

Primax Electronics

1Q26 Investor Conference

PRIMAX TYMPHANY
GROUP

May 7, 2026



AGENDA

Primax 1 Q 2026 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.

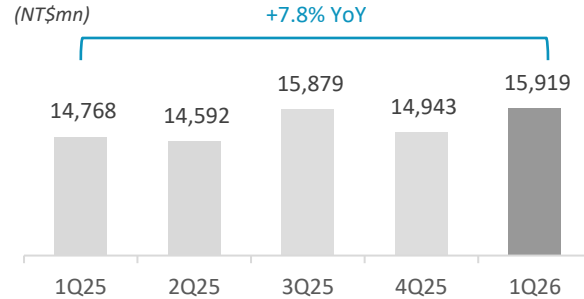
1Q26 Results Highlights

1Q26 Financial Results

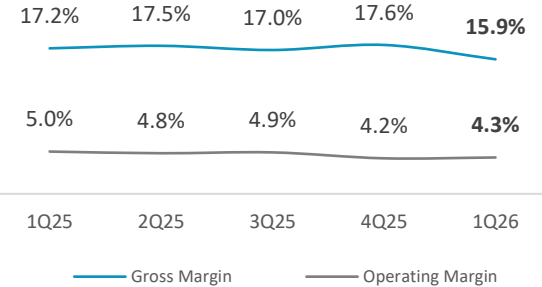
Quarterly Results Highlights

- ✓ Primax's 1Q26 revenue amounted to NT\$15.9bn, up 8% YoY, driven by AIoT and AI Surveillance project contributions, coupled with consumer audio new projects ramp-up
- ✓ 1Q26 gross margin declined to 15.9% (down 1.3ppt YoY), mainly due to RMB headwinds, component cost increases, and product mix shifts
- ✓ Primax dedicated to technology innovation, and 1Q26 R&D expense increased to NT\$846 million, up 2% YoY, or accounted for 5.3% of total revenue. Operating margin was 4.3% down 0.7ppt YoY, while up 0.1ppt QoQ
- ✓ 1Q26 EPS was NT\$1.3, down 19.3% YoY and up 36.8% QoQ

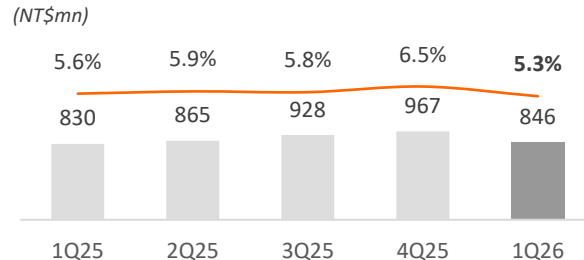
Quarterly Sales Revenue (NT\$MN)



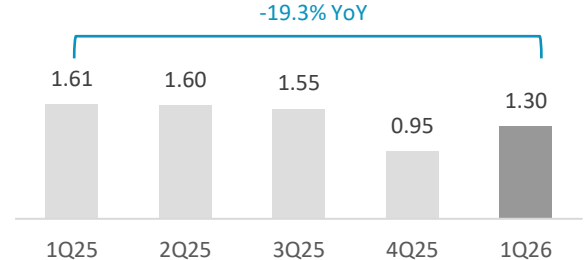
Quarterly Gross Margin and Operating Margin



R&D Expense & R&D Expense as % of Revenue



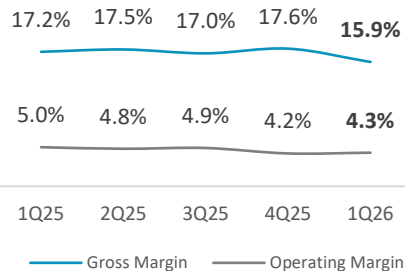
Quarterly EPS (NT\$)



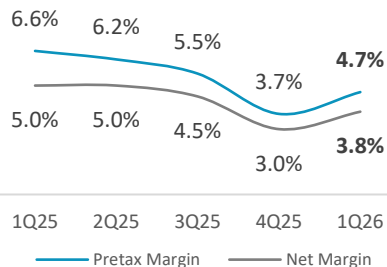
Income Statement

1Q26 Financial Results

Gross Margin & Operating Margin (%)



Pretax Margin & Net Margin (%)



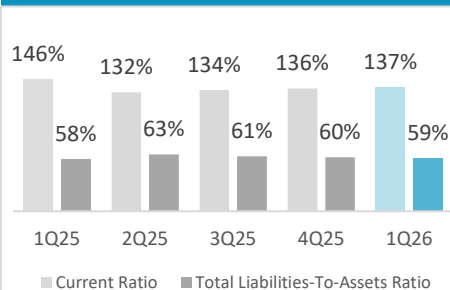
(NT\$m)

| | 1Q 2026 | 4Q 2025 | 1Q 2025 | QoQ | YoY |
|-----------------------------|---------------|---------------|---------------|-----------------|-----------------|
| Revenue | 15,919 | 14,943 | 14,768 | 6.5% | 7.8% |
| COGS | 13,388 | 12,312 | 12,229 | | |
| Gross Profit | 2,531 | 2,631 | 2,539 | -3.8% | -0.3% |
| Gross Margin (%) | 15.9% | 17.6% | 17.2% | -1.7 ppt | -1.3 ppt |
| Operating Expense | 1,841 | 2,009 | 1,799 | -8.4% | 2.3% |
| Operating Expense (%) | 11.6% | 13.4% | 12.2% | -1.8 ppt | -0.6 ppt |
| Operating Income | 690 | 622 | 739 | 11.0% | -6.7% |
| Operating Margin (%) | 4.3% | 4.2% | 5.0% | 0.1 ppt | -0.7 ppt |
| Non-operating Items | 65 | (72) | 234 | | |
| Income before Tax | 755 | 550 | 973 | 37.2% | -22.4% |
| Income Tax | 155 | 108 | 234 | | |
| Net Income | 600 | 442 | 740 | 35.8% | -18.9% |
| Net Margin (%) | 3.8% | 3.0% | 5.0% | 0.8 ppt | -1.2 ppt |
| NI attributed to Primax | 600 | 442 | 740 | 35.8% | -18.9% |
| EPS (NTD) | 1.30 | 0.95 | 1.61 | 36.8% | -19.3% |

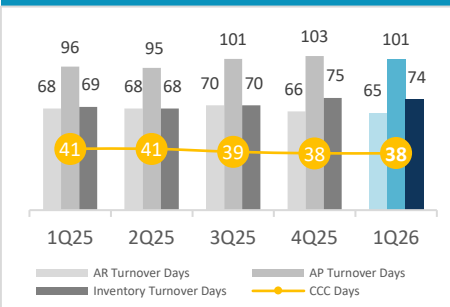
Balance Sheets

1Q26 Financial Results

Current Ratio & Leverage (%)



Cash Conversion Cycle (CCC)

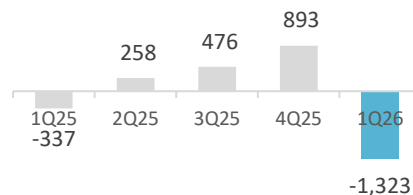


| | 1Q 2026 | | 4Q 2025 | | 1Q 2025 | |
|------------------------------------|---------------|-------------|---------------|-------------|---------------|-------------|
| (NT\$m) | Amount | % | Amount | % | Amount | % |
| Cash | 12,882 | 24% | 12,289 | 24% | 14,224 | 28% |
| Notes & Accounts Receivable | 11,736 | 22% | 11,007 | 21% | 11,038 | 22% |
| Inventory | 10,821 | 21% | 10,757 | 21% | 8,806 | 18% |
| Total Current Assets | 37,613 | 71% | 36,374 | 71% | 35,832 | 72% |
| Fixed Assets | 9,361 | 18% | 9,210 | 18% | 8,374 | 17% |
| Total Assets | 52,771 | 100% | 51,224 | 100% | 49,980 | 100% |
| Notes & Accounts Payable | 14,879 | 28% | 14,817 | 29% | 12,444 | 25% |
| S-T Borrowings | 3,378 | 6% | 1,775 | 3% | 1,639 | 3% |
| CPLTD | 594 | 1% | 544 | 1% | 272 | 1% |
| Total Current Liabilities | 27,380 | 52% | 26,848 | 52% | 24,473 | 49% |
| L-T Borrowings | 683 | 1% | 823 | 2% | 1,229 | 2% |
| Total Liabilities | 30,975 | 59% | 30,701 | 60% | 29,015 | 58% |
| Total Equity | 21,796 | 41% | 20,523 | 40% | 20,965 | 42% |
| Current Ratio | 137% | | 136% | | 146% | |
| Net Debt-to-Equity Ratio | -40% | | -47% | | -54% | |
| AR Turnover Days | 65 | | 66 | | 68 | |
| AP Turnover Days | 101 | | 103 | | 96 | |
| Inventory Turnover Days | 74 | | 75 | | 69 | |
| Cash Conversion Cycle (CCC) | 38 | | 38 | | 41 | |

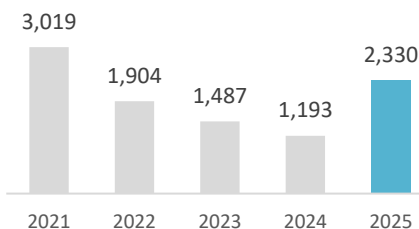
Statements of Cash Flows

1Q26 Financial Results

Free Operating Cash Flows (NT\$mn)



Capital Expenditure (NT\$mn)



(NT\$mn)

| | 1Q 2026 | 4Q 2025 | 3Q 2025 | 2Q 2025 | 1Q 2025 |
|--------------------------------------|--------------|----------------|----------------|----------------|--------------|
| From Operations | (628) | 3,223 | 2,133 | 1,382 | 210 |
| - Income Before Tax | 755 | 3,306 | 2,756 | 1,875 | 973 |
| - Depreciation & Amortization | 375 | 1,403 | 1,048 | 708 | 355 |
| - Notes & Accounts Receivable | (702) | (24) | (1,070) | 216 | 66 |
| - Notes & Accounts Payable | 62 | 1,470 | 938 | (1,473) | (903) |
| - Inventory | (64) | (1,153) | 128 | 1,111 | 797 |
| - Other Operating Sources | (1,053) | (1,797) | (1,667) | (1,055) | (1,079) |
| From Investment | (737) | (2,551) | (1,870) | (1,211) | (553) |
| - Fixed Assets | (695) | (2,330) | (1,657) | (1,124) | (547) |
| - Others & Amortized Cost* | (42) | (221) | (213) | (87) | (6) |
| From Financing | 1,483 | (2,054) | (1,728) | 116 | 420 |
| - S-T Borrowings | 1,634 | 252 | 415 | 242 | 170 |
| - L-T Borrowings | (88) | 174 | 261 | 251 | 309 |
| - Cash Dividend | | (1,963) | (1,963) | | |
| - Change of Non-Controlling Interest | | 0 | | | |
| - Other Financing Sources | (63) | (517) | (440) | (377) | (59) |
| Net Cash Position Change | 119 | (1,383) | (1,465) | 288 | 78 |
| Effect of Foreign Currency | 474 | (214) | (859) | (1,589) | 260 |
| Cash At Beginning of Year | 12,289 | 13,886 | 13,886 | 13,886 | 13,886 |
| Ending Cash Balance | 12,882 | 12,289 | 11,562 | 12,584 | 14,224 |

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



- AIoT 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)
- AI Conferencing

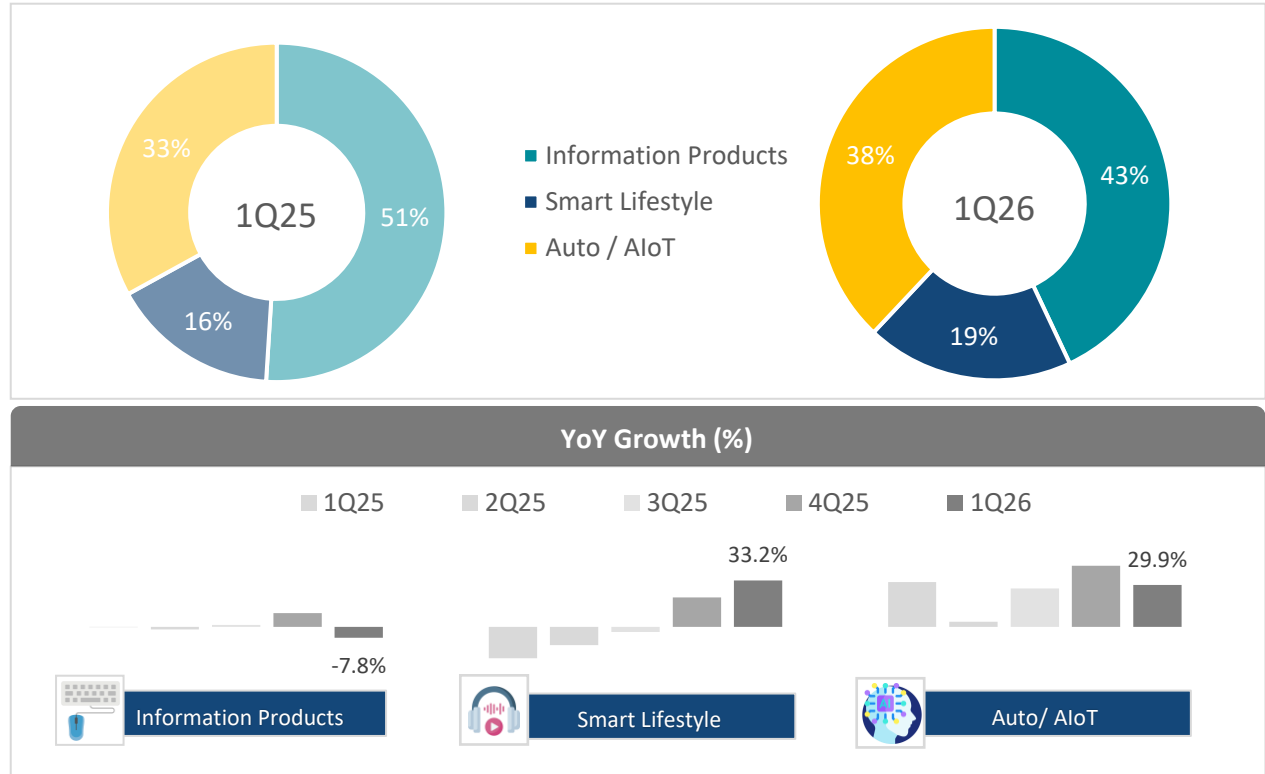


1Q26 Revenue Breakdown

Performance by Applications

Performance Summary

- ✓ **Information Products** proportion decreased to 43% of total revenue, as higher component costs weighted on PC demand, resulting in an 8% YoY decline
- ✓ **Smart Lifestyle** increased its revenue contribution to 19%, thanks to consumer audio new project ramp, delivering 33% YoY growth
- ✓ **Auto/ AIoT** mix rose to 38%, fueled by robust AIoT products shipments and increased contribution from AI Surveillance new projects, achieving 30% YoY gain



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

2Q26 Outlook

Revenue and Profit Outlook



2Q26 Financials



- Revenue is expected to grow low teens YoY, driven consumer speaker new projects and AIoT products
- Product mix shifts and rising component costs may weigh on gross margin performance
- Opex ratio is likely to remain at 1Q26 levels



Information Products



- Based on current visibility, Information Products revenue likely to increase slightly YoY, and high single digit QoQ
- PC demand could be adversely affected by PC price hike due to rising component price



Smart Lifestyle



- 2Q26 likely to deliver high-teens YoY growth, driven by consumer speaker new project ramps
- Party speakers are fresh growth driver, while expand soundbar customer base for Asia brands



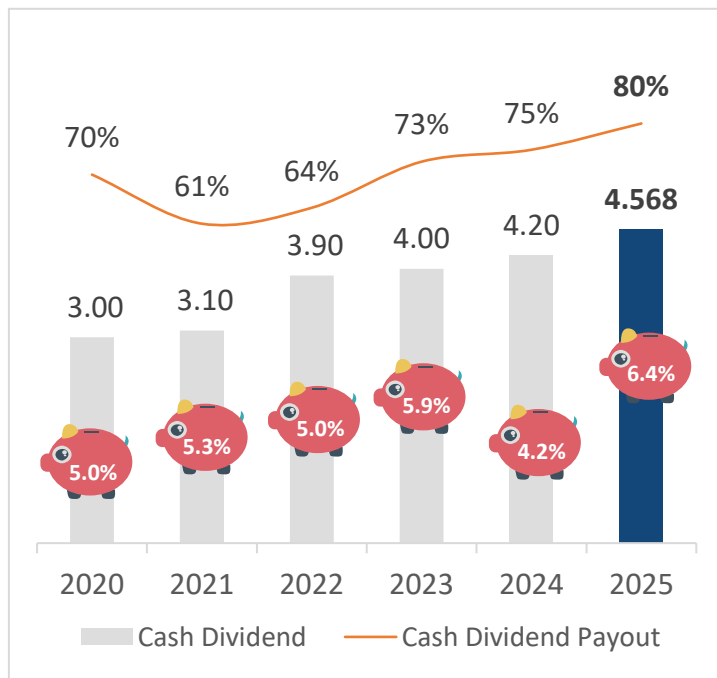
Auto/AIoT



- Solid AIoT demand and new project contributions to drive low double-digit YoY growth
- AI surveillance and fleet management projects inject growth momentum
- Professional audio and AI video conferencing to deliver very high double-digit YoY growth, while continuing to focus on automotive audio

Dividend

Sustained High Dividend Payout Policy



| | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|-----------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Cash Dividend | 3.00 | 3.10 | 3.90 | 4.00 | 4.20 | 4.568 |
| EPS | 4.30 | 5.13 | 6.10 | 5.50 | 5.61 | 5.71 |
| Payout Ratio | 70% | 61% | 64% | 73% | 75% | 80% |
| June 30 Closing Price | 57.0 | 61.8 | 65.8 | 94.2 | 72.9 | 71.9* |
| Dividend Yield | 5.3% | 5.0% | 5.9% | 4.2% | 5.8% | 6.4% |

* As of March 12, 2026 closing price

ESG Commitment and Recognition

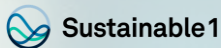
ESG Highlights

- ✓ Dedicated ESG office led by Chairman, with annual reports submitted to Board of Directors regularly
- ✓ **Primax ESG Score**
 - **Morningstar Sustainalytics – 11.3**
(score of 0-100, with 0 being the best)

S&P Global



RE100



E

- 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

S

- HR Asia award as one of the “**Best Companies To Work For in Asia**” since 2021
- Included in “**Taiwan High Compensation 100 Index**” for 10 consecutive years
- Received the **2025 Taiwan iSports Enterprise** certification from the Ministry of Sports

G

- Included in the **S&P Global Sustainability Yearbook** since 2024
- Continuous ranked **Top 5%** of TWSE Corporate Governance Evaluation (2016-2017, 2019-2022, 2024)
- Recognized as one of “**Top 100 Sustainable Model Enterprises**” by Taiwan Corporate Sustainability Awards (TCSA) since 2021

Questions & Feedback





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