

Prosperity Dielectrics Co., Ltd

2022 Investor Conference

(Stock code: 6173)

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Company Profile

Prosperity Dielectrics Corp :

- Established June, 1990
- Capital NTD 1.72 Billion
- Employee 963
- Brand PDC, Frontier
- Revenue NTD 60.1 Billion/2021 Y (YoY:+15%)



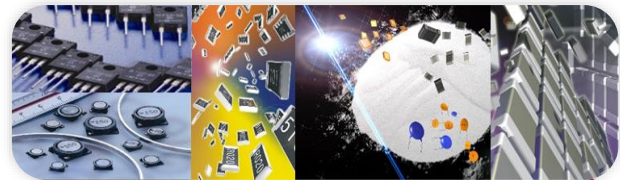
Branch Office/ Plant :

- Taiwan Taoyuan / Yangmei Plant
- China Wujiang/Shenzhen Plant /Dongguan Office



Production experience :

- Powder Since 1995 (27 years)
- MLCC/CR Since 1990 (32 years)
- Power Inductor Since 2011 (11 years)



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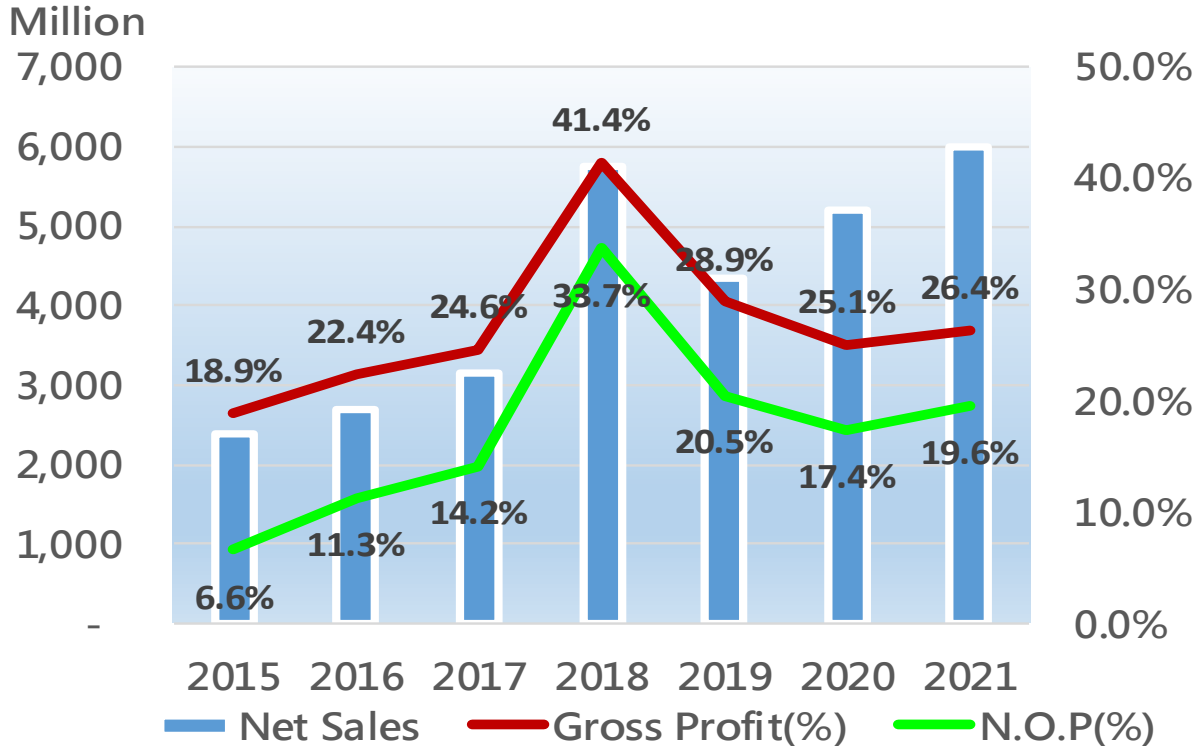
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Income statement

In Million NTD Except NTD for Earnings Per Share

	2021 Q4	2021 Q3	QoQ	change(%)	2021	2020	YoY	change(%)
Net Sales	1,340	1,581	-241	-15%	6,010	5,208	802	15%
Gross Profit	355	442	-87	-20%	1,587	1,307	280	21%
Gross Profit(%)	26.5%	27.9%	-1.5%		26.4%	25.1%	1.3%	
N.O.P	257	339	-82	-24%	1,178	908	270	30%
N.O.P(%)	19.2%	21.4%	-2.3%		19.6%	17.4%	2.2%	
Income Before Tax	316	492	-177	-36%	1,438	992	446	45%
Net Income	251	404	-153	-38%	1,144	791	352	45%
Net Income(%)	18.8%	25.6%	-6.8%		19.0%	15.2%	3.8%	
EPS(NTD)	1.47	2.36	-0.89		6.67	4.6	2.07	

Revenue & Margin rate Trend



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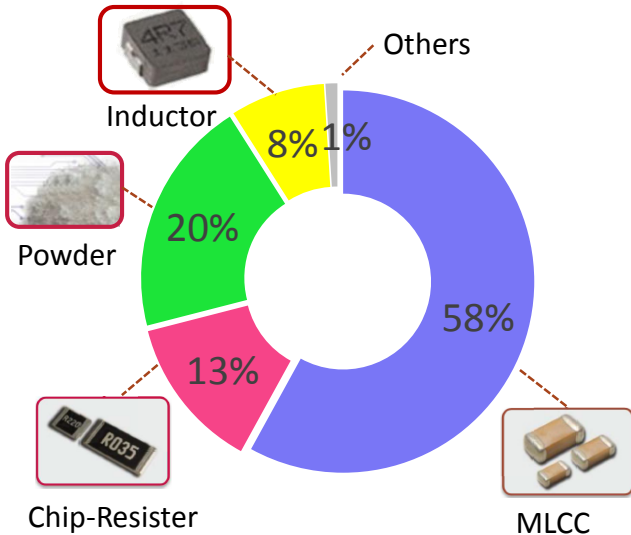
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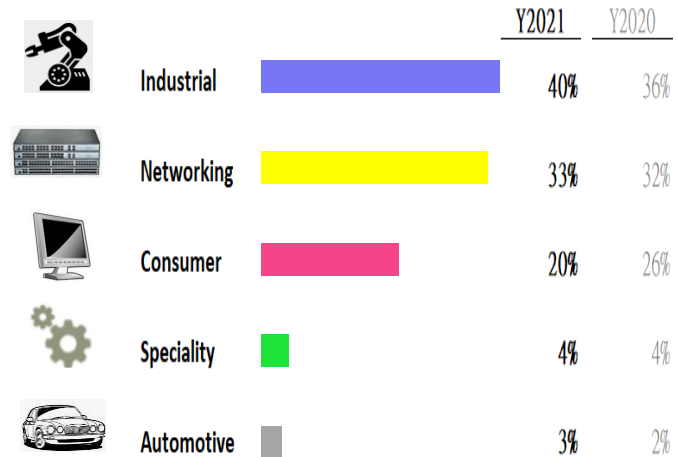
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2021 Sales Breakdown

By Product

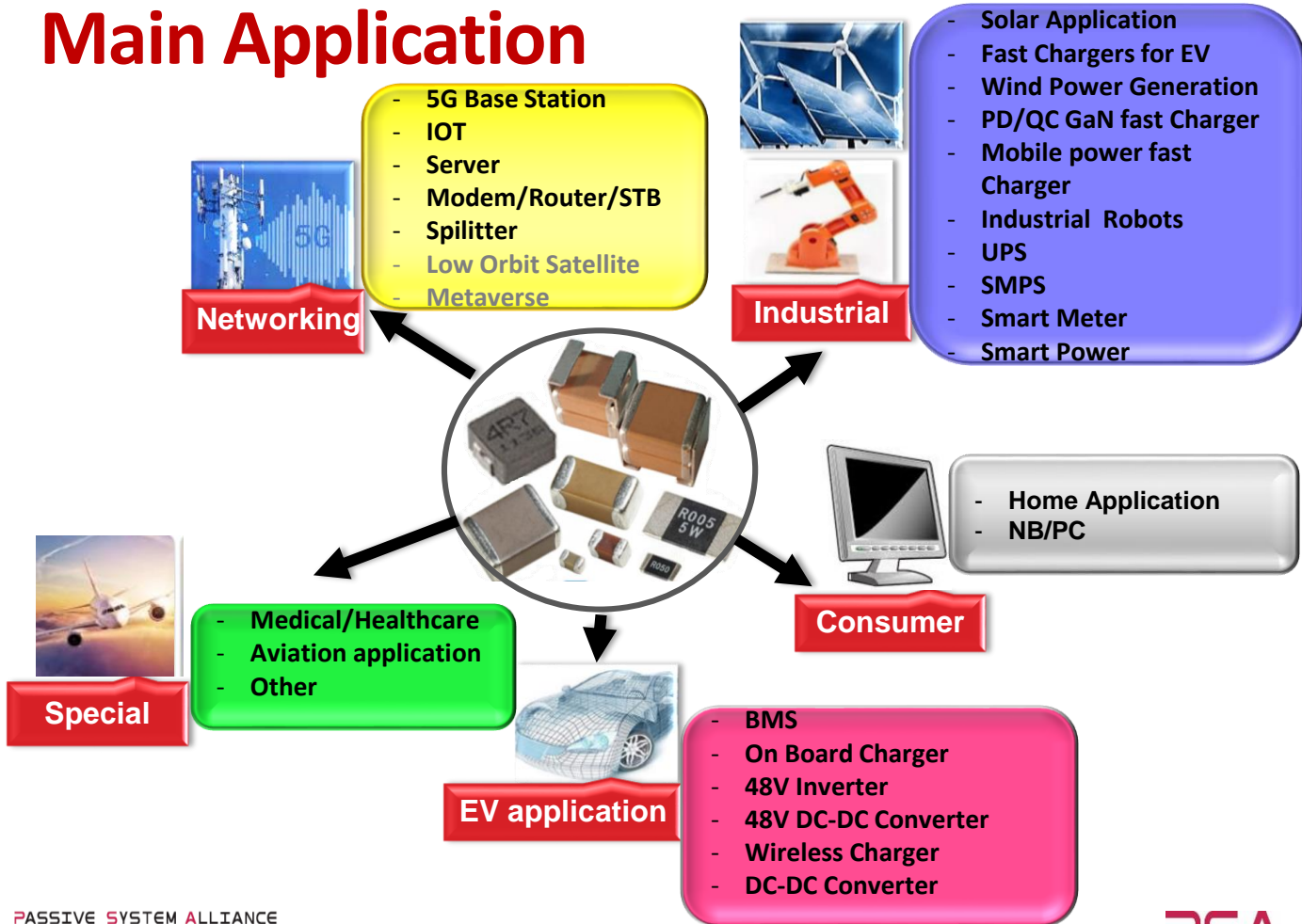


By Application



- **Application segments such as Networking, industry, aviation, automotive and consumer electronics.**
- **Safety/high power/high temperature resistance/high reliability/low loss passive component products and dielectric ceramic powder are the company's main products.**

Main Application



Competitive advantages

Material technology

It is the only company in the domestic that can manufacture dielectric ceramic powder, including disc capacitors, MLCC, LTCC and other high-end product powder raw materials.

Vertical integration

Vertically integrated production methods, from raw materials/processes/equipment, can provide products with stable quality and cost.



Diversified Products

Provide a complete set of high-power, high-reliability capacitors, resistors, inductors and all passive components of to meet the needs of one-time purchase.

Designing ability

In line with customer and market application requirements, new products that meet customer requirements can be quickly designed by the combination of materials and processes.

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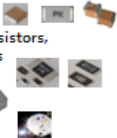


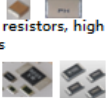


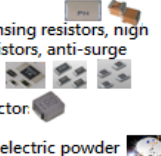



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Business opportunity

Application Change	Applications and Requirements	Business Opportunities	Corresponding products
	<p>1 The transmission rate of 5G is 10 times higher than that of 4G, and the relative transmission distance is reduced by 10 times, which requires a large number of additional base stations.</p> <p>2 The application power of the base station has been greatly increased by 68%, and the DC Input of the power module has been greatly increased from 24V to 48V, 57V, and 72V.</p>	<ul style="list-style-type: none"> The high-power passive components has increased several times LTCC high frequency components increase 	<p>1 MLCC: Case size large than 1210,1808,1812,2220 ...high-voltage,Safety,Mega MLCC</p> <p>2 Chip resistors: current sensing resistors, 2times/3times high power resistors</p> <p>3 High current power inductors</p> <p>4 LTCC dielectric ceramic powder</p> 
	<p>1 The third-generation semiconductor gallium nitride apply to fast charging power source, which greatly reduces the volume of the power converter, and also changes the capacitor and resistor from dip type products to SMD components.</p>	<ul style="list-style-type: none"> Greatly increase the high voltage,Safety MLCC and High Power Chip Resistors application 	<p>1 MLCC: Case size large than 1210,1808,1812,2220 ...high-voltage,Safety MLCC</p> <p>2 Chip resistors: current sensing resistors, high voltage resistors, safety resistors</p> 
	<p>1 The battery voltage of electric vehicles has been raised to 400V-800V, and the consumption of large-sized and high-power passive components has greatly increased.</p> <p>2 Battery management system (BMS) for electric vehicle, car charger, DC/DC converter, inverter, wireless charging system... A large number of high-power and large-size MLCC and Chip-R are used.</p>	<ul style="list-style-type: none"> Greatly increase the high voltage, Safety MLCC and High Power Chip Resistors application The consumption of MLCC has increased greatly, about 2,000PCS/unit for general fuel vehicles and 10,000PCS/unit for EV vehicles 	<p>1 MLCC: case size large than 1210,1808,1812,2220.../100Vhigh-voltage,safety,Mega,Automotive MLCC</p> <p>2 Chip resistors: current sensing resistors, high voltage resistors, safety resistors, anti-surge resistors</p> <p>3 High current power inductor</p> <p>4 High-capacity ceramic dielectric powder</p> 
	<p>1 The trend of new energy development such as solar energy, wind power, and power conversion modules (Inverter, Converter, Adapter) of electric vehicle charging piles drives new application fields of high-power passive components</p>	<ul style="list-style-type: none"> Greatly increase the high voltage, Safety MLCC and High Power Chip Resistors application 	<p>1 MLCC: Case size large than 1210,1808,1812,2220...high-voltage,Safety MLCC</p> <p>2 Chip resistors: current sensing resistors, voltage divider resistors</p> 

Market Outlook and Business Focus

- COVID-19 , IC shortage , worldwide inflation and geopolitical risks will continue to affect the supply chain.
- MLCC 、 Chip-R 、 Power Inductor–
 - In response to the high-growth main market (5G, automotive, fast charging sources, new energy), we continue to develop large-size and high-power MLCC, Chip-R and high-current power inductor.
 - With independent material development , process and equipment technical capabilities, it can effectively cooperate with special MLCCs of medium and high pressure and large size to introduce high value-added markets, and reduce costs to enhance competitiveness.
- Dielectric Powder –
 - Continue to explore the potential market of global MLCC and microwave powder.
 - Continue to develop BME/PME MLCC high-end and special application powders.
 - Continue to develop LTCC materials for RF components.
- Continue to integrate products and expand sales through the PSA platform.

Thank you!

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