



AT&S

RESULTS Q1-3 2023/24

CONFERENCE CALL

FEBRUARY 01, 2024



KEY DEVELOPMENTS Q1-3 2023/24

**Getting
prepared for
market
recovery**

- After strong Q2, the market environment deteriorated in Q3
 - High inventories of server chips impact IC substrate demand
 - Mobile Devices facing unfavourable product mix and price pressure
- Revenue outlook 2023/24 adjusted
 - Challenging market environment with high volatility, low visibility and continued price pressure will persist in Q4
 - Earnings margin confirmed due to effect of efficiency programmes
- Getting prepared for market recovery, expected in the second half of 2024
 - Ramp of plants in Kulim and Leoben on track
 - Cost optimisation programmes show good performance
- Medium-term guidance 2026/27 confirmed

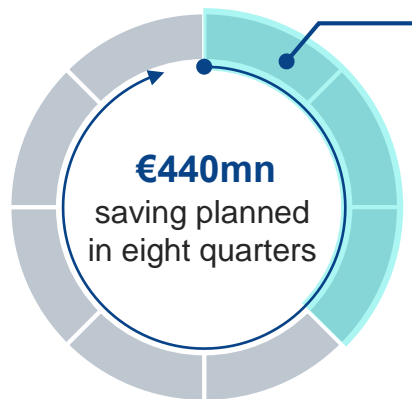
COST SAVING AND EFFICIENCY PROGRAMMES

OPEX programme

€440mn saving for FY23/24 and FY24/25 combined

■ Achieved saving

■ €440mn evenly distributed per eight quarters



- Cost savings on track
- The cost saving programme consists of continuous efficiency improvements, incl. yield, personnel intensity, purchase price and cost avoidance

CAPEX programme

€450mn reduction, FY23/24 and FY24/25 combined

- Saving on track
- Mainly push-off of CAPEX investment, adjusted to market development

OPENING CEREMONY AT&S CAMPUS KULIM

January 24

300 VIP guests, 700 employees

“AT&S has proven to be a very capable additional source of high-quality IC substrates for high-performance AMD data center processors, strengthening our global supply chain. We look forward to leveraging the leading-edge technologies manufactured in this new plant.”

Scott Aylor

AMD Corporate Vice President
for Global Operations Manufacturing Strategy



AT&S CAMPUS KULIM

THE PROGRESS

- Plant 1 opened
- Investment: Just over € 1 billion so far
- Almost 2,500 employees by end of 2024 – ~1,500 blue collars, ~ 900 white collars
- Serial production will commence by end of 2024
- Products: IC-substrates for server applications including cloud server and AI



LEOBEN HTB3

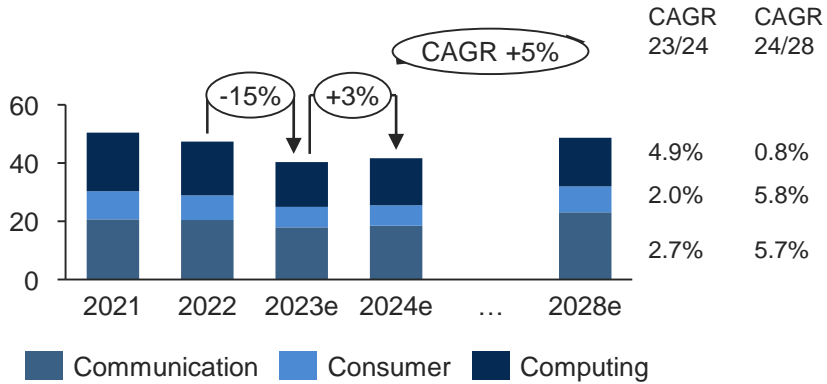
THE PROGRESS

- Main tools moved in
- Almost 450 employees by end of 2024 – ~225 blue collars, ~ 225 white collars
- “Phase Red” cleanroom
- First process qualification lots successfully started
- Start of production: end of 2024
- Products: IC-substrates for server applications including cloud server

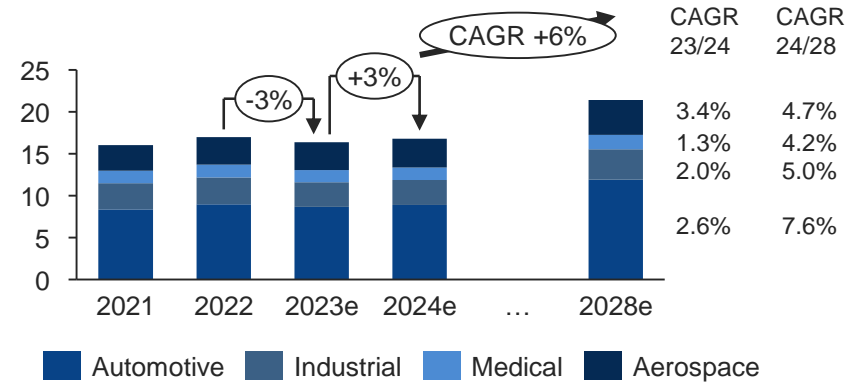


PCB MARKETS

Communication, Consumer, Computing [USD bn]



Automotive, Industrial, Medical, Aerospace [USD bn]

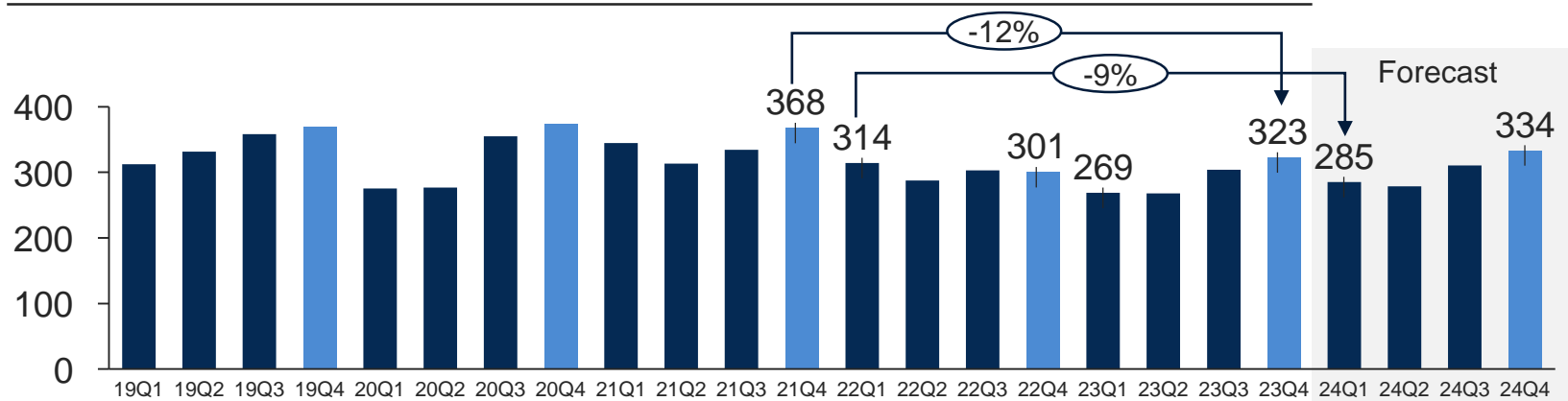


- Entering 2024 challenging economic environment persists, with geopolitical tensions further dampening growth
- While PC supply chains normalised, inventory is elevated in industrial and automotive
- Inventory correction and projected economic development suggest a recovery in H2 2024

Source: Prismark, Nov. 2023

SMARTPHONE

Smartphone shipment, by quarter [mn units]

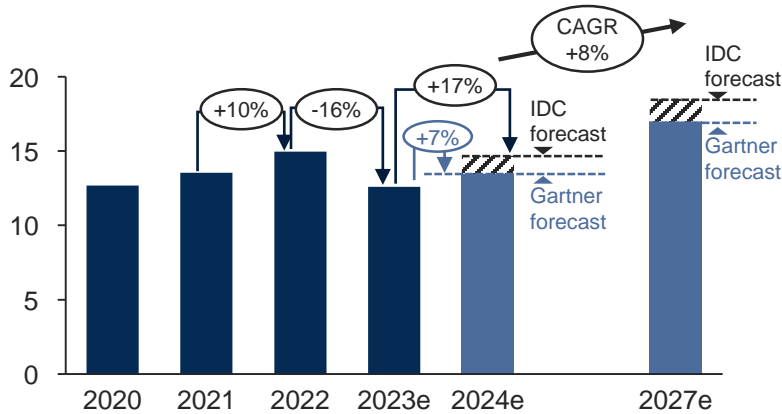


- CY23Q4 and CY24Q1 show signs of recovery, but not yet at 2022 levels
- Although unit shipments are starting to recover, the market is still characterised by unfavourable product mix and strong price pressure
- CYQ1 and CYQ2 are usually low points due to seasonality

Source: IDC

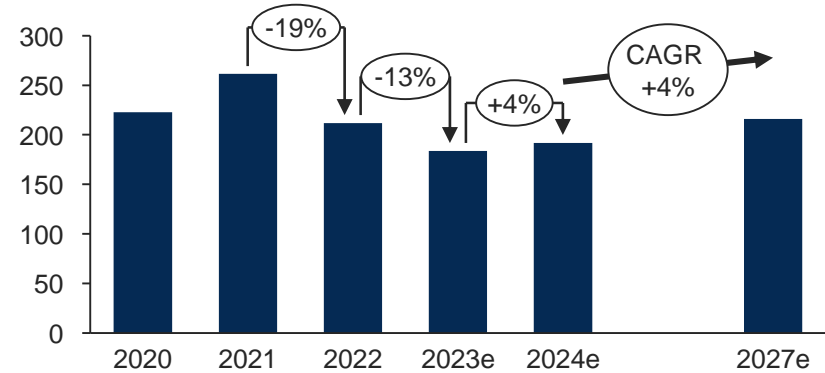
SUBSTRATE END MARKETS

Server shipment [mn units]



- Switch in spending pattern towards high-ASP AI systems continues into 2024 with uncertainty
- Elevated inventories delay recovery for related ICS
- Hyperscaler CAPEX to drive growth

Notebook shipment [mn units]

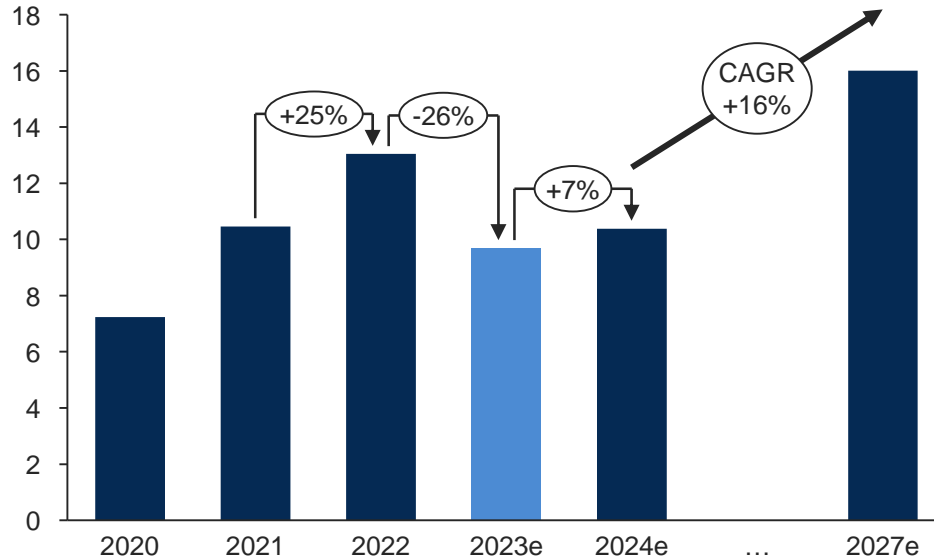


- Market and inventory stabilised at the end of 2023
- Cautious growth expected in 2024
- Possible upside from new processor launches

Source: IDC, Gartner, Dec. 2023

SUBSTRATE MARKET

Advanced Substrate Market [USD bn]



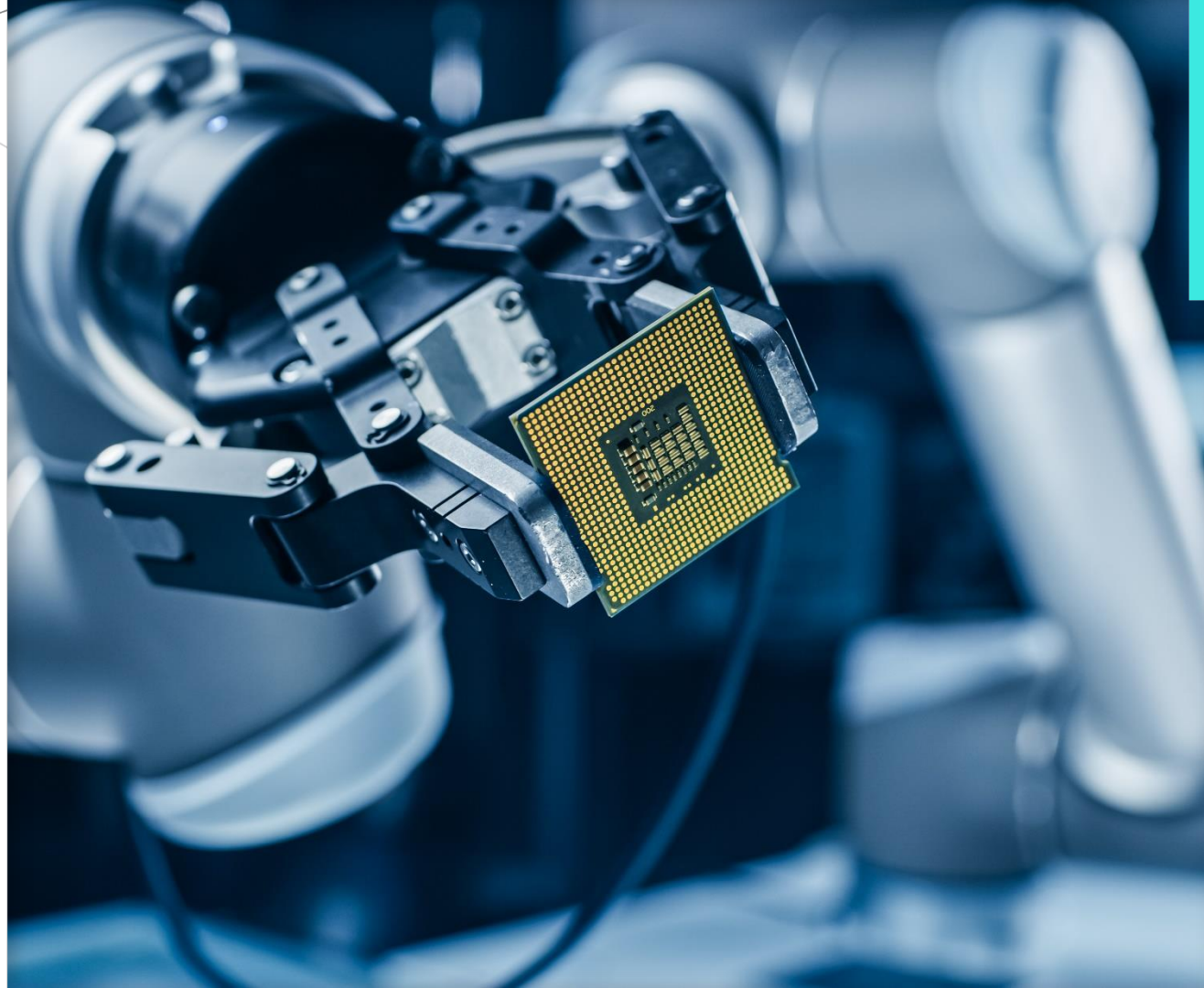
- 2024 market still under pressure, due to strong price competition and inventories
- Despite the unit recovery, the increased complexity of server and AI substrates will boost revenue in the next years leading to sustainable value based growth
- Trends like more powerful chips in data centre and AI are driving heterogeneous integration and with it the size and complexity of substrates required

Source: Prismark, Nov. 2023

RESULTS

Q1-3 2023/24

Petra Preining, CFO



Q1-3 2023/24 RESULTS SUMMARY

Revenue

€ 1,205 MM

- Revenue¹ decreased by 19%
-16% without currency effects
- Electronics Solutions: -24%
- Microelectronics: -10%

EBITDA

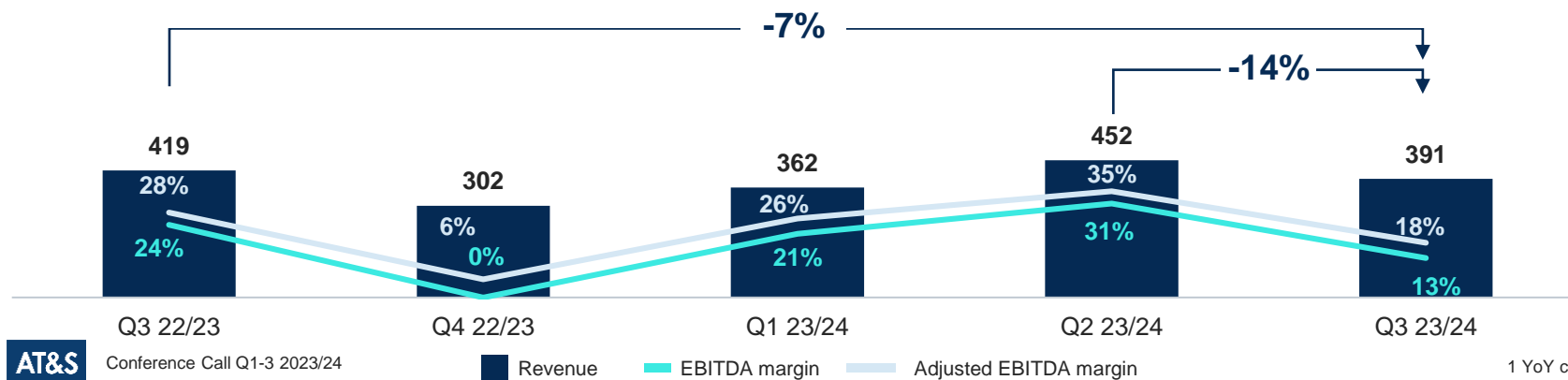
€ 268 MM

- EBITDA¹ decreased by 36%
-36% without currency effects
- EBITDA margin: -5.7pp → 22.2%
- Adjusted EBITDA margin:
-3.8 pp → 26.6%

Net profit

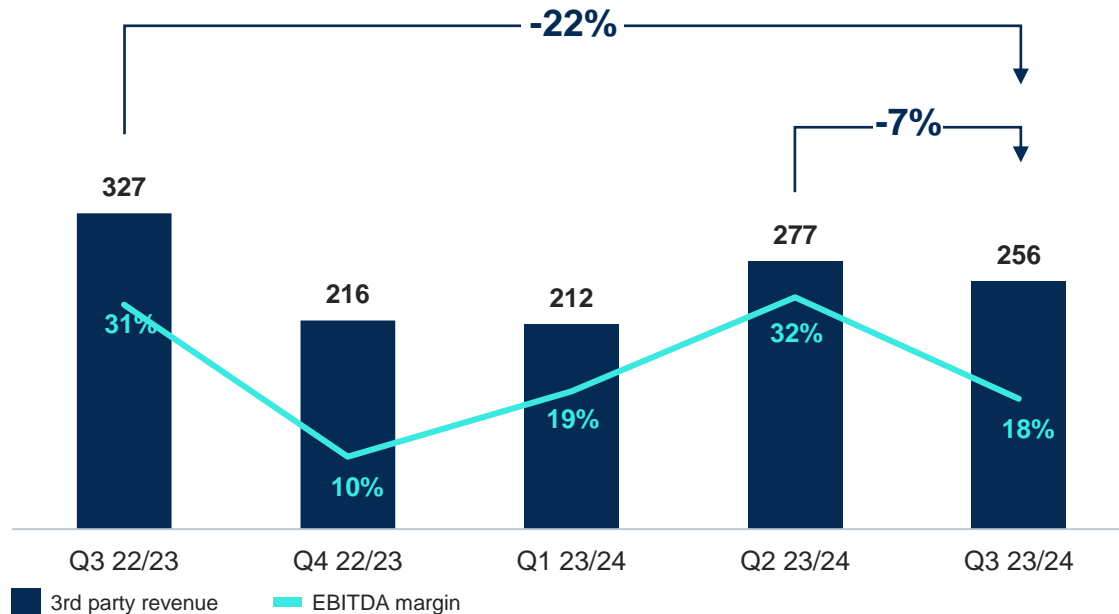
€ 7 MM

- Net profit decreased by 97%
-107% without currency effects
- Driven by lower revenue and EBITDA



BUSINESS UNIT: ELECTRONICS SOLUTIONS

in € MM



Revenue

YoY lower by 22%, equally burdened by weaker product mix/volume and price pressure

QoQ -7%, due to seasonality of mobile devices and weak macro environment for industrial products

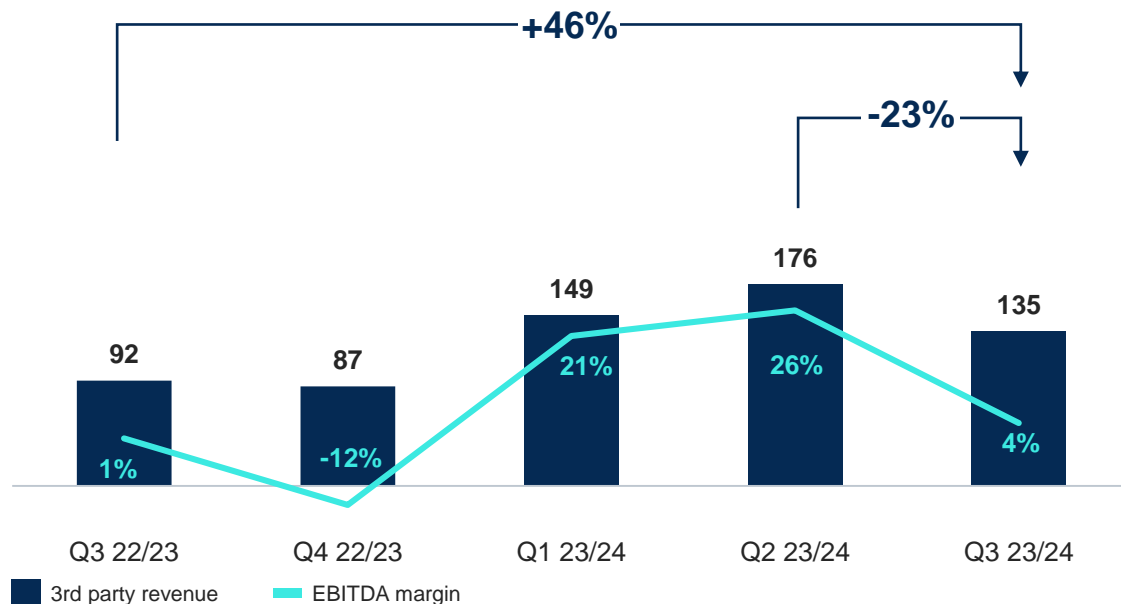
Margin

YoY volume/price development increase lead to margin pressure

QoQ unfavourable volume/mix

BUSINESS UNIT: MICROELECTRONICS

in € MM



Revenue

YoY +46%, volume growth overcompensating price pressure
QoQ -23%, unfavorable volume/mix due to high server inventory

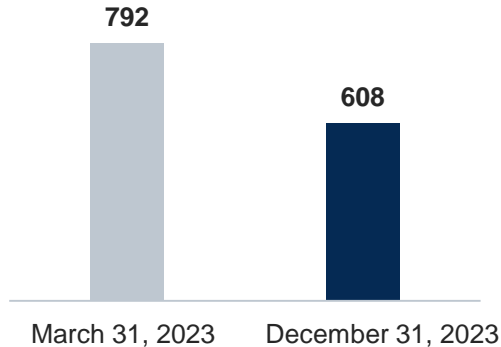
Margin

YoY volume/price development lead to margin pressure
QoQ unfavorable volume/mix due to high server inventory

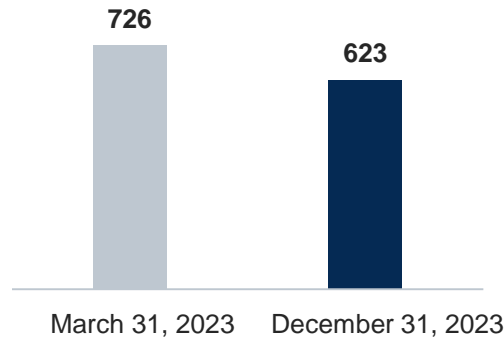
Q1-3 2023/24 FINANCIAL POSITION

Cash & cash equivalents

in € MM



Unused credit lines



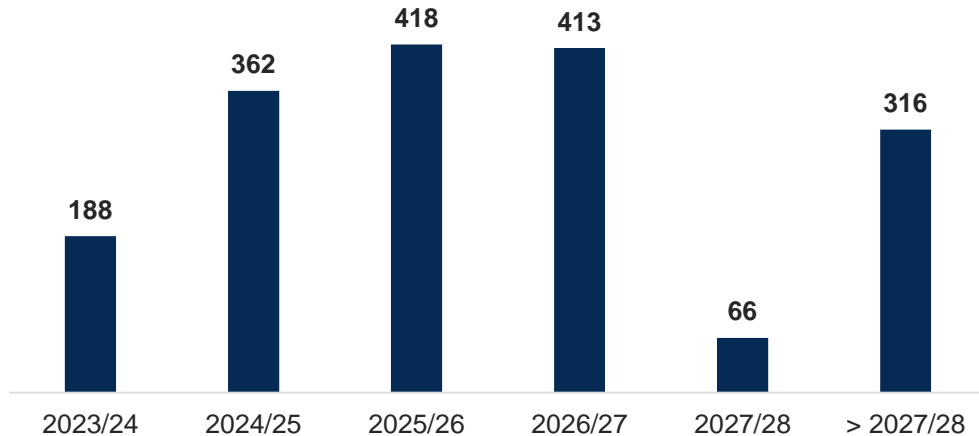
Balancing capital allocation

- Deploying capital with clear approach to invest in strategic growth markets
- Solid financial structure with € 1,231 MM cash, cash equivalents and unused credit lines
- FX effects on funds impact financial results positively by € 4 MM

DEBT FINANCING OVERVIEW

Maturity of outstanding debt instruments¹

in € MM

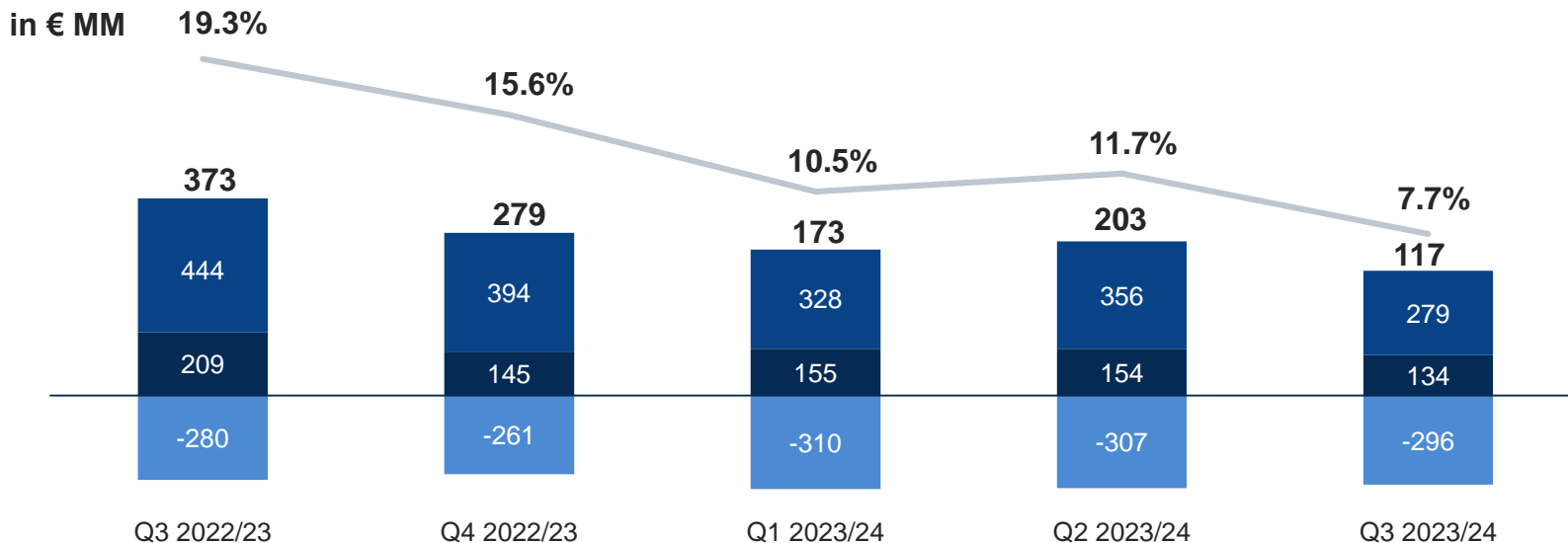


- 40% of debt instruments have a fixed interest rate
- Current financing costs of 4.5% (as of Q3 2023/24)
- Further customer prepayments expected

¹ Amounts by maturity as of December 31, 2023. Promissory note loans, term loans with banks, bank borrowings and others; including accrued interest and placement costs and finance leases

HIGH MANAGEMENT FOCUS ON WORKING CAPITAL

Working capital and relation to revenue



■ WC receivables¹
■ Inventories
 ■ WC payables²
— Net working capital to LTM revenue

¹ Trade and other receivables and contract assets |

² Trade and other payables and other current provisions, without liabilities from investments

BALANCE SHEET

| € MM | Mar. 31, 23 | Dec. 31, 23 | Change in % |
|--------------|-------------|--------------|-------------|
| Total assets | 4,162 | 4,197 | +1% |
| Equity | 1,158 | 1,006 | -13% |
| Equity ratio | 27.8% | 24.0% | -3.8pp |
| Net debt | 851 | 1,109 | +30% |

As anticipated below 30% target

Net debt/EBITDA ratio of 4.1

CASH FLOW

| € MM | Q1-3 22/23 | Q1-3 23/24 | YoY Change in % |
|--------------------------------|---------------|---------------|--------------------|
| CF from operating activities | 483 | 497 | +3% |
| CF from investing activities | -992 | -725 | - |
| CF from financing activities | 29 | 59 | +102% |
| Operating free CF ¹ | -320 | -201 | - |
| Net CAPEX | 803 | 699 | -13% |



Driven by strong WC management

¹ Cash flow from operating activities minus Net CAPEX

CURRENT YEAR GUIDANCE

FY 2023/24 – Adjusted due to difficult market conditions

Revenue Approx. € 1.6 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 2026/27e

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

AT&S INVESTOR RELATIONS

ir@ats.net

+43 3842 200 5450

DISCLAIMER

This presentation is provided by AT & S Austria Technologie & Systemtechnik Aktiengesellschaft, having its headquarter at Fabriksgasse 13, 8700 Leoben, Austria ("AT&S"), and the contents are proprietary to AT&S and for information only.

AT&S does not provide any representations or warranties with regard to this presentation or for the correctness and completeness of the statements contained therein, and no reliance may be placed for any purpose whatsoever on the information contained in this presentation, which has not been independently verified. You are expressly cautioned not to place undue reliance on this information.

This presentation may contain forward-looking statements which were made on the basis of the information available at the time of preparation and on management's expectations and assumptions. However, such statements are by their very nature subject to known and unknown risks and uncertainties. As a result, actual developments, results, performance or events may vary significantly from the statements contained explicitly or implicitly herein.

Neither AT&S, nor any affiliated company, or any of their directors, officers, employees, advisors or agents accept any responsibility or liability (for negligence or otherwise) for any loss whatsoever out of the use of or otherwise in connection with this presentation. AT&S undertakes no obligation to update or revise any forward-looking statements, whether as a result of changed assumptions or expectations, new information or future events.

This presentation does not constitute a recommendation, an offer or invitation, or solicitation of an offer, to subscribe for or purchase any securities, and neither this presentation nor anything contained herein shall form the basis of any contract or commitment whatsoever. This presentation does not constitute any financial analysis or financial research and may not be construed to be or form part of a prospectus. This presentation is not directed at, or intended for distribution to or use by, any person or entity that is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would require any registration or licensing within such jurisdiction.