



2021 Q1 Analyst Briefing

April 29, 2021

Zoom

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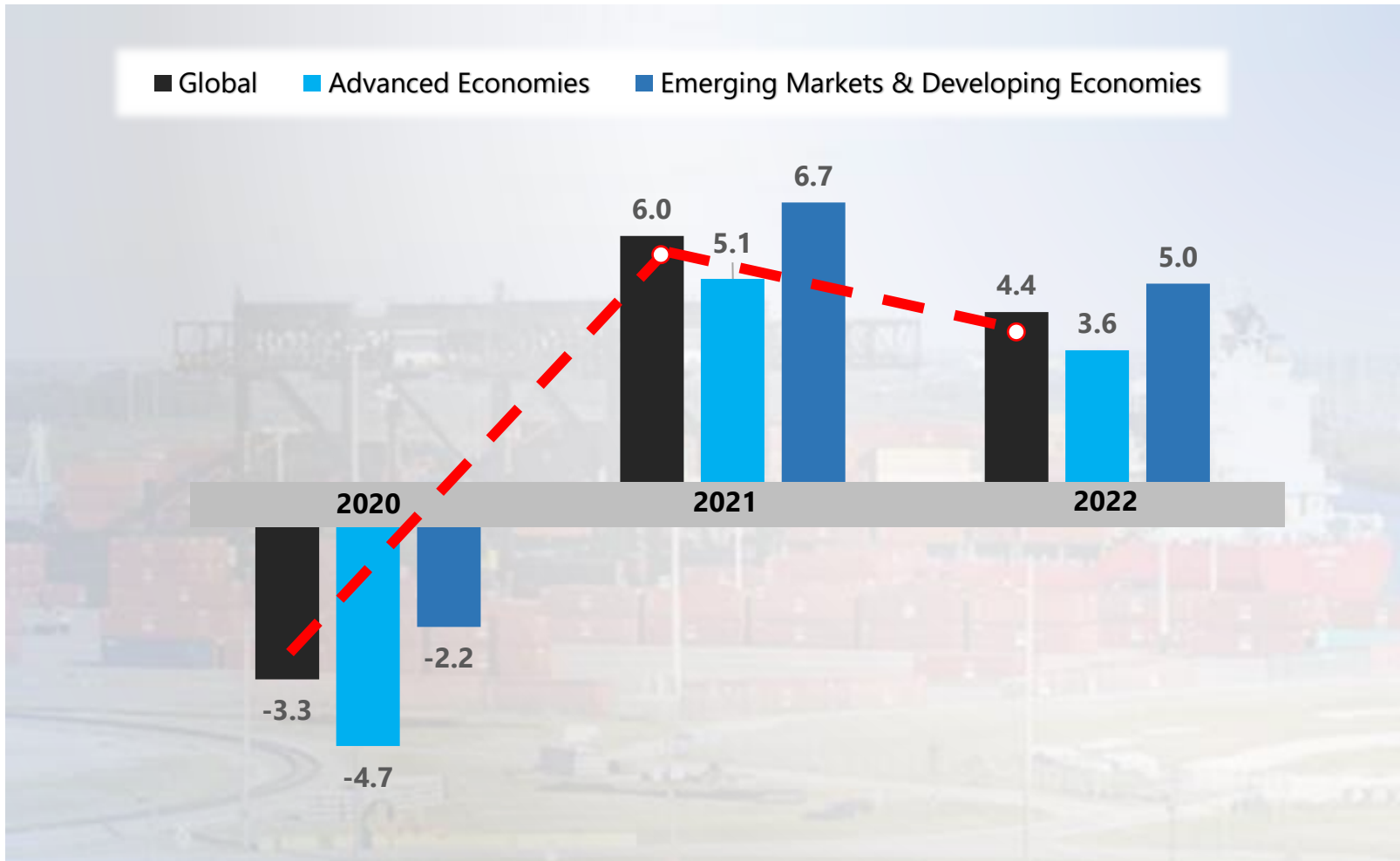
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Global Economy & Electronics Market

Global Economy

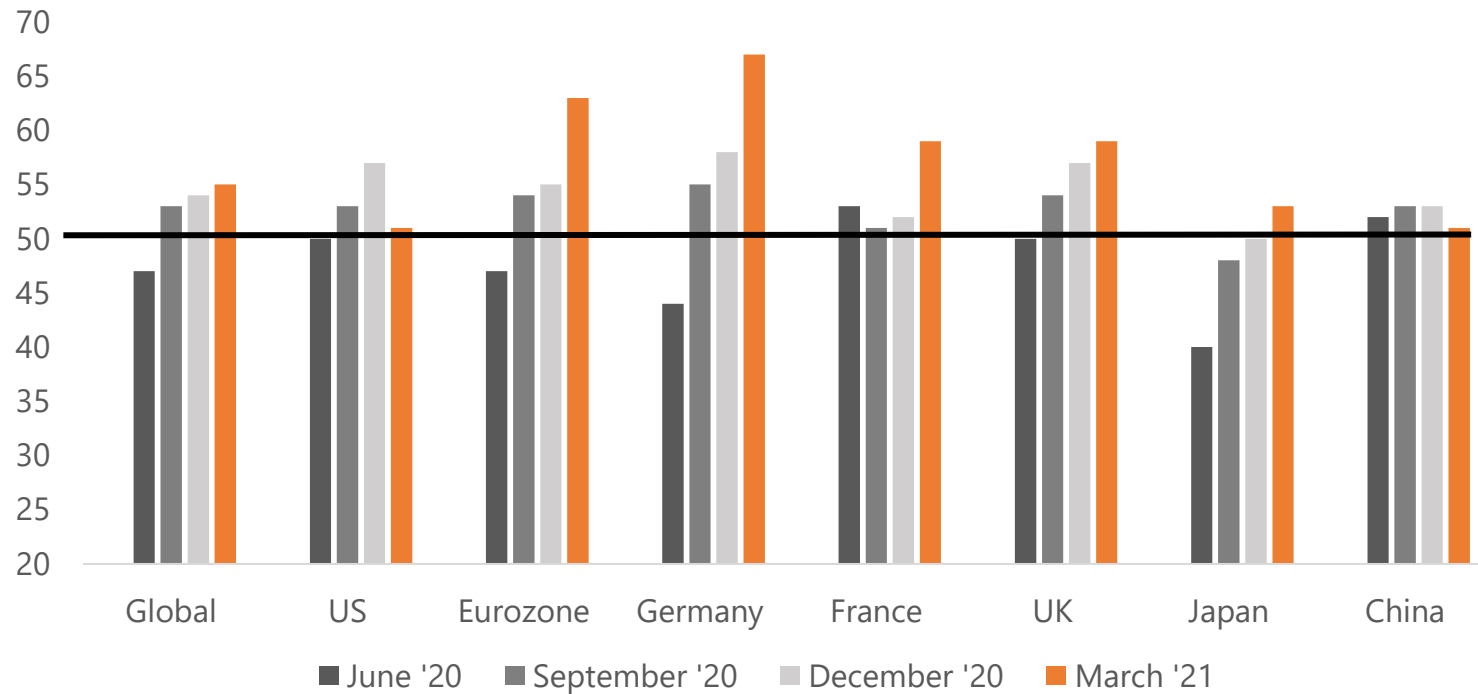
The global economy is heading towards a recovery of 6% led by the US and China despite the ongoing uncertainty in a few countries that are lagging in the vaccination rollout



Real GDP, annual % change	2020	2021	2022
United States	-3.5	6.4	3.5
Euro Area	-6.6	4.4	3.8
Germany	-4.9	3.6	3.4
France	-8.2	5.8	4.2
UK	-9.9	5.3	5.1
Japan	-4.8	3.3	2.5
China	2.3	8.4	5.6
ASEAN-5	-3.4	4.9	6.1

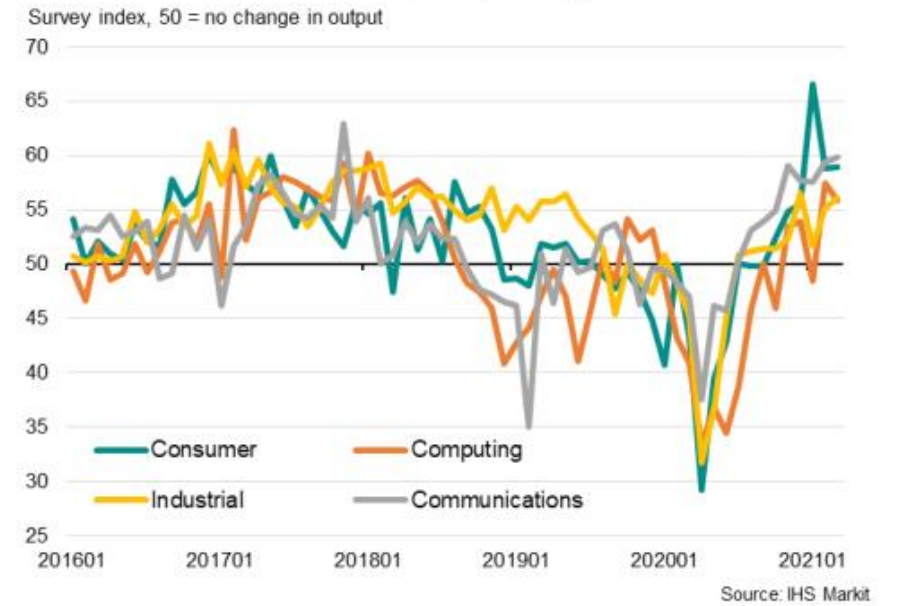
United Kingdom is no longer part of the European Union. Data for the United Kingdom are no longer included in the European Union composite

Global Manufacturing Purchasing Managers Index (PMI)



The global manufacturing PMI rose to 55.0 in March, despite the potential for growth stymied by rising cost inflationary pressures and supply-chain disruptions.

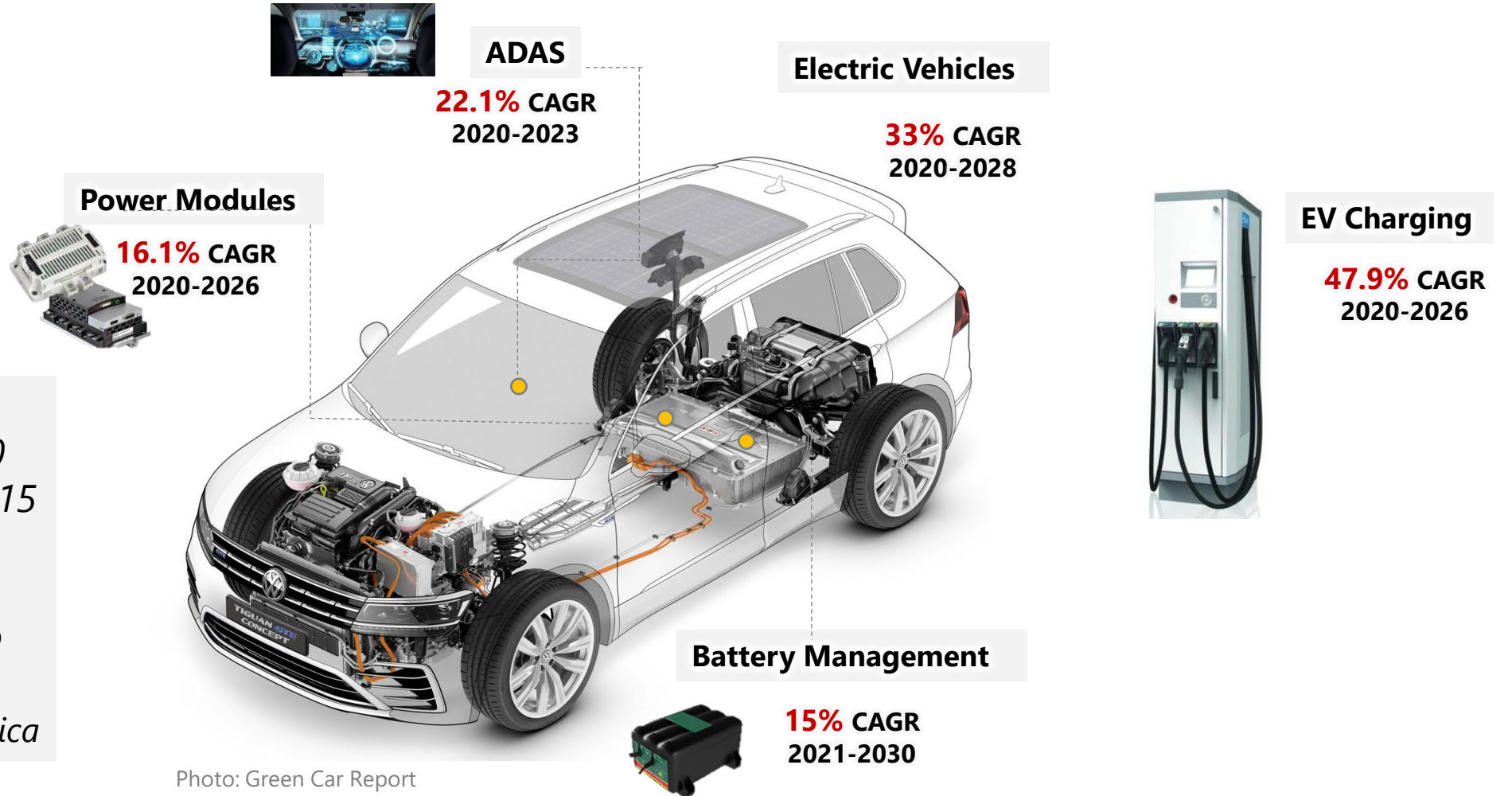
Global electronics PMI, output by sector



Global Electronics PMI rose to 59.9 in March, up from 57.8 in February led by communication sector

Electric Vehicles

The global EV market will rise to 30 million in 2028 with a CAGR of 33%, approaching half of all passenger cars sold by the end of the decade



Europe has surpassed China in EV sales in 2020 for the first time since 2015 with a 137% increase reaching 1.395 million units. EV share in EU also fared better at 10% vs China's 5.5% - Cleantecnica

Photo: Green Car Report

Industrial IoT Devices

There are more than 10 billion IoT devices this year, and the number of active IoT devices will surpass 25.4 billion in 2030 connected to advanced wireless and 5G technologies

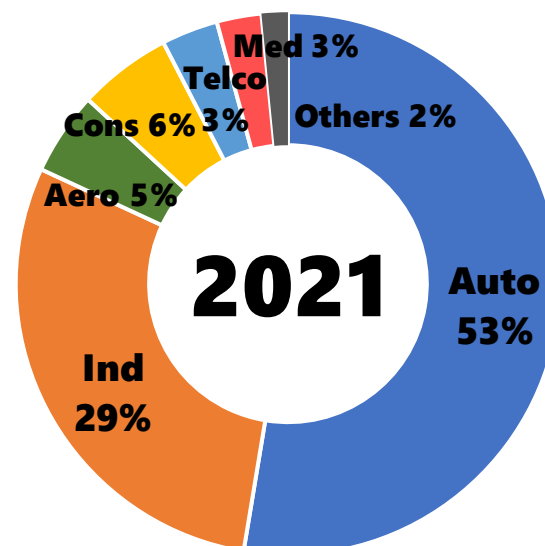
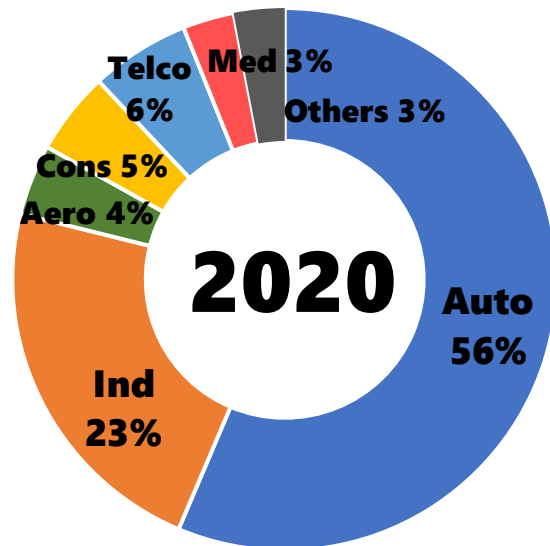




Financials

2021 Segment Updates

	'20 Q1	'21 Q1	Y/Y%
Auto	144.2	172.3	20%
Ind	57.6	96.0	67%
Aero/Def	10.8	16.2	50%
Cons	12.6	18.2	44%
Telco	15.1	11.0	-27%
Medical	7.8	8.7	12%
TOTAL	255.8	327.5	28%



➤ Automotive:

- Automotive segment performance exceeded target for the quarter but muted by the component shortage
- Strong pipeline performance in the first quarter with \$118M of annual revenue potential won
- Camera projects for surround view, mirror replacement and driver monitoring systems will go to mass production this year ~\$9M ARP
- Recently signed LOI with Tier 1 LiDAR (Light Detection and Ranging) supplier to support autonomous driving tech

➤ Industrial:

- Strong rebound driven by surge of I-o-T devices and return of asset tracking demand but also muted by component shortage
- Increasing demand in EV charging stations and other applications in the EV ecosystem

➤ Aero/Defense:

- Project wins from previous years now being converted to revenue. Continued strong pipeline performance with \$15M of project wins in Q1

➤ Telco:

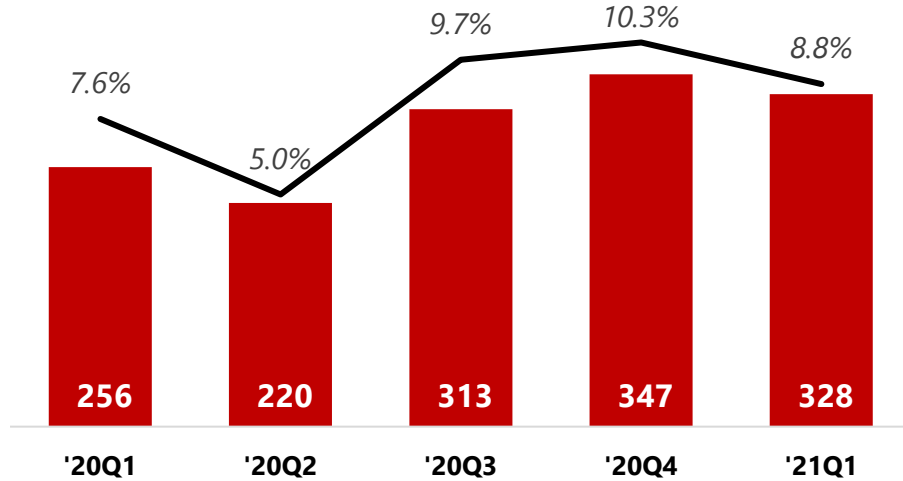
- China customers stockpiled inventory in 2020 in anticipation of US-China sanctions; Q1 also impacted by component shortage related to trade sanctions

➤ Medical:

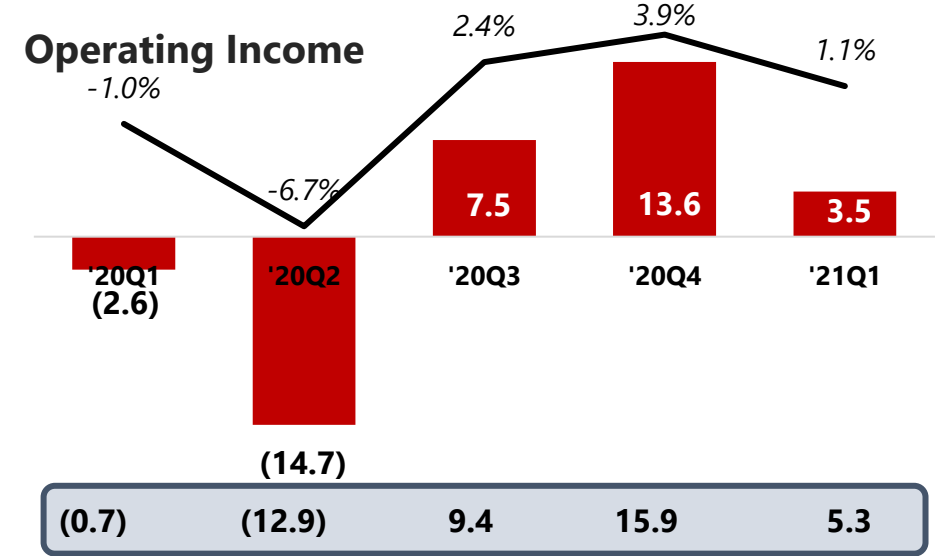
- Continuing to build on 2020 entry into medical segment. IMI and STI both actively looking for new opportunities in the space

2021 Q1 Performance

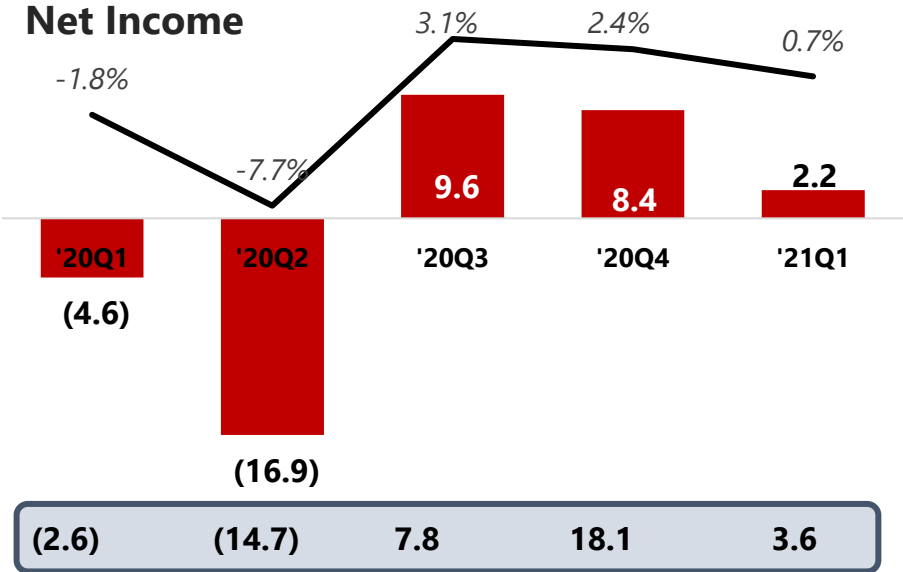
Revenue and Gross Profit Margin



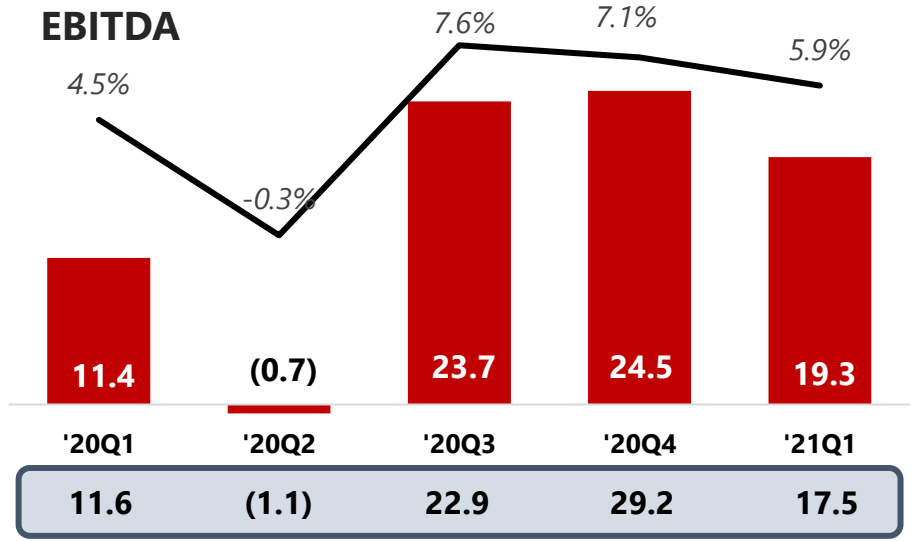
Non GAAP



Net Income



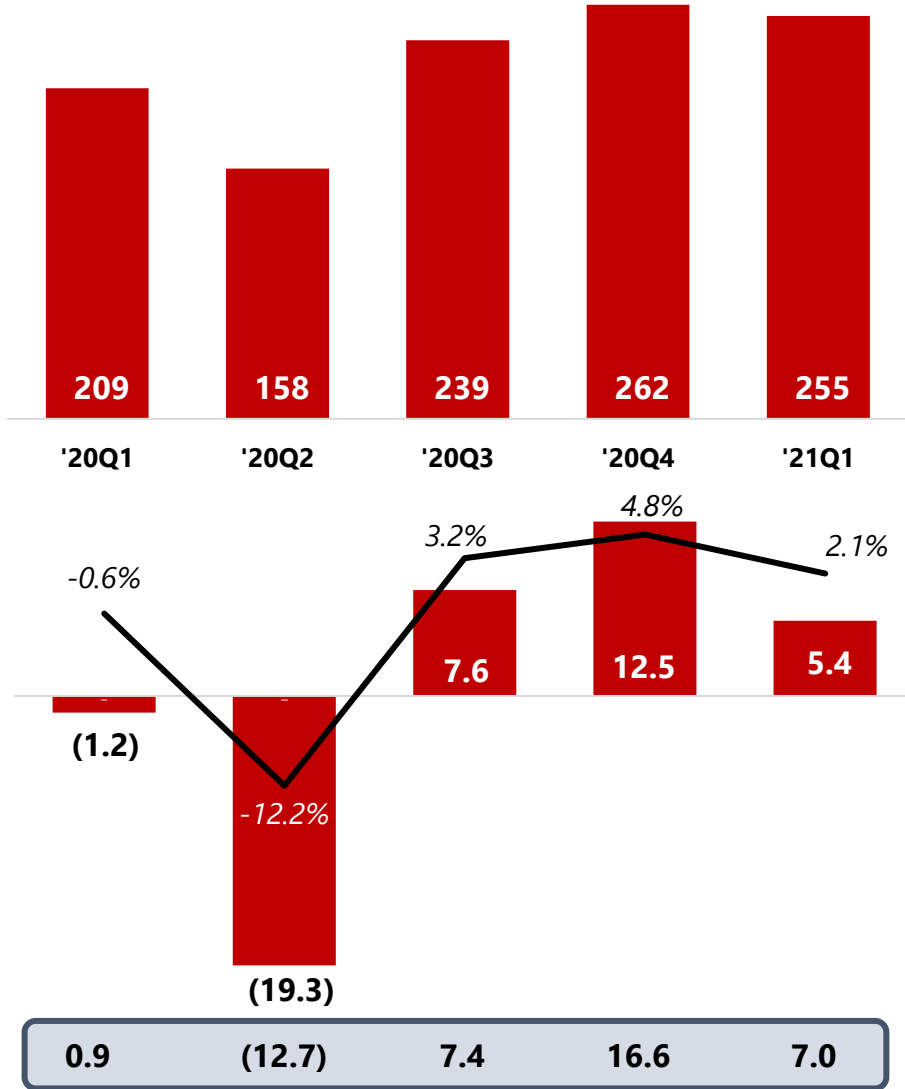
Non GAAP



2021 Q1 Performance

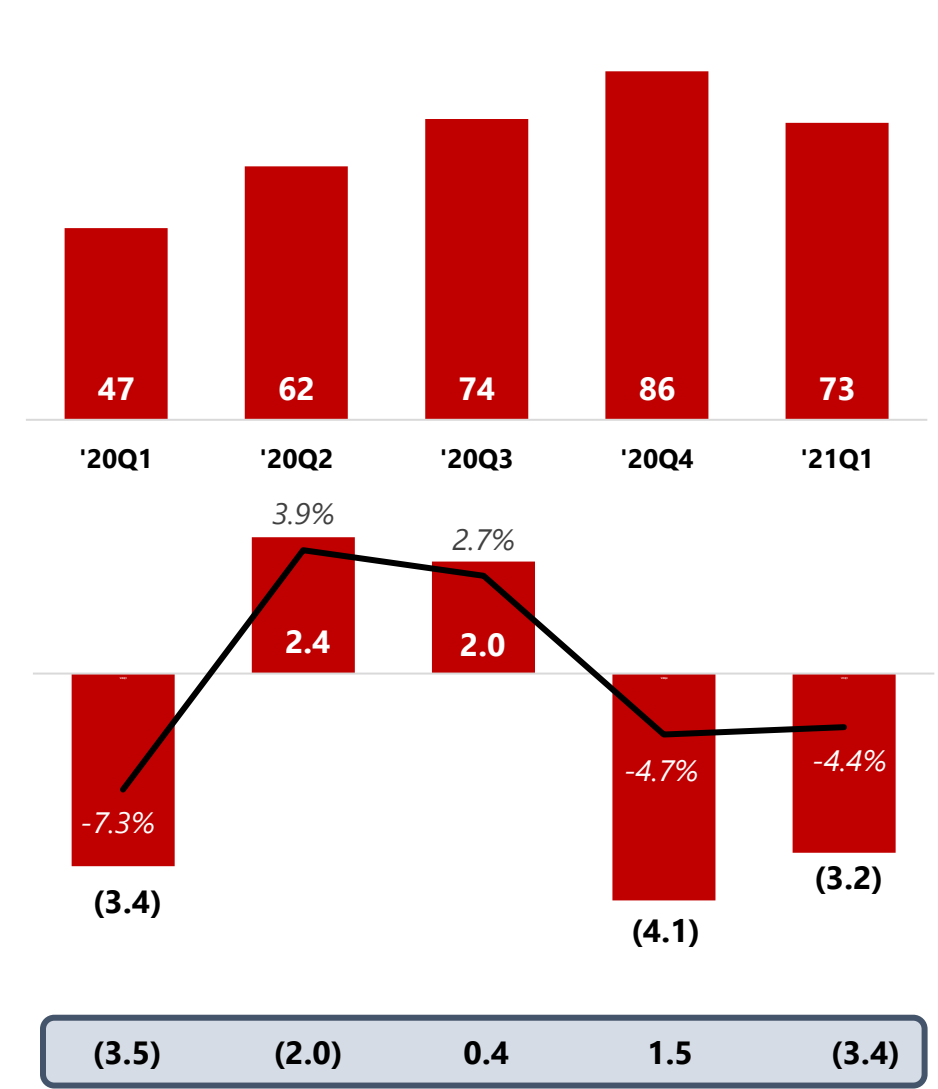
Wholly Owned Subsidiaries

Non Wholly Owned Subsidiaries



Revenue

Net Income



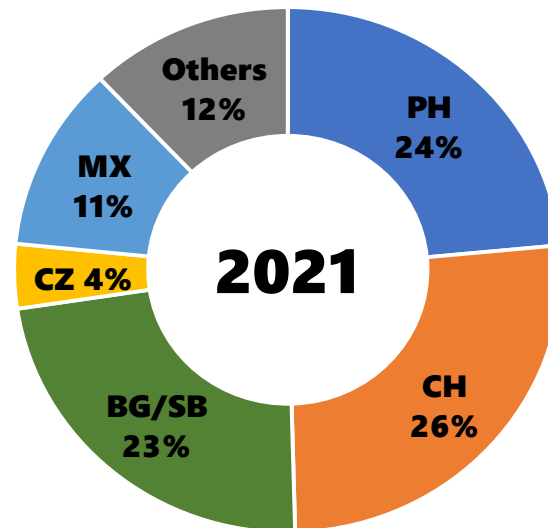
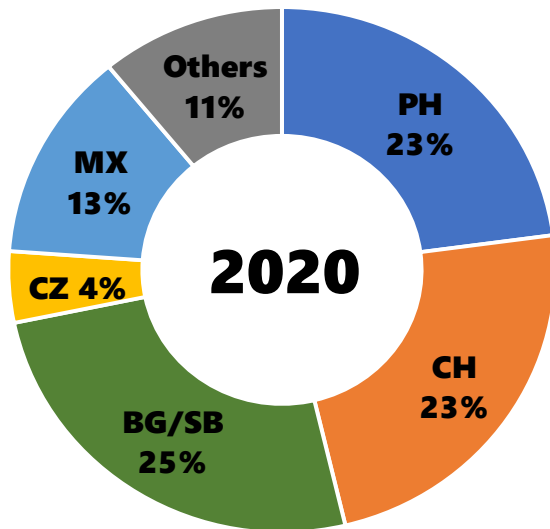
Non GAAP

0.9 (12.7) 7.4 16.6 7.0

(3.5) (2.0) 0.4 1.5 (3.4)

2021 Q1 Region Updates

	'20 Q1	'21 Q1	Y/Y%
PH	55.7	73.4	32%
CH	49.2	67.1	36%
BG/Serbia	65.2	75.5	16%
CZ	11.2	13.0	16%
MX	33.1	37.3	13%
VIA + STI	47.1	73.0	55%
TOTAL	255.8	327.5	28%



➤ PH:

- High-margin asset tracking business continues to rebound; automotive camera business also outperforming expectations
- Component shortage affected power module production capacity

➤ CH:

- Automotive focused Jiaxing site achieves record monthly revenue level in March 2021
- Surging economy in manufacturing regions starting to pose employee attrition challenges

➤ BG/Serbia/CZ/MX:

- Continued rebound of automotive market driving growth. Performance could have been even better if not for component shortage

➤ VIA:

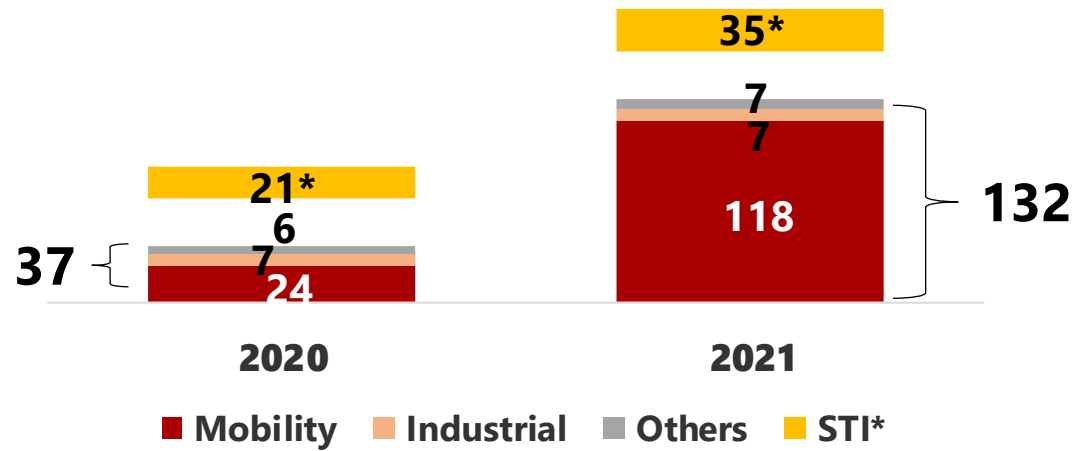
- Building on momentum of 2nd half 2020 to continue transition towards automotive and industrial applications. These subsegments already accounted for 71% of display solution revenues by the 4th quarter of 2020

➤ STI:

- Strong revenue growth in STI as business wins of previous years now being converted to revenue. Accelerated vaccine roll-out in the UK bodes well for regional business

2021 Group Program Wins

Q1 New Program Wins

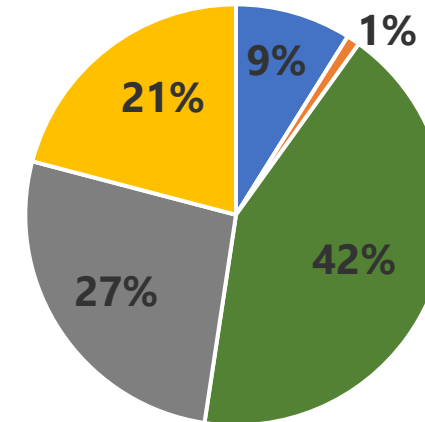


*IMI wins Annual Revenue Potential; STI wins total project size

Notable Wins in 2021

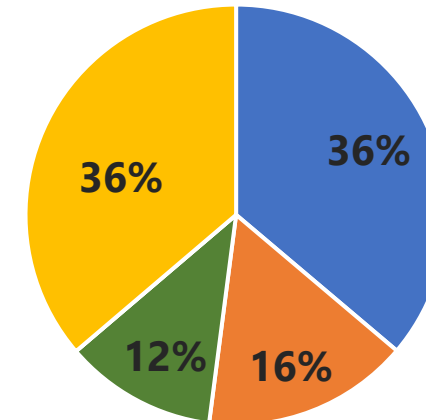
Electric Vehicle Integrated Power Box	Mobility	Serbia
Electric Vehicle Cabin System	Mobility	Mexico
HV Coolant Heater	Mobility	Czech
Data Communication System	Comm.	Philippines
Personal Communication System	Industrial	Philippines
Automotive Camera System	Mobility	Philippines

Win Location - 2021

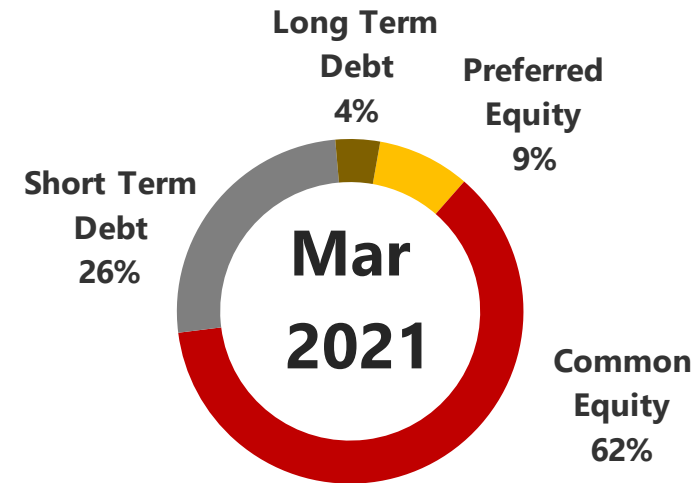
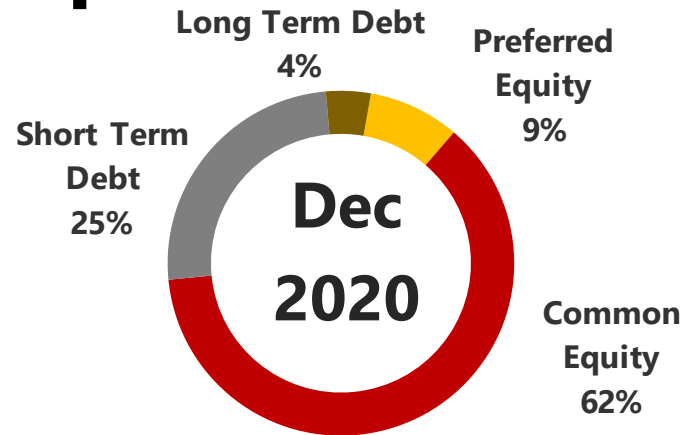


■ Philippines ■ China ■ E. Europe ■ MX ■ UK

Win Location - 2020



Capital Structure

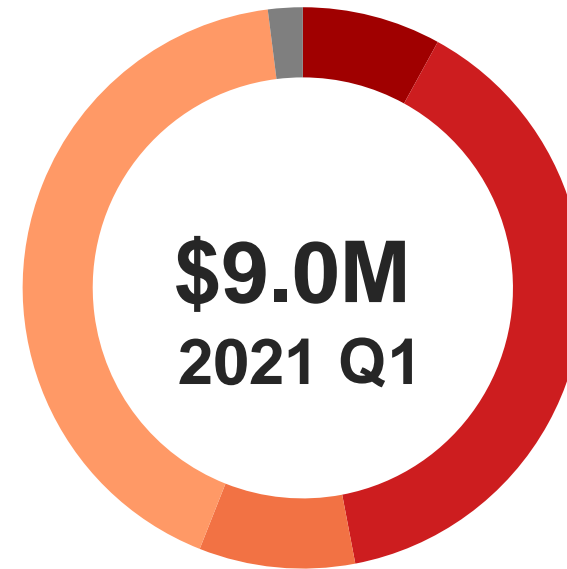
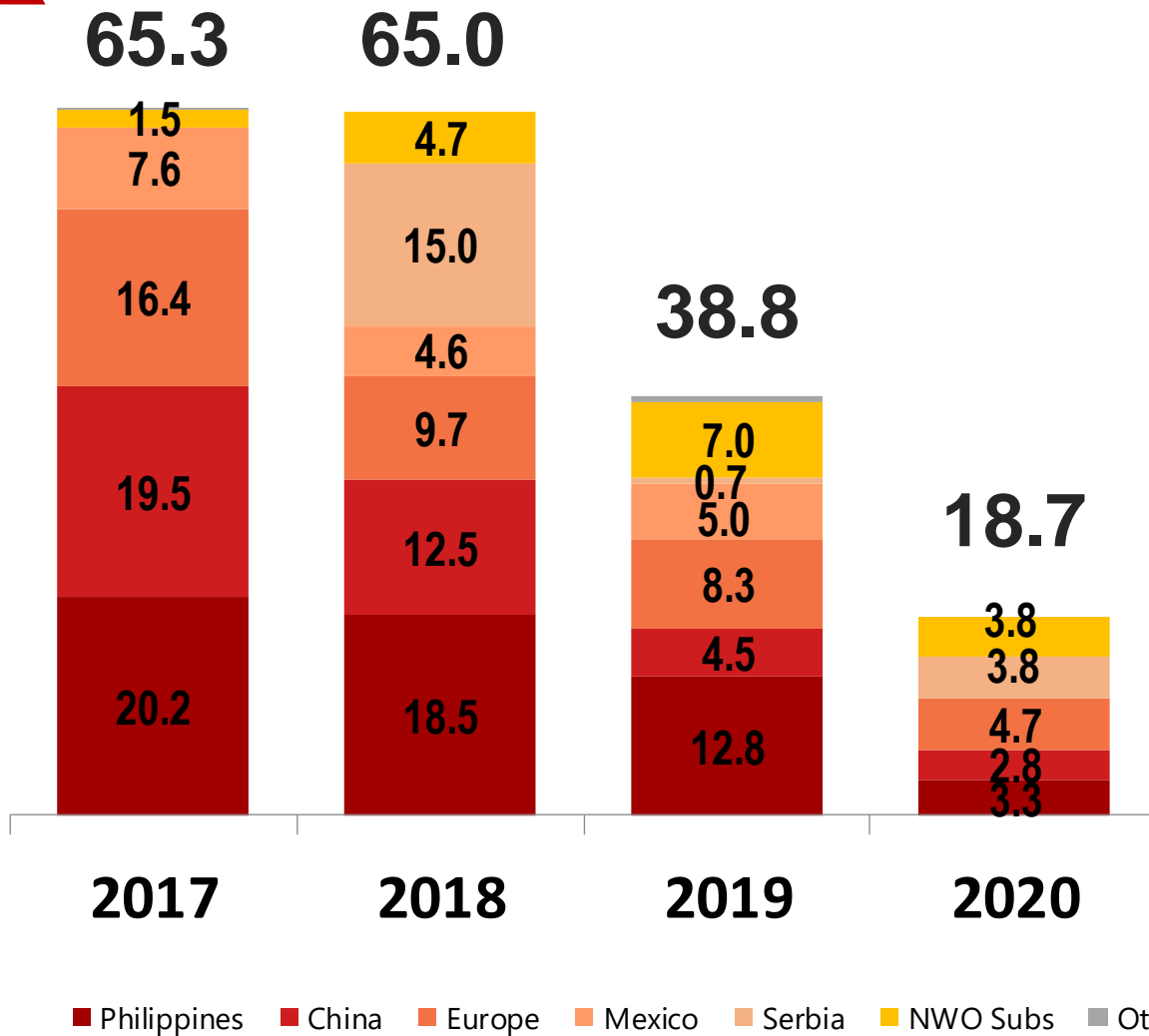


(US\$ Millions)	Dec 2020	Mar 2021
Short-Term Debt	206.5	207.2
Long-Term Debt	34.3	33.6
Total Bank Debts	240.8	240.8
Cash	244.4	242.3
Net Debt / (Net Cash)	(3.6)	(1.5)
Common Equity	510.9	498.3

Key Financial Ratios	Dec 2020	Mar 2021
Current ratio	1.54	1.50
Bank Debt/Equity	0.41	0.42
Bank Debt/ Common Equity	0.47	0.48
Book value/share (\$) *	\$0.21	\$0.20
Book value/share (PHP) *	₱9.87	₱9.53

*Excluding Preferred Equity and Minority Interest

Disciplined Capital Investments



- Buildings.....8%
- Machinery.....39%
- Furn & Fix.....9%
- Constr. in progress.....42%
- Others.....2%

■ Philippines ■ China ■ Europe ■ Mexico ■ Serbia ■ NWO Subs ■ Others




Key Takeaways

- Recovery continues but is muted by global component shortage
 - ~\$20M of revenue upside were delayed/lost in Q1 due to unavailability of components
 - Increased overtime and freight expenses needed to cover extended supply lead times and still meet customer requirements
 - Ongoing coordination with customers to recover lost revenues and share expenses due to shortage
 - Situation expected to resolve towards the end of 2021
- Strong pipeline performance in the first quarter with multiple large project wins
- Ongoing US-China trade tensions may continue to impact telecom segment
- IMI global sites aligned with government programs for vaccine rollouts; IMI Philippine employees to join Ayala vaccination program beginning in June

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