This document was prepared by Soitec (the “Company”) on June 13th, 2019 in connection with the announcement of the fiscal year 2018-2019 (“FY’19”) results.

This document is provided for information purposes only. It is public information only.

The Company’s business operations and financial position is described in the Company’s registration document 2017-2018 registered by the Autorité des marchés financiers (the “AMF”) on June 18th, 2018 under visa D.18-0586 (the “Document de Référence”) and in the Company’s FY’19 half-year report released on November 28th, 2018. Copies of the Document de Référence and of the FY’19 half-year report are available in French and English languages through the Company and may as well be consulted and downloaded on the Company’s website (www.soitec.com).

For information, the Company’s registration document 2018-2019 is expected to be registered by the AMF on July 4, 2019.

Your attention is drawn to the risk factors described in Chapter 4 of the Document de Référence. A review of these risk factors has been conducted after the closing of FY’19 first half and no new risk was found.

This document contains summary information and should be read in conjunction with the Document de Référence and the FY’19 half-year report. In the event of a discrepancy between this document and the Document de Référence or the FY’19 half-year report, the Document de Référence or, as the case may be, the FY’19 half-year report, shall prevail.

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The information described in this document contains certain forward-looking statements. These forward-looking statements relate to the Company’s future prospects, developments and strategy and are based on analyses of earnings forecasts and estimates of amounts not yet determinable. By their nature, forward-looking statements are subject to a variety of risks and uncertainties as they relate to future events and are dependent on circumstances that may or may not materialize in the future. Forward-looking statements are not a guarantee of the Company’s future performance.

The Company’s actual financial position, results and cash flows, as well as the trends in the sector in which the Company operates may differ materially from those contained in this document. Furthermore, even if the Company’s financial position, results, cash-flows and the developments in the sector in which the Company operates were to conform to the forward-looking statements contained in this document, such elements cannot be construed as a reliable indication of the Company’s future results or developments.

The Company does not undertake any obligation to update or make any correction to any forward-looking statement in order to reflect an event or circumstance that may occur after the date of this document. In addition, the occurrence of any of the risks described in Chapter 4 of the Document de Référence may have an impact on these forward-looking statements.

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Notably, this document does not constitute an offer or solicitation to purchase, subscribe for, or sell securities in the United States. Securities may not be offered or sold in the United States absent registration or an exemption from the registration under the U.S. Securities Act of 1933, as amended (the “Securities Act”). The Company’s shares have not been and will not be registered under the Securities Act. Neither the Company nor any other person intends to conduct a public offering of the Company’s securities in the United States.
# Capital Markets Day – Agenda

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<td>Steve Babureck - VP Corporate Development &amp;</td>
<td>Introduction, disclaimer, agenda overview</td>
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<td>Investor Relations</td>
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<td>13h30-14h00</td>
<td>30min</td>
<td>Paul Boudre - Chief Executive Officer</td>
<td>Soitec amazing journey &amp; outlook</td>
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<td>14h00-14h30</td>
<td>30min</td>
<td>Thomas Piliszczuk - EVP Strategy</td>
<td>Soitec strategic end markets, footprint &amp; TAM</td>
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<td>14h30-15h00</td>
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<td>Rémy Pierre - Chief Financial Officer</td>
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<td>15h45-16h15</td>
<td>30min</td>
<td>Bernard Aspar - EVP Global Business Units</td>
<td>Global business overview, products &amp; value proposition</td>
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<td>16h15-16h45</td>
<td>30min</td>
<td>Christophe Maleville - Chief Technology Officer</td>
<td>Innovation strategy, activities, ecosystem</td>
</tr>
<tr>
<td>16h45-17h15</td>
<td>30min</td>
<td>Cyril Menon - EVP Operations</td>
<td>Operations footprint &amp; expansion plans</td>
</tr>
<tr>
<td>17h15-17h45</td>
<td>30min</td>
<td>Q&amp;A</td>
<td>Focus on business, innovation &amp; operations</td>
</tr>
<tr>
<td>17h45-18h00</td>
<td>15min</td>
<td>Paul Boudre - Chief Executive Officer</td>
<td>Wrap up – Journey &amp; Outlook</td>
</tr>
</tbody>
</table>
Soitec, an amazing journey

Paul Boudre
Chief Executive Officer

Soitec
An amazing journey in the semiconductor world... where technology pushes boundaries

Creating standards for the future of electronic devices

Creating a standard for the mobile industry

FOCUS ON CORE BUSINESS
ESTABLISH CREDIBILITY

PROFITABLE GROWTH

NEW PRODUCTS
NEW MARKETS

2015 /
2016
Sales
€233m

2018 /
2019
Sales
€444m

2021 /
2022
Sales
~ €900m*

FULL CAPACITY
Sales
~ €1,4Bn*

*outlook based on €/$ at 1.13
Commitment met
Strong fundamentals settled
Value creation for every Soitec stakeholder

EMPLOYEES

- Large scale recruitment
- + 300 in 2018
- 1,450 employees worldwide

CUSTOMERS

- High value differentiation in each strategic market

SHAREHOLDERS

- Share +700%
  VS +25% for SBF 120 over the last 3 years
A unique competitive position in the value chain
Our pillars to build a unique position
Technology pushes boundaries
Semiconductor engineered substrates growing into a multi-billion $ market

ENGINEERED SUBSTRATES
- SOI
- GaN
- SiC
- InGaNOS
- POI
- InP
- Si epitaxy

SEMICONDUCTOR CHIPS
- Application processors
- RF chips
- IoT
- Sensors
- Photonics
- Imaging

ELECTRONIC DEVICES
- ADAS/EV
- 4G/5G
- IoT
- Healthcare
- Industry 4.0
- Cloud
- AR/VR
Increasing engineered substrate content in 4 strategic end-markets

TODAY

SMARTPHONES
- RF-SOI
- FD-SOI
- IMAGER-SOI
- POI

AUTOMOTIVE
- POWER-SOI
- FD-SOI

IoT
Internet of Things
- RF-SOI

CLOUD & INFRASTRUCTURE
- PHOTONICS-SOI

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Engineered substrate content growing across markets and applications

**Tomorrow**

**New Market Segments**

**SMARTPHONES**
- RF-SOI
- GaN RF
- IMAGER-SOI
- Power-SOI
- Displays
- Sensors
- GaN Power
- FD-SOI

**AUTOMOTIVE**
- RF-SOI
- GaN Power
- SiC for EV
- FD-SOI

**CLOUD & INFRASTRUCTURE**
- RF-SOI
- GaN Power
- PHOTONICS-SOI

**IoT**
- Internet of Things

**POWER-SOI**
- Displays
- RF-SOI
- FD-SOI
Soitec leadership expansion in multiple markets

FY24 SAM*
~1.6-2.4 Billion $
4G/5G – Auto – IoT – Cloud

New products:
> 500 M$ SAM* in FY24
5G – Auto – Sensors

New opportunities:
>1 Billion $ SAM*
Displays – Auto – Imaging…

SOI products portfolio
- Specialty SOI
- FD-SOI
- RF-SOI

CAGR ~15-25% between FY19-24

Beyond SOI – POI & GaN
- EpiGaN
- Piezo-on-Insulator

Compounds semi.
- InGaNOS, SiC,…

* Source: Soitec market estimates in FY24
Ready to achieve our new ambition
Ready to execute: Management’s team
Ready to achieve our new ambition

Establish our leadership across all engineered substrates

OUTLOOK THROUGH OUR JOURNEY

2018/2019
Sales
€444m
EBITDA margin 34.3%

2019/2020
Sales
+30% PCC
EBITDA margin ~30%

2021/2022
Sales
~€900m*
EBITDA margin ~31%

*Outlook based on €/$ at 1.13
Soitec, an amazing journey

Thomas Piliszczuk
EVP Strategy
“To be recognized as a leader in innovative semiconductor standards for products shaping the future”
Soitec has been part of your daily life for almost 3 decades

2000-2010
PC
Gaming
Automobile

Since 2010
Smartphones
Automobile
Industry

2015 +
Electronics for
everyday use
(4G and IoT)

2020 +
Beginning of 5G and AI

Beyond 2025
in 5G mmW World
Soitec strategic plan – our vision into action

- IC Design
- IDM
- Engineered substrates
- Bulk

Materials for Semiconductors

- SOI
- POI
- GaN
- SiC
- Compound semi.
- ...

Value chain

- Products

Objectives:

- Protect core business
- Expand core business
- Extend into adjacent markets
- Apply flexible operating model
- Strengthen global footprint
Four key markets & three mega-trends
5G – (r)evolution in business & services applications

- Enhanced mobile broadband
- Low latency
- Massive M2M connectivity
- Ultra-reliability
5G is not only about 10x larger spectrum – it is a whole New Radio (NR) system
AI is about transforming data into meaningful information

**AI Everywhere**
- Classification
- Object detection
- Speech detection
- Data analysis

**Key drivers**
- Latency / reliability
- Data privacy
- Power consumption
- Cost

**AI Computing trend**
- Cloud computing
- Edge computing
- On-Device AI
AI for IoT: new computing paradigm

The AI / IoT era will create new industry leaders

Sources: Jefferies, NXP
Exponential growth in high voltage power applications

High growth applications (CAGR – ‘17~’25)

- Rail (captive) (83%)
- Inverter (93%)
- Automotive (93%)
- Traction (CAGR 2017-2025)
- Inverter (CAGR 2017-2025)
- Power Supply (14%)
- Data center (14%)
- Motor Drive (13%)

Source: SDK-Dec’18 + IFX-Dec’18

SiC and GaN Power semiconductor forecast

Source: IHS Markit’18
Electrical vehicle
First mass market for SiC

Positioning of SiC and GaN in xEV

Potential of SiC to replace Silicon in xEV

SiC vs. Silicon
Performance improvement and size reduction in inverter

From Si-IGBT based module to SiC MOSFET based module:
- miniaturization: 30%
- weight Reduction: 40%
- high power density: >1.5times

Extra 60 miles of cruising range!

Source: Yole - PowerSiC’17

Source: Rohm - BodoPowerSystems’17

Source: Rohm
Many challenges to tackle for our customers

- Energy efficiency
- Communication
- Function integration
- Better sensors and displays
- Form factor
- Reliability and security
- Cost for mass adoption
- Platform roadmap
Engineered substrates allow us to push boundaries.

Using more MATERIALS

Applying unique PROCESSES

Crystal on crystal (lattice compatible)
Crystal on crystal (lattice compatible)
Crystal on crystal (not lattice compatible)
Crystal on amorphous

Smart-Cut™
Thin & highly uniform layers

To enable new APPLICATIONS
Established leadership in engineered substrates
Expanding our leadership in engineered substrates
Expanding our leadership in engineered substrates

Developing our ecosystems
Understanding problems all along the value chain

OEMs
Fabless
Foundries
Design
Engineered substrates
Bulk substrates

Strategic partnerships

RF-SOI
FD-SOI
Specialty SOI
POI
Compound semi.
Silicon epitaxy
Engineered substrates content growing across markets and applications
**Smartphones**

**4G fueling current growth**
Beginning of 5G deployment

- 4G
- 5G
- RF-SOI for RF FEM
- FD-SOI for 5G mmW Transceivers
- POI for RF Filters
- GaN for 5G PA

**FD-SOI value proposition recognized for several critical applications**

- Image signal processors
- Artificial intelligence system-on-chips
- mmW short distance communication

**3D image sensors for facial recognition and AR/VR. High res displays**

- Imager-SOI & Compound for face facing 3D sensor
- InGaNOS for MicroLED of functional display
- FD-SOI for display driver IC
- Free form-factor display
- Imager-SOI & Compound for world facing 3D sensor
- Position & object recognition
Smartphones – Soitec technologies content

2019
- 4G LTE Advanced pro
  - 45mm² RF-SOI
  - 30mm² Spec SOI
  - 1mm² POI

2020-2022
- 5G sub 6GHz
  - 55mm² RF-SOI
  - 30mm² Spec SOI
  - 8mm² POI
  - 60mm² FD-SOI

2022 and beyond
- 5G mmW
  - 120mm² RF-SOI
  - 30mm² Spec SOI
  - 16mm² POI
  - 120mm² FD-SOI

Notes:
- GaN RF not included
- High-end market segment

mm² represent the estimated overall Soitec technologies content.
Automotive

GaN, SiC and Power-SOI to benefit from structural semiconductor content increase

- Power-SOI/GaN for gate drivers
- Power-SOI for Class D audio amplifiers
- Power-SOI for in-vehicle networking
- SiC, GaN for On-Board Chargers

FD-SOI to ramp for ADAS and infotainment application processors

- FD-SOI for ASICS of radars/Lidar/Camera
- FD-SOI for MCU’s for various functions
- FD-SOI for AI chips of image classification & voice recognition
- FD-SOI for Multimedia application processors

Engineered substrates for high sensitive sensor and bright display

- Imager/Photonics-SOI for Lidar sensor
- FD-SOI for Radar sensor FEM
- FD-SOI for MCU’s for various functions
- MicroLED using InGaNOS for In-vehicle display
Automotive – Soitec technologies content

2019

- Connected Car
  - Power-SOI: 100 mm², 40 mm², 5 mm², 1200 mm²
  - FD-SOI
  - RF-SOI
  - GaN/SiC Power

2020-2022

- Smart car & EVs
  - Power-SOI: 120 mm², 130 mm², 10 mm², 1200 mm²
  - FD-SOI
  - RF-SOI
  - GaN/SiC Power

2022 and beyond

- Autonomous driving
  - Power-SOI: 140 mm², 300 mm², 18 mm², 1600 mm²
  - FD-SOI
  - RF-SOI
  - GaN/SiC Power
  - InGaNOS

- InGaNOS
  - In-Vehicle display

- FD-SOI
  - AP for ADAS and multi-media, MCU

- RF-SOI
  - Radar sensor FEM

- Power-SOI
  - Transceiver, Gate driver, Class D Amplifier

- SiC, GaN
  - On-board charger

Note: High-end; full hybrid; electrical vehicle market segment

mm² represent the estimated overall Soitec technologies content
FD-SOI offers low power operation for industrial & consumer applications

- GPS for smartwatches
- Ear buds
- Smarthome security cameras
- Drones
- Smart home speakers
- Smart meters
- Security cameras

Together with 5G, FD-SOI & InGaNOS enable AR/VR/MR applications

- InGaNOS for MicroLED display of AR/VR & Smartwatch
- FD-SOI for ASICs of AR/VR/MR
- FD-SOI for IoT (MCU+Memory +RF)

FD-SOI offers the best value proposition for edge-AI computing

- FD-SOI will now address those areas
- Cloud
- Edge
- On Device
- Power consumption
IoT – Soitec technologies content

2019

- 60mm² FD-SOI
- 1mm² RF-SOI

2020-2022

- 130mm² FD-SOI
- 300mm² InGaNOS
- 3mm² RF-SOI

2022 and beyond

- 150mm² FD-SOI
- 350mm² InGaNOS
- 4mm² RF-SOI

mm² represent the estimated overall Soitec technologies content.
Cloud & 4G/5G infrastructure

**Photonics-SOI** for high data rate and low latency for 4G/5G base station & data center

**Photonics-SOI** for optical transceiver of data center

**Photonics-SOI** for optical transceiver of 5G infrastructure

**RF-SOI, FD-SOI, GaN, SiC** for 5G base station & data center

**GaN** for power amplifier of 5G base station

**RF-SOI and FD-SOI** for 5G base station

**GaN, SiC** for data center power supplier of hyper computing

**FD-SOI, Photonics-SOI, GaN** for hyper scale & secure computing

**FD-SOI** for high efficient hyper computing of data center, crypto-currency mining

**FD-SOI** for broadband communications in Low Earth Orbit (LEO) satellites

**Photonics-SOI** for quantum computing
### Cloud & 4G/5G infrastructure – Soitec technologies content

#### 2019

- **Data center & 4G+ Base station**
  - RF-SOI: 500 mm²
  - GaN RF: 400 mm²
  - GaN/SiC Power: 72 mm²
  - Photonics-SOI

- **RF-SOI**
  - 5G Baseband FEM

- **Photonics-SOI**
  - Silicon photonics for optical transceiver

- **GaN, SiC Power**

#### 2020-2022

- **Data center & 5G Base station**
  - RF-SOI: 8000 mm²
  - GaN RF: 1400 mm²
  - GaN/SiC Power: 220 mm²
  - Photonics-SOI FD-SOI

- **RF-SOI**
  - 5G Baseband FEM

- **GaN, SiC Power**

- **Photonics-SOI**
  - Silicon photonics for optical transceiver

#### 2022 and beyond

- **Hyper scale computing**
  - RF-SOI: 15000 mm²
  - GaN RF: 1500 mm²
  - GaN/SiC Power: 220 mm²
  - Photonics-SOI FD-SOI

- **RF-SOI**
  - 5G Baseband FEM

- **FD-SOI**
  - Transceiver

- **Photonics-SOI**
  - Silicon photonics for optical transceiver, Quantum computing

**mm²** represent the estimated overall Soitec technologies content.
### Soitec technologies content

#### 2017 (CMD)

<table>
<thead>
<tr>
<th>Technology</th>
<th>Area</th>
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</thead>
<tbody>
<tr>
<td>Smartphones</td>
<td>20mm²</td>
</tr>
<tr>
<td>Automotive</td>
<td>100mm²</td>
</tr>
<tr>
<td>IoT</td>
<td>&lt; 10mm²</td>
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<tr>
<td>Cloud &amp; 4G/5G infrastructure</td>
<td>80mm²</td>
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#### 2022 and beyond

<table>
<thead>
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<th>Technology</th>
<th>Area</th>
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<tbody>
<tr>
<td>Smartphones</td>
<td>120mm²</td>
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<tr>
<td>Automotive</td>
<td>140mm²</td>
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<tr>
<td>IoT</td>
<td>150mm²</td>
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<tr>
<td>Cloud &amp; 4G/5G</td>
<td>110mm²</td>
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Additional areas:

<table>
<thead>
<tr>
<th>Technology</th>
<th>Area</th>
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</thead>
<tbody>
<tr>
<td>Photonics-SOI</td>
<td>15000mm²</td>
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<tr>
<td>RF-SOI</td>
<td>1500mm²</td>
</tr>
<tr>
<td>GaN RF</td>
<td>220mm²</td>
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</tbody>
</table>

- mm² represent the estimated overall Soitec technologies content.
Soitec leadership expansion in multiple markets

FY24 SAM* ~1.6-2.4 Billion $
4G/5G – Auto – IoT – Cloud

New products:
> 500 M$ SAM* in FY24
5G – Auto – Sensors

New opportunities:
>1 Billion $ SAM*
Displays – Auto – Imaging…

SOI products portfolio

Beyond SOI – POI & GaN

Compounds semi.

Specialty SOI
FD-SOI
RF-SOI
CAGR ~15-25% between FY19-24

EpiGaN
Piezo-on-Insulator

InGaNOS, SiC,…

* Source: Soitec market estimates in FY24
Engineered substrates are essential to drive mass adoption in key markets

Soitec content increase will accelerate thanks to growing product portfolio and unique differentiation in key applications

Soitec strategy is to reinforce our core business, bring engineered substrates into adjacent markets and accelerate adoption by strategic partnerships and investments in the value chain
Soitec, an amazing journey

Rémy Pierre
Chief Financial Officer
**FY’19 highlights**

**Another very strong year**

**Business**
- FY’19 sales up 42% at constant exchange rates and perimeter
- Growth mostly driven by RF-SOI (300mm) and FD-SOI adoption
- Soitec content growth story validated in each strategic end markets

**Operations**
- Capacity expansion in sync. with customer demand
  - Bernin I annual capacity raised from 900k to 950k
  - Bernin II annual capacity for FD-SOI raised to 350k
  - Singapore installation and qualification of pilot line
- Enhanced partnership with Simgui including 200mm capacity to be increased from 180k to 360k wafers
- Addition of 180 people in FY’19 (excl. Dolphin)
  - Opening of direct sales operations in China

**Strategic Alliances**
- Leti and Soitec launched a new substrate innovation center to accelerate time to market of new engineered substrates from R&D to prototypes
- Soitec, first European strategic partner of Silicon Catalyst (access to early-stage silicon technology innovation)
- Soitec, first materials supplier to join China Mobile 5G Innovation Center
- Launch of joint program with Singapore-based A*STAR IME to develop and integrate a new layer transfer process
**FY’19 highlights**

**Another very strong year**

**M&A**

- **Acquisition of Dolphin assets:**
  - Soitec 60% / MBDA 40%
  - Skillset to reinforce a full IP and service offering related to energy efficient solutions for chip design on FD-SOI.

- **Agreement to acquire 100% of EpiGaN (post closing):** expansion of Soitec’s engineered substrate portfolio into GaN technology
  - Estimated TAM between 500k and 1M wafers within 5 years

- **SPA (post closing) to sell Soitec’s 20% remaining equity stake in Touwsrivier + associated loan to be redeemed (assets valued at €16.5m in Soitec’s balance sheet)**

**Financials**

- **Strong operating leverage**
  - 37.2% gross margin (vs. 34.4% in FY’18)
  - 24.4% current operating margin (vs. 21.7% in FY’18)

- **Strong operating cash-flow**
  - €59.3m generated by continuing operations in FY’19

- **Capex deployment in line with plan**
  - €121m in FY’19, as planned

- **Issuance of €150m convertible bonds (2023 OCEANEs) to strengthen balance sheet**
  - Zero coupon
  - 5-year maturity
**FY’19 highlights**

**Strong financial performance**

**Sharp increase in revenue**
- at constant exchange rates and perimeter
- in €m
  - FY18: 311
  - FY19: 444
  - +42%

**Strong improvement in gross margin**
- as a % of sales
  - FY18: 34.4%
  - FY19: 37.2%
  - +54%

**Strong increase in current operating income**
- as a % of sales
  - FY18: 21.7%
  - FY19: 24.4%
  - +61%

**Slight increase in net result**
- in €m
  - FY18: 86.5
  - FY19: 90.2
  - +4%

The income and expenses related to discontinued operations are directly reported as “Net result from discontinued operations”. Down to the line “Net result after tax from continuing operations”, the Group consolidated P&L account now exclusively and fully reflects the Electronics activities as well as corporate expenses.
## FY’19: revenue breakdown

### In €m

<table>
<thead>
<tr>
<th></th>
<th>FY’18</th>
<th>Q1’19</th>
<th>Q2’19</th>
<th>Q3’19</th>
<th>Q4’19</th>
<th>FY’19</th>
<th>Change vs FY’18</th>
</tr>
</thead>
<tbody>
<tr>
<td>200mm wafer sales</td>
<td>192.4</td>
<td>50.9</td>
<td>51.2</td>
<td>58.7</td>
<td>60.2</td>
<td>221.0</td>
<td>+15%</td>
</tr>
<tr>
<td>300mm wafer sales</td>
<td>106.3</td>
<td>39.3</td>
<td>41.3</td>
<td>52.8</td>
<td>72.3</td>
<td>205.7</td>
<td>+93%</td>
</tr>
<tr>
<td>Royalties and other revenues</td>
<td>11.9</td>
<td>1.7</td>
<td>2.5</td>
<td>5.3</td>
<td>7.8</td>
<td>17.3</td>
<td>+45%</td>
</tr>
</tbody>
</table>

| Total sales        | 310.6 | 91.9  | 95.0  | 116.8 | 140.3 | 443.9 | +43%            |

### Change vs FY’18

- **200mm wafer sales up 17%** (at constant exchange rates and perimeter)
  - Sustained demand for RF-SOI (mobile) and Power-SOI (automotive)
  - Higher volumes thanks to outsourced production (Simgui @13% of 200mm wafers sold)
  - Favorable combined product mix
- **300mm wafer sales up 97%** (at constant exchange rates and perimeter)
  - Much higher volumes driven by surge in FD-SOI and RF-SOI 300 mm
  - Lower sales of Imager-SOI and Photonics-SOI
  - Favorable mix effect
- **Royalties and other revenues up 45%**
  - Positive impact of Dolphin acquisition
  - Lower Royalties and IP revenues vs. FY’18 which included €4.4m one-off revenues

### Sales breakdown

- 4% 200mm
- 46% 300mm
- 50% Royalties and others
FY’19 gross margin at 37.2%

- Acceleration in revenue growth over the last semesters
  - Mainly driven by sharp increase in 300mm volumes
  - Favorable mix and price effects

- Increasing use of production capacity
  - Bernin I running at full capacity
  - Approx. 13% of 200mm production outsourced to Simgui
  - Bernin II capacity utilization rate up from 36% in FY’18 to nearly 70% in FY’19

- Better absorption of production costs partially offset by:
  - Unfavorable forex impact
  - Higher bulk material prices
  - Higher outsourced production
  - Higher expenses incurred by the restart of Singapore facility
## Strong increase in current operating income

### In €m

<table>
<thead>
<tr>
<th></th>
<th>FY'19</th>
<th>FY'18</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales</strong></td>
<td>443.9</td>
<td>310.6</td>
<td>+43%</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td>165.0</td>
<td>106.9</td>
<td>+54%</td>
</tr>
<tr>
<td>As a % of sales</td>
<td>37.2%</td>
<td>34.4%</td>
<td></td>
</tr>
<tr>
<td><strong>Gross R&amp;D expenses</strong></td>
<td>(51.3)</td>
<td>(43.9)</td>
<td>+17%</td>
</tr>
<tr>
<td>Prototype sales and others</td>
<td>9.2</td>
<td>8.8</td>
<td>+5%</td>
</tr>
<tr>
<td>Subsidies and income tax credit</td>
<td>22.0</td>
<td>26.9</td>
<td>-18%</td>
</tr>
<tr>
<td><strong>Net R&amp;D expenses</strong></td>
<td>(20.0)</td>
<td>(8.2)</td>
<td>+144%</td>
</tr>
<tr>
<td>As a % of sales</td>
<td>4.5%</td>
<td>2.6%</td>
<td></td>
</tr>
<tr>
<td><strong>Sales &amp; Marketing expenses</strong></td>
<td>(9.8)</td>
<td>(7.8)</td>
<td>+26%</td>
</tr>
<tr>
<td><strong>General and administrative expenses</strong></td>
<td>(26.8)</td>
<td>(23.5)</td>
<td>+14%</td>
</tr>
<tr>
<td><strong>Total SG&amp;A expenses</strong></td>
<td>(36.6)</td>
<td>(31.2)</td>
<td>+17%</td>
</tr>
<tr>
<td>As a % of sales</td>
<td>8.2%</td>
<td>10.1%</td>
<td></td>
</tr>
<tr>
<td><strong>Current operating income</strong></td>
<td>108.4</td>
<td>67.4</td>
<td>+61%</td>
</tr>
<tr>
<td>As a % of sales</td>
<td>24.4%</td>
<td>21.7%</td>
<td></td>
</tr>
</tbody>
</table>

- **Net R&D expenses sharply up:**
  - Increase in gross R&D expenses largely due to the integration of Dolphin
  - Decline in subsidies and research tax credits as FY'18 benefitted from a €7.5m non-recurring R&D income
- **Lower SG&A / sales ratio despite:**
  - Increased expenses due to higher activity and integration of Dolphin
  - Increase in charges related to free share incentive plans
- **Strong increase in current operating income**
  - Benefit from strong operating leverage,
  - Despite increased costs in non-contributing Singapore
  - Despite dilutive impact of Dolphin acquisition

The income and expenses related to discontinued operations are directly reported as “Net result from discontinued operations”. Down to the line “Net result after tax from continuing operations”, the Group consolidated P&L account now exclusively and fully reflects the Electronics activities as well as corporate expenses.
Net profit slightly up

The income and expenses related to discontinued operations are directly reported as “Net result from discontinued operations”. Down to the line “Net result after tax from continuing operations”, the Group consolidated P&L account now exclusively and fully reflects the Electronics activities as well as corporate expenses.

<table>
<thead>
<tr>
<th>In €m</th>
<th>FY’19</th>
<th>FY’18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current operating income</td>
<td>108.4</td>
<td>67.4</td>
</tr>
<tr>
<td>Other operating income and expenses</td>
<td>0.5</td>
<td>4.1</td>
</tr>
<tr>
<td>Operating income</td>
<td>108.9</td>
<td>71.5</td>
</tr>
<tr>
<td>Net financial income/(expense)</td>
<td>(8.1)</td>
<td>3.1</td>
</tr>
<tr>
<td>Income tax</td>
<td>(10.9)</td>
<td>17.5</td>
</tr>
<tr>
<td>Net profit from continuing operations</td>
<td>89.9</td>
<td>92.1</td>
</tr>
<tr>
<td>Net profit / (loss) from discontinued operations</td>
<td>0.3</td>
<td>(5.6)</td>
</tr>
<tr>
<td>Net profit (Group share)</td>
<td>90.2</td>
<td>86.5</td>
</tr>
</tbody>
</table>

1. FY’18 other operating income was including an impairment reversal related to Bernin II for €3.8m
2. FY’18 net financial income was including a €4.6m non recurring financial income (early repayment of a guarantee deposit related to Touwsrivier solar plant)
3. FY’19 net financial income includes:
   - €3.2m non cash financial interests and amortization of the issuing fees related to OCEANEs 2023
   - A foreign exchange loss of €4.6m
4. FY’18 income tax was including a non recurring €25.4m income related to the recognition of a deferred tax asset over tax loss carry forwards
5. FY’18 loss from discontinued operations was relating to the adjustment of provisions and value of solar assets
6. FY’19 profit from discontinued operations includes:
   - A foreign exchange loss of €2.2m
   - A €2.0m income related to dividends received from South African solar power plant
7. FY’19 net profit slightly up (+4%) despite high level of non recurring income recorded in FY’18
Significant increase in EBITDA of the continuing operations (Electronics)

- FY’19 EBITDA up 68% vs FY’18
- FY’18 EBITDA was including:
  - €2.9m resulting from one-off royalties and IP revenue
  - €7.5m one-off R&D subsidy
Strong cash generation from operating activities

<table>
<thead>
<tr>
<th></th>
<th>FY'19</th>
<th></th>
<th>FY'18</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Continuing operations</td>
<td>Discounted operations</td>
<td>Total</td>
<td>Continuing operations</td>
</tr>
<tr>
<td>Net profit</td>
<td>89.9</td>
<td>0.3</td>
<td>90.2</td>
<td>92.1</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>24.6</td>
<td>-</td>
<td>24.6</td>
<td>18.6</td>
</tr>
<tr>
<td>Other items</td>
<td>37.8</td>
<td>(2.8)</td>
<td>35.0</td>
<td>(20.1)</td>
</tr>
<tr>
<td>EBITDA</td>
<td>152.3</td>
<td>(2.5)</td>
<td>149.8</td>
<td>90.6</td>
</tr>
<tr>
<td>R&amp;D redeemable advance reversal to income</td>
<td>0.2</td>
<td>-</td>
<td>0.2</td>
<td>(4.8)</td>
</tr>
<tr>
<td>Change in working capital</td>
<td>(93.2)</td>
<td>0.3</td>
<td>(92.9)</td>
<td>(45.8)</td>
</tr>
</tbody>
</table>

Net cash generated by / (used in) operating activities:

|                          | 59.3         | (2.2)           | 57.1         | 40.0            | (4.9)               | 35.1           |

1. FY'19 depreciation and amortization up to:
   - Continuous investments
   - Dolphin acquisition
   - First application of IFRS 16

2. FY'18 other items include:
   - €3.8m impairment reversal related to Bernin II
   - €4.0m share-based payment expense
   - €25.4m related to the recognition of deferred tax asset over tax loss carry forwards

3. FY'19 other items include:
   - €18.0m share-based payment
   - €10.9m income tax
   - €8.1m negative financial result

4. Increase in FY'19 WCR:
   - Higher level of activity
   - Low bulk inventories at opening
   - Significant FD-SOI delivery towards closing
   - Application of IFRS 15 (€5.1m impact)
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Solid increase in cash position

Net change in cash = +€55.3m

Cash and cash equivalents at 31 March 2018: 120.0

Net cash generated by continuing activities: +59.3

Net cash used in continuing activities: 120.7

2023 OCEANEs (net proceeds): +147.6

Loan repayment and other financing activities: (32.5)

Cash generated by discontinued activities: 1.0

Net impact of Forex fluctuations: +0.6

Cash and cash equivalents at 31 March 2019: 175.3

In €m
### A much strengthened balance sheet

<table>
<thead>
<tr>
<th></th>
<th>In €m 31 March 2018</th>
<th>In €m 31 March 2019</th>
<th>In €m 31 March 2018</th>
<th>In €m 31 March 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intangible assets</td>
<td>8.2</td>
<td>38.5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tangible assets and other non current assets</td>
<td>207.3</td>
<td>334.5</td>
<td></td>
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</tr>
<tr>
<td><strong>Total non-current assets</strong></td>
<td><strong>215.5</strong></td>
<td><strong>373.0</strong></td>
<td></td>
<td></td>
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<tr>
<td>Current assets</td>
<td>120.3</td>
<td>257.5</td>
<td></td>
<td></td>
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<tr>
<td>Cash and cash equivalents</td>
<td>120.0</td>
<td>175.3</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td><strong>240.2</strong></td>
<td><strong>432.8</strong></td>
<td></td>
<td></td>
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<tr>
<td>Assets held for sale and discontinued</td>
<td>24.0</td>
<td>16.7</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>479.7</strong></td>
<td><strong>822.5</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total equity</td>
<td></td>
<td></td>
<td>278.6</td>
<td>398.3</td>
</tr>
<tr>
<td>Long-term financial debt</td>
<td>59.6</td>
<td>199.2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provisions and other non-current liabilities</td>
<td>11.5</td>
<td>21.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total non-current liabilities</strong></td>
<td><strong>71.1</strong></td>
<td><strong>220.6</strong></td>
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<td></td>
</tr>
<tr>
<td>Short-term financial debt</td>
<td>18.6</td>
<td>22.6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current liabilities</td>
<td>99.2</td>
<td>174.8</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td><strong>117.8</strong></td>
<td><strong>197.4</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Liabilities from discontinued operations</td>
<td>12.2</td>
<td>6.2</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total liabilities and equity</strong></td>
<td><strong>479.7</strong></td>
<td><strong>822.5</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
A solid financial position

- **Shareholders’ equity (€m)**
  - 31 March 18: 279
  - 31 March 19: 398

- **Gross debt (€m)**
  - 31 March 18: 222
  - 31 March 19: 78

- **Cash and cash equivalent (€m)**
  - 31 March 18: 120
  - 31 March 19: 175

- **Net cash position (€m)**
  - 31 March 18: 42
  - 31 March 19: -47

1. **Equity reinforced by €120m:**
   - +€90m retained FY’19 earnings
   - +€20m recognized as equity out of the €150m 2023 OCEANEs bonds issue
   - +€18m related to share-based payments
   - +€7m forex adjustments
   - -€11m revaluation of hedge instruments fair value

2. **Gross debt increased by €144m:**
   - +€130m recognized as debt out of the €150m 2023 OCEANEs bonds issue
   - -€29m redeemed credit lines
   - +€22m finance lease
   - +€6m 1st application of IFRS 16
   - +€8m put option granted to the minority shareholder of Dolphin
Guidance for FY’20

- FY’20 sales expected to grow by around 30% at constant exchange rates and perimeter:
  - Sustained demand expected in RF-SOI 200mm and Power-SOI: Bernin I to operate at full capacity + Simgui outsourcing
  - Further growth expected in RF-300mm and FD-SOI: Bernin II expected to operate at full capacity in the early part of FY’20

- FY’20 Electronics EBITDA margin expected at around 30% of sales, a very solid level
  - Based on € / $ rate at 1.13 (EBITDA sensitivity to € / $ rate : +/- 10cts = +/- €23m)
  - Less favorable product mix and bulk material costs
  - Singapore costs to increase whereas sales will remain marginal
  - Dilutive impact of Simgui outsourcing

- FY’20 capex planned at approx. €130m, including further investments in capacity projects related to existing industrial sites:
  - Bernin II: continue extending the existing building with a view to subsequently increase capacity by 350k wafers (300mm) vs. previous indication of +150k wafers
  - Bernin III: start investments to build capacity in POI wafers (engineered substrates for filters – 150mm)
  - Singapore: progressively increase capacity with a view to potentially reach 1,000k wafers (300mm) vs. previous indication of 800k wafers
Full Fab Financial Model

- **Capacity raised to:**
  - Bernin I (200mm for RF and Power) : 950,000 wafers
  - Simgui (200mm for RF and Power) : 360,000 wafers
  - Bernin II (300mm for all products) : 1,000,000 wafers
  - Singapore (300mm for RF and FD) : 1,000,000 wafers
  - Bernin III (150mm for POI) : 400,000 wafers

- **Key financials with all fabs operating at full capacity:**
  - Sales ~$1,600m
  - EBITDA ~€450m at $/€ rate of 1.13 (sensitivity 10cts = €45m)
  - EBITDA margin ~32%

- **Capex to reach full capacity:**
  - Total capex ~€700m including €550m for capacity extension
  - Split 50/50 between Bernin and Singapore
Soitec, an amazing journey

Bernard Aspar
EVP Global Business Units
“Profitable growth driven by content increase and broader products portfolio”
Key messages

1. A new organization to deliver high value products and generate profitable growth

2. 6 x Business Units focused on strategic end markets/applications

3. Ecosystem partnerships to benefit from market pull opportunities

4. Agility to react on market demand and customer requirements

5. Focus on end markets where engineered substrates can become standards
Soitec leadership expansion in multiple markets

**FY24 SAM***
~1.6-2.4 Billion $
4G/5G – Auto – IoT – Cloud

New products:
> 500 M$ SAM* in FY24
5G – Auto – Sensors

New opportunities:
>1 Billion $ SAM*
Displays – Auto – Imaging…

CAGR ~15-25% between FY19-24

* Source: Soitec market estimates in FY24
A broad product portfolio of engineered substrates

PROCESSOR & CONNECTIVITY SOC
- FD-SOI: For power-efficient integration of digital/analog/RF

RF FRONT-END MODULE
- RF-SOI: For highly efficient mobile communication

POWER
- Power-SOI: For high voltage device integration

PHOTONICS
- Photonics-SOI: For high perf. photonics device integration into silicon

IMAGERS
- Imager-SOI: For improved imager performance in NIR

PIEZO-ON-INSULATOR
- POI: For high performance 5G filters

PIEZOELECTRIC & COMPOUND PRODUCTS
- GaN: For radio frequency (RF) 5G and power systems

Silicon-On-Insulator products
Piezo & compound products
A complete product portfolio for handsets & base station communication

**5G HANDSET ARCHITECTURE**

- **PA**: Power Amplifier
- **LNA**: Low Noise Amplifier
- **GaN**, **RF-SOI**, **FD-SOI**, **POI**, **Antenna Tuner**

**5G HANDSET ARCHITECTURE**

<table>
<thead>
<tr>
<th>Component</th>
<th>&lt;6GHz mmW</th>
<th>&lt;6GHz mmW</th>
<th>mmW</th>
<th>mmW</th>
<th>mmW</th>
</tr>
</thead>
<tbody>
<tr>
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<tr>
<td><strong>PA</strong></td>
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<tr>
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<tr>
<td><strong>GaN</strong></td>
<td>✓</td>
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<tr>
<td><strong>Antenna Tuner</strong></td>
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<td>✓</td>
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<td><strong>Antenna Switch</strong></td>
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<td><strong>Filter</strong></td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

**Notes:**
- RF-SOI and FD-SOI are technologies used in communication systems.
- POI likely refers to a Power Output Indicator or similar functionality.
- GaN stands for Gallium Nitride, a material used in high-power electronics.
RF-SOI: an industry standard for Front-End Module (FEM)

Product description

- RF-SOI is present in 100% of smartphones
- RF-SOI is a standard for RF FEM components (antenna tuners, switches, LNAs, PAs)
- RF-SOI is a unique platform for FEM integration
- RF-SOI provides inherent isolation and signal integrity for LTE and 5G
- Best in class performance per cost

Value proposition

A solid product roadmap to cover all RF FEM components

- RF-SOI is present in 100% of smartphones
- RF-SOI is a standard for RF FEM components (antenna tuners, switches, LNAs, PAs)
- RF-SOI is a unique platform for FEM integration
- RF-SOI provides inherent isolation and signal integrity for LTE and 5G
- Best in class performance per cost
Soitec leveraging RF ecosystem

<table>
<thead>
<tr>
<th>Foundries</th>
<th>RF IC / FEM manufacturers</th>
<th>Chipset makers</th>
<th>Phone makers</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt; 12 SOI Foundries</td>
<td><strong>Switch</strong></td>
<td>Qualcomm, MediaTek, Samsung, vivo, MI</td>
<td>Apple, Samsung, Vivo, MI</td>
</tr>
<tr>
<td></td>
<td><strong>Antenna Tuner</strong></td>
<td>TDA, Qualcomm, Qorvo</td>
<td>Oppo, Lenovo, Huawei</td>
</tr>
<tr>
<td></td>
<td><strong>PA</strong></td>
<td>TDA, Qualcomm, Qorvo</td>
<td>Huawei, ZTE, Ericsson</td>
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<td></td>
<td><strong>Filter</strong></td>
<td>TDA, Qualcomm, Qorvo</td>
<td>Huawei, ZTE, Ericsson</td>
</tr>
</tbody>
</table>
RF-SOI growth drivers & market outlook

- <6GHz
  - 4GLTE advanced Pro and 5G Cellular RF Front-End
  - 5G sub 6GHz Massive MIMO RF Front-End
  - Wifi and IoT RF Front-End

- >10GHz
  - 5G mmW RF Front-End cellular and infrastructure
  - Satellite Com Infrastructure RF Front-End
  - Machine-to-Machine Connectivity RF Front-End

RF-SOI SAM in million wafers (200mm eq.)

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY19</td>
<td>1.4</td>
</tr>
<tr>
<td>FY24</td>
<td>2.6</td>
</tr>
</tbody>
</table>
FD-SOI
Soitec FD-SOI: Versatile platform to connect the unconnected

**Soitec FD-SOI - Versatile platform to connect the unconnected**

**Early adopters**

- **SAMSUNG**
  - 28nm
  - 18nm
  - 22nm
  - 12nm

- **ST**
  - 28nm

- **REnesas**
  - 65nm

**Customer requirements**

- **5G Networks**
  - Wide bandwidth
  - RF / Digital integration

- **Automotive**
  - Reliability
  - High-voltage integration

- **Mobile**
  - Manufacturability
  - Low (energy) leakage

- **Edge AI**
  - Performance computing
  - Reconfigurability

- **IoT**
  - Cost efficiency
  - Battery efficiency

**FD-SOI success factors**

- **Integration**
  - Reduced components
  - Seamless packaging

- **Size**
  - Thick RF metal
  - Planar Beyond 28nm

- **Manufacturing**
  - Large volume (300mm)
  - Fewer mask layers

- **Robustness**
  - Less (digital) errors
  - Error (Body-Bias) tuning

- **Opportunities**
  - AI-Aware Design
  - All-in-One platform Sol’n
FD-SOI: best trade-off to integrate Digital/Analog/RF...

<table>
<thead>
<tr>
<th>Key features</th>
<th>Techno capability</th>
<th>Smartphones</th>
<th>Automotive</th>
<th>IoT</th>
<th>AI</th>
<th>Networks</th>
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</thead>
<tbody>
<tr>
<td>Core logic scalability</td>
<td>PhFET</td>
<td>Display drivers</td>
<td>ADAS Level 3x</td>
<td>LP connectivity</td>
<td>ASICs/MPU</td>
<td>Satellite Internet</td>
</tr>
<tr>
<td>Energy efficiency</td>
<td>Planar Bulk</td>
<td>5G mmWave RNC</td>
<td>Infotainment</td>
<td>Single-chip IoT</td>
<td>LP FPGA</td>
<td>5G base stations</td>
</tr>
<tr>
<td>RF transceivers &lt;6GHz</td>
<td>FD-SOI</td>
<td>ISP</td>
<td>Radars</td>
<td>Microcontroller</td>
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<tr>
<td>NRE/Cost</td>
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<td>High voltage</td>
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<tr>
<td>RF transceivers mmW</td>
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<tr>
<td>High performance analog</td>
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<tr>
<td>Efficient RF CMOS amplifier</td>
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<tr>
<td>Robustness</td>
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</tbody>
</table>

Integration Platform
FD-SOI body bias: leveraging substrate architecture to enable transistor performance on-demand

- Dolphin Design providing IP solution to fabless to master power management

- FD-SOI body biasing deployed as main pillar
KEY POINTS

- FD-SOI is a versatile platform to integrate multiple functions such as digital, analog, RF, high voltage...into one system-on-chip
- FD-SOI is now ramping into multiple applications (automotive, AIoT, connectivity, micro-controller,...)
- Soitec product roadmap supports technology node down to sub-12 nm

A MULTI-MILLION WAFER MARKET OUTLOOK FOR FY24

FD-SOI SAM in Million wafers (300mm eq.)

- FY24 low case: 1.3
- FY24 high case: 3.0

Source: Soitec estimates
Specialty SOI products

POWER
- Power-SOI
  For high voltage device integration

PHOTONICS
- Photonics-SOI
  For high perf. photonics device integration into silicon

MEMS
- MEMS-SOI
  For advanced sensing

IMAGERS
- Imager-SOI
  For improved imager performance in NIR
Specialty SOI: SMART POWER

Product description

Value proposition

HIGH RELIABILITY

PERFORMANCE
- Excellent electrical isolation
- Higher temperature operation
- Multiple voltage domain integration (digital/analog/high voltage)
- Ease of design for IC protection

COST
- Smaller die size

Growth drivers & outlook

Power-SOI footprint expected to rise further in automotive
- In-Vehicle Networking
- Infotainment
- Power train

~140 mm² of Power SOI content in car in 2024

Power-SOI SAM in FY24
~900 k wafers (200 mm eq.)
**Product description**

Integration platform for complex optical function using CMOS fab

- High speed modulation compliant
- Low loss wave guide

- Scalable solution for:
  - integration
  - performance
  - cost

**Value proposition**

**Ecosystem & TAM**

- Silicon photonics growth drivers:
  - Data center traffic
  - Optical transceivers for data rate >= 100G/s
  - Optical chip-to-chip interconnect
  - Quantum computing

Photonics-SOI SAM in FY24
~100 k wafers (300 mm)
Piezo-electric-on-Insulator
Piezo-On-Insulator to enable new generation of filters

**Product description**

- **Mono-crystal LiTaO₃**
- **Buried Oxyde**
- **High Resistivity Silicon**

**POI:** Thin piezo layer on oxyde on high resistivity silicon

Enable manufacturing of high performance surface acoustic wave (SAW) filters

**Growth drivers & market outlook**

Among all RF devices, **filters** will:

- grow the fastest with ~15-20% CAGR till 2022
- account for ~60% of the overall RF component market

![Bar chart showing growth drivers and market outlook](chart.png)

Source: Yole, Bernstein estimates and analysis
Piezo-On-Insulator enabling new generation of filters

Value proposition

<table>
<thead>
<tr>
<th>Requirements</th>
<th>Impact</th>
<th>Soitec value proposal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Data rates up to 20Gb/s</td>
<td>High frequencies</td>
<td>High quality factor</td>
</tr>
<tr>
<td></td>
<td>Larger bandwidth</td>
<td>High temperature stability</td>
</tr>
<tr>
<td></td>
<td>Band density</td>
<td>Low loss filters</td>
</tr>
<tr>
<td></td>
<td>Battery life</td>
<td></td>
</tr>
<tr>
<td>Up to 100 filters per smartphones</td>
<td>Component density</td>
<td>Filter integration</td>
</tr>
<tr>
<td></td>
<td>Power dissipation</td>
<td>Better thermal conductivity</td>
</tr>
<tr>
<td>Fast ramp to volume</td>
<td>Quick product design</td>
<td>Design acceleration with frec</td>
</tr>
<tr>
<td></td>
<td>High volume manufacturing</td>
<td>Dedicated fab for POI</td>
</tr>
<tr>
<td></td>
<td></td>
<td>HVM demonstrated on RF-SOI</td>
</tr>
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</table>

Filters competitive environment

<table>
<thead>
<tr>
<th></th>
<th>SOITEC POI</th>
<th>SAW</th>
<th>TC SAW</th>
<th>BAW</th>
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</thead>
<tbody>
<tr>
<td>High quality factor</td>
<td>✔</td>
<td>✗</td>
<td>✗</td>
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<td>High temperature stability</td>
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<tr>
<td>Cost</td>
<td>✗</td>
<td>✔</td>
<td>✔</td>
<td>✗</td>
</tr>
</tbody>
</table>

- Several product qualifications ongoing

POI SAM in FY24 ~1 Million wafers (150 mm)
EpiGaN
External growth strategy: expand core business
May, 2019 - Soitec acquires EpiGaN to accelerate engineered substrates penetration in booming 5G and Power markets

EpiGaN at a glance
- Start-up founded in 2010 as a spin-off from IMEC
- Widely recognized for its strong expertise in GaN for several years
- Technology ready and optimized for 5G broadband network applications

Strategic rationale
- Creation of a unique and comprehensive offering for 5G
- Similar market and RF customer base
- Expansion of Soitec’s product portfolio beyond silicon (SOI) into Gallium Nitride (GaN) technology

Outlook
- EpiGaN is now integrated as one of Soitec’s business units
- Focus on 5G application initially
GaN epi wafers: leading technology for 5G

- Cellular base stations (>5W power amplifier)
  GaN - becoming mainstream for 4G / 5G <6Ghz and mmW

- Cellular handset (<3W Power amplifier)
  GaAs – Mainstream technology for 4G / 5G <6Ghz
  GaN – advantage for 5G mmW

Market outlook

EpiGaN SAM in FY24
~300 k wafers (150mm eq.)

Future opportunities on power automotive & sensors
Compounds
InGaNOS – A new approach with engineered substrates for a huge display market

**Technology**

Proven technology for InGaN red LEDs

50x50 µm² red microLED fabricated on Soitec substrate

**Value proposition**

Better red efficiency at micrometer-scale than phosphide

Same InGaN material for blue, green and red LEDs

Technology scalable to 200 mm

**Wafer volume projection**

InGaNOS TAM in FY24

>4 Million wafers (150 mm)
SiC power devices
Rapidly-growing market, driven by automotive EV

- Electric Vehicles

Soitec positioning and value proposition

Supply chain:
- Enable high volumes of SiC supply
- Enable faster transition to 200 mm (limited CAPEX and lower volume for SiC needed)

Devices performance:
- Higher yield

SiC TAM within next decade
>multi-million wafers per year (200 mm)
Global Business Units

Key messages
Profitable growth, driven by strong product value in growing markets

**SOI products SAM (M wafers eq. 300 mm)**
+ 20% to +30% CAGR between FY19 and FY24

**New products SAM (M wafers eq. 150 mm)**
> 1M wafers in FY24
Global Business Units – Key points

- SOI core business (revenue) growing at 15-25% CAGR from FY19 to FY24
  - Strong RF-SOI growth driven by continuous content increase
  - FD-SOI ramping through multiple applications (mobile, automobile, IoT)
  - Solid Specialty SOI business through Power-SOI, Photonics-SOI,…

- New products to fuel additional growth
  - POI as a key solution for filters
  - EpiGaN focusing on RF

- New market opportunities in compound semiconductors (SiC, InGaNOS…)
“Soitec product portfolio strategically enables innovations required by growing and emerging markets”
Soitec, an amazing journey

Christophe Maleville
Chief Technology Officer
Innovation for semiconductor industry

« Innovate to pioneer right materials options to solve our customers’ challenges and create differentiation »
INNOVATION ECOSYSTEM AT SOITEC
Innovation drivers and assets

People
IP
Collaboration

SOITEC IN THE TOP 50 OF FRENCH PATENT APPLICANTS INPI RANKING OVER THE PAST 2 YEARS
Innovation is key in the value chain
INNOVATION ROADMAP
Three main directions for innovation

More than Moore: diversification

- Analog/RF
- Passives
- HV Power
- Sensors
- Actuators
- Biochips

More Moore: miniaturization

Baseline CMOS: CPU, Memory, Logic

Beyond CMOS

Combining SoC and SiP: higher value systems

2.5D, 3D
Innovation at Soitec: New substrate technologies

Improvised processes

Engineered Substrates
Anything on anything

Smart Cut™

New materials

Device Layer:
Silicon, Strained Silicon, Germanium, III-V…

Buried Insulator: SiO2, ONO…

Handle Substrate:
CZ Silicon, High-resistivity Si, Sapphire, Glass

New structures

Smart Stacking™

Epitaxy

Compound Semi.

New segments
Product portfolio: addressing market growth
SOITEC TECHNOLOGY

Revolutionary Smart Cut™
- A mature technology benefiting from 25 years of innovation

Beyond SOI
- New materials to support emerging markets
- Smart Cut SIC technology

Other core technologies
- Compound engineered substrates
- Core technologies for substrate engineering
- Advanced substrate technologies roadmap
- Concrete applications
Revolutionary Smart Cut™ - A mature technology

TECHNOLOGY

- Industrial manufacturability of SOI – high yield
- Drastical improvement of uniformity & quality
- Re-use of donor wafer increases cost efficiency
- Flexibility of material integration

1. Initial silicon
2. Oxidation
3. Implantation
4. Cleaning and bonding
5. Splitting
6. Annealing and CMP touch polishing
7. Donor wafer becomes new wafer A

SOI wafer

Functional/insulator layer

Base wafer = mechanical support
Silicon or easy to handle & active

Active layer
Benefiting from 25 years of SOI innovation

- Thick silicon:
  - > 200 nm, +/- 15 nm
  - 120 nm, +/- 5 nm
  - 88 nm, +/- 2.5 nm
  - 12 nm, +/- 0.5 nm
  - <10 nm, +/- 0.4 nm

- Atomic level control:
  - 150 mm
  - 200 mm
  - 300 mm

- Nodes:
  - 1997, 0.25µm
  - 2002, 45 nm
  - 2007, 32 nm
  - 2012, 28 nm
  - 2017, 12 nm
  - 2022, 7 nm
Soitec technology beyond SOI

- Silicon On Sapphire
- Piezo On Insulator
- InGaN On Sapphire
- InP On GaAs
- GaAs on Silicon
- SiC on pSiC
- Silicon On Quartz
- SiGe on Silicon
- GaN on Sapphire
- Ge on Silicon
- InP on Silicon

- Advanced R&D on material diversification
- Value creation through materials engineering and early feasibility demonstration
- Ready for quick product deployment to meet time-to-market
Silicon Carbide: Smart Cut technology

- Smart-Cut tuned with conductive bonding
- 150mm capability, 200mm in preparation
- Wafer refresh strategy leading to cost-efficient manufacturing
**SiC: New substrate development**

- Leverage Soitec’s technology to develop a new SiC engineered substrate
- Current focus on **6-inch SiC new substrate technology** (Smart Cut™ of SiC already demonstrated in 3-4 inch in 1999)
- Sampling 150mm for device development / developing 200mm

Smart SiC expected advantages:

Smart SiC vs bulk = lower wafer cost, lower capex, higher yield
Compound engineered substrates
Leveraging Smart Cut™ for non-Si substrates

- **Soitec’s InGaNOS substrate**
  - High efficiency red & green microLEDs
  - Micrometer-scale LEDs
  - High resolution displays

- **Soitec’s InP epi-ready substrate**
  - Handle substrate GaAs or Si
  - Photonics integration opportunity
Core technologies for substrate engineering

Smart technologies
- Smart Cut™
- Smart Stacking™
- Epitaxy expertise
- Modeling & simulation
- Characterization & metrology

Technology platform
- RF-SOI
- FD-SOI
- POI Filter
- Power
- MEMS (thin membrane)
- 3D stacking
- Flexible Electronics
- Compound semiconductors
Thin crystalline membranes through Smart-Cut™

- Dense arrays
- Frequency resolution

40 x 40μm² cavities – 200mm
3D layer stacking by Smart Cut™
Recent demonstrations

IEDM2018 CoolCube

VLSI2018 3D sequential stacked planar devices
PARTNERING FOR BROADER ENGINEERED SUBSTRATES INNOVATION
Partnering within leading innovation platforms

- Expanding our R&D depth while keeping compatibility with internal R&D corridors
- Early prototyping, focus on lead time and quality
- Accessing new ideas, disruptive process improvements, larger expertise
Substrate Innovation Center

Become a worldwide center of technological excellence in the semiconductor ecosystem

Integrate major actors to increase the capabilities for advanced substrates development and prototyping
Conclusions
From technology to products roadmap

- Balanced innovation process between technology and product focus
- Product life cycle synchronized with time-to-market requirements
Innovation – Key points

- Soitec has solid foundations for business driven innovation with right time-to-market
- Soitec technologies enable new engineered substrates to support end customers’ system roadmap
- Strong collaboration across leading innovation platforms to ensure fast track from path finding to product
Soitec, an amazing journey

Cyril Menon
EVP Operations
Cyril MENON
Executive Vice-President Operations

An agile and scalable manufacturing model to support growth

1. An efficient organization
2. A global multi-site industrial footprint
3. An agile and scalable manufacturing
4. Integration of CSR strategy into operations
Operational excellence deployment to new sites/geographies

- Bernin 3 Manufacturing
  - Production
  - Maintenance
  - Process
- Bernin 1 Manufacturing
  - Production
  - Maintenance
  - Process
- Bernin 2 Manufacturing
  - Production
  - Maintenance
  - Process
- Pasir Ris 1 Manufacturing
  - Production
  - Maintenance
  - Process
- Hasselt Manufacturing
  - Production
  - Maintenance
  - Process

Facilities Bernin

- Engineering
  - Yield management
  - Industrialization
  - Fab technology transfer

Facilities Singapore

Operational supply
Logistics & warehouse

Facilities Hasselt

Accelerate volume increase by bringing together the industrialization and manufacturing teams

Ensure our customers the same level of operational excellence on each of our production sites

Replicate our ability to perform aggressive ramp-up
A global multi-site industrial footprint

**Bernin 2, Pasir Ris**
- Total 300-mm capacity → 0.9 M wafers/y.
  - by FY’20
- Soitec Bernin 1, France – HVM
  - 950K wafers/y. capacity

**Bernin 1, Simgui**
- Total 200-mm capacity → 1.3 M wafers/y.
  - by FY’20
- Soitec Bernin 3, France – Ready HVM
  - 15K wafers/y. capacity with plan to extend to 400K

**Bernin 3**
- Total 150-mm capacity → potential of 0.4M wafers/y.
- EpiGaN Hasselt, Belgium

**Soitec Bernin 2, France – HVM**
- 650K wafers/y. capacity with plan to extend to 1M

**Simgui, China – HVM**
- 180K wafers/y. capacity going to 360K wafers/y.

**Pasir Ris, Singapore – HVM**
- Planned capacity: 1M wafers/y.
A robust and efficient industrial organization

- 100% of our toolset uses standard equipment
- 150 engineers with various skills
- >80% work on shift to cover 365 days a year
- In-line scrap reduced by 30% in 2 years
- 800 employees in Bernin and Singapore manufacturing plants
- >90% of maintenance and support performed internally
Generating higher value through continuous improvement

**Industry 4.0 – smart sampling**
- Smart solution based on statistical data to identify the most relevant sample to inspect

**Automatic pattern recognition**
- Automatic learning solution to detect & classify defects

**Autonomous 200mm vehicle**
- Introduction of autonomous simple and scalable 200mm solution when productivity benefit make sense

**Agile ramp-up project management**
- Execute a project ramp through standard milestones tracking as well as integrate new process improvement
- Step-by-step decisions in order to manage agility versus product mix
From actions to KPIs

Cost per wafer 300mm

Operational excellence driving substantial process cost improvement

Soitec Bernin 2, ramp-up management

Ramp-up management

Y4 within 2 years

RF-SOI yield 300mm ramp-up

Yield 300mm RF over-performing 200mm RF in

18 months

Soitec Bernin, power consumption per wafer (Kwh/w)

Energy saving per wafer

-60% within 5 years
An agile manufacturing:
Ability to upgrade current capacities on various locations
300mm Singapore fab: multi-product & agile

Soitec, Pasir Ris 1, HVM

Status

- 80kwpys SOI capacity installed and qualified for both FD-SOI & RF-SOI
- Key material process steps (epitaxy for RF-SOI and refresh for SOI) are qualified and running HVM

Products manufactured in Singapore

- FD-SOI
- RF-SOI
- BULK Refresh
- BULK Epitaxy

Outlook

- SOI ramp-up has started early FY20
A scalable manufacturing:
300mm Bernin fab, preparing the next industrialization phase

Soitec, Bernin extension, France

French authorities support Nano 2022 → IPCEI* signature

Status & outlook

- Full investment to reach 650kwpy capacity in B2 has been implemented in the current building
- Develop & industrialize new products to support 5G application
- Extension will be able to increase 300mm Bernin capacity from 650K to 1000Kwafers/y
- Detailed engineering design has been delivered, ground breaking to be started in H2FY20

*IPCEI: Important Project of Common European Interest
Embedding corporate social responsibility (CSR) into operations

- **Reduce waste**
  - New in-situ methodology treatment induces a 2X reduction of external chemical waste treatment

- **Deploy best practices on various sites**
  - Bernin 1, 2 & 3 already certified
  - 100% renewable energy
  - Pasir Ris1 certified ISO9001 early CY19

- **Promote biodiversity on site**

- **Save/re-use energy**
  - Upgrade facilities infrastructure to:
    - collect energy & re-use it
    - implement system addressing reliability as well as energy saving
  - Leading to 60% energy savings per wafer within 5 years
Embedding CSR into operations & beyond

Gender equality - women representation: 33%

Promote Gender Equality
- Develop diversity and promote hiring of women
- Promote the development of women in the company
- Communicate through various newsletters, forums, articles.

Commitment to disabled workers: 5,8%

- Adapt site infrastructure to facilitate daily activities
- Organize a specific recruitment forum (LinkDay) to promote hiring of disabled workers
- Design workstation into various areas of the fabs

Low impact transport

Reduce environmental footprint of SOITEC activity by:
- Facilitating home office
- On-site electrical charging station
- Electrical bicycles on site
- Car pool promotion

Family & school days on Bernin site
**Operations – Key points**

- Agile and scalable operations - multi-products and multi-sites
- Support profitable growth and industrialization of innovative products
- Develop supply chain flexibility at competitive cost
- Maximize asset/fab utilization
CAPITAL MARKETS DAY

Conclusions

Paul Boudre
Chief Executive Officer
Ready to achieve our new ambition

Establish our leadership across all engineered substrates

OUTLOOK THROUGH OUR JOURNEY

2018/2019
Sales
€444m
EBITDA margin 34.3%

2019/2020
Sales
+30% PCC
EBITDA margin ~30%

2021/2022
Sales
~€900m*
EBITDA margin ~31%

*outlook based on €/$ at 1.13
Thank you

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