



SHAREHOLDERS' GENERAL MEETING

Paris, Wednesday July 28, 2021

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Agenda

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- 1 **Introduction by the Chairman of the Board of Directors**
- 2 **Presentation of the Company's activity and financial statements for fiscal year 2020-2021**
- 3 **Presentation of the Statutory Auditors' report**
- 4 **Q&A**
- 5 **Vote on the resolutions**

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- 5 Vote on the resolutions

Introduction

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Éric Meurice

Chairman of the Board

Agenda

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- 5 Vote on the resolutions

Presentation of the strategic vision

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Paul Boudre

Chief Executive Officer

CEO's key messages

STRATEGIC VISION FOR THE NEXT 5 YEARS

- Powerful megatrends drive unprecedented semiconductor demand
- Soitec's addressable market estimated at ~7 million wafers/year by FY26

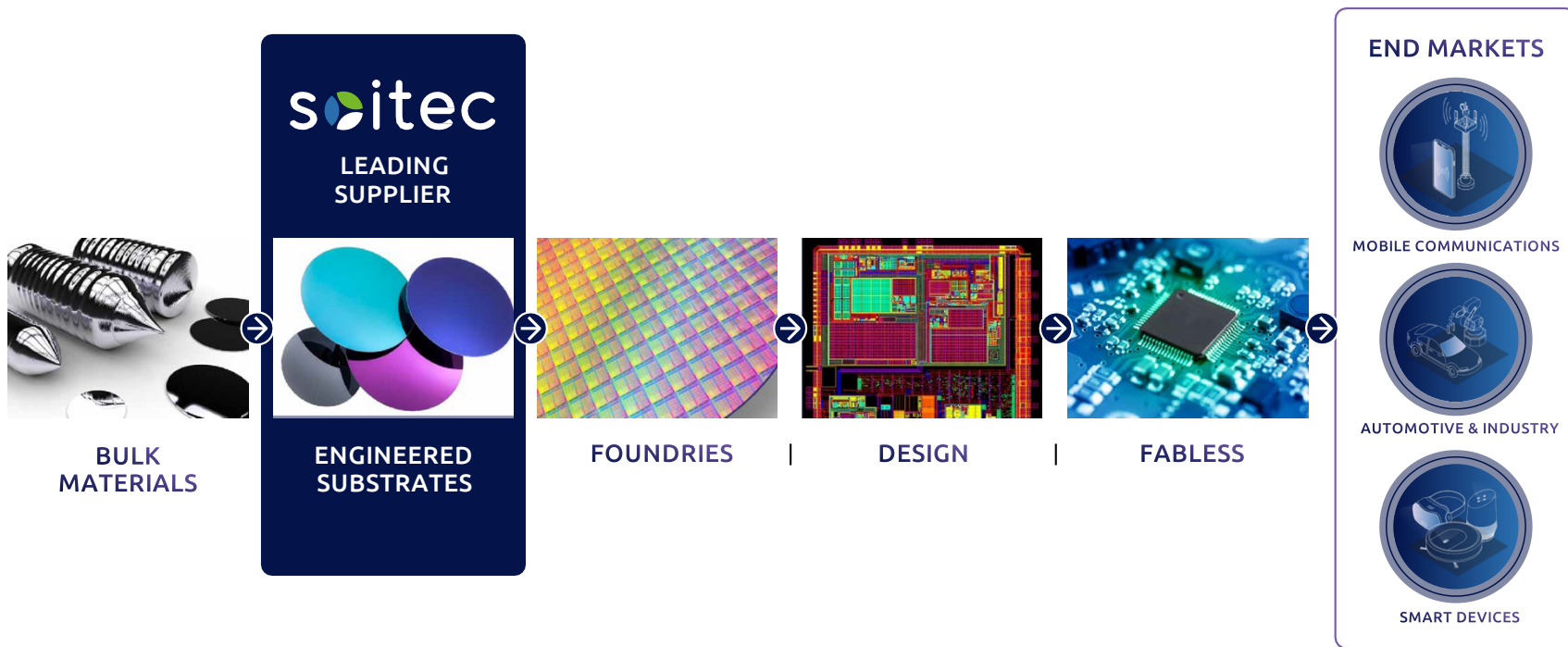
FINANCIAL MODEL FOR FY26

- 3x increase in revenue to ~US\$2BN
- ~35% EBITDA margin

SUSTAINABILITY SUPPORTS OUR VALUE CREATION STRATEGY

- Innovate to drive the transition to a sustainable economy
- Act to become a corporate role model
- Leverage our inclusive and inspiring company culture

Soitec has built a unique position in the value chain...



... Leveraging strategic partnerships in the entire semiconductor ecosystem



Soitec designs semiconductor materials to make the world...

.....



**MORE
CONNECTED**



**MORE
ENERGY
EFFICIENT**



**MORE
INTELLIGENT**

Soitec's addressable market is expected to more than double in the next 5 years

SOITEC SERVES 3 STRATEGIC END MARKETS

**~7 MILLION WAFERS
ADDRESSABLE
MARKET IN FY26**

x2.5
GROWTH
FY 2021 - 2026



MOBILE COMMUNICATIONS

RF-SOI, FD-SOI,
POI, GaN



AUTOMOTIVE & INDUSTRY

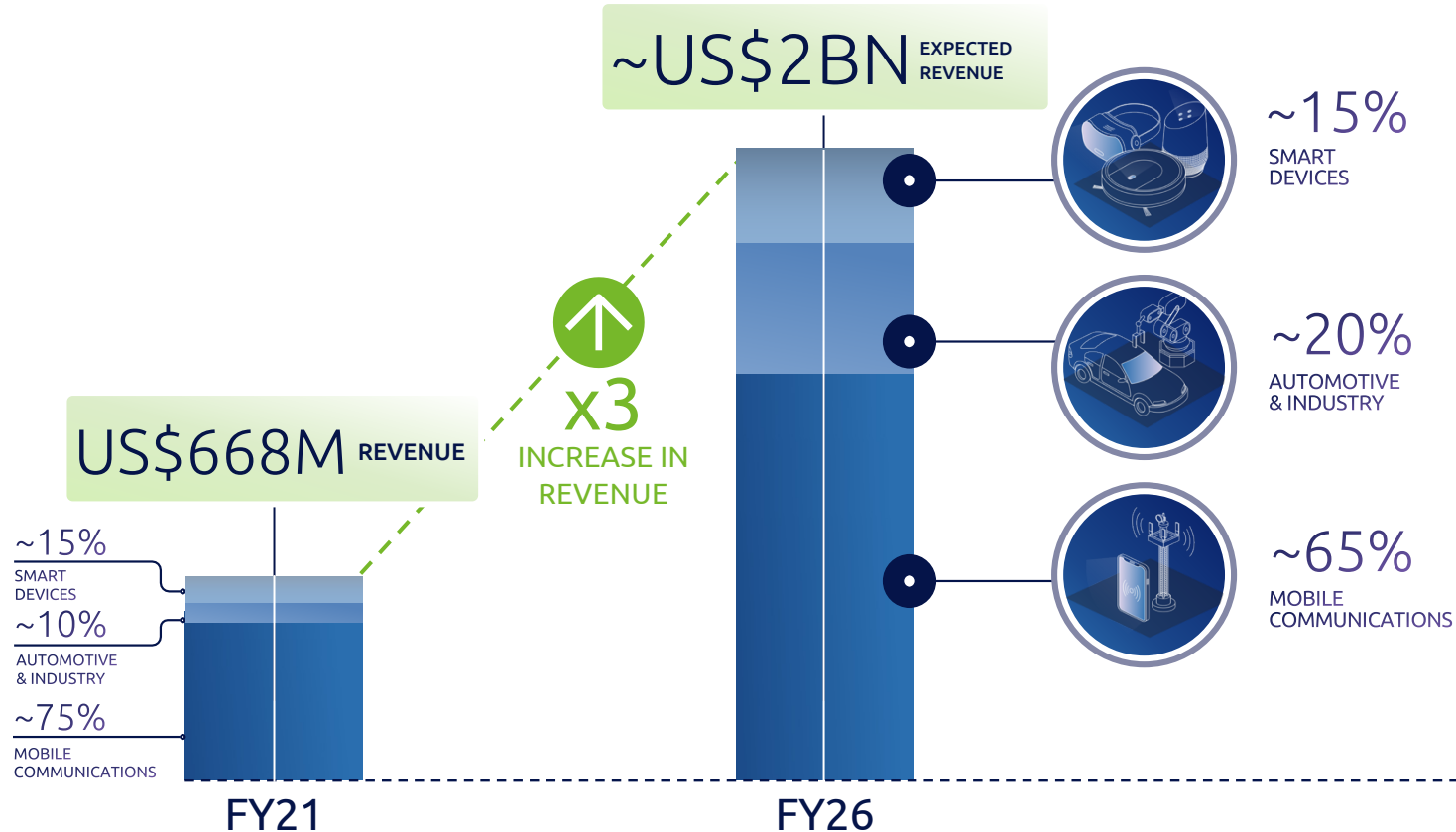
Power-SOI, FD-SOI,
SiC, GaN



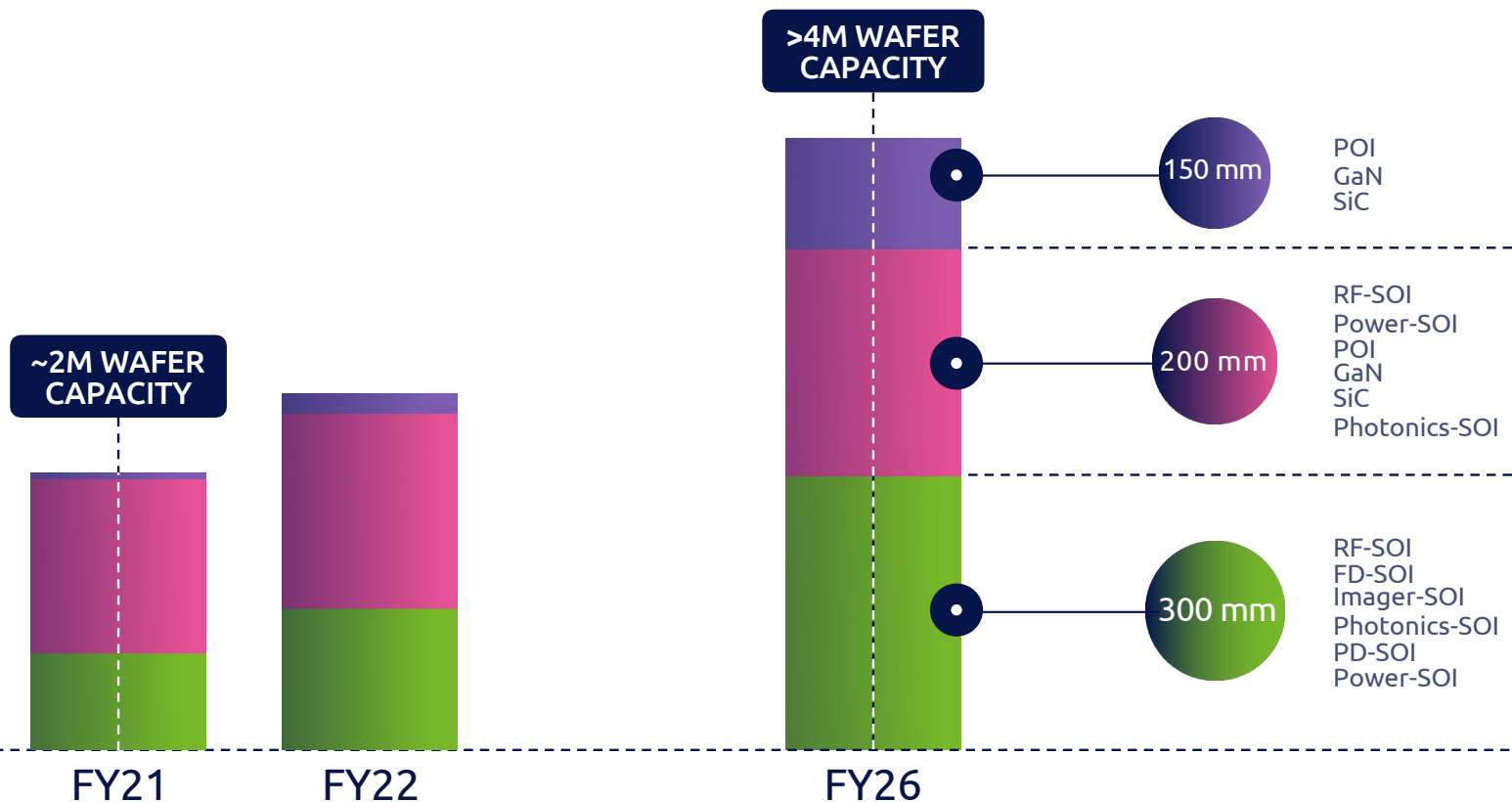
SMART DEVICES

FD-SOI, Imager-SOI,
Photonics-SOI, PD-SOI

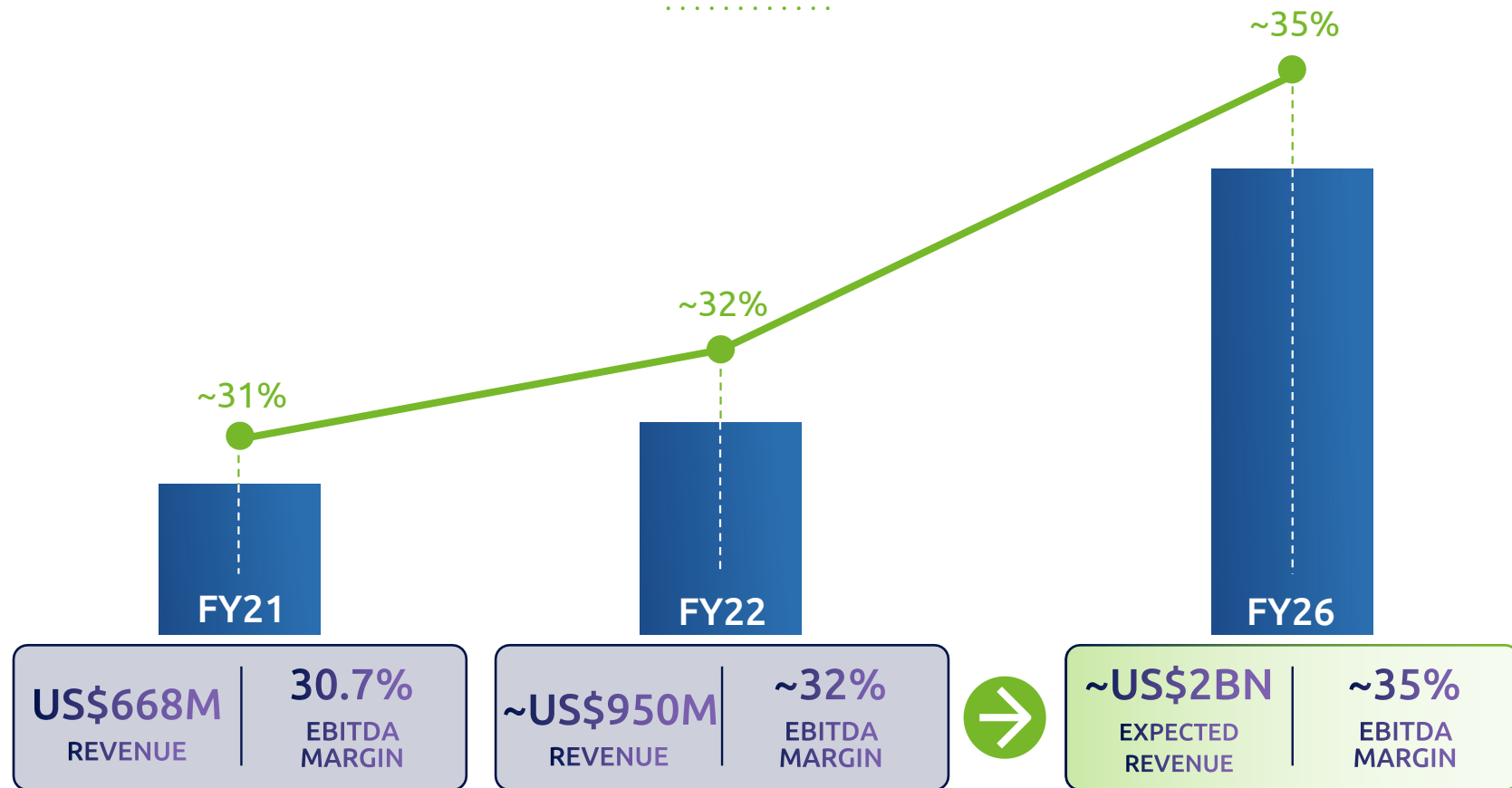
Soitec's revenue is expected to triple in the next 5 years



Ramping up to >4 million wafer capacity by FY26



Operating model set to deliver higher value creation



Note: Model estimates for FY26 using EUR/USD exchange rate at 1.20



Sustainability supports our value creation strategy

#01

INNOVATE TO DRIVE
THE TRANSITION TO A
SUSTAINABLE ECONOMY

#02

ACT TO BECOME A ROLE MODEL
FOR A BETTER SOCIETY

#03

LEVERAGE OUR INCLUSIVE AND
INSPIRING COMPANY CULTURE



Soitec adopts a corporate mission to affirm its commitment

We are the innovative soil
from which smart and energy efficient electronics
grow into amazing and sustainable life experiences.

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Review of FY21 financial performance and FY22 guidance

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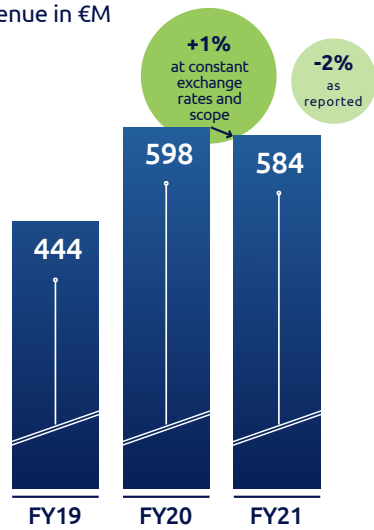
Léa Alzingre

Chief Financial Officer

FY21 – Financial highlights

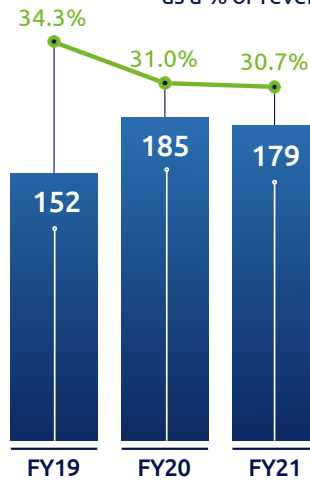
STABLE REVENUE⁽¹⁾

■ Revenue in €M



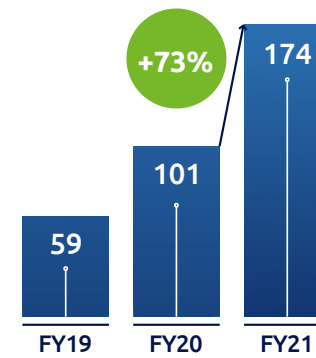
STABLE EBITDA MARGIN⁽²⁾

■ EBITDA in €M ➤ EBITDA as a % of revenue



STRONG OPERATING CASH FLOW⁽³⁾

■ Operating cash flow in €M



(1) At constant exchange rates and scope

(2) EBITDA margin = Electronics EBITDA (EBITDA from continuing operations)/Revenue

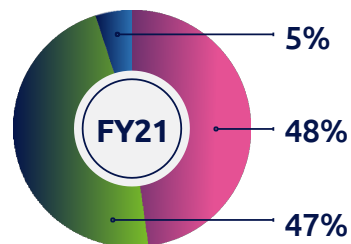
(3) Operating cash flow = Electronics cash flow (cash flow from continuing operations)

FY21 – Revenue

€M	FY21	FY20	CHANGE VS FY20	
			%	% at constant exchange rates and scope
150/200 mm wafer sales	277	276	+1%	+4%
300 mm wafer sales	277	294	-6%	-3%
Royalties and other revenue	30	28	+5%	+6%
Total revenue	584	598	-2%	+1%

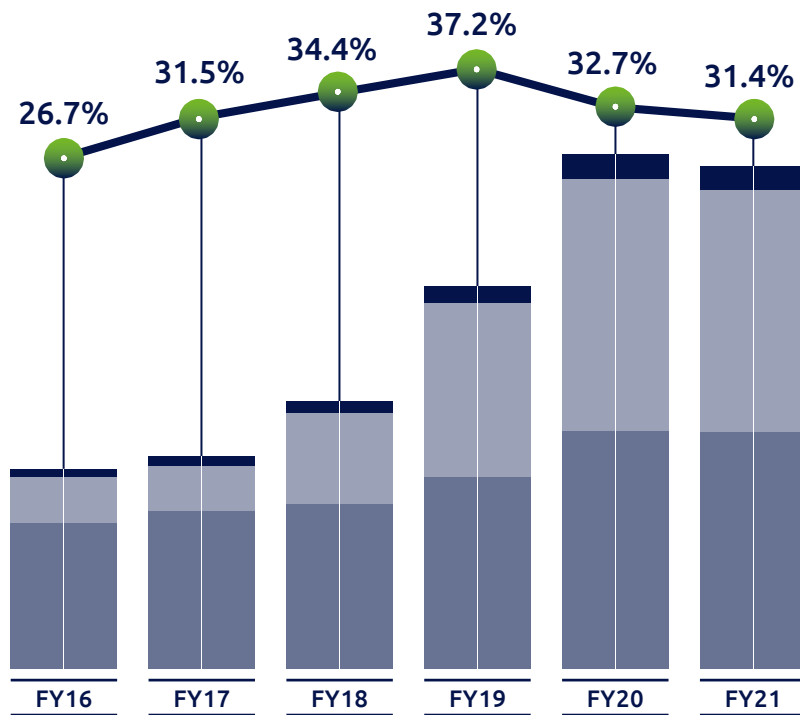
REVENUE BREAKDOWN

- 150/200 mm wafer sales
- 300 mm wafer sales
- Royalties and other revenue



ORGANIC
GROWTH AT
+1%

Gross margin performance



- Gross margin as a % of revenue
- 150/200 mm wafer sales in €M
- 300 mm wafer sales in €M
- Royalties and other revenues in €M

GROSS MARGIN TAILWINDS

- Multi-annual raw material supplier agreements
- Production costs under control

GROSS MARGIN HEADWINDS

- Production capacity investments, including depreciation charges
- Lower loading of our Bernin 1 and Bernin 2 plants
- Unfavorable foreign exchange rates

Current operating income

Operating income impacted by R&D investments
and continued efforts to structure the Group

€M	FY21	FY20	CHANGE
Revenue	583.8	597.5	-2%
Gross profit	183.5	195.4	-6%
as a % of revenue	31.4%	32.7%	
Net R&D expenses	(44.4)	(32.5)	+37%
as a % of revenue	7.6%	5.4%	
- Gross R&D expenses	(74.1)	(66.9)	+11%
- Sales of prototypes and other income	4.5	9.0	-50%
- Subsidies and income tax credit	25.2	25.4	-1%
Total SG&A expenses	(49.1)	(45.2)	+9%
as a % of revenue	8.4%	7.6%	
- Sales and marketing expenses	(11.7)	(10.2)	+15%
- General and administrative expenses	(37.4)	(35.0)	+7%
Current operating income	90.0	117.7	-24%
as a % of revenue	15.4%	19.7%	

**Net R&D expenses up 37%,
representing around 8% of revenue:**

- Increase in gross R&D expenses
 - Continued investment effort
 - Higher depreciation
- Lower prototype sales

**SG&A expenses up 9%,
remaining at around 8% of revenue:**

- Increase in charges related to employee compensation schemes
 - Higher number of staff
 - Share-based payment plans

Net profit

.....

€M	FY21	FY20
Current operating income	90.0	117.7
Other operating income and expenses	0.4	1.8
Operating income	90.4	119.5
Financial income and expenses	(11.2)	(4.7)
Net foreign exchange gains/(losses)	(3.6)	0.6
Net financial expense	(14.8)	(4.1)
Income tax	(1.5)	(4.9)
Net profit/(loss) from continuing operations	74.1	110.5
Net profit/(loss) from discontinued operations	(1.4)	(0.9)
Net profit – Group share	72.7	109.7
EPS (in €)	2.19	3.40
Diluted EPS (in €)	2.16	3.32
Number of shares	33,176,570	32,245,503
Number of diluted shares	35,014,307	33,984,168

Other operating income:

- In FY20, other operating income included a gain on the disposal of an industrial site

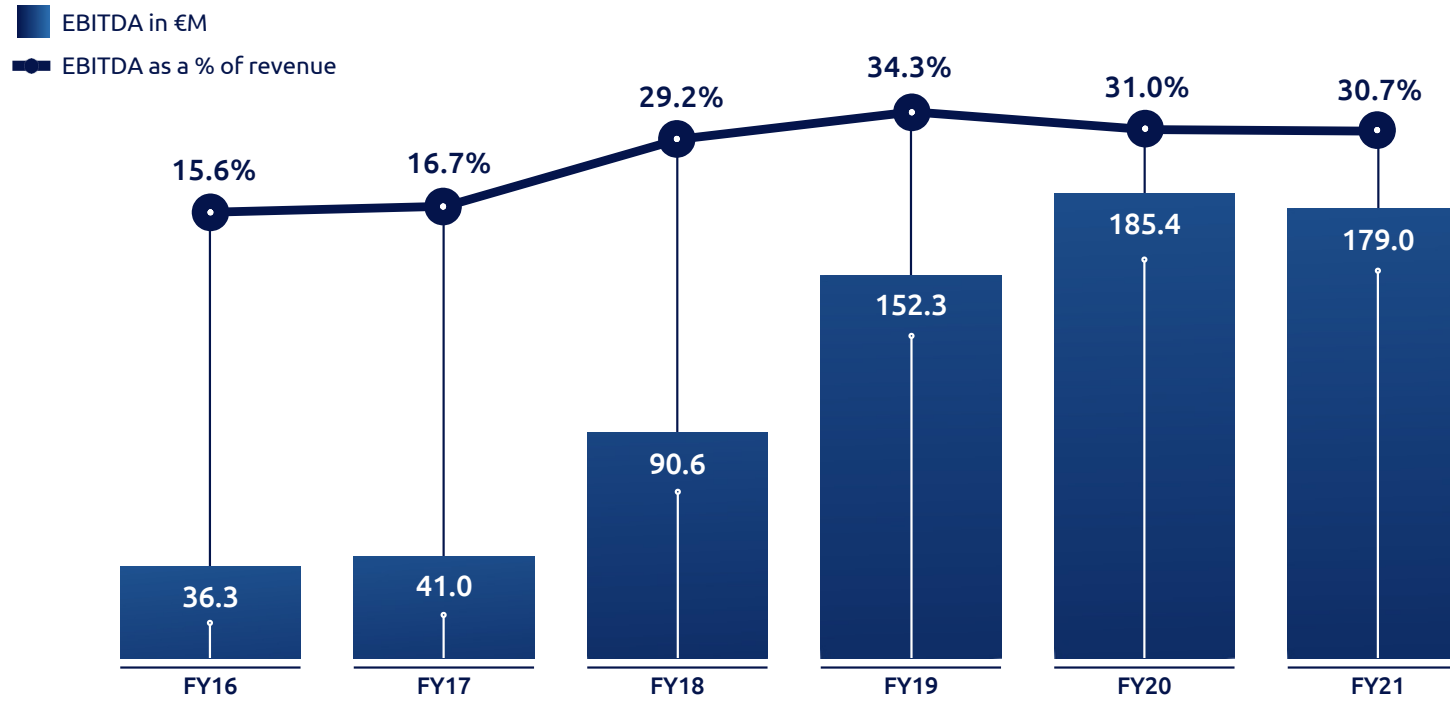
Net financial expense:

- Increase in financial expenses mostly due to the October 2020 convertible bond issue (OCEANE 2025)
- Net foreign exchange loss of €3.6M recorded in FY21 vs a gain of €0.6M in FY20

Income tax:

- Favorable impact of tax loss carryforwards

Electronics EBITDA margin maintained above 30%



Sharp increase in operating cash flow and positive free cash flow

€M	FY21	FY20
Operating income	90.4	119.5
Depreciation and amortization	59.9	45.5
Other items	28.7	20.4
EBITDA	179.0	185.4
- Change in working capital	9.3	(59.1)
- incl. inventories	(9.4)	(51.9)
- incl. receivables	0.4	(33.8)
- incl. other	18.3	26.6
- Income tax paid	(14.0)	(25.6)
Net cash generated by operating activities	174.3	100.7
- Adjusted investing cash flows*	(136.7)	(132.8)
- Intangible assets	(24.2)	(31.1)
- Property, plant and equipment	(113.5)	(77.7)
- Other	1.0	(24.0)
Free cash flow	37.6	(32.1)

31.6% increase in D&A, mainly resulting from continued investments during the year (industrial capacity, R&D)

Higher non-cash items, mainly reflecting share-based payments

Improvement in working capital

€174M in cash generated by operating activities, up 73%

CAPEX includes:

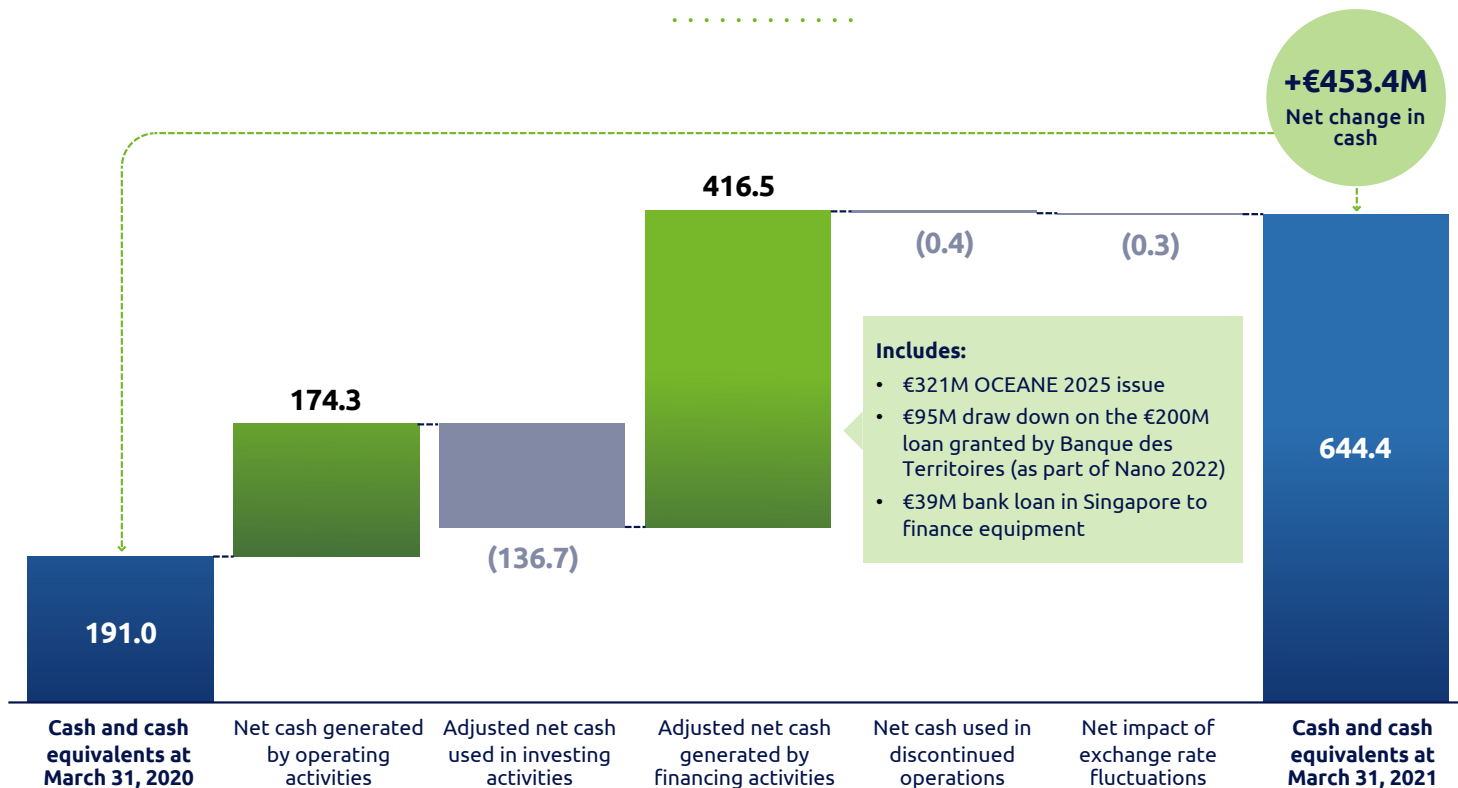
- €24M in intangible asset acquisitions (including €15M in capitalized R&D vs €17M in FY20)
- €114M in PP&E acquisitions, mainly for capacity investments in Singapore and Bernin 3
- FY20: CAPEX included €25.5M for the Soitec Belgium acquisition

Positive free cash flow of €37.6M

(*) The investing and financing cash flows shown above are taken from the IFRS statement of cash flows, adjusted to include new leases in financing cash flows in respect of leaseback transactions.

Note: The income and expenses related to discontinued operations are directly reported within "Net profit/(loss) from discontinued operations". Down to the line "Net profit/(loss) after tax from continuing operations", the Group's consolidated income statement exclusively and fully reflects the Electronics activities as well as corporate expenses.

Strong increase in cash position



Note: The investing and financing cash flows shown above are taken from the IFRS statement of cash flows, adjusted to include new leases in financing cash flows in respect of leaseback transactions.

Balance sheet

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Includes:

- €10M CAPEX in Bernin 1 & 2
- €40M CAPEX in Bernin 3
- €67M CAPEX in Singapore

Mainly DTA on tax loss carryforwards
(+€13M over FY21)

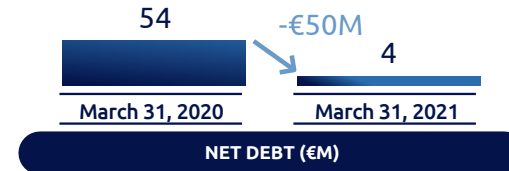
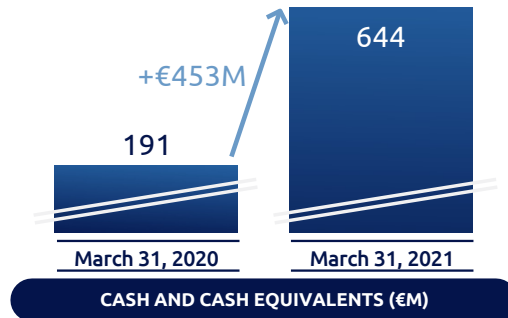
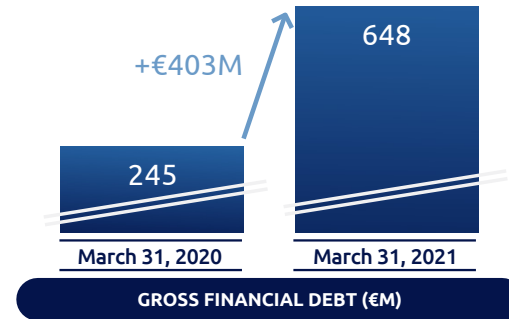
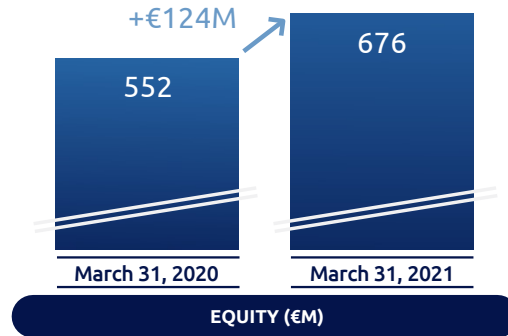
ASSETS – in €M	March 31, 2021	March 31, 2020
Intangible assets	99	87
Property, plant and equipment	378	297
Other non-current assets	29	24
Deferred tax assets	53	37
Total non-current assets	559	445
Inventories	124	123
Trade receivables	157	167
Other current assets	85	75
Cash and cash equivalents	644	191
Total current assets	1,010	556
Total assets	1,568	1,001

EQUITY AND LIABILITIES – in €M	March 31, 2021	March 31, 2020
Total equity	676	552
Long-term financial debt	612	193
Provisions and other non-current liabilities	44	40
Total non-current liabilities	656	233
Trade payables	79	76
Other current liabilities	121	88
Short-term financial debt	36	52
Total current liabilities	236	216
Total equity and liabilities	1,568	1,001

€648M in financial debt includes mainly:

- Leases: €55M
- OCEANE bonds: €429M
- Bank loans (incl IPCEI): €135M

A strengthened financial structure



FY22 – Guidance

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~40% REVENUE GROWTH AT CONSTANT EXCHANGE RATES

STRONG REVENUE GROWTH

- ~US\$950M (€800M at EUR/USD exchange rate of 1.2)
-
- Up around 40% at constant exchange rates vs FY21

~32% EBITDA MARGIN

ELECTRONICS EBITDA MARGIN AROUND 32%

- Operating leverage thanks to full loading of our Bernin 1 and Bernin 2 fabs and better loading of our Singapore fab
-
- Favorable effect of multi-annual raw material supplier agreements
-
- Unfavorable foreign exchange rate impact

~€240M CAPEX

CONTINUING CAPACITY INVESTMENTS

- Singapore for SOI 300 mm ramp-up
-
- Bernin 3 for POI products
-
- Investments in other strategic projects

Financial model

REVENUE

- Revenue will triple between FY21 and FY26, to an estimated US\$2BN

PROFITABILITY (@1.20 EXCHANGE RATE)

- EBITDA in value will more than triple between FY21 and FY26
- CAPEX: around €1.1BN between FY22 and FY26

FINANCING

- Sufficient cumulative operating cash flows to finance CAPEX

	FY21	FY22	FY26 (Model)
<i>Exchange rate</i>	@1.13	@1.20	@1.20
Revenue (US\$M)	668	~950	~2,000
Revenue (€M)	584	~800	~1,700
Gross margin (%)	31.4%	~34%	~36%
EBITDA (as a % of revenue)	30.7%	~32%	~35%
CAPEX (as a % of revenue)	24%	~30%	~18% over FY22-FY26

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- 5 Vote on the resolutions

Presentation of the Statutory Auditors' report

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Ernst & Young – KPMG

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Q&A

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Vote on the resolutions

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Patrick Noonan

Meeting Secretary

Ordinary Shareholders' General Meeting (1/3)

.....

- **First resolution** – Approval of the statutory financial statements for the fiscal year ended March 31, 2021
- **Second resolution** – Approval of the consolidated financial statements for the fiscal year ended March 31, 2021
- **Third resolution** – Appropriation of net profit for the fiscal year ended March 31, 2021
- **Fourth resolution** – Statutory Auditors' special report on related-party agreements (which does not describe any new agreements for the fiscal year ended March 31, 2021)
- **Fifth resolution** – Appointment of Françoise Chombar as a director for a term of three years
- **Sixth resolution** – Appointment of Shuo Zhang as a director for a term of three years
- **Seventh resolution** – Reappointment of Éric Meurice as a director for a term of three years

Ordinary Shareholders' General Meeting (2/3)

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- **Eighth resolution** – Reappointment of Satoshi Onishi as a director for a term of three years
- **Ninth resolution** – Ratification of the co-option of Guillemette Picard as a director to replace CEA Investissement for the remainder of its term of office, i.e., for a term of one year
- **Tenth resolution** – Approval of the information relating to the compensation of the Company's corporate officers for fiscal year 2020-2021 referred to in Article L. 22-10-9, I of the French Commercial Code (see section 4.2.1 of the 2020-2021 Universal Registration Document)
- **Eleventh resolution** – Approval of the fixed, variable and exceptional components of the total compensation and benefits of any kind paid or granted to Paul Boudre, Chief Executive Officer, for the fiscal year ended March 31, 2021 (see section 4.2.2 of the 2020-2021 Universal Registration Document)

Ordinary Shareholders' General Meeting (3/3)

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- **Twelfth resolution** – Approval of the fixed, variable and exceptional components of the total compensation and benefits of any kind paid or granted to Éric Meurice, Chairman of the Board of Directors, for the fiscal year ended March 31, 2021 (see section 4.2.2 of the 2020-2021 Universal Registration Document)
- **Thirteenth resolution** – Approval of the compensation policy for the Chairman of the Board of Directors (see section 4.2.3.3 of the 2020-2021 Universal Registration Document)
- **Fourteenth resolution** – Approval of the compensation policy for the Chief Executive Officer (see section 4.2.3.2 of the 2020-2021 Universal Registration Document)
- **Fifteenth resolution** – Approval of the compensation policy for the members of the Board of Directors (see section 4.2.3.4 of the 2020-2021 Universal Registration Document)
- **Sixteenth resolution** – Authorization to be granted to the Board of Directors to carry out transactions on the Company's shares

Extraordinary Shareholders' General Meeting (1/4)

.....

- **Seventeenth resolution** – Delegation of authority to the Board of Directors to increase the Company's share capital (by way of the issue of shares and/or securities giving access to the share capital), with preferential subscription rights
- **Eighteenth resolution** – Delegation of authority to the Board of Directors to increase the Company's share capital (by way of the issue of shares and/or securities giving access to the share capital), without preferential subscription rights, through a public offer
- **Nineteenth resolution** – Delegation of authority to the Board of Directors to increase the Company's share capital (by way of the issue of shares and/or securities giving access to the share capital) through a "private placement", without preferential subscription rights
- **Twentieth resolution** – Delegation of authority to the Board of Directors to increase the Company's share capital (by way of the issue of shares and/or securities giving access to the capital), without preferential subscription rights, reserved for investors in the technology sector or for investment services providers

Extraordinary Shareholders' General Meeting (2/4)

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- **Twenty-first resolution** – Delegation of authority to the Board of Directors for the purpose of increasing the number of shares to be issued, within the limit of 15% of the initial issue
- **Twenty-second resolution** – Authorization to the Board of Directors in the event of an increase in the Company's share capital (by way of the issue of shares and/or securities giving access to the share capital), without preferential subscription rights, to set the issue price within the limit of 10% of the Company's share capital
- **Twenty-third resolution** – Delegation of powers to the Board of Directors to increase the Company's share capital (by way of the issue of shares and/or securities) as consideration for contributions in kind
- **Twenty-fourth resolution** – Delegation of authority to the Board of Directors to increase the share capital by capitalizing premiums, reserves, profits, or any other funds that may be capitalized

Extraordinary Shareholders' General Meeting (3/4)

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- **Twenty-fifth resolution** – Delegation of authority to the Board of Directors to increase the Company's share capital (by way of the issue of shares and/or securities giving access to the share capital) as consideration for securities contributed as part of a public exchange offer initiated by the Company
- **Twenty-sixth resolution** – Delegation of authority to the Board of Directors to increase the Company's share capital (by way of the issue of shares and/or securities giving access to the share capital), without preferential subscription rights, reserved for members of a company savings plan
- **Twenty-seventh resolution** – Authorization to the Board of Directors to allocate free shares to employees and/or corporate officers of the Company and/or subsidiaries, with the waiver by shareholders of their preferential subscription rights
- **Twenty-eighth resolution** – Authorization to the Board of Directors to cancel treasury shares held by the Company, up to a maximum of 10%

Extraordinary Shareholders' General Meeting (4/4)

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- **Twenty-ninth resolution** – Addition of a preliminary article before Article 1 of the Company's by-laws, in order to adopt a corporate mission for the Company
- **Thirtieth resolution** – Amendment of Article 7 of the Company's by-laws due to legislative and regulatory changes relating to the identification of shareholders
- **Thirty-first resolution** – Amendment of Article 16 of the Company's by-laws due to legislative and regulatory changes relating to the role of the Board of Directors
- **Thirty-second resolution** – Amendment of Articles 12.4 and 18 of the Company's by-laws due to legislative and regulatory changes relating to the compensation of the members of the Board of Directors
- **Thirty-third resolution** – Amendment of Article 19 of the Company's by-laws due to legislative and regulatory changes relating to the related-party agreements procedure
- **Thirty-fourth resolution** – Amendment of Articles 21.3, 23 and 24 of the Company's by-laws due to legislative and regulatory changes relating to the method for calculating the majority required for decisions to be adopted by the Shareholders' General Meeting
- **Thirty-fifth resolution** – Powers for formalities

Thank you

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