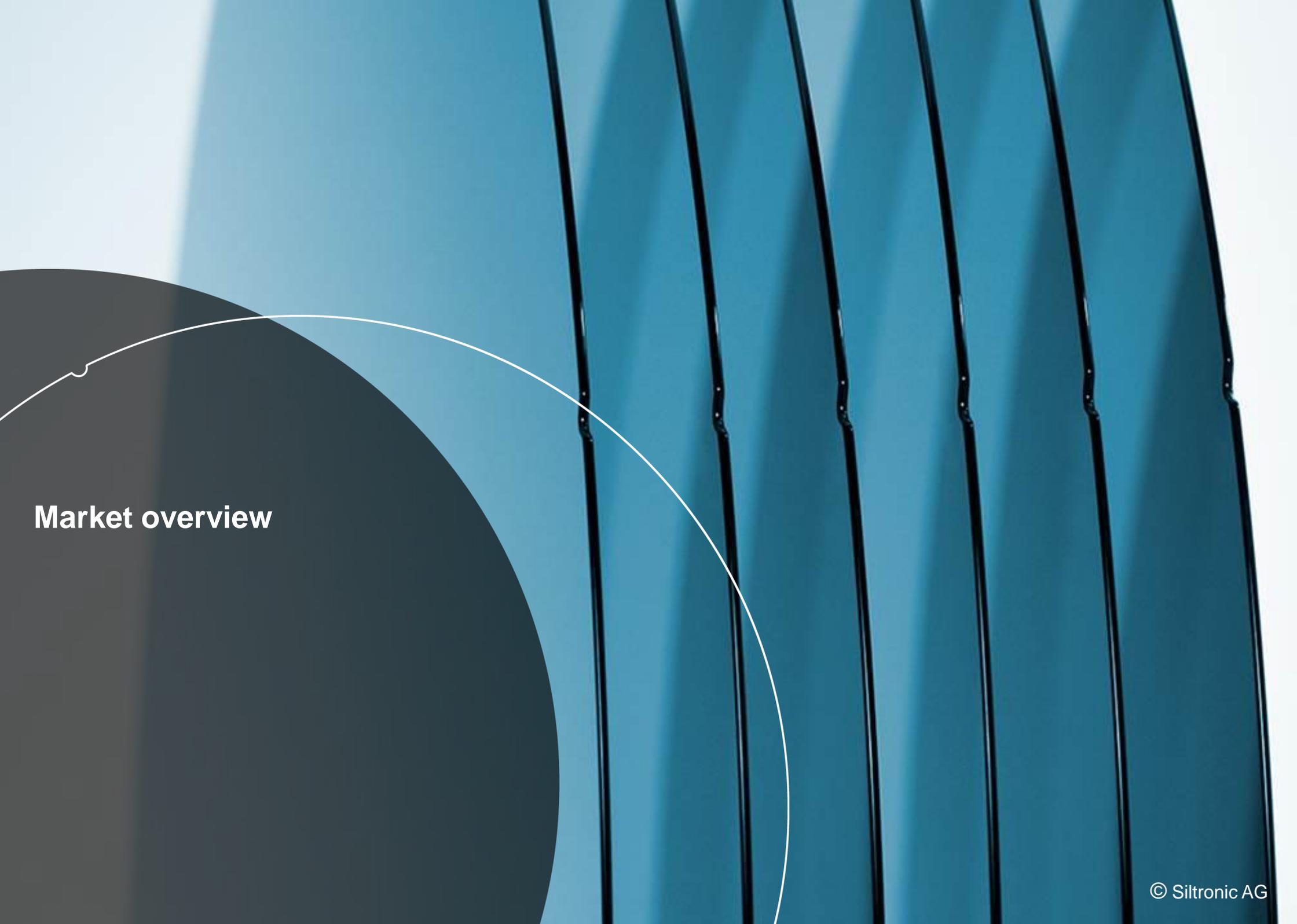


Siltronic AG Investor Presentation – FY 2021

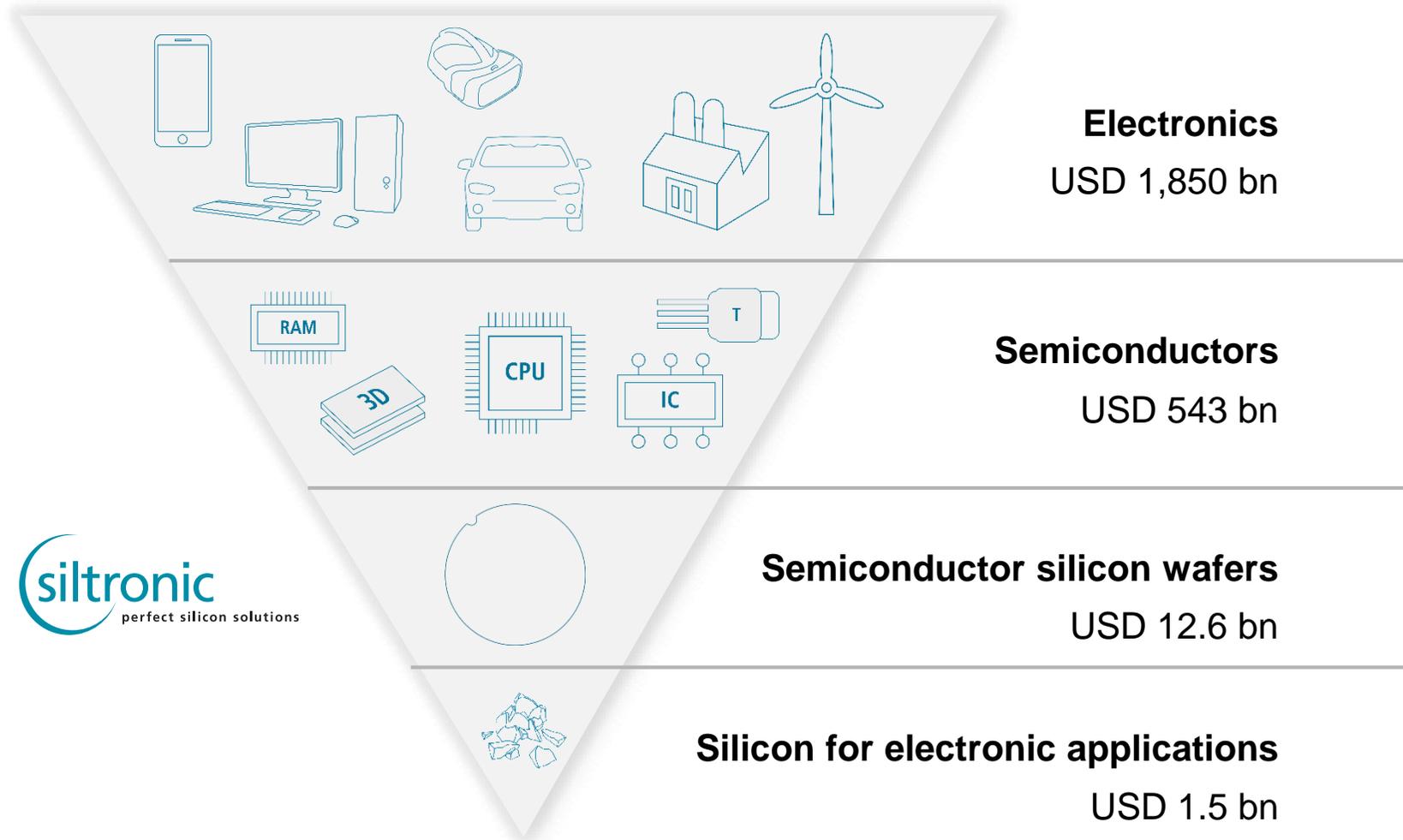
March 9, 2022

The background features a series of vertical blue stripes of varying shades, creating a textured effect. On the left side, there is a large, dark grey circular shape. A thin white line curves across the page, starting from the left edge and ending near the bottom right.

Market overview

Electronics value chain continued to grow in 2021

Increasing demand for electronic devices and new applications drive semiconductor growth, which in turn fuels silicon demand



Sources: IC Insights, WSTS, SEMI SMG, Siltronic Marketing

New applications for electronic devices and the infrastructure to support them continue to drive silicon demand

Current growth drivers include

Data explosion: connected devices, data transport and storage, big data, logic/AI

Power: renewable energy, smart grid, battery chargers

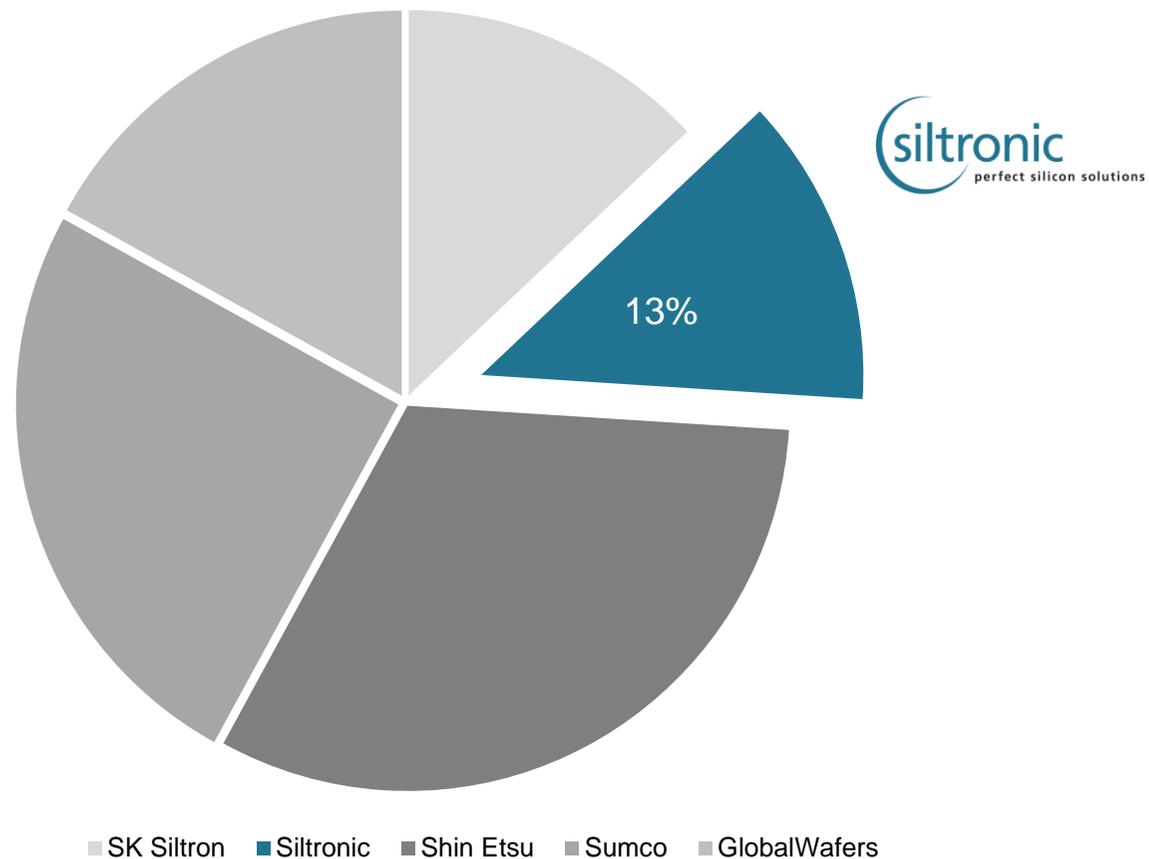
Automotive: ADAS, infotainment, electro mobility



Pictures: coolhand118/stock.adobe.com, tippapatt/stock.adobe.com, monsitj/stock.adobe.com, Wellnhofer Designs/stock.adobe.com, 安琦 王/stock.adobe.com, AdobeStock_101580295

Consolidated market with 5 major wafer manufacturers

Top 5 wafer producers serve more than 90% of the market across all diameters

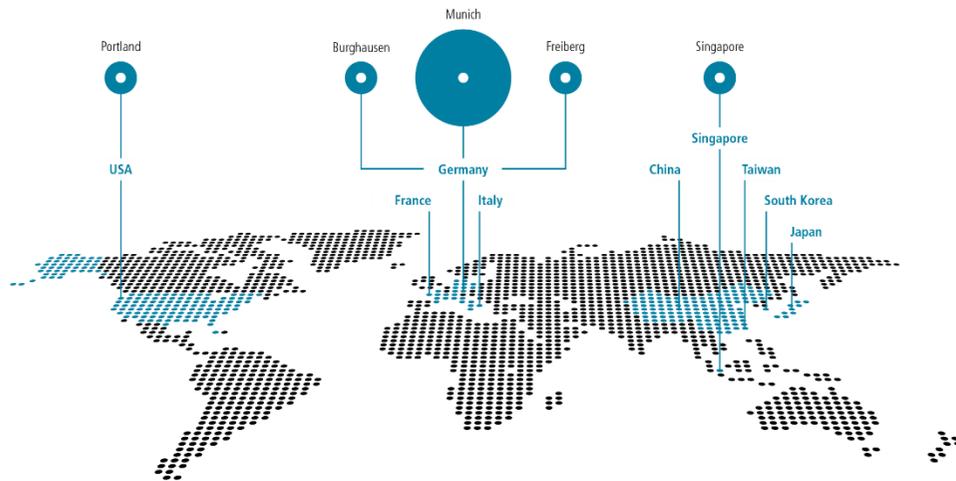


Sources: Siltronic, SEMI SMG



Company overview

Siltronic at a glance



Key financial figures 2021

- ▶ Sales: EUR 1,405.4 million
- ▶ EBITDA: EUR 466.4 million
- ▶ EBITDA margin: 33.2%
- ▶ Net cashflow: EUR 1.7 million
- ▶ Net financial assets: EUR 572.9 million

 4 world-class production sites

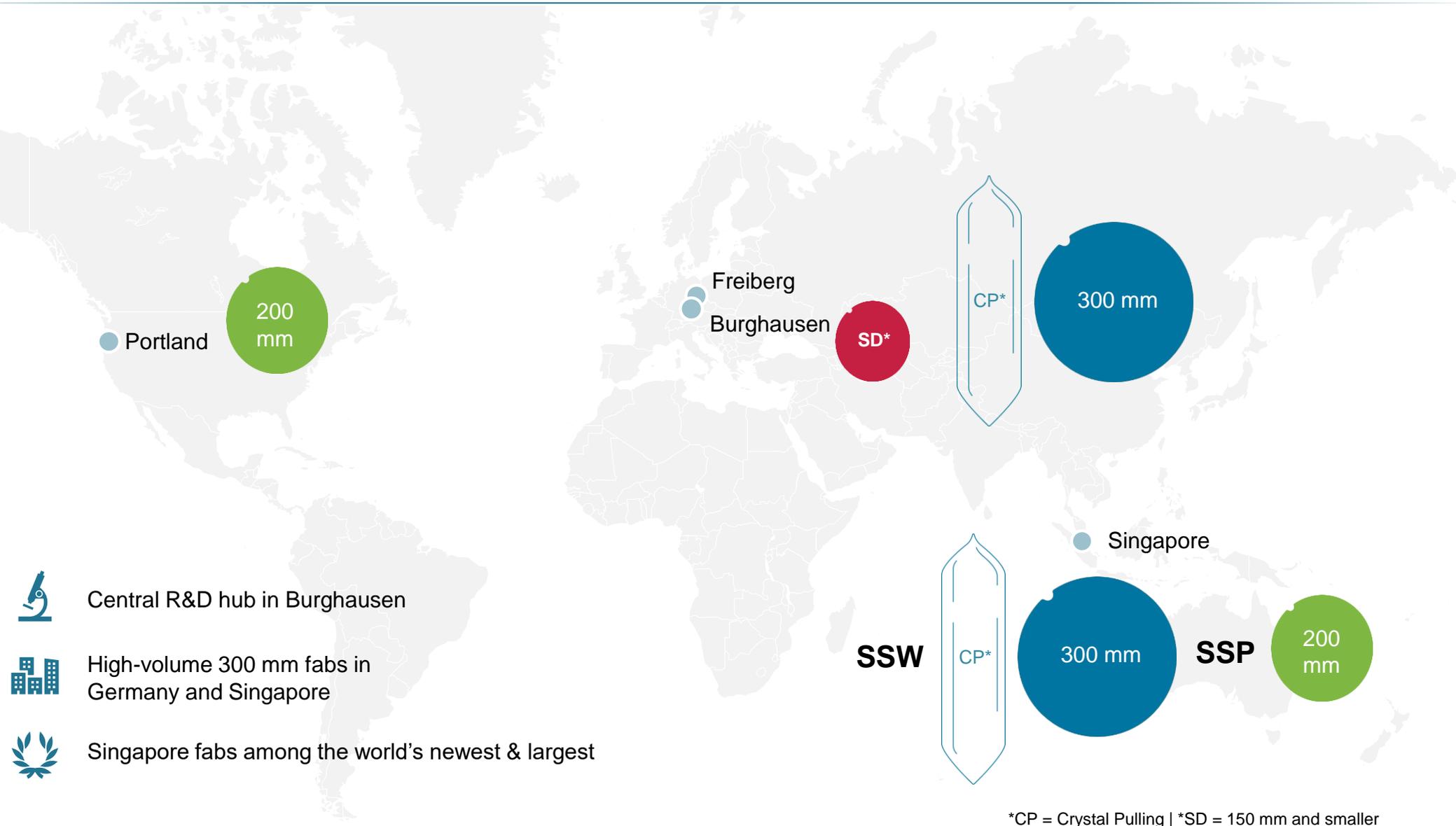
 ~ 4,100 employees

 global scale and reach

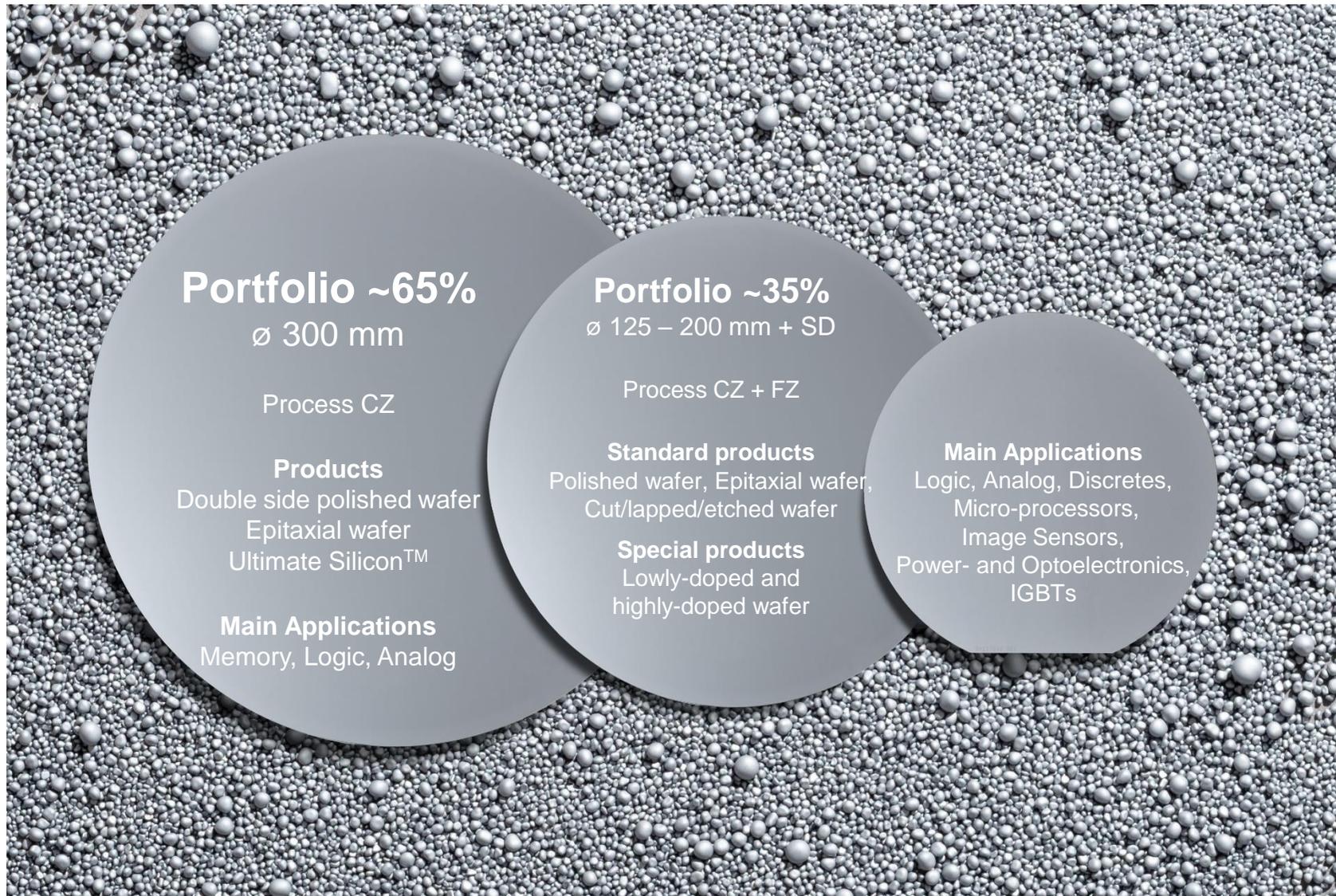
 50+ years of history in silicon technologies

 = Production sites, Headquarter in Munich

International manufacturing network supports strong market position and business focus



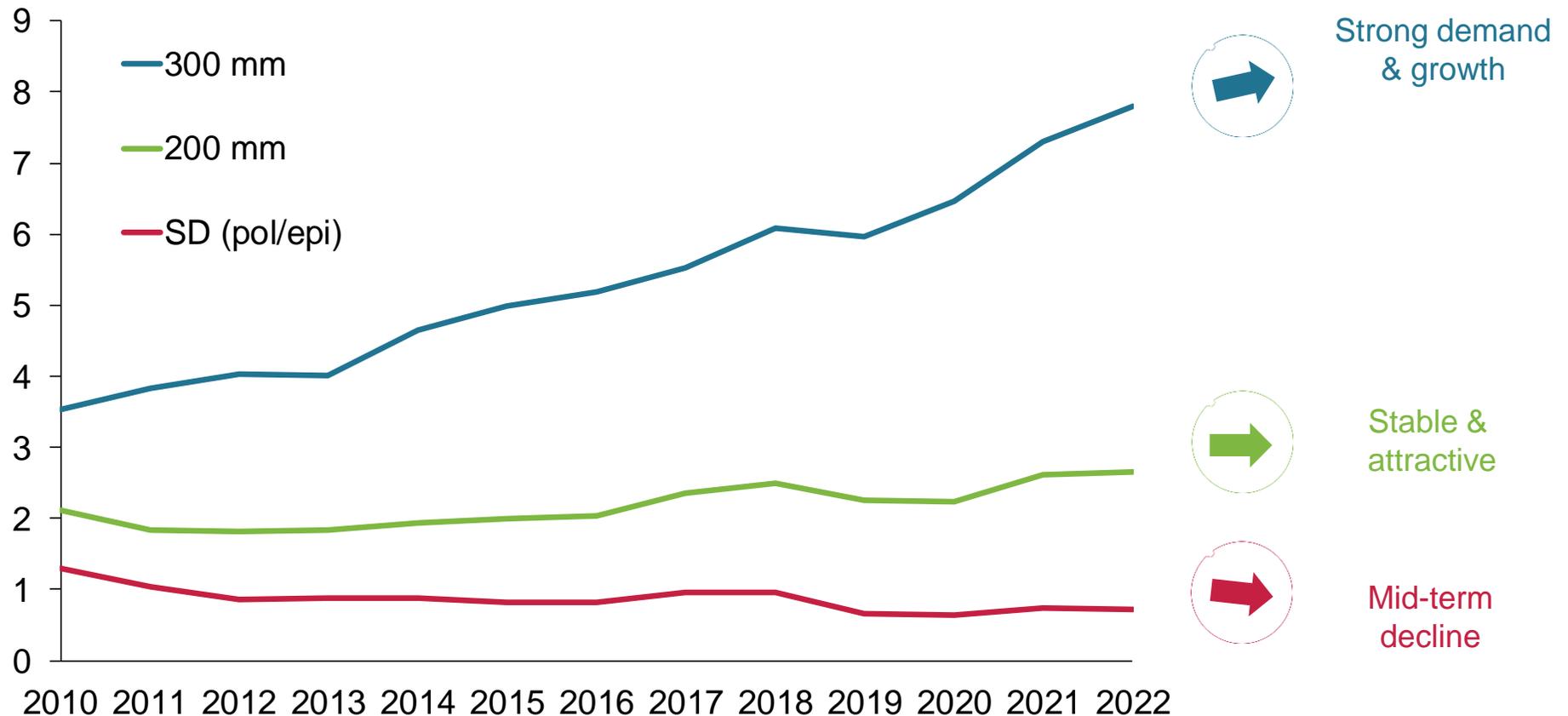
A broad product portfolio covers standard and leading-edge requirements of the customers



Note: CZ: Czochralski crystal growing, FZ: float zone technology

Siltronic is focused on growing 300 mm and attractive 200 mm business.

Development of Total Wafer Demand per Diameter, in mn 300 mm equivalents per month



Source: SEMI up to Jan 2022

Top technology position complemented with a high level of quality

A leading position in wafer technology

- ▶ First supplier to ship 300 mm wafers
- ▶ Development of 3 nm design rule started in 2019 (commercialization expected to start in 2022)
- ▶ Concurrently optimizing on 50+ wafer parameters of each design rule
- ▶ Single wafer traceability for 300 mm
- ▶ Standardized processes across sites enabling “copy exactly” at product level



>400 engineers worldwide



Approximately 1,870 pending and active patents in almost 360 patent families*

Quality awards from several top semiconductor customers received over the years



R&D expenditure, in EUR million (% of sales)



*as of December 31, 2020

Major 300 mm capacity expansion projects well on track



top: FabNext construction site in Singapore, bottom: new crystal growing hall in Freiberg

FabNext in Singapore



Project on track, piling completed



LTAs with prepayments for around 80 % of FabNext capacity signed



Conservative financing approach largely based on existing liquidity and future cashflows



First shipments to customers in early 2024

Expansion of crystal pulling hall in Freiberg



Construction work on track, not impacted by winter conditions



Construction to be completed in late 2022

Picture source: Siltronic AG

Siltronic Fab Next at Group site in Singapore

Fab Next

- most modern and cost-efficient 300 mm fab
- construction well on track
- first wafers out in 2024
- R&D hub Burghausen will support expansion on technology topics

Investment rationale

- very strong market demand
- customer capacity expansion plans cannot be supported by existing wafer capacity
- plan to secure substantial part of additional capacity by LTAs with prepayments

Capex

- capex of around EUR 2 bn until end of 2024
- high up-front for plant buildings and facilities
- financing based on cash, cash flow, customer pre-payments, and loans/bonds on a manageable scale

Cost-competitiveness a pre-requisite in the wafer industry

Major cost items



Labor



Supplies



Depreciation

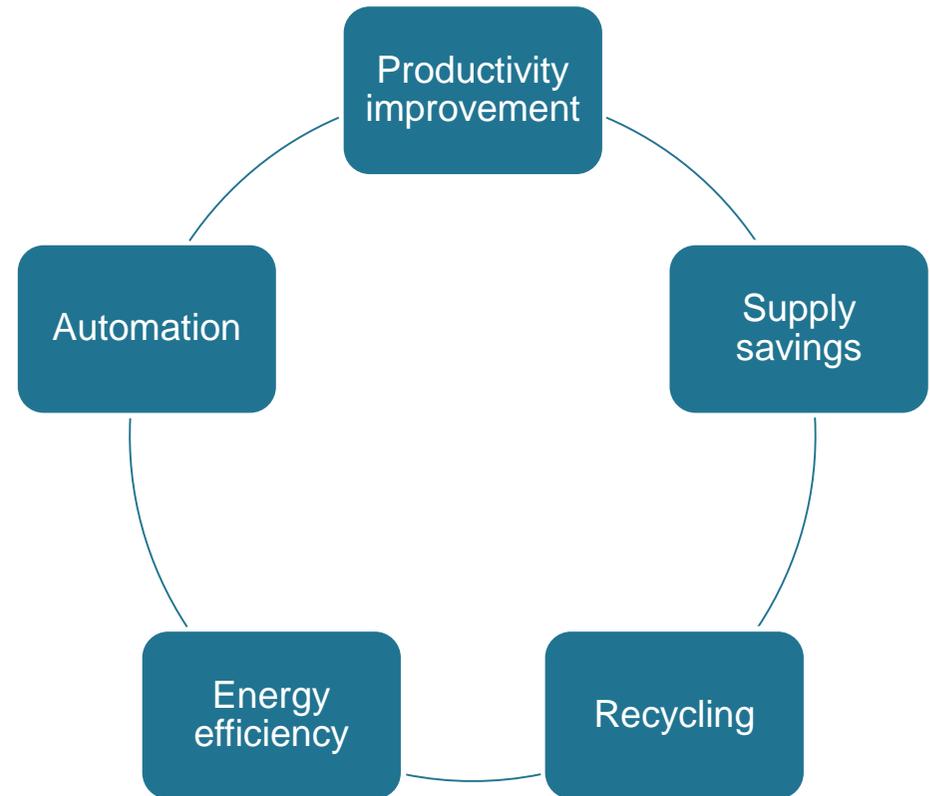


Polysilicon

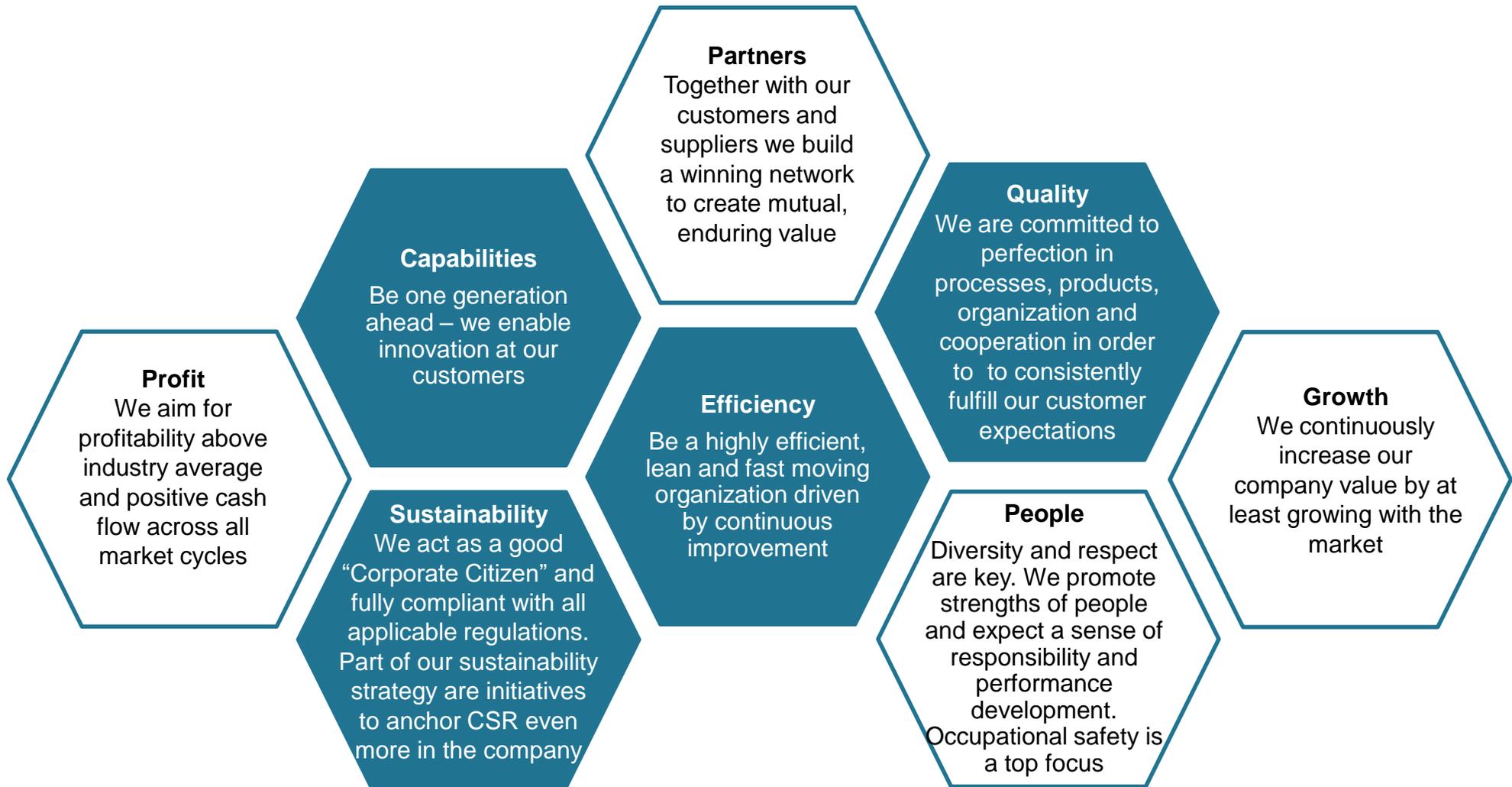


Energy

Continuous cost roadmaps to counter unit cost increases



Our objectives and values



Strategy based on four pillars

Continuously increasing
the value for our stakeholders



Grow

by optimizing
product mix and
increase
capacities when
needed



Ensure

top technology
position &
highest quality



Improve

financial
performance &
cash flow



Execute

cost reduction
roadmaps &
debottlenecking
concepts

Optimize returns, stay ahead in technology and grow with the market

Overview Financials

Adjusted financial figures (EUR million)	2017	2018	2019	2020	2021
Sales	1,177.3	1,456.7	1,270.4	1,207.0	1,405.4
EBIT	235.7	497.7	298.3	192.2	316.9
EBIT margin in %	20.0	34.2	23.5	15.9	22.5
EBITDA	353.1	589.3	408.7	332.0	466.4
EBITDA margin in %	30.0	40.5	32.2	27.5	33.2
Earnings per share	6.20	12.40	7.52	5.36	8.44
Capex	123.2	256.9	363.0	187.6	426.6
Free cash flow ¹	169.6	416.4	36.4	32.0	108.6
Net cash flow ¹	124.8	240.4	81.3	77.4	1.7
Dividend ²	75.0	150.0	90.0	60.0	90.0

¹ In 2018, Siltronic started reporting the key figure „net cash flow“ instead of „free cash flow“. Net cash flow represents free cash flow without the time shifts created by inflow and return of customer prepayments which, due to the size, impairs the meaningfulness of free cash flow.

² Proposed dividend for 2021

Key investment highlights

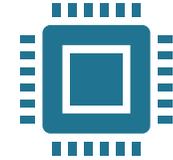
Market Position

- ▶ Strong market position in the semiconductor and wafer industry



Strategy

- ▶ Best-in-class technology and quality



Customers

- ▶ Supplier to all top 20 silicon wafer consumers



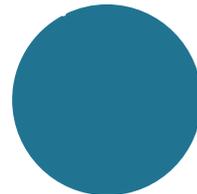
Financials

- ▶ Profitable sales increase and on-going efficiency improvement



Products

- ▶ High-quality wafers made of hyper pure silicon



Management

- ▶ Experienced management team and highly skilled workforce





**Corporate Social
Responsibility**

Siltronic Climate Action Program - aligned with Paris agreement to limit global warming to 1.5°C

▶ Siltronic commits to Science Based Target initiative to limit global warming to 1.5°C:

▶ **mid-term goal:** 50% CO₂eq reduction (Scope 1 + 2) until 2030¹

▶ **long-term goal:** net zero until 2045

▶ **Three main levers:**

 Energy efficiency

 Own generation of renewable energy

 Purchasing renewable energy



Reduce specific energy consumption by 20%¹



Increase waste recycling by 25%¹



Reduce specific water usage by 20%¹



Increase water recycling by 25%¹



Reduce specific greenhouse gas emissions by 50%²



¹) base year 2015

²) base year 2021

Siltronic enables technologies for a sustainable future

Resource efficiency

Innovation driver for environmentally friendly and resource-saving technologies

Industrial automation and smart factories

Increasing wafer content



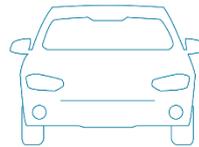
- Raw materials
- Energy consumption
- Water recycling
- Emissions

Sustainable mobility

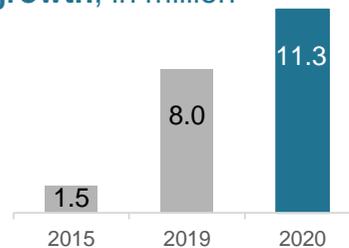
Reduction of transport emissions and carbon footprint to achieve climate targets

Increasing safety and efficiency

EV's with substantially higher wafer content



Global EV growth, in million

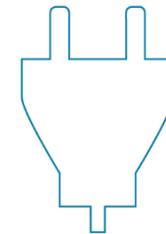


230 million vehicles estimated in 2030

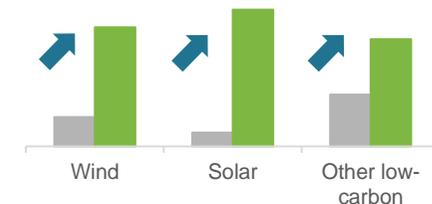
Clean energy

Wafers as a foundation for semiconductors enable clean, renewable energy sources and improving energy efficiency

Renewable energy needs more and more wafer content



Change in global electricity, 2000 - 2019 vs. 2019 - 2040



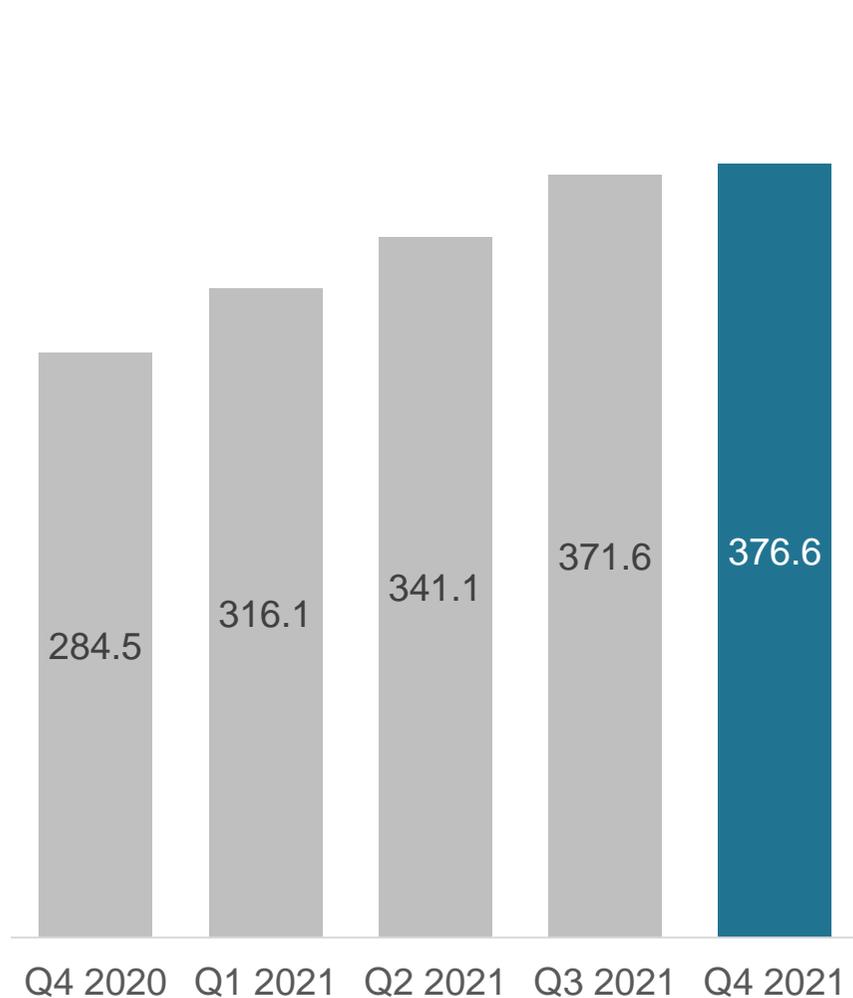
Source: IEA Global EV Outlook 2021; IEA 2020 World Energy Outlook



Financials FY 2021

Revenues significantly up y-o-y due to higher wafer area sold

Sales, in EUR m



Ø FX rates	Q4/20	Q1/21	Q2	Q3	Q4
EUR / USD	1.19	1.21	1.21	1.18	1.14
EUR / JPY	125	128	132	130	130

Comments

- ▶ **Positive**
 - ▶ Significant increase of wafer area sold y-o-y
 - ▶ ASP in Euro slightly down y-o-y

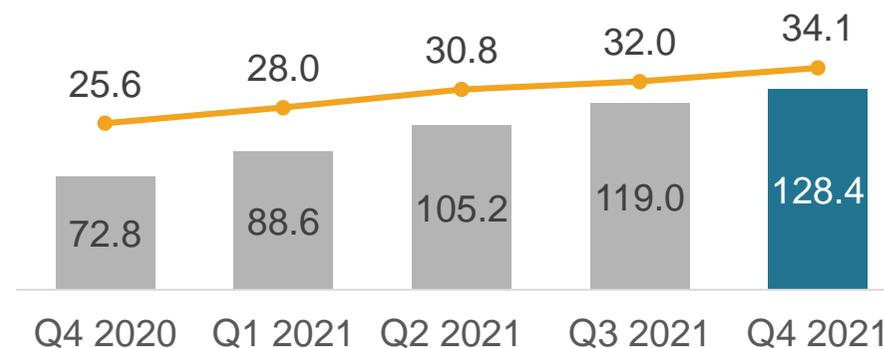
- ▶ **Negative**
 - ▶ Burdened by strong Euro in H1
 - ▶ Impact of higher energy costs since late Q3

Higher wafer area sold lead to higher COGS y-o-y

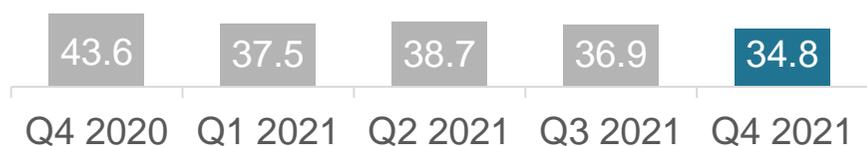
Cost of sales, in EUR mn



Gross profit, in EUR mn / Gross margin, in %



Selling, R&D and admin expenses, in EUR mn

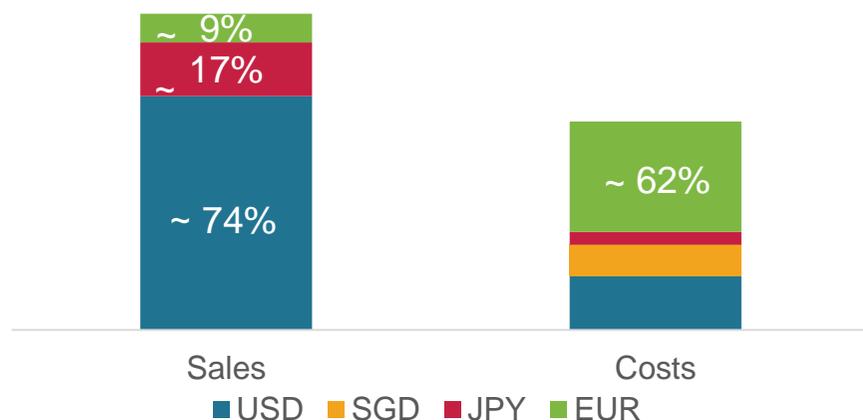


Comments

- ▶ COGS up y-o-y
 - ▶ Higher wafer area sold
 - ▶ Higher scheduled depreciation
 - ▶ Rising electricity prices in H2
 - ▶ FX effects
- ▶ Costs per wafer area significantly down y-o-y due to fixed cost dilution and productivity improvements
- ▶ Gross profit increase q-o-q due to FX effects

High US-Dollar and Japanese Yen exposure

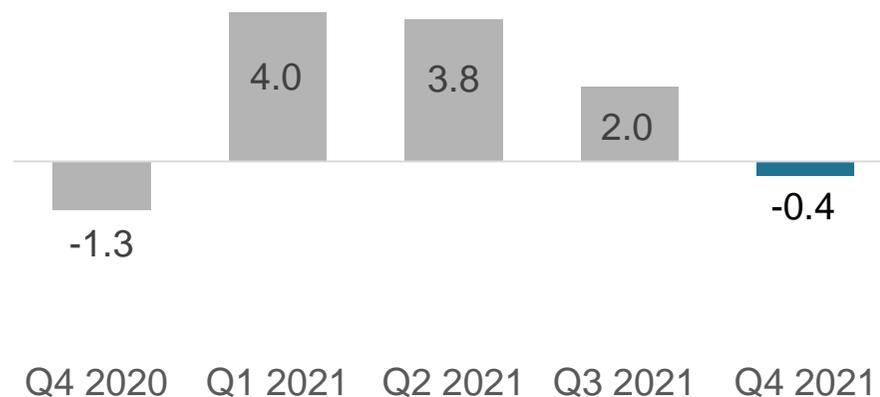
FX exposure, in %



FX sensitivity

	Sales	EBITDA Unhedged
1 USD-cent change	~ EUR 8.5 mn	~ EUR 7 mn
1 JPY change	~ EUR 1.9 mn	~ EUR 1.4 mn

Other currency effects (mostly hedging), in EUR mn

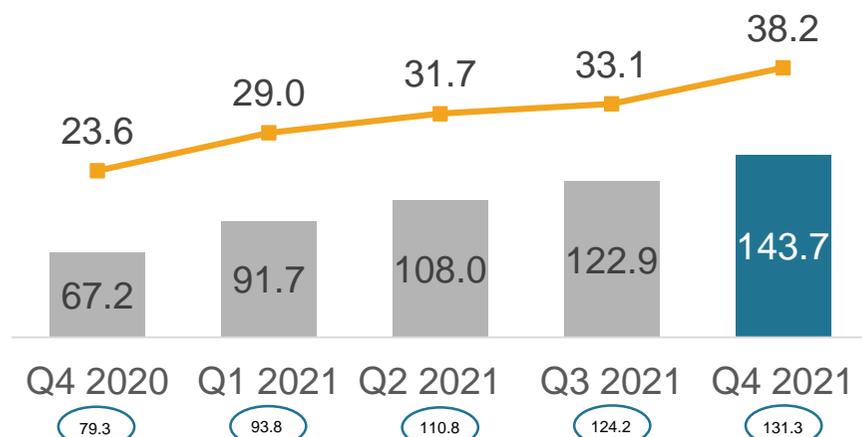


Comments

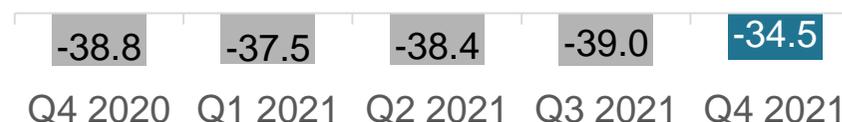
- ▶ Strong Euro y-o-y but weaker Euro q-o-q in Q4
- ▶ Increasing USD exposure along with increasing EBITDA and higher share of USD invoicing during 2021
- ▶ Other currency effects of EUR 9.5 mn in 2021

Strong EBITDA, supported by extraordinary effects in Q4

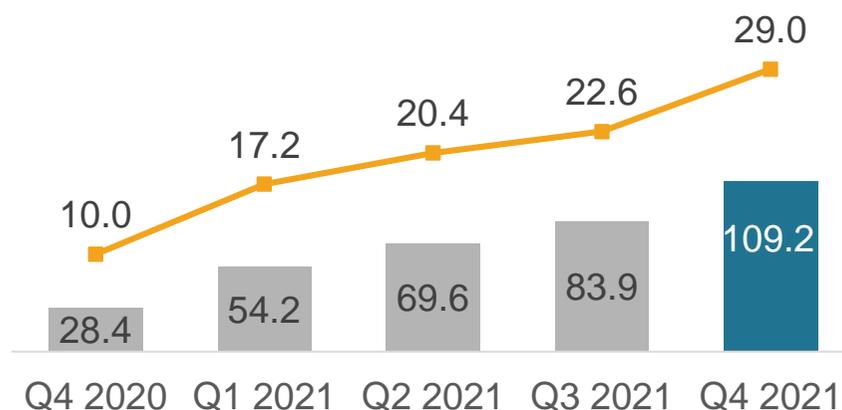
EBITDA, in EUR mn / EBITDA margin, in %



Depreciation, in EUR mn



EBIT, in EUR mn / EBIT margin, in %



Comments

Positive

- ▶ Wafer area sold significantly up y-o-y
- ▶ COGS per wafer area down y-o-y
- ▶ Favorable FX trend in H2
- ▶ EBITDA in Q4 pushed up by effects of the GlobalWafers tender offer

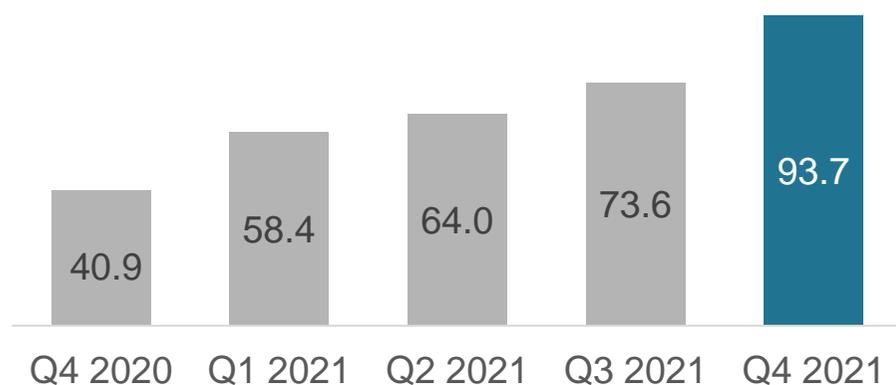
Negative

- ▶ Cost increases due to inflation since late Q3

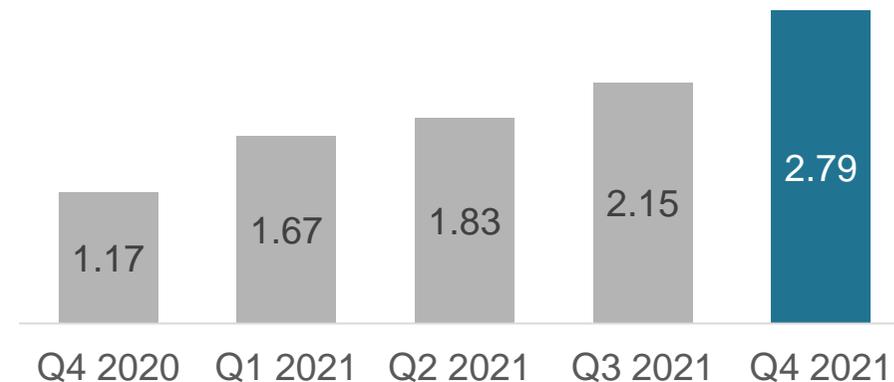
○ EBITDA excluding effects by GlobalWafers tender offer

Higher net profit of EUR 290 million in 2021

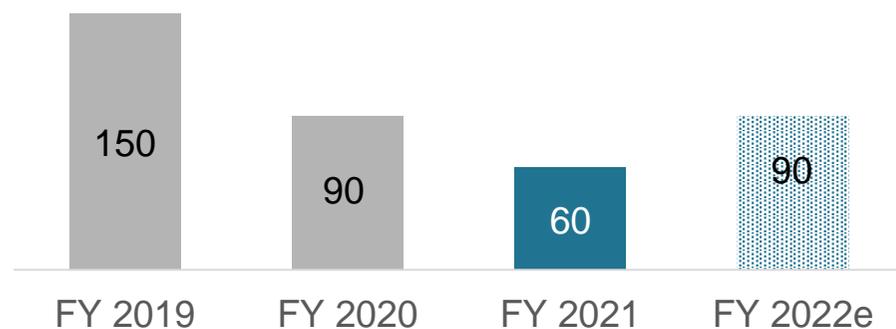
Net profit, in EUR mn



EPS, in EUR



Dividend payment, in EUR mn

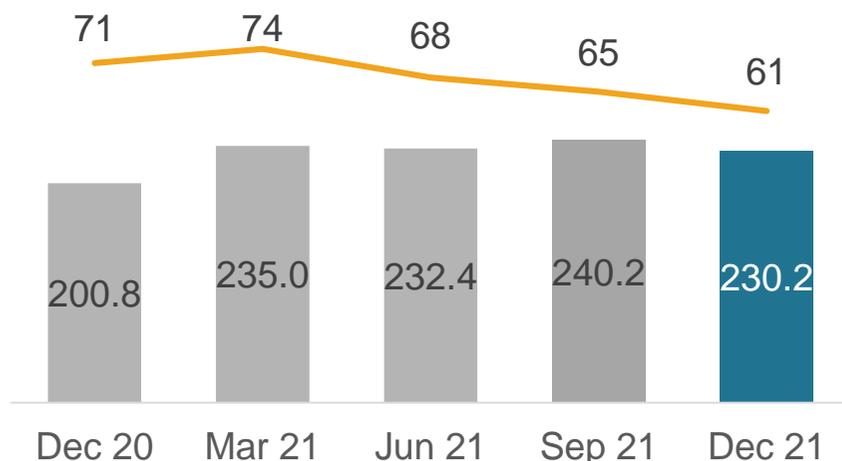


Comments

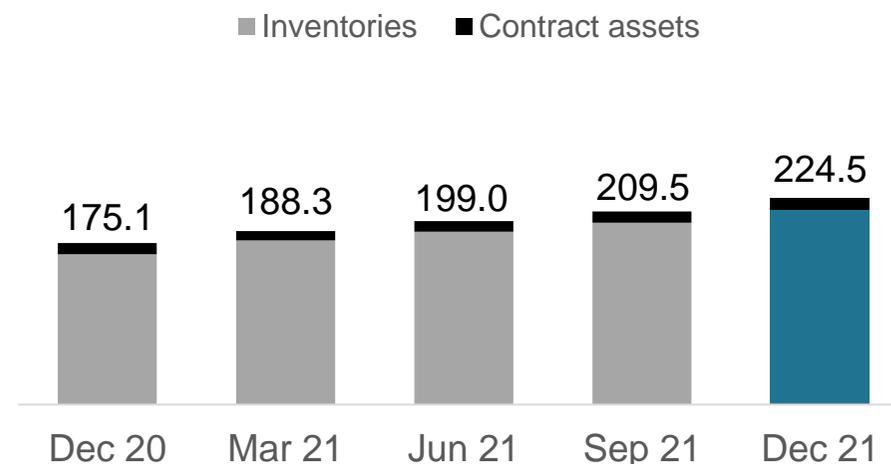
- ▶ Net profit of EUR 290 mn in 2021; thereof EUR 253 mn attributable to Siltronic shareholders
- ▶ Dividend proposal of EUR 3.00 per share = EUR 90 mn dividend payout in 2022

Increase in inventories, contract assets and trade receivables due to higher wafer area sold

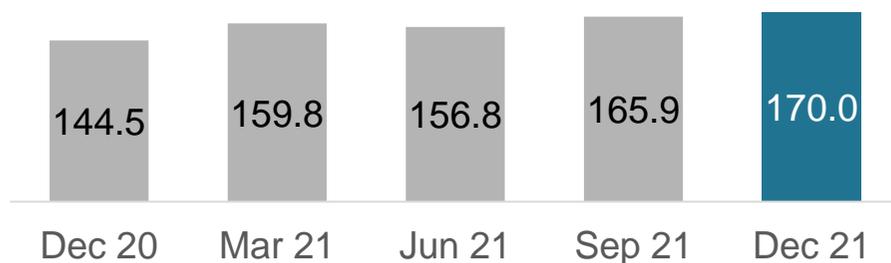
Working capital, in EUR mn,
Working capital ratio to quarterly sales, in %



Inventories and contract assets, in EUR mn



Trade receivables, in EUR mn

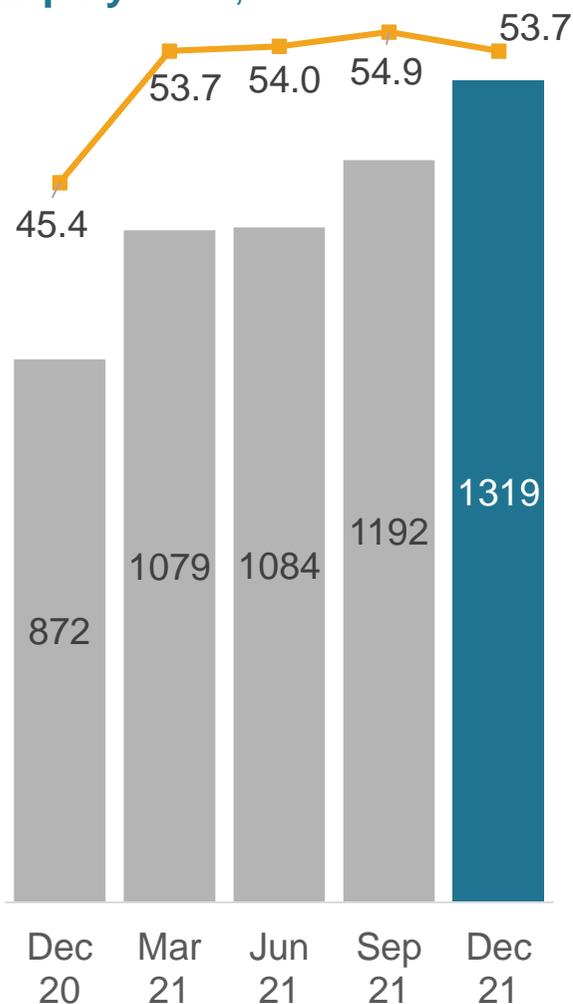


Trade liabilities, in EUR mn



Equity ratio increased to 54%, net financial assets grew further

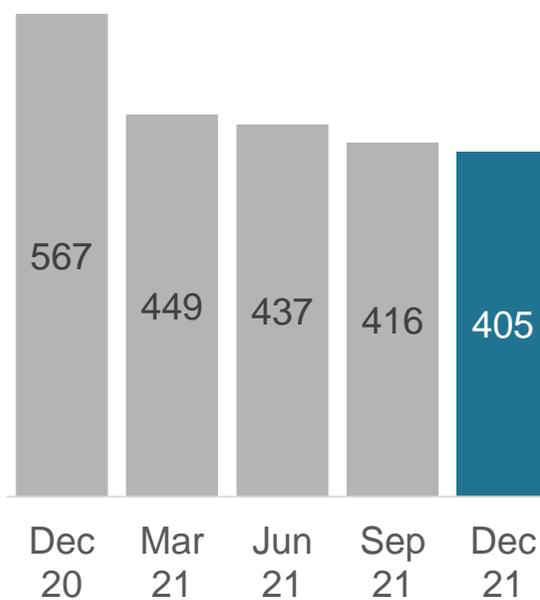
Equity, in EUR mn
Equity ratio, in %



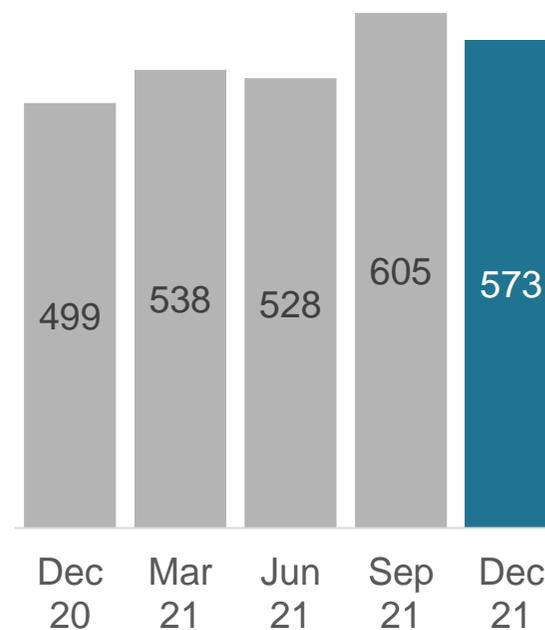
Provisions for pensions,
in EUR mn

Interest rates IFRS

USA	2.07%	2.77%	2.39%	2.42%	2.51%
Germany	0.69%	1.11%	1.14%	1.19%	1.23%

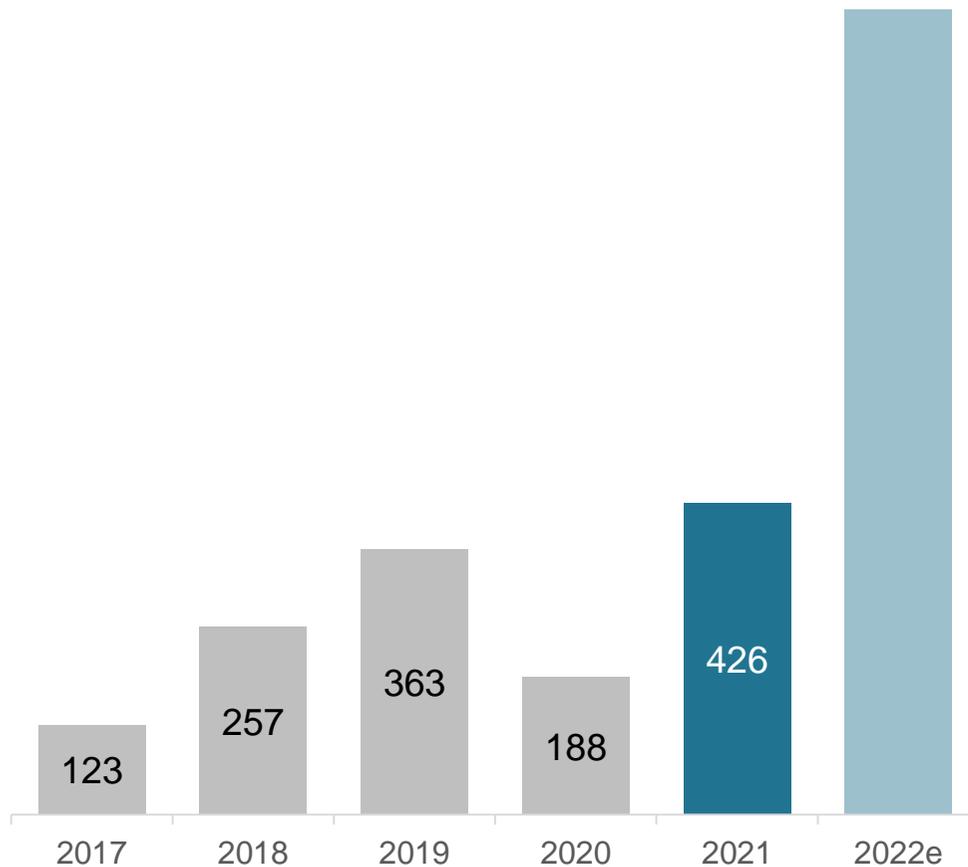


Net financial assets,
in EUR mn



High Capex in 2022 mostly for expansion projects

Investment, in EUR mn

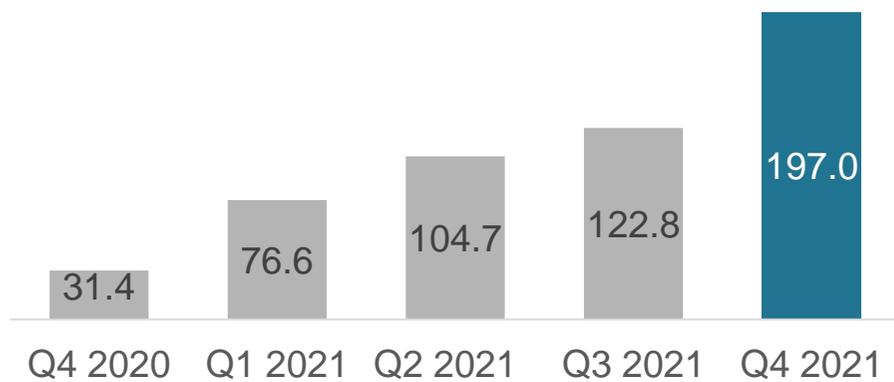


Comments

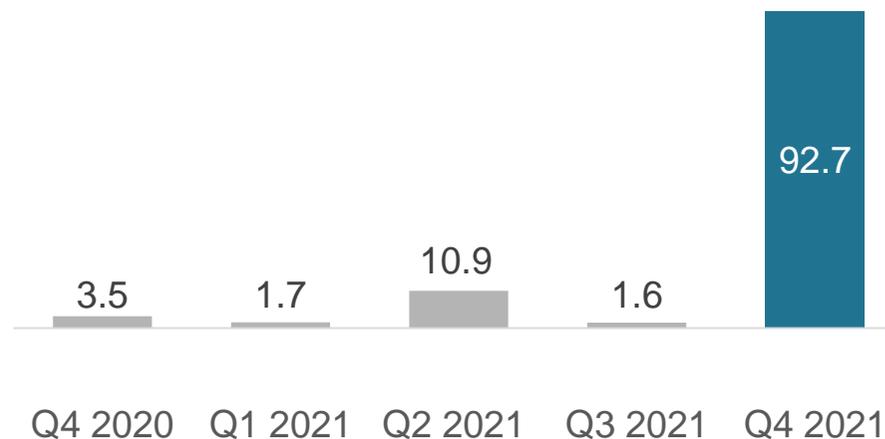
- ▶ Capex guidance 2022 EUR 1.100 mn
 - ▶ 2/3 of capex allocated to FabNext
 - ▶ 300 mm epi capacity
 - ▶ capabilities for future design rules
 - ▶ expansion of crystal pulling hall in Freiberg
- ▶ Conservative financing approach for FabNext in Singapore
 - ▶ existing liquidity and future cashflows
 - ▶ net debt of around 0.5 x EBITDA
 - ▶ no capital increase in 2022

Strong OCF, Net cash flow in line with expectation

Operating cash flow (OCF), in EUR mn



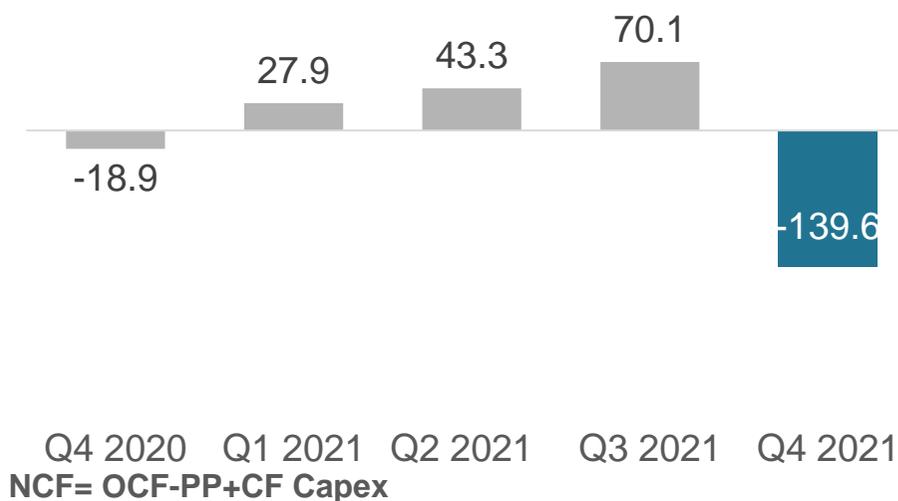
Customer prepayments net (PP), in EUR mn



CF Capex, in EUR mn



Net cash flow (NCF), in EUR mn

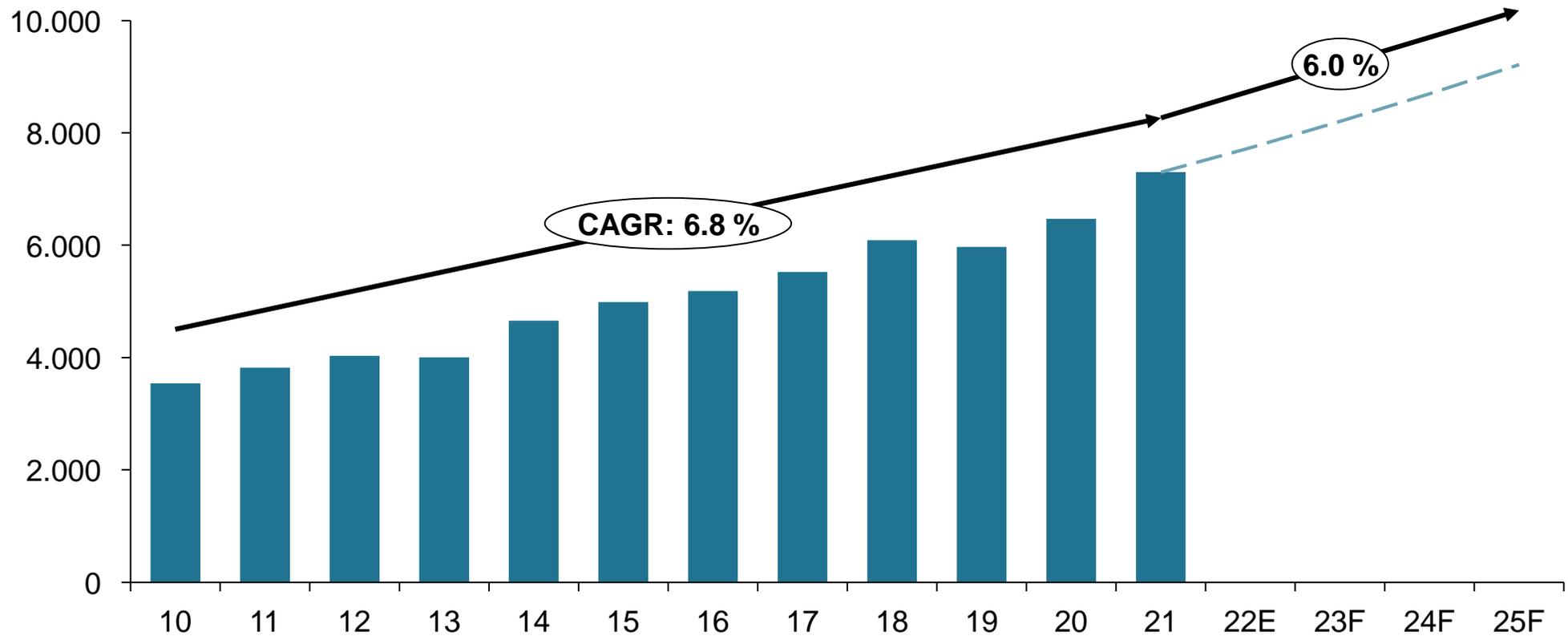




Outlook 2021

300 mm demand expected to follow its historical growth trajectory after 12.8% growth in 2021.

300 mm market and demand forecast in k wafers per month



Source: Siltronic Marketing Feb 2022

Siltronic Outlook 2022 (as of March 9, 2022)

Sales

- 15 to 22 percent increase

EBITDA margin

- increase to 34 to 37 percent (incl. termination fee)

Depreciation

- around EUR 185 mn

EBIT

- significant increase

Tax rate

- between 10 to 15 percent

CapEx

- around EUR 1,100 mn (2/3 allocated to the construction of FabNext)

Net cash flow

- significantly negative due to high investments

Earnings per share

- significant increase

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ISIN: DE000WAF3001
WKN: WAF300
Deutsche Börse: WAF
Listing: Frankfurt Stock Exchange
Prime Standard

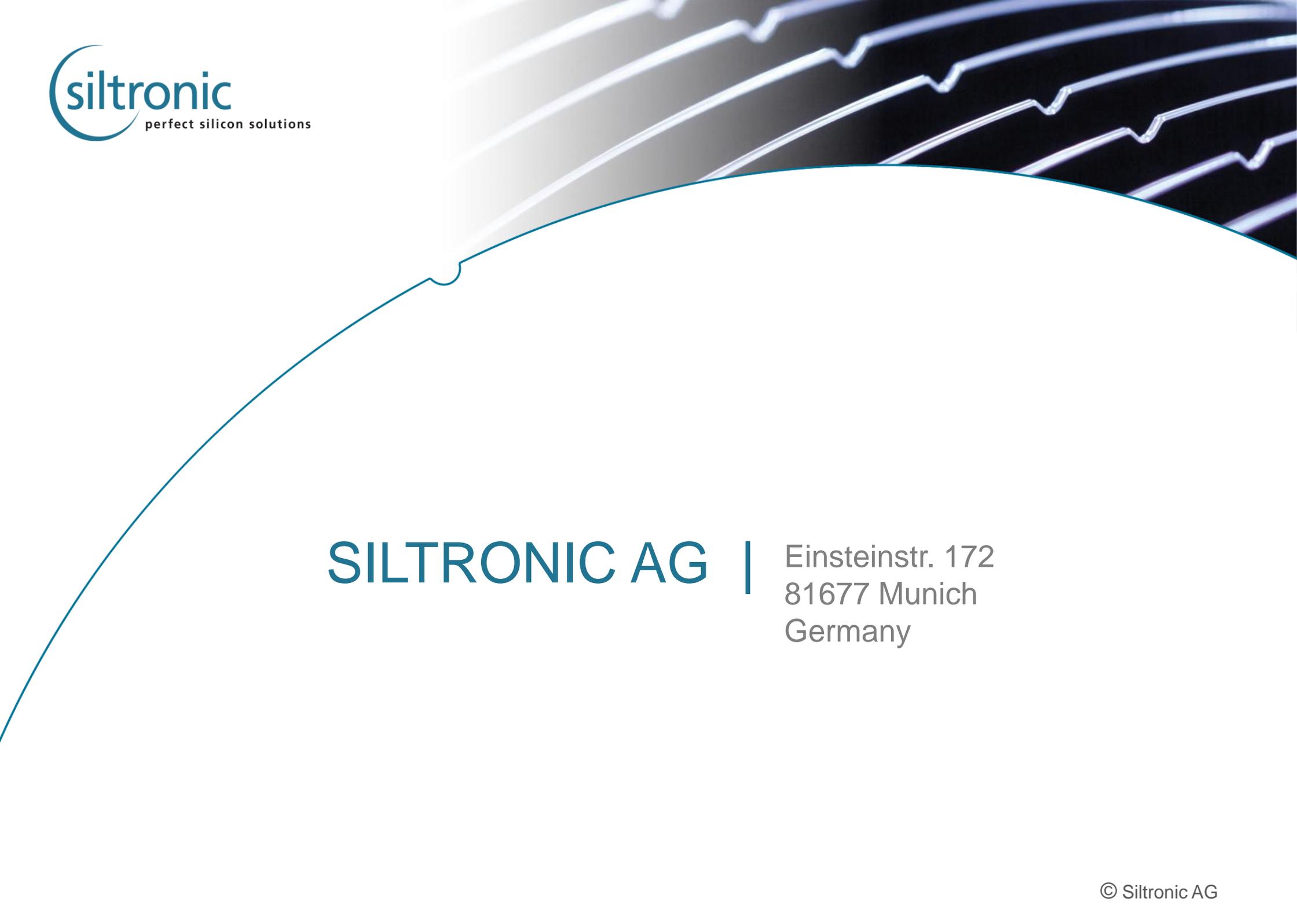
Financial Calendar 2022

Annual General Meeting	May 5, 2022
Q1 Quarterly Statement	May 10, 2022
Q2 Interim Report	July 29, 2022
Q3 Quarterly Statement	October 28, 2022



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