

**AT&S**  
**First choice for advanced applications**  
**13th Digital Austrian Equity Days**  
**7. April 2021**

**AT&S**

AT & S Austria Technologie & Systemtechnik Aktiengesellschaft | Fabriksgasse 13 | A-8700 Leoben

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[www.ats.net](http://www.ats.net)

# Driving sustainability

High level of social, ecological and economic responsibility



### Achievements<sup>1</sup>

- Share of renewable energies of 47%<sup>2</sup>
- Share of women in leadership positions of 19%
- Innovation revenue rate of 21%
- 95% of suppliers signed our Code of Conduct

▪ <sup>1</sup> as of 31.12.2020  
 ▪ <sup>2</sup> including big hydro power

Rated by	
	<b>Outperformer</b> 2019 Overall Score: 77
	<b>Prime</b> 2020 Corporate Responsibility: B-
	<b>BBB</b> 2021 ESG rating
	<b>Climate Change</b> <b>Water Security</b> 2020: B- Management   2020: B Management

# Leading provider of high-end PCBs and IC substrates

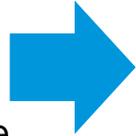
Well positioned for the future

# 2

high-end PCB  
producer worldwide

# 5

ABF substrates  
producer worldwide

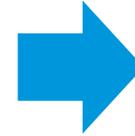


# 3

in  
FY 2024/25

€ 1bn

revenue  
FY 2019/20



€ 2bn

revenue  
FY 2023/24

## ■ Unique market position

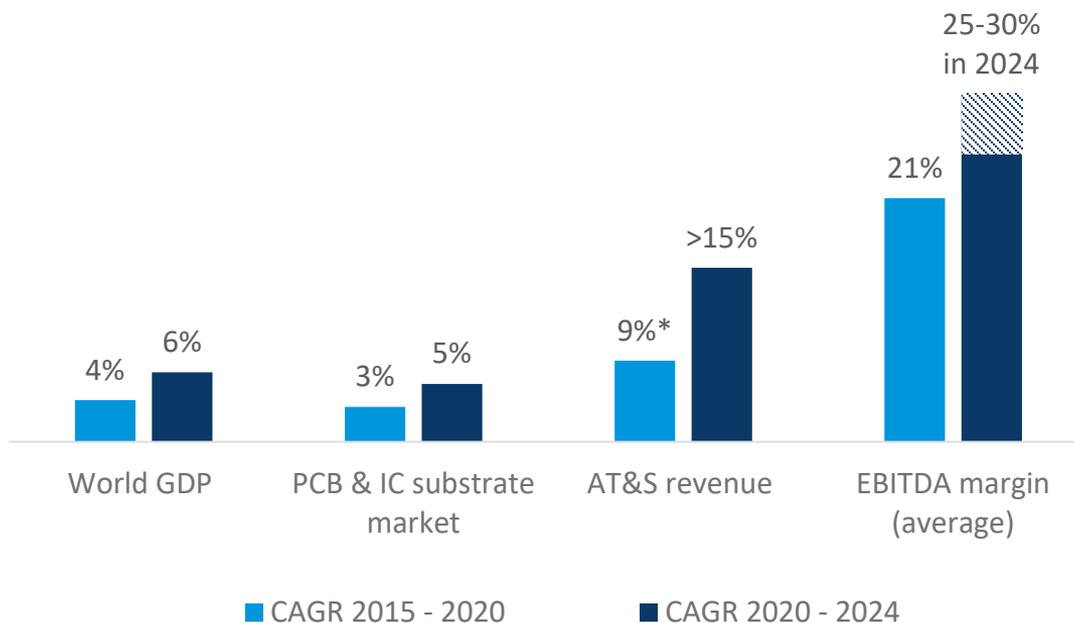
- Broad product portfolio to serve all growth markets
- Long-standing customer relationships with technology and market leaders
- Technology innovator due to continuous R&D efforts
- Quality benchmark with outstanding process know-how, productivity and efficiency

## ■ Growth oriented strategy

- Megatrend-driven markets with attractive growth potential
- Address growth opportunities with incremental investments

# An exciting growth story

AT&S with faster revenue growth than market



\*Revenue 2020/21 assumes envisaged growth of around 15%



# Growing profitably with served markets

## Expanding served markets

- IC substrates/modules: 11% market growth until 2025

> 15 %  
Revenue CAGR 2020 – 2024

25 – 30 %  
EBITDA margin target

## Growing market

- Technology leadership
- Operational excellence
- Strong customer engagement
- Clear focus on dedicated applications

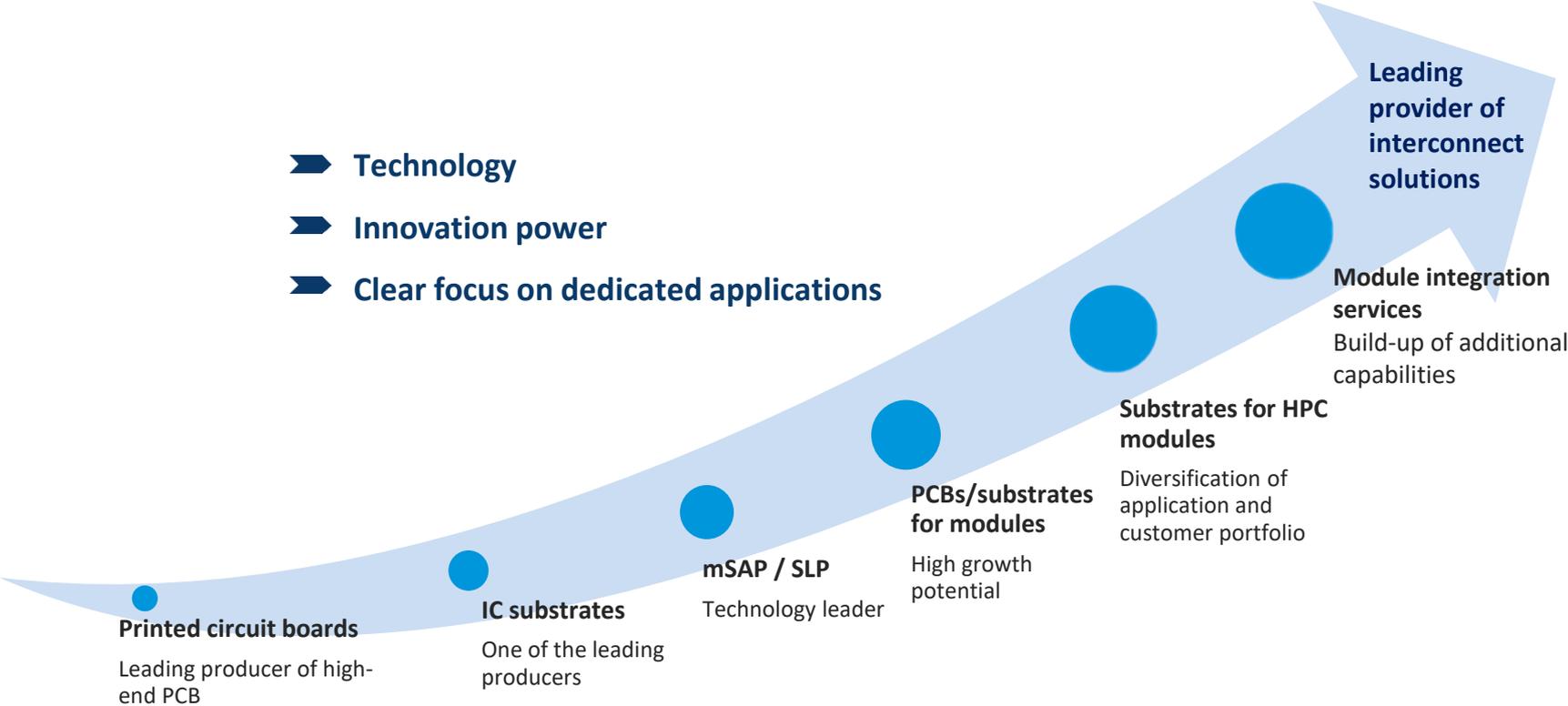
## Strategy in execution

- IC substrates – full expansion of capacities in CHQ I
- High-end PCBs – full expansion of capacities in CHQ II
- IC substrates – build-up of new capacities in CHQ III
- Further developing of PCB business to serve trends of modularization and miniaturization

# More than AT&S

Broadening the service range and opening up of new business opportunities

- Technology
- Innovation power
- Clear focus on dedicated applications



A woman in a red jacket and black leggings is captured mid-air, jumping over a multi-lane highway. The background features a city skyline with various skyscrapers under a dramatic, cloudy sky at sunset or sunrise. The overall mood is energetic and forward-looking.

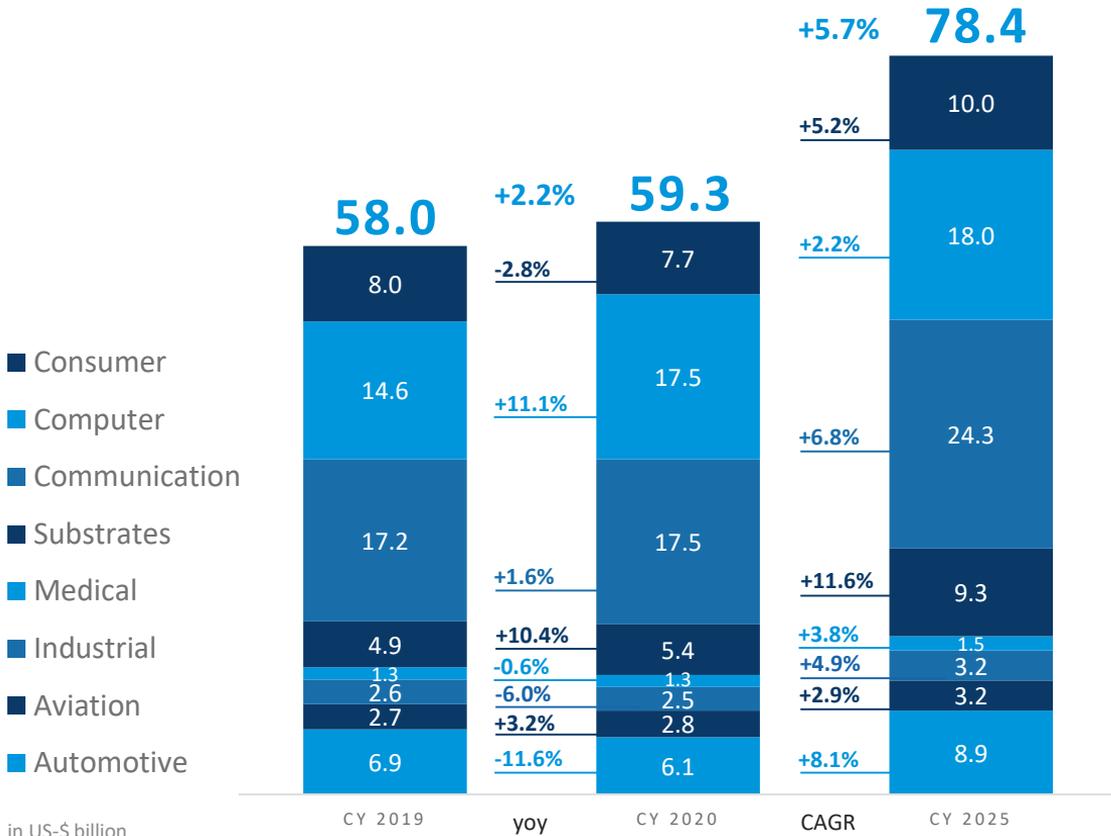
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MARKET UPDATE & GROWTH DRIVERS

# PCB & IC substrates market outlook



in US-\$ billion  
 Source: Prismark, December 2020; Substrate: Yole, May 2019

**+2.2%**  
 There was market growth even in the COVID year 2020

**+5.7% CAGR**  
 All adressed markets show positive growth rates over the mid-term

AT&S will outperform the market with an annual growth of **>15% until 2025**

# Digitalisation is accelerating

Growth in various areas



## Server ICs in Data Centres (10% CAGR 2020-2025)



## 5G Base Station (25% CAGR 2020-2025)



## Total Smartphone Market (3% CAGR 2020-2025)



## 5G Smartphones (+34% CAGR 2020-2025)



Sources: Yole, Dec. 2020; ABI, Jan 2020, IDC 2020, AT&S estimates 01/2021

# Capacity expansion in Chongqing

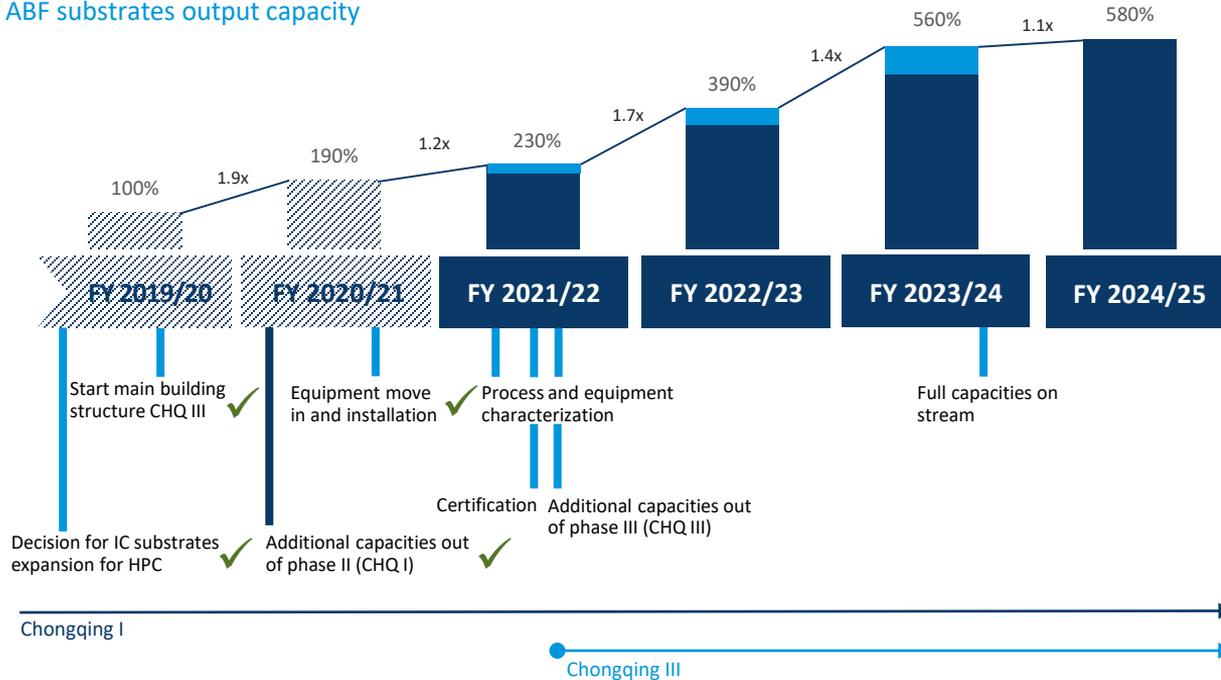
On the way to becoming one of the leading high-end ABF substrates producers



# Growing demand for ABF substrates drives capacity expansion

## Chongqing I and III excellently executed

ABF substrates output capacity



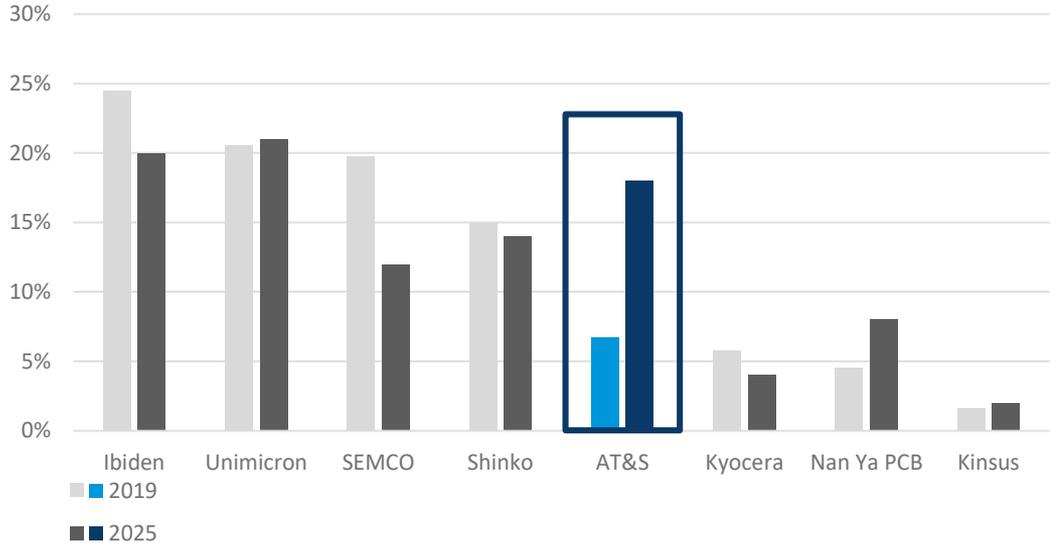
- CHQ I: Running on full capacity since Q3 2020/21
- CHQ III: Currently in the installation and qualification phase
- Production will already be starting in FY 2021/22
- Additional € 200 M investment in CHQ III
- Full capacities available with the beginning of CY 2024 (Q4 2023/24)

Additional output capacity due to investment increase and earlier production start in CHQ III

# Top-8 global ABF\* substrates suppliers

AT&S expects to enter the top-league of ABF substrates suppliers and significantly increase output capacity by 2025

Output capacity by company (based on US-\$)



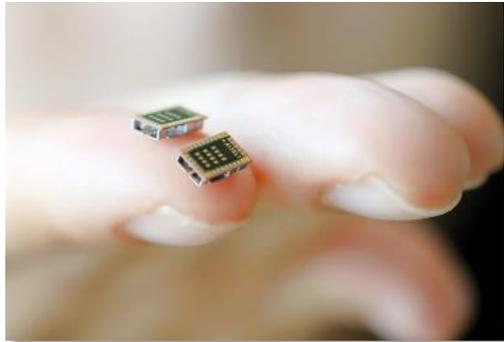
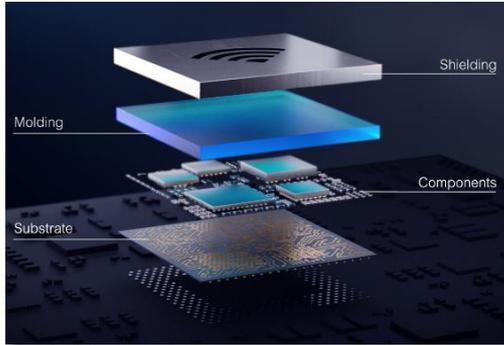
- ABF is the state-of-the-art production process for high-end IC substrates with high growth potential
- With current investments, AT&S will rise to the top three ABF suppliers globally by 2025

\*ABF: Ajinomoto Buildup Film  
 Source: Prismark, JMS, AT&S assessment

# Module business



# New opportunities through entry into the module market

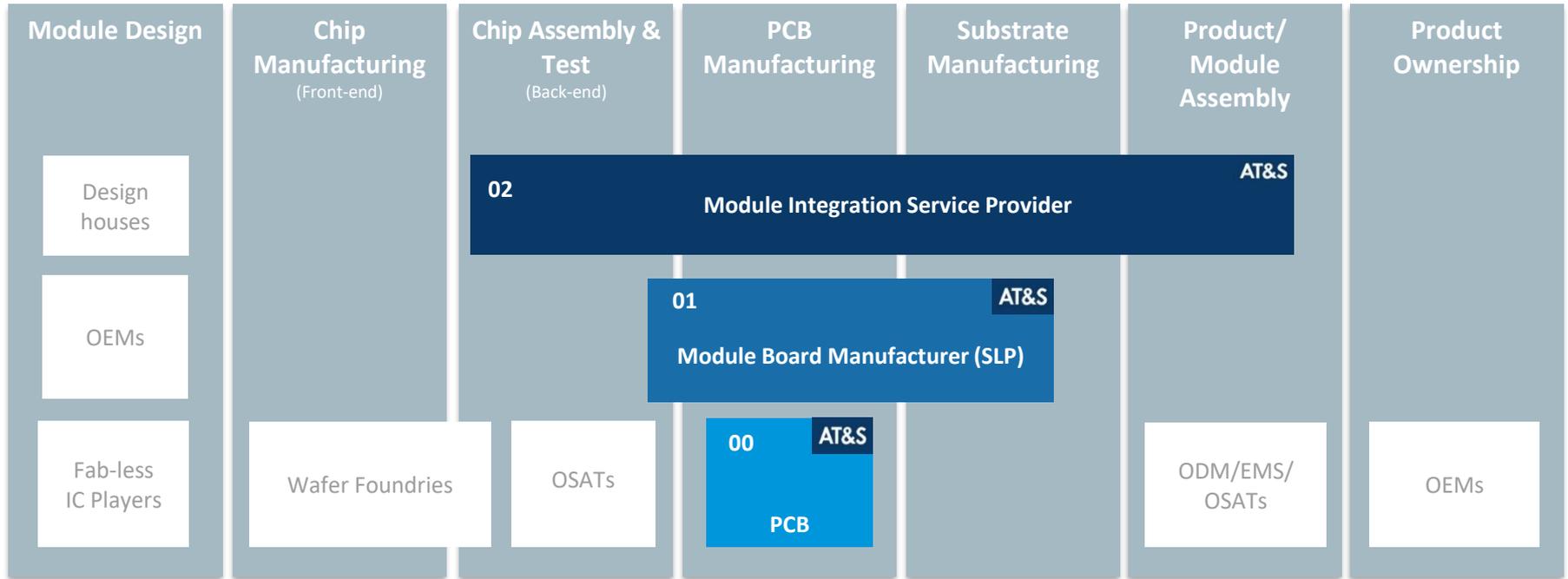


- Module integration market growing by **11% annually** until 2025
- Total investment Chongqing II in module business of about € 160 million
- Extension of application and customer portfolio
- Module PCB/substrates expected to reach ~5 – 10% of group revenues within the next two years
  - For FY 2020/21 already double-digit million revenue expected

Main applications include **PCBs for RF/5G modules, power modules and wearables**

Increase in **added value** through additional design, assembly and test services

# AT&S solutions for the electronics industry



A woman in a red jacket and black leggings is captured mid-air, jumping high above a city street. The background features a dense urban skyline with various skyscrapers under a dramatic, cloudy sky at sunset or sunrise. The overall mood is one of energy and forward momentum.

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**Q1-3 2020/21 – FINANCIALS AND KEY FIGURES**

# Global market development

## Accelerated digitalisation is driving electronics market

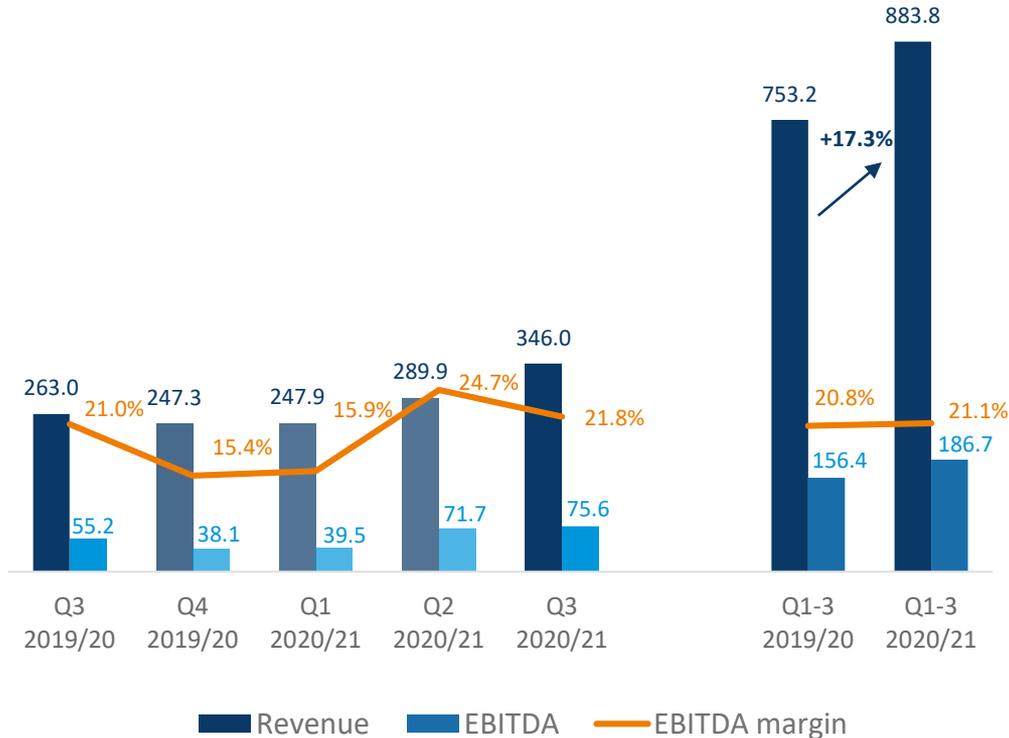
- Rising data traffic, Internet of Things and enhanced connectivity are pushing digital networking across all areas of life and work
- ABF substrates market continues with strong demand and limited capacity
- Mobile devices market supported by introduction of new 5G smartphone models in Q3
- Automotive market shows further recovery in Q3
- Industrial market moderate
- Medical market stable with positive demand for special applications

# Development in Q1-3 2020/21

## Highest ever generated revenue despite difficult economic situation

- IC substrates business profits from completed ramp-up of new capacities in CHQ I and ongoing strong demand for ABF substrates
- Mobile applications positively influenced by solid smartphone launch, customer and application diversification
- PCBs for modules experience growing demand
- Automotive shows further sequential improvement and Q3 already flat yoy
- Increased demand in Medical & Healthcare in Q3 compensates for restrained development in H1
- Industrial segment profits from better product mix

# Revenue and EBITDA development

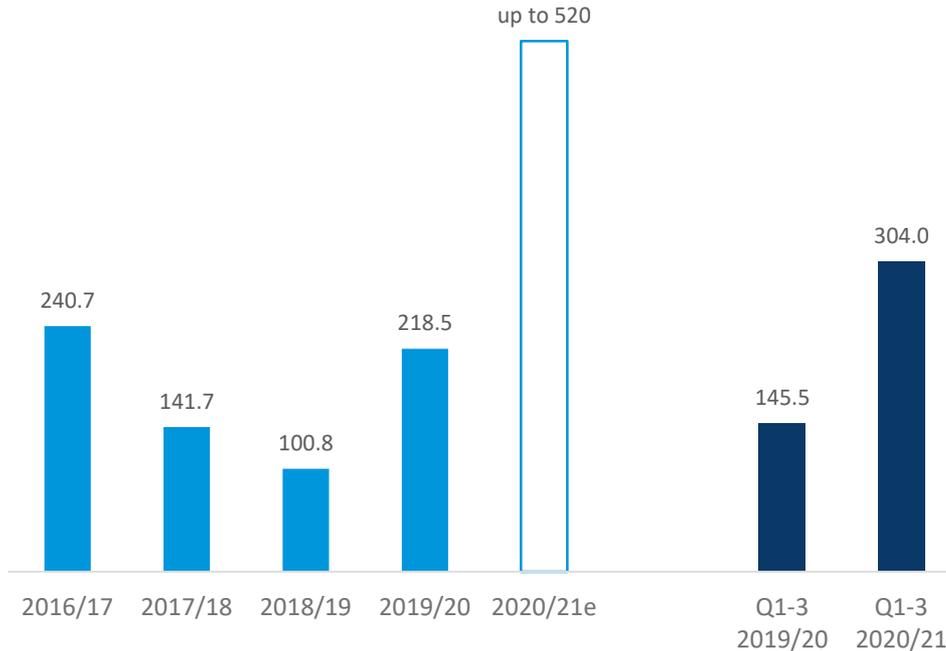


in € million

- Highest ever quarterly and YTD revenue despite slightly negative FX effects
- EBITDA increased to € 186.7 million (PY: € 156.4 million) mainly supported by higher revenues out of Chongqing plants
- Net profit higher at € 37.3 million (PY: € 25.2 million) despite unfavourable FX effects and negative interest result
- Operating free cash flow at € -127.5 million (PY: € 31.2 million) driven by higher investment activity

# Net CAPEX

## Investments in IC substrates and module PCBs consistently continued



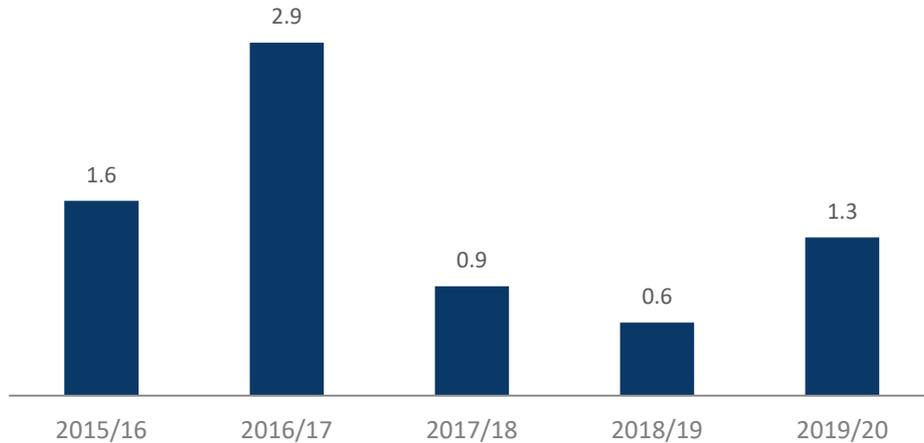
in € million

### Capex outlook 2020/21

- Depending on market developments CAPEX for maintenance and tech upgrade of up to € 80 million
- CAPEX for strategic projects of up to € 410 million plus € 30 million due to timing variances

# Solid finance structure

## Net debt/EBITDA

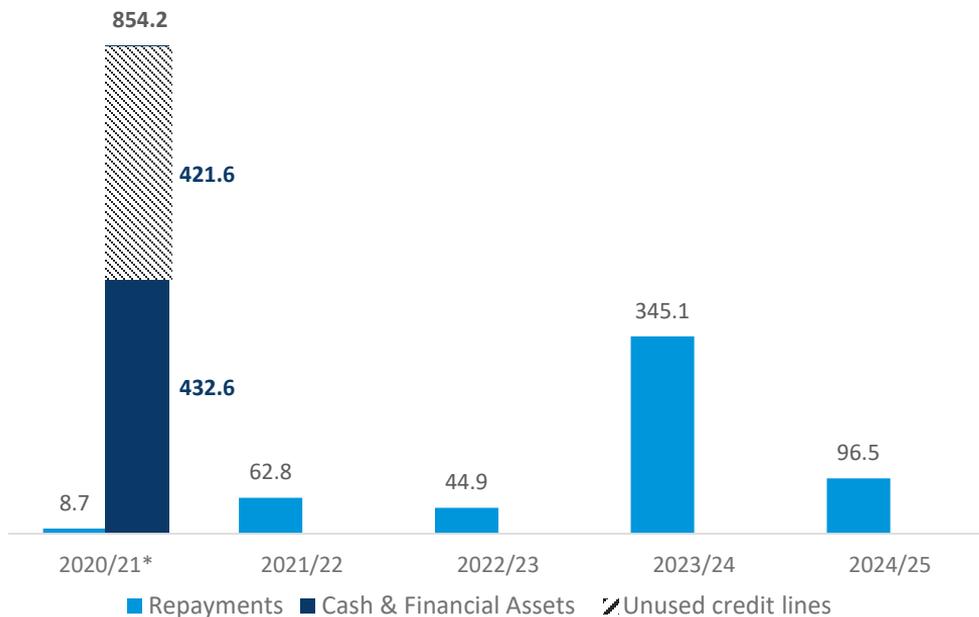


Existing funds and cash flow generation help to meet repayments and capex needs

**< 3**

Net debt / EBITDA target

# Maturity profile



in € million  
\*as of 31.12.2020

- 854.2 million € of existing liquid funds\*
- Cash: € 393.9 million
- Financial assets: € 38.7 million
- Unused credit lines of € 421.6 million



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OUTLOOK

# Outlook for 2020/21

## Full-year guidance increased

- Digital change will speed up and further pervade all areas of life
- Expectations for the current year
  - Ongoing strong demand for ABF substrates and continuing market capacity shortage
  - Mobile Devices with usual seasonality in Q4
  - Positive trend in Automotive continues with Q4 expected flat yoy
  - Slight growth expected for Industrial and Medical segment
- Full-year guidance updated due to strong Q1-3 and improved visibility
  - Revenue growth of 17 to 19% (before: around 15%)
  - EBITDA margin in the range of 20 to 22%
- Investment programme unchanged with up to € 520 million for FY 2020/21

# Medium-term guidance 2024/25

Technology development to module integration and capacity expansion



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for advanced  
applications**

## Expansion of technology leadership

- Leading provider of new interconnect solutions
- Innovation revenue rate: > 20%

## Revenue and EBITDA target already reached in 2023/24

- Revenue target of more than € 2 billion
- Pursuing of sustainable margin improvement
- Medium-term EBITDA margin target of 25-30%

## Creation of shareholder value and robust financial structure

- Medium-term ROCE above 12%
- Net debt / EBITDA: < 3 / Equity ratio: > 40% / Average Finance costs: < 2%

## Sustainability management

- 80% renewable energy
- Eco-balancing of product groups
- 30 % women in management positions



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ANNEX

# Market Segments & Product Applications



## Mobile devices

- Smartphones
- Wearables
- Notebooks
- Cameras
- Tablets
- SSDs



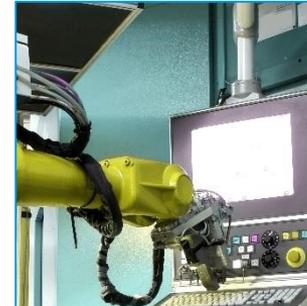
## IC substrates

- Data centres
- Microservers
- Client PCs
- Edge computing
- 5G base stations



## Automotive

- ADAS
- Sensoric (radar, lidar, camera, V-to-X communication)
- E-mobility (power supply for motor systems)



## Industrial

- Smart building, lighting, manufacturing, transportation...
- Telecom infrastructure
- Power management
- Robots & drones



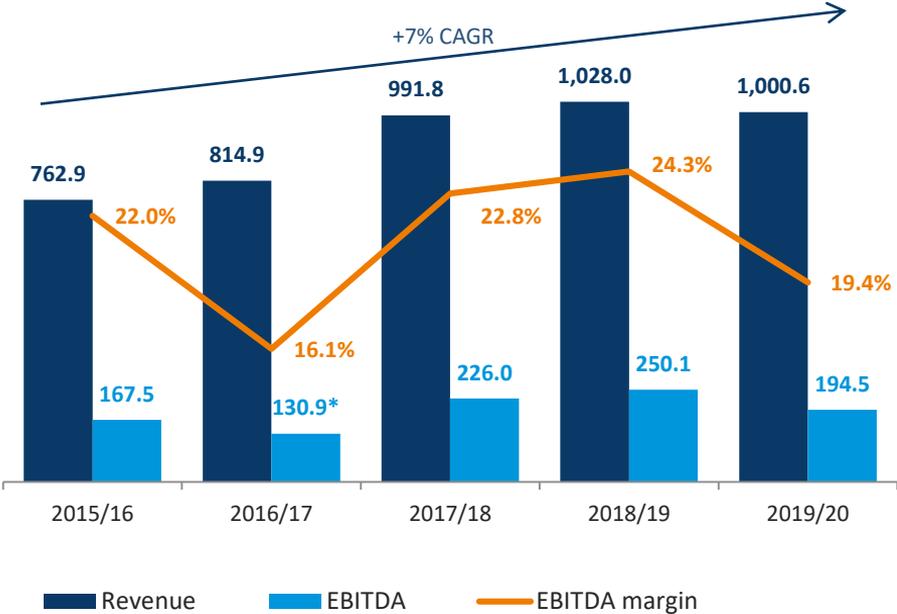
## Medical

- Diagnostics and imaging systems
- Therapy application (pacemakers, hearing aids, drug delivery...)
- Patient monitoring

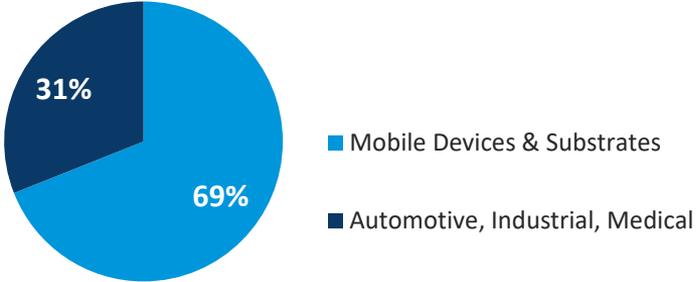
Segment Mobile Devices & Substrates

Segment Automotive, Industrial, Medical

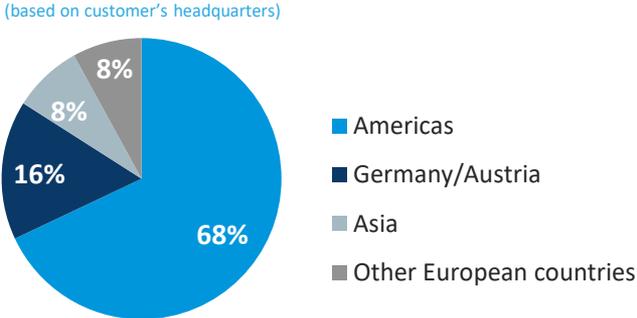
# Key facts FY 2019/20



Revenue split by segment: FY 2019/20



Revenue split by customer: FY 2019/20



€ in million  
 \*Based on ramp-up effects for new plants in China

# Global footprint ensures proximity to supply chain & cost efficiency



- AT&S plant
- AT&S sales support office
- AT&S Headquarters



\*Staff, Average, FTE, Q1-3 2020/21; 80 employees in other locations

# Market players in the high-end segment

## Market position HDI Technology (2019)

Rank	Supplier	Country/Region	HDI (revenue in US-\$ millions)
1	Compeq	TWN	776
2	AT&S	AUT	736
3	TTM	USA	716
4	Unimicron	TWN	706
5	Tripod	TWN	508
6	Meiko	JPN	461
7	Zhen Ding	TWN	428
8	Korea Circuit	KOR	227
9	Founder PCB	CHN	222
10	CMK	JPN	220

Source: Prismark, AT&S Market Intelligence

# AT&S – Stock Profile



**Listing:** Vienna Stock Exchange,  
Prime Standard

**Indices:** ATX, Vönix, WBI

**Thomson Reuters (A):** ATSV.VI

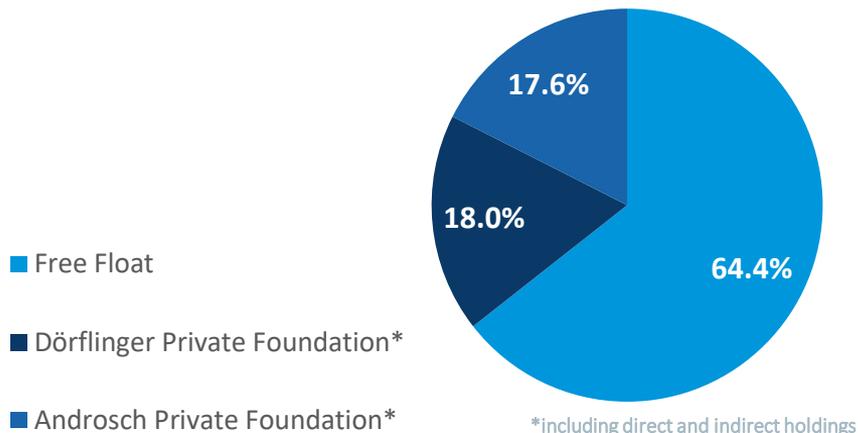
**Bloomberg (A):** ATS:AV

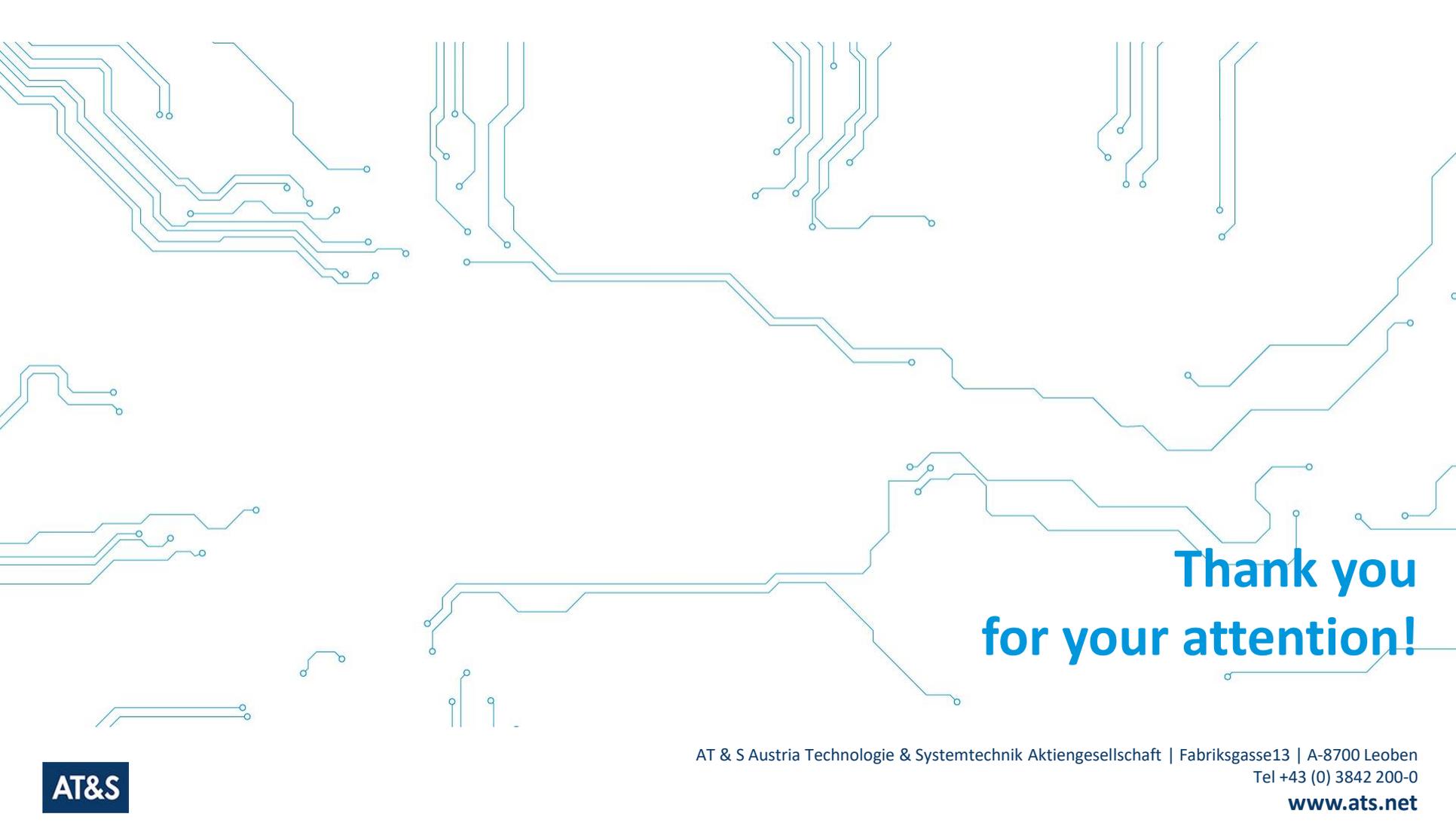
**# of shares outstanding** 38.85m

**Dividend for 2019/20:** € 0.25 per share

## Financial Calendar      Shareholder structure

Publication Preliminary Annual Results 2020/21 18 May 2021





**Thank you  
for your attention!**

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