

HALF-YEAR FINANCIAL REPORT
2022/23

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& SOLUTIONS

AT&S



HIGHLIGHTS H1 2022/23

First half of 2022/23 – AT&S reports half-year revenue of more than one billion for the first time

- Revenue increases by 53% to € 1,070 million in the first half of 2022/23 (PY: € 698 million)
- Adjusted EBITDA at € 335 million, up 139% on the previous year
- Ready for a challenging market environment
- Outlook confirmed for financial year 2022/23 within the normal range of variability: Revenue in the mid-single-digit percentage range below the previous projection of € 2.2 billion
- Medium-term outlook for 2025/26 confirmed: revenue of approx. € 3.5 billion and EBITDA margin of 27-32%

KEY FIGURES

	Unit	H1 2021/22	H1 2022/23	Change in %
Revenue	€ in millions	697.6	1,070.0	53.4%
EBITDA	€ in millions	130.8	315.3	>100%
EBITDA adjusted ¹⁾	€ in millions	140.1	335.1	>100%
EBITDA margin	%	18.7%	29.5%	–
EBITDA margin adjusted ¹⁾	%	20.1%	31.3%	–
EBIT	€ in millions	30.4	181.3	>100%
EBIT adjusted ¹⁾	€ in millions	46.3	202.1	>100%
EBIT margin	%	4.4%	16.9%	–
EBIT margin adjusted ¹⁾	%	6.6%	18.9%	–
Profit/(loss) for the period	€ in millions	18.3	224.4	>100%
Net CAPEX	€ in millions	306.9	489.5	59.5%
Operating free cash flow	€ in millions	(204.4)	(123.7)	–
Earnings per share	€	0.36	5.52	>100%
Employees ²⁾	–	12,590	15,309	21.6%

¹⁾ Adjustment start-up costs

²⁾ Incl. contract staff, average

CORPORATE GOVERNANCE INFORMATION

28TH AT&S ANNUAL GENERAL MEETING

The 28th Annual general Meeting of AT & S Austria Technologie und Systemtechnik Aktiengesellschaft (AT&S), which was held virtually, adopted a dividend of € 0.90 per share for the financial year 2021/22. This amount consists of a basic dividend of € 0.78 and a special dividend of € 0.12 per share.

Deloitte Audit Wirtschaftsprüfungs GmbH was appointed the statutory auditor for the annual financial statements and consolidated financial statements for the financial year 2022/23.

All other agenda items presented for resolution were also adopted by the shareholders represented at the Annual General Meeting.

CHANGES IN THE MANAGEMENT BOARD

Petra Preining was appointed CFO of AT&S as of 1 October 2022.

DIRECTORS' DEALINGS

Purchases and sales carried out by members of the Management Board, Supervisory Board and related persons are reported to the Financial Market Authority (FMA) in accordance with Art. 19 of Regulation (EU) No. 596/2014 and published via an EU-wide system as well as on the AT&S website.

GROUP INTERIM MANAGEMENT REPORT

BUSINESS DEVELOPMENTS AND SITUATION

AT&S continued its growth course in the first half of financial year 2022/23, achieving record revenue and earnings levels thanks to the successful implementation of its strategy. The various developments in target markets are being monitored very closely, and AT&S is preparing to manage volatility and limited visibility accordingly, as in comparable situations in the past. This includes preparing for various scenarios in relation to cost positions and investment projects. AT&S is convinced that the major trends in digitalisation and electrification are still intact. Depending on the further development of the framework conditions, there may be delays.

Revenue amounted to € 1,070.0 million, and exceeded the € 697.6 million recorded in the comparative period of the previous year (deviation € 372.5 million or 53.4%). Adjusted for currency effects, consolidated revenue increased by 36.7%. It must be highlighted that this growth was again generated by all segments. The positive development was primarily driven by the additional capacity for ABF substrates in Chongqing, China. Furthermore, the strategy to broaden the application portfolio of mobile devices and to promote the module printed circuit board business also still contributes to the company's success. The AIM business unit maintained its positive revenue momentum. All three segments benefited from the dynamic market environment, with the Automotive segment recording the strongest growth.

Exchange rate effects, especially due to the stronger US dollar, had a positive effect of € 116.4 million or 10.9% on the development of revenue.

The share of revenue from products made in Asia rose from 87.8% to 90.9% in the current financial year.

EBITDA rose from € 130.8 million by € 184.5 million or 141.1% to € 315.3 million. The improvement in earnings is primarily due to the increase in consolidated revenue. Currency fluctuations of the US dollar and the Chinese renminbi had a positive effect of € 79.0 million on the earnings development. Start-up costs in Chongqing, Kulim, Malaysia as well as Leoben, Austria, and higher material, transport and energy costs had a negative impact on earnings. Other operating income, at € 14.4 million, exceeded the prior-year figure of € -3.7 million by € 18.1 million, mainly due to positive currency effects. Adjusted for start-up losses, EBITDA rose by EBITDA adjusted for start-up losses rose by € 184.5 million from € 140.1 million to € 335.1 million. In addition, substantial investments in the future for the strategic business expansion led to higher expenses.

In preparation for future technology generations and to pursue the modularisation strategy, AT&S also intensified investments in research & development. These expenditures, which make the company future-proof and significantly expand the earnings potential in the medium term, increased by 36.0% year-on-year.

The EBITDA margin amounted to 29.5% in the first six months, exceeding the prior-year level of 18.7%. Adjusted for start-up losses, the EBITDA margin was 31.3% (previous year: 20.1%).

RESULT KEY DATA

€ in millions (unless otherwise stated)

	H1 2022/23	H1 2021/22	Change in %
Revenue	1,070.0	697.6	53.4%
Operating result before interest, tax, depreciation and amortisation (EBITDA)	315.3	130.8	>100%
EBITDA adjusted ¹⁾	335.1	140.1	>100%
EBITDA margin (%)	29.5%	18.7%	
EBITDA margin adjusted (%) ¹⁾	31.3%	20.1%	
Operating result (EBIT)	181.3	30.4	>100%
EBIT adjusted ¹⁾	202.1	46.3	>100%
EBIT margin (%)	16.9%	4.4%	
EBIT margin adjusted (%) ¹⁾	18.9%	6.6%	
Profit for the period	224.4	18.3	>100%
Earnings per share (€)	5.52	0.36	>100%
Additions to property, plant and equipment and intangible assets	594.8	321.2	85.2%
Average number of staff (incl. leased personnel)	15,309	12,590	21.6%

¹⁾ Adjustment start-up costs

Depreciation and amortisation rose by € 33.6 million or 33.5% to € 134.0 million, which was primarily attributable to additions to assets.

EBIT increased by € 150.9 million from € 30.4 million to € 181.3 million. The EBIT margin amounted to 16.9% (previous year: 4.4%).

Finance costs – net increased from € -7.8 million to € 66.2 million. This was mainly driven by positive currency effects of € 68.7 million (previous year: negative effects of € 0.2 million). The interest result also improved from € -6.7 million to € -5.1 million. Gross interest expenses of € 14.5 million exceeded the prior-year-level of € 8.5 million by € 6.0 million mainly due to the higher financing volume. Interest income amounted to € 4.2 million, up € 3.1 million on the prior-year level of € 1.1 million. This increase resulted from the increase in investment volume and higher interest rates.

Income tax expenses amounted to € 23.1 million in the first six months (previous year: € 4.3 million). The change in the effective tax rate (based on net profit for the period) resulted from the changed composition of earnings (different shares in earnings of the individual companies in countries with different tax rates).

Profit for the period rose by € 206.1 million from € 18.3 million to € 224.4 million as a result of both a higher operating result and improved finance costs – net. This led to an increase in earnings per share from € 0.36 to € 5.52. Interest on hybrid capital of € 9.8 million (previous year: € 4.2 million) was deducted in the calculation of earnings per share.

BUSINESS DEVELOPMENT BY SEGMENTS

The AT&S Group breaks its operating activities down into three segments: Mobile Devices & Substrates, Automotive, Industrial, Medical, and Others. For further information on the segments and segment reporting please refer to the Annual Report 2021/22.

The share of the Mobile Devices & Substrates segment in total external revenue increased from 72.7% to 78.6%. The share of the Automotive, Industrial, Medical segment declined to 21.4% (previous year: 27.3%).

Mobile Devices & Substrates segment

The segment's revenue increased by € 352.3 million or 62.0%, from € 568.4 million to € 920.7 million. The successful start-up of the expanded capacity in Chongqing, which serves the increasing demand for ABF substrates, made a significant contribution to revenue growth. The broader customer and application portfolio for mobile devices and the demand for module printed circuit boards also had a positive effect.

EBITDA improved by € 202.8 million or 187.6% from € 108.1 million to € 310.9 million as a result of higher sales volume and a more favourable product mix.

Overall, this resulted in an EBITDA margin of 33.8%, which exceeded the prior-year value of 19.0%.

The segment's depreciation and amortisation rose by € 31.8 million or 37.7% from € 84.4 million to € 116.2 million due to an increase in property, plant and equipment (change since 30 September 2021: € 697.3 million).

MOBILE DEVICES & SUBSTRATES SEGMENT – OVERVIEW

€ in millions (unless otherwise stated)

	H1 2022/23	H1 2021/22	Change in %
Segment revenue	920.7	568.4	62.0%
Revenue from external customers	840.6	507.0	65.8%
Operating result before interest, tax, depreciation and amortisation (EBITDA)	310.9	108.1	>100%
EBITDA adjusted ¹⁾	324.3	117.4	>100%
EBITDA margin (%)	33.8%	19.0%	
EBITDA margin adjusted (%) ¹⁾	35.2%	20.6%	
Operating result (EBIT)	194.7	23.6	>100%
EBIT adjusted ¹⁾	208.5	39.5	>100%
EBIT margin (%)	21.1%	4.2%	
EBIT margin adjusted (%) ¹⁾	22.6%	7.0%	
Additions to property, plant and equipment and intangible assets	479.5	289.0	65.9%
Employees (incl. leased personnel), average	11,684	9,334	25.2%

¹⁾ Adjustment start-up costs

EBIT amounted to € 194.7 million, up € 171.1 million on the prior-year value of € 23.6 million. The EBIT margin was 21.1% (previous year: 4.2%).

Automotive, Industrial, Medical segment

The segment's revenue, at € 263.9 million, was 23.9% higher than in the previous year (€ 213.1 million). All segments generated higher revenue in the first six months than in the comparative period, with the Automotive segment reporting the sharpest increase. In both the Industrial and the Medical & Healthcare segments the year-on-year increase in revenue was primarily driven by a more favourable product mix.

However, the segment's EBITDA, at € 3.5 million, was € 20.3 million lower than in the the previous year (€ 23.8 million). This negative development was mainly driven by higher material, transport and energy costs. It must, however, also be taken into account that start-up costs for the new R&D centre in Leoben and higher research expenditures to secure the position as an innovation driver burdened earnings. The EBITDA margin declined by 9.9 percentage points from 11.2% to 1.3%.

Depreciation and amortisation of the segment rose by € 1.2 million or 8.4% from € 13.7 million to € 14.8 million.

EBIT decreased by € 21.4 million from € 10.1 million to € -11.3 million.

AUTOMOTIVE, INDUSTRIAL, MEDICAL SEGMENT – OVERVIEW

€ in millions (unless otherwise stated)

	H1 2022/23	H1 2021/22	Change in %
Segment revenue	263.9	213.1	23.9%
Revenue from external customers	229.4	190.5	20.4%
Operating result before interest, tax, depreciation and amortisation (EBITDA)	3.5	23.8	(85.2%)
EBITDA adjusted ¹⁾	9.4	23.9	(60.5%)
EBITDA margin (%)	1.3%	11.2%	
EBITDA margin adjusted (%) ¹⁾	3.6%	11.2%	
Operating result (EBIT)	(11.3)	10.1	(>100%)
EBIT adjusted ¹⁾	(4.9)	10.2	(>100%)
EBIT margin (%)	(4.3%)	4.8%	
EBIT margin adjusted (%) ¹⁾	(1.8%)	4.8%	
Additions to property, plant and equipment and intangible assets	100.4	27.9	>100%
Employees (incl. leased personnel), average	3,241	2,956	9.6%

¹⁾ Adjustment start-up costs

Others segment

The Others segment is primarily characterised by holding activities. The earnings of activities included in the Others segment were higher than in the previous year.

FINANCIAL POSITION

Total assets increased by € 571.9 million or 15.3% from € 3,746.3 million to € 4,318.2 million in the first six months. Additions to assets of € 594.8 million (additions to assets led to cash CAPEX of € 591.9 million) were offset by depreciation and amortisation of € 134.0 million. In addition, exchange rate effects increased fixed assets by € 26.5 million. Property plant and equipment reported in the consolidated statement of financial position as of 30 September 2022 also included right-of-use assets according to IFRS 16 of € 92.2 million. Correspondingly, financial liabilities include lease liabilities of € 73.4 million. Inventories increased from € 193.2 million to € 224.4 million.

Cash and cash equivalents amounted to € 1,094.1 million (31 March 2022: € 1,119.9 million). In addition to cash and cash equivalents, AT&S also has financial assets of € 37.9 million and unused credit lines of € 247.0 million at its disposal.

Equity increased by € 238.7 million or 19.1% from € 1,252.3 million to € 1,491.0 million. The profit for the period of € 224.4 million and positive currency effects of € 38.5 million, which resulted from the translation of net asset positions of subsidiaries, were offset by the dividend payout of € 35.0 million. In addition, the remeasurement of post-employment obligations (€ 5.7 million) and changes in hedging instruments for cash flow hedges (€ 5.1 million) had a positive impact on equity. Despite the significant increase in equity, the equity ratio, at 34.5%, was only 1.1 percentage

points higher than at 31 March 2022 because total assets also rose significantly (increase by € 571.9 million).

Net debt increased by € 85.3 million or 40.3% from € 211.6 million to € 297.0 million.

Cash flow from operating activities amounted to € 365.9 million in the first six months of the financial year 2022/23 (previous year: € 102.5 million). These cash inflows were offset by cash outflows for net investments of € 489.5 million (previous year: € 306.9 million), resulting in negative free cash flow from operations of € -123.7 million (previous year: € -204.4 million).

The net gearing ratio rose from 16.9% to 19.9%. This increase results from the above-mentioned change in equity and the substantial increase in net debt.

SIGNIFICANT EVENTS AFTER THE INTERIM REPORTING PERIOD

The Supervisory Board appointed Ms Petra Preining (49) to the Management Board as CFO for five years with effect from 1 October 2022. She will be responsible for Finance, Controlling, Procurement, Investor Relations, Legal, Internal Audit, Compliance as well as Risk and Continuity Management.

SIGNIFICANT RISKS, UNCERTAINTIES AND OPPORTUNITIES

In the Group Management Report of the consolidated financial statements 2020/21 the relevant risk categories are explained in detail under section 5 "Risk and opportunities management", which still apply at the reporting date. As described in this chapter, incorrect assessments of technological developments, changes in demand and

OTHERS SEGMENT – OVERVIEW

€ in millions (unless otherwise stated)

	H1 2022/23	H1 2021/22	Change in %
Segment revenue	–	–	n.a.
Revenue from external customers	–	–	n.a.
Operating result before interest, tax, depreciation and amortisation (EBITDA)	0.8	(1.1)	>100%
EBITDA margin (%)	–	–	–
Operating result (EBIT)	(2.1)	(3.4)	38.4%
EBIT margin (%)	–	–	–
Additions to property, plant and equipment and intangible assets	15.0	4.2	>100%
Employees (incl. leased personnel), average	384	300	28.0%

negative price developments can have severe adverse effects on the intrinsic value of investments. Risks in conjunction with the Covid-19 pandemic are explained in detail for each risk category.

OUTLOOK

Depending on the market development, AT&S will continue to concentrate on the start-up of the new production capacities at plant III in Chongqing, push ahead the investment project in Kulim and the expansion of the site in Leoben and implement technology upgrades at other locations in the financial year 2022/23. In view of the highly volatile environment, the ongoing investment projects will be reviewed at frequent intervals and adapted to the respective current situation if required.

The expectations for AT&S's segments are currently as follows: Despite the current fluctuations in demand, the market conditions for IC substrates continue to offer significant growth opportunities in the medium term. The 5G mobile communication standard as well as the module printed circuit board business will remain positive drivers in the area of Mobile Devices. In the Automotive segment, the semiconductor shortage should continue to ease and the growth trend should consequently intensify as the share of electronics per vehicle continues to increase. In the Industrial and Medical segments, AT&S expects a positive development for the current financial year.

Investment

As part of the strategic projects, the management is planning investments totalling up to € 1 billion for the financial year 2022/23 depending on the market environment and the progress of projects. Roughly € 150 million are budgeted for basic investments. Planned investments amounting to € 100 million of the investment budget for the financial year 2021/22 have been postponed to the financial year 2022/23. As a result, the planned investment volume totals up to € 1,250 million.

Guidance for the financial year 2022/23

After the good development in the first half of the year, AT&S expects the market environment to deteriorate in the second half of the year and now anticipates revenue in the mid-single-digit percentage range below the previous projection of € 2.2 billion. Taking into account effects of the ramp-up of the

new production capacities in Kulim, Leoben and Chongqing, the adjusted EBITDA margin is still expected to range between 27 and 30%.

Outlook 2025/26

The progress of the production capacity expansion in Chongqing and in Kulim, as well as the expansion of the site in Leoben is still positive despite the challenging global economic and health situation. The management is convinced that the major trends – digitalisation and electrification – are intact. Therefore, AT&S assumes that revenue of € 3.5 billion will be generated in the financial year 2025/26 and expects an EBITDA margin in the range from 27 to 32%.

Leoben-Hinterberg, 3 November 2022

The Management Board

Andreas Gerstenmayer m.p.
Petra Preining m.p.
Peter Schneider m.p.
Ingolf Schröder m.p.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

€ in thousands	1 Jul - 30 Sep 2022	1 Jul - 30 Sep 2021	1 Apr - 30 Sep 2022	1 Apr - 30 Sep 2021
Revenue	567,483	379,897	1,070,038	697,580
Cost of sales	(436,199)	(328,084)	(837,556)	(612,775)
Gross profit	131,284	51,813	232,482	84,805
Distribution costs	(15,115)	(10,725)	(28,819)	(20,919)
General and administrative costs	(14,732)	(14,051)	(36,750)	(29,792)
Other operating income	21,968	13,791	38,179	13,979
Other operating costs	(14,990)	(10,047)	(23,783)	(17,676)
Other operating result	6,978	3,745	14,396	(3,697)
Operating result	108,415	30,782	181,309	30,397
Finance income	40,647	1,231	80,421	2,642
Finance costs	(7,988)	(5,927)	(14,256)	(10,486)
Finance income/costs – net	32,659	(5,927)	66,165	(7,844)
Profit before tax	141,074	26,086	247,474	22,553
Income taxes	(12,894)	(2,541)	(23,093)	(4,290)
Profit for the period	128,180	23,545	224,381	18,263
Attributable to owners of hybrid capital	4,907	2,096	9,760	4,168
Attributable to owners of the parent company	123,273	21,449	214,621	14,095
Earnings per share attributable to equity holders of the parent company (in € per share):				
– basic	3.17	0.55	5.52	0.36
– diluted	3.17	0.55	5.52	0.36
Weighted average number of shares outstanding – basic (in thousands)	38,850	38,850	38,850	38,850
Weighted average number of shares outstanding – diluted (in thousands)	38,850	38,850	38,850	38,850

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

€ in thousands	1 Jul - 30 Sep 2022	1 Jul - 30 Sep 2021	1 Apr - 30 Sep 2022	1 Apr - 30 Sep 2021
Profit for the period	128,180	23,545	224,381	18,263
Items to be reclassified:				
Currency translation differences, net of tax	8,019	40,289	38,526	44,045
Gains/(Losses) from the fair value measurement of hedging instruments for cash flow hedges, net of tax	3,028	402	5,059	(1,463)
Items not to be reclassified:				
Remeasurement of post-employment obligations, net of tax	5,238	(852)	5,731	(852)
Other comprehensive income for the period	16,285	39,839	49,316	41,730
Total comprehensive income for the period	144,465	63,383	273,697	59,993
Attributable to owners of hybrid capital	4,907	2,096	9,760	4,168
Attributable to owners of the parent company	139,558	61,287	263,937	55,825

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

€ in thousands	30 Sep 2022	31 Mar 2022
ASSETS		
Property, plant and equipment	2,326,875	1,950,185
Intangible assets	28,969	31,807
Financial assets	15,849	4,580
Deferred tax assets	13,827	24,698
Other non-current assets	40,020	11,742
Non-current assets	2,425,540	2,023,012
Inventories	224,366	193,236
Trade and other receivables and contract assets	534,904	390,266
Financial assets	37,946	18,833
Current income tax receivables	1,358	1,056
Cash and cash equivalents	1,094,131	1,119,921
Current assets	1,892,705	1,723,312
Total assets	4,318,245	3,746,324
EQUITY		
Share capital	141,846	141,846
Other reserves	237,225	187,909
Hybrid capital	388,849	388,849
Retained earnings	723,105	533,689
Equity attributable to owners of the parent company	1,491,025	1,252,293
Total equity	1,491,025	1,252,293
LIABILITIES		
Financial liabilities	1,023,933	1,276,578
Contract liabilities	656,963	446,410
Provisions for employee benefits	47,635	55,232
Deferred tax liabilities	1,410	2,167
Other liabilities	69,102	69,604
Non-current liabilities	1,799,043	1,849,991
Trade and other payables	582,629	549,679
Financial liabilities	420,967	78,402
Current income tax payables	15,133	9,570
Other provisions	9,448	6,389
Current liabilities	1,028,177	644,040
Total liabilities	2,827,220	2,494,031
Total equity and liabilities	4,318,245	3,746,324

CONSOLIDATED STATEMENT OF CASH FLOWS

€ in thousands	1 Apr - 30 Sep 2022	1 Apr - 30 Sep 2021
Operating result	181,309	30,397
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	133,978	100,358
Gains from the sale of fixed assets	1,989	227
Changes in non-current provisions	(7,441)	1,246
Changes in non-current contract liabilities	210,496	59,177
Non-cash expense/(income), net	(16,167)	5,728
Interest paid	(9,798)	(8,652)
Interest received	4,188	1,077
Income taxes paid	(11,298)	(2,053)
Cash flow from operating activities before changes in working capital	487,256	187,505
Inventories	(26,211)	(35,474)
Trade and other receivables and contract assets	(132,786)	(85,703)
Trade and other payables	34,613	36,738
Other provisions	2,990	(575)
Cash flow from operating activities	365,862	102,491
Capital expenditure for property, plant and equipment and intangible assets	(591,864)	(306,953)
Proceeds from the sale of property, plant and equipment and intangible assets	102,337	45
Capital expenditure for financial assets	(45,905)	(15,023)
Proceeds from the sale of financial assets	9,784	38,612
Cash flow from investing activities	(525,648)	(283,319)
Proceeds from borrowings	87,120	135,271
Repayments of borrowings	(12,377)	(59,149)
Proceeds from government grants	5,992	2,284
Dividends paid	(34,965)	(15,152)
Cash flow from financing activities	45,770	63,254
Change in cash and cash equivalents	(114,016)	(117,574)
Cash and cash equivalents at beginning of the year	1,119,921	552,850
Exchange gains on cash and cash equivalents	88,226	2,135
Cash and cash equivalents at end of the period	1,094,131	437,411

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

€ in thousands	Share capital	Other reserves	Hybrid capital	Retained earnings	Equity attributable to owners of the parent company	Non-controlling interests	Total equity
31 Mar 2021	141,846	27,079	172,887	460,201	802,013	–	802,013
Profit for the period	–	–	–	18,263	18,263	–	18,263
Other comprehensive income for the period	–	41,730	–	–	41,730	–	41,730
<i>thereof currency translation differences, net of tax</i>	–	44,045	–	–	44,045	–	44,045
<i>thereof remeasurement of post-employment obligations, net of tax</i>	–	(852)	–	–	(852)	–	(852)
<i>thereof change in hedging instruments for cash flow hedges, net of tax</i>	–	(1,463)	–	–	(1,463)	–	(1,463)
Total comprehensive income for the period	–	41,730	–	18,263	59,993	–	59,993
Dividends paid relating to 2019/20	–	–	–	(15,152)	(15,152)	–	(15,152)
30 Sep 2021	141,846	68,809	172,887	463,312	846,854	–	846,854
31 Mar 2022	141,846	187,909	388,849	533,689	1,252,293	–	1,252,293
Profit for the period	–	–	–	224,381	224,381	–	224,381
Other comprehensive income for the period	–	49,316	–	–	49,316	–	49,316
<i>thereof currency translation differences, net of tax</i>	–	38,526	–	–	38,526	–	38,526
<i>thereof remeasurement of post-employment obligations, net of tax</i>	–	5,731	–	–	5,731	–	5,731
<i>thereof change in hedging instruments for cash flow hedges, net of tax</i>	–	5,059	–	–	5,059	–	5,059
Total comprehensive income for the period	–	49,316	–	224,381	273,697	–	273,697
Dividends paid relating to 2020/21	–	–	–	(34,965)	(34,965)	–	(34,965)
30 Sep 2022	141,846	237,225	388,849	723,105	1,491,025	–	1,491,025

SEGMENT REPORTING

	Mobile Devices & Substrates		Automotive, Industrial, Medical		Others		Elimination/ Consolidation		Group	
€ in thousands	1 Apr - 30 Sep 2022	1 Apr - 30 Sep 2021	1 Apr - 30 Sep 2022	1 Apr - 30 Sep 2021	1 Apr - 30 Sep 2022	1 Apr - 30 Sep 2021	1 Apr - 30 Sep 2022	1 Apr - 30 Sep 2021	1 Apr - 30 Sep 2022	1 Apr - 30 Sep 2021
Segment revenue	920,658	568,384	263,939	213,097	–	–	(114,559)	(83,901)	1,070,038	697,580
Internal revenue	(80,068)	(61,336)	(34,491)	(22,565)	–	–	114,559	83,901	–	–
External revenue	840,590	507,048	229,448	190,532	–	–	–	–	1,070,038	697,580
Operating result before depreciation/amortisation	310,924	108,063	3,519	23,813	846	(1,121)	–	–	315,289	130,755
Depreciation/amortisation incl. appreciation	(116,229)	(84,426)	(14,830)	(13,684)	(2,921)	(2,248)	0	–	(133,981)	(100,358)
Operating result	194,695	23,637	(11,311)	10,129	(2,075)	(3,369)	–	–	181,309	30,397
Finance costs - net									66,165	(7,844)
Profit before tax									247,474	22,553
Income taxes									(23,093)	(4,290)
Profit for the period									224,381	18,263
Property, plant and equipment and intangible assets ¹⁾	2,099,766	1,721,795	239,168	246,492	16,910	13,705	–	–	2,355,844	1,981,992
Additions to property, plant and equipment and intangible assets	479,463	289,002	100,353	27,930	15,011	4,226	–	–	594,827	321,158

¹⁾ Previous year values as of 31 March 2022

INFORMATION BY GEOGRAPHIC REGION

Revenues broken down by customer region, based on customer's headquarters:

€ in thousands	1 Apr - 30 Sep 2022	1 Apr - 30 Sep 2021
Austria	12,420	10,867
Germany	98,540	77,389
Other European countries	51,586	43,004
China	2,064	3,915
Other Asian countries	47,460	41,884
Americas	857,968	520,521
Revenue	1,070,038	697,580

Property, plant and equipment and intangible assets broken down by domicile:

€ in thousands	30 Sep 2022	31 Mar 2022
Austria	179,818	186,579
China	1,897,037	1,646,725
Others	278,989	148,688
Property, plant and equipment and intangible assets	2,355,844	1,981,992

NOTES TO THE INTERIM FINANCIAL REPORT

GENERAL INFORMATION

Accounting and measurement policies The interim report ended 30 September 2022 has been prepared in accordance with the standards (IFRS and IAS) and interpretations (IFRIC and SIC) of the International Accounting Standards Board (IASB), taking IAS 34 into account, as adopted by the European Union. The accounting and measurement principles applied as at 31 March 2022 were applied without a change with the exception of the IFRS which are mandatorily effective as of 1 April 2022.

The interim consolidated financial statements do not include all the information contained in the annual consolidated financial statements and should be read in conjunction with the consolidated annual financial statements for the year ended 31 March 2022.

The interim consolidated financial statements for the period ended 30 September 2022 are unaudited and have not been the subject of external audit review.

NOTES TO THE STATEMENT OF PROFIT OR LOSS

Revenue Group revenue increased by 53.4% in the first six months of this financial year, from € 697.6 million in the previous year to € 1,070.0 million.

Gross Profit The current gross profit of € 232.5 million was € 147.7 million higher than in the comparative period (€ 84.8 million). The reasons for the increase are higher revenues and therefore additional contribution margins. Higher expenses for research and development burdened the gross profit.

Operating result As a result of increased gross profit, the consolidated operating result rose to € 181.3 million or 16.9%

of revenue. Other operating income, which was € 18.1 million higher than in the previous year primarily due to positive currency effects, additionally increased the operating result.

Finance costs – net Finance costs amounted to € 14.3 million, up € 3.8 million on the previous year. This increase was mainly caused by higher interest expenses compared to last year. Financial income was € 80.4 million and essentially resulted from positive currency effects on bank deposits (€ 59.6 million), unrealised gains from the measurement of derivative financial instruments and interest income of bank deposits. Overall, finance costs – net improved by € 74.0 million up to € 66.2 million.

Income taxes The change of the effective tax rate on the consolidated level compared with the same period of the previous year results from the variation of proportions of Group earnings contributed by individual companies with different tax rates.

Seasonality Due to the great importance of mobile devices, the revenue of AT&S usually shows the following seasonal development: the first quarter of the financial year is usually weaker than the second and third quarters, which are typically characterised by very high demand in preparation for the launches of the latest product generation. In the fourth quarter, customer demand is generally lower. This quarter is also characterised by the holiday shutdown due to the Chinese New Year's celebrations at our large Chinese plants.

NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME

Currency translation differences The positive deviation in the foreign currency translation reserves in the current financial year by € 38.5 million was essentially the result of the change in the exchange rate of the Chinese yuan

CURRENCY RATES

	Closing rate			Average rate		
	30 Sep 2022	31 Mar 2022	Change in %	1 Apr - 30 Sep 2022	1 Apr - 30 Sep 2021	Change in %
Chinese yuan renminbi	6.9527	7.0420	(1.3 %)	6.9749	7.6876	(9.3 %)
Hong Kong dollar	7.6690	8.6853	(11.7 %)	8.1519	9.2382	(11.8 %)
Malaysian Ringgit	4.5230	4.6643	(3.0 %)	4.5803	4.9374	(7.2 %)
Indian rupee	79.4400	83.9684	(5.4 %)	81.3783	87.5291	(7.0 %)
Japanese yen	140.9400	134.9800	4.4 %	138.1542	130.9442	5.5 %
South Korean won	1,401.1900	1,345.7967	4.1 %	1,346.1366	1,353.3168	(0.5 %)
Taiwan dollar	31.0647	31.8146	(2.4 %)	30.9920	33.1506	(6.5 %)
US dollar	0.9754	1.1093	(12.1 %)	1.0391	1.1885	(12.6 %)

renminbi and the US dollar against the Group's reporting currency, the euro.

NOTES TO THE STATEMENT OF FINANCIAL POSITION

Assets and Finances Net debt, at € 297.0 million, increased versus the € 211.6 million outstanding at 31 March 2022. Net working capital rose from € 271.5 million at 31 March 2022 to € 404.4 million mainly due to increased inventories and receivables. The increase in trade receivables was caused, among other things, by higher revenues in the second quarter of the current financial year compared with the fourth quarter of the financial year 2021/22. The net gearing ratio, at 19.9% was above the 16.9% at 31 March 2022.

Valuation hierarchies for financial instruments measured at fair value Three valuation hierarchies have to be distinguished in the valuation of financial instruments measured at fair value.

- Level 1: fair values are determined on the basis of publicly quoted prices in active markets for identical financial instruments.
- Level 2: if no publicly quoted prices in active markets exist, then fair values are determined on the basis of valuation methods based to the greatest possible extent on market prices.
- Level 3: in this case, the models used to determine fair value are based on inputs not observable in the market.

The financial instruments valued at fair value at the end of the reporting period at the three valuation levels were as follows: *see table below*

Export loans, government loans and other bank borrowings amounting to € 1,444.9 million (31 March 2022: € 1,354.5 million) are measured at amortised cost. The fair value of these liabilities was € 1,412.4 million (31 March 2022: € 1,356.8 million).

Contract liabilities In the financial year 2022/23 the Group was granted payments within the framework of bilateral agreements in the amount of € 208.0 million for financing the construction of new production facilities. Due to the existence of a significant financing component, a liability of € 2.5 million was recognised for interest.

Other financial commitments As at 30 September 2022 the Group had other financial commitments amounting to € 480.9 million in connection with contractually binding investment commitments. This relates to investments in the Kulim, Shanghai, Chongqing, Nanjangud and Leoben plants. As at 31 March 2022 other financial commitments stood at € 498.9 million. In addition, there were contingent liabilities from bank guarantees amounting to € 0.4 million.

Equity Consolidated equity changed due to the consolidated profit for the period of € 224.4 million, positive impacts from currency translation differences of € 38.5 million, and gains from remeasurement of post-employment obligations of € 5.7 million. Furthermore positive changes from the fair

VALUATION HIERARCHIES

€ in thousands

30 Sep 2022	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets at fair value through profit or loss:				
– Bonds	884	–	–	884
– Derivative financial instruments	–	17,246	–	17,246
Financial assets at fair value through other comprehensive income without recycling	–	118	–	118
Financial liabilities				
Derivative financial instruments	–	–	–	–
31 Mar 2022				
Financial assets				
Financial assets at fair value through profit or loss:				
– Bonds	849	–	–	849
– Derivative financial instruments	–	4,463	–	4,463
Financial assets at fair value through other comprehensive income without recycling	–	117	–	117
Financial liabilities				
Derivative financial instruments	–	508	–	508

value measurement of hedging instruments for cash flow hedges of € 5.1 million and the dividend payment of € 35.0 million led to an increase in consolidated equity from € 1,252.3 million at 31 March 2022 to € 1,491.0 million at 30 September 2022.

At the 25th Annual General Meeting on 4 July 2019 the Management Board was authorised until 3 July 2024 to increase the share capital of the Company, subject to the approval of the Supervisory Board, by up to € 21,367,500 by way of issuing up to 19,425,000 no-par value bearer shares, for contributions in cash or in kind, in one or several tranches, including issue by means of an indirect share offering via banks in accordance with section 153 para 6 Austrian Stock Corporation Act (AktG). The Management Board was authorised, subject to the approval of the Supervisory Board, to determine the detailed terms and conditions of issue (in particular, issue price, nature of contributions in kind, rights related to shares, exclusion of subscription rights, etc.) (authorised capital). The Supervisory Board was authorised to approve amendments to the Articles of Association required by the issue of shares out of authorised capital.

At the 25th Annual General Meeting of 4 July 2019 the Management Board was also authorised until 3 July 2024, subject to the approval of the Supervisory Board, to issue convertible bearer bonds up to a maximum nominal value of € 150,000,000 in one or several tranches, and to grant the holders of the convertible bond subscription and/or conversion rights to up to 19,425,000 new no-par value bearer shares in the Company in accordance with the terms and conditions of the convertible bond to be determined by the Management Board. For this purpose, the Management Board was also authorised to fully or partially exclude shareholders' subscription rights to convertible bonds. In accordance with section 159 para 2 item 1 AktG, the share capital of the Company was also conditionally increased by up to € 21,367,500 by issuing up to 19,425,000 new no-par value bearer shares. This conditional capital increase will only take place to the extent that holders of convertible bonds issued in accordance with the resolution of the Annual General Meeting of 4 July 2019 exercise their conversion or subscription rights to shares of the Company granted to them. The Management Board was also authorised, subject to the approval of the Supervisory Board, to determine further details of the conditional capital increase (in particular, the

amount of the issue and the rights related to shares). The Supervisory Board was authorised to adopt amendments to the Articles of Association resulting from the issue of shares from conditional capital. The same applies in case the authorisation to issue convertible bonds is not exercised and in case the conditional capital is not used.

With respect to the authorised share capital increase and/or the conditional capital increase, the following restrictions on the amounts of the increases are to be observed, as required under the resolutions passed at the 25th Annual General Meeting of 4 July 2019: The total of (i) the number of new shares actually issued or potentially issuable out of conditional capital under the terms and conditions of the convertible bonds, and (ii) the number of shares issued out of authorised capital may not exceed 19,425,000 (definition of amount of authorisations).

The Annual General Meeting approved a resolution amending Section 4 (Nominal Capital) of the Articles of Association to reflect these changes.

At the 27th Annual General Meeting of 8 July 2021 the Management Board was authorised to reclassify an amount of up to € 80,000,000 of the total profit carried forward – after dividend payments – of € 53,396,054.76 to free reserves, subject to the approval of the Supervisory Board.

Treasury shares At the 27th Annual General Meeting of 8 July 2021 the Management Board was again authorised for a period of 30 months from the date of the resolution to acquire treasury shares up to a maximum amount of 10% of the share capital at a minimum price that may be no more than 30% lower than the average unweighted closing price of the previous ten trading days and at a highest price per share of a maximum of up to 30% above the average unweighted closing price of the previous ten trading days. The shares can be acquired over the stock exchange, by way of a public offering or any other legally permitted way and for any legally permitted purpose. The Management Board was also authorised to withdraw repurchased treasury shares as well as treasury shares already held by the Company without any further resolution of the Annual General Meeting. The Supervisory Board was authorised to adopt amendments to the Articles of Association resulting from the withdrawal of treasury shares. Furthermore, the Management Board was

authorised, for a period of five years, i.e. up to and including 3 July 2024, subject to approval of the Supervisory Board, to sell or use the repurchased treasury shares or treasury shares currently held by the Company other than via the stock exchange or by public offer, in particular for the purposes of stock transfer programmes, convertible bonds or as a consideration for the acquisition of entities, investments or other assets or for any other legal purpose, and to exclude a general purchase opportunity for shareholders.

As at 30 September 2022, the Group held no treasury shares.

NOTES TO THE STATEMENT OF CASH FLOWS

Cash flow from operating activities amounted to € 365.9 million compared with € 102.5 million in the same period of the previous year. The higher operating result of € 181.3 million (previous year: € 30.4 million) and an increase in trade and other receivables of € 132.8 million (previous year: € 85.7 million) decreased the operating cash flow, but were overcompensated by the newly added contract liabilities of € 210.5 million.

Cash flow from investing activities amounts to € -525.6 million and is thus above the level of € -283.3 million reached in the previous year. Capital expenditure for property, plant and equipment and intangible assets accounts for € 591.9 million. The sale of property, plant and equipment in turn led to inflows of € 102.3 million. The capital expenditure of the current financial year is primarily related to investments in the plant in Malaysia, which is currently under construction, the Chinese plants as well as technology upgrades at the other plants. Capital expenditure for financial assets amounts to € 45.9 million, and proceeds from the sale of financial assets amount to € 9.8 million for the investment and reinvestments of liquid funds. Payables for capex amounting to € 237.2 million will become payable after 30 September 2022.

NON-CASH EFFECTIVE EXPENSE/INCOME

€ in thousands	1 Apr - 30 Sep 2022	1 Apr - 30 Sep 2021
Release of government grants	(4,137)	(2,296)
Other non-cash expense/(income), net	(12,030)	8,024
Non-cash expense/(income), net	(16,167)	5,728

Cash flow from financing activities amounts to € 45.8 million and is mainly attributable to additions of loans and received government grants, with the dividend payment of € 35.0 million having a negative effect on cash flow from financing activities.

The non-cash expense/income is as follows: [see table below](#)

OTHER INFORMATION

Impact of COVID-19 The global spread of the coronavirus since January 2020 has led to significant government measures worldwide to contain the pandemic. With respect to the going concern there are no uncertainties for the AT&S Group.

Due to the strict zero-tolerance strategy in China, there is a risk of further COVID-19 lockdowns in particular at the Chinese locations. In order to identify new developments and the resulting effects on AT&S as fast as possible, a crisis team has been established, which is responsible for monitoring and introduces and manages protective measures if necessary. An aggravation of the current framework conditions, restriction of mobility, provision of production materials and personnel, supply chain processes and the demand situation can still influence the business development.

The situation in the individual countries will continue to be monitored very closely.

Impact of geopolitical tensions The conflict between Ukraine and Russia, which has been ongoing since February 2022, has an impact on the entire global economy. This conflict has effects on the availability of materials and energy, which is reflected in their price development. Uncertainty regarding gas supply can also have a negative impact on AT&S. In particular, the Austrian production sites would be affected if gas supplies from Russia were stopped. To mitigate this risk, measures have already been taken to enable the Company to respond quickly if required.

Furthermore, the Ukraine-Russia conflict has a negative influence on the development in the Automotive segment. The temporary shutdown of production facilities and the difficulties regarding the availability of materials confronts car manufacturers with challenges which could also affect AT&S. Along with a direct impact on material supplies and the demand by individual markets, significant secondary effects are also expected. The disruption of food and energy supply as well as transport routes has severe implications. Depending on the duration of the conflict, the effects on the economy as a whole could be immense. Rising energy prices are causing an increased recession risk especially in Europe. Developments in the supply chain and the energy market are continuously monitored to enable a quick response if necessary. Continuous monitoring is used to counter any weakness in demand as early as possible. The growing geopolitical tensions of the recent months could also cause a significant risk for the global economy. A potential aggravation of the trade conflict between the USA and China could lead to an increase in punitive tariffs on certain goods in both countries as well as trade restrictions for technology companies. From a current perspective, the trade conflict only has an immaterial influence on AT&S. Nevertheless, ongoing monitoring of the goods concerned is necessary. Furthermore, an escalation of the Korea conflict or a war in East Asia (e.g. China and Taiwan) could have a negative effect on business activities. However, the long-term economic consequences cannot be estimated.

Effects of the climate crisis A description of the effects of climate change on the AT&S Group can be found in the Annual Report for the financial year 2021/22. These statements continue to be valid.

Dividends The Annual General Meeting of 7 July 2022 resolved on a dividend payment of € 0.90 per share from the total balance sheet profit as at 31 March 2022. The dividend distribution of € 35.0 million took place on 28 July 2022.

Related party transactions In connection with various projects, the Group received consulting services from companies where Supervisory Board Chairman Mr. Androsch

(AIC Androsch International Management Consulting GmbH) was active. The fees charged are as follows: [see table below](#)

At the balance sheet date, there are no outstanding balances or obligations to the above mentioned legal and consulting companies.

Leoben-Hinterberg, 3 November 2022

Management Board

Andreas Gerstenmayer m.p.
Ingolf Schröder m.p.
Peter Schneider m.p.
Petra Preining m.p.

RELATED PARTY TRANSACTIONS

€ in thousands

	1 Apr - 30 Sep 2022	1 Apr - 30 Sep 2021
AIC Androsch International Management Consulting GmbH	182	182
Total fees	182	182

STATEMENT OF ALL LEGAL REPRESENTATIVES

We confirm to the best of our knowledge that the interim financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group as required by the applicable accounting standards and that the group interim management report gives a true and fair view of important events that have occurred during the first six months of the financial year and their impact on the interim financial statements, of the principal risks and uncertainties for the remaining six months of the financial year and of the major related party transactions to be disclosed.

Leoben-Hinterberg, 3 November 2022

The Management Board

Andreas Gerstenmayer m.p.

Peter Schneider m.p.

Ingolf Schröder m.p.

Petra Preining m.p.

Chief Executive Officer

Chief Sales Officer

Chief Operations Officer

Chief Finance Officer

AT&S SHARE

Positive development in the first half of the year

Despite challenges such as the persisting omnipresence of the COVID-19 pandemic or the disruption of global supply chains, AT&S was able to show positive trends in its reporting. In Malaysia, AT&S will make its largest investment in the company's history to date, aiming to serve the strong demand for IC substrates. Thanks to the solid business results for 2020/21, the dividend paid out was increased to € 0.39 per share. In addition, the figures for the first quarter showed improvements over the comparative period.

In the first half of the year, Investor Relations focused its capital market communication on further strengthening investors' trust in the company, its growth story "More than AT&S" and in the industry. In view of the COVID-19 pandemic, the IR team's communication with the financial market still predominantly took place at a virtual level. Stifel published its first analysis of AT&S with a "buy" rating during the reporting period. Six analysts currently cover the AT&S share.

The AT&S share showed a positive performance in the first half of 2021/22 and even marked a new all-time high of € 39.70 on 29 July 2021.

Share performance

AT&S against ATX Prime and TecDAX



With a closing price (30 September 2021) of € 32.95, the AT&S share gained 7.7% in the first half of the financial year. Volatility was still high with the price ranging between € 27.95 and € 39.70. The average volume traded on the Vienna Stock Exchange was approximately 72,000 shares.

KEY SHARE FIGURES FOR THE FIRST SIX MONTHS

€	30 Sep 2022	30 Sep 2021
Earnings per share	5.52	0.36
High	57.50	39.70
Low	31.85	27.95
Close	33.65	32.95

Financial calendar

03/02/2022	Publication of the first three quarters 2021/22
17/05/2022	Publication Preliminary Annual Results 2021/22
09/06/2022	Publication Annual Results 2021/22
27/06/2022	Record Date Annual General Meeting
07/07/2022	28th Annual General Meeting
26/07/2022	Ex-Dividend Day
27/07/2022	Record Date Dividend

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DISCLAIMER

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Percentages and individual items presented in this report are rounded, which may result in rounding differences.

Formulations attributable to people are to be understood as gender-neutral.

This report in no way represents an invitation or recommendation to buy or sell shares in AT&S.

The report is published in German and English. In case of doubt, the German version is binding.

No responsibility accepted for errors or omissions.

Published on 3 November 2022

