



ASUSTEK

3Q 2023 Investor Conference

Disclaimer

ASUSTeK's presentation contains forward-looking statements subject to significant risks and uncertainties. Actual results may differ materially from those contained in the forward-looking statements.

The forward-looking statements in this release reflect the current belief of ASUS as of the date of this release, we undertake no obligation to update these forward-looking statements for new information, future events, or otherwise.

Agenda

- *3Q 2023 Financial Result*
- *Strategy & Outlook*
- *Q & A*



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3Q 2023 Financial Result

2023 3Q Brand Income Statement

in NT\$ Mn	2023 3Q	2023 2Q	QoQ	2022 3Q	YoY
Net Revenue	126,236	107,488	17%	132,935	-5%
COGS	(104,305)	(94,040)	11%	(117,526)	-11%
Gross Profit	21,932	13,448	63%	15,409	42%
Operating Expenses	(13,490)	(12,229)	10%	(12,352)	9%
Operating Profit	8,442	1,219	592%	3,057	176%
Non-OP Items	4,903	1,202	308%	4,132	19%
Pre-Tax Profit	13,345	2,421	451%	7,189	86%
Tax	(2,248)	165	-1461%	(1,000)	125%
Net Profit	11,097	2,586	329%	6,189	79%
EPS	14.9	3.5		8.3	
Gross Margin %	17.4%	12.5%		11.6%	
Operating Margin %	6.7%	1.1%		2.3%	
<i>Sales allowances</i>	-15.4%	-17.7%		-10.4%	
<i>Inventory allowances</i>	3.1%	2.6%		-3.8%	

2023 3Q Non-OP Items

in NT\$ Mn	2023 3Q	2023 2Q	QoQ	2022 3Q	YoY
Interest Income (net)	500	571	-12%	(60)	931%
Investment Income	446	351	27%	841	-47%
<i>Askey</i>	(66)	(118)	44%	185	-136%
<i>Others</i>	512	469	9%	656	-22%
Exchange Gain/(Loss)	1,023	(73)	1506%	(24)	4377%
Dividend Income	2,847	2	114532%	3,083	-8%
Other Income (net)	88	351	-75%	292	-70%
Total Non-OP items	4,903	1,202	308%	4,132	19%

2023 3Q Brand Balance Sheet

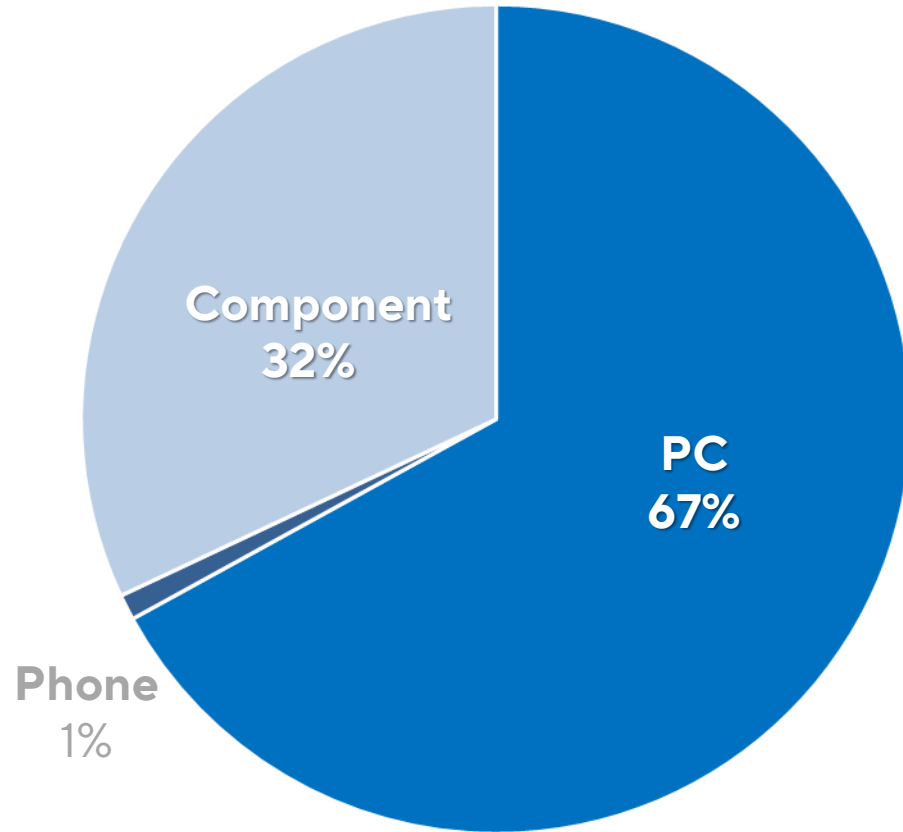
in NT\$ Mn	Sep 30, 2023	Jun 30, 2023	QoQ	Sep 30, 2022	YoY
Cash & equivalents	58,407	54,704	7%	35,585	64%
Accounts receivable	96,826	91,352	6%	98,972	-2%
Inventories	120,296	117,520	2%	174,506	-31%
Current Assets	290,896	277,642	5%	324,328	-10%
Long-term investments	113,785	115,245	-1%	95,017	20%
Fixed assets	14,652	14,500	1%	14,479	1%
Total Assets	449,816	437,651	3%	460,651	-2%
Accounts payable	60,389	62,780	-4%	57,957	4%
Current Liabilities	195,536	197,660	-1%	225,239	-13%
Total Liabilities	216,938	218,341	-1%	244,216	-11%
Paid-in capital	7,428	7,428		7,428	
Stockholders' equity	232,878	219,311	6%	216,435	8%
Avg. Days of Inventory	108	103		148	
Avg. Days of AR	76	71		66	
Avg. Days of AP	59	55		49	
Avg. CCC Days	125	119		164	

(unaudited brand consolidated financials)

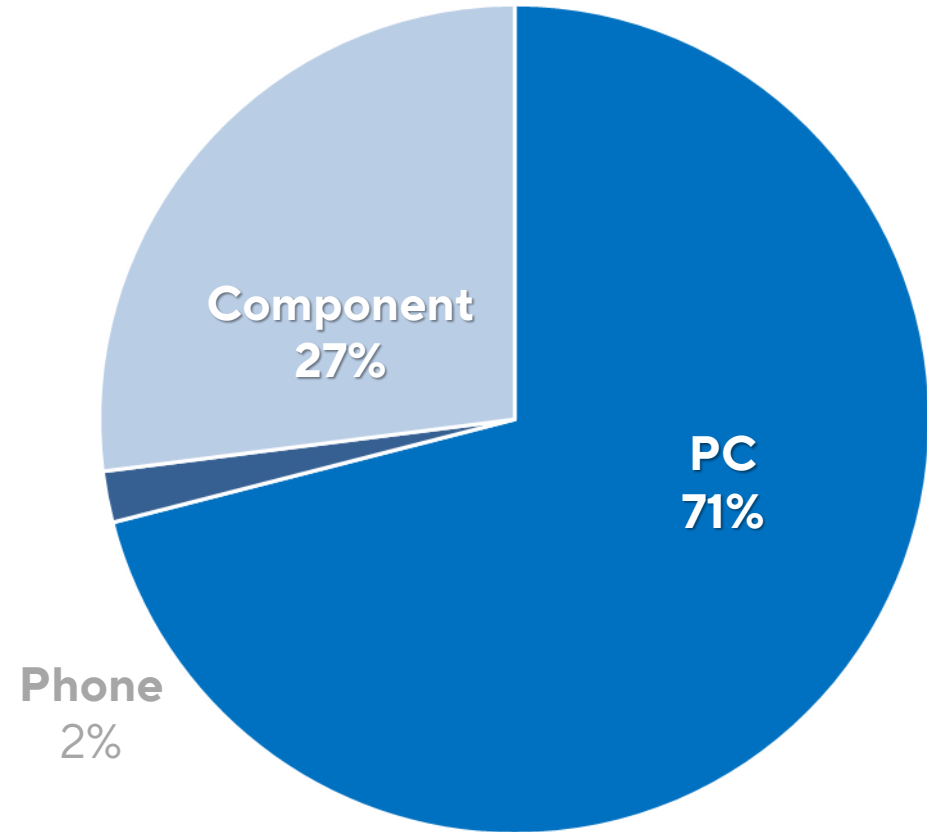


Product Mix

3Q 2023

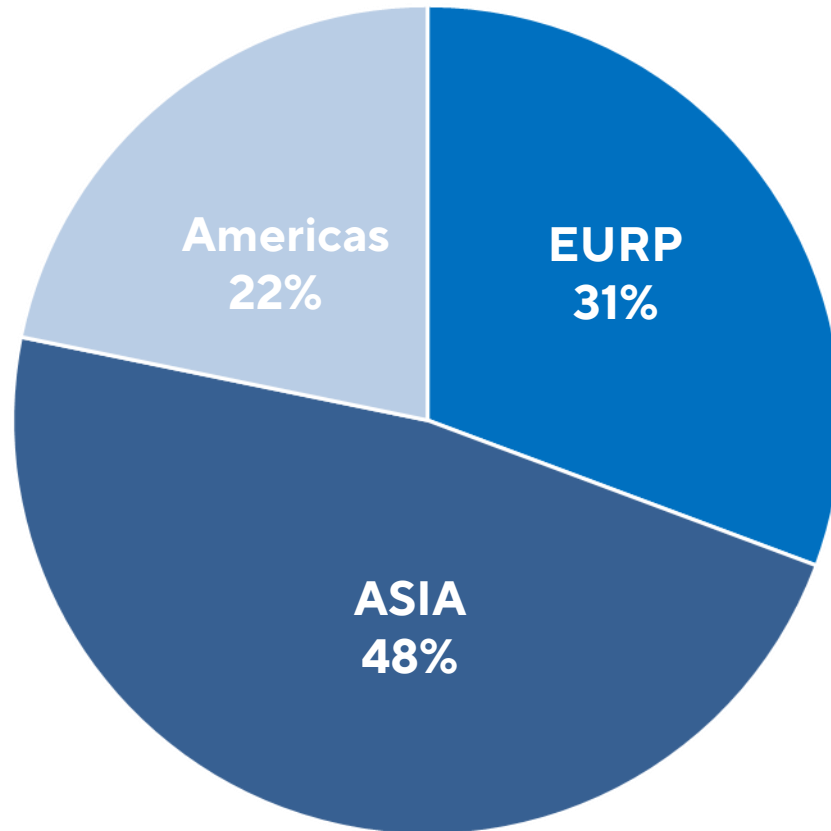


3Q 2022

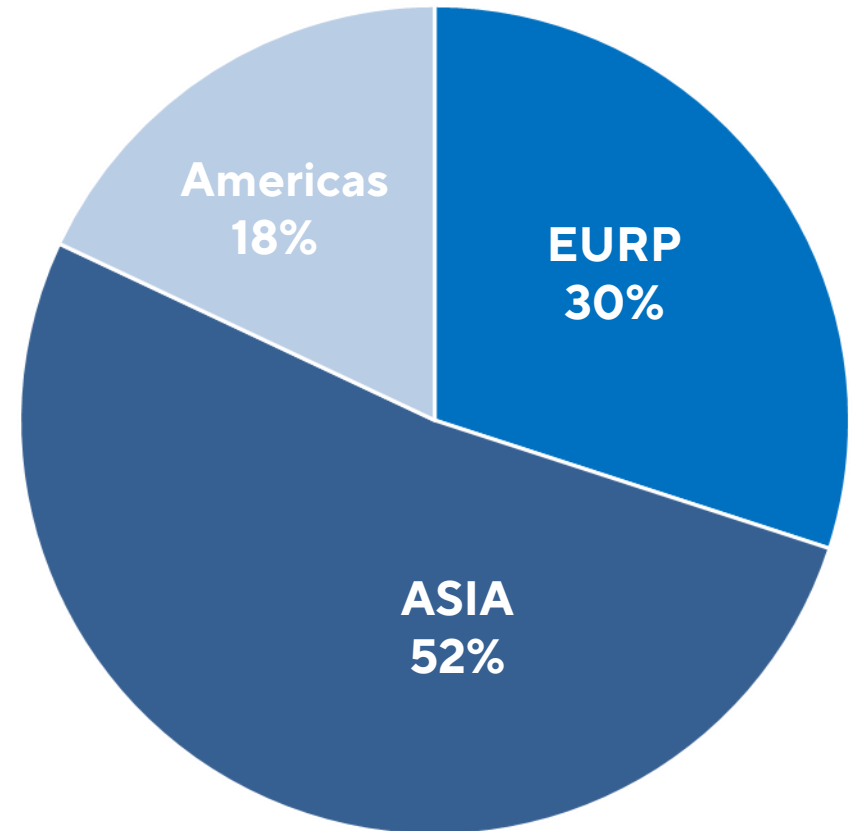


Region Mix

3Q 2023



3Q 2022



4Q 2023 Business Outlook

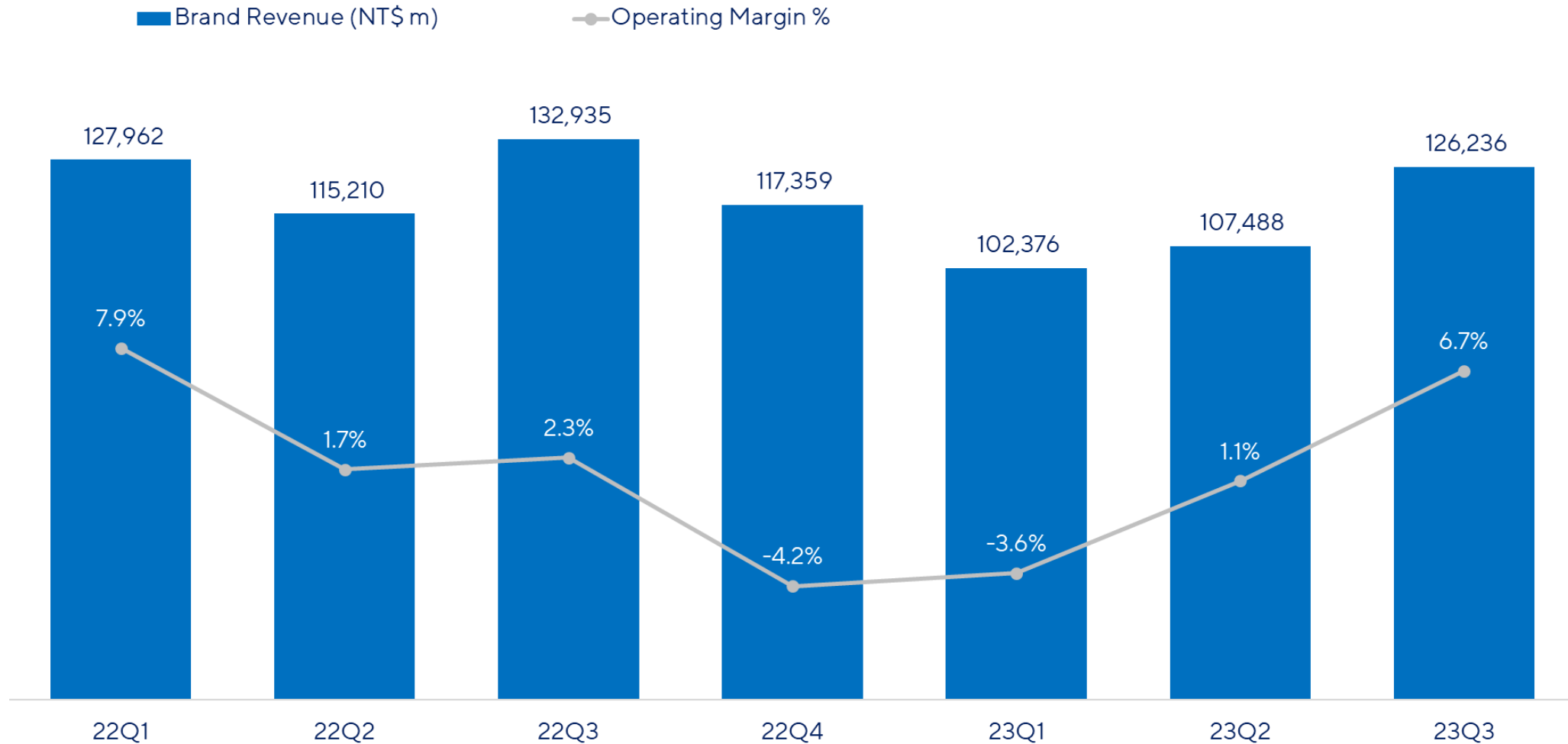
- **PC QoQ -15%**
- **Component QoQ +5%**



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Strategy & Outlook

Substantial Operational Enhancement



Powering the Next Generation of Computing

AI Server

HPC Infrastructure

Platform Service

AIHPC as a Service

On-premise Solutions

Turn-key Solution
for Enterprise GAI

AI at the Edge

Enabling Real-time Insights

AI on the PC

Redefining the PC with AI



A True Total Solutions Provider

Technology Capabilities &
Synergistic Partnership

Embrace the Opportunity

ASUS as a Total Data Center Solution Provider

Infra



Devices & Solutions



AIHPC Services



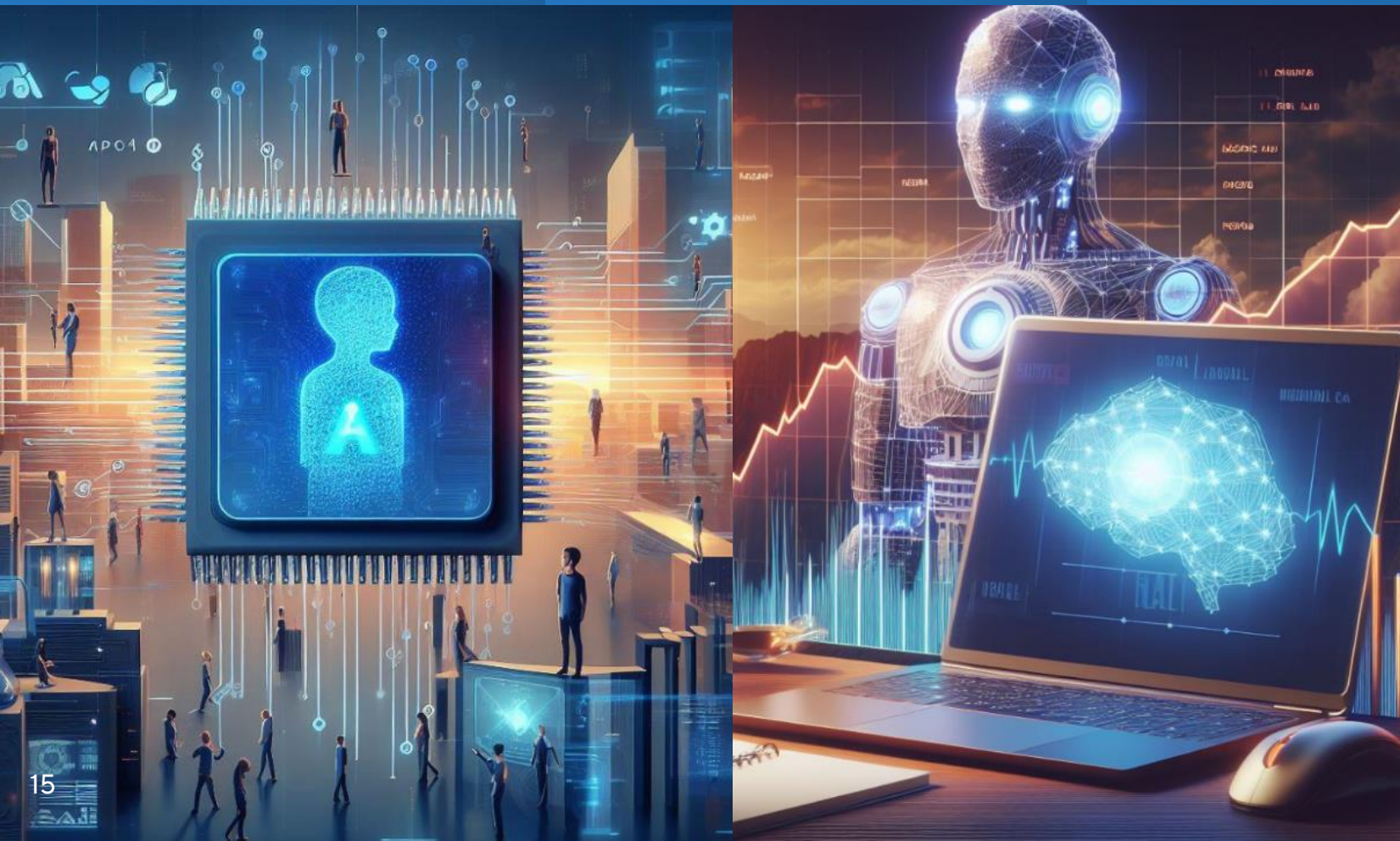
Redefining the PC with AI

Personalized
AI Assistant

Productivity
Leap Forward

Instant and
Responsive

Security
and Privacy



ASUS Pushes the PC Industry into New Territory

Pioneering
Inhouse R&D

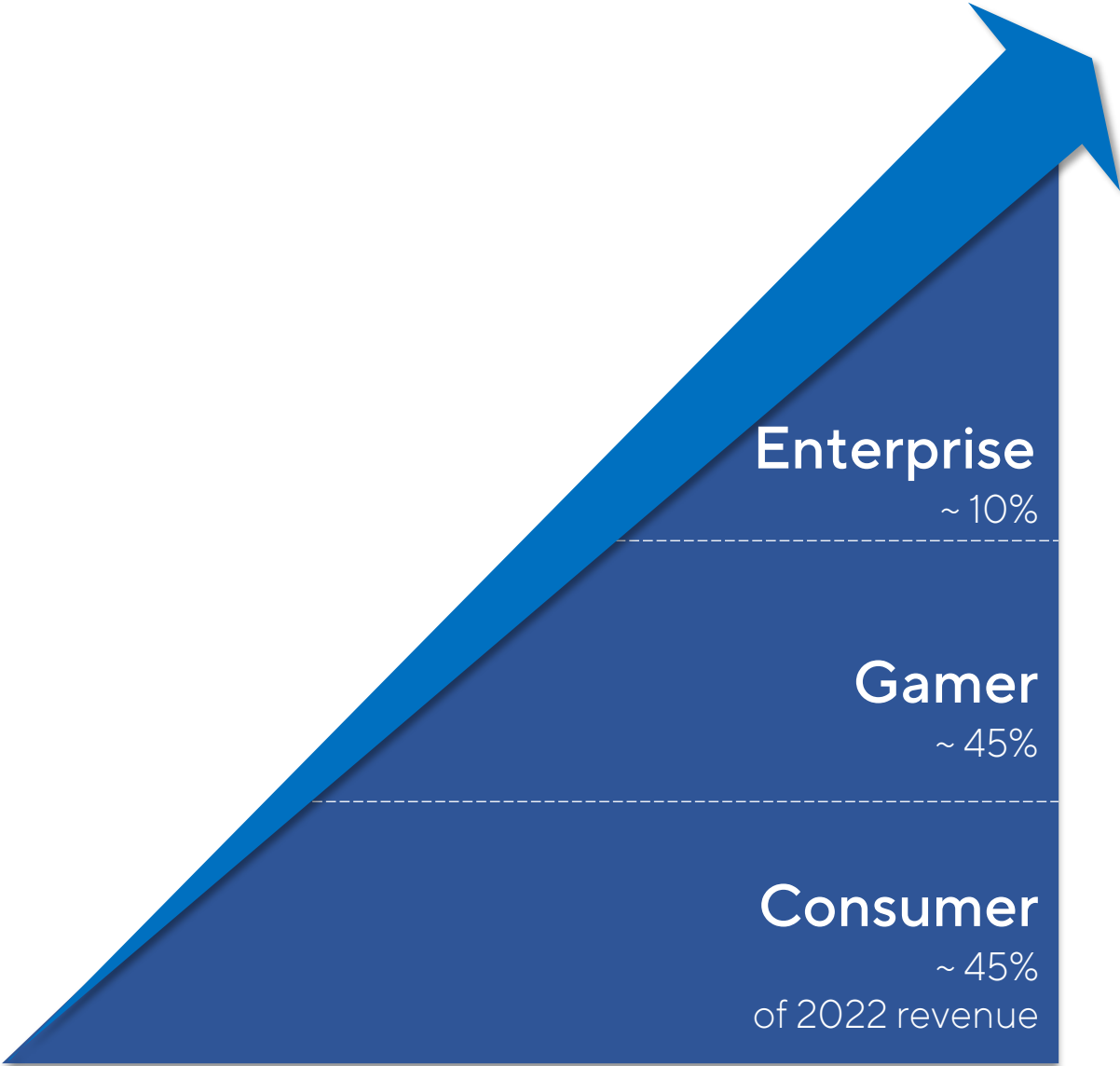


Successful
Track Record



Rapid Technological Advancements in the Era of AI PC

Growth Enterprise Transformation



Multiple Drivers

Commercial PC * 2X ↗	AIoT, Server, AI Server, AIHPC * 5X ↗
Gaming PC, ROG Ally AI PC, ProArt Creator Innovation & Product Leadership	Graphics Card Robust Growth ↗
	Motherboard Brand Position & User Value

* from 2022 to 2027

System Business Group

2023 Q3 Performance



Business Highlights

- ASUS One PC Strategy: topnotch PC brand leader in both brand position and market share
- Worldwide No. 1 gaming market share, achieving +12% YoY shipment growth YTD
- Pioneered Brand of AI-powered PC: targeting to introduce the world's first AI PC

Open Platform Business Group

2023 Q3 Performance

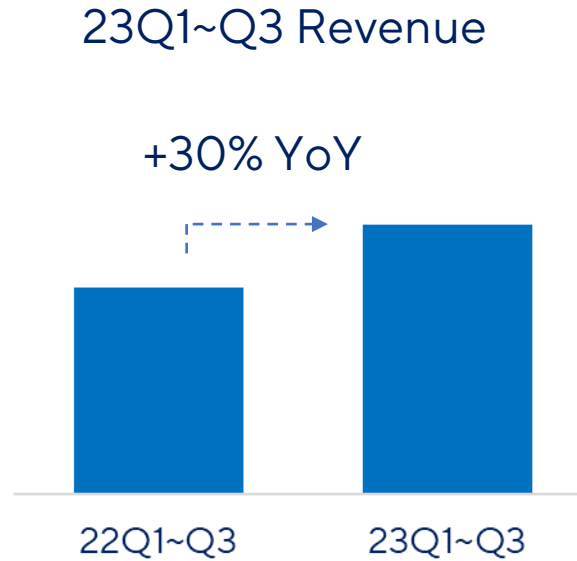


Business Highlights

- Best Motherboards, Best Graphics Cards, Best Gaming Monitors, and Best Routers by EHA (European Hardware Association) READER AWARDS
- Server business revenue grew over 40% YoY in Q3 2023; aiming to achieve 5X growth over 5 years

AIoT Business Group

2023 Q3 Performance



ASUS Officially Takes Over
Intel NUC Product Lines



Business Highlights

- Expanded in ASUS NUC business, focusing on gaming, prosumer, commercial, and industrial markets
- ASUS handheld ultrasound solution achieved >50% market share in Taiwan
- ASUS AI-powered demonstration factory exemplifies commitment to advancing AIoT transformation and upgrade

No.1 Gaming Brand and Ecosystem

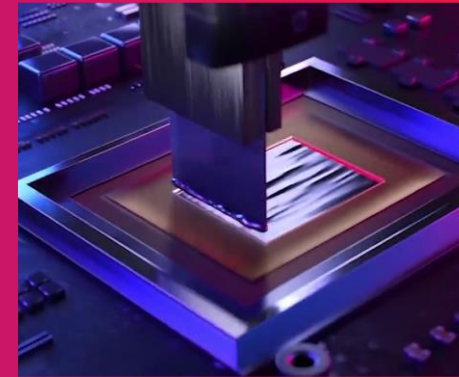


LEADERSHIP

- The No. 1 choice of gamers and enthusiasts around the world
- Worldwide media recommendations and community awards



- ROG has set an extremely high standard for its exclusive technologies: Nebula display and Intelligent cooling, to meet a strict set of requirements that guarantee the world's ultimate gaming laptops



INNOVATION

DIVERSITY

- Driving integration of gaming, entertainment, sports, music, and lifestyle



Sustaining an Incredible Future



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

BUSINESS
AMBITION FOR **1.5°C**  

ASUS has near-term science-based emission reduction targets validated by SBTi and has committed to long-term goals in line with limiting global warming to 1.5 °C and reaching net-zero by 2050

Recognized as an
EPEAT Climate+ Champion
highlighting dedication to climate change
mitigation



ASUS ExpertBook B9
(B9403CV)



ASUS Zenbook S 13 OLED
(UX5304V)



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Q & A