

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): November 07, 2022**

**DIODES INCORPORATED**

(Exact name of Registrant as Specified in Its Charter)

**Delaware**  
(State or Other Jurisdiction  
of Incorporation)

**002-25577**  
(Commission File Number)

**95-2039518**  
(IRS Employer  
Identification No.)

**4949 Hedgcoxe Road, Suite 200**  
**Plano, Texas**  
(Address of Principal Executive Offices)

**75024**  
(Zip Code)

**Registrant's Telephone Number, Including Area Code: 972 987-3900**

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Securities registered pursuant to Section 12(b) of the Act:**

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, Par Value \$0.66 2/3	DIOD	The NASDAQ Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 8.01 Other Events.**

From time to time, Diodes Incorporated (the “Company”) may give corporate presentations to its customers, suppliers and other related interested parties. Copies of the Company’s corporate presentation slides, updated on November 7, 2022, are attached herewith as Exhibit 99.1 and Exhibit 99.2. Exhibit 99.1 provides an update focused on the Company’s third quarter of 2022 financial results and Exhibit 99.2 is used in the Company’s investor relations presentations.

**Forward-Looking Statements**

The Presentations attached to this Current Report on Form 8-K as Exhibit 99.1 and Exhibit 99.2 contain forward-looking statements that involve future risks and uncertainties as contemplated by the safe harbor provided by the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, included in Exhibit 99.1 and Exhibit 99.2 should be regarded as “forward-looking statements” and Exhibit 99.1 and Exhibit 99.2 contain a more detailed listing of the risks and uncertainties associated with those forward-looking statements. Diodes undertakes no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

Exhibit Number	Description
99.1	<a href="#">Third quarter 2022 financial results.</a>
99.2	<a href="#">Corporate slides for investor relations presentation.</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

DIODES INCORPORATED

Date: November 9, 2022

By: /s/Brett R. Whitmire  
Brett R. Whitmire  
Chief Financial Officer

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**Third Quarter 2022  
Financial Results  
Diodes Incorporated (DIOD)**

November 7, 2022



[www.diodes.com](http://www.diodes.com)

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 2022, we expect revenue to be approximately \$494 million plus or minus 3 percent; we expect GAAP gross margin to be 41.0 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 21.0 percent of revenue, plus or minus 1 percent; we expect non-GAAP net interest expense to be approximately \$4.0 million; we expect our income tax rate to be 19.0 percent, plus or minus 3 percent; shares used to calculate diluted EPS for the fourth quarter are anticipated to be approximately 46.5 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 7, 2022 titled, "Diodes Incorporated Reports Record Third Quarter Fiscal 2022 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.



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Diodes delivers high-quality semiconductor products to the world's leading companies in the consumer electronics, computing, communications, industrial, and automotive markets



**Vision: Profitability Growth to Maximize Shareholder Value**

**Our Core Values: Integrity, Commitment, Innovation**



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- **Revenue** - a record **\$521.3 million**; increasing 10.6% year-over and 4.1% sequentially
- **GAAP gross profit** - a record **\$217.8 million**; increasing 20.2% year-over-year and 5.5% sequentially
- **GAAP gross profit margin** - a record **41.8%**; increasing 340bp year-over-year and 60bp sequentially
- **GAAP net income** – a record **\$86.4 million**, or **\$1.88** per diluted share, improving 25.3% year-over-year and a 7.4% increase sequentially
- **Non-GAAP net income** - a record **\$92.2 million**, or **\$2.00** per diluted share, improving 36.1% year-over-year and 5.3% sequentially
- **EBITDA** **\$141.9 million**, or 27.2% of revenue
- **Cash flow** from operations of \$132.2 million
- **Free cash flow** of \$62.4 million, including \$69.8 of capital expenditures
- **Net cash flow** of \$78.3 million



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**3Q'22 represented 7th consecutive quarter of record adjusted EPS and revenue despite COVID-related lockdowns and power outages in certain regions of China for part of the quarter**



**5th consecutive quarter of record gross margin, improving 340bp YoY to 41.8%; the 3<sup>rd</sup> consecutive quarter above target model of 40%**



**Achieved record revenue in the Automotive and Industrial markets**



**Automotive, revenue increased 48% YoY and 17% QoQ**



**Automotive and Industrial totaled 44% of product revenue, above 41% for the 2<sup>nd</sup> consecutive quarter and exceeding 2025 target of 40%**



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**~40% of  
revenue**  
(44% for 3Q2022)

## 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, storage, data centers

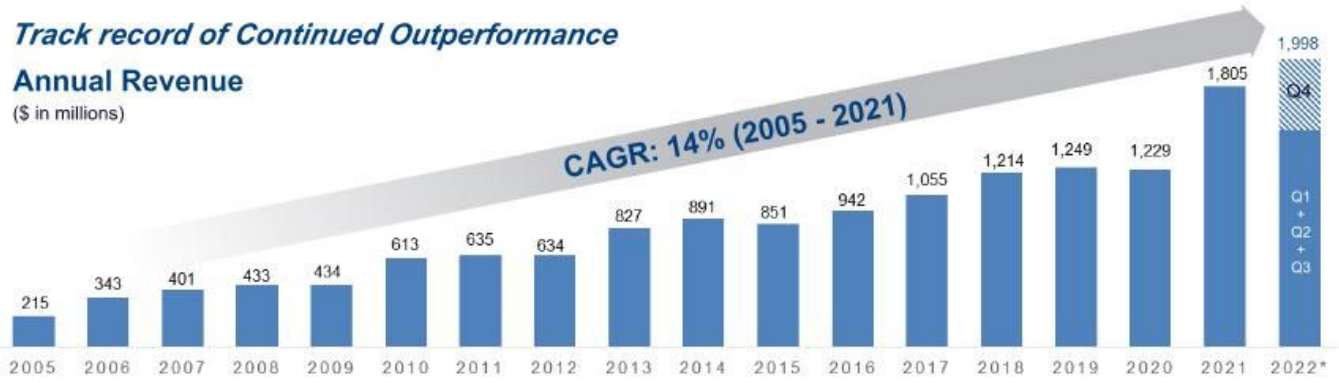


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## Track record of Continued Outperformance

### Annual Revenue

(\$ in millions)



### Gross Profit

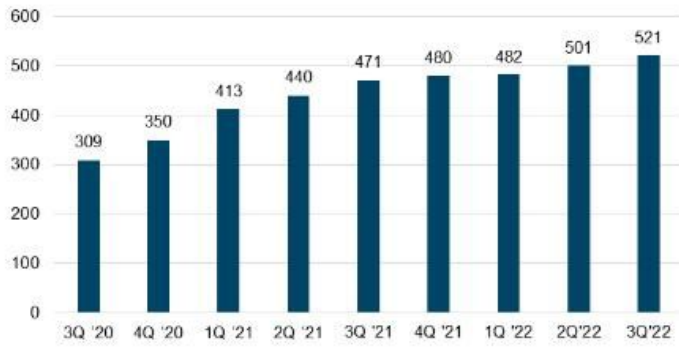
(\$ in millions)



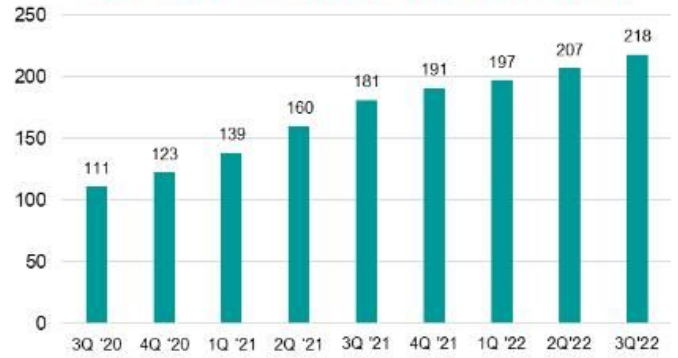
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\* Revenue/Gross Margin for 2022 are based on Q1-Q3 results and Q4 guidance provided on November 7, 2022

### Quarterly Revenue (\$ Millions)

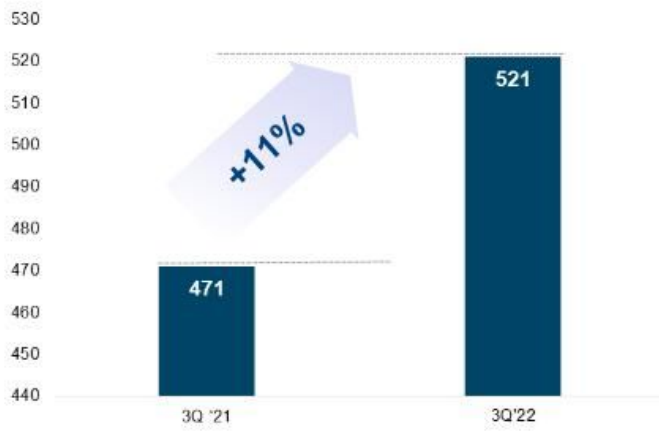


### Quarterly Gross Profit (\$ Millions)



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## Revenue (\$ Millions)



## Non-GAAP EPS



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

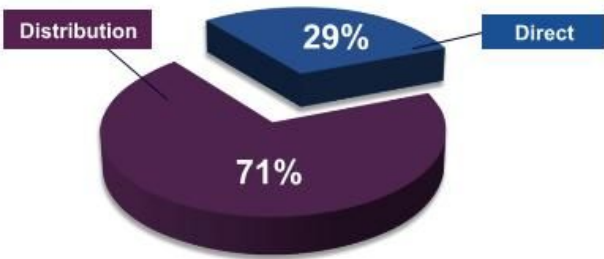
**2025 Target:**  
**\$1B Gross profit**

Gross Margin: 40%  
Revenue: \$2.5B

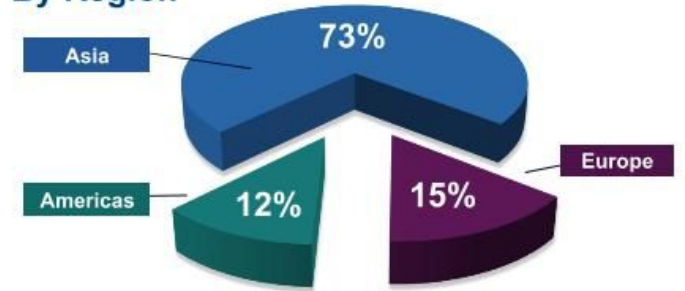


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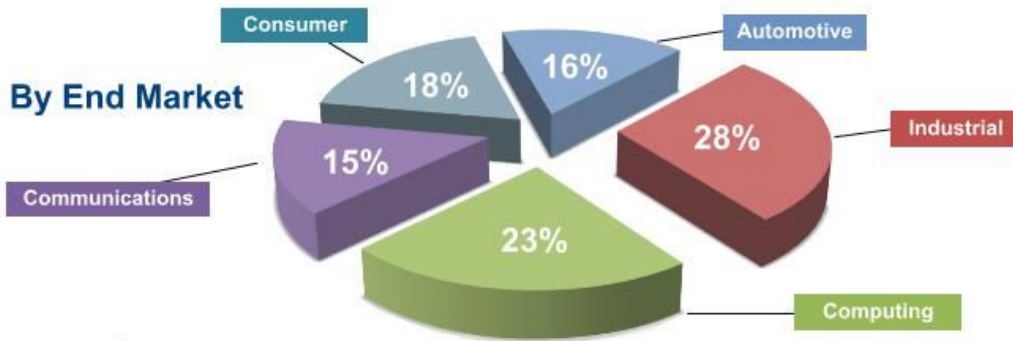
### By Channel



### By Region



### By End Market



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(\$ in millions, except per share amounts)	3Q21	2Q22	3Q22
Net sales	471.4	501.0	521.3
Gross profit (GAAP)	181.2	206.5	217.8
Gross profit margin % (GAAP)	38.4%	41.2%	41.8%
Net income (GAAP)	80.2	80.2	86.4
Net income (non-GAAP)	68.4	86.9	92.2
Diluted EPS (non-GAAP)	1.50	1.90	2.00
Cash flow from operations	98.9	85.0	132.2
EBITDA (non-GAAP)	114.5	130.6	141.9



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(\$ in millions)	Dec 31, 2020	Dec 31, 2021	Sept 30, 2022
Cash	327	373	393
Inventory	307	349	375
Current Assets	1,024	1,188	1,277
Total Assets	1,980	2,194	2,363
Total Debt	451	301	296
Total Liabilities	963	892	900
Total Equity	1,016	1,303	1,463



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- **Revenue to be ~\$494 million, +/- 3.0%**  
In-line with typical seasonality
- **GAAP gross margin of 41.0%, +/- 1%**  
on a consolidated basis
- **Non-GAAP operating expenses 21% of revenue, +/- 1%**, which are GAAP operating expenses adjusted for amortization of acquisition-related intangible assets
- **Net Interest expense of ~\$4.0 million**
- **Income tax rate to be 19%, +/- 3%**
- Shares used to calculate diluted EPS approximately **\$46.5 million**
- Amortization of acquisitions-related intangible assets of **\$3.2 million**, after tax, for previous acquisitions is not included in these non-GAAP estimates



*\*Guidance as provided on November 7, 2022*

- **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 and Pericom products
  - Investment for technology leadership in target products, fab processes, and advanced packaging



**DIODES**  
INCORPORATED

**Thank you**



[www.diodes.com](http://www.diodes.com)

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# Reconciliation of Net Income to Adjusted Net Income

For the three months ended September 30, 2022:

(in thousands, except per share data)

				<i>(unaudited)</i>
	Operating Expenses	Other Income (Expense)	Income Tax Provision	Net Income
Per-GAAP				<u>\$ 86,386</u>
Diluted earnings per share (Per-GAAP)				<u>1.88</u>
Adjustments to reconcile net income to non-GAAP net income:				
Amortization of acquisition-related intangible assets	3,939		(721)	3,218
Acquisition-related costs	128		(27)	101
Gain on sale of manufacturing facilities		413	(62)	351
Non-cash mark-to-market investment adjustments		2,649	(530)	2,119
Non-GAAP				<u>\$ 92,175</u>
Diluted shares used in computing earnings per share				<u>46,014</u>
Non-GAAP diluted earnings per share				<u>\$ 2.00</u>

Note: Included in GAAP and non-GAAP net income was approximately \$8.1 million, net of tax, non-cash share-based compensation expense. Excluding share-based compensation expense, both GAAP and non-GAAP diluted earnings per share would have improved by \$0.18 per share.



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# GAAP to Non-GAAP Reconciliation

For the nine months ended September 30, 2022:

(in thousands, except per share data)

	(unaudited)			
	Operating	Other	Income	
	Expenses	Income	Tax	Net Income
		(Expense)	Provision	
<b>Per-GAAP</b>				<b>\$ 239,232</b>
<b>Diluted earnings per share (Per-GAAP)</b>				<b>5.21</b>
<b>Adjustments to reconcile net income to non-GAAP net income:</b>				
Amortization of acquisition-related intangible assets	11,780		(721)	11,059
Acquisition-related costs	607		(127)	480
Insurance recovery for manufacturing facility	(3,594)		719	(2,875)
Gain on sale of manufacturing facilities		413	(62)	351
Non-cash mark-to-market investment adjustments		15,960	(3,386)	12,574
<b>Non-GAAP</b>				<b>\$ 260,821</b>
Diluted shares used in computing earnings per share				<b>45,938</b>
<b>Non-GAAP diluted earnings per share</b>				<b>\$ 5.68</b>



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Note: Included in GAAP and non-GAAP net income was approximately \$21.1 million, net of tax, non-cash share-based compensation expense. Excluding share-based compensation expense, both GAAP and non-GAAP diluted earnings per share would have improved by \$0.46 per share.

# Investor Relations

**Diodes Incorporated (DIOD)**

Plano, TX

November 7, 2022



[www.diodes.com](http://www.diodes.com)

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## 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:

- Doctorate and Master's Degree in Electrical Engineering  
Texas Tech University
- Bachelor's Degree in Engineering  
National Cheng Kung University – Taiwan



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## Gurmeet Dhaliwal

Company spokesperson  
Director, Investor Relations

### 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



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Diodes delivers high-quality semiconductor products to the world's leading companies in the consumer electronics, computing, communications, industrial, and automotive markets



**Vision: Profitability Growth to Maximize Shareholder Value**

**Our Core Values: Integrity, Commitment, Innovation**



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## Global Operations and World-class Manufacturing & Packaging

- NASDAQ: DIOD; Founded in 1959
- Headquartered in Plano, TX; 32 locations globally
- Manufacturing in US, UK, Germany, China, and Taiwan
- ISO 9001:2015 Certified / IATF 16949:2016 Certified
- ISO 14001:2015 Certified
- Key acquisitions:
  - onsemi SPFB – June 2022
  - Lite-On Semiconductor – Nov. 2020
  - TI Greenock fab (GFAB) - April 2019
  - Pericom Semiconductor – Nov. 2015
  - BCD Semiconductor - March 2013
  - Power Analog Microelectronics (PAM) - Oct. 2012
  - Zetex - June 2008
  - Advanced Power Devices - Nov. 2006
  - Anachip Corporation Taiwan - Jan. 2006
- 30 consecutive years of profitability



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**We view sustainability as a competitive advantage and have adopted a sustainability-oriented approach to assess and address related risks that may influence our operational activities, business results, and financial performance.**



- Key focus areas regularly reviewed by our Board of Directors
- Instituted a cross-functional Sustainability Steering Team to address the sustainability related risks and opportunities
- The Sustainability Steering Team provides periodic updates to the Board of Directors



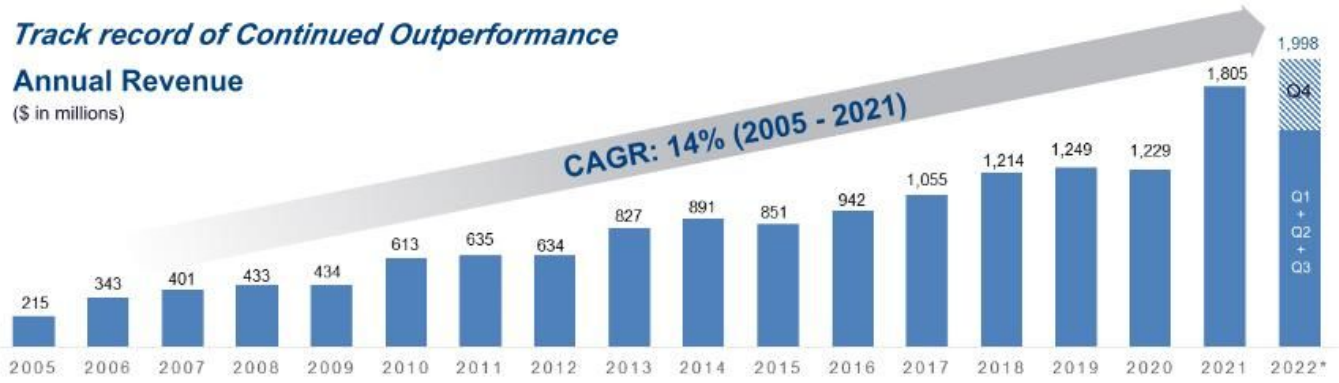
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Please refer to [Governance and Oversight](#) for additional details

## Track record of Continued Outperformance

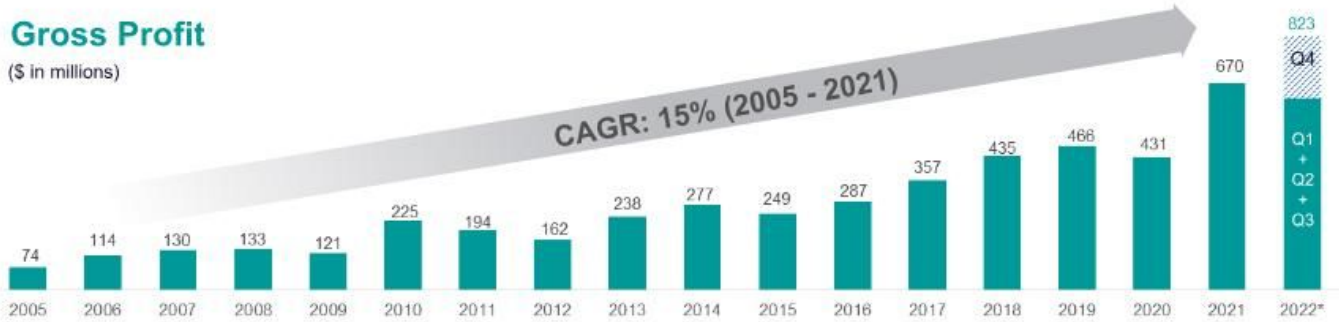
### Annual Revenue

(\$ in millions)



### Gross Profit

(\$ in millions)



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\* Revenue/Gross Margin for 2022 are based on Q1-Q3 results and Q4 guidance provided on November 7, 2022



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

✓ 2010

✓ 2017

● \$1B PBT

● \$1B Gross Profit

✓ \$1B Revenue

✓ \$1B Market Cap



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## Mission:

Profitability growth to  
expand shareholder value

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## Strategy:

Grow Revenue to \$2.5B  
at 40% Gross Margin

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## Goal:

\$1B Gross Profit by 2025



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**~40% of  
revenue**  
(44% for 3Q2022)

## Automotive

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

## Industrial

- Embedded systems and precision controls, and IIoT

## Consumer

- IoT: wearables, home automation, smart infrastructure

## Communications

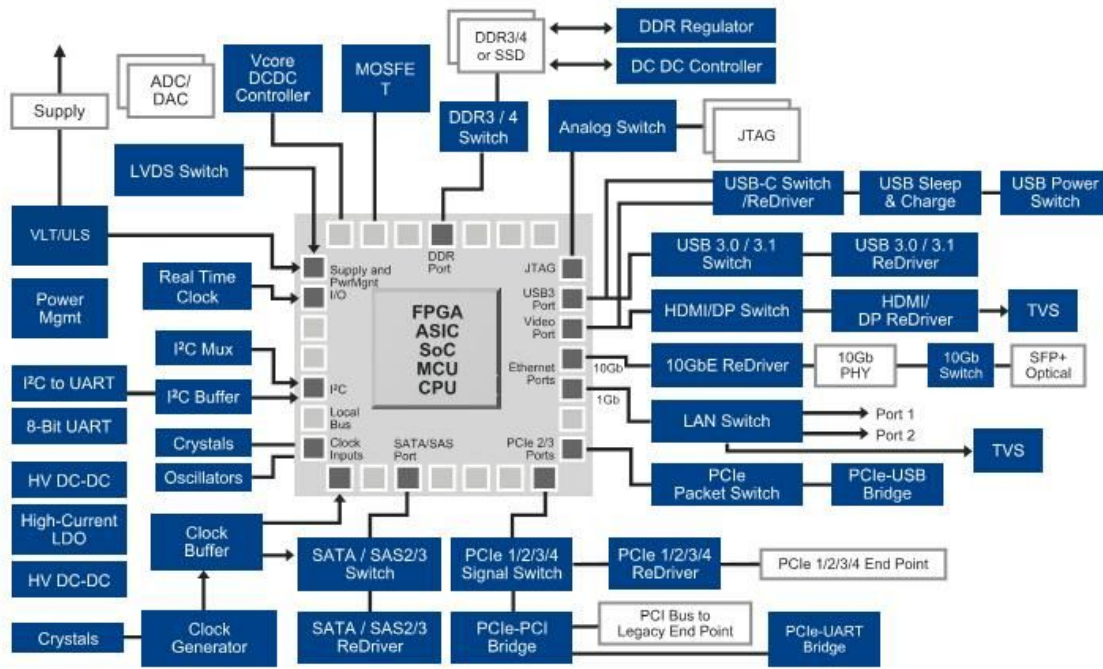
- Smart phones, 5G networks, advanced protocols, and charging solutions

## Computing

- Cloud computing: server, storage, data centers



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Example: Industrial, Embedded Applications

## 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 control
  - Migration from Brushed to Brushless DC Motors

### Electrification/Powertrain

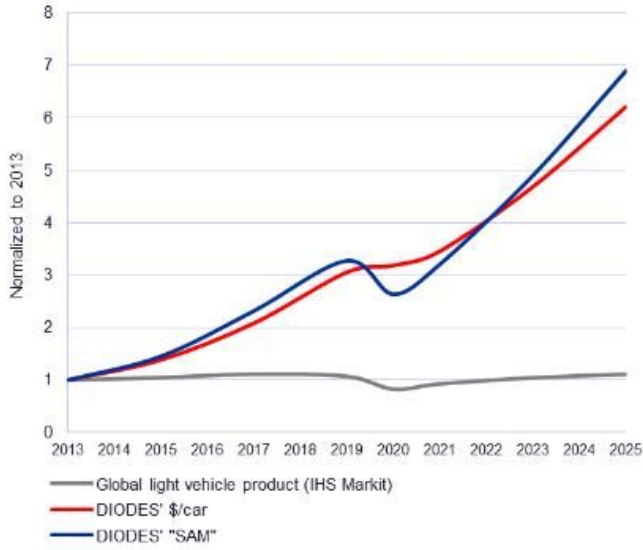
- Conventional Powertrain → Hybrid → Electrification
- Power Module Inverter for EV motor
- Battery management
  - Move to 48V battery

### Automotive Revenue

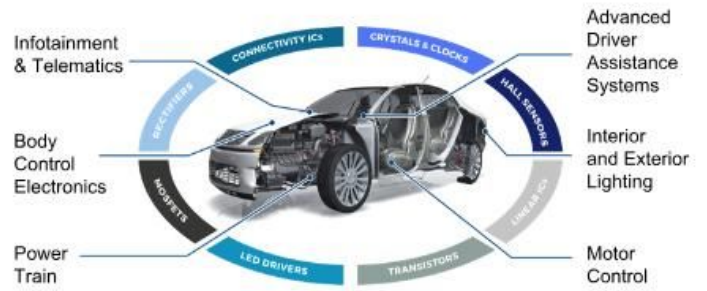
Net Sales



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Car & LV Volumes – IHS Markit 2020  
 Diodes' SAM = volume \* \$/car

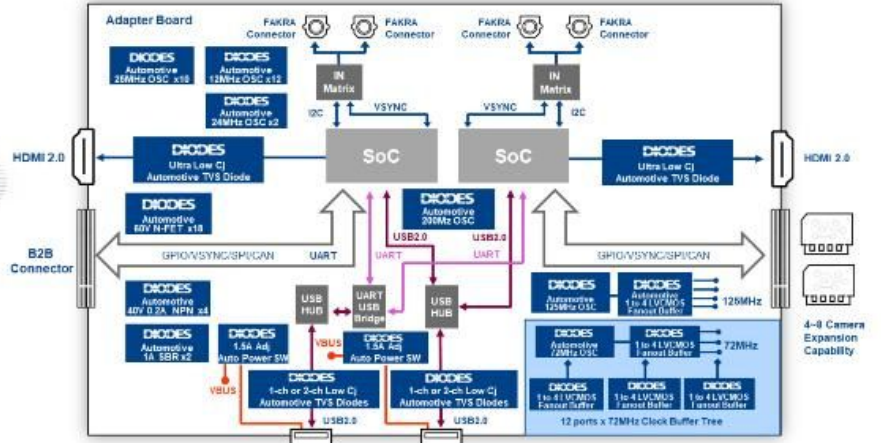


2022 Automotive Potential Revenue	\$ / Car
Automotive Motor Control	\$41
Connected Driving (Infotainment, Telematics & ADAS)	\$36
Powertrain, Electrification & Body Control Electronics	\$17
Lighting – Moving to LED	\$13
<b>Total</b>	<b>\$107</b>





Diodes' Key Products	\$ / Box
Analog	>\$1.20
Power Management	>\$0.70
MOS/BJT	>\$3.50
Diodes and Rectifiers	>\$5.00
Timing and Connectivity	\$14.00
<b>Total</b>	<b>\$24.40</b>



- **Advanced Clock Gen, Clock Buffers, USB Power Switch and Protection solutions for mission-critical need**
- **Automotive Compliant\* Products**



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



- Increasing IC content in embedded systems
- Switching and signal path for networked systems and automation
- Signal conditioning and timing for precision controls
- Motor controls, sensors, and power management for smart meters



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## Industrial Revenue

Net Sales

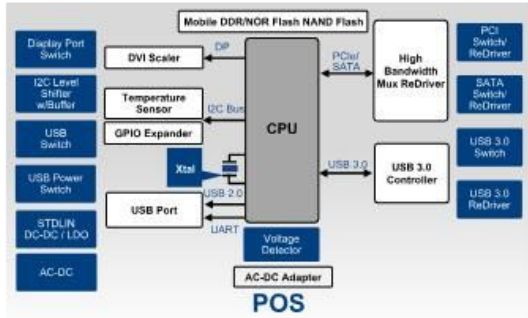




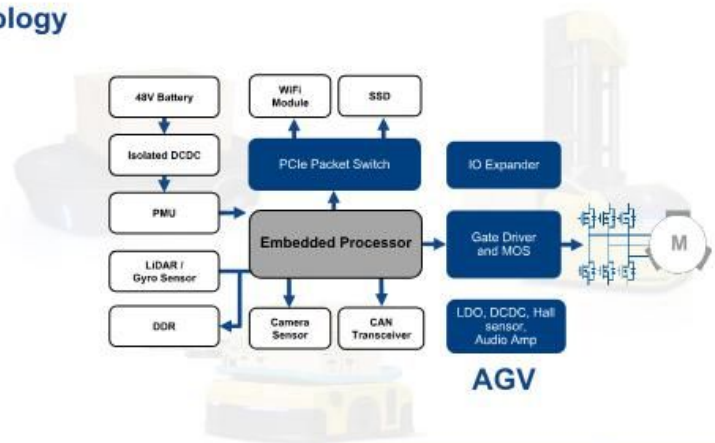
- **M2M – Dominated by short range technology**
  - 73% are short range, mostly Wi-Fi
- **2017: connections @ 750 million**
- **2023: connections @ 2600 million**

## 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)



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## Growth Opportunities:

- Power, Sensor, DC-DC
- Gate Driver, BJT, MOSFET
- XTAL and clock
- Packet switch, ReDriver, IO Expander

Diodes' Key Products	\$ / AGV
Discrete	\$3.5
Analog & Power Mgmt.	\$1.6
Timing and Connectivity	\$18.0
<b>Total</b>	<b>\$23.10</b>

- ReDriver support for PCIe or USB connectivity
- Wide range of signal protocols: PCIe, SAS, SATA, GbE, USB
- MUX products for high capacity solid state storage
- Crystal oscillators for increasing clocking speeds
- LDOs, SBR, and TVS for power management and protection



## Computing Revenue

Net Sales

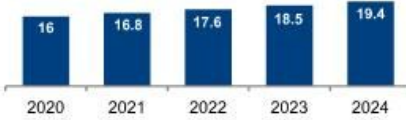


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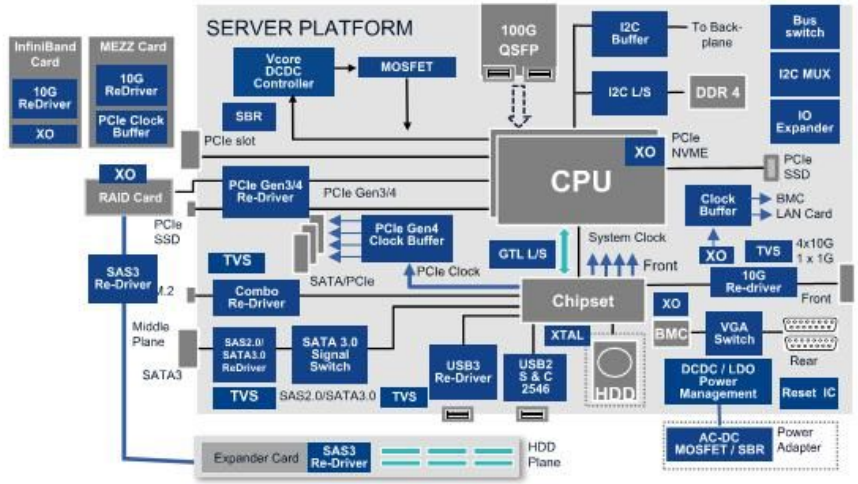
## Server Platform Solution

- 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 Switches, Protection or HV MOSFET / SBR devices

WW Server total shipments (Mu)



Diodes' Key Products	\$ / Server
Analog	2.31
Discrete	3.41
Timing and Connectivity	23.34
<b>Total</b>	<b>\$29.06</b>

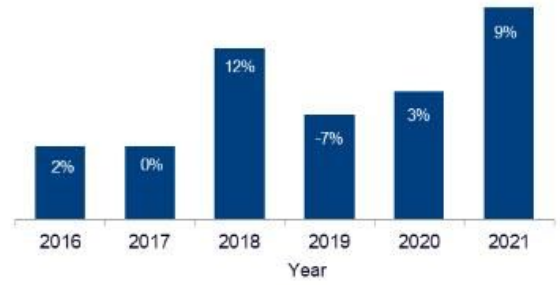


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## Consumer Revenue

Net Sales



Diodes' Key Products	\$ / Box
Analog	>\$0.20
Power Management	>\$1.30
MOS/BJT	>\$10.00
Diodes and Rectifiers	>\$5.00
Timing and Connectivity	\$3.50
<b>Total</b>	<b>\$20.00</b>



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## Smart Home – expected to grow to 1.4Bu by 2023

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

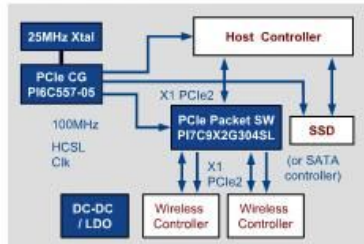
## Growth Opportunities

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

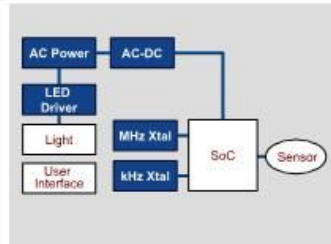


Diodes' Key Products	\$ / Box
Analog	\$0.40 ~ \$0.65
Power Management	\$1.80
MOS/BJT	\$1.10
Diodes and Rectifiers	\$0.50
Timing and Connectivity	\$3.50
<b>Total</b>	<b>\$7.55</b>

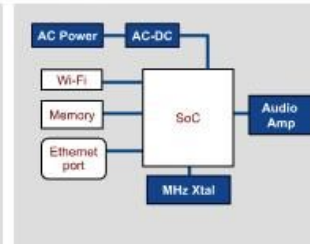
### Smart Home Gateway



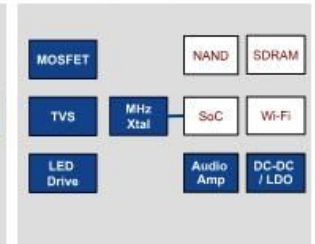
### Smart Lighting



### Smart Speaker



### Digital Assistant



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## Focus Applications:

### Cloud Computing

- Data Center Server

### Gateway

- Internet Gateway
- Fiber network

### Core Network, Cell Stations

- Small Cells
- Base Station
- Edge Computing Server
- Smart antenna
- Fiber network

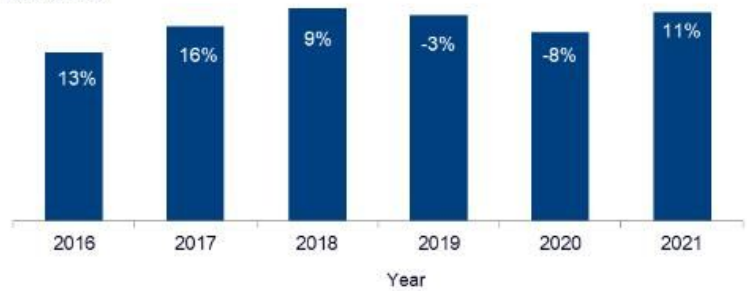
### End Products

- Portables: Smartphone, Tablet
- Smart Car
- Consumer: VR/AR, Drone, IoTs
- Telecom: 5G CPEs
- Embedded/Industrial



## Communications Revenue

Net Sales



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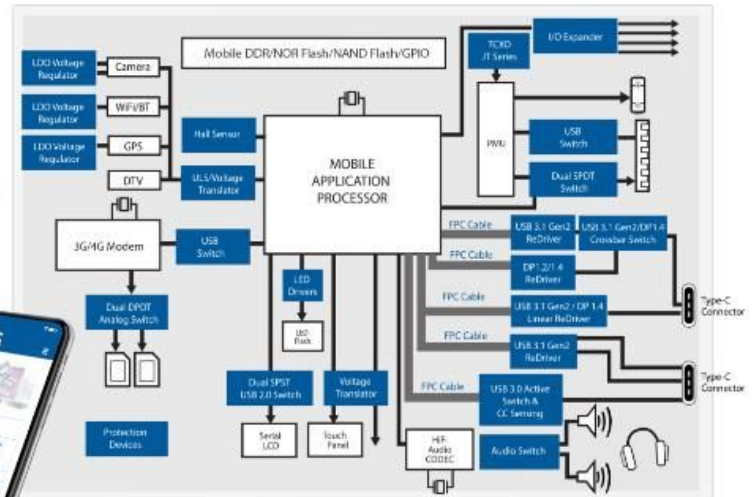
## Driving Smartphone Growth

- Smart speaker/IoT rising
- AR / VR
- Foldable screens
- 5G
- Smartwatches

## Growth Opportunities

- USB Type-C
- MUX
- MOSFET
- LDO, OVP, LDSW, Audio, DCDC, LED/OLED Driver, ACDC

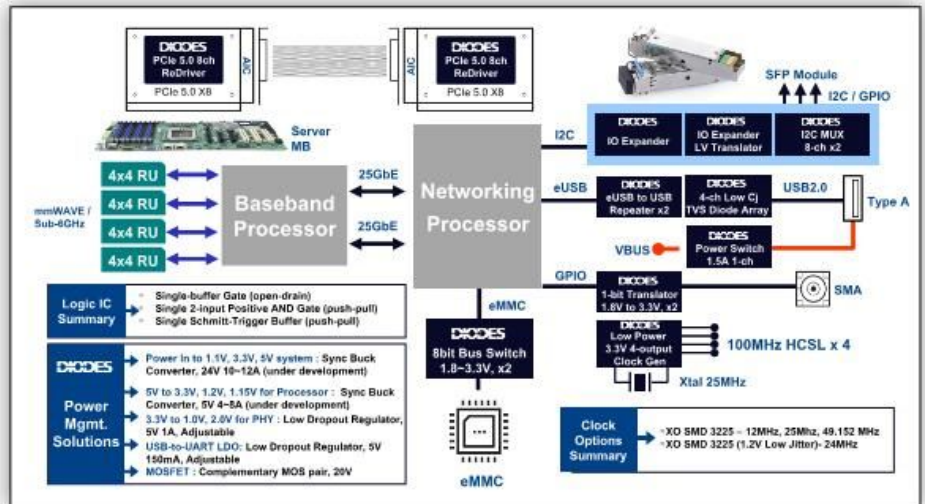
Diodes' Key Products	\$ / Phone
Analog	\$0.55
Power Management	\$1.50
MOS/BJT	\$0.33
Diodes and Rectifiers	\$0.42
Timing and Connectivity	\$3.00
<b>Total</b>	<b>\$5.80</b>



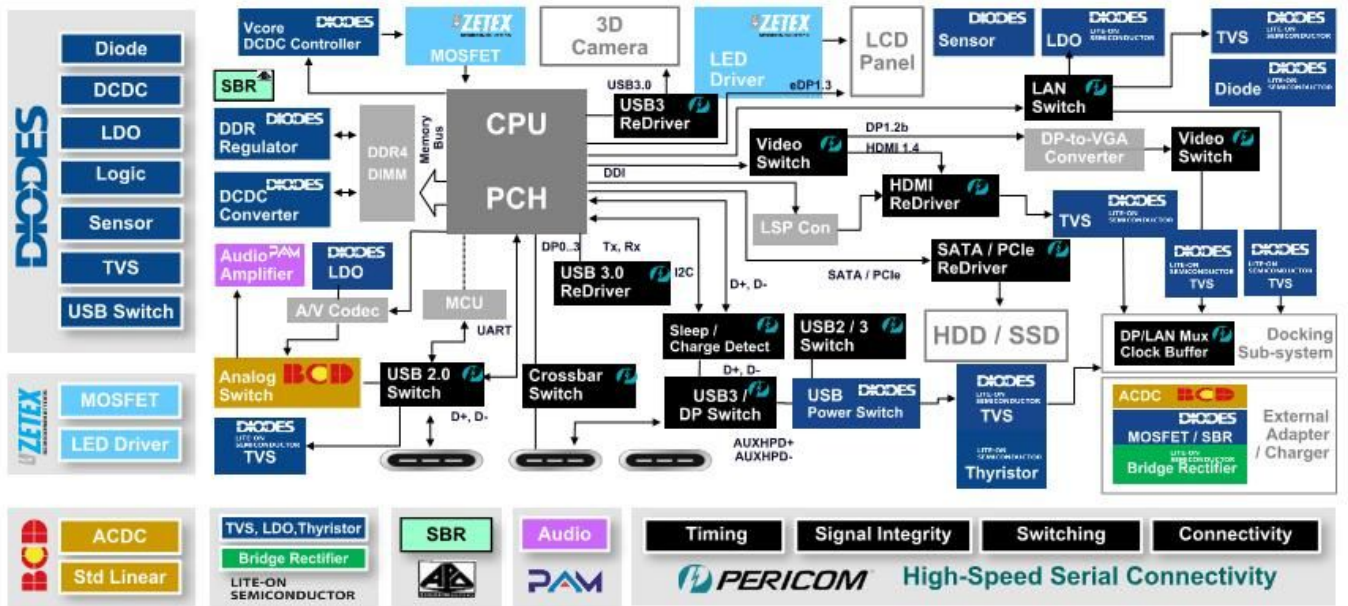
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- Advanced Solution in Signal Integrity, Signal/Bus/Power Switches and IO Expanders for diversified networking applications
- Global Logistics provide cost-competitive solution with industry standard pin-outs and flexible package options

Diodes' Key Products	\$ / Box
Analog	>\$0.60
Power Management	\$0.90
MOS/BJT	>\$0.50
Timing and Connectivity	\$11.00
<b>Total</b>	<b>\$13.00</b>



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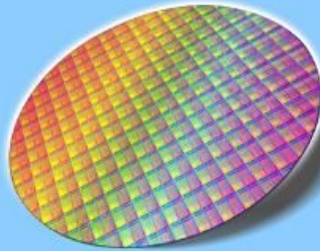
## Products



- 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  $C_j$  TVS for signal integrity
- Lowest  $R_{DS(ON)}$  LDMOS for battery efficiency

## 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



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## Wafer Fabs

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



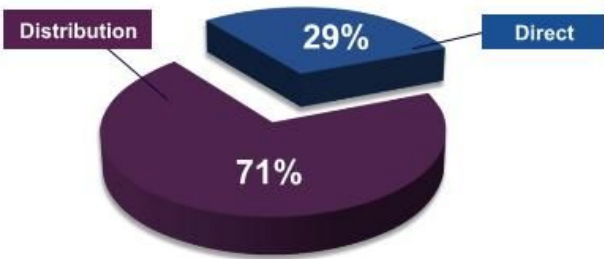
## Packaging

- Shanghai-based packaging with capacity over 34 billion units
- Chengdu facility has potential capacity 3X of Shanghai
- Additional facilities in Neuhaus, Germany and Wuxi, China

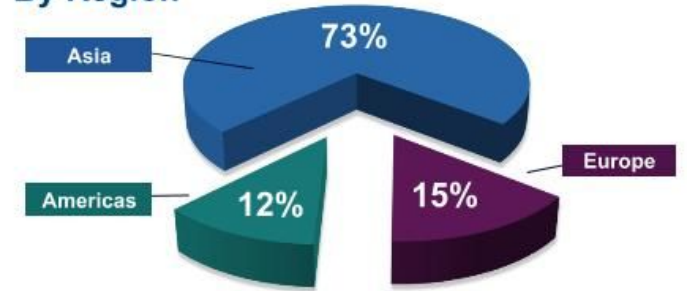


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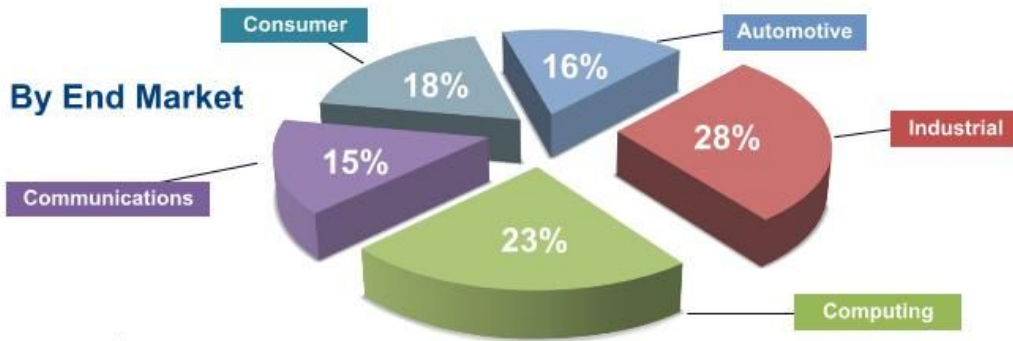
### By Channel



### By Region



### By End Market



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(\$ in millions, except per share amounts)	3Q21	2Q22	3Q22
Net sales	471.4	501.0	521.3
Gross profit (GAAP)	181.2	206.5	217.8
Gross profit margin % (GAAP)	38.4%	41.2%	41.8%
Net income (GAAP)	80.2	80.2	86.4
Net income (non-GAAP)	68.4	86.9	92.2
Diluted EPS (non-GAAP)	1.50	1.90	2.00
Cash flow from operations	98.9	85.0	132.2
EBITDA (non-GAAP)	114.5	130.6	141.9



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(\$ in millions)	Dec 31, 2020	Dec 31, 2021	Sept 30, 2022
Cash	327	373	393
Inventory	307	349	375
Current Assets	1,024	1,188	1,277
Total Assets	1,980	2,194	2,363
Total Debt	451	301	296
Total Liabilities	963	892	900
Total Equity	1,016	1,303	1,463



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- **Revenue to be ~\$494 million, +/- 3.0%** In-line with typical seasonality
- **GAAP gross margin of 41.0%, +/- 1%** on a consolidated basis
- **Non-GAAP operating expenses 21% of revenue, +/- 1%**, which are GAAP operating expenses adjusted for amortization of acquisition-related intangible assets
- **Net Interest expense of ~\$4.0 million**
- **Income tax rate to be 19%, +/- 3%**
- Shares used to calculate diluted EPS approximately **\$46.5 million**
- Amortization of acquisitions-related intangible assets of **\$3.2 million**, after tax, for previous acquisitions is not included in these non-GAAP estimates



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*\*Guidance as provided on November 7, 2022*

- **Vision: Expand shareholder value**
- **Mission: Profitability growth to drive 20%+ operating profit**
- **Next Strategic Goal: \$1B gross profit**
- **Tactics:**
  - Increased focus on high-margin automotive, industrial, and Pericom products
  - Investment for technology leadership in target products, fab processes, and advanced packaging
  - System solutions to drive business expansion



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**Thank you**



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