SUSS MICROTEC INVESTOR PRESENTATION

November 2020

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AGENDA

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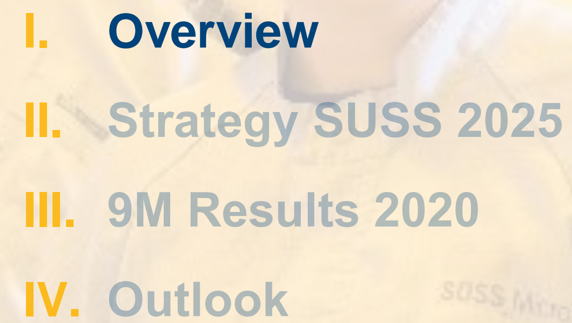

I. **Overview**

II. Strategy SUSS 2025

III. 9M Results 2020

IV. Outlook

SUSS MICROTEC IS EVERYWHERE

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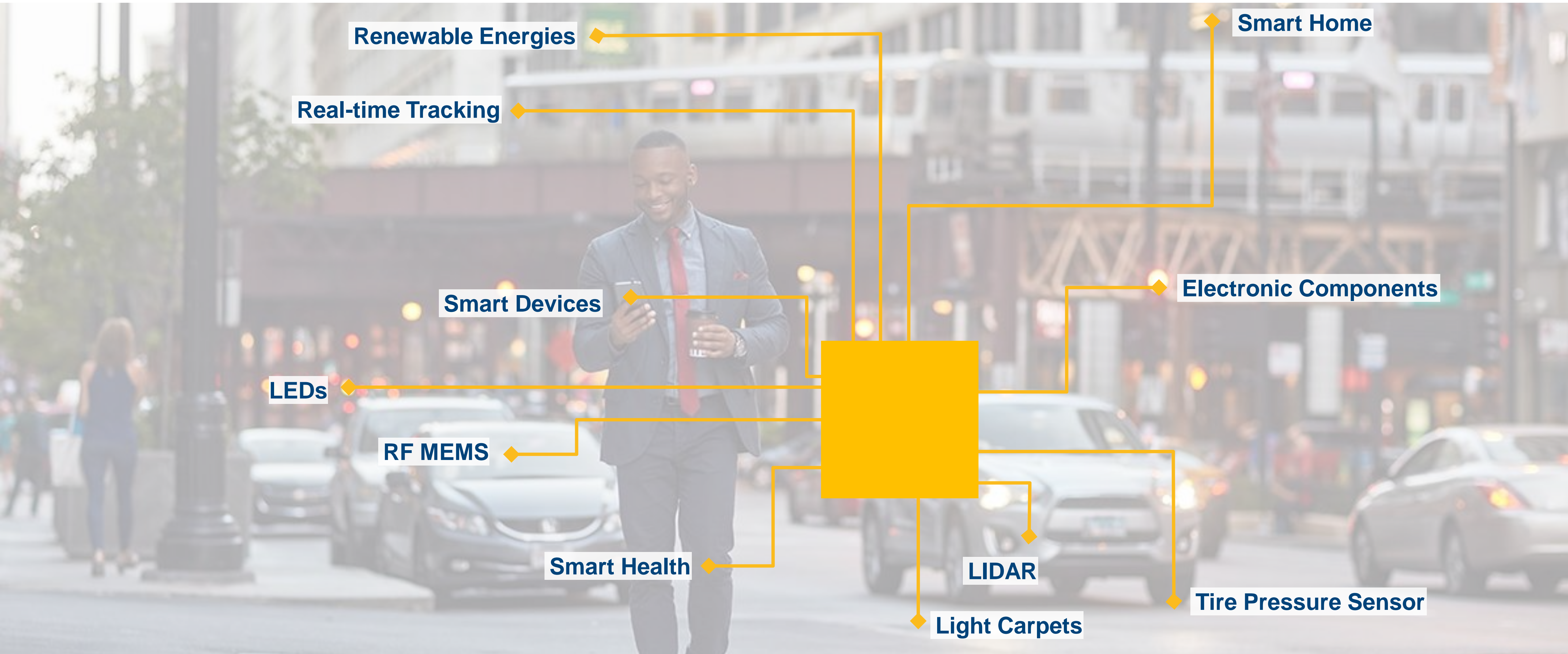
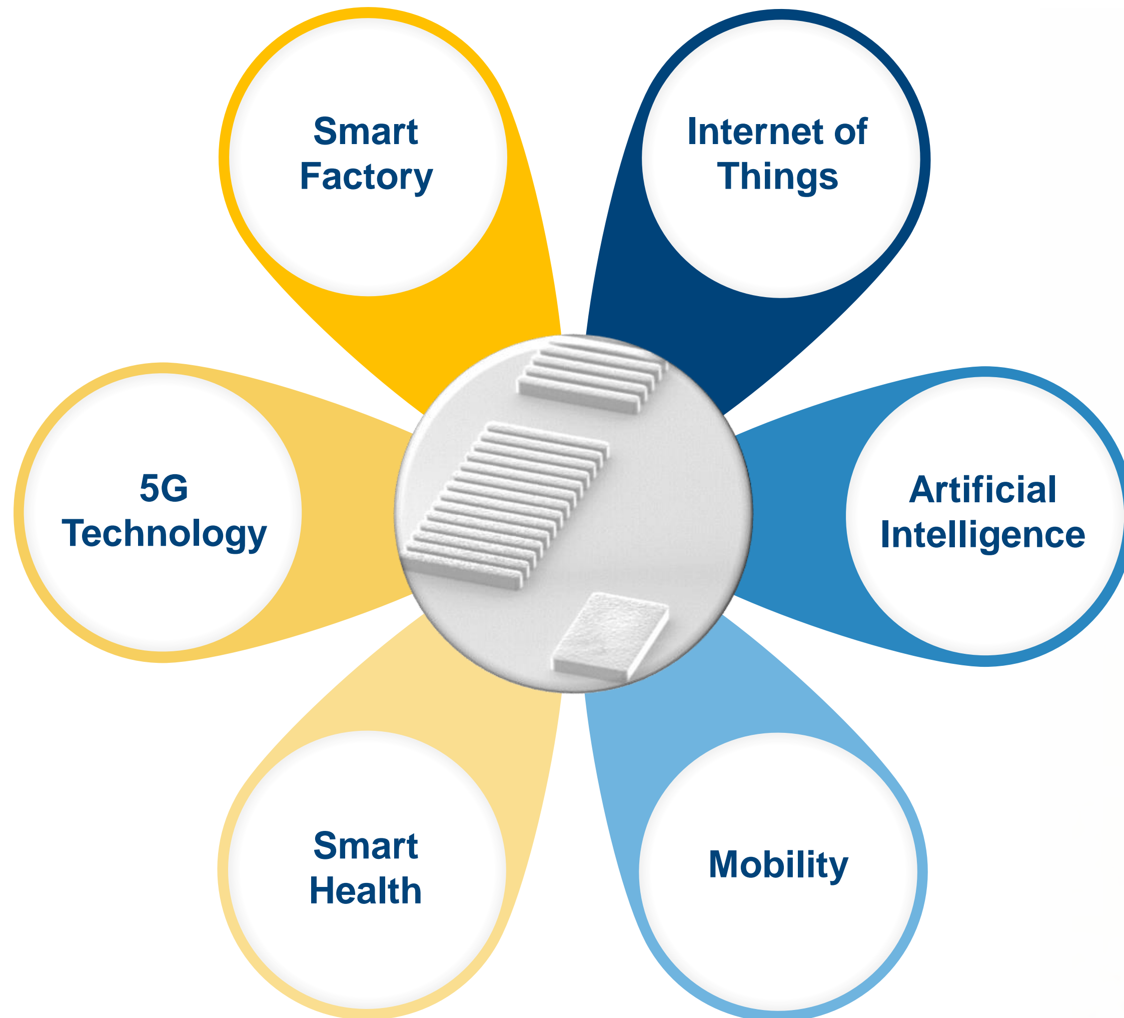
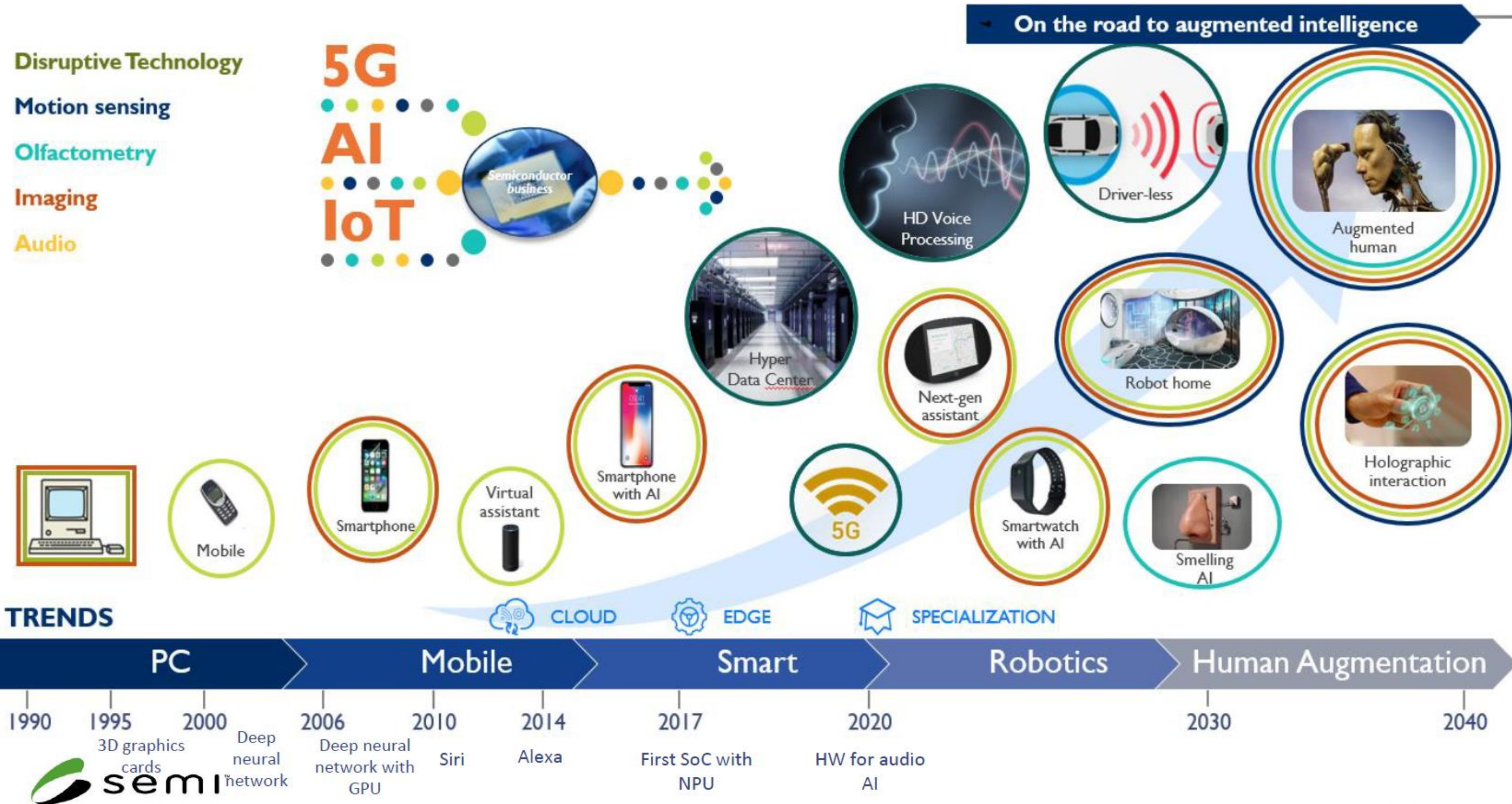


MEGATRENDS ARE DRIVING FUTURE TECHNOLOGY



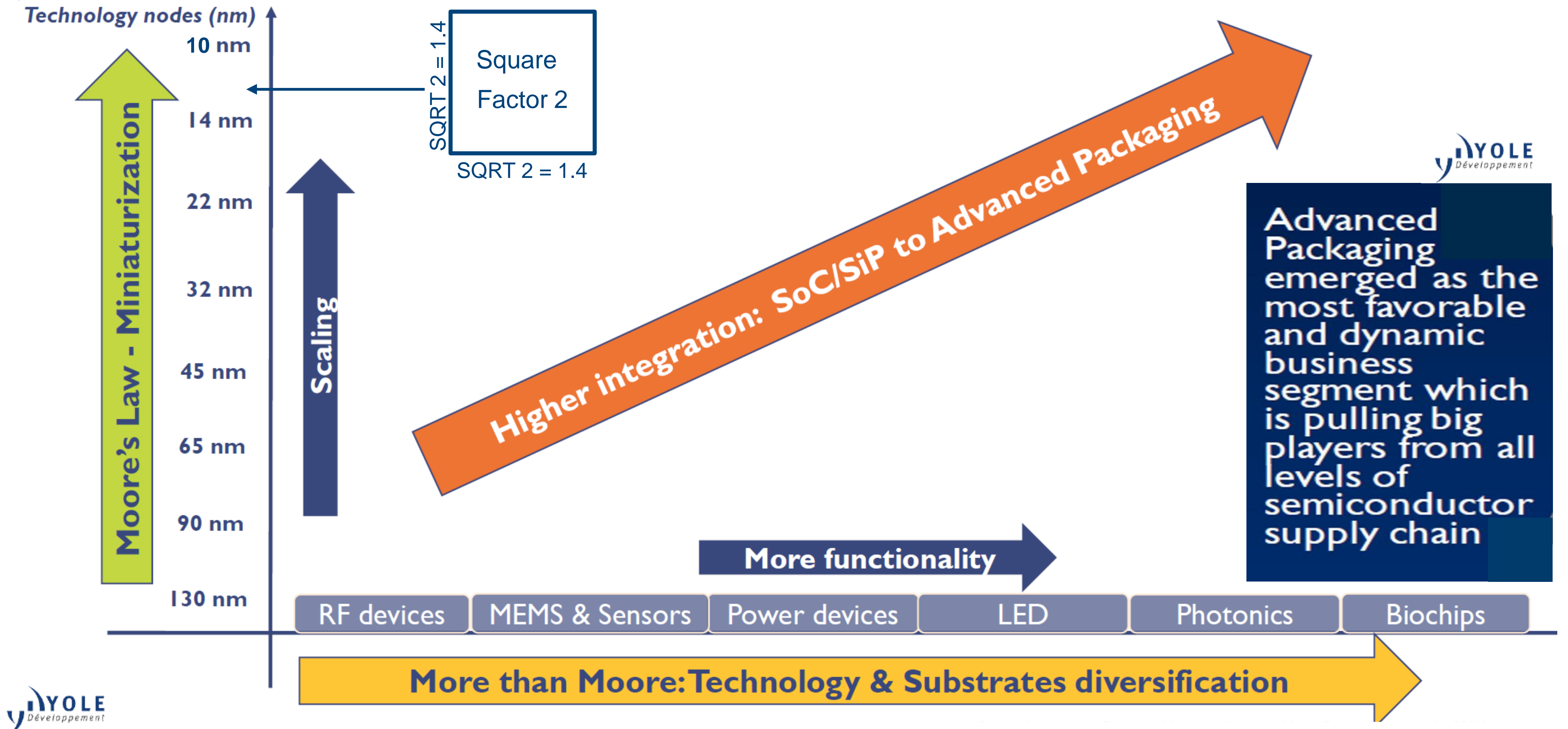
ROADMAP OF ELECTRONIC MEGA TRENDS



YOLE Développement

3D & SYSTEMS SUMMIT JAN 2020

FROM “MOORE’S LAW” (SCALING) TO “MORE THAN MOORE” (FUNCTIONAL INTEGRATION)



PACKAGING TECHNOLOGIES OVERVIEW ⇨ MTM-APPLICATION

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ARCHITECTURE	WIRE BOND	FLIPPED DIE	EMBEDDED DIE	2.5D	3D	EMERGING
SUBSTRATE TYPES	Traditional Packaging	Advanced Packaging	Advanced Packaging	Advanced Packaging	Advanced Packaging	Advanced Packaging
IC Substrate (Organic)		FC BGA	EMIB (Intel) LSI (TSMC)	Si Interposers CoWoS (TSMC) Foveros (Intel)	3DS TSV (Samsung)	SoIC in CoWoS – SoC Hybrid Bonding (TSMC) SOURCE: TSMC
IC Substrate (Organic)		FC CSP	CO-EMIB (Intel)		HBM TSV (Samsung) (SK Hynix)	Production in 2021
IC Substrate (Organic)	WB CSP WB BGA	FC SiP Metal Shielding (JCET)	Embedded Die / Passives (SEMCO)		NAND TSV (Toshiba) Production after 2025	Embedded Multi-Die / Passives (JCET) SOURCE: JCET
IC Substrate (Organic)	BOC	Fan-Out on Substrate inFO_oS (TSMC) FoCOS (ASE)	ePLP / FOPLP (Samsung)			
No Substrate	COB	Fan-Out inFO_PoP Fan-Out eWLB/M-series Fan-In (WLCSP)			Cu-Cu Hybrid Bonding – WoW (SONY) TSV, after bonding – WoW (SONY)	SoIC in Fan-Out – SoC Hybrid Bonding (TSMC) SOURCE: TSMC Production after 2021
Ceramic Substrate	LTCC HTCC	CPGA				
Lead frame Substrate	DIP SOT/TSOP QFN QFP, LCC etc.	FC QFN				

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Non-exhaustive list of technology and player examples.

SPECIFIC REQUIREMENTS FOR THE MtM-MARKET

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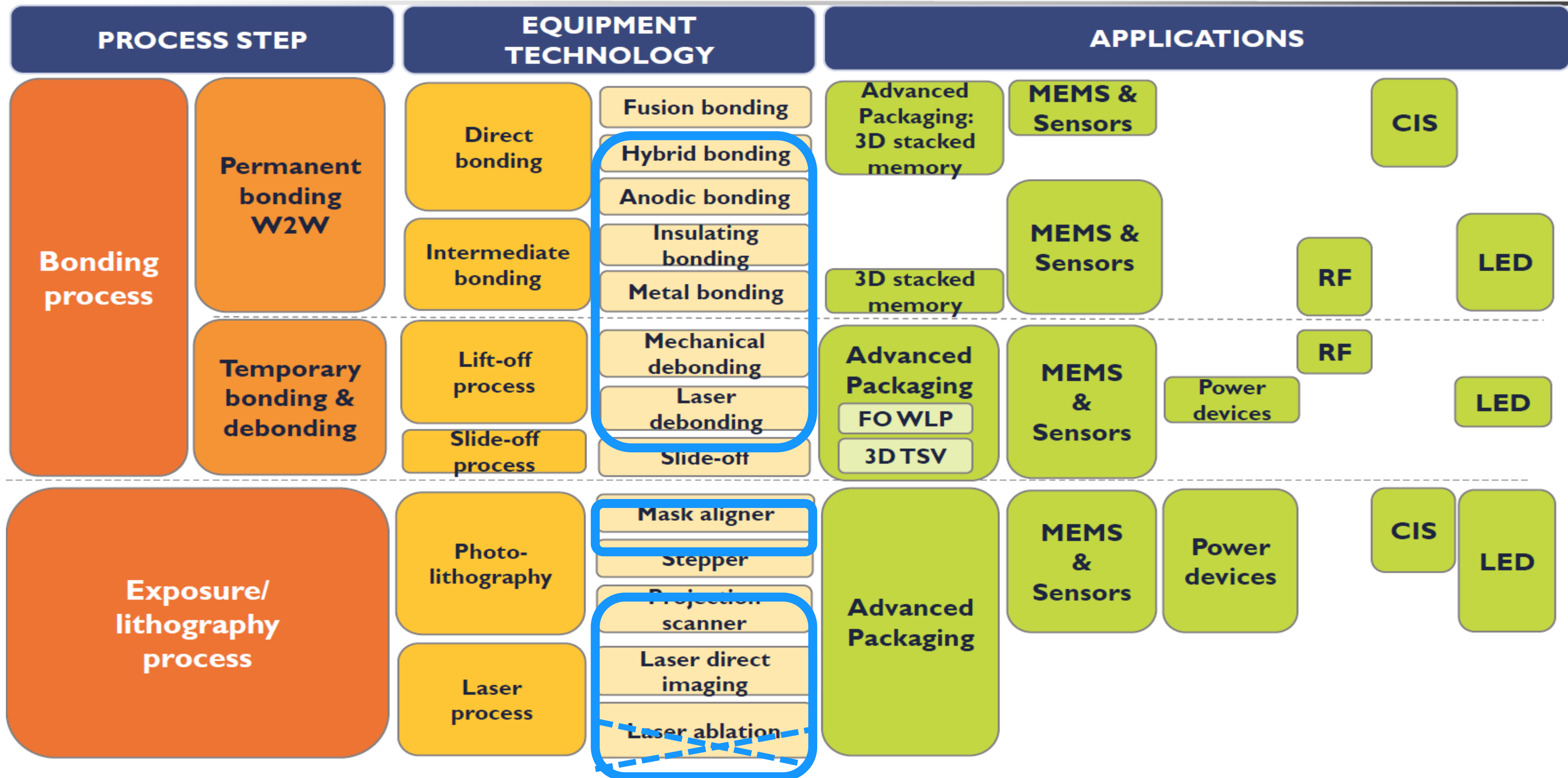
“More-than-Moore” Market Segment:

- Very diversified → much lower volume per product design compared to FeoL
- Many customer have very specific process needs → higher degree of customization
- Complex wafer architectures: Topography, warped wafers, complex material combinations, etc.
- High valued wafer to be handled! Most important: No wafer losses, Minimize yield loss
- Optimized process steps per application, tailored equipment per application needed

Consequences for SUSS:

- We need to have the best understanding of the application
- Reliability is key! Safety features and methods need to be applied and incorporated
- Metrology will become more important than in the past
- Traceability and Process Control using AI-SW-Packages

BONDING AND LITHOGRAPHY PROCESSES IN THE “MORE THAN MOORE” FIELD



SUSS’ EQUIPMENT FOCUS FOR “MORE THAN MOORE” DEVICES: “MTM-DEVICES”

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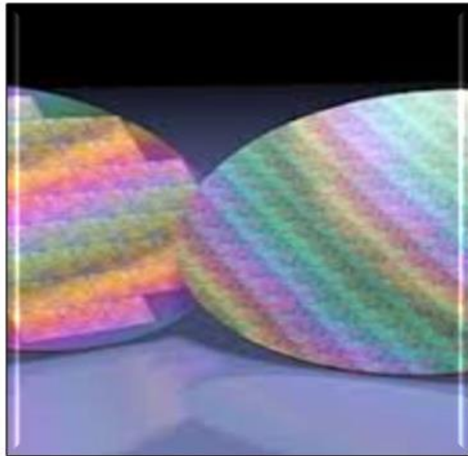

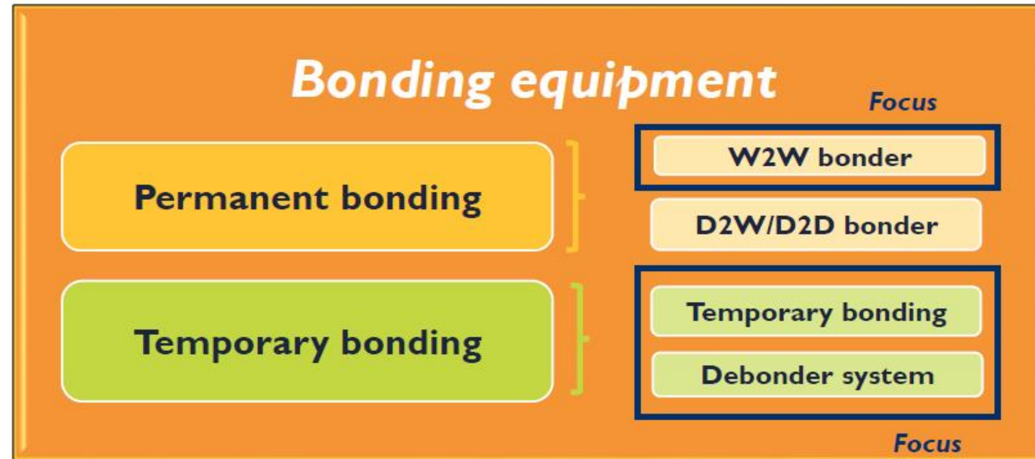

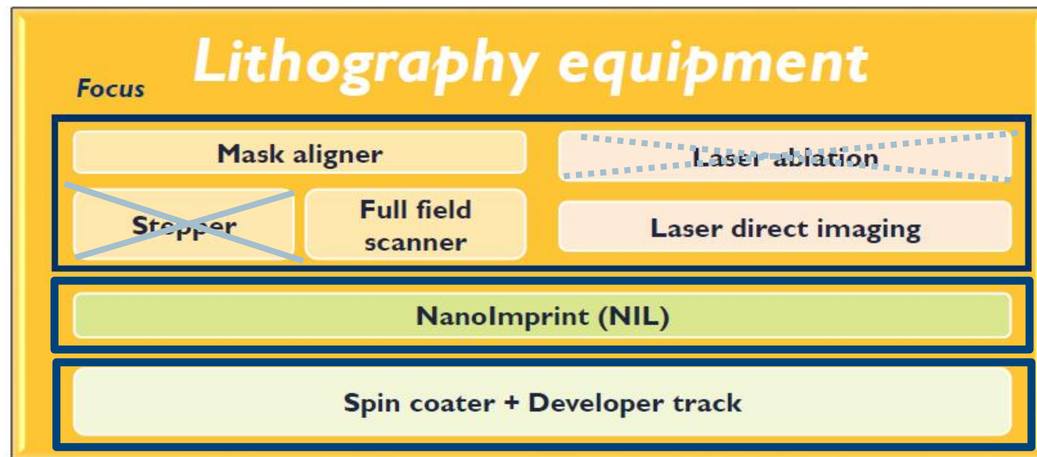

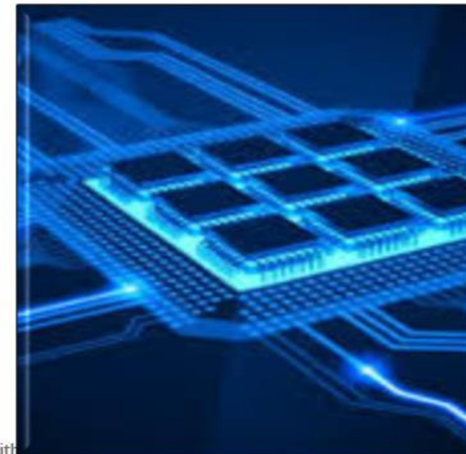

YOLE Développement

SUSS is offering:

- The widest range of equipment for “More than Moore” applications
- The best suited equipment for non-standardized processes
- High degree of customization as processes are different at each customer
- Equipment optimized for safest operation in 24/7 environments
- SUSS is known for reliability, efficiency and best-in-class performance

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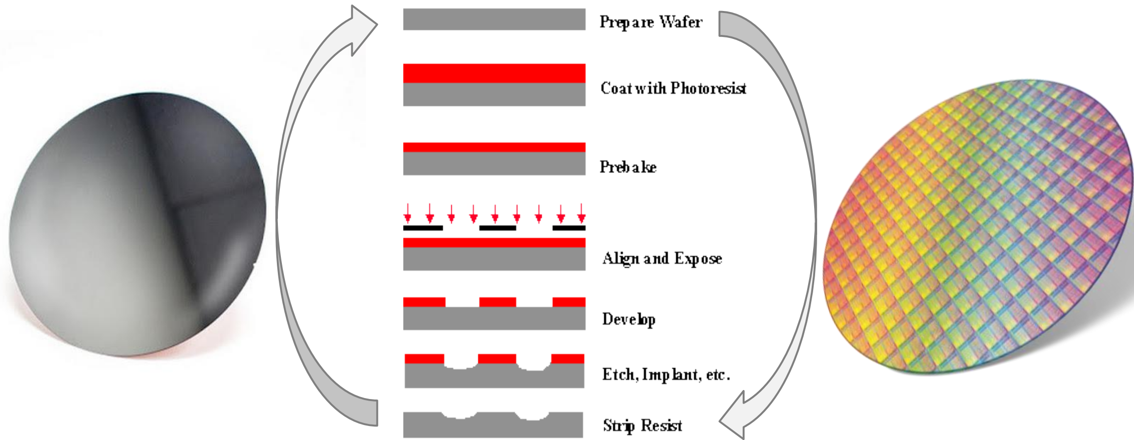
"Moore's Law"
Front-end wafer fab



600 – 1000 steps, cycle time > 3 month

Total invest 300 mm fab: >4 B$

"More Than Moore"
Wafer-level packaging.

SUSS field of activity

Supporting key processes:
Coating
Lithography
Bonding
Cleaning
etc.

Wafer @ peak value
up to 80-100 k$

We are handling
semiconductor „Gold"

Die packaging
Dicing, molding, etc.

After dicing: chip-handling

100 k$

100 $

1/10 of a percent yield improvement is real big money!

PROCESSING SUBSTRATES FOR MOST DIVERSE MARKETS

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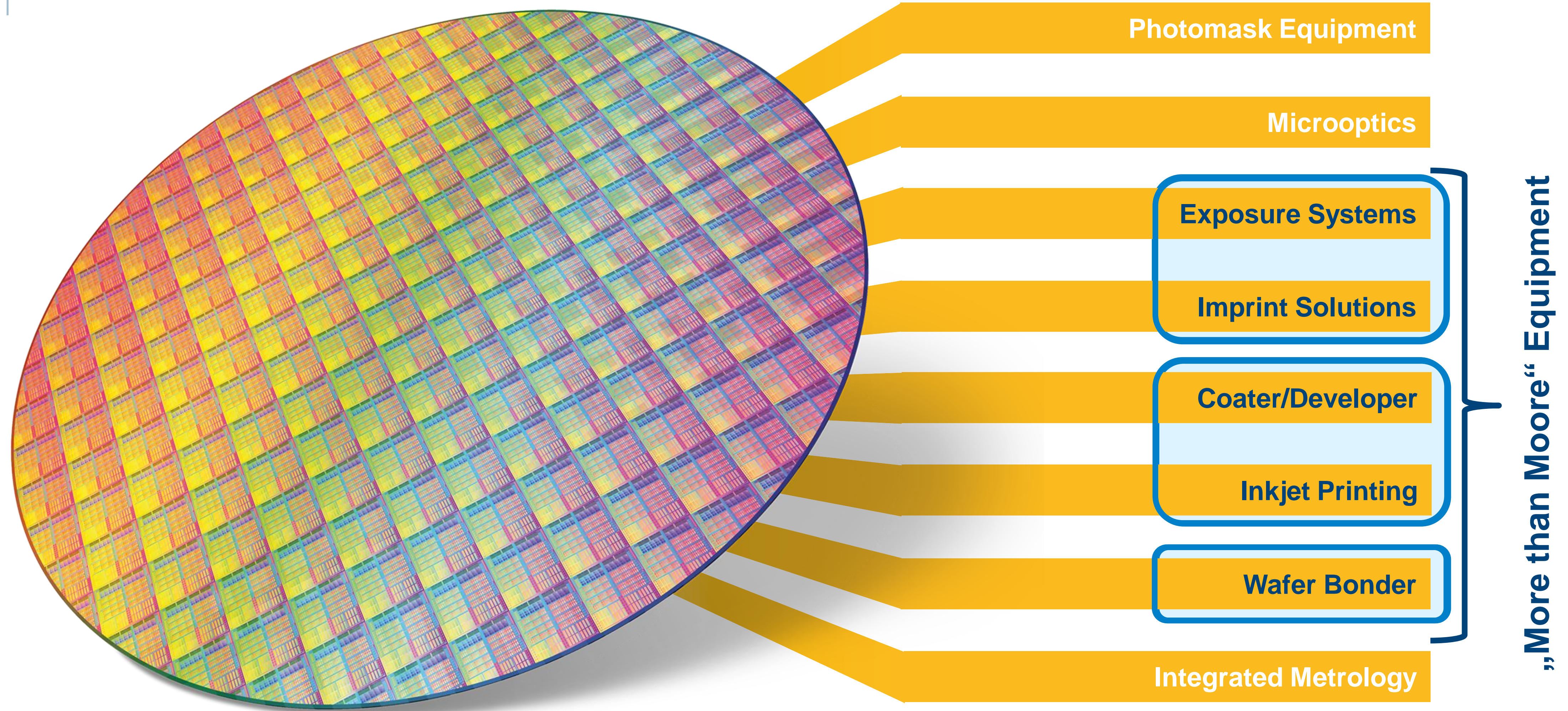
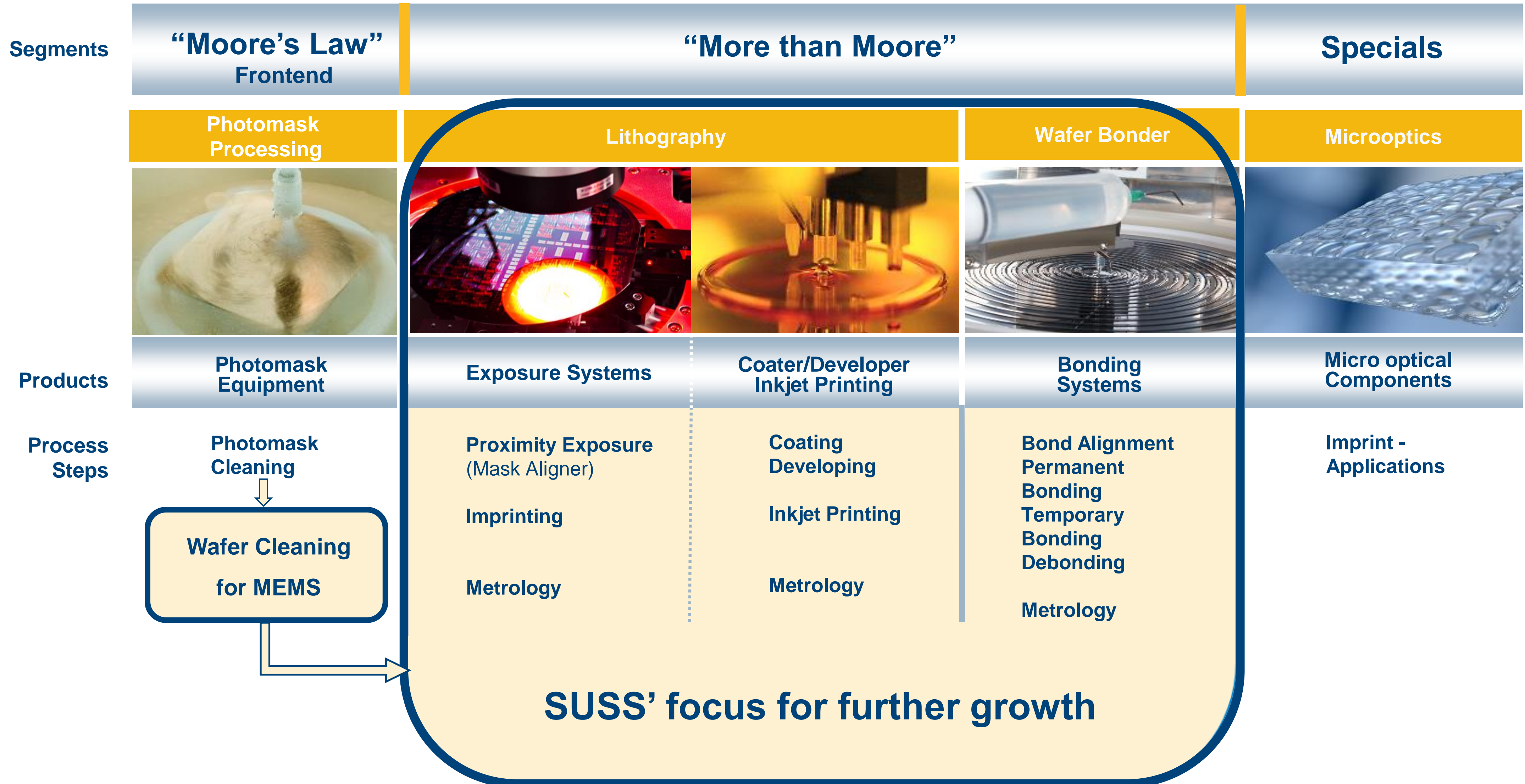


SUSS offers the widest range of equipment for "More than Moore" applications → strong market position

EQUIPMENT FOR DIFFERENT SEGMENTS AND MARKETS



PRODUCTION SITES

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Garching (SUSS MicroTec HQ)

Neuchatel (Switzerland)

Sternenfels (Germany)

Hsinchu (Taiwan)

(HQ) Germany
SUSS sites

Order entry (9M 2020):	**America 10%**	**EMEA 17%**	**Asia Pacific 73%**
Order entry (2019):	**America 12%**	**EMEA 25%**	**Asia Pacific 63%**

AGENDA

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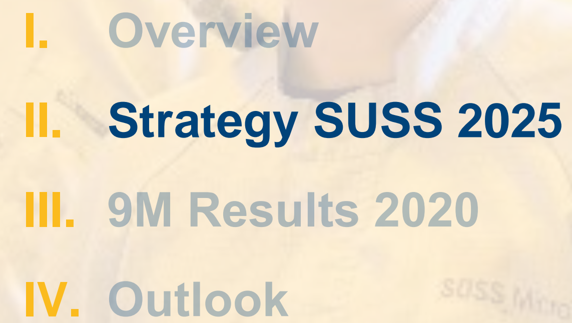

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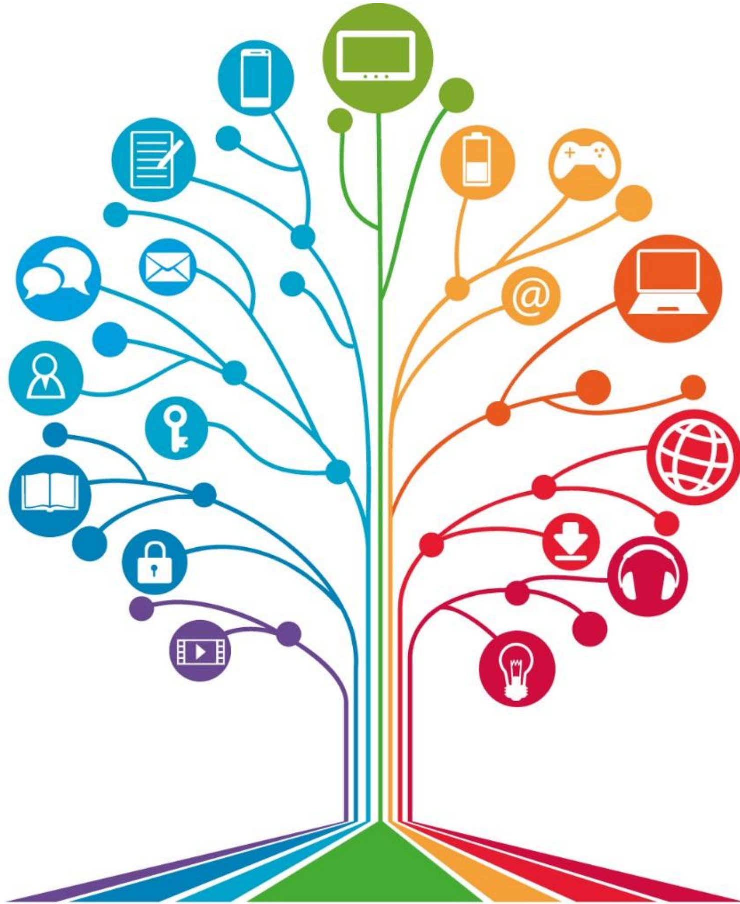


MARKET CONDITIONS

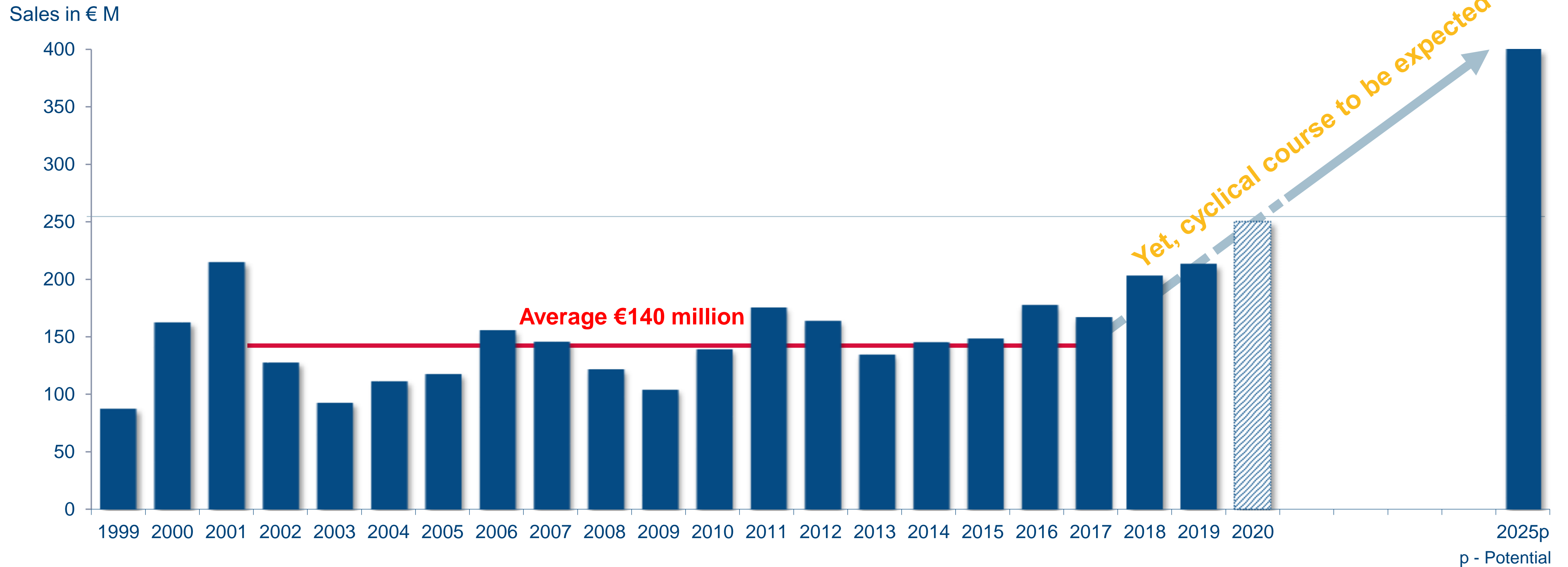
+ **Megatrends** are driving our business, great market outlook

+ **“More than Moore”** – provides highly attractive growth potential

+ **5G, AI and IoT** are demanding broad band infrastructure
    - Home office equipment as short term driver
    - Increased data volume with AI and IoT
    - Autonomous driving car: 1 TB / day

+ Customers expect strong support in increasingly complex processes
    - Challenge but also **an opportunity**
    - **SUSS is best positioned** to play a strong role based on own strength → performance, reliability and flexibility!

SUSS 2025 STRATEGY: INCREASE IN SALES



Growth in the coming years through market growth, new products and market share gains

SUSS STRATEGY 2025: STRATEGIC TARGETS

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+ **Top-line growth**
  - Attractive products for maximum productivity and best in class yield
  - Additional features to increase reliability
+ **Improved operational performance and profitability**
  - Operational efficiency to be improved, programs are running
  - Cost reduction through out-sourcing and global purchasing
  - Increase cash flow by better inventory management
+ **Focus on strategic growth areas**
  - Strong product offering already – short term growth possible
  - Platform design programs – longer term potential for margin increase

Goal 2025: €400 million with > 15% EBIT

AGENDA

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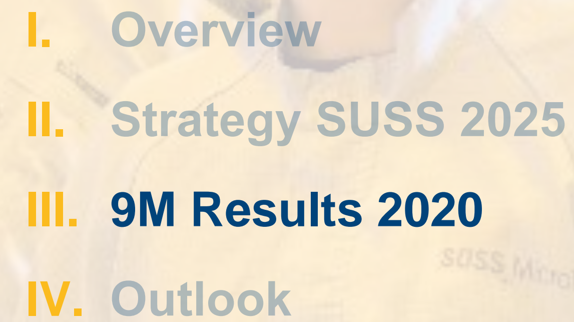

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GENERAL BUSINESS UPDATE

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Q3

Solid order entry of € 44.1M

Sales of € 60.6M

Positive EBIT with € 9.0M and EBIT margin of € 14.9%

Extraordinary EBIT contribution from one written-off Scanner with € 0.9M

9M

Orders of € 206.7M

Sales of € 173.9M

Positive EBIT with € 12.2M and EBIT margin of € 7.0%

Industry

Increased activity in broad band communication segment (5G)

COVID 19 Pandemic

Little impact so far

Uncertainty remains high

KEY GROUP FIGURES 2019

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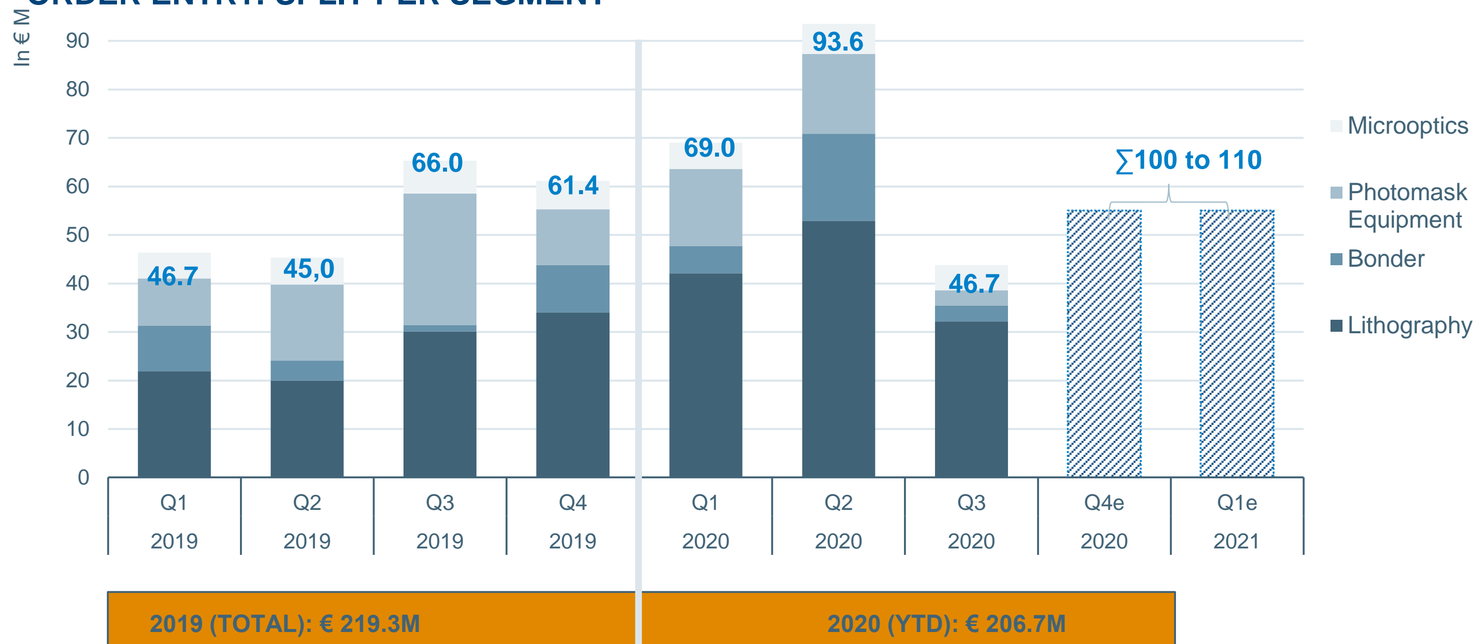
in € M	**Q3/2020**	Q3/2019	Change	**9M/2020**	9M/2019	Change
Order entry	44.1	66.0	-33.2%	206.7	157.8	31.0%
Sales	60.6	37.1	63.3%	173.9	131.1	32.6%
EBIT	9.0	-4.9		12.2	-5.7	
EBIT margin	14.9%	-13.2%	28.1% points	7.0%	-4.3%	11.4% points
EAT	4.5	-6.8	---	4.9	-8.7	---
EPS in €	0.24	-0.36	---	0.26	-0.46	---
Free cash flow (in €)	10.6	-9.8	---	27.8	-28.7	---
Net cash				15.0	-6.6	
Employees 30/9				997	935	6,6%

+ Strong 9M order entry, however Q3 OE is normalizing after a very strong OE in second quarter
+ Strong sales growth (Q3 / 9M) combined with a better GP margin resulted in a significantly improved EBIT (including closing cost of € 4M)
+ Free cash flow significantly improved to € +27.8M
+ Net cash position is positive with € 15M

ORDER ENTRY: STRONG QUARTERLY PERFORMANCE



Comments:

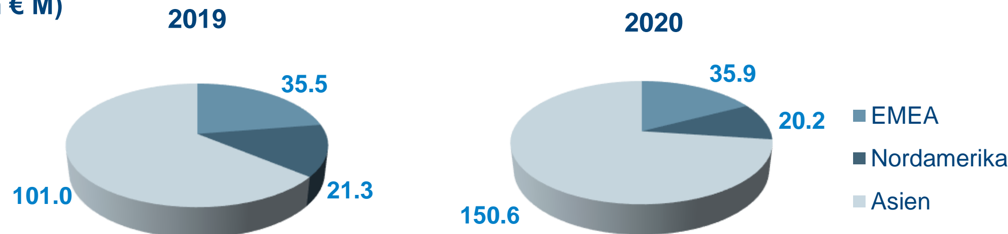
Overall the order entry level increased over the last years to an average of around and above € 60 M

Order entry in Q2 includes a high volume Lithography order

Increase in order entry for Bonders and Photomask Equipment expected in Q4 2020

Order entry in Q4 expected to be higher than in Q3

Increasing demand from Chinese customers is going on



SEGMENT OVERVIEW 9M 2020

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Lithography

in € M	9m 2020		9m 2019	
Sales	97.8		72.4	
GP (margin)	29.7	(30.4%)	16.1	(22.2%)
EBIT (margin)	6.2	(6.3%)	-8.1	(-11.2%)

- Higher sales from mask aligners and coaters due to high volume orders from two major customers
- Increased GP margin due to producivity gains
- Closing cost Corona € 5M partly offset by sale of a written-off Scanner

Photomask Equipment

in € M	9m 2020		9m 2019	
Sales	40.0		24.6	
GP (margin)	16.7	(41.8%)	9.2	(37.4%)
EBIT (margin)	11.0	(27.5%)	4.4	(17.9%)

- Strong sales increase
- Improved GP margin contribution and better fix cost coverage have a positive impact on EBIT / EBIT margin

Bonder

in € M	9m 2020		9m 2019	
Sales	18.9		17.2	
GP (margin)	5.6	(29.6%)	5.9	34.3 %
EBIT (margin)	-0.6	(-3.2%)	-0.7	(-4.1%)

- Slight sales increase
- Despite lower GP contribution EBIT loss could be improved to due lower opex
- Further reduction of EBIT loss in Q4 expected

Microoptics

in € M	9m 2020		9m 2019	
Sales	16.8		16.2	
GP (margin)	4.9	(29.2%)	6.6	(40.7%)
EBIT (margin)	0.3	(1.8%)	2.7	(16.7%)

- Sales and GP impacted by Covid-19 (two months shortime work) lower demand from automotive OEMs
- Additional cost due to quality problems with one key supplier
- FX losses due to strong CHF

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MARKETS ESTIMATES

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+ Positive market outlook but impacted by COVID-19 uncertainties
+ Economic development not easy to forecast
+ Uncertain outlook with respect to US/China trade barriers

But:

+ Clear signal for need to invest in broadband communication systems
+ Significant increase in demand from telecom market
+ Future demand driven by emerging technologies like 5G, IoT, high-performance computing, augmented reality, artificial intelligence, autonomous driving etc.
+ Customers still pushing for shorter delivery times

OUTLOOK

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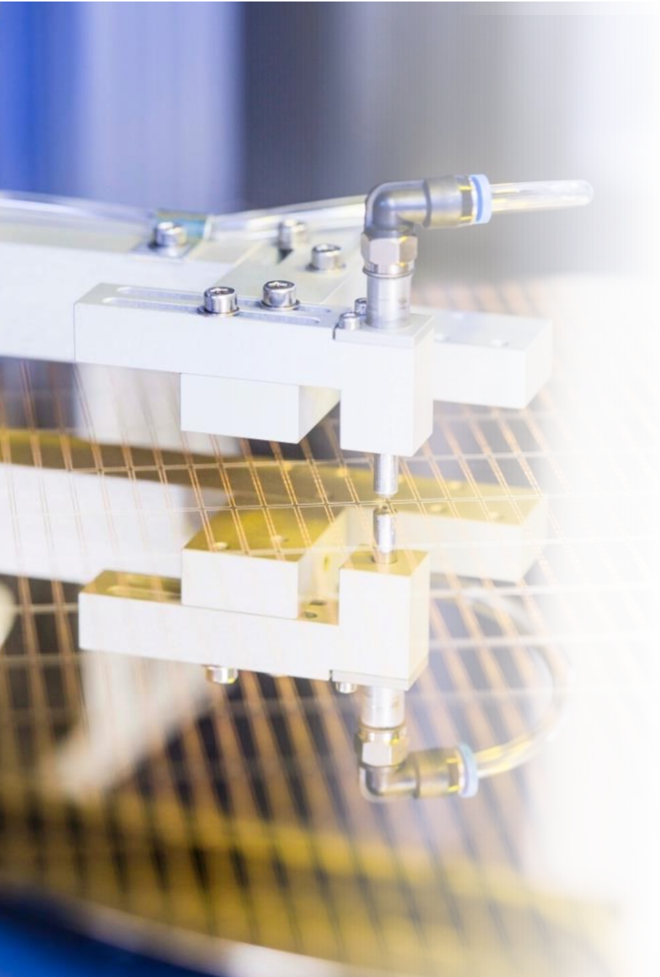

- Expected order entry for Q4/2020 and Q1/2021 will be between € 100-110M
- Sales guidance unchanged € 240 to 260M
- Guidance for EBIT margin increased from 3% - 5 % to 5.5% - 7.5%

SHARE PRICE DEVELOPMENT

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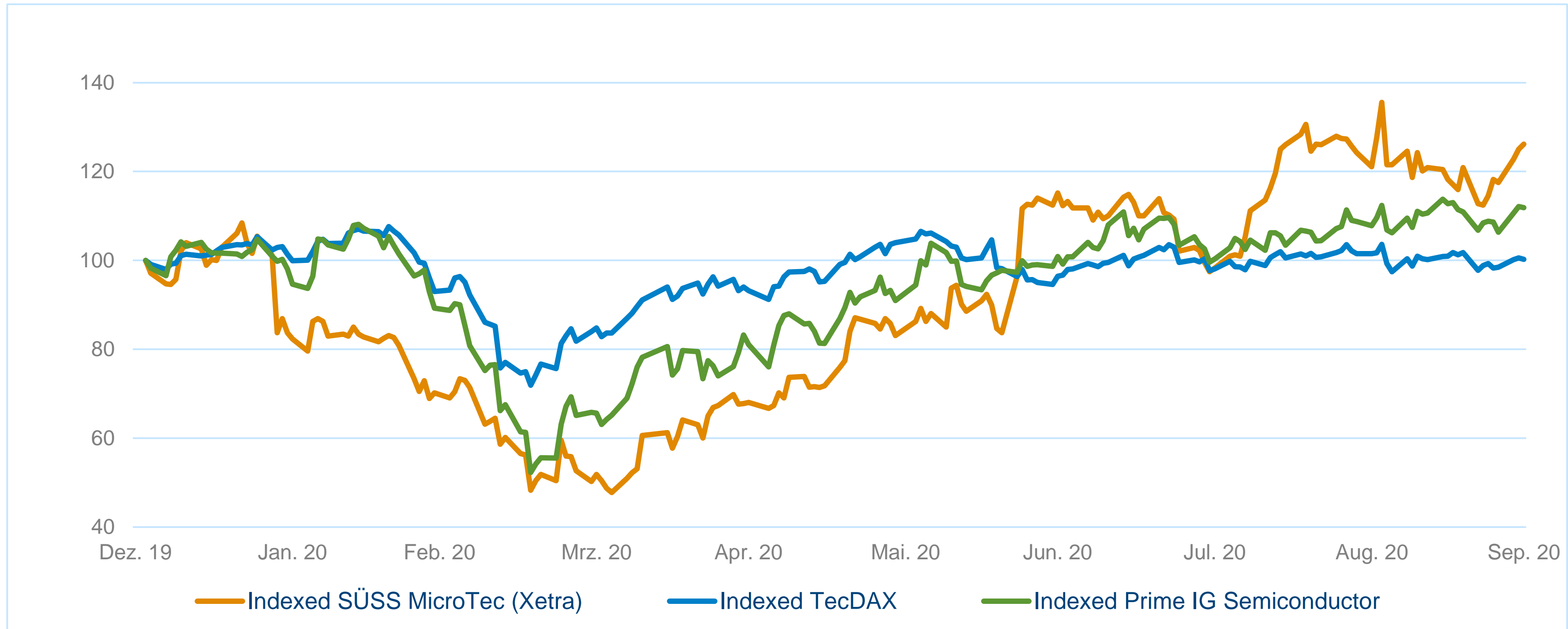

Share price: €9,52
(December 1, 2019)

Shareholders > 3%:

- Universal-Investment
- Luxempart/Gerlin
- Kempen Oranje
- Lupus Alpha
- Janus Henderson
- Dimensional Holdings