

OUR PATH TO GROWTH AND VALUE CREATION

Investor Presentation
July 2024

SILTRONIC AT A GLANCE

4,500

employees
worldwide

4

world-class
production sites

1.5

billion EUR
sales in 2023

50+

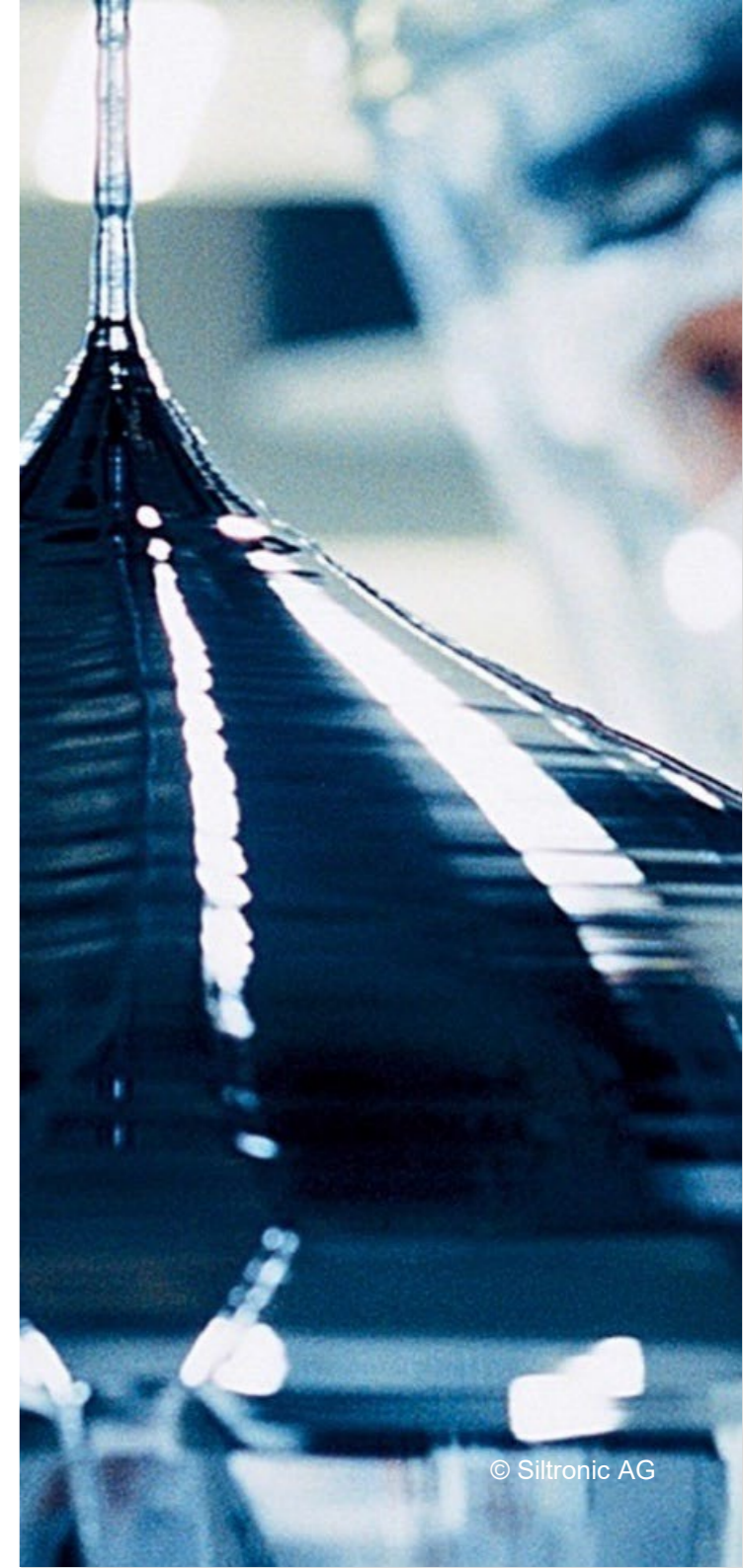
years of history
in silicon technologies

Supplier

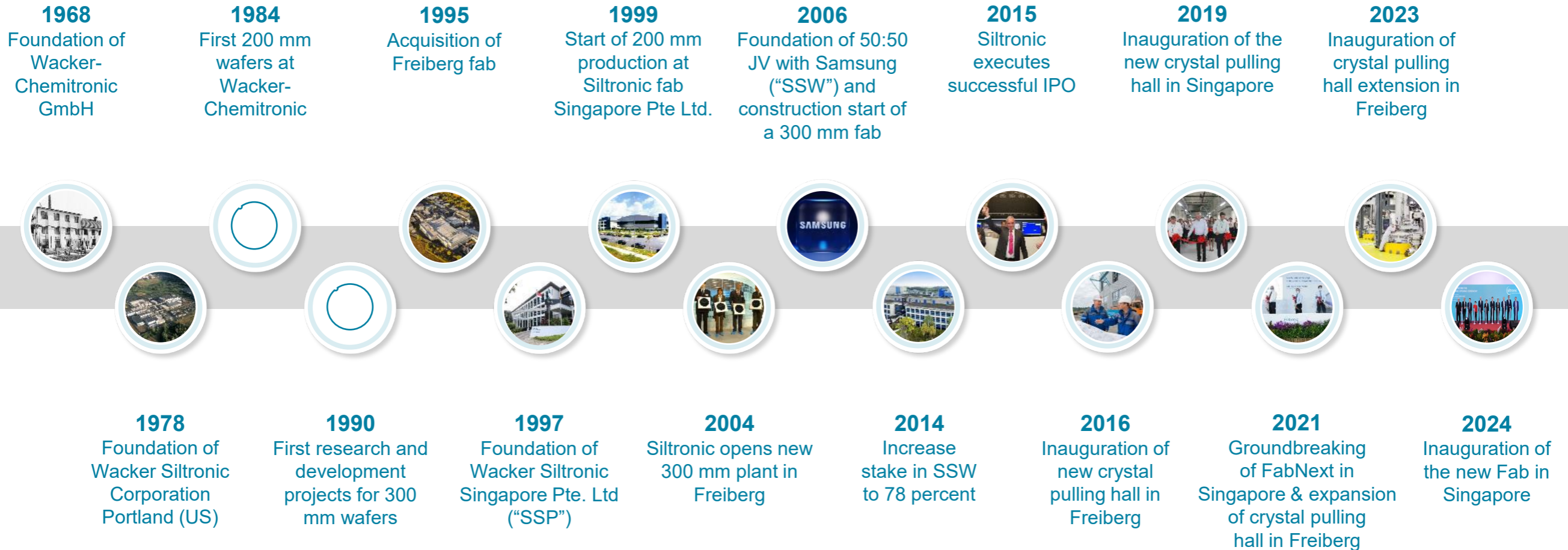
to top
semiconductor producers

29

percent
EBITDA-Margin

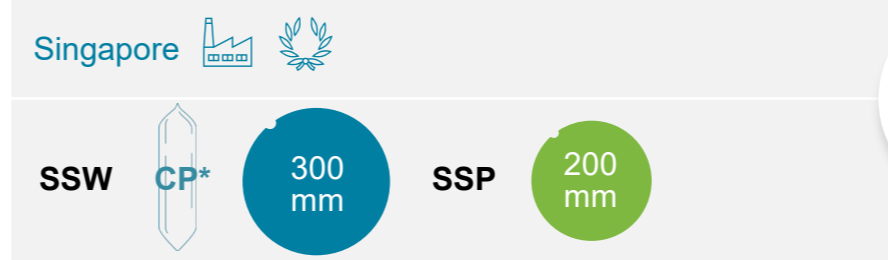


50+ YEARS OF HISTORY – A STORY OF SUCCESS AND INNOVATION



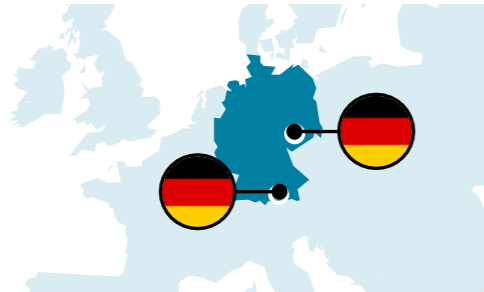
INTERNATIONAL PRODUCTION NETWORK SERVES CUSTOMERS AROUND THE GLOBE

Singapore



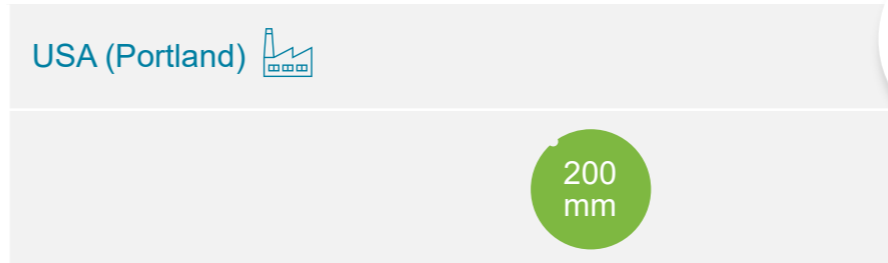
300 mm
volume production in
Germany & Singapore

Germany



R&D
hub in Burghausen

USA

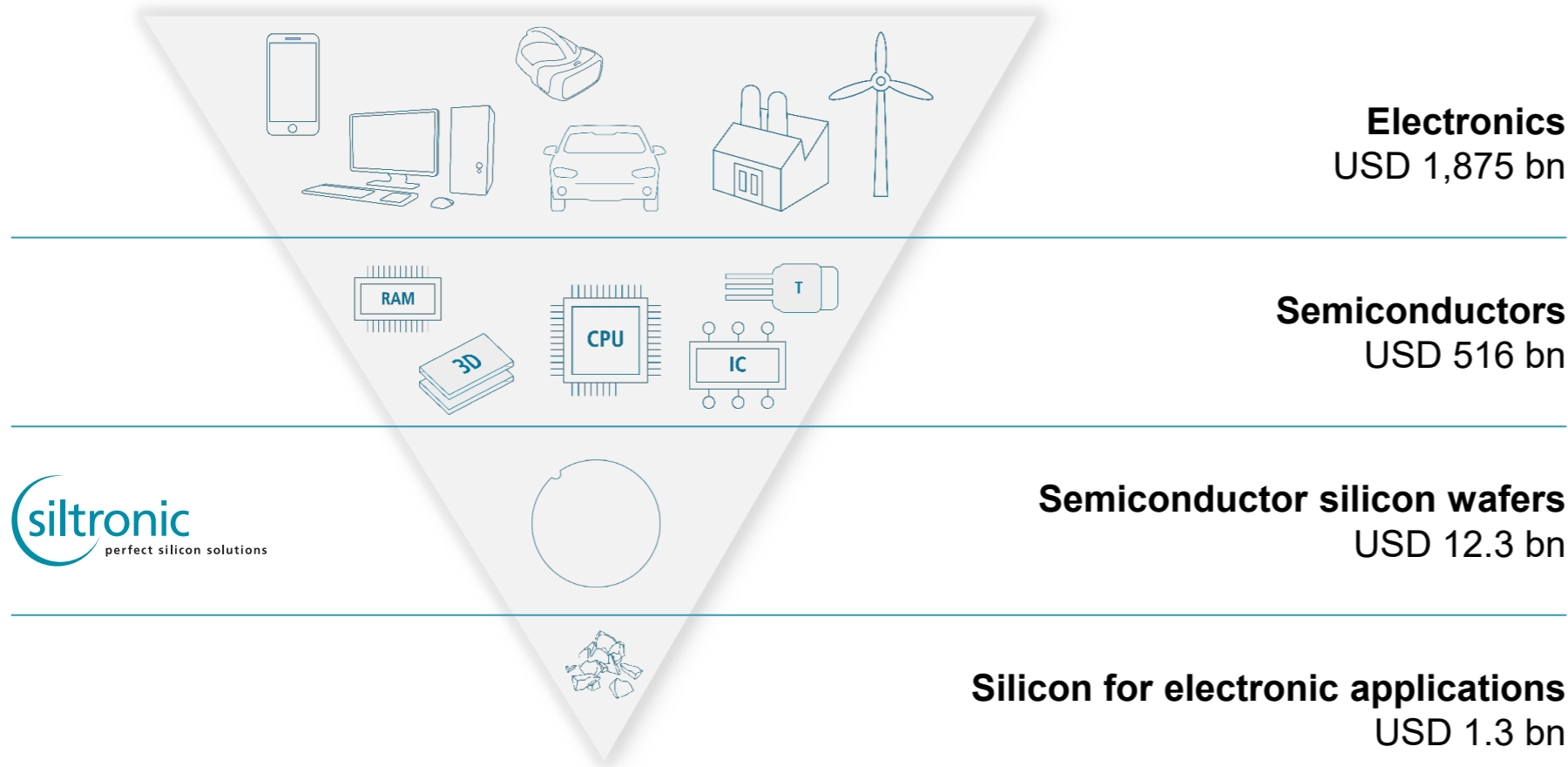


**Leading
Edge**
production

R&D = Research and Development
CP = Crystal Pulling

EXPANSION OF ELECTRONICS VALUE CHAIN WILL DRIVE SEMICONDUCTOR AND WAFER GROWTH

Electronics value chain (figures for 2023)⁽¹⁾



99%

of the semiconductor value chain is based on silicon



USD 1 tn

semi sales at the end of this decade⁽²⁾



Crucial

for the whole value chain

Source: 1 TechInsights, WSTS (Silicon based), SEMI SMG, Siltronic Marketing | 2 McKinsey

WELL POSITIONED IN A CONSOLIDATED MARKET AS THE ONLY WESTERN-BASED MANUFACTURER



Up to 90%
are served by the top
5 wafer manufacturers



Only western
based wafer
manufacturer

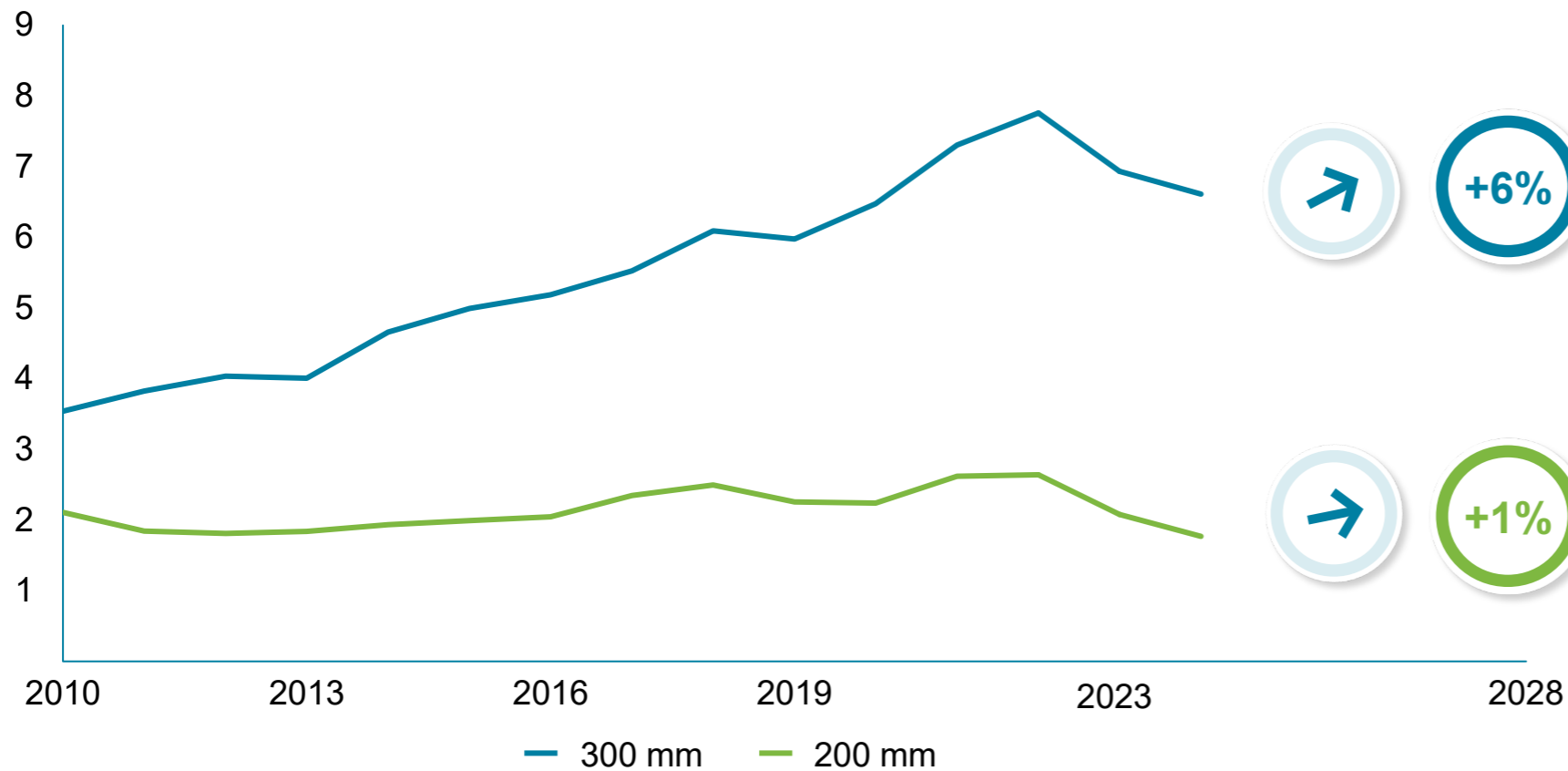


Consolidated
market leads to high
transparency and
predictability

Source: Siltronic estimate 2023, Quarterly reports of SEMI companies

OVERALL CAGR OF 4-5% EXPECTED HIGHEST GROWTH IN 300 mm

Development of total wafer demand per diameter
in mn 300 mm equivalents per month¹ and CAGR per diameter in %²



300 mm
strong growth



+6%



+1%

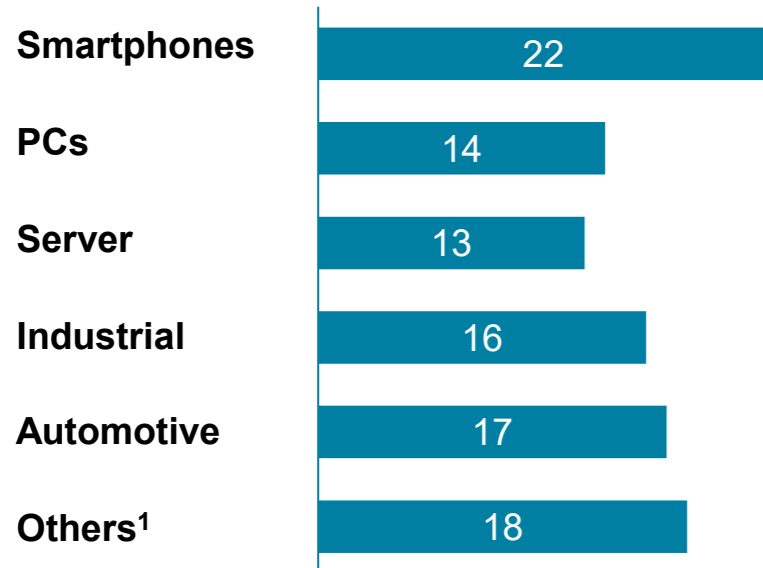


200 mm
slightly increasing

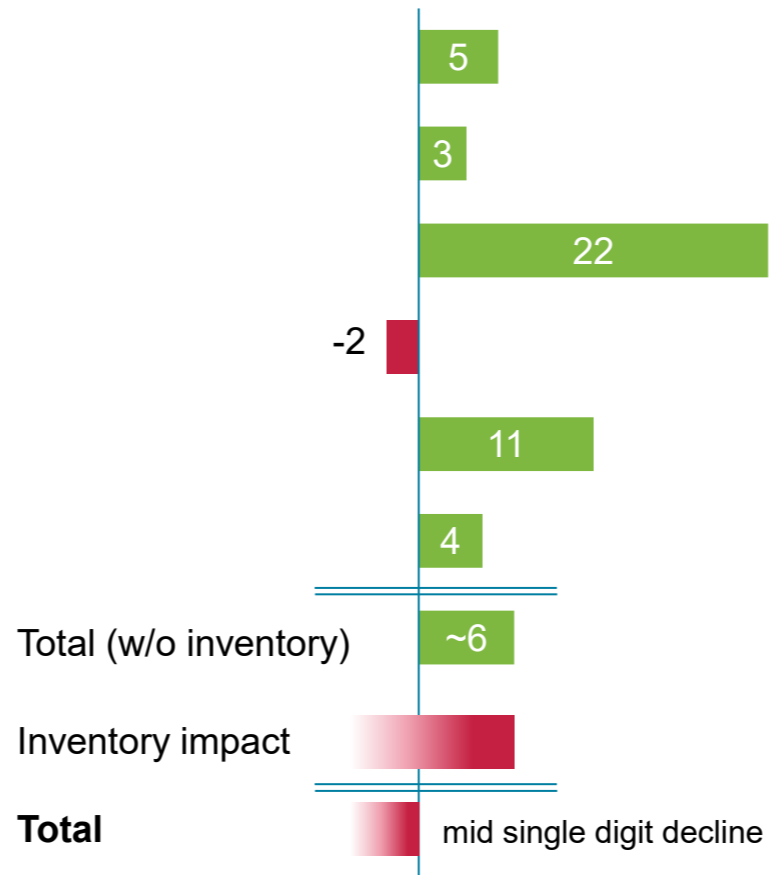
¹ Source: SEMI up to May 2024; ² Siltronic CAGR expectation until 2028 (base year 2022) - the actual CAGR may deviate from expectations

END MARKET GROWTH STILL NEGATIVELY OVERCOMPENSATED BY EXCESS INVENTORY

Consumption of wafers by end use 2023, in %



Growth in demand for wafer area 2024 vs. 2023, in %



Server

Strong growth with AI pushing net content



Smartphones

Modest recovery

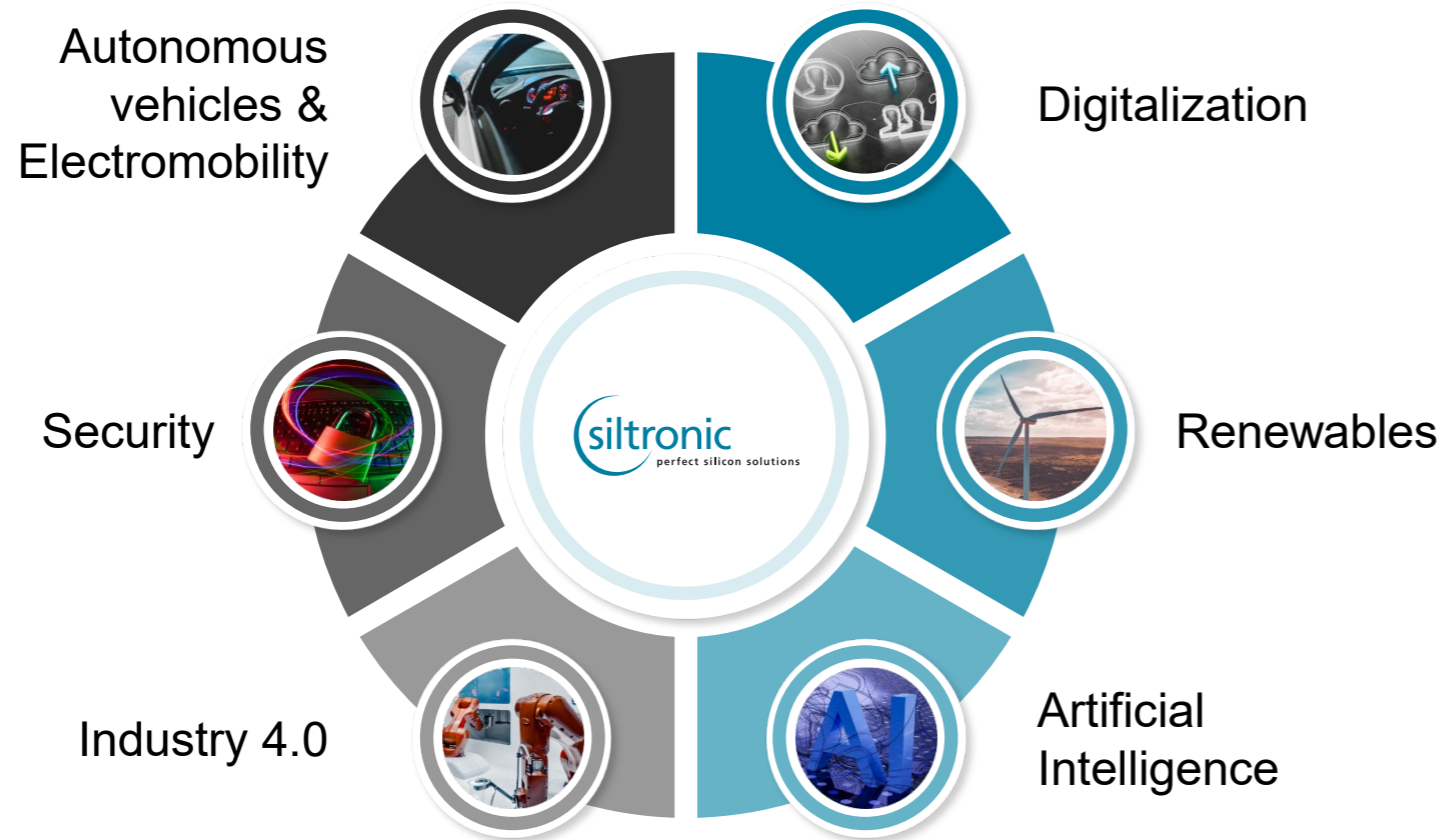


Industrial & Automotive

Mixed newsflow

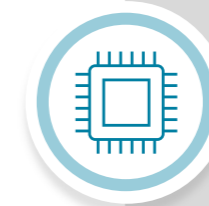
Source: Siltronic estimates, ¹ Infrastructure Telecommunications, game consoles, consumer electronics such as televisions, white goods such as refrigerators. Chart not to scale.

MEGATRENDS WILL DRIVE WAFER DEMAND



Siltronic

well positioned to support each megatrend



All segments

will participate and Power with over proportional growth

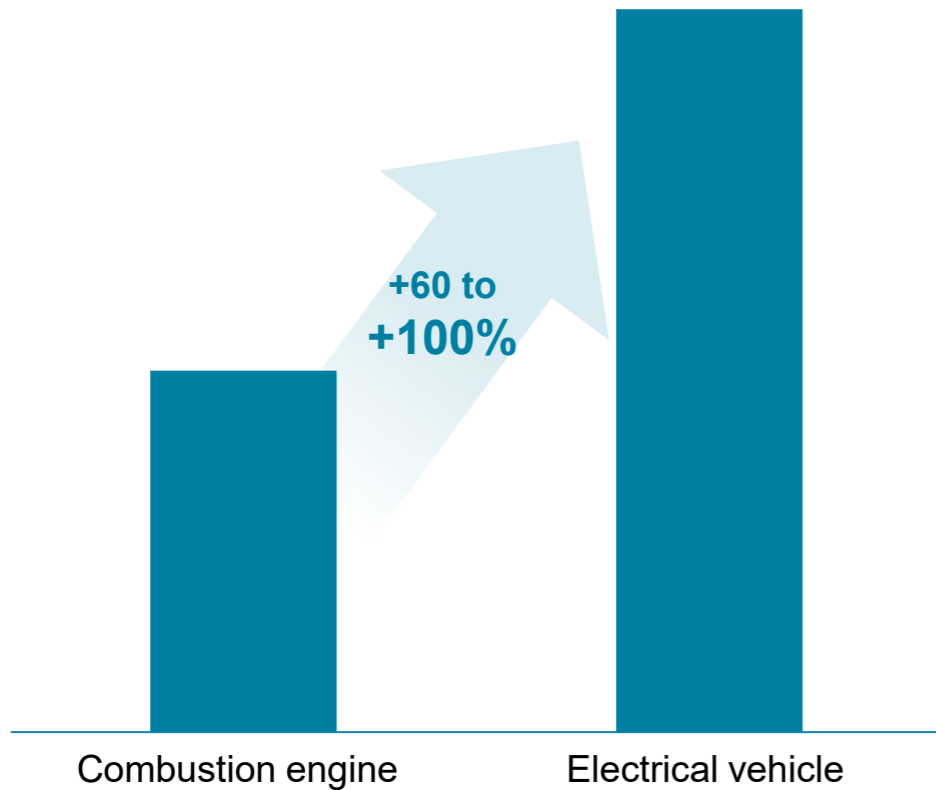


Key benefits

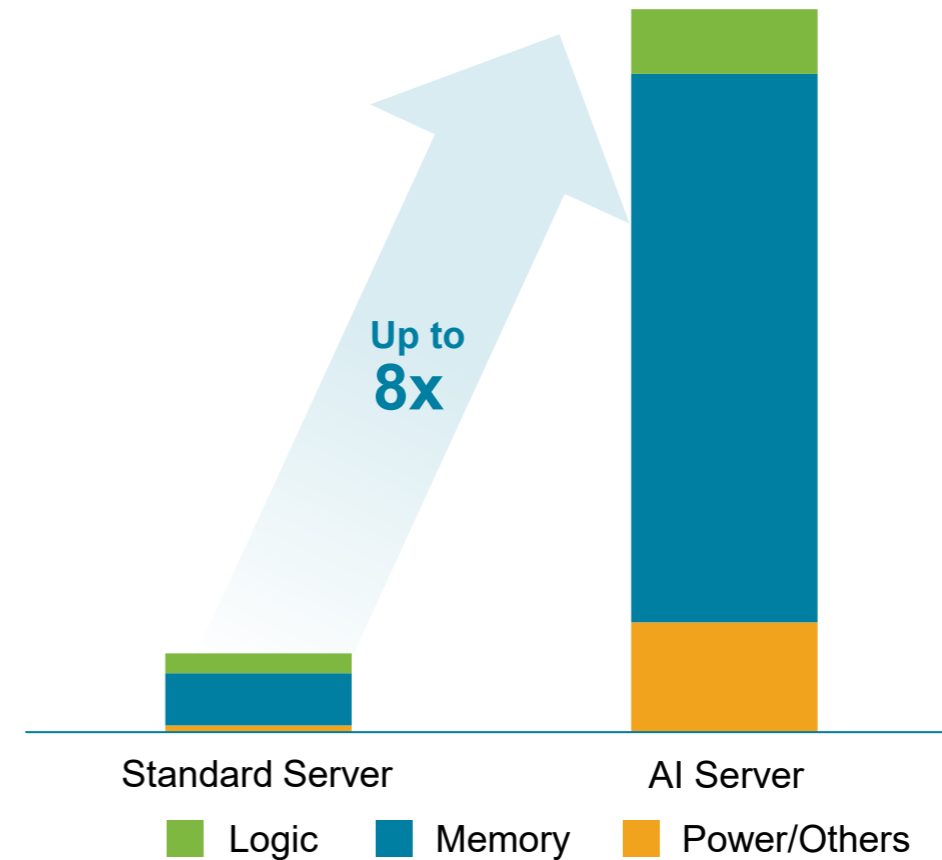
from strategic focus on Leading Edge and Power market

FOR EXAMPLE: ELECTROMOBILITY AND AI ARE PUSHING WAFER DEMAND

Silicon content between combustion engine and electrical vehicle in cm² per car



Silicon content between standard server vs. AI server in cm² per server



Source: BS Sept. 2023 Global I/O Semiconductors; UBS May 2023; Omdia Q4 2022; Siltronic Marketing estimates

OUR NEW FAB IN SINGAPORE

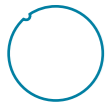
Project Status



Inauguration took place in June



Focus on qualifying customers



Depreciation starting in Q4 2024

Commercial Facts



Advantages:
High automation, high epi share,
economies of scale, state of the art



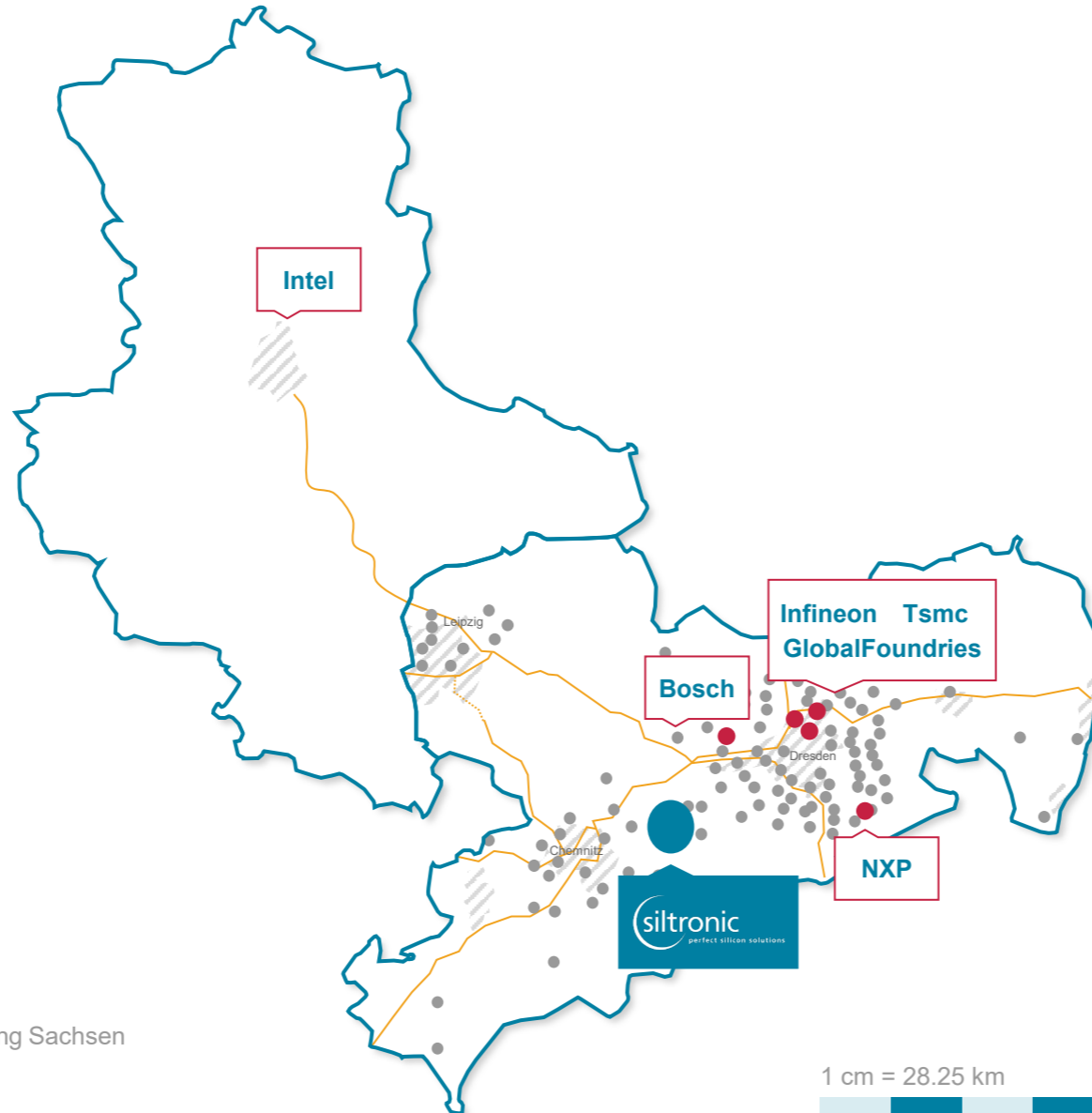
High LTA share



EBITDA-margin above
50% mid-term



FURTHER IMPROVED PRODUCT MIX FUELED BY INVESTMENTS (E.G. FREIBERG)



Every 3rd to 2nd semiconductor in the EU is from this region



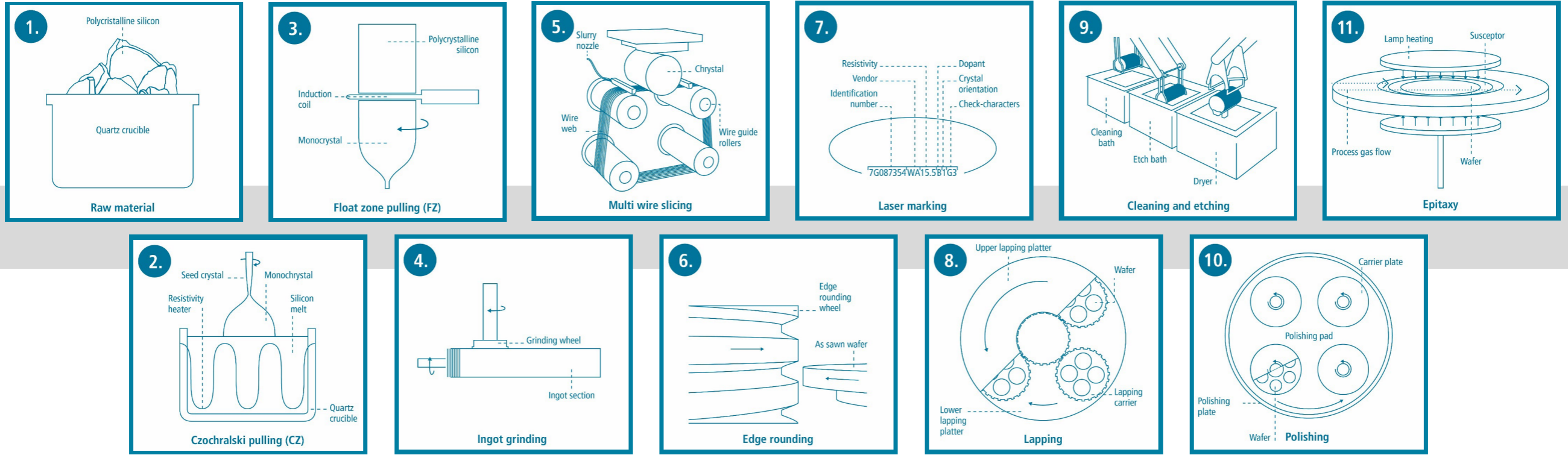
Investments of more than EUR 1 bn since 1995 by Siltronic



First-class geographical position in light of EU ambitions

Source: Siltronic; Silicon Saxony/Wirtschaftsförderung Sachsen

WAFER PRODUCTION PROCESS



OUR UNIQUE R&D AND INNOVATION FOCUS IS ANOTHER IMPORTANT GROWTH DRIVER

R&D
hub in Germany



450
R&D employees



1,900
patents



4–5%
of sales planned
as R&D spendings



Partnering with leading innovation platforms and joint development projects with customers



Leibniz Institute
for high
performance
microelectronics



R&D Innovation Strategy

Stay one generation ahead
as a technology leader

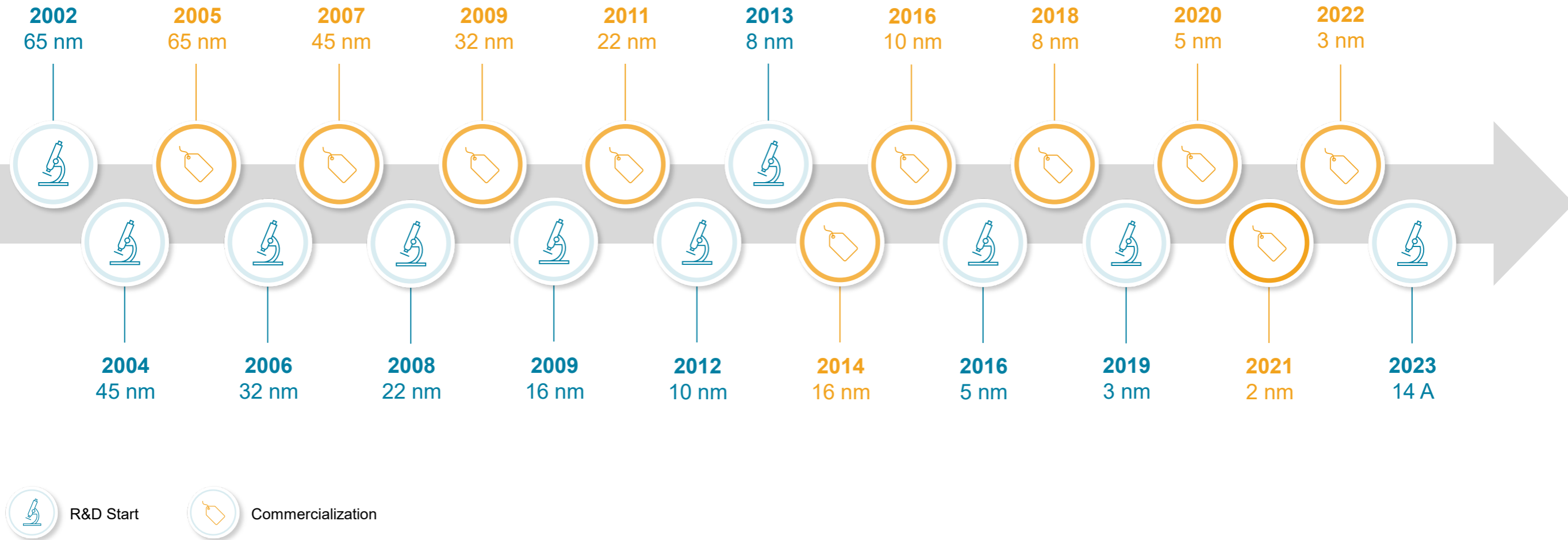
Focus on Leading Edge and Power

Strengthen and expand our product
portfolio

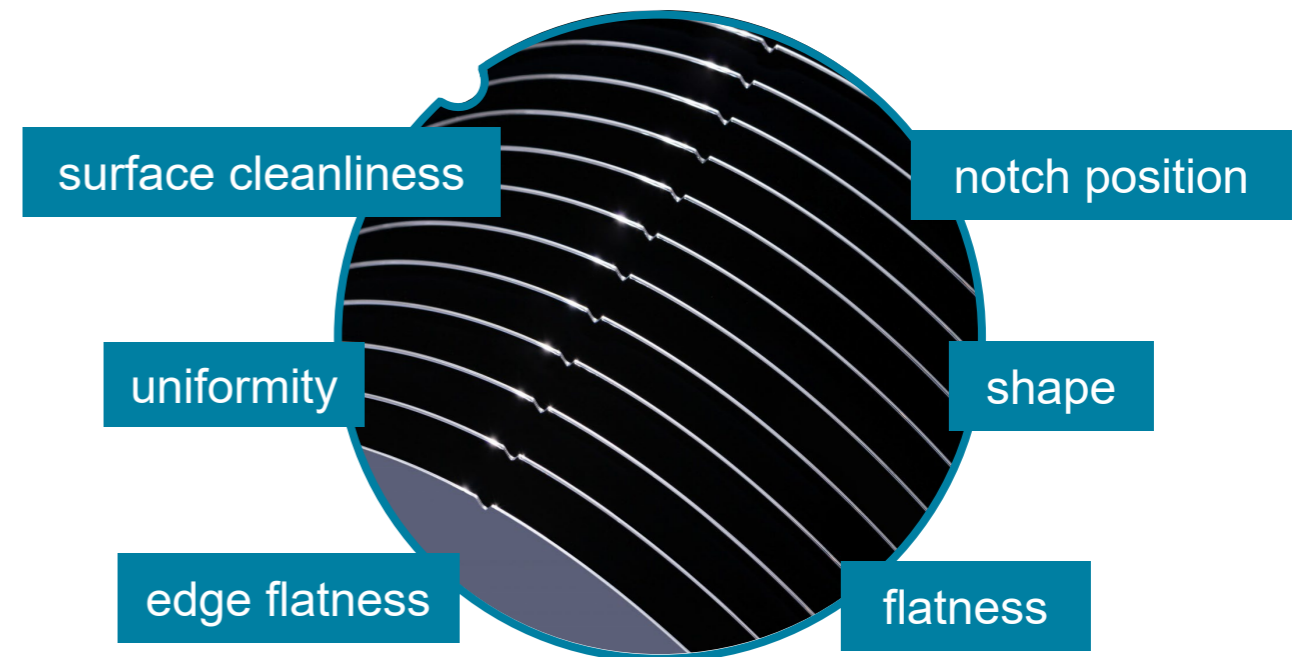
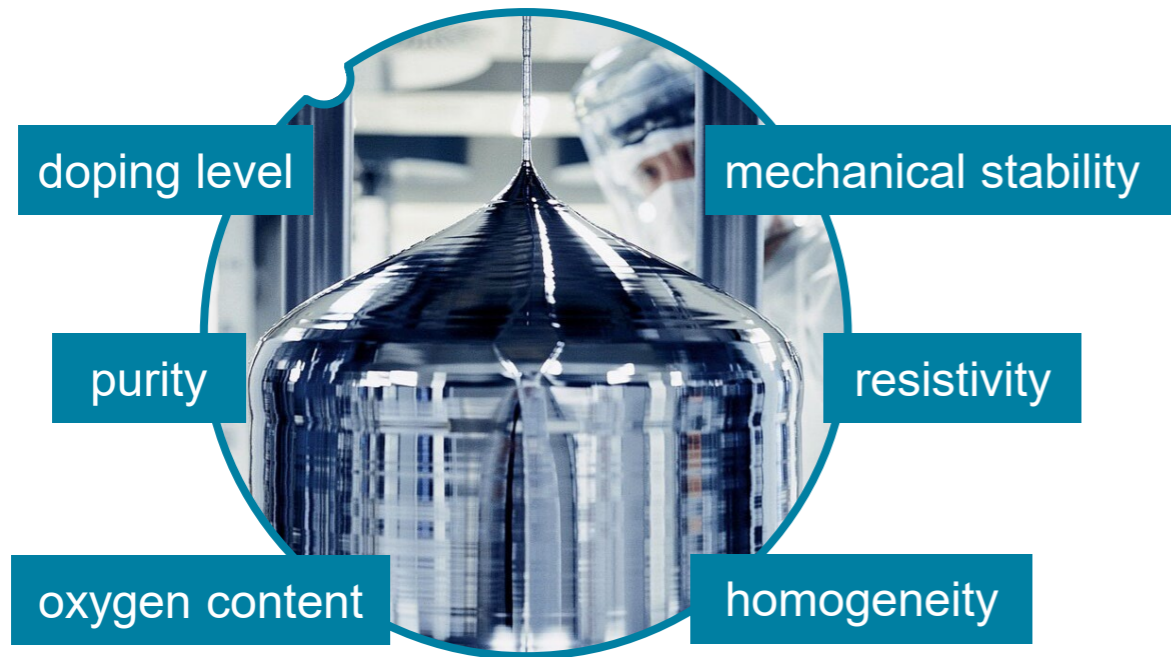
Further improve our technology
and processes

Find new business opportunities

SILTRONIC HAS A PROVEN TRACK RECORD



A NUMBER OF KEY INGOT & WAFER PROPERTIES DEFINE THE WAFER SPECIFICATION AND ITS FURTHER USE BY THE CUSTOMER



PURITY AND FLATNESS REQUIREMENTS FOR WAFERS ARE EXTREME, AS SCALING THEM INTO THE MACRO WORLD SHOWS

Particles

Particle size specified in the nm range. Requirements are equivalent to a maximum of 10 grains of sand distributed over the city of Munich - and no pebble or rock.



Flatness

20 nm on a wafer are equivalent to the height of a leaf on the surface of Lake Chiemsee – or a single bacteria on a tennis court.



Impurity

„parts per trillion“ (ppt) is equivalent to a sugar cube diluted in a small lake – or a single grain of salt in a tank truck.



COST-COMPETITIVENESS A PREREQUISITE IN THE WAFER INDUSTRY

Major cost items 2023



Labor



Depreciation



Supplies

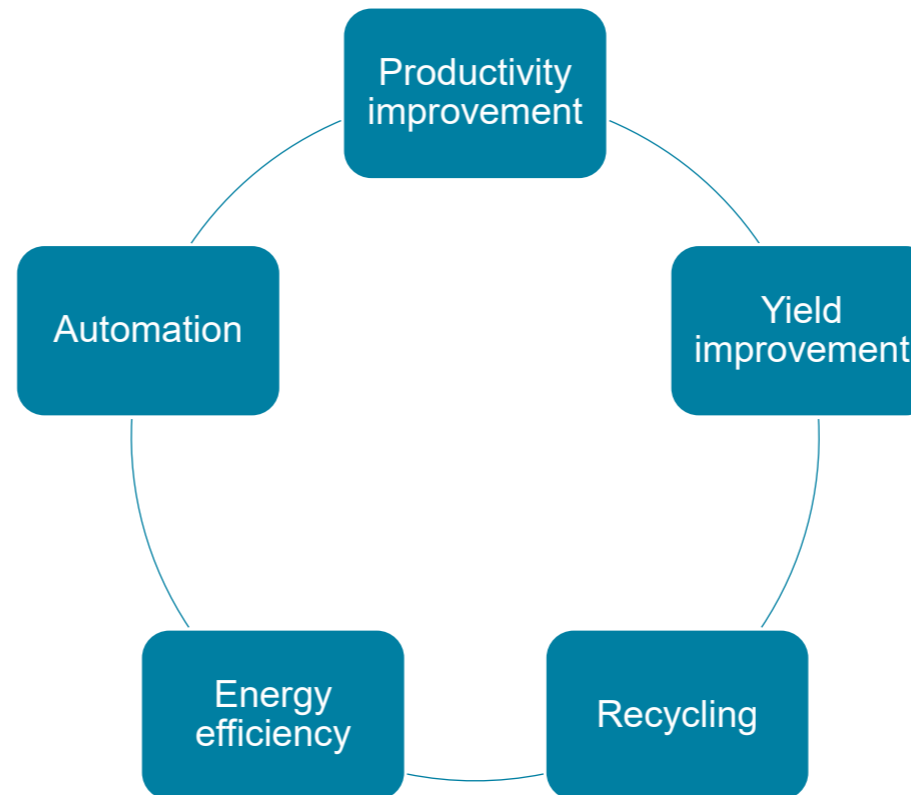


Energy



Polysilicon

Continuous cost roadmaps to counter unit cost increases



Costs

are monitored on an ongoing basis



Labor & Depreciation

are the two largest cost items

OUTLOOK AND FINANCIAL STRENGTH

Our ambitions until 2028

2024 GUIDANCE SLIGHTLY UPGRADED

Sales

High single digit percent below prior year

Capex

Between EUR 500 and 530 mn

Depreciation

Below EUR 300 mn

EBITDA Margin

Between 23% and 25%

EBIT

Significant decline

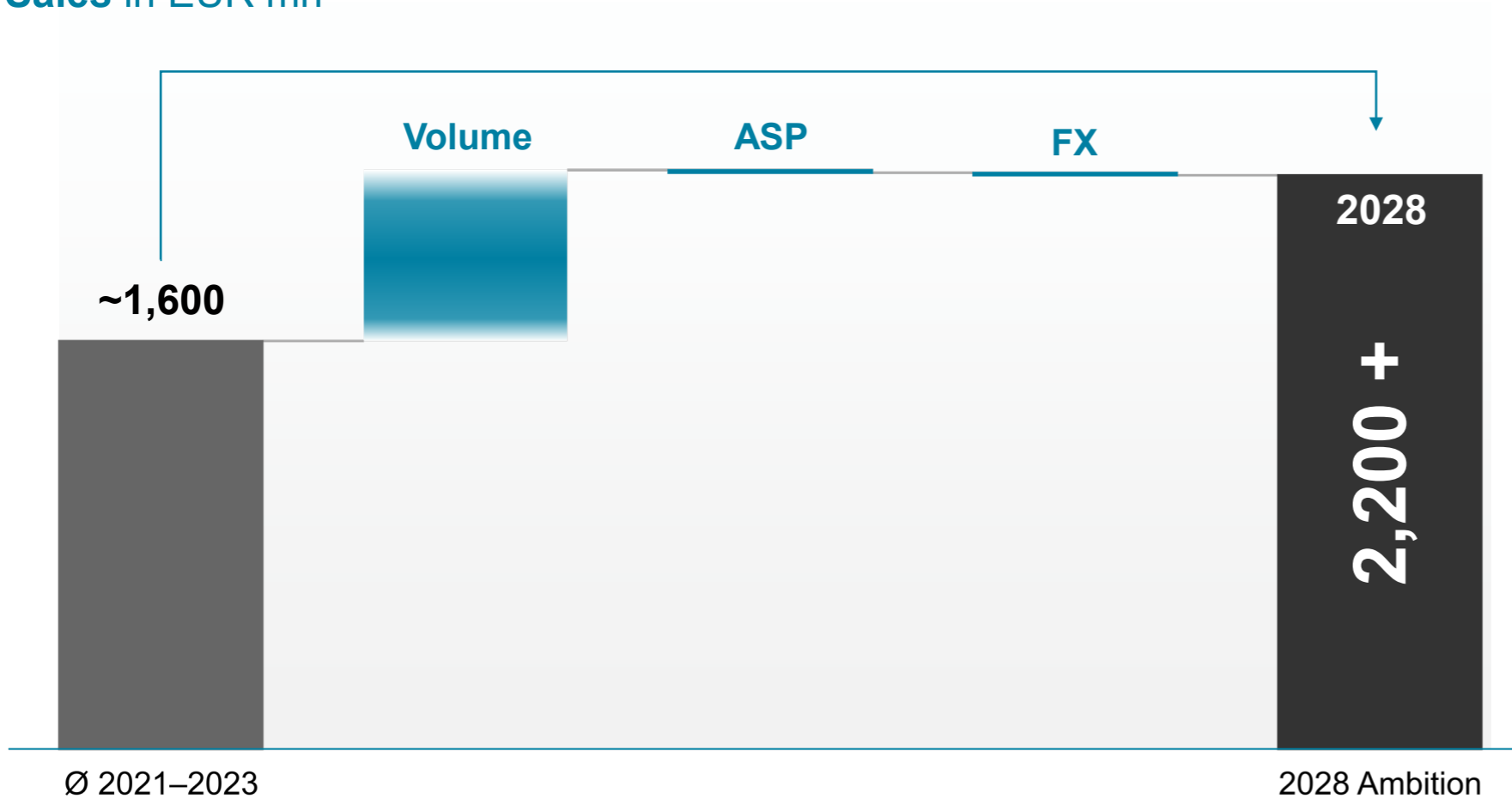
Net cash flow

Improved compared to previous year, but remains significantly negative



BY 2028 OUR SALES AMBITION IS >EUR 2.2 BN DRIVEN BY VOLUME AND CAPACITY EXPANSION

Sales in EUR mn



Charts not to scale



Volume effect

Assumed volume growth 2028 vs. 2022

- Total CAGR 4–5%
- 300 mm CAGR 6%

Capacity expansion FabNext along with market growth



ASP effect

Overall stable

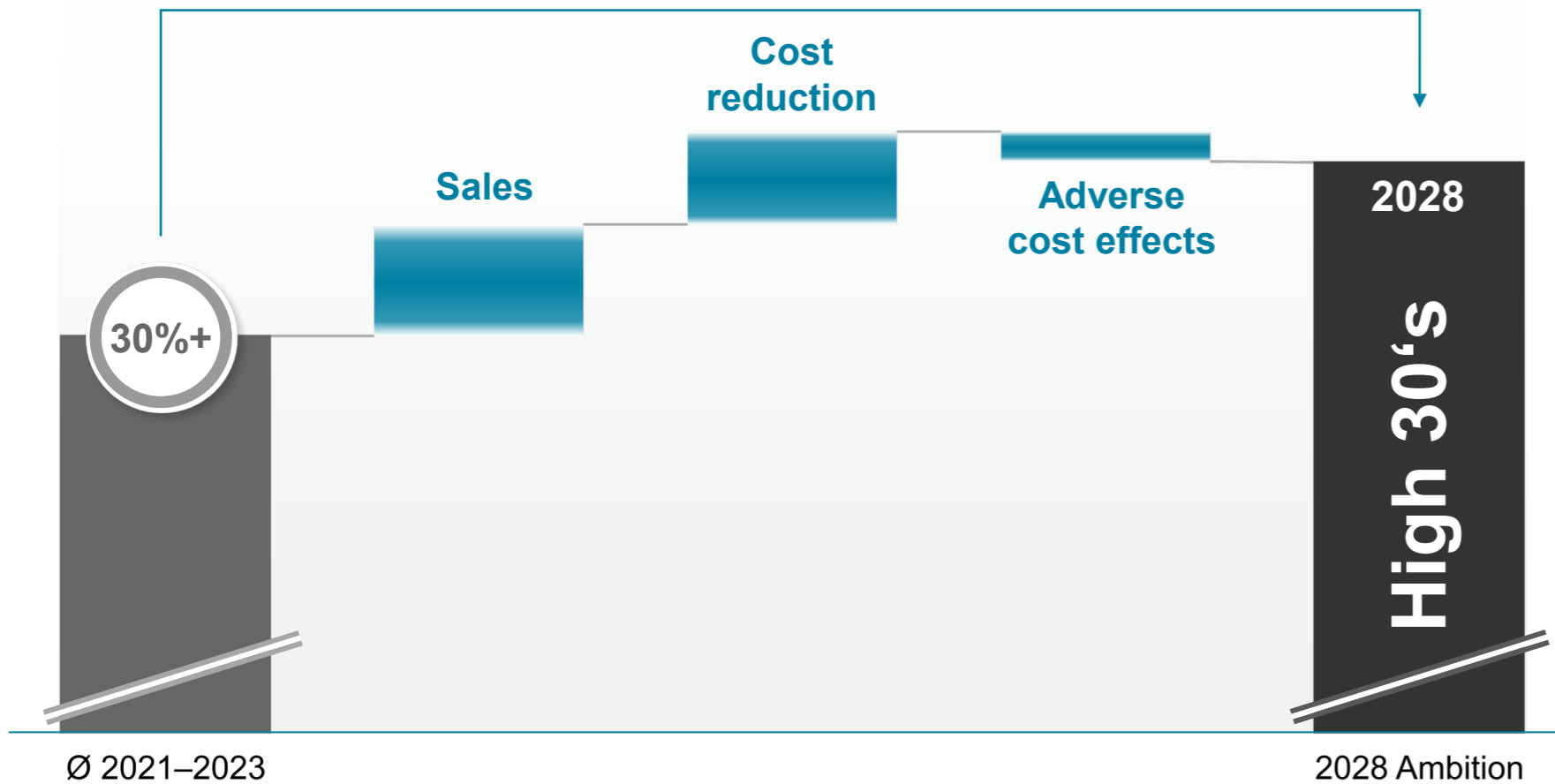


FX effect

stable, EUR/USD 1.10

PROFITABLE GROWTH UNTIL 2028 IS SUPPORTED BY VOLUME GROWTH AND COST ADVANTAGES

EBITDA-Margin in %



Sales

ASP/FX flat
Additional volume mainly from FabNext (with fix cost build-up)



Cost reduction

Cost reduction programs
Invest in new equipment and automation
Shift towards Singapore with cost advantage



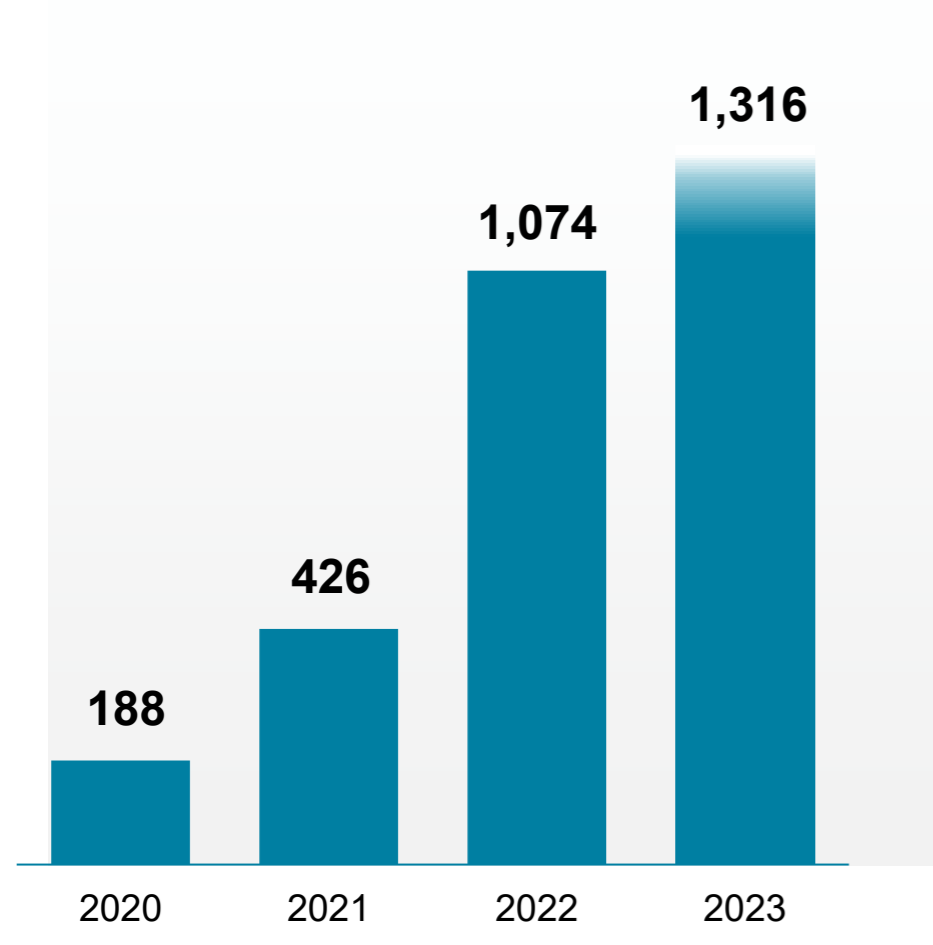
Adverse cost effects

Inflation

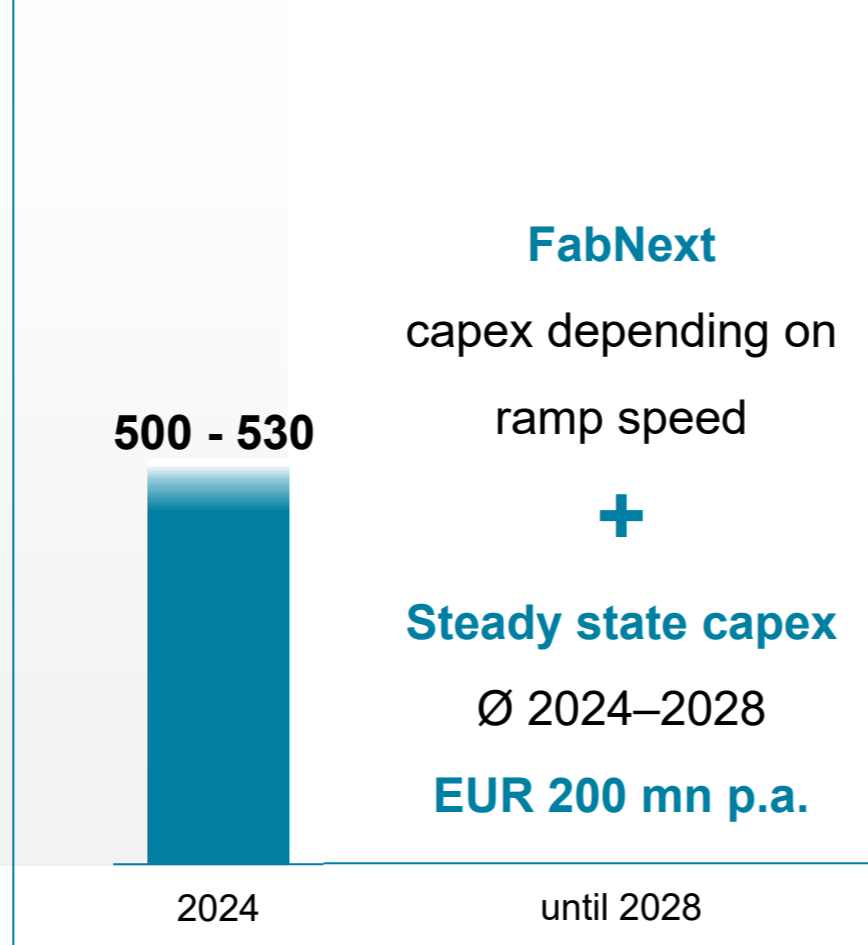
Charts not to scale

TOP PRIORITY: INVESTMENTS IN ORGANIC GROWTH

Capital expenditure
in EUR mn



Capital expenditure
until 2028 in EUR mn



Maintenance
of business



Capability
enhancement “staying one generation ahead”



Product mix
ongoing improvement

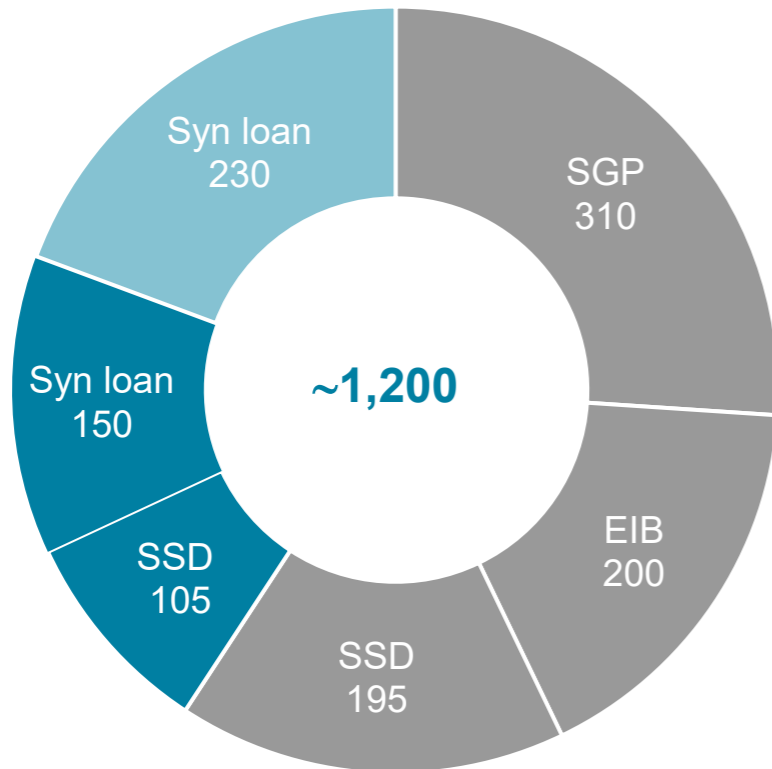


Cost efficiency
e.g. automation

Charts not to scale

REFINANCING IN 2024 UNDER PREPARATION

Debt financing instruments, in EUR million



- Fixed loans, drawn
- Variable loans, drawn
- Syn loan, not drawn yet



Syn loan

Second part drawn in Q2 (EUR 100 mn), Q1 (EUR 50 mn)



Refinancing

under preparation

CORPORATE TAX RATE WILL INCREASE

Singapore



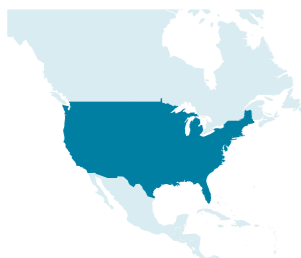
~15–17%
effective tax rate

Germany



~30%
effective tax rate

USA



~25%
effective tax rate



Pioneer status

until March 2024 in
Singapore for SSW



Minimum

effective tax rate in
Singapore from 2025
acc. to OECD Pillar 2

ESG @ SILTRONIC

Clear commitment to an emission-free future



AMBITIOUS TARGETS KEEP US GOING



**Climate – Scope 1+2
CO2 emissions**
2030: -42%¹
2045: Net zero²
Status 2023: -22%



Energy – renewable
2030: 60% share
2045: 100% share
Status 2023: 5%³



Energy intensity
2030: -20%⁴
Status 2023: +7%



Water usage intensity
2030: -20%⁴
Status 2023: +1%

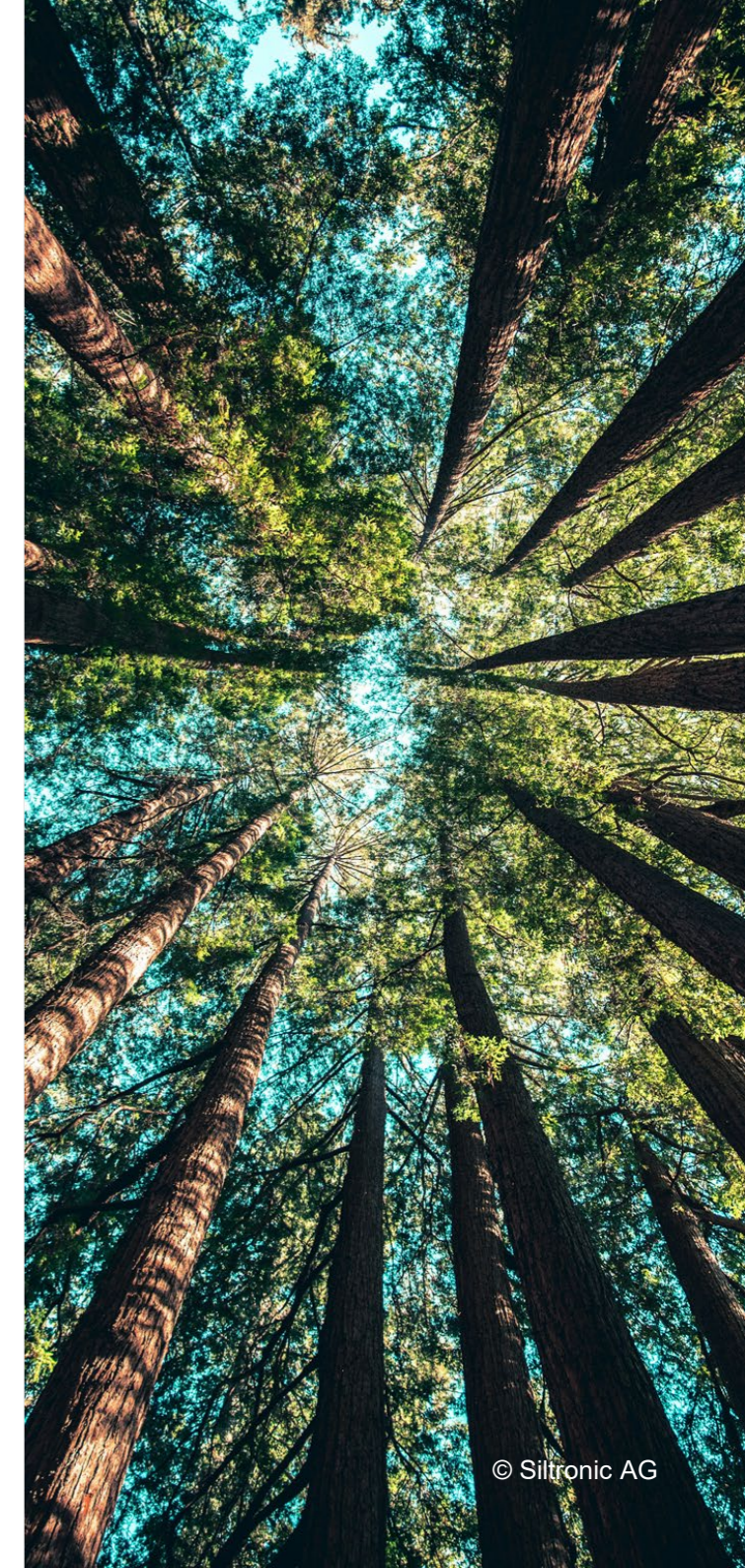


**Circular economy –
Waste recycling ratio**
2030: 25%⁵
Status 2023: +12%



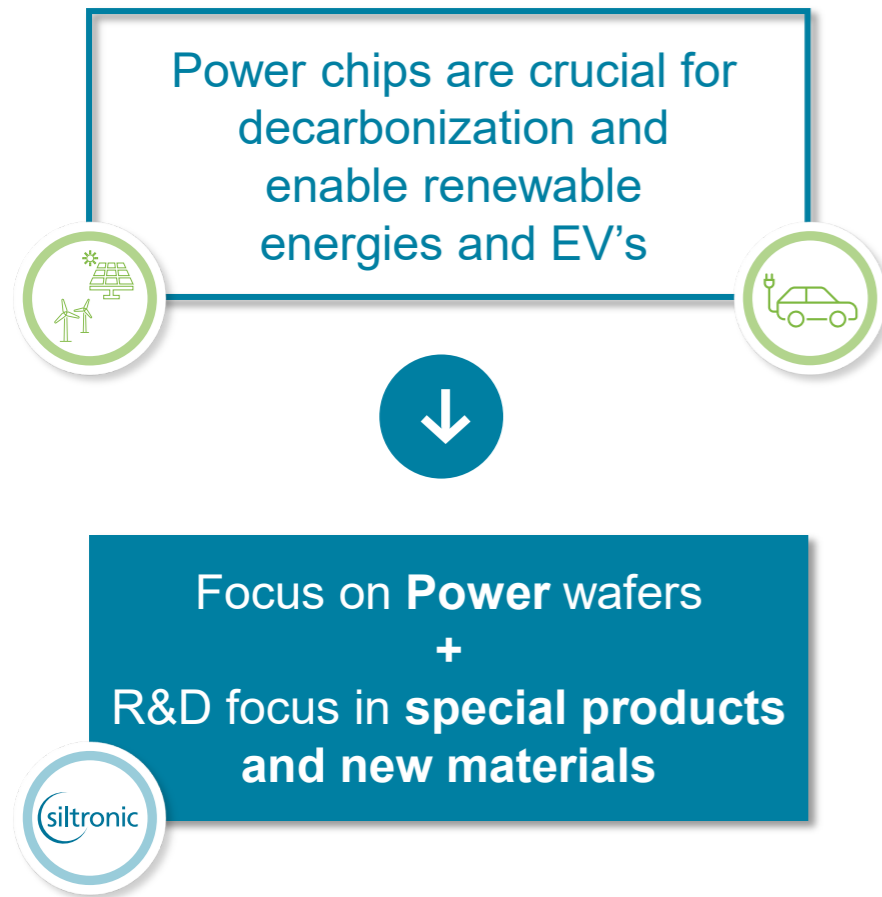
**Occupational safety -
LTIF⁶**
2023: below 2.0
Status 2023: 2.4

(1) absolute reduction, base year 2021, (2) Net zero: GHG emissions released into the atmosphere equal the amount removed
(3) based on RE100 criteria, (4) Intensity per production output, base year 2015; (5) base year 2015, (6) LTIF= Loss time injury frequency rate; work-related injuries with lost time per 1 mn working hours

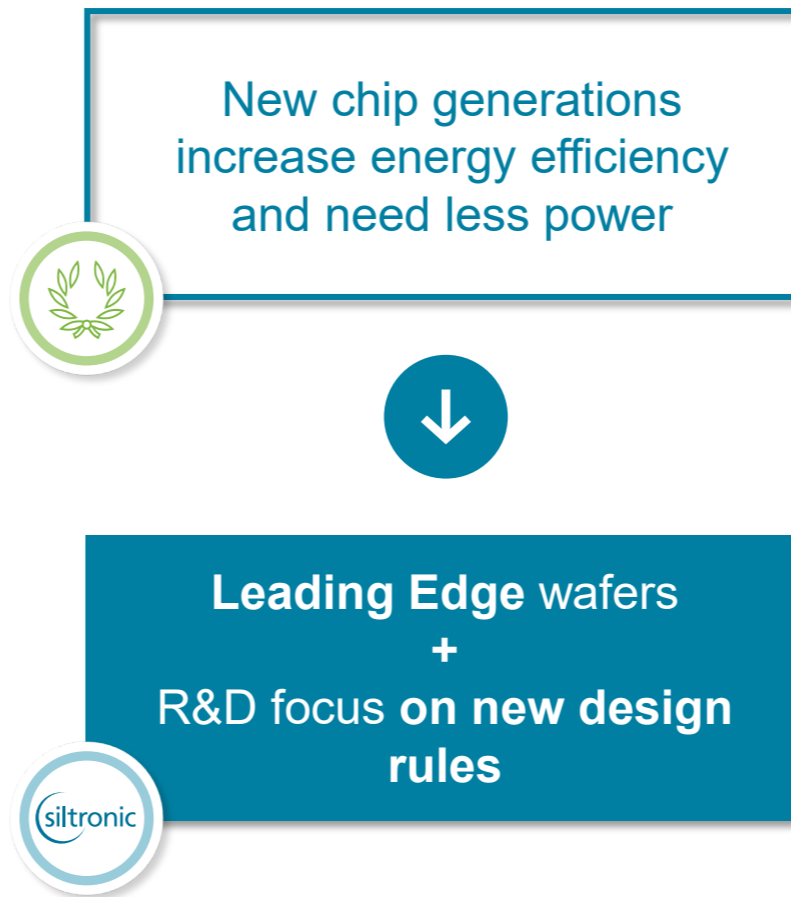


SILTRONIC IS ENABLING TECHNOLOGIES FOR A SUSTAINABLE FUTURE

Power focus



Leading edge focus



Strategy

on leading edge and power wafers support sustainability strategy



Investments

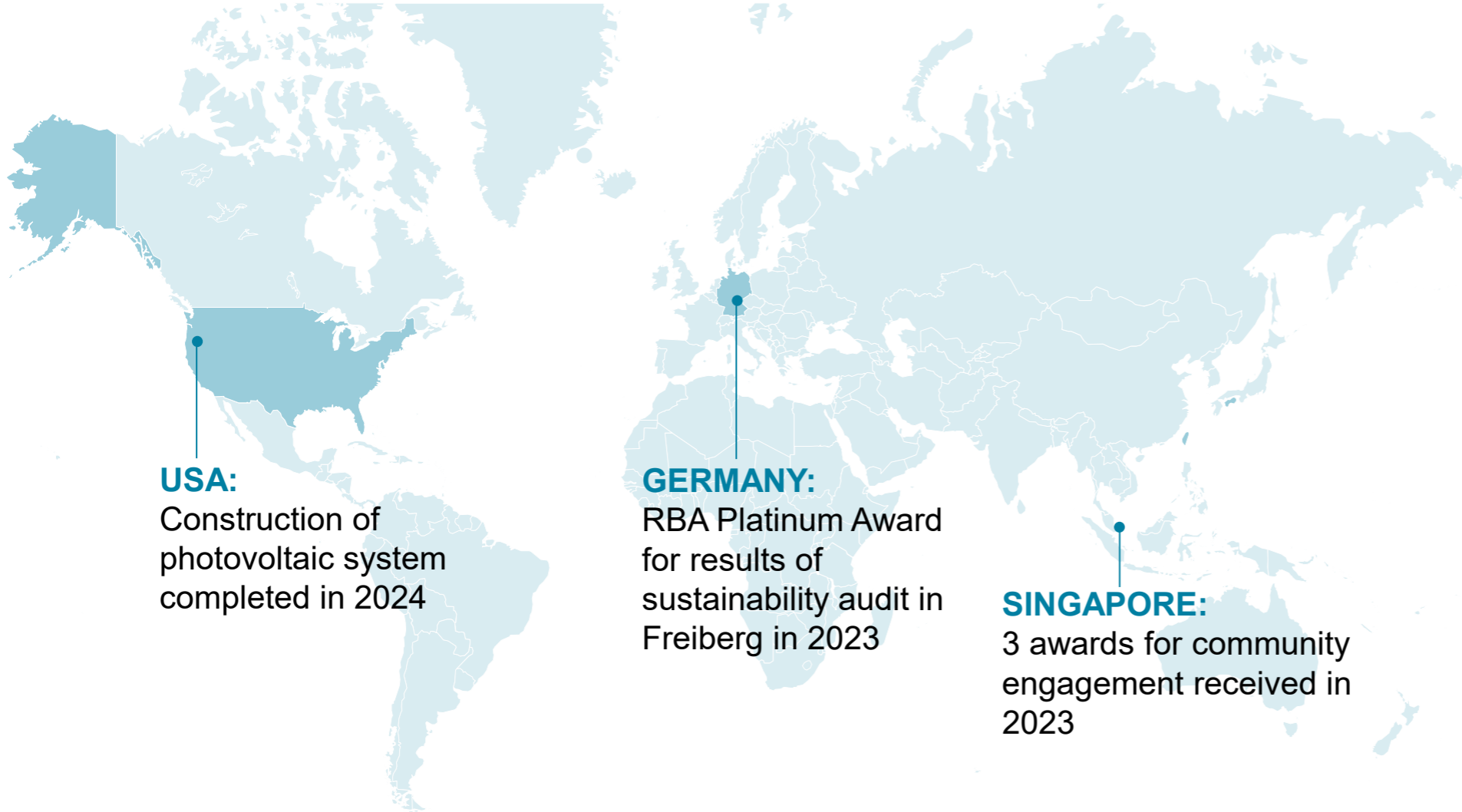
needed to keep our equipment state of the art for leading edge wafers



R&D focus

is crucial for sustainability strategy

SUSTAINABILITY HIGHLIGHTS



USA:
Construction of photovoltaic system completed in 2024

GERMANY:
RBA Platinum Award for results of sustainability audit in Freiberg in 2023

SINGAPORE:
3 awards for community engagement received in 2023



-22%
absolute CO₂ emissions scope 1+2 in 2023 compared to 2021



63,000 h
training for 4,500 Siltronic employees in 2023



300 mn EUR
Siltronic AG issued its first ESG-linked promissory note loan in 2022

THE NEW SILTRONIC EXECUTIVE BOARD



Dr. Michael Heckmeier
CEO

- CEO since May 2023
- 25 years at Merck
- Studied physics and mathematics, PHD in physics
- MBA, general management



Claudia Schmitt
CFO

- CFO since July 2023
- 15 years at Siltronic
- 11 years at Wacker Chemie AG
- Studied business administration




Klaus Buchwald
COO


- COO since June 2024
- 21 years at Infineon
- 4 years at Rohde & Schwarz
- Studied mechanical and industrial engineering


EXECUTIVE SUMMARY


SILTRONIC IS...


 ...a global and on the same time the only western based player in a market crucial for future economic growth.

 ...a technological leader with the proven track record to stay ahead of the curve.

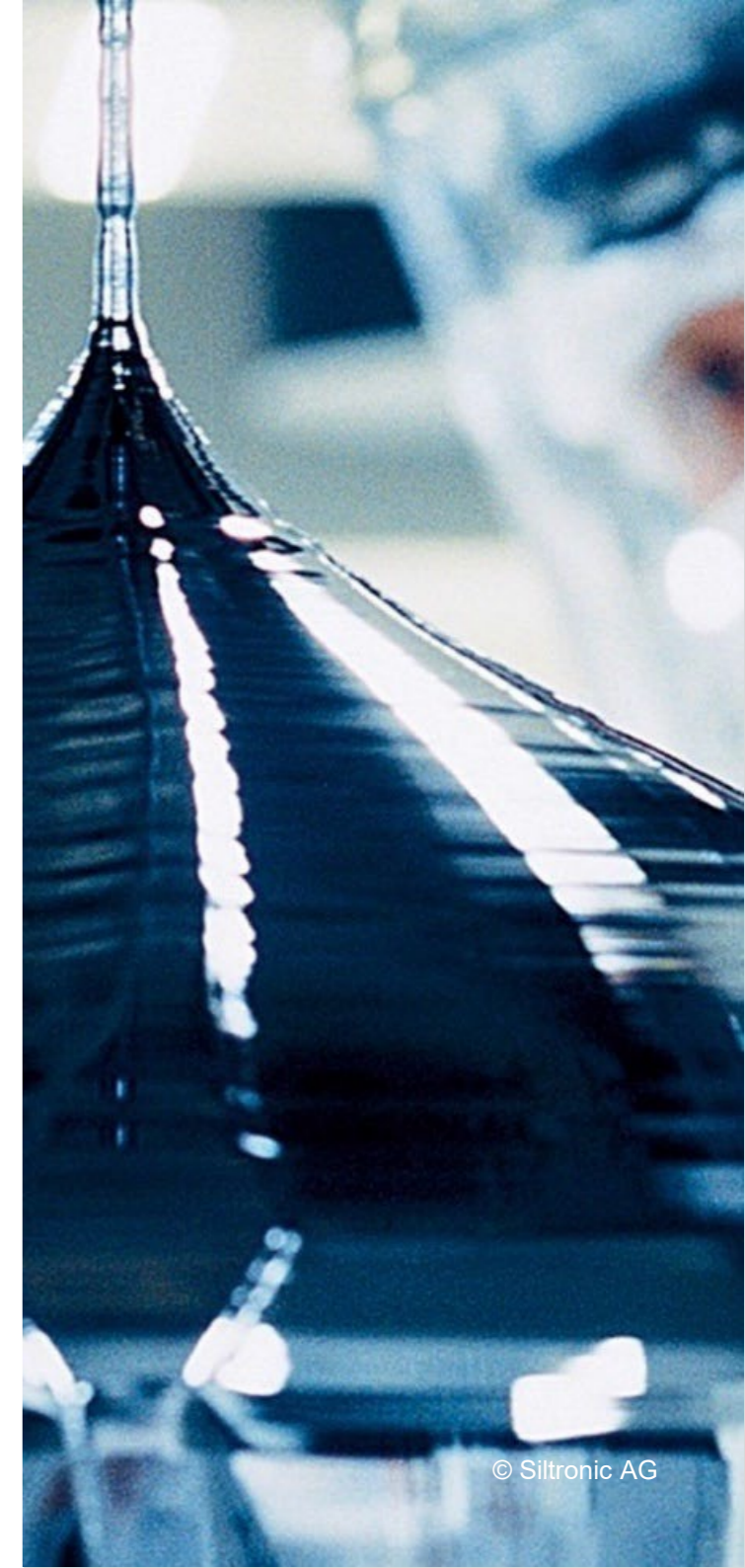
 ...excellently prepared to leverage the great potential from the numerous megatrends thanks to our expansion of global capacities.

 ...well positioned in activities which promise the greatest growth potential: Power, Leading Edge and 300 mm.

 ...strong financials and has a good balance sheet quality.

 ...growing profitably until 2028:

- Sales > 2.2 bn
- EBITDA ratio in the high 30s



Financial Calendar and Events

Sep 3, 2024
ODDO Conference
Frankfurt

Sep 4, 2024
DB TMT Conference
London

Sep 23, 2024
Berenberg and GS
German Corporate
Conference, Munich

Sep 25, 2024
Baader Investment
Conference, Munich

October 24, 2024
Q3 2024 results

Investor Relations Contacts



Verena Stütze

investor.relations@siltronic.com

Tel. +49 89 8564-3133



Stephanie Malgara

investor.relations@siltronic.com

Tel. +49 89 8564-3133

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