



2026 Second Half Institutional Investor Conference

August 18, 2026

Disclaimer

Innolux Corporation's statements of its current expectations and estimates are forward-looking statements subject to significant known and unknown risks and uncertainties and actual results may differ materially from those contained or implied in the forward-looking statements.

These forward-looking statements are not guarantees of future performance and therefore one should not place undue reliance on them. Except as required by law, we undertake no obligation to update any forward-looking statements, whether as a result of new information, future events, or otherwise.

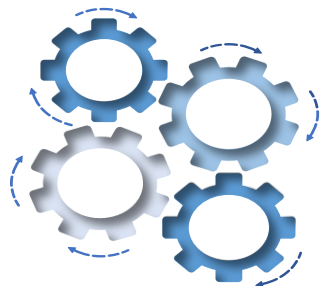
Agenda

Market Overview

Corporate Strategies

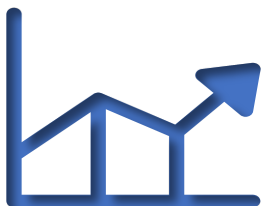
Financial Results

Q&A



Market Outlook

- **DISPLAY** business continue to be affected by consumer sentiment and component cost hikes
- **NON-DISPLAY** business grows steadily



Market Consensus- Stable EPS

- Market consensus for Innolux earning estimates (EPS NT\$) remain positive throughout FY 2026 to FY 2028

Key Product Application Highlights

TV



- TV panel shipment area grows while volume declines, as China makers leverage High-gen lines for larger-size products
- Enforcing strict cost controls and a differentiated strategy from China makers, Innolux focuses on the 50-inch and below segments

Monitor



- High-end gaming and OLED models are the key pillars supporting shipment momentum
- Higher component costs inflate retail prices, prompting cautious brand procurement to protect profitability

Key Product Application Highlights

Notebook



- Brands built defensive inventories and consumers bought in early in H1 to hedge against the expected component shortage, price hikes and extended lead times
- AI PC wave drives long-term demand and display upgrades, triggering a new refresh cycle

Non-commodity (Industrial)



- Edge AI drives surging demand in industrial, healthcare, avionics, and marine sectors, boosting high-margin niche product shipments
- System integration elevates display value, targeting high-end markets (Naked-eye 3D, Kirameki, InnoGallery)

Agenda

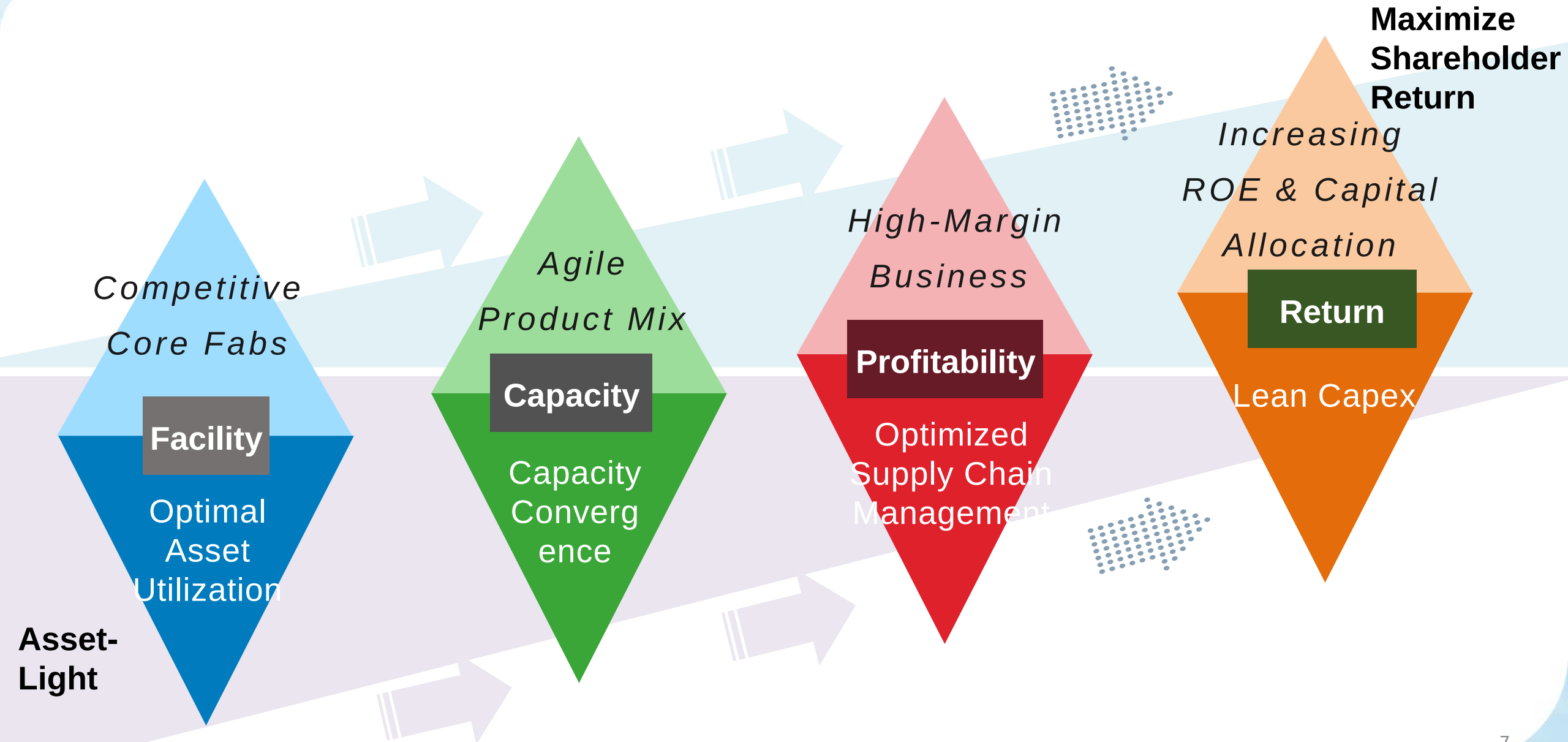
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Long-Term Strategy to Create Shareholder Value



ROE



1 to 3 Years



Increase high-margin business revenue contribution

- Diversification for **NON-COMMODITY**
- Strategic margin expansion within **COMMODITY**
- Bigger contribution of **NON-DISPLAY**



Reduce maintenance cost and capex



> 3 Years

Growth driver:

High-margin business with **high entry barrier**

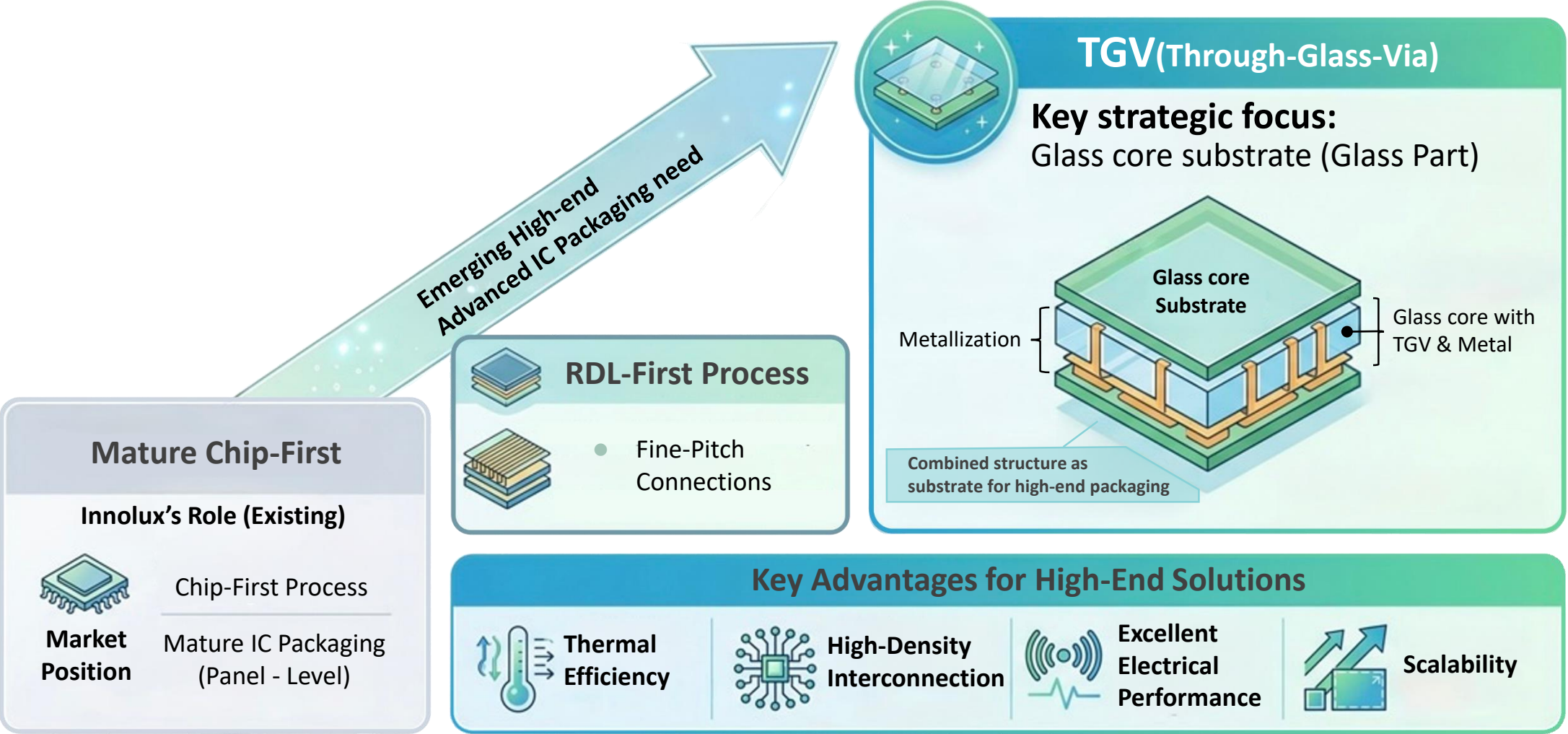


Smart cockpit solution provider

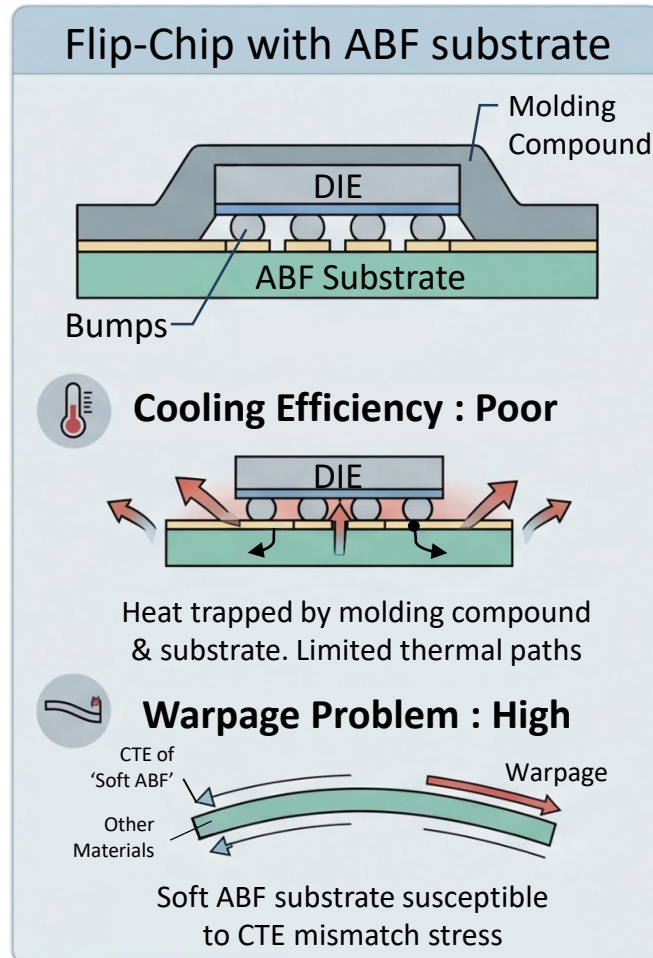


Pioneering in-Car user eXperience

Advanced IC packaging transformation strategy

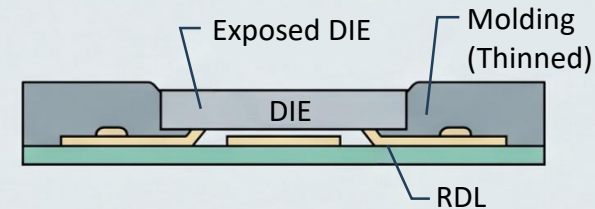


Advanced Package Cooling & Warpage Comparison



INNO LUX PROCESS

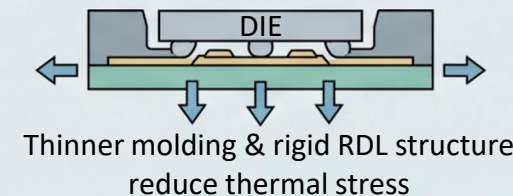
RDL-First Package



Cooling Efficiency : Excellent



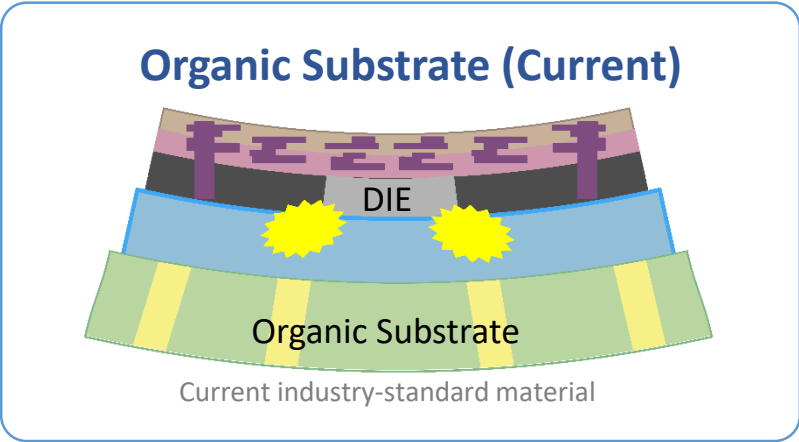
Warpage Problem : Low



THIN CLOTHING

RIGID MATERIAL

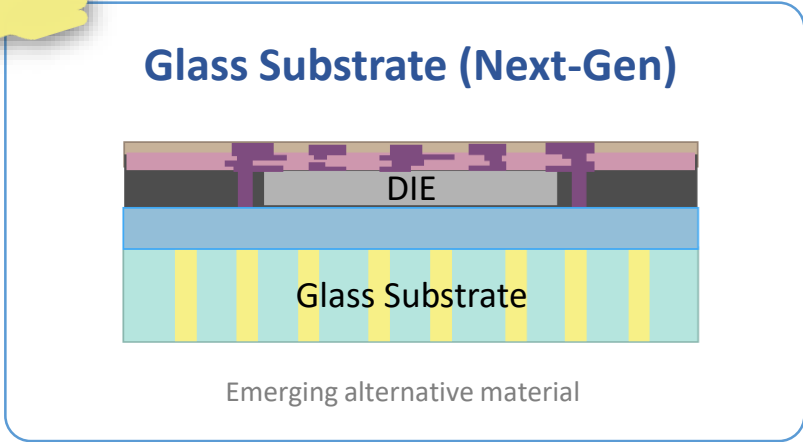
Glass Core Substrate —Enhanced Power Delivery Performance per Unit Area



Risk of Warpage



INNO LUX PROCESS



Mechanical Benefits



Flatter, stiffer material — less warping in manufacturing



Better heat resistance — more stable under high temperatures



Fewer surface defects — higher yield and reliability



Electrical Benefits



Lower electrical resistance in circuit connections



Cleaner signal paths with less interference

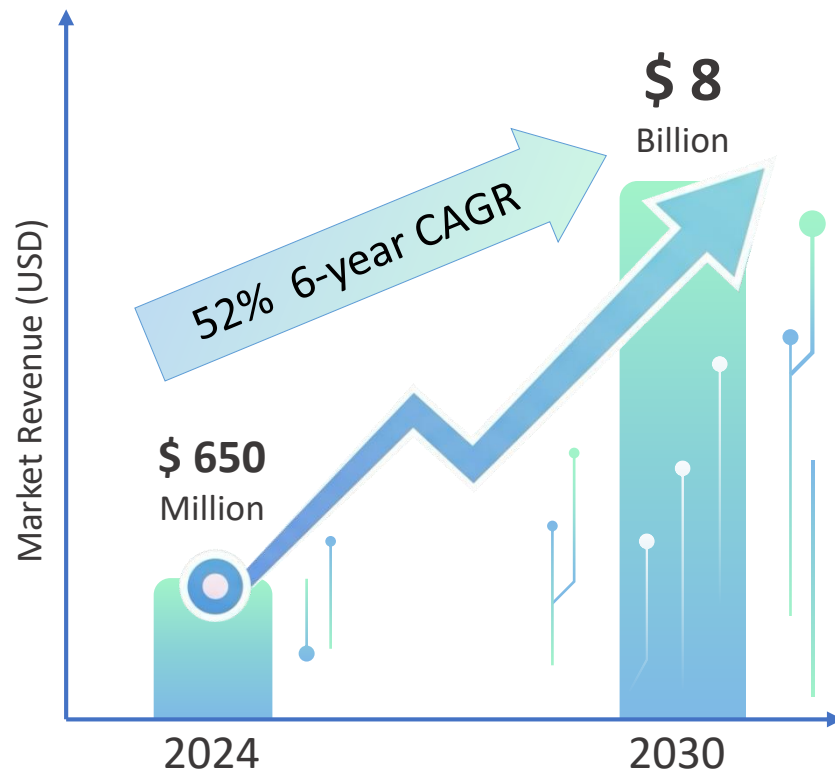


Better support for high-power, high-speed chips (e.g. AI processors)



Continued R&D : Material Exploration + Large Panel Design for future large size chip packages

FOPLP and GSP (Glass Substrate Packaging) Market Growth & Key Drivers



Key growth drivers

1

AI & HPC applications

- Largest contributors to market growth
- 45.6% of total FOPLP market revenue by 2030

2

AI accelerator adoption

- Increasing demand from AI accelerators & advanced processors

3

Glass substrate advantages

- Superior interconnect density, dimensional stability & warpage control vs. organic materials

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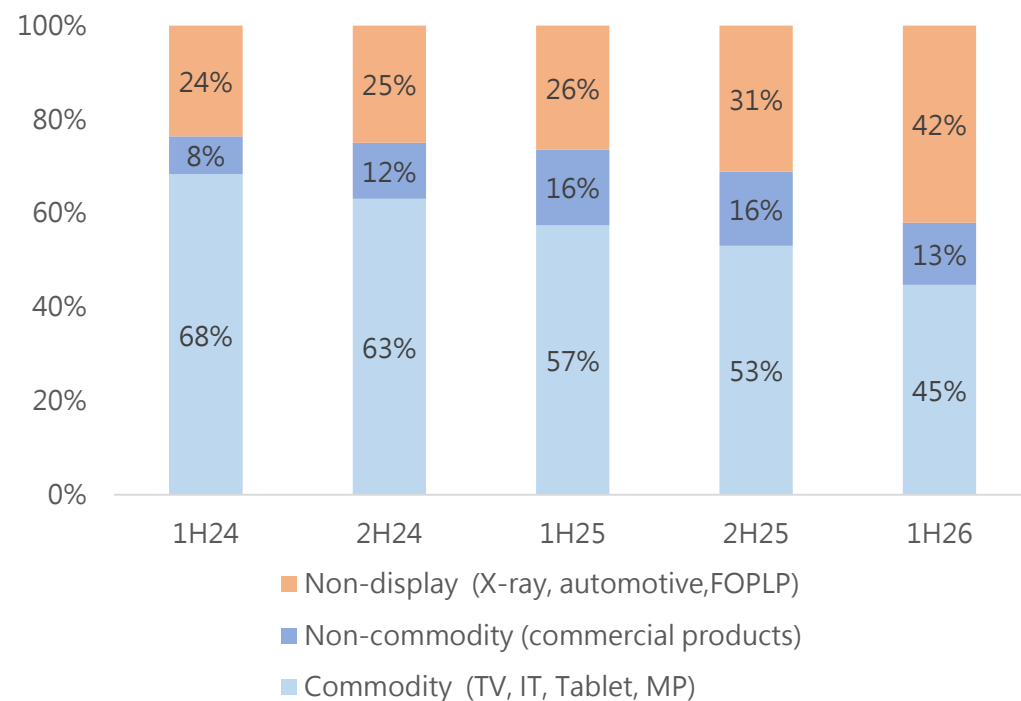
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Operation Performance by Domain

Revenue share by domain



Gross margin by domain

Product Type	Revenue (NT\$ million)		Average GM
	1H26	% share	1H26
Non-display	54,746	42%	11-15%
Non-commodity	17,215	13%	16-20%
Commodity	58,284	45%	6-10%

Statements of Comprehensive Income Highlights

(NT\$ million)	2Q 2026		1Q 2026		QoQ %	2Q 2025	
Net Sales	63,700	100.0%	66,645	100.0%	-4.4%	56,231	100.0%
Cost of Goods Sold	54,424	85.4%	57,026	85.6%	-4.6%	51,519	91.6%
Gross Profit	9,275	14.6%	9,619	14.4%	-3.6%	4,712	8.4%
Operating Expenses	7,642	12.0%	8,120	12.2%	-5.9%	5,490	9.8%
Operating Profit (Loss)	1,633	2.6%	1,498	2.2%	9.0%	(778)	-1.4%
Net Non-operating Income (Exp.)	173	0.3%	909	1.4%	-81.0%	244	0.4%
Profit (Loss) before Tax	1,806	2.8%	2,408	3.6%	-25.0%	(534)	-1.0%
Net Profit (Loss)	4,654	7.3%	1,792	2.7%	159.7%	(677)	-1.2%
Net Profit (Loss) Attributable to Owners of Company	4,532	7.1%	1,630	2.4%	178.1%	(761)	-1.4%
Basic EPS (NT\$) ⁽¹⁾⁽²⁾	0.57		0.20			(0.10)	
EBITDA ⁽³⁾	9,104	14.3%	9,425	14.1%	-3.4%	6,623	11.8%
Depreciation & Amortization	7,471		7,926			7,401	
Capital Expenditure	2,349		2,846			3,255	

Notes:

1. Basic EPS = Net Income-Parent / Weighted Average of Outstanding Common Shares
2. Capital Stock (common): NT\$79.9billion as of June 30, 2026
3. EBITDA = Operating Income + Depreciation & Amortization
4. All figures are prepared by Innolux Corporation in accordance with the International Financial Reporting Standards as endorsed in TIFRS.

Consolidated Balance Sheet Highlights

(NT\$ million)	2026.6.30	2026.3.31	2025.6.30
Cash & Short Term Investment	84,408	58,552	39,280
Inventory	46,883	46,701	37,549
Total Assets	402,705	387,254	317,451
Short Term Debt ⁽¹⁾	34,452	33,378	18,259
Long Term Debt	26,558	18,391	3,974
Total Equity ⁽²⁾	227,430	229,085	214,964
<i>Current Ratio</i>	<i>151%</i>	<i>146%</i>	<i>154%</i>
<i>Debt to Equity</i>	<i>27%</i>	<i>23%</i>	<i>10%</i>
<i>Net Debt to Equity</i>	<i>-10%</i>	<i>-3%</i>	<i>-8%</i>

Notes:

1. Short term debt = short-term bank loan + current portion of long term loan
2. Capital Stock (common): NT\$79.9 billion; Book value per common stock: NT\$ 28.17 as of June 30, 2026
3. Net debt to equity = (short term debt + long term debt – cash & short term investment) / total equity
4. All figures are prepared by Innolux Corporation in accordance with the International Financial Reporting Standards as endorsed in T-IFRS

Q & A