

A man and a woman are shopping in a grocery store aisle. They are standing next to a shopping cart filled with groceries, including a pineapple and some vegetables. The man is holding a brown paper bag. The woman is pushing the cart. In the background, there are several price tags for apples. The tags are for Gala Apples, Golden Apples, Fresh Granny Smith Apples, and Snack Fuji Apples. The prices are \$16.95, \$109.00, and \$24.50 respectively. There is also a red tag with a 35% off discount and a price of \$38.98 for 6 lbs of apples. The E Ink logo is visible in the top left corner.

# E Ink

## 2020 Q3 Investor Conference

E Ink Spectra™

# Safe Harbor Statement

Statements in this presentation that are not strictly historical, including the statements regarding the market, economy, the Company's ePaper and other business, the Company's future product launches, the Company's positioning and expectations for 2020 and future periods, and any other statements regarding events or developments that we believe or anticipate will or may occur in the future, may be "forward-looking" statements within the meaning of the securities laws in Taiwan. There are a number of important factors that could cause actual events to differ materially from those suggested or indicated by such forward-looking statements and you should not place undue reliance on any such forward-looking statements. These factors include, among other things, the uncertainty in the economy, contractions or growth rates and cyclicity of markets we serve, competition, our ability to develop and successfully market new products and technologies and expand into new markets, our ability to successfully identify, consummate and integrate appropriate acquisitions, contingent liabilities relating to acquisitions, risks relating to potential impairment of goodwill and other

long-lived assets, currency exchange rates, our compliance with applicable laws and regulations and changes in applicable laws and regulations, tax audits and changes in our tax rate and income tax liabilities, litigation and other contingent liabilities including intellectual property and environmental matters, risks relating to product defects and recalls, the impact of our debt obligations on our operations, raw material costs, our ability to adjust purchases and manufacturing capacity to reflect market conditions, legislative reforms and other changes in industry, labor matters, our relationships with and the performance of our customers and partners, risks relating to man-made and natural disasters, our ability to achieve projected cost reductions and growth, and international economic, political, legal and business factors. These forward-looking statements speak only as of the date of this presentation and the Company does not assume any obligation to update or revise any forward-looking statement, whether as a result of new information, future events and developments or otherwise.

# Q3 Results

NTD, Million	20.Q3	YoY	QoQ	20.Q1-Q3	YoY
Revenue	<b>4,452</b> USD 151M	+22% +29%	+19% +21%	<b>11,105</b> USD 373M	+9% +14%
Gross Profit	<b>2,145</b> 48.2%	+29%	+36%	<b>5,076</b> 45.7%	+16%
Operating Profit	<b>822</b> 18.5%	+190%	+132%	<b>1,245</b> 11.2%	+331%
Non-Op Income	<b>152</b>	-86%	-80%	<b>1,729</b>	-38%
Net Income	<b>824</b>	-28%	-16%	<b>2,588</b>	+5%
EPS	<b>0.73</b> NTD			<b>2.28</b> NTD	

- Best operating performance in 9 years
- Best revenue performance in 3 years
- Non-Op Income reduction mainly due to
  - higher foreign exchange gain in 2019 VS 2020
  - impairment from converting TFT-LCD facility to E Ink material production expansion

# Q3 Accomplishment

## PocketBook Color Lux



## reMarkable 2

The next-generation paper tablet



## ESL Expansion

India

Portugal



## TOPPAN

Battery-free  
RFID Tag



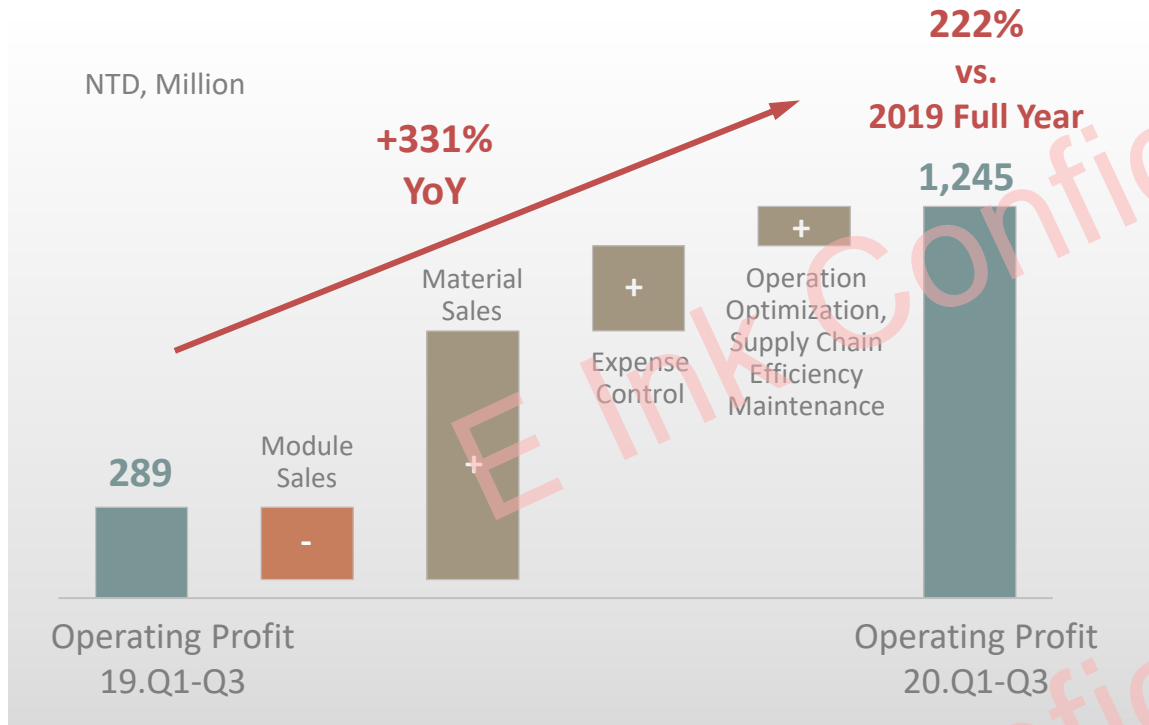
## Continuing Revenue Growth

NTD, Million



Bus Stop Sign

# Operating Profit



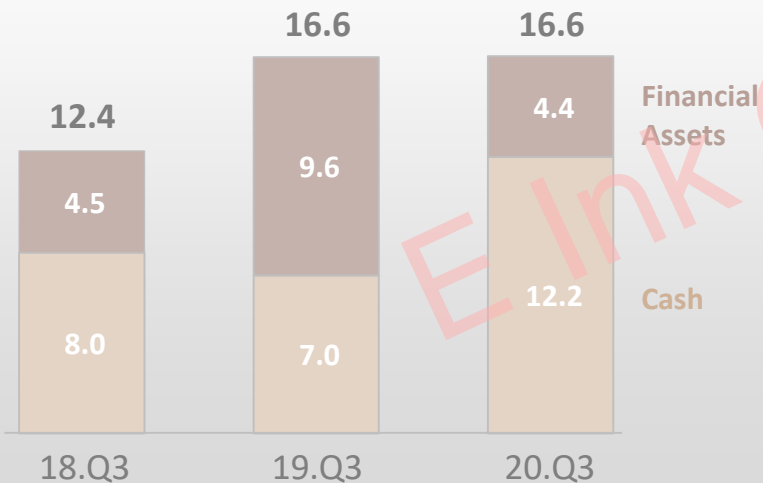
**Operation profit improvement of 331% YoY**

- Q1 to Q3 profitability exceed 2019 full year profitability
- Transition from an ePaper module to an ePaper materials supplier company

# Financial Position

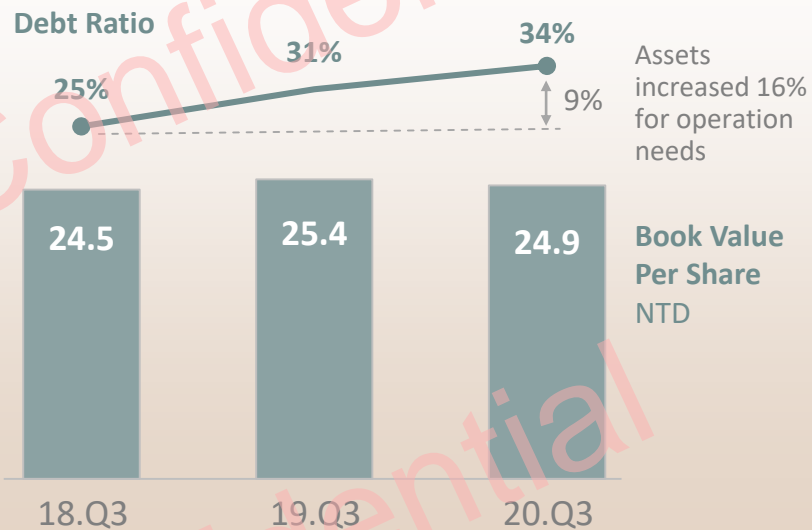
## Cash and Financial Assets

NTD, Billion

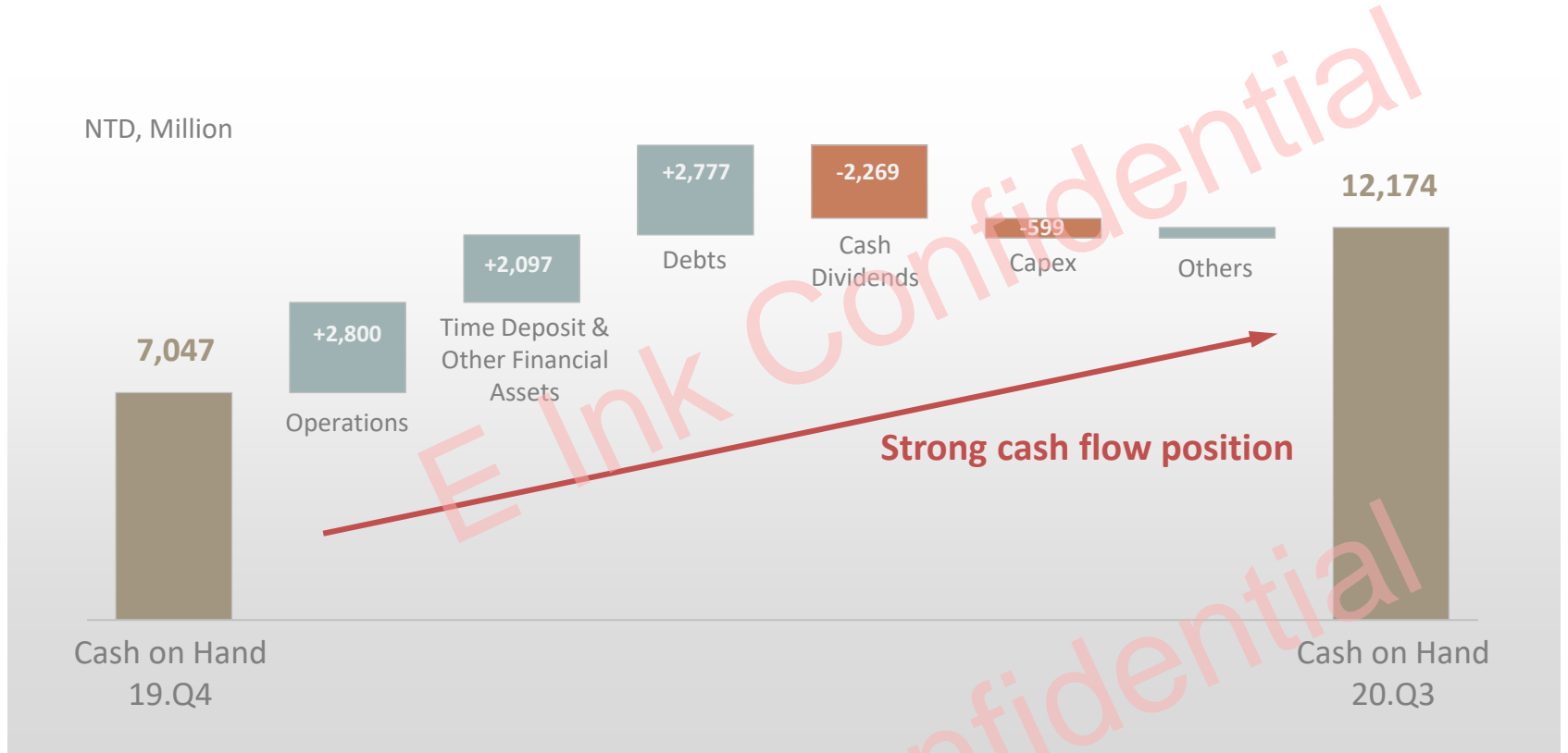


## Debt for Operation

Debt Ratio



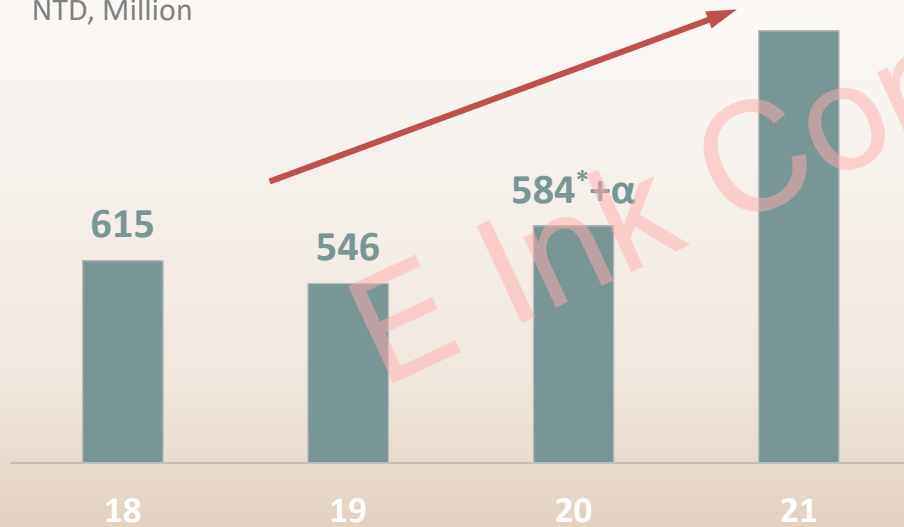
# Cash Flow



# Expect Increase of CAPEX in 2021

## CAPEX- Property, Plant and Equipment

NTD, Million



\* NTD 584 Million as Capex of 20.Q1-20.Q3

### **Expected CAPEX increment for production expansion**

- Additional expansion of E Ink material production line, besides the expected expansion in Hsinchu and Boston.
- Further CAPEX on automation improvement for module facilities



# Market Prospective

eReader & eNote

Retail

Expect eReader & eNote to grow

Strong Momentum beneath Post-COVID-19 Pandemic

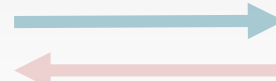
## Market Expectations

- Color
- Larger sizes
- Note-taking enabling

## Market Drivers

- Stay-at-home economy for reading fueled by COVID
- Device replacement and upgrade cycle

Infancy market coverage <5%



Expect further growth



ESL  
Electronic Shelf Labels



# Sustainability



# ESG Activities

American Institute in Taiwan  
美國在台協會

1.26 Million of Medical  
Testing Gloves



Yangzhou Municipal  
People's Government  
揚州市人民政府

10 Thousand of  
Medical Masks &  
1 Thousand of  
Protective Clothing



**Eink**  
Can Help!

Taipei Economic and  
Cultural Office in  
Boston  
駐波士頓臺北經濟文  
化辦事處

2 Thousand of  
Masks



Daegu Medical Center  
South Korea

13 Thousand of Medical  
Masks



元太攜手振曜、聯合線上及Kobo等 參與新北e啟讀出未來

2020-10-13 23:08 經濟日報 / 記者李珣瑛 / 新竹即時報導



元太 (8069) 科技今 (13) 日宣布，攜手新北市政府推動以電子紙為顯示載具的電子書行動閱讀專案「e啟讀出未來」，教育局選定市內13所位於偏遠及5所位於非市區的國中學校，打造18座電子書閱讀器行動圖書館，由元太結合電子紙生態圈夥伴振曜科技、電子書平台樂天Kobo共同合作，協力捐贈506台Kobo Forma電子書閱讀器，與2萬7,830冊電子書，捐贈總市值約2,960萬元。

新北市副市長謝政達表示，感謝6大企業為偏遠地區學校的孩子挹注千萬資源，提供裝載優質課外閱讀書籍的不傷眼電子書閱讀器，讓偏鄉的孩子不受時空限制，隨時享有豐富的閱讀資源，透過廣泛的數位閱讀，強化理解力及培養批判思考與問題解決的能力，期待在科技與閱讀的結合之下，偏遠學校的孩子能打開視野，看到更遠、更遼闊的世界。

The E Ink logo is displayed in a white, sans-serif font. The letter 'E' is significantly larger than the other letters, and the 'i' in 'Ink' has a small dot above it. The background of the slide is a city skyline at sunset, with various skyscrapers and buildings. A network of glowing green lines and nodes is overlaid on the right side of the image, with several green icons representing different digital concepts like a home, a smartphone, a document, a truck, and a padlock. A large, semi-transparent red watermark with the text 'E Ink Confidential' is oriented diagonally across the center of the image.

# E Ink

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Thank You