

**AT&S**

# INVESTOR PRESENTATION

Q1-3 2021/22

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# AT&S AT A GLANCE

World leading high-tech PCB and ABF substrates company

**~13,000**

Employees

**#2**

High-end PCB  
manufacturer worldwide <sup>(1)</sup>

**€1.2 Bn**

Revenue in FY 2020/21

**420+**

Active patents

**#5**

ABF substrates  
manufacturer worldwide <sup>(1)</sup>

**30% Growth**

9M 21/22 Revenues YoY

**Leoben, Austria**

Headquarters

**6 + 1** <sup>(2)</sup>

Manufacturing plants in  
Europe & Asia

**€246 MM**

EBITDA in FY 2020/21  
margin of 20.7%

**1987**

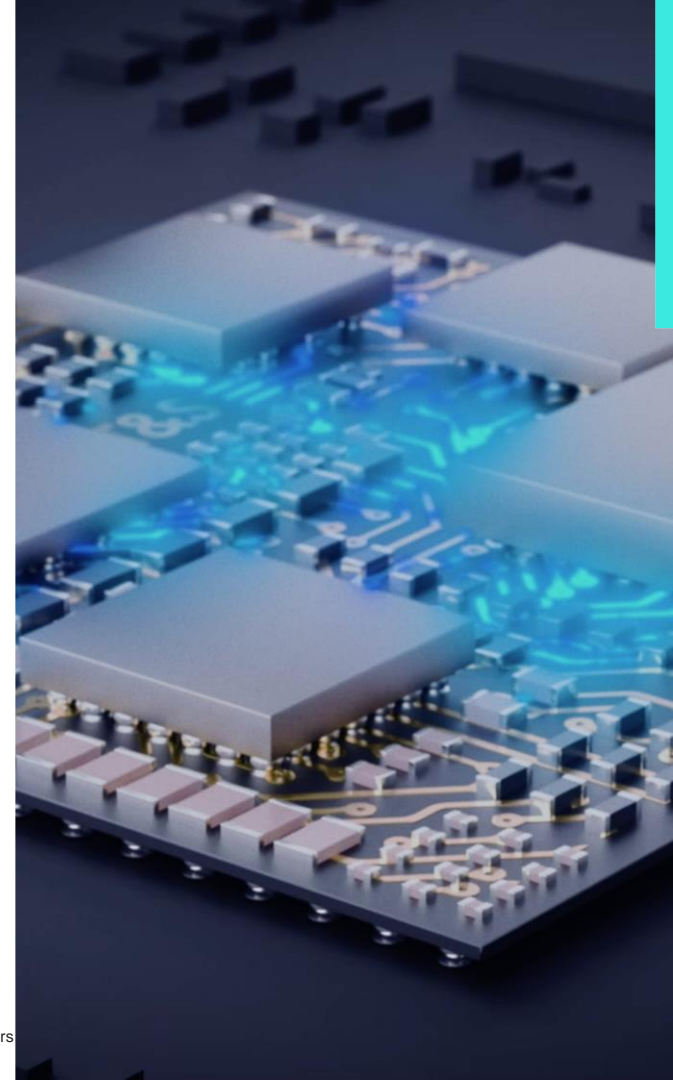
Founded

**21%**

Vitality index <sup>(3)</sup>

**€1.7 Bn**

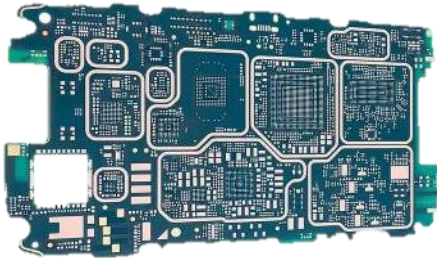
Market cap, Vienna Listing  
Prime Standard <sup>(4)</sup>



# HIGH-END TECHNOLOGIES ...

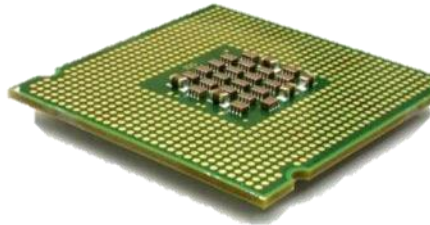
AT&S solutions enable the most advanced electronics applications and technologies

## High-End PCBs



- Printed circuit boards designed to support the most complex, high-density and powerful systems
- In-house technologies to provide higher circuit density, better electrical behavior and signal transmission

## ABF Substrates



- ABF substrates for Flip Chip technology
- Enabling packaging of high-performance Integrated Circuits across multiple applications
- Highly automated, contact-free build-up process providing the best balance of performance, reliability and value

## Substrates for Modules



- Comprehensive solutions for modules including integration services such as co-design, simulation, architectural optimization, assembly and test services

# ... TO ENABLE HIGH-END APPLICATIONS

AT&S solutions enable the most advanced electronics applications and technologies

High-End  
PCBs



Robots



Smartphone



Neurostimulation



Consumer electronics

ABF  
Substrates



Server & cloud computing

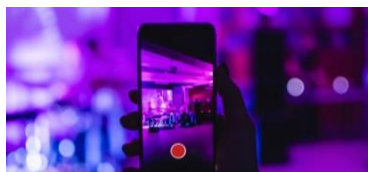


High performance computers



Notebooks and 2-in-1-devices

Substrates  
for Modules



Smartphones (camera, RF)



Bluetooth earbuds



ADAS systems



M2M / C2X

# KEY MARKET SEGMENTS AND PRODUCT APPLICATIONS

Compelling product portfolio serving industry leaders in key growth markets

## Mobile Devices



Handsets • Wearables  
Notebooks • Cameras  
Tablets • SSDs

## Substrates



Data centres • Micro servers • Client PCs • Edge computing • 5G base stations

## Automotive



ADAS Sensoric  
• E-mobility

## Industrial



Smart building •  
Manufacturing •  
Transportation Telecom  
• Power Mgmt.  
• Robots • Drones

## Medical



Diagnostics • Imaging systems • Therapy  
• Patient monitoring

**Ext. Revenue: €882 MM**, 74% of total sales  
**EBITDA: €219 MM**, 25% margin

**Ext. Revenue: €307 MM**, 26% of total sales  
**EBITDA: €26 MM**, 8% margin



# ON THE WAY TO BECOME A LEADER IN HIGH-END SUBSTRATES

Nearly €3 bn investment in high-end substrate production capacity

## Chongqing III (China)



Announced 11 July 2019

## Campus Kulim (Malaysia)



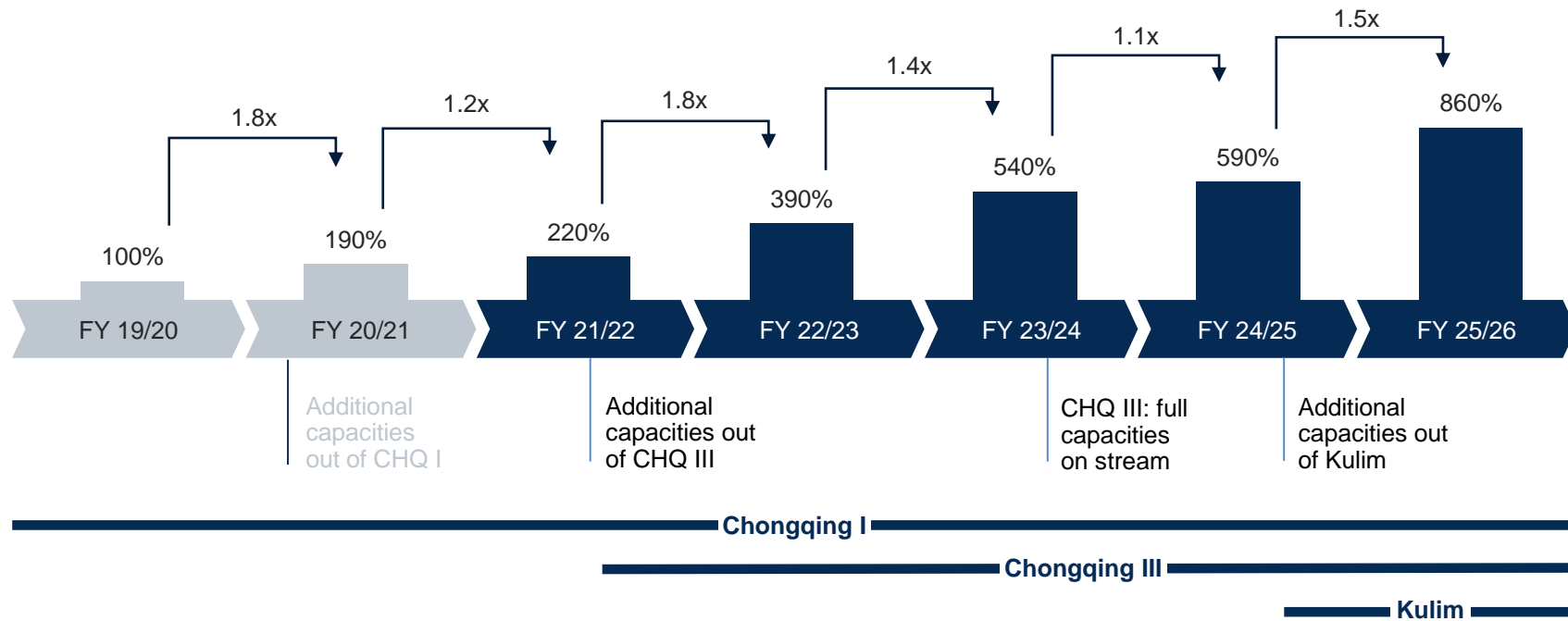
Announced 1 June 2021

OVERVIEW	<ul style="list-style-type: none"> <li>Full expansion of the area available in Chongqing for the production of ABF substrates for high-end processors</li> </ul>	<ul style="list-style-type: none"> <li>New production site for ABF substrates for high-end processors</li> </ul>
INVESTMENT	<ul style="list-style-type: none"> <li>€1.2 <sup>(1)</sup> bn over 4 years, including expansion announced on 24 March 2021</li> </ul>	<ul style="list-style-type: none"> <li>€1.7 bn over 5 years</li> <li>About half of investment volume is to be provided by customers' contributions at equity-like terms. No equity issuance planned</li> </ul>
PRODUCTION	<ul style="list-style-type: none"> <li>Ramp-up of capacities fully on track</li> <li>1st line started high volume production</li> <li>Full capacities available as of the beginning of Q3 23/24</li> </ul>	<ul style="list-style-type: none"> <li>Construction/piling proceeds as planned</li> <li>First employees on ground</li> <li>High volume production scheduled for the end of CY 2024</li> </ul>

1. Includes €1 bn investment announced on 11 July 2019 and €200 MM investment announced on 24 March 2021. Total amount includes a relatively small investment in Leoben, Chongqing accounts for the largest part of the investment

# ON OUR WAY TO BECOME ONE OF THE TOP PLAYERS IN ABF SUBSTRATES

## Installed ABF substrates capacity



Based on front end equivalents (rebased to 100% at 2019/20 levels)

# € 500 MM 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



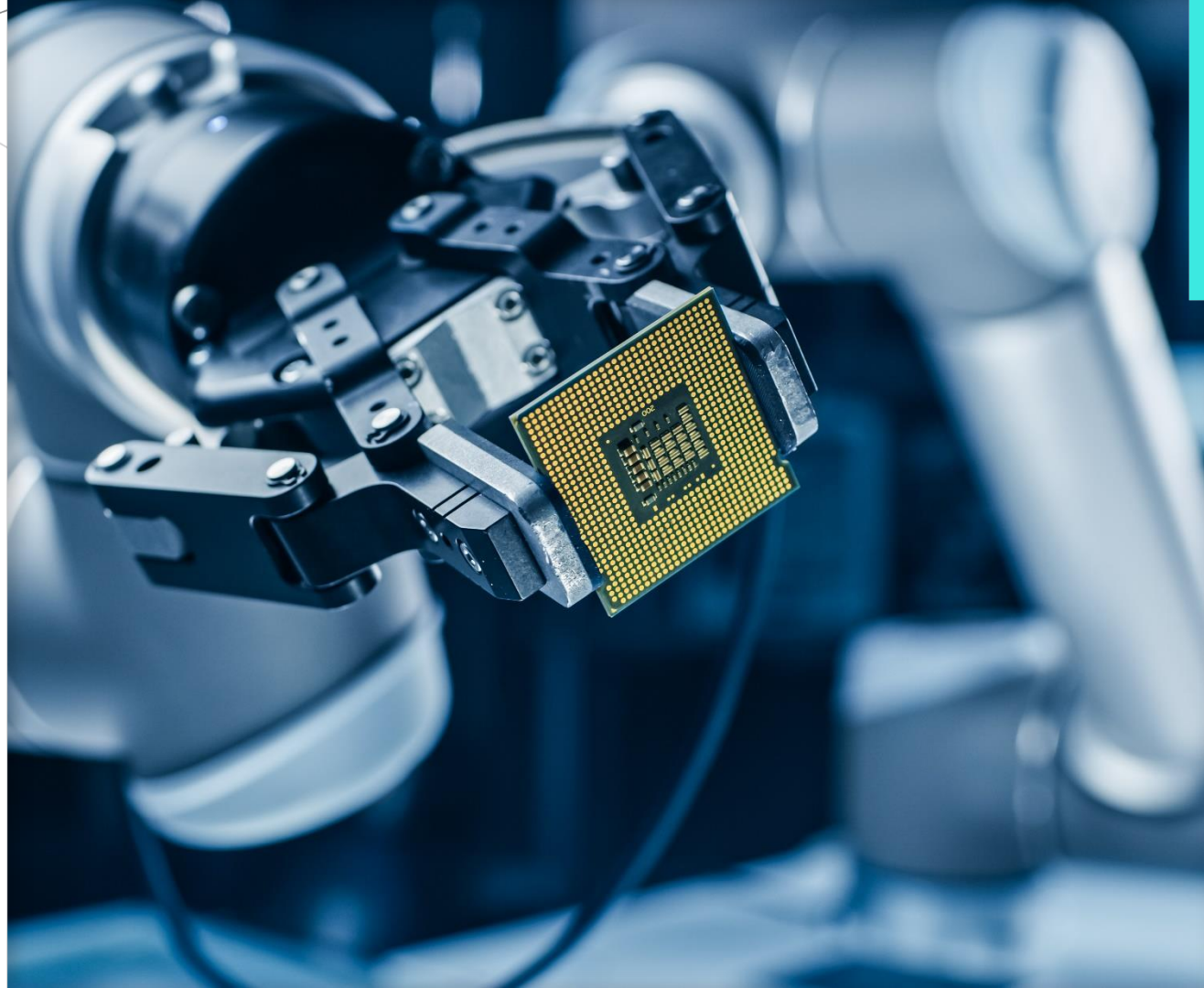
### 2021 – 2025

- R&D center for substrates
- Capacity for upscaling





## RESULTS Q1-3 21/22



# Q1-3 21/22 – KEY DEVELOPMENTS

## Business expansion on track

- Strong revenue and EBITDA growth of +30%
  - Adjusted EBITDA growth of +37%
  - All business segments contributed to company growth
- Negative impact from FX, transport and energy costs
- Strengthen R&D activities to secure technology leadership
- Successful placement of new € 350 MM hybrid bond in January
- Capacity expansion projects fully on track
- Minor impact from chip shortage
- Full-year revenue guidance increased

# Q1-3 21/22 – RESULTS SUMMARY

Revenue **+30%**

**€ 1,147 MM**

- Negative FX effects of € 18 MM

EBITDA margin **+12 bps**

**21.3%**

- EBITDA margin burdened by negative FX effects of € 30 MM

Adjusted EBITDA margin **+117 bps**

**22.9%**

- Start-up costs for materials and wages of € 18.5 MM excluded

Total Assets **+26%<sup>(1)</sup>**

**€ 3,016 MM**

- Ongoing expansion and technology upgrades

Equity **+19%<sup>(1)</sup>**

**€ 952 MM**

- Equity ratio: 32%

Net CAPEX **+43%**

**€ 436 MM**

- Capacity expansion on track

1. Since March 31, 2021

# OUTLOOK



# CURRENT YEAR GUIDANCE

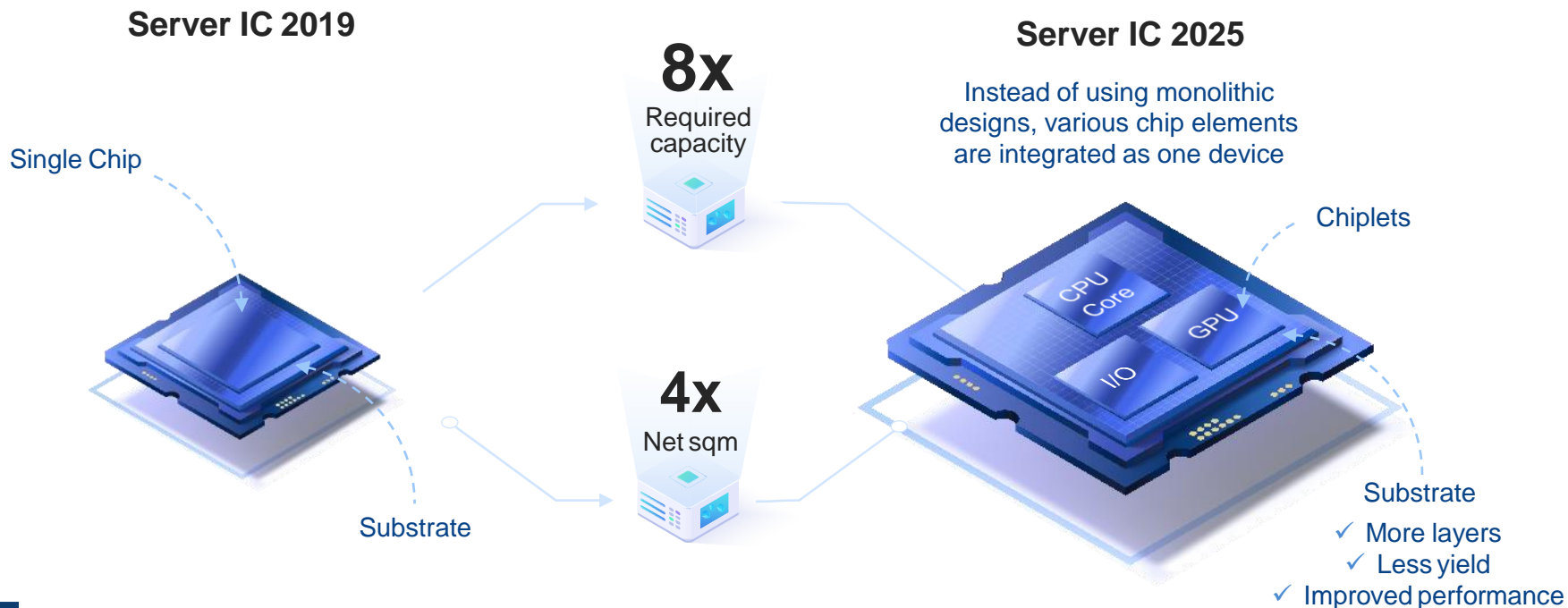
## FY 21/22 – Revenue guidance increased

<b>Growth</b>	Revenue growth of 28–30% (previous: 21–23%)
<b>Profitability</b>	<ul style="list-style-type: none"><li>▪ Adjusted EBITDA margin of 21–23%</li><li>▪ Adjustment: Start-up effects of the Chongqing and Kulim projects with an amount of approx. € 25–35 MM (previous: approx. € 50 MM)</li></ul>
<b>Investments</b>	Net CAPEX of up to € 700 MM



# INCREASED DATA VOLUME WILL REQUIRE SIGNIFICANT PERFORMANCE IMPROVEMENT IN PROCESSORS

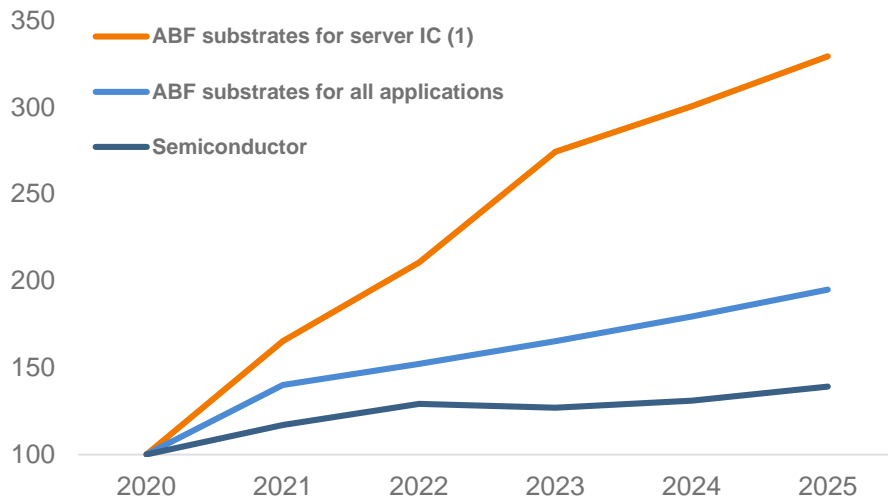
Higher level of functional integration requires more sophisticated ABF substrates



# ABF SUBSTRATES GROWTH OUTPERFORMS SEMICONDUCTOR DEMAND

## ABF substrates & Semiconductor market projections

Normalised market value (rebased to 100% at 2020 levels)



- Increased data volume will require significant performance improvement in processors
- Higher level of functional integration drives need for more sophisticated ABF substrates
- Heterogeneous integration for server IC requires larger substrates with more layers
- Value-based growth is driving market demand

1. Server CPUs, Accelerators, Networking  
Source: IDC, Prismark, Gartner, internal assessment

# MID-TERM GUIDANCE

## FY 25/26

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

# GOOD REASONS FOR INVESTING IN AT&S

## Unique market position

- Broad product portfolio to serve all growth markets
- Long-standing customer relationships with technology and market leaders
- Technology innovator due to continuous R&D efforts
- Quality benchmark with outstanding process know-how, productivity and efficiency

## Growth oriented strategy

- Megatrend-driven markets with attractive growth potential
- Address growth opportunities with incremental investments
- Constant outperformance of the PCB & substrates market

# 5

ABF substrates  
producer worldwide



TOP 3

in FY 25/26

# 2

high-end PCB  
producer worldwide



ONE

of the leading high-  
end PCB producers  
worldwide



**THANK YOU FOR YOUR ATTENTION**



# HIGH-END FOCUS RESULTS IN STRONGER GROWTH

## AUTOMOTIVE

- Ongoing chip shortage
- General trend of more electronic content per vehicle



23%

## INDUSTRIAL

- Infrastructure investments
- Economy tailwind



22%

## MEDICAL

- Stable growth rates
- Diversification of applications



14%

YoY Market Growth

# POSITIVE MOMENTUM IN OUR MAIN MARKETS

## CONSUMER – COMPUTER – COMMUNICATION

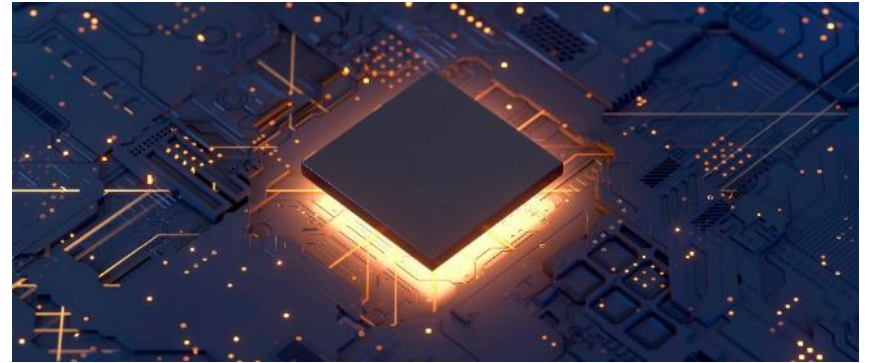
- Push for new applications through increasing interest in virtual/augmented reality
- Diversification on track



22% | 22% | 17%

## SUBSTRATES / SEMICON

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



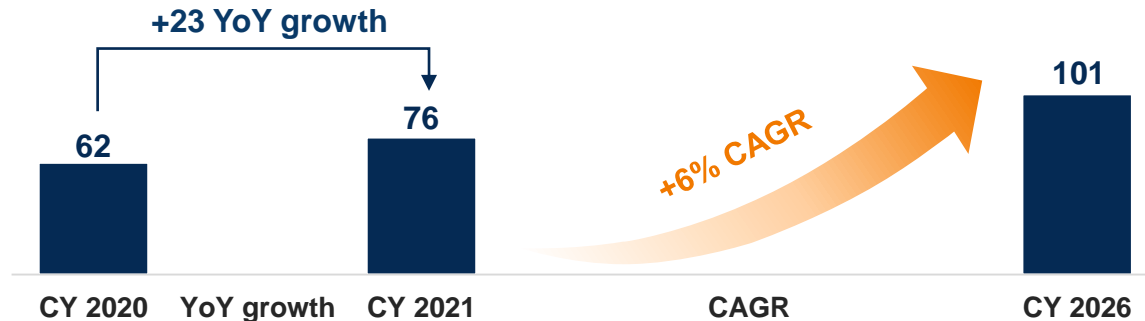
43%

YoY Market Growth

# AT&S IS AT THE CENTRE OF A MASSIVE AND GROWING MARKET OPPORTUNITY

## Positive momentum across all key markets

Market size in \$ bn



	CY 2020	YoY growth	CY 2021	CAGR	CY 2026
<b>ABF Substrates<sup>(1)</sup></b>	7.4	+43%	10.6	+12%	18.6
<b>Automotive</b>	6.3	+23%	7.8	+7%	10.9
<b>Communication</b>	18.0	+17%	20.9	+6%	28.6
<b>Medical</b>	1.2	+14%	1.4	+4%	1.7
<b>Consumer</b>	8.0	+22%	9.7	+3%	11.2
<b>Aviation</b>	2.8	+13%	3.1	+3%	3.6
<b>Industrial</b>	2.5	+22%	3.0	+2%	3.5
<b>Computer</b>	16.3	+22%	19.9	+2%	22.5

# MARKET PLAYERS IN THE HIGH-END SEGMENT

## HDI Technology<sup>1</sup>

1	Compeq
2	AT&S
3	Unimicron
4	Tripod
5	Zhen Ding
6	AKM Meadville
7	Meiko
8	TTM

## ABF Substrates<sup>2</sup>

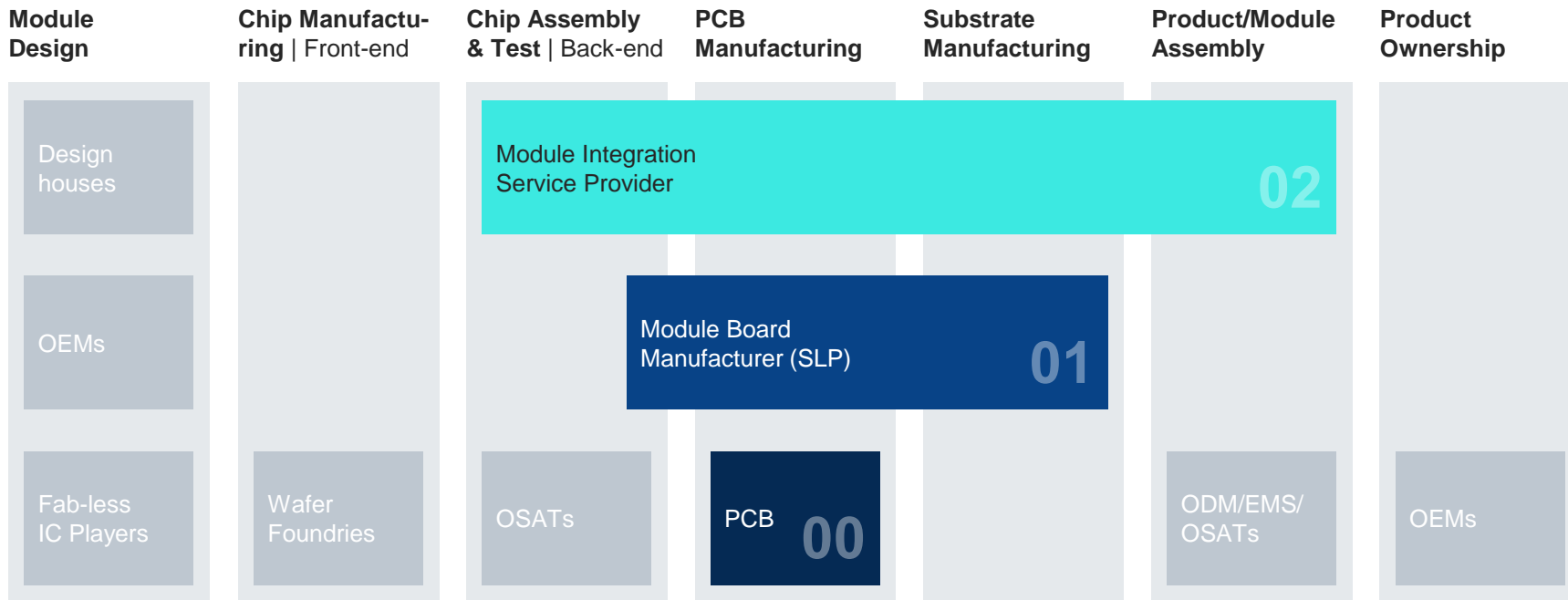
1	Ibiden
2	Unimicron
3	SEMCO
4	Shinko
5	AT&S
6	Kyocera
7	Nan Ya PCB
8	Kinsus

1. for CY 2020

2. for CY 2019

Source: Prismark, JMS, AT&S assessment

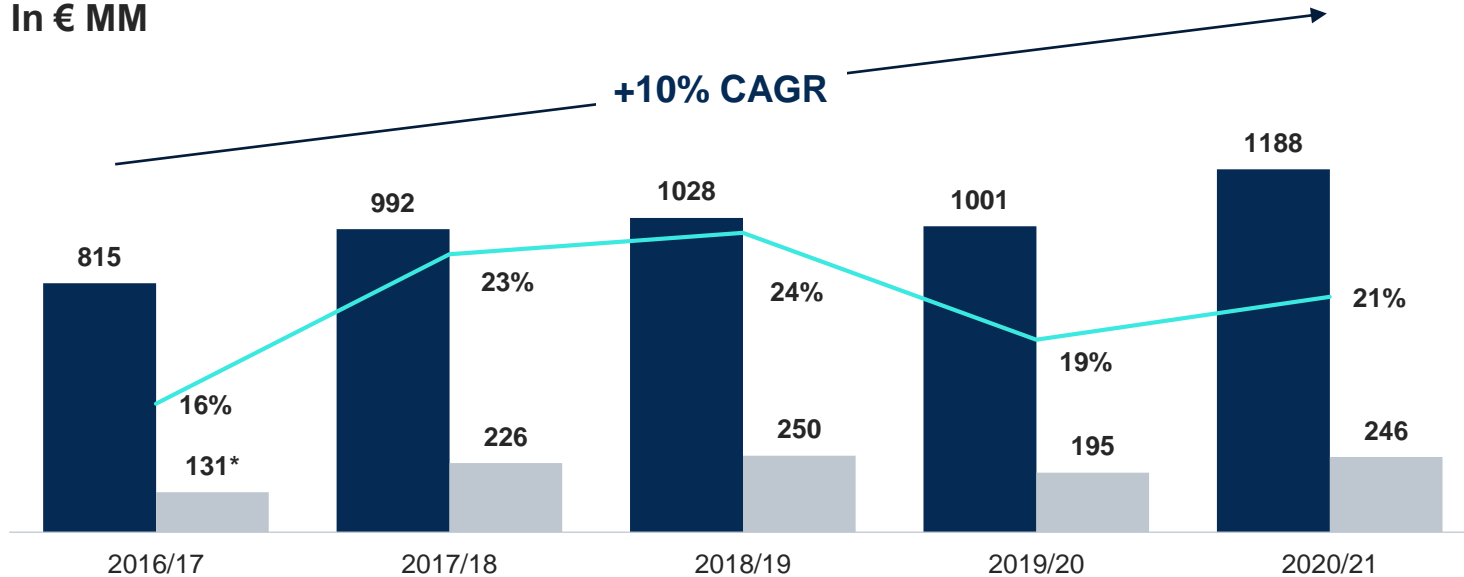
# AT&S SOLUTIONS FOR THE ELECTRONICS INDUSTRY





# MULTI-YEAR OVERVIEW

In € MM



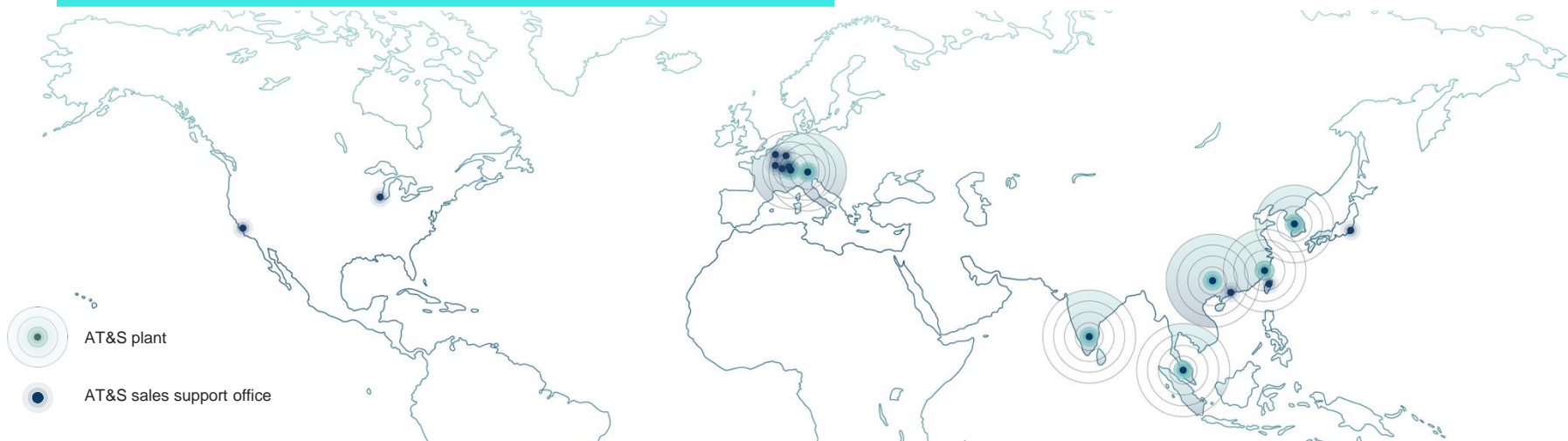
Revenue

EBITDA

EBITDA margin

\* Based on ramp-up effects for plants in China

# AT&S – GLOBAL FOOTPRINT



**Leoben, headquarters**  
Austria  
1,054<sup>(1)</sup>



**Fehring**  
Austria  
389<sup>(1)</sup>



**Nanjangud**  
India  
1,354<sup>(1)</sup>



**Chongqing**  
China  
3,741<sup>(1)</sup>



**Shanghai**  
China  
4,477<sup>(1)</sup>



**Ansan**  
Korea  
255<sup>(1)</sup>



**Kulim**  
Malaysia  
6,000 by 2024

# DRIVING SUSTAINABILITY

High level of social, ecological and economic responsibility

## 2025

**80%**  
renewable energies

**30%** share of women in  
leadership positions

**Vitality Index**  
**>20%**

**Strengthening partnerships**  
with suppliers

## Achievements<sup>(1)</sup>

Share of renewable energies  
of **45%**<sup>(2)</sup>

Share of women in leadership  
positions of **20%**

Vitality index  
of **21%**

**100%** of main suppliers  
signed our Code of Conduct

1. As of 31.03.2021

2. Including big hydro power

## Rated by



# TECHNOLOGY LEADERSHIP ENSURED BY CONTINUOUS R&D INVESTMENTS AND UNIQUE PARTNERSHIPS

## Innovation as driving force

**10%**

R&D rate <sup>(2)</sup>  
(corresponds to  
€ 119 MM)

**R&D**

HQ Austria  
Development up to  
series production at the  
production sites

**International  
R&D Partners**

**429**

Patents

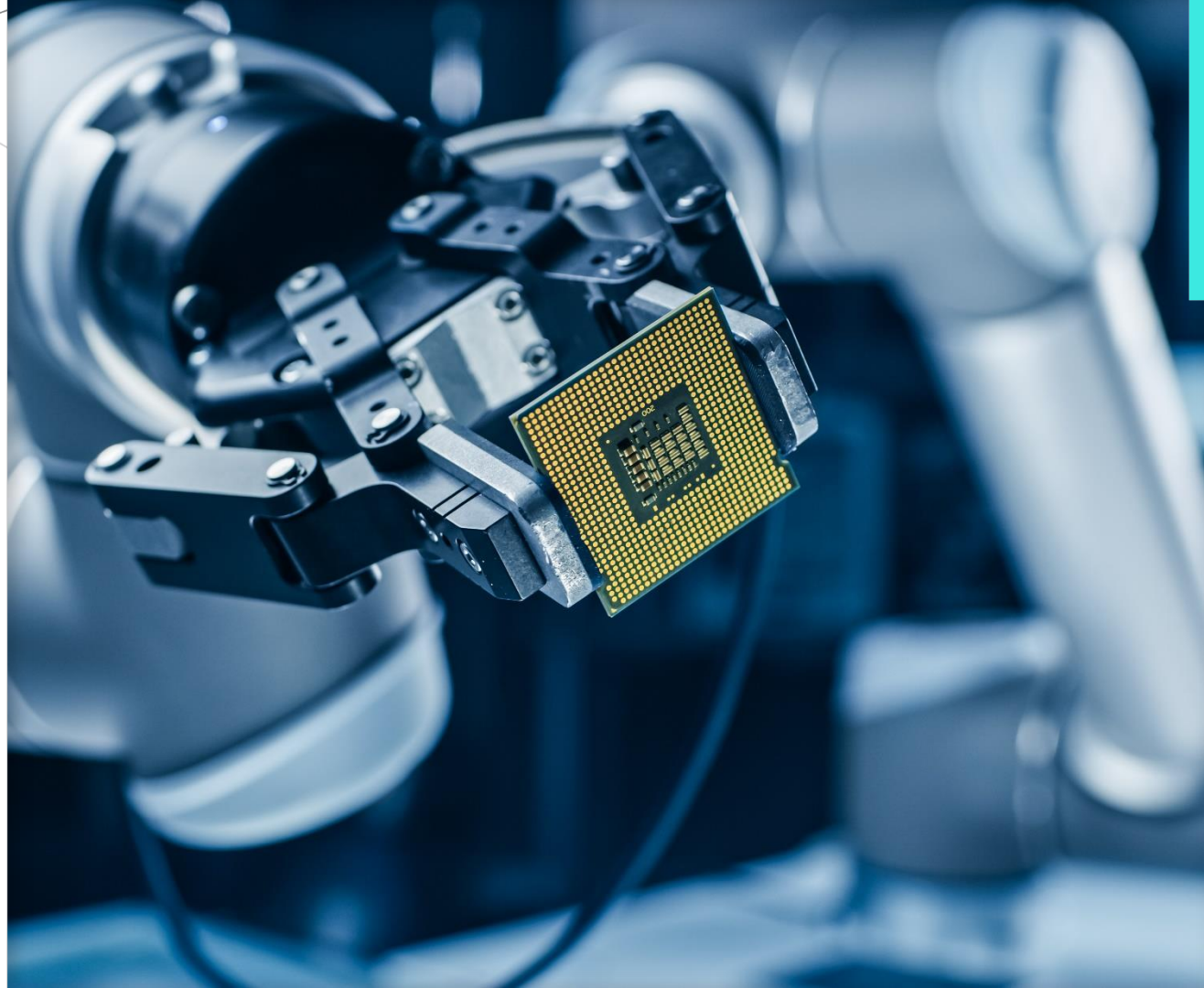
**21%**

Vitality Index <sup>(1)</sup>

**Partnering with  
Key Customers**



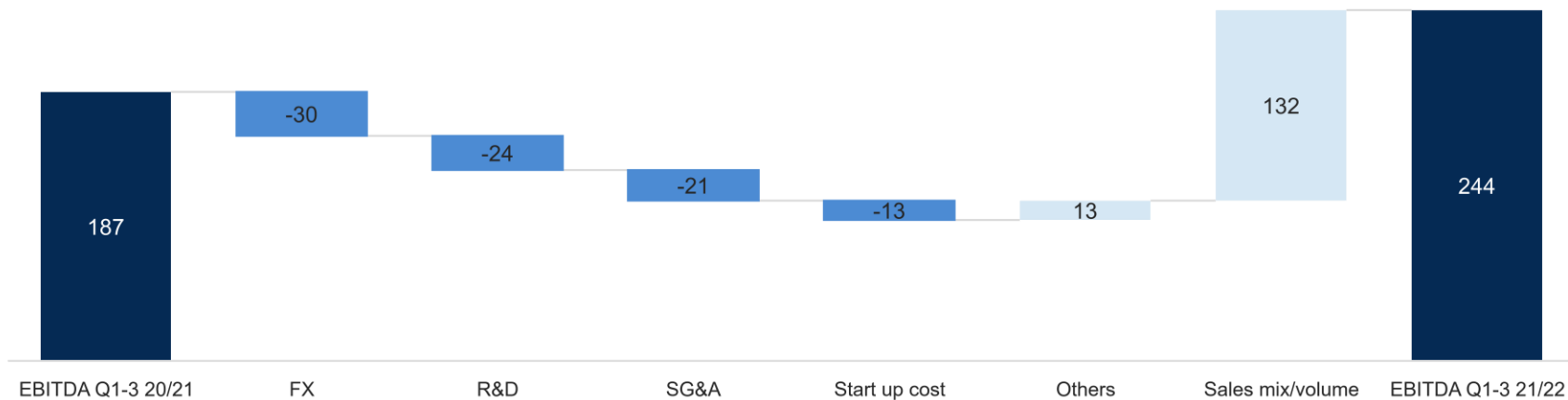
## RESULTS Q1-3 21/22





# EBITDA BRIDGE

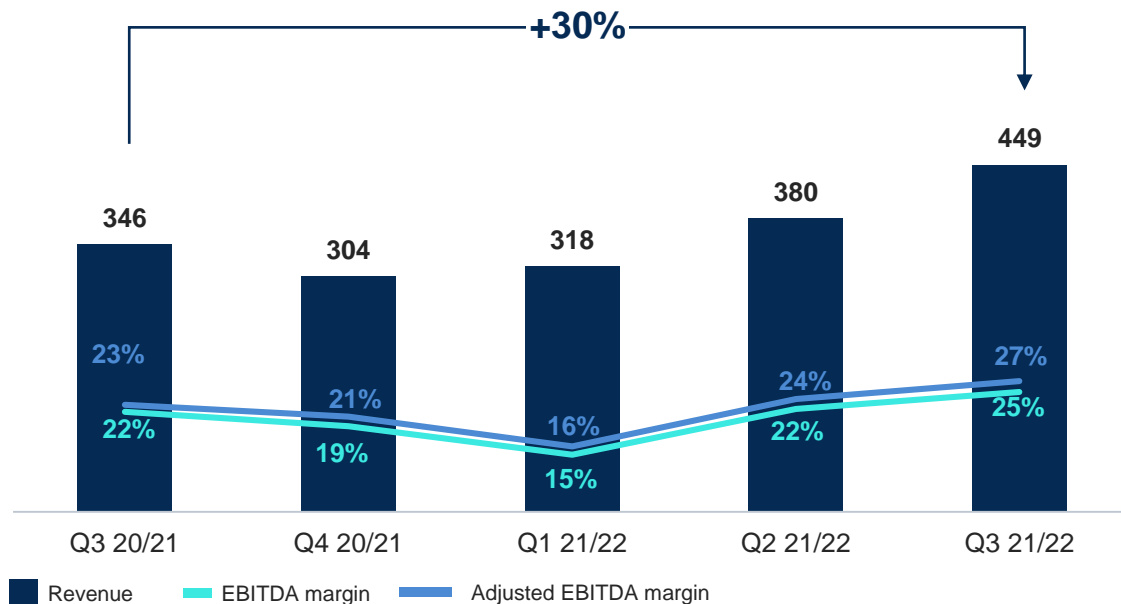
in € MM



Investments to prepare for future growth

# QUARTERLY REVENUE AND EBITDA MARGIN DEVELOPMENT

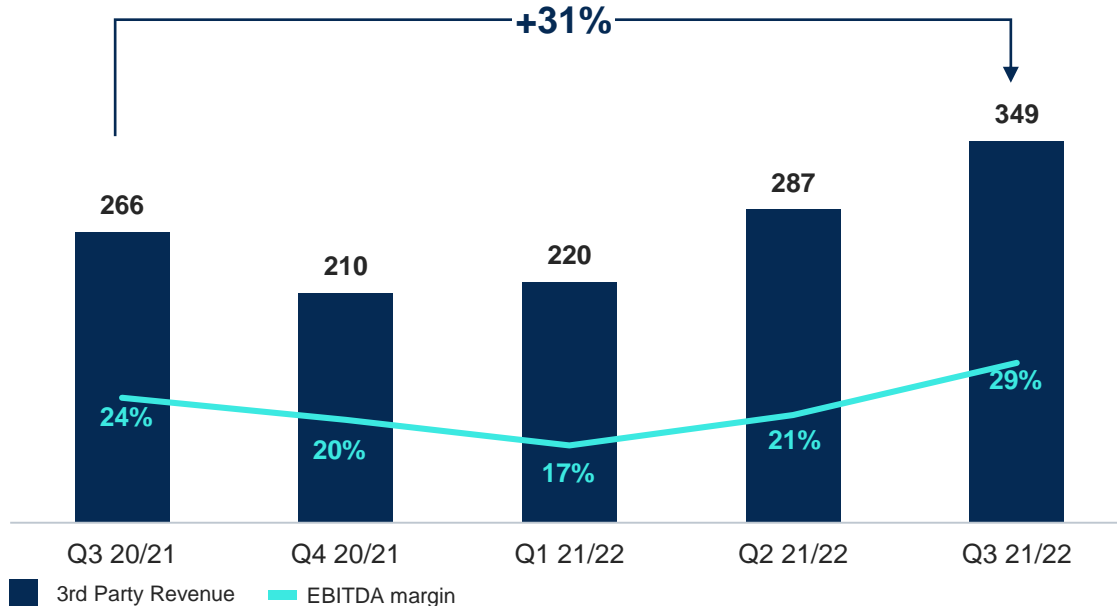
in € MM



# BUSINESS DEVELOPMENT

## Mobile Devices & Substrates

in € MM



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

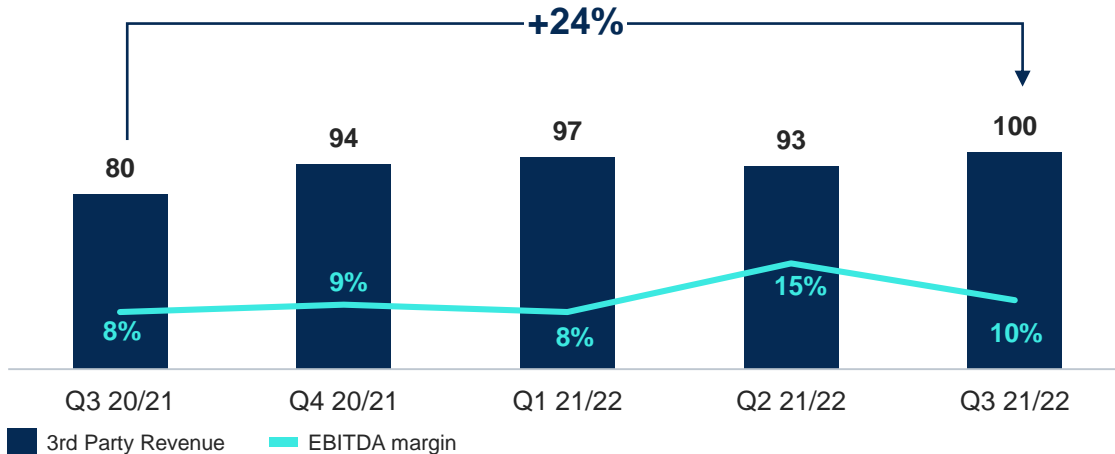
Ongoing strong demand for **PCBs for modules**

**EBITDA margin** driven by better product mix

# BUSINESS DEVELOPMENT

## Automotive, Industrial & Medical

in € MM



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

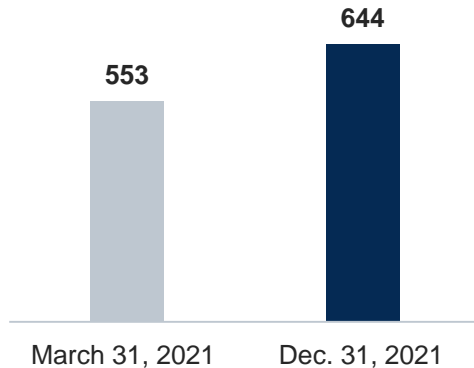
Quarterly revenue on **highest level** in history

**Minor impact** from chip shortage

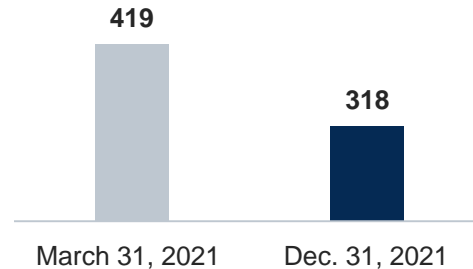
# Q1-3 21/22 FINANCIAL POSITION

## 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  
€ 962 MM cash, cash equivalents  
and unused credit lines**

# BALANCE SHEET

€ MM	March 31, 21	Dec. 31, 21	Change in %
Total assets	2,390	<b>3,016</b>	+26%
Equity	802	<b>952</b>	+19%
Equity ratio	34%	<b>32%</b>	-200bps
Net debt	509	<b>672</b>	+32%

➤ 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

€ MM	Q1-3 20/21	Q1-3 21/22	YoY Change in %
CF from operating activities	177	<b>332</b>	+88%
CF from investing activities	-208	<b>-414</b>	-99%
CF from financing activities	37	<b>163</b>	>+100%
Operating free CF*	-128	<b>-105</b>	+18%
Net CAPEX	304	<b>436</b>	+43%



Incl. upfront payments for Kulim



Higher CAPEX and lower repayments from time deposits



Operating free CF mainly driven by upfront payments and higher CAPEX

\* Cash flow from operating activities minus Net CAPEX





**THANK YOU FOR YOUR ATTENTION**

**AT&S INVESTOR RELATIONS**

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