

**AT&S**

**RESULTS Q1-3 21/22  
CONFERENCE CALL**

February 03, 2022

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# KEY DEVELOPMENTS Q1-3 21/22

## Business expansion on track

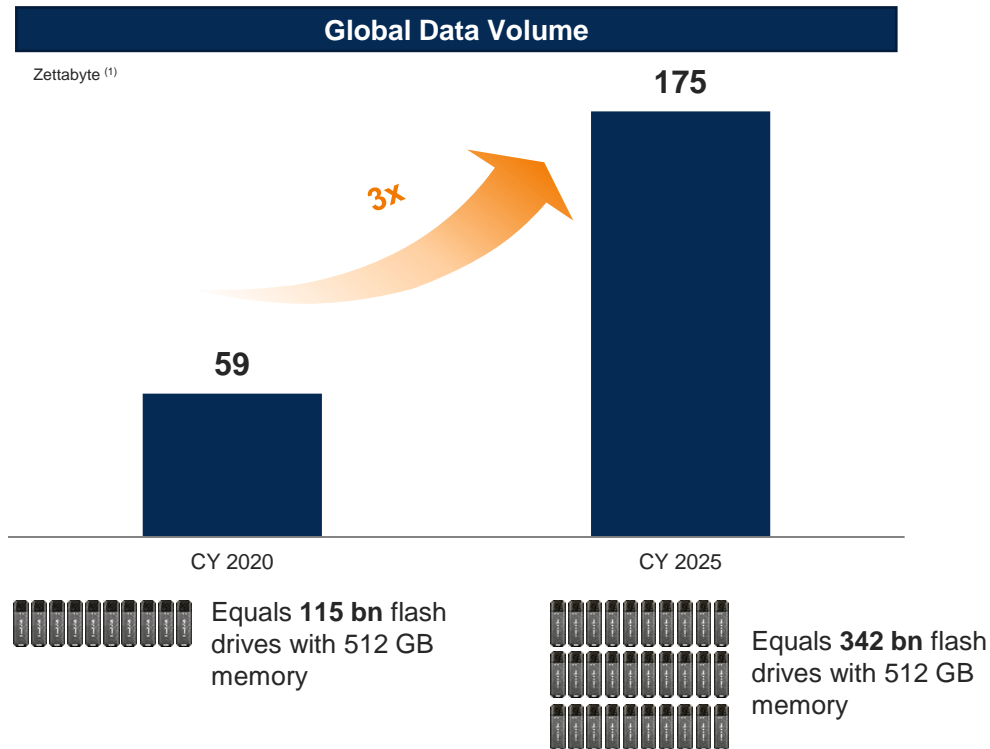
- Strong revenue and EBITDA growth of +30%
  - Adjusted EBITDA growth of +37%
  - All business segments contributed to company growth
- Negative impact from FX, transport and energy costs
- Strengthen R&D activities to secure technology leadership
- Successful placement of new € 350 MM hybrid bond in January
- Capacity expansion projects fully on track
- Minor impact from chip shortage
- Full-year revenue guidance increased

# MARKET UPDATE

Peter Schneider, CSO



# DATA WILL BE A KEY GROWTH DRIVER FOR THE MICROELECTRONICS INDUSTRY



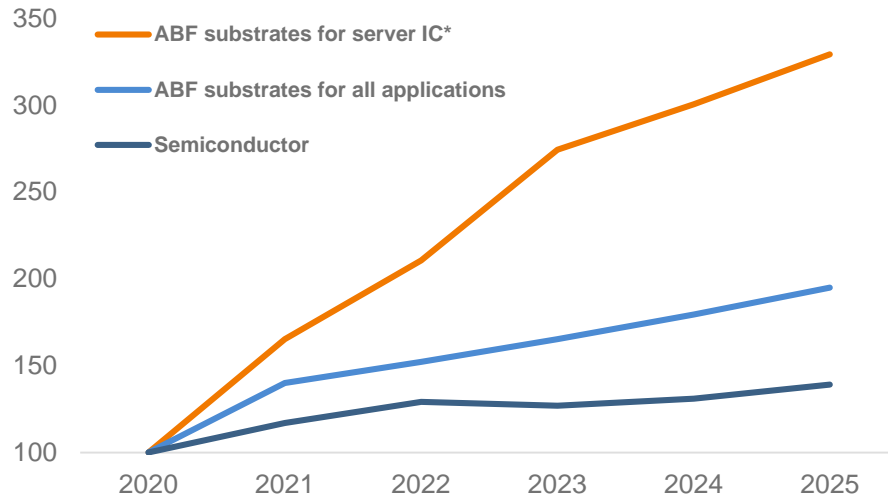
Source: IDC (2019, 2020)

1. One zettabyte corresponds to  $2^{70}$  bytes, i.e. 1 bn terabytes

# ABF SUBSTRATES GROWTH OUTPERFORMS SEMICONDUCTOR DEMAND

## ABF substrates & Semiconductor market projections

Normalised market value (rebased to 100% at 2020 levels)



- Increased data volume will require significant performance improvement in processors
- Higher level of functional integration drives need for more sophisticated ABF substrates
- Heterogeneous integration for server IC requires larger substrates with more layers
- Value-based growth is driving market demand

\* Server CPUs, Accelerators, Networking  
Source: IDC, Prismark, Gartner, internal assessment

# HIGH-END FOCUS RESULTS IN STRONGER GROWTH

## AUTOMOTIVE

- Ongoing chip shortage
- General trend of more electronic content per vehicle



23%

## INDUSTRIAL

- Infrastructure investments
- Economy tailwind



22%

## MEDICAL

- Stable growth rates
- Diversification of applications



14%

YoY Market Growth

# POSITIVE MOMENTUM IN OUR MAIN MARKETS

## CONSUMER – COMPUTER – COMMUNICATION

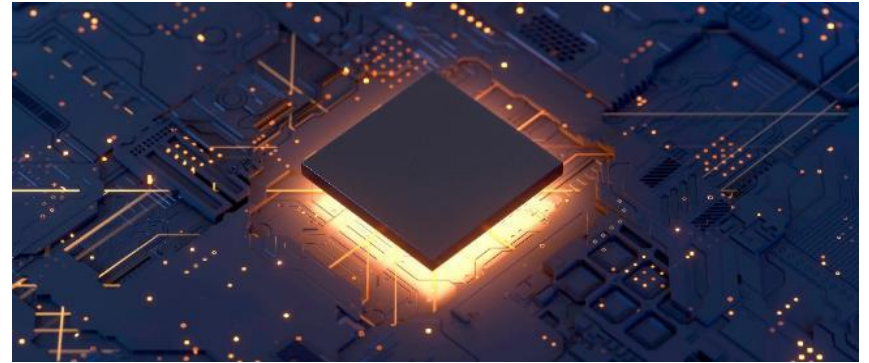
- Push for new applications through increasing interest in virtual/augmented reality
- Diversification on track



22% | 22% | 17%

## SUBSTRATES / SEMICON

- Dynamic market growth limited by capacity
- Partnering with customers to expand



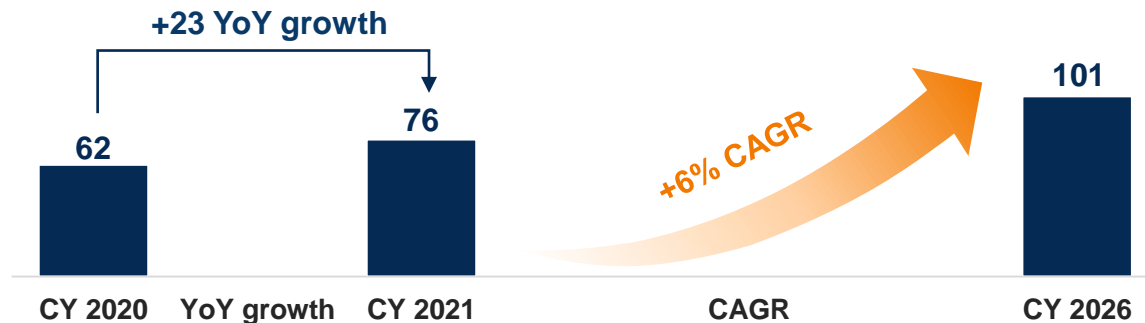
43%

YoY Market Growth

# AT&S IS AT THE CENTRE OF A MASSIVE AND GROWING MARKET OPPORTUNITY

## Positive momentum across all key markets

Market size in \$ bn

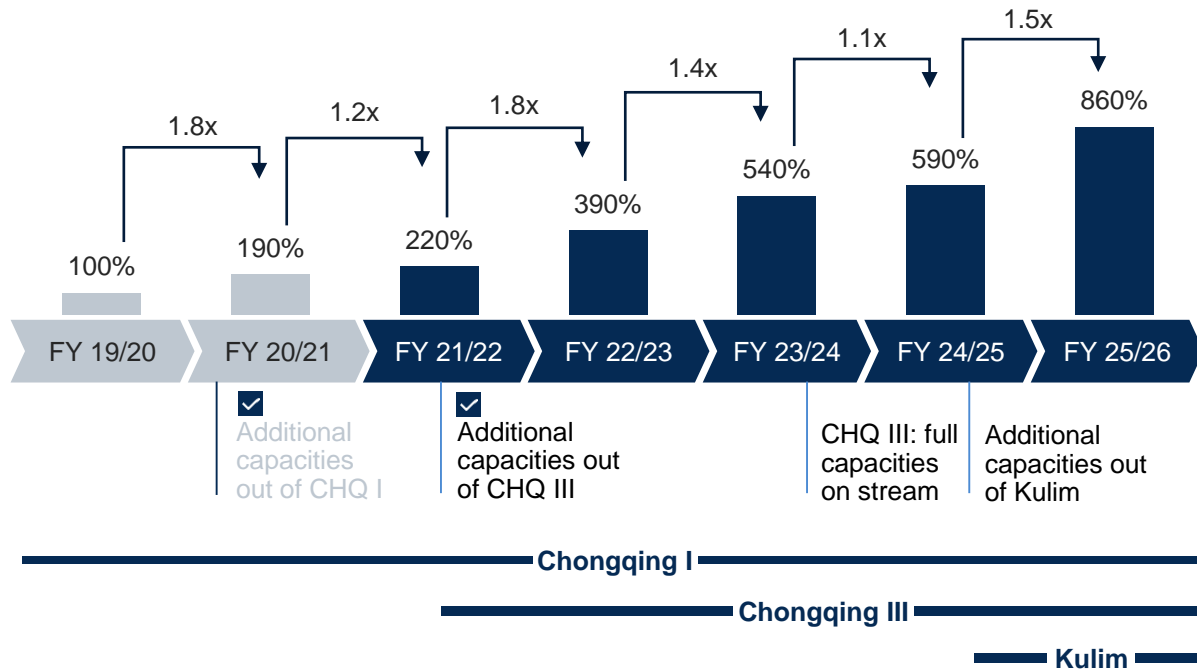


	CY 2020	YoY growth	CY 2021	CAGR	CY 2026
<b>ABF Substrates*</b>	7.4	+43%	10.6	+12%	18.6
<b>Automotive</b>	6.3	+23%	7.8	+7%	10.9
<b>Communication</b>	18.0	+17%	20.9	+6%	28.6
<b>Medical</b>	1.2	+14%	1.4	+4%	1.7
<b>Consumer</b>	8.0	+22%	9.7	+3%	11.2
<b>Aviation</b>	2.8	+13%	3.1	+3%	3.6
<b>Industrial</b>	2.5	+22%	3.0	+2%	3.5
<b>Computer</b>	16.3	+22%	19.9	+2%	22.5



# ON OUR WAY TO BECOME ONE OF THE TOP PLAYERS IN ABF SUBSTRATES

## Installed ABF substrates capacity



### Chongqing III (CHQ III)

- Ramp-up of capacities fully on track
- 1<sup>st</sup> line started high volume production
- Full capacities available as of the beginning of Q3 23/24

### Kulim

- Construction/piling proceeds as planned
- First employees on ground
- High volume production scheduled for the end of CY 2024

Based on front end equivalents (rebased to 100% at 2019/20 levels)

# CAMPUS KULIM (MALAYSIA)



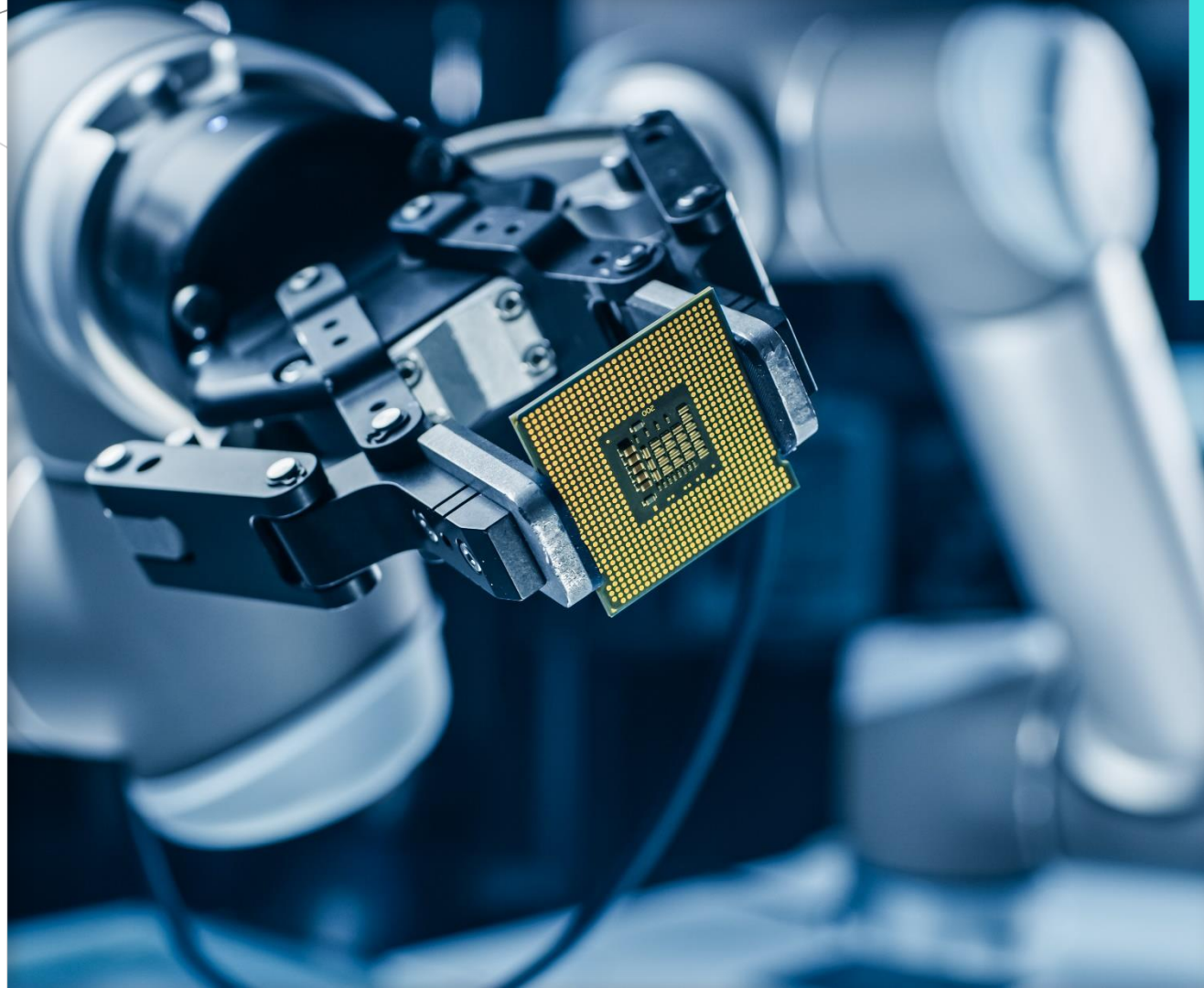
# WE PROMISE AND WE DELIVER

- We presented AT&S as one of the top players in HDI printed circuit boards:  
**Achieved – we have been among the top 3 for several years**
- We transform from a PCB manufacturer to an Interconnection Solutions Provider:  
**Level 0 – high-quality printed circuit boards**  
**Level 1 – Modules business (Substrates, Module PCBs)**  
**Level 2 – Ongoing preparations to provide solutions for Complete Modules**
- We announced high volume production in CHQ 3 by 21/22:  
**High volume production started end of Q2 21/22**
- We guided a significant revenue increase in 21/22:  
**Current year guidance increased to 28–30%, which is above expected market growth of 23%**
- We are on our way to become one of the top players in ABF substrates:  
**From #5 today to #3 in future**
- We announced the € 3.5 billion in sales by 25/26:  
**We are on track to achieve our mid-term target**



# RESULTS Q1-3 21/22

Andreas Gerstenmayer, CEO



## Q1-3 21/22 RESULTS SUMMARY

Revenue **+30%**

**€ 1,147 MM**

- Negative FX effects of € 18 MM

EBITDA margin **+12 bps**

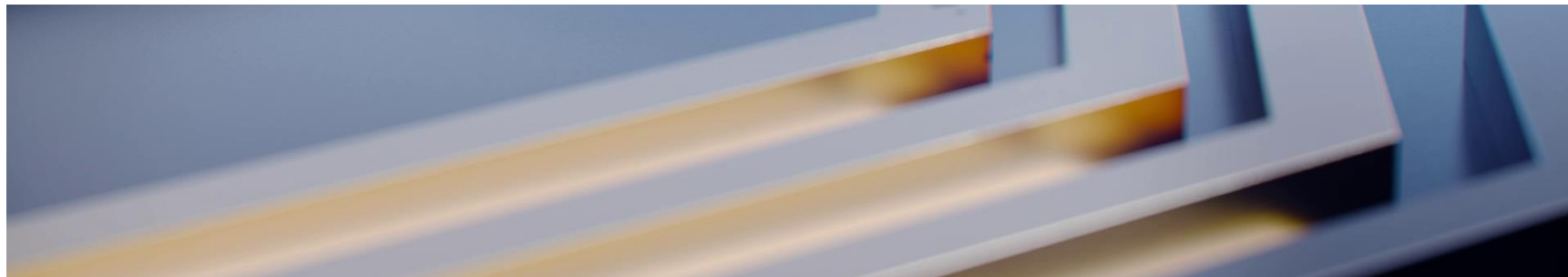
**21.3%**

- EBITDA margin burdened by negative FX effects of € 30 MM

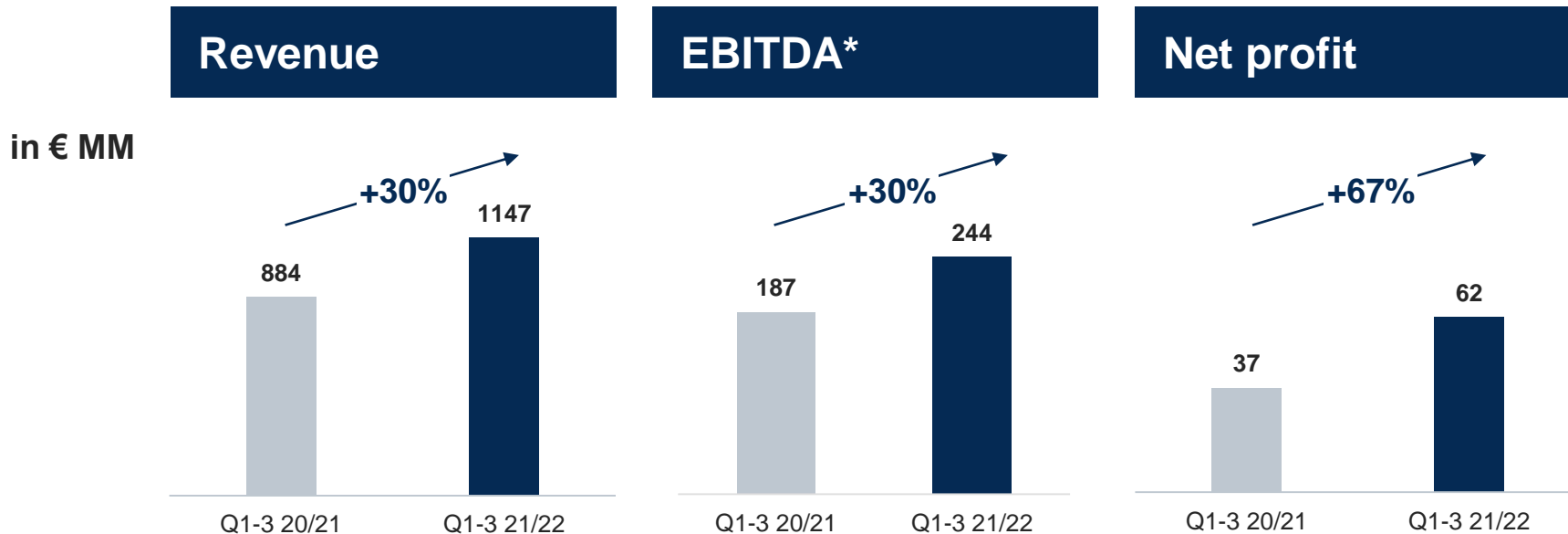
Adjusted EBITDA margin **+117 bps**

**22.9%**

- Start-up costs for materials and wages of € 18.5 MM excluded



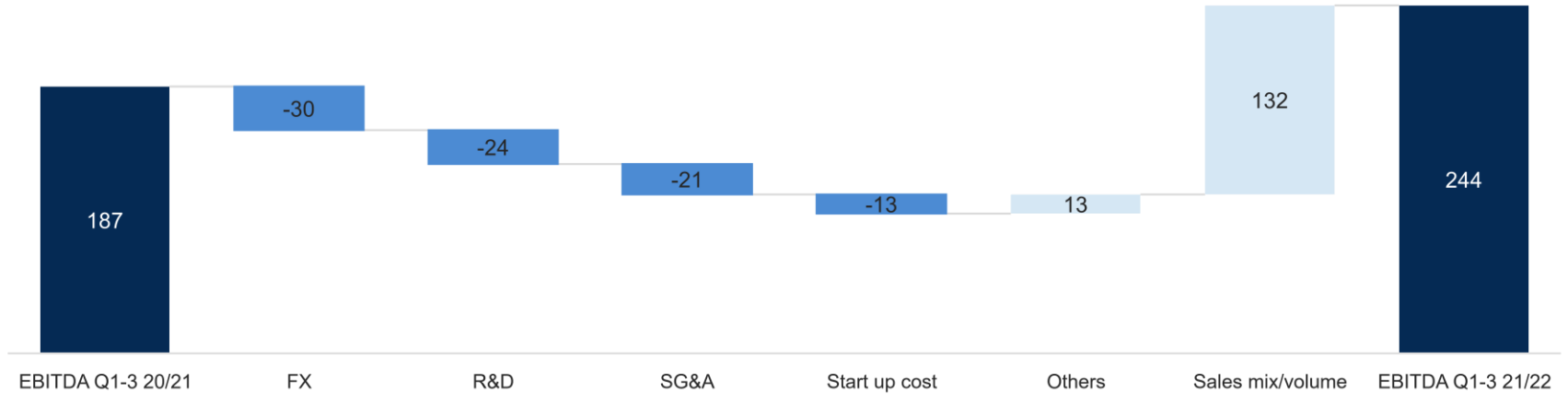
# Q1-3 21/22 RESULTS SUMMARY



\* Adjusted EBITDA increase of 37% to € 262 MM (Q1-3 2020/21: € 192 MM)

# EBITDA BRIDGE

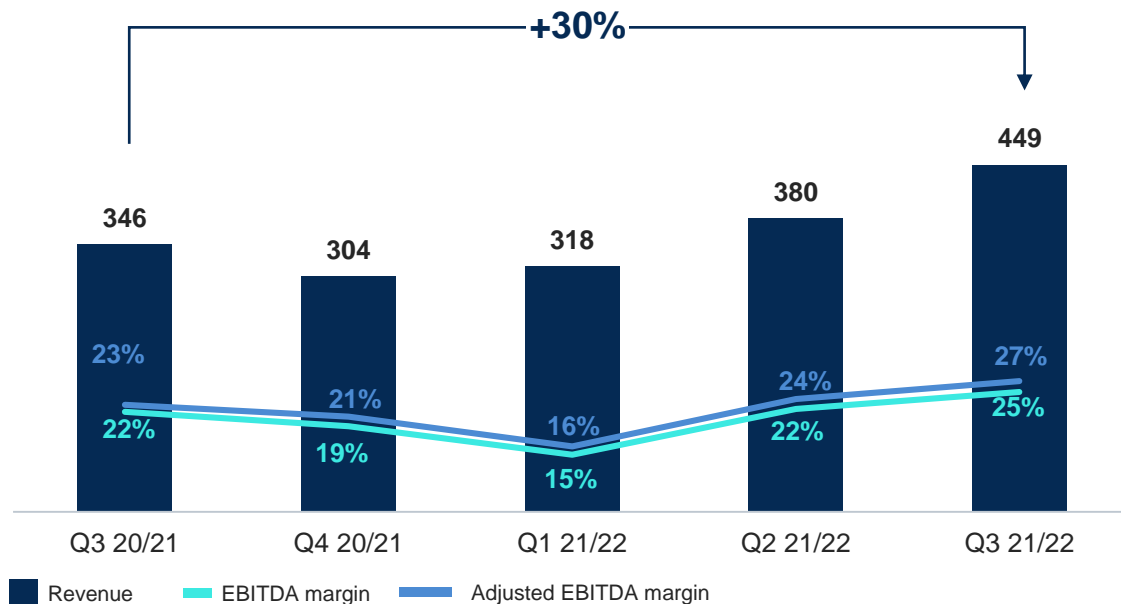
in € MM



Investments to prepare for future growth

# QUARTERLY REVENUE AND EBITDA MARGIN DEVELOPMENT

in € MM

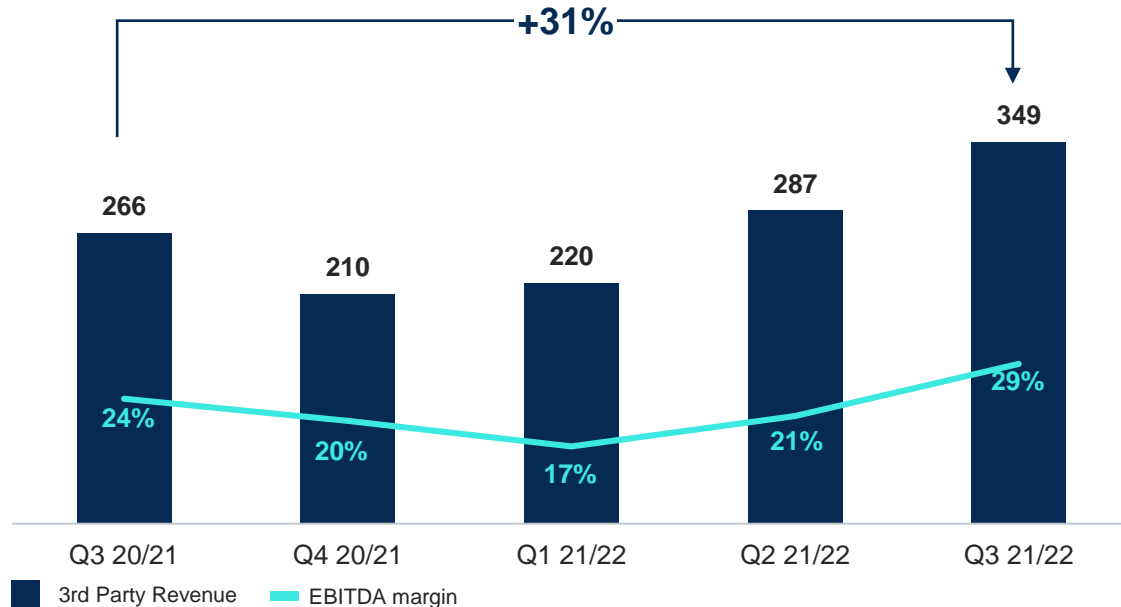




# BUSINESS DEVELOPMENT

## Mobile Devices & Substrates

in € MM



**Additional Chongqing capacity** lifts revenue to record level

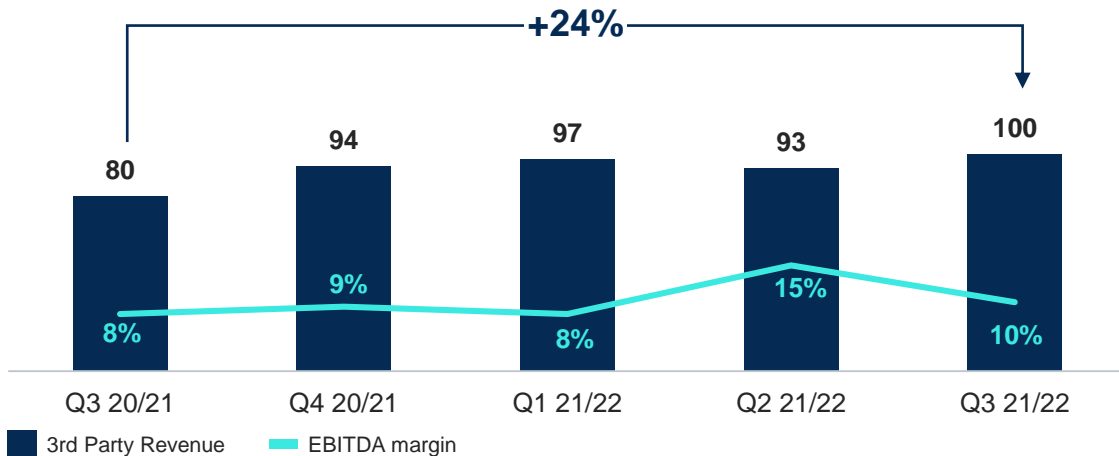
Ongoing strong demand for **PCBs for modules**

**EBITDA margin** driven by better product mix

# BUSINESS DEVELOPMENT

## Automotive, Industrial & Medical

in € MM



**All divisions** grew YoY with Industrial as main driver

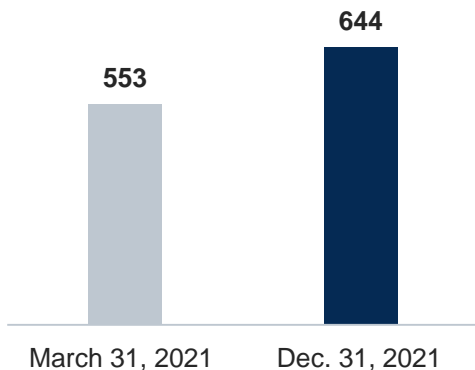
Quarterly revenue on **highest level** in history

**Minor impact** from chip shortage

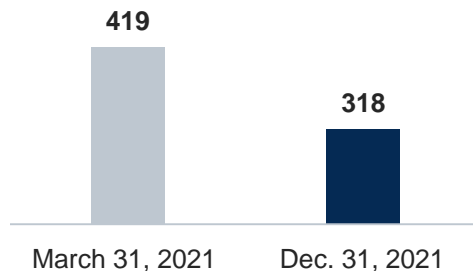
# Q1-3 21/22 FINANCIAL POSITION

## Cash & cash equivalents

in € MM



## Unused credit lines



## Balancing capital allocation

- Deploying capital with clear approach to invest in strategic growth markets

**Solid financial structure with  
€ 962 MM cash, cash equivalents  
and unused credit lines**

# BALANCE SHEET

€ MM	March 31, 21	Dec. 31, 21	Change in %
Total assets	2,390	<b>3,016</b>	+26%
Equity	802	<b>952</b>	+19%
Equity ratio	34%	<b>32%</b>	-200bps
Net debt	509	<b>672</b>	+32%

➤ Ongoing expansion and technology upgrades main drivers for increase in total assets

➤ Stronger increase in total assets weighs on equity ratio

➤ Higher CAPEX feeds into liquidity and drives up net debt

# CASH FLOW

€ MM	Q1-3 20/21	Q1-3 21/22	YoY Change in %
CF from operating activities	177	<b>332</b>	+88%
CF from investing activities	-208	<b>-414</b>	-99%
CF from financing activities	37	<b>163</b>	>+100%
Operating free CF*	-128	<b>-105</b>	+18%
Net CAPEX	304	<b>436</b>	+43%



Incl. upfront payments for Kulim



Higher CAPEX and lower repayments from time deposits



Operating free CF mainly driven by upfront payments and higher CAPEX

\* Cash flow from operating activities minus Net CAPEX

# CURRENT YEAR GUIDANCE

## FY 21/22 – Revenue guidance increased

<b>Growth</b>	Revenue growth of 28–30% (previous: 21–23%)
<b>Profitability</b>	<ul style="list-style-type: none"><li>▪ Adjusted EBITDA margin of 21–23%</li><li>▪ Adjustment: Start-up effects of the Chongqing and Kulim projects with an amount of approx. € 25–35 MM (previous: approx. € 50 MM)</li></ul>
<b>Investments</b>	Net CAPEX of up to € 700 MM

# MID-TERM GUIDANCE

## FY 25/26

<b>Growth</b>	Revenue approx. € 3.5 bn (CAGR +24%)
<b>Profitability</b>	<ul style="list-style-type: none"><li>▪ EBITDA margin of 27–32%</li><li>▪ ROCE of &gt;12% with ramp-up of production</li></ul>
<b>Others</b>	<ul style="list-style-type: none"><li>▪ Net debt/EBITDA: &lt;3 (can be temporarily exceeded)</li><li>▪ Equity ratio: &gt;30% (may temporarily fall below)</li></ul>



**THANK YOU FOR YOUR ATTENTION**



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