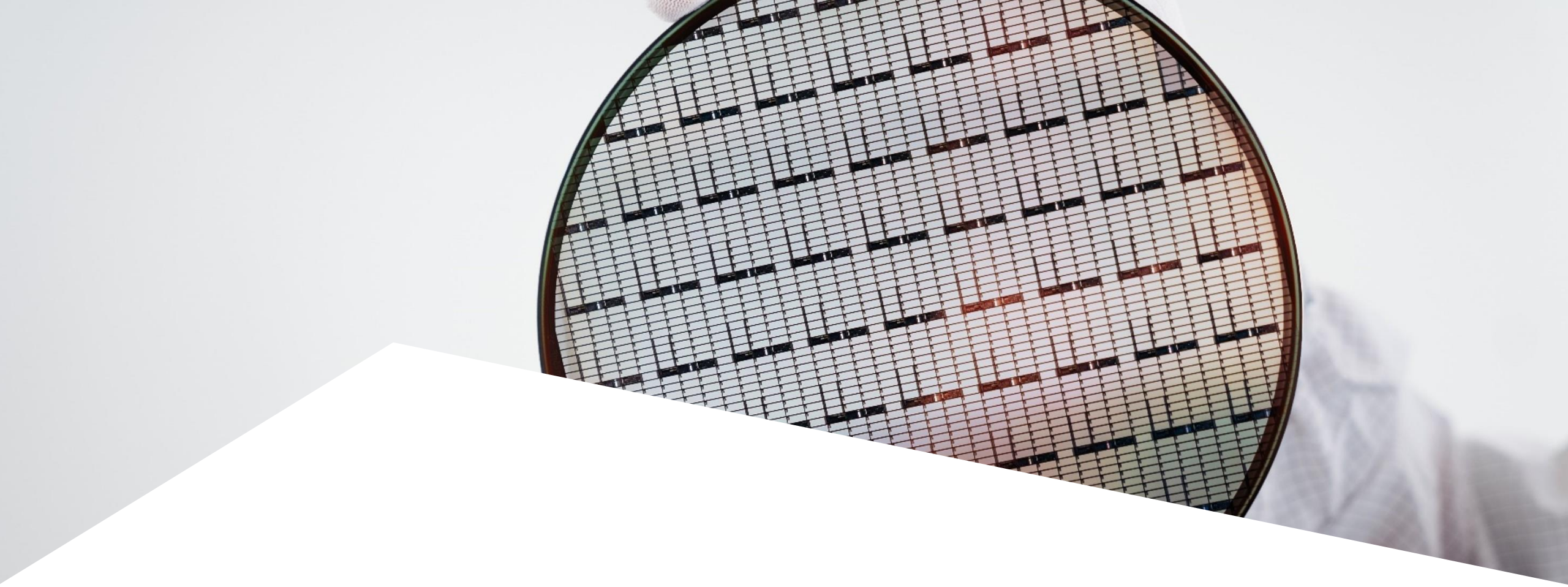


Infineon acquires GaN Systems

Becoming a leading GaN Power House

24 October 2023

Transaction rationale focused on scale and complementary capabilities

Combine complementary skills in application understanding and product definition to shape industry leading GaN based solutions

Accelerate Go-2-Market and revenue generation by leveraging IFX sales force to drive GaN Systems products into the market

Increase scale by combining IFX in-house and GaN System foundry manufacturing capacity

Scale, breadth, quality and deep application knowledge combined to accelerate GaN adoption

Perfect fit: Infineon and GaN Systems will propel customers' success

GaN portfolio

Broad portfolio of discrete and integrated MV and HV GaN products, incl. system enabling components (e.g. drivers, controllers)

Manufacturing capabilities

Dual-site in-house production combined with strong foundry partnerships

Perfect fit

Leading GaN IP and the industry's strongest R&D force to create highly innovative GaN based solutions

Application know-how

Best-in-class application know-how for creating new and improved systems, providing competitive advantage for our customers

Roadmap acceleration

Significant roadmap acceleration and faster time-to-market through unmatched R&D resources and application understanding

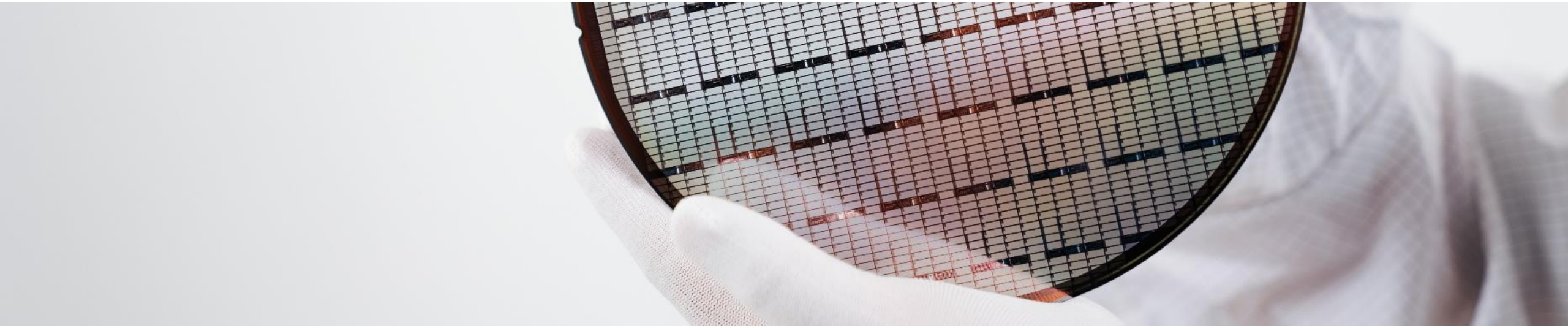
The acquisition supports our vision of driving decarbonization and digitalization, as GaN allows for higher efficiency

GaN provides superior switching performance, which results in **higher efficiency** and **lower system cost**

We are the **#1 in power, technology leader**, with 20 years of innovation in GaN providing all components (controllers, drivers, switches) for a **full system solution offering**

Our GaN technology offers **unmatched quality**, backed by **supply stability** through in-house manufacturing

GaN Systems acquisition positions Infineon to be a leading GaN Power House



Leading IP & strongest R&D force

Leading patent portfolio
for GaN – >350 patent families

~450 strong GaN team
high double-digit USD m GaN R&D p.a.

Best-in-class application under-standing
incl. automotive

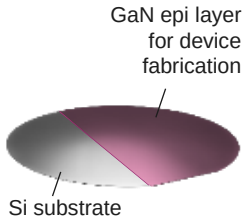
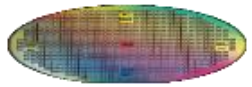
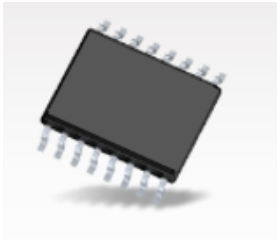
Leveraging foundry + IDM advantages

We own
key IP and all frontend process steps

We combine
foundry partner-ships and dual-site in-house production, ready for 8"

We target a leading market position

Joining forces and adding complementary strengths creates a winning formula for the GaN market

Substrates	Epitaxy	Frontend technology	Packaging	Product portfolio	Application understanding	Customer access
GaN fabrication starts with fully commoditized Silicon (Si) wafers						

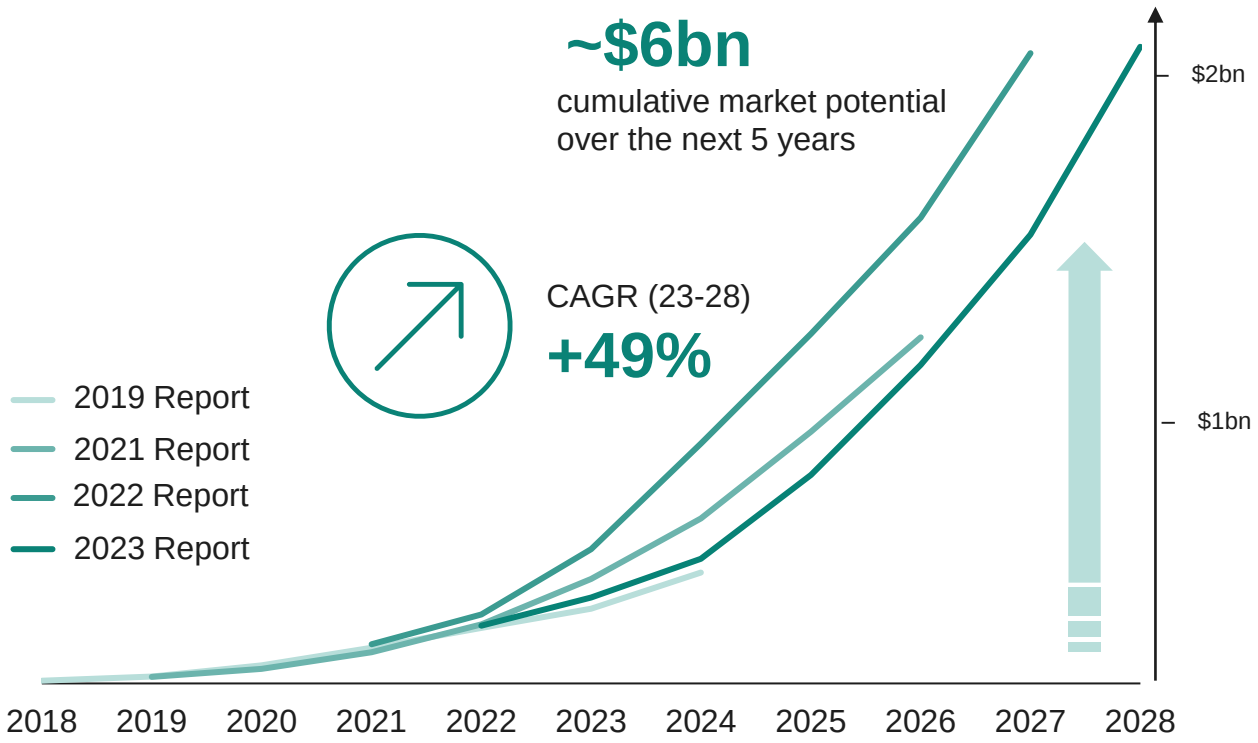
- Strong **IP portfolio**
- Dual-site **in-house** manufacturing (Villach, Kulim 3 in construction) **in transition to 8"**
- **Foundry** partnerships

- Full **system** offering, fast track to **GaN-specific topologies**
- High-volume standard and GaN-specific, low-parasitic packages
- **Monolithic integration** roadmap

- Broad **application** coverage to significantly accelerate roadmap
- Excellent **access** to lead customers, incl. automotive

GaN market is taking off, driven by key power applications

GaN market forecasts over time



Superior switching performance results in **higher efficiency** and **lower system cost.**

Applications w/ **tipping point** reached or in sight:

- Charger, adapter
- Server (high voltage)
- Residential solar
- On-board charger

Source: Yole: Power GaN Report 2023 & Compound Semiconductor Market Monitor-Module I Q4 2023.

GaN brings significant value proposition in many applications

On-board Charger

On-board charger: increasing power density from today's 2kW/l to 10kW/l with GaN

HP SMPS

*

HP-SMPS for server: GaN is enabling highest power density and efficiency, to enable Accelerated- and AI computing at lowest TCO

Charger & Adapter

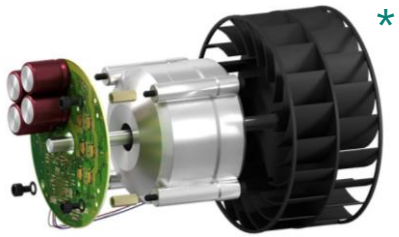
High-density charger & adapter: GaN enables smallest form factors for multiport chargers & adapters

Renewables


*

ESS DCDC converter: highest efficiency and space reduction with GaN vs Si implementation

Motor Control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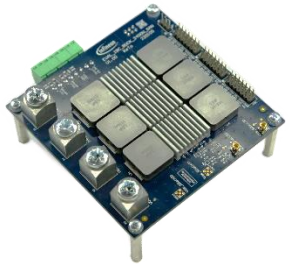
GaN increases of overall system efficiency by reduction of motor-current ripple and switching losses

48V DCDC

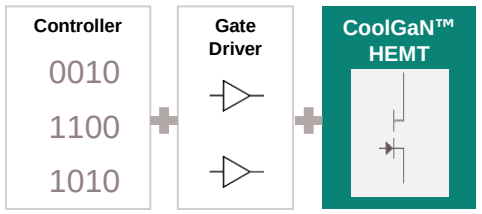


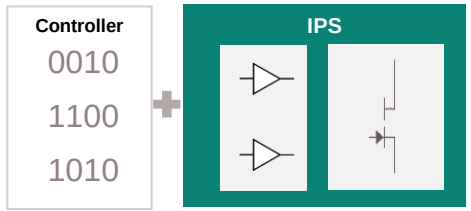
48V to ~7V/1V conversion: with GaN brings smalles form factors to Accelerated- and AI computing as well es Telecom brick converters

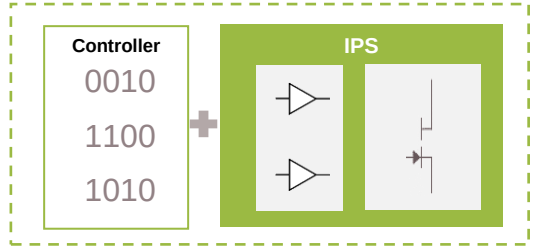
* image source: gansystems.com

Our offering:
Discretes, Integrated Power Solutions & Modules, System Solutions

Discrete solution	Integrated Power Solution & Modules	System Solution
CoolGaN™ HEMT	CoolGaN™ IPS	Controller + CoolGaN™ IPS







Software and Algorithms

Design flexibility

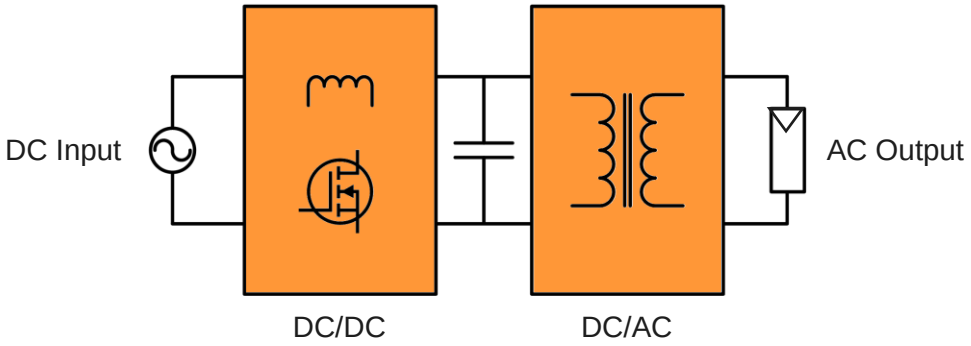
System development effort

Customer support

GaN is not a drop-in replacement for Si, best-in-class application know-how crucial for completely new and improved systems

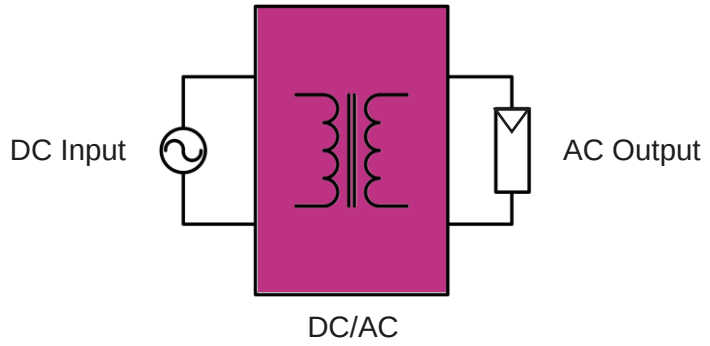
Example: different topologies for a solar inverter

Si **Two Stages**



VS

GaN **Single Stage**



Higher power density and therefore smaller
Higher efficiency
Reduced complexity/system cost

But: system redesign required

Summary: Infineon completes acquisition of GaN Systems Becoming a leading GaN Power House

This acquisition is another milestone in Infineon's strategic development, strengthening and accelerating our profitable growth and key competencies

Combined strengths in R&D resources, application understanding and customer project pipeline will significantly accelerate our joint GaN roadmap

We reinforce our global leadership in power systems through mastery of all relevant power technologies, in silicon, silicon carbide or gallium nitride

We will inform customers in a timely manner about any relevant changes that may occur during the integration process


Infineon