We recently completed our monthly survey (~6,800 respondents) which saw very few changes in both C3Q’s & C4Q’s outlook. The bookings for C3Q showed slight weakening while C4Q bookings outlook remained generally steady. One bright spot is inventory levels for high demand parts coming down. We continue to believe these results is an indication of the supply chain being at the bottom but inventories still being too high and end customers attempting to bring them under control. We believe this will take them 2+ quarters to accomplish this as end demand remains anemic.

The backlog cancellation expectations (slide 7) showed continued sideways movement but remains above the “positive” trend line.

The survey showed C3Q23 remained roughly the same vs. last month with 39% seeing the quarter being better vs. 40% previously; while 22% see it as worse vs. 25% last month.

The survey showed C4Q23 also roughly the same vs. last month with 16% seeing the quarter being better vs. 19% previously; while 44% see it as worse vs. 47% last month.

Key product inventory and availability (slide 8) improved slightly across all key products and are now at nominal levels.

Both C3Q and C4Q inventory growth outlook trend (slide 9) showed net inventories remaining the same vs. last month.

Pricing trends (slide 11) for both C3Q and C4Q was worse vs. last month’s survey. Again, we think this is indicative of excess inventory and some suppliers lowering pricing to encourage customers to take product.
C3Q23 Outlook

C3Q23 Growth Expectations

- April: 42%
- May: 41%
- June: 33%
- July: 40%
- August: 39%
- September: 24%
- October: 22%

C3Q Growth Expectations vs. C2Q

- 2018: Worse than Q2
- 2019: Worse than Q2
- 2020: Worse than Q2
- 2021: Worse than Q2
- 2022: Better than Q2
- 2023: Better than Q2

3Q23 Seasonality Expectations

- April: 38%
- May: 41%
- June: 45%
- July: 42%
- August: 42%
- September: 17%
- October: 15%

C3Q Seasonality Expectations

- 2017: Above 2Q
- 2018: Above 2Q
- 2019: Above 2Q
- 2020: Below Seasonal
- 2021: Below Seasonal
- 2022: Above 2Q
- 2023: Above 2Q
Bookings Outlook

C3Q23 Bookings Expectations

4Q23 Bookings Expectations

C3Q Bookings Expectations

C4Q Bookings Expectations

August/September 2023  TPC Proprietary  5
Book to Bill History & Trends
(Calendar quarters)

% Responses with Book-Bill $\geq$ 1.0

-Qtr Begin
-Qtr End or Curr Mo
-4 per. Mov. Avg. (Qtr Begin)
-4 per. Mov. Avg. (Qtr End or Curr Mo)
Backlog Order Push Outs/Cancellations vs. 30 Days Ago
(Delta between increasing and decreasing cancellations – Higher % is more positive)
Inventory Status

(Using a scale of 1 to 5 with 1 being extremely low inventory, 3 being the normal amount, and 5 being extremely high; how do you view inventory levels for the following products?)

Seeing inventory starting to normalize and come down
Q/Q Inventory Growth

C4Q23 Inventories vs. C3Q23

C3Q23 Inventories vs. C2Q23
Q/Q Pricing Trends

C4Q23 Pricing vs. C3Q23

C3Q23 Pricing vs. C2Q23
Vertical Outlook