

RitDisplay Corporation

Procedure for the 2024 Annual Meeting of Shareholders

- 1. Call the Meeting to Order**
- 2. Chairman Takes Seat**
- 3. Chairman's Opening Address**
- 4. Management Presentations**
- 5. Matters for Approval**
- 6. Matters for Discussion**
- 7. Extraordinary Motions**
- 8. Adjournment**

RitDisplay Corporation

2024 Agenda of Annual Meeting of Shareholders

Date: 9:00 a.m. on Tuesday, June 25th, 2024

Place: B1, No.12, Guangfu N. Rd., Hukou Township, Hsinchu County. (International Conference Hall)

Physical Shareholders' Meeting

I. Call the Meeting to Order

II. Chairman's Opening Address

III. Management Presentations

- (1) Annual Business Overview Report for Year 2023
- (2) 2023 Audit Committee's Review Report
- (3) Re-investment in Han Tai Energy Co., Ltd.

IV. Matters for Approval

- (1) Report on the 2023 Annual Business Overview Report and Financial Statements
- (2) Proposal for Off-Setting 2023 Losses

V. Matters for Discussion

- (1) Amendment to the Company's "Operational Procedures for Acquisition or Disposal of Assets"
- (2) Amendment to the Company's "Operational Procedures for Endorsements/Guarantees"
- (3) Proposal for the Shares Release of the Subsidiary, RiTWIN Corporation

VI. Extraordinary Motions

VII. Adjournment

Management Presentations

I. Annual Business Overview Report for Year 2023

Annual Business Overview Report

In 2023, entering the post-pandemic phase, the display market continued to demonstrate weakened demand as shown in 2022. Additionally, ongoing geopolitical tensions persisted, notably the Russo-Ukrainian War with no signs of resolution and escalating Israeli–Palestinian conflict, heightened market uncertainties beyond those of the previous year. Consequently, RitDisplay’s operational challenges in the PMOLED market persisted, marked by continuous declines in order demand. Moreover, a significant inventory backlog from deliveries, particularly in one of the major sectors, household appliances, made during the pandemic, remained largely unconsumed. Despite efforts to address issues within the supply chain, such as relaxed IC delivery schedules, and attempts to stimulate demand through price adjustments, the Company failed to generate new demand. Throughout 2023, the display industry’s performance heavily relied on network communication applications. However, this proved insufficient to sustain the economic scale of production lines, resulting in financial losses .

Recognizing the declining demand for PMOLED and its inability to sustain RitDisplay's core operations due to application limitations, the Company has shifted focus towards the battery business, which exhibits promising growth opportunities. Despite the impressive performance in both revenue and profit in 2023, RitDisplay's primary goal remained preventing the display business from becoming a liability, necessitating the need to accelerate the transformation of the display business. Starting from the fourth quarter of 2022, RitDisplay has expanded the sales portfolio to include TFT LCD and AMOLED, with plans to secure sales representation for electronic paper in 2023. Additionally, the Company will continue to streamline PMOLED production capacity to better align with market demands.

Total consolidated operating revenue for the year: NT\$ 747,342 thousand.
Net loss after tax for the period: NT\$ 226,908 thousand.

Looking ahead to the operations in 2024, in addition to fully supporting the development of the battery/energy storage business, RitDisplay will continue to explore opportunities in applying PMOLED in niche markets such as transparent products and industrial control applications. The Company is committed to fulfilling the varied display technology needs of existing customers and aims to secure more order opportunities by capitalizing sales channels through collaboration with Japanese companies. Internally, the Company will prioritize cost control measures to enhance market competitiveness. In terms of product

development, the focus will be on collaborating with foreign technology partners to innovate new drivers for AMOLED applications.

Chairman: YEH, CHWEI-JING
TING-CHANG

Chief Executive Officer: WANG,
Accounting Officer: TRACY Y. CHOU

II. 2023 Audit Committee's Review Report

Audit Committee's Review Report

The Annual Business Overview Report, the financial statements (including consolidated and individual financial statements), and the proposal for offsetting losses for the year 2023, prepared by the Board of Directors of the Company, have been audited by the certified accountants, Chen, Kuo-Shuai and Chang, Chih-Ming from EY Taiwan. They have expressed their opinion that the financial statements fairly present the financial position, operating results and cash flows of the Company. The Audit Committee has reviewed the Annual Business Overview Report, financial statements, and the proposal for offsetting losses, and found no discrepancies. Therefore, in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit the above report for your reference.

Sincerely

RitDisplay Corporation

Audit Committee Convener: Tung, Yun-Ling

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III. Re-investment in Han Tai Energy Co., Ltd.

Explanation:

1. According to the Board resolution made on February 29, 2024, the Company decided to proceed with the investment in an energy storage cabinet factory. Additionally, on April 9, 2024, the Board of Directors proposed acquiring 100% equity of Han Tai Energy Co., Ltd. from Evergreat E&C Co., Ltd. for an amount of NT\$750 million.
2. Han Tai Energy Co., Ltd. engages in the establishment of energy storage cabinets. Investment in this project shall only proceed upon Han Tai Energy Co., Ltd. fully obtaining all necessary governmental permits and contracts that comply with legal requirements.

Matters for Approval

Report No.1: (Proposed by the Board)

Proposal: Report on the 2023 Annual Business Overview Report and Financial Statements.

- Explanation:
- a. The annual financial statements of the Company 2023 (including the consolidated financial statements) were audited by Chen, Kuo-Shuai and Chang, Chih-Ming of Ernst & Young, and the business report was reviewed by the Audit Committee. Please acknowledge.
 - b. Please refer to page 3 and page 9, Attachment 1, for the Company's 2023 Annual Business Overview Report, Independent Auditors' Report, and the preceding financial statements.
 - c. It is hereby proposed for acceptance.

Resolution:

Report No.2: (Proposed by the Board)

Proposal: Proposal for Off-Setting 2023 Losses.

Explanation: a.The Company incurred a net loss after-tax of NT\$ 226,907,629 for the fiscal year 2023. As of December 31, 2023, the distributable retained earning amounted to NT\$ 144,474,685. Considering the future operational circumstances and the requirement for operational funds, the Company hereby proposes not to distribute the surplus.

b. Please kindly review the proposal.

RitDisplay Corporation
2023 Losses Offset Table

Unit: NTD\$

Items	Amount
Beginning retained earnings	\$370,237,978
Less: Disposal of equity instruments at fair value through other comprehensive income	(3,247,175)
Less: Changes in Equity of Associates and Joint Ventures Accounted for Using Equity Method	(81,542)
Add: Changes in shares of other comprehensive income of associates and joint ventures accounted for using the equity method	453,268
Less: 2023 Loss after tax	(226,907,629)
Subtotal	140,454,900
Provisions	
Reversal special reserves	4,019,785
Retained earnings-unappropriated, end of 2023	\$144,474,685

Chairman: YEH, CHWEI-JING Chief Executive Officer: WANG, TING-CHANG
Accounting Officer: TRACY Y. CHOU

Resolution:

Matters for Discussion

Report No.1: (Proposed by the Board)

Proposal: Amendment to the Company's "Operational Procedures for Acquisition or Disposal of Assets".

Explanation: a. In order to conform to the operational practices, the Company hereby proposes to amend the Company's "Operational Procedures for Acquisition or Disposal of Assets". Please refer page 27, Attachment 2, for the detailed Comparison Table for the Amendments.

b. Please proceed to discuss.

Resolution:

Report No.2: (Proposed by the Board)

Proposal: Amendment to the Company's "Operational Procedures for Endorsements/Guarantees".

Explanation: a. In order to conform to the operational practices, the Company hereby proposes to amend the Company's "Operational Procedures for Endorsements/Guarantees". Please refer page 28, Attachment 3, for the detailed Comparison Table for the Amendments.

b. Please proceed to discuss.

Resolution:

Report No.3: (Proposed by the Board)

Proposal: Proposal for the Shares Release of the Subsidiary, RiTWIN Corporation.

- Explanation:
- a. To assist the subsidiary, RiTWIN Corporation (hereinafter referred to as RitWIN) in its operational development, and to capitalize on benefits such as ease of future fundraising, autonomous financial management, and enhancement of equity value, the Company is initiating the process for RitWIN's listing on the stock exchange.
 - b. Considering the overall operational layout of the Group and to assist the successful progression of RitWIN's listing on the stock exchange, while also ensuring legal compliance, the Company hereby proposes to release shares of RitWIN that it holds in order to achieve the objective of ownership distribution.
 - c. The current amount of RitWIN shares planned for release does not exceed 3,440,926 shares. In order to share RitWIN's operational results with the Company's shareholders, the proposed release plan prioritizes offering shares to shareholders for subscription based on their shareholding proportion. The subscription reference date shall be the shareholder register as of the most recent book closure date following the Company's shareholders' meeting in 2024. Considering agency service fees and the investment intentions of original shareholders, the proposed subscription mechanism for the Company's original shareholders specified that only shareholders with a subscription of 100 shares or more are entitled to participate in the subscription rights. Additionally, to accommodate the rights of the Company's original shareholders, those with holdings of less than 100 shares are allowed to pool their shares to reach the 100-share threshold for subscription. Any shares that shareholders decline to subscribe to or any shortfall in subscriptions will be authorized for subscription by the Chairman to specific individuals.
 - d. Following the submission of the preceding release plan for resolution at the 2024 Annual Meeting of Shareholders, the Board of Directors shall be authorized by the Annual Meeting of Shareholders to address all relevant matters, including establishing subscription dates and determining the actual subscription price. Nonetheless, the subscription price shall not fall below the net value per share as stated in RitWIN's most recent balance sheet at the time of the shares release. Additionally, an independent expert shall be engaged to provide an opinion statement regarding the fairness of the price.
 - e. In the future, should RitWIN apply for registration on the Emerging Stock Market or the Listed Stock Exchange, the Company will allocate RitWIN shares for subscription by securities firms or for conducting over-allotment options in accordance with relevant laws and

regulations related to company listing. The number of shares allocated and their price shall be mutually determined by the Company, securities firms, in consideration with relevant regulations, market conditions, and the operational status of RitWIN at that time.

- f. Please proceed to discuss.

Resolution:

Extraordinary Motions

Adjournment

【 Attachment 1 】

Independent Auditors' Report

English Translation of Financial Statements and a Report Originally Issued in Chinese

INDEPENDENT AUDITORS' REPORT

To: the Board of Directors and Shareholders of
RiTdisplay Corporation

Opinion

We have audited the accompanying consolidated balance sheets of RiTdisplay Corporation (the “Company”) and its subsidiaries as of December 31, 2023 and 2022, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2023 and 2022, and notes to the consolidated financial statements, including the summary of significant accounting policies (together referred as “the consolidated financial statements”).

In our opinion, based on our audits, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Company and its subsidiaries as of December 31, 2023 and 2022, and its consolidated financial performance and cash flows for the years ended December 31, 2023 and 2022, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of the Republic of China. 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 the Company 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 the most significance in our audit of consolidated financial statements for the year ended December 31, 2023. 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.

Revenue Recognition

We determine that revenue recognition is one of the key audit matters. The Group's revenue amounting to NT\$2,682,217 thousand for the year ended December 31, 2023 is a significant account to the Group's financial statements. The major revenues were from manufacturing and sales of OLED and assembly, manufacturing, and sale of batteries and electronic components. The Group has conducted these sale activities in multi-marketplace, including Taiwan, China, America and North Africa, etc. Furthermore, the timing of fulfilling performance obligation needs to be determined based on varieties of sale terms and conditions enacted in the main sale contracts or sale orders. We therefore conclude that there are significant risks with respect to the topic of revenue recognition.

Our audit procedures therefore include, but not limit to, evaluating the appropriateness of accounting policy for revenue recognition, assessing and testing the effectiveness of relevant internal controls related to revenue recognition, sampling-test of details, including obtaining major sale orders or agreements to inspect the terms and conditions, checking the consistency of the fulfillment timing, performing analytical review procedures on sale revenues, and executing sale cut-off tests for a period time before and after the balance sheet date, reviewing for subsequent sales returns and allowance etc. We have also evaluated the appropriateness of the related disclosure in Note 4 and Note 6 to the consolidated financial statements.

Market valuation on Inventory

We determined the market valuation on inventory is also one of the key audit matters. The Group's net inventory amounting to NT\$415,682 thousand as of December 31, 2023, which is significant to the Group's financial statements. The application market of the Group's main products, OLED, has been developing and changing rapidly by display technology and demand of communication market. The management therefore has to closely monitor the status of new products development and market demand for evaluating any significant impairment, including loss from market decline and slow movement, incurred toward inventory. Also, there was significant management involved in determining the sufficiency of inventory loss provision.

Our audit procedures therefore include, but not limit to, evaluating the appropriateness of inventory provision including how to identify the phased-out or slow-moving items, testing the correctness of inventory aging report, analyzing the reasons for slow-moving inventory, performing observation on the Group's inventory physical taking, and looking into the status of inventory utilization. We have also evaluated the appropriateness of the related disclosure in Note 5 and Note 6 to the consolidated financial statements.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the ability to continue as a going concern of the Group, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including audit committee, are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company and its subsidiaries.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of the Company and its subsidiaries. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its subsidiaries to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the accompanying notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and its subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our 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 those matters that were of most significance in the audit of 2023 consolidated financial statements and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Others

We have also audited the parent-company-only financial statements of RiTdisplay Corporation as of and for the years ended December 31, 2023 and 2022, on which we have issued an unmodified opinion.

Chen, Kuo-Shuai

Chang, Chih-Ming

Ernst & Young, Taiwan, R.O.C

February 29, 2024

Notice to Readers

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

Accordingly, the accompanying consolidated financial statements and report of independent auditors are not intended for use by those who are not informed about the accounting principles or Standards on Auditing of the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

English Translation of Consolidated Financial Statements Originally Issued in Chinese
RiTdisplay Corporation and Subsidiaries
Consolidated Balance Sheets
As of December 31, 2023 and December 31, 2022
(Amounts Expressed in Thousands of New Taiwan Dollars)

Assets			2023.12.31		2022.12.31	
Code	Accounts	Notes	Amount	%	Amount	%
	Current assets					
1100	Cash and cash equivalents	4, 6(1)	\$961,068	19	\$553,811	10
1110	Financial assets at fair value through profit or loss	4, 6(2)	85,537	2	89,142	2
1120	Financial assets at fair value through other comprehensive income	4, 6(3)	61,681	1	49,574	1
1136	Financial assets measured at amortized cost	4, 6(4), 8	30,301	1	55,005	1
1170	Accounts receivable, net	4, 6(5), 6(24)	650,251	13	747,006	14
1180	Accounts receivable-related parties, net	4, 6(5), 6(24), 7	2,251	-	20,079	-
1197	Financing lease payments receivable, net	4, 6(6), 6(24)	2,800	-	-	-
1199	Financing lease payments receivable-related parties, net	4, 6(6), 6(24), 7	2,537	-	2,497	-
1200	Other receivables		24,801	1	36,439	1
1210	Other receivables-related parties	7	1,630	-	2,486	-
1220	Current tax assets	4, 6(29)	698	-	-	-
130x	Inventories, net	4, 6(7)	415,682	8	701,035	13
1410	Prepayments	7	144,083	3	152,225	3
1460	Non-current assets to be sold (or disposition group), net	4, 6(8)	-	-	35,665	1
1470	Other current assets	7	5,565	-	8,586	-
11xx	Total current assets		<u>2,388,885</u>	<u>48</u>	<u>2,453,550</u>	<u>46</u>
	Non-current assets					
1535	Financial assets measured at amortized cost	4, 6(4), 8	41,025	1	8,699	-
1600	Property, plant and equipment, net	4, 6(10), 7, 8	2,159,727	43	2,210,178	42
1755	Right-of-use assets	4, 6(25)	41,267	1	43,488	1
1760	Investment property, net	4, 6(11), 8	236,386	5	243,844	5
1780	Intangible assets, net	4, 6(12), 6(14)	101,351	2	99,695	2
1840	Deferred tax assets	4, 6(29)	24,354	-	206,846	4
1900	Other non-current assets	4, 6(13), 6(19), 7	20,256	-	15,949	-
194D	Long-term financing lease payments receivable, net	4, 6(6), 6(24)	5,367	-	-	-
194K	Long-term financing lease payments receivable-related parties, net	4, 6(6), 6(24), 7	6,524	-	9,061	-
15xx	Total non-current assets		<u>2,636,257</u>	<u>52</u>	<u>2,837,760</u>	<u>54</u>
1xxx	Total Assets		<u>\$5,025,142</u>	<u>100</u>	<u>\$5,291,310</u>	<u>100</u>

(The accompanying notes are an integral part of the consolidated financial statements.)

English Translation of Consolidated Financial Statements Originally Issued in Chinese
RiTdisplay Corporation and Subsidiaries
Consolidated Balance Sheets (Continued)
As of December 31, 2023 and December 31, 2022
(Amounts Expressed in Thousands of New Taiwan Dollars)

Liabilities and Equity			2023.12.31		2022.12.31	
Code	Accounts	Notes	Amount	%	Amount	%
	Current liabilities					
2100	Short-term loans	6(15), 8	\$630,000	13	\$500,000	10
2130	Contract liabilities	4, 6(23), 7	45,472	1	33,019	1
2170	Accounts payable		289,714	6	485,645	9
2180	Accounts payable-related parties	7	151,138	3	159,211	3
2200	Other payables		188,401	4	144,489	3
2220	Other payables-related parties	7	68,887	1	16,111	-
2230	Current income tax liabilities	4, 6(29)	14,396	-	7,954	-
2300	Other current liabilities	7	10,258	-	16,027	-
2321	Current portion or enforce to sell of bonds payable	4, 6(17)	-	-	6,127	-
2320	Current portion of long-term loans	6(18), 8	241,144	5	220,487	4
21xx	Total current liabilities		<u>1,639,410</u>	<u>33</u>	<u>1,589,070</u>	<u>30</u>
	Non-current liabilities					
2500	Financial liabilities at fair value through profit or loss	4, 6(16)	23,252	-	15,229	-
2530	Bonds payable	4, 6(17)	483,665	10	535,203	10
2540	Long-term loans	6(18), 8	753,752	15	713,156	14
2550	Non-current provision	4, 6(20)	5,814	-	7,194	-
2570	Deferred tax liabilities	4, 6(29)	540	-	175	-
2670	Other non-current liabilities	4, 6(19)	34,651	1	32,999	1
25xx	Total non-current liabilities		<u>1,301,674</u>	<u>26</u>	<u>1,303,956</u>	<u>25</u>
2xxx	Total liabilities		<u>2,941,084</u>	<u>59</u>	<u>2,893,026</u>	<u>55</u>
31xx	Equity attributable to shareholders of parent					
3100	Capital	6(21)				
3110	Common stock		746,517	15	746,517	14
3200	Capital surplus	6(21)	867,975	17	859,145	16
3300	Retained earnings	6(21)				
3310	Legal reserve		164,399	3	161,489	3
3320	Special reserve		5,371	-	5,950	-
3350	Unappropriated retained earnings		140,455	3	483,046	9
3400	Other components of equity		(1,351)	-	(5,371)	-
3500	Treasury stock	4, 6(21)	(51,486)	(1)	(51,486)	(1)
3600	Non-controlling interests	6(21), 6(31)	212,178	4	198,994	4
3xxx	Total equity		<u>2,084,058</u>	<u>41</u>	<u>2,398,284</u>	<u>45</u>
3x2x	Total liabilities and equity		<u>\$5,025,142</u>	<u>100</u>	<u>\$5,291,310</u>	<u>100</u>

(The accompanying notes are an integral part of the consolidated financial statements.)

English Translation of Consolidated Financial Statements Originally Issued in Chinese

RiTdisplay Corporation and Subsidiaries

Consolidated Statements Of Comprehensive Income

For the Years Ended December 31, 2023 and 2022

(Amounts Expressed in Thousands of New Taiwan Dollars, Except Earnings Per Share)

Code	Accounts	Notes	2023		2022	
			Amount	%	Amount	%
4000	Operating revenues	4, 6(23), 7	\$2,682,217	100	\$2,713,550	100
5000	Operating costs	6, 7	(2,366,167)	(88)	(2,291,827)	(84)
5900	Gross profit		316,050	12	421,723	16
6000	Operating expenses	6, 7				
6100	Selling		(50,175)	(2)	(50,114)	(2)
6200	General and administrative		(179,424)	(7)	(152,220)	(6)
6300	Research and development		(147,011)	(6)	(124,723)	(5)
6450	Expected credit losses	4, 6(24)	-	-	(3,226)	-
	Operating expenses total		(376,610)	(15)	(330,283)	(13)
6900	Operating income (loss)		(60,560)	(3)	91,440	3
7000	Non-operating income and expenses					
7100	Interest income	6(27), 7	12,561	1	5,552	-
7010	Other income	6(27), 7	124,973	5	115,715	4
7020	Other gains and losses	6(27)	(23,399)	(1)	(62,691)	(2)
7050	Finance costs	6(27), 7	(46,665)	(2)	(39,542)	(1)
7055	Expected credit losses	4, 6(24)	(11,073)	-	(4,166)	-
7060	Share of profit or loss of associates and joint ventures accounted for using equity method	4, 6(9)	-	-	13,704	-
	Non-operating income and expenses total		56,397	3	28,572	1
7900	Income (loss) before income tax		(4,163)	-	120,012	4
7950	Income tax expense	4, 6(29)	(200,464)	(7)	(70,687)	(2)
8200	Net income (loss)		(204,627)	(7)	49,325	2
8300	Other comprehensive income (loss)	6(28)				
8310	Items that will not be reclassified subsequently to profit or loss					
8311	Gains (losses) on remeasurements of defined benefit plans		453	-	12,798	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income		(53)	-	(1,659)	-
8326	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income, associates and joint ventures accounted for using equity method		-	-	(4)	-
8360	Items that may be reclassified subsequently to profit or loss					
8361	Exchange differences on translation		(1,387)	-	(1,380)	-
8370	Share of the other comprehensive income (loss) of associates and joint ventures accounted for using equity method		-	-	85	-
	Total other comprehensive income, net of tax		(987)	-	9,840	-
8500	Total comprehensive income (loss)		\$(205,614)	(7)	\$59,165	2
8600	Net income attributable to:					
8610	Stockholders of parent		(226,908)	(8)	\$29,919	1
8620	Non-controlling interests		22,281	1	19,406	1
	Total		\$(204,627)	(7)	\$49,325	2
8700	The total comprehensive income (loss) attributable to:					
8710	Stockholders of parent		(227,442)	(8)	\$40,400	1
8720	Non-controlling interests		21,828	1	18,765	1
	Total		\$(205,614)	(7)	\$59,165	2
	Earnings per share (NTD)	6(30)				
9750	Earnings per share - basic (in NTD)		\$(3.08)		\$0.41	
9850	Earnings per share - diluted (in NTD)		\$(3.08)		\$0.41	

(The accompanying notes are an integral part of the consolidated financial statements.)

English Translation of Consolidated Financial Statements Originally Issued in Chinese

RI TDisplay Corporation and Subsidiaries

Consolidated Statements of Change in Equity

For the Years Ended December 31, 2023 and 2022

(Amounts Expressed in Thousands of New Taiwan Dollars)

Code	Items	Equity attributable to owners of the parent										Non-controlling interest	Total Equity
		Capital	Bond conversion entitlement certificates	Capital Surplus	Retained Earnings			Other Components of equity		Treasury stock	Total		
					Legal Reserve	Special Reserve	Unappropriated Retained Earnings	Exchange differences arising on translation of foreign operations	Unrealized gains of losses on financial assets at fair value through other comprehensive income				
		3100	3130	3200	3310	3320	3350	3410	3420	3500	31XX	36XX	3XXX
A1	Balance as of January 1, 2022	\$680,090	\$57,892	\$790,422	\$142,092	\$5,706	\$621,284	\$(703)	\$(5,247)	\$(51,486)	\$2,240,050	\$50,928	\$2,290,978
	Appropriation and distribution of 2021 earnings:												
B1	Legal reserve				19,397		(19,397)				-		
B3	Special reserve					244	(244)				-		-
B5	Cash dividends - common shares						(147,695)				(147,695)		(147,695)
C5	Due to recognition of equity component of convertible bonds issued			39,923							39,923		39,923
D1	Net income for 2022						29,919				29,919	19,406	49,325
D3	Other comprehensive income (loss) for 2022						12,798	(654)	(1,663)		10,481	(641)	9,840
D5	Total comprehensive income (loss)	-	-	-	-	-	42,717	(654)	(1,663)	-	40,400	18,765	59,165
I1	Conversion of convertible bonds		8,535	30,508							39,043		39,043
I3	Conversion of certificates of bonds-to-share	66,427	(66,427)								-		-
M5	Difference between consideration and carrying amount of subsidiaries acquired or disposed			(10,378)			(10,723)				(21,101)	(81,439)	(102,540)
M7	Changes in subsidiaries ownership			9,065							9,065	15,667	24,732
O1	Changes in non-controlling interests										-	195,073	195,073
Q1	Disposal of investments in equity instruments measured at fair value through other comprehensive income						(2,896)		2,896		-		-
T1	Other - early repurchase of convertible bonds			(395)							(395)		(395)
Z1	Balance as of December 31, 2022	\$746,517	\$-	\$859,145	\$161,489	\$5,950	\$483,046	\$(1,357)	\$(4,014)	\$(51,486)	\$2,199,290	\$198,994	\$2,398,284
A1	Balance as of January 1, 2023	\$746,517	\$-	\$859,145	\$161,489	\$5,950	\$483,046	\$(1,357)	\$(4,014)	\$(51,486)	\$2,199,290	\$198,994	\$2,398,284
	Appropriation and distribution of 2022 earnings:												
B1	Legal reserve				2,910		(2,910)				-		-
B5	Cash dividends - common shares						(110,477)				(110,477)		(110,477)
B17	Reversal of special reserve					(579)	579				-		-
D1	Net income for 2023						(226,908)				(226,908)	22,281	(204,627)
D3	Other comprehensive income (loss) for 2023						453	(934)	(53)		(534)	(453)	(987)
D5	Total comprehensive income (loss)	-	-	-	-	-	(226,455)	(934)	(53)	-	(227,442)	21,828	(205,614)
H3	Reorganization			10,192				1,134			11,326	(11,326)	-
M5	Difference between consideration and carrying amount of subsidiaries acquired or disposed			(5,922)							(5,922)	(26,045)	(31,967)
M7	Changes in subsidiaries ownership			6,329			(81)				6,248	33,348	39,596
O1	Changes in non-controlling interests										-	(4,621)	(4,621)
Q1	Disposal of investments in equity instruments measured at fair value through other comprehensive income						(3,247)		3,247		-		-
T1	Other - early repurchase of convertible bonds and the difference of disposing equity method investment			(1,769)				626			(1,143)		(1,143)
Z1	Balance as of December 31, 2023	\$746,517	\$-	\$867,975	\$164,399	\$5,371	\$140,455	\$(531)	\$(820)	\$(51,486)	\$1,871,880	\$212,178	\$2,084,058

(The accompanying notes are an integral part of the consolidated financial statements.)

English Translation of Consolidated Financial Statements Originally Issued in Chinese

RiTDisplay Corporation and Subsidiaries

Consolidated Statements of Cash Flows

For the Years Ended December 31, 2023 and 2022

(Amounts Expressed in Thousands of New Taiwan Dollars)

Code	Items	2023	2022	Code	Items	2023	2022
AAAA	Cash flows from operating activities:			BBBB	Cash flows from investing activities:		
A00010	Net income before tax	\$ (4,163)	\$ 120,012	B00010	Acquisition of financial assets at fair value through other comprehensive income	(15,655)	-
A20000	Adjustments:			B00020	Proceeds from disposal of financial assets at fair value through other comprehensive income	3,495	2,841
A20010	Profit or loss not effecting cash flows:			B00040	Acquisition of financial assets measured at amortised cost	(7,622)	-
A20100	Depreciation expenses and other losses	150,139	136,189	B00050	Proceeds from disposal of financial assets measured at amortised cost	-	66,603
A20200	Amortization	1,380	9,104	B01900	Proceeds from disposal of investments accounted for using equity method	5	-
A20300	Expected credit losses	11,073	7,392	B02200	Net cash flow from acquisition of subsidiaries	-	(82,924)
A20400	Net loss (gain) of financial assets (liabilities) at fair value through profit or loss	815	42,656	B02600	Proceeds from disposal of non-current assets classified as held for sale	31,500	-
A20900	Interest expense	46,665	39,542	B02700	Acquisition of property, plant and equipment	(79,075)	(697,613)
A21000	Net loss arising from derecognition of financial liabilities measured at amortised cost	-	188	B02800	Proceeds from disposal of property, plant and equipment	2,226	2,110
A21200	Interest income	(12,561)	(5,552)	B03700	Increase in refundable deposits	(444)	-
A21300	Dividend income	(4,126)	(4,984)	B03800	Decrease in refundable deposits	-	1,935
A22300	Share of profit or loss of associates and joint ventures	-	(13,704)	B04500	Acquisition of intangible assets	(3,038)	(583)
A22500	Loss (gain) on disposal of property, plan and equipment	5,842	5,233	B06000	Increase in long-term financing lease payments receivable	(8,167)	2,459
A22800	Loss on disposal of intangible assets	-	67	B06100	Decrease in financing lease payments receivable-related parties	2,497	-
A23000	Loss on disposal of non-current assets classified as held for sale	4,165	-	BBBB	Net cash provided by (used in) investing activities	(74,278)	(705,172)
A23100	Loss (gain) on disposal of investments	6,541	(4,822)				
A23700	Impairment loss on non-financial assets	-	6,541	CCCC	Cash flows from financing activities:		
A29900	Other adjustments - Gain on lease modification	-	(3)	C00200	(Repayments of) increase in short-term loans	130,000	(256,301)
A30000	Changes in operating assets and liabilities:			C01200	Proceeds from issuing bonds	-	595,000
A31115	Decrease (increase) in financial assets at fair value through profit or loss, mandatorily measured at fair value	4,615	591	C01300	Repayments of bonds	(68,054)	(35,154)
A31150	Decrease (increase) in accounts receivable	96,755	(244,654)	C01600	Proceeds from long-term loans	500,000	1,025,000
A31160	Decrease (increase) in accounts receivable-related parties	17,828	150,825	C01700	Repayments of long-term loans	(438,747)	(525,486)
A31180	Decrease (increase) in other receivable	565	(25,155)	C04020	Payments of lease liabilities	-	(946)
A31190	Decrease (increase) in other receivable-related parties	856	(2,385)	C04300	Increase in other non-current liabilities	-	(7,762)
A31200	Decrease (increase) in inventories	285,353	(274,672)	C04400	Decrease in other non-current liabilities	1,786	-
A31230	Decrease (increase) in prepayments	8,142	18,899	C04500	Cash dividends paid	(118,895)	(159,891)
A31240	Adjustments for decrease (increase) in other current assets	3,021	(3,198)	C05800	Changes in non-controlling interests	11,426	(77,808)
A31990	Adjustments for decrease (increase) in other non-current assets	-	2,776	CCCC	Net cash provide by (used in) financing activities	17,516	556,652
A32125	Increase (decrease) in contract liabilities	12,453	10,424				
A32150	Increase (decrease) in accounts payable	(195,931)	59,989	DDDD	Effect of exchange rate changes on cash and cash equivalents	105	554
A32160	Increase (decrease) in accounts payable-related parties	(8,073)	(9,173)				
A32180	Increase (decrease) in other payable	42,552	8,774	EEEE	Net increase (decrease) in cash and cash equivalents	407,257	(133,969)
A32190	Increase (decrease) in other payable-related parties	30,403	3,966	E00100	Cash and cash equivalents at beginning of period	553,811	687,780
A32230	Adjustments for increase (decrease) in other current liabilities	(5,769)	(926)	E00200	Cash and cash equivalents at end of period	\$961,068	\$553,811
A32240	Decrease in net defined benefit liability	(793)	(710)				
A32990	Increase (decrease) in refundable liability	(1,380)	6,698				
A33000	Cash generated from operations	496,367	39,928				
A33100	Interest received	12,561	5,552				
A33200	Dividend received	4,126	4,984				
A33300	Interest paid	(37,277)	(28,414)				
A33500	Income tax paid	(11,863)	(8,053)				
AAAA	Net cash provided by used in operating activities	463,914	13,997				

English Translation of Financial Statements and a Report Originally Issued in Chinese

INDEPENDENT AUDITORS' REPORT

To: the Board of Directors and Shareholders of
RiTdisplay Corporation

Opinion

We have audited the accompanying parent-company-only balance sheets of RiTdisplay Corporation (the “Company”) as of December 31, 2023 and 2022, and the related parent-company-only statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2023 and 2022, and notes to the parent-company-only financial statements, including the summary of significant accounting policies (together referred as “the parent-company-only financial statements”).

In our opinion, the parent-company-only financial statements referred to above present fairly, in all material respects, the parent-company-only financial position of the Company as of December 31, 2023 and 2022, and their parent-company-only financial performance and cash flows for the years ended December 31, 2023 and 2022, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and the Standards on Auditing of the Republic of China. 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 the Company 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 parent-company-only financial statements for the year ended December 31, 2023. 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.

Revenue Recognition

We determine that revenue recognition is one of the key audit matters. The Company's revenue amounting to NT\$747,342 thousand for the year ended December 31, 2023 is a significant account to the Company's financial statements. The major revenues were from manufacturing and sales of OLED. The Company has conducted these sale activities in multi-marketplace, including Taiwan, China, America and North Africa, etc. Furthermore, the timing of fulfilling performance obligation needs to be determined based on varieties of sale terms and conditions enacted in the main sale contracts or sale orders. We therefore conclude that there are significant risks with respect to the topic of revenue recognition.

Our audit procedures therefore include, but not limit to, evaluating the appropriateness of accounting policy for revenue recognition, assessing and testing the effectiveness of relevant internal controls related to revenue recognition, sampling-test of details, including obtaining major sale orders or agreements to inspect the terms and conditions, checking the consistency of the fulfillment timing, performing analytical review procedures on sale revenues, and executing sale cut-off tests for a period time before and after the balance sheet date, reviewing for subsequent sales returns and allowance etc. We have also evaluated the appropriateness of the related disclosure in Note 4 and Note 6 to the financial statements.

Market valuation on Inventory

We determined the market valuation on inventory is also one of the key audit matters. The Company's net inventory amounting to NT\$76,744 thousand as of December 31, 2023, which is significant to the Company's financial statements. The application market of the Company's main products, OLED, has been developing and changing rapidly by display technology and demand of communication market. The management therefore has to closely monitor the status of new products development and market demand for evaluating any significant impairment, including loss from market decline and slow-movement, incurred toward inventory. Also, there was significant management judgement involved in determining the sufficiency of inventory loss provision.

Our audit procedures therefore include, but not limit to, evaluating the appropriateness of inventory provision including how to identify the phased-out or slow-moving items, testing the correctness of inventory aging report, analyzing the reasons for slow-moving inventory, performing observation on the Company's inventory physical taking, and looking into the status of inventory utilization. We have also evaluated the appropriateness of the related disclosure in Note 5 and Note 6 to the financial statements.

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

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

In preparing the parent-company-only financial statements, management is responsible for assessing the ability to continue as a going concern of the Company, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including audit committee, are responsible for overseeing the financial reporting process of the Company.

Auditor's 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 misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent-company-only financial statements.

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

1. Identify and assess the risks of material misstatement of the parent-company-only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of the Company. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent-company-only financial statements, including the accompanying notes, and whether the parent-company-only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent-company-only financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our 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 those matters that were of most significance in the audit of 2023 parent-company-only financial statements and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Chen, Kuo-Shuai

Chang, Chih-Ming

Ernst & Young, Taiwan, R.O.C

February 29, 2024

Notice to Readers

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

Accordingly, the accompanying parent-company-only financial statements and report of independent auditors are not intended for use by those who are not informed about the accounting principles or Standards on Auditing of the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese

RiTdisplay Corporation

Parent-Company-Only Balance Sheet

As of December 31, 2023 and 2022

(Amounts Expressed in Thousands of New Taiwan Dollars)

Assets			2023.12.31		2022.12.31	
Code	Accounts	Notes	Amount	%	Amount	%
	Current assets					
1100	Cash and cash equivalents	4, 6(1)	\$189,156	5	\$321,191	7
1110	Financial assets at fair value through profit or loss	4, 6(2)	82,542	2	89,142	2
1120	Financial assets at fair value through other comprehensive income	4, 6(3)	61,681	2	49,574	1
1136	Financial assets measured at amortized cost	4, 6(4)	30,000	1	30,000	1
1170	Accounts receivable, net	4, 6,(5), 6(20)	124,569	3	243,812	6
1180	Accounts receivable-related parties, net	4, 6,(5), 6(20), 7	13	-	1,170	-
1200	Other receivables		7,641	-	18,452	-
1210	Other receivables-related parties	7	419,566	11	221,137	5
130x	Inventories	4, 6(6)	76,744	2	123,359	3
1410	Prepayments		20,745	-	22,854	-
1460	Non-current assets to be sold (or disposition group), net	4, 6(7)	-	-	35,665	1
1470	Other current assets		1,872	-	529	-
11xx	Total current assets		1,014,529	26	1,156,885	26
	Non-current assets					
1535	Financial assets measured at amortized cost	4, 6(4), 8	5,096	-	8,195	-
1550	Investments accounted for under equity method	4, 6(8)	1,308,792	34	1,425,845	32
1600	Property, plant and equipment	4, 6(9), 7, 8	1,312,191	34	1,383,245	32
1760	Investment property, net	4, 6(10), 8	236,386	6	243,844	6
1840	Deferred tax assets	4, 6(25)	-	-	174,481	4
1900	Other non-current assets	4, 6,(12), 6(17)	1,121	-	-	-
15xx	Total non-current assets		2,863,586	74	3,235,610	74
1xxx	Total Assets		\$3,878,115	100	\$4,392,495	100

(The accompanying notes are an integral part of the parent-company-only financial statements.)

English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese

RiTdisplay Corporation

Parent-Company-Only Balance Sheets (Continued)

As of December 31, 2023 and 2022

(Amounts Expressed in Thousands of New Taiwan Dollars)

Liabilities and Equity			2023.12.31		2022.12.31	
Code	Accounts	Notes	Amount	%	Amount	%
	Current liabilities					
2100	Short-term loans	6(13)	\$560,000	14	\$180,000	4
2130	Contract liabilities	4, 6(19), 7	11,476	-	6,689	-
2170	Accounts payable		110,507	3	219,052	5
2180	Accounts payable-related parties	7	137,698	4	164,084	4
2200	Other payables		100,164	3	84,547	2
2220	Other payables-related parties	7	34,751	1	13,214	-
2230	Current income tax liabilities	4, 6(25)	2,346	-	1,403	-
2300	Other current liabilities		1,897	-	1,801	-
2321	Current portion or enforce to sell of bonds payable	4, 6(15)	-	-	6,127	-
2320	Current portion of long-term loans	6(16), 8	210,526	5	220,487	5
21xx	Total current liabilities		1,169,365	30	897,404	20
	Non-current liabilities					
2500	Financial liabilities at fair value through profit or loss	4, 6(14)	23,252	1	15,229	-
2530	Bonds payable	4, 6(15)	483,665	12	535,203	12
2540	Long-term loans	6(16), 8	297,888	8	713,156	17
2570	Deferred tax liabilities	4, 6(25)	-	-	14	-
2670	Other non-current liabilities	4, 6(17)	32,065	1	32,199	1
25xx	Total non-current liabilities		836,870	22	1,295,801	30
2xxx	Total liabilities		2,006,235	52	2,193,205	50
31xx	Equity					
3100	Capital	6(18)				
3110	Common stock		746,517	19	746,517	17
3200	Capital surplus	6(18)	867,975	22	859,145	19
3300	Retained earnings	6(18)				
3310	Legal Reserve		164,399	4	161,489	4
3320	Special Reserve		5,371	-	5,950	-
3350	Unappropriated retained earnings		140,455	4	483,046	11
3400	Other components of equity		(1,351)	-	(5,371)	-
3500	Treasury stock	4, 6(18)	(51,486)	(1)	(51,486)	(1)
3xxx	Total equity		1,871,880	48	2,199,290	50
	Total liabilities and equity		\$3,878,115	100	\$4,392,495	100

(The accompanying notes are an integral part of the parent-company-only financial statements.)

English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese

RiTdisplay Corporation

Parent-Company-Only Statements Of Comprehensive Income

For the Years Ended December 31, 2023 and 2022

(Amounts Expressed in Thousands of New Taiwan Dollars, Except Earnings Per Share)

Code	Accounts	Notes	2023		2022	
			Amount	%	Amount	%
4000	Operating revenues	4, 6(19), 7	\$747,342	100	\$977,046	100
5000	Operating costs	6, 7	(720,774)	(96)	(792,585)	(81)
5900	Gross profit		26,568	4	184,461	19
6000	Operating expenses	6, 7				
6100	Selling		(25,864)	(3)	(26,729)	(3)
6200	General and administrative		(65,036)	(9)	(55,302)	(6)
6300	Research and development		(79,410)	(11)	(87,164)	(9)
6450	Expected credit losses	4, 6(20)	-	-	(3,702)	-
	Operating expenses total		(170,310)	(23)	(172,897)	(18)
6900	Operating income (loss)		(143,742)	(19)	11,564	1
7000	Non-operating income and expenses					
7100	Interest income	6(23), 7	10,368	1	5,554	-
7010	Other income	6(23), 7	105,875	14	105,276	11
7020	Other gains and losses	6(23)	(25,600)	(3)	(46,692)	(5)
7050	Finance costs	6(23)	(35,583)	(5)	(30,288)	(3)
7055	Expected credit losses	4, 6(20)	(11,073)	(1)	(4,166)	-
7060	Share of profit or loss of subsidiaries, associates and joint ventures accounted for using equity method	4, 6(8)	49,436	7	45,104	5
	Total non-operating income and expenses		93,423	13	74,788	8
7900	Income (loss) before income tax		(50,319)	(6)	86,352	9
7950	Income tax expense	4, 6(25)	(176,589)	(24)	(56,433)	(6)
8200	Net income (loss)		(226,908)	(30)	29,919	3
8300	Other comprehensive income (loss)	6(24)				
8310	Items that will not be reclassified subsequently to profit or loss					
8311	Gains (losses) on remeasurements of defined benefit plans		453	-	12,798	1
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income		(53)	-	(1,659)	-
8336	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income, subsidiaries, associates and joint ventures accounted for using equity method		-	-	(4)	-
8360	Items that may be reclassified subsequently to profit or loss					
8370	Share of other comprehensive income (loss) of subsidiaries, associates and joint ventures accounted for using equity method		(934)	-	(654)	-
	Total other comprehensive income, net of tax		(534)	-	10,481	1
8500	Total comprehensive income (loss)		<u>\$ (227,442)</u>	<u>(30)</u>	<u>\$40,400</u>	<u>4</u>
	Earnings per share	6(26)				
9750	Earnings per share - basic (in NTD)		<u>\$ (3.08)</u>		<u>\$0.41</u>	
9850	Earnings per share - diluted (in NTD)		<u>\$ (3.08)</u>		<u>\$0.41</u>	

(The accompanying notes are an integral part of the parent-company-only financial statements.)

English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese

RTdisplay Corporation

Parent-Company-Only Statements of Changes in Equity

For the Years Ended December 31, 2023 and 2022

(Amounts Expressed in Thousands of New Taiwan Dollars)

Code	Accounts	Capital	Bond conversion entitlement certificates	Capital surplus	Retained Earnings			Other Components of equity		Treasury stock	Total Equity
		3100	3130	3200	Legal Reserve	Special Reserve	Unappropriated retained earnings	Exchange differences arising on translation of foreign operations	Unrealized gains or losses on financial assets at fair value through other comprehensive income		
		3100	3130	3200	3310	3320	3350	3410	3420	3500	3XXX
A1	Balance as of January 1, 2022	\$680,090	\$57,892	\$790,422	\$142,092	\$5,706	\$621,284	\$(703)	\$(5,247)	\$(51,486)	\$2,240,050
	Appropriation and distribution of 2021 earnings:										
B1	Legal reserve				19,397		(19,397)				-
B3	Special reserve					244	(244)				-
B5	Cash dividends - common shares						(147,695)				(147,695)
C5	Due to recognition of equity component of convertible bonds issued			39,923							39,923
D1	Net income for 2022						29,919				29,919
D3	Other comprehensive income (loss) for 2022						12,798	(654)	(1,663)		10,481
D5	Total comprehensive income (loss)	-	-	-	-	-	42,717	(654)	(1,663)	-	40,400
I1	Conversion of convertible bonds		8,535	30,508							39,043
I3	Conversion of certificaties of bonds-to-share	66,427	(66,427)								-
M5	Difference between consideration and carrying amount of subsidiaries acquired or disposed			(10,378)			(10,723)				(21,101)
M7	Changes in subsidiaries ownership			9,065							9,065
Q1	Disposal of investments in equity instruments measured at fair value through other comprehensive income						(2,896)		2,896		-
T1	Other - early repurchase of convertible bonds			(395)							(395)
Z1	Balance as of December 31, 2022	746,517	-	859,145	161,489	5,950	483,046	(1,357)	(4,014)	(51,486)	2,199,290
	Appropriation and distribution of 2022 earnings:										
B1	Legal reserve				2,910		(2,910)				-
B5	Cash dividends - common shares						(110,477)				(110,477)
B17	Reversal of special reserve					(579)	579				-
C5	Due to recognition of equity component of convertible bonds issued										
D1	Net loss for 2023						(226,908)				(226,908)
D3	Other comprehensive income (loss) for 2023						453	(934)	(53)		(534)
D5	Total comprehensive income (loss)	-	-	-	-	-	(226,455)	(934)	(53)	-	(227,442)
H1	Reorganization			10,192				1,134			11,326
M5	Difference between consideration and carrying amount of subsidiaries acquired or disposed			(5,922)							(5,922)
M7	Changes in subsidiaries ownership			6,329			(81)				6,248
Q1	Disposal of investments in equity instruments measured at fair value through other comprehensive income						(3,247)		3,247		-
T1	Other - early repurchase of convertible bonds and the difference of disposing equity method investment			(1,769)				626			(1,143)
Z1	Balance as of December 31, 2023	\$746,517	\$-	\$867,975	\$164,399	\$5,371	\$140,455	\$(531)	\$(820)	\$(51,486)	\$1,871,880

(The accompanying notes are an integral part of the parent-company-only financial statements.)

English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese

RiTdisplay Corporation

Parent-Company-Only Statements of Cash Flows

For the Years Ended December 31, 2023 and 2022

(Amounts Expressed in Thousands of New Taiwan Dollars)

Code	Items	2023	2022	Code	Items	2023	2022
AAAA	Cash flows from operating activities:			BBBB	Cash flows from investing activities:		
A00010	Net income (loss) before tax	\$(50,319)	\$86,352	B00010	Acquisition of financial assets at fair value through other comprehensive income	(15,000)	-
A20000	Adjustments:			B00020	Proceeds from disposal of financial assets at fair value through other comprehensive income	2,840	2,841
A20010	Profit or loss not effecting cash flows:			B00040	Acquisition of financial assets measured at amortised cost	-	(30,138)
A20100	Depreciation expenses and other losses	110,609	107,666	B00050	Proceeds from disposal of financial assets measured at amortised cost	3,099	-
A20200	Amortization	-	7,966	B01800	Acquisition of investments accounted for under equity method	(240,698)	(943,153)
A20300	Expected credit losses	11,073	7,868	B01900	Proceeds from disposal of investments accounted for using equity method	5	-
A20400	Net loss (gain) of financial assets (liabilities) at fair value through profit or loss	765	42,656	B02600	Proceeds from disposal of non-current assets classified as held for sale	31,500	-
A20900	Interest expense	35,583	30,288	B02700	Acquisition of property, plant and equipment	(16,538)	(16,661)
A21000	Net loss (gain) arising from derecognition of financial liabilities measured at amortised cost	-	188	B02800	Disposal of property, plant and equipment	2,106	-
A21200	Interest income	(10,368)	(5,554)	B03700	Increase in refundable deposits	(9)	-
A21300	Dividend income	(4,126)	(4,984)	B04100	Increase of other receivables	-	(196,031)
A22300	Share of profit or loss of subsidiaries, associates and joint ventures	(49,436)	(45,104)	BBBB	Net cash provided by (used in) investing activities	(232,695)	(1,183,142)
A22500	Loss(gain) on disposal of property, plant and equipment	5,275	-				
A23000	Loss on disposal of non-current assets held for sale	4,165	-	CCCC	Cash flows from financing activities:		
A23100	Loss (gain) on disposal of investments	6,541	(4,822)	C00200	(Repayments of) increase in short-term loans	380,000	(94,800)
A30000	Changes in operating assets and liabilities:			C01200	Issuance of convertible bonds	-	595,000
A31115	(Increase) decrease of financial assets at fair value through profit or loss	7,660	591	C01300	Repayments of convertible bonds	(68,054)	(35,154)
A31150	(Increase) decrease of accounts receivable	119,243	(14,809)	C01600	Increase in long-term loans	-	1,025,000
A31160	(Increase) decrease of accounts receivable-related parties	1,157	(1,170)	C01700	Repayments of long-term loans	(425,229)	(517,442)
A31180	(Increase) decrease of other receivables	(262)	(14,509)	C04400	Decrease in other non-current liabilities	-	(8,412)
A31190	(Increase) decrease of other receivables-related parties	194,733	(12,749)	C04500	Cash dividends paid	(110,477)	(147,695)
A31200	(Increase) decrease of inventories	46,615	(74,363)	CCCC	Net cash provided by (used in) financing activities	(223,760)	816,497
A31230	(Increase) decrease of prepayment	2,109	13,743				
A31240	(Increase) decrease of other current assets	(1,343)	(4,680)	EEEE	Net increase (decrease) in cash and cash equivalents	(132,035)	(240,652)
A32125	Increase (decrease) of contract liabilities	4,787	5,798	E00100	Cash and cash equivalents at beginning of period	321,191	561,843
A32150	Increase (decrease) of accounts payable	(108,545)	565	E00200	Cash and cash equivalents at end of period	\$189,156	\$321,191
A32160	Increase (decrease) of accounts payable-related parties	(26,386)	2,713				
A32180	Increase (decrease) of other payables	14,669	(7,708)				
A32190	Increase (decrease) of other payables-related parties	(835)	2,024				
A32230	Increase (decrease) of other current liabilities	96	(613)				
A32240	Increase (decrease) of net defined benefit liability	(793)	(710)				
A33000	Cash generated from operations	312,667	116,643				
A33100	Interest received	10,368	5,554				
A33200	Dividend received	28,869	26,060				
A33300	Interest paid	(26,305)	(19,821)				
A33500	Income tax paid	(1,179)	(2,443)				
AAAA	Net cash provided by (used in) operating activities	324,420	125,993				

(The accompanying notes are an integral part of the parent-company-only financial statements.)

【Attachment 2】

RitDisplay Corporation
Comparison Table for the Amendments of the “Operational Procedures for Acquisition or Disposal of Assets”

Article	After amendment	Before amendment	Reason for amendment
Article 6	<p>Scope and Limits to Investment: In addition to acquiring assets for business use, the Company and its subsidiaries may acquire or dispose of real property and marketable securities that are not for business use, subject to the following limits, respectively:</p> <p>(I) Where the total amount of real property, or the right-of-use assets thereof, acquired or disposed of not for business use shall not exceed 50% of the Company’s net value as stated in the most recent financial statements.</p> <p>(II) Where the total amount of marketable securities acquired or disposed of shall not exceed <u>300% of the Company’s net value as stated in the most recent financial statements.</u></p> <p>(III) Where the limit on the acquisition or disposition of individual securities shall not exceed <u>200% of the Company’s net value as stated in the most recent financial statements.</u></p> <p><u>The preceding securities investment amount shall be calculated based on the book value of the securities.</u></p>	<p>Scope and Limits to Investment: In addition to acquiring assets for business use, the Company and its subsidiaries may acquire or dispose of real property and marketable securities that are not for business use, subject to the following limits, respectively:</p> <p>(I) Where the total amount of real property, or the right-of-use assets thereof, acquired or disposed of not for business use shall not exceed 50% of the Company’s net value as stated in the most recent financial statements.</p> <p>(II) Where the total amount of marketable securities acquired or disposed of shall not exceed the Company’s net value.</p> <p>(III) Where the limit on the acquisition or disposition of individual securities shall not exceed 50% of the Company’s net value.</p>	Amended based on the Company’s operational practices.

【Attachment 3】

RitDisplay Corporation
Comparison Table for the Amendments of the “Operational Procedures for
Endorsements/Guarantees”

Article	Before amendment	After amendment	Reason for amendment
Article 4	<p>(I) <u>Total amount</u> of endorsement and/or guarantee by the Company shall be restricted to <u>100%</u> of the Company’s net value as stated in the most recent financial statements. By the Company to a single enterprise, the ceiling of endorsement and/or guarantee amount shall not be more than 30% of the Company’s net value as stated in the most recent financial statements. <u>Total amount</u> of endorsement and/or guarantee by the Company and subsidiaries shall be restricted to <u>100%</u> of the Company’s net value as stated in the most recent financial statements. By the Company and subsidiaries to a single enterprise, the ceiling of endorsement and/or guarantee amount shall not be more than 30% of the Company’s net value as stated in the most recent financial statements. <u>However, total endorsement and/or guarantee amount provided to the subsidiary, of which the Company holds 100% of voting shares, shall not be restricted by the above percentage for a single enterprise.</u> The term “net value</p>	<p>(I) Total monetary amount of endorsement and/or guarantee by the Company shall be restricted to 50% of the Company’s net value as stated in the most recent financial statements. By the Company to a single enterprise, the ceiling of endorsement and/or guarantee amount shall not be more than 30% of the Company’s net value as stated in the most recent financial statements. Total monetary amount of endorsement and/or guarantee by the Company and subsidiaries shall be restricted to 50% of the Company’s net value as stated in the most recent financial statements. By the Company and subsidiaries to a single enterprise, the ceiling of endorsement and/or guarantee amount shall not be more than 30% of the Company’s net value as stated in the most recent financial statements. The term “net value as stated in the most recent financial statements” in these procedures refers to the net worth stated in the latest financial statements certified by the accountant.</p>	Amended based on the Company’s operational needs.

	<p>as stated in the most recent financial statements” in these procedures refers to the net worth stated in the latest financial statements certified by the accountant.</p> <p>(II) For conducting endorsement and/or guarantee by the Company due to business relationship, the endorsement and/or guarantee amount to single party shall not exceed the total amount of transactions dealing between both parties for the most recent one year. Additionally, for risk considerations, the total amount of endorsement and/or guarantee shall not exceed the limit for the total amount of endorsement and/or guarantee by the Company to a single enterprise specified in the preceding paragraph. The so-called “transaction amount” refers to the amount of purchasing or selling between both parties, whichever is higher.</p> <p>(III) Where the Company needs to exceed the limits set out to satisfy the business requirements, it shall obtain approval from the board of directors and half or more of the directors shall act as joint guarantors for any loss that may be caused to the company by the excess endorsement/guarantee. It shall also amend the Operational Procedures for</p>	<p>(II) For conducting endorsement and/or guarantee by the Company due to business relationship, the endorsement and/or guarantee amount to single party shall not exceed the total amount of transactions dealing between both parties for the most recent one year. Additionally, for risk considerations, the total amount of endorsement and/or guarantee shall not exceed the limit for the total amount of endorsement and/or guarantee by the Company to a single enterprise specified in the preceding paragraph. The so-called “transaction amount” refers to the amount of purchasing or selling between both parties, whichever is higher.</p> <p>(III) Where the Company needs to exceed the limits set out to satisfy the business requirements, it shall obtain approval from the board of directors and half or more of the directors shall act as joint guarantors for any loss that may be caused to the company by the excess endorsement/guarantee. It shall also amend the Operational Procedures for Endorsements/Guarantees accordingly and submit the same to the shareholders’ meeting for ratification after the fact. If the</p>	
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	<p>Endorsements/Guarantees accordingly and submit the same to the shareholders' meeting for ratification after the fact. If the Shareholders' meeting does not give consent, the Company shall adopt a plan to discharge the amount in excess within a given time limit.</p>	<p>Shareholders' meeting does not give consent, the Company shall adopt a plan to discharge the amount in excess within a given time limit.</p>	
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【Annex 1】

RitDisplay Corporation Articles of Incorporation

Chapter 1 General Provisions

- Article 1 The Company shall be incorporated under the Company Act of the Republic of China, and its name shall be RITDISPLAY CORPORATION.
- Article 2 The Company's business lines include:
(1) CC01080 Electronics Components Manufacturing
(2) F219010 Wholesale of Electronic Materials
(3) CC01030 Electrical and audiovisual electronics manufacturing industry
(4) CE01010 General Instrument Manufacturing
(5) F401010 International Trade
(6) F119010 Wholesale of Computer Software
(7) I501010 Product Design
(8) IZ99990 Other business services industry
(9) D101060 Distributed renewable energy generation equipment industry
(10) IG03010 Energy technology services industry
(11) CF01011 Medical Device Manufacturing
(12) F108031 Wholesale of Medical Devices
(13) F208031 Retail Sale of Medical Apparatus
(14) ZZ99999 All Business activities that are not prohibited or restricted by law, except those that are subject to special approval
- Article 2-1 The Company may provide guaranteed to related parties or correspondent companies as necessary for the businesses.
- Article 3 The total investment amount of the Corporation may exceed forty percent of the paid-in capital.
- Article 4 The Company shall have its head office in Hsinchiu county, the Republic of China, and may, pursuant to a resolution adopted at the meeting of the Board of Directors, set up branch offices within or outside the territory of the Republic of China when deemed
- Article 5 Public announcement of the Corporation shall be made in accordance with the Article 28 of Company Act.

Chapter 2 Capital Stock

- Article 6 The total capital amount of the Company shall be 10 billion and 1 billion New Taiwan Dollars accounting for four hundred and fifty million shares, at a par value of Ten New Taiwan Dollars (NT\$10) per share. To cooperate with the request of Taiwan Securities Central Depository Company, the stock with higher par value could be issued alternatively. The stock options are offered to the extent of NT\$300,000,000 among preceding total capital, total in 30,000,000 shares, at ten dollars each to be partially issued by the Board of Directors based on the needs.
- Article 6-1 The Company may, on behalf of the shareholders' meeting represented by more than half of the shareholders of the issued shares, and with the consent of the shareholders' voting rights of more than two-thirds, transfer them to the employees at an average price lower than the actual purchase of the shares, or issue employee stock options at the price of the shares below the closing date of the issuing day.
- Article 7 The share certificate of the Company shall all be name-bearing share certificates and shall be affixed with the seals or by signature of the directors of the Company, and issued after being duly authenticated by the bank which is competent to certify shares pursuant to the law. The Company is exempted from printing share certificates for the

- shares issued but shall duly register such shares with the centralized securities depository enterprise and follow that enterprise's regulations.
- Article 7-1 Shareholders shall report their real names and addresses to the Company, and fill in the signature card and submit it to the Company for filing reference. The above steps shall be done if the seal needs to be changed. When receiving dividends, bonuses, or contacting with the Company in writing and enforcing all the other rights, the seal must be used as proof. If the seal is lost, it must be handled in accordance with "Regulations Governing the Administration of Shareholder Services of Public Companies" enacted by the competent authority.
- Article 8 The entries in its shareholders' roster shall not be altered within 60 days prior to the convening date of a regular shareholders' meeting, or within 30 days prior to the convening date of a special shareholders' meeting, or within 5 days prior to the reference date set by the issuing company for distribution of dividends, bonus or other benefits.

Chapter 3 Shareholders' Meeting

- Article 9 The Board shall convene a regular shareholders' meeting within six months after the end of a fiscal year. A special shareholders' meeting may be convened in accordance with law if necessary.
- Article 10 Notices shall be given to each shareholder within 30 days prior to the convening date of a regular shareholders' meeting, or within 15 days prior to the convening date of a special shareholders' meeting, specifying the date, place, and reason(s) for convening the meeting.
The Company's shareholders' meeting may be held by video conference or other methods announced by the competent authority. The Company shall be subject to prescriptions provided for by the competent authority in charge of securities affairs, including the prerequisites, procedures, and other compliance matters.
- Article 11 Resolutions at a shareholders' meeting shall, unless otherwise provided for in the Company Act, be adopted by a majority vote of the shareholders present, who represent more than one-half of the total number of voting shares.
- Article 12 If a shareholder cannot attend a shareholders' meeting in person, he or she may issue a proxy form issued by the Company in accordance with law, stating the scope of authorization, to authorize an agent to attend the meeting on his or her behalf.
- Article 13 Except for the event of no voting right provided under article 179 of the Company Act, , each share of stock shall be entitled one vote.
- Article 14 The Board of Directors shall determine the operational guidelines and other important matters of the Company. Except the first Board meeting of every term of the newly elected Board of Directors, which shall be convened in accordance with article 203 of the Company Act, all remaining meetings of the Board of Directors shall be convened by the Chairman of the Board of Directors, unless in his absence or he cannot exercise duties for cause, the proxy shall be managed in accordance with Article 208 of the Company Act.

Chapter 4 Director and Audit Committee

- Article 15 The Company adopts a candidates nomination system for election of 5 to 9 directors (including more than two independent directors, not less than one-fifth of the total number of directors.) The shareholders shall elect the directors from among the nominee listed in the roster of candidates. The terms of office for directors shall be three years, and may be eligible for re-election.
- Article 16 Delete.
- Article 17 The Board comprises directors. The chairperson of the Board shall be elected from among the directors with a consent of a majority of the directors present at a meeting

attended by more than two thirds of the directors. A Vice Chairman shall be elected, if necessary. The Chairman is to execute all business matters resolved in accordance with law and regulations, Articles of Association, shareholders' meeting, and Board meeting.

Article 18 Unless otherwise provided for by the Company Act, a resolution of the Board of Directors shall be adopted by the consent of a majority of the votes represented by those the majority in attendance at the Board of Directors meeting. In case a director appoints another director to attend a meeting of the Board of Directors in his/her behalf, he/she shall, in each time, issue a written proxy and state therein the scope of authority with reference to the subjects to be discussed at the meeting. A director may accept the appointment to act as the aforesaid proxy of one other director only.

Article 19 The Board of Directors shall determine the operational guidelines and other important matters of the Company. Except the first Board meeting of every term of the newly elected Board of Directors, which shall be convened in accordance with article 203 of the Company Act, all remaining meetings of the Board of Directors shall be convened by the Chairman of the Board of Directors, unless in his absence or he cannot exercise duties for cause, the proxy shall be managed in accordance with Article 208 of the Company Act.

Article 20 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 provisions of Article 183 of the Company Act apply to resolutions of Board of Directors meetings.

Article 21 The Company establishes an audit committee in accordance with the Securities and Exchange Act, composed of the entire number of independent directors. The Company's Board of Directors may define the audit committee's duties and powers, and relevant issues according to laws and regulations.

Article 22 When the chairman and the directors of the Company assumed their office, regardless of the Company's profit and loss, the Company may pay their remuneration. The remuneration of the chairman and the directors shall be determined by the authorized Board of Directors based on their devotion to the Company's operations and the value of their contribution, referring to the compensation standard of the domestic or foreign industry peers.

Article 22-1 The Company may purchase liability insurance for all directors and key managerial personnel to reduce the operating risk of the Company.

Chapter 5 Managerial Officials and staffs/employees

Article 23 Appointment, discharge and the remuneration of the Company's managerial officers shall be in compliance with Article 29 of the Company Act. The Board of Directors are authorized to make a decision on the managerial officers' scope of duties and power.

Article 23-1 The employment, discharges and compensation of managers of the Corporation shall be managed in accordance with Article 29 of the Company Act.

Chapter 6 Final Accounts

Article 24 At the close of the fiscal year, the Board of Directors of the Company shall prepare reports according to Article 228 of the Company Act., and shall deliver to a regular shareholders' meeting for ratification.

Article 25 If the Company has profits in the current year, it shall appropriate no less than 3~10% as employees' compensation, and may be distributed in the form of shares or in cash pursuant to the resolutions to be adopted by the Board of Directors. Qualification requirements of employees include the employees of subsidiaries of the Company

meeting certain specific requirements. If the Company has profits mentioned above, it shall appropriate no more than 5% as directors' compensation, which shall be executed pursuant to the resolutions to be adopted by the Board of Directors. The distribution of employees' compensation and directors' compensation shall be submitted to the shareholders' meeting.

Article 26

If the total amount of after-tax net income for the period and other profit items adjusted to the current year's retained earnings other than after-tax net income for the period is calculated in Annual General Financial Statement of the Company, the Company shall set aside ten percent of such profits as a legal reserve. However, when the legal reserve amounts to the total capital reserve of the Company, this shall not apply. The Company shall allocate or revolve special reserve in accordance with laws or pursuant to the requirements of the competent authority, and for the net deduction of other equity items occurred in the current year, it shall treat current net income and non-net income items as unappropriated earnings and make provisions of the same amount of special reserve. If the Company is unable to make adequate provision from unappropriated earnings carried from the current year, it shall make provisions from unappropriated earnings carried from previous year.

The Company is bound by laws to make provision for special reserve from unappropriated earnings carried from previous years for any net contra-equity balances accumulated under other contra-equity items in previous years before distributing earnings. If the Company is unable to make adequate provision from unappropriated earnings carried from previous years, it shall treat current net income and non-net income items as unappropriated earnings and make provisions accordingly. When the board of the directors decides to distribute retained earnings plus the cumulative total unallocated surplus are available for distribution, if it is to be done by issuing new shares, it has to be approved by the stockholders' meeting. If the Company is to distribute the whole or part of its dividend to shareholders or legal reserve and capital reserve, the following is to be observed. If cash dividend is issued, the board of the directors may do so with two thirds of members present with a majority vote and report to the stockholders' meeting. Since the Company is in an industry in a growth phase, the dividend policy shall take into consideration factors such as the Company's future needs for capital, long-term financial plans and the possibility of profit growth. Cash dividend, depending on the preceding paragraph, amounts to 10%~100% of the total dividends distributed while stock dividend amounts to 0%~90%.

Chapter 7 Additional provisions

Article 27 In regard to all matters not provided for in these Articles of Incorporation, the Company Act shall govern.

Article 28 The Articles of Incorporation were formulated on March 7, 2000. The 1st amendment was made on April 20, 2000. The 2nd amendment was made on December 14, 2000. The 3rd amendment was made on May 8, 2001. The 4th amendment was made on November 28, 2001. The 5th amendment was made on May 31, 2002. The 6th amendment was made on December 13, 2002. The 7th amendment was made on June 10, 2003. The 8th amendment was made on June 15, 2004. The 9th amendment was made on June 14, 2005. The 10th amendment was made on June 15, 2006. The 11th amendment was made on June 17, 2009. The 12th amendment was made on June 19, 2014. The 13th amendment was made on May 6, 2016. The 14th amendment was made on June 8, 2017. The 15th amendment was made on June 6, 2008. The 16th amendment was made on June 21, 2019. The 17th amendment was made on June 11, 2020. The 18th amendment was made on June 23, 2022.

RitDisplay Corporation

Chairman: YEH, CHWEI-JING

【Annex 2】

RitDisplay Corporation Rules of Procedure for Shareholders' Meetings

- Article 1 The rules of procedures for this Company's shareholders' meetings, except as otherwise provided by the Company Act and the Articles of Incorporation, shall be as provided in these Rules.
- Article 2 The shareholders referred to in the rules of procedures mean the shareholder attending the meeting in person and the proxies of the shareholders unable to attend.
- Article 3 Shareholders attending the meeting shall wear the attendance badges and submit the attendance card for the purpose of signing in. The number of shares represented by shareholders attending the meeting shall be calculated in accordance with the attendance cards submitted by the shareholders.
- Article 4 When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting. 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.
- Article 5 If a shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the Company shall appoint one to act as chair pursuant to the Company Act. 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 6 The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting. 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 as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act. 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 7 The shareholders' meeting agenda shall be set by the Board of Directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting.

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.

The chair may not declare the meeting adjourned prior to completion of deliberation on

the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders' meeting.

The shareholders cannot designate any other person as chairperson and continue the meeting in the same or other place after the meeting is adjourned.

- Article 8 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. 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 that has the floor; the chair shall stop any violation.
- Article 9 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.
- Article 10 When discussing for a motion, the chairman may announce discontinuance of the discussion when appropriate and submit the motion for resolution.
- Article 11 After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.
- Article 12 The motion voted in the shareholders' meeting is deemed as passed with the consent of a majority of the attending shareholders and the agents on behalf. The motion voted in the shareholders' meeting is deemed as passed with the attending shareholders consulted by the Chairman and no objection raised, which is with the same effectiveness as a vote.
- Article 13 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.
- Article 14 Unless otherwise provided for in laws, a resolution of a shareholders' meeting shall be adopted at the meeting attended by shareholders holding a majority of the total issued shares.
- Article 15 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 this Company. The results of the voting shall be announced on-site at the meeting, and a record made of the vote.
- Article 16 In case of incident of force majeure, such as air strike, earthquake, fire and etc., the chairperson may immediately announce to stop or temporarily suspend the meeting in order for all persons to evacuate from the dangerous places. The chairperson may announce a new schedule for the meeting one hour later when the crisis is over.
- Article 17 The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."
- Article 18 When a meeting is in progress, the chair may announce a break based on time considerations.
- Article 19 This Company shall make an uninterrupted audio and video recording of the proceedings of the shareholders' meeting. The recorded materials shall be retained for at least one year.

- Article 20 Any matter not provided in the rules of procedures shall be handled in accordance with applicable laws and regulations.
- Article 21 These Rules shall take effect after having been submitted to and approved by a shareholders' meeting. Subsequent amendments thereto shall be effected in the same manner.

【Annex 3】

RitDisplay Corporation Current Shareholding of Directors

Book closure date: April 27, 2024

Job title	Name	Shareholdings
Chairman	YEH, CHWEI-JING	343,840
Director	RITEK Corporation Representative: YANG, WEI-FEN	24,674,111
Director	RITEK Corporation Representative: WANG, TING-CHANG	
Director	RITEK Corporation Representative: PAN, YEN-MIN	
Director	RITEK Corporation Representative: LI, MING-SHAN	
Director	RITEK Corporation Representative: TUNG, PAO-CHENG	
Independent Director	LIN, ZU-CHIA	0
Independent Director	WU, CHIH-CHIH	0
Independent Director	TUNG, YUN-LING	0
Total	Shareholdings of all directors	25,017,951

Note: 1. The paid-in capital of the Corporation is NT\$746,516,750, and total 74,651,675 shares are issued.

2. According to article 26 of the Securities and Exchange Act, the minimum number of shares to be hold by all directors is 5,972,134 shares.
3. According to article 2 of the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies, if a public company has elected two or more independent directors, the share ownership figures calculated at the rates set forth in paragraph 1 of the mentioned article for all directors and supervisors other than the independent directors and shall be

decreased by 80 percent. If a public company has set up an audit committee in accordance with the Act, the provisions on the minimum percentage requirements for the shareholding of supervisors shall not apply.

4. The shareholding of all directors has achieved statutory percentage.