



AUO Corporation 1Q23 Results

April 27, 2023



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.
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Statement of Comprehensive Income

Selected Items from Statement of Comprehensive Income

Amount : NT\$ Million

	1Q23		4Q22		QoQ %	1Q22	
Net Sales	51,188	100.0%	52,648	100.0%	(2.8%)	81,528	100.0%
Cost of Goods Sold	(56,045)	(109.5%)	(57,235)	(108.7%)	(2.1%)	(69,834)	(85.7%)
Gross Profit (Loss)	(4,857)	(9.5%)	(4,587)	(8.7%)	(5.9%)	11,694	14.3%
Operating Expenses	(6,281)	(12.3%)	(6,322)	(12.0%)	(0.6%)	(6,396)	(7.8%)
Operating Profit (Loss)	(11,138)	(21.8%)	(10,909)	(20.7%)	(2.1%)	5,298	6.5%
Net Non-operating Income (Expenses)	(156)	(0.3%)	433	0.8%	-	716	0.9%
Profit (Loss) before Tax	(11,293)	(22.1%)	(10,476)	(19.9%)	(7.8%)	6,015	7.4%
Net Profit (Loss)	(11,087)	(21.7%)	(9,961)	(18.9%)	(11.3%)	5,175	6.3%
Net Profit Attributable to Owners of Company	(10,911)	(21.3%)	(10,208)	(19.4%)	(6.9%)	5,164	6.3%
Basic EPS (NT\$)^(a)	(1.42)		(1.33)		(6.8%)	0.54	
Operating Profit + D&A	(3,469)	(6.8%)	(3,179)	(6.0%)	(9.1%)	13,304	16.3%
Area Shipments (K m²)	4,300		4,322		(0.5%)	6,053	

- a) Basic EPS was calculated based on the weighted average outstanding shares of the reporting quarter. The weighted average outstanding shares were 7,662m shares, 7,661m shares and 9,571m shares for 1Q23, 4Q22 and 1Q22, respectively.

Consolidated Balance Sheet Highlights

Amount : NT\$ Million

	1Q23	4Q22	QoQ %	1Q22
Cash and Cash Equivalents	77,100	80,613	(4.4%)	90,132
Inventory	28,533	30,264	(5.7%)	37,803
Short Term Debt^(a)	12,945	14,013	(7.6%)	13,705
Long Term Debt	90,282	72,931	23.8%	44,940
Equity	174,979	191,411	(8.6%)	236,106
Total Assets	384,075	386,841	(0.7%)	432,267

Inventory Turnover (Days)^(b)	48	48	47
Net Debt to Equity^(c)	14.9%	3.3%	(13.3%)

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.

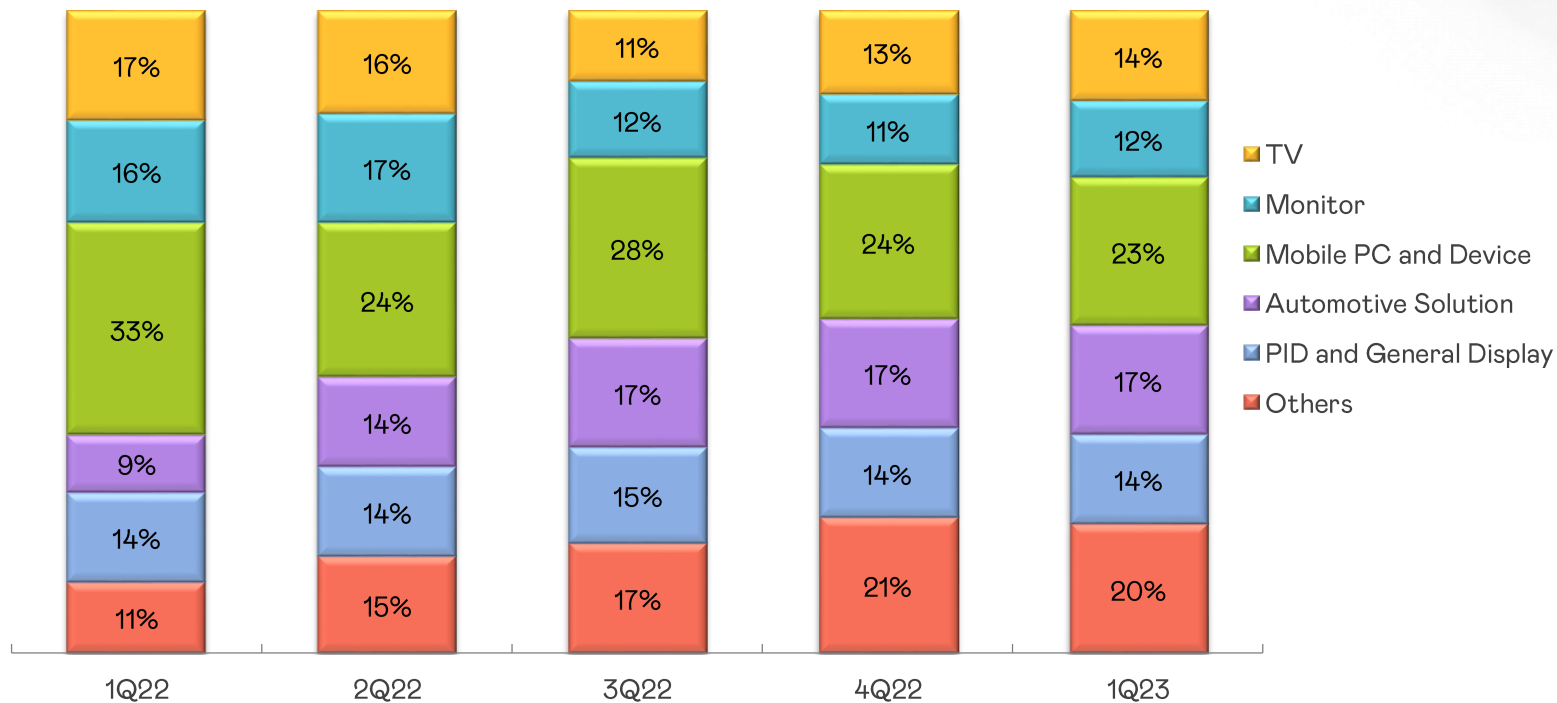
Consolidated Cash Flow Highlights

Amount : NT\$ Million

	1Q23	4Q22	QoQ
From Operating Activities	(10,095)	8,946	(19,041)
Profit(Loss) before Tax	(11,293)	(10,476)	(817)
Depreciation & Amortization	7,668	7,730	(61)
Net Change in Working Capital	(5,788)	11,994	(17,783)
From Investing Activities	(9,388)	(7,569)	(1,819)
Capital Expenditure	(11,655)	(7,984)	(3,671)
From Financing Activities	16,283	192	16,091
Net Change in Debt	16,356	19,491	(3,135)
Net Change in Cash^(a)	(3,514)	(0.3)	(3,513)

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

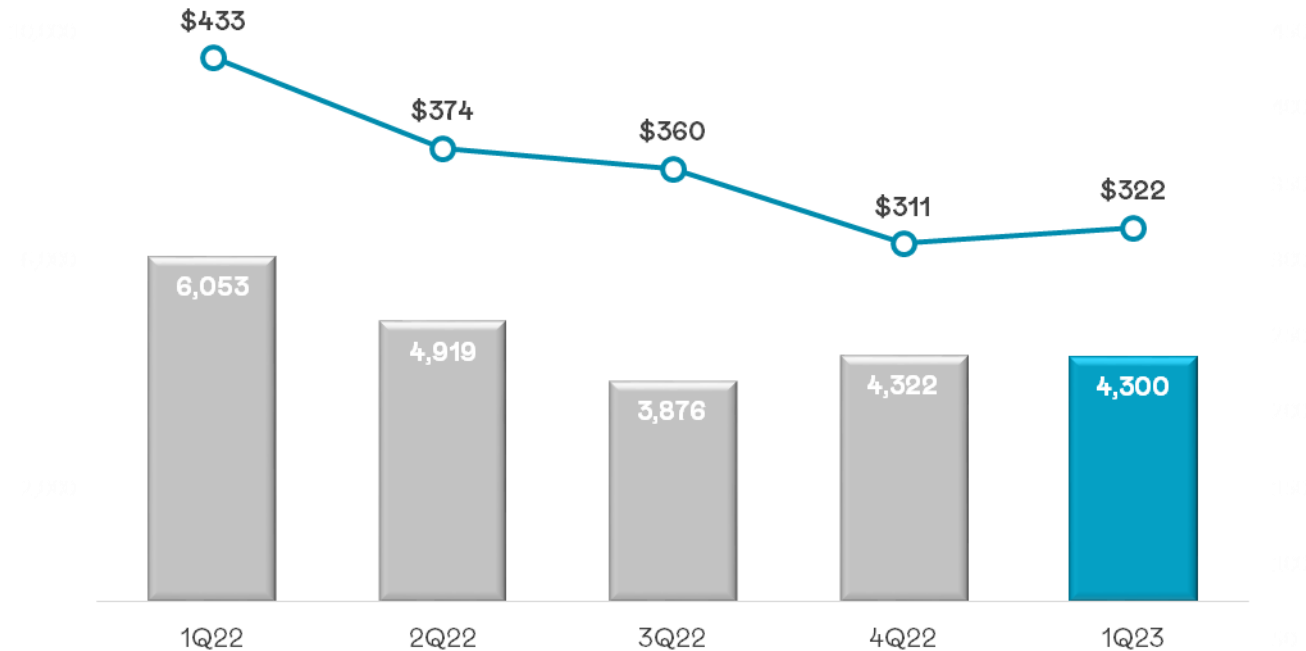


- Mobile PC and Device: including displays for notebook, tablet and mobile phones.
- PID and General Display: including displays for public information(PID), industrial PC, ATM, POS, pachinko and medical equipment.
- Others: including System Design Manufacturing Service, New Business, Energy and etc.

Consolidated Shipments & ASP by Area

■ Shipments in square meter (Km²) ● ASP per square meter

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.

2Q2023 Business Outlook

Based on our current business outlook, the Company expects:

- Area shipment to increase by the low twenty percent QoQ
- Blended ASP (USD/square meter) to be flat to slightly up 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 CORPORATION AND SUBSIDIARIES
Consolidated Condensed Statements of Comprehensive Income
For the Three Months Ended March 31, 2023 and 2022 and December 31, 2022
(Expressed in Millions of New Taiwan Dollars (NTD) except for per share amounts and shares outstanding)

	Year over Year Comparison				Sequential Comparison			
	1Q23		1Q22		1Q23		4Q22	
	NTD	%	NTD	YoY%	NTD	%	NTD	QoQ%
Net Sales	51,188	100.0	81,528	(37.2)	51,188	100.0	52,648	(2.8)
Cost of Goods Sold	56,045	109.5	69,834	(19.7)	56,045	109.5	57,235	(2.1)
Gross Profit(Loss)	(4,857)	(9.5)	11,694	-	(4,857)	(9.5)	(4,587)	(5.9)
Operating Expenses	6,281	12.3	6,396	(1.8)	6,281	12.3	6,322	(0.6)
Operating Profit(Loss)	(11,138)	(21.8)	5,298	-	(11,138)	(21.8)	(10,909)	(2.1)
Net Non-operating Income(Expenses)	(156)	(0.3)	716	-	(156)	(0.3)	433	-
Profit(Loss) before Income Tax	(11,293)	(22.1)	6,015	-	(11,293)	(22.1)	(10,476)	(7.8)
Income Tax Benefit(Expense)	206	0.4	(840)	-	206	0.4	515	(60.0)
Net Profit(Loss)	(11,087)	(21.7)	5,175	-	(11,087)	(21.7)	(9,961)	(11.3)
Other Comprehensive Income(Loss)	661	1.3	1,966	(66.4)	661	1.3	(1,440)	-
Total Comprehensive Income(Loss)	(10,427)	(20.4)	7,140	-	(10,427)	(20.4)	(11,401)	8.5
Net Profit(Loss) Attributable to:								
Owners of Company	(10,911)	(21.3)	5,164	-	(10,911)	(21.3)	(10,208)	(6.9)
Non-Controlling Interests	(177)	(0.3)	10	-	(177)	(0.3)	247	-
Net Profit(Loss)	(11,087)	(21.7)	5,175	-	(11,087)	(21.7)	(9,961)	(11.3)
Total Comprehensive Income(Loss) Attributable to:								
Owners of Company	(10,270)	(20.1)	7,062	-	(10,270)	(20.1)	(11,579)	11.3
Non-Controlling Interests	(157)	(0.3)	79	-	(157)	(0.3)	178	-
Total Comprehensive Income(Loss)	(10,427)	(20.4)	7,140	-	(10,427)	(20.4)	(11,401)	8.5
Basic Earnings Per Share	(1.42)		0.54		(1.42)		(1.33)	
Weighted-Average Shares Outstanding ('M)	7,662		9,571		7,662		7,661	

AUO CORPORATION AND SUBSIDIARIES
Consolidated Condensed Balance Sheets
March 31, 2023 and 2022

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

	March 31, 2023		March 31, 2022		YoY	
	NTD	%	NTD	%	NTD	%
ASSETS						
Cash and Cash Equivalents	77,100	20.1	90,132	20.9	(13,032)	(14.5)
Notes & Accounts Receivables	18,781	4.9	51,867	12.0	(33,086)	(63.8)
Other Current Financial Assets	5,787	1.5	13,343	3.1	(7,556)	(56.6)
Inventories	28,533	7.4	37,803	8.7	(9,270)	(24.5)
Other Current Assets	4,294	1.1	4,653	1.1	(359)	(7.7)
Total Current Assets	134,494	35.0	197,797	45.8	(63,303)	(32.0)
Long-term Investments	32,687	8.5	25,977	6.0	6,710	25.8
Net Fixed Assets	182,390	47.5	173,756	40.2	8,635	5.0
Right-of-use Assets	9,765	2.5	10,349	2.4	(584)	(5.6)
Other Non-Current Assets	24,738	6.4	24,388	5.6	350	1.4
Total Non-Current Assets	249,580	65.0	234,469	54.2	15,111	6.4
Total Assets	384,075	100.0	432,267	100.0	(48,192)	(11.1)
LIABILITIES						
Short-term Borrowings	65	0.0	52	0.0	13	25.3
Notes & Accounts Payable	43,003	11.2	63,177	14.6	(20,174)	(31.9)
Current Installments of Long-term Borrowings	12,880	3.4	13,653	3.2	(773)	(5.7)
Current Financial Liabilities	382	0.1	599	0.1	(217)	(36.2)
Accrued Expense & Other Current Liabilities	30,377	7.9	44,450	10.3	(14,073)	(31.7)
Machinery and Equipment Payable	6,927	1.8	4,762	1.1	2,164	45.4
Total Current Liabilities	93,633	24.4	126,693	29.3	(33,060)	(26.1)
Long-term Borrowings	90,282	23.5	44,940	10.4	45,342	100.9
Other Non-Current Liabilities	25,180	6.6	24,527	5.7	653	2.7
Total Non-Current Liabilities	115,462	30.1	69,468	16.1	45,994	66.2
Total Liabilities	209,095	54.4	196,161	45.4	12,935	6.6
EQUITY						
Common Stock	76,994	20.0	96,242	22.3	(19,248)	(20.0)
Capital Surplus	55,866	14.5	60,558	14.0	(4,693)	(7.7)
Retained Earnings	39,173	10.2	76,266	17.6	(37,093)	(48.6)
Other Equity	(2,984)	(0.8)	(2,853)	(0.7)	(131)	(4.6)
Treasury Shares	(240)	(0.1)	(392)	(0.1)	152	38.7
Non-Controlling Interests	6,172	1.6	6,285	1.5	(113)	(1.8)
Total Equity	174,979	45.6	236,106	54.6	(61,126)	(25.9)
Total Liabilities & Equity	384,075	100.0	432,267	100.0	(48,192)	(11.1)

AUO CORPORATION AND SUBSIDIARIES
Consolidated Condensed Cash Flow Statements
For the Period Ended March 31, 2023 and 2022
(Expressed in Millions of New Taiwan Dollars (NTD))

	Three Months 2023	Three Months 2022
	NTD	NTD
Cash Flow from Operating Activities:		
Profit(Loss) before Income Taxes	(11,293)	6,015
Depreciation & Amortization	7,668	8,006
Share of Profit of Equity-Accounted Investees	189	(382)
Changes in Working Capital	(5,788)	1,373
Changes in Others	(872)	(1,288)
Net Cash Provided by (Used in) Operating Activities	(10,095)	13,723
Cash Flow from Investing Activities:		
Acquisitions of Financial Assets Measured at Fair Value	0	(143)
Acquisitions of Financial Assets Measured at Amortized Cost	(355)	(589)
Acquisitions of Equity-Accounted Investees	(69)	0
Acquisitions of Property, Plant and Equipment	(11,655)	(8,387)
Increase in Receipts in Advance due to Disposal of Assets	878	0
Changes in Others	1,813	586
Net Cash Provided by (Used in) Investing Activities	(9,388)	(8,532)
Cash Flow from Financing Activities:		
Increase(Decrease) in Short-term Borrowings	(64)	5
Increase(Decrease) in Long-term Borrowings	16,420	3,549
Payment of Lease Liabilities	(148)	(136)
Increase(Decrease) in Guarantee Deposits	1	(0)
Treasury Shares Sold to Employees	73	47
Changes in Non-Controlling Interests and Others	(0)	25
Net Cash Provided by (Used in) Financing Activities	16,283	3,489
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(312)	1,507
Net Increase(Decrease) in Cash and Cash Equivalents	(3,514)	10,187
Cash and Cash Equivalents at Beginning of Period	80,613	79,945
Cash and Cash Equivalents at End of Period	77,100	90,132



Tap Into The Possibilities

AUO