



Stock Code: 2373

# Aurora Corporation

## 2023 Annual Shareholders' Meeting Meeting Handbook (Translation)

Time: June 19, 2023 (Monday) 9:00 a.m.

Venue: 3F., No. 2, Sec. 5, Xinyi Rd., Xinyi Dist., Taipei City

(Physical shareholders meeting)

(Multi-functional Conference Room, Aurora Plaza)

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# Aurora Corporation

## Procedure for the 2023 Annual Shareholders' Meeting

- I. Reporting the Number of Shares Represented at the Meeting
- II. Meeting Called to Order
- III. Chairman's Remarks
- IV. Announcements
- V. Proposed Resolutions
- VI. Extempore Motions
- VII. Adjournment

## 【Announcements】

### I. 2022 Business Report

## Aurora Corporation 2022 Business Report

In 2022, the Russia-Ukraine war has led to a shortage of supplies such as natural gas and crude oil, resulting in an increase in global energy prices as well as price increases in other nations and the emergence of inflation. In an effort to contain price increases, the central banks of various nations have gradually tightened monetary policy, resulting in an increase in interest rates across the globe, which has affected the macroeconomy and financial markets as a whole. Additionally, during the second quarter, the local COVID-19 pandemic in Shanghai got worse, the extensive lockdown measures had an impact on the normal operations of the mainland market and the market boom showed a significant decline, which had an effect on the company's business in mainland China. Despite this, the company is still working to differentiate itself, reduce the effect of external factors and close the profit gap in order to take advantage of the business opportunities provided by digital transformation and ESG sustainability in 2022. The business results for 2022 and the plan for 2023 are summarized below:

### I. 2022 Business Results

#### (I) Business Results

For the fiscal year of 2022, the consolidated net revenue was NT\$12,576,325 thousand and the net profit after tax attributed to the parent company was NT\$1,309,368 thousand. The earnings per share after tax was NT\$5.82. The comparison of profit or loss for the two fiscal years is as follows:

(In Thousands of New Taiwan Dollars)

Item/Year		2022	2021	Increase (Decrease)	Growth Rate
Operating Revenue	Consolidated	12,576,325	13,577,257	(1,000,932)	-7%
	Parent company only	3,322,549	3,285,129	37,420	1%
Net Profit after Tax (Attributable to Owners of the Parent)		1,309,368	1,391,539	(82,171)	-6%
Earnings per Share after Tax (NT\$)		5.82	6.19	(0.37)	-

In terms of the consolidated financial structure, the current ratio was 183% and the liability ratio (as a proportion of assets) was 51%. Both ratios were financially sound.

## (II) Review of Operating Performance

Aurora's main operation performance in 2022 included:

- To strengthen the ESG sustainability framework, the Sustainability Committee and the Integrity Management Committee have been established.
- Taiwan's OA and furniture businesses continue to maintain steady growth.
- Taiwan Aurora Cloud has obtained ISO 27001 certification, providing customers with a more secure cloud platform for storing information.
- The OA business in mainland China acknowledges the SOHO office trend by increasing the market share of A4 machines and the total number of machines.
- In spite of the COVID-19 pandemic, the furniture business in mainland china continues to focus on its core market. In addition to the increase in sales of trending new commodities, the economies of scale of primary commodities are becoming more apparent.

## II. Overview of the 2023 Business Plan and Future Development Strategies

### (I) Prediction of Impact from External Competition and Overall Business Environment and Countermeasures

The Directorate General of Budget, Accounting and Statistics, Executive Yuan, R.O.C. (Taiwan) and other significant organizations predict that in 2023, the macroeconomy will continue to grow slightly. On the international front, even though the majority of countries coexist with the COVID-19 pandemic and positive factors such as the effectiveness of major European and American nations' plans to control inflation and boost economic growth are beginning to emerge, they are still overshadowed by negative factors such as the ongoing Russia-Ukraine war, geopolitical tensions and weak demand. As a result, the global economy remains fraught with uncertainty and is anticipated to decelerate significantly.

Despite ongoing economic uncertainties, the company will continue to strengthen its internal operations and respond to a range of internal and external challenges. The low-carbon transformation fostered by the ESG wave and the digital transformation in response to the COVID-19 pandemic have both gradually produced results in recent years. Moving forward, we will continue to concentrate on our office market, integrate the ESG sustainability concept into our operating processes and business model and increase our use of digital technologies such as big data, AI and IoT. We will assist clients in transforming themselves into digital businesses and create an office space that is eco-friendly, health-focused, intelligent and efficient, thereby differentiating the company from its competitors and enhancing its overall competitiveness.

## (II) Development Strategies for Each Segment

1. OA: By offering clients an intelligent, effective, energy-saving, carbon-reducing and an innovative office environment, we are dedicated to becoming the market leader for comprehensive office solutions.
  - (1) Combine printing equipment (A3/A4/PP machines, etc.) with efficient office solutions to create an efficient office setting.
  - (2) Make use of technological platforms such as the Internet of Things (IoT), the cloud and remote services to enhance service capabilities.
  - (3) Create smart conference rooms by incorporating a smart screen, cloud video, conference control system, etc.
  - (4) Using the ESG service model, help businesses create a sustainable platform for energy conservation and carbon reduction.
2. Furniture: In keeping with our mission statement, " Better work, better life" we work to dominate the market for premium office space solutions.
  - (1) Concentrate on marketing, production and services while implementing ESG principles to get the most out of our resources.
  - (2) Seek change while solidifying the foundation, stabilize direct sales growth, expand the distribution market, increase designer channel cooperation, bolster drainage tools and raise the output value of business services.
  - (3) From product design and development to manufacturing, distribution and assembly, implement smart and environmentally friendly processes and procedures. Implement industrial ESG to collaborate on the creation of an industrial green ecological chain.

## III. Conclusion

Despite the unfavorable environment created by the COVID-19 pandemic's intensification in 2022, we were able to minimize the negative effects on our profits and lay a strong foundation for future reverse growth thanks to the support of our shareholders and the dedication of our employees.. Customer satisfaction, employee contentness, social responsibility and the pursuit of sustainable operations comprise Aurora's business philosophy. The Aurora ESG makes its debut in 2022 as well. The company will maintain its business philosophy as the standard, perform well in ESG forward-looking planning, integrate ESG into its business models and operating management, increase value for our shareholders, clients, employees and society, adhere to its socially responsible business practices, exert a positive influence, and adhere to Aurora's business philosophy and ESG sustainability in 2023.

## 【Announcements】

### II. Audit Committee Review Report on Aurora's 2022 Financial Statements

#### Audit Committee's Review Report

The Audit Committee hereby approves Aurora's 2022 Business Report, financial statements and proposal for earnings distribution which are made by the Board of Directors, and the financial statements have been audited by Deloitte & Touche Taiwan, by whom an audit report has been issued accordingly.

The said business report, financial statements, and the proposal for earnings distribution have been audited by the Audit Committee and determined to be in compliance with the Company Act and other relevant laws and regulations. The Audit Committee's Report is hereby prepared in accordance with Article 219 of the Company Act.

Hereby presented for review

To:

2023 Annual Shareholders' Meeting of Aurora Corporation

Convener of the Audit Committee

Liao Kuo-Jung

March 13, 2023

## 【Announcements】

### III. Distribution of Employees' Compensation of 2022

#### Explanatory Notes:

The amount of employees' compensation of Aurora for 2022 is NT\$15,310,000, and is proposed to be distributed in the form of cash, which matches the estimated amount of recognized expenses for the year.



## 【Announcements】

### IV. The company's 2022 report on the distribution of earnings and cash dividends

#### Explanatory Notes:

- (I) The board of directors is empowered to decide whether or not to pay all or a portion of dividends and bonuses in cash in accordance with Article 29 of the company's articles of incorporation.
- (II) The company has distributed shareholder dividends totaling NT\$1,110,151,835 from distributable earnings in 2022 (including undistributed surplus from the previous year), or NT\$4.7 per share. The chairman has been authorized to set the dividend record date.
- (III) According to the distribution ratio, the current cash dividends shall be calculated up to the dollar and rounded down below the dollar. The total distribution amount less than NT\$1 shall be included in other income for the company.

## **【Proposed Resolutions】**

### **[Proposal 1]**

Proposal: Proposal for the Ratification of the 2022 Business Report and Financial Statements.

[Proposed by the board of directors]

#### Explanatory Notes:

- (I) Aurora's 2022 Business Report and financial statements have been audited and certified by independent Certified Public Accountants Chi Rui-Chuan and Hsieh Chien-Hsin of Deloitte & Touche Taiwan, and have been submitted to the Audit Committee for review. The review is now completed, and an Audit Committee's Review Report is issued.
- (II) The Business Report and all financial statements are provided in the following pages for ratification.
  1. Business Report  
【Please refer to page 2-4】
  2. Parent Company Only Balance Sheet  
【Please refer to page 13】
  3. Parent Company Only Statement of Comprehensive Income  
【Please refer to page 14-15】
  4. Parent Company Only Statement of Changes in Equity  
【Please refer to page 16】
  5. Parent Company Only Statement of Cash Flows  
【Please refer to page 17-18】
  6. Consolidated Balance Sheet  
【Please refer to page 22】
  7. Consolidated Statement of Comprehensive Income  
【Please refer to page 23-25】

8. Consolidated Statement of Changes in Equity  
【Please refer to page 26】

9. Consolidated Statement of Cash Flows  
【Please refer to page 27-28】

Attachment:

1. Audit Committee's Review Report  
【Please refer to page 5】

2. Independent Auditors' Report - Parent Company Only  
【Please refer to page 10-12】

3. Independent Auditors' Report – Consolidated  
【Please refer to page 19-21】

Resolution:

## Independent Auditors' Report

To Aurora Corporation:

### Opinions

Aurora Corporation's Parent Company Only Balance Sheets as of December 31, 2022 and 2021, in addition to the Parent Company Only Statements of Comprehensive Income, Parent Company Only Statements of Changes in Equity, Parent Company Only Statements of Cash Flows, and Notes to the Parent Company Only Financial Statements (including a summary of significant accounting policies) from January 1 to December 31, 2022 and 2021, have been audited by the CPAs.

In our opinion, the Parent Company Only Financial Statements mentioned above have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers in all material aspects, and are considered to have reasonably expressed the parent company only financial conditions of Aurora Corporation as of December 31, 2022 and 2021, as well as the parent company only financial performance and parent company only cash flows from January 1 to December 31, 2022 and 2021.

### Basis for Opinions

We conducted our audit in accordance with the Regulations Governing Auditing and Attestation of Financial statements by Certified Public Accountants and auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of Aurora Corporation in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China ("The Norm"), and we have fulfilled our other ethical responsibilities in accordance with the Norm. 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 the Parent Company Only Financial Statements of Aurora Corporation for the year ended December 31, 2022. These matters were addressed in the context of our audit of the Parent Company Only Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the Parent Company Only Financial Statements of Aurora Corporation for the year ended December 31, 2022 are stated as follows:

#### Sales revenue and sales revenue of key subsidiaries accounted for using the equity method.

The main businesses of Aurora Corporation and its key subsidiaries accounted for using the equity method include the trade and lease of Multi-Functional Photocopiers (MFPs) and sales of system furniture. Printers and revenue from sales of system furniture in Taiwan and in Shanghai, in particular, are material in nature for the overall financial statements. The main risk lies in whether revenue actually occurs. Accordingly, we identify the risk of revenue recognition arising from fraud as a key audit matter in accordance with the Statements on Auditing Standards in relation to significant risk.

For the accounting policies related to revenue recognition, please refer to Note IV (XIV).

We understood and tested the effectiveness of the design and implementation of internal controls in the recognition of sales revenue. We have also selected appropriate samples from the sales details, reviewed the original contracts, documents and customs declaration forms from external forwarders or signed by customers to check whether the recipients are the trading parties, and reviewed whether there is a significant amount of return and allowance subsequent to the balance sheet date to confirm whether there is any material misstatement of sales revenue.

### **Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements**

To ensure that the Parent Company Only Financial Statements do not contain material misstatements caused by fraud or errors, the management is responsible for preparing prudent Parent Company Only Financial Statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and for preparing and maintaining necessary internal control procedures pertaining to the Parent Company Only Financial Statements.

In preparing the Parent Company Only Financial Statements, the management is responsible for assessing Aurora Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to the going concern and using the going concern basis of accounting unless the management either intends to liquidate Aurora Corporation 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 Aurora Corporation's financial reporting process.

### **Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Parent Company Only Financial Statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditors' 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 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 financial statements.

As part of an audit in accordance with the accounting principles in the Republic of China, we exercise professional judgment and professional skepticism. We also perform the following tasks:

1. Identify and evaluate the risk of material misstatements due to fraud or error in the Parent Company Only Financial Statements; design and carry out appropriate countermeasures for the evaluated risk; and obtain sufficient and appropriate evidence as the basis for our audit 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 controls 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 controls of Aurora Corporation.
3. Assess the appropriateness of the accounting policies adopted by the management, as well as the reasonableness of their accounting estimates and relevant disclosures.

4. Conclude on the appropriateness of the 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 Aurora Corporation's ability to operate as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Parent Company Only Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause Aurora Corporation to cease to continue as a going concern.
5. Evaluate the overall expression, structure and contents of the Parent Company Only Financial Statements (including relevant Notes), and whether the Parent Company Only Financial Statements fairly present relevant transactions and items.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within Aurora Corporation to express an opinion on the Parent Company Only Financial Statements. We are responsible for the direction, supervision, and performance of the audit and for expressing an opinion on the Parent Company Only Financial Statements of Aurora Corporation.

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 audit.

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 the key audit matters of Aurora Corporation's Parent Company Only Financial Statements for the year ended December 31, 2022. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Deloitte & Touche

Chi Rui-Chuan, CPA

Hsieh Chien-Hsin, CPA

Financial Supervisory Commission Approval

No. Jin-Guan-Zheng-Shen No. 1060023872

Securities and Futures Commission Approval

No. Tai-Cai-Zheng-6 No. 0920123784

March 14, 2023

**Aurora Corporation**  
**Parent Company Only Balance Sheets**  
**December 31, 2022 and 2021**  
(In Thousands of New Taiwan Dollars)

Code	Assets	December 31, 2022		December 31, 2021	
		Amount	%	Amount	%
<b>Current Assets</b>					
1100	Cash (Note VI)	\$ 110,190	1	\$ 167,091	1
1150	Notes receivable (Notes IV ,VII and XX)	63,296	-	74,211	1
1170	Accounts receivable (Notes IV ,VII and XX)	136,182	1	134,406	1
1180	Accounts receivable - related parties (Notes IV, VII,XX and XXVII)	71,217	1	67,966	-
1220	Current income tax assets(Notes IV and XXII)	44,322	-	-	-
1200	Other receivables (Notes XL and XXVII)	23,259	-	66,985	-
130X	Inventories (Notes IV and VIII)	581,144	4	634,381	5
1479	Other current assets (Note XIV)	<u>70,856</u>	<u>1</u>	<u>77,620</u>	<u>1</u>
11XX	Total current assets	<u>1,100,466</u>	<u>8</u>	<u>1,222,660</u>	<u>9</u>
<b>Non-current assets</b>					
1550	Investments accounted for using the equity method (Notes IV and IX)	10,956,676	83	10,780,872	82
1600	Property, plant, and equipment (Notes IV, X, XXVII, and XXVIII)	770,324	6	776,296	6
1755	Right-of-use assets (Notes IV, XI, and XXVII)	114,649	1	156,847	1
1760	Investment properties (Notes IV, XII, and XXVIII)	70,544	1	71,018	1
1805	Goodwill (Notes IV and XIII)	38,147	-	38,147	-
1821	Other intangible assets (Notes IV, XIII and XXVII)	11,051	-	10,560	-
1840	Deferred tax assets (Notes IV and XXII)	72,465	1	81,158	1
1920	Refundable deposits (Note XXVII)	<u>54,731</u>	<u>-</u>	<u>47,979</u>	<u>-</u>
15XX	Total non-current assets	<u>12,088,587</u>	<u>92</u>	<u>11,962,877</u>	<u>91</u>
1XXX	Total assets	<u>\$ 13,189,053</u>	<u>100</u>	<u>\$ 13,185,537</u>	<u>100</u>
<b>Liabilities and Equity</b>					
<b>Current Liabilities</b>					
2100	Short-term loans (Note XV)	\$ 1,400,000	11	\$ 3,125,822	24
2110	Short-term notes and bills payable (Note XV)	749,701	6	-	-
2130	Contract liabilities - current (Notes IV and XX)	150,799	1	179,273	1
2170	Accounts payable (Notes XVI and XXVII)	307,319	2	341,786	2
2200	Other payables (Notes XVII and XXVII)	225,295	2	265,792	2
2230	Current tax liabilities (Notes IV and XXII)	40,425	-	93,739	1
2280	Lease liabilities - current (Notes IV, XI and XXVII)	59,652	-	78,661	1
2300	Other current liabilities (Note XVII)	<u>34,338</u>	<u>-</u>	<u>63,044</u>	<u>-</u>
21XX	Total current liabilities	<u>2,967,529</u>	<u>22</u>	<u>4,148,117</u>	<u>31</u>
<b>Non-current liabilities</b>					
2540	Long-term loans (Note XV)	1,950,000	15	650,000	5
2570	Deferred income tax liabilities (Notes IV and XXII)	320,307	3	298,724	2
2580	Lease liabilities - non-current (Notes IV, XI and XXVII)	56,073	-	79,269	1
2640	Net defined benefit liabilities - non-current (Notes IV and XXVIII)	380,546	3	412,894	3
2645	Guarantee deposits received (Note XXVII)	<u>1,152</u>	<u>-</u>	<u>1,018</u>	<u>-</u>
25XX	Total non-current liabilities	<u>2,708,078</u>	<u>21</u>	<u>1,441,905</u>	<u>11</u>
2XXX	Total liabilities	<u>5,675,607</u>	<u>43</u>	<u>5,590,022</u>	<u>42</u>
<b>Equity (Note XIX)</b>					
<b>Capital Stock</b>					
3110	Capital stock - common shares	<u>2,362,025</u>	<u>18</u>	<u>2,362,025</u>	<u>18</u>
3200	Capital surplus	<u>1,821,477</u>	<u>14</u>	<u>1,939,269</u>	<u>15</u>
<b>Retained earnings</b>					
3310	Legal reserve	2,017,211	15	1,880,146	14
3320	Special reserve	852,220	7	852,220	6
3350	Unappropriated earnings	<u>1,328,641</u>	<u>10</u>	<u>1,379,923</u>	<u>11</u>
3300	Total retained earnings	<u>4,198,072</u>	<u>32</u>	<u>4,112,289</u>	<u>31</u>
3400	Other equity	( <u>76,302</u> )	( <u>1</u> )	( <u>26,242</u> )	-
3500	Treasury shares	( <u>791,826</u> )	( <u>6</u> )	( <u>791,826</u> )	( <u>6</u> )
3XXX	Total equity	<u>7,513,446</u>	<u>57</u>	<u>7,595,515</u>	<u>58</u>
Total liabilities and equity		<u>\$ 13,189,053</u>	<u>100</u>	<u>\$ 13,185,537</u>	<u>100</u>

The accompanying notes are an integral part of the Parent Company Only Financial Statements.

Chairman: Yuan Hui-Hua

General Manager: Chou Ming-Chung

Principal Accounting Officer: Lin Ya-Ling

**Aurora Corporation**  
**Parent Company Only Statements of Comprehensive Income**  
**For the Years Ended December 31, 2022 and 2021**  
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

Code		2022		2021	
		Amount	%	Amount	%
	Operating revenue (Notes IV, XX, and XXVII)				
4110	Sales revenue	\$ 3,338,377	100	\$ 3,307,517	101
4170	Sales returns	( 9,285 )	-	( 13,753 )	( 1 )
4190	Sales discounts and allowances	( 6,543 )	-	( 8,635 )	-
4000	Total operating revenue	<u>3,322,549</u>	<u>100</u>	<u>3,285,129</u>	<u>100</u>
5000	Operating costs (Notes VIII, XXI, and XXVII)	<u>1,823,419</u>	<u>55</u>	<u>1,798,923</u>	<u>55</u>
5900	Gross profit	1,499,130	45	1,486,206	45
5910	Unrealized gains from sales of associates	( 54,316 )	( 2 )	( 61,580 )	( 2 )
5920	Realized gains from sales of associates	<u>60,818</u>	<u>2</u>	<u>63,900</u>	<u>2</u>
5950	Realized gross profit	<u>1,505,632</u>	<u>45</u>	<u>1,488,526</u>	<u>45</u>
	Operating expenses (Notes XXI and XXVII)				
6100	Selling and marketing expenses	668,536	20	677,783	20
6200	General and administrative expenses	400,843	12	393,309	12
6450	Expected credit losses (Notes IV and VII)	( 1,044 )	-	<u>1,546</u>	-
6000	Total operating expenses	<u>1,068,335</u>	<u>32</u>	<u>1,072,638</u>	<u>32</u>
6900	Net operating income	<u>437,297</u>	<u>13</u>	<u>415,888</u>	<u>13</u>
	Non-operating income and expenses (Notes IV, IX, XXI, and XXVII)				
7100	Interest income	644	-	134	-
7190	Other income	85,612	2	86,929	2
7020	Other gains and losses	( 2,012 )	-	( 1,689 )	-
7050	Finance costs	( 43,000 )	( 1 )	( 26,023 )	( 1 )
7070	Share of profit or loss of subsidiaries and associates accounted for using the equity method	<u>1,030,725</u>	<u>31</u>	<u>1,140,198</u>	<u>35</u>
7000	Total non-operating income and expenses	<u>1,071,969</u>	<u>32</u>	<u>1,199,549</u>	<u>36</u>

(Continued on the next page)



(Continued from the previous page)

Code		2022		2021	
		Amount	%	Amount	%
7900	Net income before tax	1,509,266	45	1,615,437	49
7950	Tax expenses (Notes IV and XXII)	( 199,898 )	( 6 )	( 223,898 )	( 7 )
8200	Net income	<u>1,309,368</u>	<u>39</u>	<u>1,391,539</u>	<u>42</u>
	Other comprehensive income (Notes IV, IX, and XIX)				
8310	Components that will not be reclassified to profit or loss				
8311	Gains (losses) on re-measurements of defined benefit plans (Note XVIII)	14,393	1	( 21,375 )	-
8330	Share of other comprehensive income of subsidiaries and associates accounted for using the equity method	11,011	-	( 3,789 )	-
8349	Income tax related to components that will not be reclassified to profit or loss (Note XXII)	( 2,879 )	-	4,275	-
		<u>22,525</u>	<u>1</u>	( 20,889 )	-
8360	Components that may be reclassified to profit or loss				
8361	Exchange differences on translation of financial statements of foreign operations	110,289	3	( 58,615 )	( 2 )
8370	Share of other comprehensive income of subsidiaries and associates accounted for using the equity method	( 178,206 )	( 5 )	3,676	-
		( 67,917 )	( 2 )	( 54,939 )	( 2 )
8300	Other comprehensive income, net	( 45,392 )	( 1 )	( 75,828 )	( 2 )
8500	Total comprehensive income	<u>\$ 1,263,976</u>	<u>38</u>	<u>\$ 1,315,711</u>	<u>40</u>
	Earnings per share (Note XXIII)				
9710	Basic	<u>\$ 5.82</u>		<u>\$ 6.19</u>	
9810	Diluted	<u>\$ 5.82</u>		<u>\$ 6.18</u>	

The accompanying notes are an integral part of the Parent Company Only Financial Statements.

Chairman: Yuan Hui-Hua

General Manager: Chou Ming-Chung

Principal Accounting Officer: Lin Ya-Ling

**Aurora Corporation**  
**Parent Company Only Statements of Changes in Equity**  
**For the Years Ended December 31, 2022 and 2021**  
(In Thousands of New Taiwan Dollars)

Code		Capital Stock	Capital surplus	Retained earnings			Other equity		Treasury shares	Total Equity
				Legal Reserve	Special Reserve	Unappropriated earnings	Exchange differences on translation of financial statements of foreign operations	Unrealized gains or losses on financial assets at fair value through other comprehensive income		
A1	Balance as of January 1, 2021	\$ 2,362,025	\$ 1,941,799	\$ 1,731,715	\$ 852,220	\$ 1,504,059	(\$ 614,633)	\$ 643,330	(\$ 791,826)	\$ 7,628,689
	Appropriation and distribution of earnings for 2020									
B1	Legal reserve	-	-	148,431	-	( 148,431 )	-	-	-	-
B5	Cash dividends of common stock	-	-	-	-	( 1,346,355 )	-	-	-	( 1,346,355 )
C15	Cash dividends appropriated from capital surplus	-	( 70,860 )	-	-	-	-	-	-	( 70,860 )
D1	Net income in 2021	-	-	-	-	1,391,539	-	-	-	1,391,539
D3	Other comprehensive income after tax in 2021	-	-	-	-	( 20,889 )	( 67,542 )	12,603	-	( 75,828 )
D5	Total comprehensive income in 2021	-	-	-	-	1,370,650	( 67,542 )	12,603	-	1,315,711
M1	Changes in capital reserve from dividends paid to subsidiaries	-	68,330	-	-	-	-	-	-	68,330
Z1	Balance as of December 31, 2021	<u>\$ 2,362,025</u>	<u>\$ 1,939,269</u>	<u>\$ 1,880,146</u>	<u>\$ 852,220</u>	<u>\$ 1,379,923</u>	<u>(\$ 682,175)</u>	<u>\$ 655,933</u>	<u>(\$ 791,826)</u>	<u>\$ 7,595,515</u>
	Appropriation and distribution of earnings from 2021									
B1	Appropriation of legal reserve	-	-	137,065	-	( 137,065 )	-	-	-	-
B5	Common stock cash dividends	-	-	-	-	( 1,228,253 )	-	-	-	( 1,228,253 )
C15	Cash dividends appropriated with capital surplus	-	( 188,962 )	-	-	-	-	-	-	( 188,962 )
C17	Dividends not claimed by shareholders by the given deadline	-	1,621	-	-	-	-	-	-	1,621
D1	Net income in 2022	-	-	-	-	1,309,368	-	-	-	1,309,368
D3	Other comprehensive income after tax in 2022	-	-	-	-	22,525	127,963	( 195,880 )	-	( 45,392 )
D5	Total comprehensive income in 2022	-	-	-	-	1,331,893	127,963	( 195,880 )	-	1,263,976
M1	Changes in capital reserve from dividends paid to subsidiaries	-	68,330	-	-	-	-	-	-	68,330
M5	Difference between the price from acquiring or disposing of shares held in subsidiaries and their book value	-	1,219	-	-	-	-	-	-	1,219
Q1	Disposal of equity instruments at fair value through other comprehensive income	-	-	-	-	( 17,857 )	-	17,857	-	-
Z1	Balance as of December 31, 2022	<u>\$ 2,362,025</u>	<u>\$ 1,821,477</u>	<u>\$ 2,017,211</u>	<u>\$ 852,220</u>	<u>\$ 1,328,641</u>	<u>(\$ 554,212)</u>	<u>\$ 477,910</u>	<u>(\$ 791,826)</u>	<u>\$ 7,513,446</u>

The accompanying notes are an integral part of the Parent Company Only Financial Statements.

Chairman: Yuan Hui-Hua

General Manager: Chou Ming-Chung

Principal Accounting Officer: Lin Ya-Ling

**Aurora Corporation**  
**Parent Company Only Statements of Cash Flows**  
**For the Years Ended December 31, 2022 and 2021**  
(In Thousands of New Taiwan Dollars)

Code		2022	2021
	Cash flows from operating activities		
A00010	Net income before tax	\$ 1,509,266	\$ 1,615,437
A20010	Adjustments:		
A20100	Depreciation expenses	254,771	247,177
A20200	Amortization expenses	6,921	6,507
A20300	Expected credit impairment		
	loss (gain)	( 1,044)	1,546
A20900	Finance costs	43,000	26,023
A21200	Interest income	( 644)	( 134)
A22300	Share of profit or loss of		
	subsidiaries and associates		
	accounted for using the		
	equity method	( 1,030,725)	( 1,140,198)
A22500	Loss on disposal of property,		
	plant, and equipment	366	323
A23900	Unrealized gains from		
	associates	54,316	61,580
A24000	Realized gains from associates	( 60,818)	( 63,900)
A29900	Gains on lease modifications	( 295)	( 601)
A30000	Changes in operating assets and		
	liabilities		
A31130	Notes receivable	10,915	8,837
A31150	Accounts receivable	( 732)	18,063
A31160	Accounts receivable - related		
	parties	( 3,251)	4,526
A31180	Other receivables	43,726	( 2,502)
A31200	Inventories	( 91,762)	( 251,707)
A31240	Other current assets	6,764	( 33,596)
A32125	Contract liabilities	( 28,474)	41,997
A32150	Accounts payable	( 34,467)	9,146
A32180	Other payables	( 40,573)	( 4,102)
A32230	Other current liabilities	( 28,706)	14,095
A32240	Net defined benefit liabilities	( <u>17,955</u> )	( <u>18,482</u> )
A33000	Cash generated from operations	590,599	540,035
A33100	Interest received	644	134
A33300	Interest paid	( 42,924)	( 25,826)
A33500	Income tax paid	( <u>270,136</u> )	( <u>130,152</u> )
AAAA	Net cash flows generated from		
	operating activities	<u>278,183</u>	<u>384,191</u>

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Code		2022	2021
B02700	Cash flows from investing activities		
	Acquisition of property, plant, and equipment	( 10,628 )	( 11,583 )
B02800	Proceeds from disposal of property, plant, and equipment	217	58
B04600	Proceeds from disposal of intangible assets	29	-
B03700	Increase in refundable deposits	( 6,752 )	( 7,681 )
B04500	Acquisition of intangible assets	( 7,441 )	( 6,599 )
B07600	Dividends received from subsidiaries and associates	<u>875,686</u>	<u>947,704</u>
BBBB	Net cash flows from investing activities	<u>851,111</u>	<u>921,899</u>
C00100	Increase in short-term loans		842,170
C00200	Decrease in short-term borrowings		
	Cash flows from financing activities	( 1,725,822 )	-
C00500	Increase in short-term notes and bills payable	749,701	-
C00600	Decrease in short-term notes and bills payable	-	( 299,655 )
C01600	Application for long-term loans	1,300,000	-
C01700	Repayments of long-term loans	-	( 350,000 )
C03000	Proceeds from guarantee deposits received	134	140
C04500	Cash dividends paid	( 1,417,215 )	( 1,417,215 )
C04020	Repayment of the principal portion of lease liabilities	( 92,993 )	( 87,448 )
CCCC	Net cash flows used in financing activities	<u>( 1,186,195 )</u>	<u>( 1,312,008 )</u>
EEEE	Net decrease in cash	( 56,901 )	( 5,918 )
E00100	Cash at beginning of period	<u>167,091</u>	<u>173,009</u>
E00200	Cash at end of period	<u>\$ 110,190</u>	<u>\$ 167,091</u>

The accompanying notes are an integral part of the Parent Company Only Financial Statements.

Chairman: Yuan Hui-Hua

General Manager: Chou Ming-Chung

Principal Accounting Officer: Lin Ya-Ling

## Independent Auditors' Report

To Aurora Corporation:

### Opinions

Aurora Corporation and its subsidiaries' Consolidated Balance Sheets as of December 31, 2022 and 2021, in addition to the Consolidated Statements of Comprehensive Income, Consolidated Statements of Changes in Equity, Consolidated Statements of Cash Flows, and Notes to the Consolidated Financial Statements (including a summary of significant accounting policies) from January 1 to December 31, 2022 and 2021, have been audited by the CPAs.

In our opinion, the Consolidated Financial Statements mentioned above have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, as well as the International Financial Reporting Standards (IFRSs), International Accounting Standards (IAS), law and regulation reviews and their announcements recognized and announced by the Financial Supervisory Commission in all material aspects, and are considered to have reasonably expressed the consolidated financial conditions of Aurora Corporation and its subsidiaries as of December 31, 2022 and 2021, as well as the consolidated financial performance and consolidated cash flows from January 1 to December 31, 2022 and 2021.

### Basis for Opinions

We conducted our audit in accordance with the Regulations Governing Auditing and Attestation of Financial statements by Certified Public Accountants and auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of Aurora Corporation and its subsidiaries in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China ("The Norm"), and we have fulfilled our other ethical responsibilities in accordance with the Norm. 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 the Consolidated Financial Statements of Aurora Corporation and its subsidiaries for the year ended December 31, 2022. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the Consolidated Financial Statements of Aurora Corporation and its subsidiaries for the year ended December 31, 2022 are stated as follows:

#### Sales revenue

The main businesses of Aurora Corporation and its subsidiaries include the trade and lease of Multi-Functional Photocopiers (MFPs) and sales of system furniture. Printers and income from sales of system furniture in Taiwan and in Shanghai, in particular, are material in nature for the overall financial statements.

The main risk lies in whether revenue actually occurs. Accordingly, we identify the risk of revenue recognition arising from fraud as a key audit matter in accordance with the Statements on

Auditing Standards in relation to significant risk.

For the accounting policies related to revenue recognition, please refer to Note IV (XIV).

We understood and tested the effectiveness of the design and implementation of internal controls in the recognition of sales revenue. We have also selected appropriate samples from the sales details, reviewed the original contracts, documents and customs declaration forms from external forwarders or signed by customers to check whether the recipients are the trading parties, and reviewed whether there is a significant amount of return and allowance subsequent to the balance sheet date to confirm whether there is any material misstatement of sales revenue.

### **Other Matters**

We have also audited the Parent Company Only Financial Statements of Aurora Corporation for the years ended December 31, 2022 and 2021, on which we have issued an unqualified opinion.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

To ensure that the Consolidated Financial Statements do not contain material misstatements caused by fraud or errors, the management is responsible for preparing prudent Consolidated Financial Statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, as well as the IFRS, IAS, law and regulation reviews and their announcements recognized and announced by the Financial Supervisory Commission, and for preparing and maintaining necessary internal control procedures pertaining to the Consolidated Financial Statements.

In preparing the Consolidated Financial Statements, the management is responsible for assessing Aurora Corporation and its subsidiaries' ability to continue as a going concern, disclosing, as applicable, matters related to the going concern and using the going concern basis of accounting unless the management either intends to liquidate Aurora Corporation and its subsidiaries 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 Aurora Corporation and its subsidiaries' financial reporting process.

### **Auditors' 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 misstatements, whether due to fraud or error, and to issue an auditors' 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 accounting principles 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 financial statements.

As part of an audit in accordance with the accounting principles in the Republic of China, we exercise professional judgment and professional skepticism. We also:

1. Identify and evaluate the risk of material misstatements due to fraud or error in the Consolidated Financial Statements; design and carry out appropriate countermeasures for the evaluated risk; and obtain sufficient and appropriate evidence as the basis for our audit 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 controls 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 controls of Aurora Corporation and its subsidiaries.
3. Assess the appropriateness of the accounting policies adopted by the management, as well as the reasonableness of their accounting estimates and relevant disclosures.
4. Conclude on the appropriateness of the 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 Aurora Corporation and its subsidiaries' ability to operate as a going concern.

If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 auditors' report. However, future events or conditions may cause Aurora Corporation and its subsidiaries to cease to continue as a going concern.

5. Evaluate the overall expression, structure and contents of the Consolidated Financial Statements (including relevant Notes), and whether the Consolidated Financial Statements fairly present relevant transactions and items.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within Aurora Corporation and its subsidiaries to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision, and performance of the audit and for expressing an opinion on the Consolidated Financial Statements of Aurora Corporation and its subsidiaries.

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 audit.

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 the key audit matters of Aurora Corporation and its subsidiaries' Consolidated Financial Statements for the year ended December 31, 2022. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Deloitte & Touche  
Chi Rui-Chuan, CPA

Hsieh Chien-Hsin, CPA

Financial Supervisory Commission Approval  
No. Jin-Guan-Zheng-Shen No. 1060023872

Securities and Futures Commission Approval  
No. Tai-Cai-Zheng-6 No. 0920123784

March 14, 2023

**Aurora Corporation and Subsidiaries**  
**Consolidated Balance Sheets**  
**December 31, 2022 and 2021**  
(In Thousands of New Taiwan Dollars)

Code	Assets	December 31, 2022		December 31, 2021	
		Amount	%	Amount	%
	<b>Current Assets</b>				
1100	Cash and cash equivalents (Notes IV and VI)	\$ 2,219,983	12	\$ 2,693,853	15
1110	Financial assets at fair value through profit or loss - current (Notes IV and VII)	63,953	-	76,650	-
1136	Financial assets at amortized cost - current (Notes IV and VIII)	4,316,941	24	4,298,602	24
1150	Notes receivable (Notes IV and X)	205,586	1	197,317	1
1170	Accounts receivable (Notes IV and X)	1,049,732	6	1,146,529	6
1180	Accounts receivable - related parties (Notes IV, X and XXXI)	154,855	1	118,885	1
1200	Other receivables (Notes IV, X, and XXXI)	49,580	-	143,379	1
1220	Current tax assets (Notes IV and XXVI)	93,574	-	48,537	-
130X	Inventories (Notes IV and XI)	1,796,514	10	1,654,021	9
1479	Other current assets (Note XVIII)	316,483	2	279,688	1
11XX	Total current assets	<u>10,267,201</u>	<u>56</u>	<u>10,657,461</u>	<u>58</u>
	<b>Non-current assets</b>				
1550	Investments accounted for using the equity method (Notes IV and XIII)	3,092,505	17	3,188,820	18
1560	Contract assets - non-current (Notes IV and XXIV)	120,794	1	83,476	1
1600	Property, plant, and equipment (Notes IV, XIV, XXXI, and XXXII)	2,763,328	15	2,543,920	14
1755	Right-of-use assets (Notes IV, XV, and XXXI)	794,326	4	681,621	4
1760	Investment properties (Notes IV, XVI, and XXXII)	520,856	3	443,412	2
1805	Goodwill (Notes IV and XVII)	132,947	1	132,874	1
1821	Other intangible assets (Notes IV and XVII)	58,083	-	62,214	-
1840	Deferred tax assets (Notes IV and XXVI)	183,740	1	185,154	1
1920	Refundable deposits (Note XXXI)	165,953	1	152,365	1
1980	Other financial assets - non-current (Notes IX and XXXII)	42,432	-	44,407	-
1990	Other non-current assets (Note XVIII)	121,758	1	75,370	-
15XX	Total non-current assets	<u>7,996,722</u>	<u>44</u>	<u>7,593,633</u>	<u>42</u>
1XXX	Total assets	<u>\$ 18,263,923</u>	<u>100</u>	<u>\$ 18,251,094</u>	<u>100</u>
	<b>Liabilities and Equity</b>				
	<b>Current Liabilities</b>				
2100	Short-term loans (Note XIX)	\$ 1,509,000	8	\$ 3,356,812	18
2110	Short-term notes and bills payable (Note XIX)	1,049,579	6	-	-
2130	Contract liabilities - current (Notes IV and XXIV)	415,415	2	463,585	3
2170	Accounts payable (Note XX)	1,015,554	6	1,350,326	7
2180	Accounts payable - related parties (Notes XX and XXXI)	2,557	-	1,539	-
2200	Other payables (Notes XXI and XXXI)	1,077,942	6	1,248,433	7
2230	Current tax liabilities (Notes IV and XXVI)	161,889	1	247,253	1
2280	Lease liabilities - current (Notes IV, XV, and XXXI)	312,871	2	237,755	1
2300	Other current liabilities (Note XXI)	75,533	-	94,760	1
21XX	Total current liabilities	<u>5,620,340</u>	<u>31</u>	<u>7,000,463</u>	<u>38</u>
	<b>Non-current liabilities</b>				
2540	Long-term loans (Note XIX)	2,552,734	14	1,130,000	6
2570	Deferred income tax liabilities (Notes IV and XXVI)	321,448	2	299,379	2
2580	Lease liabilities - non-current (Notes IV, XV, and XXXI)	374,241	2	332,112	2
2640	Net defined benefit liabilities - non-current (Notes IV and XXII)	441,734	2	487,419	3
2645	Guarantee deposits received (Note XXXI)	69,413	-	75,087	-
25XX	Total non-current liabilities	<u>3,759,570</u>	<u>20</u>	<u>2,323,997</u>	<u>13</u>
2XXX	Total liabilities	<u>9,379,910</u>	<u>51</u>	<u>9,324,460</u>	<u>51</u>
	<b>Equity attributable to owners of the Company (Note XXIII)</b>				
	<b>Capital Stock</b>				
3110	Capital stock - common shares	2,362,025	13	2,362,025	13
3200	Capital surplus	1,821,477	10	1,939,269	11
	<b>Retained earnings</b>				
3310	Legal reserve	2,017,211	11	1,880,146	10
3320	Special reserve	852,220	5	852,220	5
3350	Unappropriated earnings	1,328,641	7	1,379,923	7
3300	Total retained earnings	4,198,072	23	4,112,289	22
3400	Other equity	(76,302)	(1)	(26,242)	-
3500	Treasury shares	(791,826)	(4)	(791,826)	(4)
31XX	Total equity attributable to owners of the Company	7,513,446	41	7,595,515	42
36XX	Non-controlling Interests	1,370,567	8	1,331,119	7
3XXX	Total equity	<u>8,884,013</u>	<u>49</u>	<u>8,926,634</u>	<u>49</u>
	<b>Total liabilities and equity</b>	<u>\$ 18,263,923</u>	<u>100</u>	<u>\$ 18,251,094</u>	<u>100</u>

The accompanying notes are an integral part of the Consolidated Financial Statements.

Chairman: Yuan Hui-Hua

General Manager: Chou Ming-Chung

Principal Accounting Officer: Lin Ya-Ling



**Aurora Corporation and Subsidiaries**  
**Consolidated Statements of Comprehensive Income**  
**For the Years Ended December 31, 2022 and 2021**

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

Code		2022		2021	
		Amount	%	Amount	%
	Operating revenue (Notes IV, XXIV, and XXXI)				
4110	Sales revenue	\$ 12,596,436	100	\$ 13,607,432	100
4170	Sales returns	13,463	-	21,270	-
4190	Sales discounts and allowances	<u>6,648</u>	<u>-</u>	<u>8,905</u>	<u>-</u>
4000	Total operating revenue	12,576,325	100	13,577,257	100
5000	Operating costs (Notes IV, XI, XXV, and XXXI)	<u>7,031,430</u>	<u>56</u>	<u>7,567,572</u>	<u>55</u>
5900	Gross profit	5,544,895	44	6,009,685	45
5910	Realized gains from sales of associates	<u>30,389</u>	<u>-</u>	<u>29,006</u>	<u>-</u>
5950	Realized gross profit	<u>5,575,284</u>	<u>44</u>	<u>6,038,691</u>	<u>45</u>
	Operating expenses (Notes IV, X, XXV, and XXXI)				
6100	Selling and marketing expenses	2,741,965	22	2,731,571	20
6200	General and administrative expenses	1,588,315	12	1,845,053	14
6450	Expected credit losses (gains)	<u>22,522</u>	<u>-</u>	<u>(6,626)</u>	<u>-</u>
6000	Total operating expenses	<u>4,352,802</u>	<u>34</u>	<u>4,569,998</u>	<u>34</u>
6900	Net operating income	<u>1,222,482</u>	<u>10</u>	<u>1,468,693</u>	<u>11</u>
	Non-operating income and expenses (Notes IV, VII, XIII, XXV, and XXXI)				
7100	Interest income	164,310	1	146,093	1
7190	Other income	179,967	2	156,703	1

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Code		2022		2021	
		Amount	%	Amount	%
7590	Other gains and losses	42,218	-	58,640	-
7050	Finance costs	( 71,964 )	( 1 )	( 45,385 )	-
7060	Share of profit or loss associates accounted for using the equity method	<u>273,185</u>	<u>2</u>	<u>235,655</u>	<u>2</u>
7000	Total non-operating income and expenses	<u>587,716</u>	<u>4</u>	<u>551,706</u>	<u>4</u>
7900	Net income before tax	1,810,198	14	2,020,399	15
7950	Income tax expense (Notes IV and XXVI)	<u>388,571</u>	<u>3</u>	<u>494,168</u>	<u>4</u>
8200	Net income	<u>1,421,627</u>	<u>11</u>	<u>1,526,231</u>	<u>11</u>
	Other comprehensive income				
8310	Components that will not be reclassified to profit or loss (Notes IV, XXII, and XXVI)				
8311	Gains (losses) on re-measurements of defined benefit plans	23,357	-	( 27,020 )	-
8320	Share of other comprehensive income of associates accounted for using the equity method	( 193,793 )	( 1 )	13,121	-
8349	Income tax related to components that will not be reclassified to profit or loss	( <u>4,671</u> )	<u>-</u>	<u>5,404</u>	<u>-</u>
		( <u>175,107</u> )	( <u>1</u> )	( <u>8,495</u> )	<u>-</u>
8360	Components that may be reclassified to profit or loss (Notes IV)				
8361	Exchange differences on translation of financial statements of foreign operations	135,027	1	( 71,528 )	-
8370	Share of other comprehensive income of associates accounted for using the equity method	<u>8,983</u>	<u>-</u>	( <u>4,533</u> )	<u>-</u>
		<u>144,010</u>	<u>1</u>	( <u>76,061</u> )	<u>-</u>

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<u>Code</u>		<u>2022</u>		<u>2021</u>	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
8300	Other comprehensive income, net	( <u>31,097</u> )	<u>-</u>	( <u>84,556</u> )	<u>-</u>
8500	Total comprehensive income	<u>\$ 1,390,530</u>	<u>11</u>	<u>\$ 1,441,675</u>	<u>11</u>
	Net Income Attributable to:				
8610	Owners of the Company	<u>\$ 1,309,368</u>	<u>10</u>	<u>\$ 1,391,539</u>	<u>10</u>
8620	Non-controlling Interests	<u>112,259</u>	<u>1</u>	<u>134,692</u>	<u>1</u>
8600		<u>\$ 1,421,627</u>	<u>11</u>	<u>\$ 1,526,231</u>	<u>11</u>
	Total comprehensive income attributable to:				
8710	Owners of the Company	<u>\$ 1,263,976</u>	<u>10</u>	<u>\$ 1,315,711</u>	<u>10</u>
8720	Non-controlling Interests	<u>126,554</u>	<u>1</u>	<u>125,964</u>	<u>1</u>
8700		<u>\$ 1,390,530</u>	<u>11</u>	<u>\$ 1,441,675</u>	<u>11</u>
	Earnings per share (Note XXVII)				
9710	Basic	<u>\$ 5.82</u>		<u>\$ 6.19</u>	
9810	Diluted	<u>\$ 5.82</u>		<u>\$ 6.18</u>	

The accompanying notes are an integral part of the Consolidated Financial Statements.

Chairman: Yuan Hui-Hua

General Manager: Chou Ming-Chung

Principal Accounting Officer: Lin Ya-Ling

**Aurora Corporation and Subsidiaries**  
**Consolidated Statements of Changes in Equity**  
**For the Years Ended December 31, 2022 and 2021**  
(In Thousands of New Taiwan Dollars)

Code		Retained earnings					Other equity		Treasury shares	Total Equity Attributable to Owners of the Company	Non-controlling Interests	Total Equity
		Capital Stock	Capital surplus	Legal Reserve	Special Reserve	Unappropriated earnings	Exchange differences on translation of financial statements of foreign operations	Unrealized gains or losses on financial assets at fair value through other comprehensive income				
A1	Balance as of January 1, 2021	\$ 2,362,025	\$ 1,941,799	\$ 1,731,715	\$ 852,220	\$ 1,504,059	(\$ 614,633)	\$ 643,330	(\$ 791,826)	\$ 7,628,689	\$ 1,295,458	\$ 8,924,147
	Appropriation and distribution of earnings for 2020:											
B1	Legal reserve	-	-	148,431	-	( 148,431 )	-	-	-	-	-	-
B5	Cash dividends of common stock	-	-	-	-	( 1,346,355 )	-	-	-	( 1,346,355 )	-	( 1,346,355 )
C15	Cash dividends appropriated from capital surplus	-	( 70,860 )	-	-	-	-	-	-	( 70,860 )	-	( 70,860 )
D1	Net income in 2021	-	-	-	-	1,391,539	-	-	-	1,391,539	134,692	1,526,231
D3	Other comprehensive income after tax in 2021	-	-	-	-	( 20,889 )	( 67,542 )	12,603	-	( 75,828 )	( 8,728 )	( 84,556 )
D5	Total comprehensive income in 2021	-	-	-	-	1,370,650	( 67,542 )	12,603	-	1,315,711	125,964	1,441,675
M1	Changes in capital reserve from dividends paid to subsidiaries	-	68,330	-	-	-	-	-	-	68,330	6,651	74,981
O1	Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	( 96,954 )	( 96,954 )
Z1	Balance as of December 31, 2021	\$ 2,362,025	\$ 1,939,269	\$ 1,880,146	\$ 852,220	\$ 1,379,923	(\$ 682,175)	\$ 655,933	(\$ 791,826)	\$ 7,595,515	\$ 1,331,119	\$ 8,926,634
	Appropriation and distribution of earnings for 2021:											
B1	Legal reserve	-	-	148,431	-	( 148,431 )	-	-	-	-	-	-
B5	Cash dividends of common stock	-	-	-	-	( 1,346,355 )	-	-	-	( 1,346,355 )	-	( 1,346,355 )
C15	Cash dividends appropriated from capital surplus	-	( 70,860 )	-	-	-	-	-	-	( 70,860 )	-	( 70,860 )
C17	Dividends not claimed by shareholders by the given deadline	-	-	-	-	-	-	-	-	-	-	-
D1	Net income in 2022	-	-	-	-	1,391,539	-	-	-	1,391,539	134,692	1,526,231
D3	Other comprehensive income after tax in 2022	-	-	-	-	( 20,889 )	( 67,542 )	12,603	-	( 75,828 )	( 8,728 )	( 84,556 )
D5	Total comprehensive income in 2022	-	-	-	-	1,370,650	( 67,542 )	12,603	-	1,315,711	125,964	1,441,675
M1	Changes in capital reserve from dividends paid to subsidiaries	-	68,330	-	-	-	-	-	-	68,330	6,651	74,981
M5	Difference between the price from acquiring or disposing of shares held in subsidiaries and their book value	-	-	-	-	-	-	-	-	-	( 96,954 )	( 96,954 )
Q1	Disposal of equity instruments at fair value through other comprehensive income	-	-	148,431	-	( 148,431 )	-	-	-	-	-	-
O1	Cash dividends distributed by subsidiaries	2,362,025	1,939,269	1,880,146	852,220	1,379,923	( 682,175 )	655,933	( 791,826 )	7,595,515	1,331,119	8,926,634
Z1	Balance as of December 31, 2022											

The accompanying notes are an integral part of the Consolidated Financial Statements.  
General Manager: Chou Ming-Chung

Chairman: Yuan Hui-Hua

Principal Accounting Officer: Lin Ya-Ling

**Aurora Corporation and Subsidiaries**  
**Consolidated Statements of Cash Flows**  
**For the Years Ended December 31, 2022 and 2021**  
(In Thousands of New Taiwan Dollars)

Code		2022	2021
	Cash flows from operating activities		
A00010	Net income before tax	\$ 1,810,198	\$ 2,020,399
A20010	Adjustments:		
A20100	Depreciation expenses	838,539	839,990
A20200	Amortization expenses	23,983	21,443
A20300	Expected credit losses( reversal)	22,522	( 6,626)
A20400	Net gain on financial assets at fair value through profit or loss	( 33,696)	( 71,093)
A20900	Finance costs	71,964	45,385
A21200	Interest income	( 164,310)	( 146,093)
A22300	Share of profit of associates accounted for using the equity method	( 273,185)	( 235,655)
A22500	Loss on disposal of property, plant, and equipment	2,673	753
A22700	Gain on disposal of investment property	-	( 13,124)
A22800	Losses from disposal of intangible assets	235	-
A23900	Realized gains from associates	( 30,389)	( 29,006)
A29900	Gains on lease modifications	( 778)	( 880)
A30000	Net change in operating assets and liabilities		
A31130	Notes receivable	( 8,269)	( 6,597)
A31150	Accounts receivable	94,908	164,277
A31160	Accounts receivable - related parties	( 57,069)	( 16,197)
A31180	Other receivables	139,941	( 32,935)
A31200	Inventories	( 389,258)	( 442,571)
A31240	Other current assets	( 36,795)	1,386
A31125	Contract assets	( 37,318)	( 63,886)
A32150	Accounts payable	( 334,772)	( 41,099)
A32160	Accounts payable - related parties	1,018	( 416)
A32180	Other payables	( 168,972)	41,295
A32230	Other current liabilities	( 67,397)	( 483)
A32240	Net defined benefit liabilities	( <u>23,247</u> )	( <u>21,054</u> )
A33000	Cash generated from operations	1,380,526	2,007,213
A33300	Interest paid	( 71,705)	( 59,639)
A33500	Income tax paid	( <u>509,157</u> )	( <u>373,647</u> )
AAAA	Net cash flows generated from operating activities	<u>799,664</u>	<u>1,573,927</u>

(Continued on the next page)

(Continued from the previous page)

Code		2022	2021
	Cash flows from investing activities		
B00040	Acquisition of financial assets at amortized cost	( 18,339 )	( 2,425,276 )
B00100	Acquisition of financial assets at fair value through profit or loss	( 7,000,055 )	( 14,026,702 )
B00200	Disposal of financial assets at fair value through profit or loss	7,046,448	14,098,565
B02700	Acquisition of property, plant, and equipment	( 456,678 )	( 603,874 )
B02800	Proceeds from disposal of property, plant, and equipment	2,745	1,737
B03700	Increase in refundable deposits	( 13,588 )	( 1,796 )
B04500	Acquisition of intangible assets	( 19,364 )	( 37,807 )
B04600	Value/amount from disposal of intangible assets	29	-
B05500	Disposal of investment property	-	15,664
B06800	(Increase)Decrease in other non-current assets	( 54,818 )	9,553
B07500	Interest received	118,168	145,179
B07600	Dividends received	<u>224,755</u>	<u>236,424</u>
BBBB	Net cash flows used in investing activities	( <u>170,697</u> )	( <u>2,588,333</u> )
	Cash flows from financing activities		
C00100	Increase in short-term loans	-	735,192
C00200	Decrease in short-term loans	( 1,847,812 )	-
C00500	Increase in short-term notes and bills payable	1,049,579	-
C00600	Decrease in short-term notes and bills payable	-	( 319,651 )
C01600	Application for long-term borrowings	1,422,734	-
C01700	Repayments of long-term loans	-	( 210,000 )
C03100	Decrease in guarantee deposits received	( 5,674 )	( 17,869 )
C04020	Repayment of the principal portion of lease liabilities	( 401,495 )	( 398,767 )
C04500	Cash dividends paid	( 1,438,628 )	( 1,439,188 )
C05800	Changes in non-controlling interests	<u>3,699</u>	<u>-</u>
CCCC	Net cash flows used in financing activities	( <u>1,217,597</u> )	( <u>1,650,283</u> )
DDDD	Effects of exchange rate changes on the balance of cash held in cash and cash equivalents	<u>114,760</u>	( <u>85,583</u> )
EEEE	Net decrease in cash and cash equivalents	( 473,870 )	( 2,750,272 )
E00100	Cash and cash equivalents at beginning of period	<u>2,693,853</u>	<u>5,444,125</u>
E00200	Cash and cash equivalents at end of period	<u>\$ 2,219,983</u>	<u>\$ 2,693,853</u>

The accompanying notes are an integral part of the Consolidated Financial Statements.

Chairman: Yuan Hui-Hua

General Manager: Chou Ming-Chung

Principal Accounting Officer: Lin Ya-Ling

## 【Proposed Resolutions】

### Proposal 2

Proposal: Ratification of the 2022 Profit Distribution Plan.

[Proposed by the board of directors]

Explanatory Notes:

- (I) Aurora's profit or loss after tax for 2022 has been compiled in accordance with Article 228 of the Company Act. The distributable unappropriated retained earnings (including amount of undistributed unappropriated retained earnings of previous years) amounts to NT\$ 1,197,237,116. An earnings distribution table has been prepared for the distribution of the earnings (please refer to page30).
- (II) Proposed for ratification.

Resolution:

# Aurora Corporation

## Earnings Distribution Table

### 2022

(Unit: NT\$)

Item	Amount
Beginning balance of retained earnings	14,604,808
Remeasurement of defined benefit obligation	22,525,368
Disposal of investments; equity instruments measured at fair value through other comprehensive gains and losses; transfer of gains and losses accumulated directly to retained earnings.	(17,857,427)
Unappropriated retained earnings after adjustment	19,272,749
Add: Net income after tax of 2022	1,309,367,957
Less: Legal reserve	(131,403,590)
Earnings available for distribution for the period	1,197,237,116
Less: Distribution item	
Shareholders' dividend – cash 236,202,518 shares * NT\$4.7 per share	(1,110,151,835)
Unappropriated retained earnings at the end of period	87,085,281

Note:

1. The net profit of 2022 is distributed first.
2. The 5% tax imposed on unappropriated retained earnings is NT\$ 3,624,024.
3. The board of directors is empowered to decide whether or not to pay all or a portion of dividends and bonuses in cash in accordance with Article 29 of the company's articles of incorporation.

Chairman: Yuan Hui-Hua

General Manager:

Chou Ming-Chung

Principal Accounting Officer:

Lin Ya-Ling



## 【Extempore Motions】

## 【Appendix I】

# Articles of Incorporation of Aurora Corporation

## Chapter 1 General Principles

- Article 1 The Company shall be incorporated under the Company Act, and its name shall be Aurora Corporation (hereinafter referred to as Aurora).
- Article 2 The business to be operated by Aurora is as follows:
- I. F401021 Restrained Telecom Radio Frequency Equipment and Materials Import.
  - II. F108031 Wholesale of Medical Devices.
  - III. F208231 Retail Sale of Medical Devices.
  - IV. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 3 Aurora may provide endorsements or guarantees to other parties.
- Article 4 Aurora's total amount of investments is not subject to the limit of 40% of its paid-in capital as imposed by Article 13 of the Company Act.
- Article 5 Aurora shall have its head office in Taipei City, and may, pursuant to a resolution adopted at the meeting of the board of directors, establish, change, or abolish branch offices domestically and internationally when deemed necessary.
- Article 6 Public announcements of Aurora shall be made pursuant to relevant articles of the Company Act.

## Chapter 2 Shareholding

- Article 7 The total capital of Aurora shall be in the amount of five billion New Taiwan Dollars (NT\$5,000,000,000), divided into five hundred million (500,000,000) shares, with a par value of ten New Taiwan Dollars (NT\$10) each, and the board of directors is authorized to issue the shares in installments. For the total capital, NT\$100 million was reserved, and the shares were divided into 10 million shares with a par value of NT\$10 per share, which is for the issuance of employee

stock warrants. The board of directors is authorized to issue the said employee stock warrants in installments pursuant to the Company Act and relevant laws.

If the price of Aurora's issuance of employee stock warrants is lower than the closing price of Aurora's common stock as of the issuing date, they can only be issued after obtaining the consent from more than two thirds of voting shares of the attending shares at a shareholders' meeting to be attended by more than half shareholders representing the total number of issued shares.

Article 7-1 The board of directors is authorized to repurchase shares of Aurora pursuant to relevant laws when the situation warrants it.

Article 8 The share certificates of Aurora shall be in registered form, signed by or affixed with seals by at least three directors and numbered, and then duly authenticated by the competent authority or the issuance registry institution accredited by the competent authority before issuance. Aurora may issue shares without physical certificates, and such shares shall be registered with a central securities depository.

Article 9 When shareholders who engage in stock affairs with Aurora or exercise their rights as shareholders in writing, they shall stamp their seals which correspond to the ones provided to Aurora before.

Article 10 The transfer, inheritance, bestowal, pledge, loss, damage, and other stock affairs of shares shall be handled in accordance with the Company Act and the Regulations Governing the Administration of Shareholder Services of Public Companies. In order to manage the stocks reasonably, Aurora may reissue large-denomination securities at the request of the securities custodian institutions approved by the competent authority and cooperate with the securities renewal procedures.

Article 11 Share transfer shall be suspended within 60 days before the date of each annual shareholders' meeting, within 30 days before the date of each extraordinary shareholders' meeting, or within five days before the record date on which dividends, bonus, or any other distributions will be paid or made by Aurora.

### Chapter 3 Shareholders' Meeting

Article 12 Shareholders' meetings of Aurora are of two types: annual meeting and extraordinary meeting. Annual meetings shall be convened once a year within six months after the end of each fiscal year. Extraordinary meetings may be duly convened according to relevant laws whenever Aurora deems necessary.

When Aurora convenes a shareholders' meeting, it may be held by means of visual communication network or other methods promulgated by the central competent authority

Article 13 A shareholder may appoint a proxy to attend a shareholders' meeting on his/her/its behalf by executing a power of attorney printed by Aurora stating therein the scope of power authorized to the proxy. The power of attorney shall be delivered to Aurora five days before the meeting. A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders' meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail. However, a declaration made to cancel the previous proxy appointment is not subject to the aforementioned rule. The appointment of a proxy from a shareholder shall comply with Article 177 of the Company Act and the regulations of the competent authority.

Article 14 If a shareholders' meeting is convened by the board of directors, the meeting shall be chaired by the chairman of the board. When the chairman of the board is on leave or for any reason unable to exercise the powers of the chairman, one of the directors shall be appointed to act as chair. Where the chairman does not make such a designation, the directors shall select one person from among themselves to serve as the chair. If a shareholders' meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

Article 15 A shareholder shall be entitled to one vote for each share held, except when the shares are deemed to be non-voting shares pursuant to the

Company Act and other relevant laws.

Article 16 Except as otherwise provided in the Company Act or in this Articles of Incorporation, the adoption of a proposal in a shareholders' meeting shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders, and the attending shareholders require the representation of a majority of the all shares issued by Aurora.

Article 17 Matters relating to the resolutions of a shareholders' meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be distributed by means of a public announcement. The meeting minutes shall include the date and venue of the meeting, the name of the chair of the meeting, and summary and results of the proceedings. The meeting minutes, along with the attendance list bearing the signatures of shareholders present at the meeting and the powers of attorney of the proxies, shall be kept at the premise of Aurora.

#### Chapter 4 Directors and the Audit Committee

Article 18 Aurora shall have seven to nine directors. Elections of directors at Aurora shall be conducted in accordance with the candidate nomination system and procedures, who shall be elected from legally competent persons with cumulative voting at the shareholders' meeting and hold office for three years; re-elected directors may serve consecutive terms. The total number of shares held by all directors shall be processed in accordance with the relevant laws and regulations of the competent authority in charge of securities affairs.

The minimum number of independent directors shall be three and one fifth of the seats in the board. The method and announcement of candidate nomination shall be processed in accordance with the Company Act and relevant laws and regulations of the competent authority in charge of securities affairs.

Article 19 If the directors' tenure has expired and an election fails to take place, their tenure shall be extended until the newly elected directors assume office. However, the competent authority may order Aurora to

elect new directors within a given time limit. If such an election fails to take place by the given time limit, the current directors shall be discharged on the date of the said time limit.

Article 20 Directors shall organize the board of directors, and a chairman of the board shall be elected among the directors with the majority consent from the attending directors at a board meeting with over two thirds of directors attending. The chairman of the board shall be the chair of shareholders' meetings and the board meeting internally, and represent Aurora externally. The chairman of the board shall execute all activities of Aurora according to laws and regulations, Articles of Incorporation, as well as the resolutions of shareholders' meetings and the board meetings. When the chairman of the board is on leave or for any reason unable to exercise the powers of the chairman, one of the directors shall be appointed to act as chair. Where the chairman does not make such a designation, the directors shall select one person from among themselves to serve as the chair. The board of directors shall be convened by the chairman of the board. If the chairman of the board is unable to convene the board of directors for any reason, the provisions of the preceding paragraph shall apply mutatis mutandis. The meeting of the board of directors shall be convened by delivery a notice to each director via mail, e-mail, or fax. The board of directors of Aurora shall establish various functional committees, each of which shall establish rules and regulations for exercising their powers, and shall be implemented after being approved by the board of directors.

Article 21 The directors shall attend the board meetings in person. If a director is unable to attend in person, unless the director resides in another country and designate a shareholder who resides domestically to serve as his/her proxy to regularly attend board meetings, he/she may execute a power of attorney and state therein the scope of authority with reference to the subjects to be discussed at the meeting, by delegating other directors to attend on his/her behalf, but the proxy shall accept only one director's delegation. If a board meeting is conducted by means of video conferencing, directors who participate in the meeting by such means shall be deemed to have attended the meeting in person.

- Article 22 Unless otherwise provided for in the Company Act or in the Article of Incorporation, decisions at the board of directors meeting shall be resolved by a majority vote in the meeting which is attended by directors who represent a majority of the total number of directors.
- Article 23 Matters relating to the resolutions of a board of directors meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each director within 20 days after the conclusion of the meeting. The meeting minutes shall include the date and venue of the meeting, the name of the chair of the meeting, and summary and results of the proceedings. The meeting minutes, along with the attendance list bearing the signatures of directors present at the meeting and the powers of attorney of the proxies, shall be kept at the premise of Aurora.
- Article 24 Aurora establishes an Audit Committee in compliance with relevant laws. The Audit Committee shall consist of all independent directors and is responsible to carry out duties of supervisors stipulated in the Company Act, Securities and Exchange Act, and other laws and regulations. The position of supervisors was abolished on the same date the Audit Committee was established in compliance with relevant laws.  
The number of Audit Committee members, their term, duties, meeting procedures and the resources to be provided when exercising their duties shall be regulated by the organizational rules of the Audit Committee enacted by the board of directors.
- Article 25 Regardless of whether Aurora operates at a profit or loss, it shall provide remuneration to the directors for conducting company business, except for those directors who receive compensation based on internal rules for holding positions of Aurora. The board of directors is authorized to determine the remuneration based on the directors' involvement in Aurora's business operation and their contributions to Aurora with reference to the remuneration standard of the industry.

#### Chapter 5 Corporate Bonds

- Article 26 Aurora may, by a resolution adopted by the board of directors, invite

subscription for corporate bonds pursuant to the provisions of the Company Act.

#### Chapter 6 General Manager:

Article 27 Aurora may have a number of managerial personnel. Appointment and discharge and the remuneration of the managerial personnel shall be decided in accordance with the Company Act.

#### Chapter 7 Accounting

Article 28 The fiscal year of Aurora starts and ends on the same dates of a calendar year. At the end of each fiscal year, the board of directors shall prepare the following statements and records and propose them to the annual shareholders' meeting for ratification in accordance with the legal procedures:

- I. Business report.
- II. Financial statements.
- III. Surplus earning distribution or loss off-setting proposals.

Article 29 If Aurora makes a profit (i.e., net profit before tax after deduction of the portion set aside for employees' compensation) within a fiscal year, 1% to 10% of the profit shall be reserved as the employee remuneration; in case of accumulated loss, however, a portion of the profit shall first be reserved to cover the loss.

The counterparties to whom compensation shall be distributed in cash or stock as stated in the preceding paragraph includes the employees of Aurora's subordinate companies that meet certain criteria.

A resolution adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors for the preceding two paragraphs shall be submitted to the shareholders' meeting.

For the net income in the annual accounts, if any, its allocation shall be prioritized by the following order:

- I. Covering accumulated losses (including the adjusted amount of unappropriated retained earnings).



- II. Setting aside ten percent of the net income as legal reserve.  
Where such legal reserve amounts to the total paid-in capital, this provision shall not apply.
- III. Appropriating or reversing special reserves in accordance with the laws or the direction of the competent authority.
- IV. The balance, along with the unappropriated retained earnings as of the beginning of the fiscal year concerned (including the adjusted amount of unappropriated retained earnings) shall be proposed to the shareholders' meeting for a resolution on its distribution.

Aurora authorizes the board of directors to distribute all or part of the dividends and bonuses which shall be distributed, capital reserves, or legal reserves in cash, with the presence of at least two-thirds of the directors and the resolution of more than half of the directors present, and then report to the shareholders' meeting.

Article 29-1 As the industry into which Aurora falls is currently in a stage of steady growth, demand for capital has lowered. In the future, operating results will be returned to shareholders as many as possible. In consideration of business development, finances, capital expansion, and shareholders' equity, Aurora distributes dividends in the combination of cash and stock, where cash dividends distributed are not lower than ten percent of the dividends distributed for the year.

#### Chapter 8 Miscellaneous

- Article 30 Aurora's organizational charter and by-laws shall be separately enacted by the board of directors.
- Article 31 Any matters inadequately provided for herein shall be subject to provisions concerned set forth in the Company Act and relevant laws and regulations.
- Article 32 The Articles of Incorporation were established on July 12, 1963.  
The first amendment was made on October 26, 1966.  
The second amendment was made on August 23, 1969.  
The third amendment was made on April 10, 1972.  
The fourth amendment was made on February 10, 1973.  
The fifth amendment was made on November 19, 1974.

The sixth amendment was made on June 15, 1977.  
The seventh amendment was made on July 5, 1979.  
The eighth amendment was made on July 5, 1980.  
The ninth amendment was made on April 30, 1982.  
The tenth amendment was made on July 16, 1984.  
The eleventh amendment was made on September 7, 1985.  
The twelfth amendment was made on March 10, 1986.  
The thirteenth amendment was made on March 20, 1988.  
The fourteenth amendment was made on November 13, 1988.  
The fifteenth amendment was made on December 11, 1988.  
The sixteenth amendment was made on June 3, 1989.  
The seventeenth amendment was made on November 27, 1989.  
The eighteenth amendment was made on December 15, 1989.  
The nineteenth amendment was made on February 20, 1990.  
The twentieth amendment was made on April 27, 1990.  
The twenty-first amendment was made on February 23, 1991.  
The twenty-second amendment was made on November 20, 1991.  
The twenty-third amendment was made on June 13, 1992.  
The twenty-fourth amendment was made on December 9, 1992.  
The twenty-fifth amendment was made on May 19, 1993.  
The twenty-sixth amendment was made on May 27, 1994.  
The twenty-seventh amendment was made on May 15, 1995.  
The twenty-eighth amendment was made on May 27, 1996.  
The twenty-ninth amendment was made on May 8, 1997.  
The thirtieth amendment was made on May 6, 1998.  
The thirty-first amendment was made on May 18, 1999.  
The thirty-second amendment was made on April 29, 2000.  
The thirty-third amendment was made on April 24, 2001.  
The thirty-fourth amendment was made on May 28, 2002.  
The thirty-fifth amendment was made on May 28, 2003.  
The thirty-sixth amendment was made on June 15, 2006.  
The thirty-seventh amendment was made on June 10, 2009.  
The thirty-eighth amendment was made on June 25, 2010.  
The thirty-ninth amendment was made on June 6, 2012.  
The fortieth amendment was made on June 10, 2015.  
The forty-first amendment was made on June 8, 2016.  
The forty-second amendment was made on June 8, 2017.  
The forty-third amendment was made on June 12, 2018.

The forty-fourth amendment was made on June 10, 2020.  
The forty-fifth amendment was made on June 9, 2022.

Aurora Corporation  
Chairman: Yuan Hui-Hua

## 【Appendix II】

# **Aurora Corporation**

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

### Article 1. Principle of Application of Rules

- I. To establish a strong governance system and sound supervisory capabilities for Aurora's shareholders' meetings, and to strengthen management capabilities, the Rules are therefore adopted.
- II. The rules of procedures for Aurora's shareholders' meetings, except as otherwise provided by law, regulation, or the Articles of Incorporation, shall be as provided in the Rules.

### Article 2. Convening Shareholders' Meetings and Meeting Notices

- I. Unless otherwise provided by law or regulation, Aurora's shareholders' meetings shall be convened by the board of directors. Changes to how Aurora convenes its shareholders' meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders' meeting notice.
- II. Aurora shall prepare electronic versions of the shareholders' meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, and upload them to the Market Observation Post System (MOPS) at least 30 days before the date of an annual shareholders' meeting or at least 15 days before the date of an extraordinary shareholders' meeting. Aurora shall prepare electronic versions of the shareholders' meeting agenda and supplementary meeting materials and upload them to the MOPS at least 21 days before the date of an annual shareholders' meeting or at least 15 days before the date of an extraordinary shareholders' meeting. In addition, at least 15 days before the date of the shareholders' meeting, Aurora shall also have prepared the shareholders' meeting agenda and supplementary meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplementary materials shall also be displayed at Aurora and the professional shareholder services agent designated thereby as well as being distributed on site at the venue of the meeting.
- III. The reasons for convening a shareholders' meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.

- IV. Election or dismissal of directors, amendments to the Articles of Incorporation, reduction of capital, application for the approval of ceasing Aurora's status as a public company, approval of competing with Aurora by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter stipulated in all subparagraphs of Paragraph 1 of Article 185 of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, or Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders' meeting. None of the aforementioned matters may be raised by an extempore motion.
- V. Where re-election of all directors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders' meeting, after the completion of the re-election in said meeting, such inauguration date may not be altered by any extempore motion or otherwise in the same meeting.

#### Article 3. Submission and Handling of Proposals before Shareholders' Meeting

- I. A shareholder holding one percent or more of the total number of issued shares may submit a written proposal for discussion to Aurora at an annual shareholders' meeting. The number of items so proposed, however, is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. In addition, when the circumstances of any subparagraph of Paragraph 4 of Article 172-1 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda. A shareholder may submit a suggestive proposal which urge Aurora to promote the public interest or fulfill its social responsibilities. The said proposal shall be limited to one proposal in terms of the procedure in accordance with the Article 172-1 of the Company Act. Any proposal in excess shall be excluded from the agenda.
- II. Prior to the book closure date before an annual shareholders' meeting is held, Aurora shall publicly announce that it will receive shareholder proposals, in written or electronic method, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

- III. When the proposal of a shareholder is approved by the board of directors and that it is not involved in any following circumstances, it shall be listed in the meeting notice of the annual shareholders' meeting:
  - (I) Where the subject of the said proposal cannot be settled or resolved by a resolution to be adopted at a shareholders' meeting.
  - (II) Where the number of shares of held by shareholders making the said proposal is less than one percent of the total number of outstanding shares at the time when the share transfer registration is suspended for the annual shareholders' meeting.
  - (III) Where the said proposal is submitted on the day beyond the deadline fixed and announced in accordance with the provision of the preceding paragraph.
  - (IV) Where the said proposal submitted by the proposing shareholders exceeds one item, or more than 300 words (including punctuation), or is not submitted in writing.
- IV. Prior to the date for issuance of notice of a shareholders' meeting, Aurora shall inform the shareholders who submitted proposals of the proposal screening results, and shall list the proposals that conform to the provisions of this article in the meeting notice. At the shareholders' meeting, the board of directors shall specify the reasons for excluding any shareholders' proposals from the meeting agenda.
- V. Shareholders' proposals listed in the agenda in accordance with Paragraph 3 may be handled together if these proposals are of the same type.
- VI. The shareholder making the proposal shall be present in person or by proxy at the annual shareholders' meeting and take part in the discussion of the proposal.

#### Article 4. Check-in of Shareholders

- I. For each shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by Aurora and stating the scope of the proxy's authorization.
- II. 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 Aurora at least five days before the date of the shareholders' meeting. When duplicate proxy forms are delivered,

the one received earliest shall prevail. However, a declaration made to cancel the previous proxy appointment is not subject to the aforementioned rule.

- III. After a proxy form has been delivered to Aurora, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to Aurora at least two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.
- IV. If, after a proxy form is delivered to Aurora, a shareholder wishes to attend the shareholders' meeting online, a written notice of proxy cancellation shall be submitted to Aurora two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

#### Article 5. Principles Determining the Time and Place of a Shareholders' Meeting

- I. The venue for a shareholders' meeting shall be the premises of Aurora, or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9:00 a.m. and no later than 3:00 p.m.
- II. The restrictions on the place of the meeting shall not apply when Aurora convenes a virtual-only shareholders' meeting.

#### Article 6. Preparation of Documents Such as the Attendance Book

- I. Aurora shall specify in its shareholders' meeting notices the time during which attendance registrations for shareholders, solicitors and proxies (collectively "shareholders") the place to register for attendance, and other matters for attention. If the shareholders' meeting is held by means of visual communication network, the method for shareholders to participate and exercise their rights shall be recorded, the method of handling the failure to access the virtual meeting platform or participate by means of visual communication network due to force majeure, as well as the date and matters needing attention when the meeting needs to be postponed or resumed. If the shareholders' meeting is held by means of visual communication network, appropriate alternative measures for shareholders who have difficulty participating by means of visual communication network shall be recorded. The time during which shareholder attendance registrations will be accepted shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are

accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. For virtual shareholders meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders' meeting in person.

- II. Shareholders and their proxies (collectively, "shareholders") shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance. Aurora 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.
- III. Aurora shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.
- IV. Aurora shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.
- V. When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders' meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.
- VI. In the event of a virtual shareholders' meeting, shareholders wishing to attend the meeting online shall register with Aurora two days before the meeting date.
- VII. In the event of a virtual shareholders' meeting, Aurora shall upload the meeting handbook, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

#### Article 7. The Chair and Non-Voting Participants of a Shareholders' Meeting

- I. If a shareholders' meeting is convened by the board of directors, the meeting shall be chaired by the chairman of the board. When the chairman of the board is on leave or for any reason unable to exercise the powers of the chairman, one of the directors shall be appointed to act as chair. Where the chairman does not make such a designation, the directors shall select one person from among



themselves to serve as the chair.

- II. If a shareholders' meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.
- III. Aurora may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders' meeting in a non-voting capacity.

#### Article 8. Documentation of a Shareholders' Meeting by Audio or Video

- I. Aurora shall make an uninterrupted audio and video recording of the entire proceedings of the shareholders meeting, and the recorded materials shall be retained 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.
- II. Where a shareholders' meeting is held online, Aurora shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by Aurora, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.
- III. The information and audio and video recording in the preceding paragraph shall be properly kept by Aurora during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.

#### Article 9. Calculation of the Number of Shares and Calling the Meeting to Order

- I. Attendance at shareholders' meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronically.
- II. The chair shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements

and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned; in the event of a virtual shareholders' meeting, Aurora shall also declare the meeting adjourned at the virtual meeting platform.

- III. 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 Paragraph 1 of Article 175 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders' meeting shall be convened within one month. In the event of a virtual shareholders' meeting, shareholders intending to attend the meeting online shall re-register to Aurora in accordance with Article 6.
- IV. 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. Discussion of Proposals

- I. If a shareholders' meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Votes shall be cast on each separate proposal in the agenda (including extempore motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting.
- II. The provisions of the preceding paragraph apply *mutatis mutandis* to a shareholders' meeting convened by a party with the power to convene that is not the board of directors.
- III. The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extempore motions), except by a resolution of the shareholders' meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the

meeting.

- IV. The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extempore motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

#### Article 11. Shareholder's Speech

- I. Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.
- II. A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.
- III. Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.
- IV. When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder who has the floor; the chair shall stop any violation.
- V. When a juristic person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.
- VI. After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.
- VII. Where a virtual shareholders' meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply.
- VIII. As long as questions so raised in accordance with the

preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.

Article 12. Calculation of Voting Shares and Recusal System

- I. Voting at a shareholders' meeting shall be calculated based the number of shares.
- II. With respect to resolutions of shareholders' meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.
- III. When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of Aurora, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.
- IV. The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.
- V. With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed three percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 13. Voting on Agenda Items

- I. A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed to be non-voting shares pursuant to Paragraph 2 of Article 179 of the Company Act.
- II. When Aurora holds a shareholders' meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person. However, with respect to the extempore motions and revisions to the original proposals of that meeting, the said

shareholder will be considered to have waived his/her rights. Aurora is therefore advised to avoid submission of extempore motions and revision to the original proposals.

- III. A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to Aurora at least two days before the date of the shareholders' meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail. However, when a declaration is made to cancel an earlier declaration of intent is not subject to the limits.
- IV. 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 or online, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to Aurora, by the same means by which the voting rights were exercised, at least two 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. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.
- V. Except as otherwise provided in the Company Act and in Aurora's Articles of Incorporation, the adoption of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.
- VI. When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

- VII. Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of Aurora.
- VIII. Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders' meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on site at the meeting, and a record made of the vote.
- IX. In the event of a virtual shareholders' meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.
- X. When Aurora convenes a hybrid shareholders' meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical shareholders' meeting in person, they shall revoke their registration two days before the shareholders' meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders' meeting online.
- XI. When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders' meeting online, except for extempore motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.

#### Article 14. Election Matters

- I. The election of directors at a shareholders' meeting shall be held in accordance with the applicable election and appointment rules adopted by Aurora, 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.
- II. 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 15. Meeting Minutes and Signatures

- I. Matters relating to the resolutions of a shareholders' meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.
- II. Aurora may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.
- III. The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors. The minutes shall be retained for the duration of the existence of Aurora.
- IV. Where a virtual shareholders' meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders' meeting, how the meeting is convened, the chair's and secretary's name, alternative measures available to shareholders with difficulties in attending a virtual-only shareholders' meeting online, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to force majeure events, and how issues are dealt with shall also be included in the minutes.

#### Article 16. Public Disclosure

- I. On the day of a shareholders' meeting, Aurora shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders' meeting. In the event a virtual shareholders' meeting, Aurora shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting. During Aurora's virtual shareholders' meeting, when the meeting is called to order, the total number of shares

represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting is released during the meeting.

- II. If matters put to a resolution at a shareholders' meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation regulations, Aurora shall upload the content of such resolution to the MOPS within the prescribed time period.

#### Article 17. Maintaining Order at the Meeting Venue

- I. Staff handling administrative affairs of a shareholders' meeting shall wear identification cards or arm bands.
- II. The chair may direct the proctors or security personnel to help maintain order at the meeting venue. When proctors or security personnel help maintain order at the meeting venue, they shall wear an identification card or armband bearing the word "Proctor."
- III. At the venue of a shareholders' meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by Aurora, the chair may prevent the shareholder from so doing.
- IV. When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the venue.

#### Article 18. Recess and Resumption of a Shareholders' Meeting

- I. When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.
- II. If the meeting venue is no longer available for continued use and not all of the items (including extempore motions) on the meeting agenda have been addressed, the shareholders' meeting may adopt a resolution to resume the meeting at another venue.
- III. A resolution may be adopted at a shareholders' meeting to defer or resume the meeting within five days in accordance with Article 182 of the Company Act.



Article 19. Disclosure of information at virtual meetings

In the event of a virtual shareholders' meeting, Aurora shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.

Article 20. Location of the chair and secretary of virtual-only shareholders meeting

When Aurora convenes a virtual-only shareholders' meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.

Article 21. Handling of communication obstruction and shareholders impacted by digital divide

- I. In the event of a virtual shareholders' meeting, Aurora may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues.
- II. In the event of a virtual shareholders' meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date, in which case Article 182 of the Company Act shall not apply.
- III. During a postponed or resumed session of a shareholders' meeting held under the preceding paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors and supervisors.
- IV. When postponing or resuming a meeting according to the second paragraph, Aurora shall handle the preparatory work based on the date of the original shareholders' meeting in accordance with the requirements listed under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services

of Public Companies, and shareholders who are listed on the register of shareholders whose transfer of books was originally scheduled to be closed are entitled to attend the shareholders' meeting.

- V. For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, Aurora shall handle the matter based on the date of the shareholders' meeting that is postponed or resumed under the second paragraph.
- VI. When Aurora convenes a hybrid shareholders' meeting, and the virtual meeting cannot continue as described in second paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders' meeting online, still meets the minimum legal requirement for adopting resolutions in a shareholders' meeting, then the shareholders' meeting shall continue, and not postponement or resumption thereof under the second paragraph is required.
- VII. When convening a virtual-only shareholders' meeting, Aurora shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online.

#### Article 22. Implementation

The Rules shall be implemented after having been approved by a shareholders' meeting. Subsequent amendments thereto shall be effected in the same manner.

The Rules were established on June 8, 2016.

The first amendment was made on June 8, 2017.

The second amendment was made on June 10, 2020.

The third amendment was made on July 15, 2021.

The fourth amendment was made on June 9, 2022.

## 【Appendix III】

### Aurora Corporation Current Shareholding of Directors

I. The amount of statutory number of shares held by the current members of the 12th board directors of Aurora Corporation is as follows:

Number of common shares issued by Aurora	236,202,518 shares
Statutory number of shares held by all directors	12,000,000 shares

II. The shareholding status of the individual and all directors as recorded in the shareholders' meeting on the book closure date of this shareholders' meeting is as follows:

Record date: April 21, 2023

Unit: Shares

Title	Name	Number of shares held recorded in shareholders register on book closure date	Remark
Chairman	Yuan Hui-Hua	1,198,000	
Director	Chen Yung-Tai	21,834,000	
Director	Rai Hau-Min	101,856,312	Representative of Aurora Holdings Incorporated
Director	Ma Chih-Hsien	3,000	
Independent Director	Liao Kuo-Jung	0	
Independent Director	Hwa Yueh-Jiuan	0	
Independent Director	Hsu Wen-Chung	0	
Total shares held by all directors: 124,891,312 shares			
Percentage of shareholding: 52.87%			

1. As of April 21, 2023, the total number of outstanding shares of Aurora is 236,202,518 shares.
2. Aurora has established an Audit Committee. Therefore, the statutory shareholding for supervisors is not applicable.