

The AT&S logo consists of the letters 'AT&S' in a white, bold, sans-serif font, centered within a dark blue rectangular box. The background of the entire slide is a blurred photograph of a city street at dusk or dawn, with the Shard skyscraper visible in the distance on the right side.

AT&S

RESULTS H1 2022/23 CONFERENCE CALL

November 03, 2022

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

KEY DEVELOPMENTS H1 22/23

Business expansion on track

- Strong revenue growth of +53%
 - Additional substrate capacities in China as a key driver
 - All business areas contributed to company growth
 - Premium Phones as a fast growing segment
 - Significant FX effects
- Good progress in all recruiting projects
- Capacity expansion projects CHQ, KUL, HTB fully on track
- Guidance for FY 2022/23 and 2025/26 confirmed
- Measures taken for a challenging market environment

SUCCESS IN SPITE OF CHALLENGING TIMES

HOW DO WE REACT TO?

- **Energy**

 - Gas → oil

 - Energy saving plans

 - Solar energy program in Kulim

 - 150GWh of approx. 400 GWh, i.e. approx. 38%

- **Supply chain**

 - Well prepared – no issues

 - continuous relationship with suppliers – more focused on capacity management, business contingency plans & multi-sourcing plans

 - 3-month inventory program for chemicals in Europe

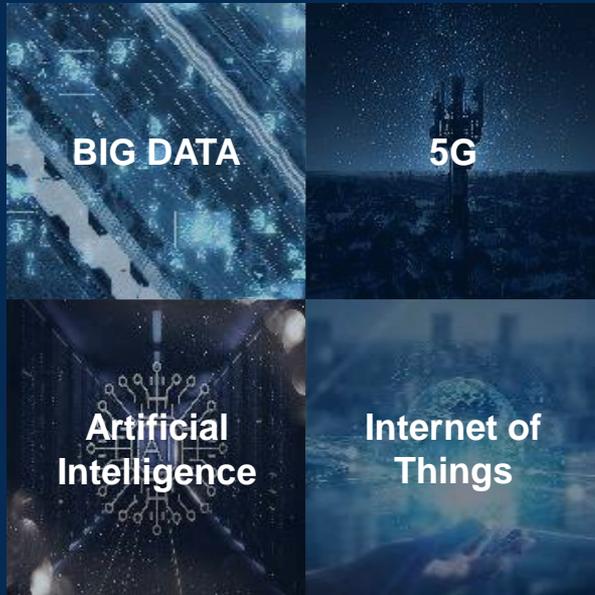
“MOVING AHEAD WITH CAREFUL FORESIGHT”

- **CAPEX-Check**

- **Various efficiency programs (cost, working capital, ...)**

- **Short cycle market reviews and close observation of latest development**

THE BIG MARKET TRENDS ARE STILL VALID



Megatrend

Key requirement

AT&S strategic priorities

Digitalization



Efficient Data Utilization



Electrification



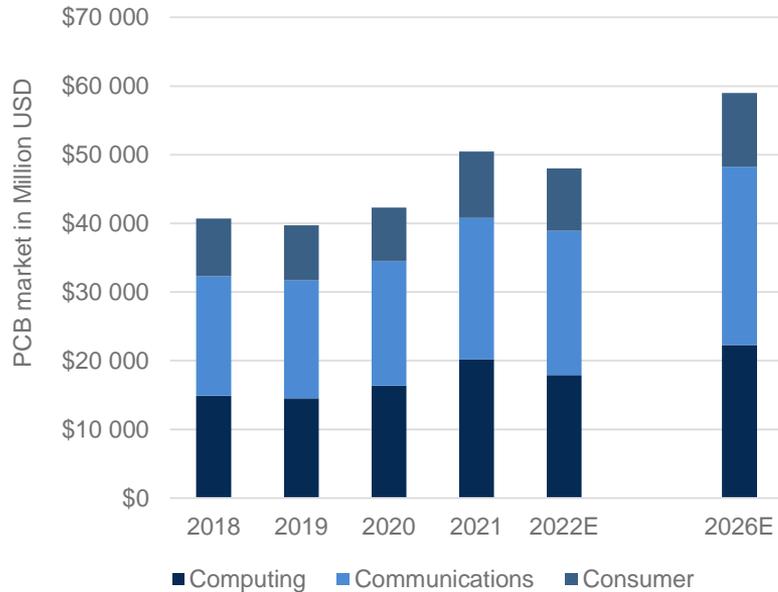
Efficient Systems



Advanced Packaging
Ambition

DIGITALIZATION IS CONSTANTLY ON THE RISE

Our Markets: Computing, Communication, Consumer



Short-term trends

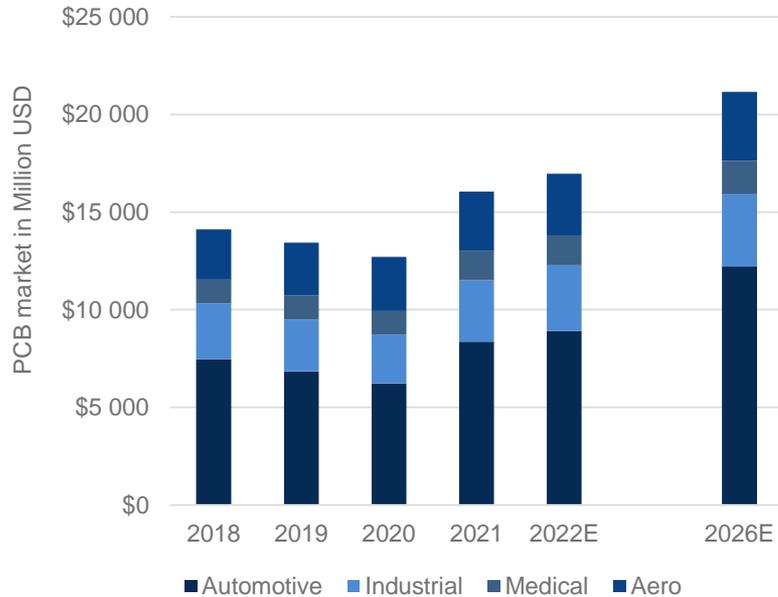
- Normalization of notebook market to new normal
- Consumer demand declining from hyped Covid levels
- Very high level of uncertainty leading to caution on consumer behavior and also investment
- Investment hike for datacenter and communication infrastructure in 2021/2022

Long-term trends

- General digitalization
- Massive extension of digital infrastructure
- New consumer gadgets with AR/VR

RECOVERY AFTER CHIP SHORTAGE

Our Markets: Automotive, Industrial, Medical, Aerospace



Short-term trends

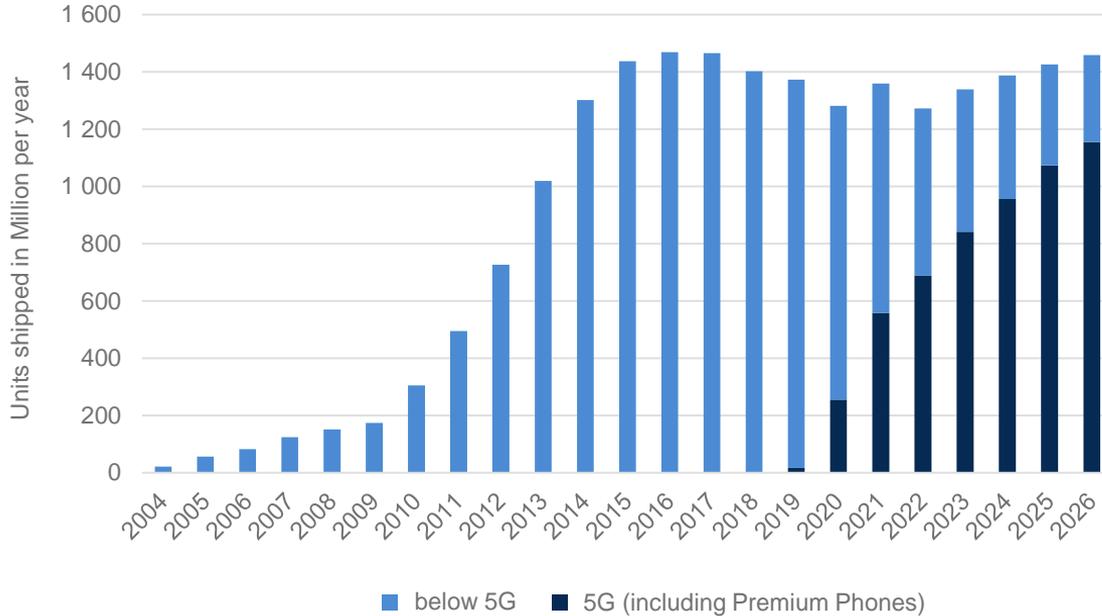
- Automotive market still in recovery
- Relaxing of the chip shortage allows the markets to further recover in 2022
- Electrification and higher electronic content in cars shows impact also in the industrial market
- Due to recession and macroeconomic uncertainty, 2023 outlook is flat

Long-term trends

- Automotive is driven by electrification and a higher electronic content
- An aging population drives medical demand
- Automation and technology shifts drive industrial
- Aerospace gets a boost from Low Earth Orbit satellite deployments

5G ON A GROWTH PATH

Smartphone vs Premium Phones



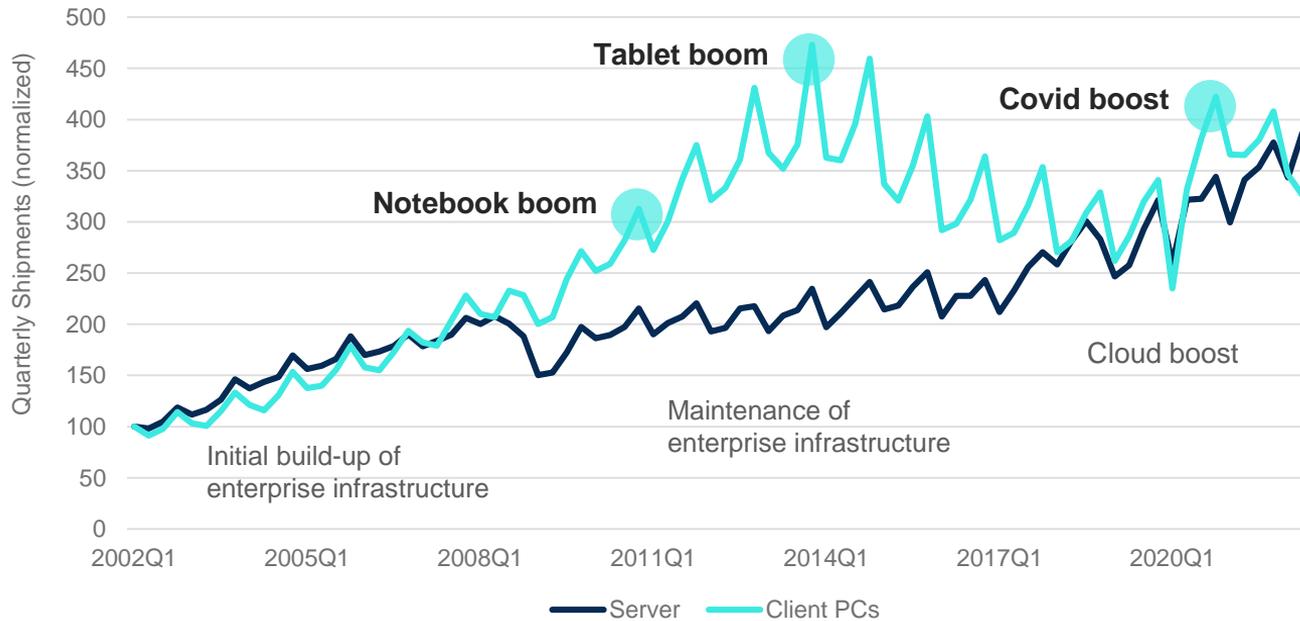
Premium portion of smartphone comparatively resilient

5G adoption quickly progressing

Premium Phones are a big part of the 5G Phones – AT&S grows with the Premium market

THE BOOM AND BOOSTER OF DIGITALIZATION

Historic computing market development



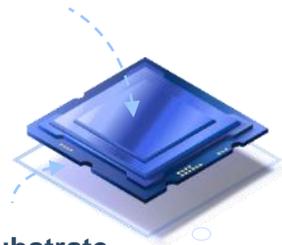
- The infrastructure need per client device is rapidly growing
- More and faster apps boost Infrastructure demand

THE BACKBONE OF DIGITALIZATION

Packaging to enable more-than-Moore growth

Architecture to date

Single chip

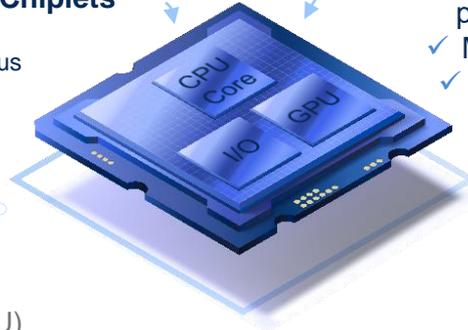


Substrate

Heterogeneous integration

Future architecture

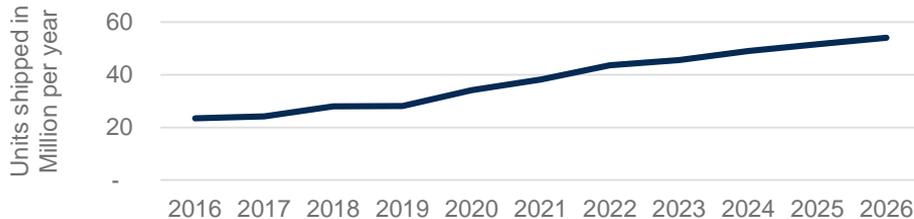
Chiplets



Substrate

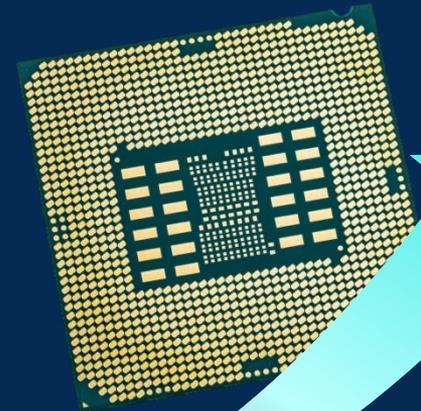
- ✓ Improved performance
- ✓ More layers
- ✓ Less yield

Server ICs (xPU)



IMPACT OF CHIPLETS ON ABF SUBSTRATE CAPACITY

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



4x
Net sqm

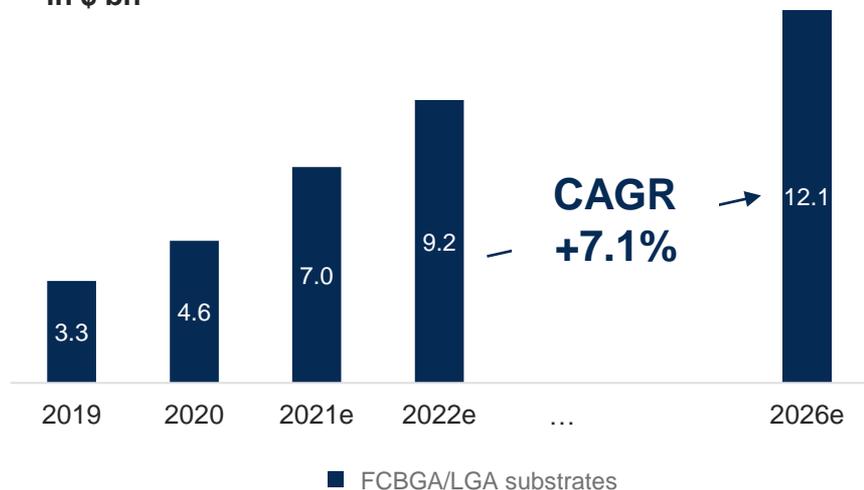
8x
Required capacity

ABF SUBSTRATE: GAMECHANGERS ARE DRIVING LONG-TERM BUSINESS

Market	Short-term 3-6 months	Mid-term 6-12 months	Long-term >1 year
Server & cloud computing	 Steadily growing	 Steadily growing, market shares rapidly changing	 Digitalization fuels demand. Heterogeneous integrations demanding larger substrates
High performance computers/Supercomputers (AI/Big Data)	 Down due to crypto crisis and reduced consumer demand	 Unclear when consumer demand will pick up	 Growth driven by gaming and artificial intelligence
Notebooks and 2-in-1 devices	 Demand decrease due to stock corrections, “new normal” and reduced consumer demand	 Unclear when consumer demand will pick up	 Growth, but with usual tech cycle. Trend towards 2-in-1 and ultra slim

OUR STRATEGIC FOCUS: PACKAGE SUBSTRATE MARKET

in \$ bn



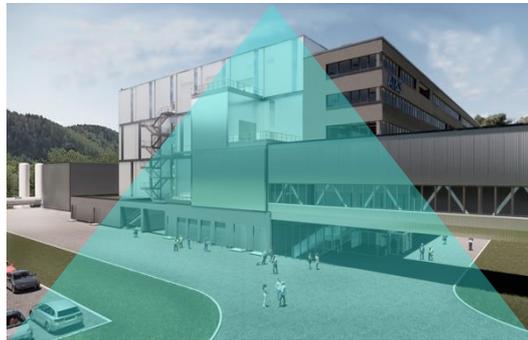
* FCCSP/FC-BOC, WB PBGA/CSP, Module
Source: Prismark, August 2022



IC Substrate based on ABF material continues to show exciting growth over the next couple of years

Market offers opportunity to diversify

FOUNDATION FOR FUTURE SUCCESS: AT&S SUBSTRATE TRIANGLE & PEOPLE



LEOBEN-HINTERBERG

- R&D center for IC substrates
- The only plant in Europe where this substrate technology is produced
- Capacity for upscaling within our substrate triangle

CHONGQING I & III

- Solid production track record since 2016
- Now scaling up with CHQ III

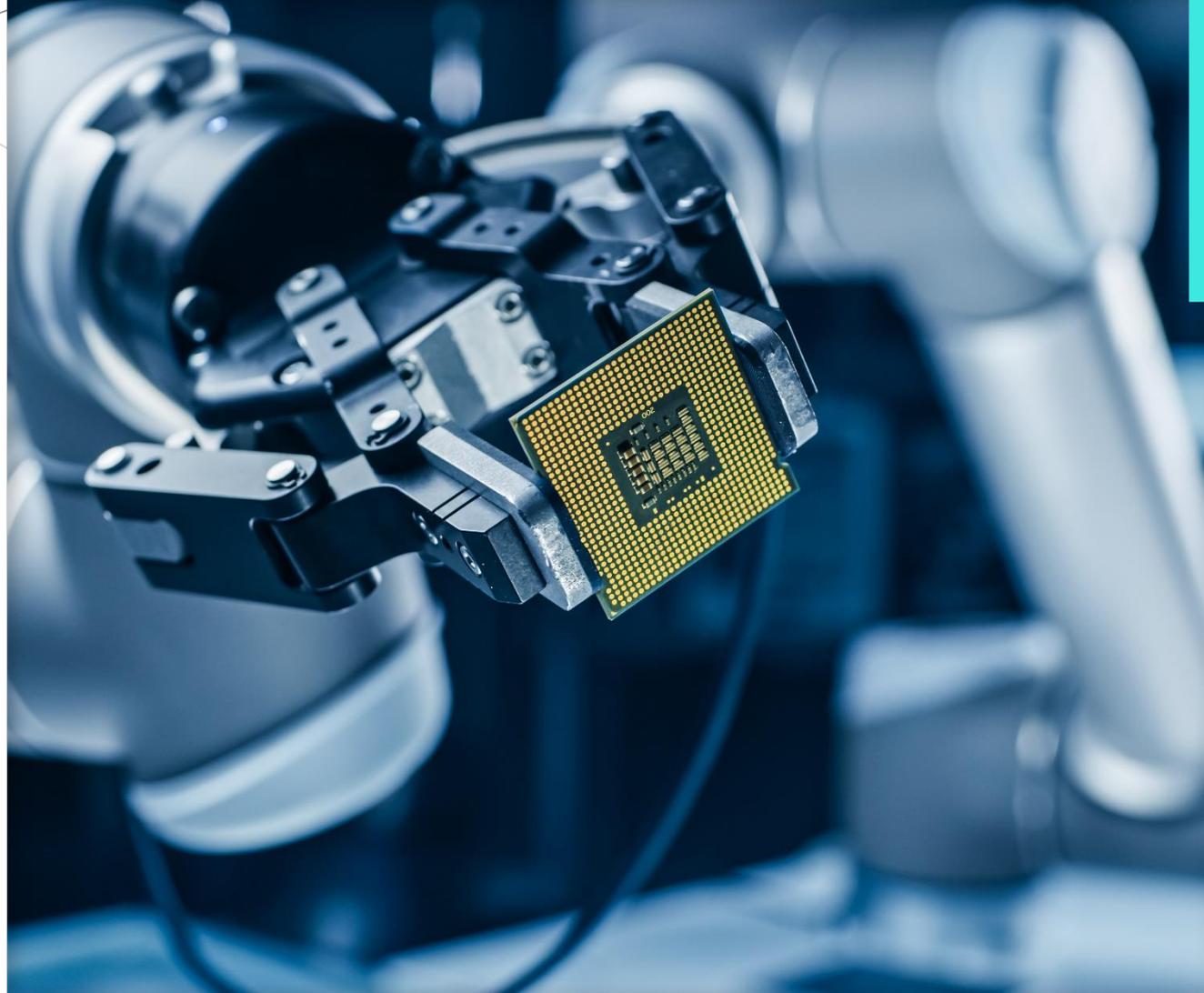


KULIM

- Capacity expansion
- Start of production scheduled for CY 2024

RESULTS H1 2022/23

Petra Preining, CFO



H1 2022/23 RESULTS SUMMARY*

Revenue **+53%**

€ 1,070 MM

- Positively impacted by FX effects of € 116 MM

EBITDA margin **+10.7 pp**

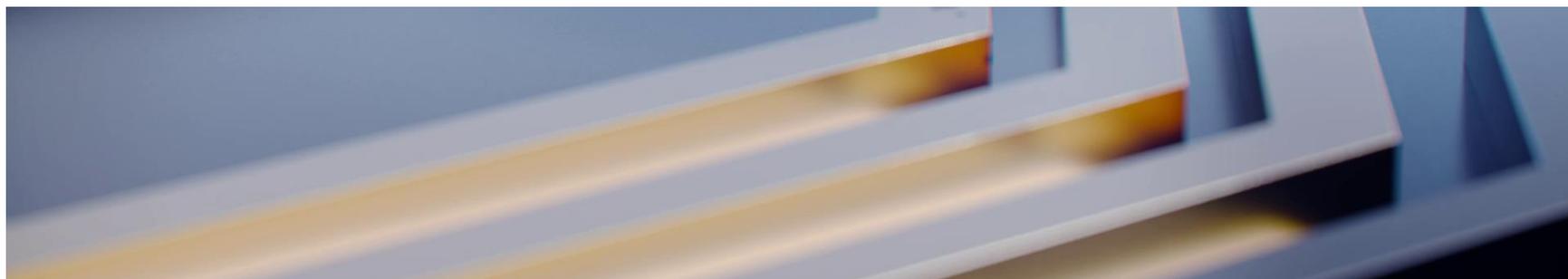
29.5%

- EBITDA margin increased by FX effects of € 79 MM

Adjusted EBITDA margin **+11.2 pp**

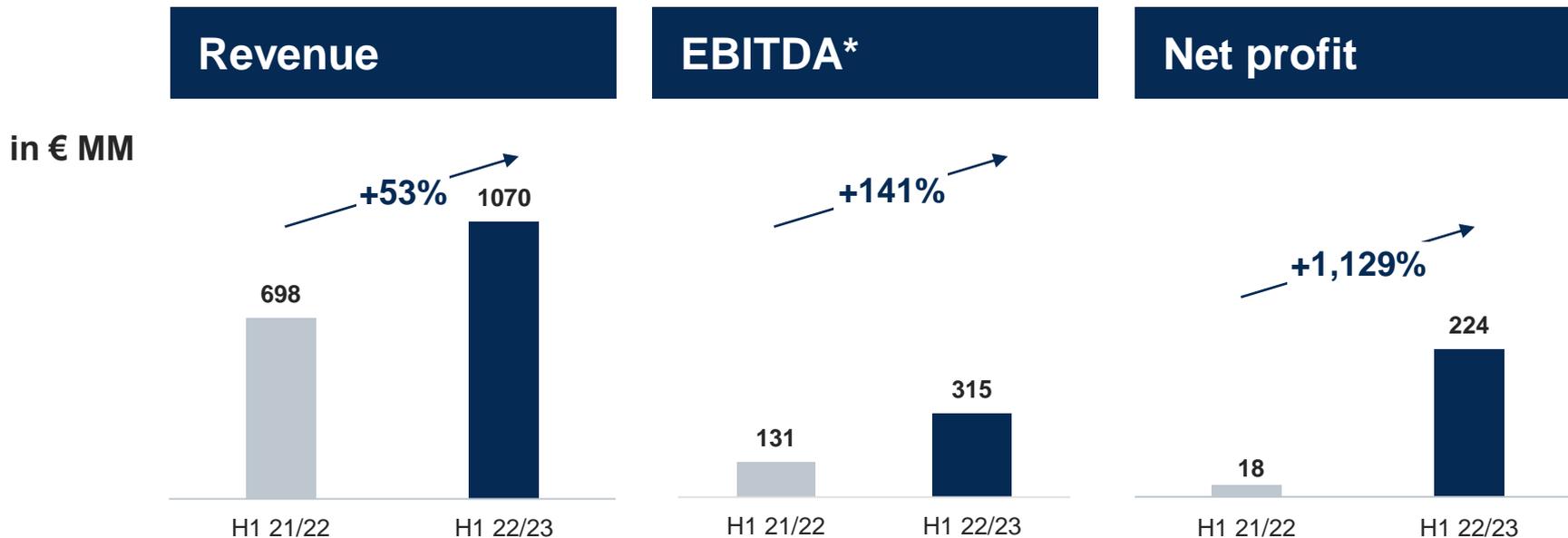
31.3%

- Start-up costs for materials and wages of € 20 MM excluded



* YoY changes

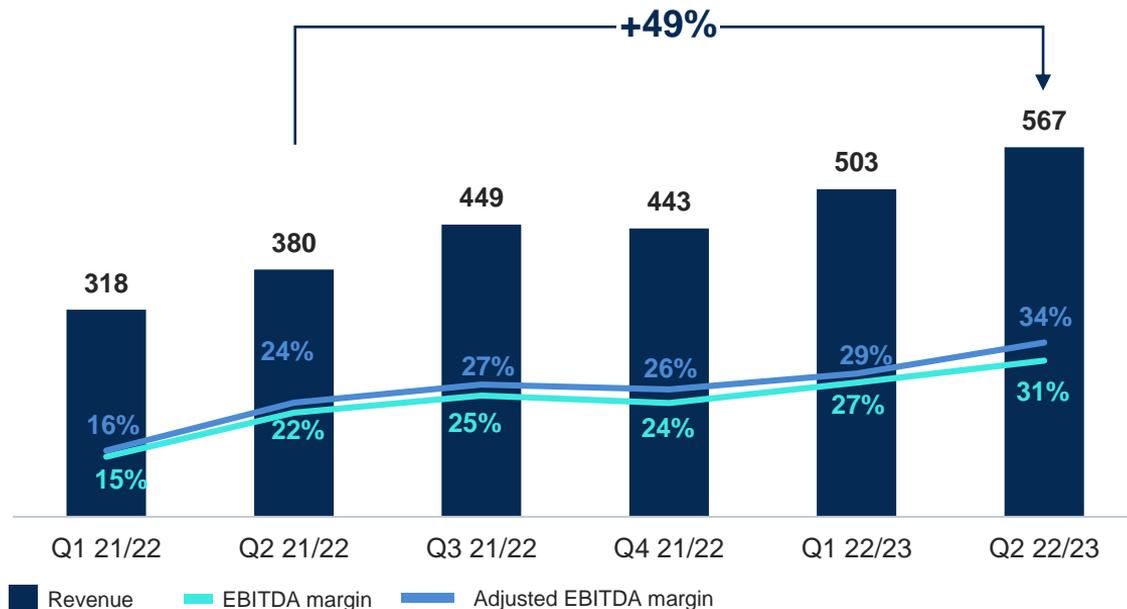
H1 2022/23 RESULTS SUMMARY



* Adjusted EBITDA increase of 139% to € 335 MM (H1 2021/22: € 140 MM)

QUARTERLY REVENUE AND EBITDA MARGIN DEVELOPMENT

in € MM



Quarterly revenue on record level

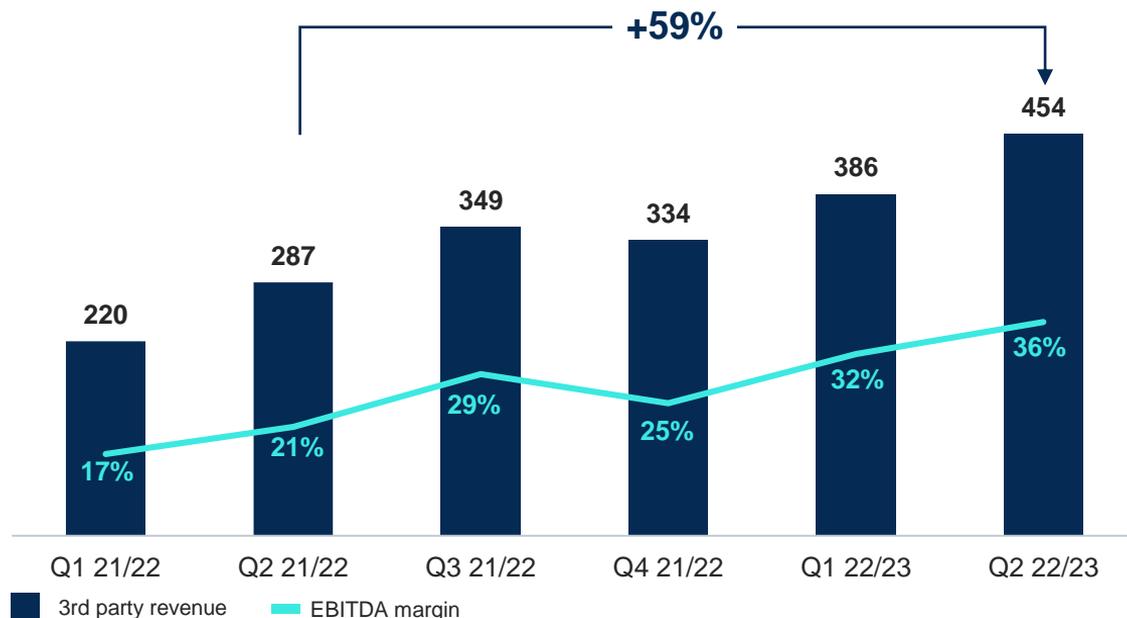
Growth mainly driven by increased capacity

Margin improvement due to higher revenue and FX effects

BUSINESS DEVELOPMENT

Mobile Devices & Substrates

in € MM



Chongqing capacity expansion drove revenue

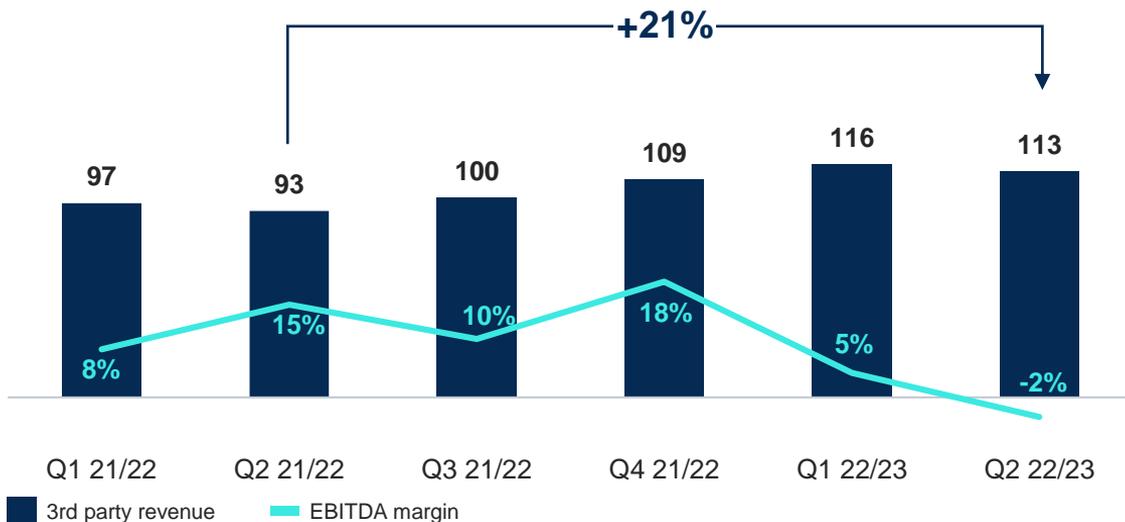
Strong demand for **PCBs for modules**

EBITDA margin profile **further improved**

BUSINESS DEVELOPMENT

Automotive, Industrial & Medical

in € MM



Revenue growth supported by FX

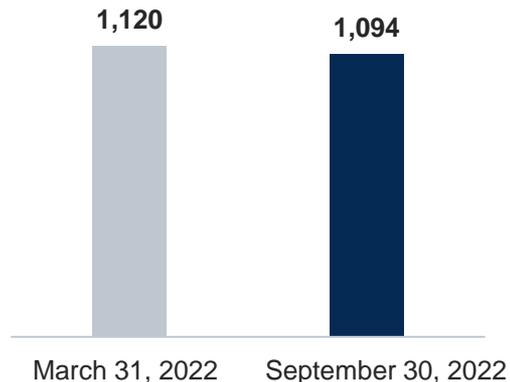
Margin reflects **start-up costs and higher R&D expenditures**

IPCEI funding expected to provide margin tailwind in H2

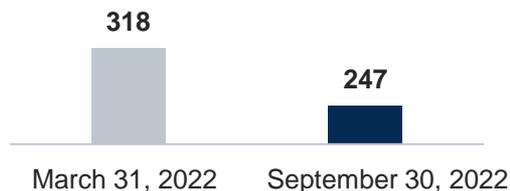
H1 2022/23 FINANCIAL POSITION

Cash & cash equivalents

in € MM



Unused credit lines



Balancing capital allocation

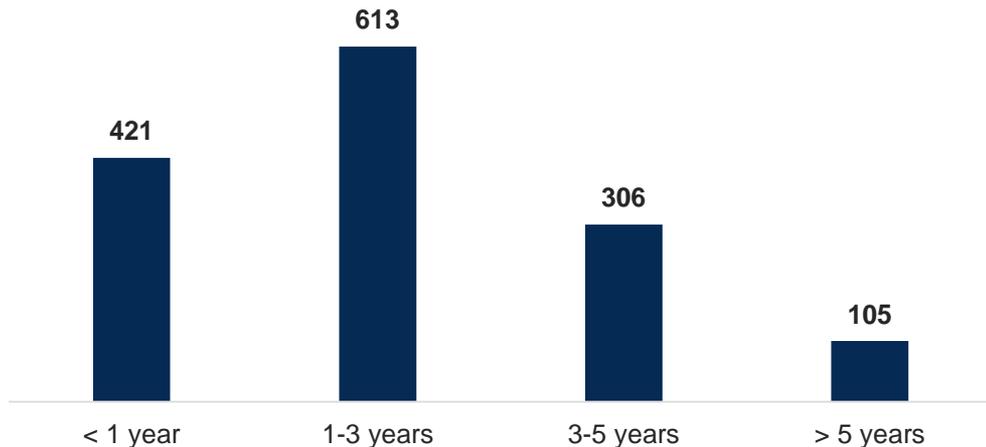
- Deploying capital with clear approach to invest in strategic growth markets
- Hybrid bond placement and customer prepayments drive cash and cash equivalents

- **Solid financial structure with € 1,341 MM cash, cash equivalents and unused credit lines**
- **FX effects on funds impacts financial results by € 69 MM**

DEBT FINANCING OVERVIEW

Maturity of outstanding debt instruments*

in € MM



- 43% 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 1.4% (in H1)
- Further customer prepayments expected

* Amounts by maturity as of September 30, 2022. 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	Sep. 30, 22	Change in %
Total assets	3,746	4,318	+15%
Equity	1,252	1,491	+19%
Equity ratio	33.4%	34.5%	+1.1 pp
Net debt	212	297	+40%

➤ Ongoing expansion and customer prepayments main drivers

➤ Higher earnings and positive FX effects support

➤ Net debt/EBITDA ratio of 0.6

CASH FLOW

€ MM	H1 21/22	H1 22/23	YoY Change in %
CF from operating activities	102	366	+257%
CF from investing activities	-283	-526	-
CF from financing activities	63	46	-28%
Operating free CF*	-204	-124	-
Net CAPEX	307	490	+60%

Supported by better result and customer prepayments

Driven by higher CAPEX

* Cash flow from operating activities minus Net CAPEX

CURRENT YEAR GUIDANCE*

FY 2022/23

Revenue	Mid-single-digit percentage range below previous expectation of approx. €2.2 billion
Profitability	Adjusted EBITDA margin of 27–30%
Investments	Net CAPEX of up to € 1,250 MM

* For further details please see press release from Nov 03, 2022

MID-TERM GUIDANCE

FY 2025/26

Growth	Revenue approx. € 3.5 bn (CAGR +22%)
Profitability	<ul style="list-style-type: none">▪ EBITDA margin of 27–32%▪ ROCE of >12% with ramp-up of production
Others	<ul style="list-style-type: none">▪ Net debt/EBITDA: <3 (can be temporarily exceeded)▪ Equity ratio: >30% (may temporarily fall below)



THANK YOU FOR YOUR ATTENTION

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