

Advantech Investor Conference

5th March, 2025



Safe Harbor Notice

- Advantech's statement of its current expectations are forward-looking statements which are subject to significant risks and uncertainties. Actual results may differ materially from those contained in the forward-looking statements.
- The projections should not be interpreted as legally binding commitments, but rather as flexible information subject to change occasionally.



4Q24 & FY2024 Financial Results

NT\$ mn	4Q 2024	%	3Q 2024	%	QOQ	4Q 2023	%	YoY	FY 2024	%	FY 2023	%	YoY
Net Sales	16,313	100.0%	14,950	100.0%	9%	15,138	100.0%	8%	59,786	100.0%	64,568	100.0%	-7%
Gross Profit	6,724	41.2%	6,173	41.3%	9%	6,220	41.1%	8%	24,376	40.8%	26,162	40.5%	-7%
Operating Expense	4,210	25.8%	3,721	24.9%		3,529	23.3%		15,326	25.6%	14,034	21.7%	
Operating Profit	2,514	15.4%	2,452	16.4%	3%	2,691	17.8%	-7%	9,050	15.1%	12,128	18.8%	-25%
Non-operating Items	689	4.2%	291	1.9%		38	0.3%		1,925	3.2%	1,138	1.8%	
Pre-tax Profit	3,203	19.6%	2,743	18.3%	17%	2,730	18.0%	17%	10,975	18.4%	13,267	20.5%	-17%
Tax Expenses	642	3.9%	493	3.3%		458	3.0%		2,086	3.5%	2,477	3.8%	
Net Income to Parent	2,641	16.2%	2,258	15.1%	17%	2,291	15.0%	15%	9,005	15.1%	10,838	16.8%	-17%
EPS (NT\$)*	3.06		2.61			2.67			10.45		12.65		

4Q24

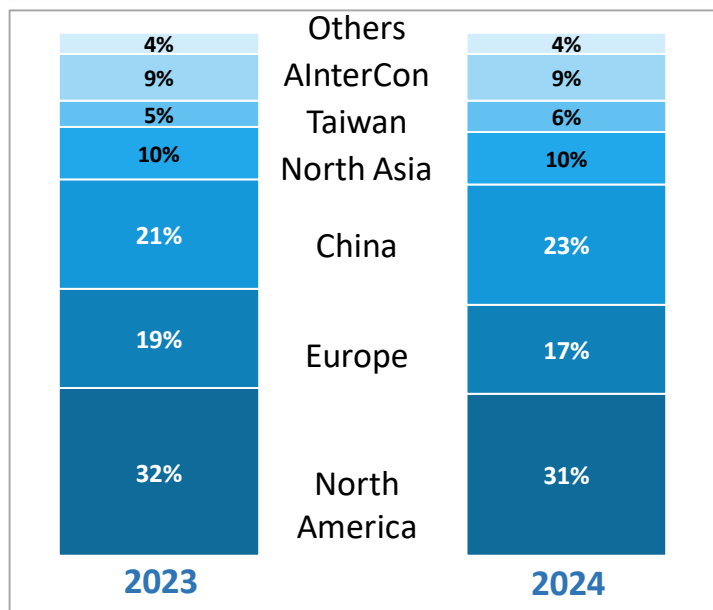
- 4Q24 Revenue increased by a single digit QoQ and YoY.
- The GP% experienced slightly growth, while the OP% declined due to higher expenses.
- Effective Tax rate was 20.04% in 4Q24.

FY 2024

- FY2024 Revenue declined 7% YoY.
- Both GP and OP resulted YoY decline.
- NP decreased by double digits YoY.

FY2024 Sales By Region

US\$m	2024	2023	YoY	Rev %
North America	573	657	-13%	31%
Europe	312	388	-20%	17%
China	422	431	-2%	23%
North Asia	197	217	-9%	10%
Taiwan	121	103	+18%	6%
Asia & InterCon	173	184	-5%	9%
Others	71	94	-25%	4%
Total	1,869	2,074	-10%	100%



North Asia

US\$m	2024	YoY
AJP	109	-20%
AKR	88	+8%

Asia & InterCon

US\$m	2024	YoY
AAU/NZ	13	-14%
ASEAN	46	+1%
India	22	-5%
Russia & CIS	6	+8%
LATAM	23	+6%
ME&A	63	-12%

FY2024 Performance By SBG

US\$ mn		Revenue	Rev. %	YoY	Gross Margin	Operating Profit	OP Margin
Industrial-IoT	(IIoT)	547	29%	+1%	50%~55%	164	30%
Embedded-IoT	(EIoT)	465	25%	-13%	35%~40%	93	20%
Applied Computing	(ACG)	281	15%	-11%	30%~35%	54	19%
Industrial Cloud & Video	(ICVG)	184	10%	-23%	40%~45%	26	14%
Service-IoT	(SIoT)	180	10%	-9%	40%~45%	15	8%
Advantech Service + /Others	(AS+)	212	11%	-13%	25%~30%	17	8%
Total		1,869	100%	-10%	40.8%	284	15.1%

* unallocated expenses OP -\$85 M

- **IIoT YoY +1%**: Benefited from the growth in Semiconductor equipment, Healthcare ,and Energy projects. However, automotive and automation projects in Europe have experienced a weaker performance.
- **EIoT YoY -13%** : Due to the decline in Energy and Healthcare projects ; video streaming projects maintained growth.
- **ACG YoY -11%** : The healthcare projects in North American, Machine automation projects in Japan and semiconductor equipment related channel in China experienced revenue declines. In contrast, video equipment demonstrated healthy growth.
- **ICVG YoY -23%** : Due to the decline in Video equipment and cybersecurity projects. Conversely, Edge Industrial servers solutions had stronger sales momentum.
- **SIoT YoY -9%** : Due to the decline in transportation and Automotive projects in Europe and North America.

Balance Sheet & Key Indices

NT\$ mn	4Q24		3Q24		4Q23	
	Amount	%	Amount	%	Amount	%
Cash & Cash Equivalents	20,449	29%	17,753	27%	21,199	31%
Account receivable	10,124	14%	9,271	14%	9,271	13%
Inventory	10,554	15%	9,912	15%	9,804	14%
Total Assets	71,742	100%	66,395	100%	69,056	100%
Account payable	6,911	10%	6,472	10%	6,089	9%
ST debt	301	0%	311	0%	344	0%
LT debt	1,735	2%	1,458	2%	1,610	3%
Total Liabilities	19,945	28%	17,770	27%	20,246	29%
Total Equity	51,797	72%	48,625	73%	48,810	71%
Key Indices						
Inventory turnover days	105		105		106	
AR turnover days	59		58		55	
AP turnover days	67		67		64	
CCC (cash conversion cycle)	97		96		97	

FY2024 Dividend Per Share : NT\$8.4 Cash

- Cash Dividend Payout Ratio: **80%** of EPS
- When the company achieves double digit top-line and bottom-line growth in the year, the board would propose to pay additional stock dividend.

Items	2016	2017	2018	2019	2020	2021	2022	2023	2024
*Cash Payout Ratio	77.3%	74.7%	75.5%	74.2%	75.5%	74.0%	72.2%	75.0%	80.0%
Dividend (NT\$/share)	7.3	6.6	6.8	8.8	7.1	8.0	11.0	9.5	8.4
Cash	6.3	6.6	6.8	7.8	7.1	8.0	10.0	9.5	8.4
Stock	1.0	0.0	0.0	1.0	0.0	0.0	1.0	0.0	0.0
EPS (NT\$)	8.15	8.84	9.02	10.51	9.40	10.67	13.85	12.65	10.45
EPS (NT\$)-Diluted	7.41	8.04	8.19	9.56	8.50	9.70	12.60		

*The cash payout ratio is calculated based on basic EPS.

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