AUO Corporation 2Q26 Results

July 30, 2026

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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

	2Q26	1Q26	QoQ	2Q25	YoY
Net Sales	70,891	69,031	2.7%	69,237	2.4%
Gross Profit (Loss)	9,248 *13.0%*	8,183 *11.9%*	13.0%	9,362 *13.5%*	(1.2%)
Operating Expenses	9,030 *12.7%*	8,819 *12.8%*	2.4%	7,858 *11.4%*	14.9%
Operating Profit (Loss)	218 *0.3%*	(636) *(0.9%)*	-	1,504 *2.2%*	(85.5%)
Net Profit Atrributable to Owner of Company	1,343 *1.9%*	(1,144) *(1.7%)*	-	1,948 *2.8%*	(31.0%)
Operating Profit + D&A	7,501 *10.6%*	6,620 *9.6%*	13.3%	8,906 *12.9%*	(15.8%)
Basic EPS (NT$)[a]	0.18	(0.15)	-	0.26	(30.8%)

a) Basic EPS was calculated based on the weighted average outstanding shares of the reporting period. The weighted average outstanding shares were 7,547m shares and 7,547m shares and 7,547m shares for 2Q26 and 1Q26 and 2Q25, respectively.

b) The Consolidated Condensed Statements of Comprehensive Income includes ADLINK starting from the third quarter of 2025.

Balance Sheet Highlights

Amount: NT$ Million

	2Q26	1Q26	QoQ	2Q25
Cash and Cash Equivalents	53,792	53,064	1.4%	54,351
Inventory	40,787	37,914	7.6%	35,765
Short Term Debt [a]	30,557	32,646	(6.4%)	20,576
Long Term Debt	70,061	72,271	(3.1%)	95,601
Equity	166,902	161,763	3.2%	156,846
Total Assets	377,676	376,391	0.3%	379,945
Inventory Turnover Days [b]	58	56		53
Net Debt to Equity [c]	28.1%	32.1%		39.4%

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.

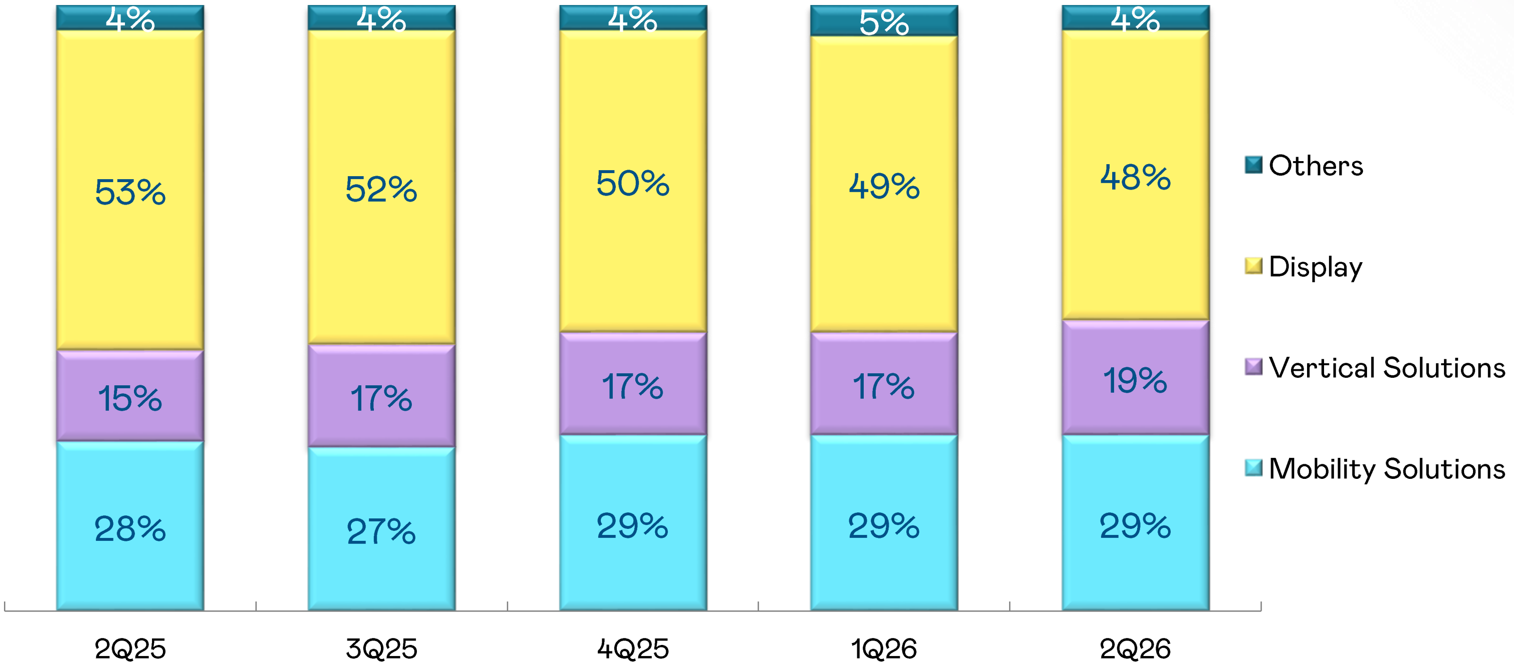
Cash Flow Highlights

Amount: NT$ Million

	2Q26	1Q26	QoQ
From Operating Activities	**3,993**	**2,884**	**1,110**
Profit(Loss) before Tax	2,751	(501)	3,252
Depreciation & Amortization	7,282	7,255	27
Net Change in Working Capital	(3,276)	(3,338)	63
Others	(2,764)	(532)	(2,233)
From Investing Activities	**739**	**(2,798)**	**3,537**
Capital Expenditure	(2,719)	(2,832)	113
Disposals of Property, Plant and Equipment	2,917	83	2,834
Others	541	(50)	590
From Financing Activities	**(4,698)**	**(4,060)**	**(638)**
Net Change in Debt	(3,952)	(4,106)	154
Others	(746)	46	(792)
Effect of Exchange Rate Changes	**694**	**1,422**	**(729)**
Net Change in Cash[a]	**728**	**(2,553)**	**3,280**

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 Solutions: Primarily including integrated solutions in automotive business
- Vertical Solutions: 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 , ADLINK
- Display: Primarily including displays for TV, monitor and notebook, as well as LED display
- Others: Primarily including Darwin

Profitability by 3 Pillars

NT$ Million	2Q26	Six months ’26
Mobility Solutions	768 3.8%	1,243 3.1%
Vertical Solutions	745 5.6%	1,594 6.3%
Display	(1,085) (3.2%)	(2,941) (4.3%)

3Q2026 Business Outlook

Based on our current business outlook, the Company expects:

Mobility Solutions

- Roughly flat QoQ

Vertical Solutions

- Up low-single digit % QoQ

Display

- Modest decline QoQ

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

Prepared Remarks

Q&A

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AUO CORPORATION AND SUBSIDIARIES
Consolidated Condensed Statements of Comprehensive Income
For the Three Months Ended June 30, 2026 and 2025 and March 31, 2026
(Expressed in Millions of New Taiwan Dollars (NTD) except for per share amounts and shares outstanding)

	2Q26 NTD	%	1Q26 NTD	2Q25 NTD	QoQ%	YoY%
Net Sales	70,891	100.0	69,031	69,237	2.7	2.4
Cost of Goods Sold	61,643	87.0	60,848	59,875	1.3	3.0
Gross Profit(Loss)	9,248	13.0	8,183	9,362	13.0	(1.2)
Operating Expenses	9,030	12.7	8,819	7,858	2.4	14.9
Operating Profit(Loss)	218	0.3	(636)	1,504	-	(85.5)
Net Non-operating Income(Expenses)	2,533	3.6	134	630	1,787.4	302.3
Profit(Loss) before Income Tax	2,751	3.9	(501)	2,133	-	29.0
Income Tax Benefit(Expense)	(631)	(0.9)	(538)	(229)	(17.3)	(175.8)
Net Profit(Loss)	2,120	3.0	(1,039)	1,904	-	11.3
Other Comprehensive Income(Loss)	3,645	5.1	1,961	(7,012)	85.8	-
Total Comprehensive Income(Loss)	5,765	8.1	922	(5,107)	525.3	-
Net Profit(Loss) Attributable to:						
Owners of Company	1,343	1.9	(1,144)	1,948	-	(31.0)
Non-Controlling Interests	777	1.1	104	(44)	646.4	-
Net Profit(Loss)	2,120	3.0	(1,039)	1,904	-	11.3
Total Comprehensive Income(Loss) Attributable to:						
Owners of Company	4,864	6.9	624	(4,705)	679.9	-
Non-Controlling Interests	900	1.3	298	(403)	201.9	-
Total Comprehensive Income(Loss)	5,765	8.1	922	(5,107)	525.3	-
Basic Earnings Per Share	0.18		(0.15)	0.26		
Weighted-Average Shares Outstanding ('M)	7,547		7,547	7,547		

AUO CORPORATION AND SUBSIDIARIES
Consolidated Condensed Statements of Comprehensive Income
For the Period Ended June 30, 2026 and 2025
(Expressed in Millions of New Taiwan Dollars (NTD) except for per share amounts and shares outstanding)

	Year over Year Comparison			
	1H 2026		1H 2025	
	NTD	%	NTD	YoY%
Net Sales	139,923	100.0	141,339	(1.0)
Cost of Goods Sold	122,491	87.5	123,198	(0.6)
Gross Profit(Loss)	17,432	12.5	18,140	(3.9)
Operating Expenses	17,849	12.8	15,496	15.2
Operating Profit(Loss)	(417)	(0.3)	2,644	-
Net Non-operating Income(Expenses)	2,667	1.9	3,976	(32.9)
Profit(Loss) before Income Tax	2,250	1.6	6,620	(66.0)
Income Tax Benefit(Expense)	(1,169)	(0.8)	(1,457)	(19.7)
Net Profit(Loss)	1,081	0.8	5,164	(79.1)
Other Comprehensive Income(Loss)	5,606	4.0	(7,682)	-
Total Comprehensive Income(Loss)	6,686	4.8	(2,518)	-
Net Profit(Loss) Attributable to:				
Owners of Company	200	0.1	5,242	(96.2)
Non-Controlling Interests	881	0.6	(78)	-
Net Profit(Loss)	1,081	0.8	5,164	(79.1)
Total Comprehensive Income(Loss) Attributable to:				
Owners of Company	5,488	3.9	(2,150)	-
Non-Controlling Interests	1,198	0.9	(368)	-
Total Comprehensive Income(Loss)	6,686	4.8	(2,518)	-
Basic Earnings Per Share	0.03		0.69	
Weighted-Average Shares Outstanding ('M)	7,547		7,596	

AUO CORPORATION AND SUBSIDIARIES
Consolidated Condensed Balance Sheets
June 30, 2026 and 2025
(Expressed in Millions of New Taiwan Dollars (NTD))

	June 30, 2026		June 30, 2025		YoY	
ASSETS	NTD	%	NTD	%	NTD	%
Cash and Cash Equivalents	53,792	14.2	54,351	14.3	(559)	(1.0)
Notes & Accounts Receivables	35,468	9.4	27,137	7.1	8,332	30.7
Other Current Financial Assets	9,215	2.4	6,771	1.8	2,444	36.1
Inventories	40,787	10.8	35,765	9.4	5,022	14.0
Other Current Assets	4,974	1.3	4,812	1.3	162	3.4
Total Current Assets	144,236	38.2	128,836	33.9	15,400	12.0
Long-term Investments	24,444	6.5	23,811	6.3	633	2.7
Net Fixed Assets	152,102	40.3	163,099	42.9	(10,997)	(6.7)
Capitalized Contract Cost	11,128	2.9	9,913	2.6	1,215	12.3
Right-of-use Assets	7,345	1.9	9,316	2.5	(1,971)	(21.2)
Other Non-Current Assets	38,421	10.2	44,970	11.8	(6,548)	(14.6)
Total Non-Current Assets	233,440	61.8	251,108	66.1	(17,668)	(7.0)
Total Assets	377,676	100.0	379,945	100.0	(2,268)	(0.6)
LIABILITIES						
Short-term Borrowings	12,140	3.2	5,757	1.5	6,382	110.9
Notes & Accounts Payable	54,406	14.4	50,418	13.3	3,988	7.9
Current Installments of Long-term Borrowings	18,418	4.9	14,818	3.9	3,599	24.3
Current Financial Liabilities	134	0.0	125	0.0	8	6.7
Accrued Expense & Other Current Liabilities	35,889	9.5	34,621	9.1	1,268	3.7
Machinery and Equipment Payable	2,431	0.6	2,837	0.7	(406)	(14.3)
Total Current Liabilities	123,417	32.7	108,578	28.6	14,839	13.7
Long-term Borrowings	70,061	18.6	95,601	25.2	(25,540)	(26.7)
Other Non-Current Liabilities	17,296	4.6	18,920	5.0	(1,624)	(8.6)
Total Non-Current Liabilities	87,357	23.1	114,521	30.1	(27,164)	(23.7)
Total Liabilities	210,774	55.8	223,099	58.7	(12,325)	(5.5)
EQUITY						
Common Stock	75,471	20.0	75,471	19.9	0	0.0
Capital Surplus	45,949	12.2	45,894	12.1	55	0.1
Retained Earnings	32,089	8.5	33,224	8.7	(1,135)	(3.4)
Other Equity	889	0.2	(7,030)	(1.9)	7,919	-
Non-Controlling Interests	12,505	3.3	9,288	2.4	3,217	34.6
Total Equity	166,902	44.2	156,846	41.3	10,056	6.4
Total Liabilities & Equity	377,676	100.0	379,945	100.0	(2,268)	(0.6)

AUO CORPORATION AND SUBSIDIARIES

Consolidated Condensed Cash Flow Statements

For the Period Ended June 30, 2026 and 2025

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

	1H 2026	1H 2025
	NTD	NTD
Cash Flow from Operating Activities:		
Profit(Loss) before Income Taxes	2,250	6,620
Depreciation & Amortization	14,538	15,052
Share of Profit of Equity-Accounted Investees	(431)	194
Changes in Working Capital	(6,614)	(10,298)
Disposals of Property, Plant and Equipment Loss(Gain)	(2,062)	(2,371)
Changes in Others	(802)	(4,079)
Net Cash Provided by (Used in) Operating Activities	6,877	5,118
Cash Flow from Investing Activities:		
Acquisitions of Financial Assets Measured at Fair Value	(141)	0
Disposals of Financial Assets Measured at Fair Value	25	289
Acquisitions of Financial Assets Measured at Amortized Cost	(565)	(348)
Disposals of Financial Assets Measured at Amortized Cost	289	537
Acquisitions of Property, Plant and Equipment	(5,550)	(10,811)
Net Cash Inflow(Outflow) Arising from Acquisition of Subsidiaries	0	1,717
Changes in Others	3,883	1,054
Net Cash Provided by (Used in) Investing Activities	(2,060)	(7,562)
Cash Flow from Financing Activities:		
Increase(Decrease) in Short-term Borrowings	2,461	864
Increase(Decrease) in Long-term Borrowings	(10,519)	(6,812)
Payment of Lease Liabilities	(403)	(390)
Repurchase of Treasury Shares	0	(1,824)
Changes in Others	(298)	(70)
Net Cash Provided by (Used in) Financing Activities	(8,759)	(8,231)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	2,116	(3,421)
Net Increase(Decrease) in Cash and Cash Equivalents	(1,825)	(14,096)
Cash and Cash Equivalents at Beginning of Period	55,617	68,447
Cash and Cash Equivalents at End of Period	53,792	54,351

Tap Into The Possibilities