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

Taipei, Taiwan, November 1 2024 – TPK Holding Co., Ltd. (TWSE: 3673) (“TPK” or the “Company”) today announced 2024 third quarter unaudited consolidated operating results. Company reported revenues of NT\$18,553 million and net profit of NT\$199 million which was equivalent to EPS of NT\$0.49 for the quarter. For the first nine months of 2024, net profit amounts to NT\$670 million, an increase of 225.4% versus the same period of 2023. EPS for the first nine months of 2024 totaled NT\$1.65.

3Q24 Operating Results

Revenues dipped 3.1% from the previous quarter in the backdrop of project transition for energy storage product and the sluggish global PC demand for third quarter. Gross profits for the quarter amounted to NT\$831 million, up 1.4% quarter-on-quarter, which was attributable to effective labor management and favorable product mix. In terms of revenue contribution, notebook (11~16”) products continued its dominance at 45%. Revenues from Tablet (7~11”) was up 97.5% from the second quarter on account of new e-reader product ramp-up and seasonal demand. Tablet segment represented 44% of 3Q24 revenues, up from 22% for the previous quarter. On the other hand, large-sized (>16”) remained roughly unchanged at 8% of quarterly sales. By contrast, smartphone (<7”) revenues were down to 1% of third quarter sales, marking the end of legacy smartphone products.

For COGS items, raw materials were NT\$15,307 million, equivalent to 82.5% of 3Q24 revenues, flat to 82.6% for the quarter earlier. Despite project transition for energy storage products, labor expense as a percentage of sales, reduced from 6.8% for 2Q24 to 6.6% as a result of efficiency enhancement in labor management. Depreciation cost amounted to NT\$789 million, roughly the same as the previous quarter at 4.3% of revenues. Manufacturing overhead was up slightly to 2.2% of quarterly revenues from 2.0% previously owing to lower business scale. 3Q24 operating expenses, as a percentage of sales, reduced to 4.0% from 4.3% for the quarter earlier. Company recorded an operating profit of NT\$94 million for 3Q24, up from breakeven for the last quarter.

For this quarter, Company reported net interest income of NT\$233 million and foreign exchange gain of NT\$160 million. Strategic investments also totaled a gain of NT\$64 million. Other non-operating expenses amounted to \$115 million. For 3Q24, net profit amounted to NT\$199 million, up 176.2% year-on-year.

Balance Sheet & Cash Flow

At the end of third quarter, cash and cash equivalent¹ were NT\$47,362 million, down from NT\$53,777 million at the end of second quarter. Total bank borrowings also reduced from NT\$34,759 million to NT\$31,166 million for the quarter. Capital expenditure for the quarter was NT\$113 million on accrual basis. Company's quarterly EBITDA amounted to NT\$1,685 million. TPK remained at net cash of NT\$16,196 million as of September 30 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.

3Q24 PROFIT & LOSS

Profit & Loss	3Q24	2Q24	QoQ	3Q23	YoY
(NT\$ million)					
Revenues	18,553	19,146	(3.1%)	18,053	2.8%
COGS	(17,722)	(18,327)		(17,009)	
Gross Profits	831	820	1.4%	1,044	(20.4%)
Operating Expenses	(737)	(820)		(788)	
SG&A	(619)	(698)		(650)	
R&D	(118)	(122)		(138)	
Operating Profits	94	(0.7)	-	256	(63.1%)
Non-Op Inc/(Exp)	341	568		(56)	
<i>Int Inc/(Exp)</i>	233	202		100	
<i>FX Gain/(Loss)</i>	160	251		(71)	
<i>Others</i>	(51)	116		(85)	
Earnings Before Tax	436	567		199	
Income Tax	(247)	(160)		(139)	
Net Income (Parent)	199	354		72	
EPS (Parent)	0.49	0.87		0.18	
EBITDA	1,685	1,883		1,589	
Margin:					
GM	4.5%	4.3%		5.8%	
OM	0.5%	(0.0%)		1.4%	
NM	1.1%	1.8%		0.4%	
Op Exp	(4.0%)	(4.3%)		(4.4%)	

Note: 3Q'24 Fully Diluted Weighted Average: 407 million shares

3Q24 BALANCE SHEET

Balance Sheet	2024/9/30	2024/6/30	2023/9/30
(NT\$ million)			
Cash Equivalents	42,416	42,355	33,698
Risk-Free Banking Financial Product	4,946	11,422	16,910
Receivables	11,123	9,829	10,459
Other Receivables	4,713	4,109	3,472
Inventories	6,638	6,285	6,455
Current Assets	72,071	77,756	73,030
PP&E	10,179	11,102	15,038
Total Assets	92,205	98,797	95,813
ST Loans	15,920	21,253	16,954
Payables	10,160	12,271	9,348
Current Liabilities	32,454	40,467	33,934
LT Loans	15,246	13,507	17,499
Total Liabilities	52,847	58,791	57,009
Common Shares	4,067	4,067	4,067
Retained Earnings	5,195	4,995	4,521
Total Shareholder's Equities	39,358	40,006	38,804
Ratio Analysis:			
Quick Ratio	2.02	1.77	1.96
Current Ratio	2.22	1.92	2.15
ROE (YTD Annualized)	2.4%	2.5%	0.7%
Net Debt to Equity	Net Cash	Net Cash	Net Cash

Note: PP&E includes prepayments.