



February 22, 2024

## ELAN 4Q23 Earnings Report

ELAN Microelectronics Corp. (code: 2458), a leading human-machine interface solution provider today announced its 4Q23 unreviewed financial results. It's traditional slow season and rush orders have decreased from last quarter as the inventory level of NB supply chain had adjusted to a reasonable range quarter by quarter, the 4Q23 sales reached to NT\$3,111 million, with a decrease of 11.1% QoQ. Moreover, compared with the same period last year, it increased 58.4% YoY, due to the consumer electronics market recovering based on the inventory problems being gradually relieved.

4Q23 gross margin decreased by 30 bps QoQ to 46.9%, the main reasons are strong appreciation of Taiwan dollar against U.S. dollar and inventory write-off. Meanwhile, 4Q23 OP margin reached to 23.4%, with operating profit decreasing by 22.3% QoQ and increasing 3,721.1% YoY. The net profit and EPS attributable to the parent company were NT\$576 million and NT\$2.02, respectively.

Driven by AI PC demand, though the consumer electronics products market demand is entering the off-season, 1Q24 appears to be above seasonality. Our outlook for 1Q24 expects sales to be around NT\$2,950 - NT\$3,250 million, gross margin to be around 47%-49% and operating margin to be around 20.9%-25.3%.

Unit: in NT\$ M, EPS in NT\$

	4Q23	4Q22	YoY
Consolidated Sales	3,111	1,964	58.4%
Gross Profit	1,458	766	90.3%
Operating Profit	726	19	3,721.1%
Net Profit (Parent)	576	48	1,100.0%
EPS	2.02	0.17	1,088.2%
Gross Margin	46.9%	39.0%	

<<ELAN is a world leader in human-machine interfaces, notably in Touchscreen Controller with Pen Supports, Touchpad Module, Pointing Stick and Biometrics (fingerprint sensors and facial recognition). For more information, please go to <http://www.emc.com.tw/emc/en>.>>

