



2024 2nd Quarter Results

July 30th, 2024

- 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 ~2023** 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"
- 2013 ~2015** Earned A++ rating in *Information Disclosure Evaluation* from TWSE



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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 2nd 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

| | 2Q'24 | | 1Q'24 | | QoQ | 2Q'23 | | YoY |
|---------------------------------------|--------------|--------------|--------------|---------------|-----------------|--------------|--------------|----------------|
| Net Sales | 9,969 | 100% | 9,120 | 100% | 9.3% | 9,633 | 100% | 3.5% |
| Cost of Goods Sold | (8,181) | (82.1%) | (7,513) | (82.4%) | (8.9%) | (7,618) | (79.1%) | (7.4%) |
| Gross Profit | 1,787 | 17.9% | 1,606 | 17.6% | 11.3% | 2,015 | 20.9% | (11.3%) |
| Operating Expenses | (1,747) | (17.5%) | (1,635) | (17.9%) | (6.9%) | (1,821) | (18.9%) | 4.1% |
| Operating Income | 40 | 0.4% | (28) | (0.3%) | 241.5% | 194 | 2.0% | (79.3%) |
| Non-operating Income, Net | 268 | 2.7% | 103 | 1.1% | 160.2% | 281 | 2.9% | (4.7%) |
| Income Before Tax | 308 | 3.1% | 75 | 0.8% | 312.9% | 475 | 4.9% | (35.1%) |
| Net Income | 245 | 2.5% | (14) | (0.2%) | 1,812.9% | 366 | 3.8% | (33.1%) |
| Shareholders of the Parent Company | 282 | 2.8% | 143 | 1.6% | 96.7% | 412 | 4.3% | (31.7%) |
| Minority Interests | (37) | (0.3%) | (157) | (1.8%) | 76.4% | (46) | (0.5%) | 20.3% |
| Basic EPS (NT\$)^(a) | 0.72 | | 0.37 | | | 1.05 | | |
| EBITDA | 620 | 6.2% | 391 | 4.3% | 58.5% | 890 | 9.2% | (30.3%) |

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 2Q'24, 1Q'24 and 2Q'23)

Statement of Comprehensive Income (Consolidated) - YoY

Amount: NT\$ Million Except Per Share Data

| | 1H'24 | | 1H'23 | | YoY |
|---------------------------------------|---------------|--------------|---------------|--------------|----------------|
| Net Sales | 19,088 | 100% | 19,204 | 100% | (0.6%) |
| Cost of Goods Sold | (15,695) | (82.2%) | (15,586) | (81.2%) | (0.7%) |
| Gross Profit | 3,394 | 17.8% | 3,618 | 18.8% | (6.2%) |
| Operating Expenses | (3,382) | (17.7%) | (3,360) | (17.5%) | (0.7%) |
| Operating Income | 12 | 0.1% | 258 | 1.3% | (95.4%) |
| Non-operating Income, Net | 371 | 1.9% | 497 | 2.6% | (25.4%) |
| Income Before Tax | 383 | 2.0% | 755 | 3.9% | (49.3%) |
| Net Income | 230 | 1.2% | 559 | 2.9% | (58.8%) |
| Shareholders of the Parent Company | 425 | 2.2% | 665 | 3.5% | (36.1%) |
| Minority Interests | (195) | (1.0%) | (106) | (0.6%) | (83.7%) |
| Basic EPS (NT\$)^(a) | 1.09 | | 1.70 | | |
| EBITDA | 1,011 | 5.3% | 1,615 | 8.4% | (37.4%) |

Prepared by Coretronic on a consolidated basis

(a) Basic EPS was calculated based on the total weighted average outstanding shares (391m shares in 1H'24 and 1H'23)

Balance Sheet Highlight (Consolidated)

Amount: NT\$ Million

| | 2Q'24 | 1Q'24 | QoQ | 2Q'23 |
|---|--------|--------|--------|--------|
| Cash and Cash Equivalents | 15,834 | 16,265 | (2.7%) | 13,272 |
| Notes & Accounts Receivable, Net (including related) | 8,870 | 9,007 | (1.5%) | 9,488 |
| Inventory | 6,833 | 7,434 | (8.1%) | 8,137 |
| Short Term Debt ^(a) | 13,628 | 14,080 | (3.2%) | 7,602 |
| Long Term Debt | 114 | 114 | (0.4%) | 3,205 |
| Equity | 26,281 | 25,521 | 3.0% | 24,408 |
| Total Assets | 56,041 | 55,809 | 0.4% | 51,379 |
| <hr/> | | | | |
| Inventory Turnover (Days) ^(b) | 80 | 97 | | 101 |
| Debt to Assets | 53% | 54% | | 52% |
| Return on Equity ^(c) | 5% | 2% | | 7% |
| Net Worth Per Share (NT\$) ^(d) | 62.2 | 60.1 | | 56.6 |

Prepared by Coretronic on a consolidated basis

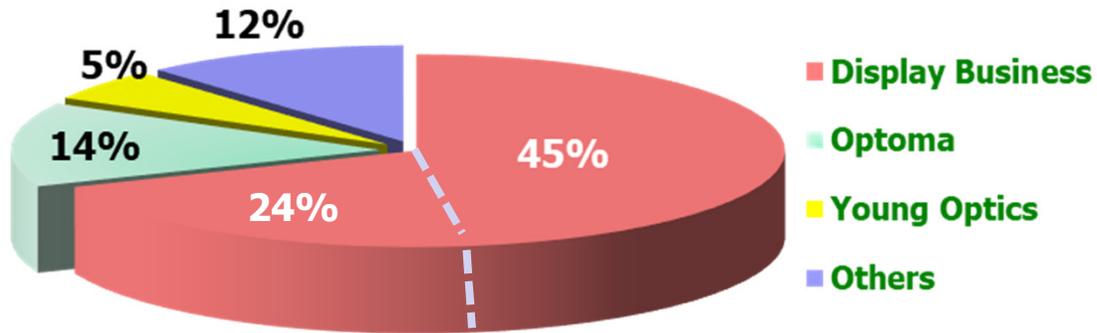
(a) Short term debt = short term bank loan + current portion of long term loan

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

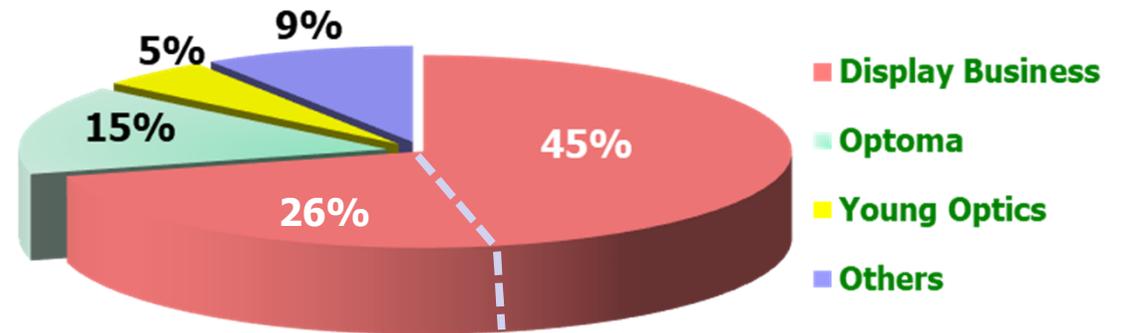
(c) Calculated by dividing the average shareholders' equity of parent company into the annualized net income during such period

(d) Based on the outstanding shares of the balance sheet date: 2Q'24(391m shares), 1Q'24(391m shares), 2Q'23(391m shares)

Consolidated Sales Breakdown (By Revenue)



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



1Q'24 Consolidated Sales : NT\$9.1 Billion



Display Business Report

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

Sarah Lin
July 30th, 2024



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Visual Solutions Business

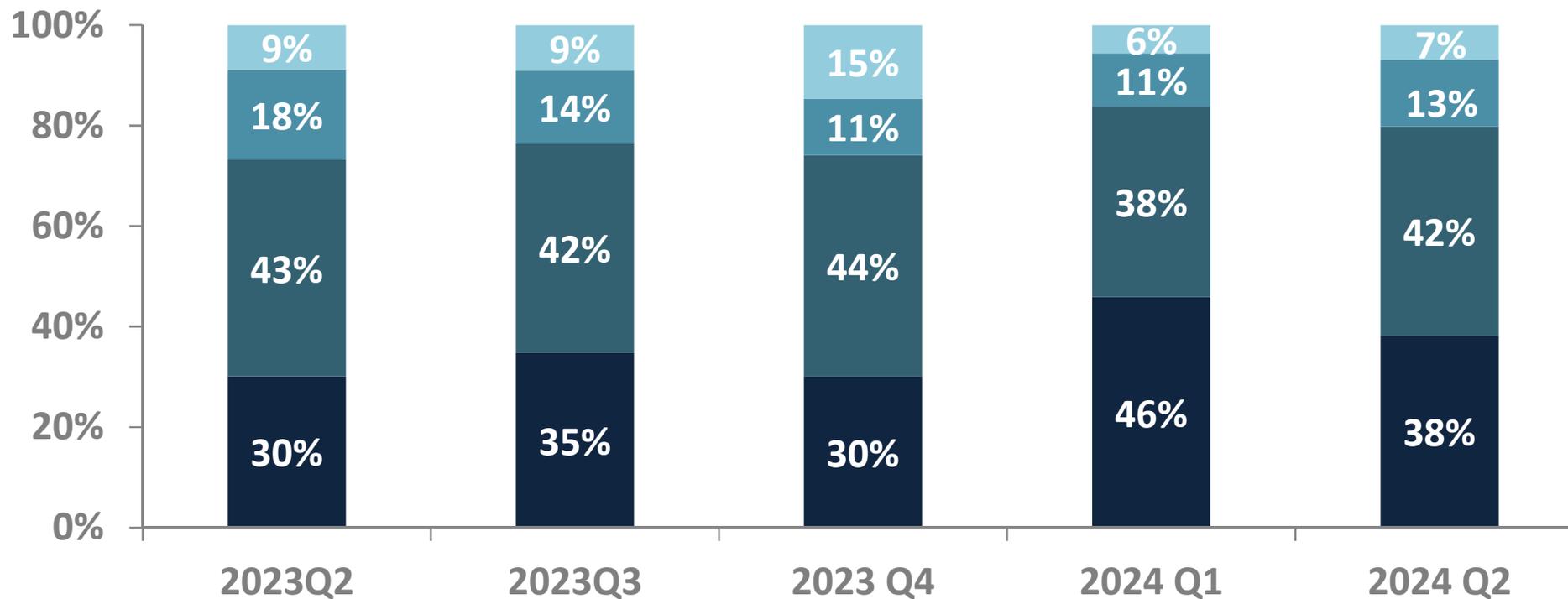


2Q24 Visual Solutions Business Review

- ◆ Sales revenue NT\$3,328M, 1% decrease QoQ and similar revenue YoY.
- ◆ Shipment 233K with 4% QoQ increase and 5.5% YoY decrease.
- ◆ Pico projector is the only category with QoQ decline.
- ◆ The sales revenue only slightly decreased QoQ, primarily due to the increased demand for large venue projectors.
- ◆ All sports events not showing strong demand in June.
- ◆ Consumer segment is weak.

Visual Solutions Sales Breakdown

■ Home/Entertainment ■ Business ■ Large Venue ■ Others



Sales (NT\$ Million)

3,335

3,774

3,324

3,353

3,328

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3Q24 Visual Solutions Business Outlook

- ◆ **Mainstream product shows flat QoQ, sports events not driving expected high demand, but large venue shipment with higher QoQ growth.**
- ◆ **Pico projector expects with 20% shipment growth due to improved stock consumption for home entertainment.**
- ◆ **Automotive projector shipments begin in Q4, more projects are coming, providing another growth engine.**
- ◆ **The visibility of future demand remains unclear with a conservative forecast, more dynamic from rush orders.**
- ◆ **Q3 shipment with 10% QoQ growth from home entertainment & large venue.**
- ◆ **Due to lower-than-expected demand from sports events, 2024 shipments are expected to grow by around 10%.**

Market Update

- ◆ Demand in 1H is uncertain, but expects to recover in 2H.
- ◆ The ProAV market with decline in 1H but is expected to rebound optimistically in 2H, aligning with performance levels from 2023.
- ◆ Car interior and exterior lighting applications are increasing to address needs of vehicle visibility, safety and personalized styling.
- ◆ Projector sales recovered slightly in 1H but global economy uncertainties are likely to continue with impact consumer purchasing willingness.
- ◆ 1080p to 4K (laser phosphor/RGB laser basis) still account for medium to high-end market with certain potential customer segment.
- ◆ Projection with more different form factor and combine with AI for new market.



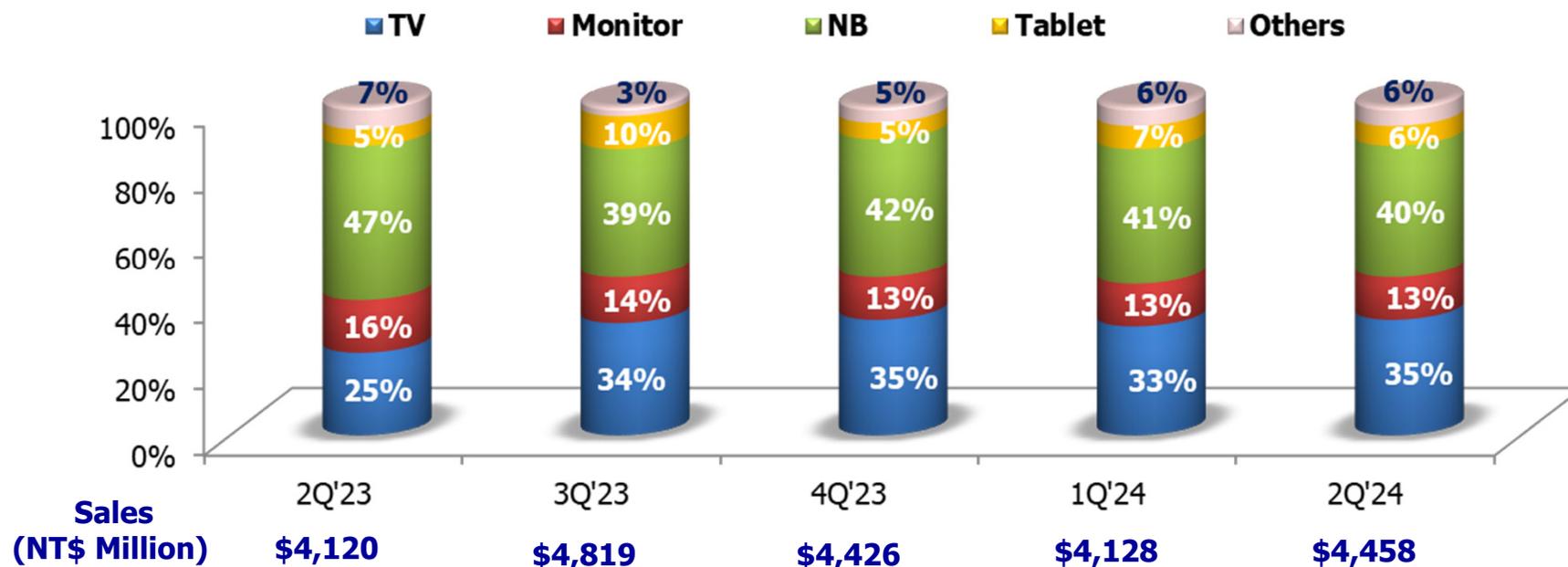
Energy Saving Business



2Q24 Energy Saving Business Review

- ◆ **Sales revenue was NT\$4,458 million in 2Q24, representing an 8% growth for both QoQ and YoY.**
- ◆ **The overall shipment was 7.5 million units, decreased 1% QoQ and 3% YoY respectively.**
- ◆ **2Q24 Shipment Summary:**
 - **TV/PID with increase 9% QoQ**
 - **Monitor decreased by 7% QoQ**
 - **NB decreased by 3% QoQ**

Energy Saving Sales Breakdown (By Revenue)



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

- ◆ **2Q24 Revenue Summary:**
 - TV/PID with 14% increase QoQ.
 - Monitor with 12% increase QoQ.
 - NB increased by 5% QoQ.

3Q24 Energy Saving Business Outlook

- ◆ **TV peak season expecting with high growth, especially high ASP from larger size. The risk comes from the uncertainty of logistics (container shortage).**
- ◆ **Vietnam TV capacity is double, and the MNT capacity set-up is on track.**
- ◆ **NB business from TFT customers show flat or single-digit increase, but better growth from brand's direct business due to commercial demand coming back.**
- ◆ **NB OLED shipments follow the market's optimistic trend, with increased quantities in Q3.**
- ◆ **The automotive ODM business starts MP from Q3.**
- ◆ **Expect QoQ to be <10% increased in quantity but higher ASP due to main growth from TV.**
- ◆ **2024 shipment will be with 10-20% growth YoY.**

Market Update

- ◆ The NB market has an optimistic forecast for the second half of 2024, expects the replacement of W10 EOL and benefits from the stimulation of AI PCs.
- ◆ TV shipments may be affected by slow demand in the second half of 2024. LCD makers might need to make trade-offs between loading rate and profit.
- ◆ No longer new investment in LCD but adjusting its product mix for optimal capacity, more investment in OLED capacity for G8.6.
- ◆ The automotive market is not growing as rapidly as expected, seeing OLED adoption is on the rise but takes longer time for high volumes.
- ◆ More inquiries ask for Vietnam production.
- ◆ Overall demand remains flat or may decline due to the uncertain economic situation, geopolitical issues, and election instability.

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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