

**AT&S**

**RESULTS H1 21/22  
CONFERENCE CALL**

04 November 2021

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# KEY DEVELOPMENTS H1 21/22

## Business expansion on track

- Strong revenue growth of +30%
  - All business segments contributed to company growth
  - Significant negative FX effects
- Headwind from increased material, transports and energy costs
- Strengthen the R&D activities to secure technology leadership
- Capacity expansion projects fully on track
- So far no significant impact from chip shortage
- Full-year and midterm revenue guidance increased

# MARKET UPDATE

Peter Schneider, CSO



# HIGH-END FOCUS RESULTS IN STRONGER GROWTH

## AUTOMOTIVE

- Dynamic recovery
- Chip shortage effects limited



22%

## INDUSTRIAL

- Infrastructure investments
- Economy tailwind



19%

## MEDICAL

- Stable growth rates
- Diversification of applications



10%

YoY Market Growth

# POSITIVE MOMENTUM IN OUR MAIN MARKETS

## CONSUMER – COMPUTER – COMMUNICATION

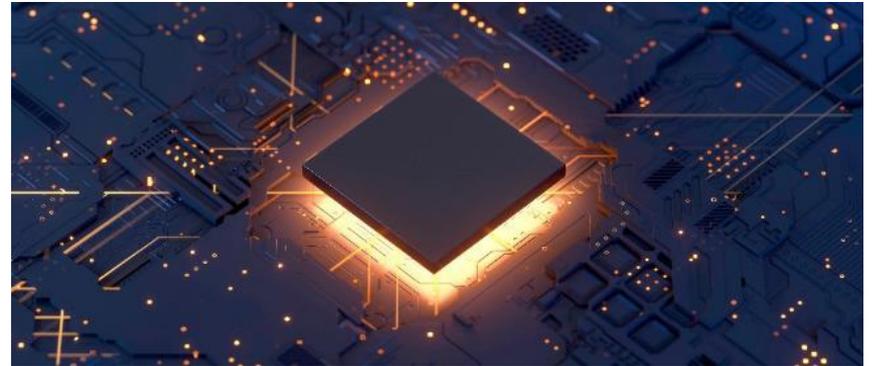
- Growth driver work/stay/play at home
- Diversification on track



18% | 18% | 13.5%

## SUBSTRATES / SEMICON

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



25%

YoY Market Growth

# AT&S OUTPERFORMS PCB & SUBSTRATES MARKET GROWTH

in US\$ bn



	CY 2020	YoY	CY 2021	CAGR	CY 2026
Automotive	6.2	+22%	7.5	+4%	9.1
Aviation	2.8	+10%	3.0	+2%	3.4
Industrial	2.5	+19.5%	3.0	+1%	3.2
Medical	1.3	+10%	1.4	+2.5%	1.5
IC Substrates*	7.7	+25%	9.6	+9%	14.5
Communication	17.9	+13.5%	20.4	+5%	25.9
Computer	16.4	+18%	19.4	+1%	20.5
Consumer	8.0	+18%	9.4	+1.5%	10.1

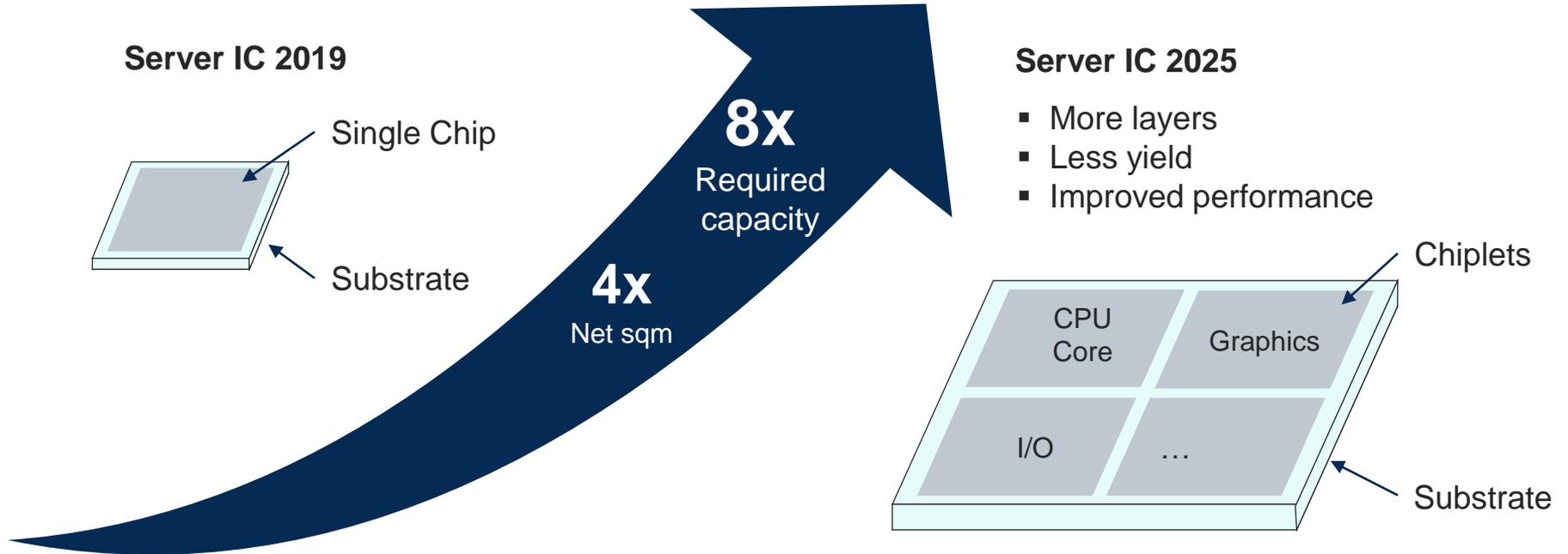
Confirmed position as  
**#2 producer**  
 for high end PCBs

AT&S will continue to outperform the market with an annual growth of  
**>20% until 2026**

Source: Prismark 05-09/2021  
 \* only containing high-end IC substrates

# IMPACT OF CHIPLETS ON ABF SUBSTRATE CAPACITY

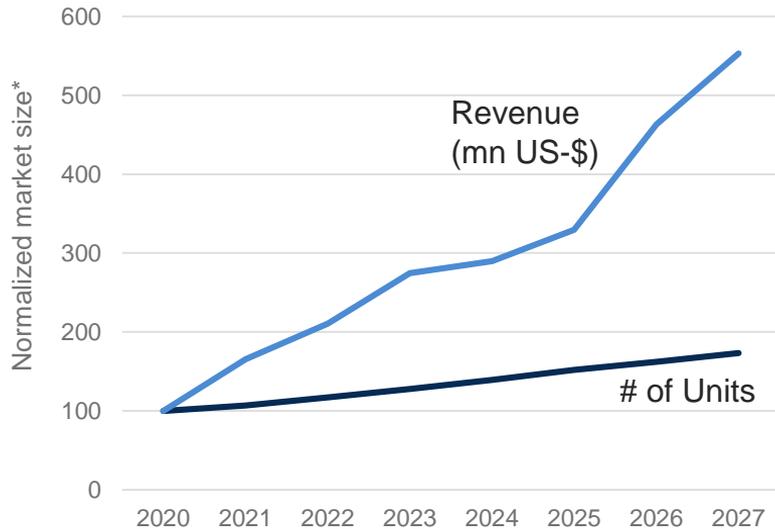
More capacity is needed due to larger form factor and increasing layer count of ABF substrates



# GLOBAL MARKET LEADERS USING ABF SUBSTRATES

Significant growth rates due to increasing demand for ABF substrates

## ABF Substrate Server\*\* market



\* Normalized to 2020 value \*\* Server CPUs, Accelerators, Networking  
Source: IDC, Prismark, internal assessment

## **PROJECT UPDATE – CHONGQING III (CN)**

- High volume manufacturing already started
- Ramp-up of capacities fully on track
- Full capacities available as of the beginning of Q3 23/24



## PROJECT UPDATE – CAMPUS KULIM (MY)

- Groundbreaking done
- Construction/piling started November 1<sup>st</sup>
- High volume production scheduled for the end of CY 2024



# € 500 MN INVESTMENT IN AUSTRIA AT&S SETS A NEW BENCHMARK IN EUROPE

## Main Investments Leoben-Hinterberg 2020-2025

### 2020 - 2023

- Technology upgrade
- Substrate cores



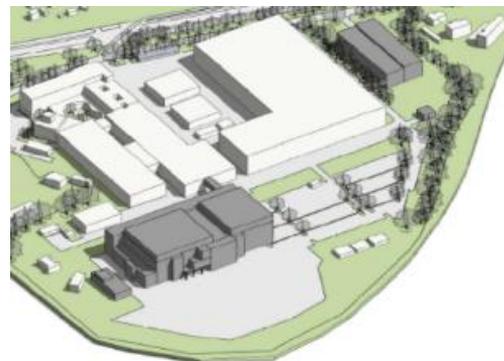
### 2021 - 2022

- New office building
- Space for 300 employees



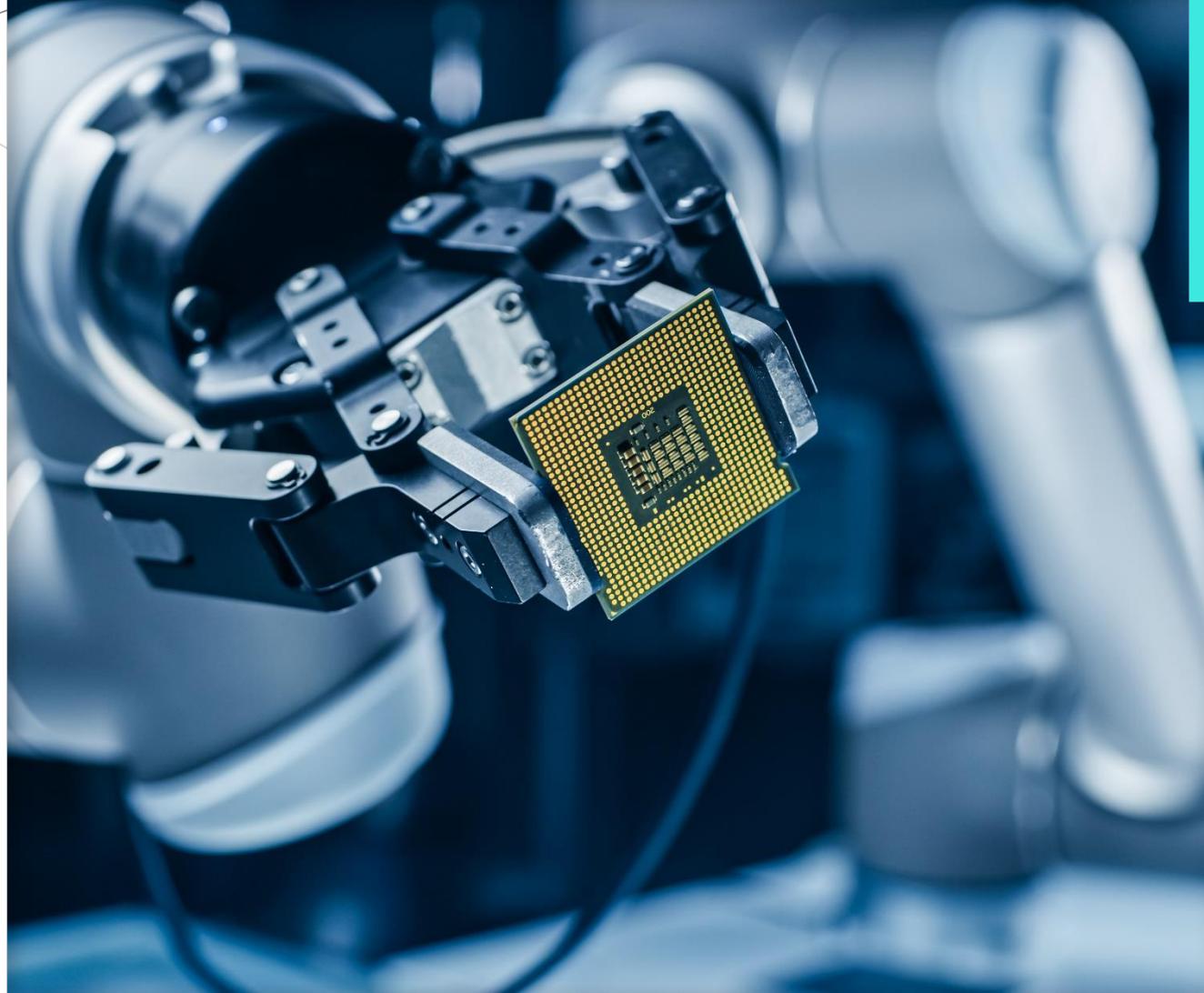
### 2021 - 2025

- R&D center for substrates
- Capacity for upscaling



# RESULTS H1 21/22

Andreas Gerstenmayer, CEO



# H1 21/22 RESULTS SUMMARY

Revenue **+30%**

**€ 698 mn**

- Negative FX effects of € 27 mn

EBITDA margin **-190 bps**

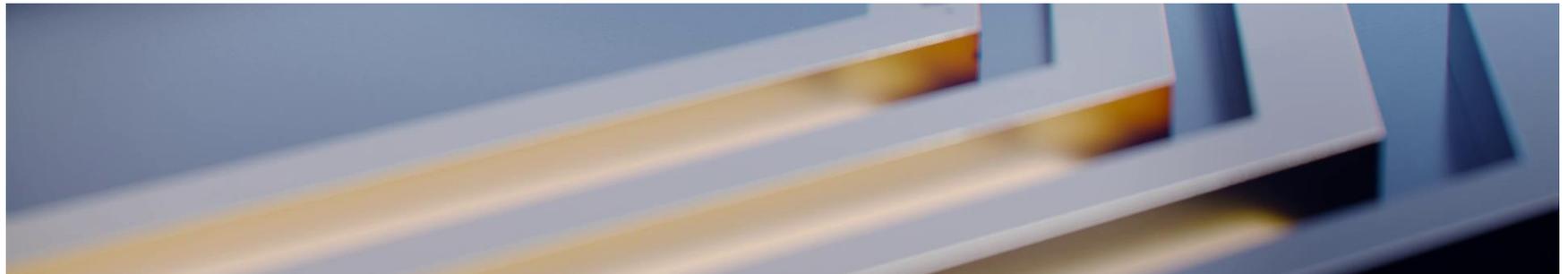
**18.8%**

- EBITDA margin burdened by negative FX effects of € 29 mn

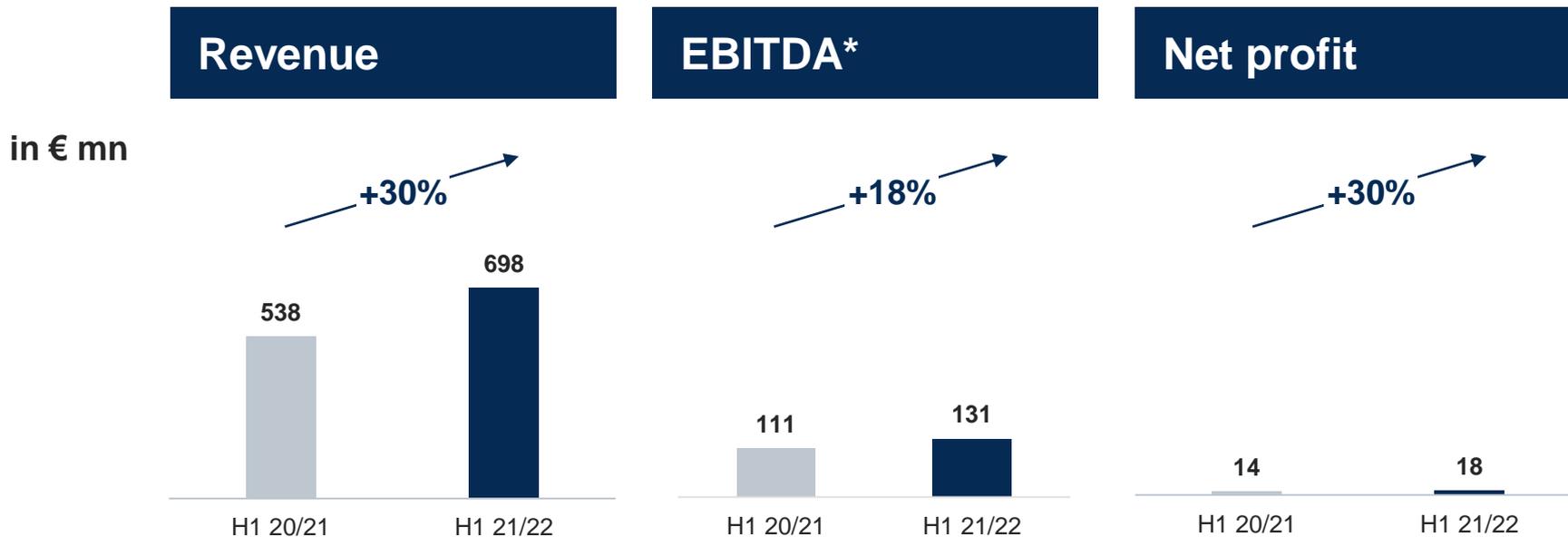
Adjusted EBITDA margin **-100 bps**

**20.1%**

- Start-up costs for materials and wages of € 9.4 mn excluded

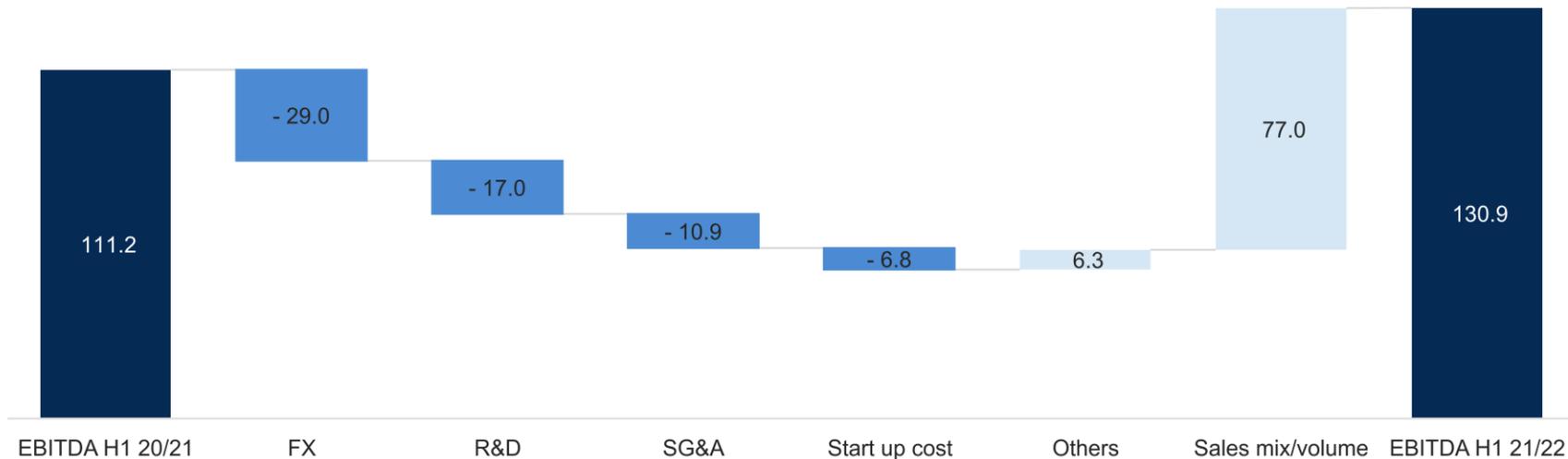


# H1 21/22 RESULTS SUMMARY



\* Adjusted EBITDA increase of 23% to € 140 mn (H1 2020/21: € 114 mn)

# EBITDA BRIDGE H1



Investments to prepare for future growth

# QUARTERLY DEVELOPMENT

in € mn



**Highest quarterly revenue** in history

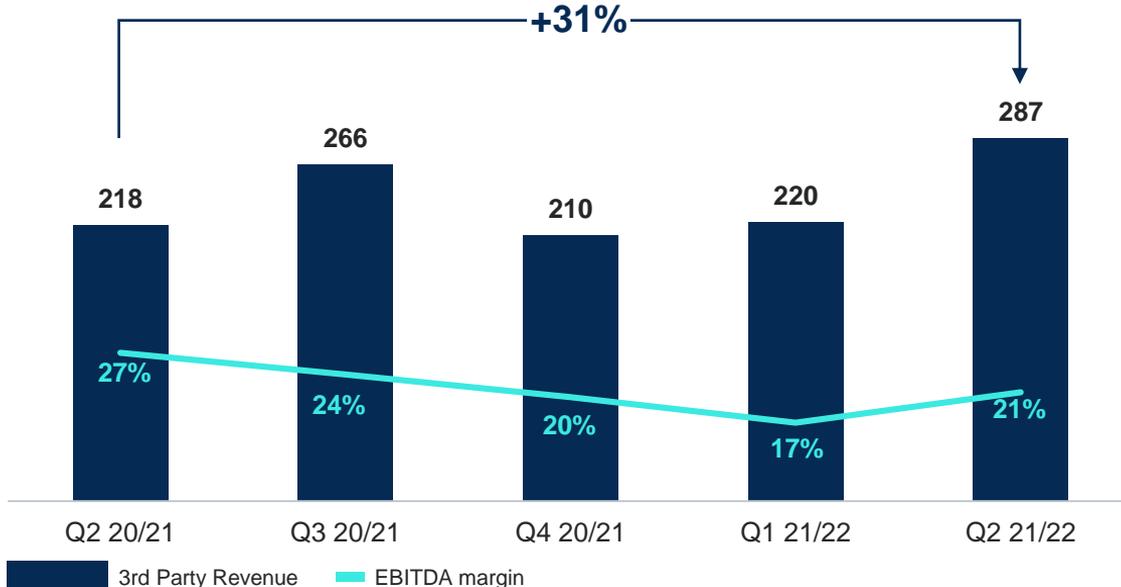
**Higher R&D expenses** to secure future growth

**Profitability** burdened by FX effects and higher material costs

# BUSINESS DEVELOPMENT

## Mobile Devices & Substrates

in € mn



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

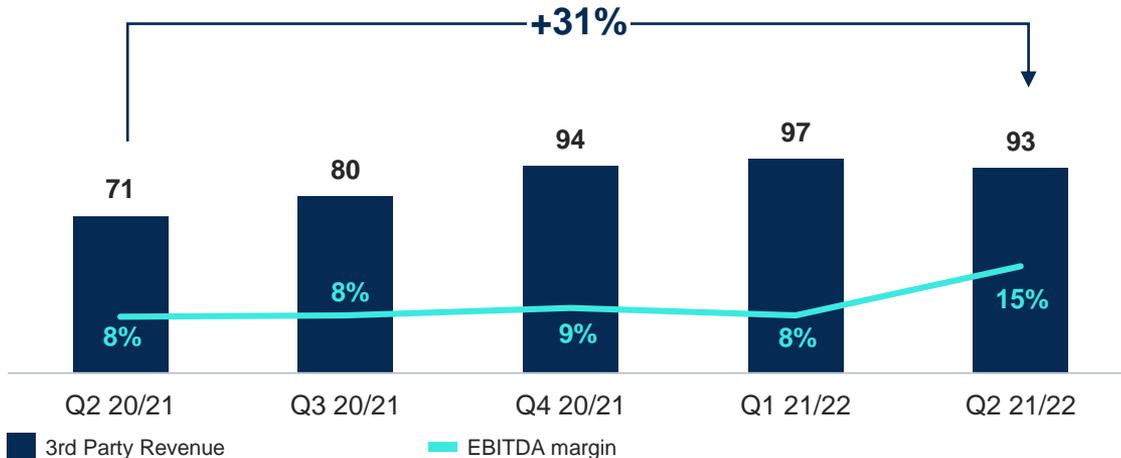
Growing demand for **PCBs for modules**

**EBITDA margin** neg. influenced by FX effects and start-up costs

# BUSINESS DEVELOPMENT

## Automotive, Industrial & Medical

in € mn



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

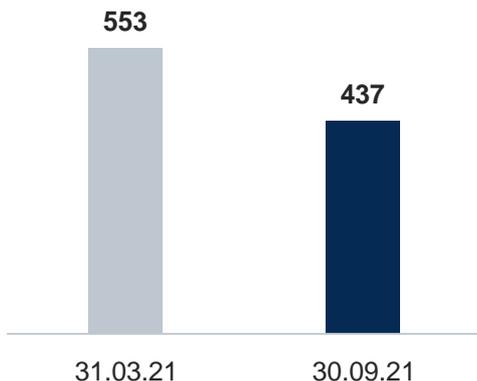
**No significant impact** from chip shortage

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

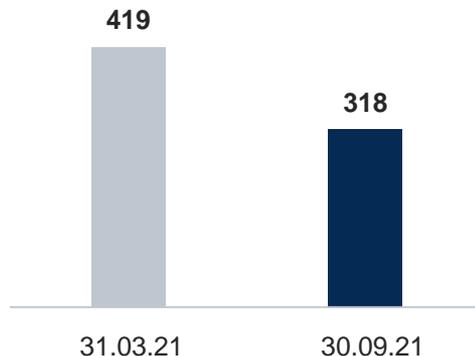
# H1 21/22 FINANCIAL POSITION

## Cash & cash equivalents

in € mn



## Unused credit lines



## Balancing capital allocation

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

**Solid financial structure with  
€ 755 mn cash, cash equivalents  
and unused credit lines**

# BALANCE SHEET

€ mn	31.03.2021	30.09.2021	Change in %
Total assets	2,390	<b>2,640</b>	+10%
Equity	802	<b>872</b>	+9%
Equity ratio	34%	<b>33%</b>	-54bps
Net debt	509	<b>787</b>	+55%

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

€ mn	H1 20/21	H1 21/22	YoY Change in %
CF from operating activities	84	<b>78</b>	-7%
CF from investing activities	-238	<b>-283</b>	-19%
CF from financing activities	102	<b>88</b>	-14%
Operating free CF*	-112	<b>-229</b>	>-100%
Net capex	196	<b>307</b>	+57%

Higher CAPEX offset by lower investments in time deposits

Operating free CF mainly driven by higher CAPEX

\* Cash flow from operating activities minus Net capex

# CURRENT YEAR GUIDANCE

## FY 21/22 – Revenue guidance increased

**Growth**            Revenue growth of 21 – 23% (previous: 17 – 19%)

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**Profitability**

- Adjusted EBITDA margin of 21 – 23%
- Adjustment: Start-up effects of the Chongqing and Kulim projects with an amount of approx. € 50 mn

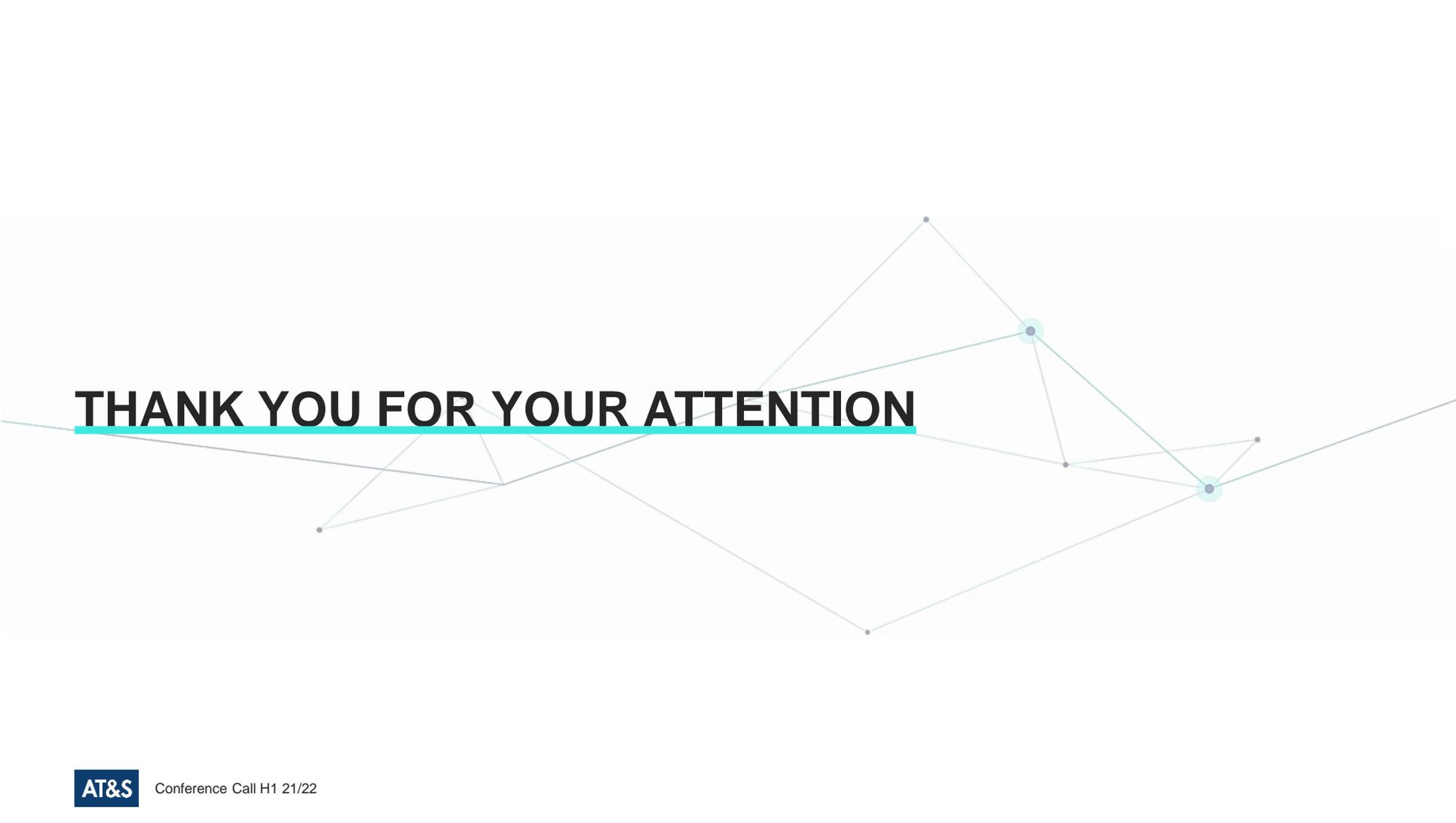
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**Investments**    Net capex of up to € 700 mn

# MIDTERM GUIDANCE

## FY 25/26 – Benefitting from projects in China and Malaysia

<b>Growth</b>	Revenue approx. € 3.5 bn (CAGR +24%) (previous: approx. € 3 bn)
<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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