



AUO Corporation 4Q23 Results

January 31, 2024



Safe Harbor Notice

- The statements included in this presentation that are not historical in nature are “forward-looking statements”. These forward-looking statements, which may include statements regarding AUO Corporation’s future results of operations, financial condition or business prospects, are subject to significant risks and uncertainties and are based on AUO Corporation’s current expectations.
- Actual results may differ materially from those expressed or implied in these forward-looking statements for a variety of reasons, including, among other things: the cyclical nature of our industry; our dependence on introducing new products on a timely basis; our dependence on growth in the demand for our products; our ability to compete effectively; our ability to successfully expand our capacity; our dependence on key personnel; general economic and political conditions, including those related to the TFT-LCD industry; possible disruptions in commercial activities caused by natural and human-induced disasters, including terrorist activity and armed conflict; and fluctuations in foreign currency exchange rates.
- Our forward-looking statements at any particular time does not create any duty of disclosure beyond that which is imposed by law, and we expressly disclaim any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Revenue & Profits

Amount: NT\$ Million

	4Q23	3Q23	QoQ	4Q22	YoY
Net Sales	63,346	70,110	(9.6%)	52,648	20.3%
Gross Profit (Loss)	2,134 3.4%	5,342 7.6%	(60.1%)	(4,587) (8.7%)	-
Operating Profit (Loss)	(5,068) (8.0%)	(1,332) (1.9%)	(280.6%)	(10,909) (20.7%)	53.5%
Net Profit Attributable to Owner of Company	(1,510)	(975)	(54.8%)	(10,208)	85.2%
Operating Profit + D&A	3,426 5.4%	7,035 10.0%	(51.3%)	(3,179) (6.0%)	-

Revenue & Profits

Amount: NT\$ Million

	2023	2022	YoY
Net Sales	247,964	246,793	0.5%
Gross Profit (Loss)	4,610 <i>1.9%</i>	1,568 <i>0.6%</i>	194.1%
Operating Profit (Loss)	(21,962) <i>(8.9%)</i>	(23,970) <i>(9.7%)</i>	8.4%
Net Profit Attributable to Owner of Company	(18,203)	(21,101)	13.7%
Operating Profit + D&A	10,544 <i>4.3%</i>	7,496 <i>3.0%</i>	40.7%
Basic EPS (NT\$) ^(a)	(2.37)	(2.39)	0.8%

a) Basic EPS was calculated based on the weighted average outstanding shares of the reporting year. The weighted average outstanding shares were 7,666m shares and 8,819m shares for 2023 and 2022, respectively.

Balance Sheet Highlights

Amount: NT\$ Million

	4Q23	3Q23	QoQ	4Q22
Cash and Cash Equivalents	83,969	78,516	6.9%	80,613
Inventory	29,003	29,714	(2.4%)	30,264
Short Term Debt ^(a)	10,325	10,458	(1.3%)	14,013
Long Term Debt	101,525	96,312	5.4%	72,931
Equity	165,358	169,029	(2.2%)	191,411
Total Assets	383,471	388,981	(1.4%)	386,841
Inventory Turnover (Days) ^(b)	44	41		48
Net Debt to Equity ^(c)	16.9%	16.7%		3.3%

a) Short term debt refers to all interest bearing debt maturing within one year.

b) Calculated by dividing the average inventory into the annualized cost of goods sold during such period, then multiplying by 365 days.

c) Net Debt to Equity = (Short Term Debt + Long Term Debt - Cash and Cash Equivalents) / Equity.

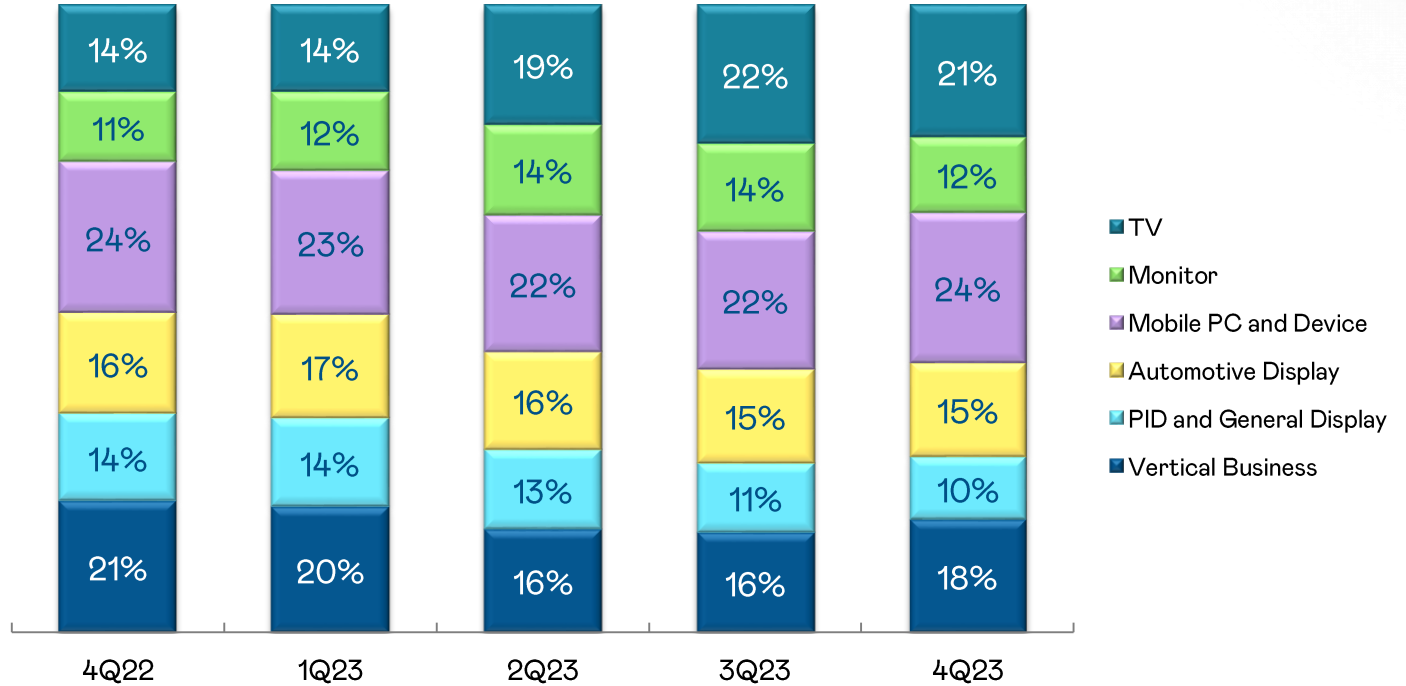
Cash Flow Highlights

Amount: NT\$ Million

	4Q23	3Q23	QoQ
From Operating Activities	6,484	5,668	816
Profit(Loss) before Tax	(5,360)	(765)	(4,596)
Depreciation & Amortization	8,494	8,366	128
Net Change in Working Capital	4,469	(3,084)	7,553
From Investing Activities	(4,142)	(5,092)	951
Capital Expenditure	(4,325)	(4,945)	619
From Financing Activities	5,027	(14,119)	19,146
Net Change in Debt	5,183	(7,719)	12,902
Net Change in Cash^(a)	5,454	(12,015)	17,469

- a) In addition to cash generated from operating, investing and financing activities, net change in cash also include effect on currency exchange of foreign subsidiaries.

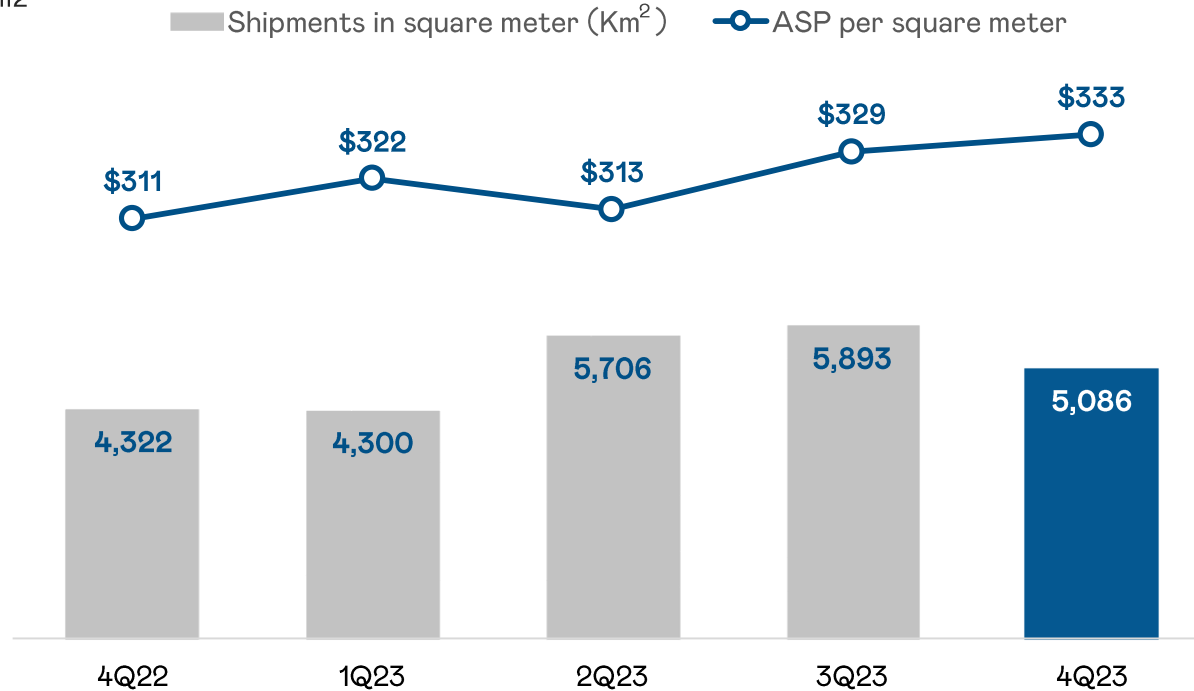
Revenue Breakdown



- Mobile PC and Device: including displays for notebook, tablet and mobile phones.
- PID and General Display: including displays for public information(PID), industrial PC, ATM, POS, pachinko and medical equipment.
- Vertical Business: including Energy, System Design Manufacturing Service, Display HMI Business, LED display, Smart Vertical and others.

Consolidated Shipments & ASP by Area

Unit: K m², USD/m²



– ASP per square meter in US\$ was translated from NT\$ based on exchange rates announced by one of AUO's main banks.

1Q2024 Business Outlook

Based on our current business outlook, the Company expects display business:

- Area shipment to be roughly flat QoQ
- Blended ASP (USD/square meter) to be down by mid single % QoQ, on a product mix adjusted basis
- Loading rates will be dynamically adjusted based on market conditions

– The above is our current best forecast based on current business outlook and may vary depending on the actual market supply, demand and economic conditions.

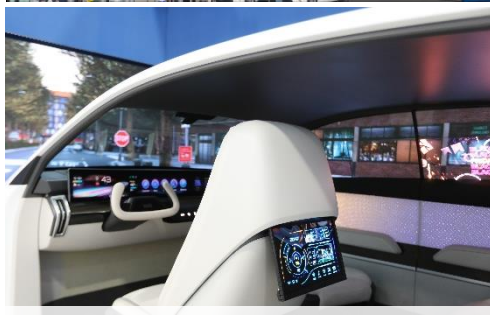
Q&A

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AUO Debut at CES 2024

Showcase Smart Mobility, Alongside Leading Automotive Manufacturers



Display HMI Solution



Smart Cockpit 2024



Micro LED Technology



Leading Micro LED Display Technology

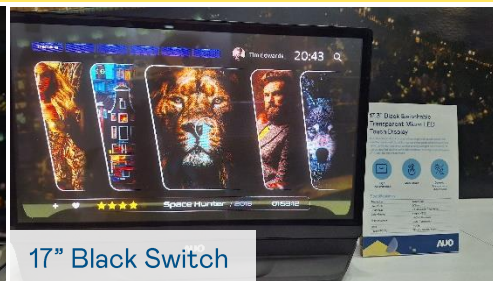
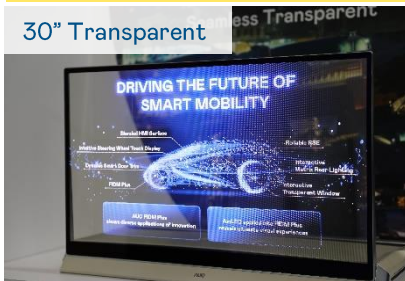
CES 2024 Innovation Award Honor



Interactive Transparent Window
Transparent / High Brightness and Resolutions



Rollable RSE
Flexible / Multiple Forms



AUO Shows Group Synergy at Healthcare+ Expo Taiwan 2023

Display and Sensing Technologies Accelerate Precision in Smart Healthcare Development

AUO

達 擊
AUO Display+

AUO

友達頤康
AUO Care

AUO

友達耘康
AUO Health



DentLabX
原色口腔數位



Synergy of AUO Group and Collaboration with Strategic Partners



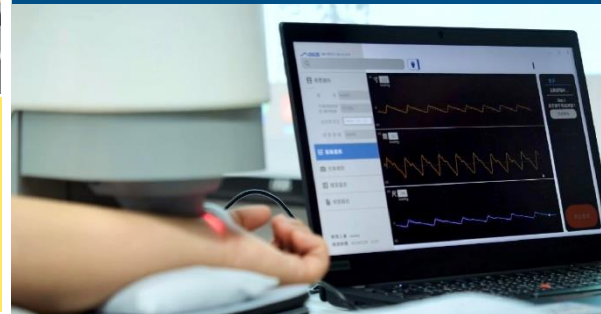
Dental Digitalization



3D Surgical Imaging



Traditional Chinese Medicine Digital Detection



Five Healthcare Domains Showcasing Innovative Application

Elderly Care



Medical Information Integration and Management



AUO CORPORATION AND SUBSIDIARIES
Consolidated Condensed Statements of Comprehensive Income
For the Three Months Ended December 31, 2023 and 2022 and September 30, 2023
(Expressed in Millions of New Taiwan Dollars (NTD) except for per share amounts and shares outstanding)

	4Q23		3Q23	4Q22	QoQ%	YoY%
	NTD	%	NTD	NTD		
Net Sales	63,346	100.0	70,110	52,648	(9.6)	20.3
Cost of Goods Sold	61,212	96.6	64,768	57,235	(5.5)	6.9
Gross Profit(Loss)	2,134	3.4	5,342	(4,587)	(60.1)	-
Operating Expenses	7,202	11.4	6,673	6,322	7.9	13.9
Operating Profit(Loss)	(5,068)	(8.0)	(1,332)	(10,909)	(280.6)	53.5
Net Non-operating Income(Expenses)	(292)	(0.5)	567	433	-	-
Profit(Loss) before Income Tax	(5,360)	(8.5)	(765)	(10,476)	(601.1)	48.8
Income Tax Benefit(Expense)	3,953	6.2	(159)	515	-	667.4
Net Profit(Loss)	(1,407)	(2.2)	(923)	(9,961)	(52.5)	85.9
Other Comprehensive Income(Loss)	(2,286)	(3.6)	2,173	(1,440)	-	(58.7)
Total Comprehensive Income(Loss)	(3,693)	(5.8)	1,250	(11,401)	-	67.6
Net Profit(Loss) Attributable to:						
Owners of Company	(1,510)	(2.4)	(975)	(10,208)	(54.8)	85.2
Non-Controlling Interests	103	0.2	52	247	96.3	(58.4)
Net Profit(Loss)	(1,407)	(2.2)	(923)	(9,961)	(52.5)	85.9
Total Comprehensive Income(Loss) Attributable to:						
Owners of Company	(3,729)	(5.9)	1,104	(11,579)	-	67.8
Non-Controlling Interests	36	0.1	147	178	(75.1)	(79.5)
Total Comprehensive Income(Loss)	(3,693)	(5.8)	1,250	(11,401)	-	67.6
Basic Earnings Per Share	(0.20)		(0.13)	(1.33)		
Weighted-Average Shares Outstanding ('M)	7,668		7,668	7,661		

AUO CORPORATION AND SUBSIDIARIES
Consolidated Condensed Statements of Comprehensive Income
For the Period Ended December 31, 2023 and 2022

(Expressed in Millions of New Taiwan Dollars (NTD) except for per share amounts and shares outstanding)

	Year over Year Comparison			
	FY 2023		FY 2022	
	NTD	%	NTD	YoY%
Net Sales	247,964	100.0	246,793	0.5
Cost of Goods Sold	243,354	98.1	245,225	(0.8)
Gross Profit(Loss)	4,610	1.9	1,568	194.1
Operating Expenses	26,572	10.7	25,538	4.1
Operating Profit(Loss)	(21,962)	(8.9)	(23,970)	8.4
Net Non-operating Income(Expenses)	280	0.1	4,464	(93.7)
Profit(Loss) before Income Tax	(21,682)	(8.7)	(19,506)	(11.2)
Income Tax Benefit(Expense)	3,531	1.4	(1,467)	-
Net Profit(Loss)	(18,151)	(7.3)	(20,973)	13.5
Other Comprehensive Income(Loss)	(911)	(0.4)	1,202	-
Total Comprehensive Income(Loss)	(19,062)	(7.7)	(19,771)	3.6
Net Profit(Loss) Attributable to:				
Owners of Company	(18,203)	(7.3)	(21,101)	13.7
Non-Controlling Interests	52	0.0	128	(59.3)
Net Profit(Loss)	(18,151)	(7.3)	(20,973)	13.5
Total Comprehensive Income(Loss) Attributable to:				
Owners of Company	(19,044)	(7.7)	(19,893)	4.3
Non-Controlling Interests	(18)	(0.0)	122	-
Total Comprehensive Income(Loss)	(19,062)	(7.7)	(19,771)	3.6
Basic Earnings Per Share	(2.37)		(2.39)	
Weighted-Average Shares Outstanding ('M)	7,666		8,819	

AUO CORPORATION AND SUBSIDIARIES

Consolidated Condensed Balance Sheets

December 31, 2023 and 2022

(Expressed in Millions of New Taiwan Dollars (NTD))

	December 31, 2023		December 31, 2022		YoY	
	NTD	%	NTD	%	NTD	%
ASSETS						
Cash and Cash Equivalents	83,969	21.9	80,613	20.8	3,356	4.2
Notes & Accounts Receivables	24,043	6.3	19,876	5.1	4,167	21.0
Other Current Financial Assets	3,906	1.0	4,964	1.3	(1,058)	(21.3)
Inventories	29,003	7.6	30,264	7.8	(1,261)	(4.2)
Other Current Assets	3,289	0.9	4,460	1.2	(1,171)	(26.3)
Total Current Assets	<u>144,211</u>	<u>37.6</u>	<u>140,177</u>	<u>36.2</u>	<u>4,034</u>	<u>2.9</u>
Long-term Investments	31,355	8.2	33,644	8.7	(2,290)	(6.8)
Net Fixed Assets	171,173	44.6	178,834	46.2	(7,661)	(4.3)
Right-of-use Assets	9,771	2.5	9,800	2.5	(30)	(0.3)
Other Non-Current Assets	26,962	7.0	24,385	6.3	2,577	10.6
Total Non-Current Assets	<u>239,260</u>	<u>62.4</u>	<u>246,664</u>	<u>63.8</u>	<u>(7,404)</u>	<u>(3.0)</u>
Total Assets	<u>383,471</u>	<u>100.0</u>	<u>386,841</u>	<u>100.0</u>	<u>(3,370)</u>	<u>(0.9)</u>
LIABILITIES						
Short-term Borrowings	263	0.1	128	0.0	135	104.7
Notes & Accounts Payable	48,637	12.7	47,370	12.2	1,267	2.7
Current Installments of Long-term Borrowings	10,062	2.6	13,885	3.6	(3,822)	(27.5)
Current Financial Liabilities	11	0.0	352	0.1	(341)	(96.8)
Accrued Expense & Other Current Liabilities	29,467	7.7	27,551	7.1	1,916	7.0
Machinery and Equipment Payable	6,135	1.6	7,883	2.0	(1,747)	(22.2)
Total Current Liabilities	<u>94,575</u>	<u>24.7</u>	<u>97,168</u>	<u>25.1</u>	<u>(2,593)</u>	<u>(2.7)</u>
Long-term Borrowings	101,525	26.5	72,931	18.9	28,594	39.2
Other Non-Current Liabilities	22,013	5.7	25,331	6.5	(3,318)	(13.1)
Total Non-Current Liabilities	<u>123,538</u>	<u>32.2</u>	<u>98,262</u>	<u>25.4</u>	<u>25,276</u>	<u>25.7</u>
Total Liabilities	<u>218,113</u>	<u>56.9</u>	<u>195,430</u>	<u>50.5</u>	<u>22,683</u>	<u>11.6</u>
EQUITY						
Common Stock	76,994	20.1	76,994	19.9	0	0.0
Capital Surplus	54,999	14.3	61,942	16.0	(6,943)	(11.2)
Retained Earnings	31,900	8.3	50,079	12.9	(18,179)	(36.3)
Other Equity	(4,485)	(1.2)	(3,620)	(0.9)	(865)	(23.9)
Treasury Shares	(240)	(0.1)	(296)	(0.1)	55	18.6
Non-Controlling Interests	6,190	1.6	6,312	1.6	(121)	(1.9)
Total Equity	<u>165,358</u>	<u>43.1</u>	<u>191,411</u>	<u>49.5</u>	<u>(26,053)</u>	<u>(13.6)</u>
Total Liabilities & Equity	<u>383,471</u>	<u>100.0</u>	<u>386,841</u>	<u>100.0</u>	<u>(3,370)</u>	<u>(0.9)</u>

AUO CORPORATION AND SUBSIDIARIES
Consolidated Condensed Cash Flow Statements
For the Period Ended December 31, 2023 and 2022

(Expressed in Millions of New Taiwan Dollars (NTD))

	<u>FY 2023</u>	<u>FY 2022</u>
	<u>NTD</u>	<u>NTD</u>
Cash Flow from Operating Activities:		
Profit(Loss) before Income Taxes	(21,682)	(19,506)
Depreciation & Amortization	32,506	31,466
Share of Profit of Equity-Accounted Investees	518	(2,003)
Changes in Working Capital	(106)	17,427
Changes in Others	(1,242)	(413)
Net Cash Provided by (Used in) Operating Activities	<u>9,994</u>	<u>26,971</u>
Cash Flow from Investing Activities:		
Acquisitions of Financial Assets Measured at Fair Value	(355)	(544)
Disposals of Financial Assets Measured at Fair Value	75	15
Acquisitions of Financial Assets Measured at Amortized Cost	(878)	(660)
Disposals of Financial Assets Measured at Amortized Cost	771	10,000
Acquisitions of Equity-Accounted Investees	(106)	(5,184)
Acquisitions of Property, Plant and Equipment	(26,787)	(35,950)
Increase in Receipts in Advance due to Disposal of Assets	0	848
Changes in Others	3,226	(438)
Net Cash Provided by (Used in) Investing Activities	<u>(24,054)</u>	<u>(31,913)</u>
Cash Flow from Financing Activities:		
Increase(Decrease) in Short-term Borrowings	137	82
Increase(Decrease) in Long-term Borrowings	24,990	31,550
Payment of Lease Liabilities	(606)	(575)
Cash Dividends	(6,134)	(9,576)
Capital Reduction	0	(19,152)
Changes in Non-Controlling Interests and Others	(20)	24
Net Cash Provided by (Used in) Financing Activities	<u>18,367</u>	<u>2,354</u>
Effect of Exchange Rate Changes on Cash and Cash Equivalents	<u>(949)</u>	<u>3,256</u>
Net Increase(Decrease) in Cash and Cash Equivalents	<u>3,356</u>	<u>668</u>
Cash and Cash Equivalents at Beginning of Period	<u>80,613</u>	<u>79,945</u>
Cash and Cash Equivalents at End of Period	<u>83,969</u>	<u>80,613</u>



Tap Into The Possibilities



AUO