

Sense the power of light

ams OSRAM

Ams OSRAM Overview and Third Quarter 2024 Results

ZKB – The Swiss Equity and Real Estate conference

Aldo Kamper, CEO

08 November 2024

Our segments - overview of business units and applications

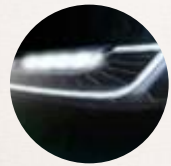
AUT = Automotive, I&M = Industrial & Medical, CON = Consumer



Opto Semiconductors (OS)

FY23

~1.4 bn€



Forward Lighting (FWL)



High pixelated FWL



Signaling



Display & HUD



Hyper-red LEDs



Industrial & Outdoor



Sensing illumination



CMOS Sensors & ASICs (CSA)

~1.0 bn€



In-Cabin Sensing



Medical imaging
(e.g. CT Sensors)



1D/2D/3D sensing



Camera enhancement
Spectral & Ambient Light
Sensing



Flicker Detection



Display Proximity Sensing

Automotive & Specialty Lamps

~1.1 bn€



Classic halogen & Xenon lamps



LED replacement lamps



LED standard lamps



Semiconductors



Cinema

ams OSRAM holds leading positions in its core semiconductor & lamps markets

Leverage strong positions with focused core portfolio and commitment to Automotive, Industrial, Medical markets

#2 in LED

LED Suppliers by 2023(E) market share
(Total market USD ~11bn; TrendForce)

1.	Nichia	15%
2.	ams OSRAM	13%
3.	Seoul Semiconductors	7%
4.	Samsung LED	7%
5.	MLS	6%



#1 in Light Sensors

Light Sensor Suppliers by 2022 market share
(Total market USD ~1.1bn; OMDIA)

1.	ams OSRAM	29.2%
2.	STMicroelectronics	28.5%
3.	Sensortek (Sitronix)	8.3%
4.	ADI (includes Maxim).	5%
5.	Capella/Vishay	3.5%



#1 in traditional Auto lamps/bulbs

Bulb Suppliers by 2023 market shares
(Total market USD ~1.4bn; own market model due to lack of external research)

1.	ams OSRAM
2.	Lumileds
3.	Others (incl. Asian suppliers)



Offering full technology range and innovation leadership in automotive emitters and light sensors

Leading Positions in Automotive Semiconductor Sub-Segments

#1 in Automotive Emitters

Auto LED suppliers by 2023(E) market share
(Total market USD ~3.3bn; TrendForce)

1.	ams OSRAM	34%
2.	Nichia	25%
3.	Lumileds	10%
4.	Seoul Semiconductor	7%
5.	Samsung LED	7%
6.	Dominant	6%
7.	Stanley	4%
8.	Everlight	2%
9.	Jufei	1%
10.	Lextar	1%



#1 in Automotive Light Sensors

Auto Light Sensor suppliers by 2022 market share
(Total market USD ~71m; OMDIA)

1.	ams OSRAM	34%
2.	Elmos	22%
3.	Vishay	15%
4.	Melexis	6%
5.	Hamamatsu	4%
6.	Rohm	1%



#16 in Automotive Semiconductors

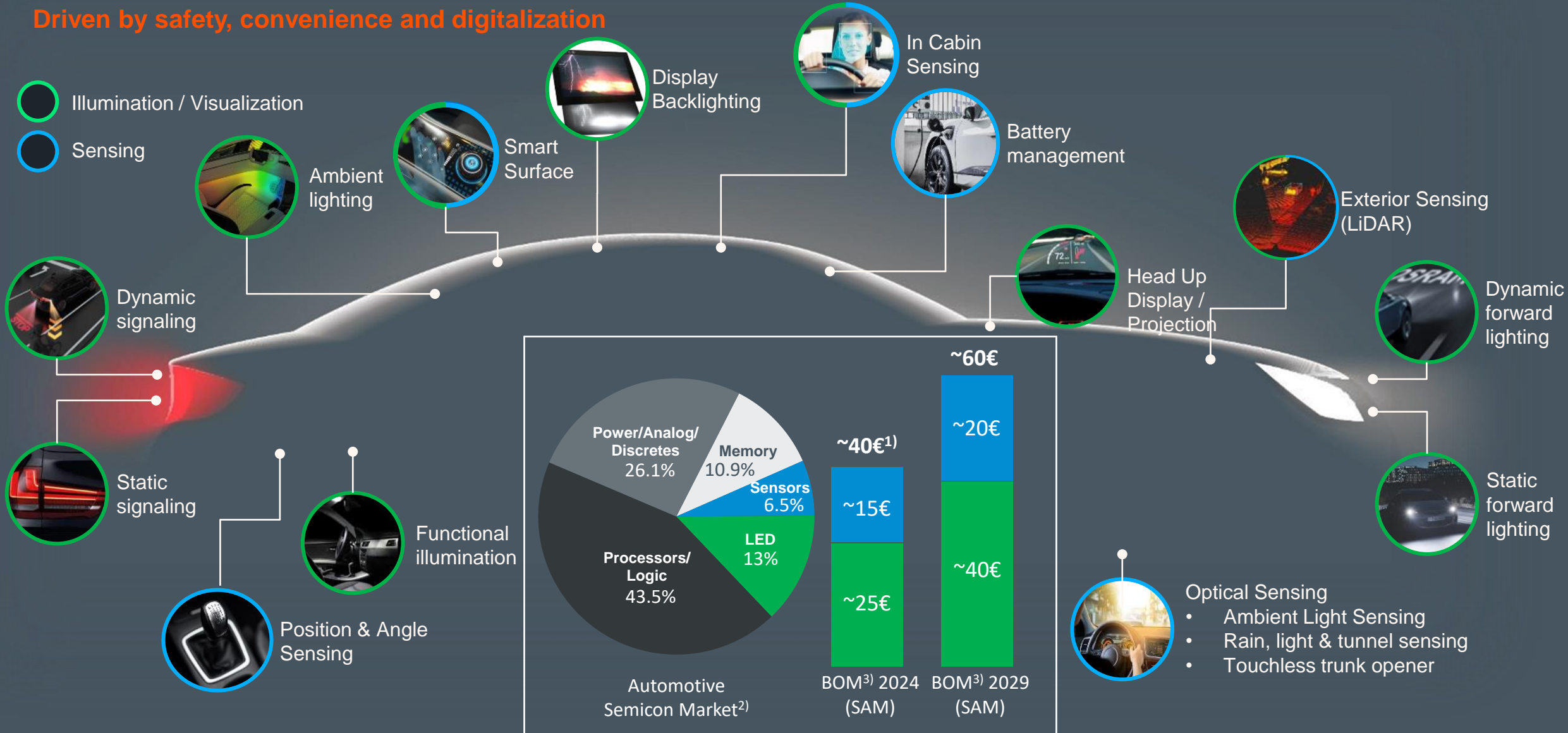
Automotive semiconductor suppliers by 2022 market share
(Total market USD ~64bn; OMDIA)

1.	NXP	11%
2.	Infineon	11%
3.	STMicro	8%
...
15.	Toshiba	1.5%
16.	ams OSRAM	1.5%
17.	Melexis	1.2%
18.	Sanken	1.1%
19.	Fuji Electric	1.0%
20.	Nichia	0.9%



ams OSRAM automotive content growth

Driven by safety, convenience and digitalization



¹⁾ premium cars >50€ already today

²⁾ Source: Yole Overview of the Semiconductor Devices Industry 2023

³⁾ BOM growth includes car unit growth (IHS), content growth (take rates / technology penetration) and considers ASP

average € across all vehicle classes

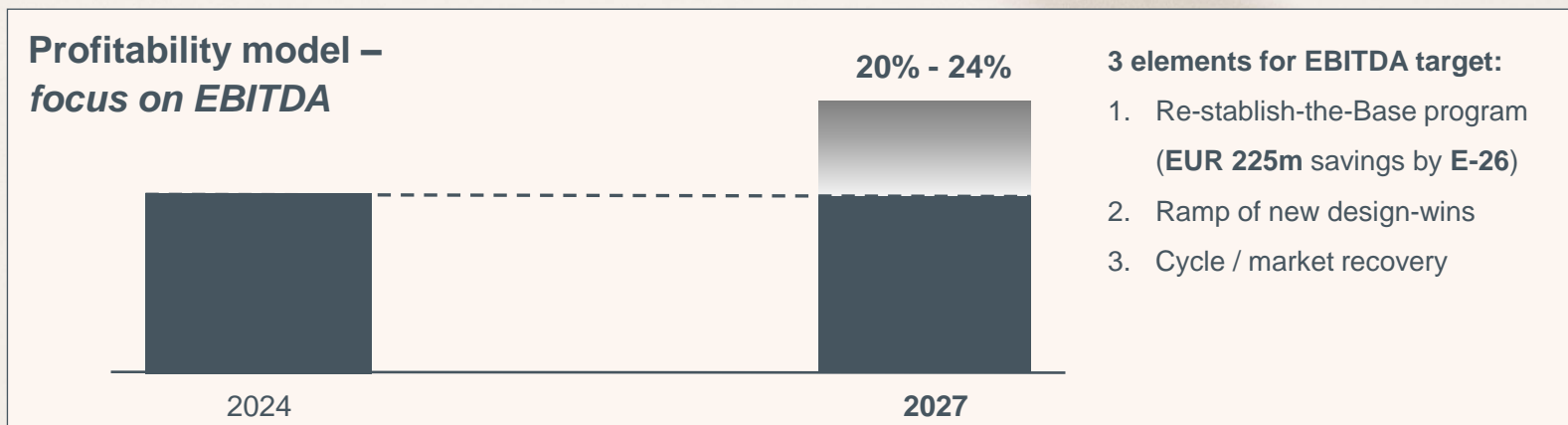
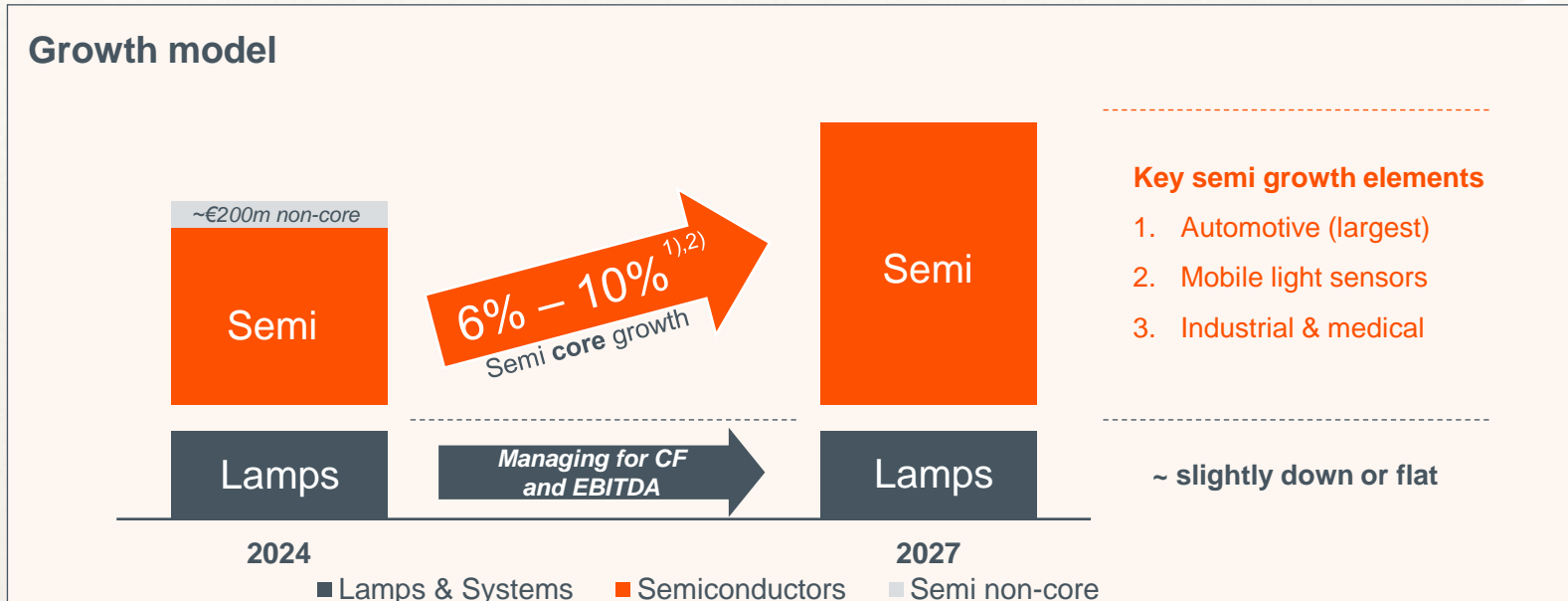
Q3 YTD FY 2024 – strong design-win traction continuing

Structural growth from the profitable core underpinned by unabated design-win momentum

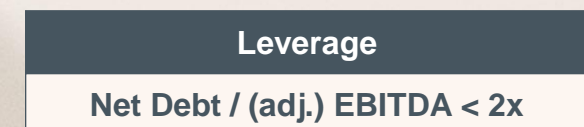
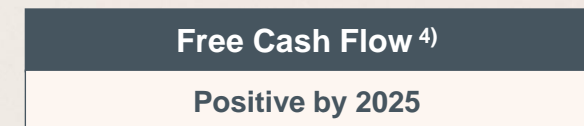
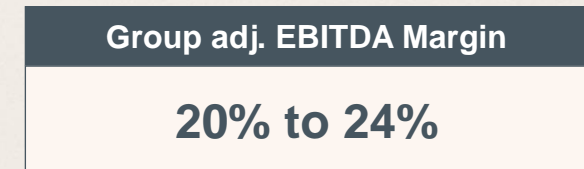
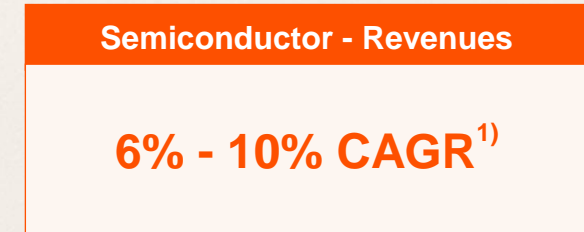


Target model: Semiconductor business to grow 6% to 10% through cycle until 2027

Evolution of target operating model to focus on semi growth and reflect current market environment and semi-cycle



Over-the-cycle targets

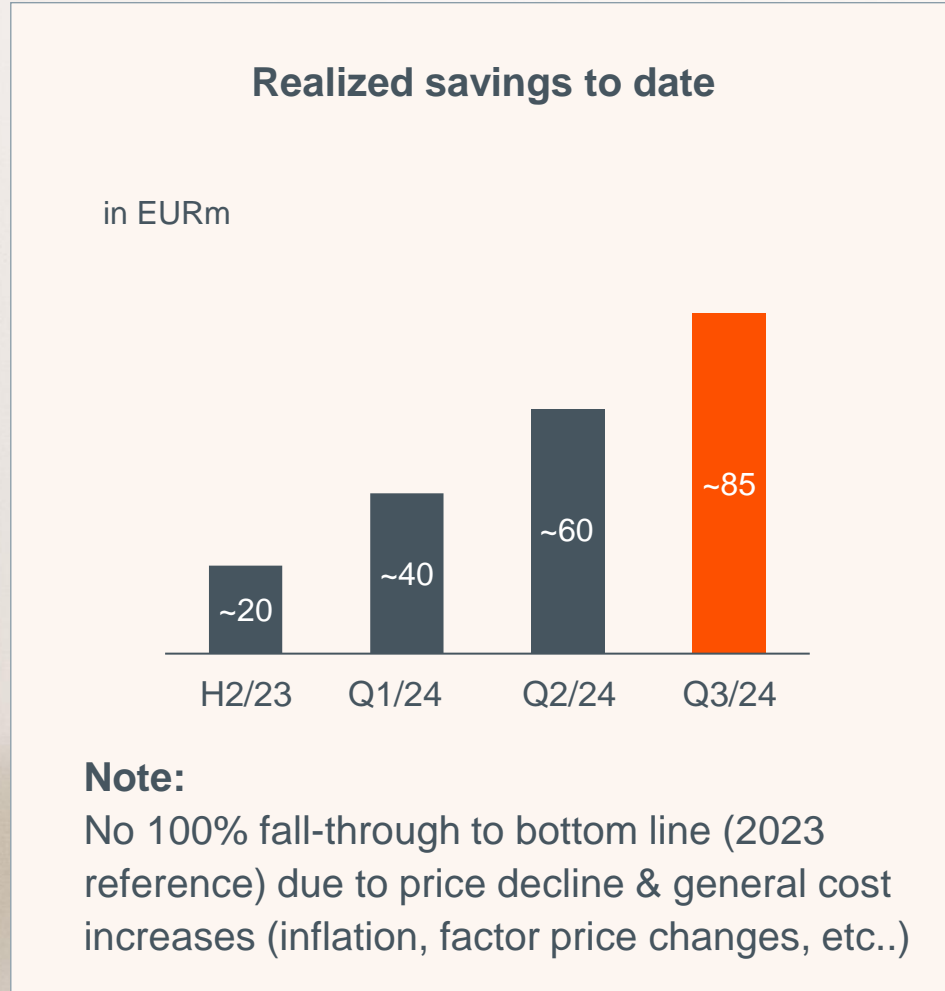


Notes:

- 1) Driven from new base following disposal/exit of "non-core" semiconductor assets
- 2) >2x WSTS opto-electronics F99 & sensors H99 = 3.1% CAGR '22 to '26 due to addressed segments
- 3) FY2024 still above 8%
- 4) Free Cash Flow = Operating Cash Flow (incl. net interest paid) less cash flow from CAPEX plus proceeds from divestments

Re-establish-the-Base implementation ahead of schedule

Cost savings reached End-of-FY24 implementation target of EUR ~75m already in Q3/24



Portfolio

- Passive Optical Components & CMOS IS addressed
- Remaining non-core portfolio EOL



Set-up & Infrastructure

- BU end-to-end responsibility established
- Structural adjustments implemented to a significant extent



Monetizing Innovation

- Ramping advanced ALS and automotive lighting products
- Innovation funnel strengthened



Refinancing

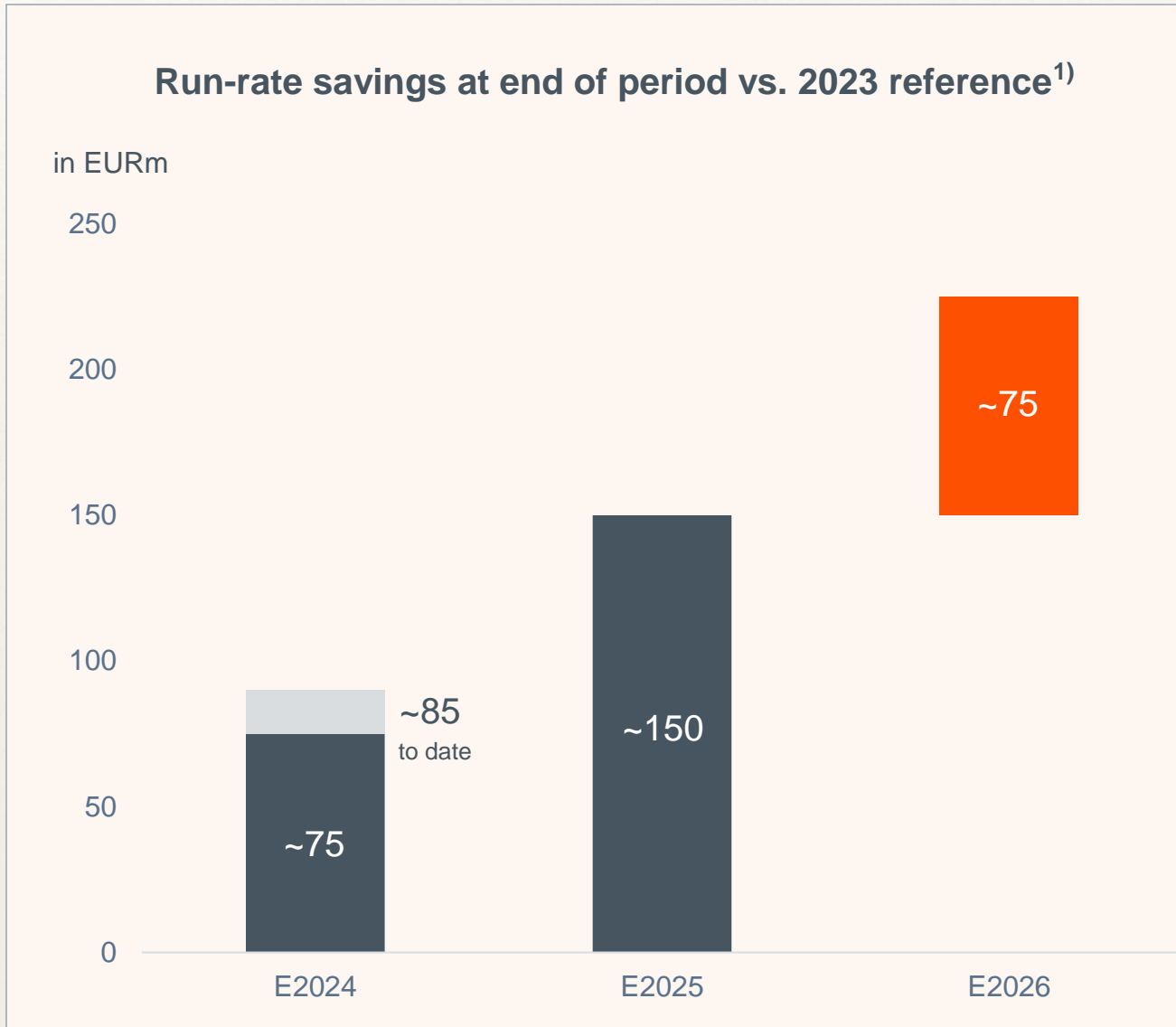
- Issuance of new HYBs in Oct 2023
- Rights Issue Dec 2023
- Extension of EUR HYB in Sep 2024



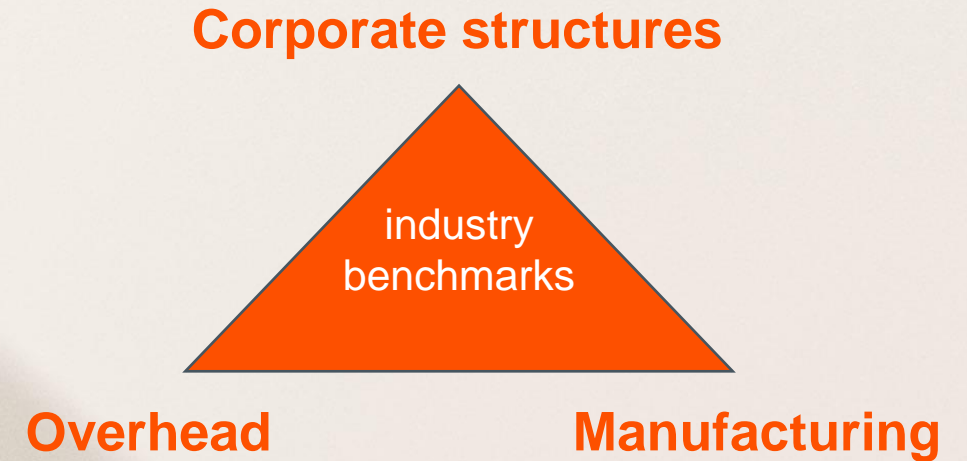
Monetizing Innovation

Upsizing Re-establish-the-Base efficiency program by EUR 75m

Safeguarding profitability in view of market uncertainty and working towards industry benchmark structures



- Further efficiency & savings measures initiated to be effective by End-of-2026²⁾
- In total, approx. EUR 225m of run-rate savings targeted by End-of-2026



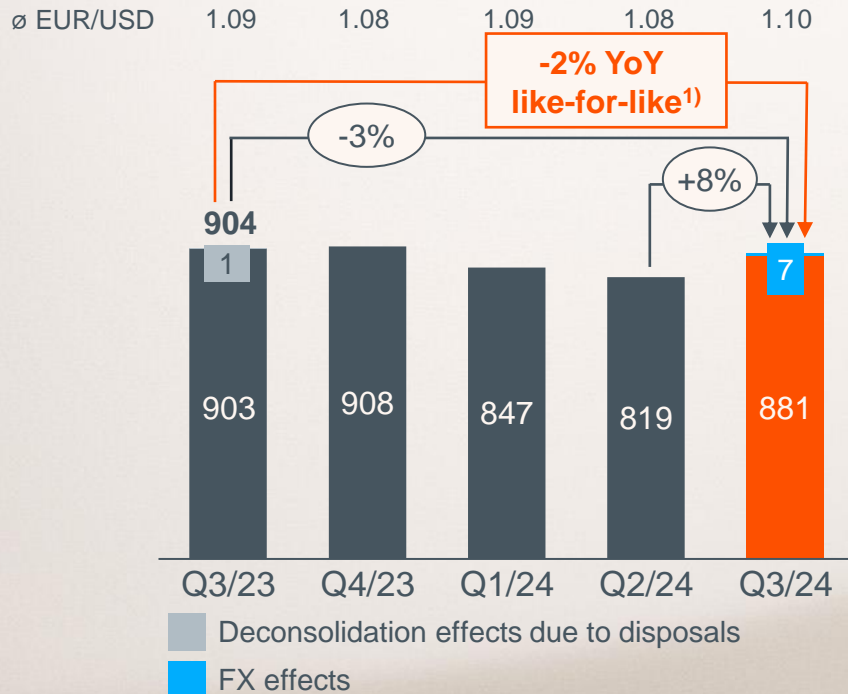
Notes:

- 1) No 100% fall-through to bottom line (2023 reference) due to price decline & general cost increases (inflation, factor price changes, ...)
- 2) Upsizing of RtB causes one-time transformation cost estimated at approx. EUR 40m on top of the approx. EUR 50m for the initial program, i.e. approx. EUR 90m in total.

Q3/24: solid revenues in a difficult market

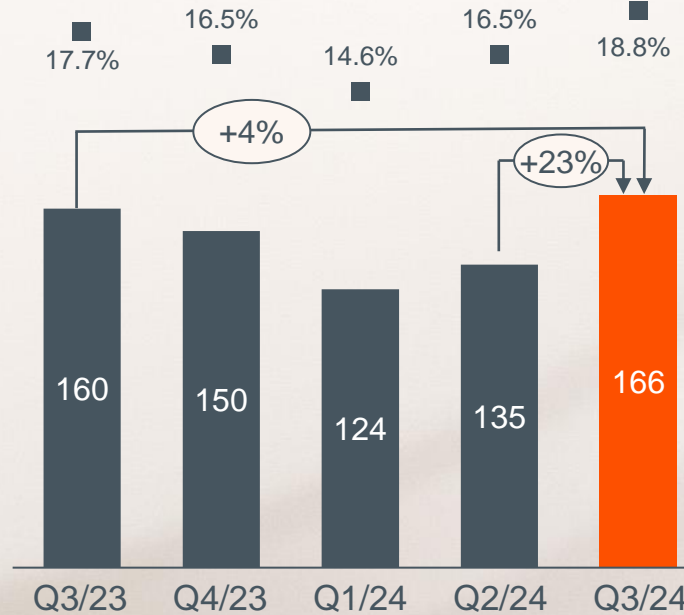
All figures in EURm / % of revenues

Total revenues



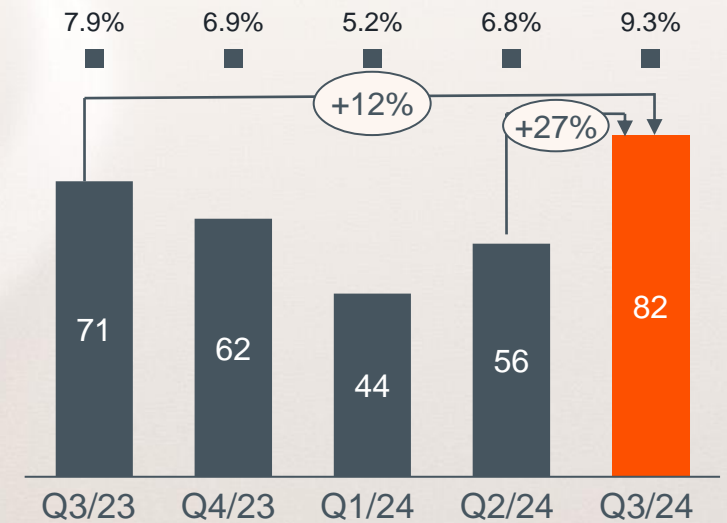
- Revenue at mid-point of guided range of EUR 830m to 930m
- YoY: -2% like-for-like growth (constant currencies, same portfolio)

EBITDA, EBITDA margin (adj.)²⁾



- QoQ: adj. EBITDA margin above mid-point of the guided range, supported by NRE payments
- YoY: adj. EBITDA/EBIT improvement due to NRE payments and higher loading

EBIT, EBIT margin (adj.)²⁾



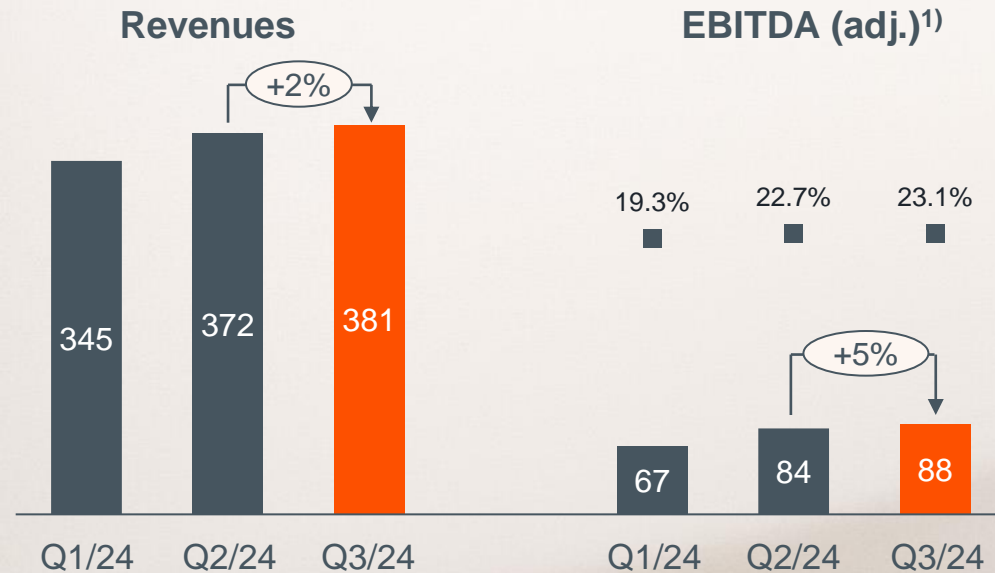
¹⁾ Based on like-for-like portfolio comparison and constant currencies

²⁾ Excluding M&A-related, transformation and share-based compensation costs as well as results from investments in associates and sale of businesses

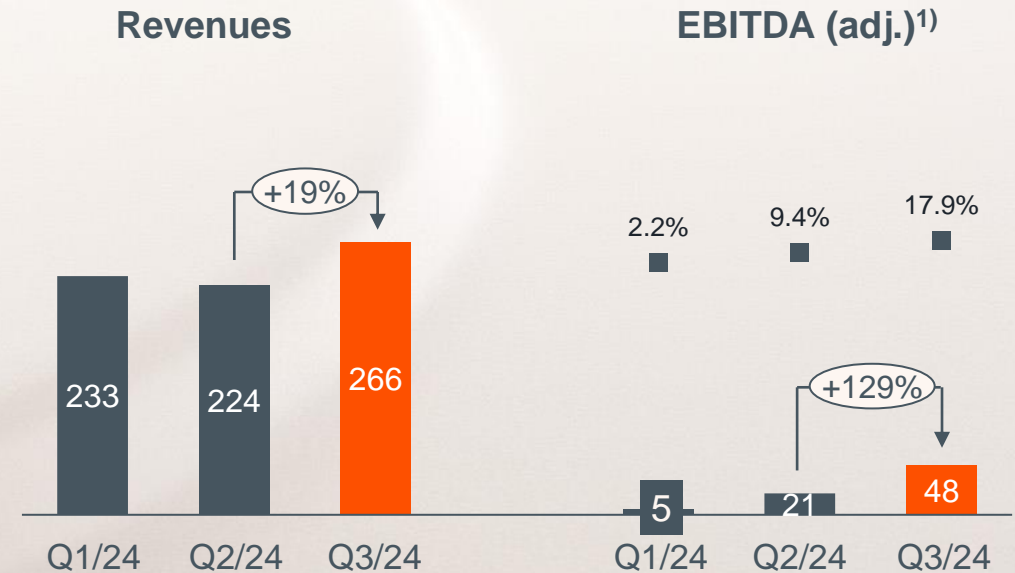
Semis: new product ramps and savings program drive improved performance

All figures in EURm / % of revenues

Opto Semiconductors (OS) segment



CMOS Sensors and ASICs (CSA) segment



Revenues:

- Horticulture, NREs for technology developments and solid revenues for professional lighting drove revenue increase.

EBITDA:

- QoQ increase due higher revenues, supported by NRE payments

Revenues:

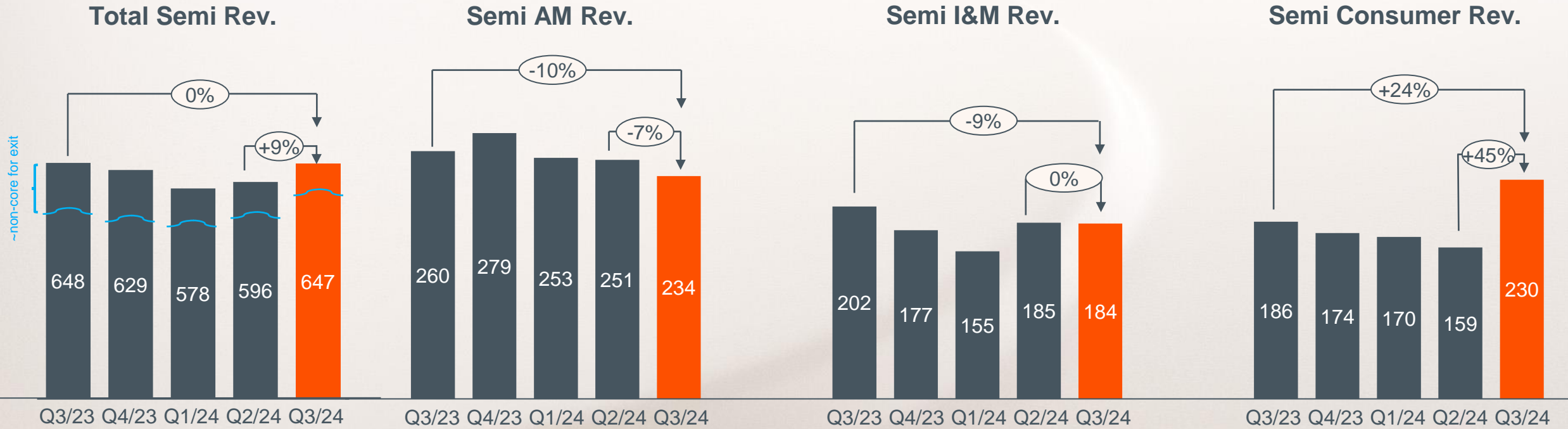
- QoQ increase due to ramp of new products and solid broad sensor business

EBITDA:

- Strong QoQ increase due to higher revenues, higher factory loading and 'Re-establish-the-Base' savings

Semis: structural growth in consumer compensates cyclical weakness in automotive and I&M

Semiconductors, figures in EURm



Total

- QoQ increase driven by ramp of new products in consumer applications, seasonal peak of horticulture and solid professional lighting revs.
- YoY flat as structural growth in consumer applications compensates cyclically weak automotive and industrial business

Automotive

- QoQ down in line with market
- YoY down in line with market cyclicity

I&M

- QoQ flat with seasonal peak of horticulture and solid professional lighting leveled by weakness in other end applications and mass market
- YoY reduction due to persistent inventory correction in capital goods market, medical equipment and overall market weakness

Consumer

- QoQ & YoY: strong increase due to ramp of new products and solid overall consumer handheld and wearables sales

Business outlook

Q4 2024 Guidance

- Revenue EUR 810m – 910m
- Adj. EBITDA 15% - 18%
- Based on assumption
EUR/USD 1.10

FY 2024 comments

- CAPEX expected to land between EUR 500m to 550m
- FY24 FCF - excluding net interest payments - positive

FY 2025 comments

- In Q1/FY25, weak revenues expected
- Full FY25, revenues in line with evolved target operating model, i.e. **core** semiconductor portfolio to grow between 6% to 10%
- **FCF - including net interest payments - positive**

Summary Q3

Summary

Operational update:

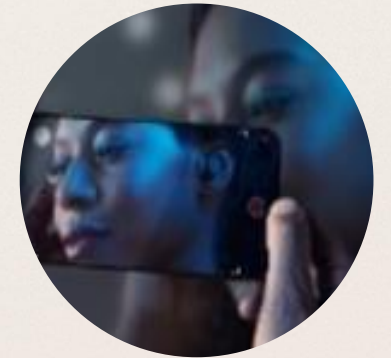
- Solid Q3 revenue and profitability supported by NRE payments
- Semis: consumer segment compensated automotive & industrial weakness
- Semis – core portfolio: estimated mid-single-digit yoy growth
- Semis: continued design-win momentum, EUR 3.5bn ytd
- Strong, positive FCF of EUR 188m supported by customer prepayment, NREs
- Strong cash position with EUR >1bn

Strategic update

- RtB¹⁾: EUR ~85m run-rate savings realized to date – ahead of E/24 target
- RtB¹⁾: upsizing by EUR ~75m run-rate savings, in total EUR ~225m by E/26
- microLED: adjustment of R&D nearing completion; finding new tenant or other use of Kulim-2 will take more time given the semi-cycle
- Focusing mid-term Target Operating Model on core semi business & adj. EBITDA

Outlook Q4/24:

- Revenues of EUR 810m to 910m and 15% to 18% adj. EBITDA



Q&A



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