YAGEO Corporation

August 2023

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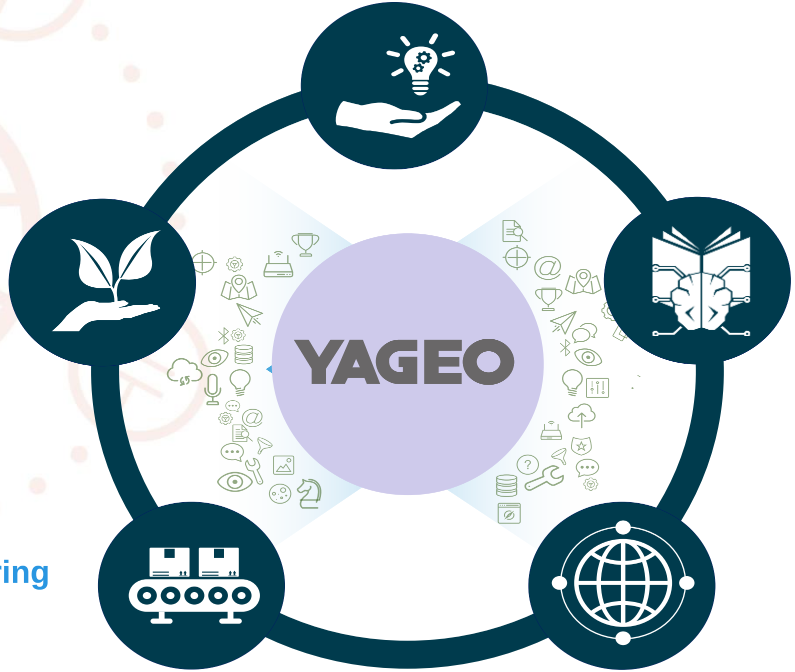
Group Statement

Our Vision:
Innovative Service Around the Globe

Our Mission:
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)



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

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

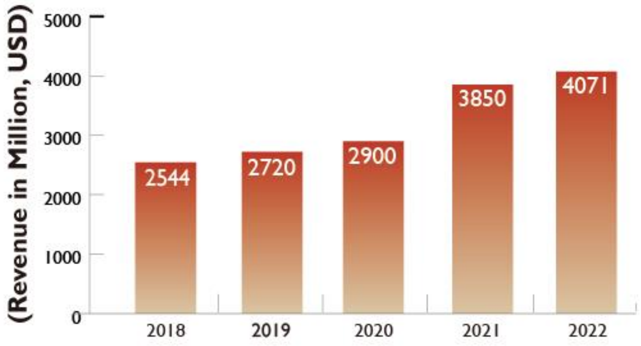
D Continue to enhance our expertise in both manufacturing craft and technologies advancement

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

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$ 194 billion as of July 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

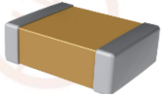
Aerospace/ Defense

High Voltage

Portable Devices

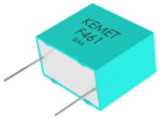
Chip Resistors

Leaded Resistors



MLCC

Tantalum Capacitor



Film Capacitor

Aluminum ECap

METCOM Inductors

Wireless Antenna

RF filters

Inductor

Circuit Protection

Various Customer Base

Brand :

TESLA, BOSCH Invented for life, Continental, BorgWarner, DENSO, HELLA, HIRSCHMANN, MAGNETI MARELLI, Valeo

NVIDIA, intel, hp, DELL, IBM, WD Western Digital, Microsoft, CISCO, NOKIA, SIEMENS

PHILIPS, BOSE, SONY, Panasonic, TOSHIBA, Alcatel·Lucent, ERICSSON, ZF

SAMSUNG ELECTRONICS, LG, HITACHI Inspire the Next, MITSUBISHI ELECTRIC, DAIKIN, HORIBA Explore the future, OSRAM, Danfoss, zollner

Vehicle power and data solutions YAZAKI All Systems Go, HYUNDAI MOBIS, Hanon SYSTEMS, KOSTAL, MAGNA, TERUMO PHARMACEUTICAL SOLUTIONS, solaredge, ARRIS

HUAWEI, ZTE, Lenovo, mi, Skyworth, Haier, Medtronic, motorola

EMS / OEM :

FOXCONN, PEGATRON, Quanta Computer, COMPAL, Inventec

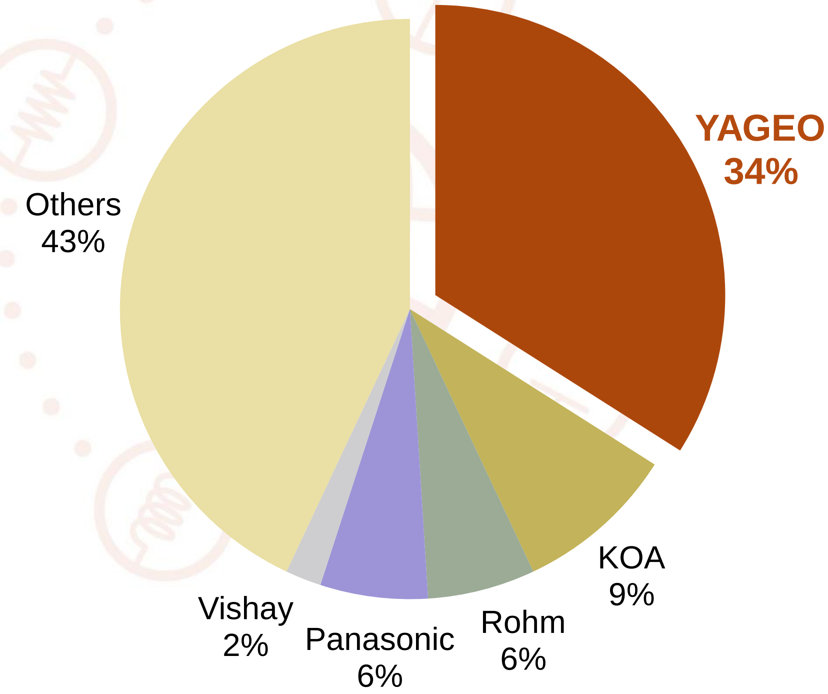
flex, JABIL, SANMINA-SCI, Celestica, wistron

Distributor :

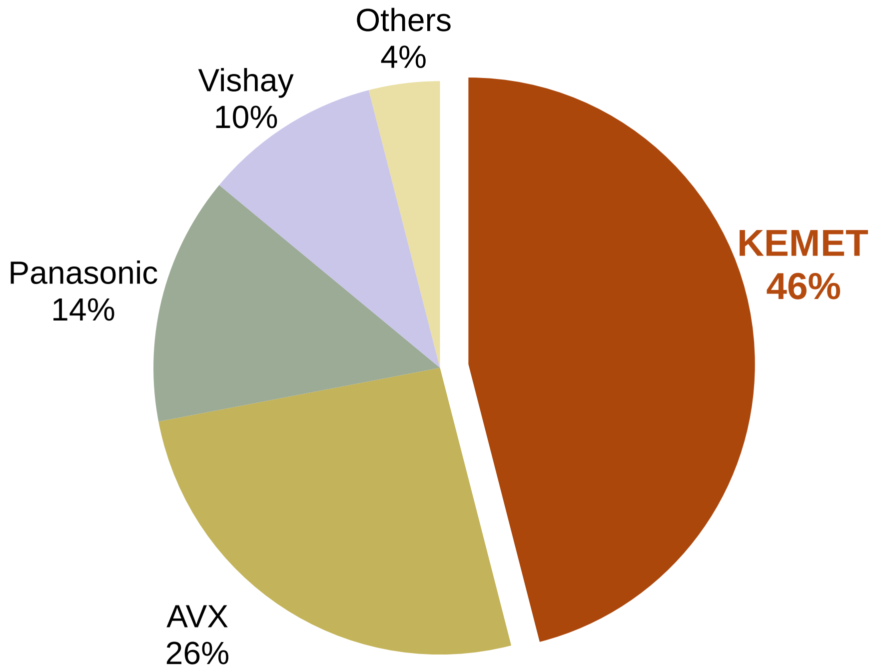
tti, ARROW, AVNET Reach Further, FUTURE ELECTRONICS, RUTRONIK ELECTRONICS WORLDWIDE, Digi-Key ELECTRONICS, MOUSER ELECTRONICS

Leading Market Position

Chip Resistors - Ranked No. 1

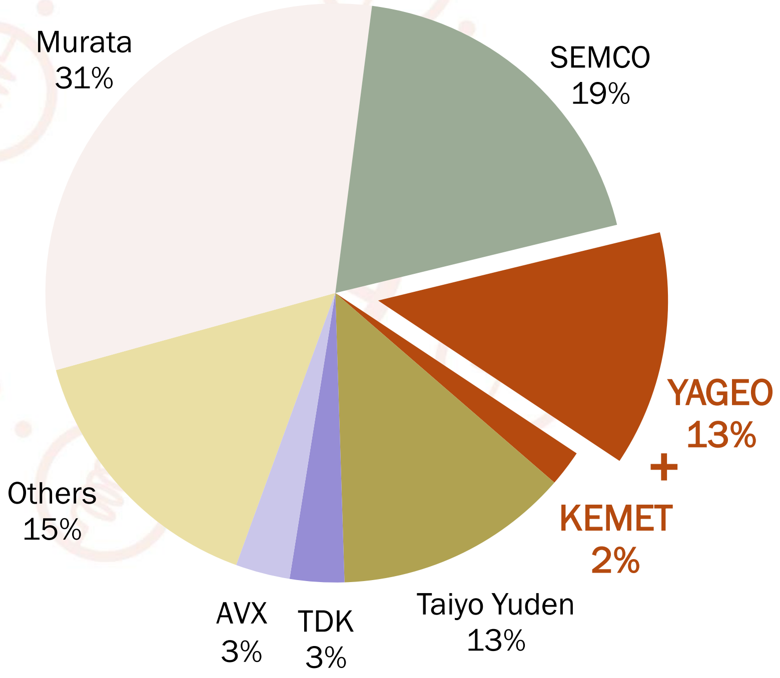


Tantalum Capacitors - Ranked No. 1

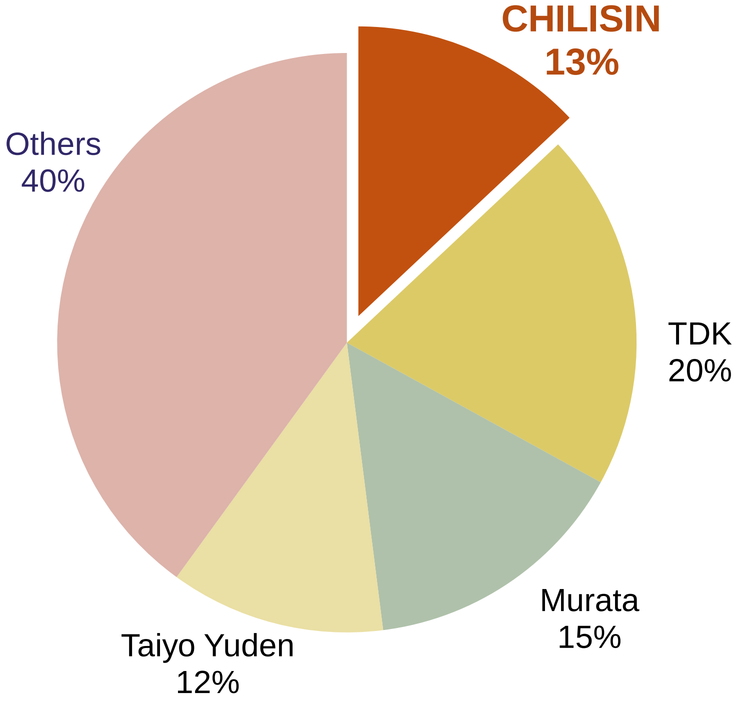


Leading Market Position

MLCCs - Ranked No. 3



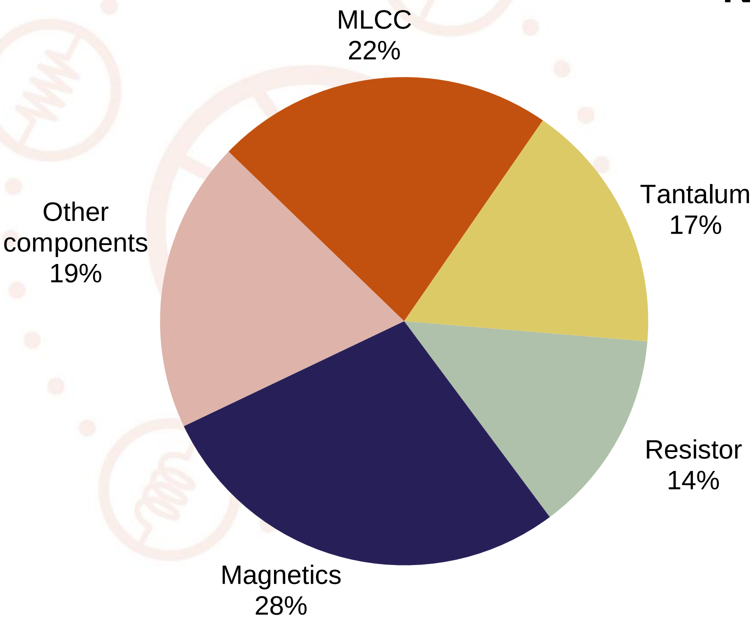
Inductors - Ranked No. 3



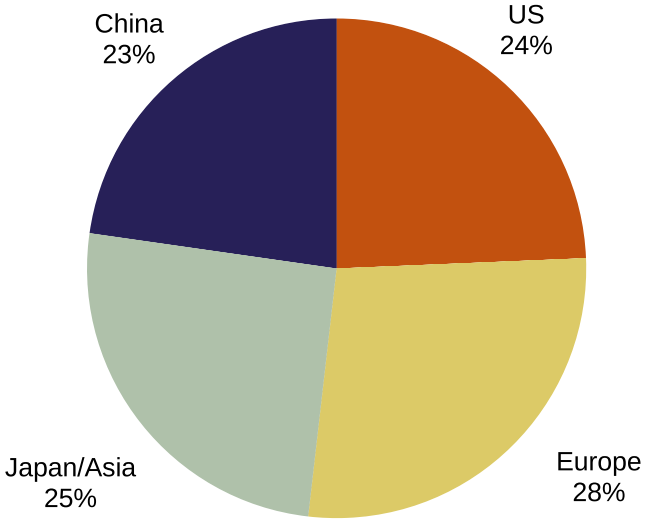
2Q2023 Sales Breakdown

NT$ 26,757 M
QoQ +2.5%
YoY -14.6%

By Product

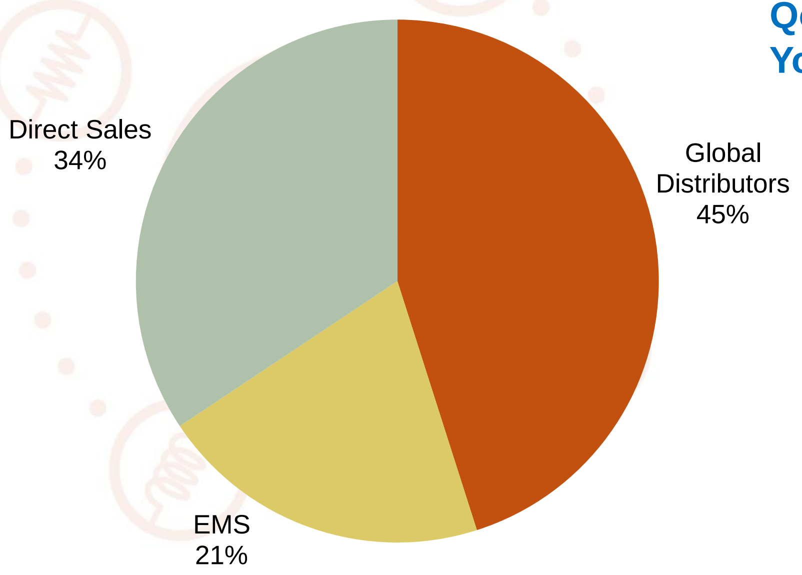


By Region



2Q2023 Sales Breakdown

By Channel

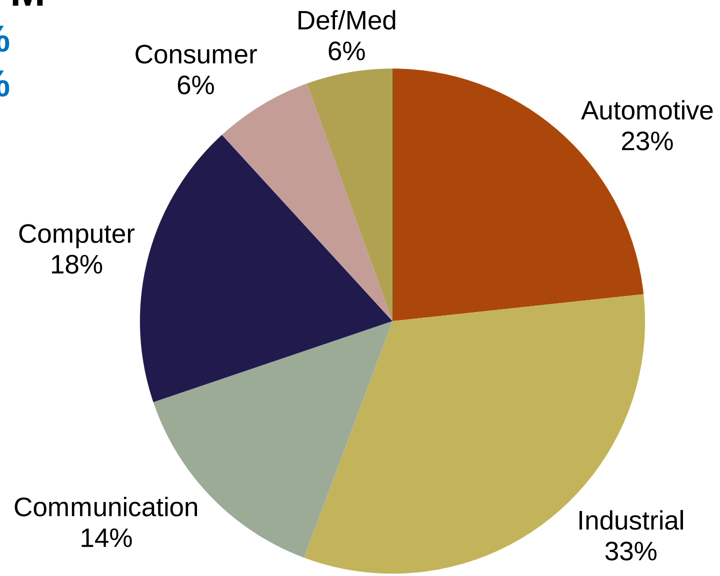


NT$ 26,757 M

QoQ +2.5%

YoY -14.6%

By Segment



2Q2023 Income Statement

YAGEO Consolidation (reviewed)

Amount in NT$ Million

	2Q23 Amount	2Q23 %	1Q23 Amount	1Q23 %	Q-Q Change %	2Q22 Amount	2Q22 %	Y-Y Change %
Net Sales	26,757	100.0	26,096	100.0	2.5	31,322	100.0	(14.6)
Cost of Sales	(17,880)	(66.8)	(17,483)	(67.0)	2.3	(19,169)	(61.2)	(6.7)
Gross Margin	8,877	33.2	8,612	33.0	0.2 ppts	12,153	38.8	(5.6) ppts
Operating Expenses	(3,791)	(14.2)	(3,692)	(14.1)	(0.1) ppts	(4,266)	(13.6)	(0.4) ppts
Operating Profit	5,085	19.0	4,920	18.9	0.1 ppts	7,887	25.2	(6.2) ppts
Non-operating Items	1,359	5.1	514	2.0	3.1 ppts	480	1.5	3.6 ppts
Income Before Tax	6,445	24.1	5,435	20.8	18.6	8,367	26.7	(23.0)
Income Tax	(2,732)	(10.2)	(1,300)	(5.0)	(5.2) ppts	(2,437)	(7.8)	(2.4) ppts
Net Income	3,712	13.9	4,135	15.8	(10.2)	5,930	18.9	(37.4)
Noncontrolling Interests	17	0.1	(3)	(0.0)	0.1	(3)	(0.0)	0.1
Net Income (attributable to the parent)	3,730	13.9	4,132	15.8	(9.7)	5,927	18.9	(37.1)
EPS (NT$ Dollar)	8.92		9.90		(9.9)	11.05		(19.3)
EBITDA	7,071	26.4	6,935	26.6	2.0	9,743	31.1	(27.4)

- 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

1H2023 Income Statement

YAGEO Consolidation (reviewed)

Amount in NT$ Million

	1H2023 Amount	1H2023 %	1H2022 Amount	1H2022 %	Y-Y Change %
Net Sales	52,852	100.0	61,456	100.0	(14.0)
Cost of Sales	(35,363)	(66.9)	(37,818)	(61.5)	(6.5)
Gross Margin	17,489	33.1	23,638	38.5	(5.4) ppts
Operating Expenses	(7,483)	(14.2)	(8,265)	(13.4)	(0.6) ppts
Operating Profit	10,006	18.9	15,373	25.0	(6.1) ppts
Non-operating Items	1,874	3.5	1,049	1.7	1.8 ppts
Income Before Tax	11,879	22.5	16,423	26.7	(27.7)
Income Tax	(4,032)	(7.6)	(4,223)	(6.9)	(0.7) ppts
Net Income	7,847	14.8	12,200	19.9	(35.7)
Net Income (attributable to the parent)	7,861	14.9	12,171	19.8	(35.4)
EPS (NT$ Dollar)	18.82		22.65		(16.9)
EBITDA	14,006	26.5	19,144	31.2	(26.8)

- 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

2Q2023 Non-operating Items

YAGEO Consolidation (reviewed)

Amount in NT$ Million

	2Q23	1Q23	Q-Q Change %	2Q22	Y-Y Change %
Foreign Exchange Gain (Loss)	414	436	(5.0)	487	(14.9)
Net Interest Income (Expense)	436	169	158.1	54	713.6
Investment Income on Equity-Method	29	(25)	(216.2)	89	(67.6)
Others	481	(66)	(830.2)	(149)	(423.5)
Total	1,359	514	164.3	480	183.0

- The financial data is based on T-IFRS

Balance Sheet Summary

YAGEO Consolidation (reviewed)

Amount in NT$ Million

	As of June 30 2023	As of Mar 31 2023	Q-Q Change %	As of June 30 2022	Y-Y Change %
Cash and cash equivalents	73,823	65,148	13.3	51,469	43.4
Receivables	20,222	20,260	(0.2)	25,855	(21.8)
Inventory	25,349	25,295	0.2	28,822	(12.1)
Total Assets	298,966	286,248	4.4	265,365	12.7
Payables	13,500	13,196	2.3	18,915	(28.6)
Net financial debts	14,392	19,025	(24.4)	20,957	(31.3)
Total Liabilities	170,259	164,907	3.2	154,439	10.2
Total Equity	128,707	121,341	6.1	110,926	16.0
Total Liabilities & Equity	298,966	286,248	4.4	265,365	12.7
Net Financial Debt / Equity	11.3%	15.7%	(4.4) ppts	18.9%	(7.6) ppts
Net Financial Debt / EBITDA	45.7%	55.6%	(9.9) ppts	56.8%	(11.1) ppts
ROE (Quarterly)	3.0%	3.4%	(0.6) ppts	5.5%	(2.7) ppts
ROE (Annualized)	12.5%	13.6%	(1.3) ppts	23.2%	(10.9) ppts

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

2Q2023 Cash Flow

YAGEO Consolidation (reviewed)

Amount in NT$ Million

	2Q23 Amount	1Q23 Amount	Q-Q Change %	2Q22 Amount	Y-Y Change %
Net Cash Provided by (Used in) Operating Activities	6,931	6,411	8.1	5,820	19.1
Net Cash Provided by (Used in) Investing Activities	(2,974)	(8,878)	(66.5)	(7,921)	(62.5)
Net Cash Provided by (Used in) Financing Activities	4,594	10,435	(56.0)	(761)	(703.8)
FX Difference	124	57	116.3	80	54.5
Net Increase (Decrease) in Cash and Cash Equivalents	8,675	8,025	8.1	(2,782)	(411.8)
Cash and Cash Equivalents , Beginning of Period	65,148	57,123	14.0	54,251	20.1
Cash and Cash Equivalents , End of Period	73,823	65,148	13.3	51,469	43.4

- The financial data is based on T-IFRS

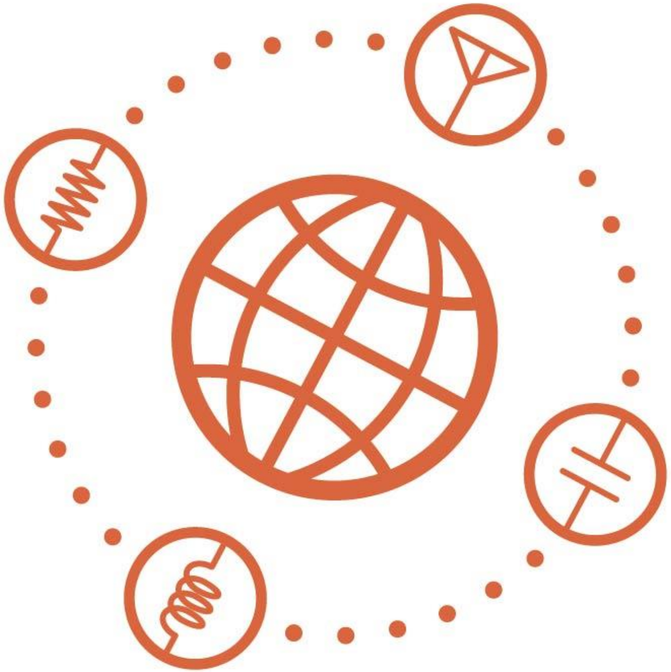
2Q2023 Working Capital Management

YAGEO Consolidation (reviewed)

Amount in NT$ Million

	2Q23	1Q23	Q-Q Change %	2Q22	Y-Y Change %
Accounts Receivable	20,222	20,260	(0.2)	25,855	(21.8)
DSO	69	74	(7.2)	73	(5.1)
Inventory	25,349	25,295	0.2	28,822	(12.1)
DOH-Total Company (Amt)	129	136	(5.2)	131	(1.2)
Accounts Payable	13,500	13,196	2.3	18,915	(28.6)
DPO	68	72	(5.3)	86	(21.2)
Net Working Capital	32,071	32,359	(0.9)	35,762	(10.3)

- The financial data is based on T-IFRS



Thank you!