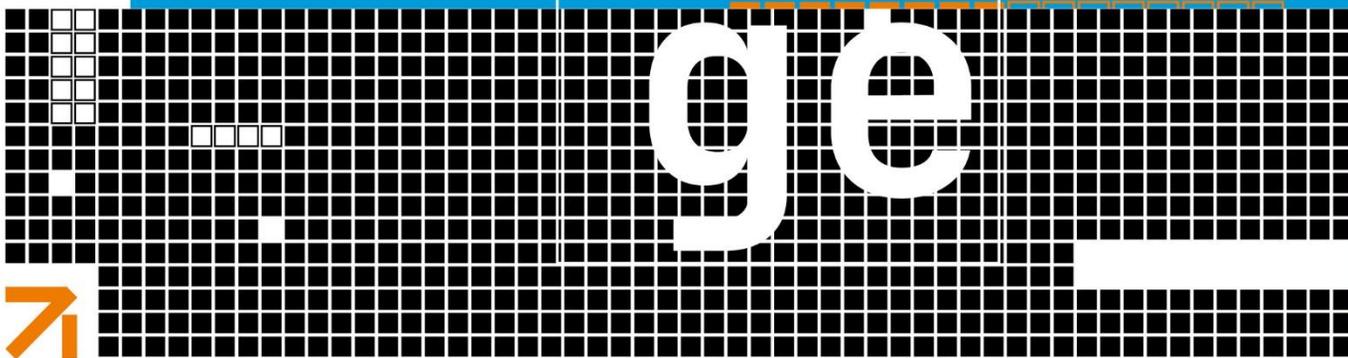


AT&S

First choice for
advanced applications

Consistency in Change



HIGHLIGHTS Q1 2021/22

AT&S's growth continues unabated

- Positive performance despite unfavourable currency effects
- Quarterly revenue increases by 28% to € 317.7 million (PY: € 247.9 million)
- Adjusted EBITDA at € 50.8 million, up 24% on the previous year
- Major projects fully on track – start of production at the Chongqing plant brought forward
- Guidance for 2021/22 raised: revenue growth of 17-19%, adjusted EBITDA margin still expected in the range of 21-23%

KEY FIGURES

	Unit	Q1 2020/21	Q1 2021/22	Change in %
Revenue	€ in millions	247.9	317.7	28.2%
EBITDA	€ in millions	39.5	46.3	17.3%
EBITDA adjusted ¹⁾	€ in millions	40.8	50.8	24.4%
EBITDA margin	%	15.9%	14.6%	–
EBITDA margin adjusted ¹⁾	%	16.5%	16.0%	–
EBIT	€ in millions	0.2	(0.4)	–
EBIT adjusted ¹⁾	€ in millions	1.6	5.6	>100%
EBIT margin	%	0.1%	(0.1%)	–
EBIT margin adjusted ¹⁾	%	0.7%	1.8%	–
Loss for the period ²⁾	€ in millions	(7.9)	(5.3)	–
ROCE ²⁾	%	(0.8%)	(0.6%)	–
Net CAPEX	€ in millions	81.9	153.4	87.4%
Operating free cash flow	€ in millions	(53.8)	(122.9)	–
Earnings per share ²⁾	€	(0.26)	(0.19)	–
Employees ³⁾	–	10,587	12,296	16.1%

¹⁾ Adjustment start-up costs Chongqing

²⁾ Q1 2020/21: Adjustment Hedge Accounting

³⁾ Incl. contract staff, average

ECONOMIC REPORT

BUSINESS DEVELOPMENT AND SITUATION

AT&S started the new financial year with a very positive revenue development despite negative currency effects. Digitalisation continues to drive the demand for AT&S technologies. Markets that showed temporary weakness are increasingly recovering. Strategically, AT&S is still fully on track. The production of IC substrates in particular is running at full speed. The implementation of the capacity expansion in Chongqing is making excellent progress. The first parts of the production equipment have already been qualified and put into operation.

With revenue amounting to € 317.7 million, the comparative value of the previous year of € 247.9 million was exceeded by 28.2%. Adjusted for currency effects, the increase in consolidated revenue even amounted to 37.2%. The additional capacity and growing demand for ABF substrates made a significant contribution to revenue growth. The development was supported by the broader application portfolio for mobile devices and the demand for module printed circuit boards. In the AIM segment, all three areas contributed to revenue growth. Although the Automotive segment nearly doubled its revenue after a very weak first quarter of the previous year, the shortage of semiconductors will continue.

Exchange rate effects, especially related to the weaker US dollar, had a negative impact of € 22.4 million on the development of revenue.

EBITDA increased from € 39.5 million to € 46.3 million. The improvement in earnings is predominantly attributable to the increase in consolidated revenue. Currency fluctuations of the US dollar and the Chinese renminbi had a negative impact of € 18.1 million on the earnings development. In addition, temporary start-up costs for the IC substrate production in Chongqing were incurred in the first quarter. On the market side, a change in product mix in the Mobile Devices segment had a negative effect on profitability in the first quarter of the financial year.

AT&S continues its efforts to make the company future-proof by intensifying investments in further structural development as well as in research and development. Investments of

€ 31.3 million were made during the reporting period (previous year: € 22.4 million) to prepare for future technologies and pursue the modularisation strategy, among other things. Adjusted for the start-up effects of the Chongqing project, EBITDA amounted to € 50.8 million.

The EBITDA margin amounted to 14.6% (adjusted EBITDA margin: 16.0%), falling short of the prior-year level of 15.9% (adjusted EBITDA margin: 16.5%). EBIT declined from € 0.2 million to € -0.4 million. The EBIT margin amounted to -0.1% (previous year: 0.1%).

Finance cost – net improved from € -5.9 million to € -3.1 million which is primarily attributable to the positive change in exchange rate differences (change: + € 2.5 million).

Loss for the period improved by € 2.6 million from € -7.9 million to € -5.3 million, primarily due to the improvement in Finance costs – net.

BUSINESS DEVELOPMENT BY SEGMENTS

The AT&S Group breaks its operating activities down into three segments: Mobile Devices & Substrates, Automotive, Industrial, Medical, and Others. For further information on the segments and segment reporting please refer to the Annual Report 2020/21.

Mobile Devices & Substrates segment

The segment's revenue increased by 23.7% from € 204.5 million to € 252.9 million. The successful start-up of the increased production capacity in Chongqing, which serves the growing demand for ABF substrates, made a significant contribution to revenue growth. The broader application portfolio in the Mobile Devices segment and the demand for module PCBs also had a positive effect.

EBITDA improved from € 37.0 million to € 41.8 million, most notably as a result of higher sales volume. Overall this resulted in an EBITDA margin of which fell short of the prior-year figure of 18.1%. EBIT amounted to € 2.6 million, down € 2.2 million on the prior-year value of € 4.8 million. The EBIT margin was 1.0% (previous year: 2.3%). An increase in start-up costs by

€ 5.3 million and a negative currency effect arising from the measurement of receivables and liabilities, which was € 2.6 million higher, reduced the otherwise positive earnings development.

Automotive, Industrial, Medical segment

After very weak business in the first quarter in the previous year due to the pandemic, the segment's revenue, at € 109.1 million, exceeded the prior-year figure of € 71.4 million by 52.8%. Revenue growth was recorded in all three areas in the first three months, with the Automotive segment reporting the biggest increase. While sales volume and, consequently, revenue were significantly higher than in the previous year in the Industrial segment, revenue in the Medical & Healthcare segment exceeded the prior-year level primarily due to a more favourable product mix.

The segment's EBITDA, at € 8.7 million, exceeded the prior-year level of € 3.1 million by € 5.6 million. Due to these effects, the EBITDA margin rose by 3.6 percentage points from 4.3% to 7.9%. EBIT improved from € -3.2 million to € 2.1 million.

FINANCIAL POSITION

The financial position as of 30 June 2021 is characterised by an increase in non-current assets. Total assets rose by 5.3% in the first three months from € 2,390.0 million to € 2,515.7 million. Additions to assets and technology upgrades amounting to € 141.0 million were offset by depreciation totalling € 46.7 million. Additions to assets led to cash CAPEX of € 153.4 million. Moreover, exchange rate effects reduced fixed assets by € 3.7 million. Cash and cash equivalents totalled € 560.7 million (31 March 2021: € 552.9 million). In addition to cash and cash equivalents, AT&S had financial assets of € 16.2 million and unused credit lines of € 328.5 million to secure the financing of the future investment programme and short-term repayments.

Equity decreased by -0.4% from € 802.0 million to € 798.6 million. The loss for the period of € -5.3 million was largely offset by positive currency effects of € 3.8 million (from the translation of net asset positions of subsidiaries) and negative measurement effects of hedge instruments of

€ -1.9 million. The equity ratio declined by 1.8 percentage points to 31.7% and temporarily fell below the medium-term target of 40.0% due to the substantial investment programme. This is attributable in particular to the increase in total assets as a result of investments and securing the financing of the future investment programme. Net debt rose by € 129.8 million or 25.5% from € 508.5 million to € 638.3 million.

Cash flow from operating activities amounted to € 30.5 million in the first three months of the current financial year (previous year: € 28.1 million). These cash inflows were offset by cash outflows for net investments of € 153.4 million (previous year: € 81.9 million), resulting in Operating free cash flow of € -122.9 million (previous year: € -53.8 million).

OUTLOOK

AT&S will concentrate on the start-up of the new production capacities at plant III in Chongqing, continue to push ahead the investment project in Kulim, Malaysia, and implement technology upgrades at other locations in the current year.

The expectations for AT&S's segments are currently as follows: the persisting strong demand for IC substrates also offers significant growth opportunities in the medium term. The 5G mobile communication standard will continue to drive growth in the area of Mobile Devices. An upturn is expected in the Automotive segment despite the semiconductor shortage. Driven by the roll-out of the 5G infrastructure, the Industrial segment will continue to see a positive development in the coming year. In the Medical segment, AT&S expects a positive development for the current financial year.

Investments

AT&S will continue to pursue its investment programme for new capacity and technologies in the current financial year and now plans investments totalling up to € 700 million (previously € 630 million) for the financial year 2021/22. This increase is primarily attributable to activities related to the construction of the new production site for high-end substrates in Kulim, Malaysia. Up to € 100 million is budgeted for basic investments (maintenance and technology upgrades) depending on market development, plus another € 80 million due to shifts in periods

between the financial years. As part of the strategic projects, the management is planning investments totalling up to € 450 million for the financial year 2021/22 depending on the progress of the projects. These are predominantly related to investments in IC substrates in Chongqing and, among other things, expansion measures for production capacity of IC cores at the site in Leoben, which are used for manufacturing IC substrates.

Guidance for the financial year 2021/22

Due to the good development in the first three months of the financial year and the continued strong momentum of the IC substrate market, AT&S is slightly raising its forecast for the development of revenue and now expects revenue growth of 17 to 19% (previously: 13 to 15%), assuming a euro/US dollar exchange rate of 1.21. The adjusted EBITDA margin is expected to range between 21 and 23%, not including approximately € 50 million for the start-up of the new production capacity in Chongqing and in Kulim.

Leoben-Hinterberg, 3 August 2021

The Management Board

Andreas Gerstenmayer m.p.

Simone Faath m.p.

Peter Schneider m.p.

Ingolf Schröder m.p.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

€ in thousands	1 Apr - 30 Jun 2021	1 Apr - 30 Jun 2020
Revenue	317,683	247,862
Cost of sales	(284,691)	(227,470)
Gross profit	32,992	20,392
Distribution costs	(10,194)	(8,201)
General and administrative costs	(15,741)	(10,827)
Other operating income	1,873	1,646
Other operating costs	(9,315)	(2,767)
Other operating result	(7,442)	(1,121)
Operating result	(385)	243
Finance income	1,661	962
Finance costs	(4,809)	(6,825)
Finance costs – net¹⁾	(3,148)	(5,863)
Loss before tax¹⁾	(3,533)	(5,620)
Income taxes ¹⁾	(1,749)	(2,306)
Loss for the period¹⁾	(5,282)	(7,926)
Attributable to owners of hybrid capital	2,072	2,072
Attributable to owners of the parent company ¹⁾	(7,354)	(9,998)
Earnings per share attributable to equity holders of the parent company (in € per share): ¹⁾		
– basic	(0.19)	(0.26)
– diluted	(0.19)	(0.26)
Weighted average number of shares outstanding – basic (in thousands)	38,850	38,850
Weighted average number of shares outstanding – diluted (in thousands)	38,850	38,850

¹⁾ Previous year: Adjustment Hedge Accounting

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

€ in thousands	1 Apr - 30 Jun 2021	1 Apr - 30 Jun 2020
Loss for the period¹⁾	(5,282)	(7,926)
Items to be reclassified:		
Currency translation differences, net of tax	3,756	(25,918)
(Losses) from the fair value measurement of hedging instruments for cash flow hedges ¹⁾	(1,865)	–
Other comprehensive income for the period¹⁾	1,891	(25,918)
Total comprehensive income for the period¹⁾	(3,391)	(33,844)
Attributable to owners of hybrid capital	2,072	2,072
Attributable to owners of the parent company ¹⁾	(5,463)	(35,916)

¹⁾ Previous year: Adjustment Hedge Accounting

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

€ in thousands	30 Jun 2021	31 Mar 2021
ASSETS		
Property, plant and equipment	1,399,755	1,301,400
Intangible assets	41,688	42,813
Financial assets	117	117
Deferred tax assets	26,586	25,113
Other non-current assets	7,796	7,948
Non-current assets	1,475,942	1,377,391
Inventories	179,807	152,528
Trade and other receivables and contract assets	281,927	265,293
Financial assets	16,052	39,746
Current income tax receivables	1,309	2,154
Cash and cash equivalents	560,693	552,850
Current assets	1,039,788	1,012,571
Total assets	2,515,730	2,389,962
EQUITY		
Share capital	141,846	141,846
Other reserves	28,971	27,079
Hybrid capital	172,887	172,887
Retained earnings	454,918	460,201
Equity attributable to owners of the parent company	798,622	802,013
Total equity	798,622	802,013
LIABILITIES		
Financial liabilities	1,180,707	1,017,143
Provisions for employee benefits	53,186	53,331
Deferred tax liabilities	1,932	1,935
Other liabilities	42,142	41,039
Non-current liabilities	1,277,967	1,113,448
Trade and other payables	394,232	382,584
Financial liabilities	34,462	84,101
Current income tax payables	5,706	3,411
Other provisions	4,741	4,405
Current liabilities	439,141	474,501
Total liabilities	1,717,108	1,587,949
Total equity and liabilities	2,515,730	2,389,962

CONSOLIDATED STATEMENT OF CASH FLOWS

€ in thousands	1 Apr - 30 Jun 2021	1 Apr - 30 Jun 2020
Operating result	(385)	243
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	46,721	39,250
Gains/losses from the sale of fixed assets	157	(46)
Changes in non-current provisions	(88)	462
Non-cash expense/(income), net	5,593	(424)
Interest paid	(4,000)	(2,534)
Interest received	566	962
Income taxes paid	(179)	(1,132)
Cash flow from operating activities before changes in working capital	48,385	36,781
Inventories	(27,173)	(12,274)
Trade and other receivables and contract assets	(16,741)	(20,956)
Trade and other payables	25,671	25,043
Other provisions	361	(470)
Cash flow from operating activities	30,503	28,124
Capital expenditure for property, plant and equipment and intangible assets	(153,429)	(82,021)
Proceeds from the sale of property, plant and equipment and intangible assets	8	141
Capital expenditure for financial assets	(15,042)	(98,619)
Proceeds from the sale of financial assets	38,193	9,285
Cash flow from investing activities	(130,270)	(171,214)
Proceeds from borrowings	163,564	110,613
Repayments of borrowings	(53,490)	(4,246)
Proceeds from government grants	335	13,039
Cash flow from financing activities	110,409	119,406
Change in cash and cash equivalents	10,642	(23,684)
Cash and cash equivalents at beginning of the year	552,850	417,950
Exchange losses on cash and cash equivalents	(2,799)	(6,701)
Cash and cash equivalents at end of the period	560,693	387,565

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

€ in thousands	Share capital	Other reserves	Hybrid capital	Retained earnings	Equity attributable to owners of the parent company	Non-controlling interests	Total equity
31 Mar 2020¹⁾	141,846	14,723	172,887	430,803	760,259	–	760,259
Loss for the period	–	–	–	(7,926)	(7,926)	–	(7,926)
Other comprehensive income for the period	–	(25,918)	–	–	(25,918)	–	(25,918)
thereof currency translation differences, net of tax	–	(25,918)	–	–	(25,918)	–	(25,918)
Total comprehensive income for the period	–	(25,918)	–	(7,926)	(33,844)	–	(33,844)
30 Jun 2020¹⁾	141,846	(11,195)	172,887	422,877	726,415	–	726,415
31 Mar 2021	141,846	27,079	172,887	460,201	802,013	–	802,013
Profit for the period	–	–	–	(5,282)	(5,282)	–	(5,282)
Other comprehensive income for the period	–	1,891	–	–	1,891	–	1,891
thereof currency translation differences, net of tax	–	3,756	–	–	3,756	–	3,756
thereof change in hedging instruments for cash flow hedges	–	(1,865)	–	–	(1,865)	–	(1,865)
Total comprehensive income for the period	–	1,891	–	(5,282)	(3,391)	–	(3,391)
30 Jun 2021	141,846	28,971	172,887	454,918	798,622	–	798,622

¹⁾ Previous year: Adjustment hedge accounting

SEGMENT REPORTING

€ in thousands	Mobile Devices & Substrates		Automotive, Industrial, Medical		Others		Elimination/ Consolidation		Group	
	1 Apr - 30 Jun 2021	1 Apr - 30 Jun 2020	1 Apr - 30 Jun 2021	1 Apr - 30 Jun 2020	1 Apr - 30 Jun 2021	1 Apr - 30 Jun 2020	1 Apr - 30 Jun 2021	1 Apr - 30 Jun 2020	1 Apr - 30 Jun 2021	1 Apr - 30 Jun 2020
Segment revenue	252,882	204,468	109,107	71,411	–	–	(44,306)	(28,017)	317,683	247,862
Internal revenue	(32,483)	(17,314)	(11,823)	(10,703)	–	–	44,306	28,017	–	–
External revenue	220,399	187,154	97,284	60,708	–	–	–	–	317,683	247,862
Operating result before depreciation/amortisation	41,788	36,972	8,661	3,103	(4,113)	(582)	–	–	46,336	39,493
Depreciation/amortisation incl. appreciation	(39,141)	(32,133)	(6,530)	(6,264)	(1,050)	(853)	–	–	(46,721)	(39,250)
Operating result	2,647	4,839	2,131	(3,161)	(5,163)	(1,435)	–	–	(385)	243
Finance costs - net ¹⁾									(3,148)	(5,863)
Loss before tax¹⁾									(3,533)	(5,620)
Income taxes ¹⁾									(1,749)	(2,306)
Loss for the period¹⁾									(5,282)	(7,926)
Property, plant and equipment and intangible assets ²⁾	1,254,561	1,161,891	174,975	170,629	11,907	11,693	–	–	1,441,443	1,344,213
Additions to property, plant and equipment and intangible assets	127,328	92,328	12,565	8,188	1,139	1,413	–	–	141,032	101,929

¹⁾ Previous year: Adjustment hedge accounting

²⁾ Previous year values as of 31 March 2021

INFORMATION BY GEOGRAPHIC REGION

Revenues broken down by customer region, based on customer's headquarters:

€ in thousands	1 Apr - 30 Jun 2021	1 Apr - 30 Jun 2020
Austria	5,493	3,525
Germany	42,672	28,818
Other European countries	21,106	13,601
China	2,103	16,767
Other Asian countries	20,452	11,879
Americas	225,857	173,272
Revenue	317,683	247,862

Property, plant and equipment and intangible assets broken down by domicile:

€ in thousands	30 Jun 2021	31 Mar 2120
Austria	119,023	116,733
China	1,253,715	1,160,930
Others	68,705	66,550
Property, plant and equipment and intangible assets	1,441,443	1,344,213

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