Investor Relations

Diodes Incorporated (DIOD)
Plano, TX, USA
November 8, 2023
Safe Harbor Statement

Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995: Any statements set forth above that are not historical facts are forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. Such statements include statements containing forward-looking words such as “expect,” “anticipate,” “aim,” “estimate,” and variations thereof, including without limitation statements, whether direct or implied, regarding expectations of that for the fourth quarter of 2023, we expect revenue to be approximately $325 million plus or minus 3 percent; we expect GAAP gross margin to be 35.0 percent, plus or minus 1 percent; non-GAAP operating expenses, which are GAAP operating expenses adjusted for amortization of acquisition-related intangible assets, are expected to be approximately 26.5 percent of revenue, plus or minus 1 percent; we expect net interest income to be approximately $2.0 million; we expect our income tax rate to be 18 percent, plus or minus 3 percent; shares used to calculate diluted EPS for the fourth quarter are anticipated to be approximately 46.6 million. Potential risks and uncertainties include, but are not limited to, such factors as: the risk that the COVID-19 pandemic may continue and have a material adverse effect on customer demand and staffing of our production, sales and administration facilities; the risk that such expectations may not be met; the risk that the expected benefits of acquisitions may not be realized or that integration of acquired businesses may not continue as rapidly as we anticipate; the risk that the cost, expense, and diversion of management attention associated with the LSC acquisition may be greater than we currently expect; the risk that we may not be able to maintain our current growth strategy or continue to maintain our current performance, costs, and loadings in our manufacturing facilities; the risk that we may not be able to increase our automotive, industrial, or other revenue and market share; risks of domestic and foreign operations, including excessive operating costs, labor shortages, higher tax rates, and our joint venture prospects; the risks of cyclical downturns in the semiconductor industry and of changes in end-market demand or product mix that may affect gross margin or render inventory obsolete; the risk of unfavorable currency exchange rates; the risk that our future outlook or guidance may be incorrect; the risks of global economic weakness or instability in global financial markets; the risks of trade restrictions, tariffs, or embargoes; the risk that the coronavirus outbreak or other similar epidemics may harm our domestic or international business operations to a greater extent than we currently anticipate; the risk of breaches of our information technology systems; and other information, including the “Risk Factors” detailed from time to time in Diodes’ filings with the United States Securities and Exchange Commission.

This presentation also contains non-GAAP measures. See the Company’s press release on November 8, 2023 titled, “Diodes Incorporated Reports Third Quarter Fiscal 2023 Financial Results” for detailed information related to the Company’s non-GAAP measures and a reconciliation of GAAP net income to non-GAAP net income.
Dr. Keh-Shew Lu
Chairman, President and CEO

Experience:
- President & CEO, Diodes Incorporated Since 2005
- Texas Instruments 27 years
  - Senior Vice President of TI Worldwide Analog and Logic
  - President of Texas Instruments – Asia

Education:
- Honorary Doctorate in Engineering
  National Cheng Kung University
- Doctorate and Master's Degree in Electrical Engineering
  Texas Tech University
- Bachelor's Degree in Engineering
  National Cheng Kung University – Taiwan
Experience:
- Head of Corporate Marketing, Diodes Incorporated, Milpitas, CA
- Head of Corporate Marketing, Pericom, Milpitas, CA
- Vice President, Marketing, CA Technologies (Broadcom), Redwood City, CA
- Director, Global Marketing Strategy, EMC, Pleasanton, CA
- Director, Marketing, Zarlink Semiconductor (Microchip), San Jose, CA
- Marketing Management positions at Cisco and National Semiconductor, CA

Education:
- MBA, Marketing/Entrepreneurship, Saint Mary's College of California
- BS in Electrical and Computer Engineering, UC Santa Barbara
About Diodes Incorporated

Diodes delivers high-quality (analog, discrete, logic and mixed signal) semiconductor products to the world’s leading companies in the automotive, industrial, computing, consumer electronics, and communications markets

Vision: Profitability Growth to Maximize Shareholder Value

Our Core Values: Integrity, Commitment, Innovation
Global Operations and World-class Manufacturing

- Headquartered in Plano, TX
- Manufacturing in US, UK, Germany, China, and Taiwan
- ISO 14001:2015 Certified

Key Acquisitions

- Anachip Corporation (Taiwan) - 2006
- Zetex Semiconductors - 2006
- BCD Semiconductor - 2008
- TI's Greenock fab (GFAB) - 2012
- Onsemi's fab (SPFAB) - 2013
- Pericom Semiconductor - 2015
- Lite-On Semiconductor LITE-ON SEMICONDUCTOR - 2019
- Onsemi's fab (SPFAB) - 2020
- Onsemi's fab (SPFAB) - 2022
Our Sustainability Commitment

Our commitment to a sustainable and profitable business is built around ESG

Please refer to Governance and Oversight for additional details
On-Track to Achieve Longer Term Corporate Objectives

- Goal 1: $1B Market Cap
- Goal 2: $1B Annual Revenue
- Goal 3: $1B Gross Profit
- Goal 4: $1B Profit Before Tax

2025 Target:
$1B Gross profit

| Gross Margin: | 40% |
| Revenue:      | $2.5B |

$1B Market Cap - 2010

$1B Revenue - 2017

$1B Gross Profit by 2025

$1B PBT
Track record of Continued Outperformance

### Annual Revenue

($ in millions)

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</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>215</td>
<td>343</td>
<td>401</td>
<td>433</td>
<td>434</td>
<td>613</td>
<td>635</td>
<td>634</td>
<td>827</td>
<td>891</td>
<td>851</td>
<td>942</td>
<td>1,055</td>
<td>1,214</td>
<td>1,249</td>
<td>1,229</td>
<td>1,805</td>
<td>2,000</td>
<td>1,664</td>
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</table>

CAGR: 14% (2005 - 2022)

### Gross Profit

($ in millions)

<table>
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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>74</td>
<td>114</td>
<td>130</td>
<td>133</td>
<td>121</td>
<td>225</td>
<td>194</td>
<td>162</td>
<td>238</td>
<td>277</td>
<td>249</td>
<td>287</td>
<td>357</td>
<td>435</td>
<td>466</td>
<td>431</td>
<td>670</td>
<td>827</td>
<td>860</td>
</tr>
</tbody>
</table>

CAGR: 15% (2005 - 2022)

* Revenue/Gross Profit for 2023 are based on Q1-Q3 results and Q4 guidance provided on November 8, 2023
Targeted Market Segment Goal

Automotive
- Connected driving, comfort/style/safety, electrification/powertrain

Industrial
- Embedded systems and precision controls, and IIoT

Consumer
- IoT: wearables, home automation, smart infrastructure

Communications
- Smart phones, 5G networks, advanced protocols, and charging solutions

Computing
- Cloud computing: server, AI server, storage, data centers

~40% of revenue
(45% for Q3 2023)

~60% of revenue
(55% for Q3 2023)
Automotive and Industrial are Driving Growth

- **Automotive** – 31% CAGR (2013 – 2022)
  - Focused on connected driving, comfort, style, safety, and electrification
  - Released 139 new automotive-compliant products in Q3 2023
  - Increased dollar content per car to $140

- **Industrial** – 15% CAGR (2013 – 2022)
  - Focused on embedded systems, networked systems, automation, motor controls, sensors, power management, and IIoT
  - Building momentum for SiC Schottky diodes and MOSFETs
  - Expanding content in security, medical, green energy generation and energy storage systems
Example: Embedded System Applications
Automotive Applications Driving Growth

Focus Applications:

Connected Driving
- ADAS (Advanced Driver Assistance Systems)
- Telematics
- Infotainment Systems

Comfort, Style, and Safety
- Lighting
  - Migration to LED and intelligent illumination
- BLDC motor / fan control
  - Migration from Brushed to Brushless DC Motors

Electrification/Powertrain
- Conventional Powertrain → Hybrid → Electrification
- Battery management
  - Move to 48V battery
Automotive Opportunity

Automotive Potential Revenue

<table>
<thead>
<tr>
<th>Category</th>
<th>$ / Car</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automotive Motor Control</td>
<td>$45.50</td>
</tr>
<tr>
<td>Connected Driving (Infotainment, Telematics &amp; ADAS)</td>
<td>$60.50</td>
</tr>
<tr>
<td>Powertrain, Electrification &amp; Body Control Electronics</td>
<td>$19.70</td>
</tr>
<tr>
<td>Lighting – Moving to LED</td>
<td>$14.30</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$140.00</strong></td>
</tr>
</tbody>
</table>
Advanced Clock Gen, Clock Buffer, Crystal Oscillator, USB Power Switch, and Protection solutions for mission-critical need

Automotive Compliant* Products

* AEC qualified, manufactured in IATF 16949 certified sites supporting PPAP documents (if applicable).
USB charging is a high growth application with approximately 2 to 8 ports per vehicle. Diodes provides a system solution for USB charging including Port Controller, USB Muxes, Signal Switches, ReDrivers, Xtals, Power Management, and Protection.

Automotive Compliant* product portfolio expansion is expanding the SAM further.

<table>
<thead>
<tr>
<th>Diodes’ Key Products</th>
<th>$ / per car</th>
</tr>
</thead>
<tbody>
<tr>
<td>Power Management</td>
<td>$5.30</td>
</tr>
<tr>
<td>MOS/BJT</td>
<td>$1.00</td>
</tr>
<tr>
<td>Diodes and Rectifiers</td>
<td>$0.50</td>
</tr>
<tr>
<td>Timing and Connectivity</td>
<td>$2.80</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$9.60</strong></td>
</tr>
</tbody>
</table>

* AEC qualified, manufactured in IATF 16949 certified sites supporting PPAP documents (if applicable).
Industrial Content Expansion

- Increasing IC content in embedded systems
- Switching and signal path for networked systems and automation
- Signal conditioning and timing for precision controls
- Industrial / motor controls, sensors, and power management for smart meters
- Green power, Energy storage

Industrial Revenue Growth

Net Sales

2013 - 2022 CAGR: 15%

Year

16% 5% 9% 21% 30% 8% 18% 43% 32%

DIODES INCORPORATED
IoT – Machine to Machine (M2M)

- **M2M – Dominated by short range technology**
  - 73% are short range, mostly Wi-Fi
  - 2030: connections @ 29,400 million

**M2M – By Application**
- IoT and M2M Modems
- POS, Routers, Edge Server
- On-Premise Edge Gateway
- AGV (Automated Guided Vehicle)
- AMR (Autonomous Mobile Robots)
- UAV (Unmanned Aerial Vehicle)

**Growth Opportunities:**
- Power, Sensor, DC-DC
- Gate Driver, BJT, MOSFET
- XTAL and clock
- Packet switch, ReDriver, IO Expander, MIPI, and USB charging

**Diodes’ Key Products**
<table>
<thead>
<tr>
<th>Product Category</th>
<th>Price / AGV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discrete</td>
<td>$3.50</td>
</tr>
<tr>
<td>Analog &amp; Power Mgmt.</td>
<td>$2.20</td>
</tr>
<tr>
<td>Timing and Connectivity</td>
<td>$18.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$23.70</strong></td>
</tr>
</tbody>
</table>
- ReDriver support for PCIe or USB connectivity
- Wide range of signal protocols: PCIe, CXL, SAS, SATA, USB
- MUX products for high capacity solid state storage
- Crystal oscillators for increasing clocking speeds
- LDOs, DCDC, SBR, and TVS for power management and protection
Server Platform Solution

- Almost all of Server vendors are Diodes’ existing customers
- Diodes’ products are well positioned in this segment
- Connectivity, Signal Integrity, Timing, Standard Linear, Power Management, Power Switch, Level shifter, Protection or HV MOSFET / SBR devices

<table>
<thead>
<tr>
<th>Diodes’ Key Products</th>
<th>$ / Server</th>
</tr>
</thead>
<tbody>
<tr>
<td>Analog</td>
<td>3.80</td>
</tr>
<tr>
<td>Discrete</td>
<td>3.60</td>
</tr>
<tr>
<td>Timing and Connectivity</td>
<td>33.00</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$40.40</strong></td>
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</tbody>
</table>

WW server market is expected to grow during 2023 – 2027 with CAGR of 7.7%
Consumer: IoT Driving Power & Connectivity Requirements

Diodes’ Key Products

<table>
<thead>
<tr>
<th>Diodes’ Key Products</th>
<th>$ / Box</th>
</tr>
</thead>
<tbody>
<tr>
<td>Analog</td>
<td>&gt;$0.20</td>
</tr>
<tr>
<td>Power Management</td>
<td>&gt;$1.30</td>
</tr>
<tr>
<td>MOS/BJT</td>
<td>&gt;$10.00</td>
</tr>
<tr>
<td>Diodes and Rectifiers</td>
<td>&gt;$5.00</td>
</tr>
<tr>
<td>Timing and Connectivity</td>
<td>$3.50</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$20.00</strong></td>
</tr>
</tbody>
</table>
IoT Segment: Smart Home

Smart Home
- Safety and Security
- Climate Control
- Consumer Electronics
- Lighting control

Growth Opportunities
- Power
- LED driver
- Xtal and clock
- Packet switch

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Smart Home Gateway

![Diagram of Smart Home Gateway](image)

Smart Lighting

![Diagram of Smart Lighting](image)

Smart Speaker

![Diagram of Smart Speaker](image)

Digital Assistant

![Diagram of Digital Assistant](image)

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Diodes’ Key Products

<table>
<thead>
<tr>
<th>Category</th>
<th>Price / Box</th>
</tr>
</thead>
<tbody>
<tr>
<td>Analog</td>
<td>$0.55 - $0.80</td>
</tr>
<tr>
<td>Power Management</td>
<td>$1.80</td>
</tr>
<tr>
<td>MOS/BJT</td>
<td>$1.10</td>
</tr>
<tr>
<td>Diodes and Rectifiers</td>
<td>$0.50</td>
</tr>
<tr>
<td>Timing and Connectivity</td>
<td>$3.50</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$7.70</strong></td>
</tr>
</tbody>
</table>
Focus Applications:

Cloud Computing
- AI / Data Center Server

Gateway
- Internet Gateway
- Fiber network

Core Network, Cell Stations
- Small Cells
- Base Station
- Edge Computing Server
- Smart antenna
- Fiber network

End Products
- Portables: Smartphone, Tablet
- Smart Car
- Consumer: VR/AR, Drone, IoT
- Telecom: 5G CPEs
- Embedded/Industrial
- Advanced Solution in Signal Integrity, Signal/Bus/Power Switches and IO Expanders for diversified networking applications

- Global Logistics provide cost-competitive solution with industry standard pin-outs and flexible package options

<table>
<thead>
<tr>
<th>Diodes' Key Products</th>
<th>$ / Box</th>
</tr>
</thead>
<tbody>
<tr>
<td>Analog</td>
<td>&gt;$0.60</td>
</tr>
<tr>
<td>Power Management</td>
<td>$0.90</td>
</tr>
<tr>
<td>MOS/BJT</td>
<td>&gt;$0.50</td>
</tr>
<tr>
<td>Timing and Connectivity</td>
<td>$11.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$13.00</strong></td>
</tr>
</tbody>
</table>
Products

- 32 Gbps ReDrivers and Switches
- Automotive Packet Switch for Telematics / ADAS
- Complete USB Type-C Solution
- Low jitter timing solution for cloud computing
- Ultra low power and low noise LDOs for IoT
- Low Cj TVS for signal integrity
- Lowest RDS(ON) LDMOS for battery efficiency
- SiC Merged PiN Schottky Diodes and SiC MOSFET for industrial and automotive applications

Wafer Fab

- High performance 8” MOSFET trench technology
- Advanced Epi bipolar transistor processes
- Proprietary rectifier technology
- Rugged automotive grade NMOS and PMOS

Assembly/Test

- Compact QFN and DFN
- Power density PowerDI
- Chip scale packaging and plating capability
- Extensive multi-chip package technology
Efficient Manufacturing + Superior Processes

Wafer Fabs

- US: South Portland, Maine
- China: Shanghai and Wuxi
- Taiwan: Hsinchu and Keelung
- UK: Greenock and Oldham
- Bipolar, BiCMOS, CMOS and BCD process
- Global footprint with strong engineering capabilities

Assembly and Test

- China: Shanghai, Chengdu, and Wuxi
- Taiwan: Jhongli
- Germany: Neuhaus
Revenue Profile for Third Quarter 2023

By Channel
- 34% Direct
- 66% Distribution

By Region
- 72% Asia Pacific
- 18% Europe
- 10% Americas

By End Market
- 25% Computing
- 26% Industrial
- 19% Automotive
- 18% Consumer
- 12% Communications
## Income Statement – Third Quarter 2023

<table>
<thead>
<tr>
<th></th>
<th>3Q22</th>
<th>2Q23</th>
<th>3Q23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>521.3</td>
<td>467.2</td>
<td>404.6</td>
</tr>
<tr>
<td>Gross profit (GAAP)</td>
<td>217.8</td>
<td>195.4</td>
<td>155.9</td>
</tr>
<tr>
<td>Gross profit margin % (GAAP)</td>
<td>41.8%</td>
<td>41.8%</td>
<td>38.5%</td>
</tr>
<tr>
<td>Net income (GAAP)</td>
<td>86.4</td>
<td>82.0</td>
<td>48.7</td>
</tr>
<tr>
<td>Net income (non-GAAP)</td>
<td>92.2</td>
<td>73.3</td>
<td>52.5</td>
</tr>
<tr>
<td>Diluted EPS (non-GAAP)</td>
<td>2.00</td>
<td>1.59</td>
<td>1.13</td>
</tr>
<tr>
<td>Cash flow from operations</td>
<td>132.2</td>
<td>92.6</td>
<td>50.1</td>
</tr>
<tr>
<td>EBITDA (non-GAAP)</td>
<td>141.9</td>
<td>133.5</td>
<td>90.6</td>
</tr>
<tr>
<td>($ in millions)</td>
<td>Dec 31, 2021</td>
<td>Dec 31, 2022</td>
<td>Sep 30, 2023</td>
</tr>
<tr>
<td>-------------------------</td>
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<td>--------------</td>
<td>--------------</td>
</tr>
<tr>
<td>Cash*</td>
<td>373</td>
<td>348</td>
<td>308</td>
</tr>
<tr>
<td>Inventory</td>
<td>349</td>
<td>360</td>
<td>344</td>
</tr>
<tr>
<td>Current Assets</td>
<td>1,188</td>
<td>1,162</td>
<td>1,183</td>
</tr>
<tr>
<td>Total Assets</td>
<td>2,194</td>
<td>2,288</td>
<td>2,340</td>
</tr>
<tr>
<td>Total Debt</td>
<td>301</td>
<td>185</td>
<td>53</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>892</td>
<td>705</td>
<td>581</td>
</tr>
<tr>
<td>Total Equity</td>
<td>1,303</td>
<td>1,583</td>
<td>1,759</td>
</tr>
</tbody>
</table>

* Cash, Restricted Cash and Short-term investments
Fourth Quarter 2023 Business Outlook

- Revenue to be ~$325 million, +/- 3.0%
- GAAP gross margin of 35.0%, +/- 1%
- Non-GAAP operating expenses 26.5% of revenue, +/- 1%, which are GAAP operating expenses adjusted for amortization of acquisition-related intangible assets
- Net Interest income of ~$2.0 million
- Income tax rate to be 18%, +/- 3%
- Shares used to calculate diluted EPS approximately **46.6 million**
- Amortization of acquisitions-related intangible assets of **$3.1 million**, after tax, for previous acquisitions is not included in these non-GAAP estimates

*Guidance as provided on November 8, 2023*
Investment Summary

- **Vision:** Expand shareholder value
- **Mission:** Profitability growth to drive 20%+ operating profit
- **Next Strategic Goal:** $1B gross profit

**Tactics:**
- Total system solutions sales approach and content expansion driving growth
- Increased focus on high-margin Automotive, Industrial, analog, and power discrete products
- Investment for technology leadership in target products, fab processes, and advanced packaging
Thank you