soitec

CAPITAL MARKETS DAY 2021

GEARING UP FOR EXTENDED AMBITIONS

Paris | June 10, 2021

DISCLAIMER

This document is provided by Soitec (the "Company") for information purposes only.

The Company's business operations and financial position are described in the Company's 2019-2020 Universal Registration Document (which notably includes the 2019-2020 Annual Financial Report) and in the Company's FY'21 half-year report released on November 19th, 2020. The Company's 2019-2020 Universal Registration Document was filed with the AMF. Both the Universal Registration Document and the half-year report are available on the Company's website in both French and English versions (www.soitec.com, in section "Company - Investors - Financial Reports").

Your attention is drawn to the risk factors described in Chapter 2.2 of the Company's 2019-2020 Universal Registration Document.

This document contains summary information and should be read in conjunction with the 2019-2020 Universal Registration Document and the FY'21 half-year report.

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 2.2 of the Universal Registration Document may have an impact on these forward-looking statements.

This document does not constitute or form part of an offer or a solicitation to purchase, subscribe for, or sell the Company's securities in any country whatsoever. This document, or any part thereof, shall not form the basis of, or be relied upon in connection with, any contract, commitment or investment decision.

Notably, this document does not constitute an offer or solicitation to purchase, subscribe for or to 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.

AGENDA

PART ONE

#01
VISION & OUTLOOK
Paul Boudre

#02
STRATEGY
Thomas Piliszczuk

#03
GLOBAL BUSINESS UNITS
Bernard Aspar

#04
INNOVATION
Christophe Maleville

Q&A
SESSION #1

BREAK

PART TWO

#05
OPERATIONS
Cyril Menon

#06
FINANCE
Léa Alzingre

Q&A
SESSION #2

CEO WRAP UP

soitec

01

VISION & OUTLOOK

PAUL BOUDRE
Chief Executive Officer

CEO KEY MESSAGES

STRATEGIC VISION FOR THE NEXT 5 YEARS

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

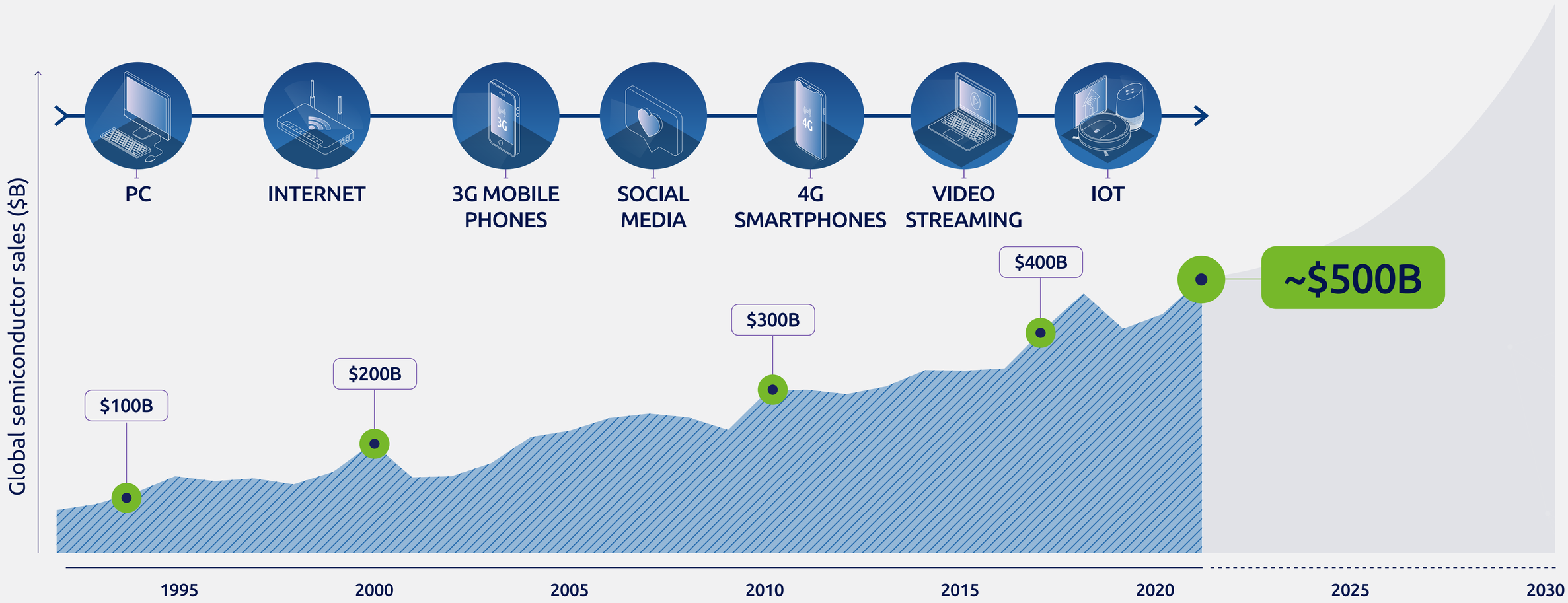
FINANCIAL MODEL FOR FY26

- 3x revenues to ~$2B
- ~35% EBITDA margin

SUSTAINABILITY SUPPORTS OUR VALUE CREATION STRATEGY

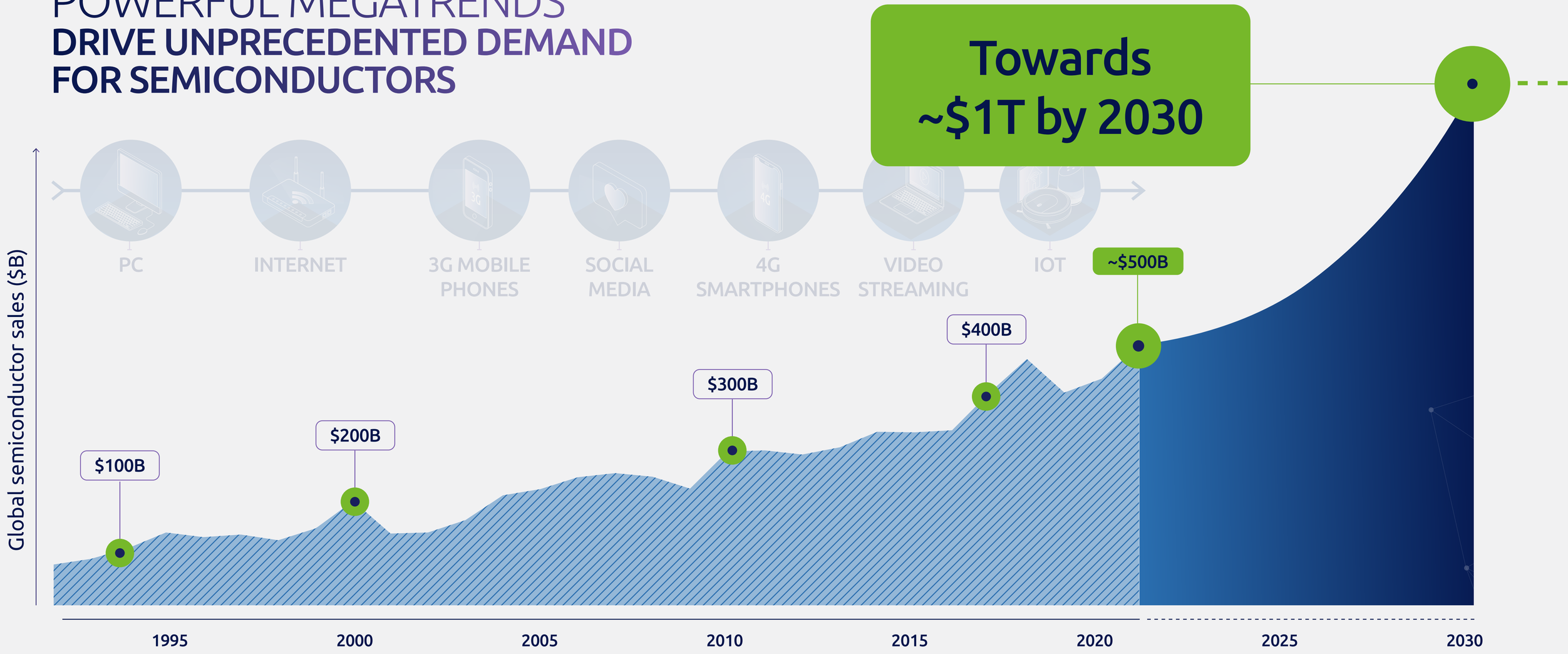
- Innovate towards a sustainable economy
- Act to become a corporate role model
- Leverage our inclusive and inspiring company culture

SEMICONDUCTORS HAVE TRANSFORMED OUR LIVES
FOR THE LAST 30 YEARS



Source: SIA, IBS

POWERFUL MEGATRENDS
DRIVE UNPRECEDENTED DEMAND FOR SEMICONDUCTORS



Source: SIA, IBS

POWERFU
DRIVE UNP
FOR SEMIC

PC

$100B

Global semiconductor sales ($B)

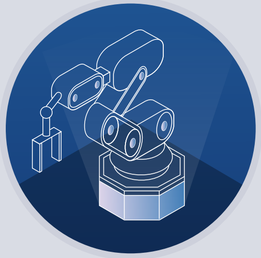
1995 2000 2005 2010 2015 2020 2025 2030

SEMICONDUCTORS MEGATRENDS

5G

ARTIFICIAL INTELLIGENCE

AUTONOMOUS & ELECTRIC VEHICLES



INDUSTRY 4.0

EDGE COMPUTING

WORK & LEARN FROM HOME

HEALTHCARE

SMART HOME & SMART CITIES

AR & VR

Source: SIA, IBS

SOITEC HAS BUILT A UNIQUE POSITION
IN THE VALUE CHAIN…

BULK MATERIALS

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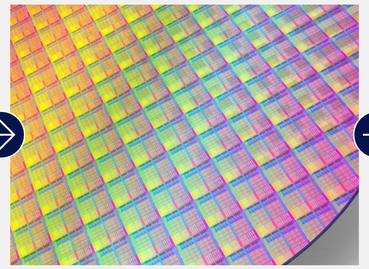
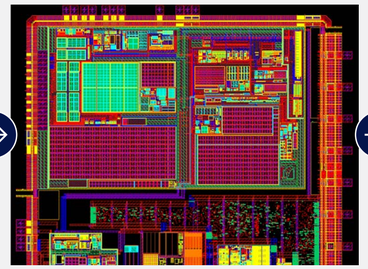
LEADING SUPPLIER

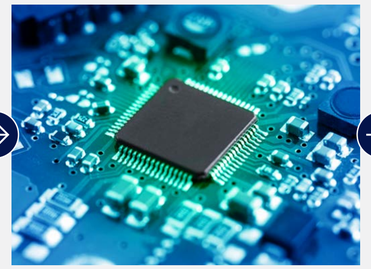
ENGINEERED SUBSTRATES



FOUNDRIES



DESIGN



FABLESS

END MARKETS

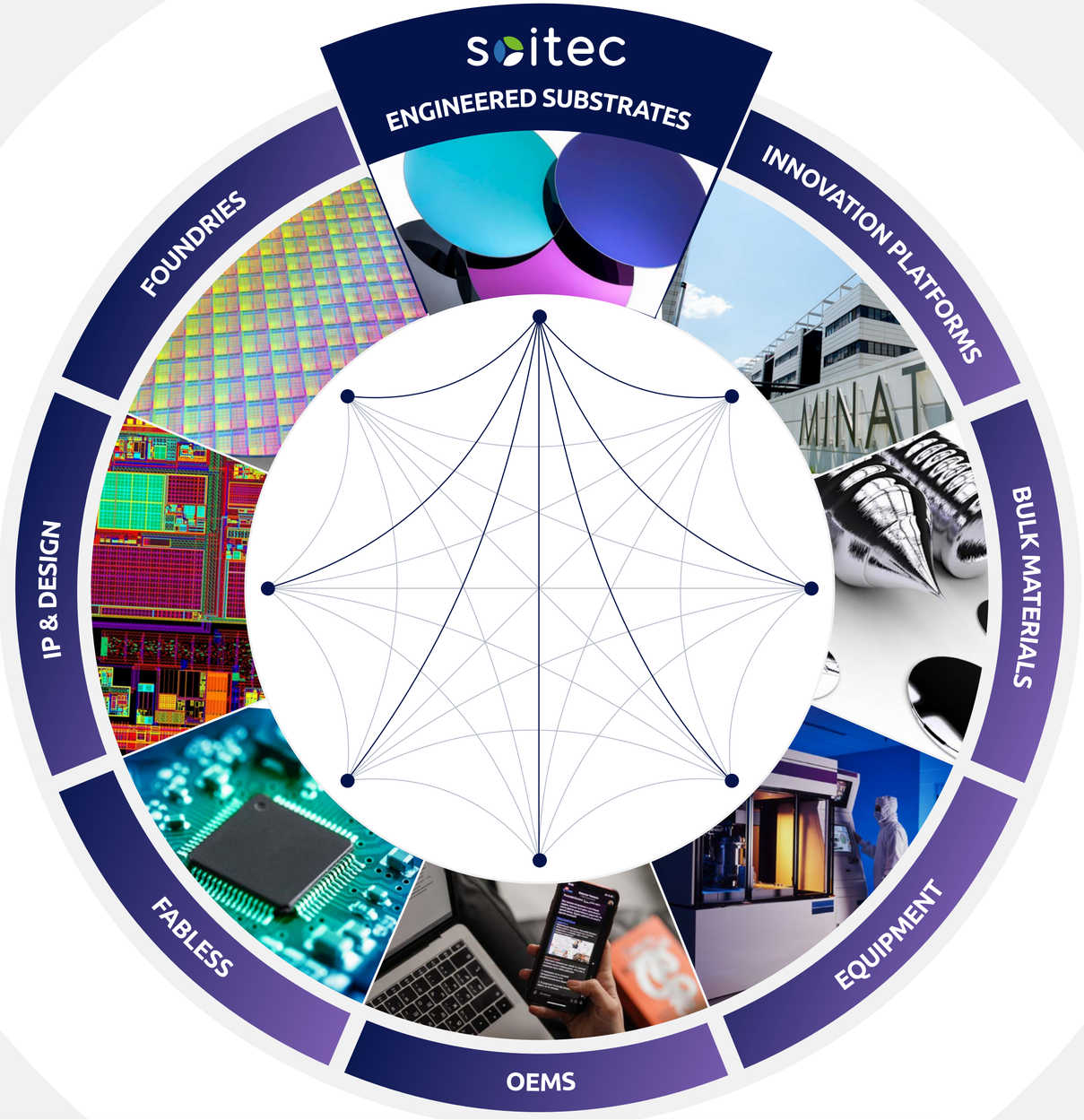
MOBILE COMMUNICATIONS

AUTOMOTIVE & INDUSTRIAL

SMART DEVICES

… LEVERAGING STRATEGIC PARTNERSHIPS

IN THE ENTIRE SEMICONDUCTOR ECOSYSTEM



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SOITEC DESIGNS SEMICONDUCTOR MATERIALS

TO MAKE THE WORLD…

MORE
CONNECTED

MORE
ENERGY EFFICIENT

MORE
INTELLIGENT

SOITEC ENGINEERED SUBSTRATES
MAKE THE WORLD

MORE
CONNECTED

3G FRONT-END MODULES FOR SMARTPHONES

4G FRONT-END MODULES FOR SMARTPHONES

GPS CHIPS FOR SMARTWATCHES

MOBILE NETWORKS BASE STATIONS

OPTICAL TRANSCEIVERS FOR HIGH-SPEED DATA CENTERS

RADARS FOR CONNECTED CARS

WI-FI 6(E) FRONT-END MODULES FOR MOBILE DEVICES

5G FRONT-END MODULES FOR SMARTPHONES

SOITEC ENGINEERED SUBSTRATES
MAKE THE WORLD

MORE
ENERGY EFFICIENT

- **SIC INVERTERS FOR ELECTRIC VEHICLES**
- **ULTRA-LOW POWER INFERENCE PROCESSORS FOR AI AT THE EDGE**
- **FAST CHARGERS FOR ELECTRIC VEHICLES**
- **BATTERY MANAGEMENT SYSTEMS FOR ELECTRIC VEHICLES**
- **HIGH EFFICIENCY POWER SUPPLIES AND CHARGERS FOR MOBILE DEVICES**
- **LOW-ENERGY AUDIO SOC FOR WIRELESS EARBUDS**
- **LOW POWER PROCESSORS FOR ALWAYS-ON IOT DEVICES**
- **AUDIO AMPLIFIERS FOR AUTOMOTIVE**

SOITEC ENGINEERED SUBSTRATES
MAKE THE WORLD

MORE
INTELLIGENT

- INDUSTRIAL ROBOTS
- MULTIMEDIA APPLICATION PROCESSORS FOR AUTOMOTIVE
- 3D IMAGE SENSORS FOR FACIAL RECOGNITION
- SMART HOME
- SPEECH RECOGNITION PROCESSORS FOR SMART SPEAKERS
- OPTICAL BIOSENSORS FOR SMART HEALTHCARE
- VISION PROCESSORS FOR AUTONOMOUS VEHICLES
- SMART CITY

SOITEC ADDRESSABLE MARKET
EXPECTED TO MORE THAN DOUBLE IN THE NEXT FIVE YEARS

~7 MILLION WAFERS ADDRESSABLE MARKET IN FY26

x2.5
GROWTH
FY 2021 - 2026

SOITEC SERVES 3 STRATEGIC END MARKETS

MOBILE COMMUNICATIONS

RF-SOI, FD-SOI, POI, GaN

AUTOMOTIVE & INDUSTRIAL

Power-SOI, FD-SOI, SiC, GaN

SMART DEVICES

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

SOITEC REVENUES
ARE EXPECTED TO TRIPLE IN THE NEXT 5 YEARS

~$2B EXPECTED REVENUE

$668M REVENUE

x3 INCREASE REVENUE

~15% SMART DEVICES

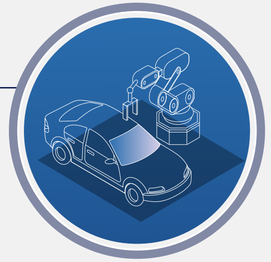
~10% AUTOMOTIVE & INDUSTRIAL

~75% MOBILE COMMUNICATIONS

FY21

FY26

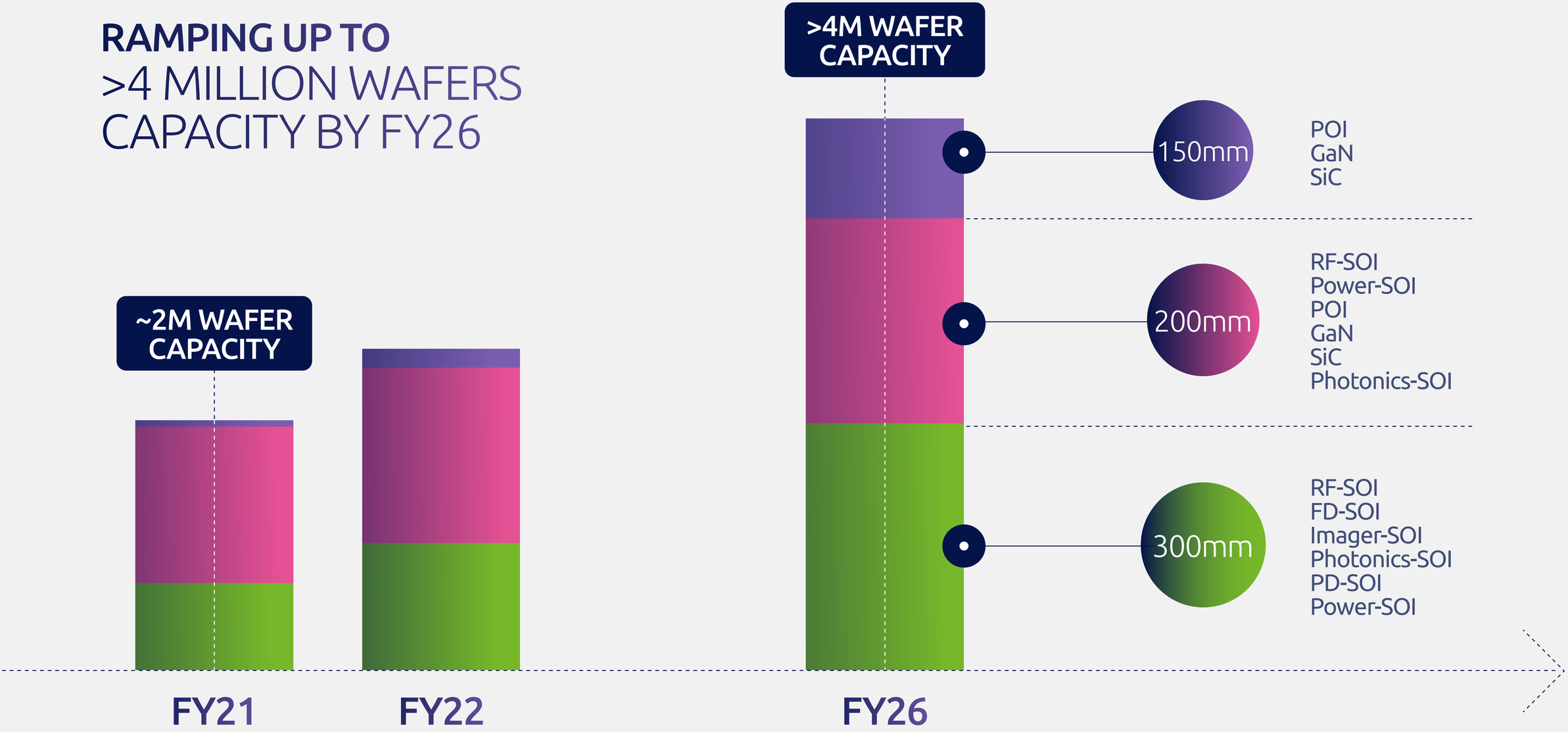
~15% SMART DEVICES



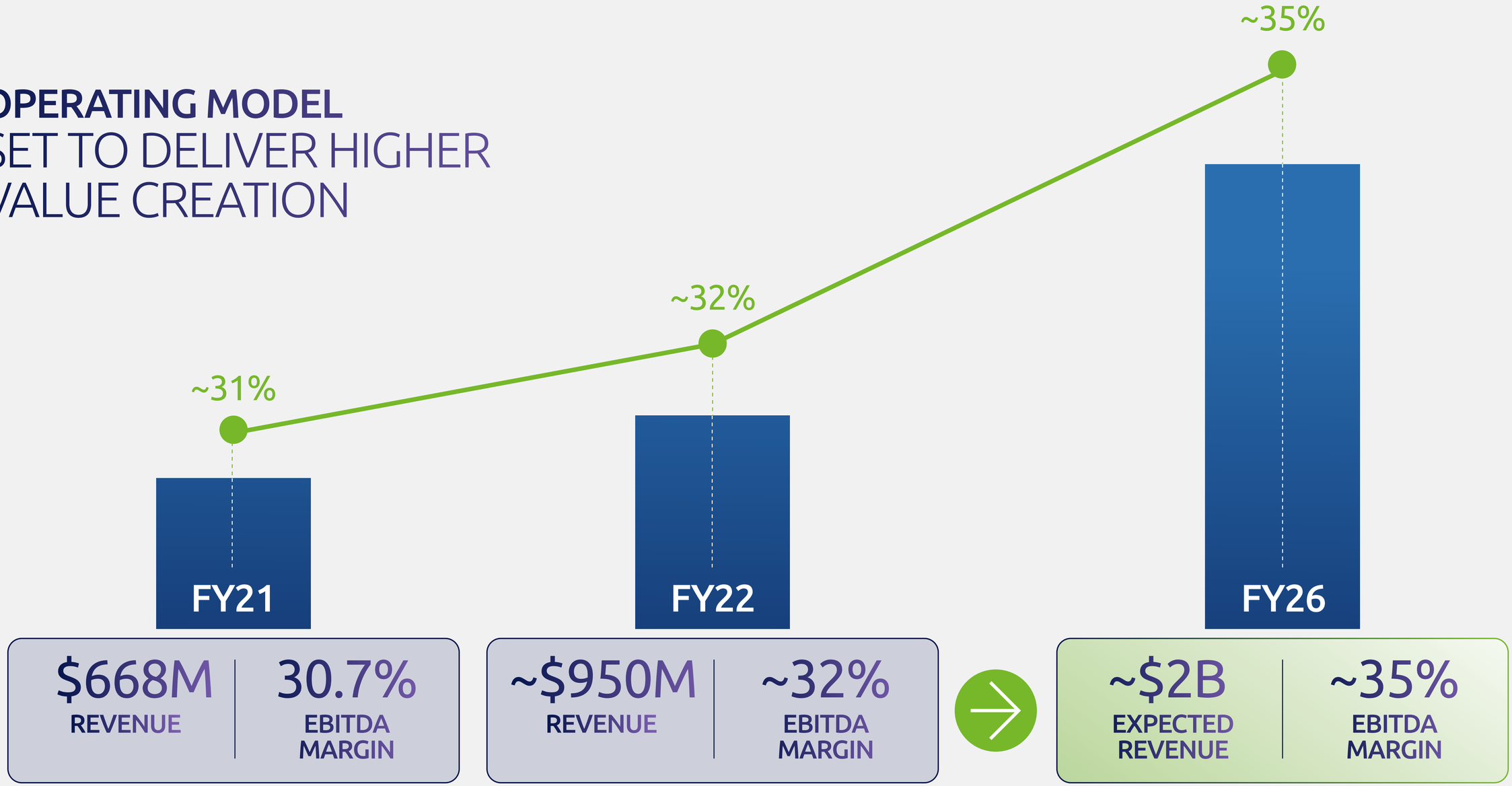
~20% AUTOMOTIVE & INDUSTRIAL

~65% MOBILE COMMUNICATIONS

RAMPING UP TO >4 MILLION WAFERS 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

INNOVATE TO DRIVE THE TRANSITION TO **A SUSTAINABLE ECONOMY**

EMBED ENERGY EFFICIENCY IN OUR PRODUCTS BY DESIGN

Soitec products save the yearly domestic energy consumption of a

1M

inhabitants city

ACT TO REDUCE OUR ENVIRONMENTAL FOOTPRINT

Engaged with the SBT* initiative to cut our carbon emissions in line with a

<1.5°C

pathway by 2026

Reducing water consumption, carbon emissions and increasing energy efficiency

Committed to protect biodiversity both on-site and off-site (eg. support for reforestation programs)

(*) Science Based Targets

ACT TO BECOME A ROLE MODEL **FOR A BETTER SOCIETY**

CROSS-FERTILIZE OUR ECOSYSTEM

PARTNERING

with universities and public institutions

SUPPORT LOCAL COMMUNITIES

100 young under 26 hired over the past year

SET HIGH ETHICAL STANDARDS FOR US AND FOR OUR BUSINESS RELATIONS

90%

of our strategic suppliers signed our Code of Good Conduct

LEVERAGE OUR INCLUSIVE AND INSPIRING **COMPANY CULTURE**

ADVANCING GENDER EQUALITY IN OUR INDUSTRY

94/100

FY21 gender equality index in France

EMBARK OUR EMPLOYEES AS SHAREHOLDERS

100%

of our employees eligible for free performance share in 2020

71%

of eligible employees invested in our last ESPP, all up to the legal ceiling

A GLOBAL MANAGEMENT TEAM TO EXECUTE **OUR VISION**

Bernard Aspar
COO -
GLOBAL BUSINESS

Paul Boudre
CEO

Léa Alzingre
CFO

Christophe Maleville
CTO

Cyril Menon
OPERATIONS

Pascal Lobry
PEOPLE AND SUSTAINABILITY

Steve Babureck
CORPORATE DEVELOPMENT & INVESTOR RELATIONS

Thomas Piliszczuk
STRATEGIC OFFICE

Yvon Pastol
CUSTOMER GROUP

Joséphine Deege-Mansour
LEGAL

Reiner Breu
QUALITY

Philippe Pellegrin
GLOBAL SOURCING & PROCUREMENT

02

STRATEGY

THOMAS PILISZCZUK
Executive Vice President Global Strategy

STRATEGY KEY MESSAGES

MAJOR MEGATRENDS

- **Driving semiconductor growth in the current decade**

ENGINEERED SUBSTRATES PLAY A KEY ROLE

- **Electronic systems need new semiconductor solutions**

SOITEC STRATEGY TO SET STANDARDS

- **Engage across entire value chain to set sustainable industry standards**

THE WORLD
IS CHANGING...

CLIMATE CHANGE
ENVIRONMENTAL DEGRADATION
ERODING HUMAN SECURITY

#01

DIGITAL ECONOMY

- Connected devices & Big data - cyber security, Smart Home and Cities
- 7/8 Top market capitalization are ICT companies

#02

LONGEVITY ECONOMY

- Telemedicine, Personalized, Embedded, Wearable
- US Healthcare IT: $150B by 2025 with 11% CAGR

#03

NET-ZERO ECONOMY

- Energy efficient Data Centers, Zero emission vehicle, Renewable energy
- Carbon neutral encompasses everything and everyone

#04

SHARING ECONOMY

- Cyber security, Biomedic, Mobile payment, E-commerce
- Market: $335B by 2025 for 5 key sharing sectors

IT'S ALL ABOUT…

MORE
CONNECTED

x5

125B
of connected devices in 2030

Source: Cisco

MORE
INTELLIGENT

x5

175ZB
of data volume in 2025

Source: Intel 2020

MORE
ENERGY EFFICIENT

x2

20%
of world's electricity consumed by ICT industry in 2025

Source: International Renewable Energy Agency, Tsunami of data , 2017

KEY MEGATRENDS DRIVE SEMICONDUCTOR GROWTH

5G
SMARTPHONES

x8

>1.6B
in 2030

GLOBAL PLATFORM

EDGE AI
AIoT OBJECTS

x150

>2.5B
in 2030

SMART EVERYTHING

ELECTRIFICATION
EV CARS

x10

>45M
in 2030

GREEN ENERGY EVERYWHERE

5G IS TRANSFORMING THE WORLD

5G IS DELIVERING ON PROMISES

x100
NETWORK CAPACITY

x10
SPEED

x10
FASTEST RESPONSE TIME

x10
CONNECTED DEVICE

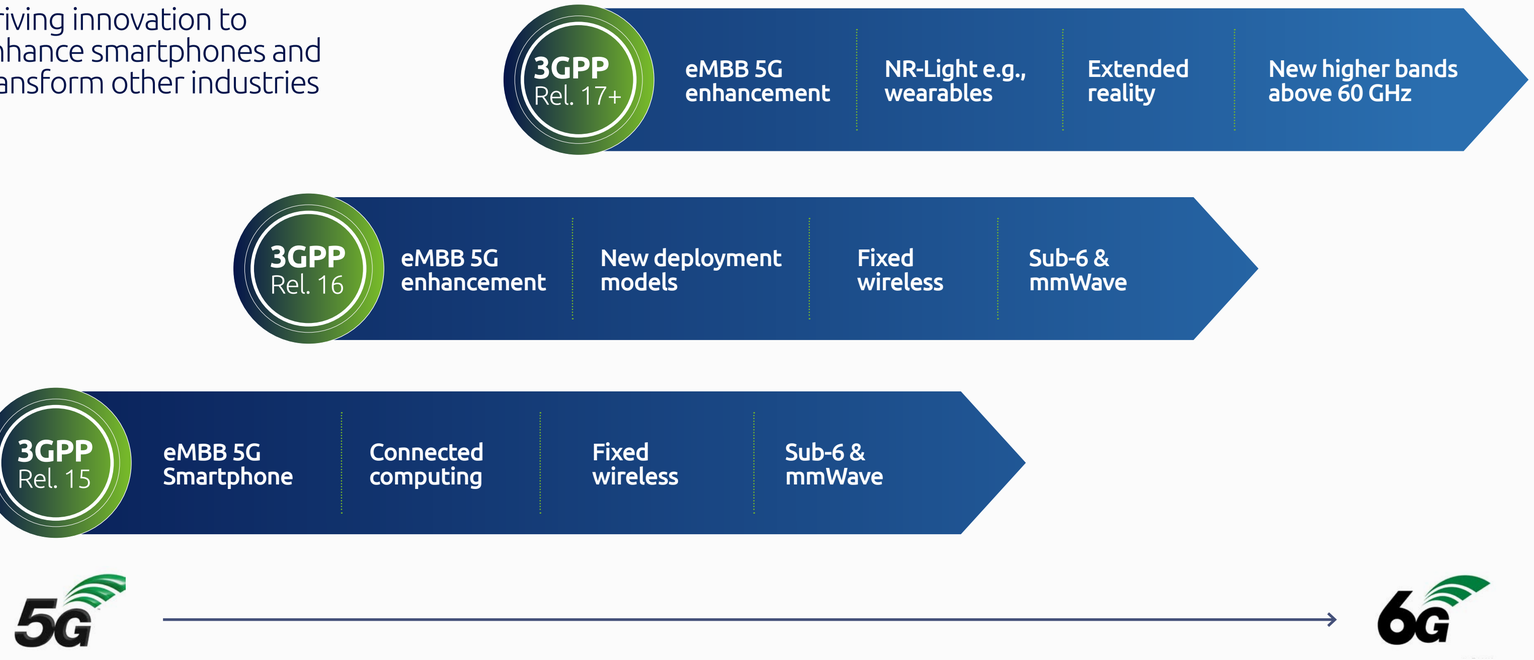
x10
LESS ENERGY PER DATA

MOVING TO AN ALL CONNECTED 5G WORLD

5G roadmap extends for 10+ years

Driving innovation to enhance smartphones and transform other industries

Continued innovation for new verticals deployments, use cases, and spectrum



Sources: IMT-2020, Qualcomm, Orange

5G - THE X FACTOR

x20

MOBILE DATA TRAFFIC 2020-2030

x2
ANTENNAS

x2
MAX FREQUENCY

x2
BANDWIDTH

x4
FREQUENCY COMBINATION

NEW
28, 39, …GHz

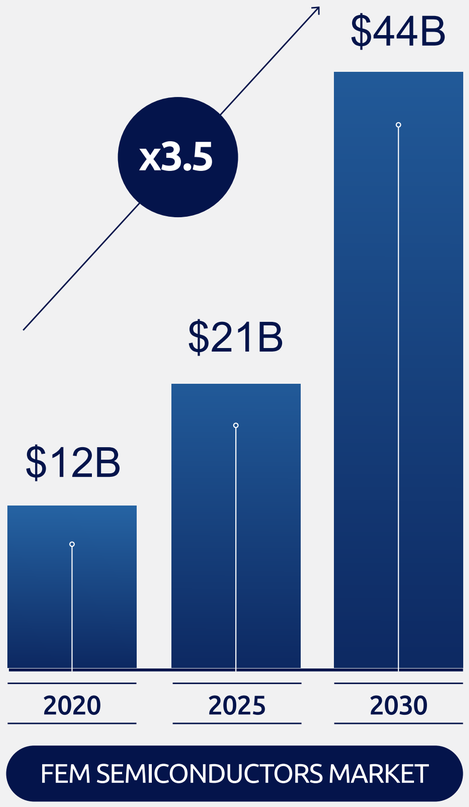
Sub-6GHz

mmW

x2
LNA - Switch - Tuner
Continuous improvement

x2
Filters
Need for disruptions

NEW
Active Antenna In Package
Need for disruptions



Sources: Soitec estimates, Qualcomm 2019, Ericsson Mobility Report 2020, Yole 2020.
Note: Soitec estimates, x factors are on average 5G vs 4G phones, Yole.

AI - FROM CLOUD TO DEVICE
WHY EDGE COMPUTING?

DATA SECURITY
Data safety in local process

ECONOMY
Energy saving

ROBUSTNESS
Real-time computing

PRIVACY
No personal data sharing

BEFORE
CLOUD COMPUTING ONLY

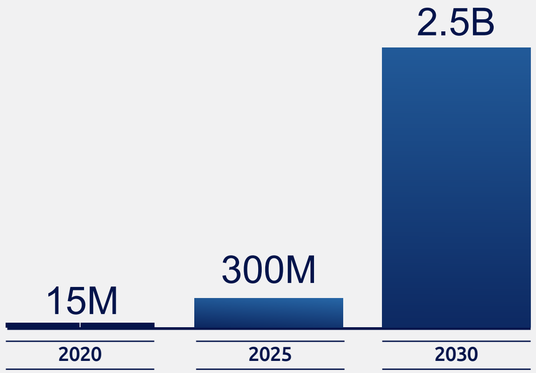
AI TRAINING IN THE CLOUD
INFERENCE IN THE CLOUD

NOW
ADDING EDGE COMPUTING

AI TRAINING IN THE CLOUD
INFERENCE AT THE EDGE

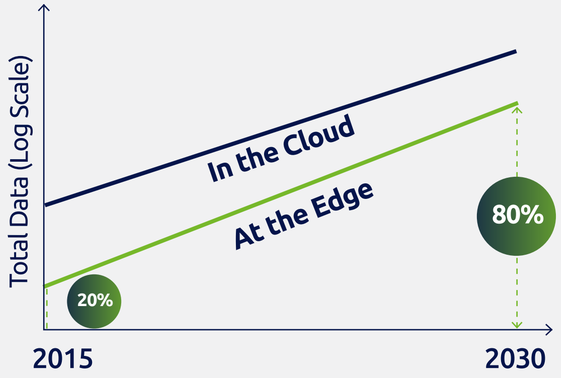
FUTURE
ADDING ON-DEVICE COMPUTING

AI TRAINING AT THE EDGE
INFERENCE AT THE EDGE



EDGE AI DEVICES (UNITS)

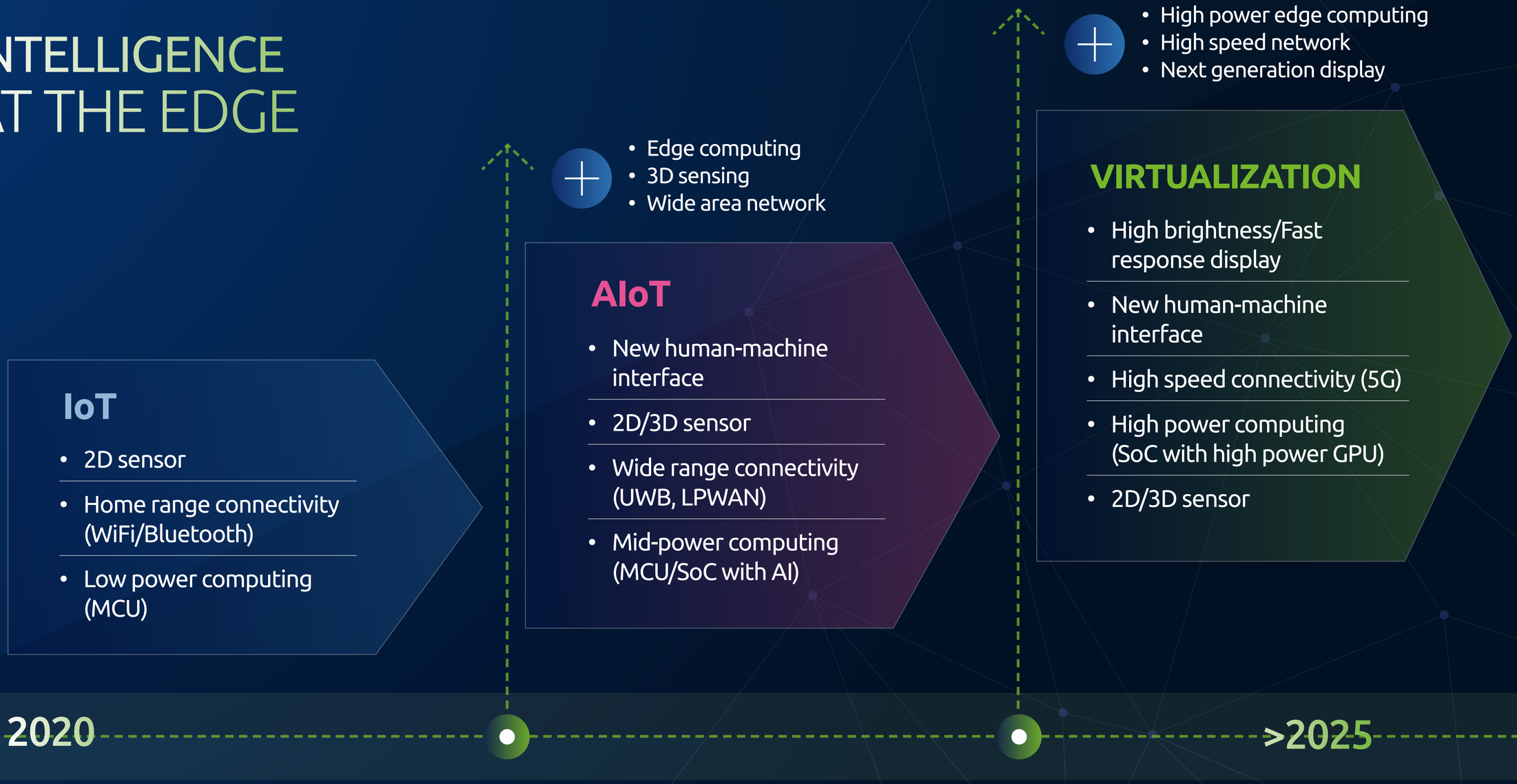
Source: ABI research 2021



DATA PROCESSING MOVING TO THE EDGE

Source: IBS 2020

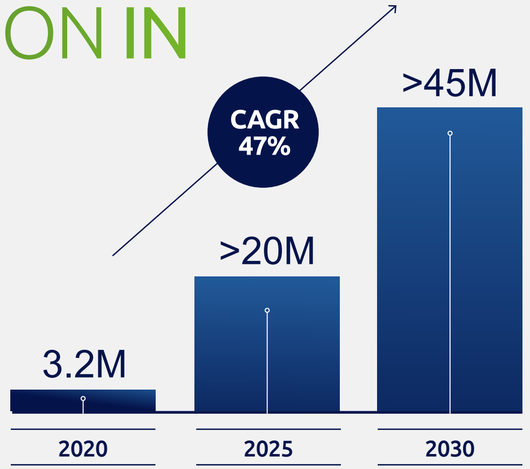
INTELLIGENCE AT THE EDGE



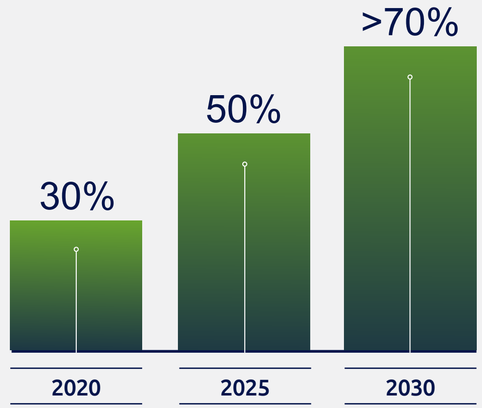
ONCE-IN-A CENTURY TRANSFORMATION IN AUTOMOTIVE MARKET

AUTO SEMI OPPORTUNITIES 2025

C Connected	**27M** Sales of 5G enabled vehicles in 2026[1]	TELEMATIC AND INFOTAINMENT SEMI **$15B CAGR 10%**
A Autonomous	**10M** Sales of L3 and above vehicles in 2030[2]	AUTONOMOUS SEMI **$16B CAGR 25%**
S Shared	**40M** Global shared fleet in 2030[3]	CONSOLIDATED WITH CONNECTED
E Electric	**45M** Global EV sales in 2030 (>50% market share)[4]	EV POWER SEMI **$8B CAGR 30%**



GLOBAL EV SALES (MILLION UNITS)



SiC BASED EV POWERTRAIN (%)

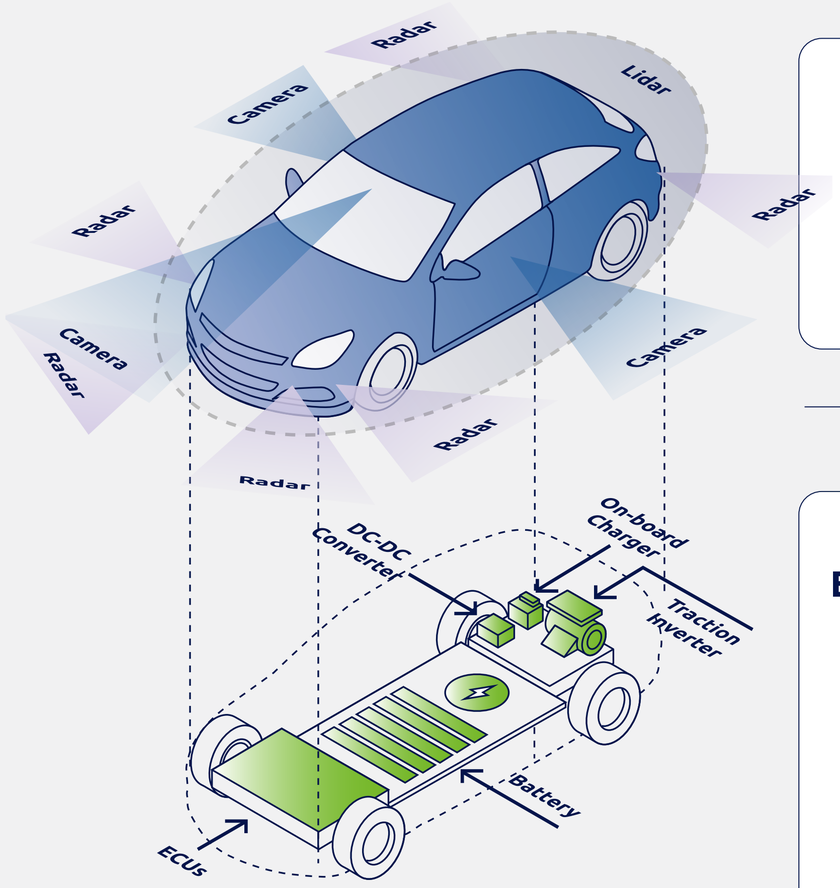
SiC IS KEY TO ADDRESS THE CHALLENGES OF EV ADOPTION

- Weight
- Reliability
- Thermal conductivity
- Range anxiety
- Charging time
- Cost

(1) v.s. 2020: Zero 5G vehicles; (2) v.s. 2020: Zero L3+ vehicles; (3) v.s. 2020: 19m global shared fleet; (4) v.s. 2020: 3.2m EV sales: 4.2% market share

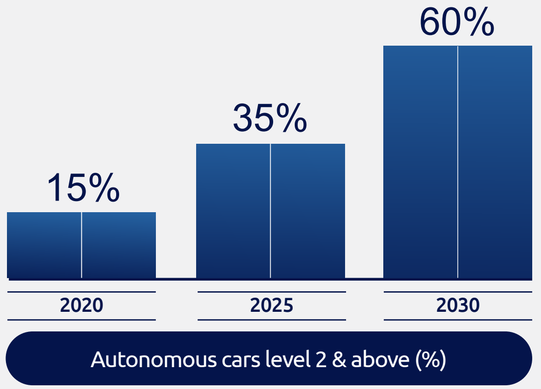
Sources: Soitec estimates, LMC, IHS, NXP, IFX 2019 / CAGR (2019~2025), IEA 2021, Exawatt, Yole.

AUTOMOTIVE MEGATRENDS
DRIVE INNOVATION FROM SYSTEMS TO SILICON

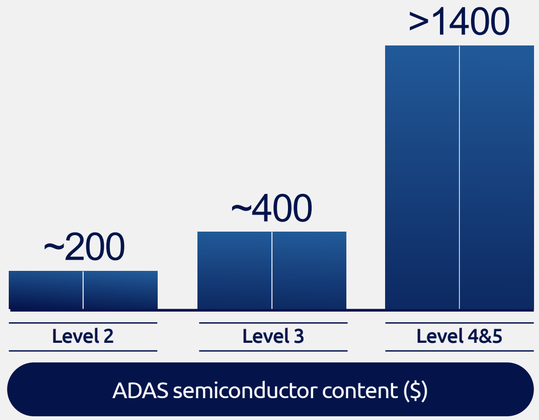


ADAS

- Fusion processor
- Radar processor
- Image sensor
- Domain controller



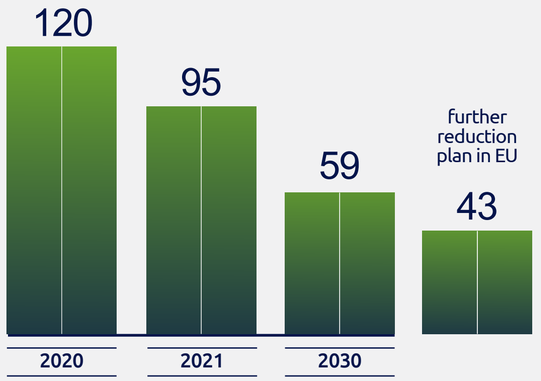
Autonomous cars level 2 & above (%)



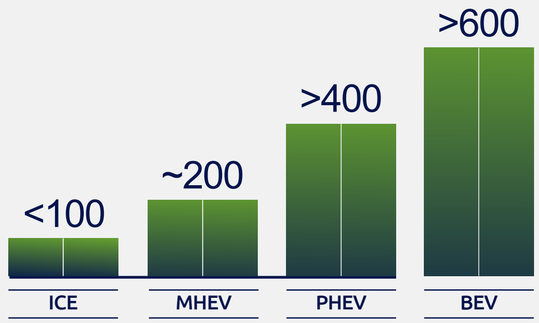
ADAS semiconductor content ($)

ELECTRIFICATION

- SiC Diode
- SiC MOSFET
- GaN MOSFET
- PMIC
- BMS
- Gate drivers
- Smart actuator



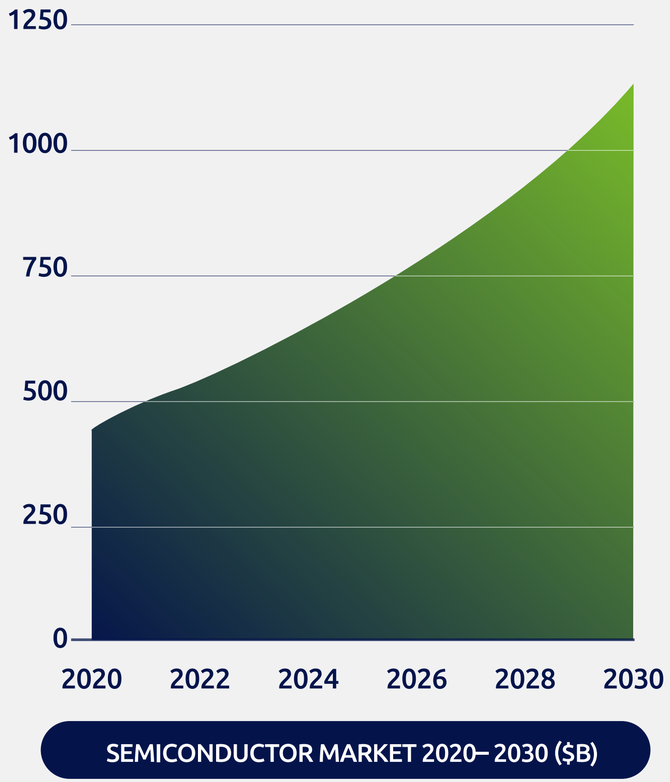
CO_2 emission regulation (gCO_2/km)



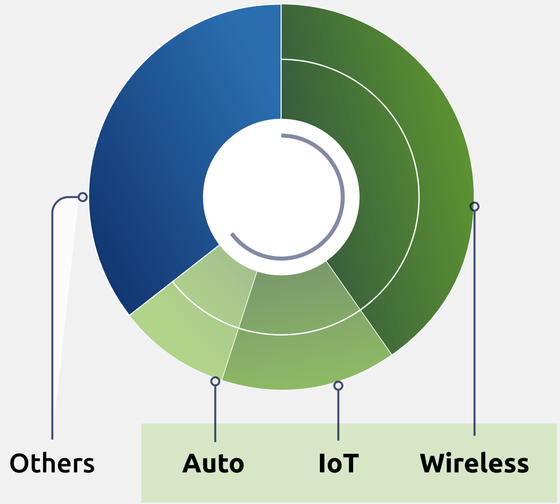
Power semiconductor content ($)

Source: Soitec estimates, Infineon, NXP, IHS, The International Council on Clean Transportation (ICCT) 2020

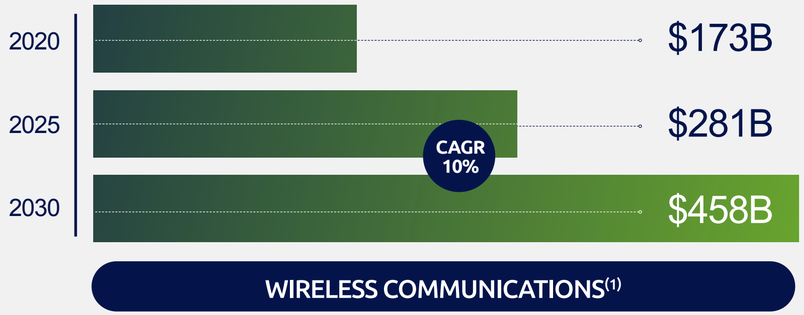
SEMICONDUCTOR MARKET TO REACH $1T BY THE END OF THE DECADE



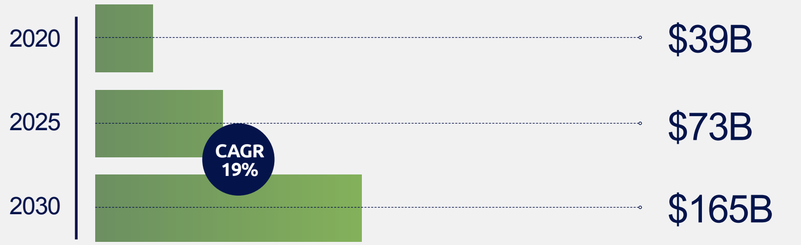
SEMICONDUCTOR MARKET 2020– 2030 ($B)



SOITEC TARGETS 2/3 OF THE SEMICONDUCTOR MARKET



WIRELESS COMMUNICATIONS(1)

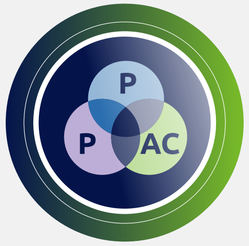


SMART IoT DEVICES(2)

AUTOMOTIVE ELECTRONICS

Source: IBS - semiconductor market analysis - Jan 2021
(1) Smartphone + infrastructure; (2) Sensor + Memory+ Edge computing

KEY CONTRIBUTORS
TO ENABLE GROWTH



PPAC

TIME TO MARKET

SUSTAINABILITY

- Continue Moore’s Law
- New architectures
- New structures / 3D
- New materials
- New ways to shrink
- Advanced packaging

soitec

ENGINEERED SUBSTRATES

SOITEC PRODUCTS ENHANCE SUSTAINABILITY

SMART DEVICES, AUTOMOTIVE

Soitec FD-SOI

Energy savings: 717 GWh*
Carbon savings: 466 $ktCO_2e$*

SMARTPHONES FRONT END MODULES

Soitec RF-SOI

Energy savings: 598 GWh*
Carbon savings: 352 $ktCO_2e$*

DATA CENTERS OPTICAL TRANSCEIVERS

Soitec Photonics-SOI

Energy savings: 423 GWh*
Carbon savings: 212 $ktCO_2e$*

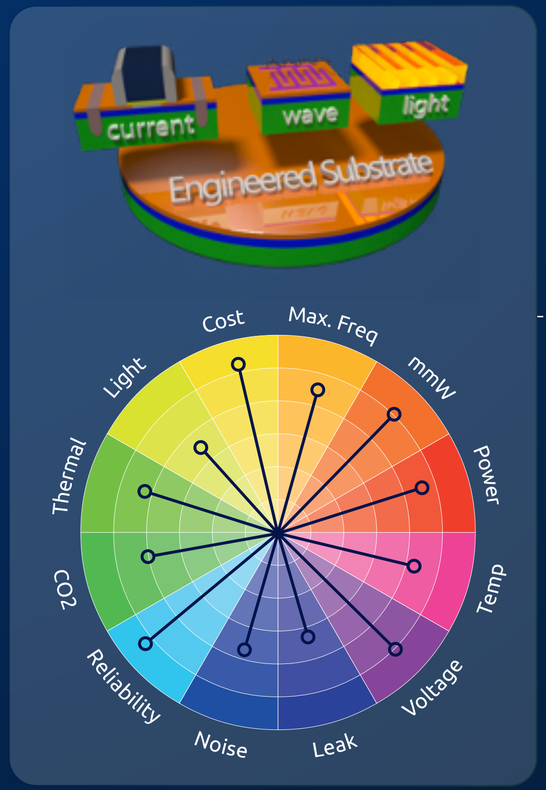
SAVING THE YEARLY DOMESTIC ENERGY CONSUMPTION OF A

1 MILLION

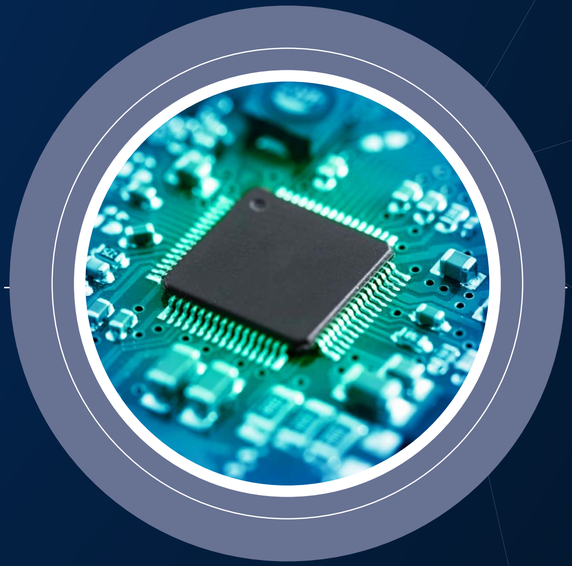
INHABITANTS CITY

(*) based on CY2020 data

ENGINEERED SUBSTRATES
CREATE VALUE AT SYSTEM LEVEL



Combining physical properties of materials



CONNECT

Data rate, power efficiency

COMPUTE

Energy efficiency performance, data rate with photonics

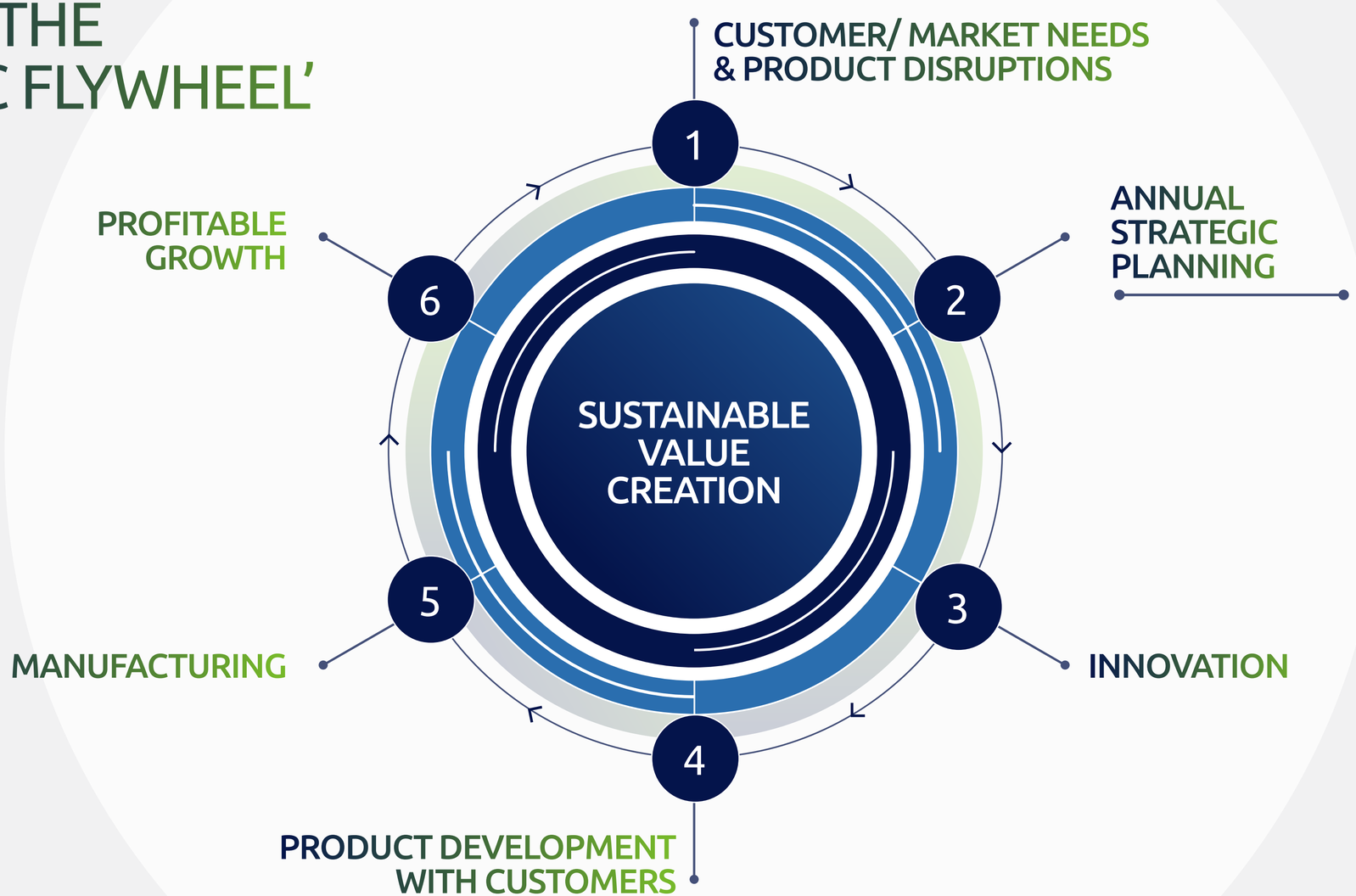
SENSE

3D imaging, health sensors

POWER

Power density, higher efficiency

THIS IS THE ‘SOITEC FLYWHEEL’



- Expand & protect core business
- Extend into attractive adjacencies
- Evolve operating model
- Reinforce global positioning

STRATEGY TAKEAWAYS

MAJOR MEGATRENDS

- **Driving the semiconductor growth in the current decade**

ENGINEERED SUBSTRATES PLAY KEY ROLE

- **Electronic systems need new semiconductor solutions**

SOITEC STRATEGY TO SET STANDARDS

- **Engage across entire value chain to set sustainable industry standards**

03 GLOBAL BUSINESS UNITS

BERNARD ASPAR
Chief Operating Officer

GLOBAL BUSINESS UNITS KEY MESSAGES

CUSTOMERS

- **Focusing on three strategic end markets**

DIFFERENTIATED PRODUCTS

- **Product roadmap** bringing value from foundries to IDM & fabless

PROFITABLE GROWTH

- **Volume expected to 2.5x by FY26**
- **Revenue expected to 3x by FY26**

FOCUSING ON 3 STRATEGIC MARKETS TO EXPAND OUR PRODUCTS PORTFOLIO

MOBILE COMMUNICATIONS

MAIN DRIVERS

- 5G mmW
- 5G sub-6 GHz
- Mobile infrastructure
- WiFi 6

SOITEC PRODUCTS

RF-SOI | FD-SOI
POI | GaN

AUTOMOTIVE & INDUSTRIAL

MAIN DRIVERS

- Autonomous cars
- Vehicle electrification
- Infotainment
- Industry 4.0

SOITEC PRODUCTS

Power-SOI | FD-SOI
SiC | GaN

SMART DEVICES

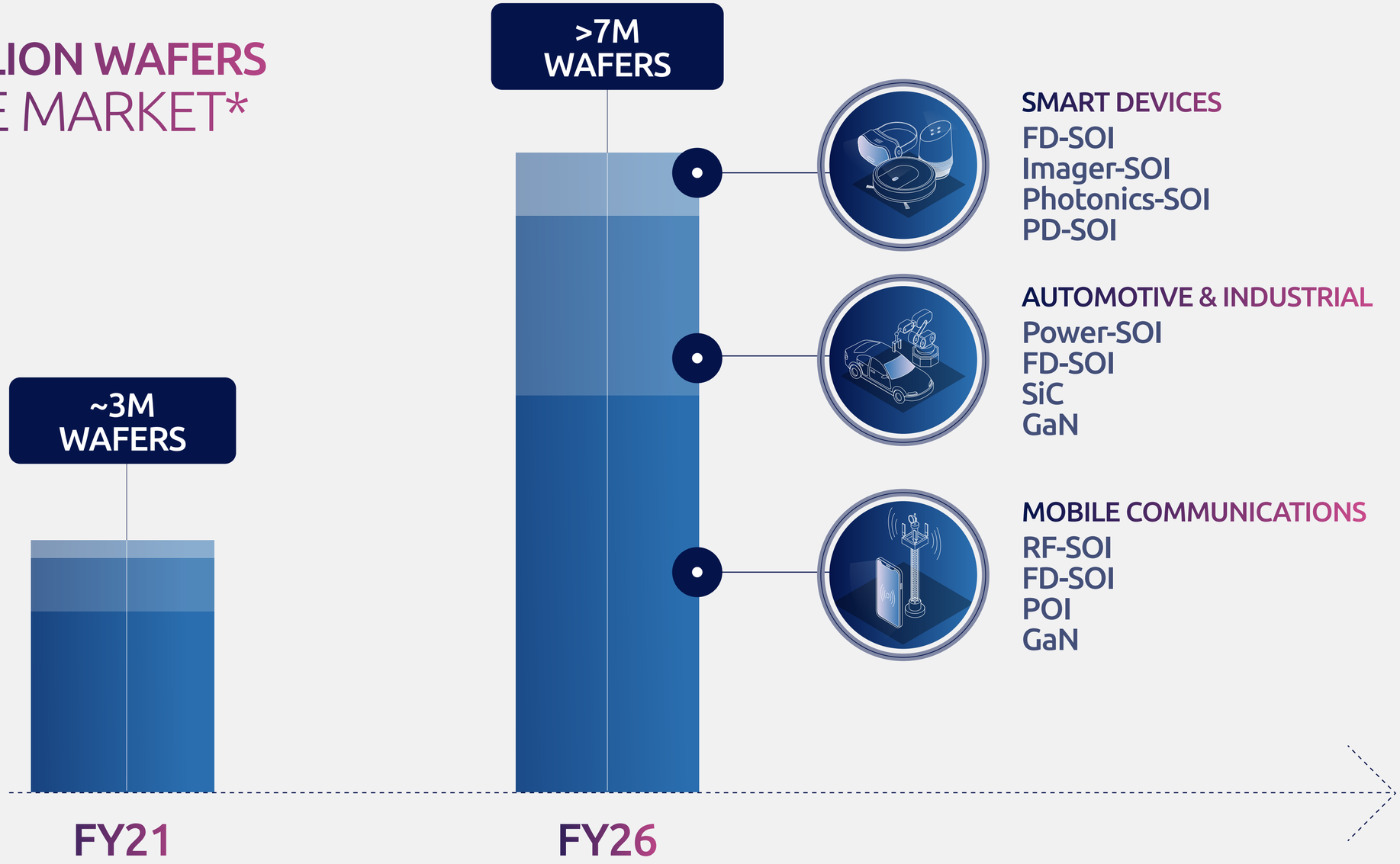
MAIN DRIVERS

- Edge computing
- 3D sensing & Healthcare
- Smart home & Smart cities
- Data centers

SOITEC PRODUCTS

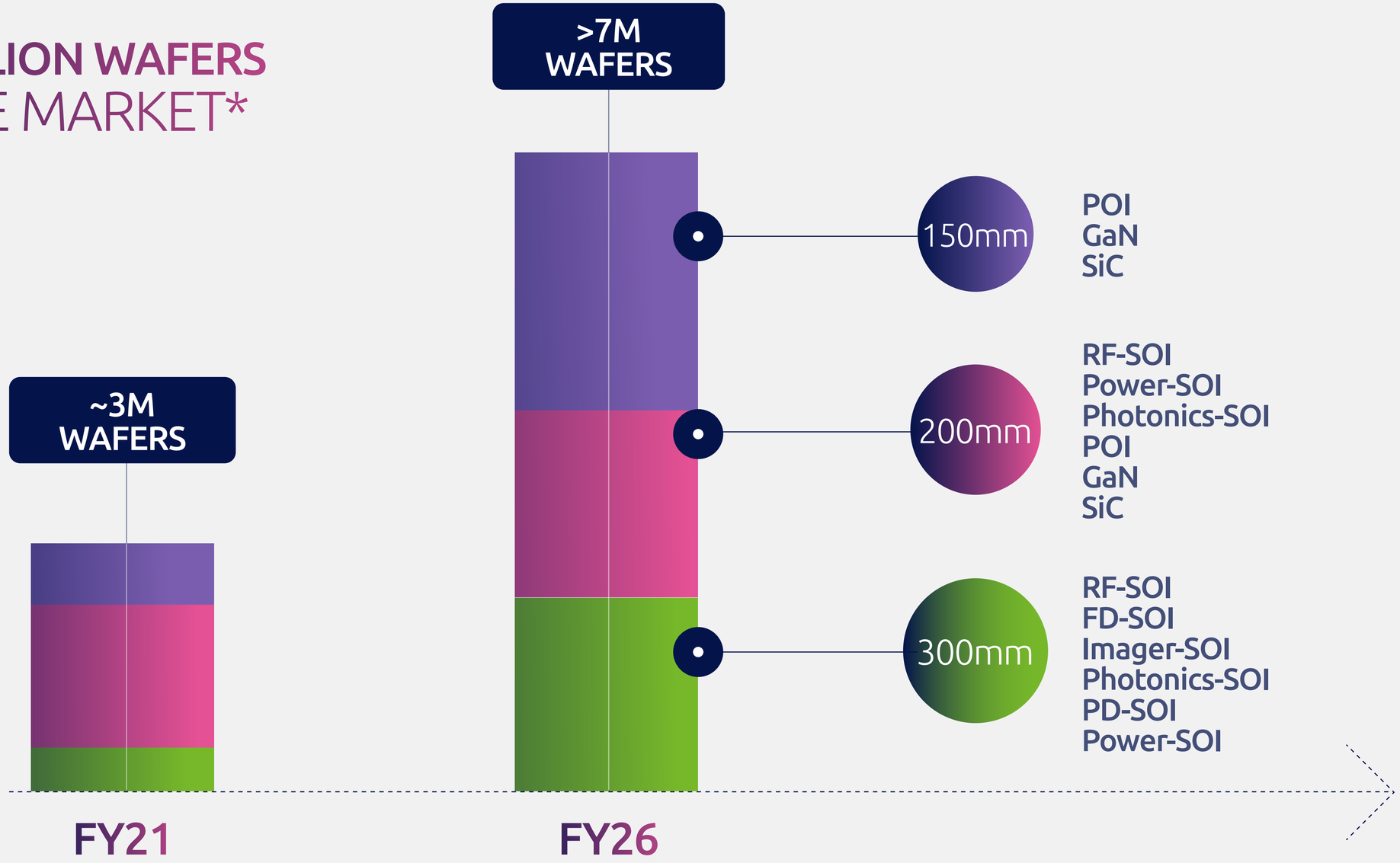
FD-SOI | Imager-SOI
Photonics-SOI | PD-SOI

SERVING >7 MILLION WAFERS
ADDRESSABLE MARKET* BY FY26



*Engineered substrates market opportunity

SERVING >7 MILLION WAFERS
ADDRESSABLE MARKET* BY FY26



*Engineered substrates market opportunity

SOITEC PRODUCTS PORTFOLIO
MOBILE COMMUNICATIONS

APPLICATIONS

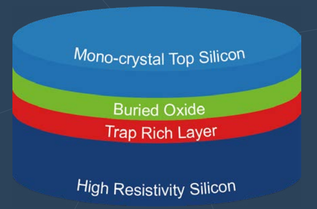
- **Smartphones radio-frequency front-end modules**
- **Networking base stations**

SOITEC PRODUCTS ENABLE

- **4G**
- **5G**
- **WiFi 6 connectivity**

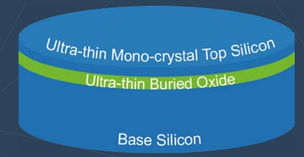
RF-SOI

For highly efficient mobile communication



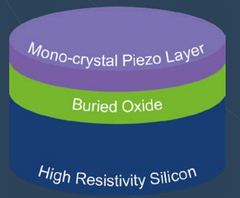
FD-SOI

Integrated technology



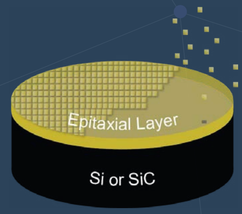
POI

High performance 5G filters

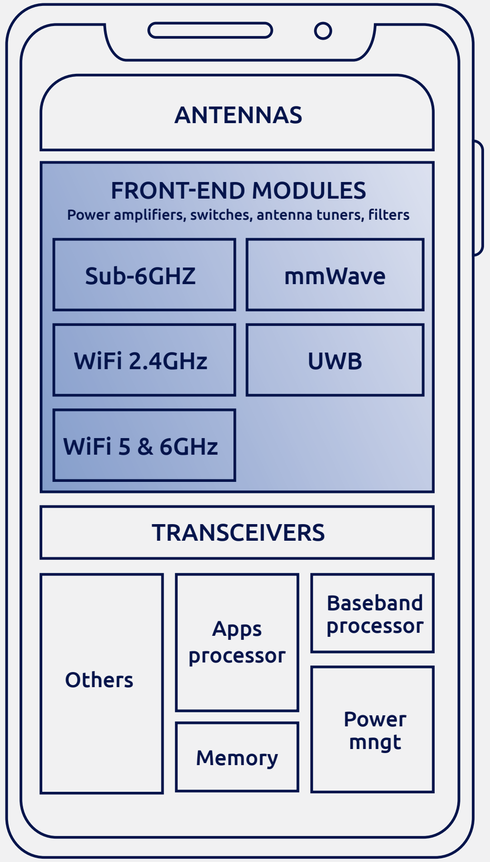


GaN

High performance power amplifier

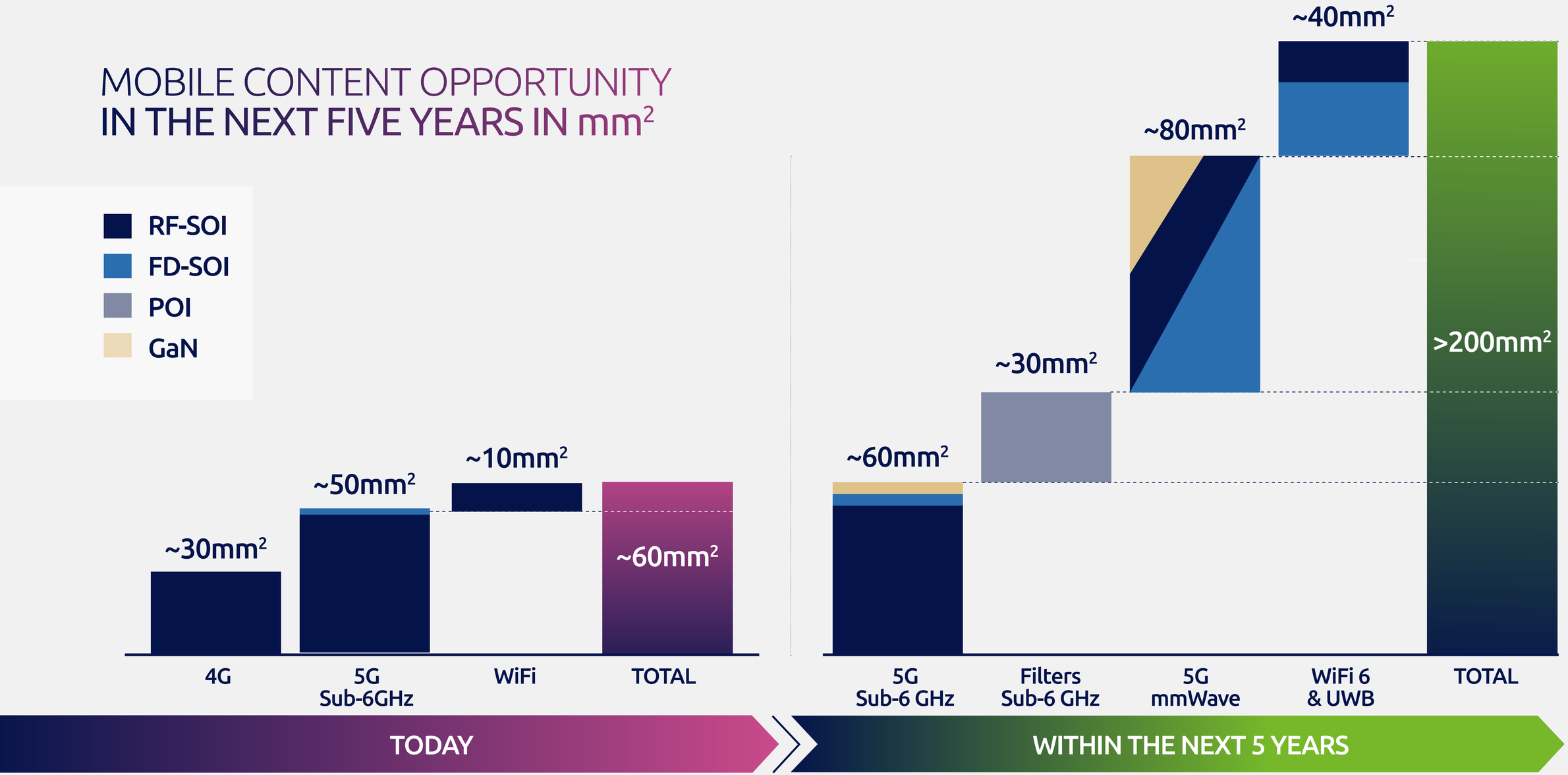


A COMPREHENSIVE OFFER FOR
RF AND mmWave FRONT END MODULES

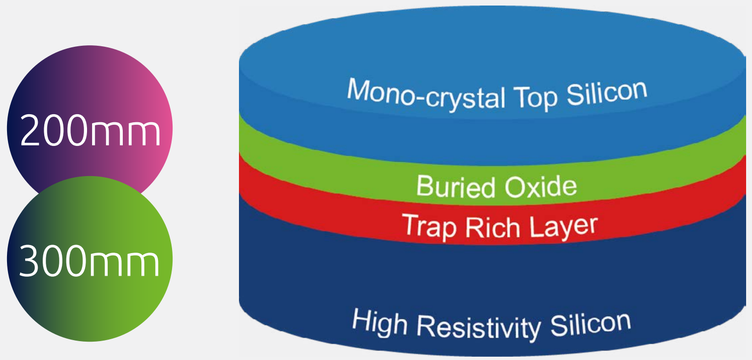


		POWER AMPLIFIER (PA)	LOW NOISE AMPLIFIER (LNA)	SWITCH	ANTENNA TUNER (AT)	FILTER	ENVELOPE TRACKER (ET)	PHASE SHIFTER	SYSTEM ON CHIP (SoC)
4G / 5G SUB-6GHZ FEM KEY BLOCKS	RF-SOI	☐	■	■	■	☐	☐	☐	☐
	POI	☐	☐	☐	☐	■	☐	☐	☐
	FD-SOI	☐	☐	☐	☐	☐	■	☐	☐
	GaN	■	☐	☐	☐	☐	☐	☐	☐
5G MMW FEM KEY BLOCKS	RF-SOI	■	■	■	☐	☐	☐	■	☐
	FD-SOI	☐	☐	☐	☐	☐	☐	■	■
	GaN	■	■	☐	☐	☐	☐	☐	☐
WIFI & UWB FEM KEY BLOCKS	RF-SOI	■	■	■	☐	☐	☐	☐	☐
	POI	☐	☐	☐	☐	■	☐	☐	☐
	FD-SOI	☐	☐	☐	☐	☐	☐	■	■

MOBILE CONTENT OPPORTUNITY IN THE NEXT FIVE YEARS IN mm^2



MOBILE COMMUNICATIONS: RF-SOI



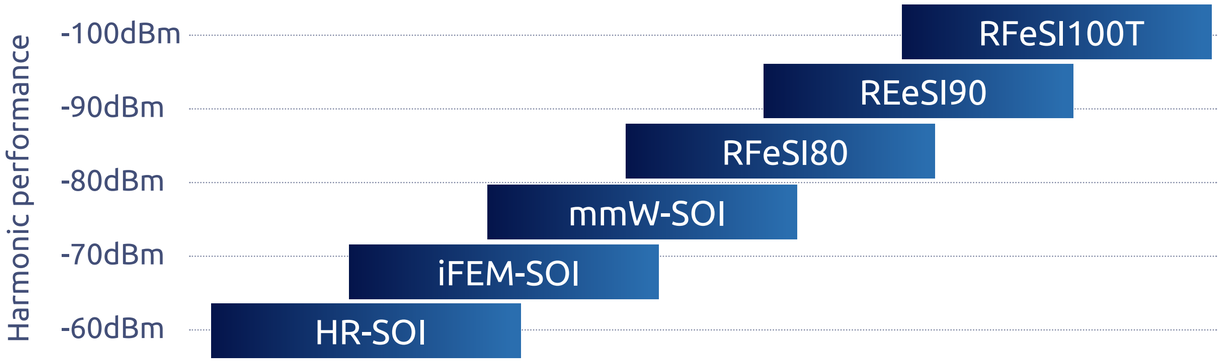
EXISTING AND FUTURE APPLICATIONS

- Standard for 4G and 5G RF Front End
- WiFi 6 / WiFi 6E MU-MIMO
- 5G mmW Front End centric mmW small cells & mobile

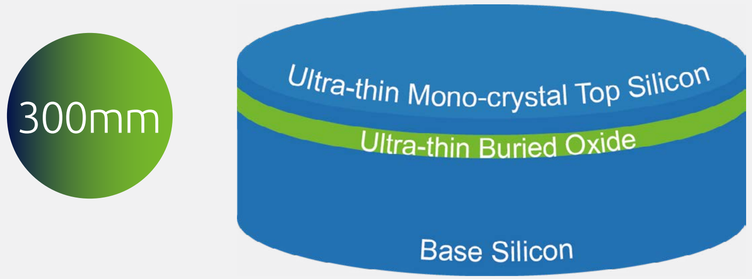
VALUE PROPOSITION

- A standard for complex RF signal routing
- 5G sub-6GHz and mmW integration levels
- Reliable and robust for best antenna performance
- Minimum interference to and from digital and control functions
- Eases mmW and WiFi efficient PA integration

COMPREHENSIVE PRODUCT PORTFOLIO IN 200-300mm



MOBILE COMMUNICATIONS: FD-SOI



VALUE PROPOSITION

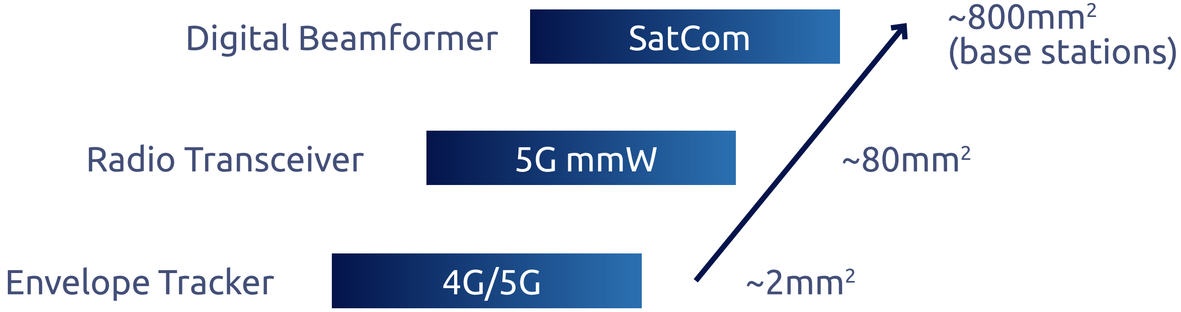
- Cost efficient integrated radio in 5G mmW
- Energy efficient analog/mixed signal solutions
- WiFi 6 SoC platforms
- Scalable and single chip solution for mmWave and Sub-THz design

EXISTING AND FUTURE APPLICATIONS

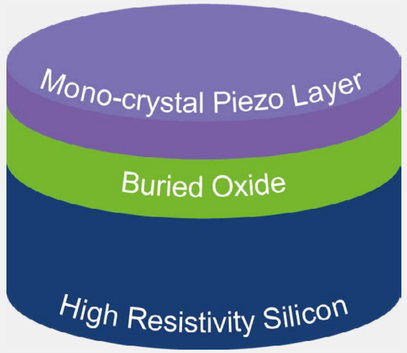
- 5G mmW module
- System on chip (SoC)
- Envelope tracker IC

FD-SOI APPLICATIONS FOR MOBILE APPLICATIONS

Evolution from broadband power management to broadband communications



MOBILE COMMUNICATIONS: POI



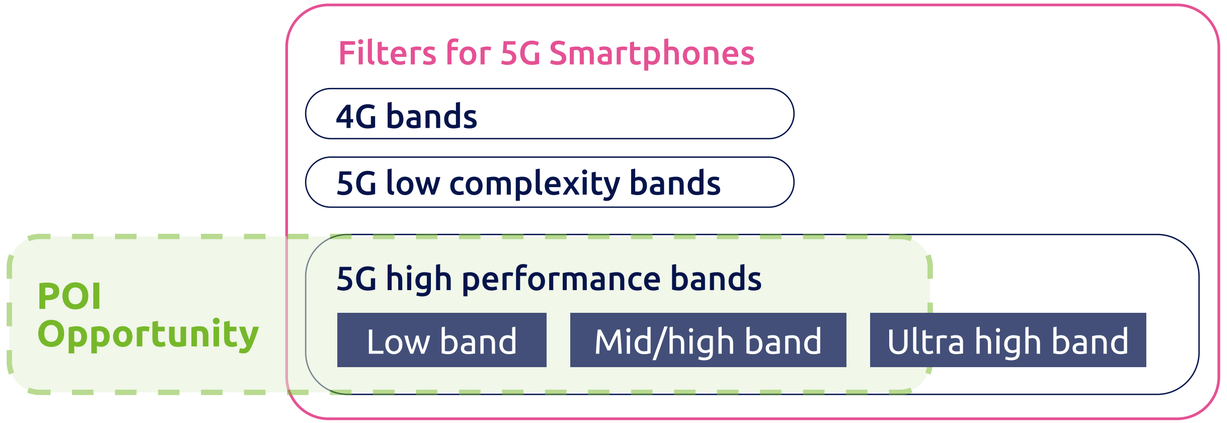
EXISTING AND FUTURE APPLICATIONS

- SAW filters for 5G

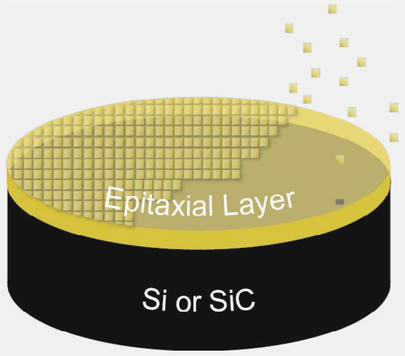
VALUE PROPOSITION

- Superior temperature stability
- Lower loss
- Integration for multiplexers
- Larger bandwidth
- Efficient rejection

APPLICATION IN 5G SMARTPHONE



MOBILE COMMUNICATIONS: GaN



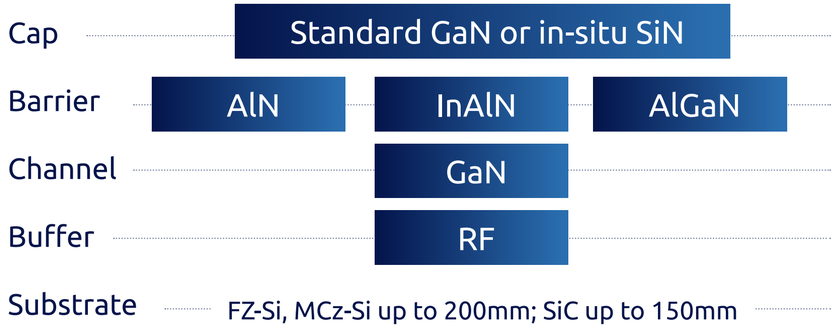
VALUE PROPOSITION

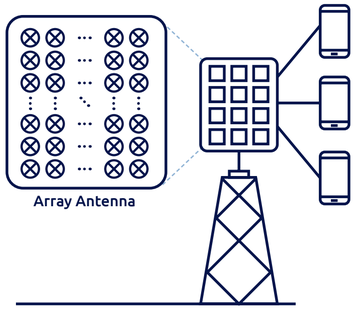
- Superior power amplifier efficiency and power density
- Excellent higher frequency and wide bandwidth performance enabling highest data rates
- Compact size, weight and lowest costs of ownership for 4G/5G infrastructure systems

EXISTING AND FUTURE APPLICATIONS

- GaN/SiC is standard for 4G LTE base station power amplifiers
- GaN/Si in R&D for 5G MIMO infrastructure and smartphones

DIFFERENTIATED PRODUCT OFFERING FOR THE BEST SOLUTION PER APPLICATION





Massive MIMO
64 Tx and 64 Rx

SOITEC PRODUCTS PORTFOLIO
AUTOMOTIVE & INDUSTRIAL

APPLICATIONS

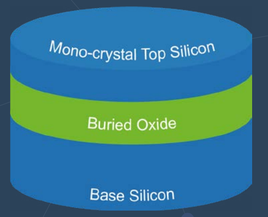
- **Autonomous driving systems**
- **Connected car**
- **Vehicle electrification**
- **Industry 4.0**

SOITEC PRODUCTS ENABLE

- **Autonomous driving**
- **Infotainment**
- **Vehicle electrification**

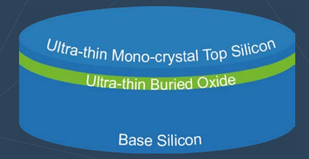
Power-SOI

Power management IC,
In-vehicle networking
& gate driver



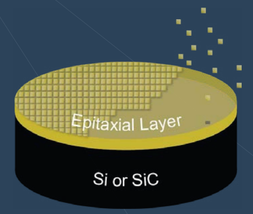
FD-SOI

MCUs, ADAS-Radar
ADAS-Vision



GaN

DC-DC 48V converters



Smart Cut™ SiC

Automotive
electrification

COMPREHENSIVE PRODUCTS PORTFOLIO FOR AUTOMOTIVE

INFOTAINMENT & CONNECTIVITY

Class D audio amplifier
(Power-SOI)

Multimedia application
processor (FD-SOI)

IVN
(Power-SOI)

Front-end module
(RF-SOI / POI)

SoC
(FD-SOI)

ADAS

Vision processor
(FD-SOI)

Radar
(FD-SOI)

Domain controller
(FD-SOI)

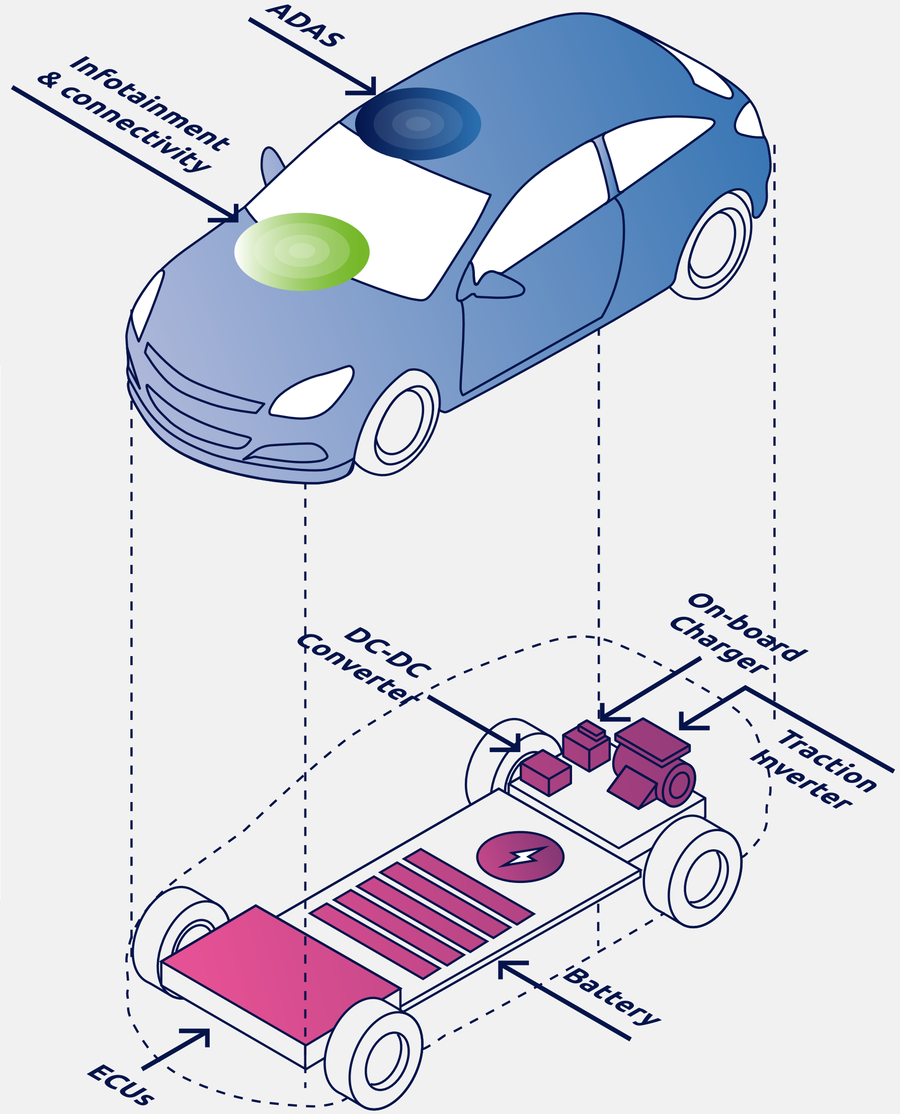
POWERTRAIN

Gate drivers / actuator
(Power-SOI)

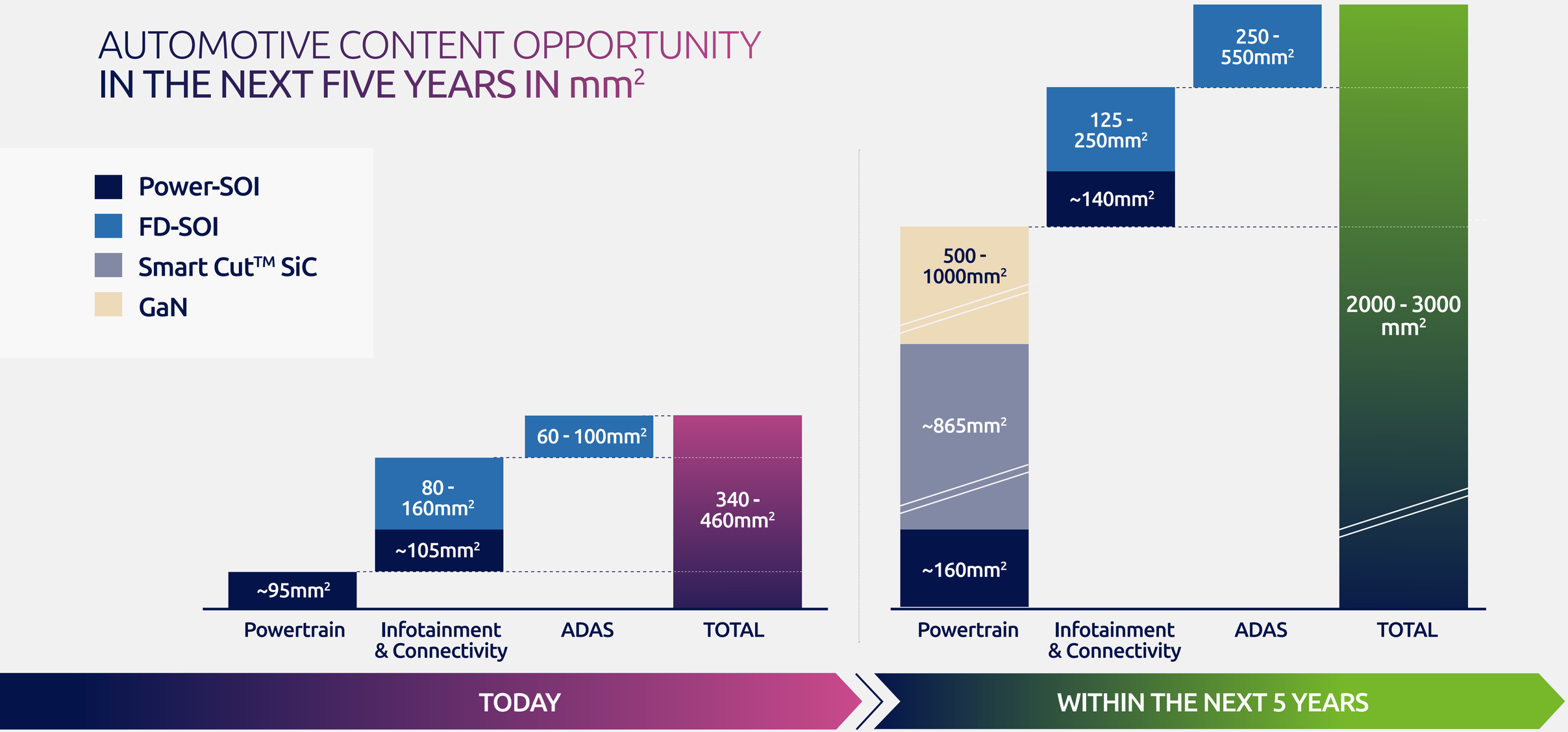
Diode / MOSFET
(SiC / GaN Power)

BMS
(Power-SOI)

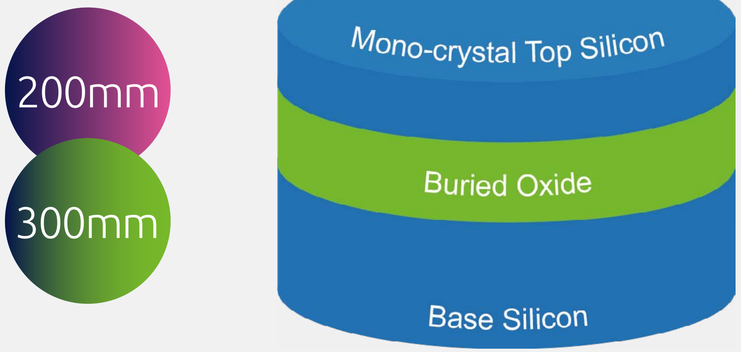
PMIC
(Power-SOI)



AUTOMOTIVE CONTENT OPPORTUNITY IN THE NEXT FIVE YEARS IN mm^2



AUTOMOTIVE & INDUSTRIAL: Power-SOI



EXISTING AND FUTURE APPLICATIONS

- In vehicle networking (IVN)
- Power management IC (PMIC)
- System basis chip (SBC)
- Battery management systems (BMS)
- Smart motor controller/ actuator
- Industrial sensors & ultrasound pulser IC

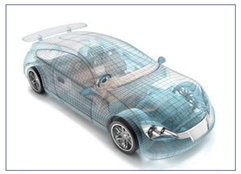
VALUE PROPOSITION

- Low and high voltage integration
- High power density with smaller die area and isolation area
- Noise immunity & less crosstalk
- EMI/ EMC and ESD enhancement
- High robustness and reliability
- High temperature operation & latchup free
- Total cost of ownership (TCO)

POWER-SOI APPLICATIONS

IVN & Smart Power

IVN: In-Vehicle Networking



48V MHEV

MHEV: Mild-Hybrid Electric Vehicle

ADAS L2+ & ASIL

ADAS: Advanced Driver-Assistance Systems

ASIL: Automotive Safety Integrity Level

Industry 4.0 & CbM

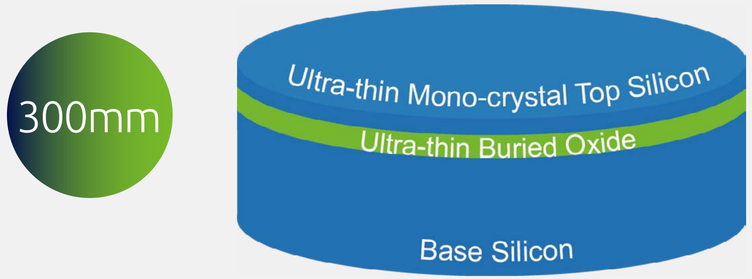
CbM: Condition Based Monitoring

PHEV & BEV

PHEV: Plug-in Hybrid Electric Vehicle

BEV: Battery Electric Vehicle

AUTOMOTIVE & INDUSTRIAL: FD-SOI



EXISTING AND FUTURE APPLICATIONS

- Autonomous driving vision processors
- Advanced MCU for domain controller
- MPU for infotainment
- Automotive radar

VALUE PROPOSITION

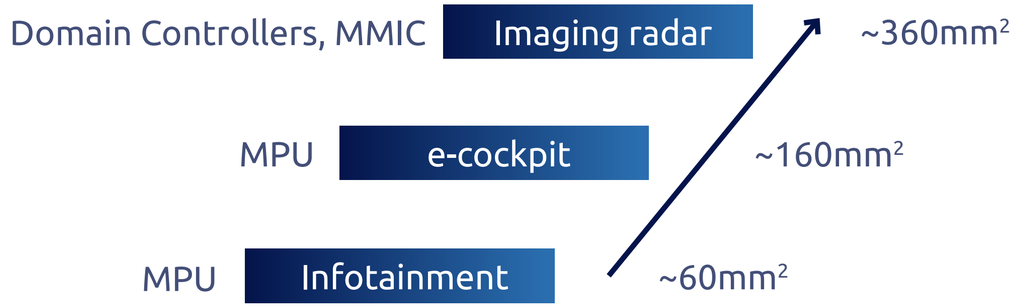
ADAS

- Efficient multithreading ADAS processors
- Integrated radar system on chip
- Flexible computing with Adaptive Body Biasing (ABB)

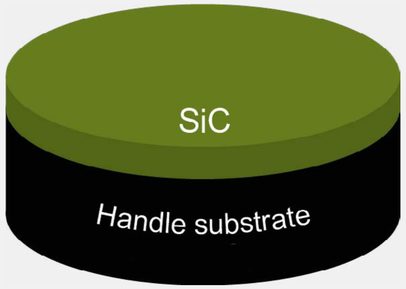
INFOTAINMENT

- Improved system reliability and soft error rate

FD-SOI CAPABILITIES PAVE THE WAY FOR ADAS EVOLUTION FROM L1 TO L5



AUTOMOTIVE & INDUSTRIAL: Smart Cut™ SiC



EXISTING AND FUTURE APPLICATIONS

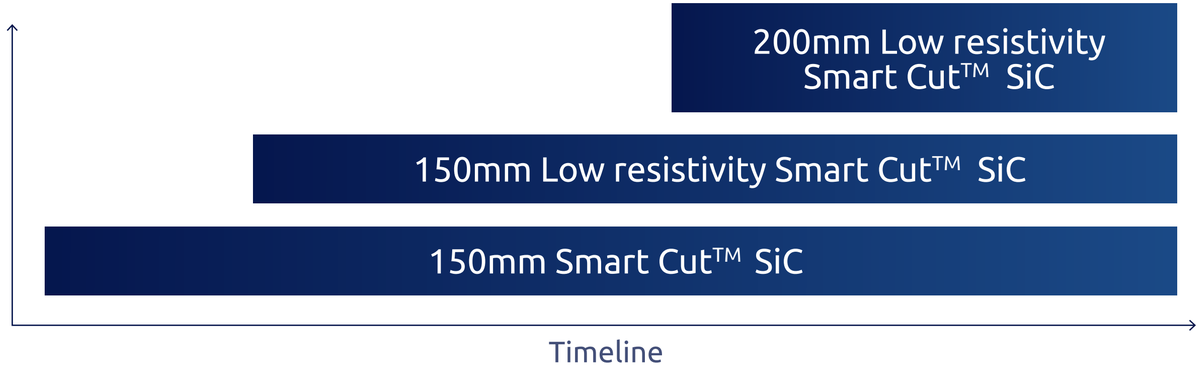
- Electric mobility
- On-board chargers
- Traction inverter system
- Fast charging stations
- Inverters: industrial, renewable energy

VALUE PROPOSITION

Smart Cut™ SiC vs SiC: It is all about device yield and performances!

- Strong reduction of defect density (x5) to enable larger die
- Lower resistivity substrate improves device power performance
- 200mm scalability to accelerate SiC adoption

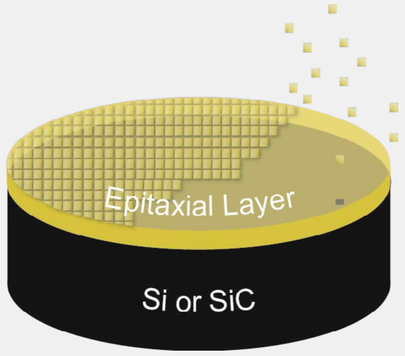
FAMILY "SMART CUT SiC PRODUCT" ROADMAP FROM FY23



AUTOMOTIVE & INDUSTRIAL: GaN

150mm

200mm



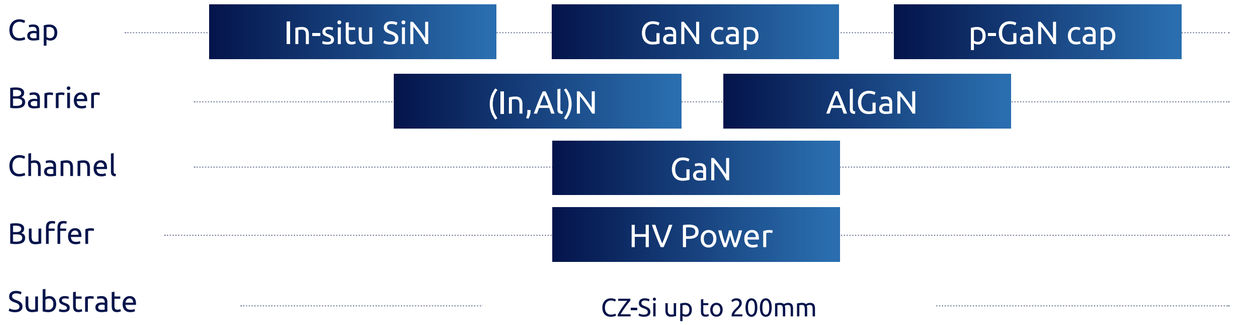
VALUE PROPOSITION

- Lowest conduction and switching loss for highest system efficiencies
- High frequency switching and temperature operation for compact systems

EXISTING AND FUTURE APPLICATIONS

- Automotive DC-DC 48V converters, on-board chargers, traction inverters for automotive
- Variable speed drives for industrial
- USB fast chargers

DIFFERENTIATED PRODUCTS OFFERING FOR THE BEST SOLUTION PER APPLICATION



SOITEC PRODUCTS PORTFOLIO
SMART DEVICES

APPLICATIONS

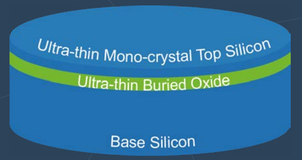
- **3D sensors/Facial recognition**
- **Data centers**
- **Healthcare monitoring**
- **Smart home & Smart cities**
- **Wearables**

SOITEC PRODUCTS ENABLE

- **Artificial intelligence at the Edge**
- **Healthcare monitoring for wearables**
- **High speed data centers**

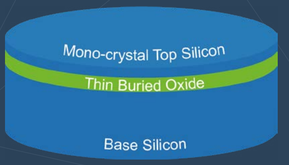
FD-SOI

Crossover MCU, connected MCUs, scalable FPGAs



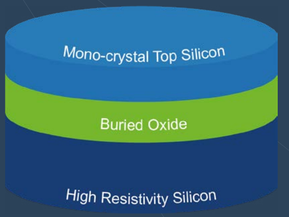
Imager-SOI

For improved imager performance in NIR



Photonics-SOI

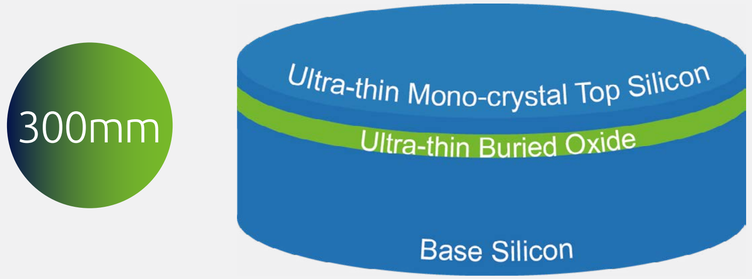
Optical transceivers and bio-sensing



PD-SOI

High performance computing

SMART DEVICES:
FD-SOI



EXISTING AND FUTURE APPLICATIONS

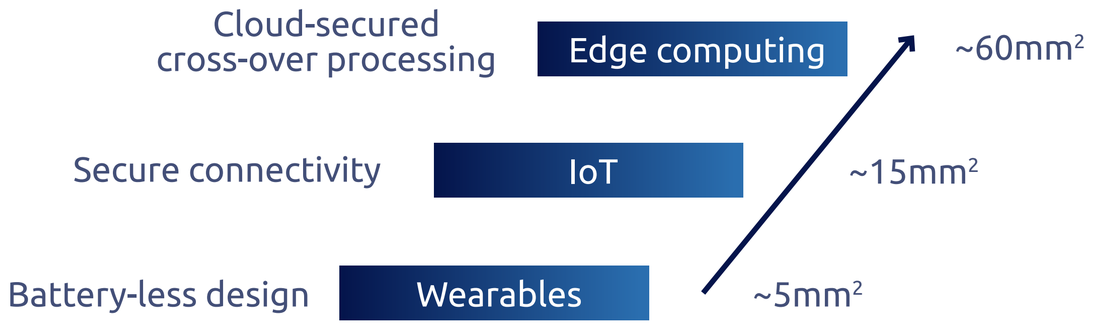
- Smart home devices
- Smart meters / smart grid
- Environmental monitoring
- Medical IoT
- Smart sensors for agriculture
- Wearables

VALUE PROPOSITION

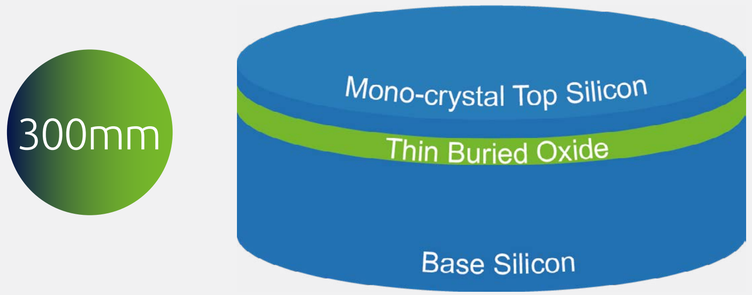
- Lower active power consumption - Always ON
- Performance on demand
- Ultra-low leakage with ultra-low V_{DD}
- Robust energy harvesting ‘zero power’ capabilities
- Lowest-cost processing (inferences-per-Watt-per-$)

TYPICAL DIE SIZE PER APPLICATION IN mm^2

Extending low-power paradigm from smart devices to edge-connected processing solutions



SMART DEVICES:
Imager-SOI



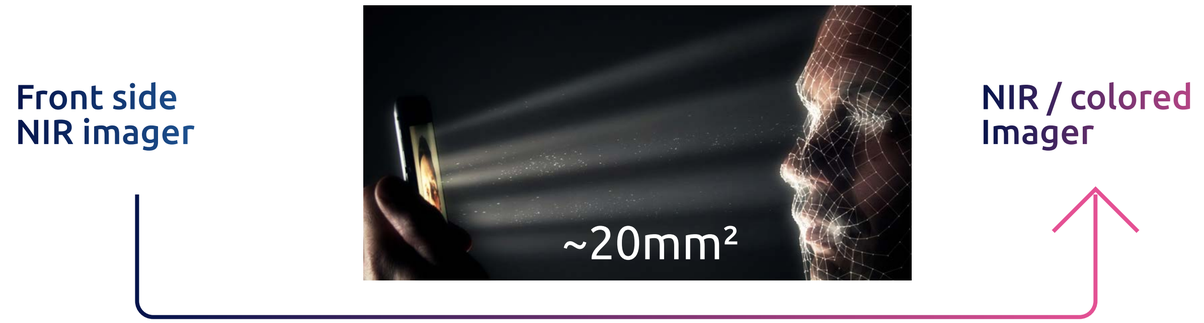
EXISTING AND FUTURE APPLICATIONS

- 3D image sensing for facial recognition in smartphones and AR/VR devices

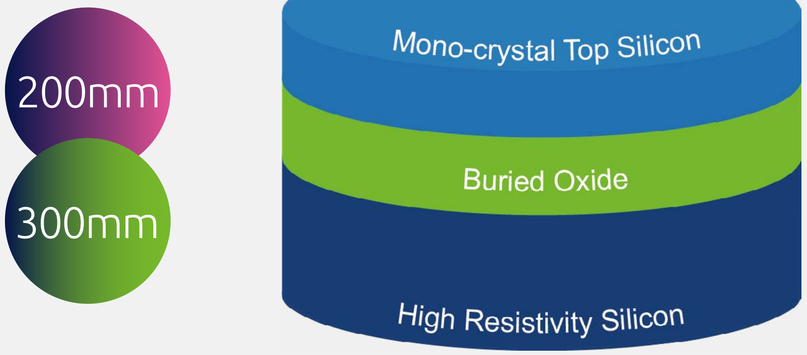
VALUE PROPOSITION

- Reduced cross talks among pixels
- Lower near infrared illuminator power
- Reduced noise, increased signal to noise ratio
- Dedicated layer deposition for innovative stacking
  - Better fill factor
  - Optimized performances per functional block

NIR IMAGER (NEAR INFRA-RED)



SMART DEVICES:
Photonics-SOI



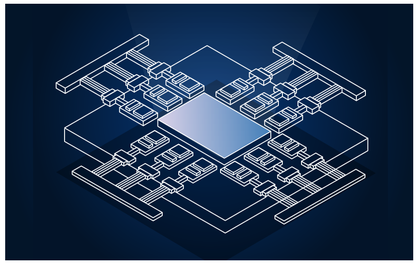
VALUE PROPOSITION

- SOI as standard substrate for waveguides
- Single die integration (simpler packaging)
- Chip scale integration of optical function in CMOS fab
- High speed modulation compliant and low loss waveguide
- Easy design for bio sensing and healthcare

EXISTING AND FUTURE APPLICATIONS

- Optical transceivers for data centers
- Health sensors (incl. glucose monitoring)

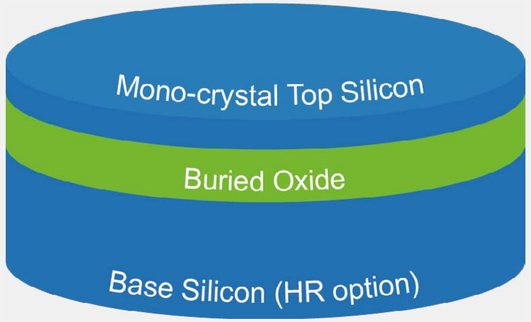
TYPICAL DIE SIZE PER APPLICATION IN mm^2



Datacom transceivers
~60mm^2

Bio-sensing
~50mm^2

SMART DEVICES:
PD-SOI



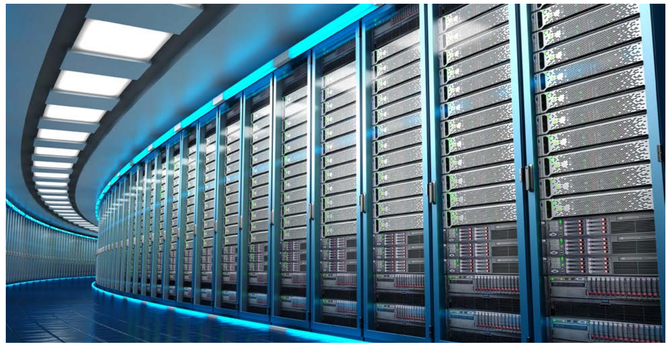
VALUE PROPOSITION

- Improved device performances
- Reduced device energy
- Smaller leakage

EXISTING AND FUTURE APPLICATIONS

- Servers
- High performance computing

TYPICAL DIE SIZE PER APPLICATION IN mm^2



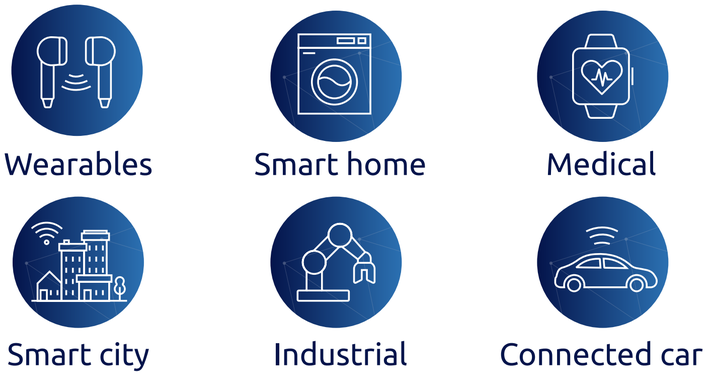
Servers and high-performance computing ~700mm^2

DOLPHIN DESIGN: ACCELERATE ENERGY EFFICIENT SoC DESIGNS

VALUE PROPOSITION

- Ultimate energy efficiency through pre-optimized IP platforms
- Adaptative Body Biasing (ABB) for FD-SOI technologies
- Ready to use Audio CODEC including AI based KWS (Key Word Spotting)
- State-of the art proven ASIC design & supply chain

END APPLICATIONS



DOLPHIN DESIGN SOLUTION OVERVIEW

SPEED: **S**YSTEM **P**LATFORMS FOR **E**NERGY **E**FFICIENT **D**ESIGN

SPIDER	BAT	CHAMELEON	RAPTOR	PANTHER
Available	Available	Available	Q4 2021	Q2 2021
Power Management platform	Audio platform	ULP MCU fabric with optional AI accelerator		Multi-Core Processor
Mixed-Signal IP platform- Vregs, Osc, PMU, PorBor, Pwr Gating, BodyBiasing…	A/D, D/A, Filtering, ANC, VAD (voice detection), KWS (key word spotting)…	Always -Ready / Instant-On architecture, CPU Core-Agnostic, Multi-core capability…		Conventional DSP including AI dedicated Accelerator

FY26 BASE CASE REVENUE MODEL

~$2B EXPECTED REVENUE

x3 INCREASE REVENUE

x2.5 INCREASE VOLUME

$668M REVENUE

~15% SMART DEVICES

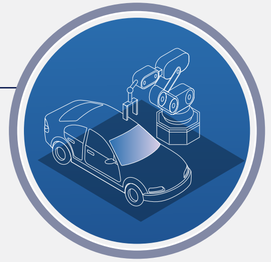
~10% AUTOMOTIVE & INDUSTRIAL

~75% MOBILE COMMUNICATIONS

FY21

FY26

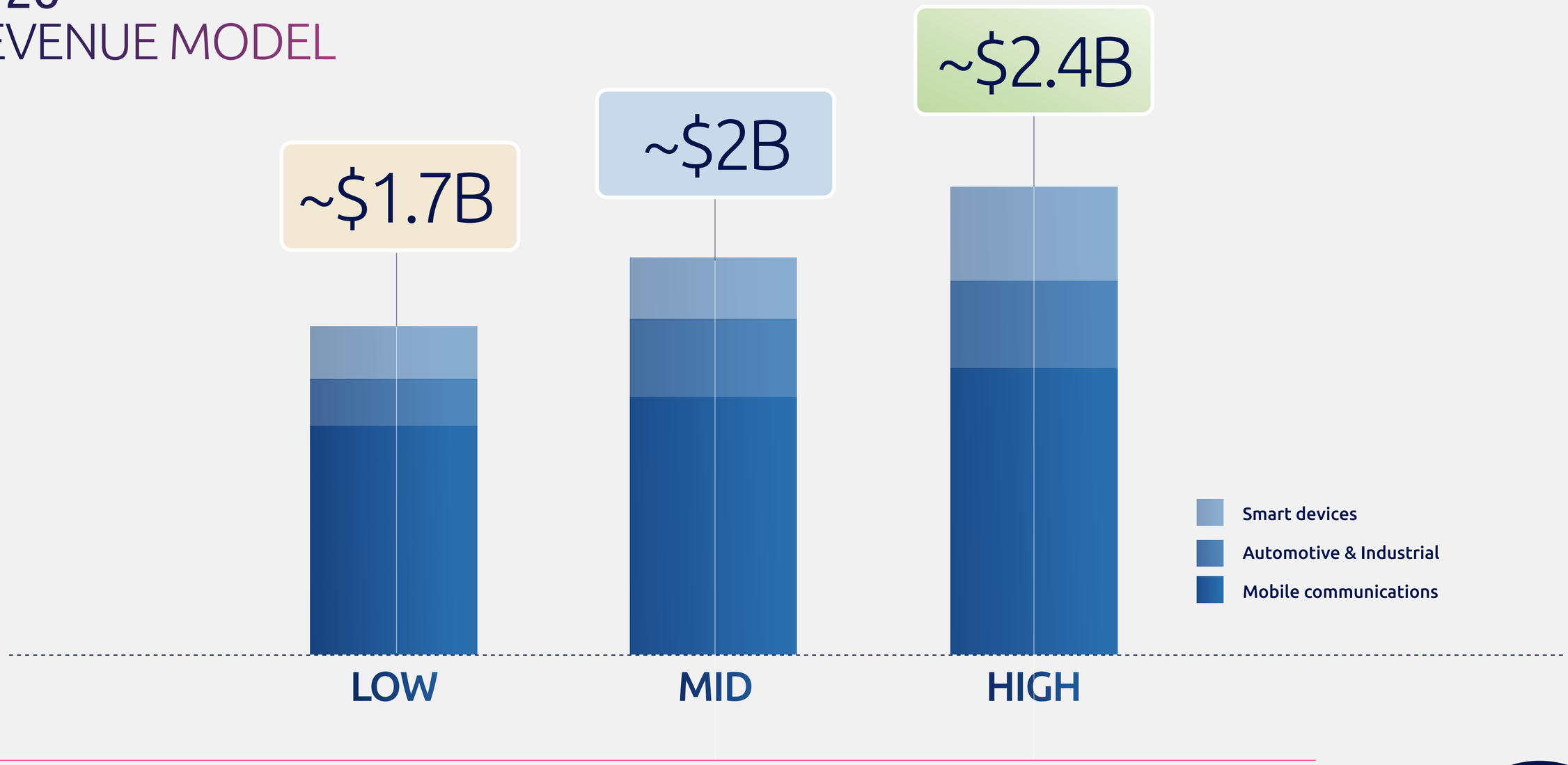
~15% SMART DEVICES



~20% AUTOMOTIVE & INDUSTRIAL

~65% MOBILE COMMUNICATIONS

FY26
REVENUE MODEL



GLOBAL BUSINESS UNITS TAKEAWAYS

CUSTOMERS

- **Focusing on three strategic end markets**

DIFFERENTIATED PRODUCTS

- **Product roadmap** bringing value from foundries to IDM & fabless

PROFITABLE GROWTH

- **Volume expected to 2.5x by FY26**
- **Revenue expected to 3x by FY26**

04 INNOVATION

CHRISTOPHE MALEVILLE
Chief Technology Officer

INNOVATION KEY MESSAGES

ENGINEERED SUBSTRATES AND SEMICONDUCTOR INNOVATION

- Leveraging materials science through engineered substrates
- PPACt is driving our innovation strategy

SOITEC TECHNOLOGY TOOLBOX

- Maturing & sharpening our technologies to bring best layer on best substrate
- Smart Cut™ SiC technology is on a fast track towards 1st product generation

SOITEC INNOVATION MODEL

- We are transforming our Innovation to meet short to long-term market needs
- Evolving our collaboration model

LEVERAGING MATERIALS SCIENCE TO ENABLE UNIQUE APPLICATIONS

Leverage
MATERIALS INTRINSIC PROPERTIES

- Electronic
- Photonic
- Piezoelectric
- Electromagnetic

Develop
TECHNOLOGY SOLUTIONS

- Smart Cut™
- Smart Stacking™
- Epitaxy
- Tiling
- 2.5D/3D
- Surface smoothing
- Smart Cut™ on cavity

Design
ENGINEERED SUBSTRATES

- SOI products portfolio
- Anything-on-Anything (Active layer on substrate)

Apply
SEMICONDUCTOR MEGATRENDS

Today:

- 5G
- AI
- Energy efficiency

Tomorrow:

- 6G
- Quantum computing
- Lab on chips

INNOVATION DRIVERS
PPACt

PPACt

PERFORMANCE

- Speed
- Frequency
- Linearity
- Defectivity
- Wavelength
- Bandwidth

PPACt

POWER

- Lower power consumption
- Energy efficiency

PPACt

AREA-COST

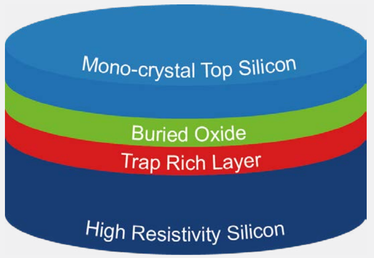
- Smaller die size
- Integrated chips, functions
- Yield
- Die cost
- System cost

PPACt

TIME-TO-MARKET

- Adoption window
- Faster than competition

INNOVATION DRIVERS
PPACt - Example with RF-SOI



PPACt
PERFORMANCE
- Optimized Ron x Coff
- Linearity @ -100dBm
- Defectivity compatible with 28nm

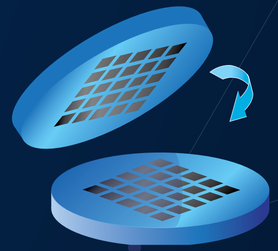
PPACt
POWER
- Lower power consumption

PPACt
AREA-COST
- Integrated FEM
- Silicon class yield
- 50% compared to GaAs

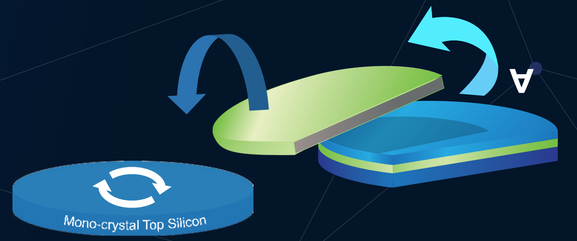
PPACt
TIME-TO-MARKET
- Yearly optimization

SOITEC CORE TECHNOLOGY TOOLBOX

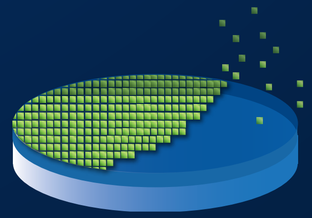
Smart Cut™



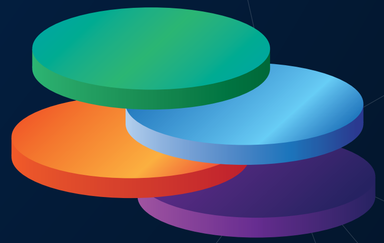
Smart Stacking™



Refresh - Repolish



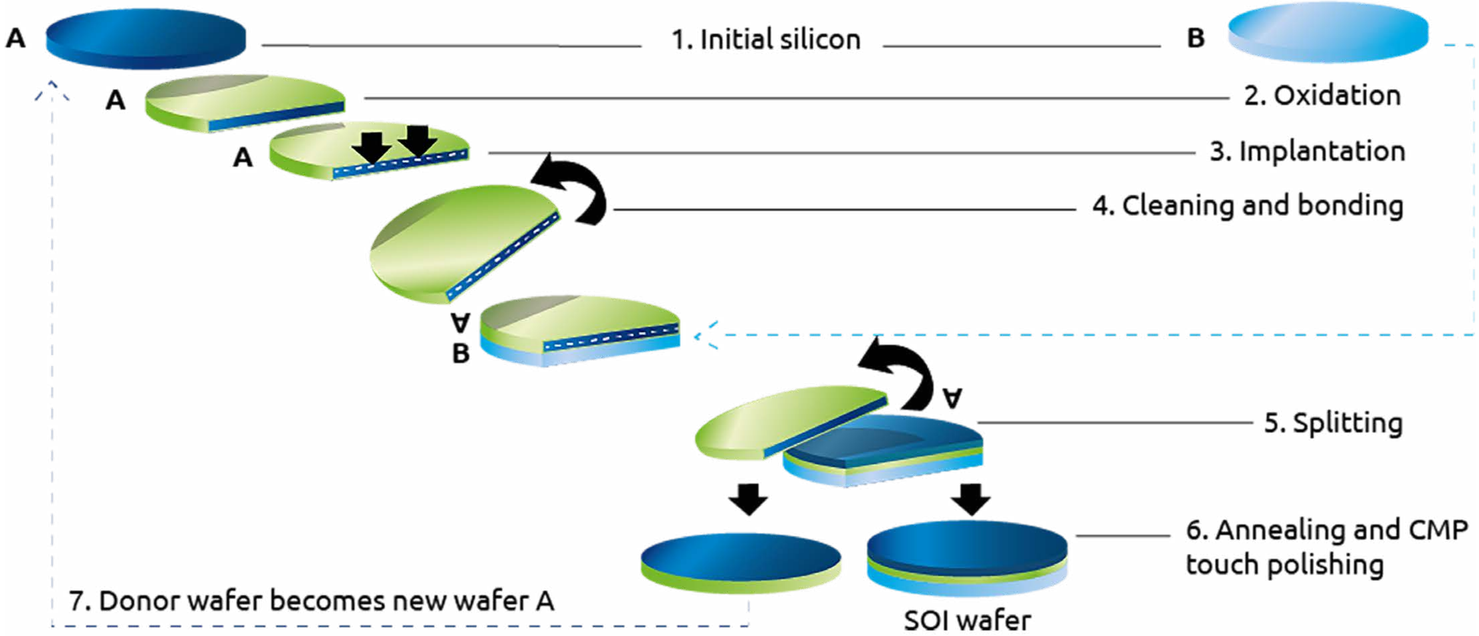
Epitaxy

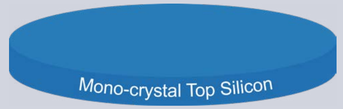


Material Expertise

Advanced Processing

SMART CUT™ AND SOI SUBSTRATES





Active layer

Functional/ insulator layer

Base wafer: mechanical support

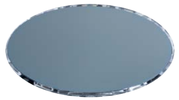
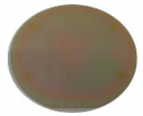
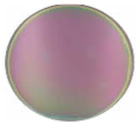
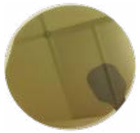
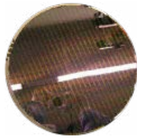
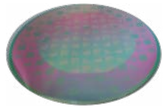
Silicon or easy to handle & active

TECHNOLOGY

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

ANYTHING-ON-ANYTHING

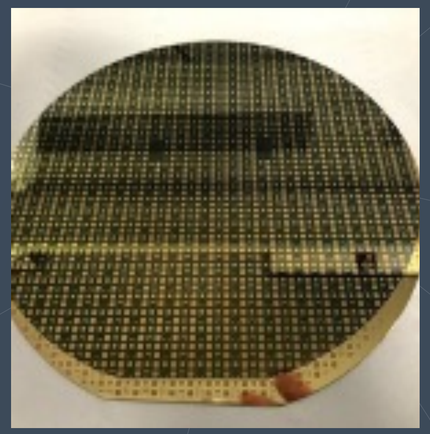
BEST ACTIVE LAYER ON FUNCTIONAL SUBSTRATE

SUBSTRATE \ ACTIVE LAYER	Silicon	Piezo	SiC	InP	GaN	GaAs	Ge
Silicon							
Sapphire							
SiC							
GaAs							
Device wafer							

6-INCH ENGINEERED SiC SUBSTRATE

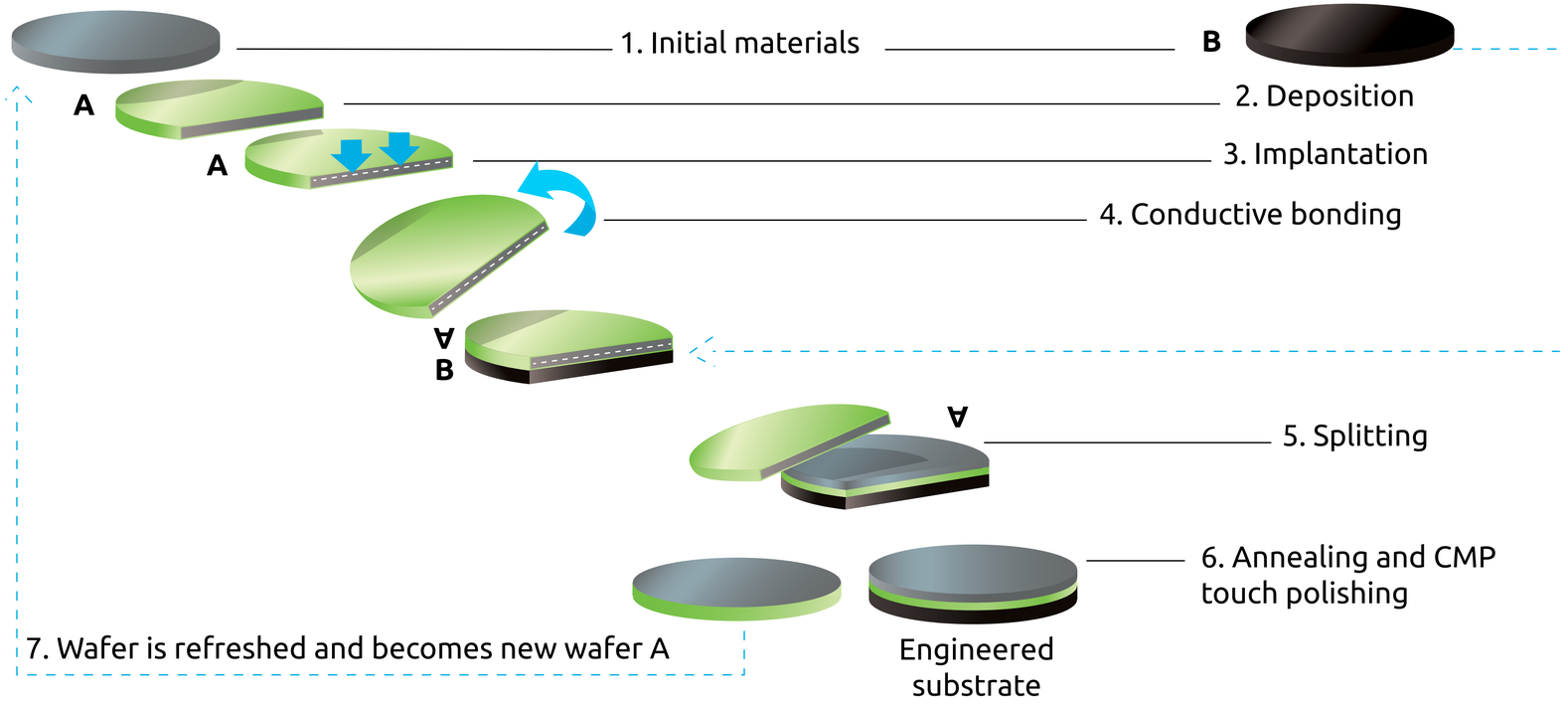
FROM SiC BULK

TO ENGINEERED SMART CUT™ SiC



TO POWER DEVICES

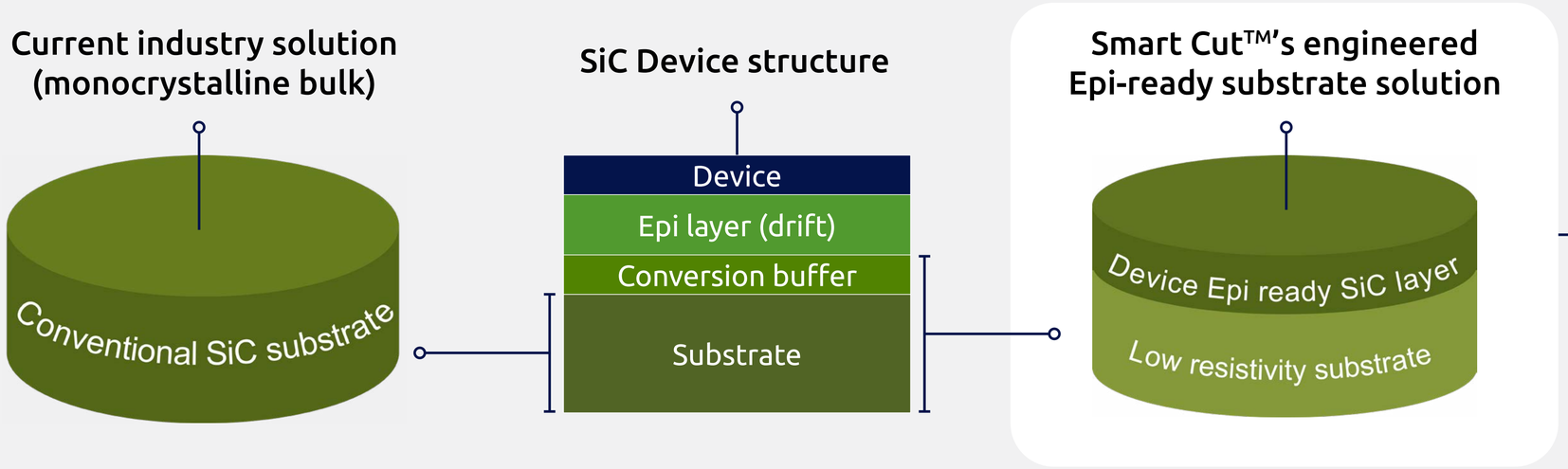
SMART CUT™ PROCESS ADAPTED TO SiC
FULL R&D PILOT LINE RUNNING



MAJOR STAGES OF SMART CUT™ SiC

- Donor wafer: Prime quality SiC
- Handle wafer: Low Res SiC
- Conductive bonding interface
- Finishing including CMP & high temp anneal
- Donor wafer re-use for new process cycle

SMART CUT™'S SOLUTION:
SiC ENGINEERED SUBSTRATE

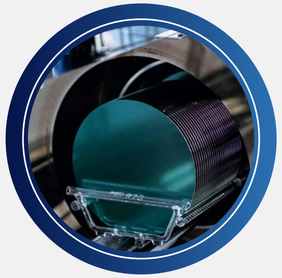


2021	**Premium active layer**	Epi-ready surface	**SIMPLER PROCESS, HIGHER YIELD**
2022	**Lower base resistivity**	Lower losses at high current	**SMALLER DIE, SYSTEM BENEFIT**

INNOVATION SNAPSHOT

GROUNDBREAKING RESEARCH STARTS WITH PEOPLE.

At Soitec, we have an international team of material experts that drive advances in semiconductor technology.



3,500+ ACTIVE PATENTS WORLDWIDE

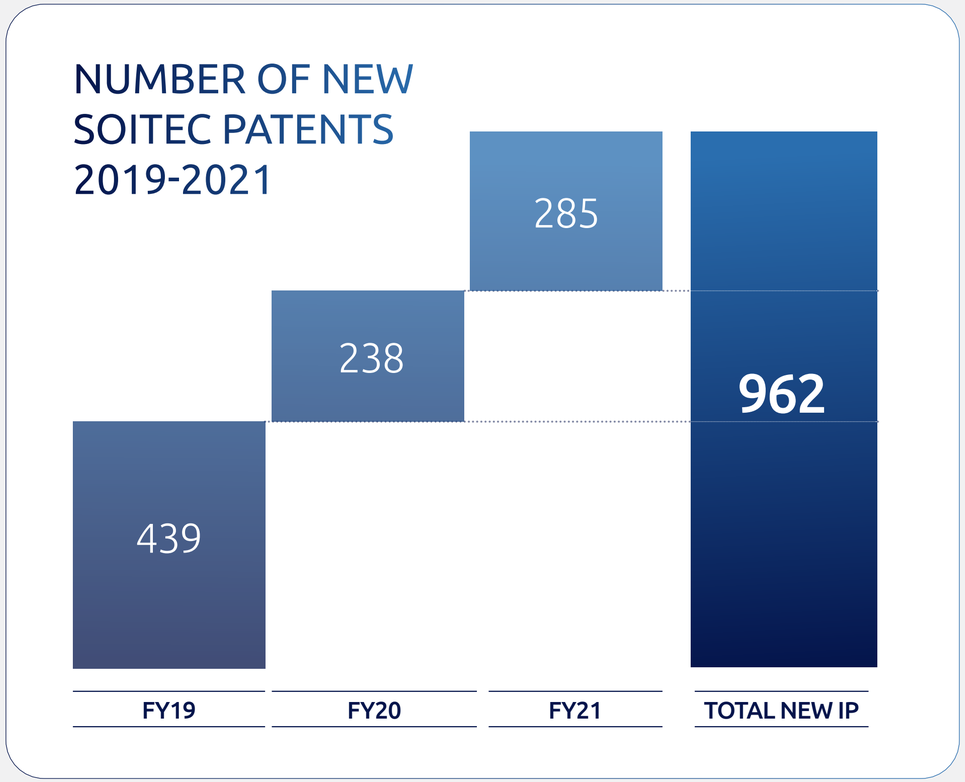
INNOVATION PLATFORMS

13% OF REVENUE IN R&D IN FY21

~200 RESEARCHERS & INVENTORS

25% OF PHDs

GLOBAL TEAM



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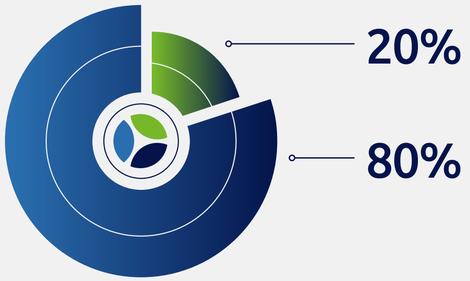
SOITEC INNOVATION FLYWHEEL

BALANCING SHORT TERM INNOVATION AND FUTURE OPPORTUNITIES



2021 | 2026 | 2030

PRODUCTS UNDER DEVELOPMENT TO SUPPORT OUR BP

TECHNOLOGIES AND PRODUCTS INCUBATION

Addressing short and medium-term differentiations for our customers

INCREMENTAL INNOVATION

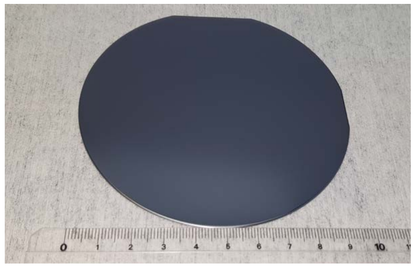
- SOI next generation
- POI next generation
- SOI for MEMS
- SiC

To support future opportunities and growth

DISRUPTIVE INNOVATION

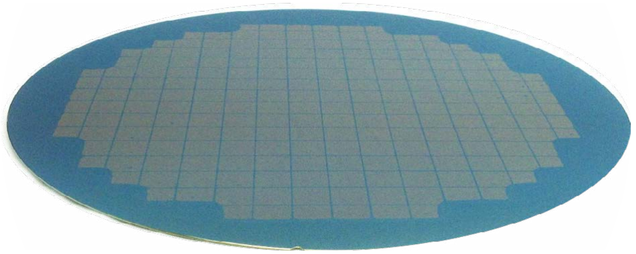
- Tiling for large diameters
- 2.5D/3D
- InP - photonics, 6G
- Materials science
- Compound integration

TILING - EXAMPLE WITH InP



InP bulk

100mm



InP on Silicon

200mm

ENABLING InP FOR SEVERAL APPLICATIONS

- High frequency devices (RF, THz, 5G/6G, …)
- Optoelectronics & Photonics (lasers, 3D sensing, PICs, gas sensing, ...)
- SWIR Image sensors
- Energy harvesting (IR, solar cells, …)

PARTNERSHIPS WITH 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, broader expertise

Agency for Science, Technology and Research
SINGAPORE

imec

soitec

leti
ceatech

Worldwide Partners

SUBSTRATE INNOVATION CENTER - SOITEC LAB & LETI

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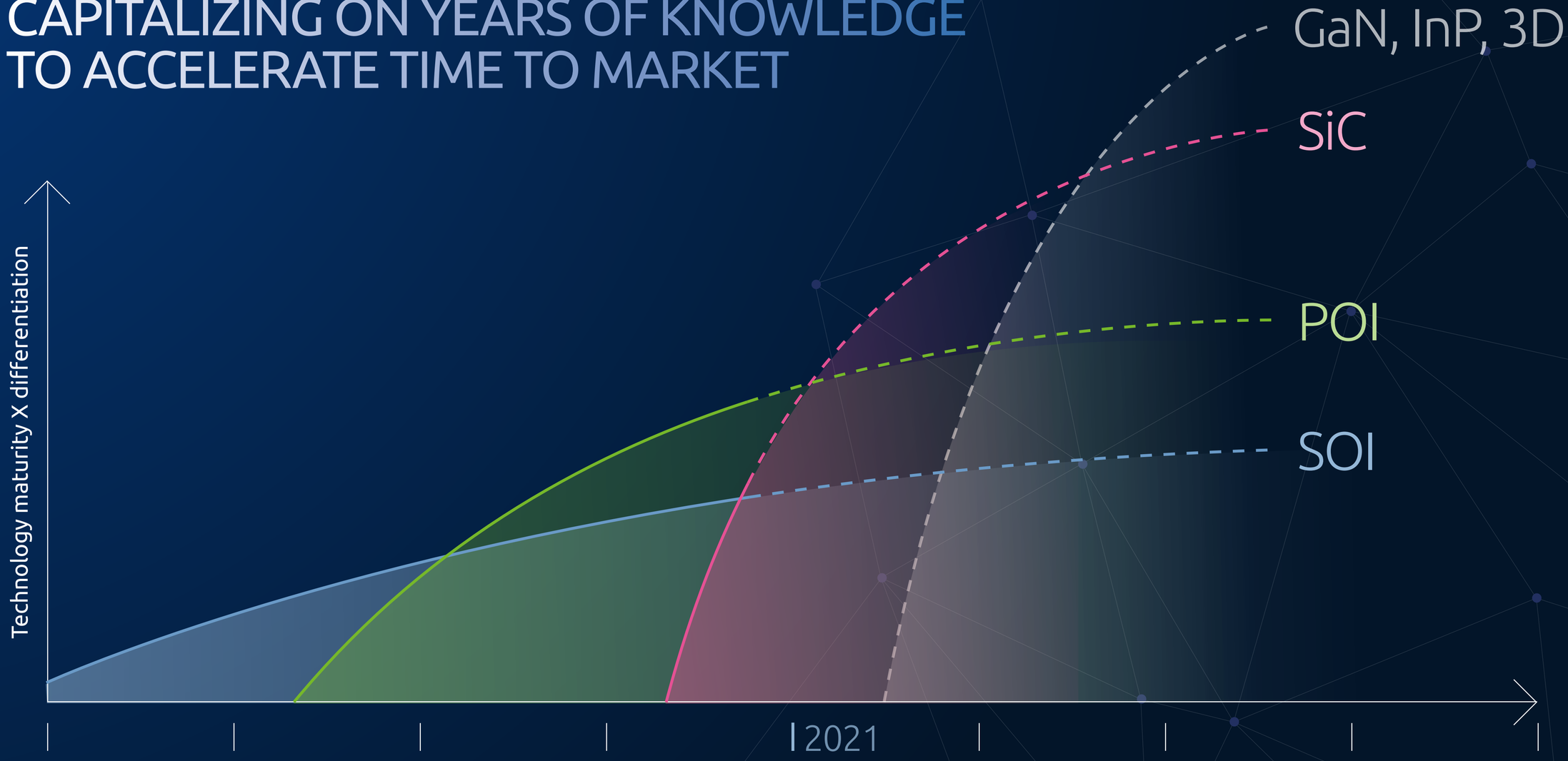
HUB
- Development
- Prototyping

PROGRAMS
- SiC
- Silicon smoothing
- Silicon epitaxy
- GaAs
- InP
- Smart Cut™ on cavity (MEMS)

PEOPLE
- 20 researchers (Soitec Lab)
- 30 researchers on development programs & contribution of more than 100 employees (Leti)
- >10 external partners

CAPITALIZING ON YEARS OF KNOWLEDGE TO ACCELERATE TIME TO MARKET



INNOVATION TAKEAWAYS

MATERIALS SCIENCE PER PPACt

BEST LAYER ON BEST SUBSTRATE

UNIQUE INNOVATION MODEL

05

OPERATIONS

CYRIL MENON
Senior Executive Vice President Operations

OPERATIONS KEY MESSAGES

AGILE AND SCALABLE OPERATIONS

- Fabs output has doubled from FY2018 to FY2020
- Annual capacity to double by the end of FY26 to >4 million wafers

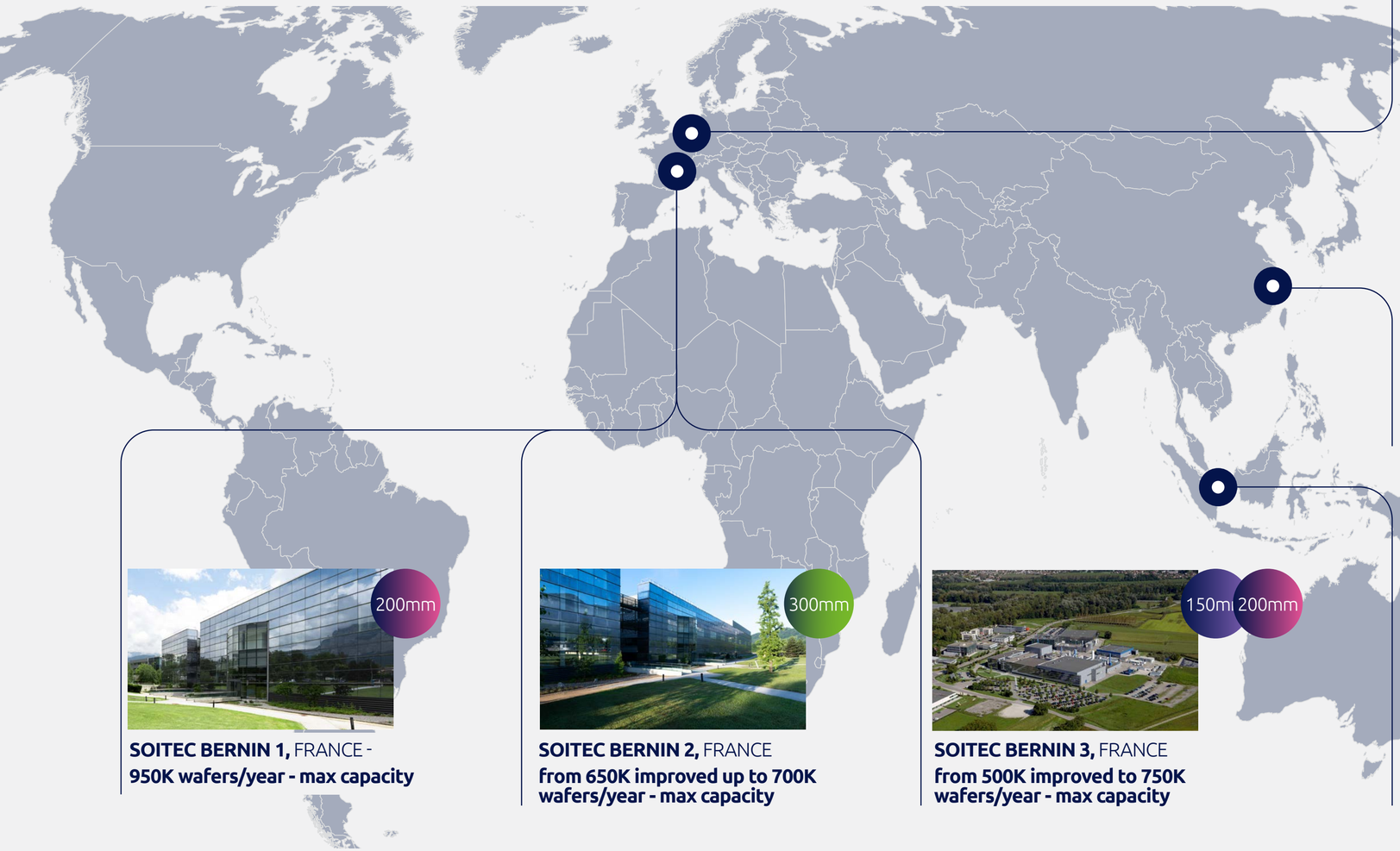
OPERATING LEVERAGE

- Bernin 1, Bernin 2, and Simgui fabs running at full capacity. Committed to maximize output
- Ramp Bernin 3 & Singapore to sustainable margin
- Ongoing cost reduction with capacity optimization and yield improvement

SUSTAINABLE GROWTH

- Engaged with the SBT initiative and driving our growth in line with limiting global warming to 1.5°C

GLOBAL INDUSTRIAL FOOTPRINT - CAPACITY EXPANSION



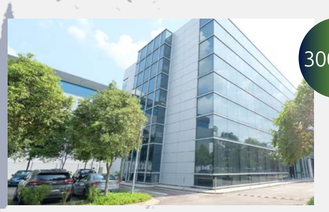
SOITEC BELGIUM N.V HASSELT, BELGIUM
60K wafers/year - max capacity

SIMGUI SHANGHAI, CHINA
from 350K push to 450K wafers/year - max capacity

SOITEC BERNIN 1, FRANCE -
950K wafers/year - max capacity

SOITEC BERNIN 2, FRANCE
from 650K improved up to 700K wafers/year - max capacity

SOITEC BERNIN 3, FRANCE
from 500K improved to 750K wafers/year - max capacity



SOITEC PASIR RIS, SINGAPORE
1M wafers/year - max capacity

NEW CAPACITIES

(PENDING BUSINESS MILESTONES)

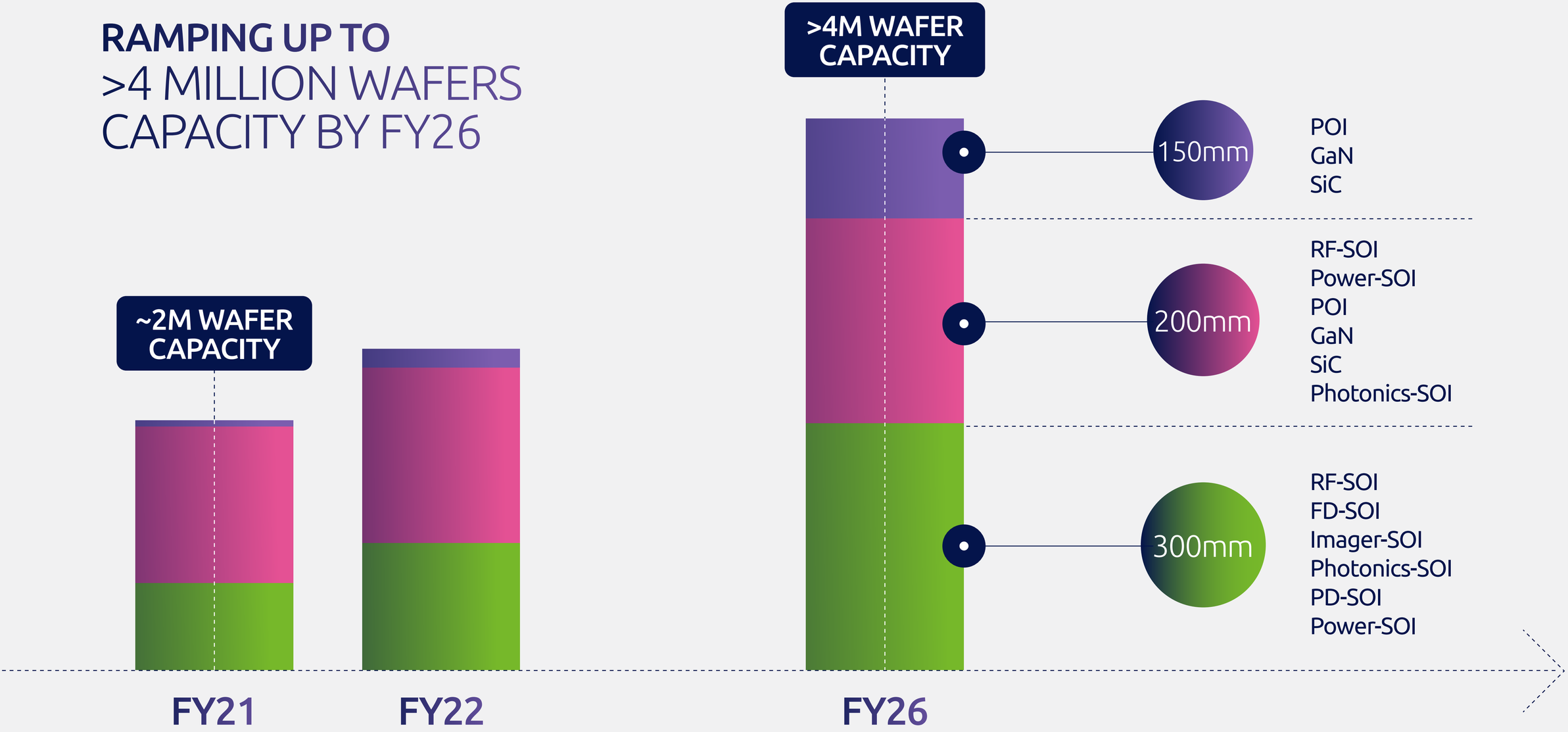
300mm

300mm SOI CAPACITY EXPANSION
1M wafers/year – max capacity

150mm 200mm

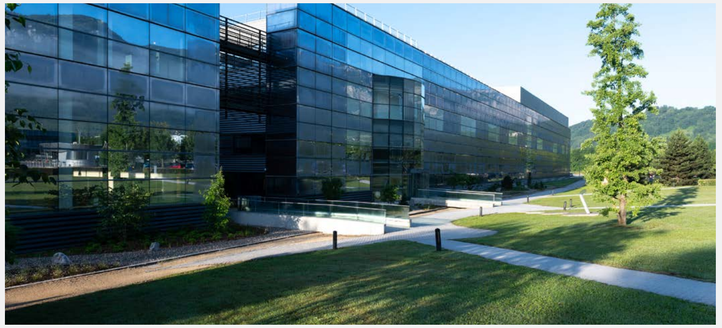
150 – 200mm SiC NEW CAPACITY EXPANSION
1M wafers/year – max capacity

RAMPING UP TO >4 MILLION WAFERS CAPACITY BY FY26



INDUSTRIAL STRATEGY - 300mm SOI

300mm SOI



SOITEC BERNIN 2, FRANCE

RF-SOI | Imager-SOI | Photonics-SOI | FD-SOI

Max capacity upgraded from 650K up to 700K wafers/year

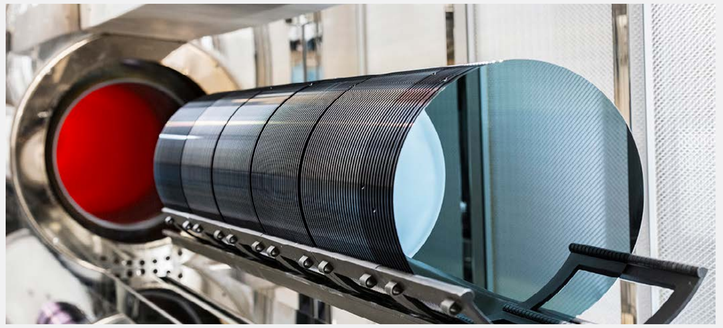
- Bringing some new CIP ideas to increase throughput and improving our yield enable Bernin 2 to reach 700K
- Industrialize new product flavors

SOITEC PASIR RIS, SINGAPORE

RF-SOI | FD-SOI | Other SOI products

Expand our capacity up to 1M wafers/year

- Implement additional capacity to further increase SOI ramp-up
- Secure bulk supply through “make” strategy on epi & on refresh
- Recruitment plan ongoing : more than 100 people to be hired this year



NEW CAPACITY

To be ready by FY26

INDUSTRIAL STRATEGY -
150-200mm POI & 200mm SOI

150 - 200mm POI

SOITEC BERNIN 3, FRANCE

POI

Increase Bernin 3 max capacity from 500K upgraded up to 750K wafers/year

- Recruitment plan started : 100 people hired to achieve the ramp up planned this year
- Preparation of 200mm pilot line for future opportunities

200mm SOI

SOITEC BERNIN 1, FRANCE

RF-SOI **Photonics-SOI** **Power-SOI**

Running full at 950K wafers/year

- Implement new CIPs to further increase capacity of current assets
- Maximize yield of our products
- Utilization of Bernin 1 assets to support POI dynamic

SIMGUI SHANGHAI, CHINA

RF-SOI **Power-SOI**

Expanding capacity from 350K up to 450K wafers/year

- Ramping up to maximum loading

INDUSTRIAL STRATEGY - 150-200mm GaN & SiC

150 - 200mm GaN

SOITEC BELGIUM N.V HASSELT, BELGIUM

GaN

Expand Hasselt Epi capacity up to 60K wafers/year

- GaN Epiwafer fab is qualified for 150mm high volume manufacturing (HVM)
- 200mm capacity in place for RF and power

150 - 200mm SiC

SUBSTRATE INNOVATION CENTER - FRANCE

SiC

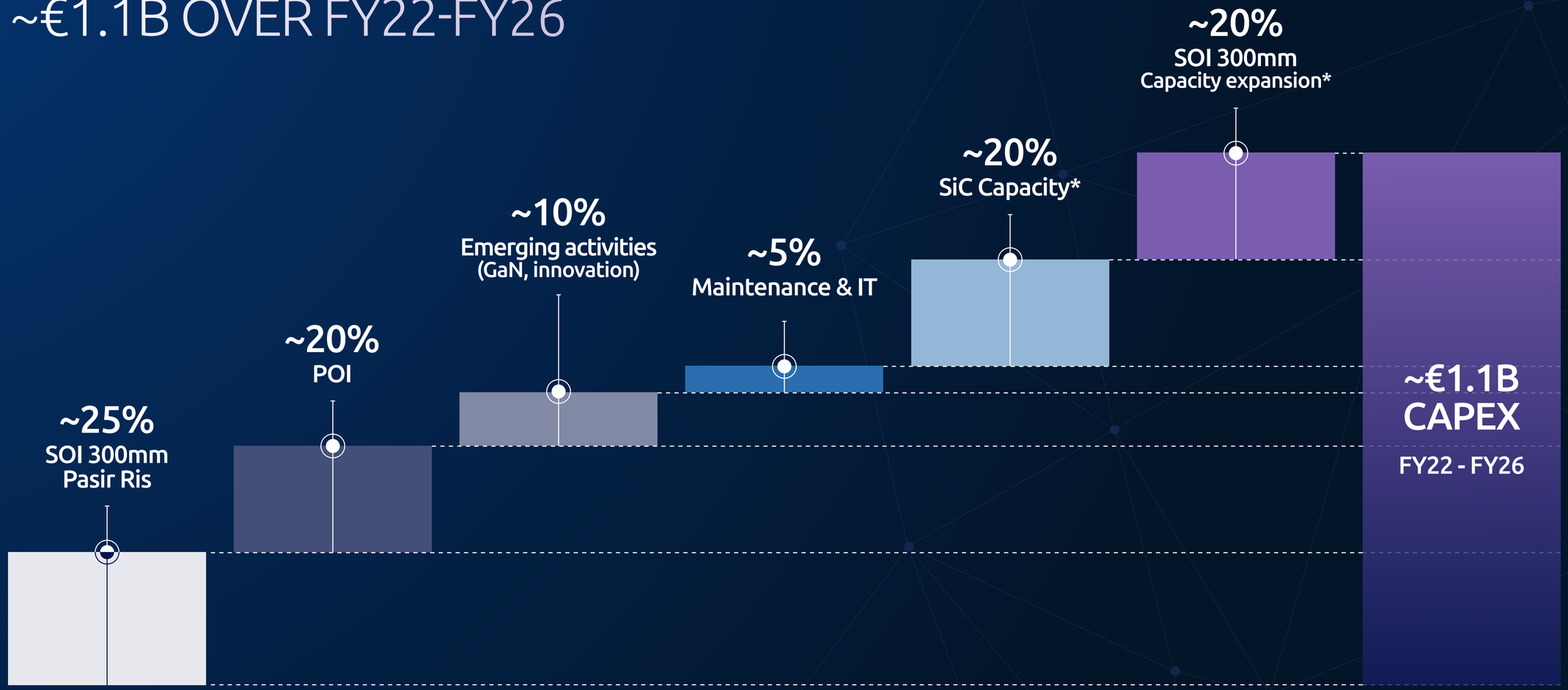
Pilot line

SiC CAPACITY - PLAN UNDER EVALUATION

SiC

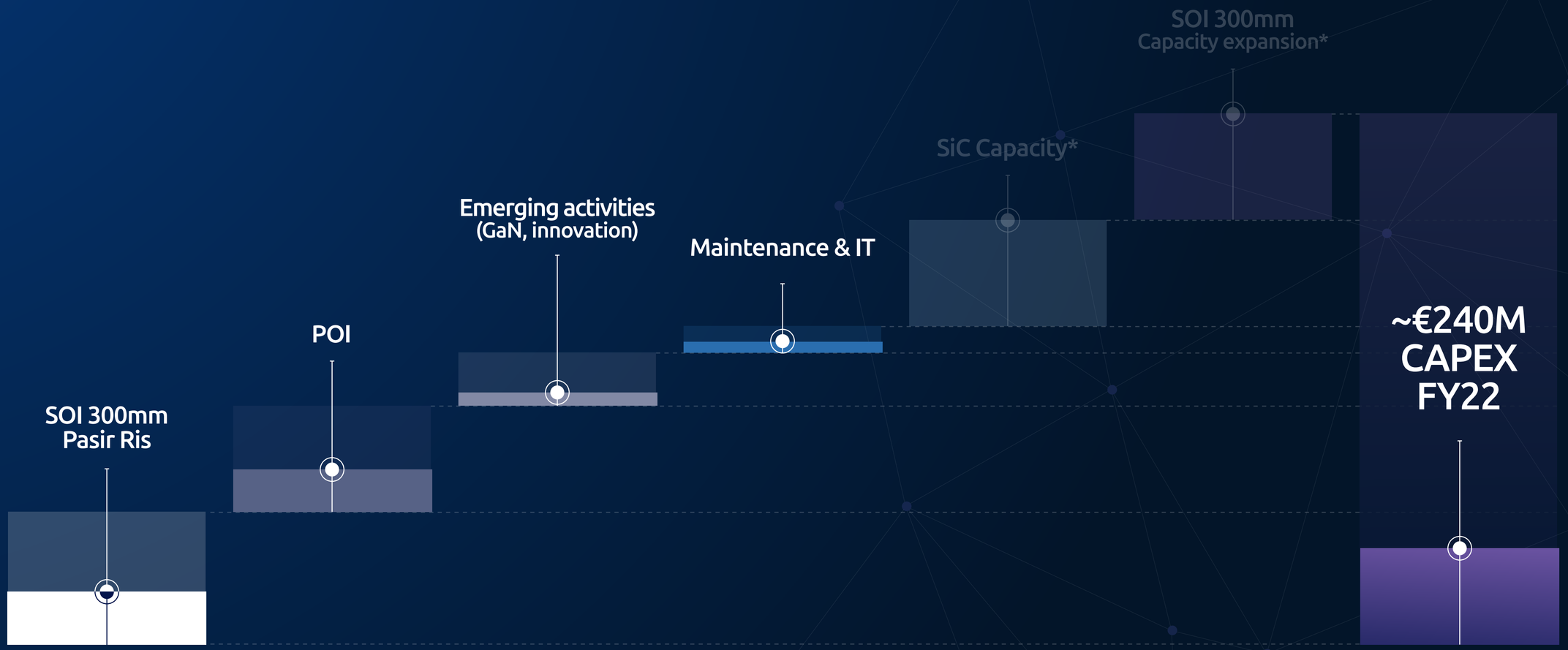
To be ready by FY24

CAPEX PLANS -
~€1.1B OVER FY22-FY26



(*) Excluding capex for building

CAPEX PLANS -
FOCUS ON FY22

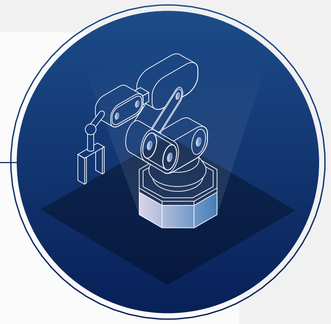


(*) Excluding capex for building

OPTIMIZATION -
INDUSTRY 4.0 DEPLOYED ACROSS ALL INDUSTRIAL SITES

LEVER 1

STANDARD, AI & AUTOMATION



- State-of-the-art industrial applications deployed: Automation, SPC, FDC, CMMS
- Automated pattern & defect recognition
- Autonomous 200mm vehicles

LEVER 2

CLOUD COMPUTING TO STRENGTHEN OPERATIONS SCALABILITY

- All business applications (ERP, HRIS, CRM, ...) migrated to the cloud
- Additional manufacturing features like smart sampling, advanced R2R transferred to the cloud

LEVER 3

AUGMENTED OPERATOR

- AR headsets for remote maintenance
- Operator mobile devices to manage live inventory connected to MES
- Real time assets performance monitoring and visualization

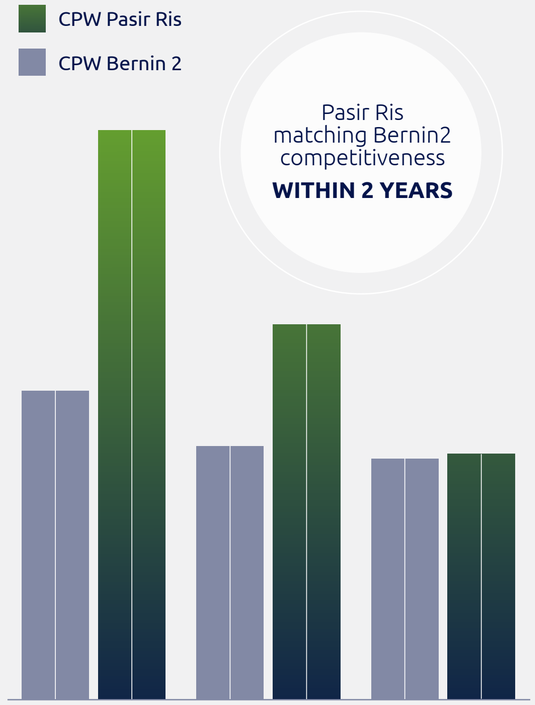
OPTIMIZATION -
INDUSTRY 4.0 DEPLOYED ACROSS ALL INDUSTRIAL SITES

Bernin 2 awarded
“FACTORY OF THE YEAR 2020”
in France thanks to Industry 4.0 initiatives

FROM ACTIONS
TO KPIs

SOITEC PASIR RIS, SINGAPORE

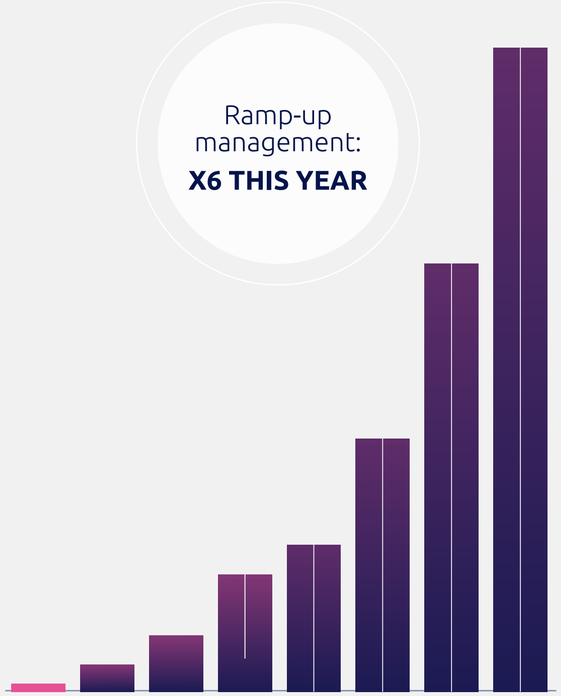
Pasir Ris vs. Bernin 2 cost per wafer (CPW)



Pasir Ris RF-SOI yield ramp-up

SOITEC BERNIN 3, FRANCE

Bernin 3 POI ramp-up management



Bernin 3 POI yield ramp-up

SUSTAINABLE GROWTH

REDUCING RESOURCE CONSUMPTION

- Achieved –29% energy consumption per unit of production vs FY16
- Achieved –14% water consumption per unit of production vs FY16
- Double water recycled by FY24

ACTING ON CLIMATE CHANGE

- 100% renewable energy in Bernin in FY22
- 50% renewable energy in Singapore by FY24
- 81% of waste recycled or recovered

ATTRACTIVE AND INCLUSIVE WORKPLACE

- Engaged in “1 Jeune, 1 Solution” French program: 100 young “below 26” hired over a year
- Women represent 30% of our engineers & 40% of our new talents
- Quality of work life score improved by 5 points over a year
- Injury rate reduced from 10 down to 4

OPERATIONS TAKEAWAYS

CAPACITY RAMP – SCALABLE AND AGILE OPERATION FOOTPRINT

OPERATING LEVERAGE THROUGH EXECUTION EXCELLENCE AND INDUSTRY 4.0

SUSTAINABLE GROWTH

06 FINANCE

LÉA ALZINGRE
Chief Financial Officer

FINANCE OUTLINE

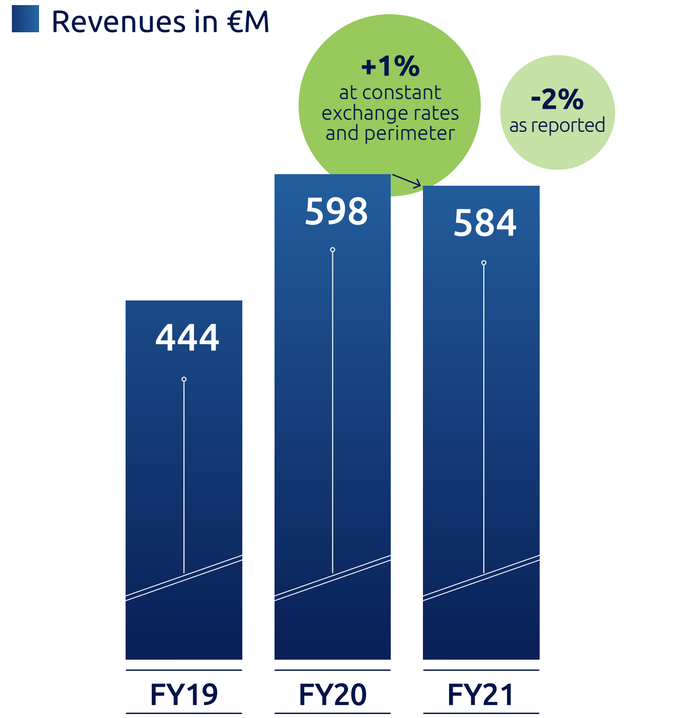
01
FY21
FINANCIALS

02
FY22
OUTLOOK

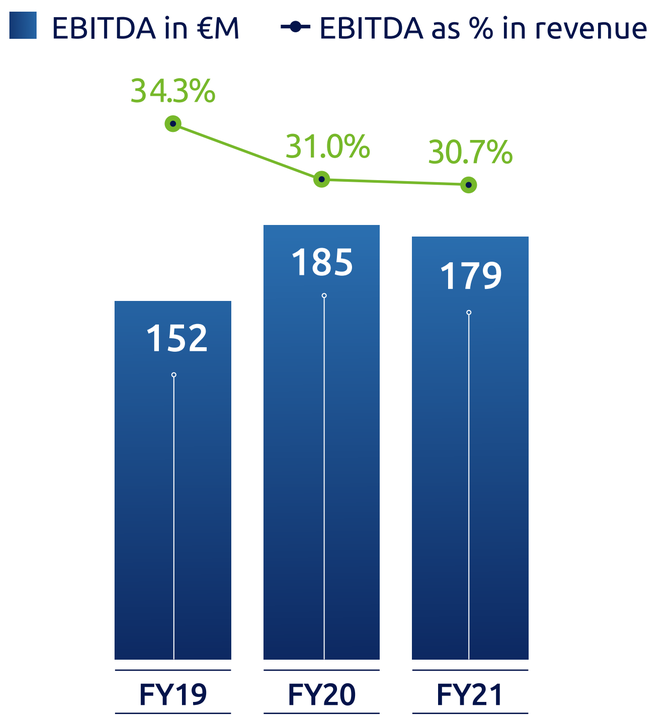
03
MID-TERM
FINANCIAL MODEL

FY21 – FINANCIAL HIGHLIGHTS

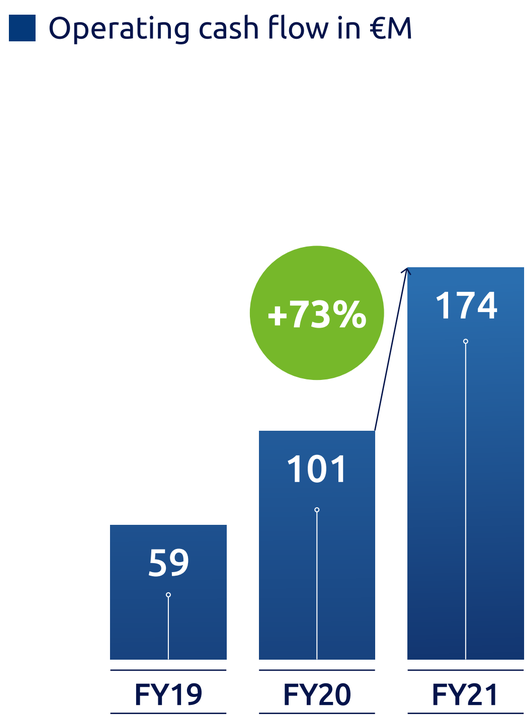
STABLE REVENUES(1)



STABLE EBITDA MARGIN(2)



STRONG OPERATING CASH FLOW(3)



(1) at constant FX rate and perimeter.
(2) EBITDA margin = Electronics EBITDA (EBITDA from continuing operations) / Revenue
(3) Cash flow = Electronics cash flow (cash flow from continuing operations)

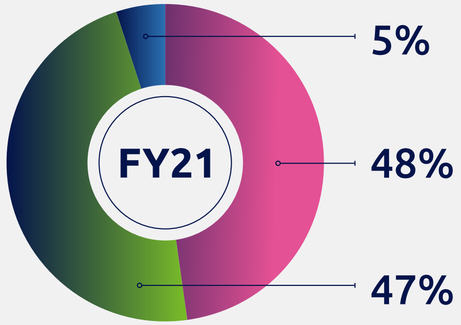
FY21 REVENUE PERFORMANCE

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

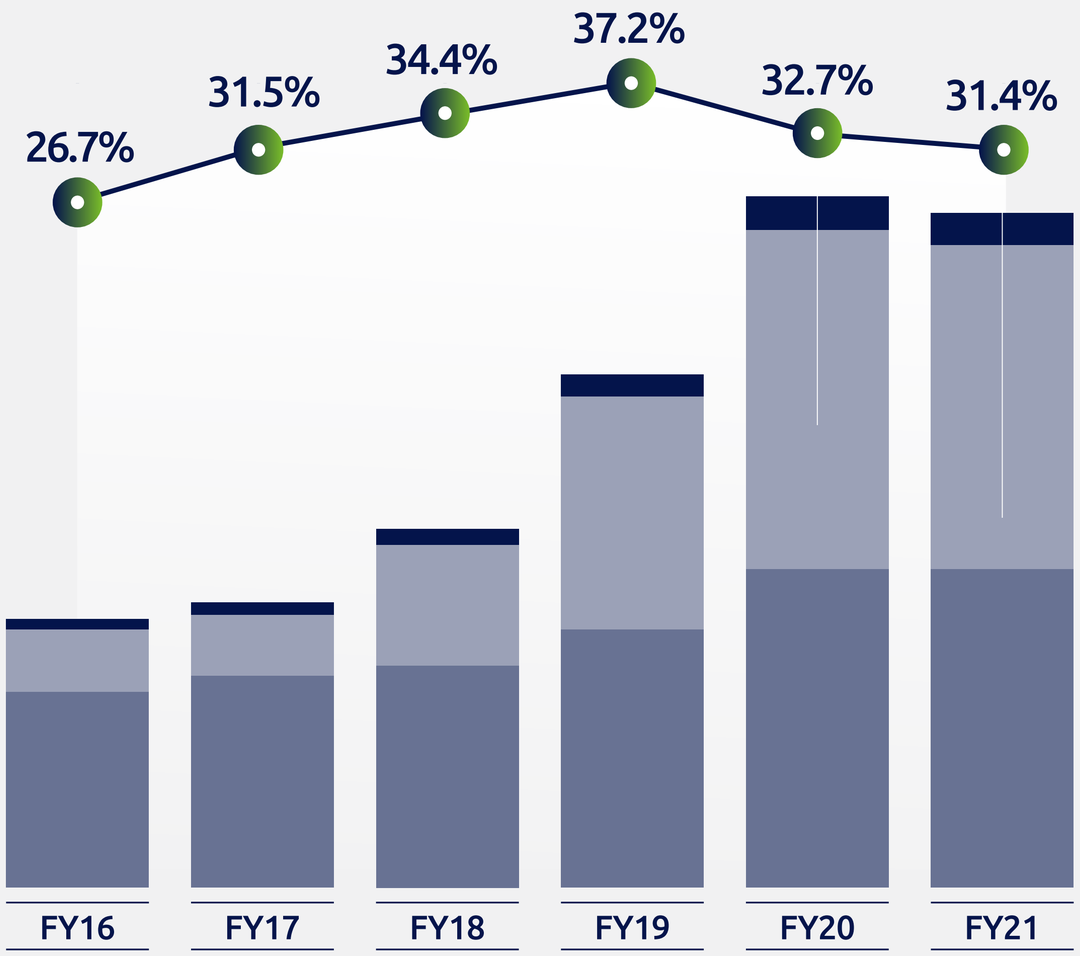
ORGANIC GROWTH AT +1%

REVENUE BREAKDOWN

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



GROSS MARGIN EVOLUTION



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

GROSS MARGIN TAILWINDS

- Favourable raw material long term agreements
- Production costs under control

GROSS MARGIN HEADWINDS

- Capacity increase including depreciation expenses
- Lower loading of our Bernin 1 & Bernin 2 facilities
- Unfavourable FX rate

CURRENT OPERATING INCOME

Operating income impacted by R&D investments and by 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%
- Prototype sales and others	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 & 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%, represents around 8% of revenue:

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

SG&A expenses up 9%, remains 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**
Net financial expenses	(11.2)	(4.7)
Net foreign exchange gain / (loss)	(3.6)	0.6
Net financial result	**(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 (Euros per share)	**2.19**	**3.40**
Diluted EPS (Euros per share)	**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

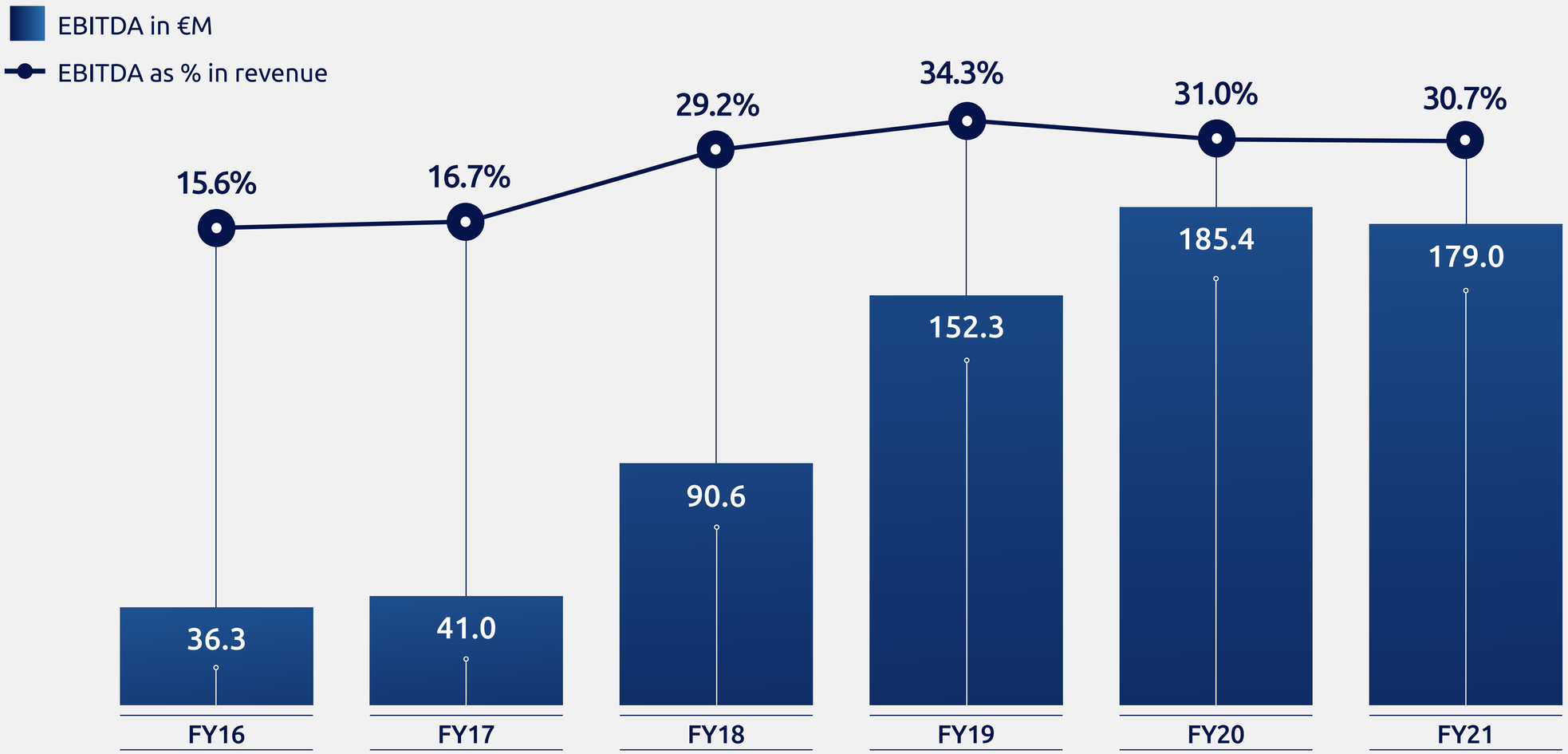
Net financial loss:

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

Income tax:

- Income tax continues to benefit from tax loss carryforwards

ELECTRONICS EBITDA MARGIN MAINTAINED ABOVE 30%



SHARP INCREASE IN OPERATING CASH FLOW AND POSITIVE FREE CASH FLOWS

€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. others	18.3	26.6
- Tax paid	(14.0)	(25.6)
Net cash generated by operating activities	**174.3**	**100.7**
- Adjusted investment flows*	(136.7)	(132.8)
- Intangible assets	(24.2)	(31.1)
- Tangible assets	(113.5)	(77.7)
- Others	1.0	(24.0)
Free cash flows	**37.6**	**(32.1)**

31.6% increase in D&A, mainly resulting from continuous investments carried out (Industrial capacity, R&D)

Higher non-cash items mainly reflecting share based payments

Improvement of working capital

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

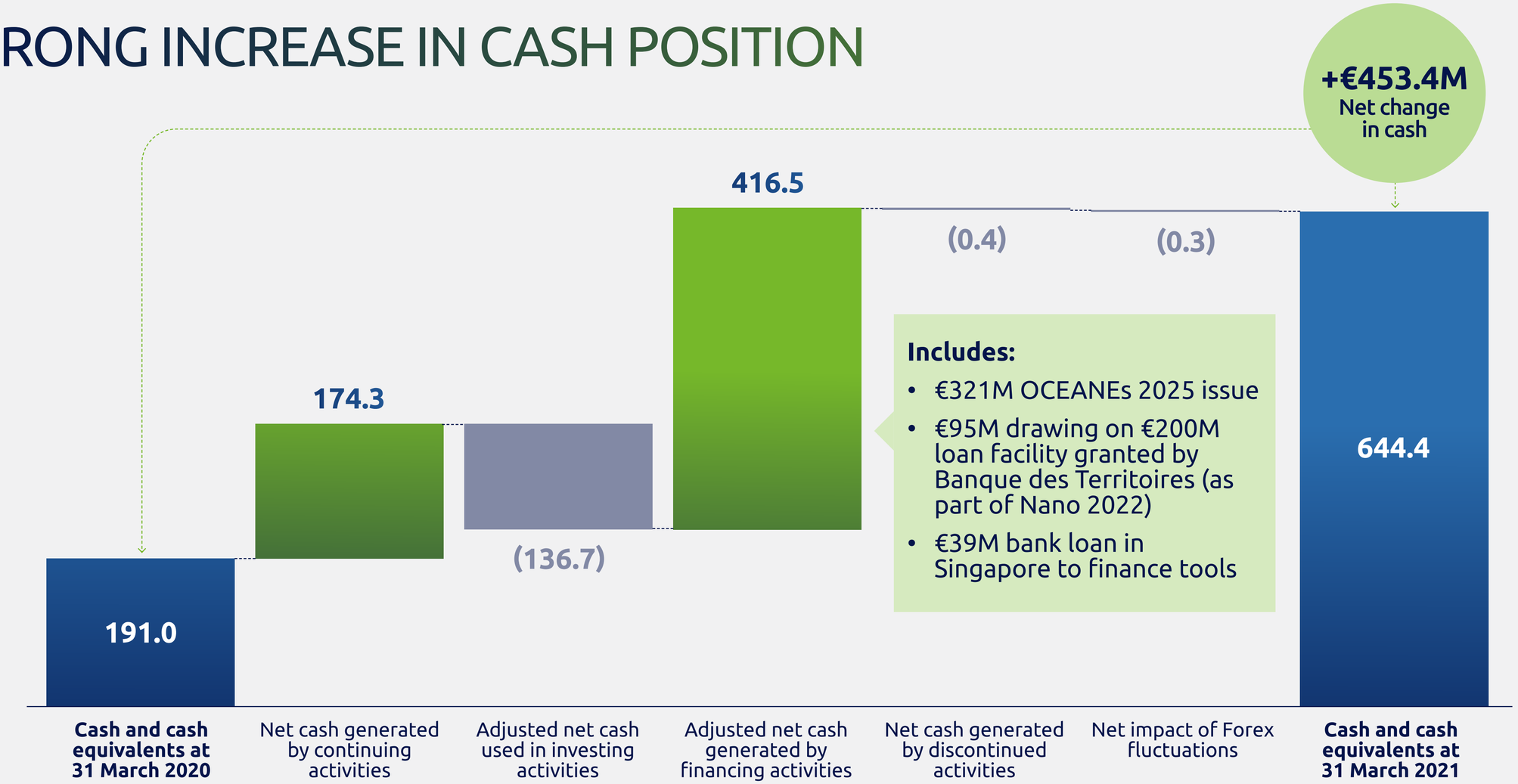
CAPEX include

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

Positive free cash flows at €37.6M

(*) The investing and financing cash flows shown above are taken from the IFRS statement of cash flows, adjusted to include new finance leases in the financing cash flows in the case of leaseback transactions.
Note: 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 exclusively and fully reflects the Electronics activities as well as corporate expenses.

STRONG INCREASE IN CASH POSITION



Note: The above investment and financing cash flows are taken from the IFRS cash flow statement adjusted to include new finance leases in the financing cash flow in the case of lease-back transactions

BALANCE SHEET

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

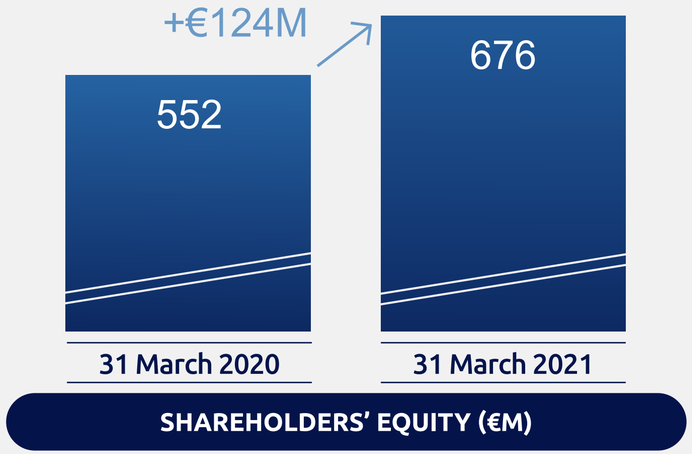
Mainly DTA on tax loss carry forward
(+€13M over FY21)

ASSETS - in €M	31 March 2021	31 March 2020
Intangible assets	99	87
Tangible assets	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**

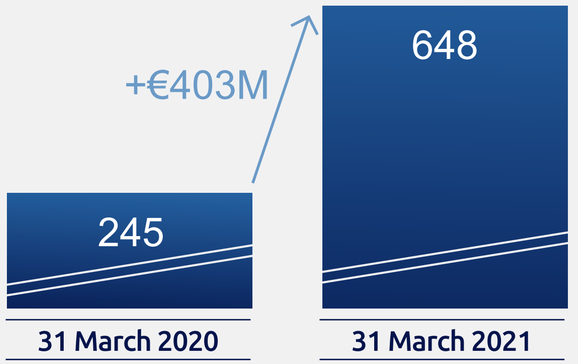
LIABILITIES AND EQUITY - in €M	31 March 2021	31 March 2020
Total equity	**676**	**552**
Long-term financial debt	612	193
Provisions and other non-current liabilities	44	40
Total non-current liabilities	**656**	**233**
Trade payables	79	76
Other current liabilities	121	88
Short-term financial debt	36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

€648M financial debt includes mainly:
- Leasing contracts: €55M
- OCEANEs : €429M
- Bank loans (incl IPCEI) : €135M

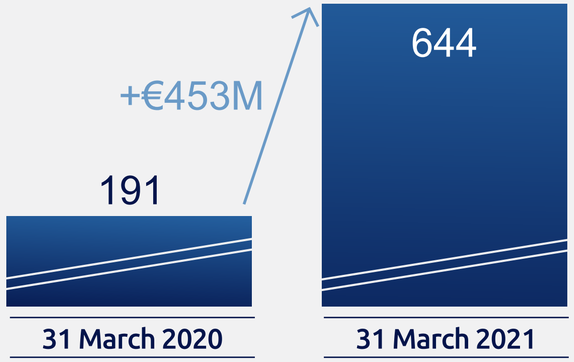
A FURTHER STRENGTHENED FINANCIAL STRUCTURE



SHAREHOLDERS' EQUITY (€M)



GROSS DEBT (€M)



CASH AND CASH EQUIVALENTS (€M)

NET DEBT (€M)

GUIDANCE FY22

~40% REVENUE GROWTH AT CONSTANT FX RATE

STRONG GROWTH OF REVENUE: ~$950M (€800M at 1.2) around +40% at constant FX rate vs FY21

~32% EBITDA MARGIN

ELECTRONICS EBITDA MARGIN AROUND 32%

- Operating leverage thanks to our Bernin 1 and Bernin 2 fabs fully loaded and better loading for Singapore fab
- Favourable effect of raw materials long-term supplier agreements
- Unfavourable Forex impact

~€240M CAPEX

CONTINUING CAPACITY INVESTMENT

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

MID-TERM FINANCIAL MODEL

REVENUE

– Revenue will more than triple between FY21 and FY26 to reach $2B

PROFITABILITY (@1.20 FX RATE)

– EBITDA in value more than x3 between FY21 and FY26

– CAPEX: around €1.1B between FY22 and FY26*

FINANCING

– Sufficient cumulative operating cash flows to finance CAPEX

	FY21 (Actual)	FY22	FY26 (Model)
FX rate	*@1.13*	*@1.20*	*@1.20*
Revenue ($M)	668	~950	~2,000
Revenue (€M)	584	~800	~1,700
Gross margin %	31.4%	~34%	~36%
EBITDA % Revenue	30.7%	~32%	~35%
CAPEX % Revenue	24%	~30%	~18% over FY22-26

(*) Excluding capex for building

CEO - WRAP-UP SESSION

STRATEGIC VISION FOR THE NEXT 5 YEARS

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

FINANCIAL MODEL FOR FY26

- 3x revenues to ~$2B
- ~35% EBITDA margin

SUSTAINABILITY SUPPORTS OUR VALUE CREATION STRATEGY

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

CAPITAL MARKETS DAY 2021

THANK YOU