

INFORMATION MEETING 2023

Murata's Initiatives for Increasing Corporate Value

Murata Manufacturing Co., Ltd.



Key Messages

- Our outlook for expanding business opportunities through 2030 has not changed significantly despite the difficult business environment.
- We will promote 3-layer portfolio management for future growth and take on the challenge of market creation.
- Our objective is to strengthen management capital, the source of our ability to generate cash, to become a company that continually and sustainably creates economic and social value.

01

Introduction

Vision 2030

Vision 2030 sets out in detail what we must do in the future to realize the mission set out in the Murata Philosophy.

The key concepts in implementing this vision are a “Continuous cycle of social and economic value” and “Co-creating value with stakeholders.”

Murata Philosophy

We contribute to the
advancement of society

by

enhancing technologies and skills

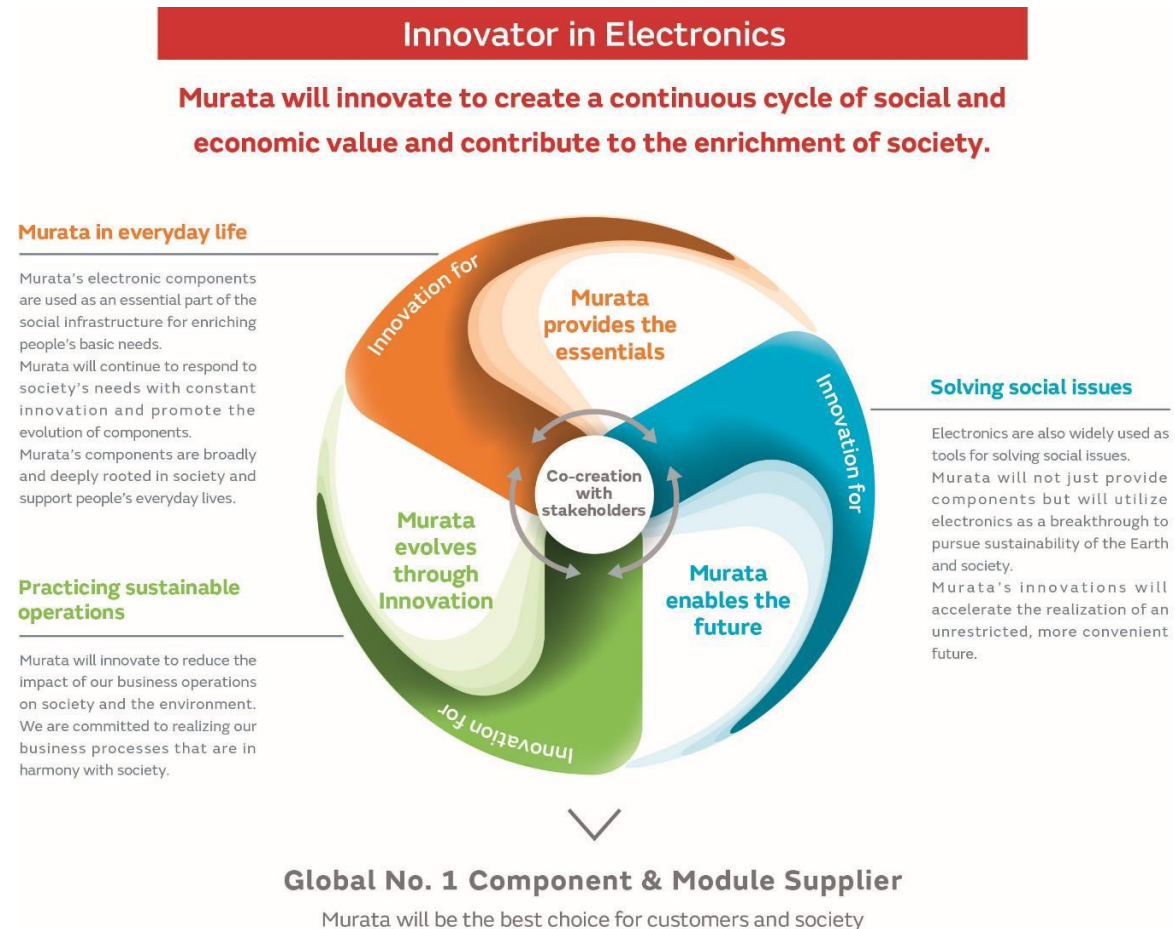
applying scientific approach

creating innovative products and solutions

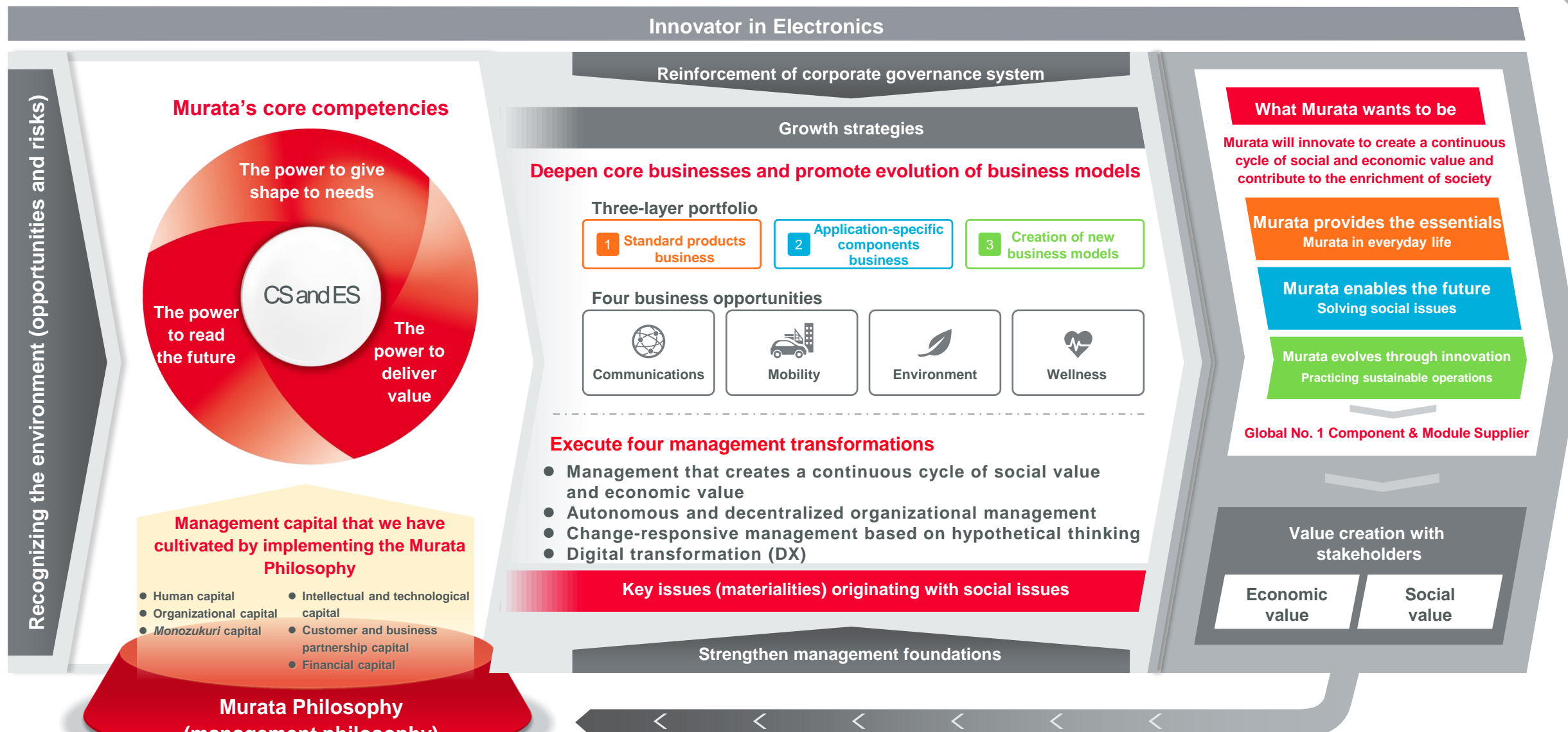
being trustworthy

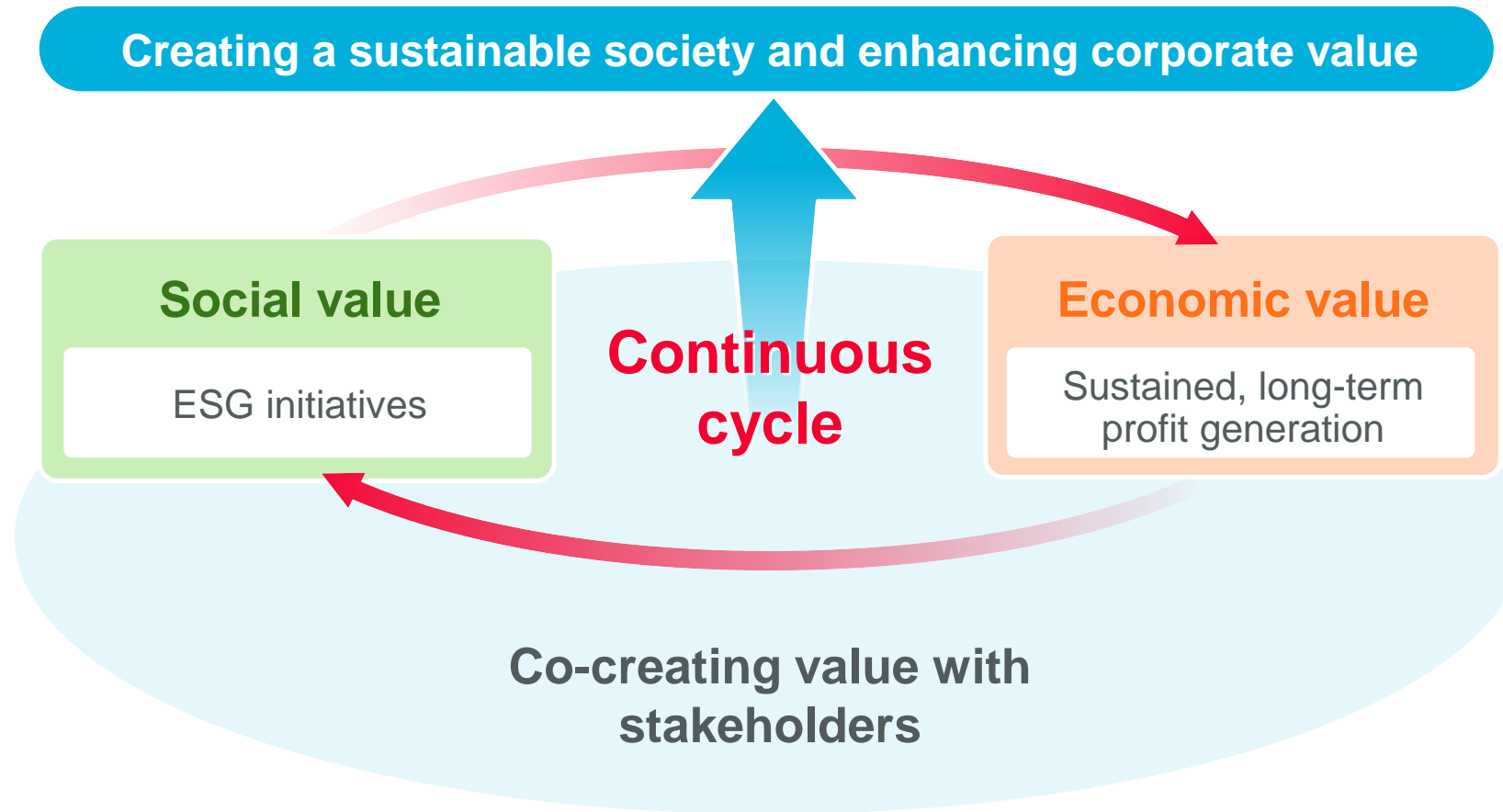
and, together with all our stakeholders,

thankful for the increase in prosperity.



Process of Value Creation





- Produce a continuous cycle of social and economic value by co-creating value with stakeholders
- Actively work to resolve social issues, in this way improving our business competitiveness

02

Medium-term Direction 2024 review

Vision 2030 and Medium-Term Direction 2024

- To continuously increase corporate value, we established Vision 2030 to indicate our long-term direction.
- Medium-Term Direction 2024 covers three years that are vitally important to creating sustained growth for 2030 and beyond.
- Make steady preparations by backcasting from environmental changes viewed from a long-term perspective



Medium-Term Management Issues and Key Initiatives of Medium-Term Direction 2024



Management transformation

- Use the hypothetical thinking in the business plan management process as a mechanism to ensure an autonomous and decentralized organization, then review the processes for formulating budgets and medium-term business plans as well as evaluate business viability.
- Formulate a vision for what Murata wants to be (ideal state) through DX and a document for proof of concept (PoC).
- Introduce a system for promoting investments for sustainability.

Portfolio Management (Higher Level)

- Promote 3-layer portfolio management by resolving issues related to each layer.

Form a Lean Management Base

- Consider and implement measures to strengthen human capital
- Implement training programs for management candidates
- Strengthen governance for quality assurance

Preparation for 2030

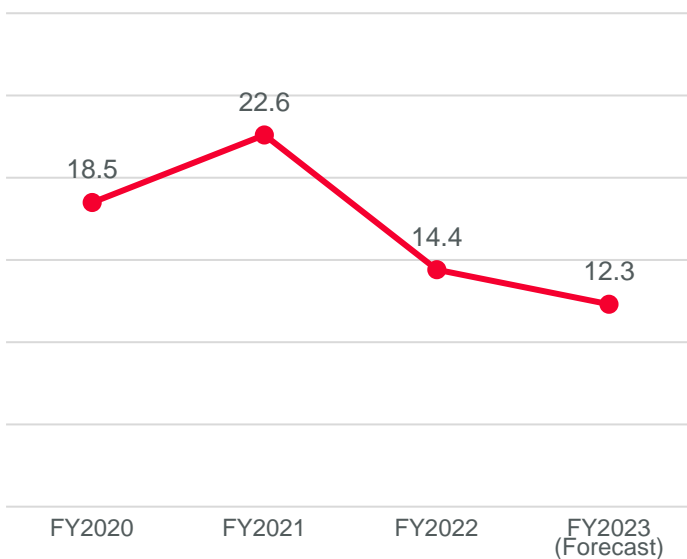
- Eliminate waste and introduce technology at production sites, and proactively develop innovative technologies.
- Enhance the development of human resources for manufacturing by structuring global systems to strengthen training.
- Improve sales strengths by enhancing job-specific, specialized programs for human resource (HR) development.
- Begin considering future intellectual property strategies by creating an R&D portfolio and exploring new technologies.

Progress on Economic Value Goals

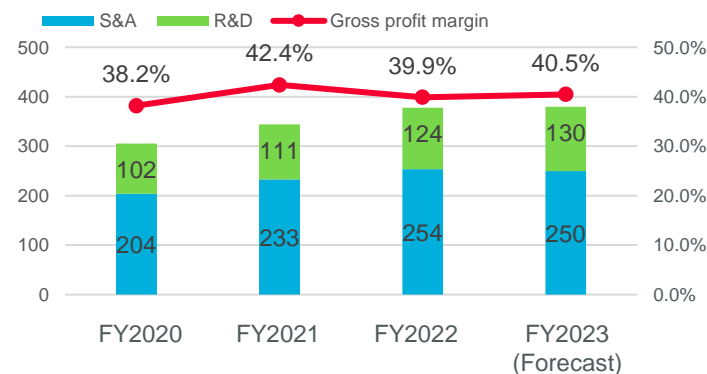
	Medium-term Direction 2021	Medium-term Direction 2024		
	FY2021	FY2022	FY2023 (Forecast as of Oct. 2023)	FY2024 (Targets)
Net sales (JPY)	1,812.5 billion	1,686.8 billion	1,620.0 billion	2,000.0 billion
Operating income ratio	23.4%	17.7%	16.7%	20% or higher
ROIC (pre-tax basis)	22.6%	14.4%	12.3%	20% or higher

Notes:
 1. ROIC (pre-tax basis)=Operating income / Average invested capital at the beginning and end of the period (=Property, plant and equipment + right-of-use assets + goodwill + intangible assets + inventories + trade receivable – trade payables)
 2. FY2022 results have been reclassified from U.S. GAAP to IFRS.

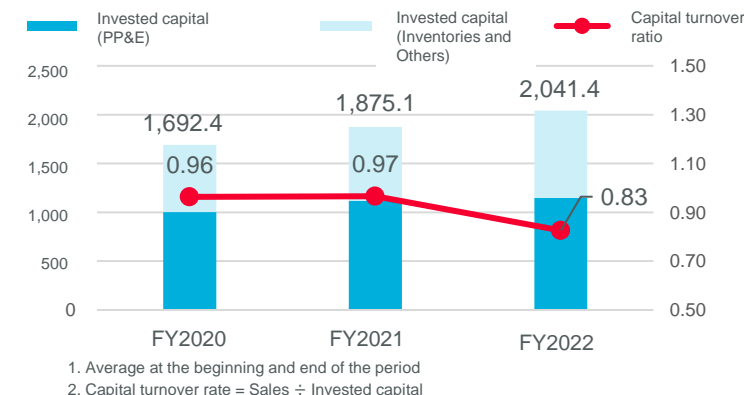
ROIC (pre-tax basis)* (%)



Gross Profit Margin, S&A Expenses and R&D Expenses (Unit: billion yen, %)



Invested Capital¹ & Capital Turnover Ratio² (Unit: billion yen, times)



- Increase investment in DX and new business creation for future growth. Accelerate cost reductions and improving utilization rates to get higher (or target) profit margins.
- Demand for electronic components is currently sluggish, while ongoing upfront investment is depressing capital turnover. Optimize invested capital by reducing inventory.

Progress toward Social Value Goals

Environment

		FY2021	FY2022	FY2024 (Target)	FY2030 (Target)	Long-term Target
GHG emissions reduction rate vs. fiscal 2019	Scopes 1 + 2	12.7%	16.4%	20%	46%	Carbon neutral
Renewable energy implementation rate		21.3%	23.7%	25%	50%	100% (2050)
		FY2021 ³	FY2022 ³	FY2024 (Target)	FY2030 (Target)	FY2050 (Target)
Use of sustainable resources (%) ¹		—	—	1% improvement over FY2021 results	25%	100%
Resource recycling (%) ²		—	—	5% improvement over FY2021 results	50%	100%

1. Resources at low risk of depletion, which Murata can use continually into the future by taking steps such as building recycling schemes.(Potentially depletable resources: Ag, Ni, etc.).

2. Percentage of Murata's waste and useful outputs (emissions) recycled as resource.

3. Currently being tabulated.

Diversity

	FY2021	FY2022	FY2024 (Target)	FY2030 (Target)
Percentage of overseas indirect employees* with experience working at other sites	3%	5.3%	7%	10%

* Applies to overseas local staff, excluding those transferred from Japan to overseas

ES

	FY2021	FY2023	2024 (Target)	FY2030 (Target)
Positive employee engagement response (%)	68%	Currently being tabulated	70% or higher	76% or higher

Medium-Term Direction 2024 Capital Allocation Policy

FY2022-FY2024 cumulative

(Unit: JPY billions)

In	Out
Operating cash flows 1,250.0	Capital investment 640.0 (land, buildings 100.0)
	Strategic investment 230.0
	Shareholder returns 270.0
	Redemption of bonds 110.0

	FY2022 Results	FY2023 Forecast
Environmental investment	Approx. JPY 4.0 billion*	Approx. JPY 30.0 billion* (However, forecast does not include M&As and other growth investments.)
M&A and other growth investments	Approx. JPY 4.0 billion	
Other (IT infrastructure improvement, etc.)	Approx. JPY 16.0 billion	
Strategic investment total	JPY 23.6 billion	

* Environmental investment is included in capex for FY2022 in the FY2023 forecast.

Our basic policy for shareholder returns:

■ Dividends:

Our basic policy is to steadily raise dividends by increasing profit per share, aiming to realize dividends on equity (DOE) of 4% or higher with a target payout of about 30% over the medium term.

■ Repurchase of own shares (stock buyback):

To improve capital efficiency, we use this approach for returning profits to shareholders, when necessary.

Considerations for increasing shareholder returns

2.5 to 3.5 months of liquidity and immediate funding requirements

Availability of opportunities to increase growth and strategic investments

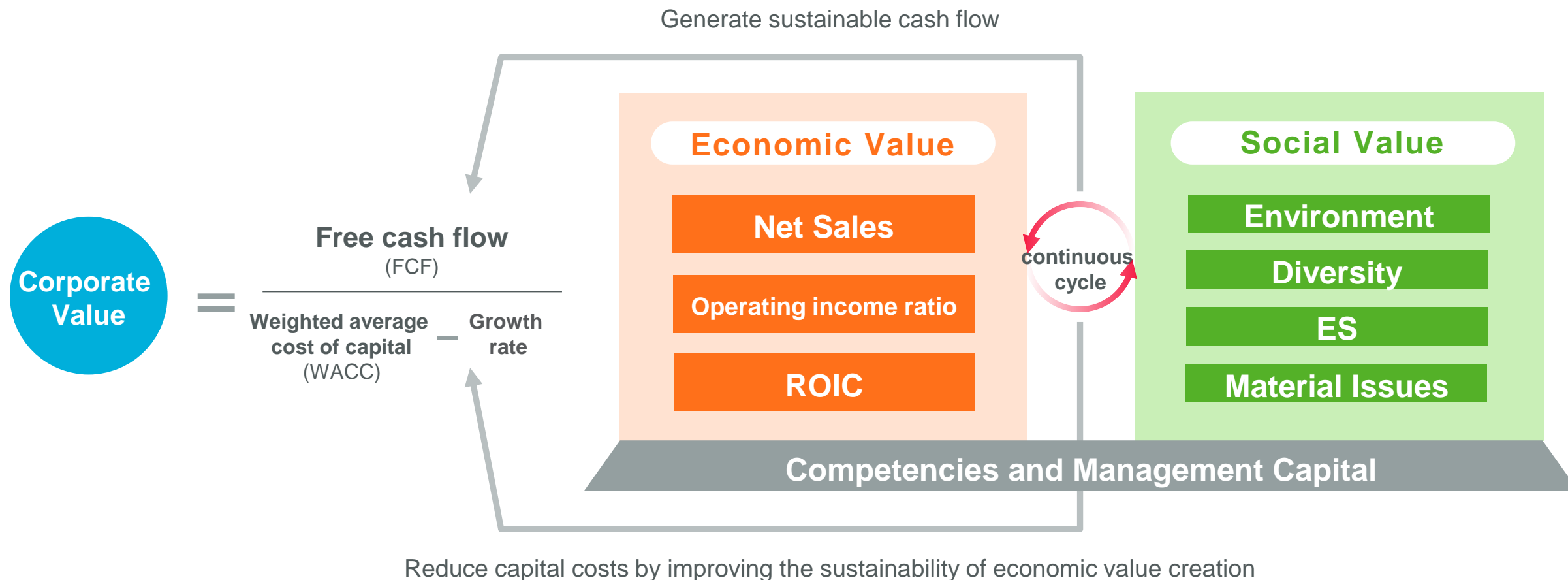
Cash flow projections and current share price

03

Key Strategies for Increasing Corporate Value

Vision for Increasing Murata's Corporate Value

Targeting increased corporate value within a continuous cycle of social value and economic value



Vision 2030 Medium- to Long-term Recognition of Environment

Expansion of the Usage of Electronics

- ❑ Proliferation of 5G and IoT and diversification of devices
- ❑ Automobile electrification and autonomous driving

Transition to a Sustainable Society

- ❑ Increasing awareness of environmental measures and stricter environmental regulations
- ❑ Concurrent pursuit of social and economic value

Advancement of Digitalization

- ❑ Business innovation through the use of big data, 5G, etc.
- ❑ Diversifying channels for external communications

Increasing Geopolitical Risks

- ❑ Trends in US-China relations
- ❑ New regulations resulting from the interrelationship among global trends such as environmental and human rights issues and local economic policies.

Changes in Demographic Structure and Power Balance

- ❑ Structural change in global demographics
- ❑ Developed countries facing the challenges associated with aging populations. The value of health increases.

Addressing Post-pandemic Society

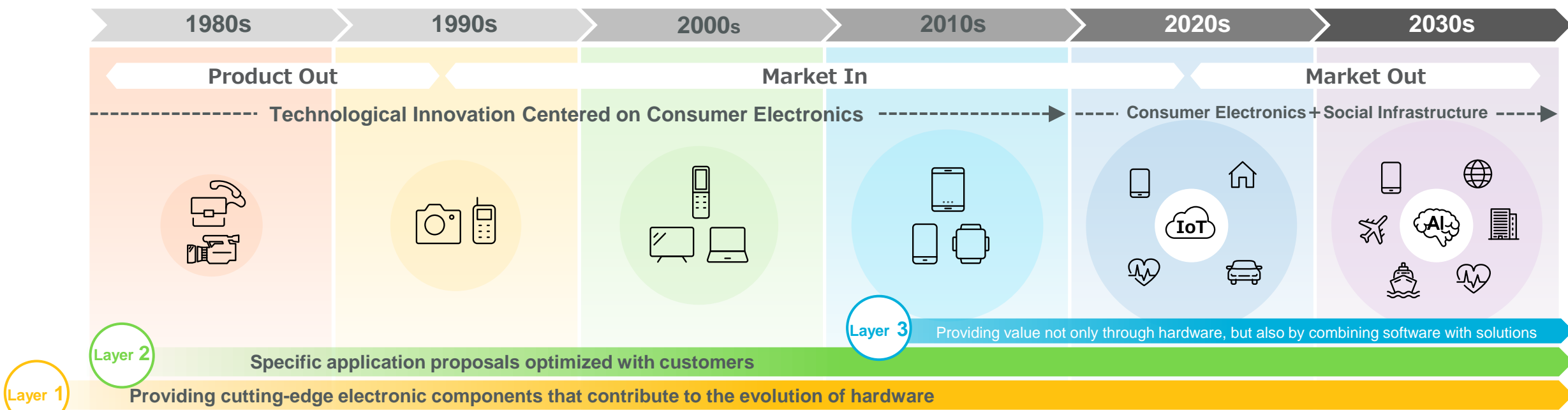
- ❑ Combinations of in-person and online communications
- ❑ Corporate activities ranging from purchasing and production to logistics, are becoming more diverse and decentralized

Material Changes in the Business Environment since the Formulation of Medium-term Direction 2024

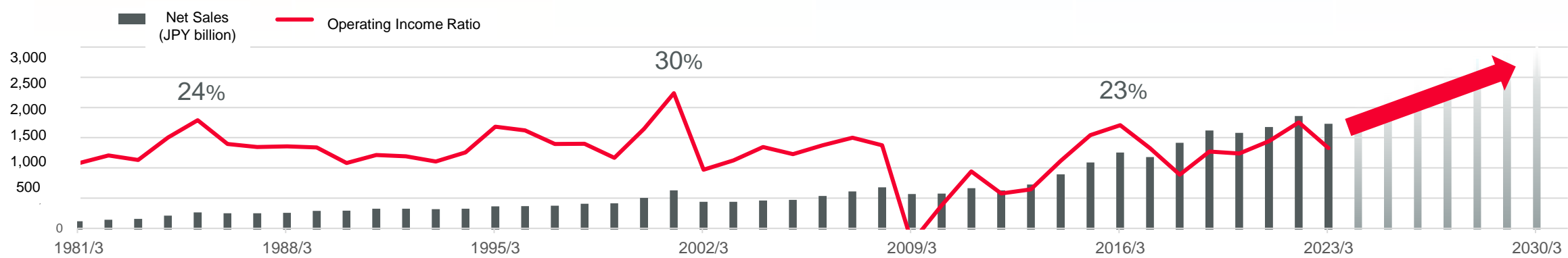
- 1 Slowing growth in number of smartphones and polarization at the device level
- 2 Acceleration of CASE in the automobile industry
- 3 Rapid proliferation of AI
- 4 Accelerated pivot to multiple supply chains
- 5 Increased opportunities for dialogues with stakeholders on sustainability

Our projection that the use of electronics and our business opportunities will both grow through 2030 has not changed, but the opportunities and risks associated with our business opportunities have changed since we formulated our medium-term direction.

Evolving as an Innovator in Electronics

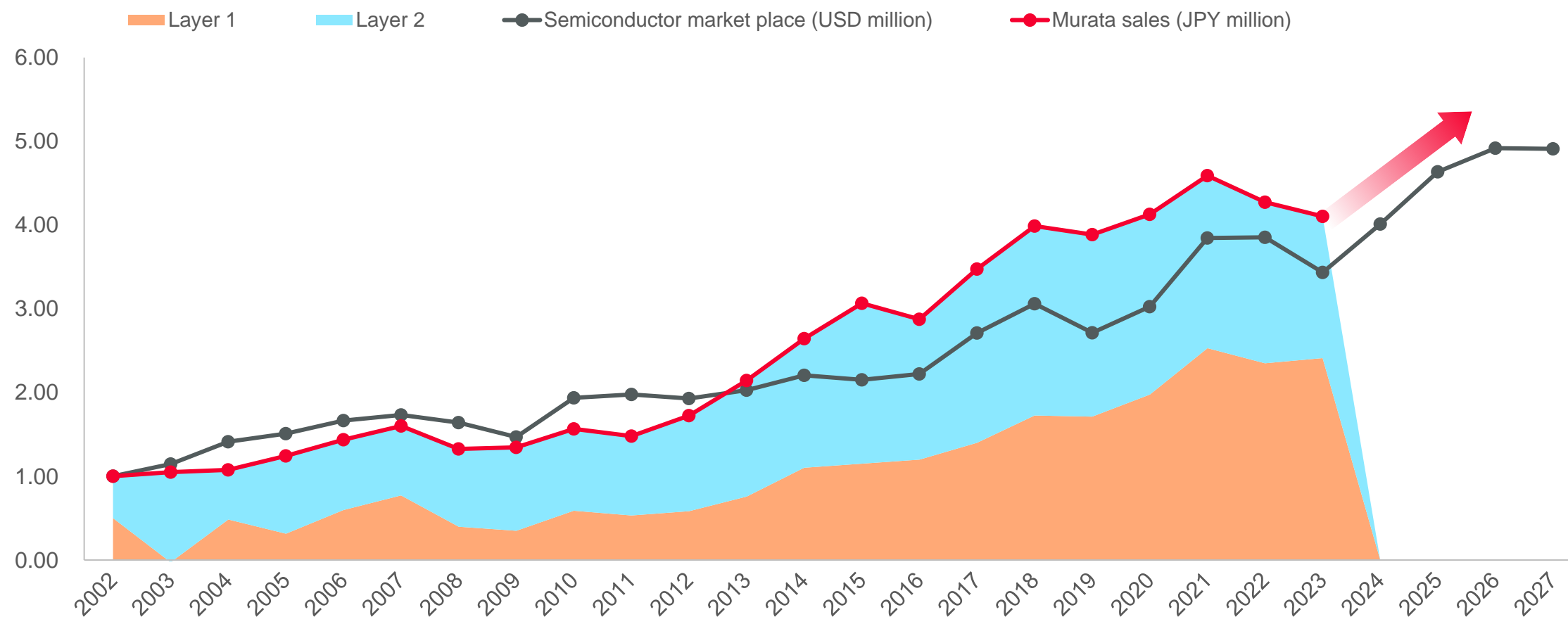


Financial Results



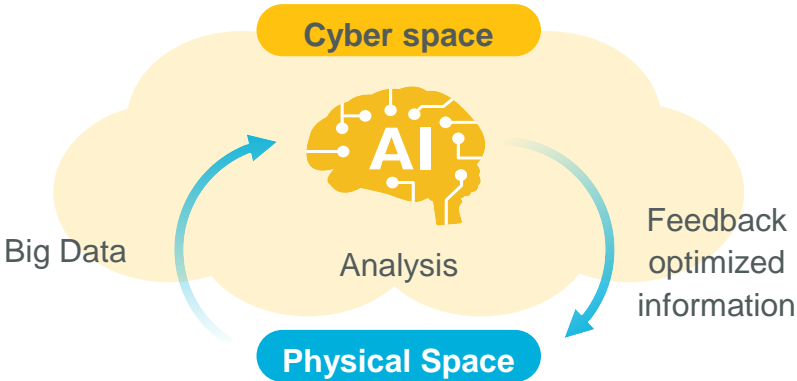
Innovator during the Electronics Wave

- Achieve growth that empowers Layer 1 + Layer 2 sales that exceed semiconductor market sales
- Targeting Layer 1 + Layer 2 + Layer 3 business growth along with expansion of electronics field



Source: Estimated by Murata, based on Gartner's research data

Worldview in 2030



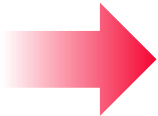
Four Business Opportunities



Business Opportunity Key Words

Edge AI Devices	Combining Software & Hardware
<ul style="list-style-type: none">- Light, thin, short & small- Modularization	<ul style="list-style-type: none">- Wireless communications technologies- Sensing technologies
Infrastructure that Supports Large-scale Computation	Evolution of Communication Standards Communication Resilience
<ul style="list-style-type: none">- High power compatibility- High efficiency & reliability	<ul style="list-style-type: none">- High-frequency technologies

Our Challenges as an “Innovator in Electronics”

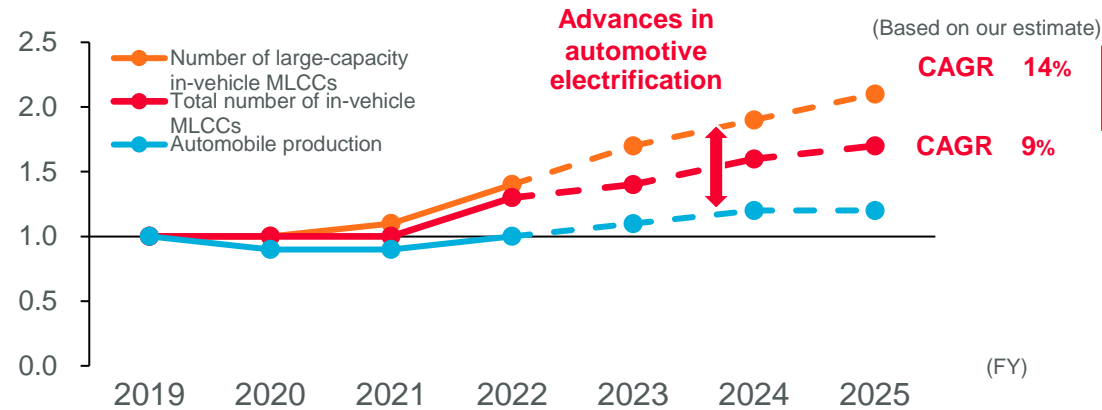


- Strengthen the 3-layer portfolio**
- Develop and create new markets and applications**
- Strengthen management capital to support competencies**

Strengthening Layer 1

In-vehicle MLCCs market forecast (quantity basis)

- Trend of automotive electrification remains unchanged. Large-capacity components especially are increasing rapidly.



Strengthen supply capacity in anticipation of the expansion of the communications and mobility market



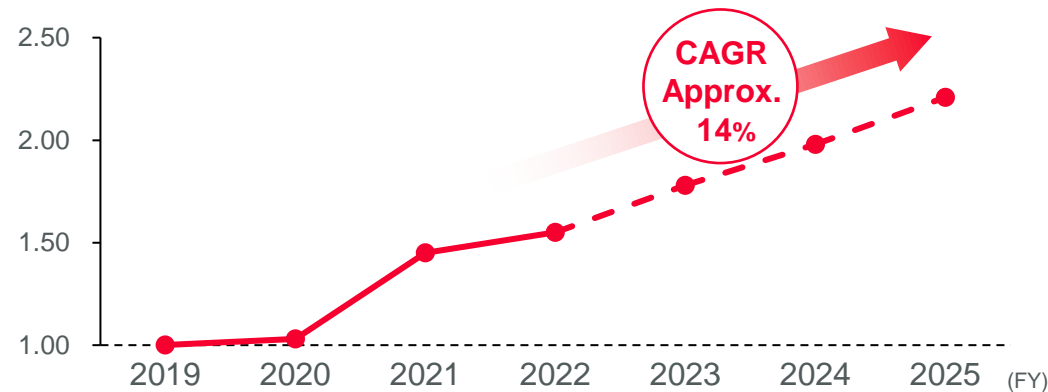
Established a joint venture company with Ishihara Sangyo Kaisha, Ltd. and Fuji Titanium Industry Co., Ltd. to have a system for the consistent supply for the material for MLCCs.



New facility in Thailand

In-vehicle Inductors/EMI filters (quantity basis)

- Driven by automotive electrification and 5G related (Based on our estimate)



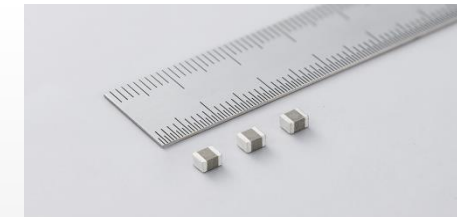
Initiatives to Improve Our Position in the Automotive Market

The ongoing electrification of automobiles has increased the number of installed DC-to-DC converters, and has increased the need for smaller power inductors with excellent electrical characteristics.

➔ Strengthen supply capacity and accelerate new product development



New facility in Vietnam

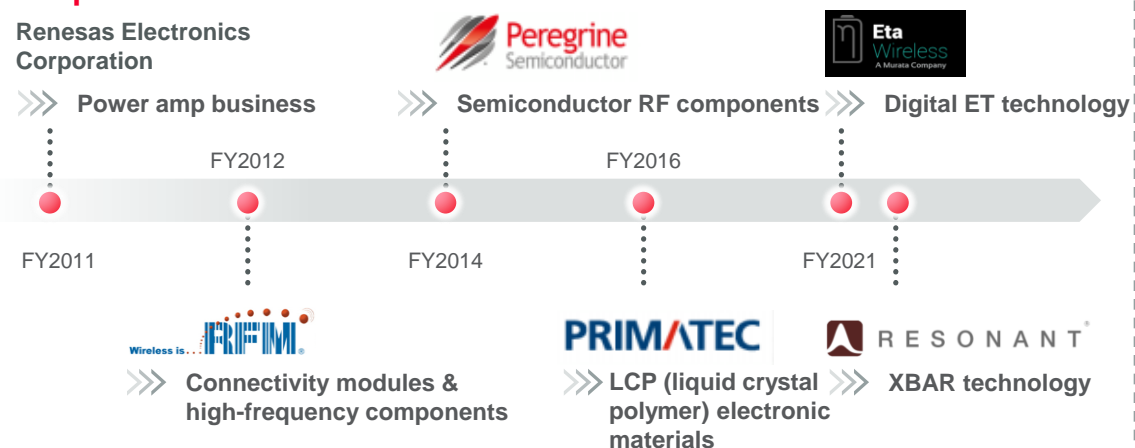


Enhanced metal power inductors

Strengthening Layer 2: High-Frequency Devices, Communication Modules, and Functional Devices

Preparing for the evolution of wireless communication technology

Use M&As to improve technology that differentiates us from our competitors



Participation in international communication standardization projects

- As a member of projects, including ITU-R¹ and 3GPP², we contribute to formulating new communication standards and the practical application of wireless communication.
- By encouraging collaboration with external organizations and companies, we are improving material R&D and production processes over the medium to long term, with an eye to the evolution of communication network systems and next-generation communication technology trends.
- We are exploring new business opportunities in response to changes in customer needs and diversification of applications as communications become social infrastructure.

Notes:

1. International Telecommunication Union, Radiocommunication Sector

2. The 3rd Generation Partnership Project

Product improvements: functional devices

Sensor initiatives for the autonomous driving market

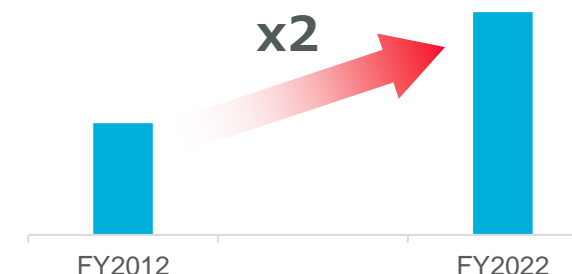
- Developed and mass-produced a water-resistant ultrasonic sensor for advanced driver assistance systems (ADAS) that achieves short-distance detection of 15 cm
- MEMS inertial sensors for autonomous driving are selling well. To build a stable supply system, we will also increase production capacity at locations in Japan. We already have this type of location in Finland.



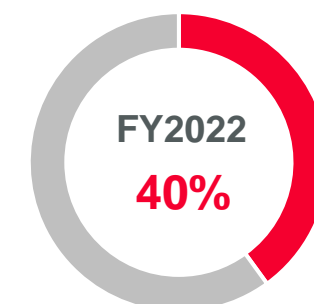
MEMS inertial sensor (SHCA600)

Change of net sales for automotive applications in the sensor business sector

Trend of net sales



Sales composition ratio



Strengthening Layer 2: Battery and Power Supplies

Building a solid operating foundation for the battery business sector
Targeting higher growth in the long-service-life and high-output fields where we can capitalize on our strengths



Cylindrical lithium-ion secondary batteries



Battery modules with olivine-type lithium iron phosphate ion secondary batteries (FORTELION)

Current Business Opportunities

- Trend toward cordless and electric power tools and cleaning tools
- Use of natural energy, self-consumption, backup in case of power outages

Future Directions

- Standardize production processes and materials
- Build flexible production systems based on demand forecasts
- Differentiate our technology in the long-service-life and high-output fields
- Promote in-house renewable energy and energy savings plus contribute to environmental protection

Capturing business opportunities for power supply modules by contributing to energy savings
Expanding business in growing markets, such as data centers and servers

Products for low-power fields



DC-DC converter products

Products for high-power fields



AC-DC converter products

Current Business Opportunities

- Increasing energy conservation requirements due to higher power consumption is accompanying the increase in data volume from the growth of 5G, generative AI, and the use of big data

Future Directions

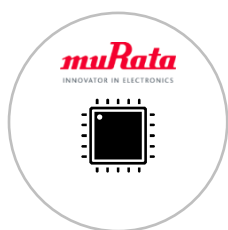
- Concentrate resources on the low-power and high-power fields
- Use our strengths in high efficiency, low noise, and high power density for energy savings in network infrastructure and electronic devices

Initiatives for Layer 3

KUMIHIMO Tech Camp with Murata



- Mechanisms that proactively create opportunities for innovation
- By promoting knowledge collaboration with different industries, we aim to create innovative services and solutions, then develop and create new markets and new applications.



- Provision of hardware and intellectual property
- Prototype production support
- Business commercialization support



Business ideas



Kanazu Murata Manufacturing Clean Energy Park



- ◀ Energy storage system using in-house cells
- ◀ Effinos control software

Features a system that combines solar panels, storage batteries, and control software

Our goal is to create economic value through ongoing in-house demonstrations that lead to commercialization

PIECLEX

PIECLEX
UTILIZE YOUR ENERGY

- Developed by combining Murata's electronics expertise with Teijin Frontier's expertise in fibers. The movement of the fibers generates a weak electrical current that is antibacterial.
- Clothing is compostable because the plant-derived polylactic acid (PLA) raw material is biodegradable.

Features of Murata's business management systems

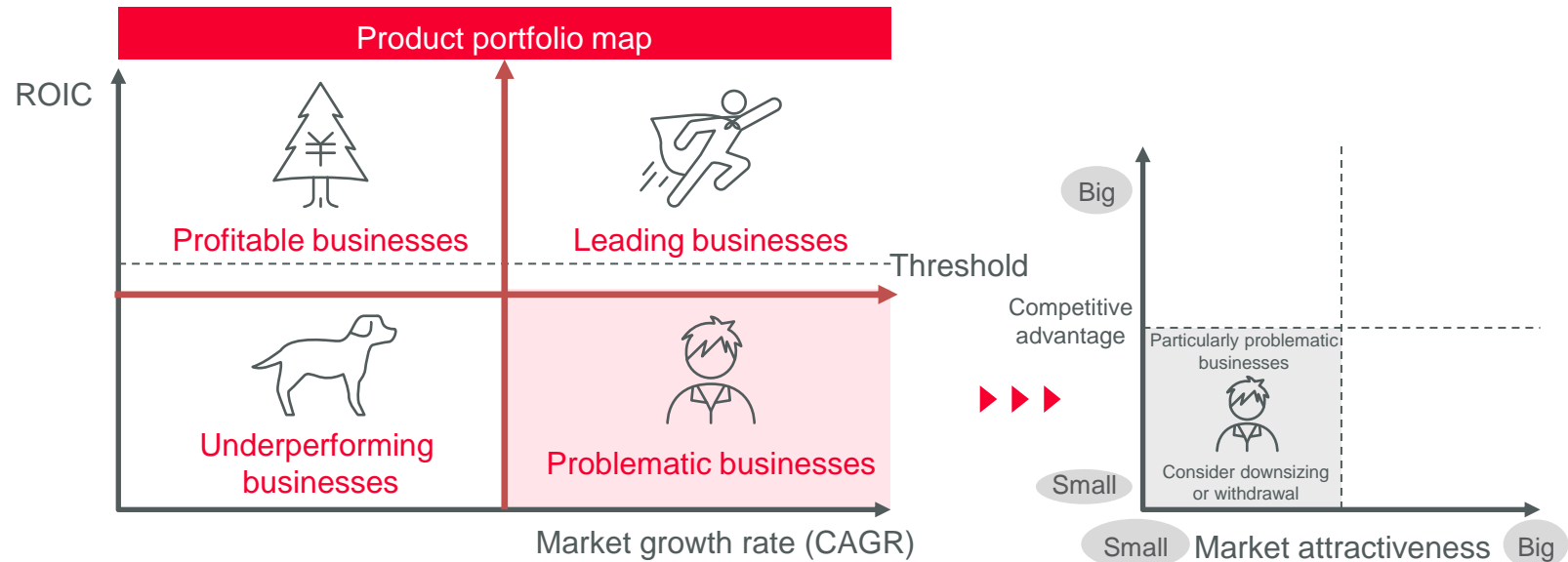
Management accounting system that applies an internal interest rate that is higher than the cost of capital (WACC)

Investment economics evaluation that considers return on investment and the payback period

Strong awareness of onsite profit and loss management

Transparent accountability system (clarifying the responsibilities and authorities of business divisions, financially independent subsidiary system)

Business Feasibility Assessment System

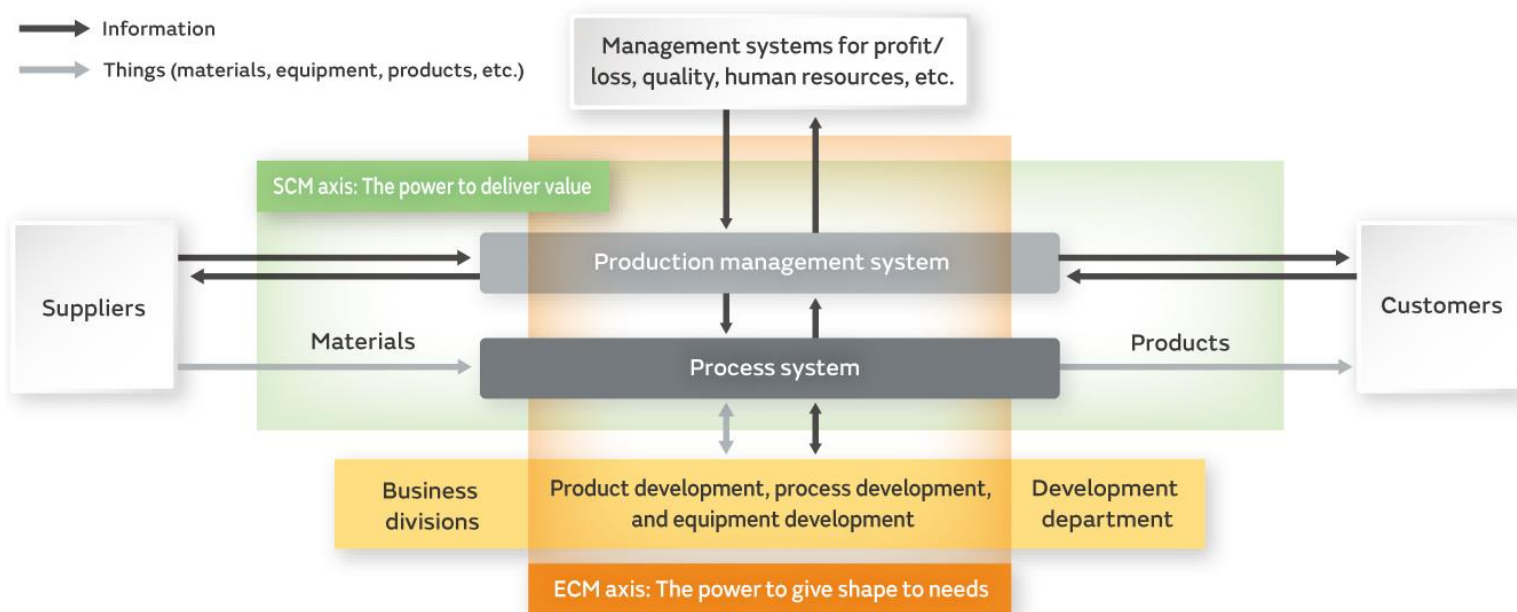


System Summary

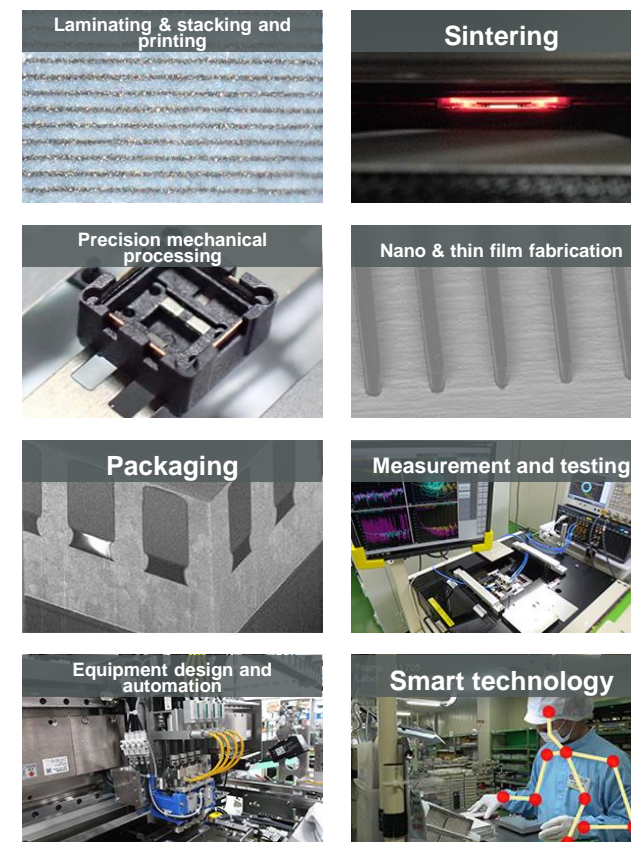
- We created a product portfolio map that employs market growth rate, ROIC, and operating income charged with internal interest rate as indicators.
- The internal interest rate on the vertical axis is the assessment threshold. Leading businesses have an ROIC that exceeds the internal interest rate, while problematic businesses do not.
- Use hypothetical thinking to assess the viability of problematic businesses.

Monozukuri Capital

- Murata has generated growth by using advanced *monozukuri* to create solutions that markets and customers really want.
- Electronic components required by the expansion of the electronics field are also becoming more sophisticated. Having difficult manufacturing and technology that is not easily manipulated is a competitive advantage.



Production technology domains

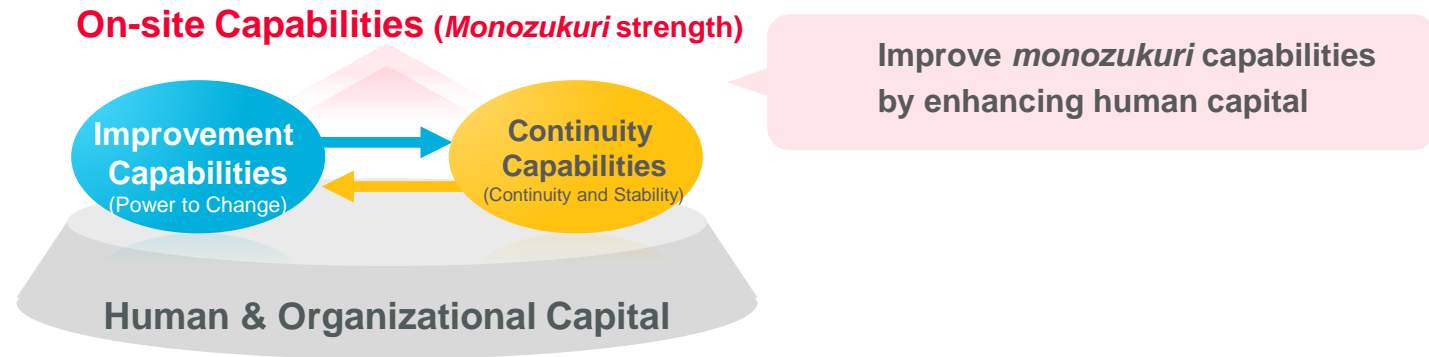


Murata's *Monozukuri* Strengths

- Our vertically integrated production system includes manufacturing technologies, production technologies, and management systems that are highly integrated from materials to final products.
- A kaizen mindset and quality awareness that comes from taking responsibility for profitability.
- Sophisticated coordination of product development, material development, production technology, and manufacturing

Initiatives to Strengthen *Monozukuri* Capital and *Monozukuri* Human Resources

Making both stronger is the starting point for achieving strong on-site capabilities (*monozukuri* capabilities)

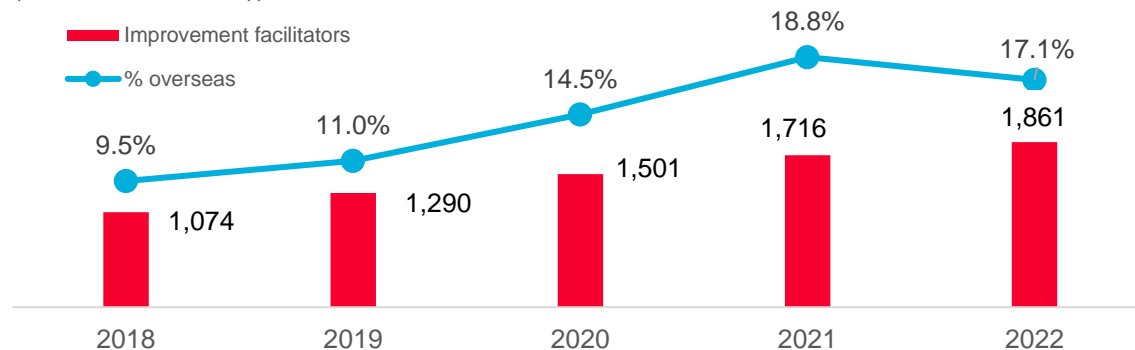


Training of improvement facilitators

- Emphasis on training improvement facilitators who make on-site improvements using technologies that support the competitiveness of manufacturing

Number of Improvement Facilitators

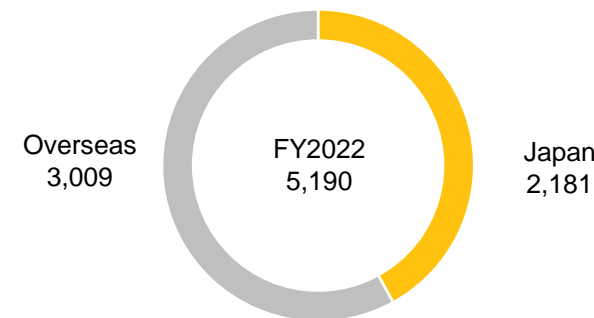
(Consolidated; FY)



Training of maintenance engineers

- In Murata's equipment-oriented processes, maintenance engineers are important on-site personnel who support *monozukuri*
- Improve human resource development at major overseas production sites to strengthen *monozukuri* overseas

Maintenance Engineers (Consolidated)



Initiatives to Improve *Monozukuri* Capital and the Progress of *Monozukuri* DX (Digital Transformation)

Murata's Features and the Progress of DX

Vertically integrated manufacturing and variable-mix, variable-volume production

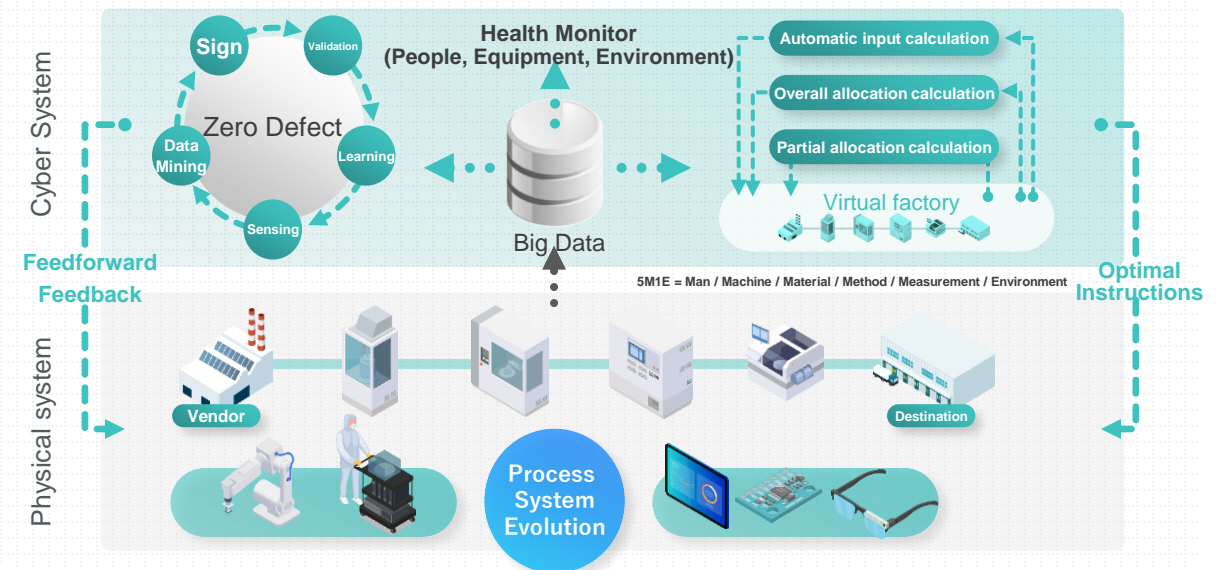
Increasing *monozukuri* complexity

Extensive frontline manufacturing experience, understanding, and knowledge

Using digital technology to transform frontline knowledge into explicit knowledge

Deploying a broad array of data from equipment and people to innovate manufacturing and create smart factories.

Murata's Vision for Manufacturing DX



- Transition to manufacturing systems that use IoT, AI, and control technology.
- Transform the functions and purposes of organizations and individuals using the power of digital technology.

Strengthen organizational competencies within autonomous and decentralized organizational management.

Enhancing *Monozukuri* Capital: Komoro Murata Manufacturing Co., Ltd. Case Study

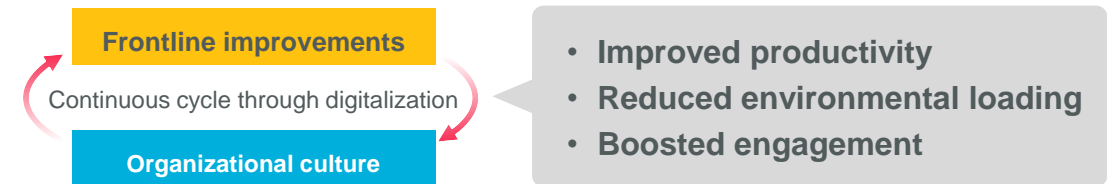
- Komoro Murata Manufacturing (Nagano Prefecture) uses in-house products to promote smart factory initiatives
- Using digital technology to bring out the strengths of *monozukuri* capital and human capital

Point ① Frontline-focused DX

- ▶ Formed a DX team within the equipment maintenance organization



Point ③ Organizational reforms through digitalization



Point ② Use of in-house products



JIGlet®



Wireless sensing solutions

mFLIP™

m-FLIP™

*Uses m-FLIP™ internal version system

Introduce local 5G and conduct demonstration experiments at factory. Stimulated demand for Layer 2 and Layer 3 products by showing use case examples.

Point ④ Introduced an energy management system

Optimized air conditioning and reduced equipment standby power by visualizing energy use

GHG emissions from the entire factory: 2.2% reduction



Quality Management System (M-QMS)



Features of Murata's Quality Management

- Our quality governance system is implemented by an organizational matrix of the head office, divisions, and sites
- Systems and culture that promote collaboration between development and manufacturing
- Quality control technology and quality management systems that extend back to the origin

Current State of Quality Control

- Addressing a wide array of business models as business scale grows
- Increasing quality requirements in the mobility business segment
- Increasing social responsibility including compliance with environmental regulations

Core Initiatives

1 Improve governance for quality

- Strengthen internal controls and oversight by the Board of Directors
- Enhance quality risk management
- Address environment-related material issues (materiality)

2 Strengthen human resources base

- Quality education and awareness activities for all employees
- Developing human resources outside Japan
























3 Structure quality assurance and quality control systems specifically for each layer of our 3-layer portfolio

- Developing a QMS to maintain and improve the business models and strengths of each layer
- Structuring quality assurance and quality control systems and strengthening quality risk management for third-layer businesses

Intellectual and Technological Capital

- Based on the knowledge we have acquired through integrated production, we will strengthening core technologies that are particularly competitive as well as promote innovation in our businesses by standardizing elemental technologies for entire processes as basic technologies
- By refining core technologies that differ for each product, we are able to create products that have strong competitive advantages and are differentiated from the products of other companies.

Murata Technologies

Materials technology						
	Materials design	Materials processing				
Manufacturing technology						
	Laminating & stacking	Printing	Sintering	Surface treatment	Precision processing	Fine processing
						
	Packaging	Measurement & testing	Equipment design	Automation	Industrial engineering	
Device and product design technology						
	Passive devices design	Semiconductor and MEMS device design	High frequency design RF device design	Circuit design	Simulation	Modeling
						
	High reliability design Design for high reliability	Software				
Analytical technology						
	Materials characterization	Failure analysis				

Murata's intellectual property activities

Organization

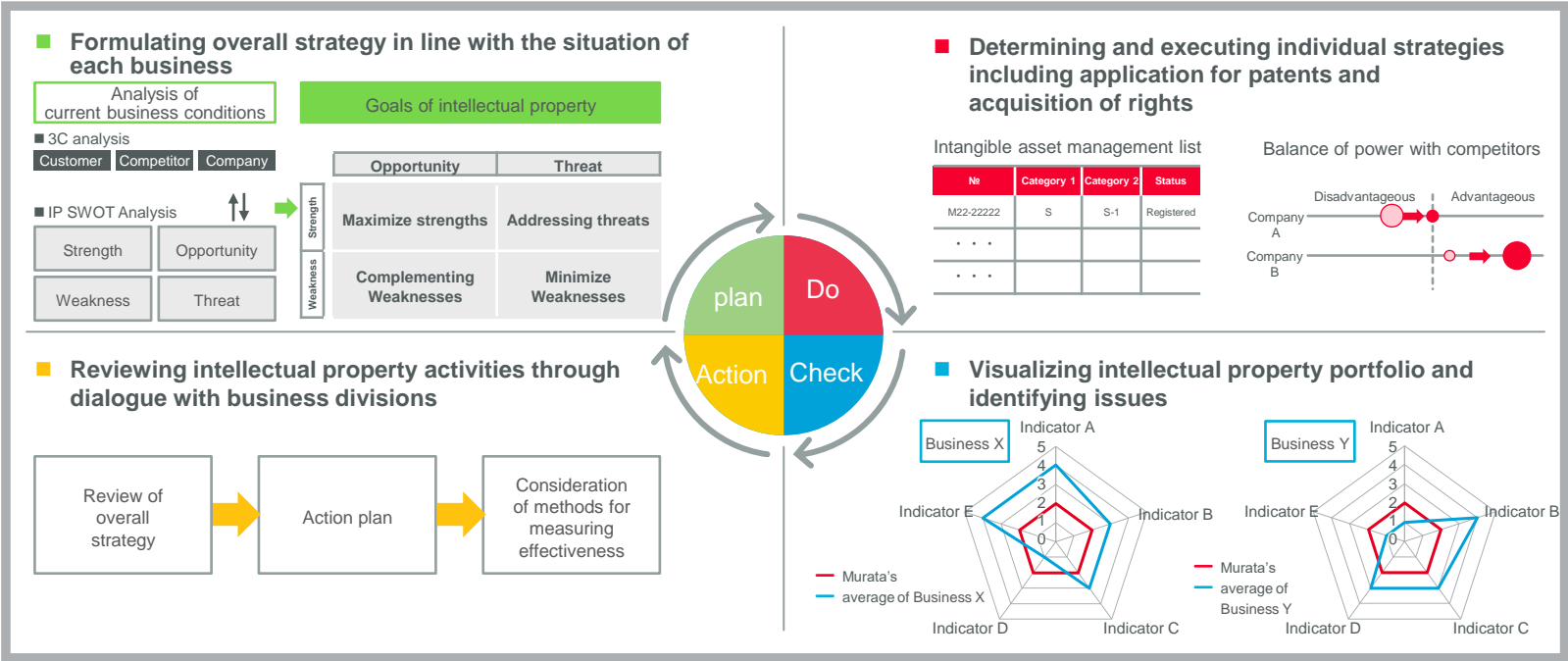


The Function of Intellectual Property in Core Businesses

	Role of intellectual property function	Direction of intellectual property strategy
1st layer Components	<ul style="list-style-type: none">Thorough protection of rights for platform technologies and core technologiesDetermination and execution of obtaining patent rights or keeping them confidential	Control the rise of rival companies and the risk of Technological imitation
2nd layer Devices/modules	<ul style="list-style-type: none">Identification of technologies that differentiate us from rival companies and protection of our rights in focused areasStrategic use of intellectual property in accordance with the business Environment	Improve business profitability by securing competitive Advantage for intellectual property

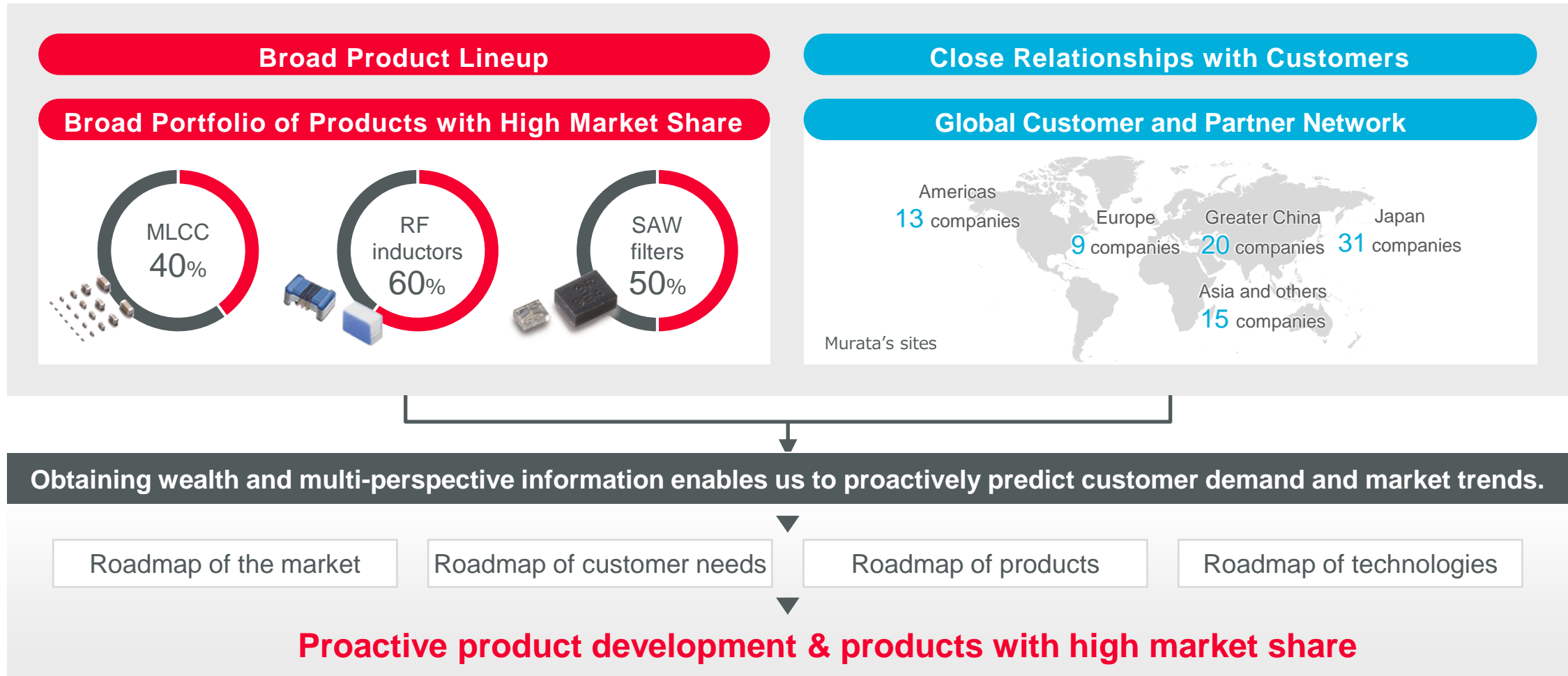
Link between Management Strategy and Intellectual Property Strategy

- Optimize intellectual property portfolio in line with 3-layer portfolio management and market needs.
- Leverage the IP landscape to create new businesses

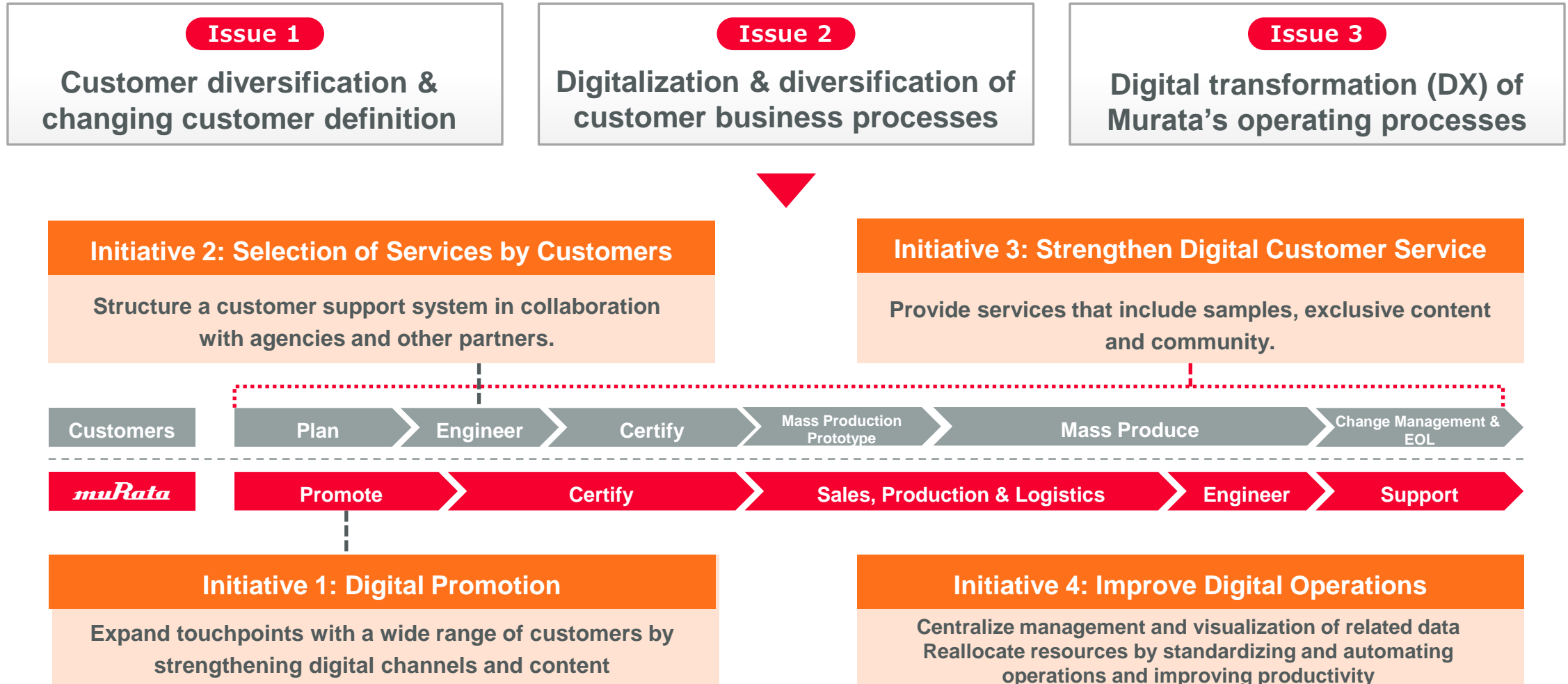


Customer and Business Partner Capital

- Our strengths include multiple products with high market share, a global customer and partner network, and the close relationships we have built with customers, suppliers, and partner companies around the world.



Initiatives to Enhance Customer & Business Partner Capital: DX for the Sales Process



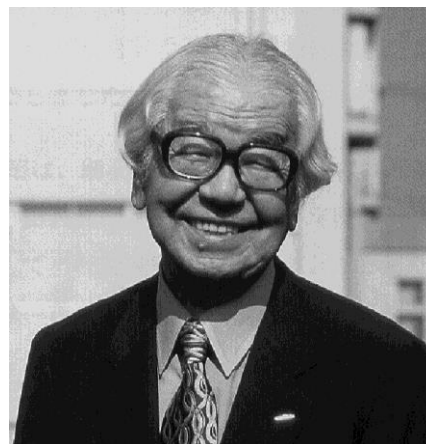
Support increased sales by providing maximum value to customers that emphasizes speed and efficiency

Fundamental Approach to Human Capital

- Murata's human capital: "A company is its people, and it's people who are at the core of value creation."
- We emphasize that employees, with which the Murata Philosophy resonates, can achieve satisfaction and continuing growth, then build trust and cooperate with others to demonstrate collective strength, in this way creating new innovations.

Murata Philosophy

We contribute to the
advancement of society
by
enhancing technologies and skills
applying scientific approach
creating innovative products and solutions
being trustworthy
and, together with all our stakeholders,
thankful for the increase in prosperity.



Founder Akira Murata

**Murata's human capital strengths developed
over years of practicing the Murata
Philosophy**

**Global penetration of Murata Philosophy
Employees who sympathize with the Murata
Philosophy and
sincerely practice it
CS* and ES* as key values
An organizational culture that maximizes
potential of diverse
individuals and helps their collaboration
A corporate culture that values innovation**

* CS (customer satisfaction): Continuing to create and provide value that is recognized by the customer.
* ES (employee satisfaction): Every employee achieves satisfaction and continuing growth through their work.

Initiatives to Enhance Human Capital

- Aiming to realize a continuous cycle of social value and economic value, we will promote human capital management that empowers people to grow in tandem with the business and helps to resolve new issues.
- We will foster a culture that accommodates diversity and further bolster the organizational strengths that are a competitive advantage for Murata, while emphasizing a sense of organizational unity by instilling our management philosophy.

	Actions	KPI
Leverage diversity in human resources to sustain and enhance our collective strength	<ol style="list-style-type: none"> Promote global rotation Acquire diverse personnel with a variety of experience and leverage the diversity Provide a variety of career paths Promote women's participation 	<ol style="list-style-type: none"> Percentage of overseas indirect employees with experience working at other sites Number of employees who were medium-career hires (including those from M&A), percentage of employees with management responsibilities who were medium-career hires (including those from M&A) Number of appointments to specialized managerial positions Percentage of women with management responsibilities, percentage of women among new hires, percentage of men taking childcare leave
Employee engagement that is born when employees are motivated and feel they are growing	<ol style="list-style-type: none"> Use global surveys to improve the organizational culture Encourage conversation between top management and employees Establish employee-friendly work environments and systems Safe and secure workplaces and health management 	<ol style="list-style-type: none"> Employee engagement positive response rate Number of training sessions by executives, number of participants at the sessions Employee turnover rate Occupational accidents per 1,000 employees, self-rated health, others
Acquiring and developing human resources to respond to a changing business environment	<ol style="list-style-type: none"> Attracting and acquiring human resources Developing human resources Continual training of candidates for next generation of management Acquiring and training DX human resources 	<ol style="list-style-type: none"> Number of persons hired (planned fulfillment rate), turnover rate within three years Cost of investment in human resource development Percentage of persons taking selective training who are promoted to senior management, succession position fulfillment rate DX human resources hiring plan fulfillment rate, number of persons taking DX training

Progress on DX

Murata Definition of DX

Enabling people and organizations (business processes) both inside and outside Murata to connect digitally and freely, then make processes **shorter, faster, and more visible**, in this way **continually driving** dramatic increases in customer value and competitiveness

Murata DX Policy

Increase per-hour productivity by continually investing in **digital infrastructure** and making full use of digital technologies. Encourage use of data, **connect business processes, and create new value**. Also contribute to Layer 3 portfolio domain. By executing and practicing these things, we will **foster a corporate culture of ongoing transformation**

Strengthen DX human resources



Digital infrastructure

Invest strategically in DX human resources and IT platform



Develop IT platform

Increase business process value with big data and AI



Use data to realize the desired state of our business processes



Create value with an end-to-end perspective



Create value by connecting data and connecting business processes

Create new value

Rationalize & shorten time

Increase per-hour productivity by implementing digital



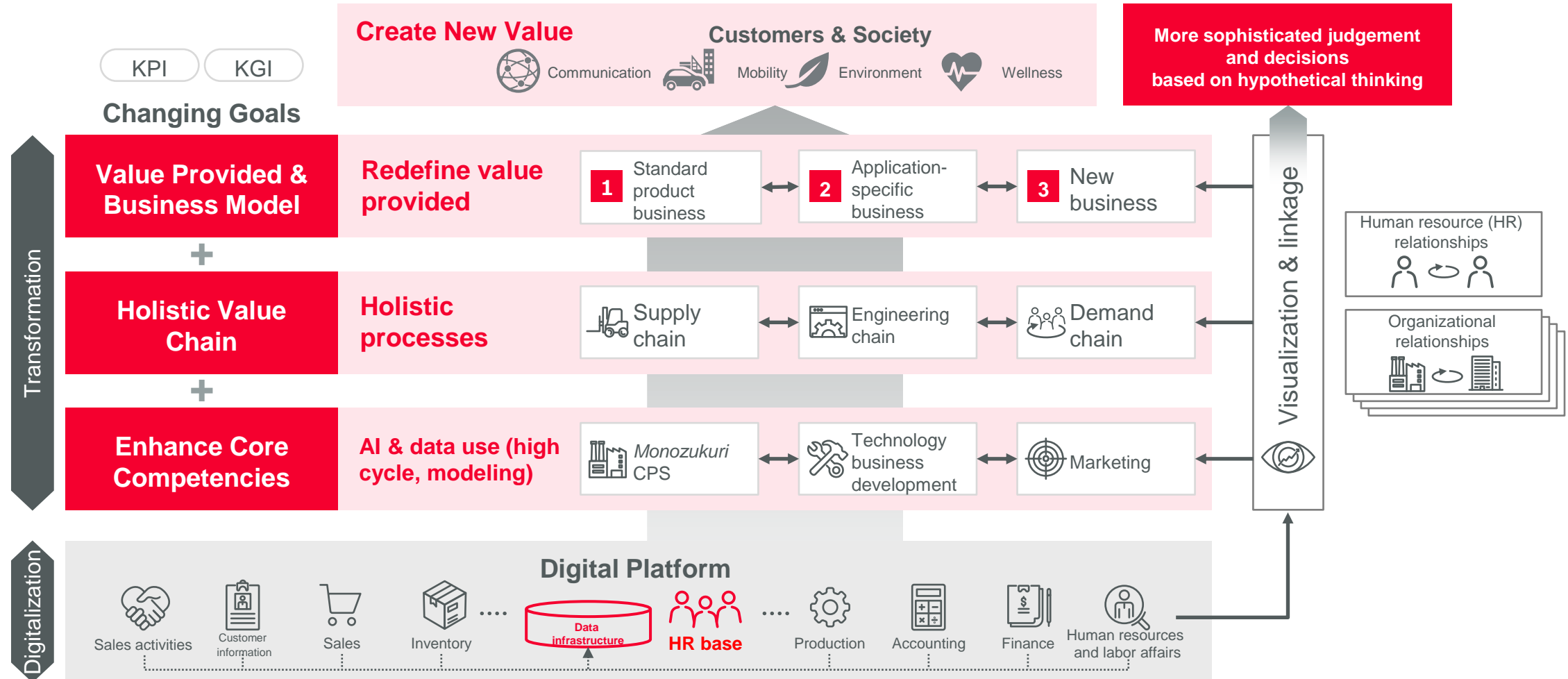
Make full use of existing tools



Automate routine business processes

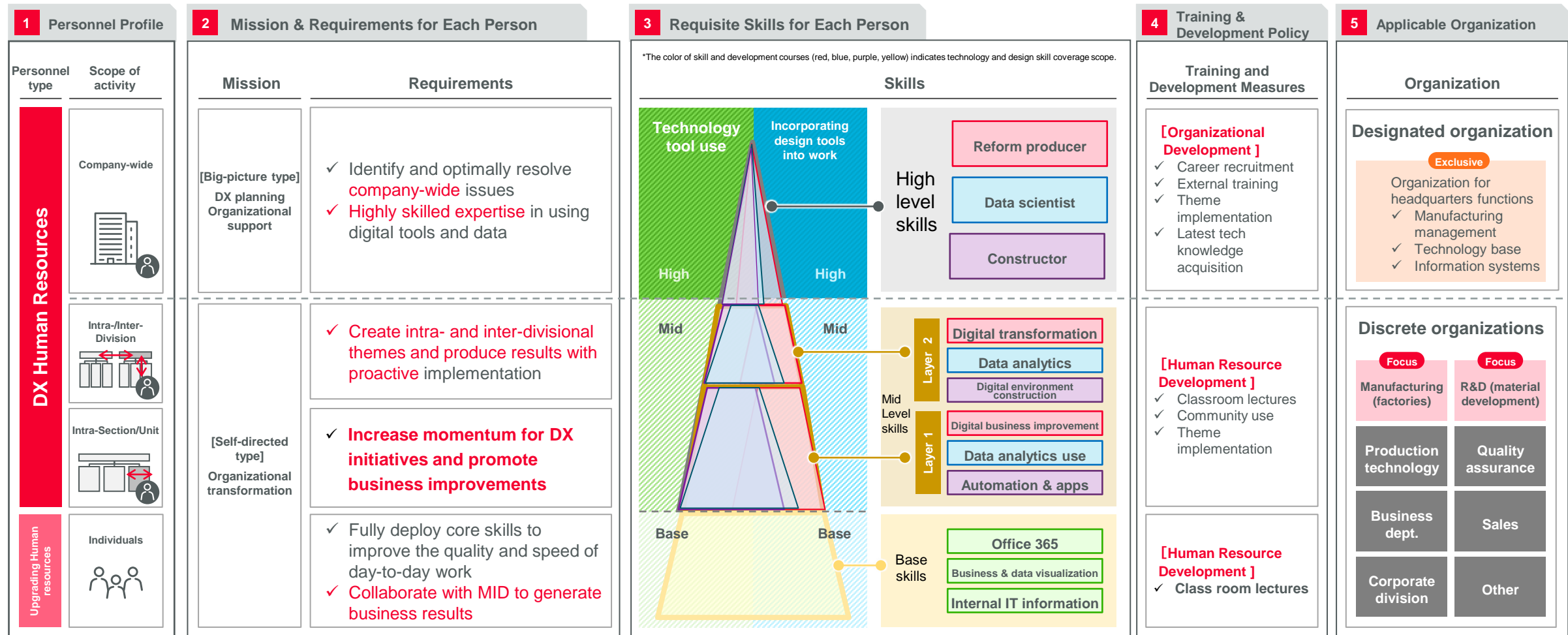


Enhance quality of communication



Move forward with DX to generate increased corporate value by deepening and accelerating the value creation process.

Overview of Using DX for Human Resource Development



- Strengthen DX human resources by leveraging Murata's strength in frontline execution
- Initiating DX themes across the Company enables us to identify needed changes centered on digitalization, then steadily drive this transformation with action.

Cautionary Statement on Forward looking Statements

This report contains forward looking statements concerning Murata Manufacturing Co., Ltd. and its group companies' projections, plans, policies, strategies, schedules, and decisions.

These forward looking statements are not historical facts; rather, they represent the assumptions of the Murata Group (the “Group”) based on information currently available and certain assumptions we deem as reasonable. Actual results may differ materially from expectations due to various risks and uncertainties. Readers are therefore requested not to rely on these forward looking statements as the sole basis for evaluating the Group. The Company has no obligation to revise any of the forward looking statements as a result of new information, future events or otherwise.

Risks and uncertainties that may affect actual results include, but are not limited to, the following:

1. Economic conditions of the Company's business environment, and trends, supply demand balance, and price fluctuations in the markets for electronic devices and components
2. Price fluctuations and insufficient supply of raw materials
3. Exchange rate fluctuations
4. The Group's ability to provide a stable supply of new products that are compatible with the rapid technical innovation of the electronic components market and to continue to design and develop products and services that satisfy customers
5. Changes in the market value of the Group's financial assets
6. Drastic legal, political, and social changes in the Group's business environment
7. Other uncertainties and contingencies.

The Company undertakes no obligation to publicly update any forward looking statements included in this report.