



2020 Q1 Investor Conference



E Ink Kaleido™

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.

Q1 Results

| | | |
|------------------------------|------------------------------------|---------------------------|
| Revenue | Gross Profit | Operating Profit |
| 2,922 NTD, Million | 46.2% 1,349 NTD, Million | 68 NTD, Million |
| -1% YoY -15% QoQ | +3.8% YoY -1.8% QoQ | +164% YoY -75% QoQ |
| Non-Op Income | Net Income | EPS |
| 820 NTD, Million | 787 NTD, Million | 0.69 NTD |
| +15% YoY +108% QoQ | +80% YoY +28% QoQ | |

Highest Revenue Ever from E Ink Materials

- Revenue supported by materials sales growth even module sales declined
- Gross Profit% remained high
- Operating Profit, Net Income , and EPS, all the best Q1 achievement in the past 9 years

Accomplishments



5.65"
Retail
Shipped
>1k samples to
around 30 customers

E Ink Gallery Palette™ (N-Color)



9.7"
eNote
China Mobile
x iFLYTEK

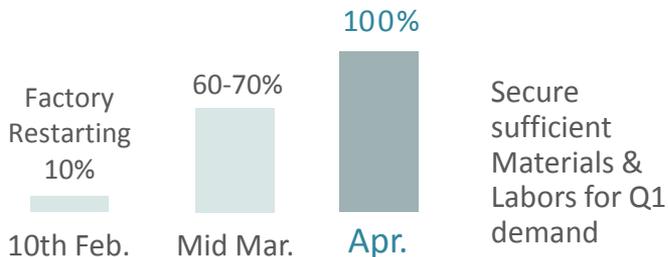
TCON T1000



28" Signage E Ink x Innolux

E Ink Gallery™ (ACeP)

Yangzhou Capacity Resume



COVID-19 Recovery

Operating Profit

68

NTD, Millions

Net Income

787

NTD, Millions

EPS

0.69

NTD

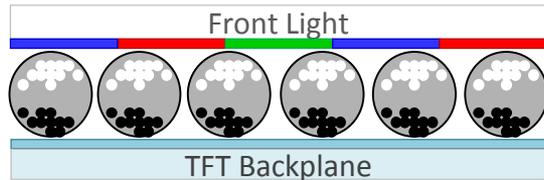
The Best Q1 Achievement in The Past 9 Years

Financial Results

Colorizing the Reading Experience



Color with Paper-Like Experience



- Color Filter Array (CFA) printed directly on E Ink material
- Thinner, lighter, higher CR and less parallax
- Low cost solution
- 4,096 colors with animation and video capability

Scaling up E Ink Kaleido™ Capacity

2020 Q2
Launch

Exceed
Market
Expectation

Corporate Recognitions



**Pioneer to Utilize
Renewable
Energy**



國家再生能源憑證中心
National Renewable Energy Certification Center

First company
purchased renewable
energy in Taiwan

CSR Participation



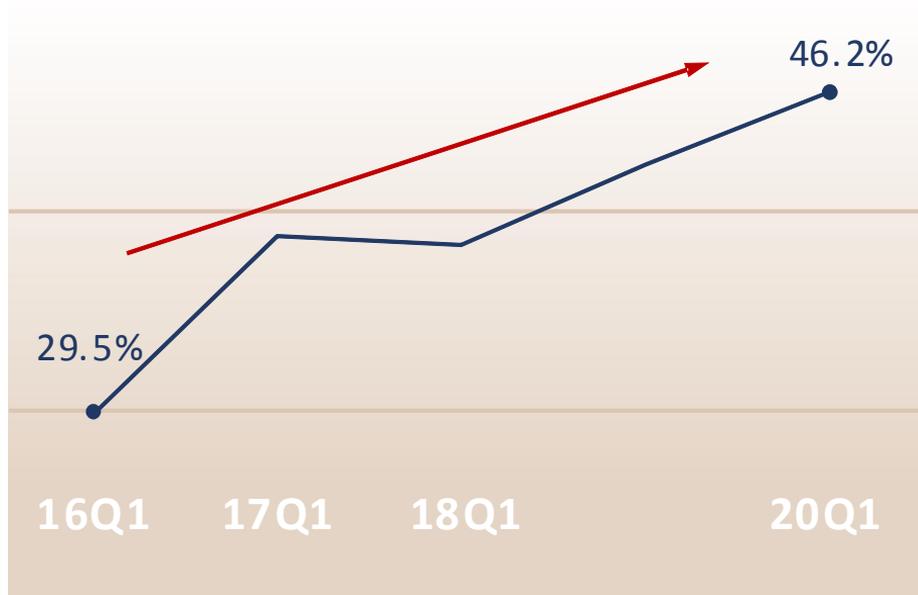
Top 20%

among TPEX companies listed
in 2018 and 2019 results



Corporate Governance Evaluation

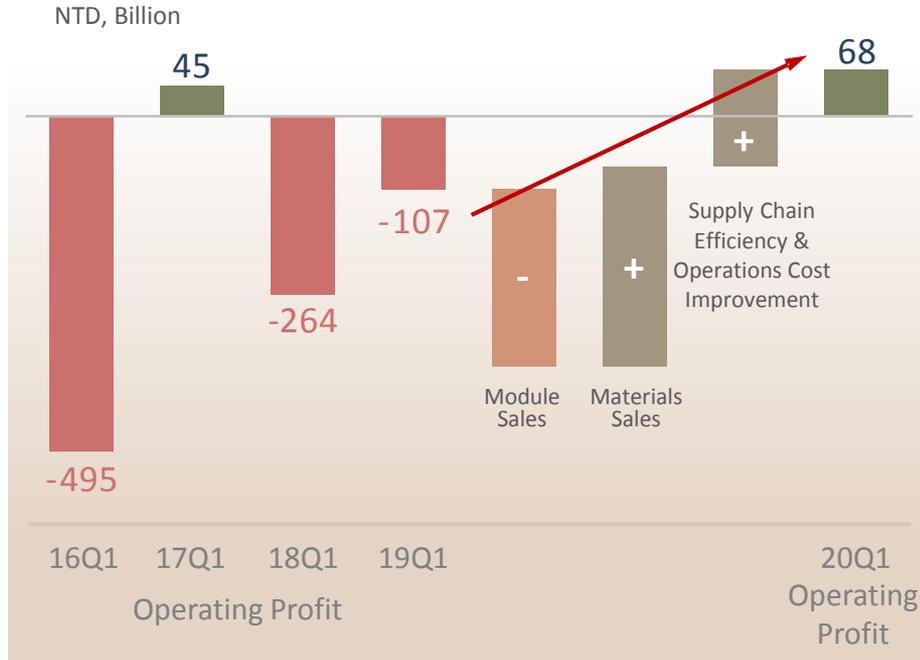
Gross Profit Trend



Gradually Raised Gross Profit%

- E Ink materials sales growth expand more module partners to diversify market segments
- Operations optimization continuous supply chain efficiency and manufacturing cost improvements
- Gross Profit% remained high

Operating Profit Migration



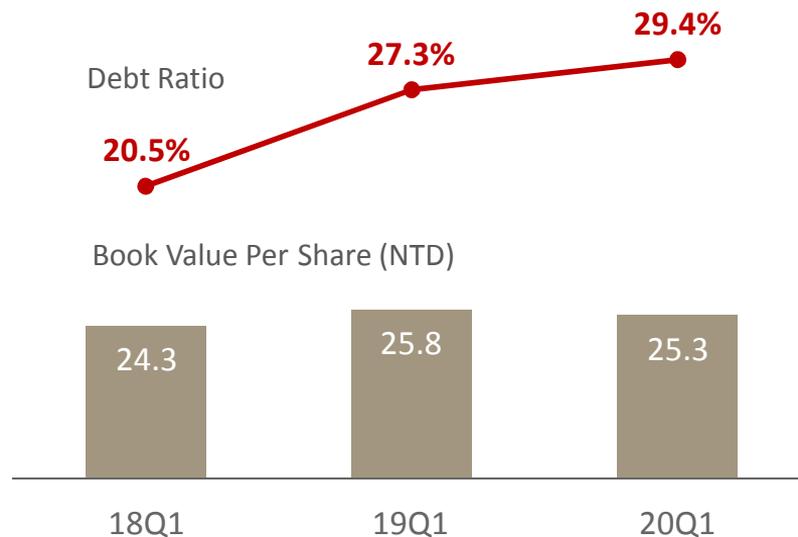
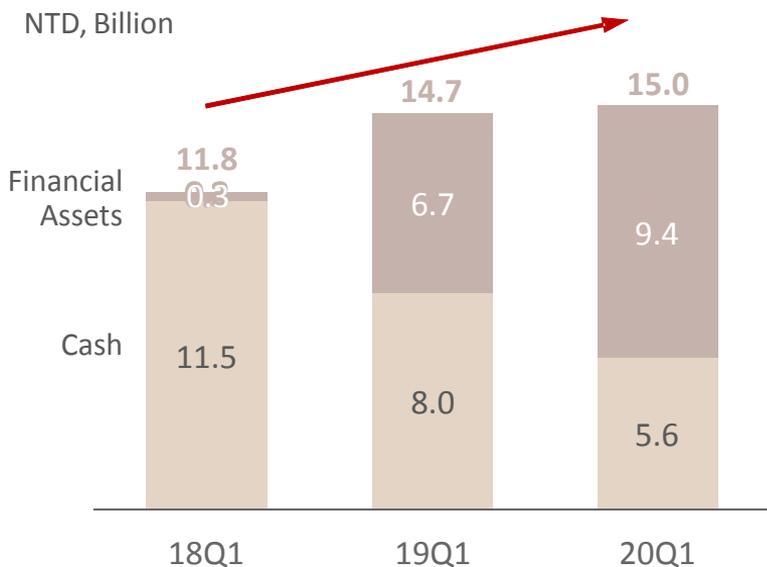
The Best Q1 Achievement in the Past 9 years

- E Ink material sales growth offset module sales decline
- Automation and cost reduction as the continuing fundamental for supply chain efficiency and operations cost improvements

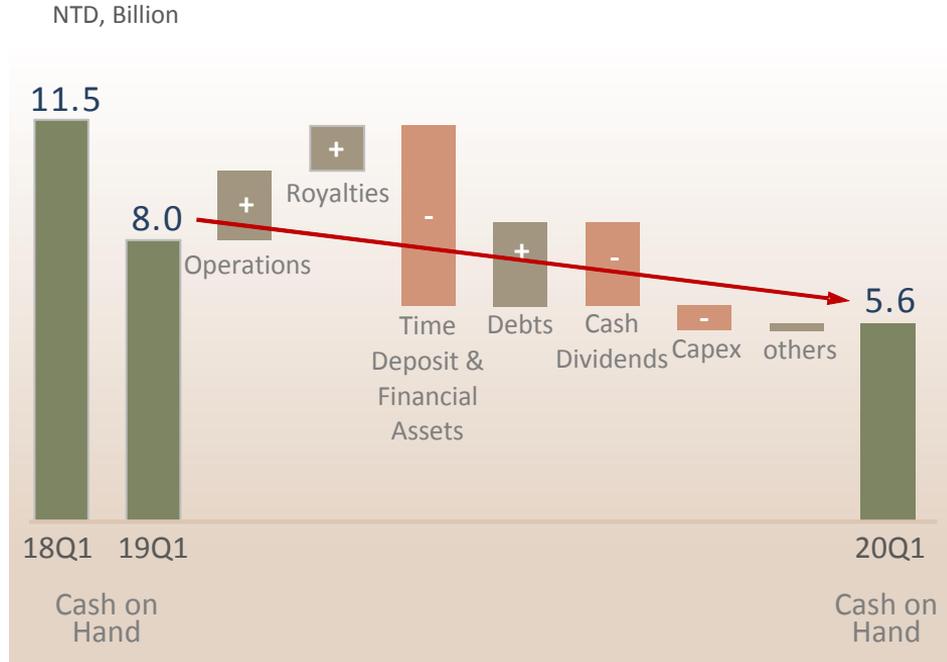
Financial Position Movement

Increased Cash and Financial Assets

Increased Debt for Operating Needs



Cash Flow Movement

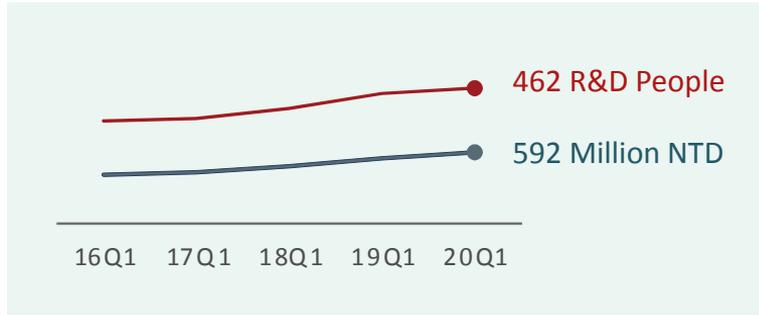


Converted Cash on Hand for Financial Investment and Operations

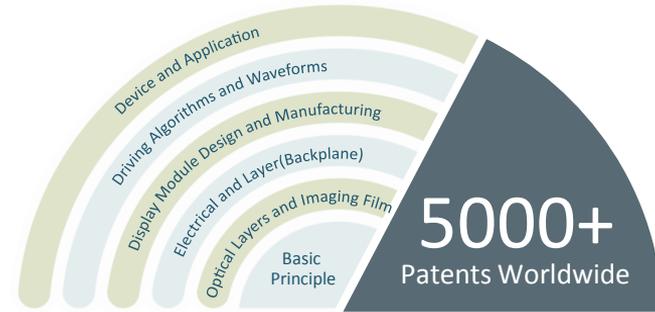
- Financial investment for financial benefits
- Capex for expanding E Ink Kaleido and material capacity

Global R&D Synergy

Continue R&D Investment



Innovation as Essential



Business Development beneath Post-COVID-19 Crisis

eLearning

Target Market — Product Feature — Ecosystem

- Distance Education
- Home Schooling
- Test/Homework on Cloud
- Easy on Eyes
- Long Sustaining
- Not only Reading, but Writing
- Display goes Larger
- The well-built China market as the forerunner
- Watch uncertainty in European and US markets for the 2nd half



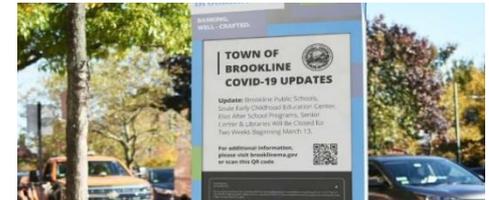
Grocery Retail

A catalyst for speeding up installation after the epidemic



Information Board

- Real time update for emerging trusted messages
- Off-grid, Easy installation



Eink

