

ANNUAL MEETING OF STOCKHOLDERS

October 4, 2022

NASDAQ: RELL



Forward Looking Statement

This overview includes certain “forward-looking” statements as defined by the Securities and Exchange Commission. Statements regarding the Company’s business which are not historical facts represent “forward-looking” statements that involve risks and uncertainties. For a discussion of such risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see Item 1A, “Risk Factors” in the Company’s Annual Report on Form 10-K. The Company assumes no responsibility to update the “forward-looking” statements in this overview as a result of new information, future events, or otherwise.



Agenda

- Introductions: Edward J Richardson
- Formal Proceedings: Robert Ben
- Company Overview: Edward J. Richardson
- FY22 Financials: Robert Ben
- Power & Microwave Technologies: Greg Peloquin
- Canvys: Jens Ruppert
- Richardson Healthcare: Wendy Diddell
- Q&A: Edward J. Richardson

Introductions

- Board of Directors
 - Edward J. Richardson, Chairman of the Board, Chief Executive Officer & President
 - Paul J. Plante, Owner, Florida Fresh Vending; former President and CEO of Repron
 - Jacques Belin, Retired Managing Director of Thales Components and Subsystems
 - James Benham, Technical Consultant, Night Vision and Microwave Device Industry; Retired President of L-3 Communications/Electron Device Division
 - Kenneth Halverson, Consultant, Halverson Consulting, LLC; former President of Comdisco Healthcare
 - Robert Kluge, Retired President and Corporate Senior Vice President, Imaging Components Business of Varian Medical Systems, Inc.
 - Wendy Diddell, Chief Operating Officer and GM, Richardson Healthcare
- Independent Auditors
 - Christopher Tylka, Partner, BDO
- REL Management Team
 - Robert Ben, EVP and Chief Financial Officer
 - Greg Peloquin, EVP Power & Microwave Technologies Group
 - Jens Ruppert, EVP Canvys



Formal Proceedings

Robert Ben
EVP and Chief Financial Officer





Company Overview

Edward J. Richardson
Chairman of the Board, Chief Executive
Officer



ENGINEERED SOLUTIONS



Richardson Electronics (Nasdaq: RELL) designs and manufactures more than 60% of the products it sells for power, microwave, and imaging solutions to industries worldwide.

Technical expertise and “engineered solutions” based on our core engineering and manufacturing capabilities

Value added solutions through design-in support, system integration, prototype design and manufacturing, testing, logistics, and aftermarket technical service and repair

Global infrastructure and support to serve customers wherever they are located

Key Facts & Figures

FY2022 Sales:
\$224.6 million
(up 26.9% YoY)

FY2022 Net Income:
\$1.31 per diluted share
(vs. \$0.13 in FY2021)

Strong Balance Sheet:
Q1 FY2023 cash and investments of \$35.6 million and no debt

Certified Experts
ISO 9001:2015
ISO 13485: 2016
Certified

460+ Employees
Over half in sales, engineering and product management

Global Customers
Over 20,000 worldwide
OEM and end-user customers

Headquarters:
LaFox, Illinois

RELL is Global
60+ locations worldwide
with legal entities in 24 countries



Our Business Units



Power & Microwave Technology (PMT)

- TTM Revenue: **\$160.4** million
- Power grid and microwave tubes (EDG)
- Power management for 5G (PMG; started in 2014)
- In-house manufacturing and partnering with leading technology suppliers
- Global engineering and design support
- Key supplier to semiconductor industry



Green Energy Solutions (GES)

- TTM Revenue: **\$28.5** million
- Designs and manufactures key products for the fast-growing energy storage market and power management applications
- Leverages existing global infrastructure and expertise
- Products for numerous green energy applications such as wind, solar, hydrogen, EVs, and synthetic diamonds



Healthcare

- TTM Revenue: **\$12.4** million
- CT and MRI replacement tubes
- Diagnostic imaging replacement parts
- CT service training and technical support
- P3 Service Contracts for managing maintenance and repair costs
- State of the art manufacturing facility



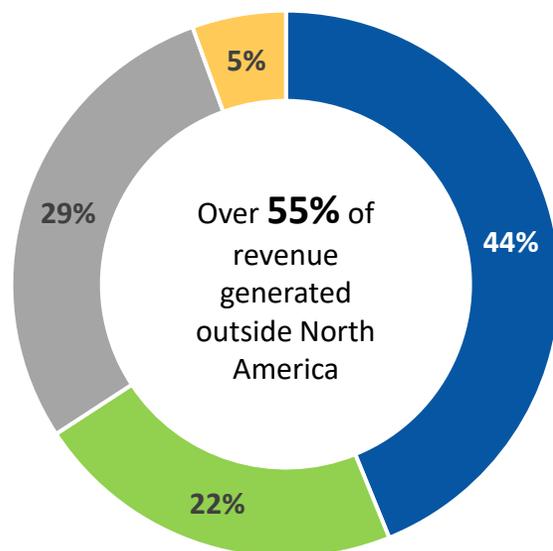
Canvys

- TTM Revenue: **\$37.2** million
- Custom display solutions for healthcare, industrial, retail and transportation applications
- All-in-one computer display solutions
- Engineering design and support

Local Service Supported Through Extensive Network of Over 60 Global Locations



FY22 Sales by Geography



■ North America ■ Asia/Pacific ■ Europe ■ Latin America

Sophisticated Global Infrastructure

- More than 60 sales offices & stocking locations
- Global field engineering support including 75 RF and Microwave and CT engineers for leading technology suppliers
- Service and repair supported by local presence
- IT Infrastructure supports global visibility into real time inventory, quote and orders
- Information shared across organization to identify opportunities and facilitate design wins

Global Logistics and Supply Chain Capabilities

- Importer of record in 24 countries with international distribution hubs in North America, Asia, and Europe
- Shipment to any location worldwide in one to three business days
- Transactions in local language, and local currency
- Maximum flexibility including small quantity orders
- ECCN items flagged for export control

Strategy Supported by Strong Core Business, New Products and New Markets



Management has created a strategic plan focused on driving growth and creating sustainable value for shareholders



Growth supported by strong core business, 75 years of engineering capabilities, and global platform



Strategy focused on leveraging core engineering capabilities to expand product lines into large, fast growing global markets



Global footprint supports customers and maintains strong strategic partnerships with leading manufacturers

New markets and applications support significant expansion to the Company's growth opportunities



Fiscal Year 2022 Financial Results

Robert Ben
EVP and Chief Financial Officer



FY 2022 Results

(in thousands)

Richardson Electronics, Ltd. Annual Shareholder Meeting

(in thousands, except per share amounts)

	FY2022	FY2021	Fav/Unfav
Net sales	\$ 224,620	\$ 176,937	\$ 47,683
Cost of sales	152,920	118,112	(34,808)
Gross margin	71,700	58,825	12,875
Gross margin %	31.9%	33.2%	
SG&A expenses	55,723	55,925	202
% of net sales	24.8%	31.6%	
Loss on disposal of assets	20	13	(7)
Operating income	15,957	2,887	13,070
% of net sales	7.1%	1.6%	
Total other expense (income)	198	579	381
Income before income taxes	15,759	2,308	13,451
Income tax (benefit) provision	(2,168)	653	(2,821)
Net income	\$ 17,927	\$ 1,655	\$ 16,272
% of net sales	8.0%	0.9%	
Net income w/o TVA adjustment	\$ 13,927	\$ 3,255	\$ 10,672
% of net sales	6.2%	1.8%	
Earnings per diluted share	\$ 1.31	\$ 0.13	\$ 1.18
Earnings per diluted share w/o TVA adjustment	\$ 1.02	\$ 0.25	\$ 0.77

CELEBRATING
75 YEARS
1947-2022

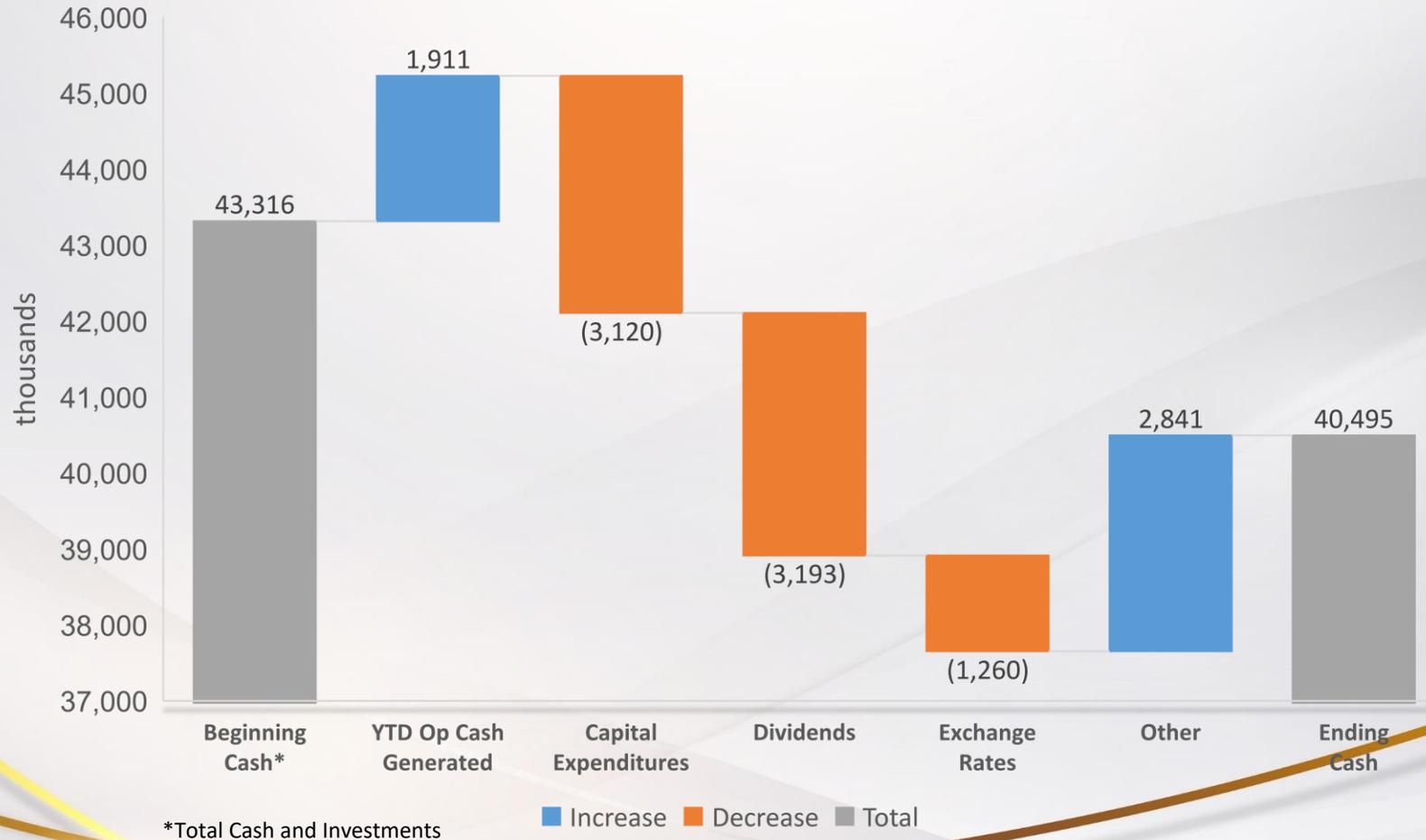


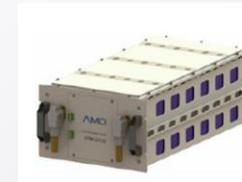
FY 2022 Balance Sheet

(in thousands)

	FY22 4th Qtr	FY22 3rd Qtr	FY22 2nd Qtr	FY22 1st Qtr	FY21 4th Qtr	FY20 4th Qtr
Cash & Investments:						
Cash	\$ 35,495	\$ 39,147	\$ 39,665	\$ 36,418	\$ 43,316	\$ 30,535
ST investments	5,000	-	-	-	-	16,000
LT investments	-	-	-	-	-	-
Total	\$ 40,495	\$ 39,147	\$ 39,665	\$ 36,418	\$ 43,316	\$ 46,535
Working Capital:						
Accounts Receivable	\$ 29,878	\$ 31,605	\$ 27,489	\$ 29,724	\$ 25,096	\$ 20,197
Inventories	80,390	73,673	70,741	67,649	63,508	57,492
Accounts Payable	(23,987)	(20,744)	(18,871)	(17,421)	(16,979)	(17,372)
Working Capital	\$ 86,281	\$ 84,534	\$ 79,359	\$ 79,952	\$ 71,625	\$ 60,317

FY 2022 Cash Flow





PMT/Green Energy Solutions

Greg Peloquin,
EVP and General Manager

PMT Strategy – Solving Our Customer and Technology Partners Problems

- Focus on technology partnerships with leaders in electron devices, power semiconductors, and RF/Microwave components and systems.
- Global relationship and capabilities to bring those products to market and to support those products through engineering, design, and logistics support.
- Growth in the **Green Energy**, Power Management, and RF/Microwave applications and markets – we differentiate ourselves in attacking these markets through:
 - Global infrastructure
 - Demand creation – field engineering
 - Design, manufacturing, and testing capabilities
 - Niche products, markets, and designs
 - Disruptive technology and legacy products
 - Existing strong customer and supplier relationships
- Focus on bringing new products and technologies to market in the RF, Microwave, Power Management, and **Green Energy** space while maximizing our market share with legacy products to support our global customers and suppliers' problems.

FY22 Highlights

- Improved profitability with top line growth through new technology partners and market share gains in key growth areas
 - Signed new technology partners that fill technology gaps in our capabilities
 - Investments in engineering, manufacturing, and test for high growth markets.
 - Introduce new **Green Energy** products and patented designs
 - Major increase in our market share of Pitch Energy Modules (PEM) with over 23,000 shipped in FY22
 - Semiconductor wafer fab market growing with demand for smart devices
- Increased the customer base for the Patented ULTRA3000[®] Ultracapacitor Module for Wind Turbines — designed and manufactured in LaFox, IL.
- Market share gain in **Green Energy** applications such as synthetic diamonds and electric locomotives
- Strong cost control management in every aspect of our business increasing our profitability with top line growth



PMT FY23 Key Initiatives

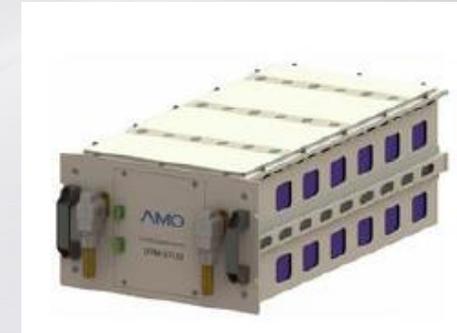
- Hard launch on our new technologies in **Green Energy**, Power Management, and RF/Microwave, supporting our top line growth initiatives.
 - Capitalize on our existing infrastructure
 - Realize revenue gains from new suppliers, customers, and new products
 - Realize increased revenue from design wins to improve margin
- Expand our customer base and markets
 - Identify growth opportunities for Engineered Solutions
 - Expand market-share at existing customers through associated selling efforts
 - Identify technology partners and products to support/expand our niche markets



ULTRA3000®



UltraGEN3000™



EVL3000



PMT FY23 Key Initiatives

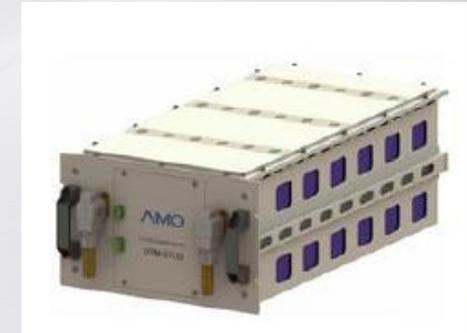
- Grow and monitor market share in our power grid and microwave tube business
 - Protect this strength and profitable business through continual contact
 - Focus on margin improvement
 - Look at ways to be more efficient and cost effective
- Manage cost and investments in line with improved profitability objectives
 - Capitalize on our existing infrastructure
 - Eliminate redundancies and improve efficiencies
 - Maximize use of cash by carefully controlling expenses and making smart investments to maximize our ROI



ULTRA3000®



UltraGEN3000™



EVL3000



Canvys

Jens Ruppert,
EVP and General Manager

Canvys Strategy

- Understand the visual technology needs of Original Equipment Manufacturers and other customers and deliver solutions that exceed their expectations.
- Serve unique markets, including the medical device, public transportation and industrial markets, with very high quality and strict product life-cycle requirements.
- Utilize engineering and sourcing experience combined with global infrastructure to provide innovative and competitively-priced display and All-in-One PC solutions for small to mid sized volume opportunities.

Canvys FY22 Highlights



- Generated direct operating contribution.
- Double digit YoY growth despite the COVID-19 pandemic.
- Won several important deals in the medical, industrial and transportation markets that are the foundation for growth in FY23 and beyond.
- Backlog grew to more than \$50M by fiscal year end.



Canvys FY23 Key Initiatives



- Focus on new customer acquisition without losing sight of existing customers and programs.
- Pursue new technologies and other means of differentiating products.
- Ongoing strategic review with the objective of keeping Canvys a significant contributor to operating profit.



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Richardson Healthcare

Wendy Diddell,
EVP, Chief Operating Officer and
General Manager



Healthcare Strategy

- Richardson is the first global non-OEM provider of Diagnostic Imaging replacement parts, training and support solutions
- We differentiate ourselves from other replacement parts providers by offering high value solutions
 - Third party and CPO replacement CT tubes
 - P3 capitated-risk parts contracts
 - Parts customs cleared in days, not weeks
 - Best in class training and support programs
 - Significant savings compared to OEMs
- Replacement CT Tubes are the key to our overall strategy



Healthcare FY22 Highlights

- Full year sales of \$11.4M 10% above prior year sales of \$10.3M
 - Parts/P3 sales on plan and 21.3% above prior year; new parts high for the year
 - Equipment sales availability remained constrained
 - Tube sales were 7.2% higher than previous; no G tubes for sale
 - Europe sales down to prior year due to Ukraine
- SG&A below prior year by 8.7% due to expense controls and utilizing existing resources; higher R&D expense associated with ALTAG and Siemens
- ALTAG, second Canon tube, in limited release
- Made good progress with Siemens repair program
- Smaller operating loss than prior year

Healthcare FY23 Key Initiatives

- Grow Sales
 - Double the number ALTA tubes sold
 - Achieve moderate increases in Parts and Equipment sales
- Improve Gross Margin
 - Maintain sufficient production levels through improved processes
 - Reduce scrap through improved processes, quality control
- Maintain SG&A
- Launch Siemens Repaired Tubes
- Continue to closely manage inventory while supporting new platforms
- Achieve profitability by Q4 FY24



Questions and Discussion
Edward J. Richardson





A Legacy of Engineered Solutions.
A Future of Innovation.