

**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): May 09, 2024

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 2.02 Results of Operations and Financial Condition.

On May 9, 2024, Diodes Incorporated (the “Company”) issued a press release announcing its first quarter ended March 31, 2024 financial results. A copy of the press release is furnished as Exhibit 99.1.

In the press release, the Company utilizes financial measures and terms not calculated in accordance with generally accepted accounting principles in the United States (“GAAP”) in order to provide investors with an alternative method for assessing the Company’s operating results in a manner that enables investors to more thoroughly evaluate its current performance as compared to past performance. The Company also believes these non-GAAP measures provide investors with a more informed baseline for modeling the Company’s future financial performance. Management uses these non-GAAP measures for the same purpose. The Company believes that investors should have access to the same set of tools that management uses in analyzing results. These non-GAAP measures should be considered in addition to results prepared in accordance with GAAP, but should not be considered a substitute for or superior to GAAP results and may differ from similar measures used by other companies. See Exhibit 99.1 for a description and reconciliation with GAAP of the non-GAAP measures used.

The information furnished in this Item 2.02, including the exhibit incorporated by reference, will not be treated as “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section. This information will not be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended (the “Securities Act”), or into another filing under the Exchange Act, unless that filing expressly refers to specific information in this Report.

Item 7.01 Regulation FD Disclosure.

The press release furnished as Exhibit 99.1 also provides an update on the Company’s business outlook, that is intended to be within the safe harbor provided by the Private Securities Litigation Reform Act of 1995 (the “Act”) as comprising forward looking statements within the meaning of the Act.

The information furnished in this Item 7.01, including the exhibit incorporated by reference, will not be treated as “filed” for the purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of that section. This information will not be deemed incorporated by reference into any filing under the Securities Act, or into another filing under the Exchange Act, unless that filing expressly refers to specific information in this Report.

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 May 9, 2024, are attached herewith as Exhibit 99.2 and Exhibit 99.3. Exhibit 99.2 provides an update focused on the Company’s first quarter 2024 financial results and Exhibit 99.3 is used in the Company’s investor relations presentations.

Forward-Looking Statements

Statements in this Current Report on Form 8-K (including in the documents attached as Exhibit 99.1, Exhibit 99.2 and Exhibit 99.3 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 this Current Report on Form 8-K (including the documents attached as Exhibit 99.1, Exhibit 99.2 and Exhibit 99.3 should be regarded as “forward-looking statements” and Exhibit 99.1, Exhibit 99.2 and Exhibit 99.3 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, except as required by applicable law.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press release dated May 9, 2024.
99.2	First Quarter 2024 Financial Results.
99.3	Corporate slides for investor relations presentation.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

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: May 9, 2024

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



Diodes Incorporated Reports First Quarter Fiscal 2024 Financial Results

Return to Seasonal Growth Expected in Second Quarter with First Quarter Representing the Low Point in Market Demand

Plano, Texas – May 9, 2024 -- Diodes Incorporated (Diodes) (Nasdaq: DIOD) today reported its financial results for the first quarter ended March 31, 2024.

First Quarter Highlights

- Revenue was \$302.0 million, compared to \$322.7 million in the fourth quarter 2023 and \$467.2 million in the first quarter 2023;
- GAAP gross profit was \$99.6 million, compared to \$112.5 million in the fourth quarter 2023 and \$194.5 million in the first quarter 2023;
- GAAP gross profit margin was 33.0 percent, compared to 34.9 percent in the fourth quarter 2023 and 41.6 percent in the first quarter 2023;
- GAAP net income was \$14.0 million, compared to \$25.3 million in the fourth quarter 2023 and \$71.2 million in the first quarter 2023;
- Non-GAAP adjusted net income was \$13.0 million, compared to \$23.4 million in the fourth quarter 2023 and \$73.4 million in the first quarter 2023;
- GAAP EPS was \$0.30 per diluted share, compared to \$0.55 per diluted share in the fourth quarter 2023 and \$1.54 per diluted share in the first quarter 2023;
- Non-GAAP EPS was \$0.28 per diluted share, compared to \$0.51 per diluted share last quarter and \$1.59 per diluted share in the prior year quarter;
- Excluding \$4.0 million, net of tax, of non-cash share-based compensation expense, both GAAP and non-GAAP earnings per share would have increased by \$0.09 per diluted share;
- EBITDA was \$48.3 million, or 16.0 percent of revenue, compared to \$58.4 million, or 18.1 percent of revenue, in the fourth quarter 2023 and \$121.8 million, or 26.1 percent of revenue, in the first quarter 2023; and
- Cash flow used in operations of \$31.1 million and a negative \$51.5 million of free cash flow, including \$20.4 of capital expenditures. Net cash flow was a negative \$47.9 million.

Commenting on the results, Gary Yu, President of Diodes, stated, "Revenue in the quarter reflected the slower than expected recovery in the consumer, computing and communications markets coupled with typical first quarter seasonality due to the Chinese New Year holiday. However, late in the quarter we began to see some signs of demand improvement with distributor inventory levels starting to stabilize, supporting our belief that the first quarter should be the low point and are guiding for a return to seasonal growth in the second quarter.

"In the automotive and industrial end markets, first quarter combined product revenue remained above our target model of 40% but continues to be affected by inventory adjustments and softness in certain areas. More broadly, the slower overall demand environment in the quarter contributed to reduced loading at our manufacturing facilities both internal production as well as from our manufacturing service agreements, temporarily impacting gross margin. We expect gross margin to resume toward our target of 40% as we increase our factory loading by qualifying more products combined with increasing revenue

growth from our higher-margin automotive and industrial markets, consistent with our historical performance and long-term growth strategy.

“In summary, with early evidence of recent pricing pressures subsiding, Diodes is well positioned with the size and scale to support a return to growth as global demand and distributor inventory improves across our end markets. We remain focused on operating our manufacturing facilities at a high level of efficiency as demonstrated by the steps the Company has taken over the past several quarters to further develop our process technology and capabilities, while lowering manufacturing costs across our operations.”

First Quarter 2024

Revenue for first quarter 2024 was \$302.0 million, compared to \$322.7 million in the fourth quarter 2023 and \$467.2 million in the first quarter 2023.

GAAP gross profit for the first quarter 2024 was \$99.6 million, or 33.0 percent of revenue, compared to \$112.5 million, or 34.9 percent of revenue, in the fourth quarter 2023 and \$194.5 million, or 41.6 percent of revenue, in the first quarter of 2023.

GAAP operating expenses for first quarter 2024 were \$86.6 million, or 28.7 percent of revenue, and on a non-GAAP basis were \$87.6 million, or 29.0 percent of revenue, which excludes \$3.8 million amortization of acquisition-related intangible asset expenses and \$4.8 million insurance recovery for a manufacturing facility. GAAP operating expenses in the fourth quarter 2023 were \$91.8 million, or 28.4 percent of revenue and in the first quarter 2023 were \$108.0 million, or 23.1 percent of revenue.

First quarter 2024 GAAP net income was \$14.0 million, or \$0.30 per diluted share, compared to GAAP net income in the fourth quarter 2023 of \$25.3 million, or \$0.55 per diluted share, and \$71.2 million, or \$1.54 per diluted share, of GAAP net income in the first quarter 2023.

First quarter 2024 non-GAAP adjusted net income was \$13.0 million, or \$0.28 per diluted share, which excluded, net of tax, \$3.8 million insurance recovery for a manufacturing facility, \$3.1 million of acquisition-related intangible asset costs and \$0.3 million non-cash mark-to-market investment value adjustment. This compares to non-GAAP adjusted net income of \$23.4 million, or \$0.51 per diluted share, in the fourth quarter 2023 and \$73.4 million, or \$1.59 per diluted share, in the first quarter 2023.

The following is an unaudited summary reconciliation of GAAP net income to non-GAAP adjusted net income and per share data, net of tax (*in thousands, except per share data*):

	Three Months Ended March 31, 2024
GAAP net income	\$ 14,038
GAAP diluted earnings per share	\$ 0.30
Adjustments to reconcile net income to non-GAAP net income:	
Amortization of acquisition-related intangible assets	3,102
Non-cash mark-to-market investment value adjustments	(296)
Insurance recovery for manufacturing facility	(3,843)
Non-GAAP net income	\$ 13,001
Non-GAAP diluted earnings per share	\$ 0.28

Note: Throughout this release, we refer to "net income attributable to common stockholders" as "net income."

(See the reconciliation tables of GAAP net income to non-GAAP adjusted net income near the end of this release for further details.)

Included in first quarter 2024 GAAP net income and non-GAAP adjusted net income was approximately \$4.0 million, net of tax, of non-cash share-based compensation expense. Excluding share-based compensation expense, both GAAP earnings per share ("EPS") and non-GAAP adjusted EPS would have increased by \$0.09 per diluted share for the first quarter 2024, \$0.13 for the fourth quarter 2023 and \$0.17 for first quarter 2023.

EBITDA (a non-GAAP measure), which represents earnings before net interest expense, income tax, depreciation and amortization, in first quarter 2024 was \$48.3 million, or 16.0 percent of revenue, compared to \$58.4 million, or 18.1 percent of revenue, in fourth quarter 2023 and \$121.8 million, or 26.1 percent of revenue, in first quarter 2023. For a reconciliation of GAAP net income to EBITDA, see the table near the end of this release for further details.

For first quarter 2024, net cash used in operating activities was \$31.1 million. Net cash flow was a negative \$47.9 million. Free cash flow (a non-GAAP measure) was a negative \$51.5 million, which includes \$20.4 million of capital expenditures.

Balance Sheet

As of March 31, 2024, the Company had approximately \$280 million in cash and cash equivalents, restricted cash, and short-term investments. Total debt (including long-term and short-term) amounted to approximately \$70 million and working capital was approximately \$824 million.

The results announced today are preliminary and unaudited, as they are subject to the Company finalizing its closing procedures and completion of the quarterly review by its independent registered public accounting firm. As such, these results are subject to revision until the Company files its Form 10-Q for the quarter ending March 31, 2024.

Business Outlook

Gary Yu further commented, "For the second quarter of 2024, we expect revenue to be approximately \$316 million, plus or minus 3 percent, representing a 4.6% sequential increase at the mid-point and reflecting a return to typical seasonal growth. GAAP gross margin is expected to be 33.5 percent, plus or minus 1 percent, reflecting the lower mix of revenue from the automotive and industrial markets as the 3C markets recover. Non-GAAP operating expenses, which are GAAP operating expenses adjusted for amortization of acquisition-related intangible assets, are expected to be approximately 28.5 percent of revenue, plus or minus 1 percent. We expect net interest income to be approximately \$3.0 million. Our income tax rate is expected to be 18.5 percent, plus or minus 3 percent, and shares used to calculate diluted EPS for the second quarter are anticipated to be approximately 46.5 million."

Amortization of acquisition-related intangible assets of \$3.1 million, after tax, for previous acquisitions is not included in these non-GAAP estimates.

Conference Call

Diodes will host a conference call on Thursday, May 9, 2024 at 4:00 p.m. Central Time (5:00 p.m. Eastern Time) to discuss its first quarter financial results. Investors and analysts may join the conference call by dialing **1-833-634-2590**, and international callers may join the teleconference by dialing +1-412-317-6038. A telephone replay of the call will be made available approximately two hours after the call and will remain available until May 15, 2024 at midnight Central Time. The replay number is 1-877-344-7529 with a pass code of 6259286. International callers should dial +1-412-317-0088 and enter the same pass code at the prompt.

Additionally, this conference call will be broadcast live over the Internet and can be accessed by all interested parties on the Investor Relations section of the Company's website. To listen to the live call, please go to the investors' section of Diodes' website and click on the conference call link at least 15 minutes prior to the start of the call to register, download and install any necessary audio software. For those unable to participate during the live broadcast, a replay will be available shortly after the call on Diodes' website for approximately 90 days.

About Diodes Incorporated

Diodes Incorporated (Nasdaq: DIOD), a Standard and Poor's SmallCap 600 and Russell 3000 Index company, delivers high-quality semiconductor products to the world's leading companies in the automotive, industrial, computing, consumer electronics, and communications markets. We leverage our expanded product portfolio of discrete, analog, and mixed-signal products and leading-edge packaging technology to meet customers' needs. Our broad range of application-specific solutions and solutions-focused sales, coupled with worldwide operations including engineering, testing, manufacturing, and customer service, enable us to be a premier provider for high-volume, high-growth markets. For more information, visit 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 second quarter of 2024, we expect revenue to be approximately \$316 million plus or minus 3 percent; we expect GAAP gross margin to be 33.5 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 28.5 percent of revenue, plus or minus 1 percent; we expect non-GAAP net interest income to be approximately \$3.0 million; we expect our income tax rate to be 18.5 percent, plus or minus 3 percent; shares used to calculate diluted EPS for the second 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 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 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 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.

The Diodes logo is a registered trademark of Diodes Incorporated in the United States and other countries.

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DIODES INCORPORATED AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS
(in thousands, except per share data)
(unaudited)

	Three Months Ended	
	March 31,	
	2024	2023
Net sales	\$ 301,972	\$ 467,241
Cost of goods sold	202,388	272,787
Gross profit	99,584	194,454
Operating expenses		
Selling, general and administrative	53,735	70,991
Research and development	33,964	33,232
Amortization of acquisition-related intangible assets	3,810	3,852
(Gain)loss on disposal of fixed assets	(4,872)	(48)
Other operating (income)expense	(1)	-
Total operating expense	86,636	108,027
Income from operations	12,948	86,427
Other (expense) income		
Interest income	4,614	1,772
Interest expense	(532)	(2,132)
Foreign currency gain(loss), net	972	(1,893)
Unrealized gain(loss) on investments	370	3,889
Other income	434	530
Total other income (expense)	5,858	2,166
Income before income taxes and noncontrolling interest	18,806	88,593
Income tax provision	3,537	16,616
Net income	15,269	71,977
Less net (income) attributable to noncontrolling interest	(1,231)	(827)
Net income attributable to common stockholders	\$ 14,038	\$ 71,150
Earnings per share attributable to common stockholders:		
Basic	\$ 0.30	\$ 1.56
Diluted	\$ 0.30	\$ 1.54
Number of shares used in earnings per share computation:		
Basic	46,032	45,600
Diluted	46,285	46,161

Note: Throughout this release, we refer to “net income attributable to common stockholders” as “net income.”

DIODES INCORPORATED AND SUBSIDIARIES
RECONCILIATION OF NET INCOME TO ADJUSTED NET INCOME
(in thousands, except per share data)
(unaudited)

For the three months ended March 31, 2024:

	Operating Expenses	Other (Income) Expense	Income Tax Provision	Net Income
Per-GAAP				\$ 14,038
Diluted earnings per share (per-GAAP)				\$ 0.30
Adjustments to reconcile net income to non-GAAP net income:				
Amortization of acquisition-related intangible assets	3,810		(708)	3,102
Non-cash mark-to-market investment value adjustments		(370)	74	(296)
Insurance recovery for manufacturing facility	(4,804)		961	(3,843)
Non-GAAP				\$ 13,001
Diluted shares used in computing earnings per share				46,285
Non-GAAP diluted earnings per share				\$ 0.28

Note: Included in GAAP and non-GAAP net income was approximately \$4.0 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 \$0.09 per share.

DIODES INCORPORATED AND SUBSIDIARIES
CONSOLIDATED RECONCILIATION OF NET INCOME TO ADJUSTED NET INCOME – Cont.
(in thousands, except per share data)
(unaudited)

For the three months ended March 31, 2023:

	Operating Expenses	Other (Income) Expense	Income Tax Provision	Net Income
Per-GAAP				\$ 71,150
Diluted earnings per share (per-GAAP)				\$ 1.54
Adjustments to reconcile net income to non-GAAP net income:				
Amortization of acquisition-related intangible assets	3,852		(707)	3,145
Officer retirement	2,845		(583)	2,262
Non-cash mark-to-market investment value adjustments		(3,889)	778	(3,111)
Non-GAAP				\$ 73,446
Diluted shares used in computing earnings per share				46,161
Non-GAAP diluted earnings per share				\$ 1.59

Note: Included in GAAP and non-GAAP adjusted net income was approximately \$7.7 million, net of tax, non-cash share-based compensation expense. Excluding share-based compensation expense, both GAAP and non-GAAP adjusted diluted earnings per share would have improved by \$0.17 per share.

ADJUSTED NET INCOME AND ADJUSTED EARNINGS PER SHARE

The Company's financial statements present net income and earnings per share that are calculated using accounting principles generally accepted in the United States ("GAAP"). The Company's management makes adjustments to the GAAP measures that it feels are necessary to allow investors and other readers of the Company's financial releases to view the Company's operating results as viewed by the Company's management, board of directors and research analysts in the semiconductor industry. These non-GAAP measures are not prepared in accordance with, and should not be considered alternatives or necessarily superior to, GAAP financial data and may be different from non-GAAP measures used by other companies. Because non-GAAP financial measures are not standardized, it may not be possible to compare these financial measures with other companies' non-GAAP financial measures, even if they have similar names. The explanation of the adjustments made in the table above, are set forth below:

Detail of non-GAAP adjustments

Amortization of acquisition-related intangible assets – The Company excluded this item, including amortization of developed technologies and customer relationships. The fair value of the acquisition-related intangible assets is amortized using straight-line methods which approximate the proportion of future cash flows estimated to be generated each period over the estimated useful life of the applicable assets. The Company believes that exclusion of this item is appropriate because a significant portion of the purchase price for its acquisitions was allocated to the intangible assets that have short lives and exclusion of the amortization expense allows comparisons of operating results that are consistent over time for both the Company's newly acquired and long-held businesses. In addition, the Company excluded this item because there is significant variability and unpredictability among companies with respect to this expense.

Officer retirement – The Company excluded costs related to the retirement of two executives. These costs represent cash payments and the accelerated vesting of previously issued stock awards. The Company feels it is appropriate to exclude these costs since they don't represent ongoing operating expenses and will present investors with a more accurate indication of our continuing operations.

Insurance recovery for manufacturing facility – The Company recorded gains related to insurance recovery for a manufacturing facility in Asia. The Company believes the exclusion of the insurance recovery provides investors with a more accurate reflection of the continuing operations of the Company and facilitates comparisons with the results of other periods which may not reflect such gains.

Non-cash mark-to-market investment adjustments – The Company excluded mark-to-market adjustments on various equity related investments. The Company believes this is not reflective of the ongoing operations and exclusion of this provides investors an enhanced view of the Company's operating results.

CASH FLOW ITEMS

Free cash flow (FCF) (Non-GAAP)

FCF for the first quarter of 2024 is a non-GAAP financial measure, which is calculated by subtracting capital expenditures from cash flow from operations. For the first quarter of 2024, FCF was a negative \$51.5 million, which represents the cash and cash equivalents that we are able to generate after taking into account cash outlays required to maintain or expand property, plant and equipment. FCF is important because it allows us to pursue opportunities to develop new products, make acquisitions and reduce debt.

CONSOLIDATED RECONCILIATION OF NET INCOME TO EBITDA

EBITDA represents earnings before net interest expense, income tax provision, depreciation and amortization. Management believes EBITDA is useful to investors because it is frequently used by securities analysts, investors and other interested parties, such as financial institutions in extending credit, in evaluating companies in our industry and provides further clarity on our profitability. In addition, management uses EBITDA, along with other GAAP and non-GAAP measures, in evaluating our operating performance compared to that of other companies in our industry. The calculation of EBITDA generally eliminates the effects of financing, operating in different income tax jurisdictions, and accounting effects of capital spending, including the impact of our asset base, which can differ depending on the book value of assets and the accounting methods used to compute depreciation and amortization expense. EBITDA is not a recognized measurement under GAAP, and when analyzing our operating performance, investors should use EBITDA in addition to, and not as an alternative for, income from operations and net income, each as determined in

accordance with GAAP. Because not all companies use identical calculations, our presentation of EBITDA may not be comparable to similarly titled measures used by other companies. For example, our EBITDA takes into account all net interest expense, income tax provision, depreciation and amortization without taking into account any amounts attributable to noncontrolling interest. Furthermore, EBITDA is not intended to be a measure of free cash flow for management's discretionary use, as it does not consider certain cash requirements such as tax and debt service payments.

The following table provides a reconciliation of net income to EBITDA *(in thousands, unaudited)*:

	Three Months Ended	
	March 31,	
	2024	2023
Net income (per-GAAP)	\$ 14,038	\$ 71,150
Plus:		
Interest expense, net	(4,082)	360
Income tax provision	3,537	16,616
Depreciation and amortization	34,855	33,653
EBITDA (non-GAAP)	\$ 48,348	\$ 121,779

DIODES INCORPORATED AND SUBSIDIARIES
CONSOLIDATED CONDENSED BALANCE SHEETS

(Unaudited)

(In thousands, except share and per share data)

	March 31 2024	December 31, 2023
Assets		
Current assets:		
Cash and cash equivalents	\$ 266,202	\$ 315,457
Restricted Cash	4,358	3,026
Short-term investments	9,782	10,174
Accounts receivable, net of allowances of \$8,254 and \$5,641 at March 31, 2024 and December 31, 2023, respectively	391,508	371,930
Inventories	429,363	389,774
Prepaid expenses and other	100,016	97,024
Total current assets	1,201,229	1,187,385
Property, plant and equipment, net	723,478	746,169
Deferred income tax	50,912	51,620
Goodwill	146,941	146,558
Intangible assets, net	59,952	63,937
Other long-term assets	173,660	171,990
Total assets	\$ 2,356,172	\$ 2,367,659
Liabilities		
Current liabilities:		
Line of credit	\$ 48,928	\$ 40,685
Accounts payable	149,228	158,261
Accrued liabilities	164,570	179,674
Income tax payable	13,283	10,459
Current portion of long-term debt	1,270	4,419
Total current liabilities	377,279	393,498
Long-term debt, net of current portion	19,639	16,979
Deferred tax liabilities	10,509	13,662
Unrecognized tax benefits	34,035	34,035
Other long-term liabilities	89,899	99,808
Total liabilities	531,361	557,982
Commitments and contingencies		
Stockholders' equity		
Preferred stock - par value \$1.00 per share; 1,000,000 shares authorized; no shares issued or outstanding	-	-
Common stock - par value \$0.66 2/3 per share; 70,000,000 shares authorized; 46,114,753 and 45,938,382, issued and outstanding at March 31, 2024 and December 31, 2023, respectively	36,936	36,819
Additional paid-in capital	509,401	509,861
Retained earnings	1,689,312	1,675,274
Treasury stock, at cost, 9,286,862 shares held at March 31, 2024 and December 31, 2023	(337,986)	(337,986)
Accumulated other comprehensive loss	(149,073)	(143,227)
Total stockholders' equity	1,748,590	1,740,741
Noncontrolling interest	76,221	68,936
Total equity	1,824,811	1,809,677
Total liabilities and stockholders' equity	\$ 2,356,172	\$ 2,367,659

First Quarter 2024 Financial Results

Diodes Incorporated (DIOD)

Plano, TX, USA

May 9, 2024



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 second quarter of 2024, we expect revenue to be approximately \$316 million plus or minus 3 percent; we expect GAAP gross margin to be 33.5 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 28.5 percent of revenue, plus or minus 1 percent; we expect non-GAAP net interest income to be approximately \$3.0 million; we expect our income tax rate to be 18.5 percent, plus or minus 3 percent; shares used to calculate diluted EPS for the second 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 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 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 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 May 9, 2024 titled, “Diodes Incorporated Reports First Quarter Fiscal 2024 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 (analog, discrete, and mixed signal) semiconductor products to the world's leading companies in the automotive, industrial, computing, consumer electronics, and communications markets

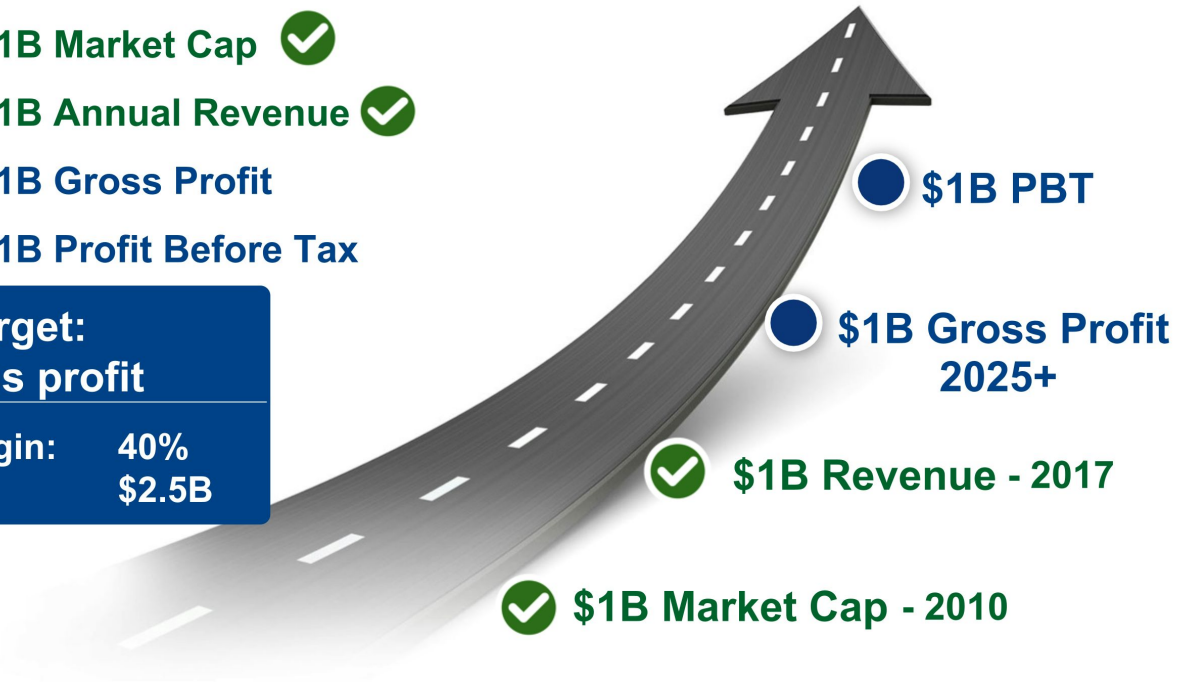
 65 Years in business	 32 Consecutive years of profitability	 ~8600 Number of employees	Vision: Profitability Growth to Maximize Shareholder Value
 1.7Bn Annual Revenue 2023	 DIOD Stock Symbol	 46% of 2023 product revenue from automotive/industrial	
 >28K Number of products (SKU) shipped in 2023	 >42Bn Number of units shipped in 2023	 >50K Number of customers	



- 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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**~40% of
revenue**
(41% for Q1 2024)

Automotive

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

Industrial

- Embedded systems, precision controls, medical, clean energy, machine to machine, motor control, and AIoT

**~60% of
revenue**
(59% for Q1 2024)

Consumer

- IoT: wearables, home automation, home appliances, smart infrastructure, and charging solutions

Communications

- Smart phones, 5G networks, and enterprise networking

Computing

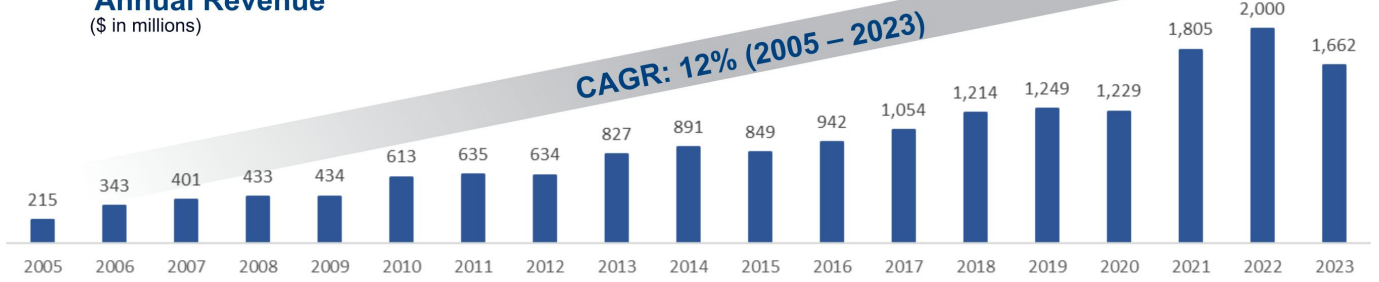
- Cloud computing: server, AI server, storage, data centers



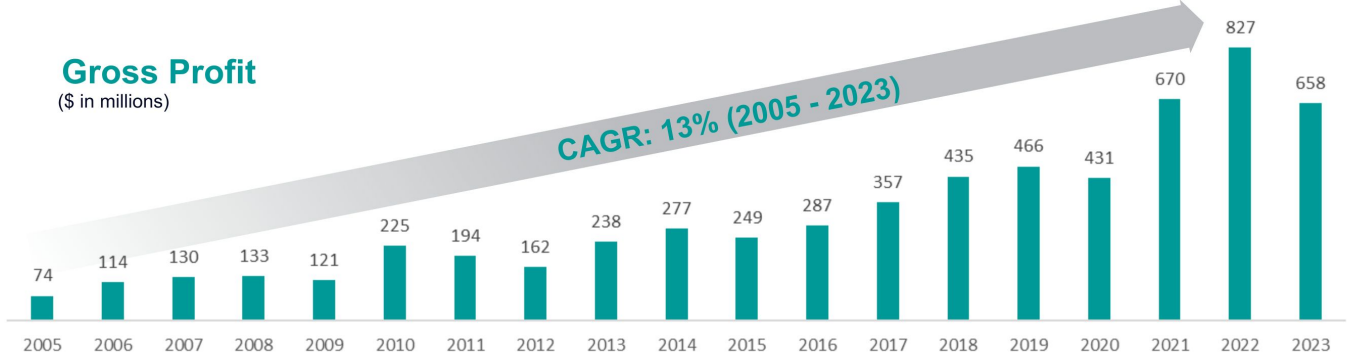
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Track record of Continued Outperformance

Annual Revenue (\$ in millions)

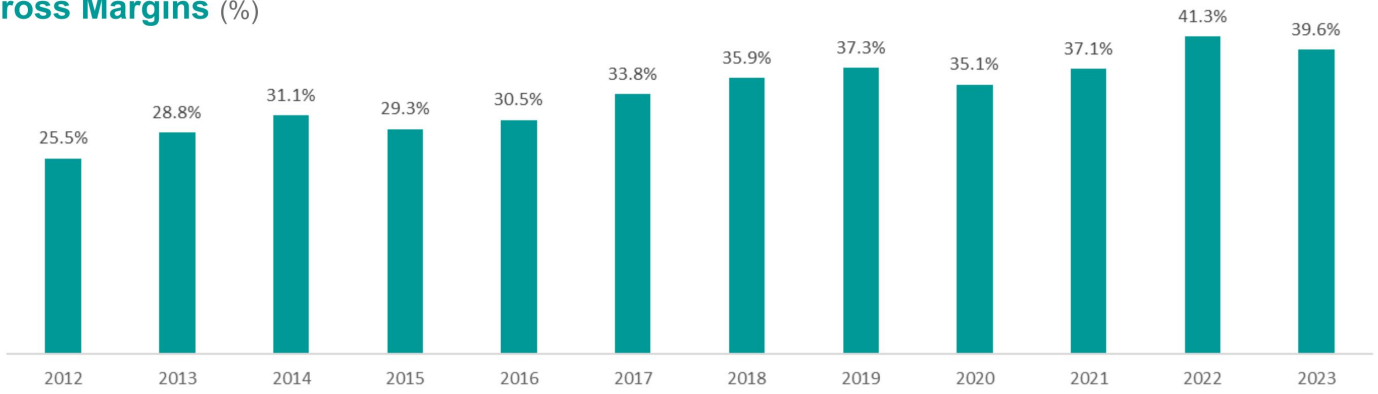


Gross Profit (\$ in millions)

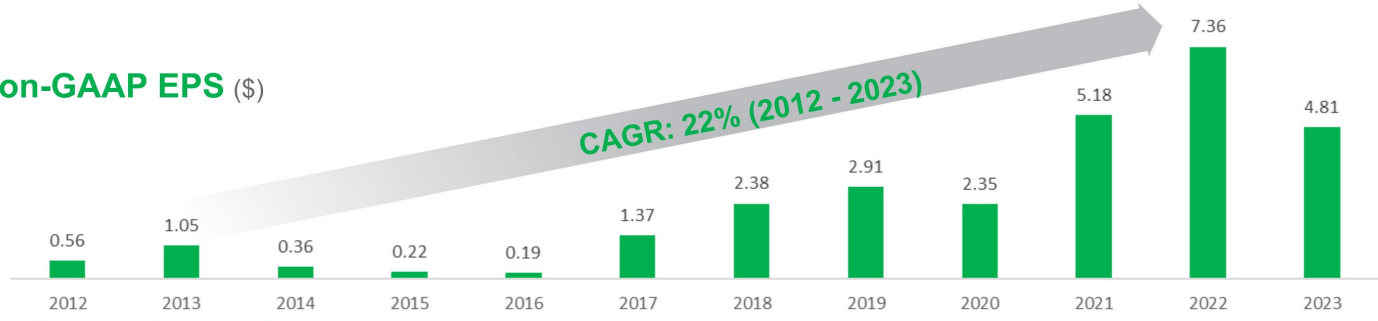


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Gross Margins (%)



Non-GAAP EPS (\$)



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First quarter represented low point in market demand



Automotive and Industrial totaled 41% of product revenue, eighth consecutive quarter exceeding 2025 target of 40%



\$280 million in cash and cash equivalents*



Total debt ~\$70 million



Expect return to seasonal growth in second quarter



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* Cash and cash equivalents, restricted cash and short-term investments

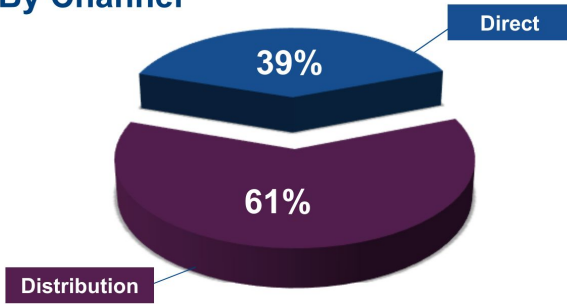
Revenue \$302M -6.4% Q-Q	GAAP Gross Profit \$99.6M -11.5% Q-Q	GAAP Gross Margin 33.0% - 190 bps Q-Q	Non-GAAP EPS \$0.28 -45% Q-Q
Non-GAAP Net Income \$13M -44% Q-Q	EBITDA \$48.3M 17% of Revenue	Cash Flow from Ops \$31.1M 10.3% of Revenue	Strong Balance Sheet \$280M/\$70M Cash*/Debt



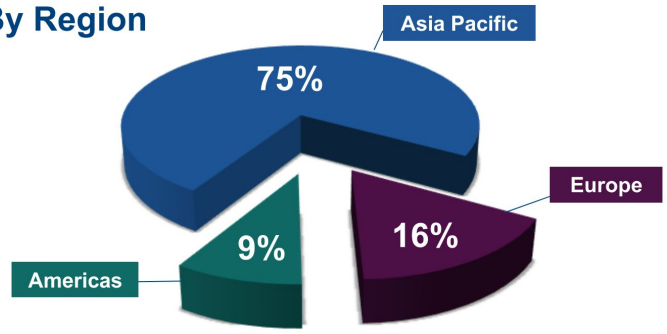
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* Cash and cash equivalents, restricted cash and short-term investments

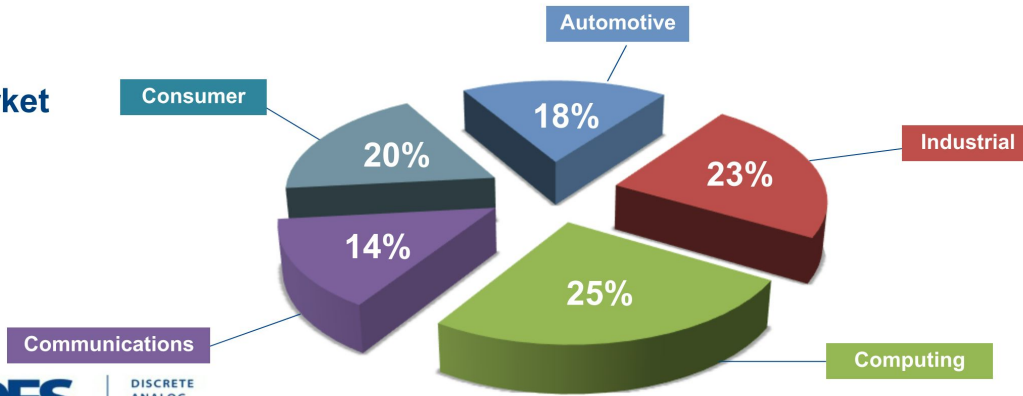
By Channel



By Region

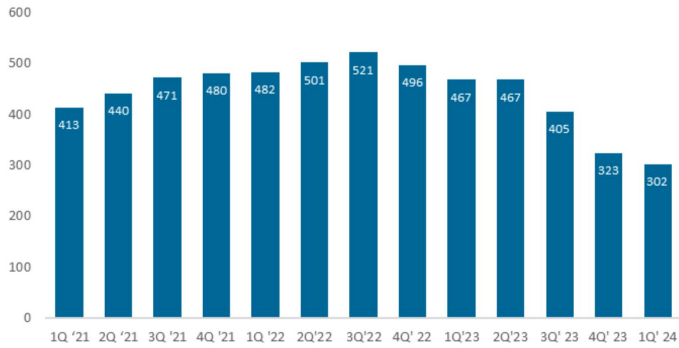


By End Market

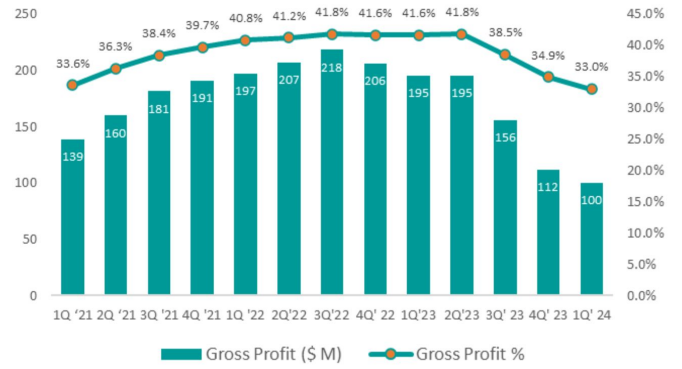


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Quarterly Revenue (\$ Millions)



Quarterly Gross Profit (\$ Millions)



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Income Statement – First Quarter 2024

(\$ in millions, except EPS)	1Q23	4Q23	1Q24
Net sales	467.2	322.7	302.0
Gross profit (GAAP)	194.5	112.5	99.6
Gross profit margin % (GAAP)	41.6%	34.9%	33.0%
Net income (GAAP)	71.2	25.3	14.0
Net income (non-GAAP)	73.4	23.4	13.0
Diluted EPS (non-GAAP)	1.59	0.51	0.28
Cash flow from operations	99.8	38.4	(31.1)
EBITDA (non-GAAP)	121.8	58.4	48.3



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(\$ in millions)	Dec 31, 2022	Dec 31, 2023	Mar 31, 2024
Cash*	348	329	280
Inventory	360	390	429
Current Assets	1,162	1,187	1,201
Total Assets	2,288	2,368	2,356
Total Debt	185	62	70
Total Liabilities	705	558	531
Total Equity	1,583	1,810	1,825

* Cash and cash equivalents, restricted cash and short-term investments



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- **Revenue to be ~\$316 million, +/- 3.0%** represents 4.6% sequential increase at the mid-point
- **GAAP gross margin of 33.5%, +/- 1%**
- **Non-GAAP operating expenses 28.5% of revenue, +/- 1%**, which are GAAP operating expenses adjusted for amortization of acquisition-related intangible assets
- **Net Interest income of ~\$3.0 million**
- **Income tax rate to be 18.5%, +/- 3%**
- Shares used to calculate diluted EPS approximately **46.5 million**
- Amortization of **\$3.1 million**, after tax, for previous acquisitions is not included in these non-GAAP estimates



**Guidance as provided on May 9, 2024*

- **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
 - Focus on key accounts
 - Increased focus on high-margin automotive, industrial, analog, and power discrete products
 - Investment for technology leadership in target products, fab processes, and advanced packaging
 - Accelerate fab process and product qualifications



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INCORPORATED

Thank you



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Reconciliation of Net Income to Adjusted Net Income

For the three months ended March 31, 2024

(in thousands, except per share data)

(unaudited)

	Operating Expenses	Other (Income) Expense	Income Tax Provision	Net Income
Per-GAAP				\$ 14,038
Diluted earnings per share (per-GAAP)				\$ 0.30
Adjustments to reconcile net income to non-GAAP net income:				
Amortization of acquisition-related intangible assets	3,810		(708)	3,102
Non-cash mark-to-market investment value adjustments		(370)	74	(296)
Insurance recovery for manufacturing facility		(4,804)	961	(3,843)
Non-GAAP				\$ 13,001
Diluted shares used in computing earnings per share				46,285
Non-GAAP diluted earnings per share				\$ 0.28

Note: Included in GAAP and non-GAAP net income was approximately \$4.0 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 \$0.09 per share.



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GAAP to Non-GAAP Reconciliation

For the three months ended March 31, 2023

(in thousands, except per share data)

(unaudited)

	Operating Expenses	Other (Income) Expense	Income Tax Provision	Net Income
Per-GAAP				\$ 71,150
Diluted earnings per share (per-GAAP)				\$ 1.54
Adjustments to reconcile net income to non-GAAP net income:				
Amortization of acquisition-related intangible assets	3,852		(707)	3,145
Officer retirement	2,845		(583)	2,262
Non-cash mark-to-market investment value adjustments		(3,889)	778	(3,111)
Non-GAAP				\$ 73,446
Diluted shares used in computing earnings per share				46,161
Non-GAAP diluted earnings per share				\$ 1.59

Note: Included in GAAP and non-GAAP adjusted net income was approximately \$7.7 million, net of tax, non-cash share-based compensation expense. Excluding share-based compensation expense, both GAAP and non-GAAP adjusted diluted earnings per share would have improved by \$0.17 per share.



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Investor Relations

Diodes Incorporated (DIOD)

Plano, TX, USA

May 9, 2024



www.diodes.com

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Dr. Keh-Shew Lu

Chairman and CEO

Experience:

- President & CEO, Diodes Incorporated (2005 – 2023)
- 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



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Gary Yu

President

Experience:

- **Diodes Incorporated, since 2008**
 - Chief Operating Officer
 - Senior Vice President, Business Groups
 - President, Asia Pacific Region
 - General Manager, Shanghai Wafer Fabrication and BCD Business Unit
 - Vice President of Asia Pacific Sales
 - Manager, Sensor and Satellite Business Unit
- **Lite-On Semiconductor Corporation**
 - Vice President, Worldwide Sales
- **Texas Instruments**
 - IT, Finance and Capacity Planning

Education:

- MBA - University of Dallas
- Master's Degree in Telecommunication Engineering
Southern Methodist University
- Bachelor's Degree in MIS
Fu-Jen University, Taiwan



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Gurmeet Dhaliwal

Company spokesperson
Head of Corporate Marketing & Investor Relations



Experience:

- Head of Corporate Marketing, Diodes Incorporated
- Head of Corporate Marketing, Pericom Semiconductor
- Vice President, Marketing, CA Technologies (Broadcom)
- Director, Global Marketing Strategy, EMC
- Director, Marketing, Zarlink Semiconductor (Microchip)
- Marketing Management positions at Cisco and National Semiconductor (TI)










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 (analog, discrete, and mixed signal) semiconductor products to the world's leading companies in the automotive, industrial, computing, consumer electronics, and communications markets

 65 Years in business	 32 Consecutive years of profitability	 ~8600 Number of employees	Vision: Profitability Growth to Maximize Shareholder Value
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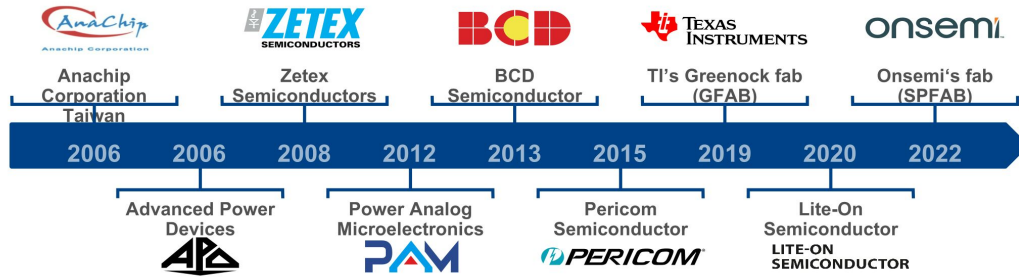
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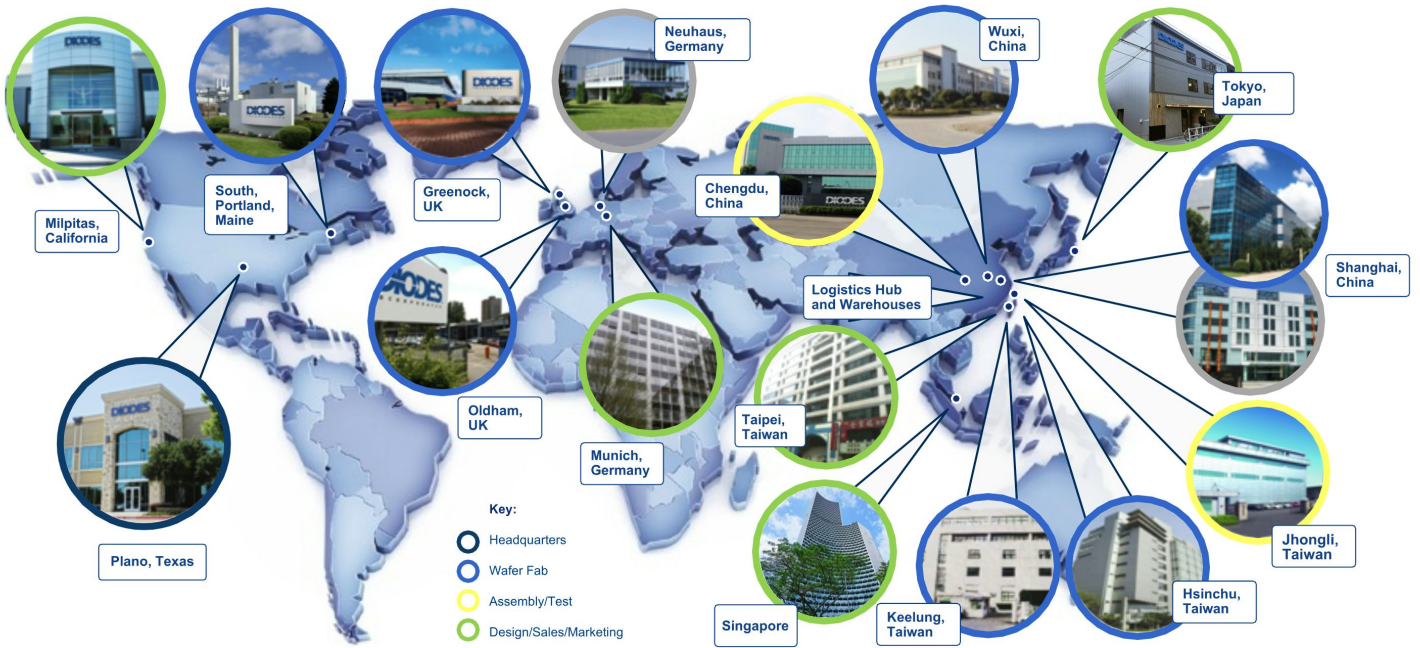
Global Operations and World-class Manufacturing

- Headquartered in Plano, TX
- Manufacturing in US, UK, Germany, China, and Taiwan
- ISO 9001:2015 Certified / IATF 16949:2016 Certified
- ISO 14001:2015 Certified



Key Acquisitions





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



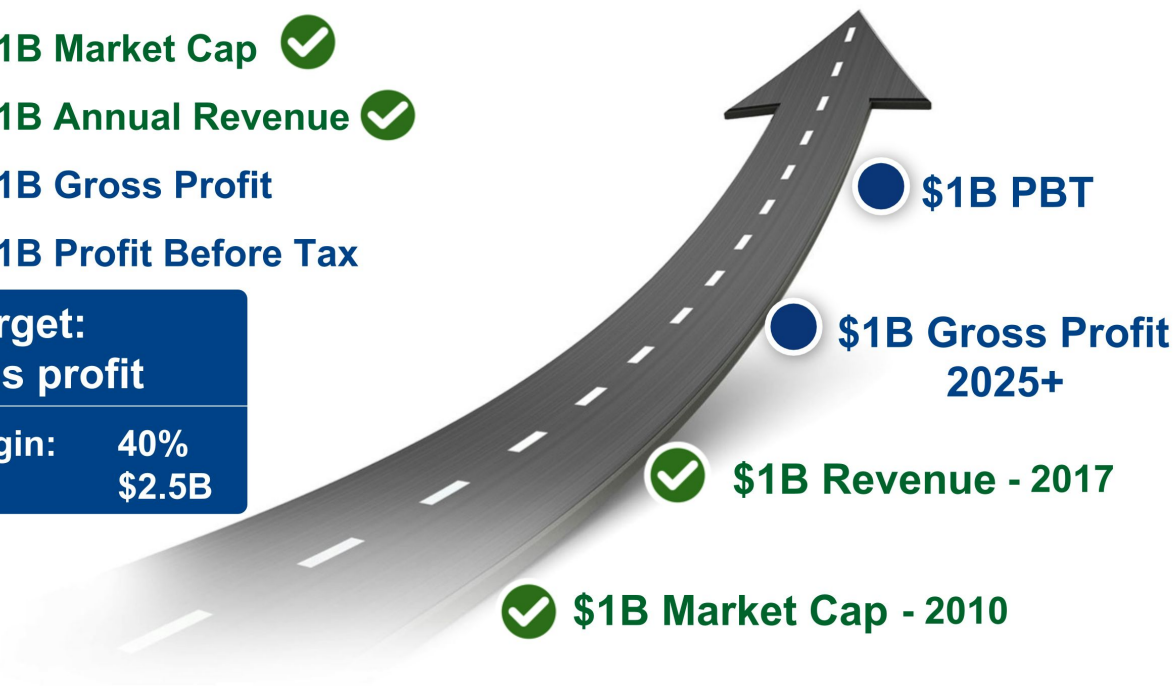
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Please refer to [Governance and Oversight](#) for additional details

- 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

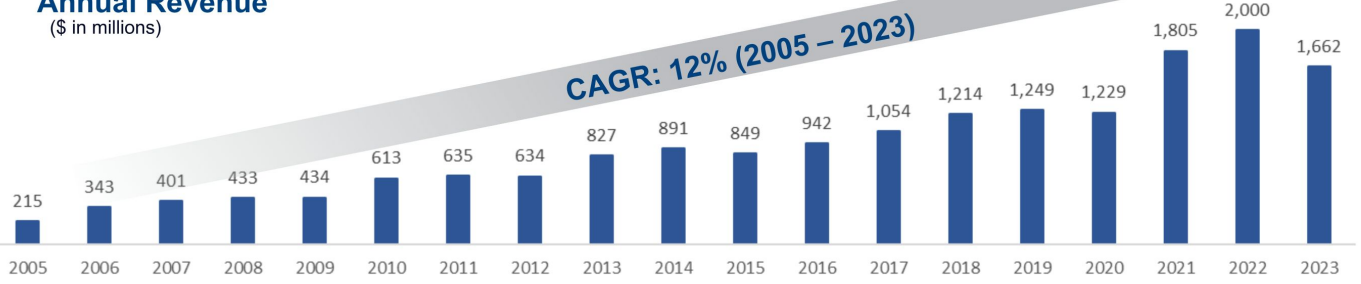
Gross Margin:	40%
Revenue:	\$2.5B



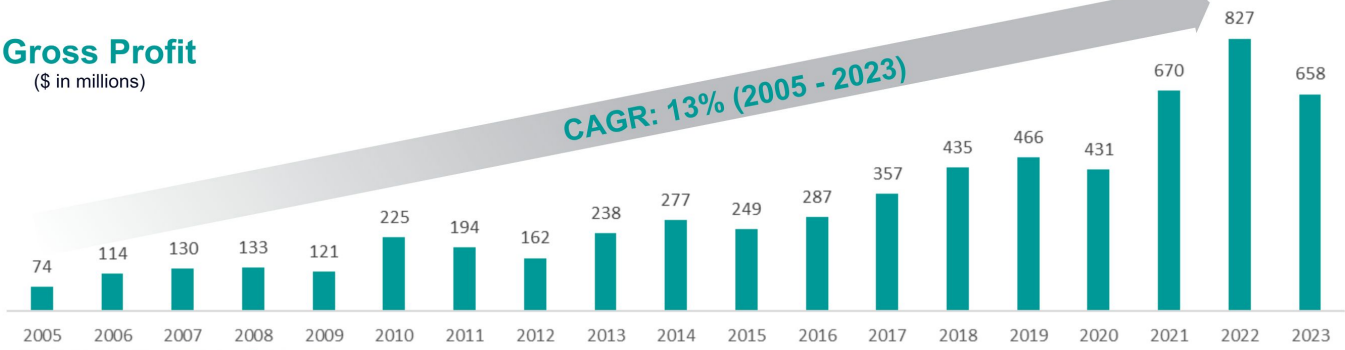
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Track record of Continued Outperformance

Annual Revenue (\$ in millions)

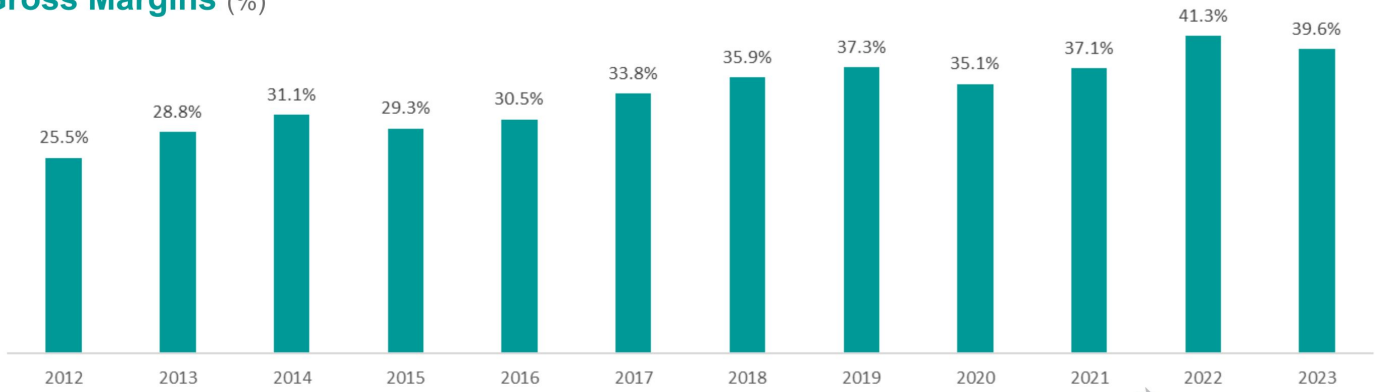


Gross Profit (\$ in millions)

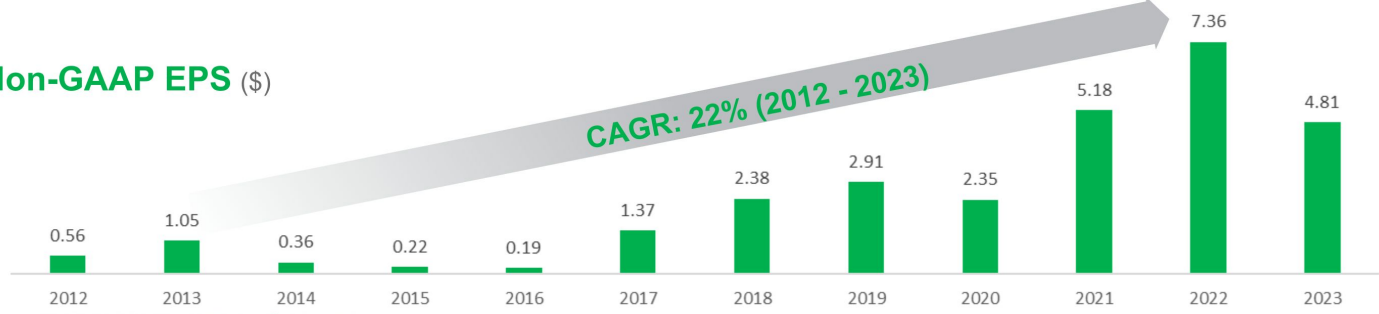


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Gross Margins (%)



Non-GAAP EPS (\$)



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**~40% of
revenue**
(41% for Q1 2024)

Automotive

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

Industrial

- Embedded systems, precision controls, medical, clean energy, machine to machine, motor control, and AIoT

**~60% of
revenue**
(59% for Q1 2024)

Consumer

- IoT: wearables, home automation, home appliances, smart infrastructure, and charging solutions

Communications

- Smart phones, 5G networks, and enterprise networking

Computing

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



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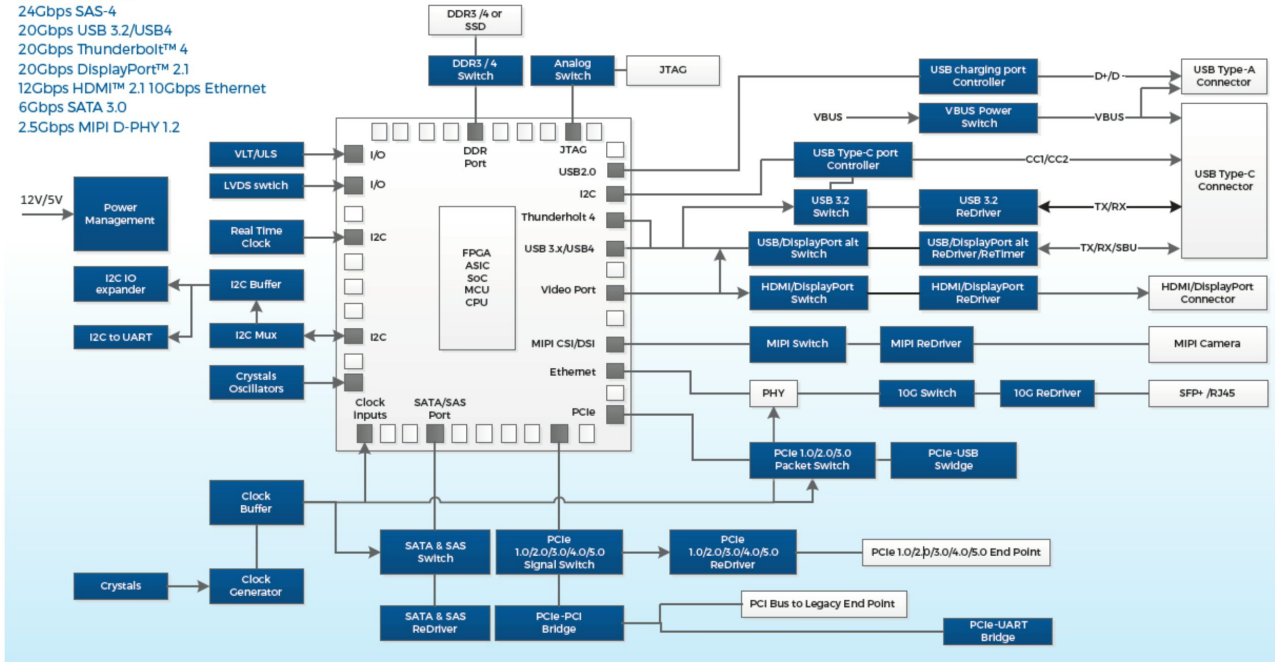
Automotive and Industrial Driving Growth

- **Automotive – 28% CAGR (2013 – 2023)**
 - Focused on connected driving, comfort, style, safety, and electrification
 - Released 362 new automotive-compliant products in 2023
 - Increased dollar content per car to \$161
- **Industrial – 11% CAGR (2013 – 2023)**
 - 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 automation, security, medical, clean energy generation and energy storage systems



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Capability up to:
 32Gbps PCIe® 5.0
 24Gbps SAS-4
 20Gbps USB 3.2/USB4
 20Gbps Thunderbolt™ 4
 20Gbps DisplayPort™ 2.1
 12Gbps HDMI™ 2.1 10Gbps Ethernet
 6Cbps SATA 3.0
 2.5Gbps MIPI D-PHY 1.2



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Example: Embedded System Applications

Focus Applications:

Connected Driving

- **ADAS** (Advanced Driver Assistance Systems)
- **Telematics**
- **Infotainment Systems**

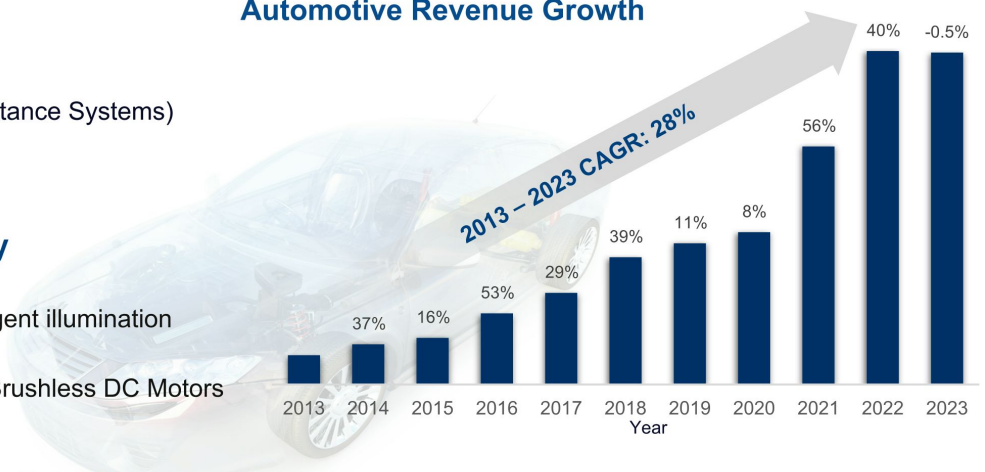
Comfort, Style, and Safety

- **Lighting**
 - Migration to LED and intelligent illumination
- **BLDC motor / fan control**
 - Migration from Brushed to Brushless DC Motors

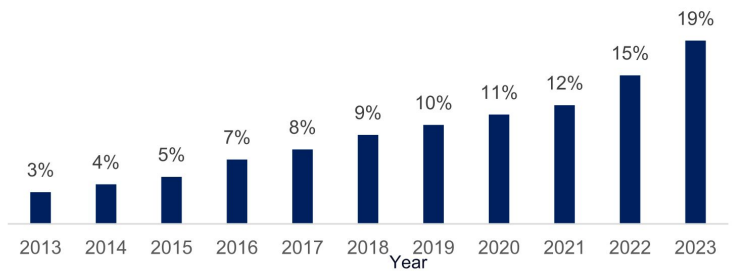
Electrification/Powertrain

- **Conventional Powertrain → Hybrid → Electrification**
- **Battery management**
 - Move to 48V battery

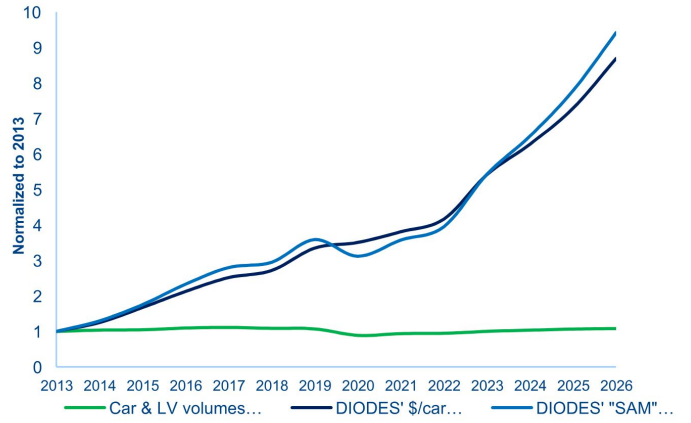
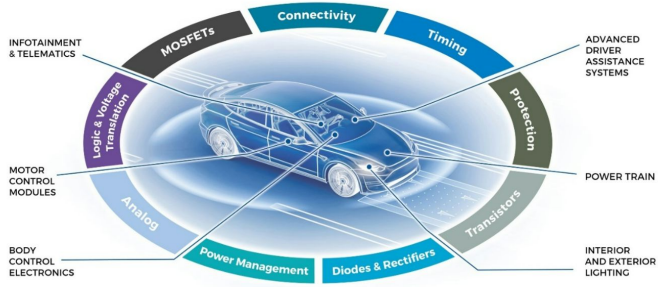
Automotive Revenue Growth



Automotive - % of Total Product Revenue



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Diodes' Key Products	\$ / Car
Automotive Motor Control	\$50.70
Connected Driving (Infotainment, Telematics & ADAS)	\$71.30
Powertrain, Electrification & Body Control Electronics	\$22.60
Lighting – Moving to LED	\$16.50
Total	\$161.20



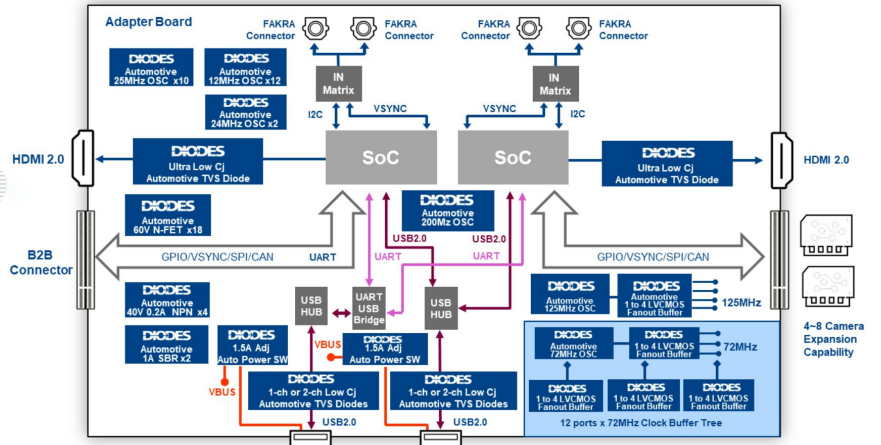
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\$ Content/Car





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
Total	\$24.40

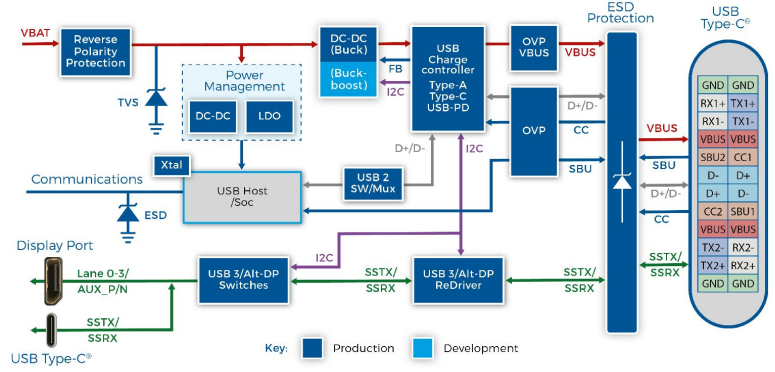


- **Advanced Clock Gen, Clock Buffer, Crystal Oscillator, USB Power Switch, and Protection solutions for mission-critical need**
- **Automotive Compliant* Products**



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



Diodes' Key Products	\$ / per car
Power Management	\$6.20
MOS/BJT	\$1.30
Diodes and Rectifiers	\$0.60
Timing and Connectivity	\$3.20
Total	\$11.30

- **USB charging is a high growth application with approximately 2 to 8 ports per vehicle**
 - USB PD is an important expansion capability → up to 100W/port
 - USB-C supports DP over USB and opens up the opportunity to share portable equipment's screen on interior display
- **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**



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

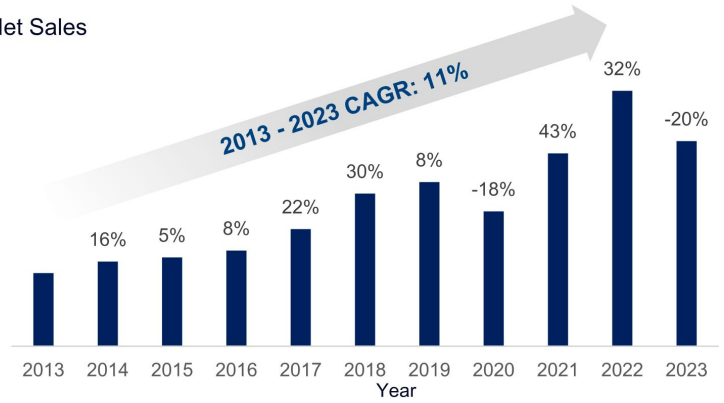
- Increasing IC content in embedded systems
- Switching and signal path for networked systems and automation
- Signal conditioning and timing for precision controls
- Industrial / motor controls, sensors, and power management for smart meters
- Green power, Energy storage



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Industrial Revenue Growth

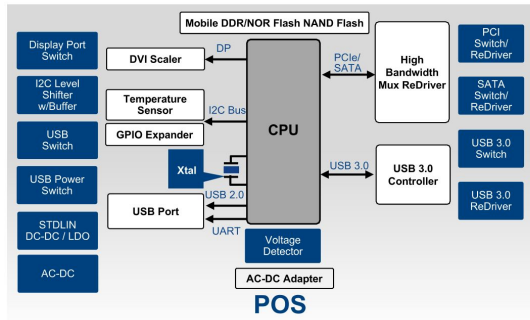
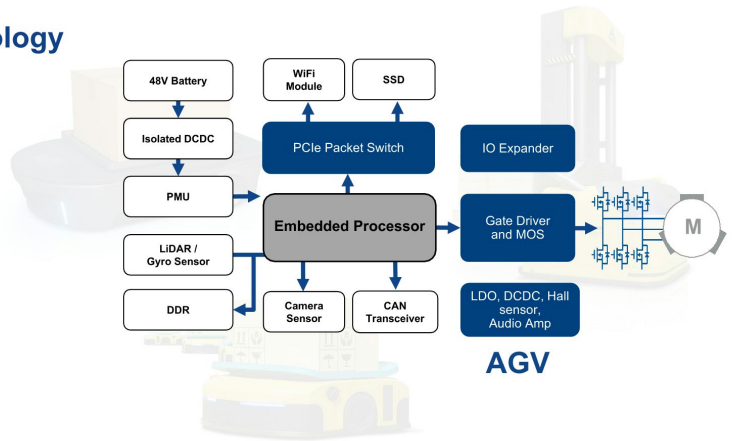
Net Sales



- **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	\$ / AGV
Discrete	\$3.50
Analog & Power Mgmt.	\$2.20
Timing and Connectivity	\$18.00
Total	\$23.70

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



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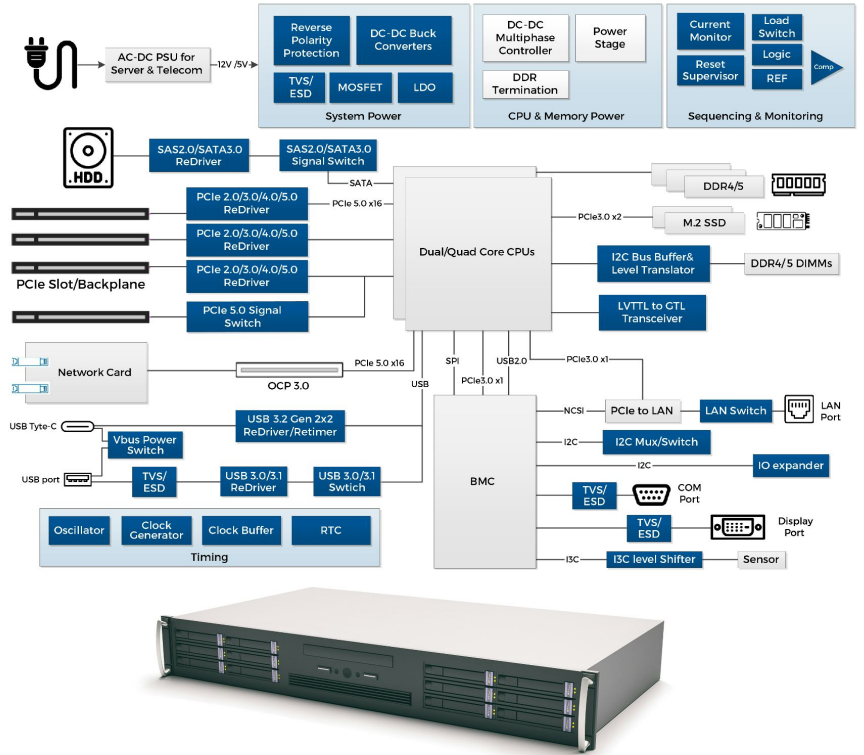
Server Platform Solution

- Almost all of Server vendors are Diodes' existing customers
- Diodes' products are well positioned in this segment
 - PCIe, USB, & SATA ReDrivers, Clock Buffer, Oscillator, I3C MUX, Level shifter, IO Expander, Bus Switch, QSPI MUX, Logic IC, MOSFET, LDO, TVS, DC-DC

Diodes' Key Products	\$ / Box
Analog	\$6.90
Power Management	\$2.20
MOS/BJT	\$0.70
Timing and Connectivity	\$43.20
Total	\$53.00



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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
Total	\$20.00



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Smart Home

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

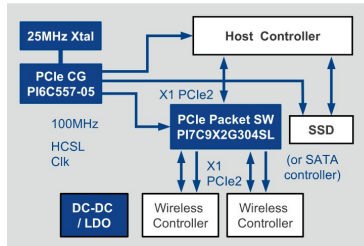
Growth Opportunities

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

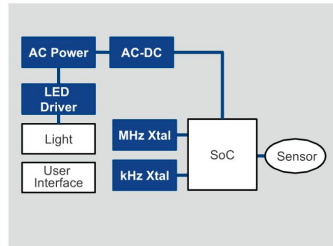


Diodes' Key Products	\$ / Box
Analog	\$0.55 ~ \$0.80
Power Management	\$1.80
MOS/BJT	\$1.10
Diodes and Rectifiers	\$0.50
Timing and Connectivity	\$3.50
Total	\$7.70

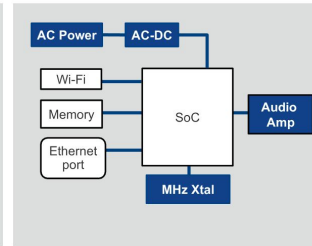
Smart Home Gateway



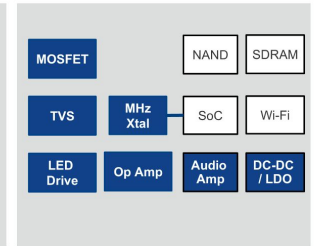
Smart Lighting



Smart Speaker



Digital Assistant



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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

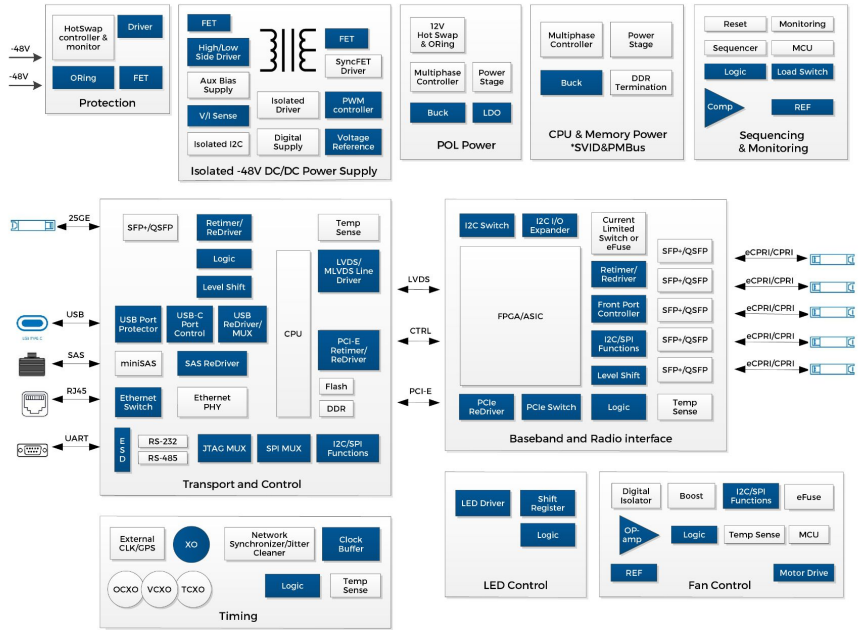


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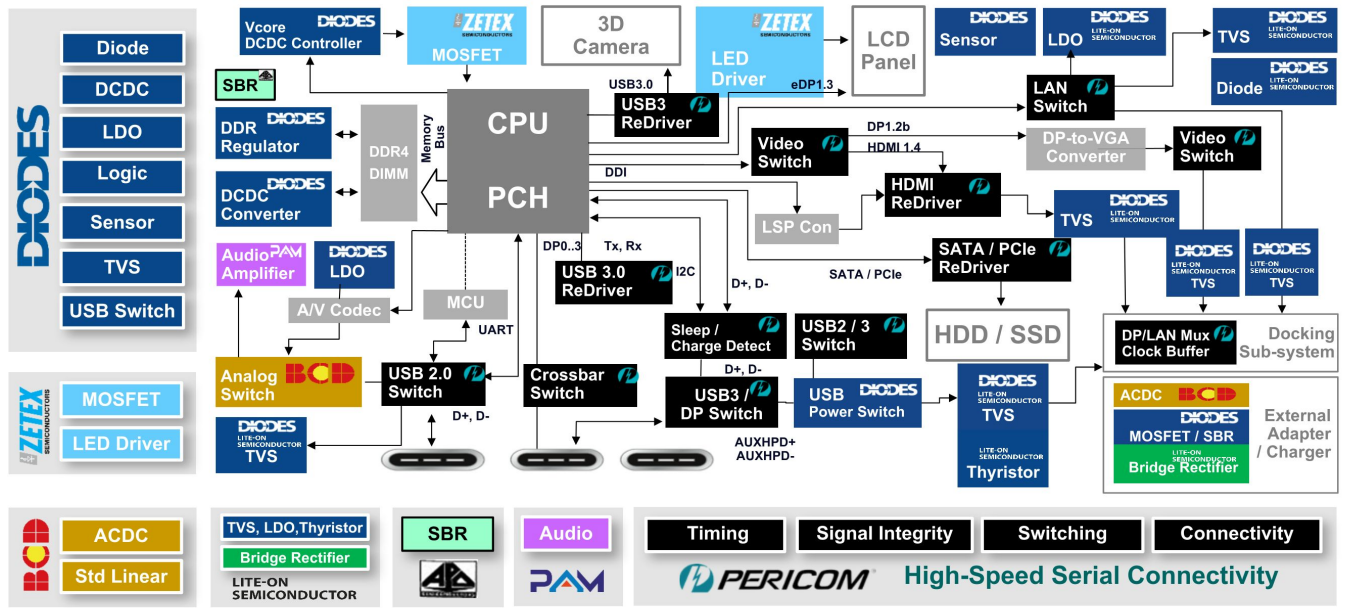
- Advanced Solution in Signal Integrity, Signal/Bus/Power Switches and IO Expanders for diversified networking applications
- Global Logistics provide cost-competitive solution with industry standard pin-outs and flexible package options



Diodes' Key Products	\$ / Box
Analog	\$12.00
Power Management & Discrete	\$3.00
Timing and Connectivity	\$23.00
Total	\$38.00



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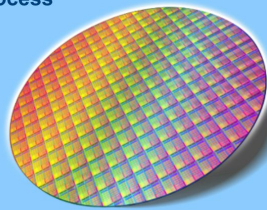
Products



- eUSB/USB repeater and Ultra Low Cj TVS for signal integrity
- Automotive Packet Switch for Telematics / ADAS, high voltage LDO and DCDC products
- Complete USB-C / Power Delivery Solutions
- Low jitter timing solution for cloud computing
- High precision high bandwidth standard analog
- Ultra low power and low noise LDOs for IoT
- Lowest RDS(ON) LDMOS for battery efficiency
- IntelliFET - self-protected power switches
- Comprehensive MOSFETs (8V to 800V)
- SiC Schottky Diodes and SiC MOSFET for industrial and automotive applications

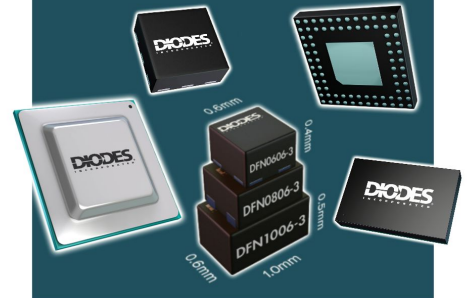
Wafer Fab

- High performance 8" MOSFET trench technology
- Advanced Epi bipolar transistor processes
- Proprietary rectifier technology
- Rugged automotive grade NMOS and PMOS
- Low power low noise SiGe BiCMOS process
- High voltage high power BCD process



Assembly/Test

- Cu Pillar with flip chip on lead frame
- High pin count BGA, LGA, and AQFN packages
- Chip scale packaging with highest current density
- Compact QFN and DFN
- Power density PowerDI



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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
- Global footprint with strong engineering capabilities



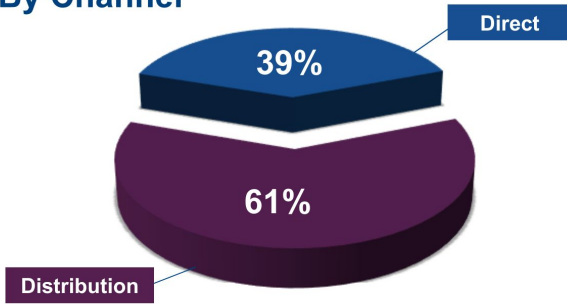
Assembly and Test

- China: Shanghai, Chengdu, and Wuxi
- Taiwan: Jhongli
- Germany: Neuhaus

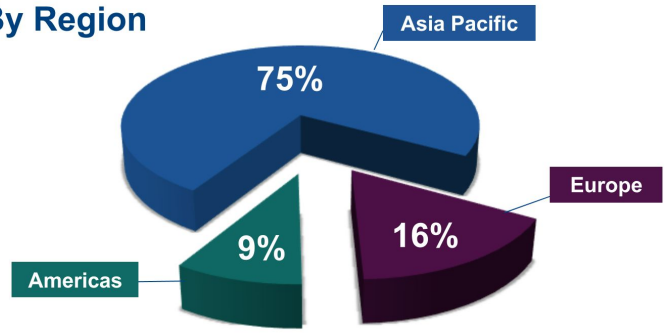


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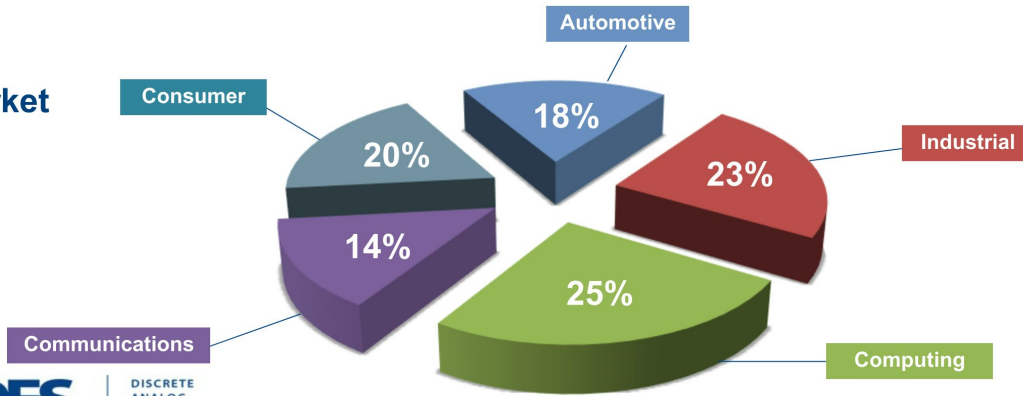
By Channel



By Region



By End Market



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Income Statement – First Quarter 2024

(\$ in millions, except EPS)	1Q23	4Q23	1Q24
Net sales	467.2	322.7	302
Gross profit (GAAP)	194.5	112.5	99.6
Gross profit margin % (GAAP)	41.6%	34.9%	33.0%
Net income (GAAP)	71.2	25.3	14.0
Net income (non-GAAP)	73.4	23.4	13.0
Diluted EPS (non-GAAP)	1.59	0.51	0.28
Cash flow from operations	99.8	38.4	(31.1)
EBITDA (non-GAAP)	121.8	58.4	48.3



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(\$ in millions)	Dec 31, 2022	Dec 31, 2023	Mar 31, 2024
Cash*	348	329	280
Inventory	360	390	429
Current Assets	1,162	1,187	1,201
Total Assets	2,288	2,368	2,356
Total Debt	185	62	70
Total Liabilities	705	558	531
Total Equity	1,583	1,810	1,825

* Cash and cash equivalents, restricted cash and short-term investments



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- **Revenue to be ~\$316 million, +/- 3.0%** represents 4.6% sequential increase at the mid-point
- **GAAP gross margin of 33.5%, +/- 1%**
- **Non-GAAP operating expenses 28.5% of revenue, +/- 1%**, which are GAAP operating expenses adjusted for amortization of acquisition-related intangible assets
- **Net Interest income of ~\$3.0 million**
- **Income tax rate to be 18.5%, +/- 3%**
- Shares used to calculate diluted EPS approximately **46.5 million**
- Amortization of **\$3.1 million**, after tax, for previous acquisitions is not included in these non-GAAP estimates



**Guidance as provided on May 9, 2024*

- **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
 - Focus on key accounts
 - Increased focus on high-margin automotive, industrial, analog, and power discrete products
 - Investment for technology leadership in target products, fab processes, and advanced packaging
 - Accelerate fab process and product qualifications



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