



AcBel Polytech Inc. 6282.TW

Acquisition of the Power Conversion Division of ABB

Investor Presentation

February, 2023



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Agenda

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- 2 Target Overview
- 3 Transaction Rationale
- 4 AcBel Performance Update
- 5 Q&A





1 Transaction Summary

Target	ABB's Power Conversion Division ("ABB Power Conversion", formerly known as Lineage Power)
Transaction Structure	All-cash transaction
Transaction Consideration	Enterprise Value of US\$505M (~NT\$15.3B)
Financing	<ul style="list-style-type: none">▪ 100% cash consideration financed with cash on hand and bridge facility fully committed by DBS▪ Equity offerings and bank loan syndication and other financing alternatives as long-term financing sources
Financials	<ul style="list-style-type: none">▪ 2022E Revenue ~US\$440M (~NT\$13.3B)▪ 2022E Adjusted Income from Operations ~US\$54M (~NT\$1.6B)
Financial Impact	EPS accretion in the first full fiscal year
Expected Closing	Expected to close in 2H 2023, subject to customary closing conditions, including regulatory approvals

2 Target Overview

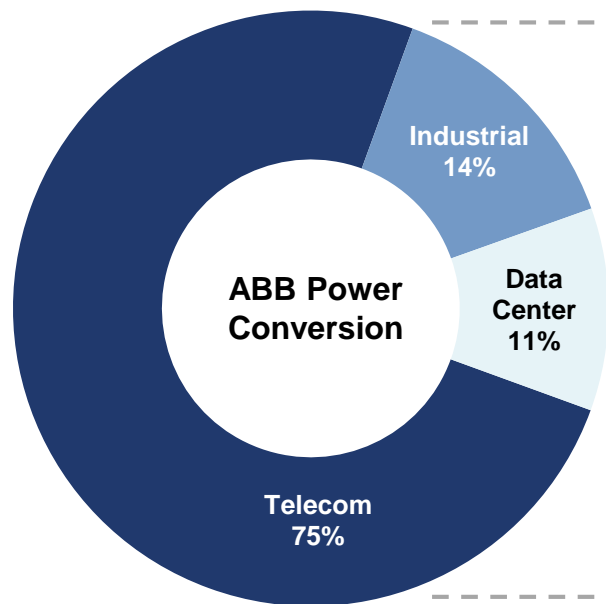
A leading DC Power Systems and Mission-critical Embedded Power Solution Provider

	Headquarter Plano, TX (U.S.)
	3 Manufacturing Facilities & 2 R&D centers
	Revenue (2022E) US\$440M
	Serve Customers in 20+ Countries
	Full-time Employees ~1,500
	Patent Assets 234¹

		Product Portfolio
	DC Systems	<ul style="list-style-type: none">Provide DC Power with Battery Backup 
Embedded Power	Front-End Power	<ul style="list-style-type: none">Rectify AC to DC Power 
	Board-Mounted Power	<ul style="list-style-type: none">Covert DC to DC Power 
	Services	<ul style="list-style-type: none">Engineering, Installation, Project Management, and Product Life Cycle Support 

2 Target Overview (Cont'd)

Blue-chip Customer Base; 20+ Years of Relationship with Key Customers



AT&T

COMMSCOPE®

T Mobile

verizon

IBM

Google

Charter
COMMUNICATIONS

ABB

amazonrobotics

KEYSIGHT
TECHNOLOGIES

Waters™



cisco

dish

ORACLE



Hewlett Packard
Enterprise

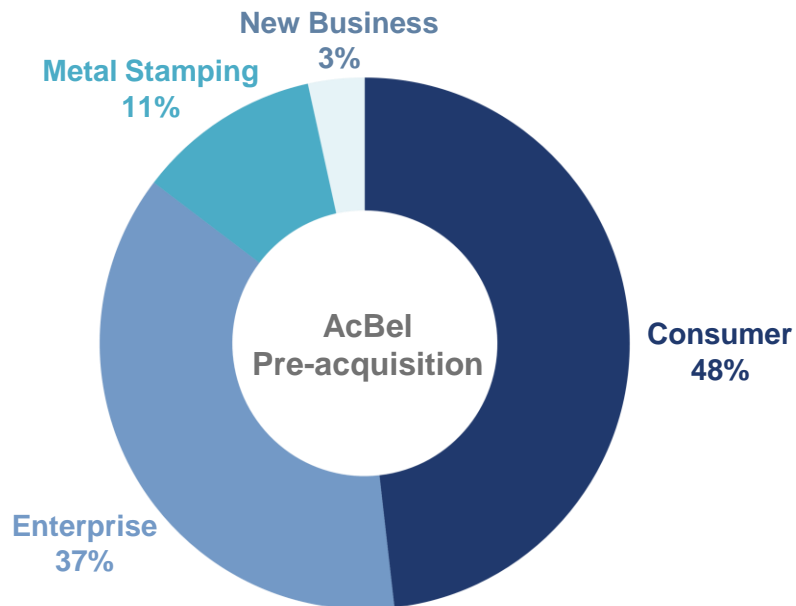
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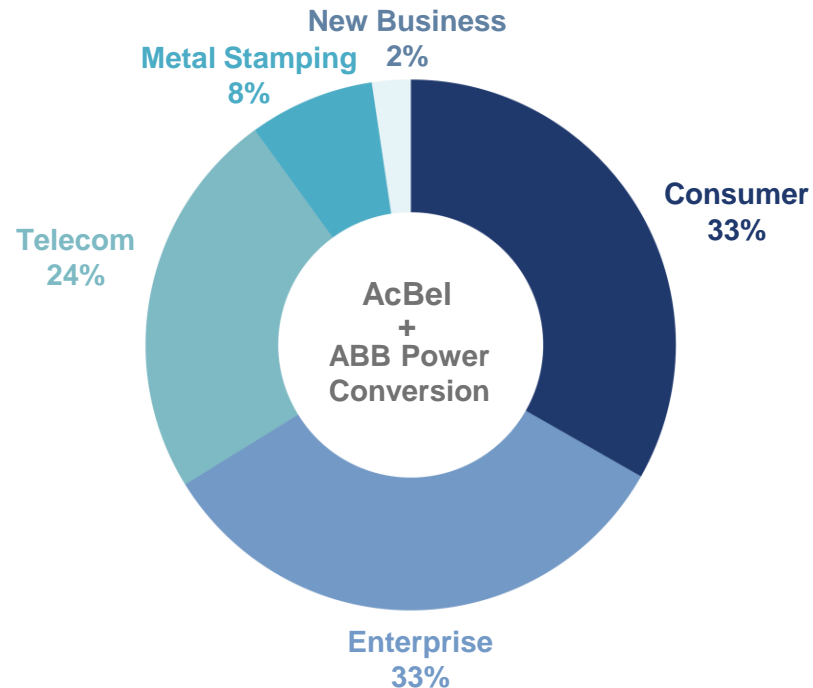
2 Target Overview (Cont'd)

The Transaction Creates a more Resilient and Higher Margin Product Portfolio for AcBel

Pre-acquisition Revenue Breakdown

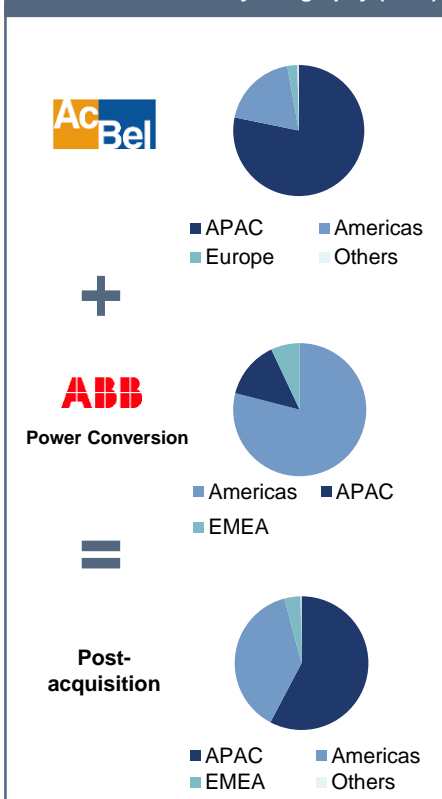


Post-acquisition Revenue Breakdown



2 Target Overview (Cont'd)

Revenue Breakdown by Geography (2021)



3 Transaction Rationale

A) Ride on the right industry trend

	Industry Trends
5G Commercialization	<ul style="list-style-type: none">■ 5G rollout will spur demand for the construction of new wireless towers and the upgrade of existing infrastructure■ Requirements for speed and bandwidth will drive investments in backhaul optical fiber infrastructure■ Demand for small cell base stations will increase in order to improve 5G network coverage and reduce network latency
Growth Trend of Data Centers	<ul style="list-style-type: none">■ Benefited from growth trends of 5G and IoT applications, both public sector and private enterprises increasingly rely on data for operations management, resulting in a growing demand for data centers and cloud computing■ Data center operators focus on the power density of power supply for higher computing capability and efficiency
Increasing Demand for Industrial Power Supplies	<ul style="list-style-type: none">■ The acceleration of electric vehicle (EV) adoption results in the rapidly growing demand for EV charging■ Critical process equipment requires reliable DC power system to prevent equipment and product damage during power outage■ The trend of automation and growth in the e-commerce industry drive the demand for warehouse robotics■ Rising demand for high power density and high efficiency power supplies, in addition to the trend of liquid cooled products

3 Transaction Rationale (Cont'd)

B) Highly Complementary to AcBel



Balance Product Portfolio

- Well-positioned to rapidly penetrate the telecom power supply segment for more balanced business development



Technological Capability Upgrade

- Capitalizing on ABB Power Conversion's Technology and R&D Leadership; Shorten product development time



Customer Footprint Expansion

- AcBel's current business model focuses on high-volume/OEM/ODM products. Aided by ABB Power Conversion's rich variety of standard products and customization capability, AcBel can conduct cross-selling and expand customer footprint

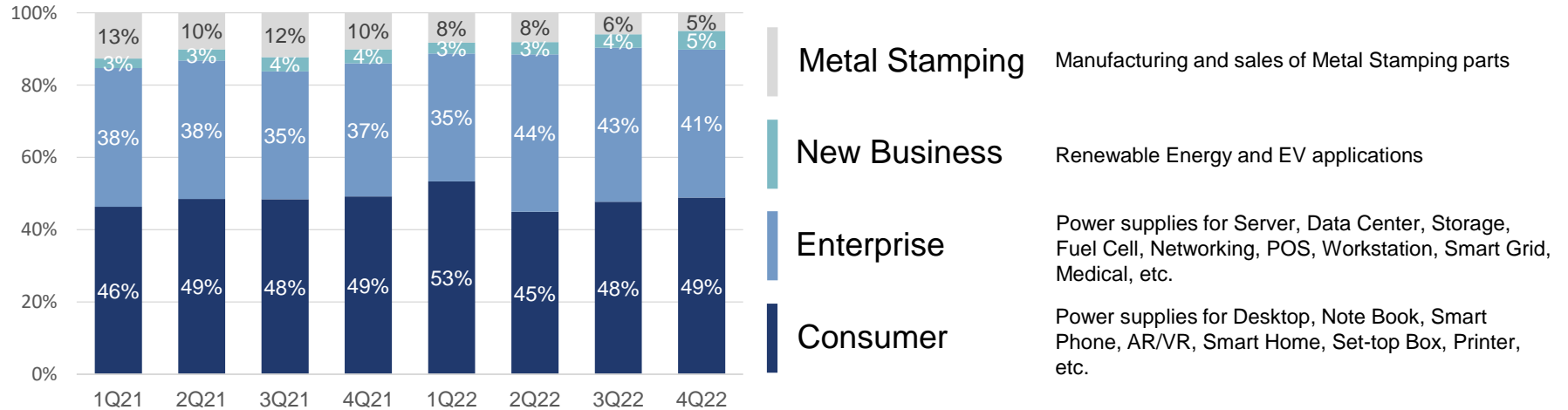


Optimize Business Model

- ABB Power Conversion's involvement will accelerate AcBel's progress of expanding into an integrated solutions provider

4 AcBel Performance Update

Revenue Breakdown



4 AcBel Performance Update (Cont'd)

Business Performance

NT\$M	4Q22 Revenue	QoQ	YoY	2022	YoY	Normal Gross Margin
Power Supplies	5,226	-14%	-4%	22,632	21%	
-Consumer	2,842	-12%	-8%	12,320	17%	10%+
-Enterprise	2,384	-17%	3%	10,313	27%	20%+
New Business	297	19%	22%	961	27%	30%+
Metal Stamping	291	-27%	-54%	1,729	-30%	10%+
Total	5,814	-14%	-8%	25,321	16%	

2023 Outlook

Q&A