

The logo for AT&S, consisting of the letters 'AT&S' in white, bold, sans-serif font, centered within a dark blue rectangular box.

AT&S

RESULTS FY 2022/23 CONFERENCE CALL

May 16, 2023

The background of the slide is a photograph of a city street at dusk or dawn. A cyclist is in the foreground, blurred by motion, riding on a road. In the background, several buildings are visible, including the prominent, glass-clad skyscraper The Shard on the right side. The sky is a clear, light blue.

**BE PART
OF THE
PRO-
GRESS.**

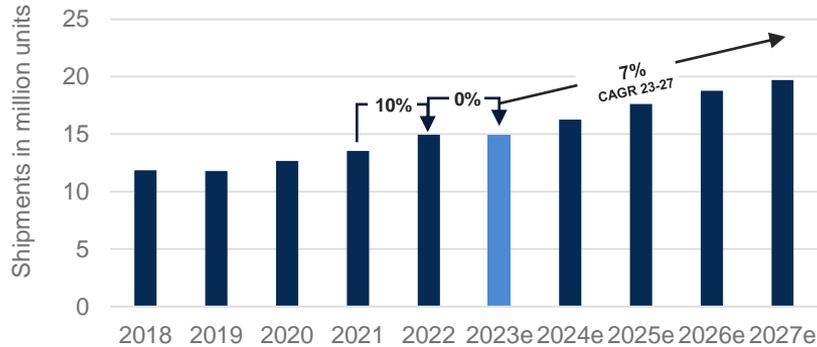
KEY DEVELOPMENTS FY 2022/23

**Record year
despite
challenging
market
environment**

- 2022/23 was a record year but with a mixed picture
 - First half of the year extremely strong
 - Second half of the year challenging
 - Positive FX effects
- OPEX and CAPEX adjusted to market environment
- Customer and regional diversification with plants in Leoben and Kulim on track
- Outlook 2023/24
 - Upturn expected in the second half of the 2023/24
 - Interest rates increase headwind
- Medium-term guidance 2026/27 confirmed

SUBSTRATE MARKETS

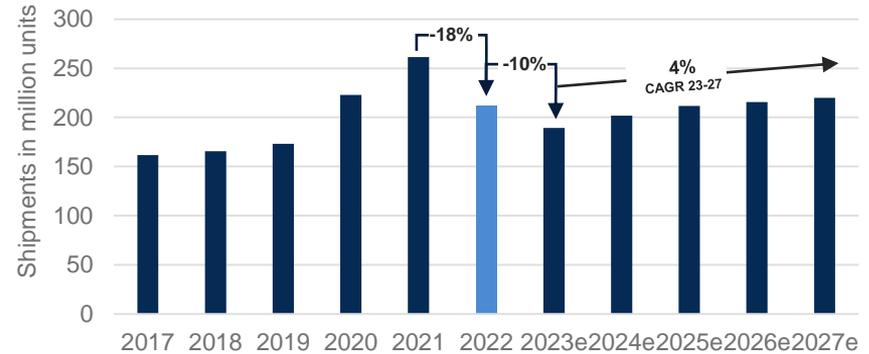
Servers



- Strong 2022 and difficult economic environment imply flat development in 2023
- Newly released server CPUs imply value based growth
- Long-term trend digitalization requires ongoing investments in digital infrastructure

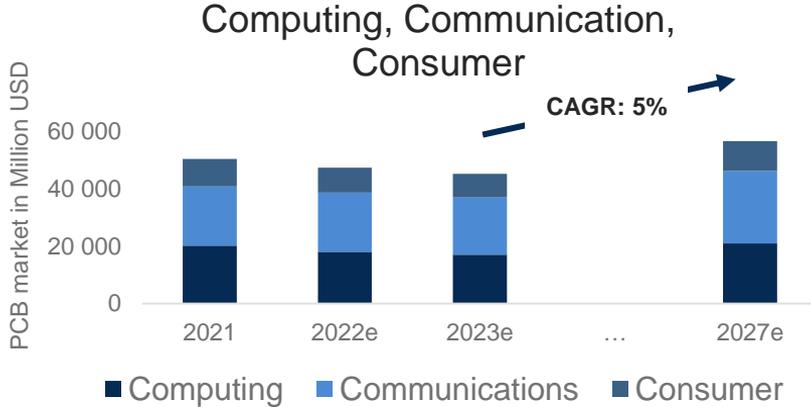
Source: IDC, Feb.-Mar. 2023

Notebooks

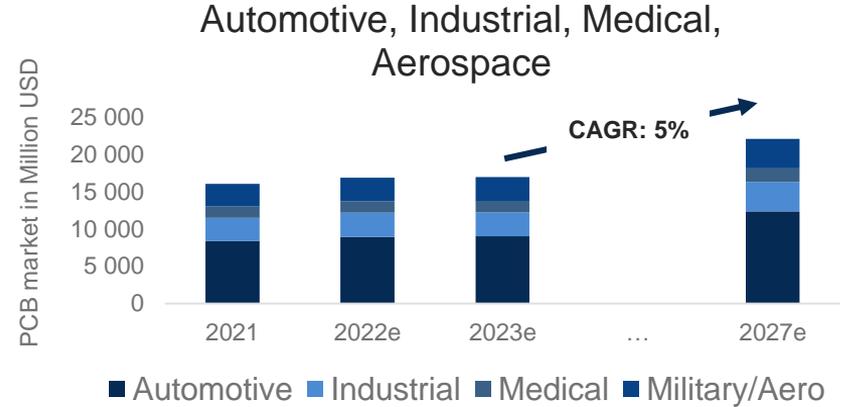


- Weak first quarter in 2023 continues downward trend
- Recovery expected in H2 2023
- Long-term stabilization above pre-covid levels

PCB MARKETS



- Weak consumer market continues into 2023
- Communication infrastructure and datacenter related demand partially counterbalance
- Return to long-term growth trend expected from 2024 onwards

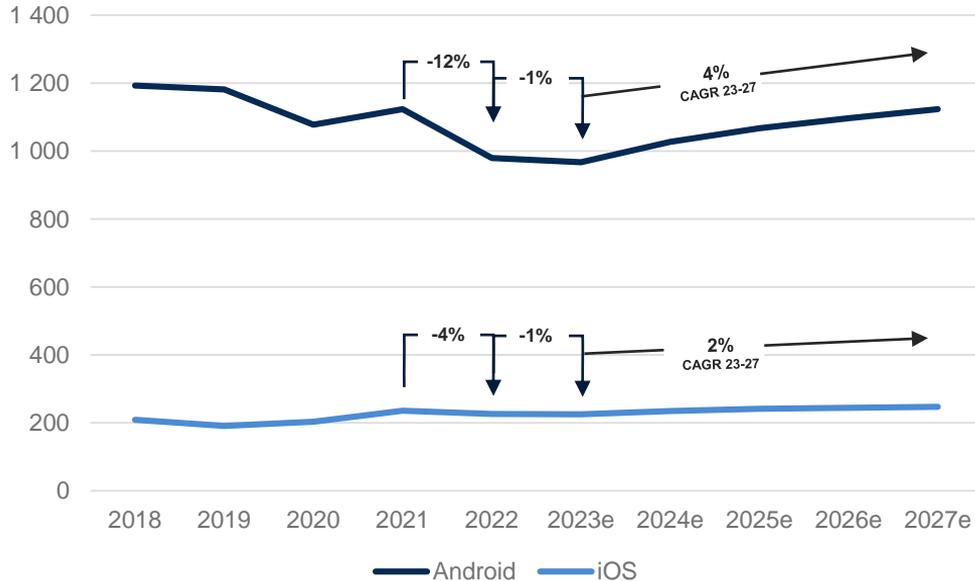


- Due to macroeconomic uncertainty, 2023 outlook is flat
- Industrial and medical markets expected to show slight decline in 2023
- Automotive slightly growing and aerospace showing biggest growth potential

Source: Prismark, Mar. 2023

SMARTPHONE MARKET

Smartphone Shipments (million/year)



Source: IDC, Feb. 2023

- Smartphone market uniformly affected by weak consumer demand. Similar dynamics as the consumer electronics markets can be observed
- General market expected to recover in line with consumer markets from 2024 onwards
- 5G adoption continues to low and mid end phones

AT&S ACTS IN ACCORDANCE WITH THE MARKET SITUATION

Cost optimization programs intensified for the next two years

OPEX

- OPEX saving plan of € 440mn for FY23/24 and FY24/25 combined
- Combination of sustainable (efficiency gain) and non-sustainable savings (cost cutting adjusted to the market demand)

CAPEX

- The investment volume for FY 23/24 and FY24/25 will be reduced by a total of € 450 million compared with the original plan, adjusted to the market demand

NEW OPERATING & REPORTING STRUCTURE 2023/24

Two Business Units: Microelectronics & Electronic Solutions



IC Substrates



Mobile Devices



Automotive & Aerospace



Industrial



Medical

HQ	Microelectronics				Electronic Solutions				
									
Leoben, HQ Austria	Leoben, plant and R&D Center Austria	Chongqing I & III China	Kulim Malaysia	Shanghai China	Chongqing II China	Nanjangud India	Ansan Korea	Fehring Austria	
Employees: 415 ⁽¹⁾	1,056 ⁽¹⁾	5,435 ⁽¹⁾	Start of production 2024	4,017 ⁽¹⁾	1,477 ⁽¹⁾	1,351 ⁽¹⁾	336 ⁽¹⁾	384 ⁽¹⁾	

EXPANSION IN KULIM AND LOEBEN ON TRACK



Kulim

- **Setting up first machines:** February 2023
- **Start of production:** 2024



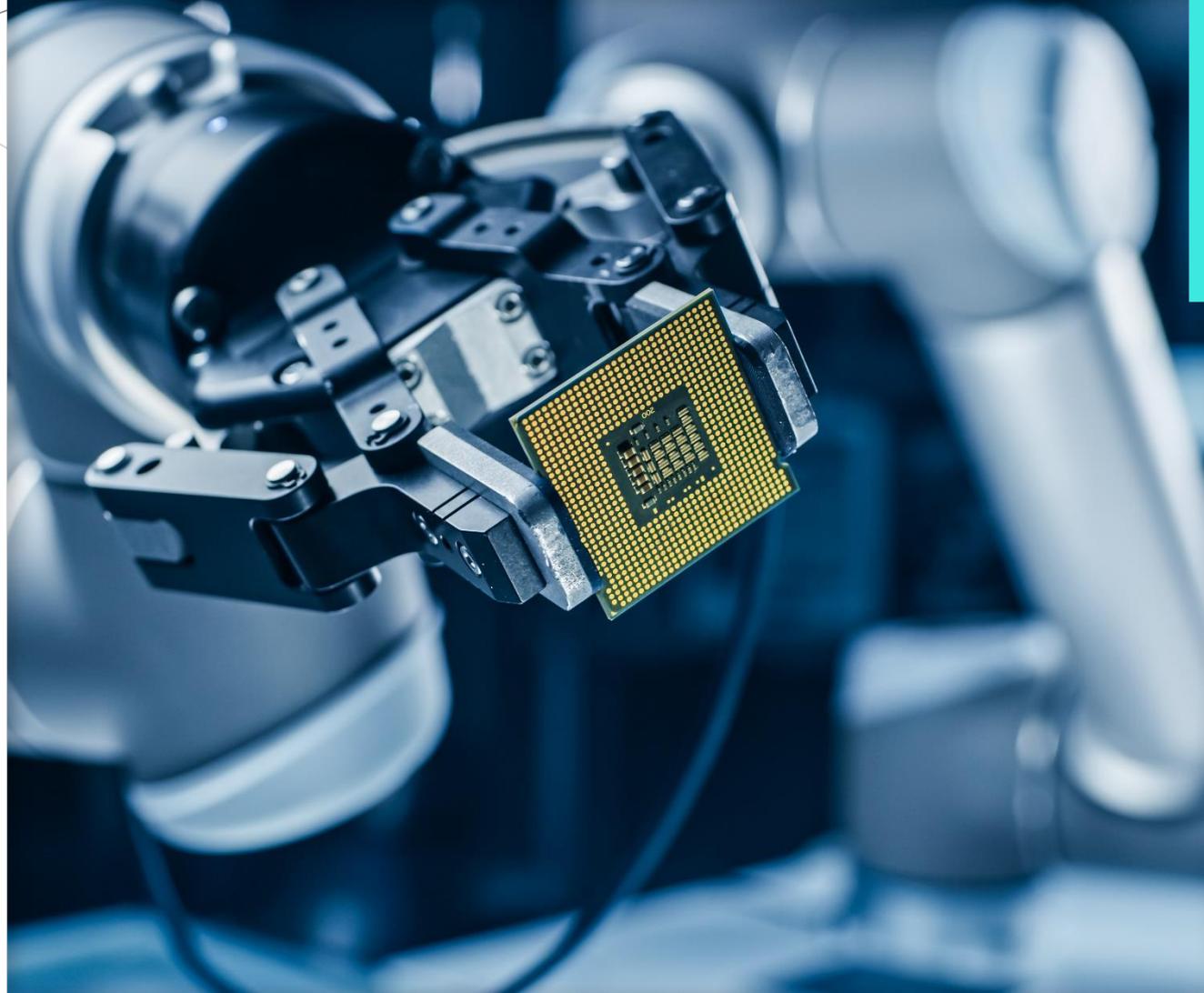
Leoben

- **Setting up first machines:** April 2023
- **Start of production:** 2024

RESULTS

FY 2022/23

Petra Preining, CFO



FY 2022/23 RESULTS SUMMARY*

Revenue

€ 1,791 MM

- Revenue increased by 13%
+3% without currency effects
- Mobile Devices & Substrates
grew by 12%
- Automotive, Industrial &
Medical grew by 15%

EBITDA

€ 417 MM

- EBITDA grew by 19%
-17% without currency effects
- EBITDA margin was up by 1.3
pp to 23.3%
- Adjusted EBITDA margin was
up by 2.4 pp to 26.2%

Net profit

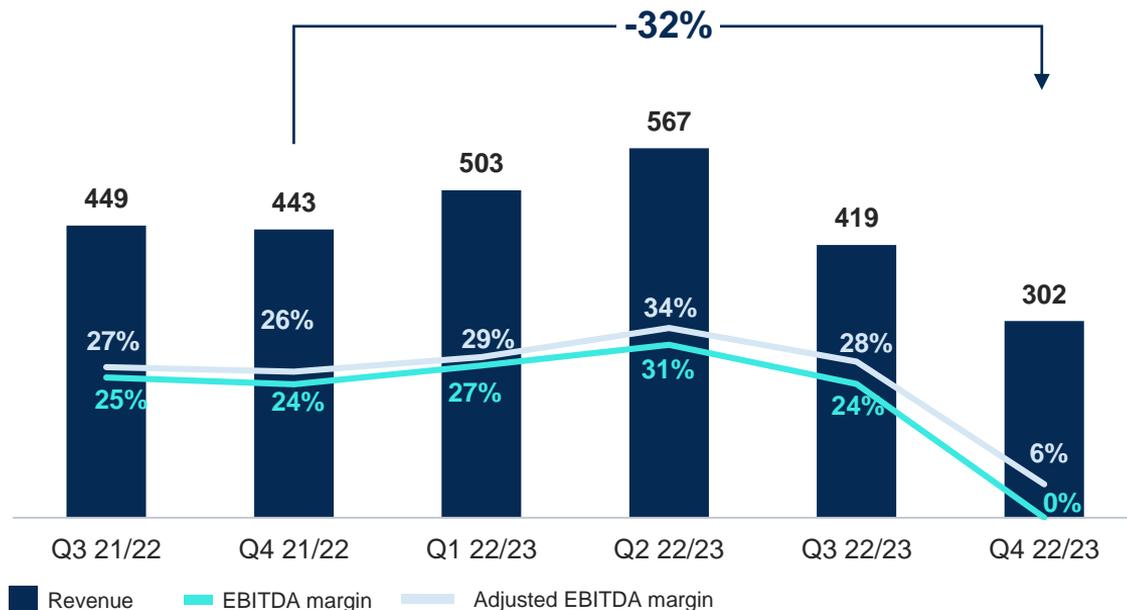
€ 137 MM

- Net profit increased by 32%
-117% without currency effects
- Driven by higher revenue and
EBITDA

* YoY changes

QUARTERLY REVENUE AND EBITDA MARGIN DEVELOPMENT

in € MM



Quarterly revenue decreased for Mobile Devices & Substrates

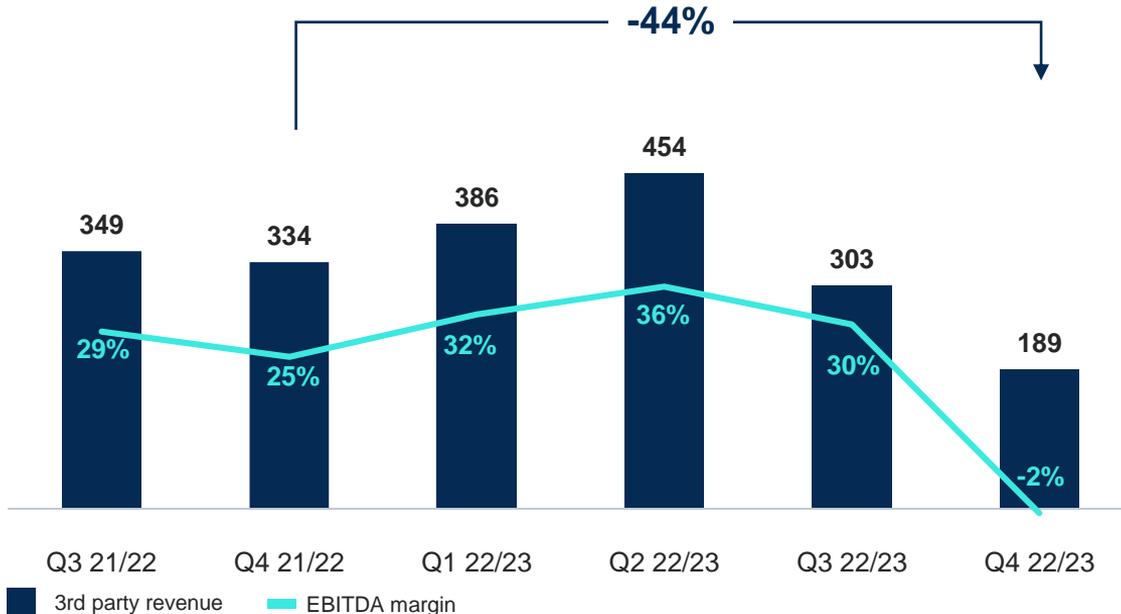
Adjusted EBITDA margin impacted by lower revenue and significant price pressure due to current overcapacity in the market

Implemented measures will support margin

BUSINESS DEVELOPMENT

Mobile Devices & Substrates

in € MM



Revenue:

- Weak market environment for **IC substrates**
- **Mobile Devices** lack new products in spring

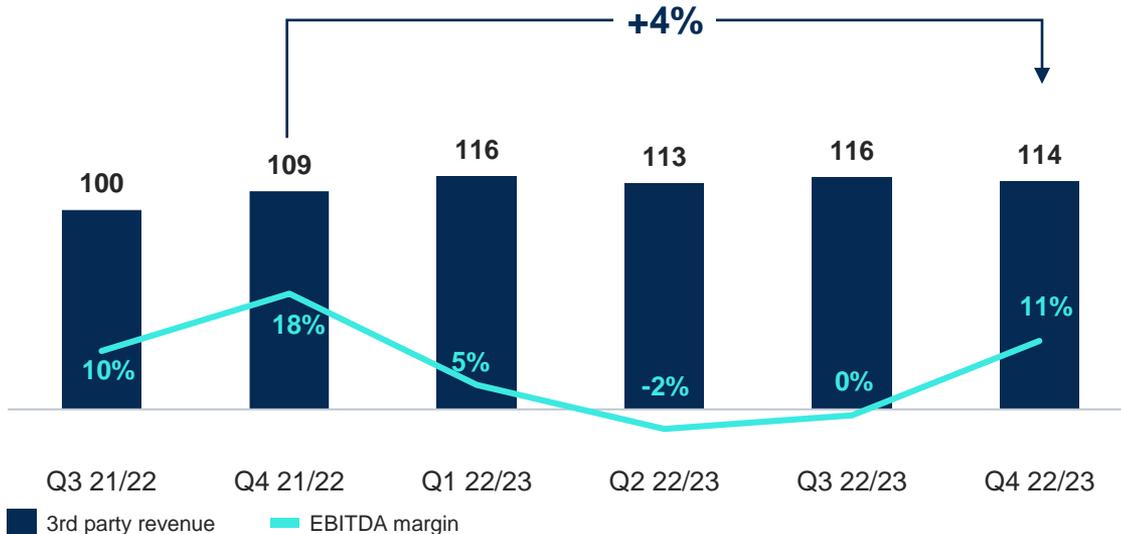
EBITDA margin

impacted by significant price pressure due to current overcapacity in the market

BUSINESS DEVELOPMENT

Automotive, Industrial & Medical

in € MM



Stable **Revenue** development

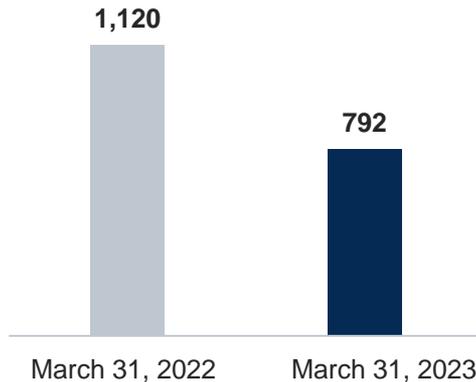
Margin includes **EU IPCEI funding** in key technologies

Margin headwind throughout the year by **start-up costs and higher R&D expenditures**

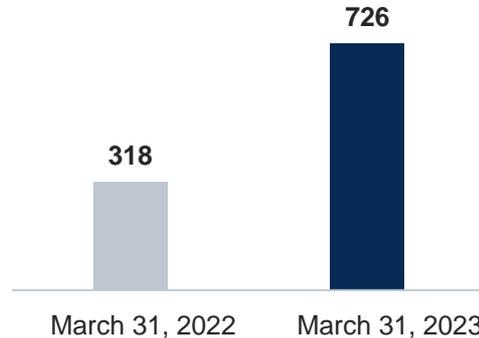
FY 2022/23 FINANCIAL POSITION

Cash & cash equivalents

in € MM



Unused credit lines



Balancing capital allocation

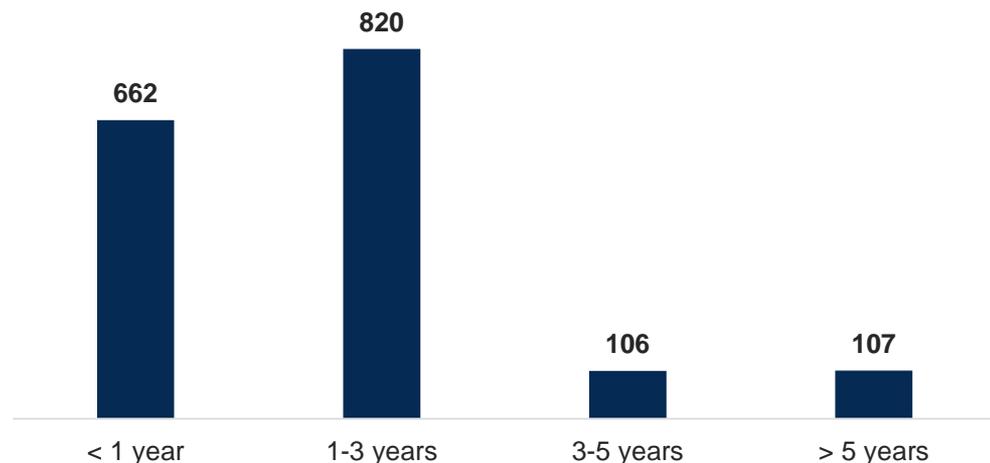
- Deploying capital with clear approach to invest in strategic growth markets
- Increased credit lines support financial capabilities

- **Solid financial structure with € 1,517 MM cash, cash equivalents and unused credit lines**
- **FX effects on funds impact financial results positive by € 41 MM**

DEBT FINANCING OVERVIEW

Maturity of outstanding debt instruments*

in € MM



- 44% of debt instruments have a fixed interest rate
- Diversified financing sources – rising share of funding backed by governmental and supranational organizations
- Current financing costs of 3.2% (as of Q4 2022/23)
- Further customer prepayments expected

* Amounts by maturity as of March 31, 2023. Promissory note loans, Term loans with banks, Bank borrowings and others; including accrued interest and placement costs and finance leases

BALANCE SHEET

€ MM	Mar. 31, 22	Mar. 31, 23	Change in %
Total assets	3,746	4,162	+11%
Equity	1,252	1,158	-8%
Equity ratio	33.4%	27.8%	-5.6pp
Net debt	212	851	+302%

As anticipated below 30% target

Net debt/EBITDA ratio of 2.0

CASH FLOW

€ MM	FY 21/22	FY 22/23	YoY Change in %
CF from operating activities	713	476	-33%
CF from investing activities	-580	-1,045	-
CF from financing activities	397	211	-47%
Operating free CF*	111	-520	-
Net CAPEX	602	996	+66%

➤ Previous year mainly driven by customer prepayments

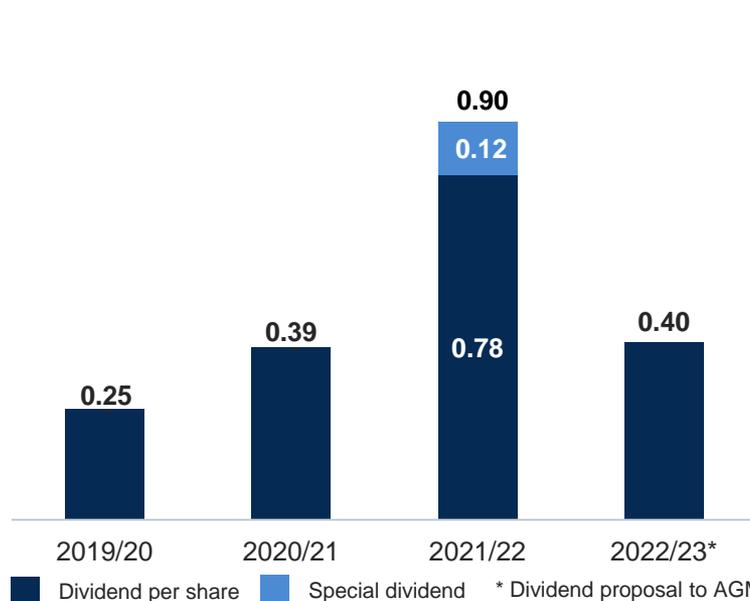
➤ Driven by higher CAPEX

* Cash flow from operating activities minus Net CAPEX

DIVIDEND PROPOSAL

Dividend proposal to AGM on July 6, 2023 of € 0.40

in €



Dividend of € 16 MM equals **payout ratio** of 13%**

Considers current **challenging market environment**

Record net income driven by **FX tailwinds**

Underpins the management's confidence in the **growth strategy**

■ Dividend per share ■ Special dividend * Dividend proposal to AGM on July 6, 2023

** Payout ratio = Dividend / Net income attributable to shareholders = € 16 MM / € 118 MM

CURRENT YEAR GUIDANCE

FY 2023/24

Revenue

Approx. € 1.7–1.9 billion

Profitability

- Adjusted EBITDA margin of 25–29%
- Start-up effects of the Kulim and Leoben projects in the amount of approx. € 100 MM

Investments

Net CAPEX of up to € 1.1 billion

MID-TERM GUIDANCE

FY 2026/27

Growth Revenue approx. € 3.5 bn (CAGR +18%)

Profitability

- EBITDA margin of 27–32%
- ROCE of >12% with ramp-up of production

Others

- Net debt/EBITDA: <3 (can be temporarily exceeded)
- Equity ratio: >30% (may temporarily fall below)



THANK YOU FOR YOUR ATTENTION

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