YAGEO Corporation

June 2023

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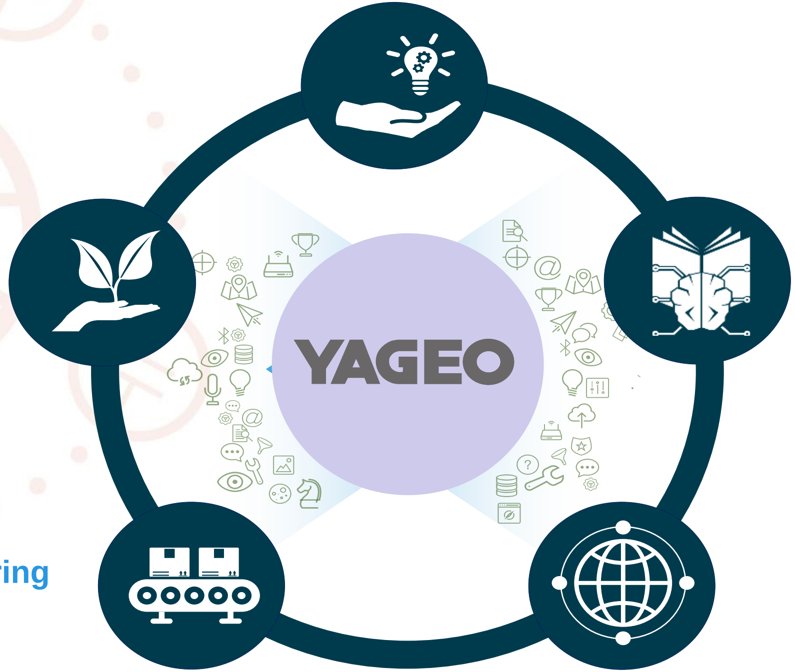
Group Statement

<u>Our Vision</u>:
Innovative Service Around the Globe

<u>Our Mission</u>:
Empowering the Future with Innovative Component Solutions

Company Strategies

A **Provide total solutions** with broad product selections (resistors, capacitors, inductors, and wireless/power components) across all market segments with focus on new technologies (5G, automotive(EV), industrial, and IoT)



E **Continue to grow** organically and through M&A and become a **passive component** power house

B **Provide innovative and customized services** such as design-in, EDI, JIT, VMI, and online B2B services to our clients

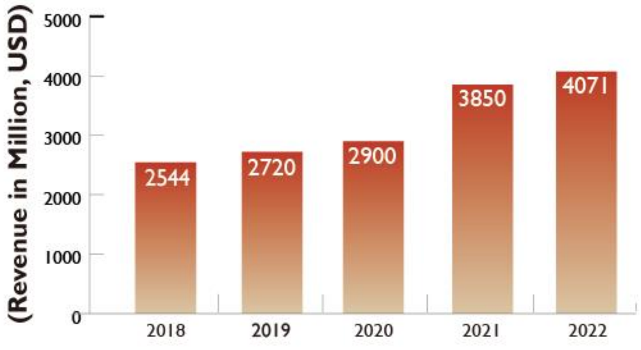
D Continue to enhance our expertise in **both manufacturing craft and technologies advancement**

C **Expand our global presence and scale** through our global sales and network, distributors, and blue-chip focused customers

YAGEO at a Glance

YAGEO was founded in 1977, public listed on TWSE since 1993.

- Our expanded global community and footprint makes us an industry leader with greater opportunities for our employees and customers, and increased ability for high-growth segments and applications.
  - **No. 1 in Chip resistors**
  - **No. 1 in Tantalum capacitors**
  - **No. 3 in MLCCs**
  - **No. 3 in Inductors**
- Market caps reached around **NTD$ 214 billion as of May 31st, 2023**.
- Included in the **MSCI Taiwan Index**, **FTSE/TWSE Taiwan 50 Index**, **and TWSE Taiwan Employment Creation 99 Index**.



US$4.1 billion Revenue

40,000 Employee Worldwide

51 Manufacturing Sites

20 R&D Centers

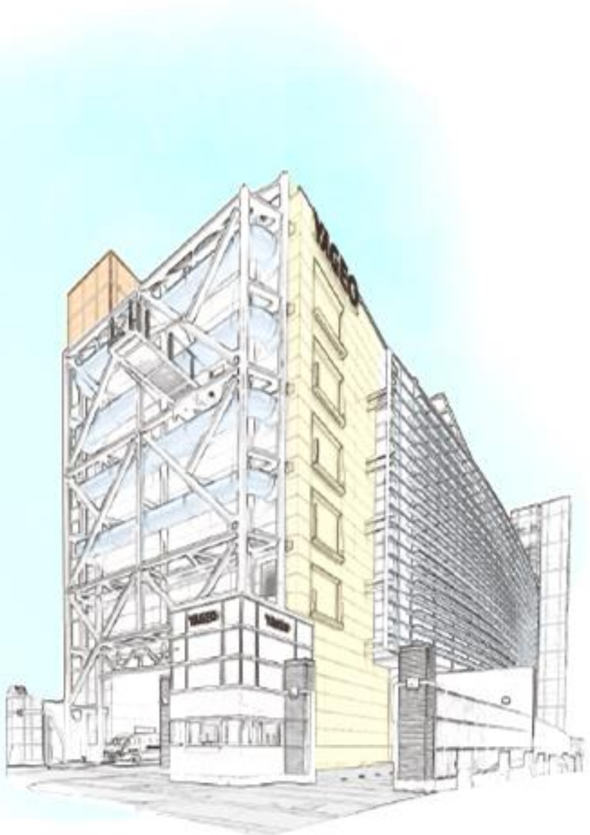
29 Sales Offices

A Global Passive Component Leader

- YAGEO is a global provider of passive component solutions, offering the broadest selection of passive component technologies from some of the industry’s most recognized brands. With a leading portfolio of chip resistors, tantalum, MLCC, film, and aluminum electrolytic capacitors, inductors, magnetics, circuit protection, antennas, sensors, actuators, wireless components and modules, transformer, connector, and cable systems as well as global production and sales capabilities designed to meet the diverse requirements of customers and a full range of end-market segments.
- YAGEO is a world leading total service provider of passive electronic components, with 29 sales offices, 51 manufacturing sites, and 20 R&D centers in 29 nations worldwide.
- YAGEO currently is the world No.1 in chip-resistors, No.1 in tantalum capacitors, and No. 3 in MLCCs and inductors.

A Global Passive Component Leader

- As total passive component solution provider, YAGEO offers innovative global logistics, electronic data interchange, design-in services, web-based self-helped platforms, and online B2B interfaces with advanced IT solutions and other ease-of-doing-business tools.
- YAGEO products are widely used in all kinds of electronic applications, including automotive, industrial, 5G, IoT, cloud/data center, telecommunications, power supplies, medical, aerospace, alternative energy, computers and peripherals, and consumer electronics.
- YAGEO has a strong and diversified customer profile, including global brand customers, leading EMS, ODM/OEM, and distributors.



A Global Passive Component Leader

- In October 2022, YAGEO announced to acquire Heraeus Nexensos, the global leader in premium platinum thin-film temperature sensors, in an all-cash transaction of EUR 79.4 million, and to acquire Telemecanique Sensors, a leading global specialist in mission-critical electromechanical and electronic sensors in an all-cash transaction with an estimated equity value of approximately EUR 686 million, respectively.
- YAGEO closed the deal of Nexensos on April 1^{st}, 2023, and completed the merger of inductor maker Chilisin on January 5^{th}, 2022, through a share-swap transaction. Earlier, YAGEO also completed the merger of KEMET on June 15^{th}, 2020, with total equity valued US$ 1.64 billion in cash.
- YAGEO reached its highest revenue of NTD$ 121.1 billion in 2022 and delivered 20.1% of ROE, 38% of Gross Margin, and 23.9% of Operating Margin, with EPS of NT$ 44.22 in 2022.
- YAGEO has been publicly listed on the Taiwan Stock Exchange since 1993 and is included in the MSCI Taiwan Index, FTSE/TWSE Taiwan 50 Index , and TWSE Taiwan Employment Creation 99 Index.

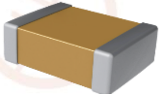
Broad Product Offering Targeting Key Verticals

Automotive | Alternative Energy | Industrial | Monitoring/Power | IoT/ Communications | Medical/ High Reliability

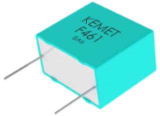
Consumer | Computer Related | Telecom | Aerospace/ Defense | High Voltage | Portable Devices


Chip Resistors


Leaded Resistors


MLCC


Tantalum Capacitor


Film Capacitor


Aluminum ECap


METCOM Inductors


Wireless Antenna

RF filters


Inductor


Circuit Protection

Various Customer Base

Brand :

EMS / OEM :

Distributor :

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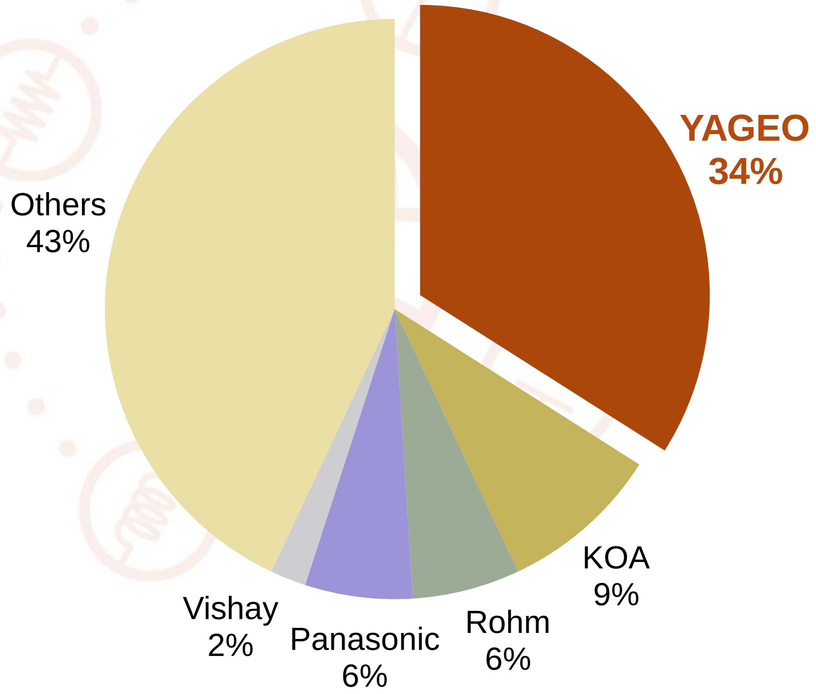
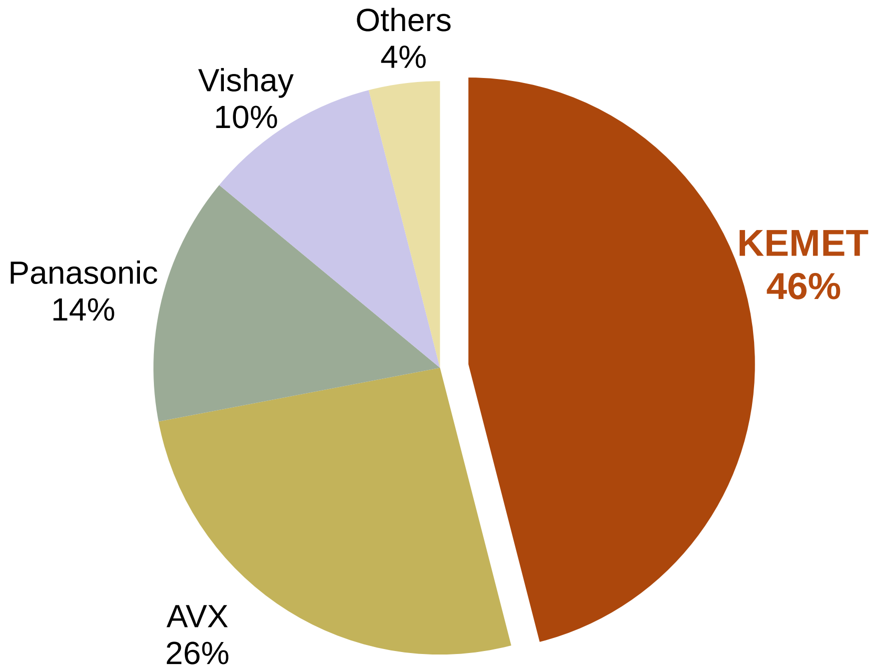
Leading Market Position

Chip Resistors - Ranked No. 1

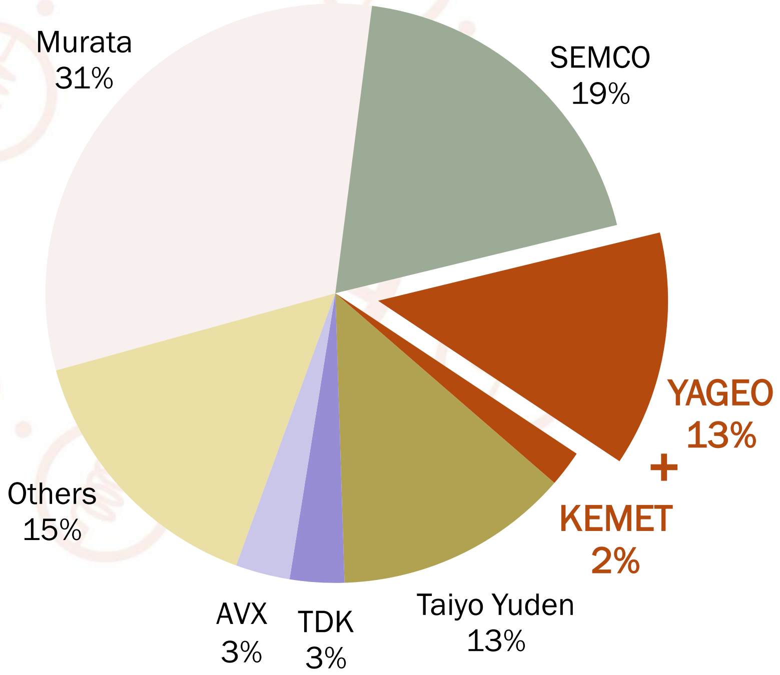


Tantalum Capacitors - Ranked No. 1

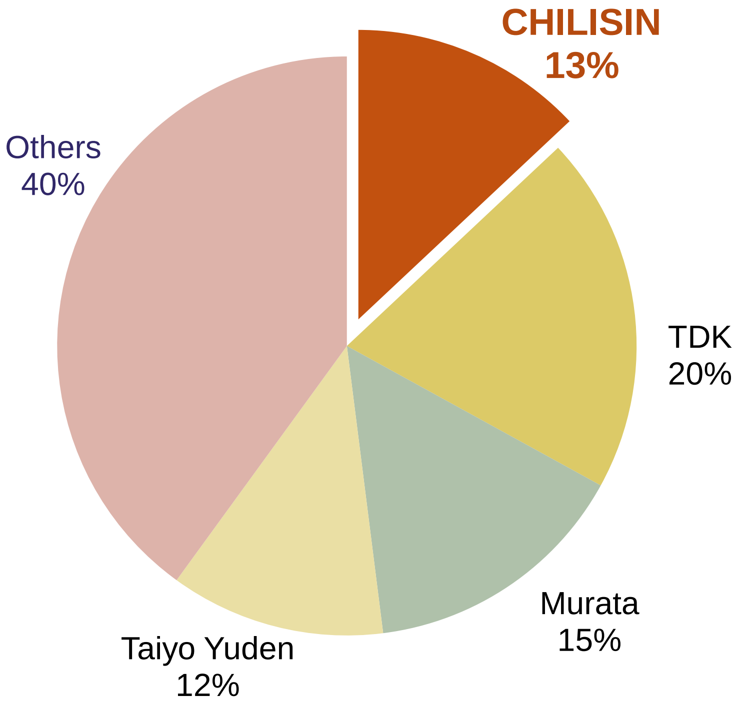


Leading Market Position

MLCCs - Ranked No. 3



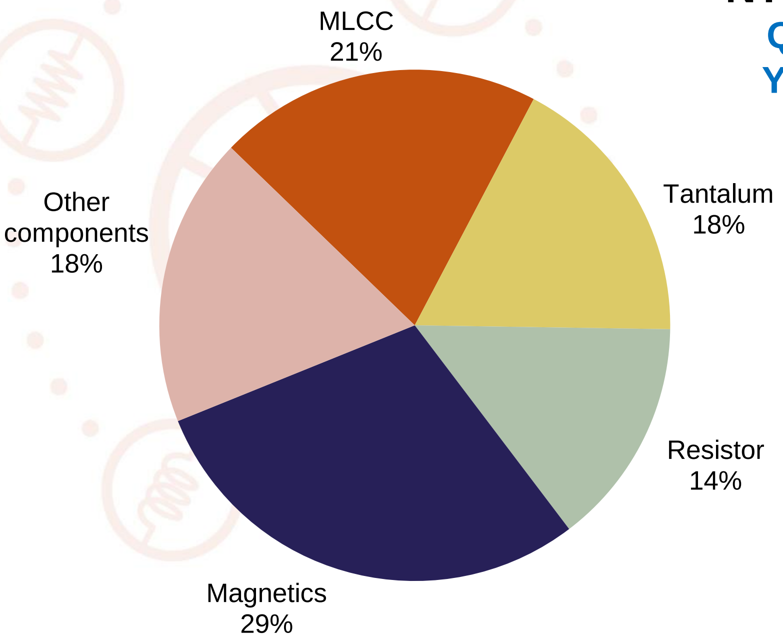
Inductors - Ranked No. 3



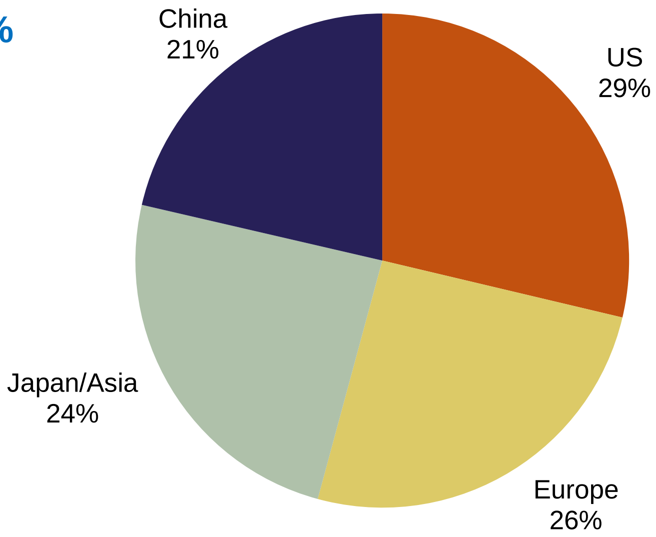
1Q2023 Sales Breakdown

NT$ 26,096 M
QoQ -9.5%
YoY -13.4%

By Product

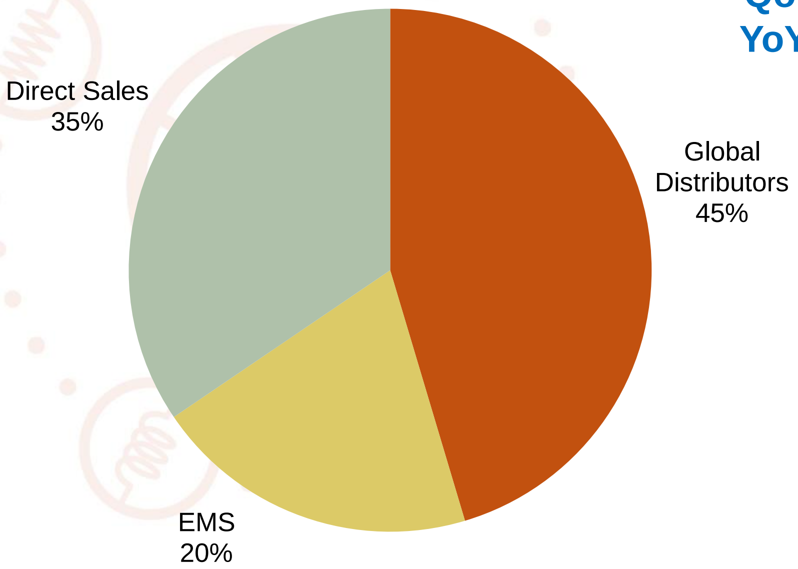


By Region



1Q2023 Sales Breakdown

By Channel

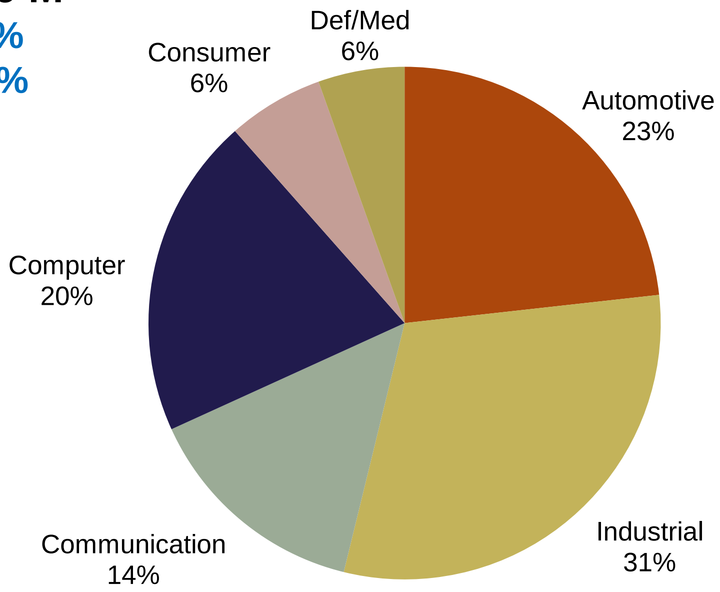


NT$ 26,096 M

QoQ -9.5%

YoY -13.4%

By Segment



1Q2023 Income Statement

YAGEO Consolidation (reviewed)

Amount in NT$ Million

	1Q23 Amount	1Q23 %	4Q22 Amount	4Q22 %	Q-Q Change %	1Q22 Amount	1Q22 %	Y-Y Change %
Net Sales	26,096	100.0	28,835	100.0	(9.5)	30,134	100.0	(13.4)
Cost of Sales	(17,483)	(67.0)	(18,310)	(63.5)	(4.5)	(18,649)	(61.9)	(6.3)
Gross Margin	8,612	33.0	10,525	36.5	(3.5) ppts	11,485	38.1	(5.1) ppts
Operating Expenses	(3,692)	(14.1)	(4,588)	(15.9)	1.8 ppts	(3,999)	(13.3)	(0.9) ppts
Operating Profit	4,920	18.9	5,937	20.6	(1.7) ppts	7,487	24.8	(6.0) ppts
Non-operating Items	514	2.0	506	1.8	0.2 ppts	569	1.9	0.1 ppts
Income Before Tax	5,435	20.8	6,443	22.3	(15.6)	8,056	26.7	(32.5)
Income Tax	(1,300)	(5.0)	(2,275)	(7.9)	2.9 ppts	(1,786)	(5.9)	0.9 ppts
Net Income	4,135	15.8	4,168	14.5	(0.8)	6,270	20.8	(34.1)
Noncontrolling Interests	(3)	(0.0)	(4)	(0.0)	0.0	(26)	(0.1)	0.1
Net Income (attributable to the parent)	4,132	15.8	4,163	14.4	(0.8)	6,244	20.7	(33.8)
EPS (NT$ Dollar)	9.90		9.18		7.8	11.59		(14.6)

- Q-Q/Y-Y Change of Net Sales, Cost of Sales, Income Before Tax, Net Income, EPS is in %, the rest of Changes is in percentage point.
- The financial data is based on T-IFRS

1Q2023 Non-operating Items

YAGEO Consolidation (reviewed)

Amount in NT$ Million

	1Q23	4Q22	Q-Q Change %	1Q22	Y-Y Change %
Foreign Exchange Gain (Loss)	436	355	22.8	534	(18.4)
Net Interest Income (Expense)	169	136	23.6	34	402.1
Investment Income on Equity-Method	(25)	11	(315.5)	49	(150.9)
Others	(66)	3	(2,646.5)	(48)	37.7
Total	514	506	1.7	569	(9.6)

- The financial data is based on T-IFRS

Balance Sheet Summary

YAGEO Consolidation (reviewed) *Amount in NT$ Million*

	As of Mar 31 2023	As of Dec 31 2022	Q-Q Change %	As of Mar 31 2022	Y-Y Change %
Cash and cash equivalents	65,148	57,123	12.3	54,251	20.1
Receivables	20,260	22,263	(9.9)	24,060	(15.8)
Inventory	25,295	26,945	(6.5)	26,123	(3.2)
Total Assets	286,248	277,186	3.2	255,165	12.2
Payables	13,196	14,354	(8.8)	17,392	(24.1)
Net financial debts	19,025	17,015	10.6	21,190	(10.2)
Total Liabilities	164,907	155,636	5.6	150,174	9.8
Total Equity	121,341	121,549	(0.2)	104,992	15.6
Total Liabilities & Equity	286,248	277,186	3.2	255,165	12.2
Net Financial Debt / Equity	15.8%	14.0%	1.8 ppts	19.3%	(3.5) ppts
Net Financial Debt / EBITDA	55.6%	46.4%	9.2 ppts	58.6%	(3.0) ppts
ROE (Quarterly)	3.4%	3.5%	(0.1) ppts	6.1%	(2.7) ppts
ROE (Annualized)	13.6%				

- *The financial data is based on T-IFRS*

1Q2023 Cash Flow

YAGEO Consolidation (reviewed)

Amount in NT$ Million

	1Q23 Amount	4Q22 Amount	Q-Q Change %	1Q22 Amount	Y-Y Change %
Net Cash Provided by (Used in) Operating Activities	6,411	9,015	(28.9)	6,850	(6.4)
Net Cash Provided by (Used in) Investing Activities	(8,878)	(6,107)	45.4	(2,436)	264.5
Net Cash Provided by (Used in) Financing Activities	10,435	(2,500)	(517.3)	(1,611)	(747.8)
FX Difference	57	(352)	(116.3)	3,321	(98.3)
Net Increase (Decrease) in Cash and Cash Equivalents	8,025	56	14,240.0	6,123	31.1
Cash and Cash Equivalents , Beginning of Period	57,123	57,067	0.1	48,128	18.7
Cash and Cash Equivalents , End of Period	65,148	57,123	14.0	54,251	20.1

- The financial data is based on T-IFRS

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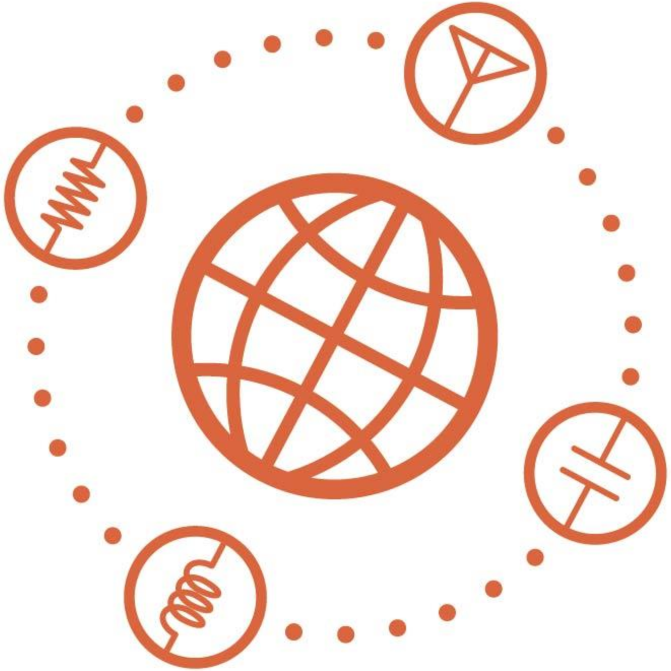
1Q2023 Working Capital Management

YAGEO Consolidation (reviewed)

Amount in NT$ Million

	1Q23	4Q22	Q-Q Change %	1Q22	Y-Y Change %
Accounts Receivable	20,260	22,263	(9.0)	24,060	(15.8)
DSO	74	74	1.1	68	10.0
Inventory	25,295	26,945	(6.1)	26,123	(3.2)
DOH-Total Company (Amt)	136	139	(1.8)	108	26.3
Accounts Payable	13,196	14,354	(8.1)	17,392	(24.1)
DPO	72	80	(10.6)	83	(13.2)
Net Working Capital	32,359	34,854	(7.2)	32,791	(1.3)

- *The financial data is based on T-IFRS*



Thank you!