

Q1 2024

# MANAGING ONGOING SOFT DEMAND

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# KEY MESSAGES OF TODAY'S CALL

**Q1 2024 affected by demand weakness**



**2024: A transition year**



**Ready to harvest market upswing driven by megatrends**



**Ambition for 2028 unchanged:  
Sales > EUR 2.2 bn  
EBITDA-margin in the high 30's**



## Q1 2024 AFFECTED BY MARKET WEAKNESS

**343.5**

Sales in EUR mn  
-3.7% vs Q4 2023

**26.4**

EBITDA Margin in %  
Q4 2023: 25.5%

**0.86**

Earnings per share in EUR  
Q4 2023: EUR 1.01

**173.0**

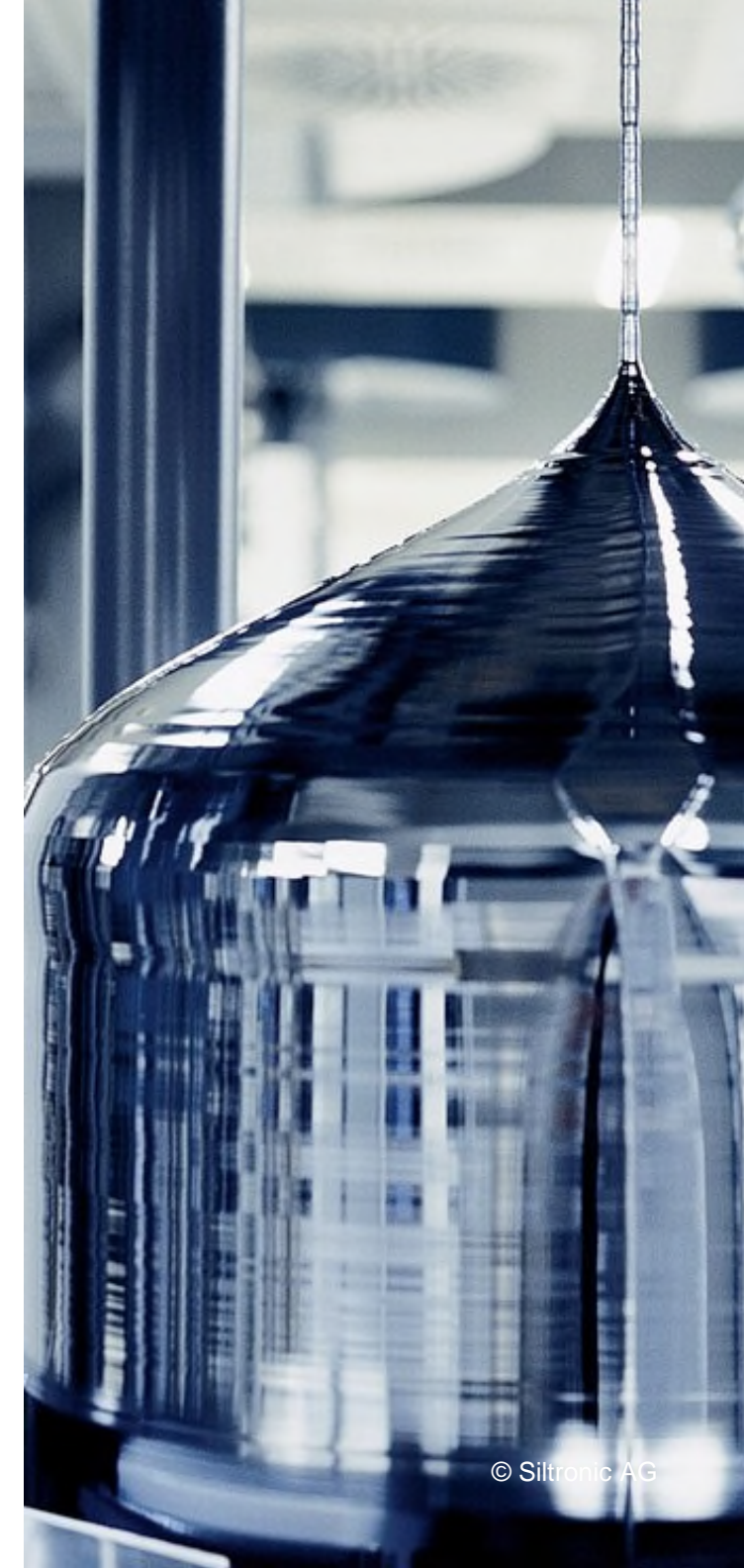
Capex in EUR mn  
Mainly for FabNext

**-158.4**

Net cash flow in EUR mn  
Due to ongoing investments

**Stable**

Prices and market share



# FINANCIALS Q1 2024

in line with expectations



# NO SURPRISES IN Q1 2024 FIGURES

## Profit & Loss, in EUR million

	Q1 2024	Q4 2023	Q1 2023
<b>Sales</b>	<b>343.5</b>	<b>356.6</b>	<b>404.4</b>
Gross profit	70.1	79.2	116.2
<i>Gross margin, in %</i>	<i>20.4</i>	<i>22.2</i>	<i>28.7</i>
<b>EBITDA</b>	<b>90.8</b>	<b>91.1</b>	<b>125.2</b>
<i>EBITDA margin, in %</i>	<i>26.4</i>	<i>25.5</i>	<i>31.0</i>
<b>EBIT</b>	<b>36.0</b>	<b>36.8</b>	<b>77.8</b>
<i>EBIT margin, in %</i>	<i>10.5</i>	<i>10.3</i>	<i>19.2</i>
<b>Net Income</b>	<b>27.7</b>	<b>32.3</b>	<b>72.5</b>
EPS, in EUR	0.86	1.01	2.20

## Comments qoq<sup>1</sup>

### Sales

- -3.7% mainly due to typical product mix shifts between quarters and FX
- Stable wafer area and prices

### EBITDA (margin)

- Effect of lower sales offset by tailwind from FX result: EUR 5 mn vs. EUR -1 mn qoq ⇒ positive impact on margin

### EBIT

- Marginal increase in depreciation

### Net income

- Lower interest income along with reduced cash position
- Tax rate 16% vs. 7% (Q4: impact deferred taxes)

<sup>1</sup> qoq = Q1 2024 vs. Q4 2023

# GOOD BALANCE SHEET QUALITY – SOLID FINANCIAL KPIs

## Balance Sheet Composition

	Mar 31, 2024	Dec 31, 2023
<b>Assets</b> , in EUR mn	<b>4,631</b>	<b>4,505</b>
Fixed Assets	78%	77%
Inventories	7%	7%
Receivables	7%	6%
Cash & Securities	8%	10%
<b>Equities &amp; Liabilities</b> , in EUR mn	<b>4,631</b>	<b>4,505</b>
Equity	46%	47%
Provisions	5%	5%
Financial Liabilities	21%	20%
Liabilities & Prepayments	27%	28%

## Comments<sup>1</sup>

**Fixed assets**            **EUR +153 mn**

- Further increase to EUR 3.6 bn due to high capex

**Working Capital**        **EUR +113 mn**

- Increase in receivables due to effects relating to the reporting date and higher DSO
- Decrease in trade payables, in particular those related to capex

**Cash & Securities**    **EUR -89 mn**

- Operating cash flow < payments for capex

**Equity Ratio**            **46%**

- Healthy level

**Financial Liabilities** **EUR +82 mn**

- First part of syn loan drawn in Q1 (EUR 50 mn)

<sup>1</sup> Mar 31, 2024 vs. Dec 31, 2023

# CAPEX IN 2024 SIGNIFICANTLY REDUCED TO SLIGHTLY BELOW EUR 550 MILLION

Investment, in EUR million

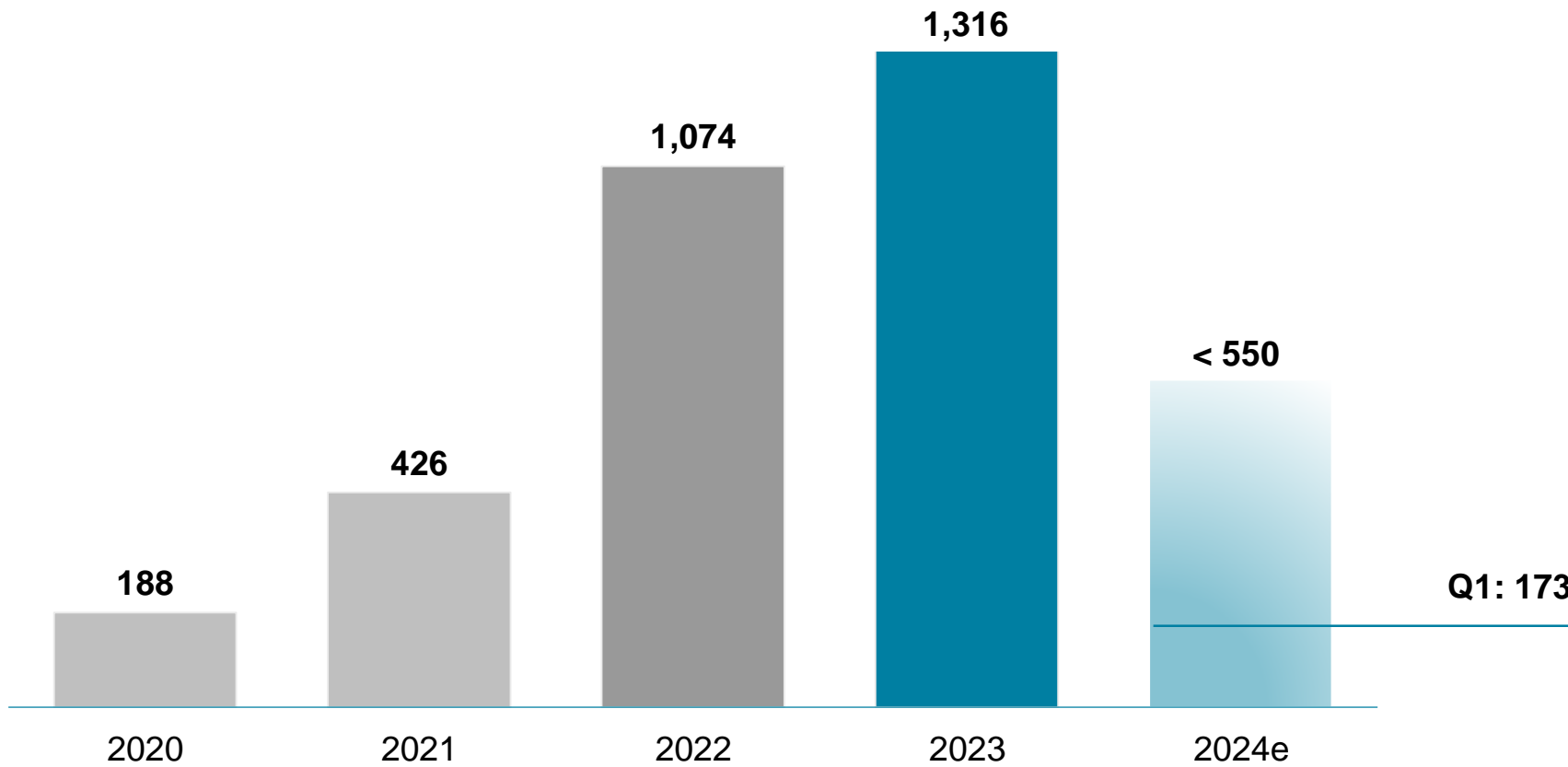
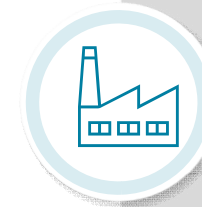


Chart not to scale



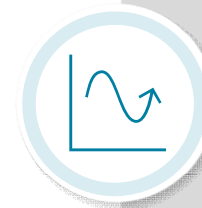
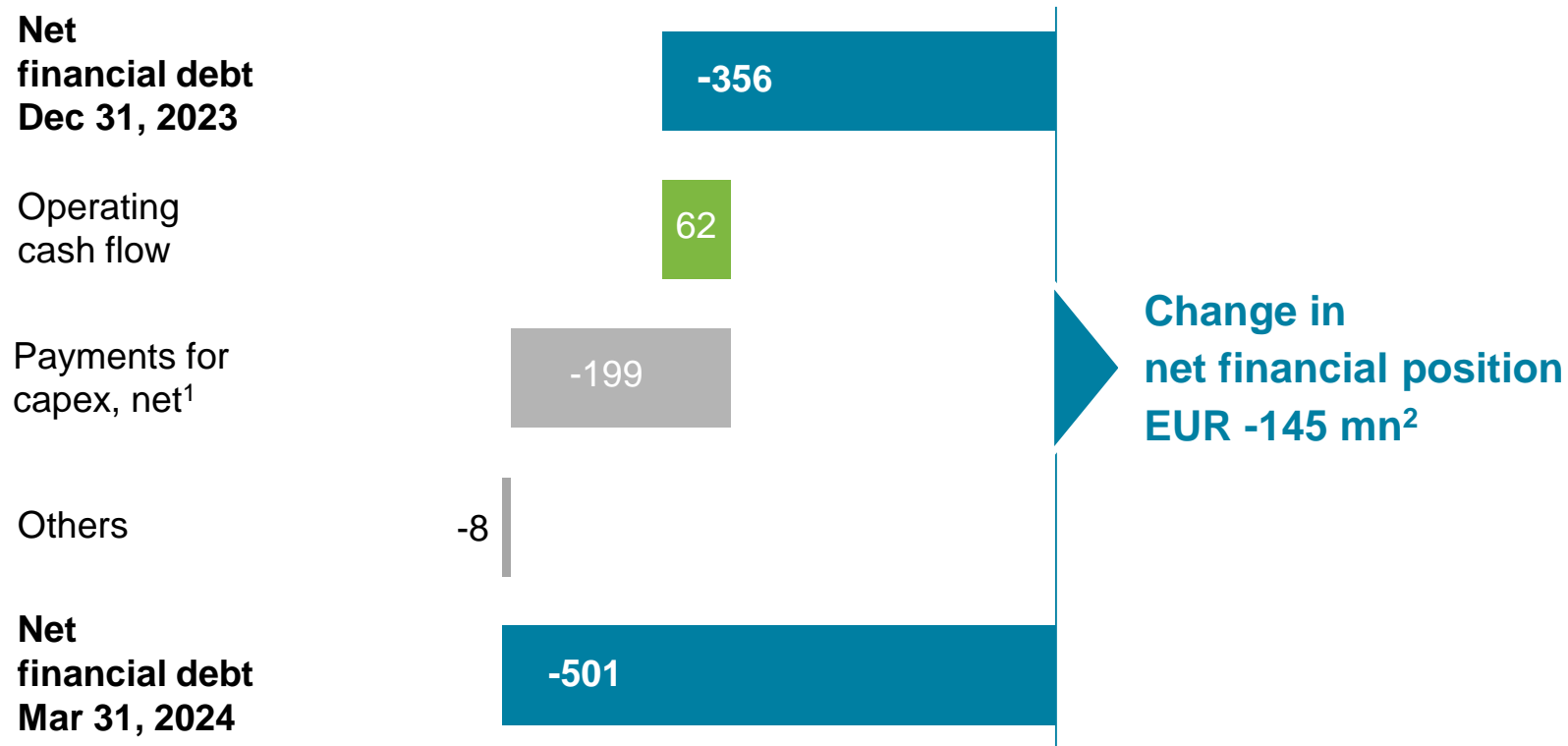
**Capex 2024**  
mainly for FabNext



**Increased**  
focus on capex  
management

# NET FINANCIAL DEBT IMPACTED BY HIGH INVESTMENTS

Net Financial Debt, in EUR million



## Operating

cash flow burdened by increase in trade payables



## Capex CF

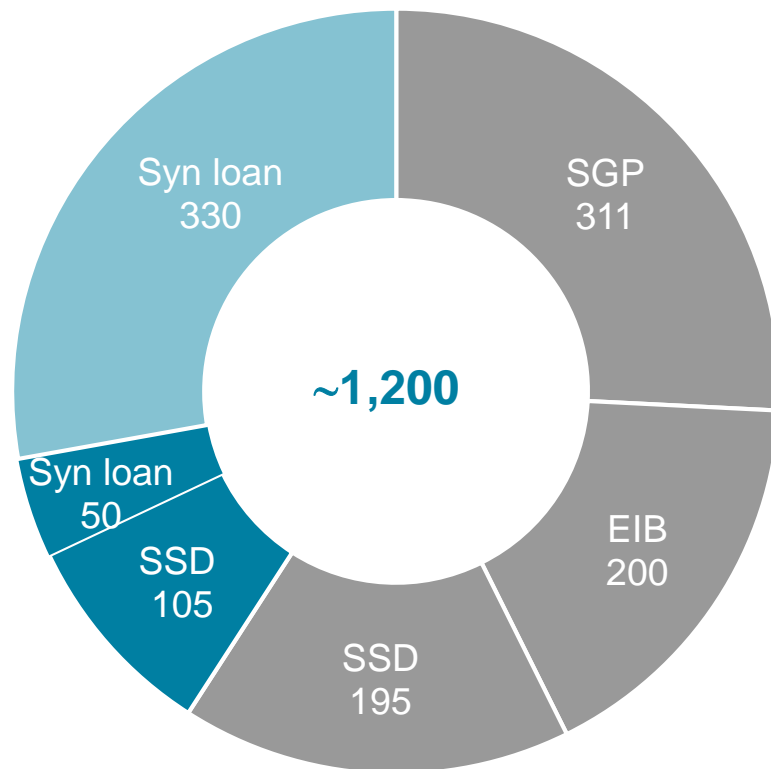
- payments > invest level, clear reduction of liabilities
- EUR 32 mn from investment grant

<sup>1</sup> netted with investment grant, <sup>2</sup> Mar 31, 2024 vs. Dec 31, 2023



# OPTIONS FOR REFINANCING UNDER EVALUATION

Debt financing instruments, in EUR million



- Fixed loans, drawn
- Variable loans, drawn
- Syn loan (partly) not drawn yet



## Syn loan

first part drawn in Q1  
(EUR 50 mn)



## Refinancing

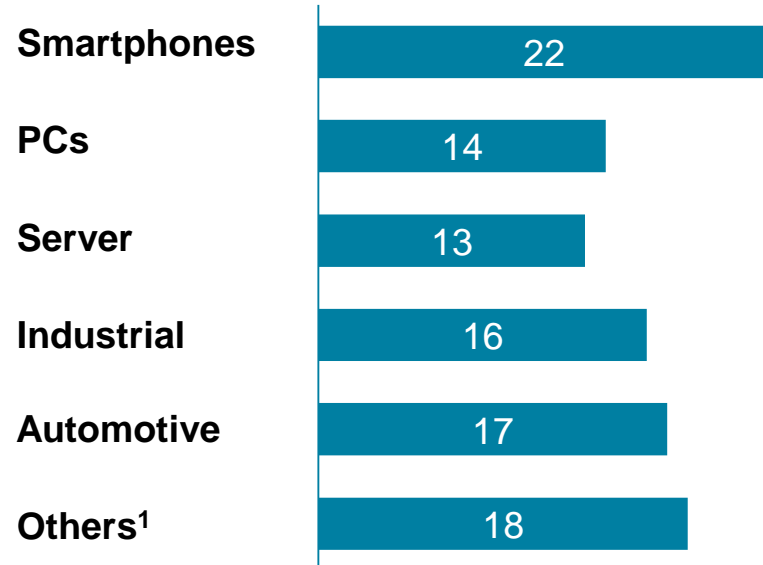
options under  
evaluation, no capital  
increase planned

# OUTLOOK 2024

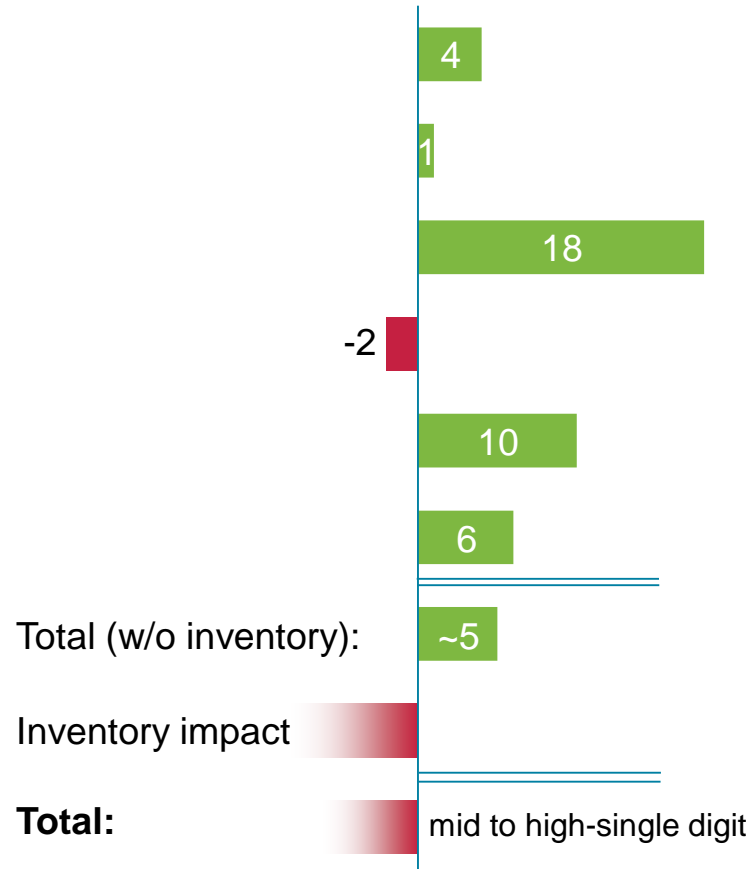
transition year to mid-term growth

# END MARKET GROWTH NEGATIVELY OVERCOMPENSATED BY EXCESS INVENTORY

Consumption of wafers by end use 2023, in %

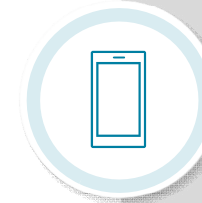


Growth in demand for wafer area 2024 vs. 2023, in %



## Server

mostly driven by Generative AI



## Smartphones

soft recovery



## Industrial & Automotive

mixed newsflow

Source: Siltronic estimates, <sup>1</sup> Infrastructure Telecommunications, game consoles, consumer electronics such as televisions, white goods such as refrigerators

# TOTAL INVENTORIES FOR MEMORY AND LOGIC PEAKED IN 2023, POWER FURTHER INCREASING

Semiconductor inventories per sector<sup>2</sup>

## Memory



Inventory levels decreasing slowly;  
High End DRAM improved due to HBM, Other  
DRAM and NAND elevated

## Logic



Different inventory levels of customers,  
overall decreasing slowly

## Power/Others



Power inventories based on newest data  
points further increased



## Customers

vary significantly –  
some still strongly  
elevated



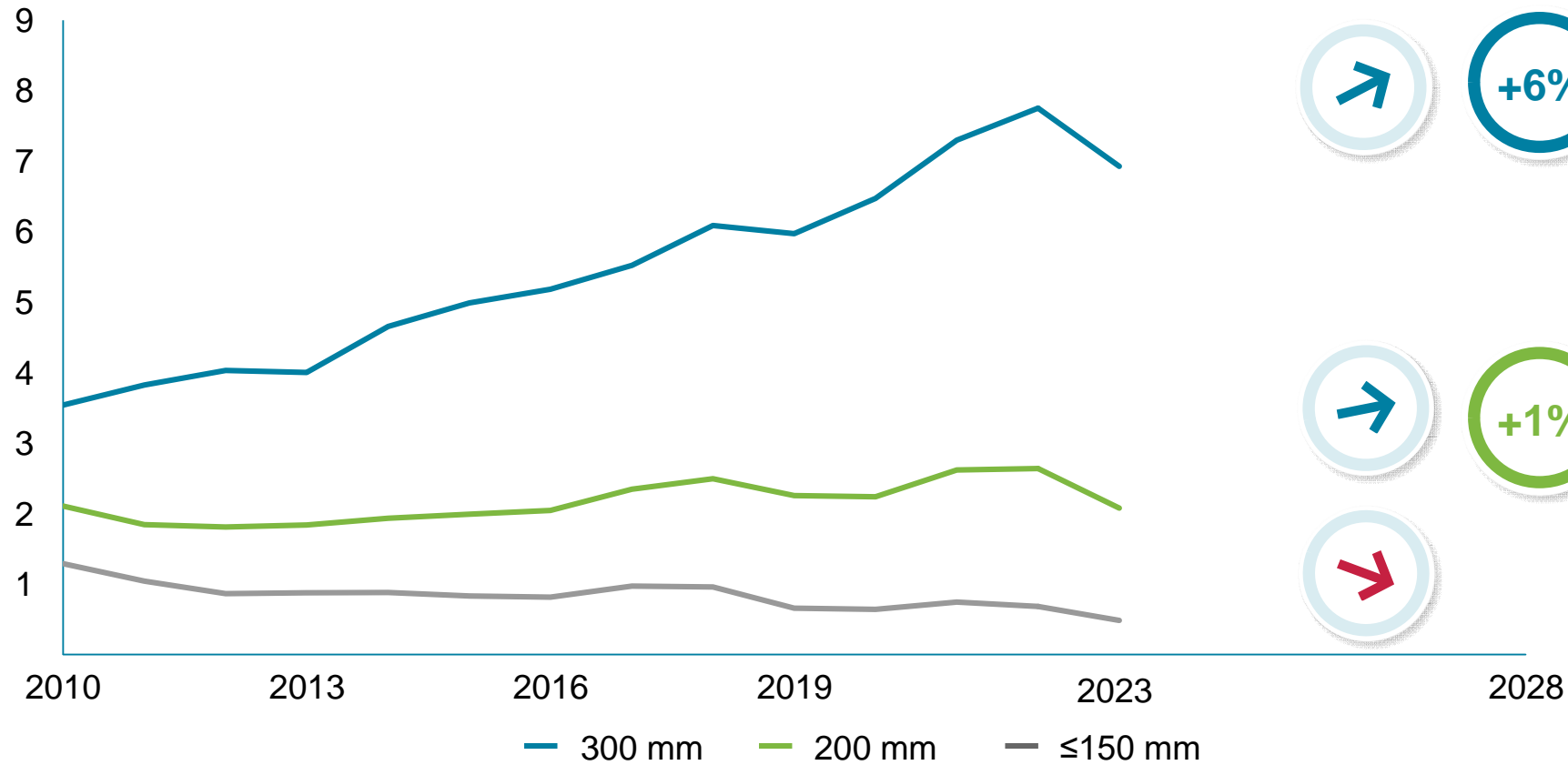
## Siltronic

impact depends on  
customer exposure

<sup>1</sup> Source: Siltronic estimates <sup>2</sup> Source: Respective company data up to Q1 2024 including finished goods, Work-in Progress and raw materials

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

Development of total wafer demand per diameter  
in mn 300 mm equivalents per month<sup>1</sup> and CAGR per diameter in %<sup>2</sup>



**+6%**

**300 mm**  
strong growth

**+1%**

**200 mm**  
slightly increasing

<sup>1</sup> Source: SEMI up to Dec 2023; <sup>2</sup> Siltronic CAGR expectation until 2028 (base year 2022) - the actual CAGR may deviate from expectations



# CLOSURE OF SMALL DIAMETER PRODUCTION

## 1968 until now

**1968**  
SD Wafer production starts in Burghausen



**1998**  
300 mm wafer pilot fabrication starts in Burghausen



**1984**  
First 200 mm wafers are produced



**2024**  
SD Lifecycle approaching its end in 2025

## Future focus on



Power



Leading Edge



**SD Closure**  
in the course of 2025



**Accretive**  
EBITDA impact



**Focus**  
on 200 and 300 mm



# OUTLOOK 2024 – A TRANSITION YEAR

## Sales

Roughly -10 percent y-o-y

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## EBITDA Margin

Between 21 and 25 percent

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## Depreciation

Below EUR 300 mn

## EBIT

Significant decline

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## Capex

Slightly below EUR 550 mn

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## Net cash flow

Above 2023 but still significantly negative



# Q&A

# Financial Calendar and Events

May 13, 2024	May 15, 2024	May 22-23, 2024	June 5-6, 2024	July 25, 2024
<b>Annual General Meeting</b>	<b>Stifel German Corporate Conference, Frankfurt</b>	<b>US Roadshow &amp; Berenberg European Conference, New York, USA</b>	<b>Baader Suisse Roadshow</b>	<b>Q2 2024 results</b>

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