



SOITEC REPORTS FY'21 FOURTH QUARTER REVENUES

- In line with guidance, full-year FY'21 revenues were up 1% at constant exchange rates and perimeter¹ reaching €584m, (down 2% on a reported basis)
- Q4'21 revenues reached €181m, down 6% at constant exchange rates and perimeter¹ versus record revenues in Q4'20 and up 23% versus Q3'21
- Q4'21 confirmed sequential quarter over quarter sales growth achieved throughout the fiscal year
- FY'21 Electronics EBITDA² margin³ still expected around 30%
- FY'22 revenue guidance confirmed, with sales expected above \$900m

Bernin (Grenoble), France, April 21st, 2021 – Soitec (Euronext Paris), a world leader in designing and manufacturing innovative semiconductor materials, today announced consolidated revenues of 180.7 million Euros for the fourth quarter of FY'21 (ended March 31st, 2021), down 11.3% compared with the record level of 203.8 million Euros achieved in the fourth quarter of FY'20. This is the combination of a 6.2% decrease at constant exchange rates and a negative currency impact of 5.1%.

On a sequential basis, fourth quarter sales were up by 23.0% at constant exchange rates compared with the third quarter of FY'21, confirming the quarter-over-quarter sales increase that has been anticipated at the beginning of the fiscal year.

¹ At constant exchange rates and comparable scope of consolidation; scope effect only applies to Q1; it is related to the acquisition of EpiGaN N.V. in May 2019; there was no scope effect in Q2, Q3 and Q4; EpiGaN N.V. was renamed Soitec Belgium N.V. in July 2020; its revenues are included in the segment Royalties and other revenues.

² The EBITDA represents the operating income (EBIT) before depreciation, amortization, non-monetary items related to share-based payments, and changes in provisions on current assets and provisions for risks and contingencies, excluding income on asset disposals. This alternative indicator of performance is a non-IFRS quantitative measure used to measure the company's ability to generate cash from its operating activities. EBITDA is not defined by an IFRS standard and must not be considered an alternative to any other financial indicator.

³ Electronics EBITDA margin = EBITDA from continuing operations / Sales.

Paul Boudre, Soitec's CEO, commented: "**We finished the year in line with our guidance, succeeding in achieving a small growth of revenues at constant exchange rate despite the economic environment created by the health situation. We increased our sales quarter after quarter throughout the year, this fourth quarter being the second highest quarter ever achieved by Soitec, and, in the meantime, generated more balanced revenues from one quarter to another.**

This strong performance bodes well for the future. We recovered our growth dynamic from our second fiscal quarter onward and we will pursue this trajectory in the next 12 months and beyond. We continued to recruit new talents and we are gradually adding production capacity to be able to meet growing customer demand. The innovative semiconductor materials are at the center of requirements driven by massive deployment of 5G platform and accelerating adoption of mega trends of car electrification and Artificial Intelligence."

Fourth quarter FY'21 consolidated sales (unaudited)

	Q4'20	Q4'21	Q4'21/Q4'20	
			change reported	chg. at const. exch. rates and perimeter ¹
(Euros thousands)				
150/200-mm	91,623	74,193	-19%	-14%
300-mm	103,895	94,850	-9%	-3%
Royalties and other revenues	8,299	11,666	+41%	+42%
Total revenues	203,817	180,708	-11%	-6%

Total revenues recorded a 6.2% decline at constant exchange rates in the fourth quarter of FY'21 compared to the fourth quarter of FY'20. They continued to benefit from strong sales of RF-SOI wafers dedicated to radiofrequency applications for smartphones, although at a lower level than the record sales achieved in the fourth quarter of FY'20. Sales of Imager-SOI and Photonics-SOI products also came lower than in the fourth quarter of FY'20. On the other hand, POI wafer sales dedicated to smartphones' RF filters benefitted from a strong demand and the ongoing ramp-up in production: they showed substantial growth compared to the fourth quarter of FY'20. Sales of FD-SOI were also higher. Sales of Power-SOI were slightly up. In addition, other revenues benefitted from a strong performance by Dolphin Design.

On a sequential basis, fourth quarter sales were up by 23.0% at constant exchange rates compared with the third quarter of FY'21.

150/200-mm wafer sales

150/200-mm wafers are mostly dedicated to radiofrequency applications and, for a smaller part, to power applications. In the fourth quarter of FY'21, 150/200-mm wafer sales decreased by 14% at constant exchange rates, compared with the record level achieved in the fourth quarter of FY'20. This is essentially reflecting a decrease in volumes, as well as a slightly less favorable product mix. 150/200-mm wafer sales were however up by 16% at constant exchange rates compared to the third quarter of FY'21 confirming the strong trend recorded quarter over quarter since the beginning of the fiscal year.

By type of products, **RF-SOI 200-mm** wafer sales were lower than the record sales achieved in the fourth quarter of FY'20 but slightly up compared to the third quarter of FY'21 as they continue to be supported by greater RF-SOI content for radiofrequency applications.

Power-SOI wafer sales slightly increased in the fourth quarter of FY'21 compared to the fourth quarter of FY'20 and recorded a strong recovery on a sequential basis after the difficulties met by the automotive market since the beginning of the fiscal year in the context of the Covid-19 situation.

POI (Piezoelectric-on-Insulator) wafer sales recorded a sharp increase compared to the fourth quarter of FY'20 reflecting the ramp-up in production enabled by the ongoing extension of the dedicated 150-mm industrial capacity at Bernin. Sales were also higher than in the third quarter of FY'21 as POI substrates continue to bring strong value proposition to smartphones' 4G/ 5G RF filters for mass markets.

300-mm wafer sales

In the fourth quarter of FY'21, 300-mm wafer sales decreased by only 3% at constant exchange rates, compared with the high comparison base of the fourth quarter of FY'20. This is resulting from a combination of a small volume decrease and a slightly less favorable product mix. 300-mm wafer sales were however up by 25% at constant exchange rates compared to the third quarter of FY'21 confirming the strong momentum achieved quarter over quarter since the beginning of the fiscal year.

RF-SOI 300-mm wafer sales continue to be supported by the still important 4G market as well as further deployment of first generations of 5G smartphones.

FD-SOI wafer sales reached a higher level than in the fourth quarter of FY'20 and a substantial growth compared to the third quarter of FY'21, confirming the rebound already achieved in the third quarter of FY'21. Indeed, FD-SOI based offering from fabless companies continued to strengthen for applications related to 5G, Edge Computing and Automotive.

Sales of **Imager-SOI** wafers for 3D applications dedicated to smartphones and **Photonics-SOI** wafers for data centers were both lower than in the fourth quarter of FY'20, but for each of them sales have been growing quarter after quarter over the full fiscal year.

Royalties and other revenue

Total Royalties and other revenues reached 11.7 million Euros in the fourth quarter of FY'21 compared to 8.3 million Euros in the fourth quarter of FY'20. This strong increase essentially came from a very good quarter achieved by Dolphin Design.

FY'21 consolidated sales (unaudited)

	FY'20	FY'21	FY'21/FY'20	
			<i>change reported</i>	<i>chg. at const. exch. rates and perimeter¹</i>
(Euros thousands)				
150/200-mm	274,933	277,376	+1%	+4%
300-mm	294,363	276,650	-6%	-3%
Royalties and other revenues	28,253	29,735	+5%	+6%
Total revenues	597,549	583,761	-2%	+1%

For the full-year of FY'21, revenues reached 583.8 million Euros, up 0.9% at constant exchange rates and perimeter¹ compared with the full-year of FY'20.

150/200-mm wafer sales were up 4% at constant exchange rates compared to FY'20 while 300-mm wafer sales were down by 3% at constant exchange rates.

While FY'21 RF-SOI wafer sales have been stable compared to FY'20, performance of other products was more contrasted with a strong increase in POI and Imager-SOI wafer sales and a decline in Power-SOI, FD-SOI, and Photonics-SOI wafer sales.

Key events of the quarter

Recent news related to the adoption of FD-SOI technology

1) Bosch using GF's 22FDX RF solution for mmWave automotive radar SoC

GlobalFoundries (GF) (the world's leading specialty foundry) and Germany's Bosch are partnering to develop and manufacture next-generation automotive radar technology.

Bosch chose GF as its partner to develop a millimeter-wave (mmWave) automotive radar system-on-chip (SoC) for Advanced Driver Assistance Systems (ADAS) applications, manufactured using GF's 22FDX RF solution.

The first 22FDX-based radar SoCs for further testing Bosch's new generation of automotive radars are targeted for delivery in second-half 2021.

2) NXP continues to expand product families built on 28FDS technology

NXP introduces in 28FDS manufactured by Samsung Foundry, two new members to its popular Ultra Low Power “crossover” product line with i.MX 8ULP and i.MX 8ULP-CS for secure cloud connectivity. The next evolution of the edge computing will be driven by distributed intelligence across billions of devices, and that requires profound innovations in processing, energy efficiency, and security.

Outlook

Soitec confirms expecting FY'21 Electronics EBITDA² margin³ to reach around 30%.

Soitec also confirms expecting FY'22 sales to reach above 900 million US Dollars.

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Analysts conference call to be held in English on Thursday 22nd April at 8:00 am CET

To listen this conference call, the audiocast is available live and in replay at the following address: https://channel.royalcast.com/soitec#!/soitec/20210422_1

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Agenda

Full-year FY'21 results are due to be published on June 9th, 2021 after market close.

Soitec will host a Capital Markets Day on the next day (June 10th, 2021).

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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.

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About Soitec

Soitec (Euronext, Tech 40 Paris) is a world leader in designing and manufacturing innovative semiconductor materials. The company uses its unique technologies and semiconductor expertise to serve the electronics markets. With more than 3,300 patents worldwide, Soitec’s strategy is based on disruptive innovation to answer its customers’ needs for high performance, energy efficiency and cost competitiveness. Soitec has manufacturing facilities, R&D centers and offices in Europe, the U.S. and Asia.

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Soitec is a French joint-stock corporation with a Board of Directors (Société Anonyme à Conseil d'administration) with a share capital of € 66,557,802.00, having its registered office located at Parc Technologique des Fontaines - Chemin des Franques - 38190 Bernin (France), and registered with the Grenoble Trade and Companies Register under number 384 711 909.

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Appendix

Consolidated sales (Q3'21 and Q4'21 unaudited)

Quarterly sales (Euros thousands)	Q4		Q1		Q2		Q3		Q4	
	'19	'20	'20	'21	'20	'21	'20	'21	'20	'21
150/200-mm	60,206	91,623	59,469	67,392	61,957	71,029	61,885	64,762	91,623	74,193
300-mm	72,300	103,895	53,832	41,269	71,504	63,877	65,133	76,655	103,895	94,850
Royalties and other revenues	7,776	8,299	6,135	4,961	5,555	5,848	8,264	7,260	8,299	11,666
Total revenues	140,282	203,817	119,435	113,622	139,015	140,754	135,282	148,678	203,817	180,708

Quarterly sales (vs. previous year)	Q4'20		Q1'21		Q2'21		Q3'21		Q4'21	
	change reported	chg. at const. exch. rates and perimeter ¹	change reported	chg. at const. exch. rates and perimeter ¹	change reported	chg. at const. exch. rates and perimeter ¹	change reported	chg. at const. exch. rates and perimeter ¹	change reported	chg. at const. exch. rates and perimeter ¹
150/200-mm	+52.2%	+47.0%	+13.3%	+13.1%	+14.6%	+17.2%	+4.6%	+9.1%	-19.0%	-14.4%
300-mm	+43.7%	+38.8%	-23.3%	-23.5%	-10.7%	-8.6%	+17.7%	+23.3%	-8.7%	-2.9%
Royalties and other revenues	+6.7%	-1.4%	-19.1%	-22.1%	+5.3%	+5.9%	-12.1%	-11.0%	+40.6%	+42.3%
Total revenues	+45.3%	+40.1%	-4.9%	-5.2%	+1.3%	+3.5%	+9.9%	+14.7%	-11.3%	-6.2%

¹ At constant exchange rates and comparable scope of consolidation:

- in Q3'19 and Q4'19, scope effects relate to the acquisition of Dolphin Integration assets in August 2018
- in Q1'20 and Q2'20, scope effects relate to the acquisitions of Dolphin Integration assets in August 2018 and the acquisition of EpiGaN in May 2019
- in Q3'20, Q4'20 and Q1'21, scope effects relate to the acquisition of EpiGaN in May 2019
- there is no scope effect in Q2'21, Q3'21 and Q4'21

Both Dolphin Integrations assets and EpiGaN are included in the segment Royalties and other revenues.

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