YAGEO Corporation

Company Presentation

September 2024

Disclaimer

This presentation has been prepared by YAGEO Corporation (the "Company"). This presentation and the materials provided herewith do not constitute an offer to sell or issue or the solicitation of an offer to buy or acquire securities of the Company in any jurisdiction or an inducement to enter into investment activity, nor may it or any part of it form the basis of or be relied on in connection with any contract or commitment whatsoever. Any decision to purchase securities in a proposed offering should be made solely on the basis of the information contained in the offering circular published in relation to such proposed offering, if any.

The information contained in this presentation has not been independently verified. No representation, warranty or undertaking, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or the opinions contained herein. The information contained in this document should be considered in the context of the circumstances prevailing at the time and has not been, and will not be, updated to reflect material developments which may occur after the date of the presentation. None of the Company nor any of its affiliates, advisors or representatives will be liable (in negligence or otherwise) for any loss howsoever arising from any use of this presentation or its contents or otherwise arising in connection with the presentation.

About YAGEO Group

Built Into Tomorrow

Headquartered in Taipei, Taiwan, we harness our expertise to provide innovative, dependable solutions, enhancing our customers' products for a safer, more efficient, and interconnected future.

1977
Founded

40,000+
Global Employees

100+
Locations Worldwide

$4B
Yearly Revenues

2K+
Patents

273K+
Global Customers

PRINCIPAL BRANDS

YAGEO

KEMET

PULSE

Telemecanique Sensors

Group Statement

OUR MISSION

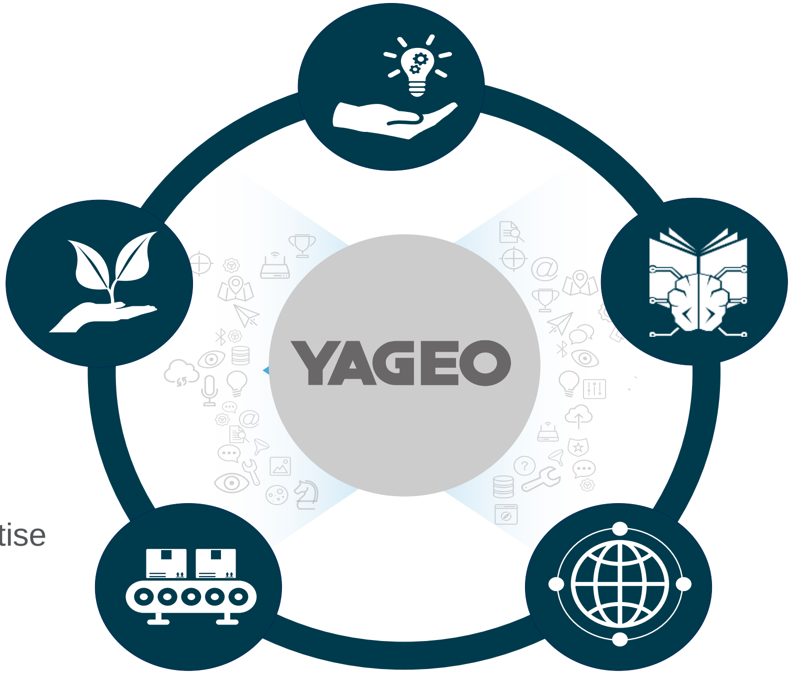
Utilize our expertise to deliver innovative, reliable solutions that elevate our customers' products, shaping a safer, more efficient, and interconnected future.

OUR VISION

Leverage our manufacturing scalability, comprehensive product offering, and the ingenuity of our global talent to build robust, sustainable, and resilient relationships with our customers.

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

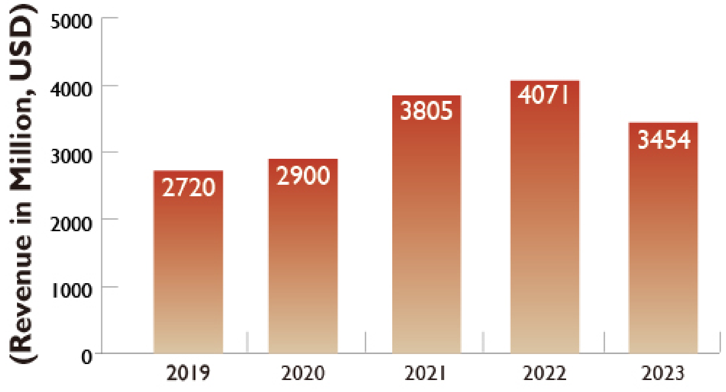
C Expand our global presence and scale through our global sales and network, distributors, and blue-chip focused customers

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$ 338 billion as of August 30th, 2024.
- Included in the MSCI Taiwan Index, FTSE/TWSE Taiwan 50 Index, FTSE4Good TIP Taiwan ESG Index, and TWSE Taiwan Employment Creation 99 Index.



A Global Passive Component Leader

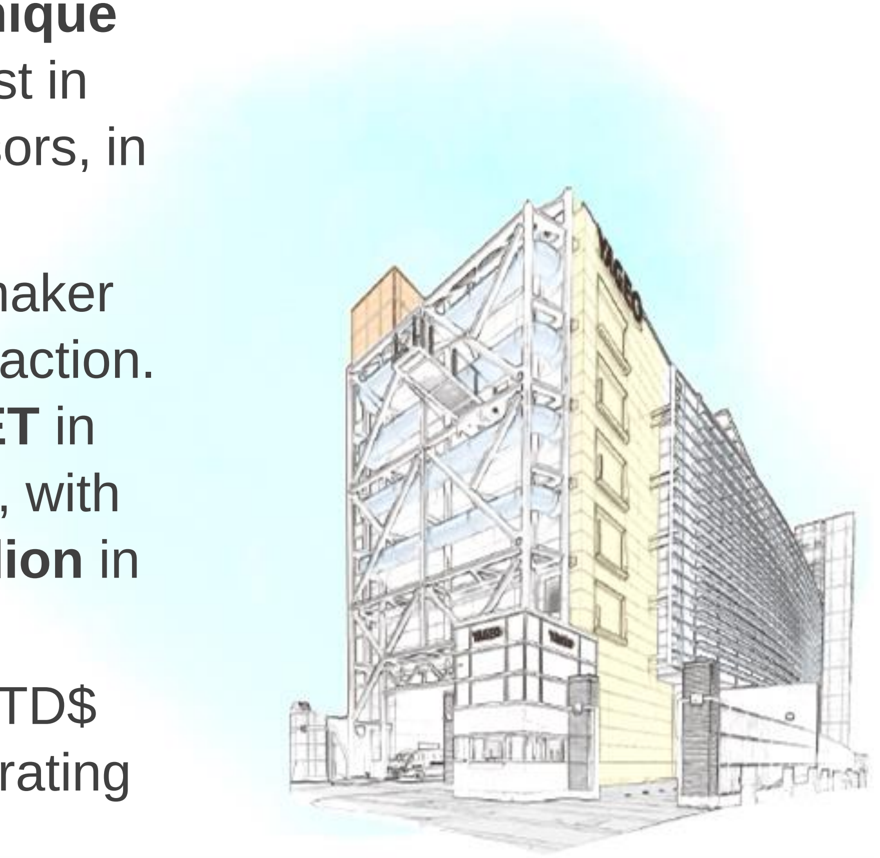
- YAGEO is the world's only electronic component and service provider who has all three of the main pillars of the passive component industry—resistors, capacitors, and inductors, with each of the products having the leading position among its peers.
- YAGEO has extended its product portfolio to circuit 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 AI, automotive, industrial, 5G/6G, IoT, cloud/data center, medical, aerospace, alternative energy, telecommunications, power supplies, 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 closed the merger deal of **Nexensos**, a global leader in premium platinum thin-film temperature sensors, in an all-cash transaction of **EUR 79.4 million** in April 2023**.** YAGEO continued to close another merger deal of **Telemecanique Sensors** in November 2023, a leading global specialist in mission-critical electromechanical and electronic sensors, in an all-cash transaction of **EUR 686 million**.
- YAGEO completed the merger of a leading 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

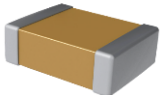
Aerospace/ Defense

High Voltage

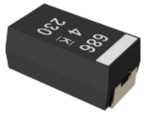
Portable Devices

Chip Resistors

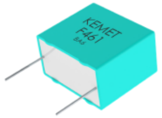
Leaded Resistors



MLCC

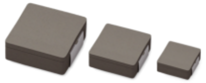


Tantalum Capacitor



Film Capacitor

Aluminum ECap



METCOM Inductors

Wireless Antenna

RF filters

Inductor

Circuit Protection

Various Customer Base

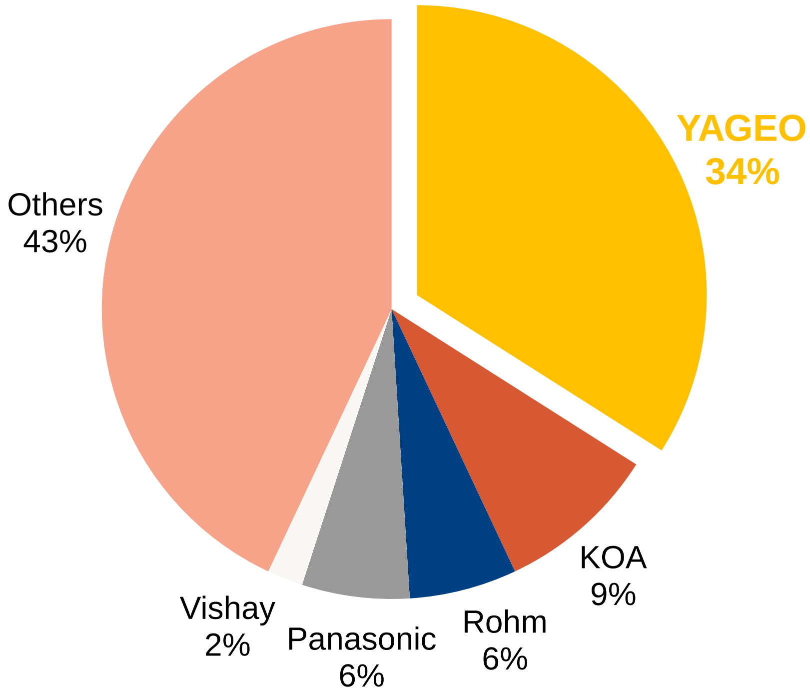
Brand :

EMS / OEM :

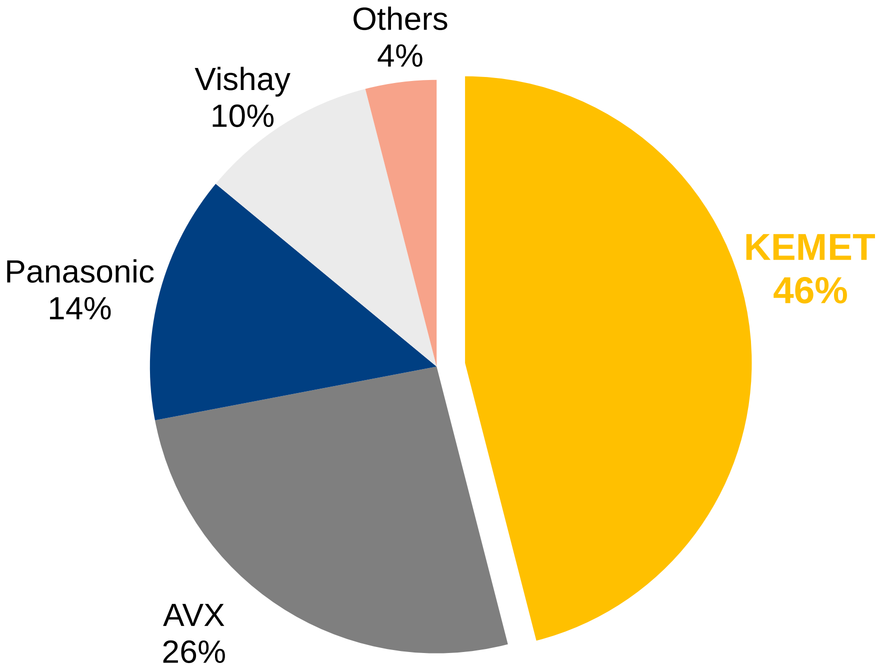
Distributor :

Leading Market Position

Chip Resistors - Ranked No. 1

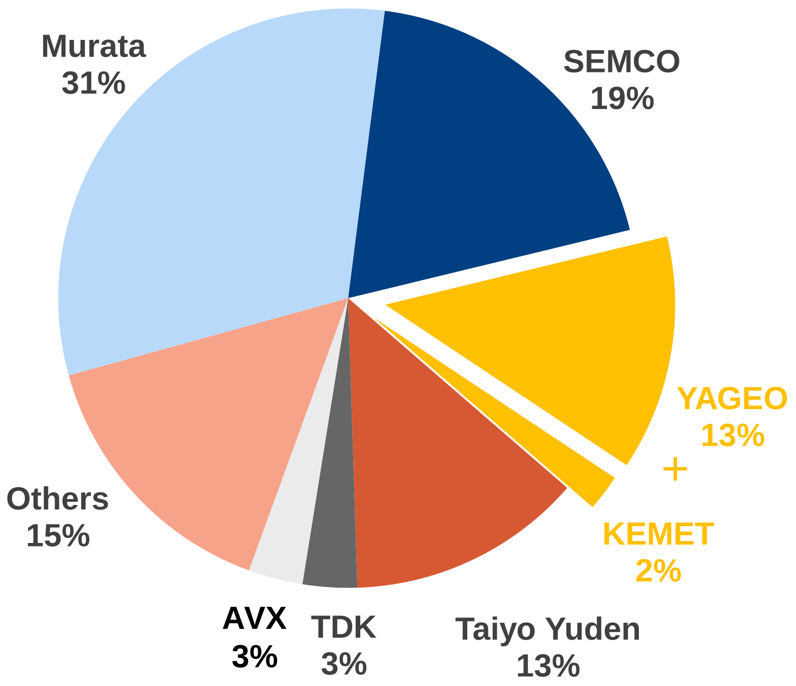


Tantalum Capacitors - Ranked No. 1

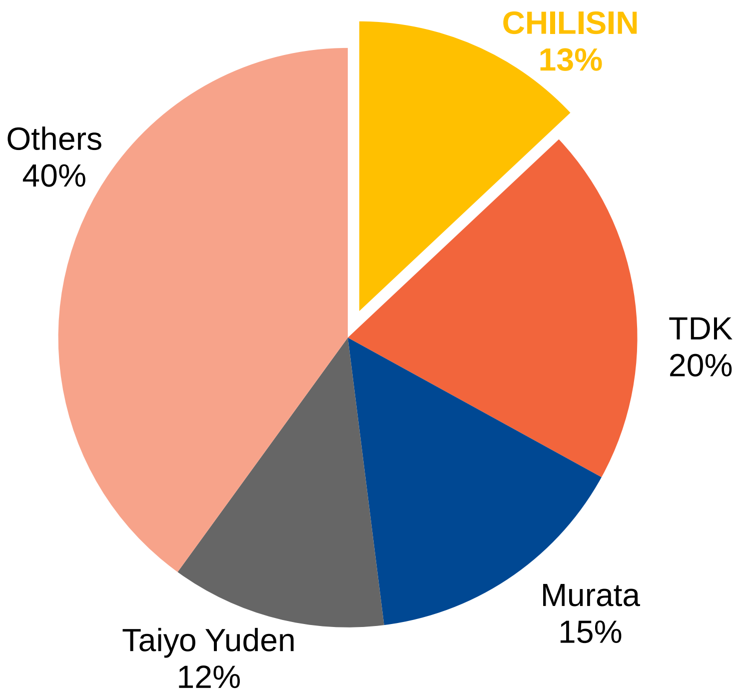


Leading Market Position

MLCCs - Ranked No. 3

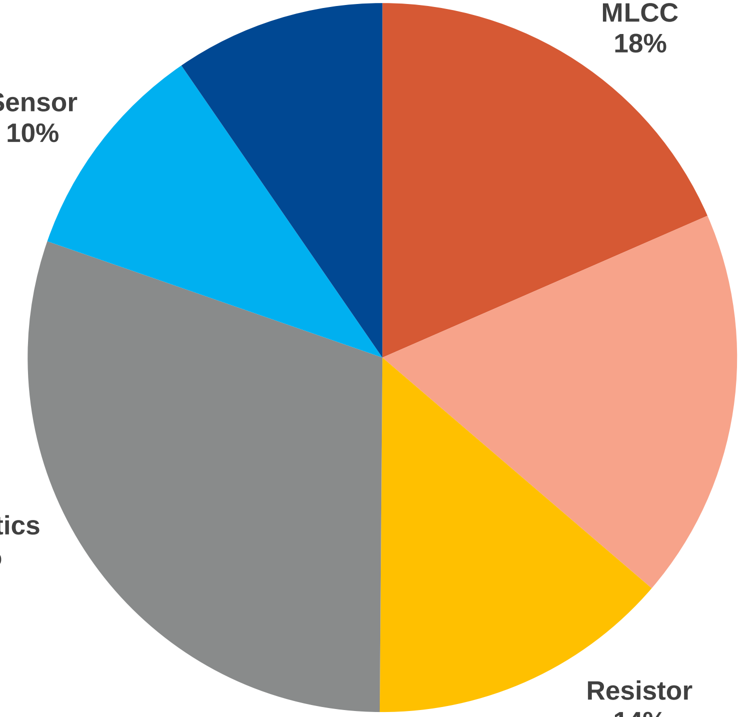


Inductors - Ranked No. 3



2Q2024 Sales Breakdown

By Product

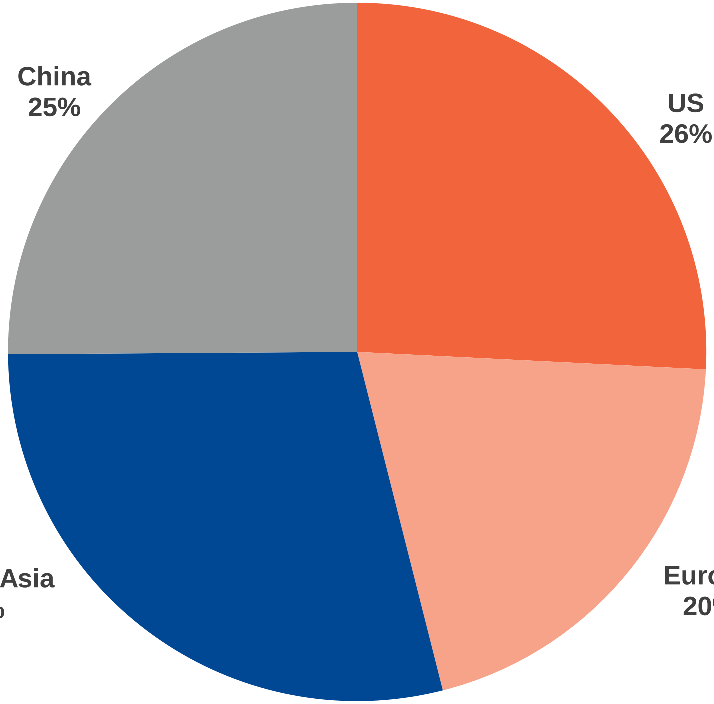


Products	1Q24	2Q24	QoQ change (ppts)
MLCC	20%	**18%**	(2)
Tantalum	16%	**18%**	2
Resistor	13%	**14%**	1
Magnetics	30%	**30%**	0
Sensors	12%	**10%**	(2)
Other components	9%	**10%**	1

NT$ 31,418 M
QoQ +10.2%
YoY +17.4%

By Region*

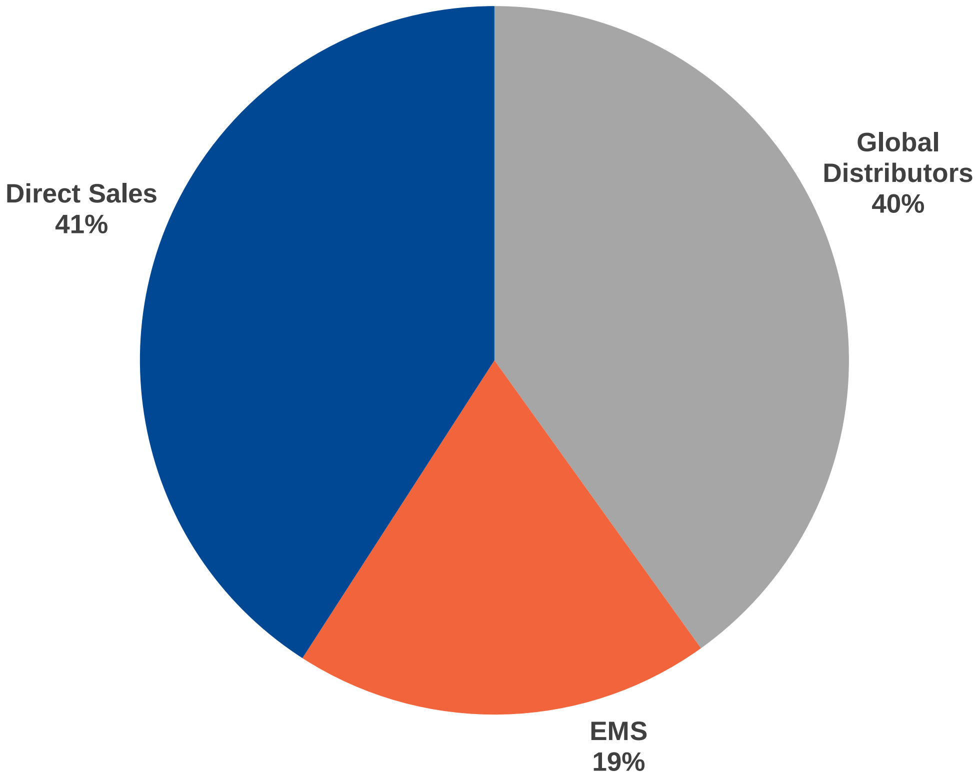
* By Customer HQ



Regions	1Q24	2Q24	QoQ change (ppts)
US	25%	**26%**	1
Europe	23%	**20%**	(3)
Rest of Asia	29%	**29%**	0
China	23%	**25%**	2

2Q2024 Sales Breakdown

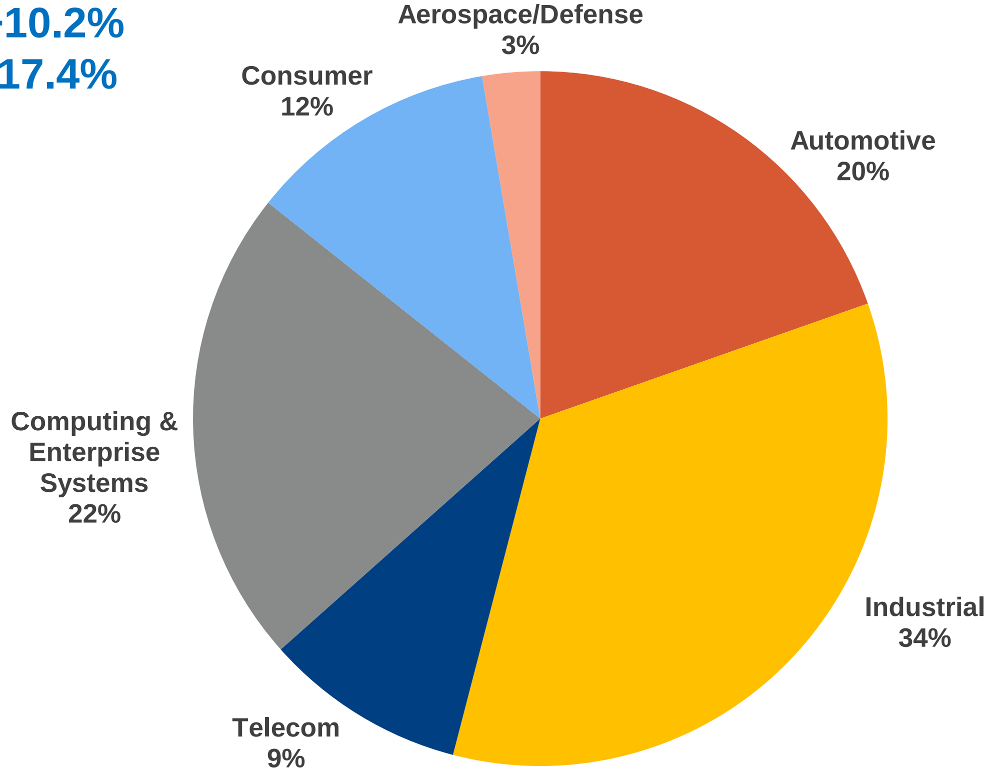
By Channel



Channels	1Q24	2Q24	QoQ change (ppts)
Global Distributors	39%	**40%**	1
EMS	20%	**19%**	(1)
Direct Sales	41%	**41%**	0

NT$ 31,418 M
QoQ +10.2%
YoY +17.4%

By Segment



Applications	1Q24	2Q24	QoQ change (ppts)
Automotive	20%	**20%**	0
Industrial	36%	**34%**	(2)
Telecom	9%	**9%**	0
Computing & ESs	21%	**22%**	1
Consumer	11%	**12%**	1
Aerospace/Defense	3%	**3%**	0

2Q2024 Income Statement

YAGEO GROUP

YAGEO Consolidation (reviewed)

Amount in NT$ Million

	2Q24 Amount	2Q24 %	1Q24 Amount	1Q24 %	Q-Q Change %	2Q23 Amount	2Q23 %	Y-Y Change %
Net Sales	31,418	100.0	28,505	100.0	10.2	26,757	100.0	17.4
Cost of Sales	(20,380)	(64.9)	(18,871)	(66.2)	8.0	(17,880)	(66.8)	14.0
Gross Margin	11,038	35.1	9,634	33.8	1.3 ppts	8,877	33.2	1.9 ppts
Operating Expenses	(4,556)	(14.5)	(4,670)	(16.4)	1.9 ppts	(3,801)	(14.2)	(0.3) ppts
Operating Profit	6,482	20.6	4,964	17.4	3.2 ppts	5,076	19.0	1.7 ppts
Non-operating Items	923	2.9	1,115	3.9	(1.0) ppts	1,359	5.1	(2.2) ppts
Income Before Tax	7,406	23.6	6,079	21.3	2.3 ppts	6,435	24.1	(0.5) ppts
Income Tax	(1,919)	(6.1)	(1,450)	(5.1)	(1.0) ppts	(2,732)	(10.2)	4.1 ppts
Net Income	5,486	17.5	4,629	16.2	1.3 ppts	3,703	13.8	3.7 ppts
Noncontrolling Interests	(34)	(0.1)	(21)	(0.1)	(0.0) ppts	17	0.1	(0.2) ppts
Net Income (attributable to the parent)	5,453	17.4	4,609	16.2	1.2 ppts	3,721	13.9	3.5 ppts
EPS (NT$ Dollar)	13.02		11.02		18.2	8.90		46.2
EBITDA	8,664	27.6	7,271	25.5	2.1 ppts	7,098	26.5	1.2 ppts

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

2Q2024 Non-operating Items

YAGEO GROUP

YAGEO Consolidation (reviewed)

Amount in NT$ Million

	2Q24	1Q24	Q-Q Change %	2Q23	Y-Y Change %
Foreign Exchange Gain (Loss)	287	276	4.2	414	(30.6)
Foreign Exchange Gain (Loss)-Realized	183	325	(43.7)	456	(59.9)
Foreign Exchange Gain (Loss)-Unrealized	104	(49)	(312.7)	(42)	(349.7)
Net Interest Income (Expense)	632	518	22.1	436	45.0
Investment Income on Equity-Method	98	30	229.7	28	247.4
Others	(94)	293	(132.2)	489	(119.3)
Total	923	1,116	(17.2)	1,367	(32.4)

- The financial data is based on T-IFRS

1H2024 Income Statement

YAGEO GROUP

YAGEO Consolidation (reviewed)

Amount in NT$ Million

	1H2024 Amount	1H2024 %	1H2023 Amount	1H2023 %	Y-Y Change %
Net Sales	59,923	100.0	52,852	100.0	13.4
Cost of Sales	(39,251)	(65.5)	(35,363)	(66.9)	11.0
Gross Margin	20,672	34.5	17,489	33.1	1.4 ppts
Operating Expenses	(9,226)	(15.4)	(7,493)	(14.2)	(1.2) ppts
Operating Profit	11,446	19.1	9,996	18.9	0.2 ppts
Non-operating Items	2,039	3.4	1,874	3.5	(0.1) ppts
Income Before Tax	13,485	22.5	11,870	22.5	0.0 ppts
Income Tax	(3,369)	(5.6)	(4,032)	(7.6)	(2.0) ppts
Net Income	10,116	16.9	7,838	14.8	2.1 ppts
Noncontrolling Interests	(54)	(0.1)	14	0.0	(0.1) ppts
Net Income (attributable to the parent)	10,062	16.8	7,852	14.9	1.9 ppts
EPS (NT$ Dollar)	24.04		18.80		27.8
EBITDA	15,935	26.6	14,051	26.6	0.1 ppts

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

2Q2024 Selected Balance Sheet Summary

YAGEO GROUP

YAGEO Consolidation (reviewed)

Amount in NT$ Million

	As of Jun 30 2024	As of Mar 31 2024	Q-Q Change %	As of June 30 2023	Y-Y Change %
Cash and cash equivalents	92,332	83,889	10.1	73,823	25.1
Receivables	23,569	21,422	10.0	20,154	16.9
Inventory	26,466	26,578	(0.4)	25,431	4.1
Total Assets	**358,563**	**342,784**	4.6	**299,268**	19.8
Payables	14,855	13,679	8.6	13,264	12.0
Net financial debts	24,447	25,128	(2.7)	14,392	69.9
Total Liabilities	**212,571**	**204,309**	4.0	**170,568**	24.6
Total Equity	**145,993**	**138,476**	5.4	**128,699**	13.4
Total Liabilities & Equity	**358,563**	**342,784**	4.6	**299,268**	19.8
Net Financial Debt / Equity	**16.7%**	**18.0%**	**(1.5) ppts**	**11.2%**	**5.2 ppts**
Net Financial Debt / EBITDA	**79.8%**	**86.4%**	**(6.6) ppts**	**45.6%**	**34.2 ppts**
ROE (Quarterly)	**3.9%**	**3.4%**	**0.4 ppts**	**3.0%**	**0.8 ppts**
ROE (Annualized)	**14.3%**	**13.5%**		**12.5%**	

- The financial data is based on T-IFRS

2Q2024 Cash Flow

YAGEO GROUP

YAGEO Consolidation (reviewed)

Amount in NT$ Million

	2Q24 Amount	1Q24 Amount	Q-Q Change %	2Q23 Amount	Y-Y Change %
Net Cash Provided by (Used in) Operating Activities	5,254	6,827	(23.0)	7,444	(29.4)
Net Cash Provided by (Used in) Investing Activities	(5,146)	(1,270)	305.2	(2,974)	73.0
Net Cash Provided by (Used in) Financing Activities	6,969	(99)	(7,139.9)	4,594	51.7
FX Difference	1,366	2,504	(45.4)	(389)	(451.2)
Net Increase (Decrease) in Cash and Cash Equivalents	8,443	7,962	6.0	8,675	(2.7)
Cash and Cash Equivalents , Beginning of Period	83,889	75,927	10.5	65,148	28.8
Cash and Cash Equivalents , End of Period	92,332	83,889	10.1	73,823	25.1

- The financial data is based on T-IFRS

2Q2024 Working Capital Management

YAGEO GROUP

YAGEO Consolidation (reviewed)

Amount in NT$ Million

	2Q24	1Q24	Q-Q Change %	2Q23	Y-Y Change %
Accounts Receivable	23,569	21,422	10.0	20,154	16.9
DSO	65	67	(2.4)	69	(5.2)
Inventory	26,466	26,578	(0.4)	25,431	4.1
DOH-Total Company (Amt)	119	130	(8.6)	129	(8.3)
Accounts Payable	14,855	13,679	8.6	13,264	12.0
DPO	64	70	(8.2)	68	(5.4)
Net Working Capital	35,180	34,321	2.5	32,321	8.8

- The financial data is based on T-IFRS

YAGEO GROUP

Built into Tomorrow

Thank you!謝謝你!

WWW.YAGEO.COM