



佳能企業股份有限公司
ABILITY ENTERPRISE CO., LTD.

Investor Conference 2024



2024/5/13

Agenda

01

02

03

2024 Q1
Financial
Result

Outlook

Q&A



The background of the slide is a photograph of several stacks of silver coins on a light-colored surface. A calculator is partially visible on the left side. The image is overlaid with a dark blue semi-transparent rectangle that contains the title text.

2024 Q1 Financial Result

Consolidated IS (Quarterly)

Unit : NT\$ in millions (except EPS in NT\$)

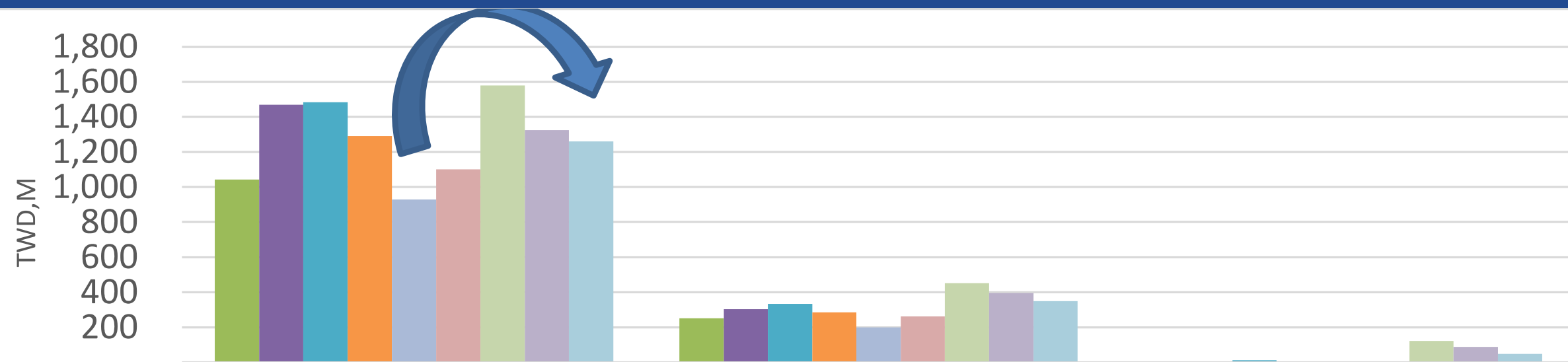
	2024 Q1		2023 Q1		YOY		2023 Q4		QOQ	
	amt	%	amt	%	amt	%	amt	%	amt	%
Net Sales	1,260	100.0	929	100.0	331	35.6%	1,324	100.0	(64)	-4.8%
COGS	911	72.3	730	78.6	181	24.8%	930	70.1	(19)	-2.0%
Gross Margin	349	27.7	199	21.4	150	75.2%	396	29.9	(47)	-11.9%
OP Exp	301	23.9	258	27.8	43	16.7%	308	23.2	(7)	-2.3%
OP Income (Loss)	48	3.8	(59)	(6.4)	107	181.4%	88	6.6	(40)	-45.5%
Net Non-OP	129	10.2	(3)	(0.3)	132	4400%	(58)	(4.4)	187	322.4%
PBT	177	14.0	(62)	(6.7)	239	385.5%	30	2.2	147	490.0%
Tax	29	2.3	12	1.3	17	141.7%	(13)	(1.0)	42	323.1%
Cons. Net Income	148	11.7	(74)	(8.0)	222	300.0%	43	3.2	105	244.2%
Minority interest	(5)	(0.4)	(7)	(0.8)	2	28.6%	1	0.1	(6)	-600.0%
Net Income (After-mi)	153	12.1	(67)	(7.2)	220	328.4%	42	3.2	111	264.3%
After-Tax EPS	\$0.53		(\$0.23)		\$0.76		\$0.14		\$0.39	

non-operating revenue and expenses

Unit : NT\$ in millions

	2024 Q1	2023 Q1	YOY		2023 Q4	QOQ	
	amt	amt	amt	diff %	amt	amt	diff %
Interest income	23.3	13.6	9.7	71.2%	33.3	(9.9)	-29.8%
Rent and Dividend income	17.4	8.6	8.8	101.6%	25.7	(8.3)	-32.3%
Net currency exchange gain or loss	84.2	(28.0)	112.2	401.1%	(111.0)	195.2	175.9%
Others	3.8	3.0	0.9	29.1%	(6.1)	10.0	162.8%
Net Non-OP	128.8	(2.7)	131.5	4820.2%	(58.2)	186.9	321.4%

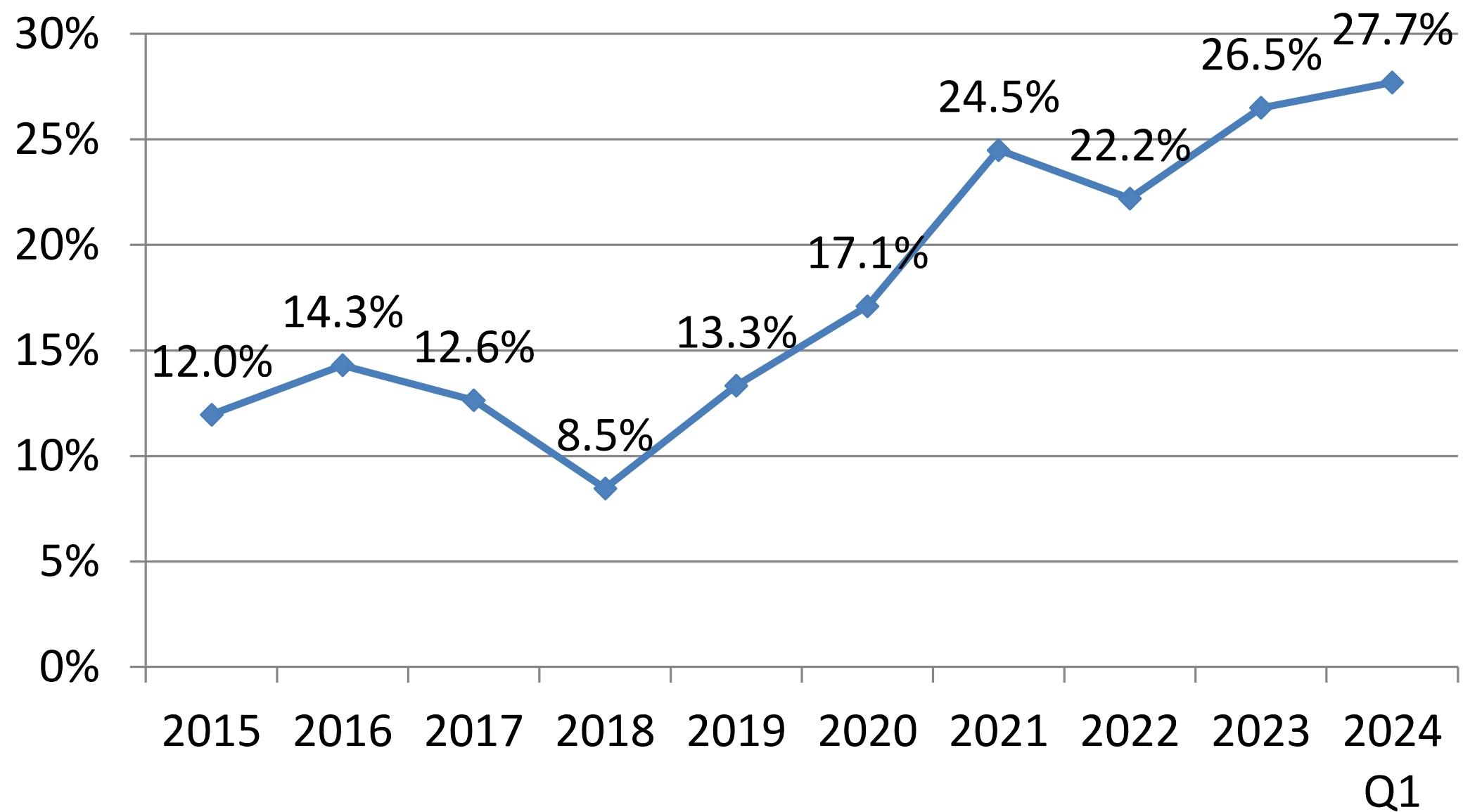
Operating Trend



(200)

	Net Sales	Gross Margin	OP Income (Loss)
■ 22 Q1	1,043	251	(33)
■ 22 Q2	1,469	303	3
■ 22 Q3	1,484	334	13
■ 22 Q4	1,290	286	(6)
■ 23 Q1	929	199	(59)
■ 23 Q2	1,099	262	(29)
■ 23 Q3	1,580	451	123
■ 23 Q4	1,324	395	88
■ 24 Q1	1,260	349	48

Gross Margin Trend

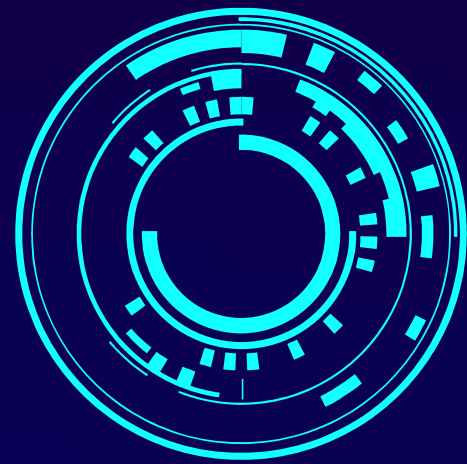


2024/3/31 Important Financial Ratio

Important Financial Ratio

- Debt Ratio : 25%
- Current Ratio : 2.01x
- Quick Ratio : 1.64x
- A/P-days : 83 Days
- A/R-days : 47 Days
- Inventory-days : 79 Days
- Cash Conversion Cycle : -43 Days

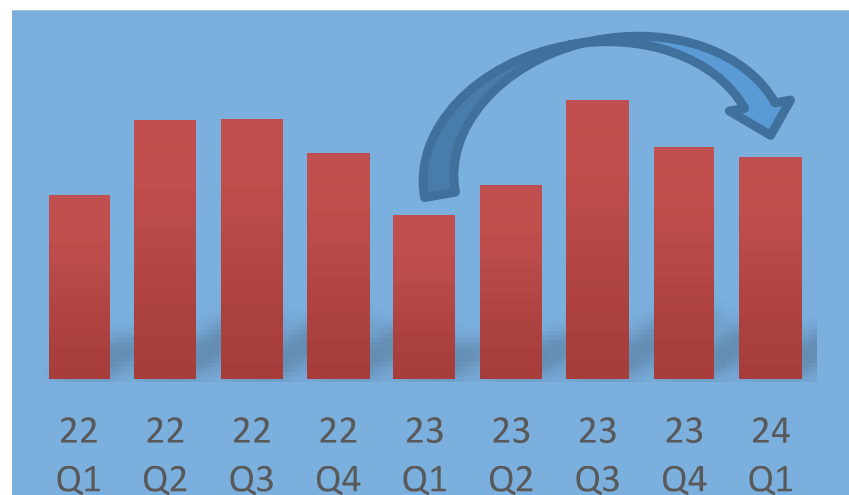
2024 Outlook



2024 Revenue Growing Up H2 Better Than H1

Q1- Outstanding

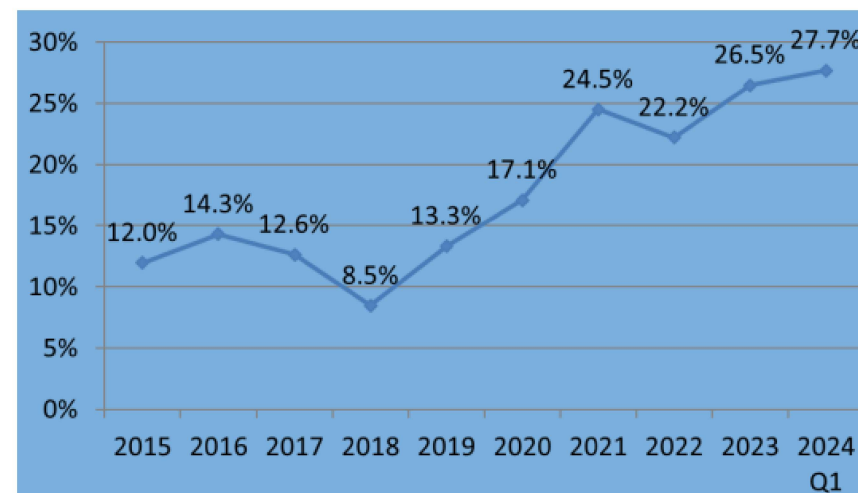
Q1 Revenue YOY 35%



The revenue of 2024 1Q YOY is more than 35%. This is mainly due to the sales of video image products, especially the growing sales of 360-degree cameras.

Q2 - Booming

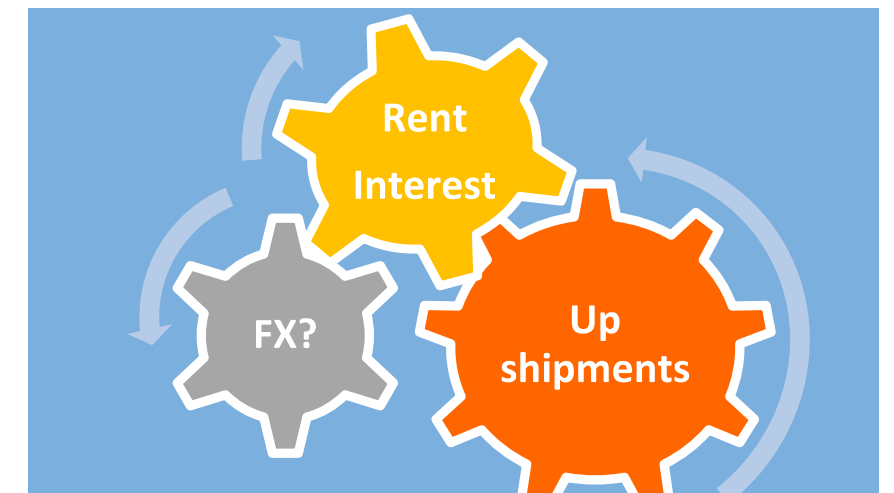
High-Profit Goods Benefit



In the 2024 Q2, the production volume of major products is increasing. New Products, ex. Mobile & Edge-computing, are at the mass production stage. Both push Q2 revenue up.

H2-Prospective

Sales Up 、Fx Favor



The order can be highly expected. Delivery is rolling up. The FX trend is favorable in comparison with the previous year. Accordingly, our H2 revenue and profit could be better than H1.

Invest in imaging AI applications to increase revenue and gross profit

Video Applications

In the field of panoramic cameras, from EMS, JDM to ODM. From entry-level consumer to high-end B2B markets, it occupies a leading position, being regarded as the world's number one panoramic imaging product design company in terms of production and shipment quantities. It actively meets the demands of streaming, live communication bandwidth, and immersive head-mounted imaging, and adds AI software integration, providing a better experience for future audiovisual entertainment.

Print & Shoot Hybrid Camera

The trendy exterior design, retro and high-quality filter settings, AI coupled with facial and specific action recognition, and in line with the usage habits of today's youth on social media platforms, have made the personalized instant-print hybrid camera a popular trend in recent years.



Camera Module

We combine the optical and stitching algorithms of our ABILITY core technology to enhance high-value-added image modules (such as 360-degree panoramic, fisheye or ultra-wide-angle, environmental detection, multi-focus variation, multi-phase, hand-shake control, ISP, AI functions, etc.), meeting the ambitious yet unmastered technical needs of customers in various image module application fields.

Automotive

In addition to traditional panoramic sensing lens modules for the Before Market, after adding networking capabilities and uploading to the Cloud via 4G/5G, additional value-added applications can be provided to meet the market demands and trends in the After Market. Some products are also applied in various countries' government transportation, railway track, and other project areas.

Edge AIoT Device

Smart City w/Traffic Control & Smart Retailer Management.....

NRE Income

Factory Production Ratio :

Enlarge Vietnam investment to meet the demand of new order and transference.



85%

China Factory

As ABILITY's main production base, the factory of Liaobu, Dongguan, has rich manufacturing experience and has long been an important pillar for us and a model for building other factories. We adjust manufacturing management to revitalize our assets. The factory operations are more flexible. This significantly impacts the overall development of the company in the future.



10%

Taiwan Factory

Due to geopolitical issues, Since the Sino-US trade friction in 2018, the products need to meet NDAA specifications and the origin regulation of TAA. So, the Company established a Wugu factory in the New Taipei Industrial Park. This factory provides us with more choices and enables us to respond to the market demand in different regions.



5%

Vietnam Factory

When the Sino-American trade war begins, we plan to set up a factory in Vietnam. The factory is set in South Vietnam. Taking advantage of the existing local infrastructure and the convenience of land transportation between China and Vietnam, we accelerated the construction and transferred orders to Vietnam. This risk diversification releases customers' worries.



On the way...

New Vietnam Factory

We started to expand our overseas footprint in 2023. Its mass production will begin in Q3, 2024. The North Vietnam plant located in Vinh Phuc is geographically closer to the electronics supply chain and closer to our Liaobu plant than the South Vietnam factory. It makes the dispatch of people, machines, and materials more efficient.

Safe Harbor Notice

We have made forward-looking statements in the presentation. Our forward-looking statements contain information regarding, among other things, our financial conditions, future expansion plans and business strategies. We have based these forward-looking statements on our current expectations and projections about future events. Although we believe that these expectations and projections are reasonable, such forward-looking statements are inherently subject to risks, uncertainties, and assumptions about us.

We undertake no obligation to publicly update or revise any forward-looking statements whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events in the conference might not occur and our actual results could differ materially from those anticipated in these forward-looking statements.

Q&A THANK YOU



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