



2024 3rd Quarter Results

Oct. 29th, 2024

- 2024** MSCI ESG Rating: **A**
- 2024** Named among Clarivate's **Top 100 Global Innovators™** for the First Time
- 2015 ~2024** **Top 5%** in the **Corporate Governance Evaluation** from TWSE
- 2023** AREA **"Corporate Governance Award"**
- 2012 ~2024** **Top 50** of Excellence in CSR Award from Taiwan's CommonWealth Magazine
- 2017 ~2023** Earned TCSA **"Corporate Sustainability Report Awards-Gold Award"**
- 2018 ~2023** Earned TCSA **"Transparency and Integrity Award"**
- 2019 ~2023** Earned TCSA **"Corporate Sustainability Award"**



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Disclaimer

Except for historical information contained herein, the matters set forth in this presentation are forward-looking statements that are subject to significant risks and uncertainties and actual results may differ materially from those contained in any forward-looking statements.

The forward-looking statements in this release reflect the current belief of Coretronic as of the date of this release and Coretronic undertakes no obligation to update these forward-looking statements for events or circumstances that occur subsequent to such date.

Agenda

2024 3rd Quarter Financial Results (Franck Ho)

Display Business Report (Sarah Lin)

Q & A (Franck Ho)

Statement of Comprehensive Income (Consolidated) - QoQ

Amount: NT\$ Million Except Per Share Data

	3Q'24		2Q'24		QoQ	3Q'23		YoY
Net Sales	10,694	100%	9,969	100%	7.3%	10,400	100%	2.8%
Cost of Goods Sold	(8,917)	(83.4%)	(8,181)	(82.1%)	(9.0%)	(8,144)	(78.3%)	(9.5%)
Gross Profit	1,776	16.6%	1,787	17.9%	(0.6%)	2,256	21.7%	(21.3%)
Operating Expenses	(1,669)	(15.6%)	(1,747)	(17.5%)	4.5%	(1,783)	(17.1%)	6.4%
Operating Income	108	1.0%	40	0.4%	168.1%	473	4.5%	(77.2%)
Non-operating Income, Net	103	1.0%	268	2.7%	(61.7%)	51	0.5%	100.5%
Income Before Tax	210	2.0%	308	3.1%	(31.8%)	524	5.0%	(59.9%)
Net Income	197	1.8%	245	2.5%	(19.5%)	421	4.1%	(53.3%)
Shareholders of the Parent Company	203	1.9%	282	2.8%	(28.1%)	467	4.5%	(56.6%)
Minority Interests	(6)	(0.1%)	(37)	(0.3%)	76.4%	(46)	(0.4%)	87.2%
Basic EPS (NT\$)^(a)	0.52		0.72			1.20		
EBITDA	576	5.4%	620	6.2%	(7.1%)	865	8.3%	(33.5%)

Prepared by Coretronic on a consolidated basis

(a) Basic EPS was calculated based on the total weighted average outstanding shares of each quarter (391m shares in 3Q'24, 2Q'24 and 3Q'23)

Statement of Comprehensive Income (Consolidated) - YoY

Amount: NT\$ Million Except Per Share Data

Nine Months Ended September 30

	2024		2023		YoY
Net Sales	29,782	100%	29,604	100%	0.6%
Cost of Goods Sold	(24,612)	(82.6%)	(23,730)	(80.2%)	(3.7%)
Gross Profit	5,170	17.4%	5,873	19.8%	(12.0%)
Operating Expenses	(5,050)	(17.0%)	(5,143)	(17.4%)	1.8%
Operating Income	119	0.4%	731	2.5%	(83.6%)
Non-operating Income, Net	474	1.6%	548	1.9%	(13.6%)
Income Before Tax	593	2.0%	1,279	4.3%	(53.6%)
Net Income	427	1.4%	980	3.3%	(56.4%)
Shareholders of the Parent Company	628	2.1%	1,132	3.8%	(44.5%)
Minority Interests	(201)	(0.7%)	(152)	(0.5%)	(32.2%)
Basic EPS (NT\$)^(a)	1.61		2.90		
EBITDA	1,586	5.3%	2,480	8.4%	(36.0%)

Prepared by Coretronic on a consolidated basis

(a) Basic EPS was calculated based on the total weighted average outstanding shares (391m shares in 2024 and 2023)

Balance Sheet Highlight (Consolidated)

Amount: NT\$ Million

	3Q'24	2Q'24	QoQ	3Q'23
Cash and Cash Equivalents	15,640	15,834	(1.2%)	15,446
Notes & Accounts Receivable, Net (including related)	11,483	8,870	29.5%	12,655
Inventory	7,041	6,833	3.0%	7,938
Short Term Debt ^(a)	18,570	13,628	36.3%	14,684
Long Term Debt	105	114	(7.9%)	106
Equity	26,439	26,281	0.6%	26,202
Total Assets	59,625	56,041	6.4%	57,149
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Inventory Turnover (Days) ^(b)	71	80		90
Debt to Assets	56%	53%		54%
Return on Equity ^(c)	3%	5%		8%
Net Worth Per Share (NT\$) ^(d)	62.6	62.2		61.3

Prepared by Coretronic on a consolidated basis

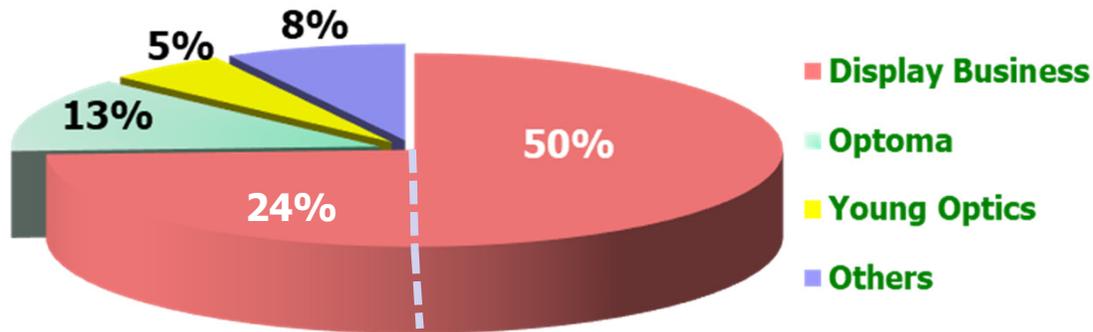
(a) Short term debt = short term bank loan + current portion of long term loan

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

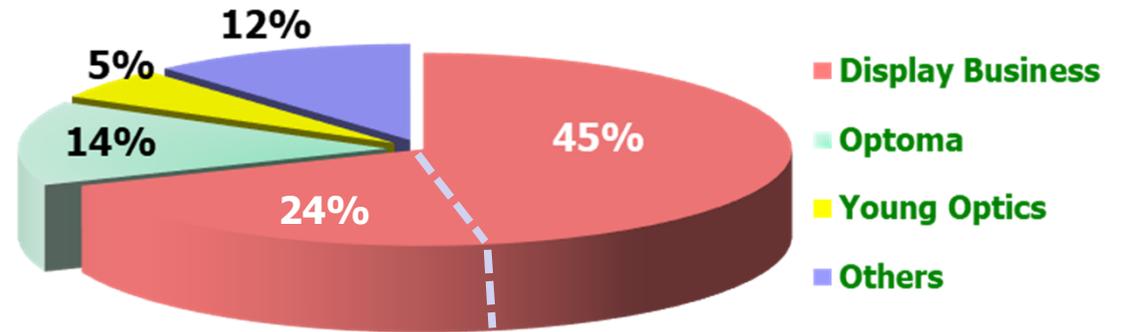
(c) Calculated by dividing the average shareholders' equity of parent company into the annualized net income during such period

(d) Based on the outstanding shares of the balance sheet date: 3Q'24(391m shares), 2Q'24(391m shares), 3Q'23(391m shares)

Consolidated Sales Breakdown (By Revenue)



3Q'24 Consolidated Sales : NT\$10.7 Billion



2Q'24 Consolidated Sales : NT\$9.97 Billion



Display Business Report

- **Visual Solutions Business**
- **Energy Saving Business**

Sarah Lin
Oct. 29th, 2024



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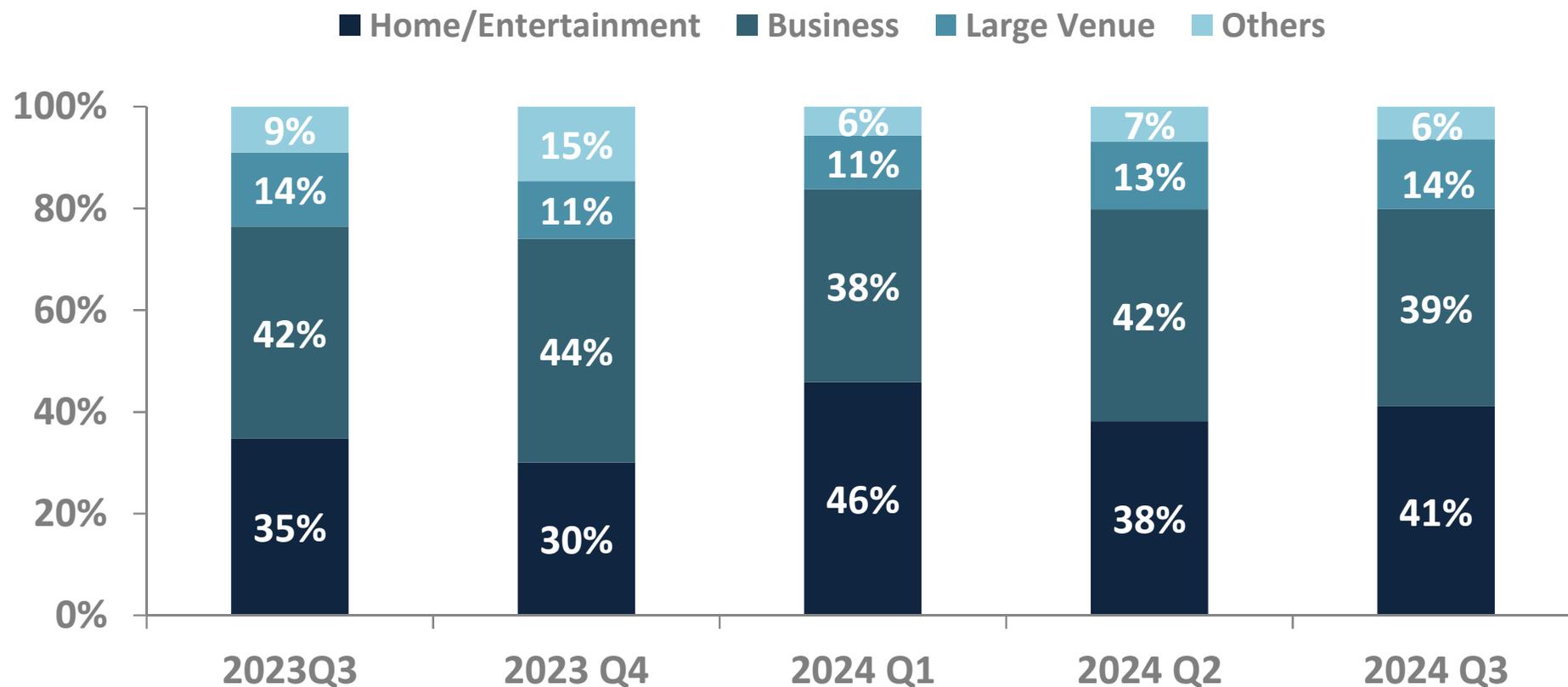
Visual Solutions Business



3Q24 Visual Solutions Business Review

- ◆ Sales revenue NT\$3,444M with 3% increase QoQ and 9% decrease YoY.
- ◆ Shipment 233K with similar as Q2 and 13% YoY decrease.
- ◆ Pico projector with minor increase QoQ, other categories remained same as Q2
- ◆ Inflation, rising unemployment rate, and ongoing geopolitical issues continue to affect the demand and increase uncertainty in 2024.
- ◆ 2024 all sports events showed less demand is the main factor for not seeing high growth as original expectation
- ◆ Laser projector with growth helps with revenue and market position

Visual Solutions Sales Breakdown



Sales (NT\$ Million)

3,774

3,324

3,353

3,328

3,444

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4Q24 Visual Solutions Business Outlook

- ◆ **The overall market is quite conservative with uncertainty and low visibility, no peak season as expected.**
- ◆ **Business/large venue/Pico with growth QoQ, home/entertainment shows QoQ decrease**
- ◆ **Automotive projection start delivery in Oct. with high visibility of future demand throughout 2025.**
- ◆ **High end home/entertainment new products delay MP to late Q4 & Y2025 Q1**
- ◆ **Q4 shipment with >20% QoQ decrease due to low global demand from economic impact but still show urgent orders/delivery**
- ◆ **2024 shipments are expected to decline around 10%**

Market Update

- ◆ **B2B market continues to decline in 2024, B2C market also doesn't see the expected high demand from all sport events this year**
- ◆ **Many tenders have been postponed or pushed out to 2025 from the impact of several elections. The government budgets remain tight, the small to mid size private enterprises with conservative budget for entertainment exhibition too**
- ◆ **The overall Pro-AV market demand remains weak, only North America with slight growth, but EMEA and China can not expect significantly change.**
- ◆ **China consumer market remains uncertain in Q4 even 2025 still not willing to spend money on unnecessary items**
- ◆ **Consumer purchasing willingness will be significantly driven by global economy uncertainties related to various macro factors in the following several quarters**



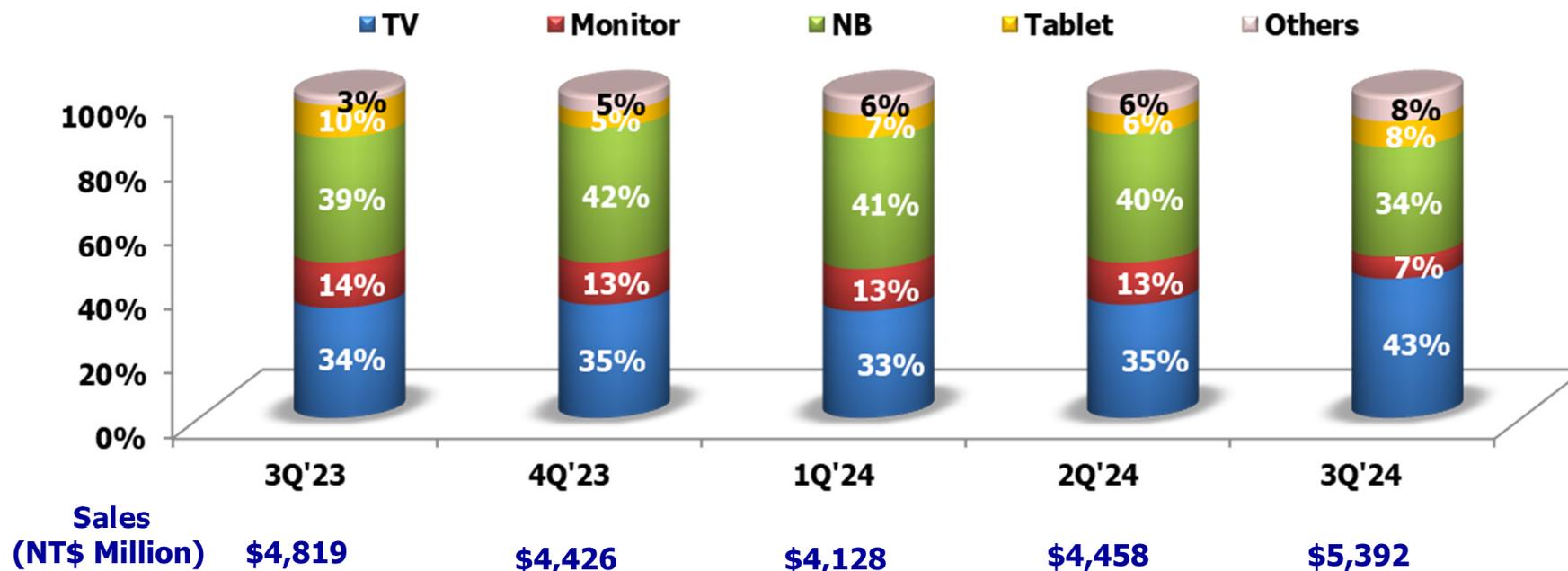
Energy Saving Business



3Q24 Energy Saving Business Review

- ◆ Sales revenue was NT\$5,392 million in 3Q24, representing an increase of 21% QoQ and 12% YoY mainly from TV significant growth
- ◆ The overall shipment was 7.6 million units, increased 1% QoQ and decrease 8% YoY respectively, NB demand remains weak in peak season
- ◆ 3Q24 Shipment Summary:
 - TV/PID with increased 47% QoQ
 - Monitor decreased by 48% QoQ
 - NB decreased by 4% QoQ

Energy Saving Sales Breakdown (By Revenue)



Prepared by Coretronic on a combined basis (Taiwan & China)

◆ 3Q24 Revenue Summary:

- TV/PID with 48% increase QoQ.
- Monitor with 29% decrease QoQ.
- NB increased by 2% QoQ.

4Q24 Energy Saving Business Outlook

- ◆ **TV demand is expected to enter the off-peak season with 30% decline QoQ**
- ◆ **TV LCM production in Vietnam continues to operate steadily, MNT LCM has been slightly pushed back to start limited production in Nov.**
- ◆ **AI PC wave has not led to a significant replacement cycle, NB business shows flat or slightly decreased.**
- ◆ **NB OLED shipments follow the market's optimistic trend, with increased quantities in Q4, automotive business keeps on the rise track slightly.**
- ◆ **Q4 shipment is expected to decline single-digit QoQ, conservative forecast from demand, overall 2024 shipment volume is projected to flat YoY.**

Market Update

- ◆ **AI PCs demand not with significant growth, market shows expectation in 2025**
- ◆ **Due to weak TV demand, LCD manufacturers reduce production capacity with expecting panel prices stabilize.**
- ◆ **TFT is no longer investing in LCDs but adjusting its product mix for optimal capacity, more investment in OLED capacity for mobile/tablet/NB market.**
- ◆ **The automotive makers not only bets on pure EV market, cuts EV production capacity, continues to diversify power development to keep survive.**
- ◆ **The panel maker is reducing reliance on LCD and transforming into the vertical integration markets and semiconductor technology.**

Q&A

Franck Ho
CFO

Sarah Lin
President



Thank you

Any further questions, please feel free to e-mail: ir@coretronic.com



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