YAGEO Group

YAGEO Corporation

Company Presentation

June 2024

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YAGEO Group

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Group Statement

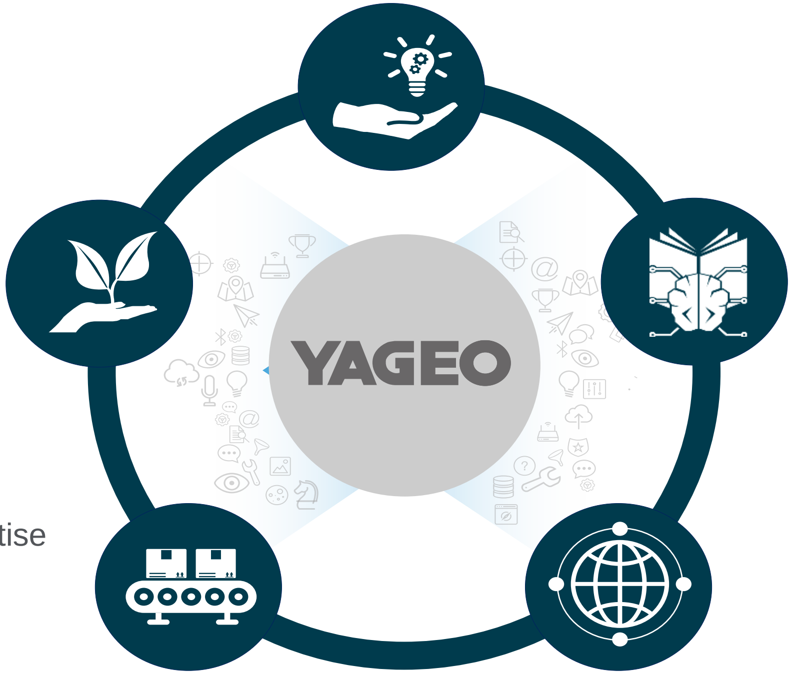
Our Vision:
Innovative Service Around the Globe

Our Mission:
Empowering the Future with Innovative Component Solutions

Company Strategies

YAGEO Group

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

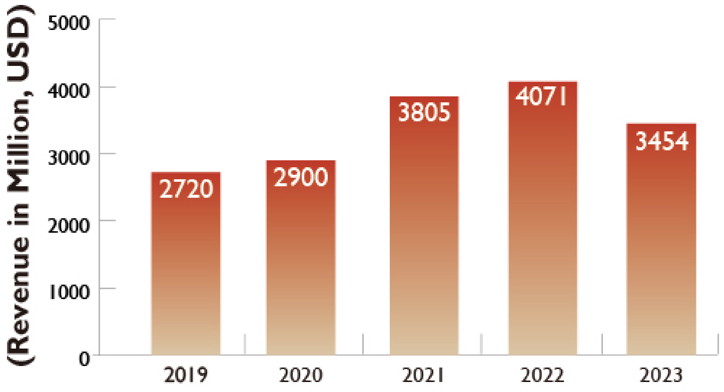
D Continue to enhance our expertise in both manufacturing craft and technologies advancement

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

YAGEO at a Glance

YAGEO Group

- **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$ 280 billion as of May 31st, 2024.
- Included in the MSCI Taiwan Index, FTSE/TWSE Taiwan 50 Index, and TWSE Taiwan Employment Creation 99 Index.



US$3.5 billion
Revenue

40,000
Employee
Worldwide

53
Manufacturing
Sites

20
R&D Centers

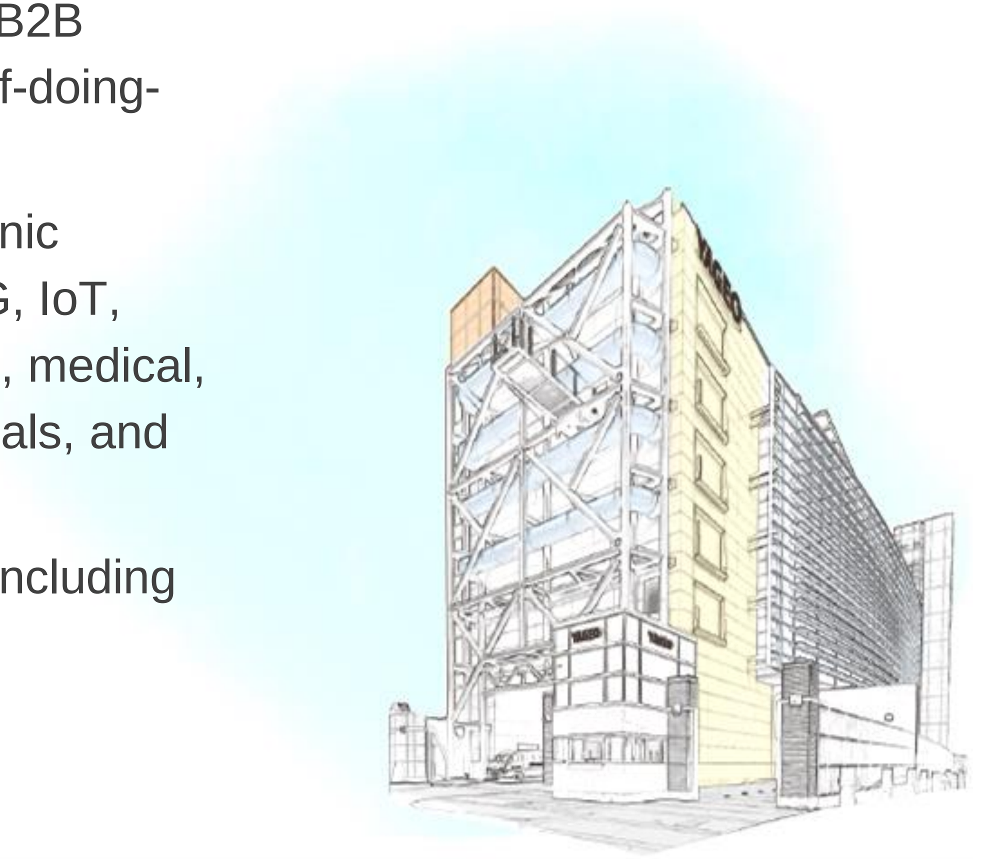
35
Sales Offices

A Global Passive Component Leader

- YAGEO is the world's only electronic component and service provider who has all three of the main pillars of the passive component industry—resistors, capacitors, and inductors, with each of the products having the leading position among its peers.
- YAGEO has extended its product portfolio to circuit protection components, wireless components and sensors. After years of international acquisitions and internal product portfolio optimization, YAGEO has transformed to a premium solution provider with high design-in capability and extensive reach into those hard to penetrate segments and markets.
- YAGEO has strong global presence with 35 sales offices, 53 manufacturing sites, and 20 R&D centers in 32 nations worldwide.

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, AI, 5G/6G, 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

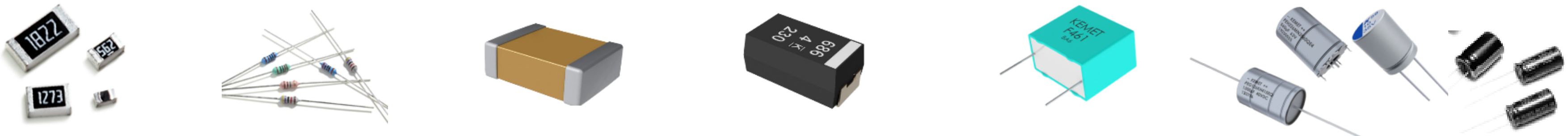
YAGEO Group

- 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 and Telemecanique Sensors in April and November 2023, respectively, and completed the merger of inductor maker Chilisin in January 2022, through a share-swap transaction. Earlier, YAGEO also completed the mergers of **KEMET** in June 2020 and **Pulse Electronics** in December 2018, with total equity valued **US$ 1.64 billion** and **US$ 740 million** in cash, respectively.
- In 2023, YAGEO reached its 2nd highest revenue of NTD$ 107.6 billion with 33.5% of Gross Margin, 19% of Operating Margin, EPS of NT$ 41.8, and 13.6% of ROE.

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

YAGEO Group

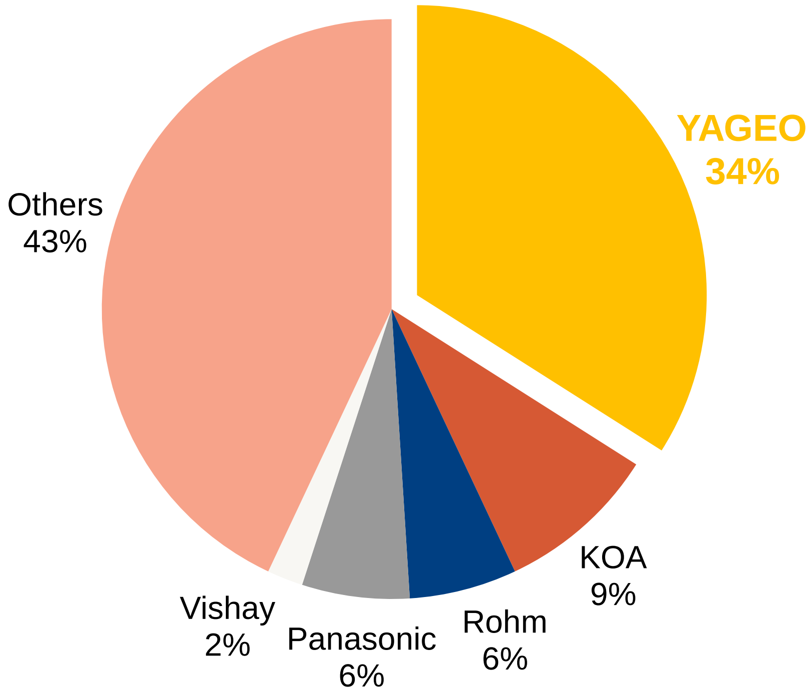
Brand :

EMS / OEM :

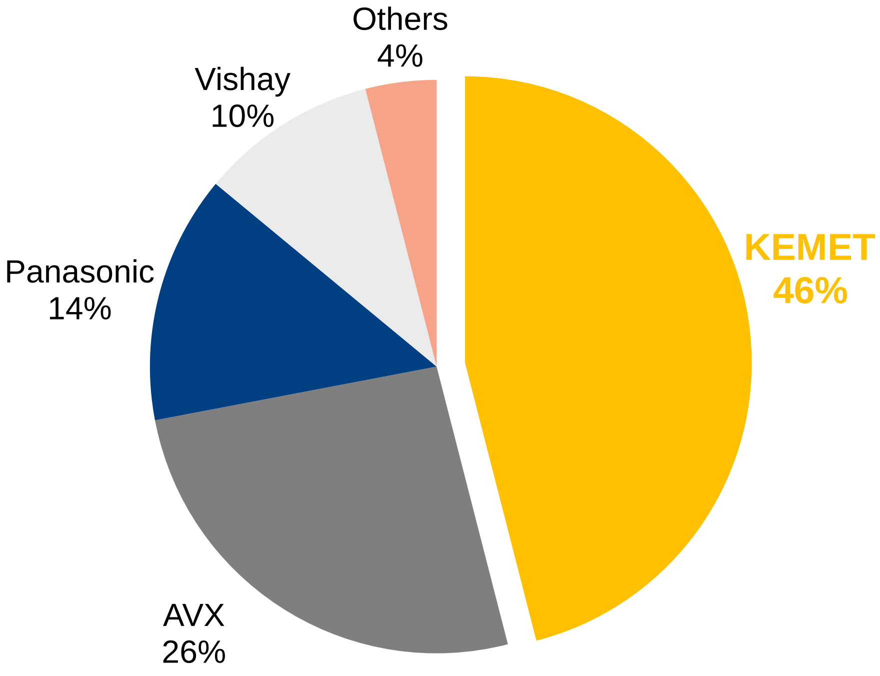
Distributor :

Leading Market Position

Chip Resistors - Ranked No. 1



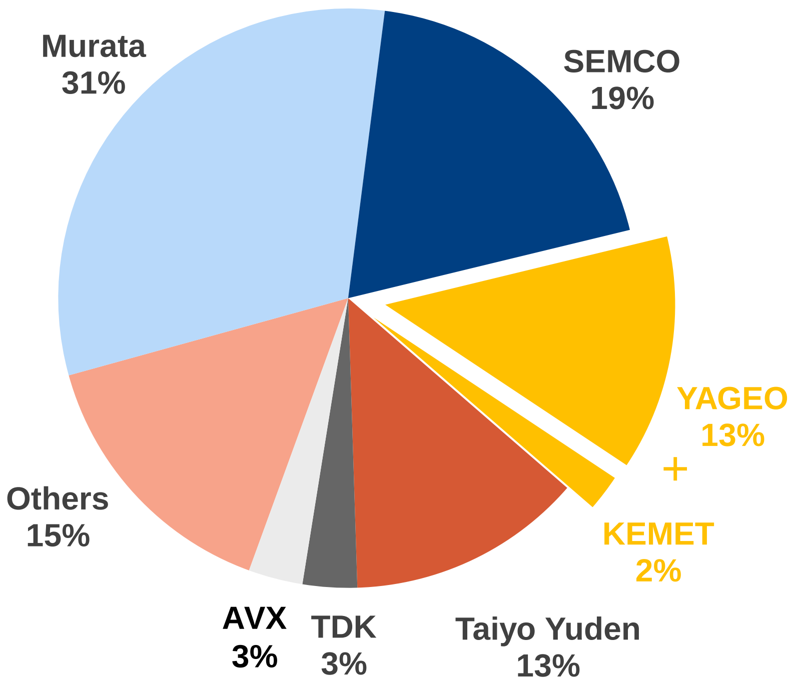
Tantalum Capacitors - Ranked No. 1



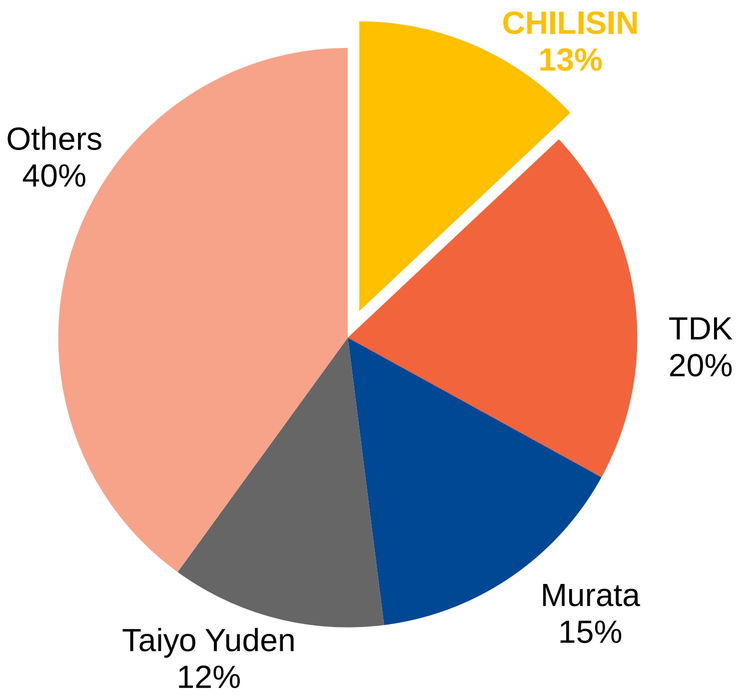
Leading Market Position

YAGEO Group

MLCCs - Ranked No. 3

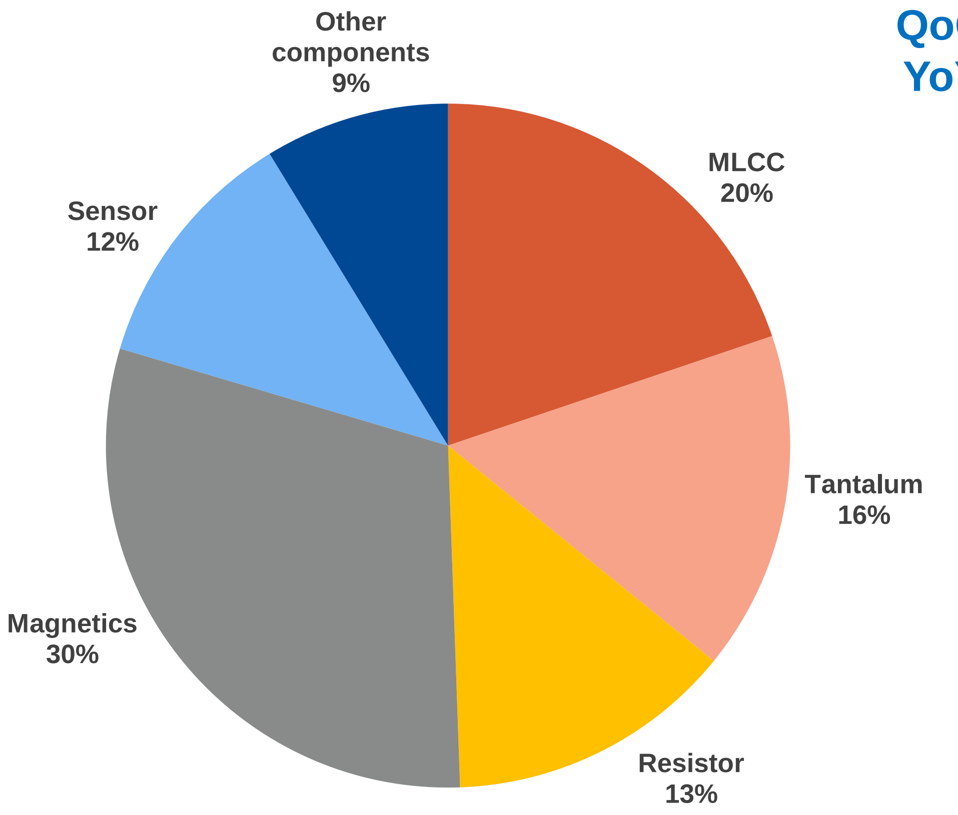


Inductors - Ranked No. 3



1Q2024 Sales Breakdown

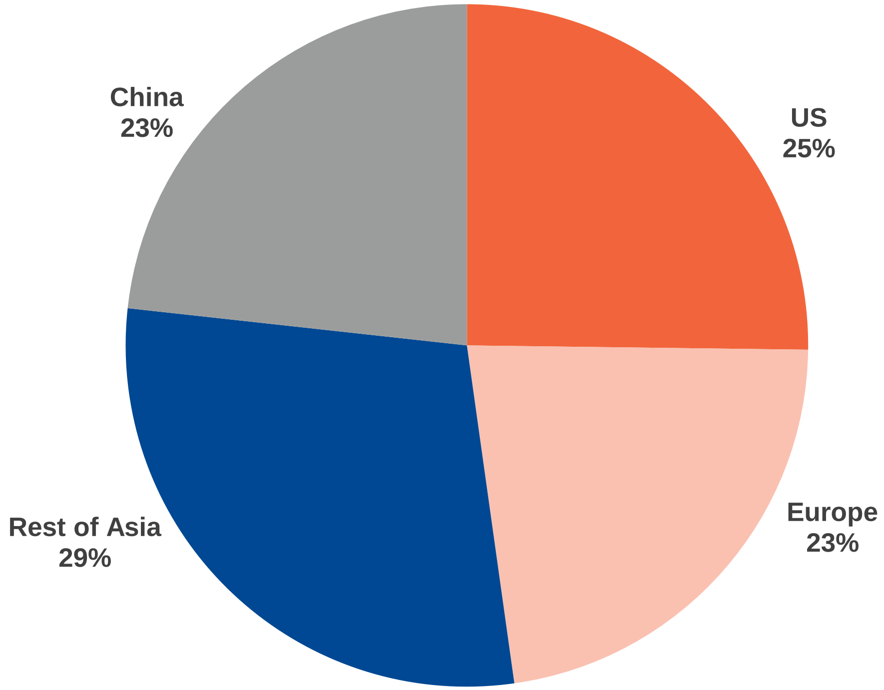
By Product*



* To align with new product portfolios
- "Sensor" separated from Other components.
- Piezoelectric device, magnetic materials, and actuator move to "Magnetics" from Other components.

NT$ 28,505 M
QoQ +4.2%
YoY +9.2%

By Region**

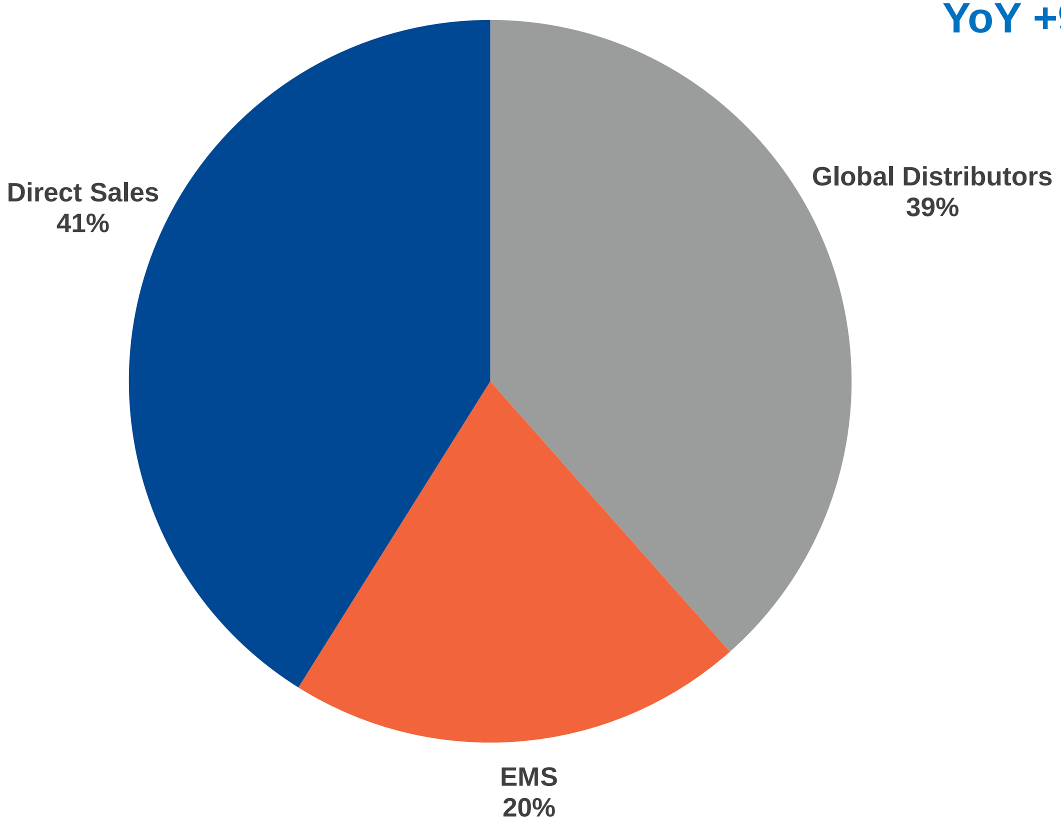


** By Customer HQ

1Q2024 Sales Breakdown

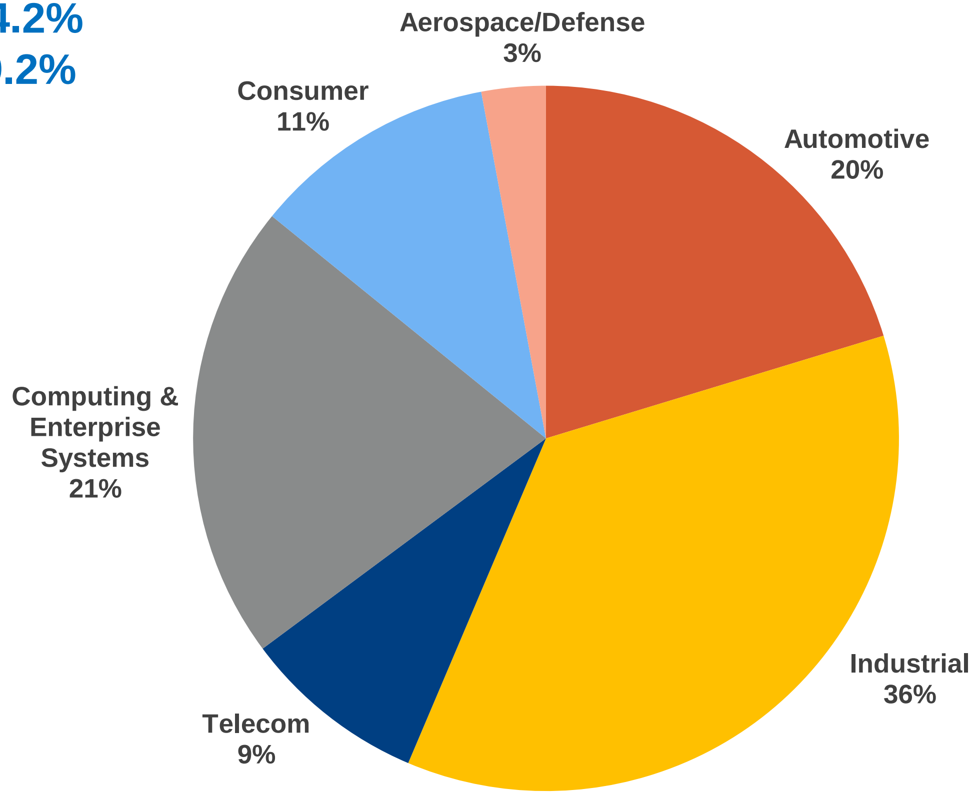
YAGEO Group

By Channel



NT$ 28,505 M
QoQ +4.2%
YoY +9.2%

By Segment***



*** Rename and Reclassification
- Computer renames as “Computing & Enterprise Systems”
- Communication renames as “Telecom”
- Def/Med renames as “Aerospace & Defense” (A&D)
- Server moves to Computing & Enterprise Systems, Smartphone moves to Consumer, and Medical moves to Industrial.

1Q2024 Income Statement

YAGEO Group

YAGEO Consolidation (reviewed)

Amount in NT$ Million

	1Q24 Amount	1Q24 %	4Q23 Amount	4Q23 %	Q-Q Change %	1Q23 Amount	1Q23 %	Y-Y Change %
Net Sales	28,505	100.0	27,361	100.0	4.2	26,096	100.0	9.2
Cost of Sales	(18,871)	(66.2)	(17,930)	(65.5)	5.2	(17,483)	(67.0)	7.9
Gross Margin	9,634	33.8	9,431	34.5	(0.7) ppts	8,612	33.0	0.8 ppts
Operating Expenses	(4,670)	(16.4)	(4,365)	(16.0)	(0.4) ppts	(3,692)	(14.1)	(2.3) ppts
Operating Profit	4,964	17.4	5,066	18.5	(1.1) ppts	4,920	18.9	(1.5) ppts
Non-operating Items	1,115	3.9	1,160	4.2	(0.3) ppts	514	2.0	1.9 ppts
Income Before Tax	6,079	21.3	6,226	22.8	(2.4)	5,435	20.8	11.9
Income Tax	(1,450)	(5.1)	(1,461)	(5.3)	0.2 ppts	(1,300)	(5.0)	(0.1) ppts
Net Income	4,629	16.2	4,765	17.4	(2.9)	4,135	15.8	12.0
Noncontrolling Interests	(21)	(0.1)	(18)	(0.1)	(0.0)	(3)	(0.0)	(0.1)
Net Income (attributable to the parent)	4,609	16.2	4,748	17.4	(2.9)	4,132	15.8	11.6
EPS (NT$ Dollar)	11.02		11.35		(3.0)	9.90		11.3
EBITDA	7,271	25.5	7,223	26.4	0.7	6,935	26.6	4.8

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

1Q2024 Non-operating Items

YAGEO Consolidation (reviewed)

Amount in NT$ Million

	1Q24	4Q23	Q-Q Change %	1Q23	Y-Y Change %
Foreign Exchange Gain (Loss)	276	442	(37.7)	436	(36.8)
Net Interest Income (Expense)	518	478	8.2	169	206.6
Investment Income on Equity-Method	30	33	(9.6)	(25)	(220.3)
Others	292	206	41.6	(66)	(544.0)
Total	1,115	1,160	(3.9)	514	116.9

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

Balance Sheet Summary

YAGEO Consolidation (reviewed)

Amount in NT$ Million

	As of Mar 31 2024	As of Dec 31 2023	Q-Q Change %	As of Mar 31 2023	Y-Y Change %
Cash and cash equivalents	83,889	75,927	10.5	65,148	28.8
Receivables	21,422	20,392	5.1	20,260	5.7
Inventory	26,578	27,176	(2.2)	25,295	5.1
Total Assets	**342,784**	**331,448**	3.4	**286,248**	19.8
Payables	13,679	15,116	(9.5)	13,196	3.7
Net financial debts	25,128	33,280	(24.5)	19,025	32.1
Total Liabilities	**204,309**	**194,849**	4.9	**164,907**	23.9
Total Equity	**138,476**	**136,599**	1.4	**121,341**	14.1
Total Liabilities & Equity	**342,784**	**331,448**	3.4	**286,248**	19.8
Net Financial Debt / Equity	**18.0%**	**24.7%**	**(6.7) ppts**	**15.7%**	**2.3 ppts**
Net Financial Debt / EBITDA	**86.4%**	**115.7%**	**(29.3) ppts**	**55.6%**	**30.8 ppts**
ROE (Quarterly)	**3.4%**	**3.5%**	**(0.1) ppts**	**3.4%**	**0.0 ppts**
ROE (Annualized)	**13.5%**			**13.6%**	

- The financial data is based on T-IFRS

1Q2024 Cash Flow

YAGEO Group

YAGEO Consolidation (reviewed)

Amount in NT$ Million

	1Q24 Amount	4Q23 Amount	Q-Q Change %	1Q23 Amount	Y-Y Change %
Net Cash Provided by (Used in) Operating Activities	6,827	7,559	(9.7)	6,411	6.5
Net Cash Provided by (Used in) Investing Activities	(1,270)	(32,477)	(96.1)	(8,878)	(85.7)
Net Cash Provided by (Used in) Financing Activities	(99)	19,046	(100.5)	10,435	(100.9)
FX Difference	2,504	(825)	(403.3)	57	4,268.5
Net Increase (Decrease) in Cash and Cash Equivalents	7,962	(6,697)	(218.9)	8,025	(0.8)
Cash and Cash Equivalents , Beginning of Period	75,927	82,624	(8.1)	57,123	32.9
Cash and Cash Equivalents , End of Period	83,889	75,927	10.5	65,148	28.8

- The financial data is based on T-IFRS

1Q2024 Working Capital Management

YAGEO Group

YAGEO Consolidation (reviewed)

Amount in NT$ Million

	1Q24	4Q23	Q-Q Change %	1Q23	Y-Y Change %
Accounts Receivable	21,422	20,392	5.1	20,260	5.7
DSO	67	69	(3.5)	74	(10.0)
Inventory	26,578	27,176	(2.2)	25,295	5.1
DOH-Total Company (Amt)	130	133	(2.1)	136	(4.7)
Accounts Payable	13,679	15,116	(9.5)	13,196	3.7
DPO	70	76	(8.7)	72	(3.2)
Net Working Capital	34,321	32,452	5.8	32,359	6.1

- The financial data is based on T-IFRS

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Thank you! 謝謝你!

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