

# Primax Electronics



3Q25 Investor Conference

**PRIMAX** TYMPHANY  
GROUP

Oct 28, 2025

# AGENDA

Primax 3Q 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.

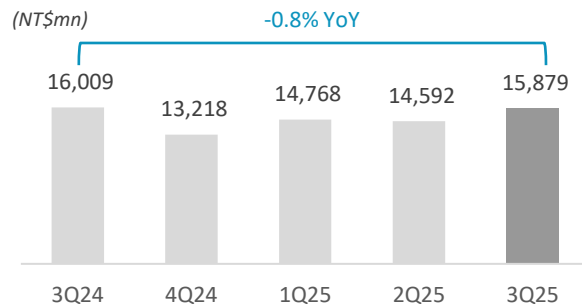
# 3Q25 Results Highlights

## 3Q25 Financial Results

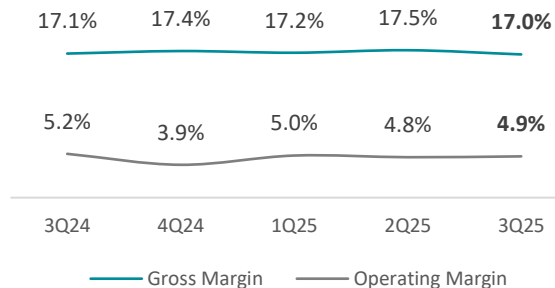
### Quarterly Results Highlights

- ✓ Primax's 3Q25 revenue of NT\$15.9bn, down 0.8% YoY due to FX impacts on NT dollar revenue.
- ✓ 3Q25 gross margin declined slightly to 17.0%, down 0.4ppt QoQ and down 0.1ppt YoY due to product mix change and slight FX impact.
- ✓ Primax dedicated to technology innovation, and 3Q25 R&D expense increased to NT\$928 million, up 3.6% YoY, or accounted for 5.8% of total revenue. 3Q25 Operating margin was 4.9%, flat QoQ, but down 0.3ppt YoY.
- ✓ 3Q25 EPS was NT\$1.55, down 8.8% YoY.
- ✓ 1Q–3Q25 EPS was NT\$4.76, representing a 3.9% YoY increase.

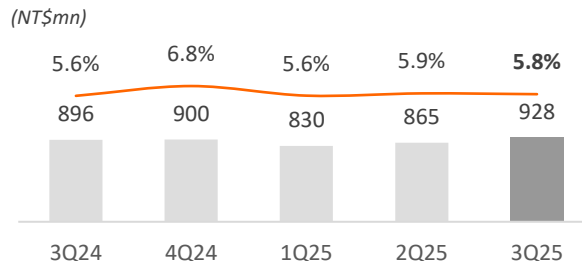
### Quarterly Sales Revenue (NT\$MN)



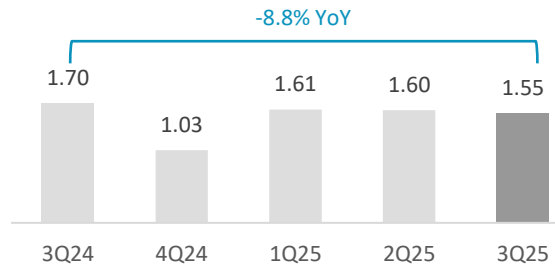
### Quarterly Gross Margin and Operating Margin



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



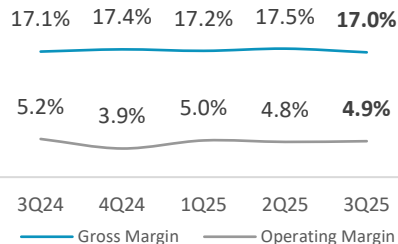
### Quarterly EPS (NT\$)



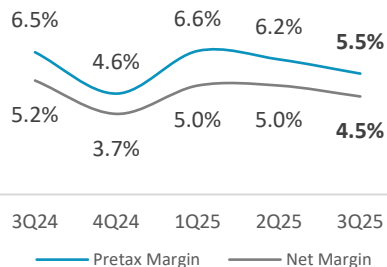
# Income Statement

## 3Q25 Financial Results

### Gross Margin & Operating Margin (%)



### Pretax Margin & Net Margin (%)



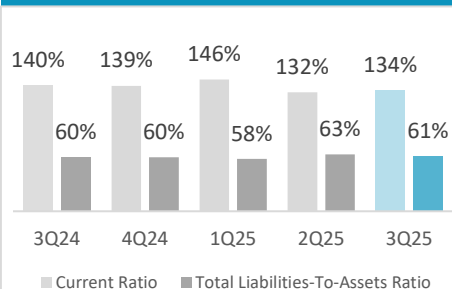
(NT\$m)

	3Q 2025	2Q 2025	3Q 2024	QoQ	YoY	Jan-Sep 2025	Jan-Sep 2024	YoY
<b>Revenue</b>	<b>15,879</b>	<b>14,592</b>	<b>16,009</b>	<b>8.8%</b>	<b>-0.8%</b>	<b>45,239</b>	<b>45,025</b>	<b>0.5%</b>
COGS	13,175	12,044	13,271			37,448	37,449	
Gross Profit	2,704	2,548	2,737	6.1%	-1.2%	7,791	7,576	2.8%
<b>Gross Margin (%)</b>	<b>17.0%</b>	<b>17.5%</b>	<b>17.1%</b>	<b>-0.4 ppt</b>	<b>-0.1 ppt</b>	<b>17.2%</b>	<b>16.8%</b>	<b>0.4 ppt</b>
Operating Expense	1,929	1,842	1,905			5,570	5,363	
<b>Operating Expense (%)</b>	<b>12.1%</b>	<b>12.6%</b>	<b>11.9%</b>	<b>-0.5 ppt</b>	<b>0.2 ppt</b>	<b>12.3%</b>	<b>11.9%</b>	<b>0.4 ppt</b>
<b>Operating Income</b>	<b>776</b>	<b>705</b>	<b>832</b>	<b>9.9%</b>	<b>-6.8%</b>	<b>2,220</b>	<b>2,213</b>	<b>0.3%</b>
<b>Operating Margin (%)</b>	<b>4.9%</b>	<b>4.8%</b>	<b>5.2%</b>	<b>0.0 ppt</b>	<b>-0.3 ppt</b>	<b>4.9%</b>	<b>4.9%</b>	<b>0.0 ppt</b>
Non-operating Items	106	196	214			536	582	
Income before Tax	881	902	1,046	-2.2%	-15.7%	<b>2,756</b>	<b>2,795</b>	-1.4%
Income Tax	170	168	209			572	559	
<b>Net Income</b>	<b>712</b>	<b>733</b>	<b>837</b>	<b>-3.0%</b>	<b>-15.0%</b>	<b>2,185</b>	<b>2,236</b>	<b>-2.3%</b>
<b>Net Margin (%)</b>	<b>4.5%</b>	<b>5.0%</b>	<b>5.2%</b>	<b>-0.5 ppt</b>	<b>-0.7 ppt</b>	<b>4.8%</b>	<b>5.0%</b>	<b>-0.1 ppt</b>
NI attributed to Primax	712	733	773	-3.0%	-7.9%	2,185	2,082	5.0%
EPS (NTD)	1.55	1.60	1.70	-3.1%	-8.8%	4.76	4.58	3.9%

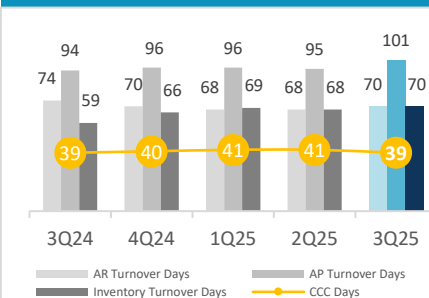
# Balance Sheets

## 3Q25 Financial Results

### Current Ratio & Leverage (%)



### Cash Conversion Cycle (CCC)

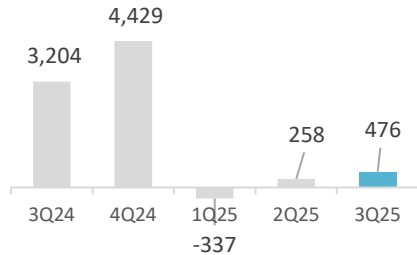


	3Q 2025		2Q 2025		3Q 2024	
(NT\$m)	Amount	%	Amount	%	Amount	%
Cash	11,562	23%	12,584	26%	13,540	27%
Notes & Accounts Receivable	12,174	25%	10,907	23%	12,839	25%
Inventory	9,476	19%	8,493	18%	8,198	16%
<b>Total Current Assets</b>	<b>34,974</b>	<b>71%</b>	<b>34,238</b>	<b>72%</b>	<b>37,208</b>	<b>73%</b>
Fixed Assets	8,528	17%	7,921	17%	7,957	16%
<b>Total Assets</b>	<b>49,239</b>	<b>100%</b>	<b>47,700</b>	<b>100%</b>	<b>50,946</b>	<b>100%</b>
Notes & Accounts Payable	14,285	29%	11,874	25%	13,507	27%
S-T Borrowings	1,843	4%	1,571	3%	1,733	3%
CPLTD	432	1%	281	1%	204	0%
<b>Total Current Liabilities</b>	<b>26,021</b>	<b>53%</b>	<b>25,921</b>	<b>54%</b>	<b>26,652</b>	<b>52%</b>
L-T Borrowings	1,018	2%	1,154	2%	611	1%
<b>Total Liabilities</b>	<b>30,088</b>	<b>61%</b>	<b>30,278</b>	<b>63%</b>	<b>30,474</b>	<b>60%</b>
<b>Total Equity</b>	<b>19,151</b>	<b>39%</b>	<b>17,422</b>	<b>37%</b>	<b>20,472</b>	<b>40%</b>
<b>Current Ratio</b>	<b>134%</b>		<b>132%</b>		<b>140%</b>	
<b>Net Debt-to-Equity Ratio</b>	<b>-61%</b>		<b>-57%</b>		<b>-60%</b>	
AR Turnover Days	70		68		74	
AP Turnover Days	101		95		94	
Inventory Turnover Days	70		68		59	
<b>Cash Conversion Cycle (CCC)</b>	<b>39</b>		<b>41</b>		<b>39</b>	

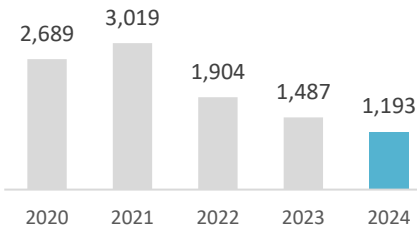
# Statements of Cash Flows

## 3Q25 Financial Results

### Free Operating Cash Flows (NT\$mn)



### Capital Expenditure (NT\$mn)



(NT\$mn)

	3Q 2025	2Q 2025	1Q 2025	4Q 2024	3Q 2024
<b>From Operations</b>	<b>2,124</b>	<b>1,382</b>	<b>210</b>	<b>5,622</b>	<b>4,004</b>
- Income Before Tax	2,756	1,875	973	3,407	2,795
- Depreciation & Amortization	1,048	708	355	1,623	1,239
- Notes & Accounts Receivable	(1,070)	216	66	1,262	(1,628)
- Notes & Accounts Payable	938	(1,473)	(903)	1,212	1,371
- Inventory	128	1,111	797	(1,607)	(202)
- Other Operating Sources	(1,676)	(1,055)	(1,079)	(275)	428
<b>From Investment</b>	<b>(1,861)</b>	<b>(1,211)</b>	<b>(553)</b>	<b>(1,270)</b>	<b>(843)</b>
- Fixed Assets	(1,648)	(1,124)	(547)	(1,193)	(800)
- Others & Amortized Cost*	(213)	(87)	(6)	(76)	(43)
<b>From Financing</b>	<b>(1,728)</b>	<b>116</b>	<b>420</b>	<b>(2,080)</b>	<b>(1,025)</b>
- S-T Borrowings	415	242	170	630	908
- L-T Borrowings	261	251	309	477	97
- Cash Dividend	(1,963)			(1,852)	(1,852)
- Change of Non-Controlling Interest				(1,092)	
- Other Financing Sources	(440)	(377)	(59)	(243)	(178)
<b>Net Cash Position Change</b>	<b>(1,464)</b>	<b>288</b>	<b>78</b>	<b>2,272</b>	<b>2,135</b>
Effect of Foreign Currency	(860)	(1,589)	260	709	500
Cash At Beginning of Year	13,886	13,886	13,886	10,905	10,905
Ending Cash Balance	11,562	12,584	14,224	13,886	13,540

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



- 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

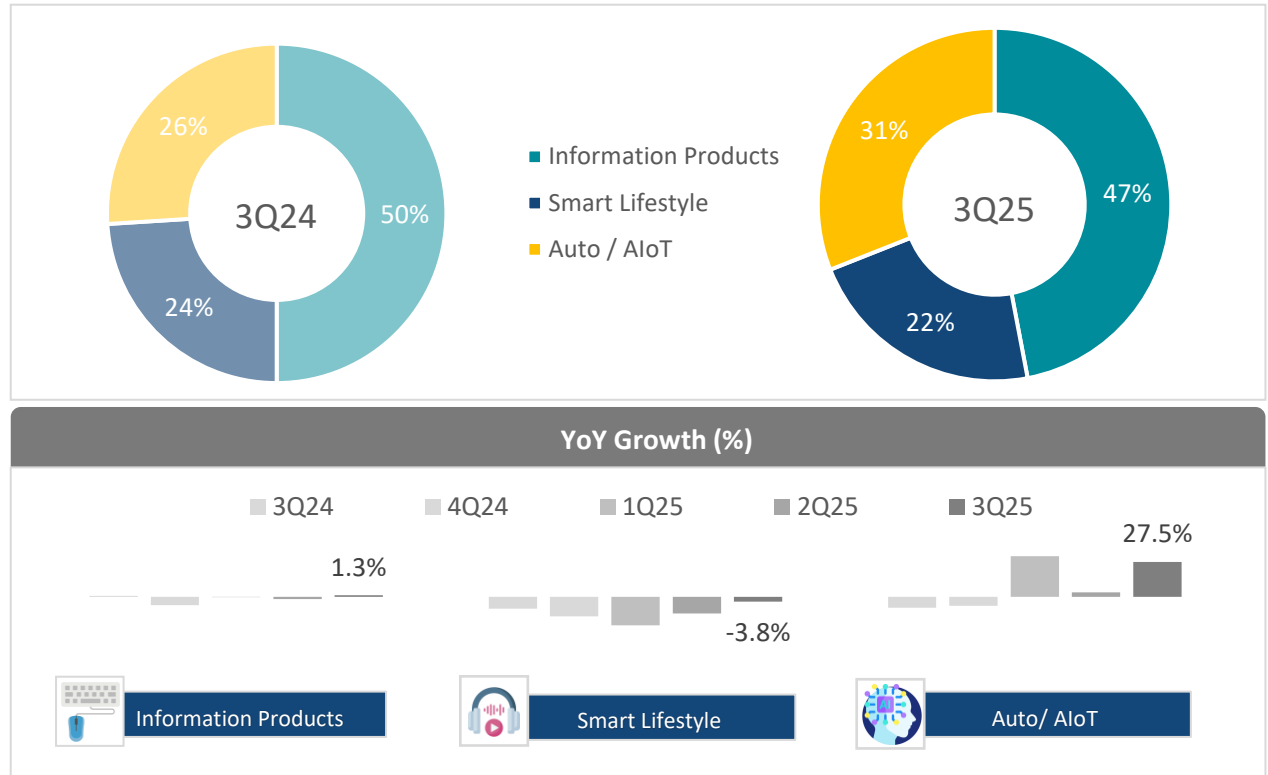


# 3Q25 Revenue Breakdown

## Performance by Applications

### Performance Summary

- ✓ **Information Products** grew by 1.3% YoY, accounting for 47% of total revenue. PC demand remained solid, but MFP weakness weighed on overall growth
- ✓ **Smart Lifestyle** product contribution decreased to 22%, due to smart speaker EOL. Overall performance has stabilized and YoY decline has significantly narrowed to 3.8%
- ✓ **Auto/ AIoT** mix rose to 31%, up 27.5% YoY, due to AIoT products shipment strength and new projects ramp up



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

# 4Q25 Outlook

## Revenue and Profit Outlook



### 4Q25 Financials



- Revenue may slightly decrease QoQ, but likely higher YoY growth rate than in previous quarters
- 4Q GM will likely be a bit lower than 3Q due to product mix
- Opex ratio likely lower than 4Q24



### Information Products



- Information Products revenue YoY increase stronger than 3Q25's YoY
- PC peripheral outperform gaming segment
- MFP printer revenue to decline high double-digit YoY



### Smart Lifestyle



- Smart lifestyle revenue likely report high double-digit YoY growth driven mainly by consumer speakers
- Expanding high premium products and enhancing customer mix



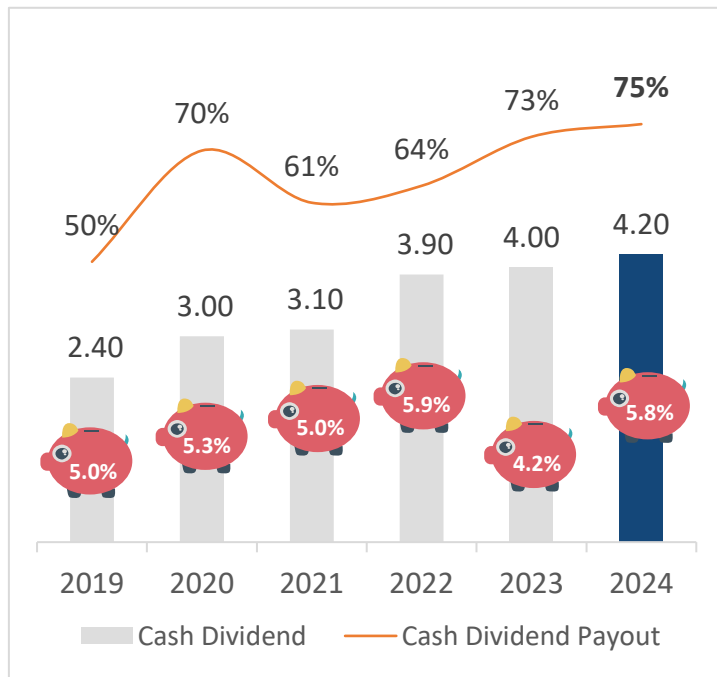
### Auto/AIoT



- Auto/AIoT to grow robustly, or report high double-digit YoY, driven by new projects ramp up
- Edge AI surveillance & AIOT gateway, police body worn camera are key growth drivers

# Dividend

## Sustained High Dividend Payout Policy

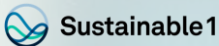


	2019	2020	2021	2022	2023	2024
Cash Dividend	2.40	3.00	3.10	3.90	4.00	4.20
EPS	4.80	4.30	5.13	6.10	5.50	5.61
<b>Payout Ratio</b>	<b>50%</b>	<b>70%</b>	<b>61%</b>	<b>64%</b>	<b>73%</b>	<b>75%</b>
June 30 Closing Price	47.9	57.0	61.8	65.8	94.2	72.9
<b>Dividend Yield</b>	<b>5.0%</b>	<b>5.3%</b>	<b>5.0%</b>	<b>5.9%</b>	<b>4.2%</b>	<b>5.8%</b>

# 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)



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 8 consecutive years
- Received the “**2024 Work-Life Balance Award - Employee Care Category**” from the Ministry of Labor

G

- 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



## TOMORROW

Transformation and Growth

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



## Day After

Ecosystem for Life

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

# Questions & Feedback





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<http://primax.com.tw>  
[ir@primax.com.tw](mailto:ir@primax.com.tw)