the following provisions and reported to the supervisor in charge for approval, and a notification shall be given to the responsible unit. When the amount is NT\$1,000,000 or more, the donation or sponsorship shall be provided only after it has been submitted for adoption by the board of directors:

- 1. It shall be ascertained that the donation or sponsorship is in compliance with the laws and regulations of the country where this Corporation is doing business.
- 2. A written record of the decision making process shall be kept.
- 3. A charitable donation shall be given to a valid charitable institution and may not be a disguised form of bribery.
- 4. The returns received as a result of any sponsorship shall be specific and reasonable, and the subject of the sponsorship may not be a counterparty of this Corporation's commercial dealings or a party with which any personnel of this Corporation has a relationship of interest.
- 5. After a charitable donation or sponsorship has been given, it shall be ascertained that the destination to which the money flows is consistent with the purpose of the contribution.

#### Article 11

#### Recusal

When a director, supervisor, officer or other stakeholder of this Corporation attending or present at a board meeting, or the juristic person represented thereby, has a stake in a proposal at the meeting, that director, supervisor, officer or stakeholder shall state the important aspects of the stake in the meeting and, where there is a likelihood that the interests of this Corporation would be prejudiced, may not participate in the discussion or vote on that proposal, shall recuse himself or herself from any discussion and voting, and may not exercise voting rights as proxy on behalf of another director. The directors shall exercise discipline among themselves, and may not support each other in an inappropriate manner.

If in the course of conducting company business, any personnel of this Corporation discovers that a potential conflict of interest exists involving themselves or the juristic person that they represent, or that they or their spouse, parents, children, or a person with whom they have a relationship of interest is likely to obtain improper benefits, the personnel shall report the relevant matters to both his or her immediate supervisor and the responsible unit, and the immediate supervisor shall provide the personnel with proper instructions.

No personnel of this Corporation may use company resources on commercial activities other than those of this Corporation, nor may any personnel's job performance be affected by his or her involvement in the commercial activities other than those of this Corporation.

#### Article 12

Special Unit in Charge of Confidentiality Regime and its Responsibilities

This Corporation shall set up a special unit charged with formulating and implementing procedures for managing, preserving, and maintaining the confidentiality of this Corporation's trade secrets, trademarks, patents, works and other intellectual properties and it shall also conduct periodical reviews on the results of implementation to ensure the sustained effectiveness of the confidentiality procedures.

Competition Compliance with Intellectual Property Regulations and Non-disclosure of Trade Secrets All personnel of this Corporation shall faithfully follow the operational directions pertaining to intellectual properties as mentioned in the preceding paragraph and may not disclose to any other party any trade secrets, trademarks, patents, works, and other intellectual properties of this Corporation of which they have learned, nor may they inquire about or collect any trade secrets, trademarks, patents, and other intellectual properties of this Corporation unrelated to their individual duties.

#### Article 14

Ensuring the Transparency and Security of Product and Service Information

This Corporation shall collect and understand the applicable laws and regulations and international standards governing its products and services which it shall observe and gather and publish all guidelines to cause personnel of this Corporation to ensure the transparency of information about, and safety of, the products and services in the course of their research and development, procurement, manufacture, provision, or sale of products and services.

This Corporation shall adopt and publish on its website a policy on the protection of the rights and interests of consumers or other stakeholders to prevent its products and services from directly or indirectly damaging the rights and interests, health, and safety of consumers or other stakeholders. Where there are media reports, or sufficient facts to determine, that this Corporation's products or services are likely to pose any hazard to the safety and health of consumers or other stakeholders, this Corporation shall, within thirty days, recall those products or suspend the services, verify the facts and present a review and improvement plan.

The responsible unit of this Corporation shall report the event as in the preceding paragraph, actions taken, and subsequent reviews and corrective measures taken to the board of directors.

#### Article 15

Prohibition against Insider Trading and Non-Disclosure Agreement

All personnel of this Corporation shall adhere to the provisions of the Securities and Exchange Act, and may not take advantage of undisclosed information of which they have learned to engage in insider trading. Personnel are also prohibited from divulging undisclosed information to any other party, in order to prevent other party from using such information to engage in insider trading. Any organization or person outside of this Corporation that is involved in any merger, demerger, acquisition and share transfer, major memorandum of understanding, strategic alliance, other business partnership plan, or the signing of a major contract by this Corporation shall be required to sign a non-disclosure agreement in which they undertake not to disclose to any other party any trade secret or other material information of this Corporation acquired as a result, and that they may not use such information without the prior consent of this Corporation.

#### Article 16

Announcement of Ethical Corporate Management Policy to Outside Parties

This Corporation shall disclose its policy of ethical management in its internal rules, annual reports, on the company's websites, and in other promotional materials, and shall make timely announcements of the policy in events held for outside parties such as product launches and investor press conferences, in order to make its suppliers, customers, and other business-related institutions and personnel fully aware of its principles and rules with respect to ethical management.

#### Article 17

Ethical Management Evaluation Prior to Development of Commercial Relationships

Before developing a commercial relationship with another party, such as an agent, supplier, customer, or other counterparty in commercial dealings, this Corporation shall evaluate the legality and ethical management policy of the party and ascertain whether the party has a record of involvement in unethical conduct, in order to ensure that the party conducts business in a fair and transparent manner

and will not request, offer, or take bribes.

When this Corporation carries out the evaluation under the preceding paragraph, it may adopt appropriate audit procedures for a review of the counterparty with which it will have commercial dealings with respect to the following matters, in order to gain a comprehensive knowledge of its ethical management:

- 1. The enterprise's nationality, location of business operations, organizational structure, and management policy, and place where it will make payment.
- 2. Whether the enterprise has adopted an ethical management policy, and the status of its implementation.
- 3. Whether enterprise's business operations are located in a country with a high risk of corruption.
- 4. Whether the business operated by the enterprise is in an industry with a high risk of bribery.
- 5. The long-term business condition and degree of goodwill of the enterprise.
- 6. Consultation with the enterprise's business partners on their opinion of the enterprise.
- 7. Whether the enterprise has a record of involvement in unethical conduct such as bribery or illegal political contributions.

#### Article 18

Statement of Ethical Management Policy to Counterparties in Commercial Dealings

Any personnel of this Corporation, when engaging in commercial activities, shall make a statement to the trading counterparty about this Corporation's ethical management policy and related rules, and shall clearly refuse to provide, promise, request, or accept, directly or indirectly, any improper benefit in whatever form or name.

#### Article 19

Avoidance of Commercial Dealings with Unethical Operators

All personnel of this Corporation shall avoid business transactions with an agent, supplier, customer, or other counterparty in commercial interactions that is involved in unethical conduct. When the counterparty or partner in cooperation is found to have engaged in unethical conduct, the personnel shall immediately cease dealing with the counterparty and blacklist it for any further business interaction in order to effectively implement this Corporation's ethical management policy.

#### Article 20

Stipulation of Terms of Ethical Management in Contracts

Before entering into a contract with another party, this Corporation shall gain a thorough knowledge of the status of the other party's ethical management, and shall make observance of the ethical management policy of this Corporation part of the terms and conditions of the contract, stipulating at the least the following matters:

- 1. When a party to the contract becomes aware that any personnel has violated the terms and conditions pertaining to prohibition of acceptance of commissions, rebates, or other improper benefits, the party shall immediately notify the other party of the violator's identity, the manner in which the provision, promise, request, or acceptance was made, and the monetary amount or other improper benefit that was provided, promised, requested, or accepted. The party shall also provide the other party with pertinent evidence and cooperate fully with the investigation. If there has been resultant damage to either party, the party may claim from the other party 10 percent of the contract price as damages, and may also deduct the full amount of the damages from the contract price payable.
- 2. Where a party is discovered to be engaged in unethical conduct in its commercial activities, the other party may terminate or rescind the contract unconditionally at any time.
- 3. Specific and reasonable payment terms, including the place and method of payment and the

requirement for compliance with related tax laws and regulations.

#### Article 21

Handling of Unethical Conduct by Personnel of this Corporation

As an incentive to insiders and outsiders for informing of unethical or unseemly conduct, this Corporation will grant a reward of not more than NT\$100,000 depending the seriousness of the circumstance concerned. Insiders having made a false report or malicious accusation shall be subject to disciplinary action and be removed from office if the circumstance concerned is material. This Corporation shall internally establish and publicly announce on its website and the intranet, or provide through an independent external institution, an independent mailbox or hotline, for insiders and outsiders of this Corporation to submit reports. A whistleblower shall at least furnish the following information:

- 1. the whistleblower's name and I.D. number, and an address, telephone number and e-mail address where it can be reached.
- 2. the informed party's name or other information sufficient to distinguish its identifying features.
- 3. specific facts available for investigation.

Personnel of this Corporation handling whistle-blowing matters shall represent in writing they will keep the whistleblowers' identity and contents of information confidential. This Corporation also undertakes to protect the whistleblowers from improper treatment due to their whistleblowing. The responsible unit of this Corporation shall observe the following procedure:

- 1. An information shall be reported to the department head if involving the rank and file and to an independent director or supervisor if involving a director or a senior executive.
- 2. The responsible unit of this Corporation and the department head or personnel being reported to in the preceding subparagraph shall immediately verify the facts and, where necessary, with the assistance of the legal compliance or other related department.
- 3. If a person being informed of is confirmed to have indeed violated the applicable laws and regulations or this Corporation's policy and regulations of ethical management, this Corporation shall immediately require the violator to cease the conduct and shall make an appropriate disposition. When necessary, this Corporation will institute legal proceedings and seek damages to safeguard its reputation and its rights and interests.
- 4. Documentation of case acceptance, investigation processes and investigation results shall be retained for five years and may be retained electronically. In the event of a suit in respect of the whistleblowing case before the retention period expires, the relevant information shall continue to be retained until the conclusion of the litigation.
- 5. With respect to a confirmed information, this Corporation shall charge relevant units with the task of reviewing the internal control system and relevant procedures and proposing corrective measures to prevent recurrence.
- 6. The responsible unit of this Corporation shall submit to the board of directors a report on the whistleblowing case, actions taken, and subsequent reviews and corrective measures.

#### Article 22

Actions upon Event of Unethical Conduct by Others towards This Corporation

If any personnel of this Corporation discovers that another party has engaged in unethical conduct towards this Corporation, and such unethical conduct involves alleged illegality, this Corporation shall report the relevant facts to the judicial and prosecutorial authorities; where a public service agency or public official is involved, this Corporation shall additionally notify the governmental anti-corruption agency.

Establishment of a System for Rewards, Penalties, and Complaints, and Related Disciplinary Measures The responsible unit of this Corporation shall organize 1 awareness sessions each year and arrange for the chairperson, general manager, or senior management to communicate the importance of ethics to its directors, employees, and mandataries.

This Corporation shall link ethical management to employee performance evaluations and human resources policy, and establish clear and effective systems for rewards, penalties, and complaints. If any personnel of this Corporation seriously violates ethical conduct, this Corporation shall dismiss the personnel from his or her position or terminate his or her employment in accordance with applicable laws and regulations or the personnel policy and procedures of this Corporation. This Corporation shall disclose on its intranet information the name and title of the violator, the date and details of the violation, and the actions taken in response.

#### Article 24

#### Enforcement

These Procedures and Guidelines, and any amendments hereto, shall be implemented after adoption by resolution of the board of directors, and shall be delivered to each supervisor and reported to the shareholders meeting.

When these Procedures and Guidelines are submitted to the board of directors for discussion, each independent director's opinions shall be taken into full consideration, and their objections and reservations expressed shall be recorded in the minutes of the board of directors meeting. An independent director that is unable to attend a board meeting in person to express objection or reservation shall provide a written opinion before the board meeting unless there is a legitimate reason to do otherwise, and the opinion shall be recorded in the minutes of the board of directors meeting. The Guideline was created on April 29, 2016, first amended on August 8, 2016.

#### **AAEON Technology Inc.**

#### **Articles of Incorporation**

Revision Date: May 29, 2024

#### Chapter 1 General Principles

Article 1: The Company is incorporated pursuant to the Company Act under the name of AAEON TECHNOLOGY INC.

Article 2: The Company's business operation is as follows:

- 1. CC01070 Telecommunication Equipment and Apparatus Manufacturing
- 2. CC01080 Electronic Parts and Components Manufacturing
- 3. CC01110 Computers and Computing Peripheral Equipments Manufacturing
- 4. CE01010 Precision Instruments Manufacturing
- 5. E603050 Cybernation Equipments Construction
- 6. E605010 Computing Equipments Installation Construction
- 7. F213030 Retail sale of Computing and Business Machinery Equipment
- 8. F213040 Retail Sale of Precision Instruments
- 9. F213060 Retail Sale of Telecom Instruments
- 10. F218010 Retail Sale of Computer Software
- 11. F219010 Retail Sale of Electronic Materials
- 12. F401010 International Trade
- 13. F401021 Restrained Telecom Radio Frequency Equipments and Materials Import
- 14. I501010 Product Designing
- 15. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 3: The Company may make guarantees for other industry peers as required for its business.
- Article 4: The Company's reinvestment may exceed 40% of the Company's paid-in capital; the Board of Directors is authorized to execute the reinvestments. When the Company is a limited liability shareholder of another company, the total investment may exceed the limit of 40% of the Company's paid-in capital.
- Article 5: The Company's headquarters is in New Taipei City. The Board of Directors may resolve to set up domestic and foreign branches as necessary.

#### Chapter 2 Share capital

Article 6: The Company's total capital is NT\$ 2 billion, divided into 200 million common shares with a par value of NT\$10. The Board of Directors is authorized to issue the shares in different times.

The company reserves NT\$ 50 million of the capital in the first paragraph for issuing 5 million shares with a par value of NT\$10 under the employee stock option scheme. The Board of Directors may resolve to issue the shares in different times.

- Article 6-1: The issuance of stock warrants to employees of this company at a subscription price lower than the closing price of the company's common stock on the issuance date requires a shareholder meeting with the attendance of more than half of the total shareholders representing issued shares. Approval from over two-thirds of the voting rights of attending shareholders is necessary before issuance can proceed. If this company enters into stock warrant contracts with employees in accordance with Article 167-2 of the Company Act, the recipients may include employees of controlling or subsidiary companies who meet certain conditions.
- Article 7: The company's stocks are registered and issued with the signature or seal of the directors representing the company, and are numbered accordingly. They are issued after

being certified by the competent authority or the designated issuing registration institution in accordance with the law. The Company is not required to print physical shares but must register with a centralized securities depository enterprise for the shares issued in accordance with the enterprise's regulations.

Article 8: The change of name and transfer of shares are suspended within 30 days before the general meeting, 15 days before an extraordinary shareholders meeting, or 5 days before the record date of distribution of dividends and bonus, or other benefits.

After the initial public offering, the records in the shareholder register cannot be modified within 60 days before the general meeting, 30 days before an extraordinary shareholders meeting, or 5 days before the record date of distribution of dividends and bonus, or other benefits.

#### Chapter 3 Shareholders Meetings

- Article 9: The shareholders meeting can be a general meeting or an extraordinary meeting. The general meeting should be held at least once within 6 months after the end of each fiscal year by the Board of Directors. The extraordinary meeting can be held as necessary.
- Article 10: Any shareholder who is unable to attend the shareholders meeting may execute the form proxy prepared by the Company and specify the scope of authorization to appoint an agent.
- Article 11: Except for the nonvoting shares under Article 179 of the Company Act, each shareholder of the Company shall have one vote per share.

  When the Company holds any shareholders meeting after public offering (or trading in OTC market), it should permit electronic means as one of the voting methods and specify such voting process in the shareholders meeting notice.
- Article 12: Unless otherwise provided in the Company Act and in these Articles, the resolution of the shareholders meeting should be made by the majority of the shareholders being present at the meeting and representing the majority of the outstanding shares.
- Article 12-1: After the initial public offering, the Company may withdraw the public offering only pursuant to Article 156 of the Company Act by having the approval of the majority of the shareholders being present at the meeting and representing two-third of the outstanding shares.

#### Chapter 4 Directors and Audit Committee

- Article 13: The Company should have eleven to thirteen directors. Each of them should have a three-year term of office, and will be elected from the candidates with legal capacity by the shareholders meeting and for consecutive terms. There should be at least three independent directors on the Board of Directors in the foregoing paragraph. The directors (including independent directors) of the Company should be elected through the nomination system, and from the candidate list by the shareholders meeting.
- Article 13-1: The Company sets up the "audit committee" pursuant to Article 14-4 of the Securities and Exchange Act. The members of the audit committee should be all independent directors. The audit committee or the audit commissioners are entrusted with the powers of supervisors under the Company Act, Securities and Exchange Act and other laws. Pursuant to Articles 14-4 and Article 181-2 of the Securities and Exchange Act, the Company will not appoint any supervisor after the audit committee has been set up. The powers of supervisor specified in the Company's internal policies will be exercised by the audit committee.
- Article 14: The powers of the Board of Directors are as follows:
  - 1. Specify the Company's organizational policies.
  - 2. Develop and monitor the execution of the Company's business plans.
  - 3. Specify the Company's surplus distribution.

- 4. Specify the Company's capital increase and reduction.
- 5. Review the Company's budgets, and approve the final settlement.
- 6. Approve the Company's acquisition or disposal of fixed assets.
- 7. Other powers entrusted by the laws and policies and the shareholders meeting.
- Article 15: (Deleted)
- Article 16: The Board of Directors should be formed by the directors. The directors should elect from among themselves the Chairman by a majority vote with two-third of the directors being present. The Chairman represents the Company. The Company may have one vice Chairman elected by the same method.
- Article 16-1: When one-third of the seats on Board become vacant or all independent directors are removed, the Board of Directors should call an extraordinary shareholders meeting within 60 days. The elected directors should serve the office only for the remaining term.
- Article 17: The Board meeting notice may be given by e-mail and facsimile. Unless otherwise provided in the Company Act or in these Articles, the resolution should be made by the majority of the directors being present at the meeting and representing the majority of the seats. A director may authorize another director to attend the Board meeting on his behalf in writing. The power of attorney should be given for each meeting and specify the scope of authorization.
- Article 18: If the Chairman is on leave or unable to exercise his power, the acting person should be subject to Article 208 of the Company Act.
- Article 19: The Board of Directors is authorized to determine the remunerations of the Chairman and the directors based on their participation and contribution in the Company's operation and the domestic industrial standards.
- Article 19-1: The Company may purchase insurance for the directors to cover their statutory liabilities in connection with their performance of duties.
- Article 19-2: The Company may set up functional committees under the Board of Directors. The organization and power of such committees should be subject to the regulations prescribed by the competent authority.

#### Chapter 5 Manager

Article 20: The Company may appoint the managers. The appointment, termination and compensation should be subject to Article 29 of the Company Act.

#### Chapter 6 Accounting

- Article 21: The Company should conduct final settlement for each fiscal year from January 1 to December 31.
- Article 22: At the end of each fiscal year, the Company should cause the Board of Directors to prepare
  - 1. Business Report
  - 2. Financial statements
  - 3. Proposal for earnings distribution or loss offset

And other statements, and submit to the general meeting for recognition.

- Article 23: If there is any remaining earnings after offsetting the accumulated loss against the annual profit (profits before tax and expenses for distributing employee compensation and director compensation), the company shall appropriate no less than 5% as employee compensation and no more than 1% as director remuneration.
  - Qualification requirements of the employees who are entitled to receive the employees' compensation may be specified by the Board of Directors.
- Article 23-1: If there is any surplus after the annual settlement, the Company should pay the tax, compensate the accumulated loss, then appropriate 10% as legal reserve unless the legal

reserve has equaled the Company's paid-in capital. In addition, the Company may appropriate or reverse the special reserve as required for the operation and subject to the laws. The remaining amount plus the retained earnings at the beginning of the period may be distributed provided that the shareholders meeting approves the distribution plan prepared by the Board of Directors.

Regarding the payout of future dividends, the Company may distribute part or all of the year's distributable earnings based on financial, business, and operational factors. At least 50% of the earnings to be distributed shall be provided for shareholder dividends, of which cash dividends shall not be lower than 50% of the total dividends to be paid out. The payout amount is subject to the approval of the shareholders' meeting.

#### Chapter 7 Appendix

Article 24: Any matter not specified in these Articles should be handled in accordance with the Company Act and applicable laws.

Article 25: These Articles were made on November 22, 2010. The first amendment and reinstatement are made on December 24, 2010. The second amendment and reinstatement are made on June 2, 2011. The third amendment and reinstatement are made on April 1, 2016. The fifth amendment and reinstatement are made on June 30, 2016. The sixth amendment and reinstatement are made on June 27, 2017. The seventh amendment and reinstatement are made on July 30, 2018. The eighth amendment and reinstatement are made on May 31, 2023. The ninth amendment and reinstatement are made on May 29, 2024.

#### **AAEON Technology Inc.**

#### **Rules of Procedure for Shareholders Meetings**

Revision Date: May 27, 2022

- Article 1 The rules for compliance are stipulated in accordance with Article 5 of the "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" for establishing the Company's excellent meeting of shareholders governance system, substantiating supervisory function, and enhancing management functions.
- Article 2 The rules of procedures for the Company's shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.
- Article 3 The Company's shareholders' meetings, unless otherwise provided by the law and regulations, should be convened by the Board of Directors.

The Company shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. The Company shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, the Company shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby as well as being distributed on-site at the meeting place.

The notice and announcement of convening the board meeting can be made electronically with the consent of the counterparty.

Where the meeting is called for the election or removal of any director, amendment to the Articles of Incorporation, dissolution, merger, spin-off of the Company, or any matter set forth in Article 185, Paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, the reason must be specified in the meeting notice and cannot be proposed as an extempore motion.

The reasons for the convening of the shareholders meeting have indicated the full reelection of directors and supervisors, and the date of appointment. After the reelection of the shareholders meeting is completed, the date of appointment shall not be changed by temporary motion or other means at the same meeting.

Shareholders with over 1% shareholding of the shares issued may have proposals presented in writing to the Company's General Shareholders Meeting. However, it is limited to one proposal and any additional proposal presented will not be discussed in the meeting. The Board of directors may not have the proposals presented by shareholders that fall under the scope of Article 172-1 Paragraph 4 of the Company Act included for discussion. A shareholder may make a proposal to urge the corporation to promote public interests or fulfill its social responsibilities. The number of items so proposed, however, is limited to one item pursuant to Article 172-1 of the Company Act. Any proposal containing more than one item will be excluded from the meeting agenda.

Prior to the book closure date before a regular shareholders meeting is held, the Company shall publicly announce that it will receive shareholder proposals, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

The shareholder's proposal is limited to 300 words' otherwise it will not be included for discussion. The proposing shareholders must attend the shareholders' meeting in person or by proxy to participate in the proposal discussion.

The Company shall have the processing result presented in the shareholders' meeting before the meeting convening date and have the proposals in compliance with this clause included in the notice of meeting. The board of directors is to give the reason why the shareholder's proposal is not included for discussion in shareholders' meeting.

Article 4 Shareholders may issue a proxy printed by the Company with the scope of authorization defined to attend the shareholders' meeting.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to the Company before 5 days before the date of the shareholders meeting. However, exception is granted if the shareholder issues a proper declaration to withdraw the previous proxy arrangement.

If the shareholders wish to exercise the balloting right by attending the meeting in person or voting in writing or by electronic means after the proxy is received by the Company, the shareholders shall have the Company informed in writing two days prior to the shareholders' meeting date to revoke the proxy. The balloting right exercised by the representative shall prevail if the proxy is not revoked before the deadline.

- Article 5 The shareholders meeting must be held at a location that is suitable and convenient for shareholders to attend. The meeting must not commence anytime earlier than 9AM or later than 3PM. Independent Directors' opinions must be fully taken into consideration when deciding the time and venue of the meeting.
- Article 6 The Company shall have the admission time, admission place, and other related matters set forth in the notice of meeting.

The shareholders' meeting admission time referred to above should be at least thirty minutes before the meeting in session; it should be clearly indicated at the admission place and with the adequate and qualified personnel to handle it.

Shareholders and their proxies (collectively, "shareholders") shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

The company will provide an attendance log to record shareholders' attendance; alternatively, shareholders may present their attendance cards to signify their presence.

The Company shall have the Agenda Handbook, annual reports, attendance card, statement slip, ballots, and other meeting materials delivered to the shareholders presented; also, the ballot will be distributed to the directors for the election of directors, if any.

The number of representative attending the shareholders' meeting on behalf of the institutional shareholders, both the government and legal person, is not limited to one person. The number of legal person entrusted to attend the shareholders' meeting is limited to one person.

Article 7 If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as chair, or, if there are no

managing directors, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.

When a director serves as chair, as referred to in the preceding paragraph, and who understands the financial and business conditions of the company. The rule referred to above does apply if the chairman is a representative of the legal director.

It is advisable that shareholders meetings convened by the board of directors be chaired by the chairperson of the board in person and attended by a majority of the directors and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.

If the shareholders' meeting is convened by any authorized party other than the Board of Directors, the convener will act as the meeting chairman. If there are two or more conveners, they shall appoint one among themselves to chair the meeting.

The Company may summon its lawyers, certified public accountants, and any relevant personnel to the shareholders meeting.

Article 8 The entire process of the shareholders' meeting should be recorded or videotaped. The audio and video data referred to above should be reserved for at least one year.

However, if a shareholder makes a litigious claim against The Company according to Article 189 of The Company Act, the above mentioned documents must be retained until the end of the litigation.

The attendance of the shareholders' meeting is counted by the shareholding. The number Article 9 of shares represented during the meeting is calculated based on the amount registered in the attendance log or the attendance cards collected, plus the amount of shares whose voting rights are exercised through proxy forms or electronic methods.

> When it is time to convene a shareholders meeting, the chairman shall immediately convene the meeting, while announcing the number of non-voting rights and the number of shares represented by attending shareholders. However, that if the shareholders present do not represent a majority of the total amount of issued shares, the chairman may postpone the meeting, provided, however, that the postponement of the said meeting shall be limited to two times, and the total time postponed shall not exceed one hour. The chair may announce the meeting adjourned if there remain insufficient shareholders who represent one-thirds of all outstanding shares to attend the meeting after two postponements are made.

> If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within 1 month.

> When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

Article 10 If the shareholders' meeting is convened by the board of directors, its agenda is set by the board of directors. The meeting is conducted in accordance with the agenda and it may not be changed without the resolutions reached in the shareholders' meeting.

> The provision referred to above is applicable even when the shareholders' meeting is convened other than by the board of directors.

> The Chairman may not announce the meeting is adjourned until a resolution is reached for the two procedures (including motions) referred to above. If the Chairman has announced the meeting adjourned in violation of the procedures, the other board directors shall promptly assist the shareholders presented with a majority of balloting rights to elect a chairman to continue the meeting in accordance with the legal procedures.

The Chairman must give the proposal or the amendment and motion proposed by the shareholders an opportunity to be explained and discussed sufficiently until it is ready for balloting and then stop the discussion for balloting.

Article 11 Shareholders who wish to speak during the meeting must produce a Speak Request Form detailing the topics and the shareholder's name and account number (or the attendance ID serial). The order of shareholders' comments will be determined by the meeting chairman. Shareholders who submit Speak Request Forms without actually speaking are considered to have remained silent. If the shareholder's actual comments differ from those stated in the Speak Request Form, the actual comments shall prevail.

Each shareholder may not speak on the same proposal more than twice and not more than 5 minutes each time unless otherwise permitted by the Chairman. However, the Chairman may stop the shareholder from speaking if the speech is in violation of regulations or outside the scope of the proposal.

While a shareholder is speaking, other shareholders cannot speak simultaneously or interfere in any way without the consent of the meeting chairman and the person speaking. The meeting chairman shall restrain any violators.

For corporate shareholders who have appointed two or more representatives to attend the shareholders meeting, only one representative may speak per agenda.

The Chairman may have the speech of the shareholder responded in person or by the designated personnel.

Article 12 The balloting of the shareholders' meeting is based on the shareholding represented. For the resolutions of the shareholders' meeting reached, the shareholding of the shareholders without balloting right is excluded from the count of the outstanding shares. Shareholders cannot vote, or appoint proxies to vote, on any agendas that present conflicting interests, if doing so may compromise The Company's interests.

The shareholding of the shareholders without balloting right referred to above is not included in the balloting rights of the shareholders presented.

Except for the trust enterprise or the securities brokerages approved by the securities competent authorities, the balloting rights of the representative who is commissioned by two or more shareholders shall not exceed 3% of the balloting rights representing the total outstanding shares and the portion in excess does not count.

Article 13 A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

When holding a shareholders' meeting, the Company permits the shareholders to exercise their voting rights in writing or by electronic means. The voting methods will be specified in the shareholders meeting notice. Shareholders who have voted in writing or using the electronic method are considered to have attended the shareholders meeting in person. However, in respect of the motion and the amendment of the original proposal in the shareholders' meeting it is deemed as a waiver; therefore, the Company is advised to avoid proposing motion or the amendment of the original proposal.

The uses of written and electronic votes mentioned above must be delivered to The Company at least 2 days before the shareholders meeting. If there are duplicate submissions, the earlier submission shall prevail. However, exception is granted if the shareholder issues a proper declaration to withdraw the previous vote.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, before 2 business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by

correspondence or electronic means shall prevail. If the shareholder has exercised written or electronic votes, and at the same time delegated a proxy to attend the shareholders meeting, then the voting decision exercised by the proxy shall prevail.

Unless otherwise provided in the Company Act and the Company's Articles of Incorporation, the proposal is passed in the meeting by the shareholders represented a majority of the balloting rights.

The motion resolved by the Chairman's consulting the attending shareholders without dissent is deemed as passed and with the same effect as voting.

For the proposal with an amendment or alternative put to vote, the Chairman is to have it prioritized for balloting with the original bill enclosed. If any solution is passed, all other proposals shall be deemed rejected and no further voting is necessary.

The meeting chairman will appoint a ballot examiner and a ballot counter for each agenda. However, the ballot examiner must be a Director.

The vote counting process of the shareholder's balloting or election should be held openly at the meeting venue. The balloting result should be announced immediately at the meeting, including statistical weights, and it should be documented for record.

- Article 14 The election of directors at the shareholders' meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected, as well as a list of director and supervisor candidates who failed to be elected and the number of votes they obtained.
  - The ballots of the election referred to above should be sealed, signed, and reserved by the controller of ballot for safekeeping for at least one year. However, if a shareholder makes a litigious claim against The Company according to Article 189 of The Company Act, the above mentioned documents must be retained until the end of the litigation.
- Article 15 The resolutions reached in the shareholders' meeting must be documented in the minutes of meeting for the signature or seal of the Chairman. The minutes of meeting must be distributed to the shareholders in 20 days. The preparation and distribution of the minutes of shareholders' meeting can be processed electronically.

The Company's minutes of shareholders' meeting referred to above can be distributed by posting it on the MOPS.

The minutes must detail the date and venue of the meeting, the meeting chairman's name, the method of resolution, and the summary and results of meeting agendas. These minutes must be retained indefinitely.

Article 16 The Company must have the statistics of the number of shares by soliciting and by proxy prepared in the prescribed format and has it disclosed openly at the meeting venue on the meeting date.

Any resolution of the shareholders' meeting with regard to any material information specified in the laws and by the competent authority should be uploaded onto the market observation post system by the Company within the specified time.

Article 17 The service personnel for the shareholders' meeting shall wear identification badges or armbands.

The meeting chairman may instruct picketers or security staffs to help maintain order in the meeting. While maintaining order in the meeting, all picketers or security staffs must wear arm badges which identify their roles as "Staff".

If the meeting venue is equipped with speakerphones, the Chairman may stop the shareholders who do not use the device provided by the Company from speaking.

The Chairman may command the marshals or security guards to escort the shareholders to leave the meeting venue if they are in violation of the rules of procedure, disobey the Chairman, and interfere with the meeting proceeding.

Article 18 The Chairman at his/her discretion may announce the meeting in recess; also, may announce to have the meeting suspended due to force majeure and announce the time for the meeting to resume.

If the venue of shareholders' meeting is not available before the end of the procedures (including motions), the shareholders' meeting may resolve to find another venue to continue the meeting.

A resolution may be adopted at a shareholders meeting to defer or resume the meeting within 5 days in accordance with Article 182 of the Company Act.

Article 19 These rules will be implemented after being approved in the shareholders' meeting, same as the amendment.

#### **AAEON Technology Inc.**

#### **Procedures for Election of Directors**

Revision Date: July 9, 2021

- Article 1: To ensure a just, fair, and open election of directors, these Procedures are adopted pursuant to Articles 21 and 41 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.
- Article 2: Except as otherwise provided by law and regulation or by this Corporation's articles of incorporation, elections of directors shall be conducted in accordance with these Procedures.
- Article 3: The overall composition of the board of directors shall be taken into consideration in the selection of this Corporation's directors. The composition of the board of directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:
  - 1. Basic requirements and values: Gender, age, nationality, and culture.
  - 2.Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience. Each board member shall have the necessary knowledge, skill, and experience to perform their duties; the abilities that must be present in the board as a whole are as
  - 1. The ability to make judgments about operations.
  - 2. Accounting and financial analysis ability.
  - 3. Business management ability.
  - 4. Crisis management ability.
  - 5. Knowledge of the industry.
  - 6. An international market perspective.
  - 7. Leadership ability.

follows:

8. Decision-making ability.

More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.

The board of directors of this Corporation shall consider adjusting its composition based on the results of performance evaluation.

Article 4: The qualifications for the independent directors of this Corporation shall comply with Articles 2, 3, and 4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.

The election of independent directors of this Corporation shall comply with Articles 5, 6, 7, 8, and 9 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and shall be conducted in accordance with Article 24 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 5: The election of the Company's directors shall be conducted in accordance with the candidate nomination system procedures set out in Article 192-1 of the Company Act. When the number of directors falls below five due to the dismissal of a director for any reason, the Company shall hold a by-election to fill the vacancy at its next shareholders meeting. When the number of directors falls short by one-third of the total number prescribed by the Articles of Incorporation, the Company shall convene a special

shareholders meeting within 60 days of the occurrence of that fact for a by-election for director(s).

When the number of independent directors falls below that required under the proviso of Article 14-2, Paragraph 1 of the Securities and Exchange Act, a by-election shall be held at the next shareholders meeting to fill the vacancy. When all the independent directors are dismissed, a special shareholders meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

- Article 6: The cumulative voting method shall be used for election of the directors at this Corporation. Each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates.
- Article 7: The board of directors shall prepare separate ballots for directors in numbers corresponding to the directors or supervisors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.
- Article 8: The number of directors will be as specified in this Corporation's articles of incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.
- Article 9: Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel. The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.
- Article 10: Ballots are invalid in any of the following circumstances:
  - 1. The ballot was not prepared by a person with the right to convene.
  - 2. A blank ballot is placed in the ballot box.
  - 3. The writing is unclear and indecipherable or has been altered.
  - 4. The candidate whose name is entered in the ballot does not conform to the director candidate list.
  - 5. Other words or marks are entered in addition to the number of voting rights received.
- Article 11: The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors and the numbers of votes with which they were elected, shall be announced by the chair on the site

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

- Article 12: The elected directors shall be notified by the company.
- Article 13: These Procedures, and any amendments hereto, shall be implemented after approval by a shareholders meeting.

### AAEON TECHNOLOGY INC. Director Shareholding

- 1. The Company's paid-in capital is NT\$ 1,694,512,210 Total number of issued shares is 169,451,221.
- 2. Pursuant to Article 26 of the Securities and Exchange Act, and the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies, the minimum shareholding of all directors should be 10,167,073 shares.
- 3. As of the halt date for this shareholders' meeting, the shareholding of each director recorded in the shareholders' register is as below:

March 31, 2025

March 31						
			Shares	Shareholding		
		Date	Owned	percentage		
Title	Name	elected	(share)	(%)	Representative	
Chairman	Jui Hai Investment 2022/5/27		4,739,647	2.80%	Yung-Shun	
	Co., Ltd.	202213121	4,739,047	2.00/0	Chuang	
Director	Jui Hai Investment	2022/5/27	4,739,647	2.80%	Ying-Chen Li	
	Co., Ltd.	2022/3/27	4,/39,04/			
Director	Jui Hai Investment	ui Hai Investment 2022/5/27	4,739,647	2.80%	Fu-Chun,	
	Co., Ltd.	Co., Ltd. 2022/3/27		2.8070	Chuang	
Director	ASUSTeK	2022/5/27	45,933,118	27.11%	Jonny Shih	
	Computer Inc.	2022/3/27				
Director	ASUSTeK	2022/5/27	45,933,118	27.11%	Jonathan	
	Computer Inc.	2022/5/27			Tsang	
Director	ASUSTeK	2022/5/27	45,933,118	27.11%	-	
	Computer Inc.	2022/5/27			S.Y. Hsu	
Director	iBase Technology	2022/5/27	43,773,212	25.83%	Chia-Fu, Lee	
	Inc.	2022/5/27				
Director	iBase Technology	2022/5/27	43,773,212	25.83%	V- N- Cl	
	Inc.	2022/5/27			Yu-Nan, Chen	
Independent	D-1 V	2022/5/27	0	0		
Director	Daho Yen	2022/5/27	0	0		
Independent	ndependent W Cl. 1 Cl 2020		0	0		
Director	Kun-Chih, Chen	2022/5/27	0	0		
Independent Visition Lin		2022/5/27	0	0		
Director	Xiulian Lin	2022/5/27	0	0		
Total		94,445,977	55.74%			
	10111		, 1, 110, 11	55.7170	l	

#### Other Information:

- (1) Effect on the company's operating performance, EPS, and shareholder ROI by this stock grant: The Company did not publish any financial forecast for 2024 as required and the Company does not have any stock grant plan. Therefore, it is not applicable.
- (2) Shareholder motions received for this year's shareholders' meeting:
  - 1. Pursuant to Article 172-1 of the Company Act, any shareholder who owns more than 1% of the total outstanding shares may submit the motion proposal to the general meeting in writing. The proposal should only include one motion and should be described in 300 words. Any proposal including more than one motion, or described in more than 300 words will not be accepted. The Shareholder who proposed needs to attend the Shareholders' Meeting in person, or delegate others the power of attorney, and engage in the discussion.
  - 2. Proposals of shareholders' motions should be submitted between March 21, 2025 and March 31, 2025, 9AM to 5PM. The announcement has been published on the Market Observation Post System.
  - 3. The Company did not receive any proposal of shareholders' motion during the acceptance period.