



AUO Corporation 4Q24 Results

February 13, 2025



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- 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.
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Revenue & Profits

Amount: NT\$ Million

	4Q24	3Q24	QoQ	4Q23	YoY
Net Sales	68,692	77,748	(11.6%)	63,346	8.4%
Gross Profit (Loss)	5,446 7.9%	8,454 10.9%	(35.6%)	2,134 3.4%	155.2%
Operating Expenses	8,768 12.8%	8,764 11.3%	0.1%	7,202 11.4%	21.8%
Operating Profit (Loss)	(3,323) (4.8%)	(310) (0.4%)	(972.4%)	(5,068) (8.0%)	34.4%
Net Profit Attributable to Owner of Company	1,619	(926)	-	(1,510)	-
Operating Profit + D&A	4,715 6.9%	8,239 10.6%	(42.8%)	3,426 5.4%	37.6%

Revenue & Profits

Amount: NT\$ Million

	2024	2023	YoY
Net Sales	280,245	247,964	13.0%
Gross Profit (Loss)	24,216 8.6%	4,610 1.9%	425.3%
Operating Expenses	32,682 11.7%	26,572 10.7%	23.0%
Operating Profit (Loss)	(8,466) (3.0%)	(21,962) (8.9%)	61.5%
Net Profit Attributable to Owner of Company	(3,064)	(18,203)	83.2%
Operating Profit + D&A	25,638 9.1%	10,544 4.3%	143.2%
Basic EPS (NT\$)^(a)	(0.40)	(2.37)	83.2%

a) Basic EPS was calculated based on the weighted average outstanding shares of the reporting year. The weighted average outstanding shares were 7,668m shares and 7,666m shares for 2024 and 2023, respectively.

Balance Sheet Highlights

Amount: NT\$ Million

	4Q24	3Q24	QoQ	4Q23
Cash and Cash Equivalents	68,447	63,284	8.2%	83,969
Inventory	33,811	33,521	0.9%	29,003
Short Term Debt ^(a)	16,304	9,683	68.4%	10,325
Long Term Debt	102,021	106,010	(3.8%)	101,525
Equity	159,773	156,955	1.8%	165,358
Total Assets	392,869	390,980	0.5%	383,471
Inventory Turnover Days ^(b)	49	44		44
Net Debt to Equity ^(c)	31.2%	33.4%		16.9%

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.

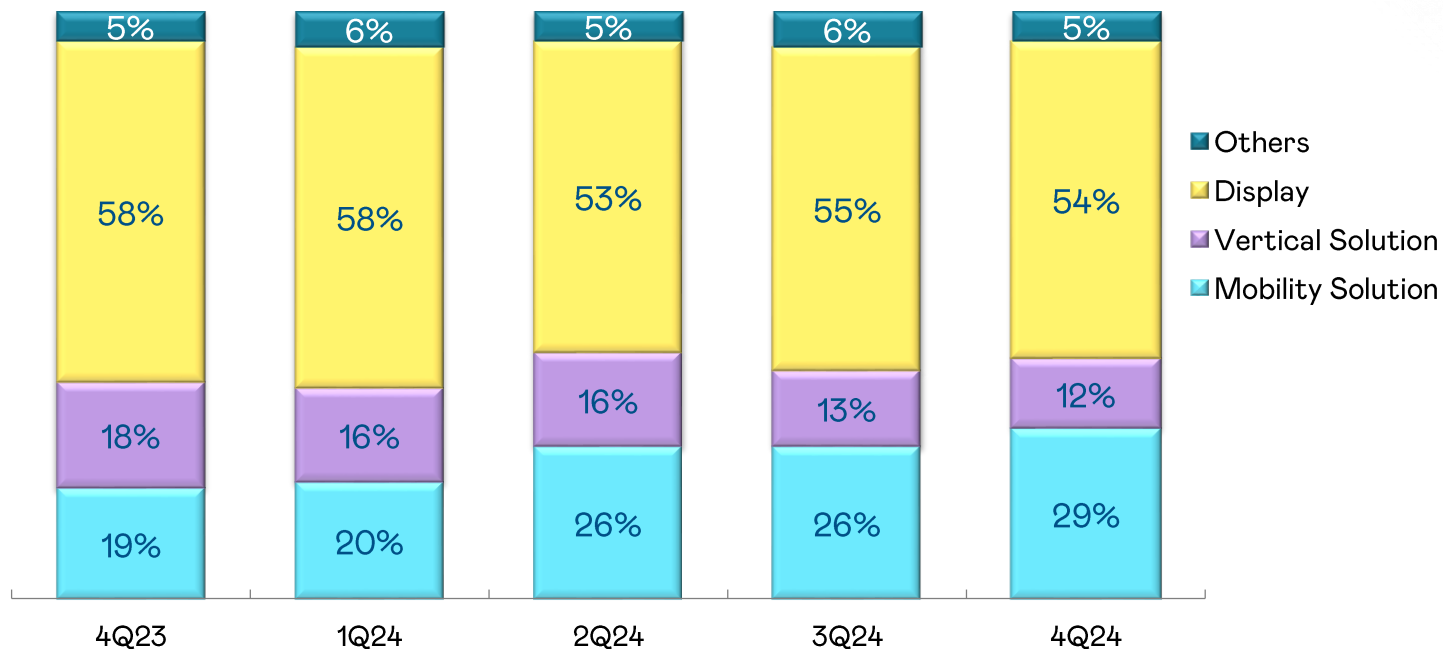
Cash Flow Highlights

Amount: NT\$ Million

	4Q24	3Q24	QoQ
From Operating Activities	8,784	9,431	(647)
Profit(Loss) before Tax	3,019	(595)	3,614
Depreciation & Amortization	8,038	8,549	(510)
Net Change in Working Capital	2,970	906	2,064
From Investing Activities	(6,023)	(3,781)	(2,242)
Capital Expenditure	(7,288)	(5,694)	(1,594)
From Financing Activities	2,631	(14,687)	17,318
Net Change in Debt	2,813	(7,117)	9,930
Cash Distribution from Capital Surplus	-	(6,901)	6,901
Net Change In Cash^(a)	5,162	(8,677)	13,839

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



- Mobility Solution: Primarily including integrated solutions in automotive business
- Vertical Solution: Primarily including integrated solutions in various fields, such as Smart Retail, Smart Healthcare, Education and Enterprise, other industrial and public displays, Intelligent Service and Energy
- Display: Primarily including displays for TV, monitor and notebook, as well as LED display
- Others: Primarily including Darwin

1Q2025 Business Outlook

Based on our current business outlook, the Company expects:

Mobility Solution

- Down high-single % QoQ

Vertical Solution

- Up low- to mid-teens % QoQ

Display

- Slight decline QoQ

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

AUO Strategy and Outlook

AUO 3 Pillars Business

AUO

Maximizing Display Technology Value and Transforming to a Solution Provider

Mobility Solution
AMSC



Display



Vertical Solution
ADP + N

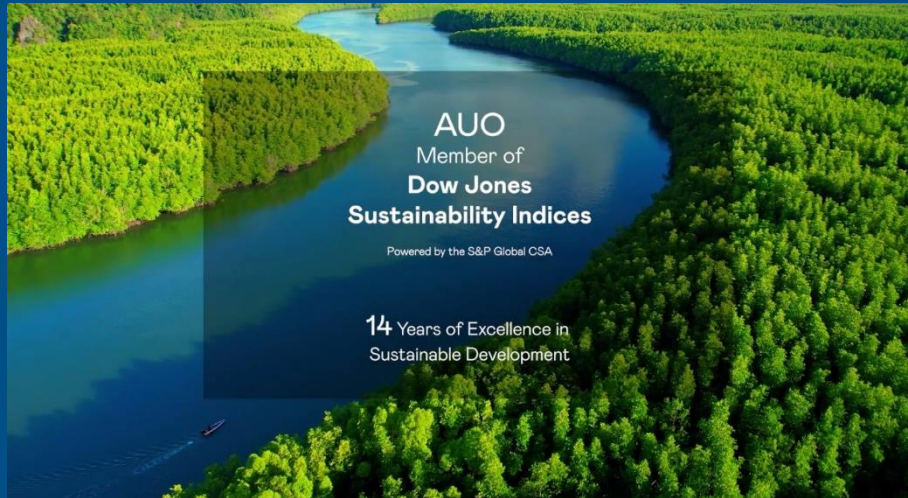


Green Technology Applied to Empower Sustainability Goal

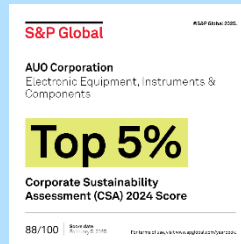
AUO

ESG Rating Achievements in 2024

Member of **DJSI**



S&P Global
Sustainability Yearbook 2025
Top 5%



MSCI
ESG rating A



CDP
Climate change
Water security
Leadership



Sustainalytics
Low risk



Ranked among
Top 5% in
TWSE
Corporate governance
evaluation

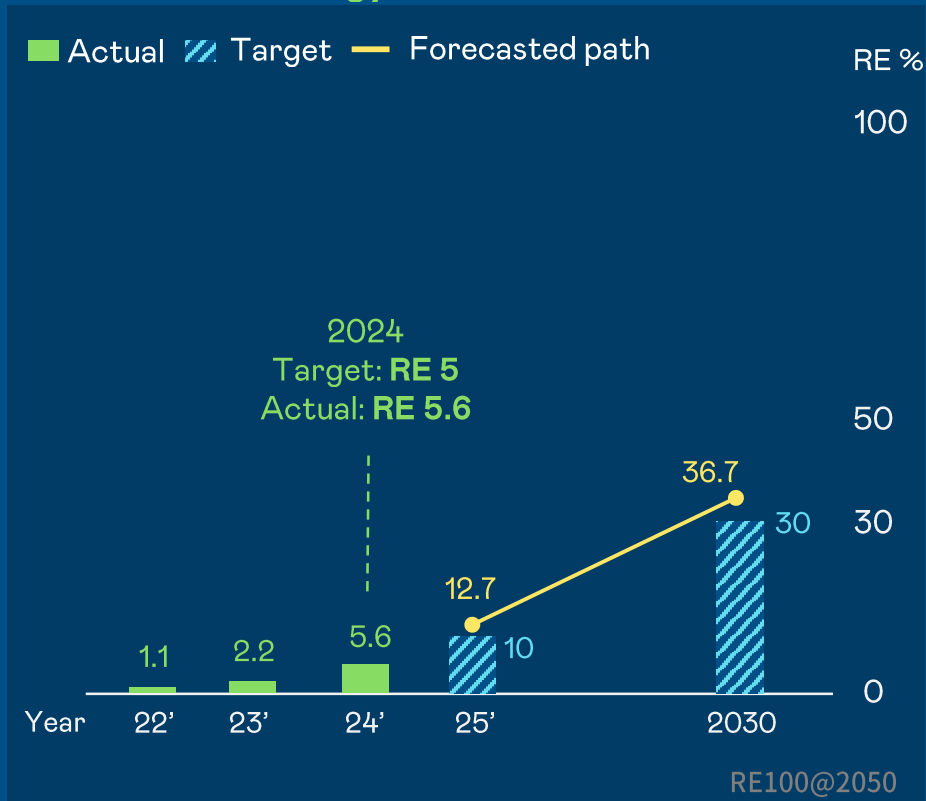


Carbon Emission & Renewable Energy

Carbon Emission



Renewable Energy Ratio



The figures for 2024 have not yet been verified.

Industry Leader: TNFD & Carbon Neutral Building

AUO's first Nature-related financial disclosures report (published in 2024)



- Established an "AUO Biodiversity Policy"
- Identify nature dependencies and impacts using scientific methods (LEAP, AR3T).
- Evaluate resource allocation to set targets and actions to mitigate risks.

First Taiwan company to achieve carbon neutrality in buildings (achieved in 2024)



- By 2030, all AUO office locations in Taiwan achieve carbon neutrality.
- AUO GRC building passed the ISO 14068-1:2023 carbon neutrality management verification and achieve RE 100.

Display Business

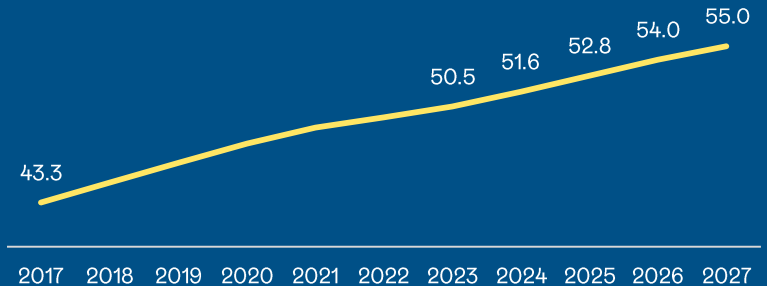
Sustainable Cash Generation

- Industry becomes more disciplined. TV size migration and IT recovery propelling 2025 growth.
- AUO's strategy for Display Business
 - Focus on profitability improvement
 - Invest in Micro LED and premium products/technologies
 - Maximize cash inflow and develop new technologies/products to support the growth of Mobility and Vertical Solutions.

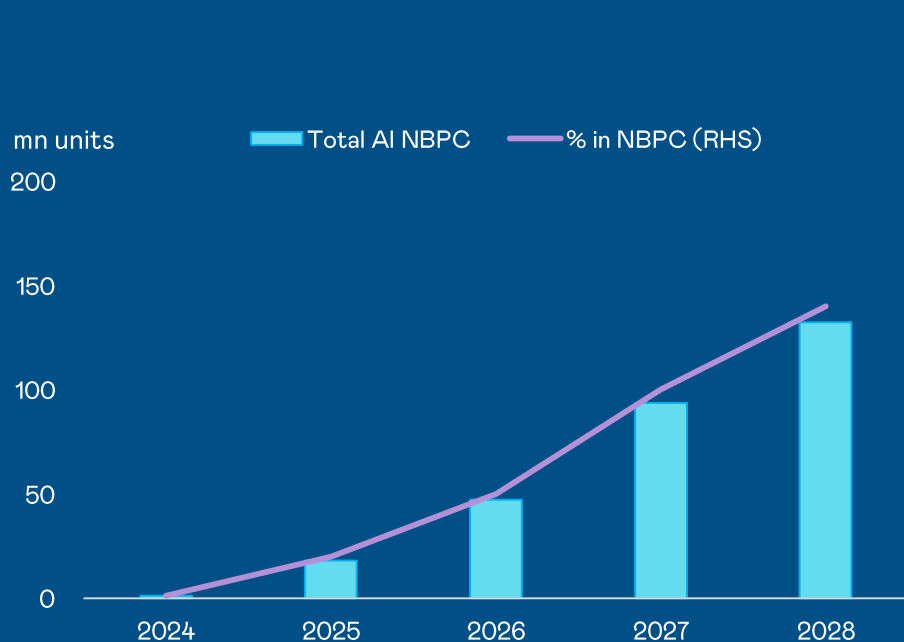
Improving Supply & Demand



TV Size Migration Continues

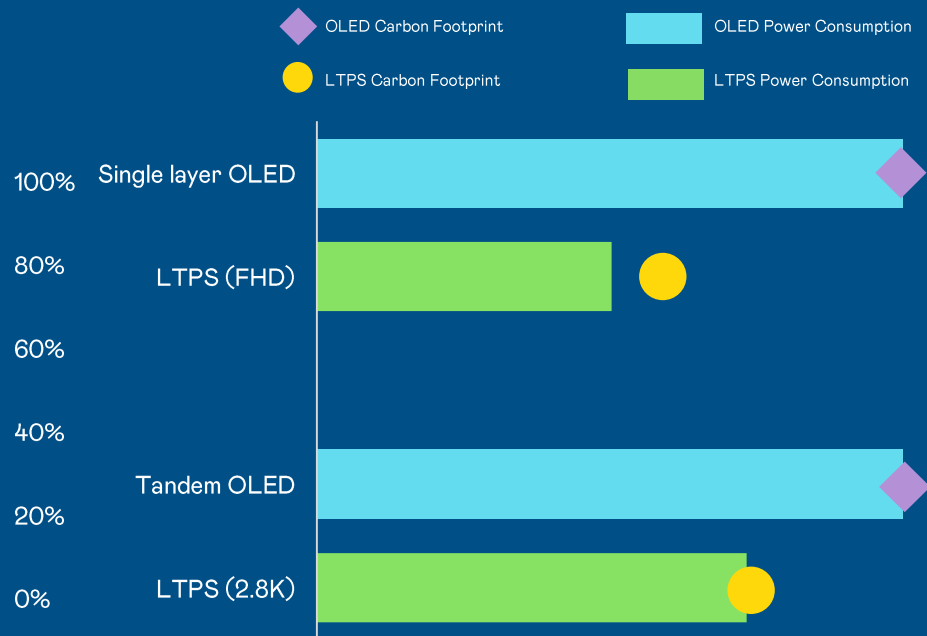


AI-NB Penetration to Increase



Source: Market research and AUO estimate

Note: AI NBPC refers to NBs with NPU of at least 40 TOPS



Source: AUO internal study.

Note: LTPS vs Single layer OLED is based on 13.3" FHD NB panel at OPR 50%

LTPS vs Tandem OLED is based on 13.5" 2.8K NB panel at OPR 50%

AUO x BHTC at CES 2025



Smart Cockpit



Micro LED Display for AFEELA 1



Micro LED Haptifold Display



Morphing Center Control

Mobility Solution

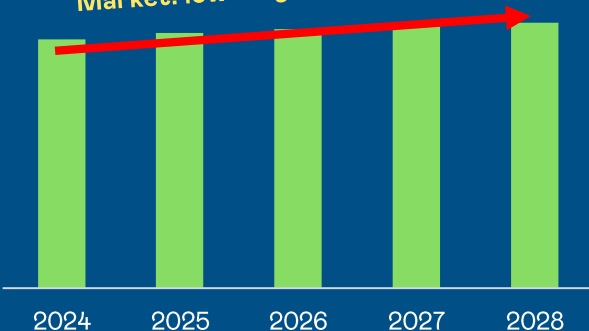
Positioned as a Growth Engine (Rev. >10% CAGR)

- Global automotive shipment reached 89mn units in 2024 (+2% YoY) and is expected to grow slightly in 2025
 - Automotive display shipment will grow 3-4% CAGR
- AUO's strategy for Mobility Solution
 - Offer both tier 1 and tier 2 business solutions; gain share; increase value-add and dollar content
 - Maximize the synergy of AUO x BHTC

Global Automotive Vehicle Outlook

(In unit shipment)

Market: low-single digit % CAGR

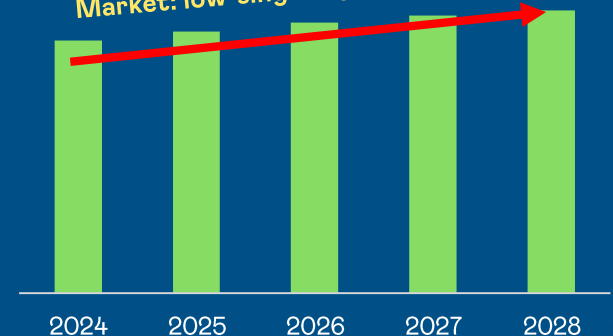


Source: Market Research

Automotive Display Market Growth

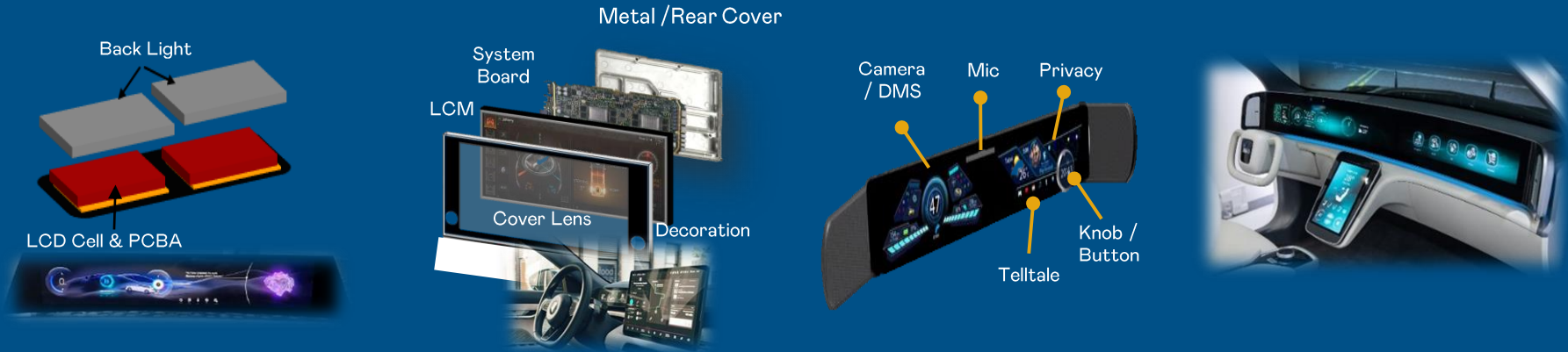
(In unit shipment)

Market: low-single digit % CAGR



Source: Omdia

From Panel to Smart Cockpit: Increasing Value-Add



Panel Module (LCM)

External Video Signal Needed for Display

- LCD Cell
- Driver IC, PCBA
- Back Light

Display-Centric HMI

FIDM with Signal Processors

- LCM & Cover Lens
- System Board
- Front/Rear Cover
- Decoration

FIDM : Fully Integrated Display Module

FIDM with Sensing Devices

- FIDM
- Camera / DMS
- Telltale
- Knob / Button

DMS: Driver Monitoring System

Smart Cockpit

Cockpit Experience & Control

- HMI & User Experience
- HW/SW integration
- Cockpit Domain Controller (CDC)

Vertical Solution

Reduce Volatility, Create Green Opportunities

- Higher value-add and better visibility as a Display Centric Total Solution Provider (H/W+S/W)
 - Smart Retail
 - Smart Healthcare
 - Smart Enterprise & Education
 - Industrial and Public Displays
- Green Opportunities
 - Robust growth outlook for Intelligent Service
 - Energy business navigating through policy and macro uncertainties

Smart Retail



Smart Healthcare



Smart E&E



Q&A

www.auo.com
ir@auo.com



AUO CORPORATION AND SUBSIDIARIES
Consolidated Condensed Statements of Comprehensive Income
For the Three Months Ended December 31, 2024 and 2023 and September 30, 2024
(Expressed in Millions of New Taiwan Dollars (NTD) except for per share amounts and shares outstanding)

	4Q24		3Q24	4Q23	QoQ%	YoY%
	NTD	%	NTD	NTD		
Net Sales	68,692	100.0	77,748	63,346	(11.6)	8.4
Cost of Goods Sold	63,246	92.1	69,294	61,212	(8.7)	3.3
Gross Profit(Loss)	5,446	7.9	8,454	2,134	(35.6)	155.2
Operating Expenses	8,768	12.8	8,764	7,202	0.1	21.8
Operating Profit(Loss)	(3,323)	(4.8)	(310)	(5,068)	(972.4)	34.4
Net Non-operating Income(Expenses)	6,342	9.2	(285)	(292)	-	-
Profit(Loss) before Income Tax	3,019	4.4	(595)	(5,360)	-	-
Income Tax Benefit(Expense)	(1,232)	(1.8)	(328)	3,953	275.1	-
Net Profit(Loss)	1,787	2.6	(923)	(1,407)	-	-
Other Comprehensive Income(Loss)	1,045	1.5	1,091	(2,286)	(4.2)	-
Total Comprehensive Income(Loss)	2,832	4.1	168	(3,693)	1,589.1	-
Net Profit(Loss) Attributable to:						
Owners of Company	1,619	2.4	(926)	(1,510)	-	-
Non-Controlling Interests	168	0.2	3	103	6,507.5	63.5
Net Profit(Loss)	1,787	2.6	(923)	(1,407)	-	-
Total Comprehensive Income(Loss) Attributable to:						
Owners of Company	2,680	3.9	109	(3,729)	2,367.8	-
Non-Controlling Interests	152	0.2	59	36	157.7	317.9
Total Comprehensive Income(Loss)	2,832	4.1	168	(3,693)	1,589.1	-
Basic Earnings Per Share	0.21		(0.12)	(0.20)		
Weighted-Average Shares Outstanding ('M)	7,668		7,668	7,668		

AUO CORPORATION AND SUBSIDIARIES
Consolidated Condensed Statements of Comprehensive Income
For the Period Ended December 31, 2024 and 2023

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

	Year over Year Comparison			
	FY 2024		FY 2023	
	NTD	%	NTD	YoY%
Net Sales	280,245	100.0	247,964	13.0
Cost of Goods Sold	256,029	91.4	243,354	5.2
Gross Profit(Loss)	<u>24,216</u>	<u>8.6</u>	<u>4,610</u>	<u>425.3</u>
Operating Expenses	<u>32,682</u>	<u>11.7</u>	<u>26,572</u>	<u>23.0</u>
Operating Profit(Loss)	<u>(8,466)</u>	<u>(3.0)</u>	<u>(21,962)</u>	<u>61.5</u>
Net Non-operating Income(Expenses)	<u>7,861</u>	<u>2.8</u>	<u>280</u>	<u>2,708.0</u>
Profit(Loss) before Income Tax	<u>(605)</u>	<u>(0.2)</u>	<u>(21,682)</u>	<u>97.2</u>
Income Tax Benefit(Expense)	<u>(2,340)</u>	<u>(0.8)</u>	<u>3,531</u>	<u>-</u>
Net Profit(Loss)	<u>(2,944)</u>	<u>(1.1)</u>	<u>(18,151)</u>	<u>83.8</u>
Other Comprehensive Income(Loss)	<u>4,154</u>	<u>1.5</u>	<u>(911)</u>	<u>-</u>
Total Comprehensive Income(Loss)	<u>1,210</u>	<u>0.4</u>	<u>(19,062)</u>	<u>-</u>
Net Profit(Loss) Attributable to:				
Owners of Company	(3,064)	(1.1)	(18,203)	83.2
Non-Controlling Interests	120	0.0	52	129.8
Net Profit(Loss)	<u>(2,944)</u>	<u>(1.1)</u>	<u>(18,151)</u>	<u>83.8</u>
Total Comprehensive Income(Loss) Attributable to:				
Owners of Company	929	0.3	(19,044)	-
Non-Controlling Interests	281	0.1	(18)	-
Total Comprehensive Income(Loss)	<u>1,210</u>	<u>0.4</u>	<u>(19,062)</u>	<u>-</u>
Basic Earnings Per Share	<u>(0.40)</u>		<u>(2.37)</u>	
Weighted-Average Shares Outstanding ('M)	<u>7,668</u>		<u>7,666</u>	

AUO CORPORATION AND SUBSIDIARIES
Consolidated Condensed Balance Sheets
December 31, 2024 and 2023

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

	December 31, 2024		December 31, 2023		YoY	
	NTD	%	NTD	%	NTD	%
ASSETS						
Cash and Cash Equivalents	68,447	17.4	83,969	21.9	(15,523)	(18.5)
Notes & Accounts Receivables	25,946	6.6	24,043	6.3	1,903	7.9
Other Current Financial Assets	5,179	1.3	3,906	1.0	1,273	32.6
Inventories	33,811	8.6	29,003	7.6	4,808	16.6
Other Current Assets	4,748	1.2	3,289	0.9	1,459	44.4
Total Current Assets	138,131	35.2	144,211	37.6	(6,080)	(4.2)
Long-term Investments	29,656	7.5	31,355	8.2	(1,699)	(5.4)
Net Fixed Assets	166,244	42.3	171,173	44.6	(4,929)	(2.9)
Capitalized Contract Cost	9,292	2.4	0	0.0	9,292	-
Right-of-use Assets	9,869	2.5	9,771	2.5	99	1.0
Other Non-Current Assets	39,678	10.1	26,962	7.0	12,716	47.2
Total Non-Current Assets	254,739	64.8	239,260	62.4	15,479	6.5
Total Assets	392,869	100.0	383,471	100.0	9,399	2.5
LIABILITIES						
Short-term Borrowings	3,466	0.9	263	0.1	3,203	128.0
Notes & Accounts Payable	54,136	13.8	48,637	12.7	5,499	11.3
Current Installments of Long-term Borrowings	12,838	3.3	10,062	2.6	2,776	27.6
Current Financial Liabilities	223	0.1	11	0.0	212	1898.1
Accrued Expense & Other Current Liabilities	35,077	8.9	29,467	7.7	5,611	19.0
Machinery and Equipment Payable	3,572	0.9	6,135	1.6	(2,564)	(41.8)
Total Current Liabilities	109,312	27.8	94,575	24.7	14,737	15.6
Long-term Borrowings	102,021	26.0	101,525	26.5	496	0.5
Other Non-Current Liabilities	21,764	5.5	22,013	5.7	(250)	(1.1)
Total Non-Current Liabilities	123,784	31.5	123,538	32.2	246	0.2
Total Liabilities	233,096	59.3	218,113	56.9	14,983	6.9
EQUITY						
Common Stock	76,679	19.5	76,994	20.1	(315)	(0.4)
Capital Surplus	48,276	12.3	54,999	14.3	(6,723)	(12.2)
Retained Earnings	28,699	7.3	31,900	8.3	(3,201)	(10.0)
Other Equity	(356)	(0.1)	(4,485)	(1.2)	4,129	92.1
Treasury Shares	0	0.0	(240)	(0.1)	240	100.0
Non-Controlling Interests	6,475	1.6	6,190	1.6	285	4.6
Total Equity	159,773	40.7	165,358	43.1	(5,585)	(3.4)
Total Liabilities & Equity	392,869	100.0	383,471	100.0	9,399	2.5

AUO CORPORATION AND SUBSIDIARIES
Consolidated Condensed Cash Flow Statements
For the Period Ended December 31, 2024 and 2023
(Expressed in Millions of New Taiwan Dollars (NTD))

	<u>FY 2024</u>	<u>FY 2023</u>
	<u>NTD</u>	<u>NTD</u>
Cash Flow from Operating Activities:		
Profit(Loss) before Income Taxes	(605)	(21,682)
Depreciation & Amortization	34,104	32,506
Share of Profit of Equity-Accounted Investees	(145)	518
Changes in Working Capital	(3,586)	(106)
Changes in Others	(6,623)	(1,242)
Net Cash Provided by (Used in) Operating Activities	<u>23,146</u>	<u>9,994</u>
Cash Flow from Investing Activities:		
Acquisitions of Financial Assets Measured at Fair Value	(365)	(355)
Disposals of Financial Assets Measured at Fair Value	72	75
Acquisitions of Financial Assets Measured at Amortized Cost	(671)	(878)
Disposals of Financial Assets Measured at Amortized Cost	629	771
Disposals of Equity-Accounted Investees	4,218	0
Acquisitions of Property, Plant and Equipment	(26,924)	(26,787)
Increase in Receipts in Advance due to Disposal of Assets	402	0
Net Cash Outflow Arising from Acquisition of Subsidiaries	(13,083)	(86)
Changes in Others	2,633	3,206
Net Cash Provided by (Used in) Investing Activities	<u>(33,089)</u>	<u>(24,054)</u>
Cash Flow from Financing Activities:		
Increase(Decrease) in Short-term Borrowings	3,138	137
Increase(Decrease) in Long-term Borrowings	(2,370)	24,990
Repayment of Convertible Bonds	(382)	0
Payment of Lease Liabilities	(766)	(606)
Cash Distribution from Capital Surplus	(6,901)	(6,134)
Changes in Others	(114)	(20)
Net Cash Provided by (Used in) Financing Activities	<u>(7,395)</u>	<u>18,367</u>
Effect of Exchange Rate Changes on Cash and Cash Equivalents	<u>1,815</u>	<u>(949)</u>
Net Increase(Decrease) in Cash and Cash Equivalents	<u>(15,523)</u>	<u>3,356</u>
Cash and Cash Equivalents at Beginning of Period	<u>83,969</u>	<u>80,613</u>
Cash and Cash Equivalents at End of Period	<u>68,447</u>	<u>83,969</u>



Tap Into The Possibilities



AUO