First quarter results 2021

Alexander Everke, CEO
Ingo Bank, CFO
Moritz M. Gmeiner, Head of IR

May 2021

Please note: The ams brand is owned by ams AG, the OSRAM brand is owned by OSRAM GmbH. ams group and OSRAM group are in the process of integration. The combination of the ams and OSRAM brand is not representing a new brand. This is a visual symbol of the two companies coming together, representing the aspiration of our future joined group.
ams and OSRAM at a glance

>5.5 bn USD combined revenues 2020*
5,500+ Engineers
20,000+ Customers
~30,000 Employees

~60/40% AIM/consumer revenue split H2 2020
40+ Major R&D Locations
15,000+ Patents granted and applied
110+ Years design + manufacturing

*Note: Calendar year, pro forma, AIM denotes Automotive, Industrial, Medical business
Vision and mission for ams and OSRAM

Create the uncontested leader in optical solutions

Sensing
Illumination
Visualization

Become the uncontested leader in optical solutions through bold investments in disruptive innovation and continuous transformation delivering best in class profitability and growth
Pursue market leadership in key optical segments

For our focus technologies

Key solution components

- **Emitters**
  - LEDs
  - Micro LED / Mini LED
  - VCSELs / EELs
  - Lamps

- **Optical components & micro-modules**
  - Optical elements: Lenses, light guides, DOEs
  - Micro-optical packaging
  - Optical modules

- **Detectors**
  - Light sensors
  - Bio-sensors
  - Image sensors

- **Integrated circuits & algorithms**
  - Emitter driver ICs
  - Sensor interfaces
  - Sensor processors (incl. algorithms)

**Micro-Optical Solutions & Lamps**

**Sensing**

**Illumination**

**Visualization**
Leading in optical solutions
Light and sensing in perfect combination

Leading market position in optical solutions, driving disruptive innovation

Strategic positioning

LED (Micro/Mini), VCSEL/EEL, 3D sensing, light sensing, image sensing, spectral sensing

Key technology areas

Consumer
- 3D applications
- Augmented Reality
- Display management
- Next generation displays
- Wearables

Automotive Solutions
- Lighting
- Distance and Ranging
- In cabin
- Optical Signaling

Industrial
- Specialized Lighting
- High Performance Imaging
- Distance and Proximity
- Home Automation

Medical
- X-Ray Imaging
- In Vitro Diagnostics
- Physical Parameters
- 24/7 monitoring
Enabling innovation in automotive mobility
Driving automotive application and technology trends

- Exterior lighting
- Interior lighting
- Automated + autonomous driving
- Head-up display
- Driver + interior monitoring
- Gesture sensing + HMI

Automotive
LED (low-mid-high power), matrix light, LIDAR (EEL/VCSEL), IRED, Micro LED, 2D/3D sensors, classic sources (Xenon, Halogen)
Automotive mobility innovation
Interior and exterior lighting
Projected lighting
Next generation highly pixelated headlights
LIDAR (scanning, solid state, FMCW, flash)
Head-up displays
Driver monitoring, interior monitoring
Gesture sensing
Next gen technology for safer driving

LIDAR for ADAS and autonomous vehicles

- Edge-emitting, top power density for MEMS and mechanical mirror
- VCSEL-enabled solid-state and flash
- Pulse laser, architecture roadmap (FMCW)

Highly pixelated headlights

- High resolution forward lighting
- Innovation combines illumination and visualization
- Novel applications for safety and driver assistance
Enabling innovation in mobile + wearable devices
Creating solutions for consumer application and technology trends

3D authentication

3D AR/VR

Next generation Micro LED displays

Display management

Camera enhancement

Presence detection

Mobile technology
3D sensing, BOLED, Micro LED, Mini LED, LED, IRED, color sensing, proximity sensing, VCSEL/EEL, near-to-eye, AWB, spectral sensing, ANC
Enabling next gen mobile devices
Micro LED for displays
World-facing 3D for Augmented Reality
3D behind OLED display
New wearables (glasses, patches, headwear)
AR/VR, near-to-eye technologies
Sensors/drivers in Micro LED displays
Next generation sensing e.g. self-mixing interferometry (SMI)
Next generation Micro LED displays

- New display paradigm in performance + power consumption
- Excellent technology position in epitaxy + wafer processing, extensive know-how along process chain
- Driving industrialization, followed by seamless sensor-display integration

Mini LED

- Enhance current displays via backlight
- Innovation potential beyond backlighting
New possibilities for mobile device AR/VR/camera

- World-facing 3D for new features including AR/VR + camera enhancing
- 3D dToF + other ToF system portfolio
- Wide-range vivid 3D scene modeling, lowlight bokeh, fast precise AF

AR/VR near-to-eye technologies

- Driving high performance visualization for consumer/prosumer (LED, laser)
- Near-to-eye sensing for future AR devices
Enabling new medical and health applications
Non-invasive and point of care technologies

Medical imaging
Point of care diagnostics
UV-C disinfection

Digital health
Micro camera endoscopy

Medical & Healthcare
CT sensing + photon counting, digital X-Ray sensing, spectral sensing, UV-C, NanEye, LED
Digital Health revolution

In-vitro diagnostics
  • Saliva, blood, other body fluids
  • Viruses, bacteria, antibodies, hormones

Vital sign sensing
  • Watches, patches, hearables, headwear
  • ECG, HRV, SpO2, blood pressure, hydration + more

From treatment to prevention: home use diagnostics
  • Reducing healthcare and insurance cost
  • Fast, early, inexpensive testing / monitoring
  • Smartphones connected to medical cloud
Enhancing sensing + optical solutions for Industry

Technologies for Industry 5.0 applications

- Industrial IoT + automation
- Access control + security monitoring
- Near-infrared spectroscopy
- Industrial imaging + machine vision
- Robotics
- UV-C disinfection

Industry
Near-infrared spectroscopy, IRED, LIDAR, EEL/VCSEL, UV-C
Enabling specialty lighting applications
Lighting applications and technology

Horticulture
Smart indoor
Smart outdoor

Disinfection
Event + special purpose

Lighting
LED, Mini LED, control systems, UV-C, IRED
Lighting + sensing innovation

Quantum dots: Light conversion, IR imaging, in-vitro diagnostics
UV-C LEDs
Direct photon counting for CT
Computational and diffractive optics
Self-mixing interference lasers for self-mixing interferometry (SMI)
Mid-IR sources and detectors
Spectral imaging
Artificial Intelligence in optical solutions
Integration fully on track

- Full business control of OSRAM, domination and profit and loss transfer agreement (DPLTA) in effect
- New global organization defined, roll-out ongoing
- New segment and financial reporting framework in place
- Increased expected total synergies and savings to EUR 350m, EUR 50m pre-DPLTA savings realized
- Portfolio alignment in progress, active M&A processes
New reporting segments

- Clear reporting structure driven by technological approach
- Semiconductors leverages semiconductor know-how and manufacturing resources across businesses
- Lamps & Systems contains more self-sufficient businesses, historical OSRAM Digital in focus for portfolio streamlining
Expected total synergies/cost savings increased

EUR 350m total synergies and cost savings (in m)

Key aspects

- EUR 300m integration synergies confirmed starting from DPLTA effective date
- EUR 50m savings already achieved pre-DPLTA, included as new baseline
- Total synergies + pre-DPLTA cost savings now EUR 350m
- Around 2/3 of total integration synergies expected within first two years
- Expected integration costs equivalent to ~1.3x run-rate of EUR 300m integration synergies, one-off over time

Note: Graphic representation of expected annual pre-tax run-rate gross synergies of EUR 300m p.a. gradually ramping up over approx. three years after DPLTA effective date, synergy values approximate figures.
Highlights

Q1 2021

• Healthy demand drives positive group results, sequential revenue decline reflects expected typical seasonal effects
• Ongoing strong automotive demand
• Very solid group adjusted operating margin, robust cash flow generation
• Historical ams business with revenues in upper half and adj. operating profitability at top end of final guidance range

Q2 2021

• Guidance for total ams OSRAM group
• Continued strength in automotive market, other end markets generally supportive
## Overview key financials

<table>
<thead>
<tr>
<th></th>
<th>Q1 2021</th>
<th>Q4 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td>1,549</td>
<td>1,706</td>
</tr>
<tr>
<td><strong>Gross margin</strong></td>
<td>(adjusted(^1)) 35%</td>
<td>35%</td>
</tr>
<tr>
<td><strong>Result from operations (EBIT)</strong></td>
<td>(adjusted(^1)) 172</td>
<td>285</td>
</tr>
<tr>
<td><strong>EBIT margin</strong></td>
<td>(adjusted(^1)) 11%</td>
<td>17%</td>
</tr>
<tr>
<td><strong>Net result</strong></td>
<td>(adjusted(^1)) 89</td>
<td>183</td>
</tr>
<tr>
<td><strong>EPS (basic) in USD</strong></td>
<td>(adjusted(^1)) 0.38</td>
<td>0.62</td>
</tr>
<tr>
<td></td>
<td>(IFRS reported) 0.03</td>
<td>0.20</td>
</tr>
<tr>
<td><strong>EPS (basic) in CHF(^2)</strong></td>
<td>(adjusted(^1)) 0.34</td>
<td>0.55</td>
</tr>
<tr>
<td></td>
<td>(IFRS reported) 0.03</td>
<td>0.18</td>
</tr>
</tbody>
</table>

1\(^{\text{Excl. M&A-related, transformation and share-based compensation costs and results from sale of business units and equity investments.}}\)

2\(^{\text{Earnings per share in CHF were converted using the average currency exchange rate for the respective periods.}}\)

Note: All USD figures are based on FX rate EUR/USD 1.2083 for Q1 2021; historic figures are recalculated based on the same FX rate.
<table>
<thead>
<tr>
<th></th>
<th>USDm</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2019</td>
<td>N/A</td>
</tr>
<tr>
<td>FY 2020</td>
<td>N/A</td>
</tr>
<tr>
<td>Q1 2020</td>
<td>N/A</td>
</tr>
<tr>
<td>Q4 2020</td>
<td>1,706</td>
</tr>
<tr>
<td>Q1 2021</td>
<td>1,549</td>
</tr>
</tbody>
</table>

1) Historical figures for the combined group are not available as consolidation started in Q3 2020.
Revenue split

Revenues per segment Q1 2021\(^1\)

- Semiconductors: 35%
- Lamps & Systems: 65%

Revenues per end market H2 2020

- Consumer: 29%
- Automotive: 37%
- Industrial and Medical: 34%

\(^1\) Historical figures for the combined group are not available as consolidation started in Q3 2020.
Gross profit, operating profit (EBIT)
USDm, % of revenues

1) Excluding M&A-related, transformation and share-based compensation costs and results from sale of business units and equity investments.
2) Historical figures for the combined group are not available as consolidation started in Q3 2020.
Operating expenses
USDm, % of revenues

SG&A

R&D

FY 2019 | FY 2020 | Q1 2020 | Q4 2020 | Q1 2021
---|---|---|---|---
N/A\(^1\) | N/A\(^1\) | N/A\(^1\) | 234 | 236

FY 2019 | FY 2020 | Q1 2020 | Q4 2020 | Q1 2021
---|---|---|---|---
N/A\(^1\) | N/A\(^1\) | N/A\(^1\) | 182 | 187

\(^1\) Historical figures for the combined group are not available as consolidation started in Q3 2020.
### Net result and EPS

**USDm, USD per share**

#### Net result (adj.)\(^1\)

<table>
<thead>
<tr>
<th>Period</th>
<th>FY 2019</th>
<th>FY 2020</th>
<th>Q1 2020</th>
<th>Q4 2020</th>
<th>Q1 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net result</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>183</td>
<td>89</td>
</tr>
</tbody>
</table>

\(^1\) Excluding M&A-related, transformation and share-based compensation costs and results from sale of business units and equity investments.

#### EPS basic (adj.)\(^1\)\(^2\)

<table>
<thead>
<tr>
<th>Period</th>
<th>FY 2019</th>
<th>FY 2020</th>
<th>Q1 2020</th>
<th>Q4 2020</th>
<th>Q1 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>USD</td>
<td>0.62</td>
<td>0.34</td>
<td>0.55</td>
<td>0.55</td>
<td>0.38</td>
</tr>
</tbody>
</table>

\(^1\) Historical figures for the combined group are not available as consolidation started in Q3 2020.
Cash flow, CAPEX
USDm, % of revenues

Operating / Free cash flow (FCF)

Capital expenditures

1) Historical figures for the combined group are not available as consolidation started in Q3 2020.
### Cash and debt overview

**USDm**

<table>
<thead>
<tr>
<th></th>
<th>Q3 2020</th>
<th>Q4 2020</th>
<th>Q1 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross debt</td>
<td>3,951</td>
<td>3,991</td>
<td>3,952</td>
</tr>
<tr>
<td>Cash &amp; short-term investments</td>
<td>1,464</td>
<td>1,929</td>
<td>1,929</td>
</tr>
<tr>
<td>Net debt</td>
<td>2,487</td>
<td>2,062</td>
<td>2,023</td>
</tr>
</tbody>
</table>

- Group leverage of 1.7x net debt/adjusted\(^1\) EBITDA at end of Q1 2021

---

\(^1\) Excluding M&A-related, transformation and share-based compensation costs and results from sale of business units and equity investments
### Outlook ams OSRAM group Q2 2021

<table>
<thead>
<tr>
<th>Revenues</th>
<th>Operating profitability</th>
<th>Guidance structure</th>
</tr>
</thead>
<tbody>
<tr>
<td>USD 1,430-1,530 million</td>
<td>7-10%</td>
<td>Quarterly guidance for ams OSRAM group</td>
</tr>
<tr>
<td></td>
<td>Adjusted EBIT margin</td>
<td>• Revenues</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Adj. EBIT</td>
</tr>
<tr>
<td></td>
<td></td>
<td>OSRAM financial reporting continues in line with statutory requirements until delisting effective</td>
</tr>
</tbody>
</table>
Delisting offer

Unconditional offer for all OSRAM shareholders prior to delisting from regulated markets

Key terms

- Public offer for all outstanding OSRAM shares in connection with the delisting
- Offer price EUR 52.30; max. total consideration EUR 1.4bn\(^1\)
- Attractive offer at 15% premium to cash compensation under DPLTA
- Unconditional offer, no acceptance threshold
- ams current holds ~72% of OSRAM shares
- 4-week offer period expected to start on 21 May, following regulatory approval

Aspects and rationale

- Next logical step to realize full ownership and drive integration of OSRAM
- Tendered shares reduce annual compensation payment obligation under DPLTA
- Total consideration already fully financed, no additional financing needs
- Eliminate listing-related costs for OSRAM and streamline resources

\(^1\) Based on the offer price and 100% acceptance rate by all remaining shareholders
Thank you
# Profit and loss statement

**USDm**

<table>
<thead>
<tr>
<th></th>
<th>Q1 2021</th>
<th>Q1 2020&lt;sup&gt;2)&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,549</td>
<td>549</td>
</tr>
<tr>
<td>Gross profit</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Gross margin (adjusted&lt;sup&gt;1)&lt;/sup&gt;)</td>
<td>500</td>
<td>204</td>
</tr>
<tr>
<td>• Gross margin (IFRS reported)</td>
<td>35%</td>
<td>39%</td>
</tr>
<tr>
<td>• Gross margin (IFRS reported)</td>
<td>32%</td>
<td>37%</td>
</tr>
<tr>
<td>Research and development</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-187</td>
<td>-72</td>
</tr>
<tr>
<td>Selling, general and administrative</td>
<td>-236</td>
<td>-71</td>
</tr>
<tr>
<td>Other operating income/expenses</td>
<td>10</td>
<td>4</td>
</tr>
<tr>
<td>Results from equity investments</td>
<td>-5</td>
<td>0</td>
</tr>
<tr>
<td>Result from operations (EBIT)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• EBIT margin (adjusted&lt;sup&gt;1)&lt;/sup&gt;)</td>
<td>81</td>
<td>65</td>
</tr>
<tr>
<td>• EBIT margin (IFRS reported)</td>
<td>11%</td>
<td>20%</td>
</tr>
<tr>
<td>Net financing costs</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-69</td>
<td>-80</td>
</tr>
<tr>
<td>Result before tax</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income tax result</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>12</td>
<td>14</td>
</tr>
<tr>
<td>Income tax result</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-12</td>
<td>-3</td>
</tr>
<tr>
<td>Net result (adjusted&lt;sup&gt;1)&lt;/sup&gt;)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net result (IFRS reported)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>89</td>
<td>28</td>
</tr>
<tr>
<td></td>
<td>-2</td>
<td>-17</td>
</tr>
</tbody>
</table>

<sup>1</sup> Excl. M&A-related, transformation and share-based compensation costs and results from sale of business units and equity investments.

<sup>2</sup> Q1 2020 figures reflect pre OSRAM consolidation, which commenced Q3 2020.
## Balance sheet

**USDm**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and short term invest.</td>
<td>1,929</td>
<td>1,929</td>
<td>Interest-bearing debt</td>
<td>248</td>
<td>286</td>
</tr>
<tr>
<td>Financial investments</td>
<td>10</td>
<td>23</td>
<td>Trade liabilities</td>
<td>686</td>
<td>659</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>811</td>
<td>750</td>
<td>Tax liabilities</td>
<td>102</td>
<td>16</td>
</tr>
<tr>
<td>Inventories</td>
<td>1,076</td>
<td>1,037</td>
<td>Provisions</td>
<td>389</td>
<td>524</td>
</tr>
<tr>
<td>Other current assets</td>
<td>178</td>
<td>205</td>
<td>Other liabilities</td>
<td>2,027</td>
<td>2,049</td>
</tr>
<tr>
<td>Assets held for sale</td>
<td>106</td>
<td>58</td>
<td>Liabil. assets held for sale</td>
<td>175</td>
<td>154</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td><strong>4,110</strong></td>
<td><strong>4,001</strong></td>
<td></td>
<td><strong>3,628</strong></td>
<td><strong>3,688</strong></td>
</tr>
<tr>
<td>Fixed assets</td>
<td>2,304</td>
<td>2,342</td>
<td>Interest-bearing debt</td>
<td>3,704</td>
<td>3,705</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>4,905</td>
<td>4,895</td>
<td>Employee benefits</td>
<td>248</td>
<td>263</td>
</tr>
<tr>
<td>Right of use assets</td>
<td>345</td>
<td>349</td>
<td>Deferred tax liabilities</td>
<td>269</td>
<td>274</td>
</tr>
<tr>
<td>Investments in associates</td>
<td>121</td>
<td>100</td>
<td>Long term provisions</td>
<td>54</td>
<td>54</td>
</tr>
<tr>
<td>Deferred tax asset</td>
<td>196</td>
<td>200</td>
<td>Other liabilities</td>
<td>392</td>
<td>396</td>
</tr>
<tr>
<td>Other non-current assets</td>
<td>115</td>
<td>106</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long-term financial assets</td>
<td>32</td>
<td>45</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total non-current assets</strong></td>
<td><strong>8,019</strong></td>
<td><strong>8,037</strong></td>
<td></td>
<td><strong>4,667</strong></td>
<td><strong>4,693</strong></td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>12,129</strong></td>
<td><strong>12,039</strong></td>
<td>Shareholders’ equity ams</td>
<td>3,904</td>
<td>3,731</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Equity minority interest</td>
<td>-70</td>
<td>-73</td>
</tr>
<tr>
<td><strong>Total liabilities and equity</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>12,129</strong></td>
<td><strong>12,039</strong></td>
</tr>
</tbody>
</table>
# Cash flow statement

**USDm**

<table>
<thead>
<tr>
<th></th>
<th>Q1 2021</th>
<th>Q1 2020&lt;sup&gt;1)&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Result before tax</td>
<td>12</td>
<td>-14</td>
</tr>
<tr>
<td>Depreciation</td>
<td>191</td>
<td>92</td>
</tr>
<tr>
<td><strong>Cash flow from operations</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>249</td>
<td>257</td>
</tr>
<tr>
<td>Capital expenditures</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquisition of subsidiaries, net of cash acquired</td>
<td>-97</td>
<td>-40</td>
</tr>
<tr>
<td>Acquisition/disposal financial investments</td>
<td>-16</td>
<td>0</td>
</tr>
<tr>
<td><strong>Cash flow from investing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-114</td>
<td>-177</td>
</tr>
<tr>
<td>Proceeds from borrowings</td>
<td>115</td>
<td>110</td>
</tr>
<tr>
<td>Repayment of debt</td>
<td>-200</td>
<td>-37</td>
</tr>
<tr>
<td>Sale of treasury shares</td>
<td>3</td>
<td>169</td>
</tr>
<tr>
<td>Interest paid</td>
<td>-67</td>
<td>-12</td>
</tr>
<tr>
<td><strong>Cash flow from financing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-166</td>
<td>212</td>
</tr>
<tr>
<td>Change in cash and cash equivalents (incl. effects of changes in foreign exchange rates)</td>
<td>8</td>
<td>301</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents at end of period</strong></td>
<td>1,929</td>
<td>906</td>
</tr>
</tbody>
</table>

<sup>1</sup> Q1 2020 figures reflect pre OSRAM consolidation, which commenced Q3 2020.