Primax Electronics

1Q25 Investor Conference



April 29. 2025

AGENDA

Primax 1Q 2025 Financial Results

Business Strategies and Growth Opportunities

Investor Feedback and Q&A with Management



Safe Harbor And Disclaimer

Primax's presentation contains forward-looking statements subject to significant risks and uncertainties. Forward-looking statements generally relate to future events or our future financial or operating performance. In this context, you can identify forward-looking statements because they contain words such as "may," "will," "should," "expects," "plans," "anticipates," "could," "intends," "target," "projects," "contemplates," "believes," "estimates," "predicts," "potential" or "continue" or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans or intentions.

Actual results may differ materially from those contained in the forward-looking statements due to risk and uncertainties resulting from a number of important factors. Such factors include, but are not limited to: our highly competitive environment; the cyclical nature of our business; our ability to develop new products; and our successful execution in new business developments, etc. All forward-looking statements in this presentation are based on information available to us as of the date hereof, and we undertake no obligation to update these forward-looking statements for new information, future events, otherwise, or update the reasons why actual results could differ materially from those anticipated in the forward-looking statements, even if new information becomes available in the future.



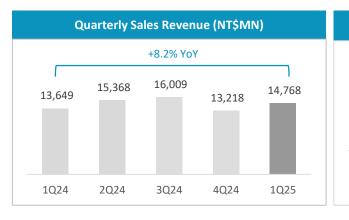
1Q25 Results Highlights

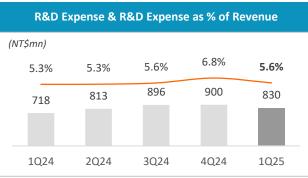
1Q25 Financial Results

Quarterly Results Highlights

- ✓ Primax delivered solid 1Q25 results, revenue amounted to NT\$14.77bn, up 8.2% YoY, and EPS reached NT\$1.61, up 25.8% YoY - quarterly record high
- ✓ Growth was driven by PC-related products pull in, AIoT strength coupled with professional audio uptick
- ✓ Due to favorable product mix, 1Q25 gross margin sustained at high level of 17.2%, up 1.3 ppt YoY and operating margin rose to 5%, up 1.1 ppt QoQ and 0.7 ppt YoY
- ✓ Primax focuses on technology innovation. 1Q25 R&D expense was NT\$830mn, up 16% YoY, accounting for 5.6% of total revenue

TYMPHANY





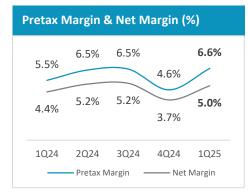




Income Statement

1Q25 Financial Results

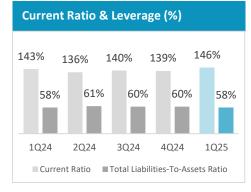
Gross Margin & Operating Margin (%)								
15.9%	17.3%	17.1%	17.4%	17.2%				
_								
4.3%	5.2%	5.2%	3.9%	5.0%				
1Q24	2Q24	3Q24	4Q24	1Q25				
Gross Margin Operating Margin								



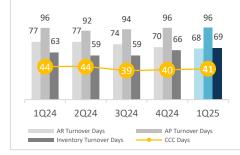
(NT\$mn)	1Q 2025	4Q 2024	1Q 2024	QoQ	YoY
Revenue	14,768	13,218	13,649	11.7%	8.2%
COGS	12,229	10,914	11,473		
Gross Profit	2,539	2,304	2,175	10.2%	16.7%
Gross Margin (%)	17.2%	17.4%	15.9%	-0.2 ppt	1.3 ppt
Operating Expense	1,799	1,786	1,588		
Operating Expense (%)	12.2%	13.5%	11.6%	-1.3 ppt	0.5 ppt
Operating Income	739	518	587	42.8%	25.9%
Operating Margin (%)	5.0%	3.9%	4.3%	1.1 ppt	0.7 ppt
Non-operating Items	234	94	170		
Income before Tax	973	612	757	58.9%	28.6%
Income Tax	234	121	152		
Net Income	740	492	605	50.5%	22.2%
Net Margin (%)	5.0%	3.7%	4.4%	1.3 ppt	0.6 ppt
NI attributed to Primax	740	475	581	55.6%	27.2%
EPS (NTD)	1.61	1.03	1.28	56.3%	25.8%

Balance Sheets

1Q25 Financial Results



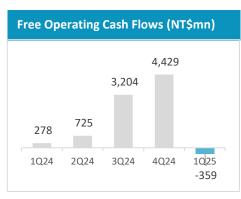
Cash Conversion Cycle (CCC)



	1Q 2025 4Q 2024		1Q 2024			
(NT\$mn)	Amount	%	Amount	%	Amount	%
Cash	14,224	28%	13,886	28%	13,087	27%
Notes & Accounts Receivable	11,038	22%	10,743	21%	11,470	24%
Inventory	8,806	18%	9,604	19%	7,742	16%
Total Current Assets	35,832	72%	36,246	72%	34,965	72%
Fixed Assets	8,374	17%	8,087	16%	7,812	16%
Total Assets	49,980	100%	50,128	100%	48,658	100%
Notes & Accounts Payable	12,444	25%	13,347	27%	11,933	25%
S-T Borrowings	1,639	3%	1,441	3%	2,270	5%
CPLTD	272	1%	258	1%	75	0%
Total Current Liabilities	24,473	49%	26,080	52%	24,497	50%
L-T Borrowings	1,229	2%	932	2%	633	1%
Total Liabilities	29,015	58%	30,293	60%	28,296	58%
Total Equity	20,965	42%	19,835	40%	20,362	42%
Current Ratio	146%		139%		143%	
Net Debt-to-Equity Ratio	-54%		-58%		-50%	
AR Turnover Days	68	3	70		77	
AP Turnover Days	96	5	96		96	
Inventory Turnover Days	69)	66		63	
Cash Conversion Cycle (CCC)	41	L	40)	44	4

Statements of Cash Flows

1Q25 Financial Results



Capital I	xpenal	ture (N	Şmn)	
2,689	3,019	1,904	1,487	1,193
2020	2021	2022	2023	2024

PRIME TYMPHANY

GRON

ital Evpanditura (NITÉma)

(NT\$mn)	1Q 2025	4Q 2024	3Q 2024	2Q 2024	1Q 2024
From Operations	210	5,622	4,004	1,360	559
- Income Before Tax	973	3,407	2,795	1,748	757
- Depreciation & Amortization	355	1,623	1,239	845	431
- Notes & Accounts Receivable	66	1,262	(1,628)	(1,778)	(100)
- Notes & Accounts Payable	(903)	1,212	1,371	123	(202)
- Inventory	797	(1,607)	(202)	306	254
- Other Operating Sources	(1,079)	(275)	428	116	(581)
From Investment	(553)	(1,270)	(843)	(668)	(301)
- Fixed Assets	(569)	(1,193)	(800)	(635)	(281)
- Others & Amortized Cost*	16	(76)	(43)	(33)	(20)
From Financing	420	(2,080)	(1,025)	1,073	1,433
- S-T Borrowings	170	630	908	1,094	1,492
- L-T Borrowings	309	477	97	97	0
- Cash Dividend		(1,852)	(1,852)	0	0
- Change of Non-Controlling Interest		(1,092)			
- Other Financing Sources	(59)	(243)	(178)	(118)	(59)
Net Cash Position Change	78	2,272	2,135	1,765	1,691
Effect of Foreign Currency	260	709	500	638	491
Cash At Beginning of Year	13,886	10,905	10,905	10,905	10,905
Ending Cash Balance	14,224	13,886	13,540	13,308	13,087

Note: *Financial Assets Measured At Amortized Cost

Product Portfolio

Comprehensive One-stop-shop Solutions



- PC Peripherals (Mouse & KB)
- Gaming mouse/ keyboard
- Keyboard Module (KBM)

NB Camera

- Opto-Mechanical Electronics (OME)
- Wireless Charging / Docking
- Printer MFP





- Bluetooth Speaker
- Headphone
- Home Speaker / Entertainment
- Sound bar
- Party Speaker
- Smartphone Camera



PRIMEN TYMPHANY

- AloT Solutions
- AI Surveillance Camera
- Industrial AIoT Gateway
- Automotive Camera / Audio / Speaker
- Professional Speaker
 - Install Speaker
 - Custom Install
 - Content Creator
 - Audio Engineer (Transducer/ Amplifier Module/ DSP)
- Al Conferencing



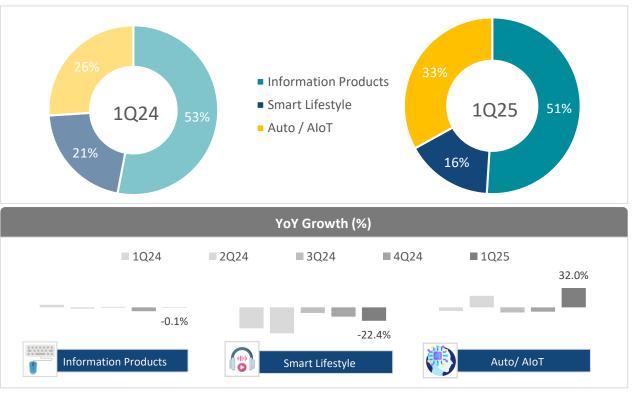


1Q25 Revenue Breakdown

Performance by Applications

Performance Summary

- ✓ Information Products reported a flattish YoY and grew 6% QoQ, driven by PCrelated products pull in. The contribution ratio decreased to 51%, mainly due to strong growth of Auto/AIoT segment
- Smart Lifestyle product contribution decreased to 16%, due to smart speaker EOL
- ✓ Auto/ AloT mix rose to 33%, up 32% YoY, thanks to reviving AloT orders and new projects ramp up



* Mix comparison is based on USD terms and may not add up due to rounding



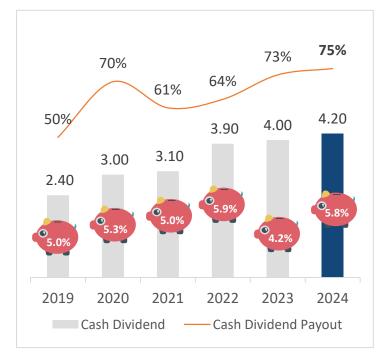
2Q25 Outlook

Revenue and Profit Outlook



Dividend

Sustained High Dividend Payout Policy



	2019	2020	2021	2022	2023	2024
Cash Dividend	2.40	3.00	3.10	3.90	4.00	4.20
EPS	4.80	4.30	5.13	6.10	5.50	5.61
Payout Ratio	50%	70%	61%	64%	73%	75%
June 30 Closing Price	47.9	57.0	61.8	65.8	94.2	72.0*
11166						

• 2025/4/25 closing price

.

The dividend distribution is subject to AGM approval



ESG Commitment and Recognition

ESG Highlights

- ✓ Dedicated ESG office led by Chairman, with annual reports submitted to Board of Directors regularly
- ✓ Primax ESG Score

• MSCI ESG – A

(range of AAA to CCC, with AAA highest rating)

• Morningstar Sustainalytics – 11.3 (score of 0-100, with 0 being the best)



G

E





S&P Global 😡 Sustainable1

SCIENCE BASED

- Setting emissions reduction target under SBTi validation, aiming for carbon neutral by 2040 and net zero emissions by 2050
- Targeting RE60 and implementing internal carbon pricing system in 2030
- Recognized as a Climate A-list (leadership) from CDP since 2024
- HR Asia award as one of the **"Best Companies To Work For in Asia"** since 2021
- Included in "Taiwan High Compensation 100 Index" for 8 consecutive years
- Received the "2024 Work-Life Balance Award Employee Care Category" from the Ministry of Labor
- Included in the S&P Global Sustainability Yearbook since 2024
- Continuous ranked Top 5% of TWSE Corporate Governance Evaluation (2016-2017, 2019-2022)
- Recognized as one of "Top 100 Sustainable Model Enterprises" by Taiwan Corporate Sustainability Awards (TCSA) since 2021

Today, Tomorrow, and the Day After Reinvesting in R&D to Align with Future Trends of Technology

TODAY Foundation of Innovation

- X-IN-1 Sensory Fusion strategy
- Strong proven record with consistent growth

TYMPHANY

TOMORROW Transformation and Growth

- Strengthening group synergies in Audio-visual technologies
- Growth in AI surveillance, AI conferencing & Automotive



 Driving innovation in sensory integration to create ecosystems for home, work, public, on the go, on the road

Questions & Feedback





PRI IN TYMPHANY

http://primax.com.tw ir@primax.com.tw