



SOITEC REPORTS FY'22 SECOND QUARTER REVENUE

- Q2'22 revenue reached €193m, up 40% at constant exchange rates versus Q2'21
- H1'22 revenue is up 53% at constant exchange rates compared with H1'21, reaching €373m, the highest semester ever achieved by Soitec
- FY'22 revenue guidance is now expected at around \$975m (previously around \$950m), up around 45% at constant exchange rates
- FY'22 Electronics EBITDA¹ margin² is also upgraded, from around 32% to around 34%

Bernin (Grenoble), France, October 20th, 2021 – Soitec (Euronext Paris), a world leader in designing and manufacturing innovative semiconductor materials, today announced consolidated revenue of 192.7 million Euros for the second quarter of FY'22 (ended September 30th, 2021), up 36.9% compared with 140.8 million Euros achieved in the second quarter of FY'21. This reflects the combination of a 40.0% growth at constant exchange rates and a negative currency impact of 3.2% (no change in perimeter).

On a sequential basis, second quarter revenue was up by 5.2% at constant exchange rates compared with the first quarter of FY'22, representing a fifth consecutive quarter-over-quarter organic revenue growth since the first quarter of FY'21.

¹ 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.

² Electronics EBITDA margin = EBITDA from continuing operations / Revenue.

Paul Boudre, Soitec's CEO, commented: ***“With another solid growth achieved during the second quarter, we reached our best semester ever, supported by a robust performance in each one of our end-markets. Thanks to the strong value proposition brought by our products, we continue to benefit from the 5G deployment, from the recovery of the automotive industry as well as from sustained market trends for smart devices. On the back of this high level of activity as well as strong operating performance, we are upgrading both our revenue and EBITDA margin guidance for the full year.***

In the past quarter, we also reached another significant step in adopting our corporate purpose, materializing our ambition to bring smart and energy efficient solutions to the world of electronics. Our goal is to foster the performance of our products while reducing both their energy consumption and our own carbon footprint.”

Second quarter FY'22 consolidated revenue (unaudited)

	Q2'21	Q2'22	Q2'22/Q2'21	
(Euros thousands)			change reported	chg. at const. exch. Rates
150/200-mm	71,029	85,071	+20%	+22%
300-mm	63,877	101,615	+59%	+63%
Royalties and other revenue	5,848	5,983	+2%	+3%
Total revenue	140,754	192,668	+37%	+40%

Soitec benefited from a 40% total revenue increase at constant exchange rates in the second quarter of FY'22 compared to the second quarter of FY'21, with a solid performance across all types of products in each end market.

Soitec enjoyed further strong growth in **Mobile communications**, its largest end market which continues to be supported by the deployment of 5G, translating into higher sales of RF-SOI wafers dedicated to radiofrequency applications and POI wafers dedicated to RF filters. This has been possible thanks in particular to the increase in capacity both in the Singapore facility dedicated to 300-mm SOI and in the Bernin III facility dedicated to 150-mm POI.

Benefitting from the sustained recovery of the automotive market, Soitec recorded a solid performance in **Automotive & Industrial** as evidenced by higher sales of Power-SOI wafers.

Soitec also achieved an increase in revenue from **Smart devices** with higher sales of Photonics-SOI wafers and FD-SOI wafers for internet of things and edge computing applications.

150/200-mm wafer revenue

150/200-mm wafers are mostly dedicated to radiofrequency applications and, for a smaller part, to power applications. In the second quarter of FY'22, 150/200-mm wafer revenue reached 85.1 million Euros, a 22% growth at constant exchange rates compared to the second quarter of FY'21. This is resulting from a strong increase in volumes of 150-mm wafers produced in Bernin III and a higher output of 200-mm wafers in Bernin I.

150/200-mm wafer revenue growth was supported by:

- Higher **Power-SOI** wafer sales compared to the second quarter of FY'21, confirming the sustained recovery of the automotive industry since the fourth quarter of FY'21;
- An increase in **POI (Piezoelectric-on-Insulator)** wafer sales compared to the second quarter of FY21, reflecting the successful ramp-up in production at Bernin III to match the increasing demand for POI substrates dedicated to smartphones RF filters.

RF-SOI content in radiofrequency applications keeps on increasing with the deployment of 5G but this is essentially benefitting 300-mm wafers. **RF-SOI 200-mm** wafer sales remained stable compared to the second quarter of FY'21.

On a sequential basis, 150/200-mm wafer revenue increased by 6% at constant exchange rates compared to the first quarter of FY'22.

300-mm wafer revenue

In the second quarter of FY'22, 300-mm wafer sales reached 101.6 million Euros, a 63% increase at constant exchange rates, compared with the second quarter of FY'21. This is the reflection of a sharp volume increase of wafers produced both in Bernin II and in Singapore.

In the second quarter of FY'22 **RF-SOI 300-mm** wafer sales enjoyed a sharp growth as compared with the second quarter of FY'21, as they continued to be actively supported by the ongoing deployment of 5G smartphones.

FD-SOI wafer sales reached in the second quarter of FY'22 a much higher level than in the second quarter of FY'21, confirming the rebound initiated in the third quarter of FY'21 and demonstrating how FD-SOI increasingly benefits applications related to Edge Computing, Automotive and 5G.

In the second quarter of FY'22, sales of **Imager-SOI** wafers, which allow 3D image sensing for facial recognition in smartphones, remained at the same sustained level as in the second quarter of FY'21.

Finally, **Photonics-SOI** wafer sales for data centers were much higher than in the second quarter of FY'21, confirming the good trend experienced since the fourth quarter of FY'21.

On a sequential basis, 300-mm wafer revenue increased by 4% at constant exchange rates compared to the first quarter of FY'22.

Royalties and other revenue

Total Royalties and other revenue reached 6.0 million Euros in the second quarter of FY'22 compared to 5.8 million Euros in the second quarter of FY'21. This represents a 3% growth at constant exchange rates.

First half FY'22 consolidated revenue (unaudited)

	H1'21	H1'22	H1'22/H1'21	
<i>(Euros thousands)</i>			<i>change reported</i>	<i>chg. at const. exch. rates</i>
150/200-mm	138,421	164,161	+19%	+23%
300-mm	105,146	197,529	+88%	+97%
Royalties and other revenues	10,809	11,405	+6%	+7%
Total revenue	254,375	373,095	+47%	+53%

Consolidated revenue reached 373.1 million Euros in the first half of FY'22, representing an all-time high record. Revenue was up 46.7% compared to 254.4 million Euros in the first half of FY'21. This reflects the combination of a 52.9% growth at constant exchange rates and a negative currency impact of 6.2% (no change in perimeter).

150/200-mm wafer sales were up 23% at constant exchange rates compared to the first half of FY'21 while 300-mm wafer sales were up by 97% at constant exchange rates.

Key events of the quarter

Early redemption of the bonds convertible into and/or exchangeable for new or existing shares (OCEANEs) due June 28, 2023

On September 16th, 2021, Soitec announced its decision to redeem all outstanding OCEANEs due June 28th, 2023, at a price per OCEANE equal to par (i.e. €104.47). On October 8th, 2021, all bondholders had opted for the exercise of their conversion/exchange right at the conversion/exchange ratio of 1 Soitec share per OCEANE. Consequently, 1,319,318 new Soitec shares were issued, representing 3.90% of Soitec share capital. On October 18th, 2021, following the conversion of all OCEANEs 2023, share capital amounts to 70,275,148.00 euros and comprised 34,896,560 ordinary shares, and 241,014 preferred shares, all with a par value of €2.00.

Soitec's shareholders approve the adoption of a corporate mission for the Company

At the Extraordinary General Meeting held on July 28th, 2021, the adoption of Soitec's corporate mission was approved by the shareholders. The corporate mission of the Company is defined as follows: *"We are the innovative soil from which smart and energy efficient electronics grow into amazing and sustainable life experiences"*.

FY'22 Outlook

Soitec is now expecting FY'22 revenue to reach around 975 million US Dollars (as compared to around \$950m previously) i.e. a growth of around 45% at constant exchange rates compared to FY'21 revenue.

Thanks to higher level of activity and strong operational performance, Soitec is also upgrading its FY'22 Electronics EBITDA¹ margin² guidance from "around 32%" to "around 34%".

#

Analysts conference call to be held in English on Thursday 21st October 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/20211021_1

#

Agenda

First-half FY'22 results are due to be published on November 30th, 2021 after market close.

#

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 2020-2021 Universal Registration Document (which notably includes the 2020-2021 Annual Financial Report) which was filed on July 5, 2021 with the French stock market authority (Autorité des Marchés Financiers, or AMF) under number D.21-0681. The French version of the 2020-2021 Universal Registration Document and an English courtesy translation for information purposes are both available for consultation on the Company’s website (www.soitec.com), in the section Company - Investors - Financial Reports.

Your attention is drawn to the risk factors described in Chapter 2.1 of the Company’s 2020-2021 Universal Registration Document.

This document contains summary information and should be read in conjunction with the 2020-2021 Universal Registration Document.

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 2.1 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.

#

About Soitec

Soitec (Euronext, Tech 40 Paris) is a world leader in the manufacture of innovative semiconductor materials. The company uses its unique technologies to serve the electronics markets. With more than 3,500 patents worldwide, Soitec’s strategy is based on disruptive innovation to meet its customers’ needs for high performance, energy efficiency and cost competitiveness. Soitec has manufacturing facilities, R&D centers and offices in Europe, the United States and Asia. Soitec and Smart Cut are registered trademarks of Soitec.

For more information, please visit www.soitec.com and follow us on Twitter: @Soitec_EN

Investor Relations:

Steve Babureck
+33 6 16 38 56 27
+65 9231 9735
steve.babureck@soitec.com

Media contacts:

Isabelle Laurent
+33 1 53 32 61 51
isabelle.laurent@oprqfinancial.fr

Fabrice Baron
+33 1 53 32 61 27
fabrice.baron@oprqfinancial.fr

#

Soitec is a French joint-stock corporation with a Board of Directors (Société Anonyme à Conseil d'administration) with a share capital of €70,275,148.00, 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.

#

Appendix

Consolidated revenue (Q1'22 and Q2'22 unaudited)

Quarterly revenue (Euros thousands)	Q2		Q3		Q4		Q1		Q2	
	'20	'21	'20	'21	'20	'21	'21	'22	'21	'22
150/200-mm	61,957	71,029	61,885	64,762	91,623	74,193	67,392	79,090	71,029	85,071
300-mm	71,504	63,877	65,133	76,655	103,895	94,850	41,269	95,914	63,877	101,615
Royalties and other revenue	5,555	5,848	8,264	7,260	8,299	11,666	4,961	5,422	5,848	5,983
Total revenue	139,015	140,754	135,282	148,678	203,817	180,708	113,622	180,427	140,754	192,668

Quarterly revenue (vs. previous year)	Q2'21		Q3'21		Q4'21		Q1'22		Q2'22	
	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	+14.6%	+17.2%	+4.6%	+9.1%	-19.0%	-14.4%	+17.4%	+24.2%	+19.8%	+22.3%
300-mm	-10.7%	-8.6%	+17.7%	+23.3%	-8.7%	-2.9%	+132.4%	+148.9%	+59.1%	+63.1%
Royalties and other revenue	+5.3%	+5.9%	-12.1%	-11.0%	+40.6%	+42.3%	+9.3%	+12.0%	+2.3%	+3.2%
Total revenue	+1.3%	+3.5%	+9.9%	+14.7%	-11.3%	-6.2%	+58.8%	+69.0%	+36.9%	+40.0%

¹ At constant exchange rates and comparable scope of consolidation:

- There is no scope effect in Q2'21, Q3'21, Q4'21, Q1'22 and Q2'22

#