

Investor Presentation

June 2024



The DNA of tech.®

Forward-Looking Statements

Comments in this presentation other than statements of historical fact may constitute forward-looking statements. Words such as “believe,” “estimate,” “will be,” “will,” “would,” “expect,” “anticipate,” “plan,” “project,” “intend,” “could,” “should” or other similar words or expressions often identify forward-looking statements. Such statements are based on current expectations only, and are subject to certain risks, uncertainties and assumptions, many of which are beyond our control. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results, performance or achievements may vary materially from those anticipated, estimated or projected. Factors that could cause actual results to materially differ are described in our filings with the U.S. Securities and Exchange Commission, including our annual reports on Form 10-K and quarterly reports on Form 10-Q, specifically in the sections titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Risk Factors .” The Company undertakes no obligation to update any forward-looking statements.

NON-GAAP FINANCIAL MEASURES

Management uses measures which are not recognized in accordance with U.S. generally accepted accounting principles (“GAAP”) to evaluate its business and may refer to such measures in this presentation. These measures are considered “non-GAAP financial measures” under the U.S. Securities and Exchange Commission rules. These non-GAAP financial measures are intended to supplement our GAAP measures of performance and liquidity. These non-GAAP measures may include: adjusted net earnings, adjusted gross profit, adjusted gross margin, adjusted operating income, adjusted operating margin, adjusted earnings per share, free cash, EBITDA, adjusted EBITDA, EBITDA margin, return on invested capital, and capital intensity.

“**Free cash**” is cash generated from operations in excess of our capital expenditure needs and net of proceeds from the sale of assets. Management uses this measure to evaluate our ability to fund acquisitions, repay debt, and otherwise enhance stockholder value through stock buy-backs or dividends.

“**EBITDA**” is earnings before interest income and expense, provision for income taxes, depreciation expense, and amortization expense. Management believes that EBITDA provides additional information with respect to a company’s performance and ability to meet its future capital expenditures and working capital requirements, particularly when evaluating acquisition targets.

“**Adjusted EBITDA**” is EBITDA adjusted for relevant reconciling items used to calculate adjusted net earnings (described above). Adjusted EBITDA is substantially similar to, but not identical to, a measure used in the calculation of financial ratios required for covenant compliance under our revolving credit facility.

“**EBITDA Margin**” is “adjusted EBITDA” divided by net revenues.

These measures do not have uniform definitions and accordingly, these measures, as calculated by Vishay, may not be comparable to similarly titled measures used by other companies. Such measures should not be viewed as alternatives to GAAP measures of performance or liquidity. However, Management believes such measures are meaningful to an evaluation of our business, as described above.

Vishay 3.0...

A Well Funded Start Up



Growth Driven



Business Minded



Customer First

Leadership Team Driving Change

Vishay 2.0

Operations

Cash Flow

Fulfill Orders

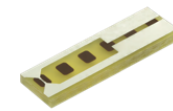
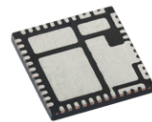
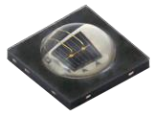
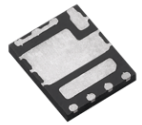
Vishay 3.0

Customers & Markets

P&L

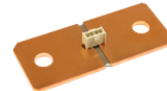
Anticipate Customer Needs

Broadest Line of Discrete Semiconductors and Passive Components



DISCRETE SEMICONDUCTORS ▶ PASSIVE COMPONENTS

LOWEST VOLTAGE DIODE ▶ HIGHEST ENERGY CAPACITOR



In power applications, we can populate ~80% of our customers' Bill of Material

Trusted by...

OEM



EMS



DISTRIBUTION



Serving End Markets Relevant to the Megatrends of e-mobility and Sustainability

Automotive

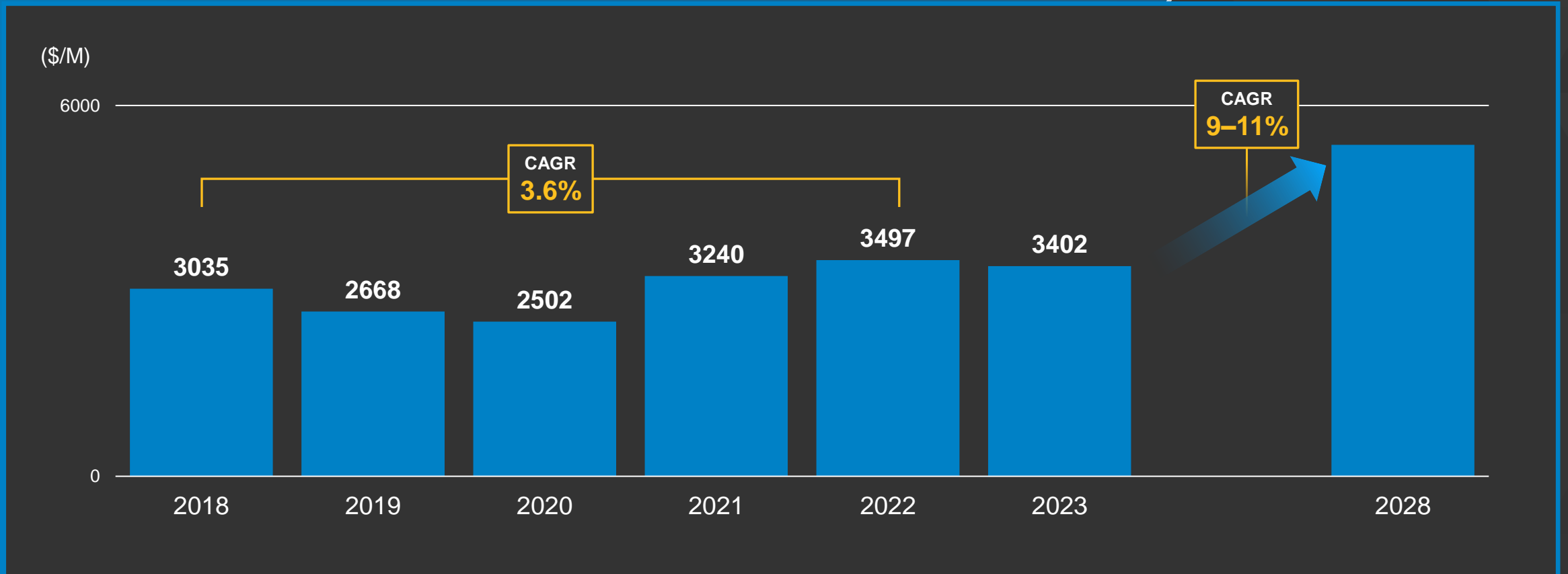
Industrial

**Aviation, Military
& Space**

Medical

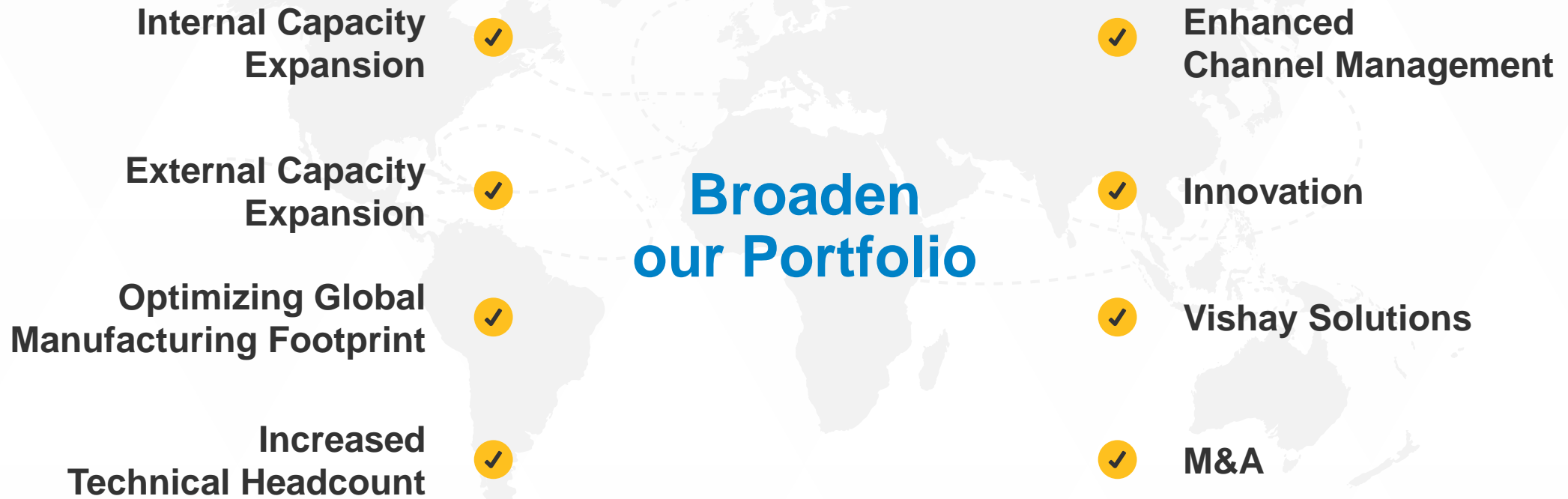
Other

Accelerating Revenue Growth



Strategic Growth Levers

Served Markets



Scaling and Enhancing Operations

VISHAY 2.0 WHO WE WERE

Allocation/
capacity
constrained

Manufacturing
focused

Single product
line facilities

Focused on
internal
production

Maximize
utilization

VISHAY 3.0 WHERE WE'RE GOING



**Capacity
ready**



**Customer and
service driven**



**Optimized
global
operations—
regionally
diverse
campuses**



**Balancing
between
internal and
external
production**



**Maximize
profitability**

Investing in Capacity Readiness



Investing \$2.6 billion, 2023–2028



Investing 70% of CapEx in capacity expansion



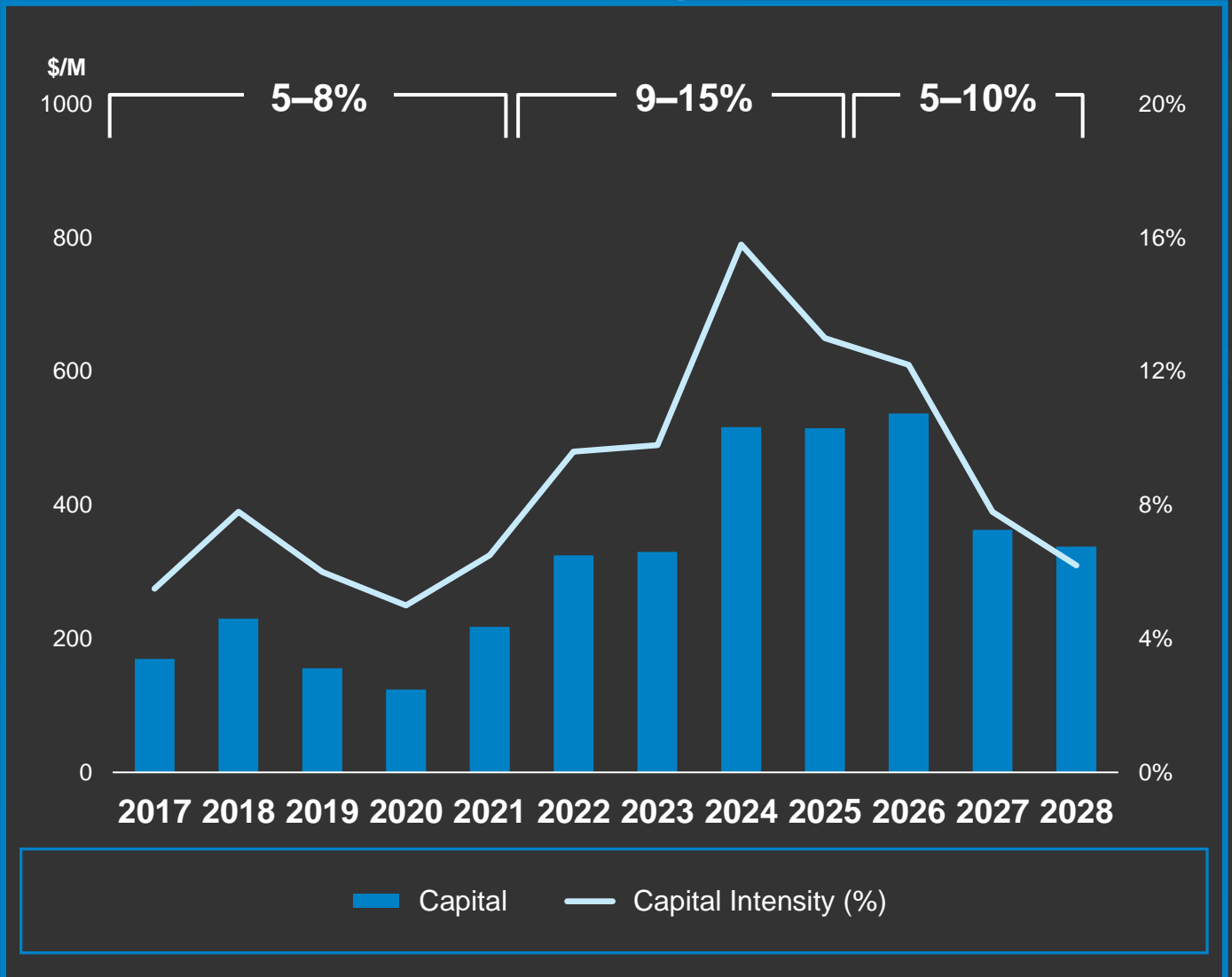
Focused on growth product lines

GOAL

80% utilization on growth product lines by 2028



Competitive lead times during upturns



Internal Capacity Expansion

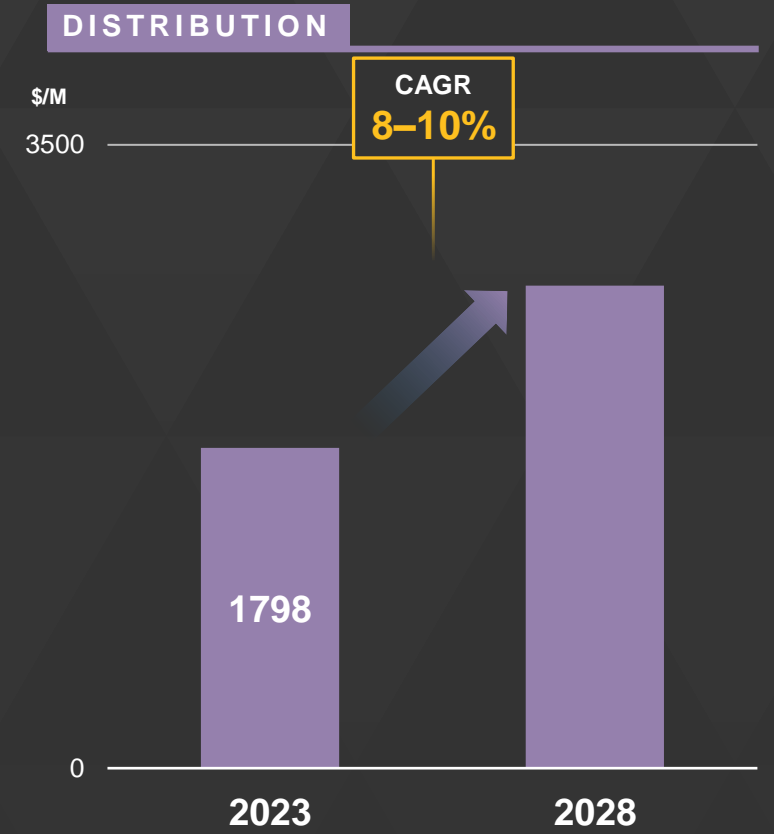
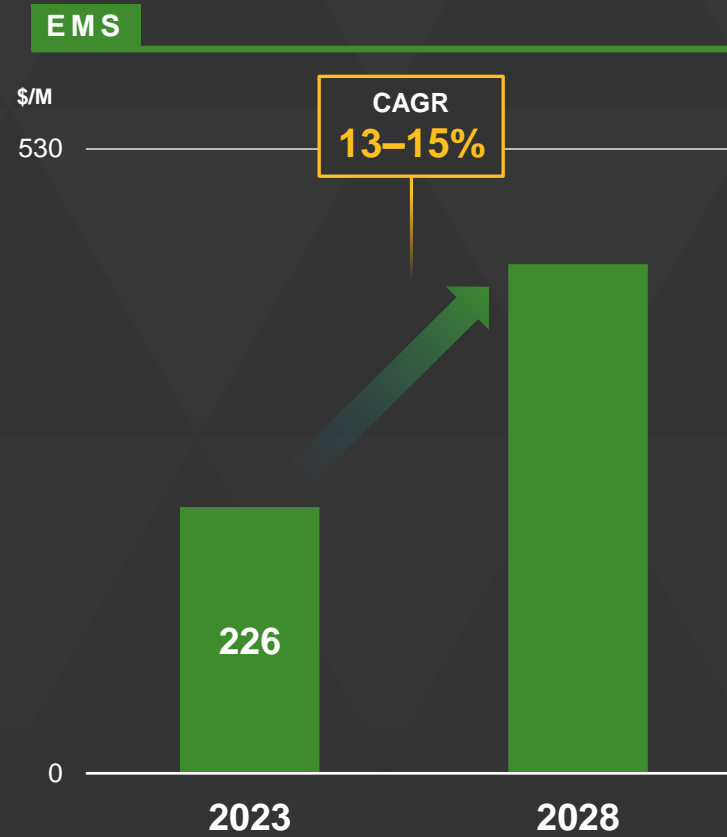
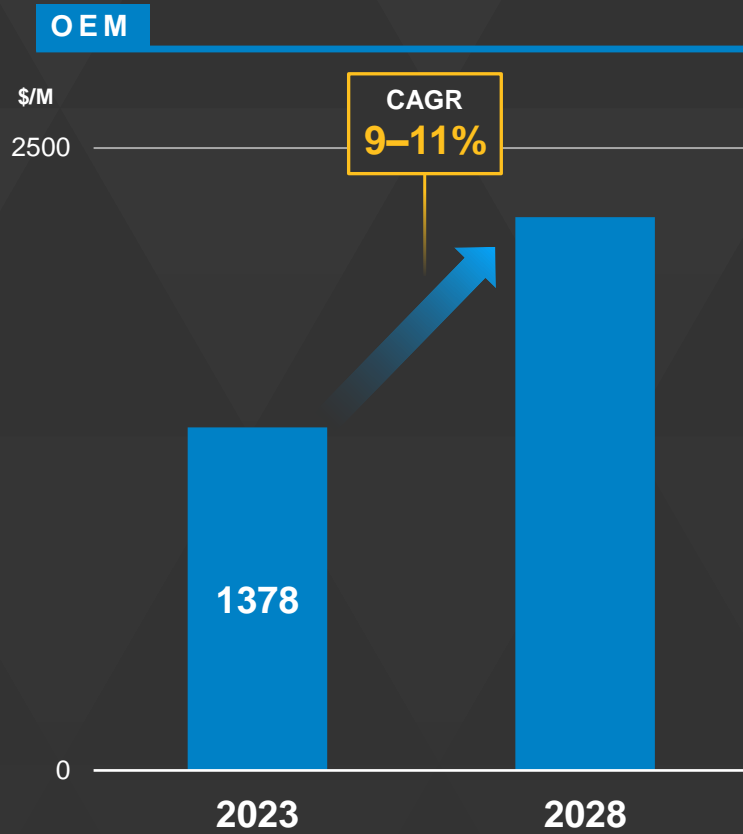
Regionally Diverse
Addressing customer needs



External Capacity Expansion

PASSIVES	SEMICONDUCTORS	
	WAFER FAB	ASSEMBLY
4% 2023 Revenue	40% 2023 Production	24% 2023 Production
10% 2028 Revenue Subcontracting of commodity product lines and buying-reselling selected products	40% 2028 Production Add in-house capacity with Newport and Itzehoe fabs while increasing foundries	45% 2028 Production Move to campus concept—many product lines in one location

Growth in Each Channel



Driving Innovation



Increased Investment in R&D



Collaboration with Universities & R&D Institutes



Enhanced R&D Execution



Technical Customer Engagement Solutions Focus

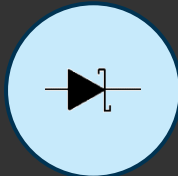
Innovating SiC Strategy

DEVICE



MOSFETs

650V, 750V, 1200V, 1700V



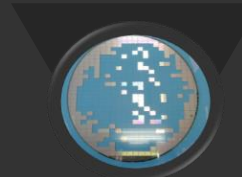
Schottky Diodes

650V, 1200V

PACKAGE

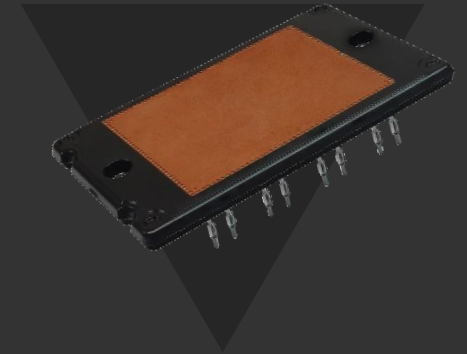


Discrete Power Packages



Known Good Die

INTEGRATION/SOLUTION



Power Modules

Laying the Foundation of SiC

MaxPower Acquisition



Highly skilled & experienced team

Extensive IP

Proven MOSFET technologies for both planar & trench

2018
MaxSiC1

2023
MaxSiC2

2025
MaxSiC3

2026
MaxSiC4

SiC Operations Strategy



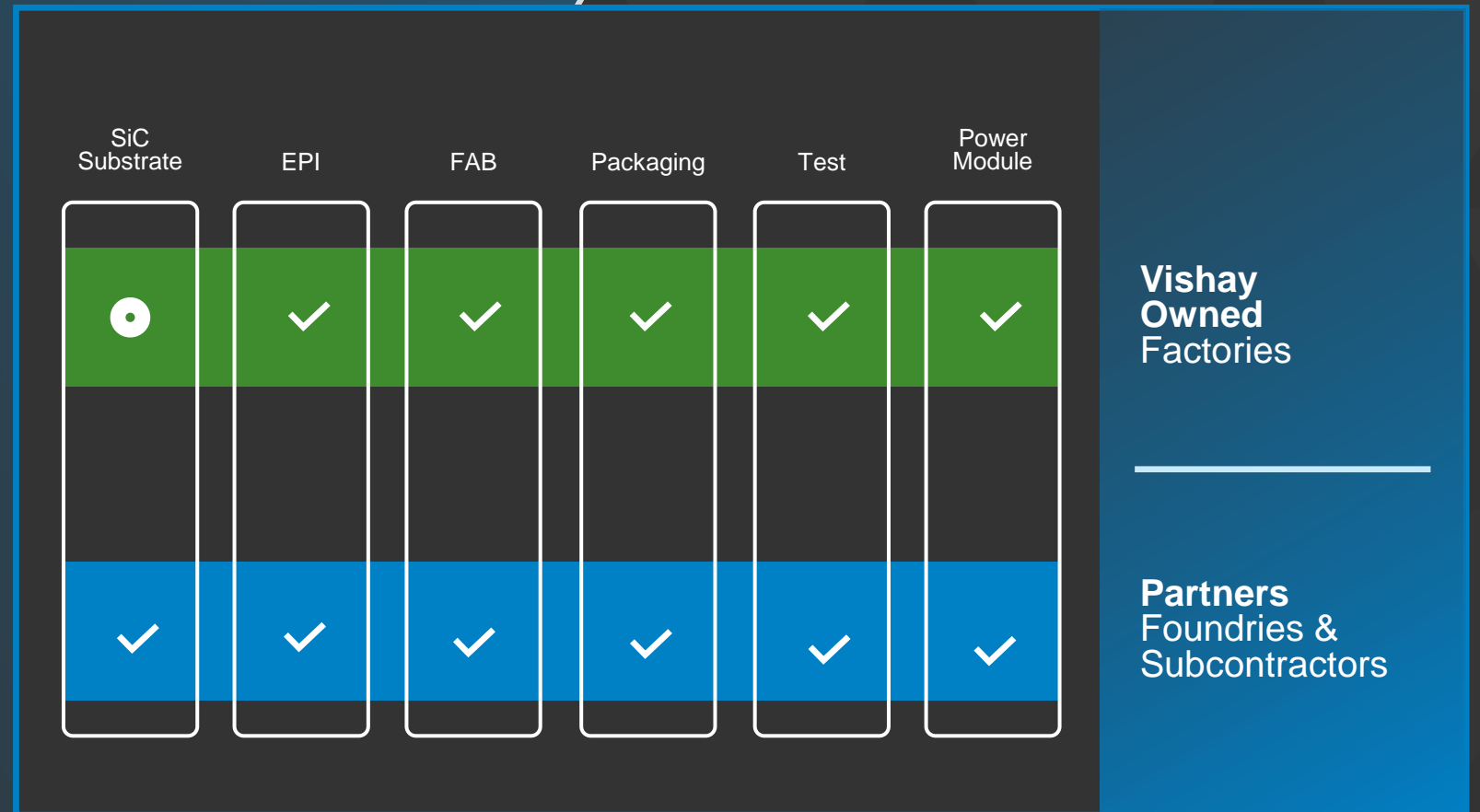
Hybrid model

Combined Vishay operations and foundry partners



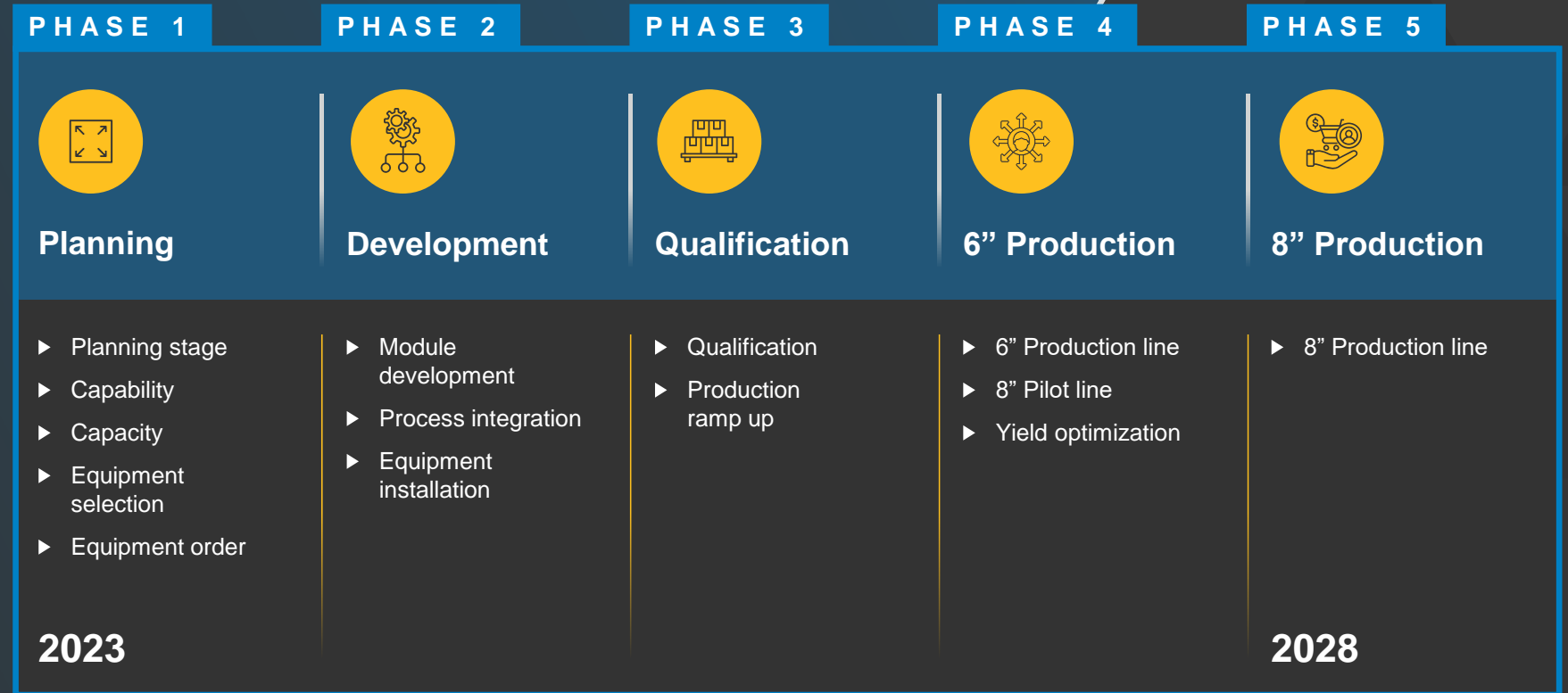
Diversified supply chain

Supporting customer resilience



SiC Production Plan

Newport
Wafer Fab



SiC Operation Plan

Vishay
Owned factories

FAB

Newport, Wales, UK

- ▶ Clean room space enable capacity up to 30k 8-inch wafers per month
- ▶ 3 phase capacity expansion options to enable over 100k wafers per month



EPI

- ▶ Up to 50,000 ft² of available room space within the campus



SUBSTRATE

- ▶ Engaged with 4 suppliers for long-term supply agreement
- ▶ Ongoing discussion regarding technology licensing options

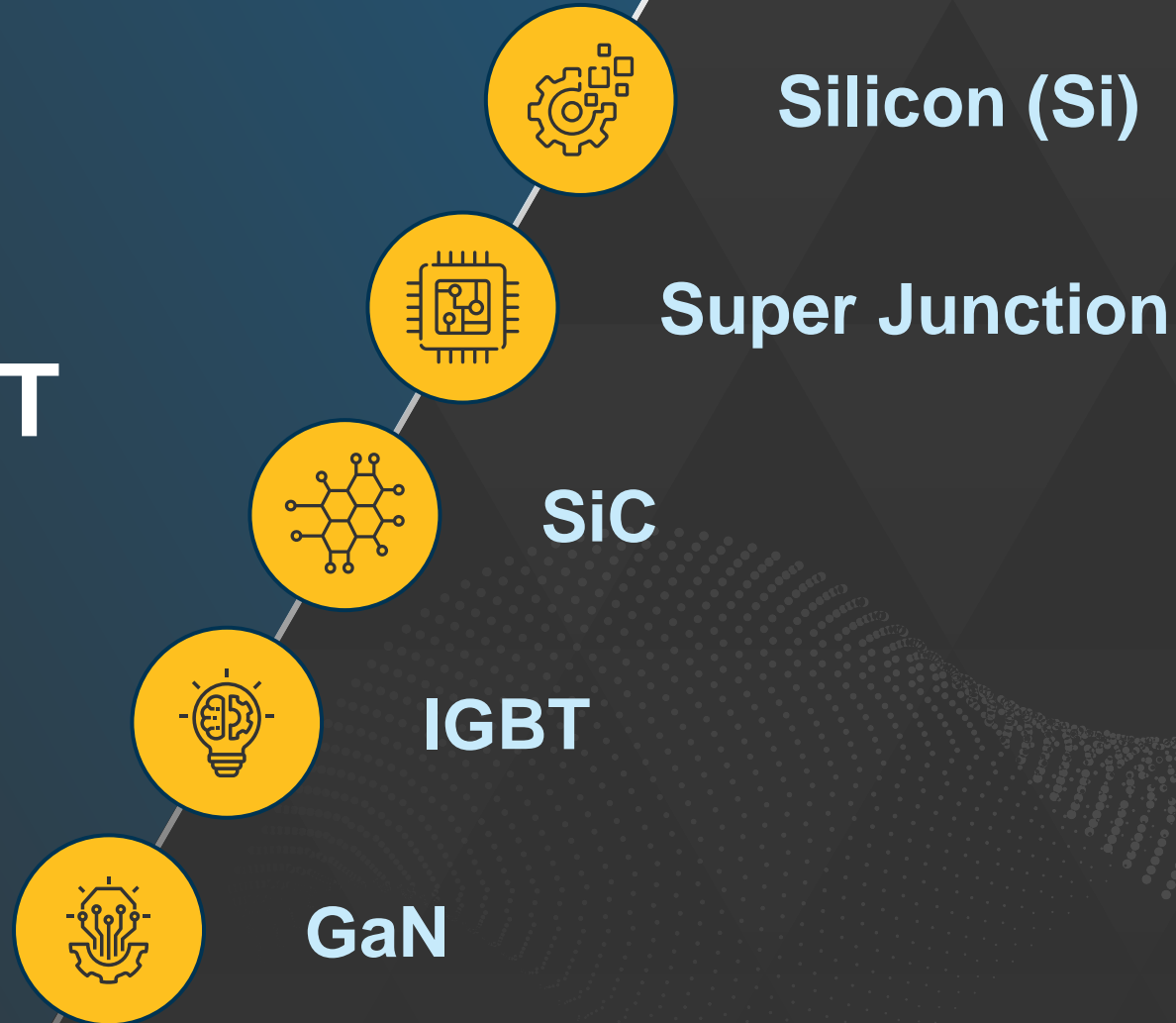
MODULE

Borgaro, Italy

- ▶ Transfer module line



VISHAY MOSFET Technology Landscape



Capital Allocation Strategy

- ▶ 2028 Available liquidity of ~\$2B
- ▶ Compliance net leverage ratio of <1.0
- ▶ Credit rating of BB+ /Ba2

CAPITAL EXPENDITURES



2023-2025

\$1.4B

2023-2028

\$2.6B

STOCKHOLDER RETURNS



Distribute

≥70%

of free cash flow to stockholders

in the form of dividends and stock repurchases

M & A



Highly selective & accretive

Focused on

- ▶ Innovation
- ▶ Technology
- ▶ Portfolio expansion
- ▶ Market reach
- ▶ Vertical integration

Financial Goals

TOTAL REVENUE

2023
\$3.4B

CAGR

9-11%

GROSS MARGIN

2023
28.6%

31-33%

OPERATING MARGIN

2023
14.3%

19-21%

ADJ. EBITDA MARGIN

2023
19.5%

25-27%

ROIC

2023
11.2%

≥14%

CAPITAL INTENSITY

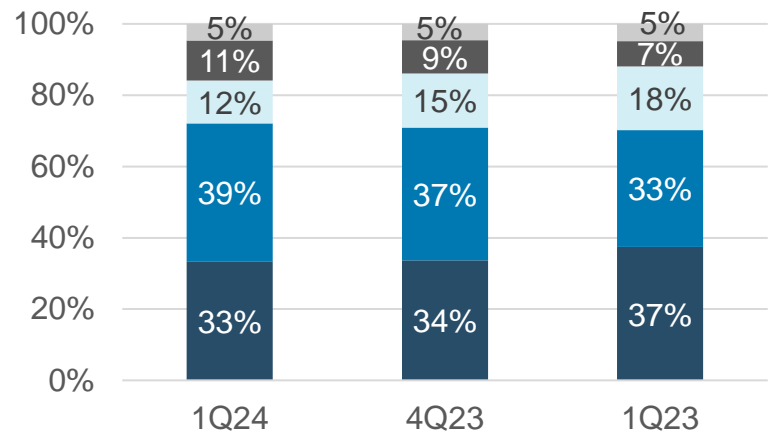
2023
9.7%

6-7%

1Q 2024 Financial Highlights

Revenue Mix – By End Market, Sales Channel, & Region

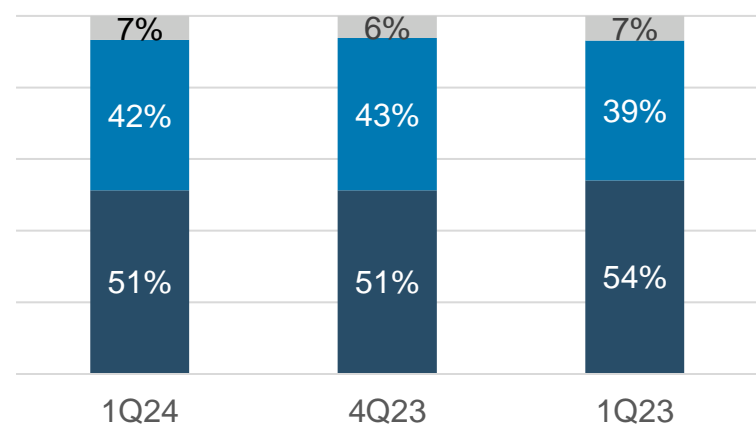
End Market



■ Industrial ■ Automotive ■ Other*
■ Aero/Defense ■ Medical

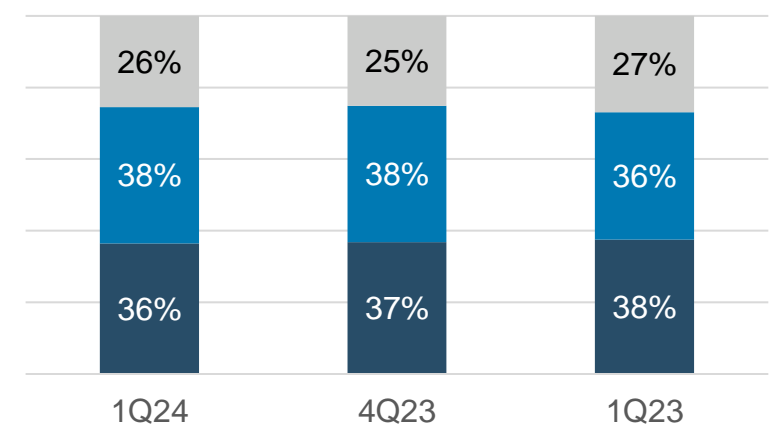
* Power Supplies, Telecom, Consumers, Computing

Sales Channel



■ Distribution ■ OEM ■ EMS

Region



■ Europe ■ Asia ■ Americas

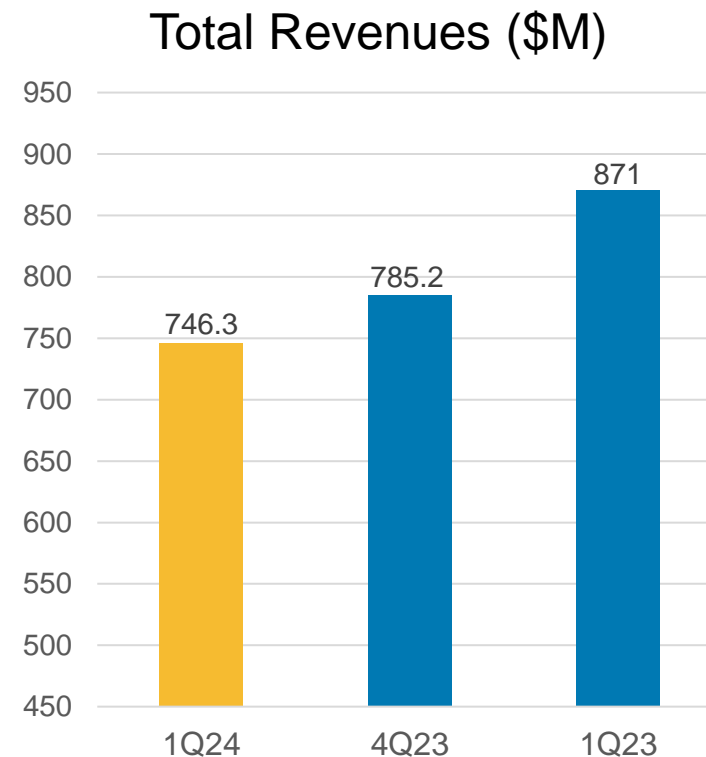
- Auto revenues decreased 2% QoQ primarily on further inventory adjustments; design activity continues to increase
- Industrial decreased 6% QoQ and 24% YoY on continued digestion of semiconductor inventory in channels and at end customers
- Aerospace/defense increased 14% QoQ and 34% YoY on continued strong demand from military contractors and commercial aviation
- Within Other, computing improved on demand for AI servers and notebooks

- OEM revenues decreased 6% QoQ on further inventory adjustments
- EMS revenues increased 2% QoQ on improved demand from customers serving Aerospace/Defense and Automotive; declined 17% YoY
- Distribution revenues declined 5% QoQ and 19% YoY on inventory adjustments in all regions
 - Inventory in distribution was at 26 weeks, flat QoQ
 - POS was flat QoQ after 7% decrease in 4Q
 - POS in the Americas increased 4% on strong sell through of passives in Aerospace/Defense

- Americas revenue decreased 5% QoQ and 19% YoY
- Asia revenue decreased 5% QoQ and 9% YoY
- Europe revenue decreased 5% QoQ and 17% YoY

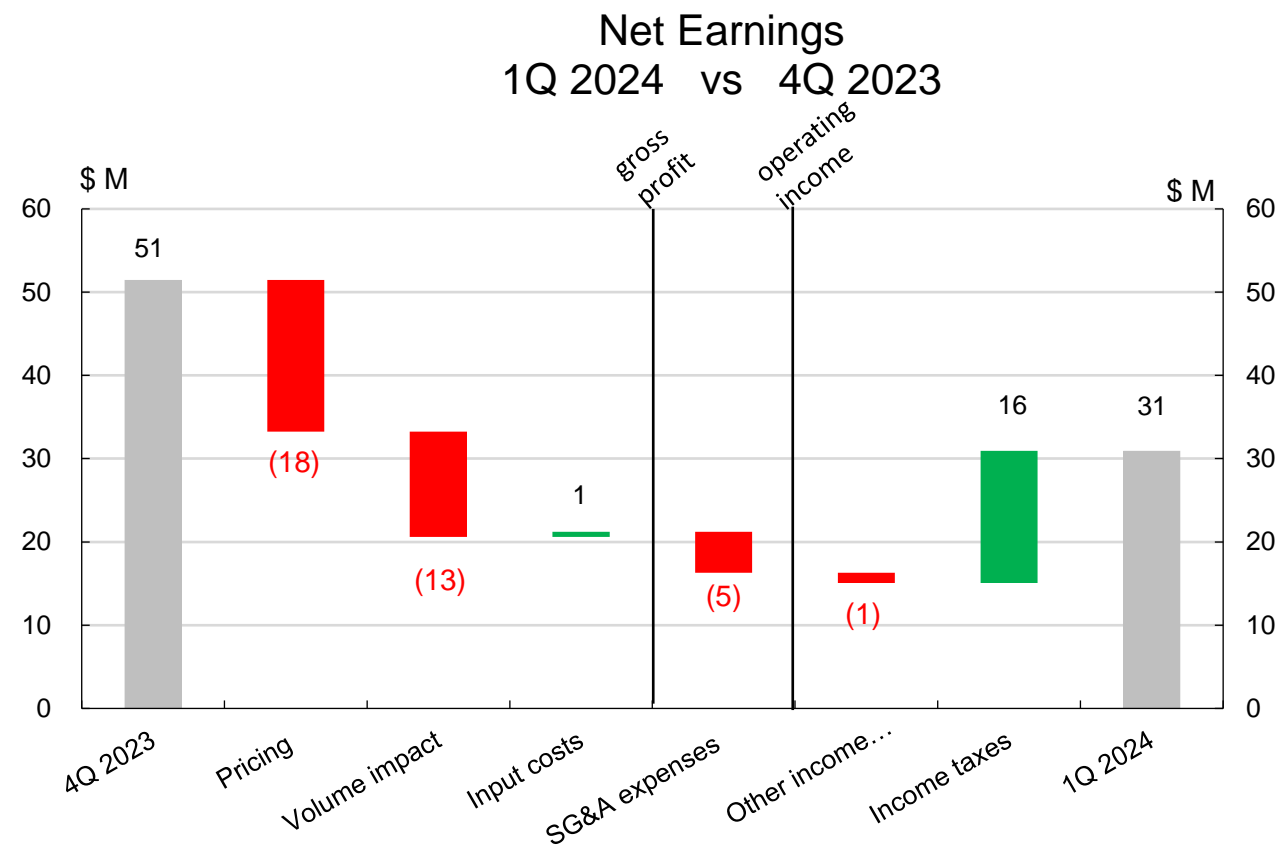
1Q 2024 Highlights

- 1Q 2024 revenues of \$746.3 million
- Gross margin was 22.8% and included the negative impact of 74 basis points related to the addition of Newport
- EPS of \$0.22
- 1Q 2024 book-to-bill of 0.82 with book-to-bill of 0.73 for semiconductors and 0.91 for passive components
- Backlog at quarter end was 5.0 months



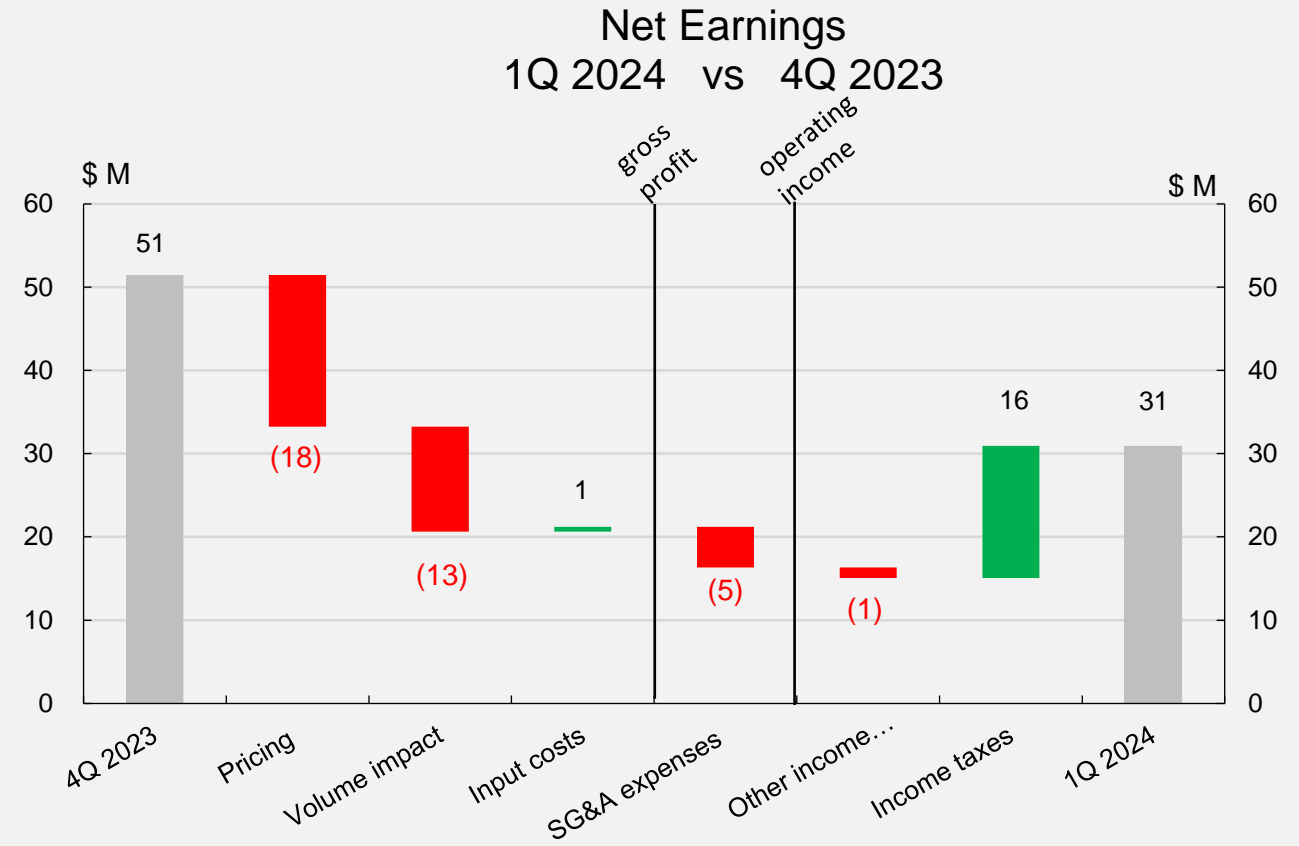
1Q 2024 Income Statement Highlights

- Gross margin of 22.8%, including 74 basis point impact of Newport
- SG&A expenses of \$127.7 million
- Operating margin of 5.7%
- EBITDA margin of 12.2%
- Effective tax rate of 29%
- EPS of \$0.22



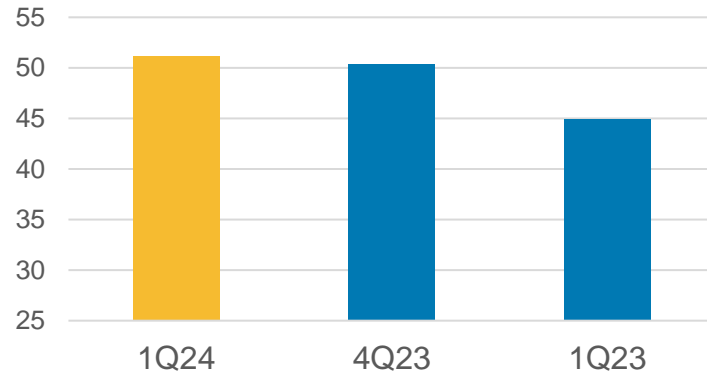
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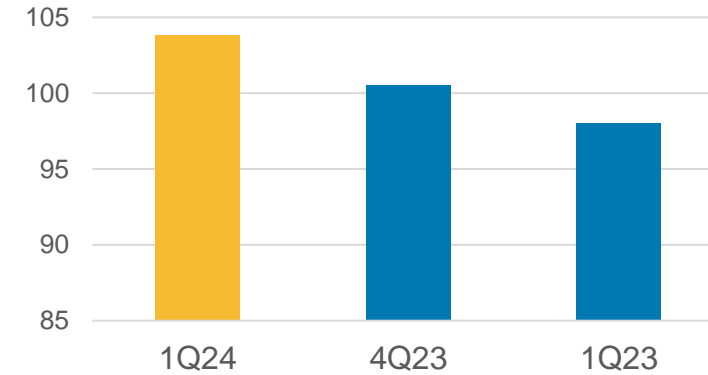


Cash Conversion Cycle

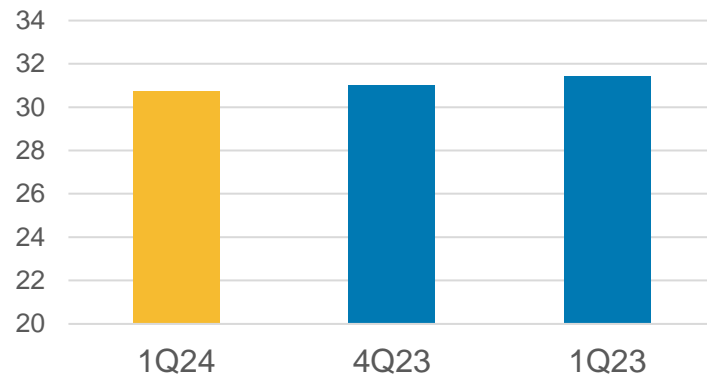
DSO



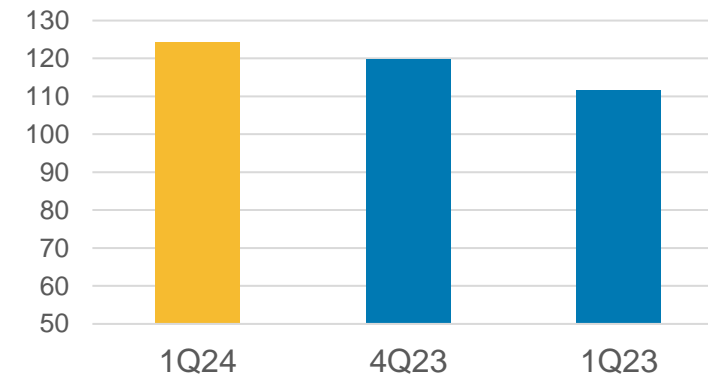
DIO



DPO

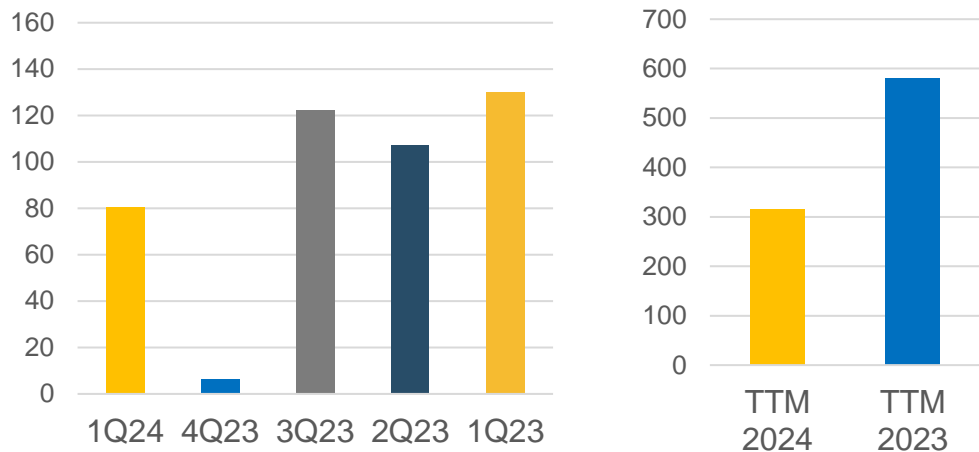


Cash Conversion Cycle

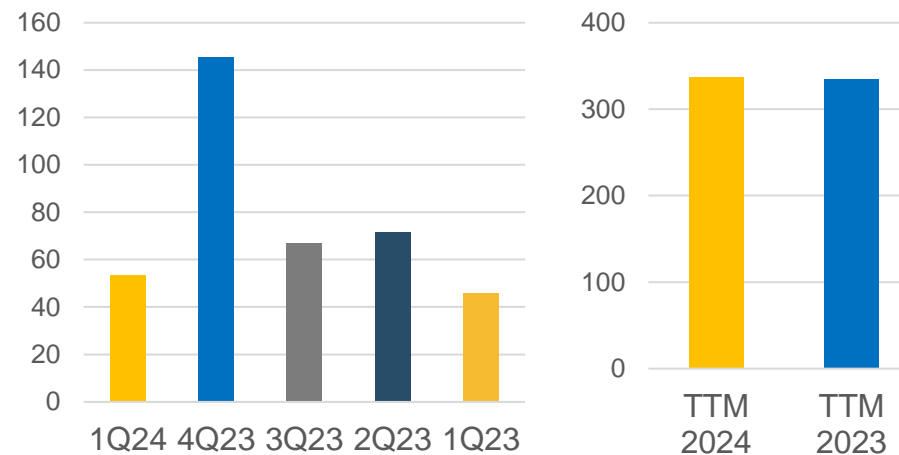


Cash Flow Generation

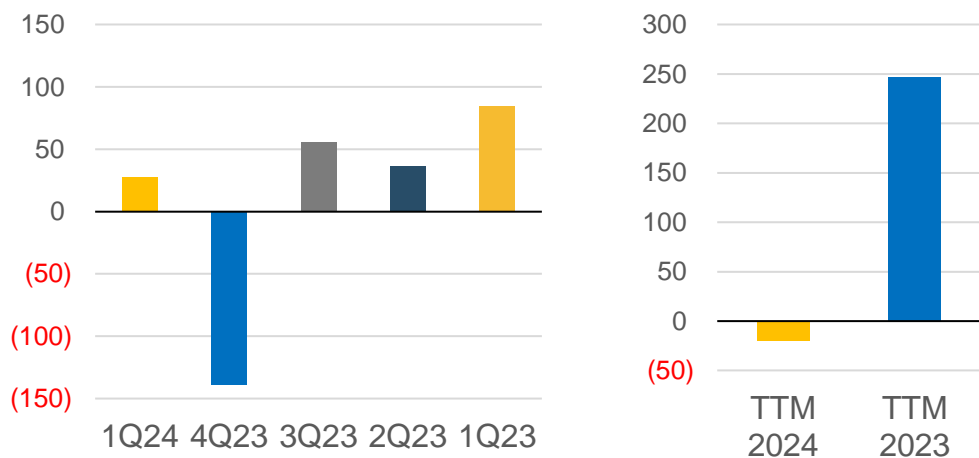
Cash Flow from Operations (\$/M)



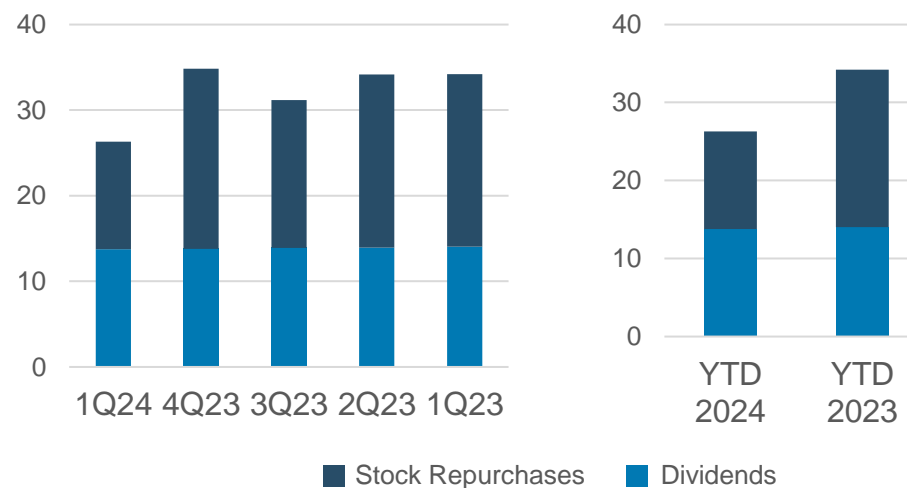
Capex (\$/M)



Free Cash Flow (\$/M)



Stockholder Returns (\$/M)



Guidance 2Q 2024

REVENUE

\$750 million
+/- \$20 million

GROSS MARGIN

21.7%
+/- 50 bps

SG&A

2Q 2024: \$130 million
+/- \$2 million

FY 2024: \$527 million
+/- \$5 million

NORMALIZED EFFECTIVE TAX RATE

FY 2024: 29-31%

NEWPORT

2Q 2024
Revenues:
\$13 – \$16 million

GM impact:
negative ~160 bps

STOCKHOLDER RETURN POLICY

FY 2024:
Return FCF \geq \$100

million



Appendix

Segment Results (\$/M)

MOSFETs

	Revenues	Gross Margin	Book to Bill
1Q 2024	\$153.2	16.6%	0.68
4Q 2023	\$168.2	27.3%	0.62
1Q 2023	\$198.2	36.8%	0.95

Diodes

	Revenues	Gross Margin	Book to Bill
1Q 2024	\$149.1	21.7%	0.72
4Q 2023	\$163.3	24.1%	0.61
1Q 2023	\$175.7	27.4%	0.71

Opto

	Revenues	Gross Margin	Book to Bill
1Q 2024	\$49.2	14.2%	0.89
4Q 2023	\$53.9	12.1%	0.59
1Q 2023	\$60.4	36.3%	0.72

Resistors

	Revenues	Gross Margin	Book to Bill
1Q 2024	\$188.2	24.7%	0.79
4Q 2023	\$198.0	25.6%	0.82
1Q 2023	\$223.1	33.2%	0.88

Inductors

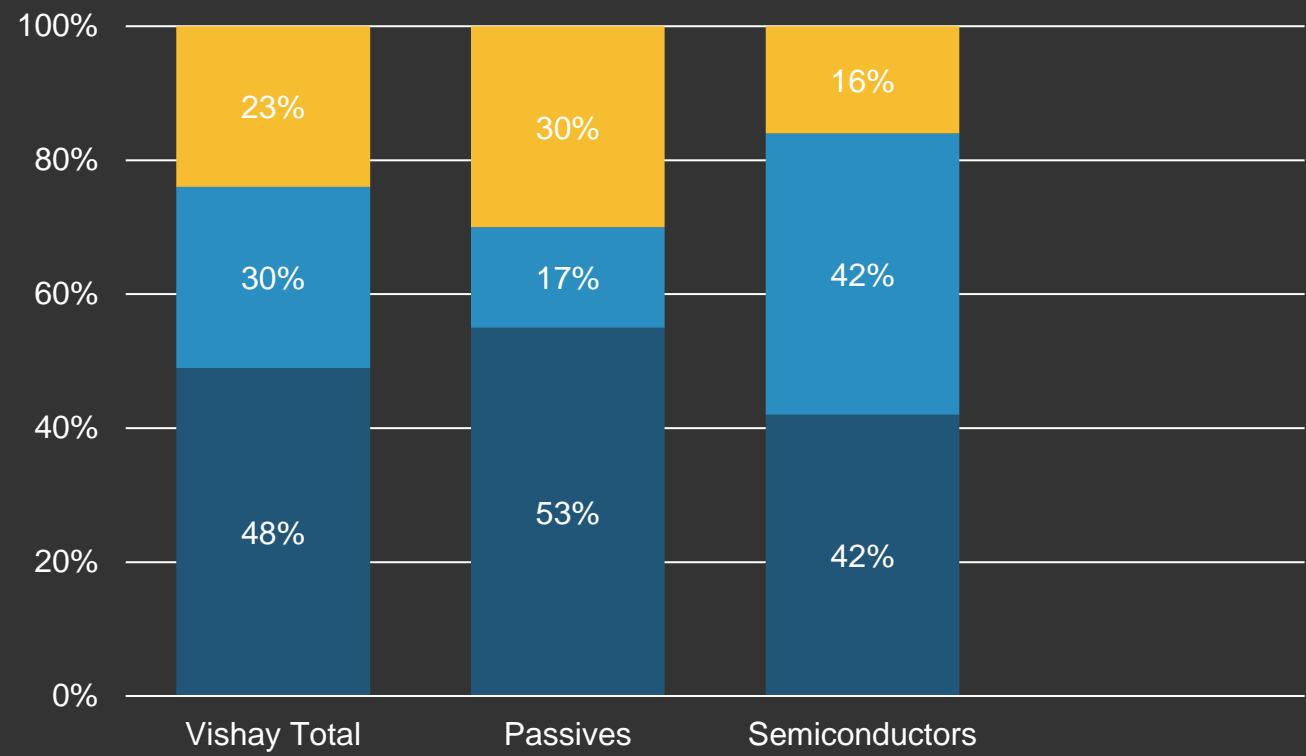
	Revenues	Gross Margin	Book to Bill
1Q 2024	\$88.7	30.2%	0.96
4Q 2023	\$87.9	33.4%	0.91
1Q 2023	\$80.3	29.5%	1.04

Capacitors

	Revenues	Gross Margin	Book to Bill
1Q 2024	\$117.9	27.4%	1.03
4Q 2023	\$114.0	25.3%	0.95
1Q 2023	\$133.3	28.5%	0.70

More than 60% of Revenue for Certified and Custom

FY 2023



■ Certified ■ Commodity ■ Custom

Commodity products: completely interchangeable with competitors' products
 Certified products: small number of competitors with similar products (qualifications such as automotive, military, UL)
 Custom products: designed for and sold to a specific customer

P&L

In millions, except per share amounts	1Q 2024	4Q 2023	1Q 2023
Net revenues	\$746.3	\$785.2	\$871.0
Cost of products sold	575.9	584.6	592.3
Gross profit	170.4	200.7	278.7
Gross margin	22.8%	25.6%	32.0%
SG&A	127.7	122.8	120.1
Operating income	42.7	77.8	158.6
Operating margin	5.7%	9.9%	18.2%
Other income (expense):			
Interest expense	(6.5)	(6.5)	(5.1)
Other	8.1	9.3	3.3
Total other income (expense) - net	1.6	2.8	(1.8)
Income before taxes	44.3	80.6	156.8
Income tax expense	12.8	28.7	44.6
Net earnings	31.4	52.0	112.2
Less: net earnings attributable to noncontrolling interests	0.5	0.5	0.4
Net earnings attributable to Vishay stockholders	\$30.9	\$51.5	\$111.8
Diluted earnings per share attributable to Vishay stockholders	\$0.22	\$0.37	\$0.79
Weighted average shares outstanding - diluted	138.5	139.3	141.3
Cash dividends per share	\$0.10	\$0.10	\$0.10

Reconciliation of Free Cash

In millions	1Q 2024	4Q 2023	1Q 2023
Net cash provided by operating activities	\$80.2	\$6.3	\$129.9
Proceeds from sale of property and equipment	0.8	0.1	0.3
Less: Capital expenditures	(53.1)	(145.3)	(45.6)
Free cash	\$27.9	\$(138.9)	\$84.6

Reconciliation of EBITDA

In millions	1Q 2024	4Q 2023	1Q 2023
GAAP net earnings attributable to Vishay stockholders	\$30.9	\$51.5	\$111.8
Net earnings attributable to noncontrolling interests	0.5	0.5	0.4
Net earnings	\$31.4	\$52.0	\$112.2
Interest expense	\$6.5	\$6.5	\$5.1
Interest income	(9.1)	(9.9)	(5.9)
Income taxes	12.8	28.7	44.6
Depreciation and amortization	49.5	50.5	43.3
EBITDA	\$91.2	\$127.6	\$199.3
EBITDA margin **	12.2%	16.3%	22.9%
** EBITDA as a percentage of net revenues			

Vishay – The DNA of tech.™