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TPK REPORTS UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE FIRST QUARTER OF 2024

Taipei, Taiwan, April 30 2024 – TPK Holding Co., Ltd (TWSE: 3673) (“TPK” or the “Company”) today announced 2024 1st quarter unaudited consolidated operating results. Company reported revenues of NT\$15,330 million and net profit of NT\$116 million for the quarter and EPS of NT\$0.29.

1Q24 Operating Results

TPK reported 1Q24 revenues of NT\$15,330 million, down 16.0% sequentially due to seasonality, with decline in revenue from tablets and NBs. Additionally, as smartphone products have reached its EOL and the company has reduced its shares in the automotive subsidiary, revenue from auto business has been excluded from the consolidate financial report since 2024. Therefore, compared to the same period last year, revenue has decreased by 11.5%. Gross profit amounted to NT\$650 million, down 6.0% from the previous year and down 24.8% quarter-on-quarter. Gross margin lowered from 4.7% for 4Q23 to 4.2%, mainly due to decline in capacity utilization. For the quarter, demand for small-sized products (<7”) remained strong and registered a growth of 18.5% quarter-on-quarter, mainly driven by shipment increase of e-readers. In contrast, revenues from tablets (7”~11”) and large-sized tablets and NB (11”~16”) products showed signs of seasonal weakness and posted sequential declines of 33.0% and 2.1%, respectively. Owing to the exclusion of consolidate revenue from automotive products starting this quarter, revenues from large-sized (>16”) products posted a decrease of 26.2% quarter-on-quarter.

For COGS breakdown, raw materials were NT\$12,524 million, representing 81.7% of revenues, slightly down from 82.4% from 4Q23 on the back of favorable product mix. Labor expense decreased slightly to NT\$1,141 million in line with decline on top-line, and equivalent to 7.4% of revenues, up from 6.5% earlier. Depreciation cost trended lower to N\$726 million, but up from 4.2% for 4Q23 to 4.7% of revenues. Operating expense as a percentage of revenues increased from 4.8% in 4Q23 to 5.2% in this quarter, which is attributable to lower capacity utilization. Operating loss for 1Q24 amounted to NT\$ 144 million.

For the first quarter, Company recorded net interest income of NT\$165 million and foreign exchange gain of NT\$33 million. Strategic investments totaled a gain of NT\$10 million. Other non-operating

income was NT\$64 million, including government subsidies and rental income. For 1Q24, net profit amounted to NT\$116 million and EPS of NT\$0.29.

Balance Sheet & Cash Flow

As of March 31 2024, cash and cash equivalent¹ were NT\$51,036 million, up from NT\$46,321 million at the end of last year. Total bank borrowings increased in conjunction with surge in cash equivalent from NT\$29,778 million to NT\$34,232 million, of which short-term borrowings amounted to NT\$22,889 million. Capital expenditure for the quarter was NT\$390 million on accrual basis. EBITDA remained healthy at NT\$1,362 million for the quarter. TPK remained at net cash of NT\$16,804 million as of March 31 2024.

Note: All financial numbers are prepared in accordance with IFRs, which is approved by regulators in Taiwan.

Note 1: Cash and cash equivalent includes "Cash Equivalents" and "Risk-Free Banking Financial Product."

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ABOUT TPK

TPK was founded for touch solutions in 2003. We are the inventor of transparent glass-based projected capacitive (P-Cap) touch solutions and the first company for mass production. TPK excels at defining new technology mass production processes with in-house automation and flexible production capabilities. Our production sites are located in Xiamen City of Fujian Province, China.

1Q24 PROFIT & LOSS

Profit & Loss	1Q24	4Q23	QoQ	1Q23	YoY
(NT\$ million)					
Revenues	15,330	18,255	(16.0%)	17,324	(11.5%)
COGS	(14,680)	(17,391)		(16,633)	
Gross Profits	650	864	(24.8%)	691	(6.0%)
Operating Expenses	(794)	(871)		(794)	
SG&A	(670)	(725)		(663)	
R&D	(124)	(146)		(131)	
Operating Profits	(144)	(6)	-	(102)	-
Non-Op Inc/(Exp)	272	(25)		406	
<i>Int Inc/(Exp)</i>	165	124		97	
<i>FX Gain/(Loss)</i>	33	(12)		66	
<i>Others</i>	74	(138)		243	
Earnings Before Tax	128	(32)		304	
Income Tax	(11)	57		(174)	
Net Income (Parent)	116	3		102	
EPS (Parent)	0.29	-		0.25	
EBITDA	1,362	1,271		1,609	
Margin:					
GM	4.2%	4.7%		4.0%	
OM	(0.9%)	(0.0%)		(0.6%)	
NM	0.8%	0.0%		0.6%	
Op Exp	(5.2%)	(4.8%)		(4.6%)	

Note: 1Q'24 Fully Diluted Weighted Average: 407 million shares

1Q24 BALANCE SHEET

Balance Sheet	2024/3/31	2023/12/31	2023/3/31
(NT\$ million)			
Cash Equivalents	40,011	33,941	25,626
Risk-Free Banking Financial Product	11,025	12,380	20,506
Receivables	8,626	9,123	9,276
Other Receivables	4,400	2,930	4,381
Inventories	5,981	6,594	6,798
Current Assets	72,023	66,988	68,014
PP&E	11,686	11,665	16,981
Total Assets	93,085	87,823	91,357
ST Loans	22,889	14,167	18,707
Payables	7,824	10,109	8,048
Current Liabilities	37,866	30,538	33,932
LT Loans	11,342	15,611	14,776
Total Liabilities	53,987	50,877	54,219
Common Shares	4,067	4,067	4,067
Retained Earnings	4,641	4,525	4,621
Total Shareholder's Equities	39,098	36,947	37,138
Ratio Analysis:			
Quick Ratio	1.74	1.98	1.80
Current Ratio	1.90	2.19	2.00
ROE (YTD Annualized)	1.2%	0.6%	1.1%
Net Debt to Equity	Net Cash	Net Cash	Net Cash

Note: PP&E includes prepayments.