

Sense the power of light

amul OSRAM

Second Quarter 2024 Results Earnings Call

Aldo Kamper, CEO

Rainer Irle, CFO

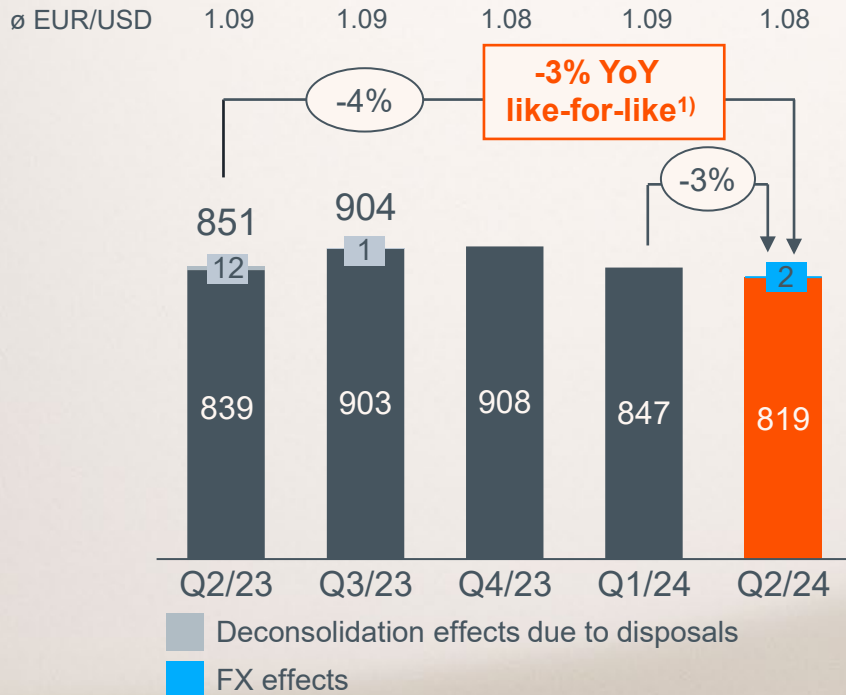
Dr Juergen Rebel, SVP Investor Relations

26 July 2024

Solid group revenues in a difficult market

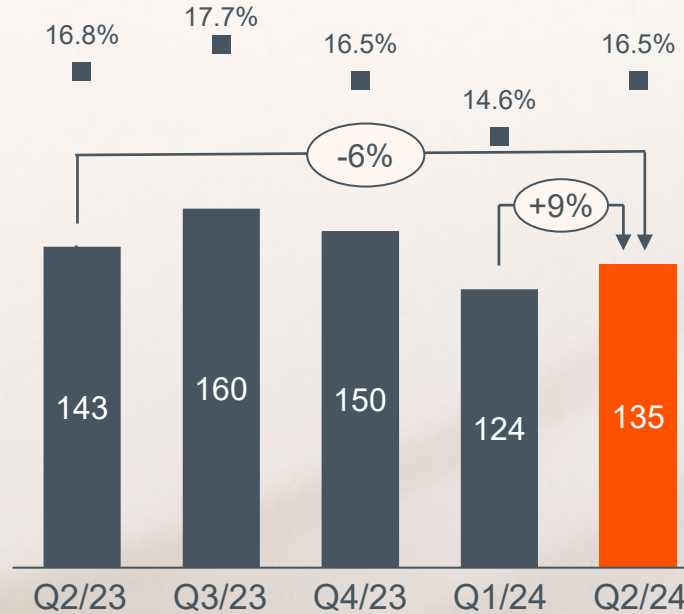
All figures in EURm / % of revenues

Total revenues



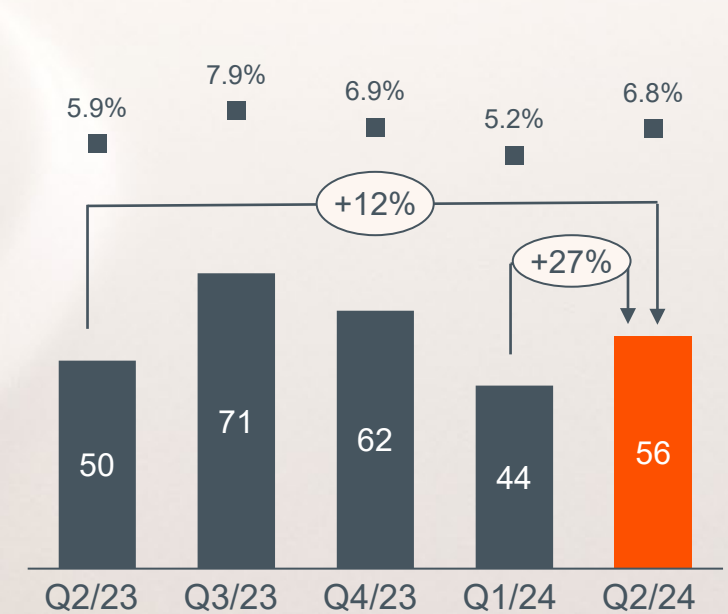
- Revenue at mid-point of guided range of EUR 770m to 870m
- YoY: -3% like-for-like growth (constant currencies, same portfolio)

EBITDA, EBITDA margin (adj.)²⁾



- QoQ: adj. EBITDA margin well above mid-point of guided range of 14% to 17% driven by improved loading, RtB, funding catch-up

EBIT, EBIT margin (adj.)²⁾



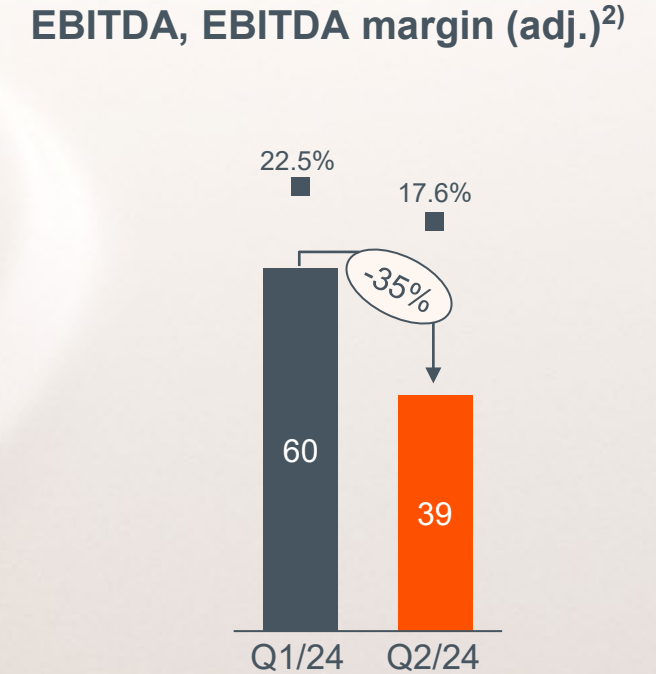
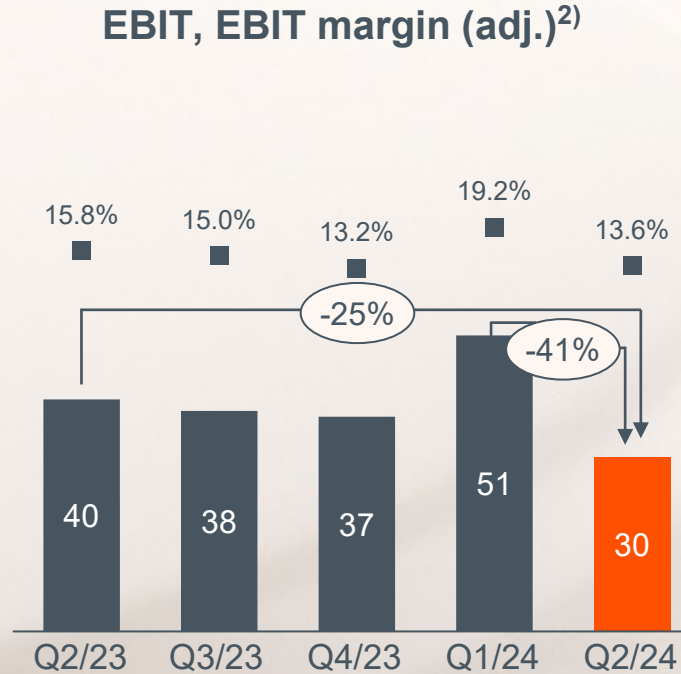
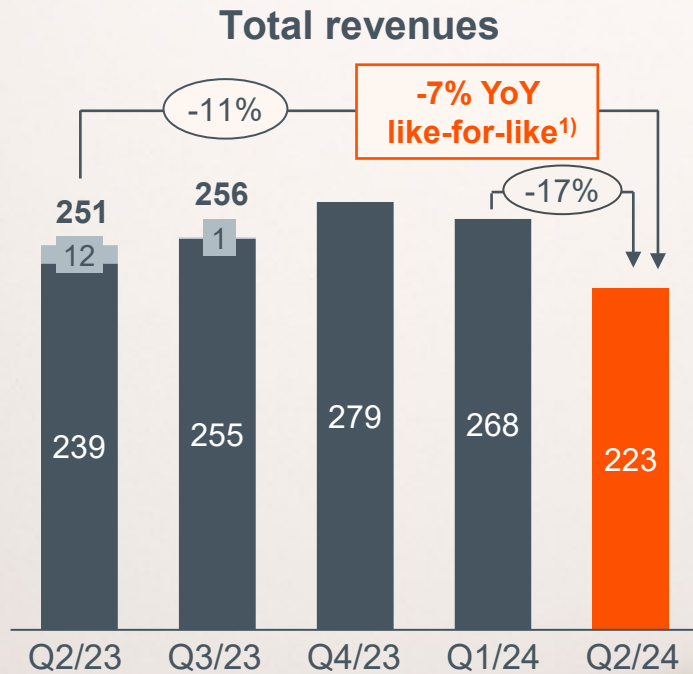
- QoQ and YoY adj. EBIT improvement due to improved loading, RtB and some funding catch-up.

¹⁾ Based on like-for-like portfolio comparison basis

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

Lamps & Systems: seasonally weak Q2, continued weakness in industrial

All figures in EURm / % of revenues



■ Deconsolidation effects due to disposals

- Revenues: QoQ decline due to normal seasonality
- Revenues: YoY decline burdened by deconsolidation effects due to disposals
- QoQ: adj. EBIT/EBITDA reduced in line with fall-through (Q1 had a positive one-off)
- YoY: adj. EBIT/EBITDA reduced due to lower auto-lamps sales to OEMs (increasing LED penetration)

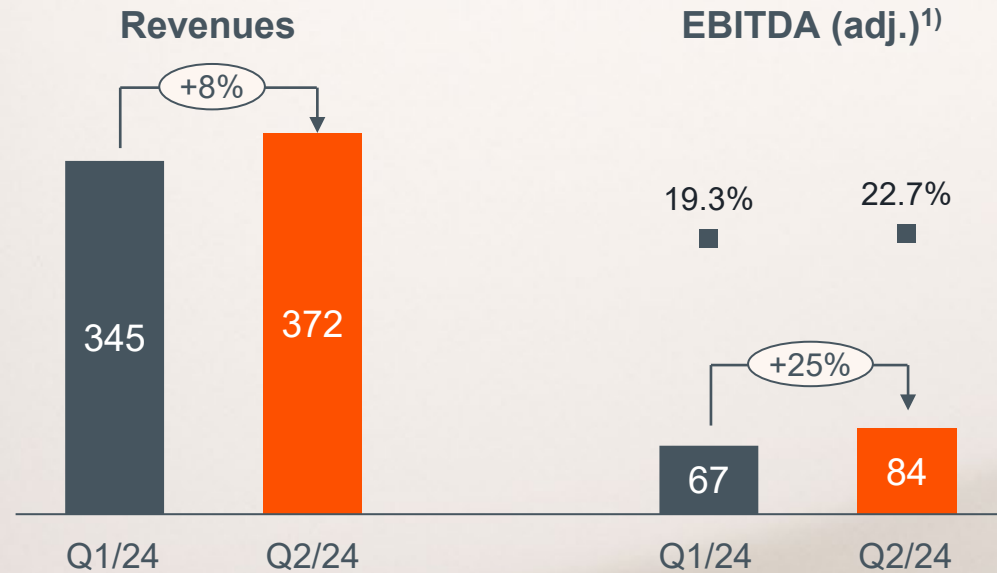
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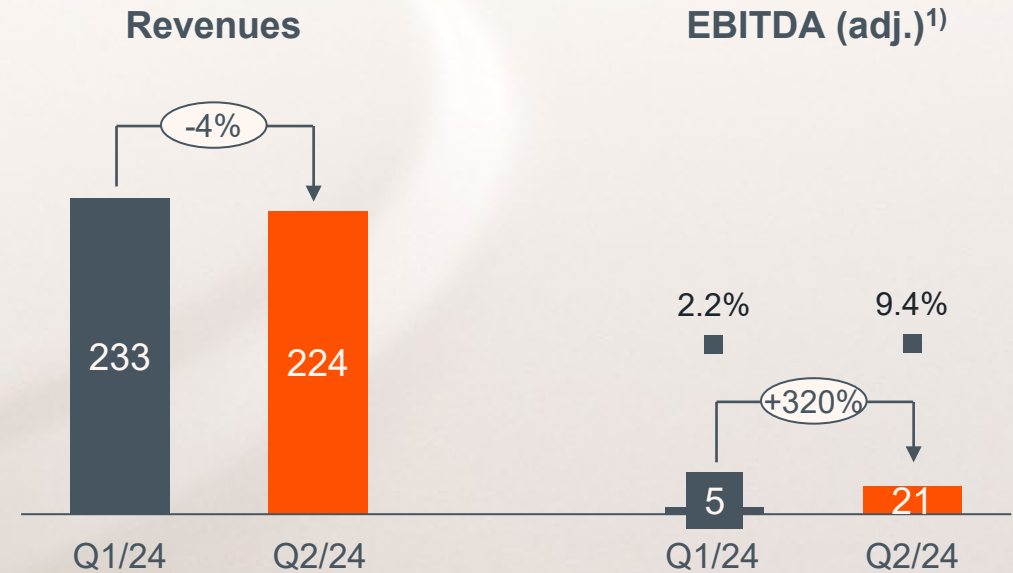
Semis – structural growth & progress of savings program outweigh difficult market

All figures in EURm / % of revenues

Opto Semiconductors (OS) segment



CMOS Sensors and ASICs (CSA) segment



Revenues:

- Automotive, Professional lighting, horticulture drove revenue increase.

EBITDA:

- QoQ increase due to higher loading and IPCEI catch-up booking

Revenues:

- QoQ decline due to seasonal effects and phase-out of legacy Consumer business

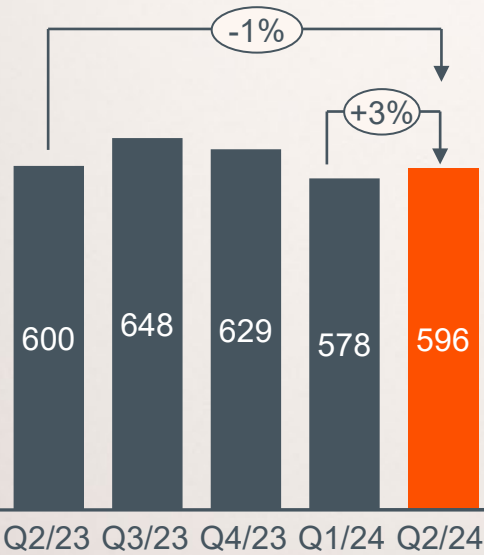
EBITDA:

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

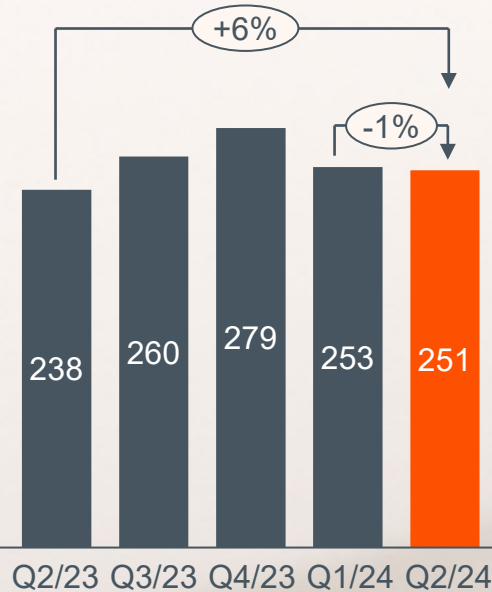
Semis: Structural growth in Auto compensates ramp-down of Consumer legacy

Semiconductors, figures in EURm

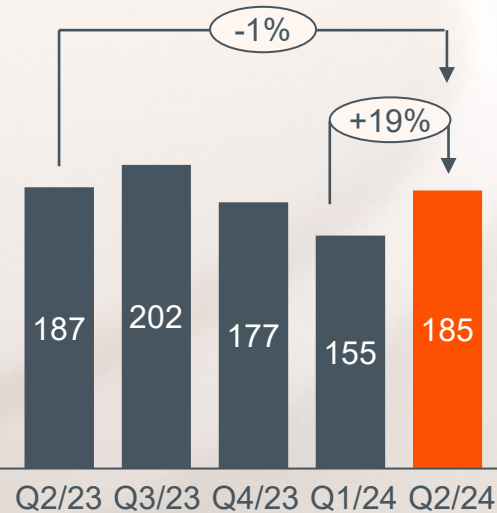
Total Semi Rev.



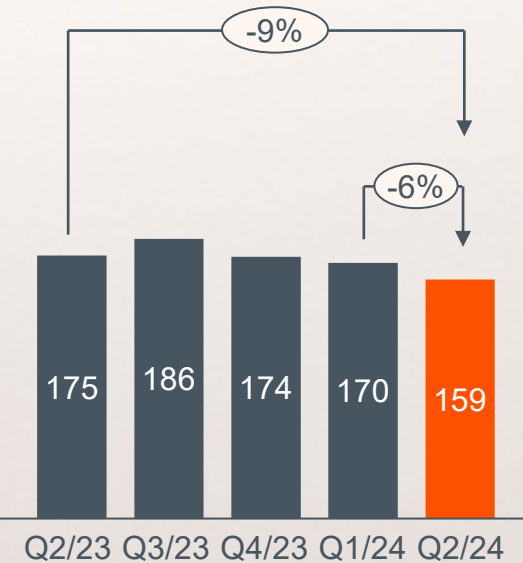
Semi AM Rev.



Semi I&M Rev.



Semi Consumer Rev.



Total

- QoQ increase driven by seasonal improvement in Horticulture, solid automotive and professional lighting demand
- YoY flat as structural growth in automotive compensates ramp down of legacy Consumer business

Automotive

- QoQ flat as demand from China normalized
- YoY growth driven by content per vehicle expansion in highly digitized EV & ICE platforms

I&M

- QoQ rebound driven by seasonal improvement in horticulture, solid professional lighting and individual product ramps
- YoY essentially flat reflecting inventory correction in some verticals and soft mass market as well as industrial sensors

Consumer

- QoQ decrease mainly due to seasonality and ramp downs
- YoY decline due ramp down of legacy sockets, partially compensated by strong Android market

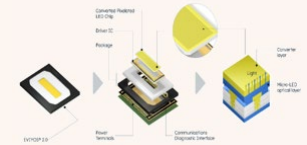
Q2/24 design-win examples

Continuous strong traction with key products across all core verticals



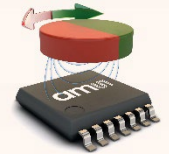
Automotive:
EVIYOS high-pixelated forward lighting

+ 100m€ LTV* design wins



Automotive:
Temp & Position Sensors

~50m€ LTV* design wins



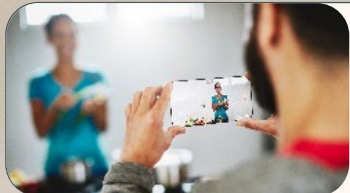
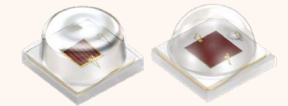
Industrial:
Sensor I/F ASICs

~100m€ LTV* design wins



Industrial:
Professional lighting

>100m€ LTV* design wins



Consumer:
ALS/PROX sensing

~100m€ LTV* design wins

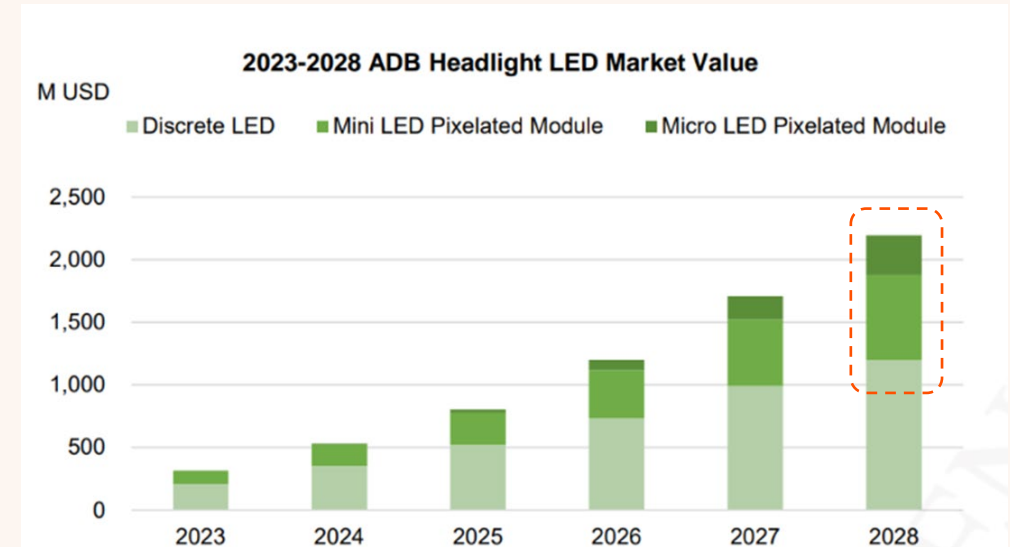
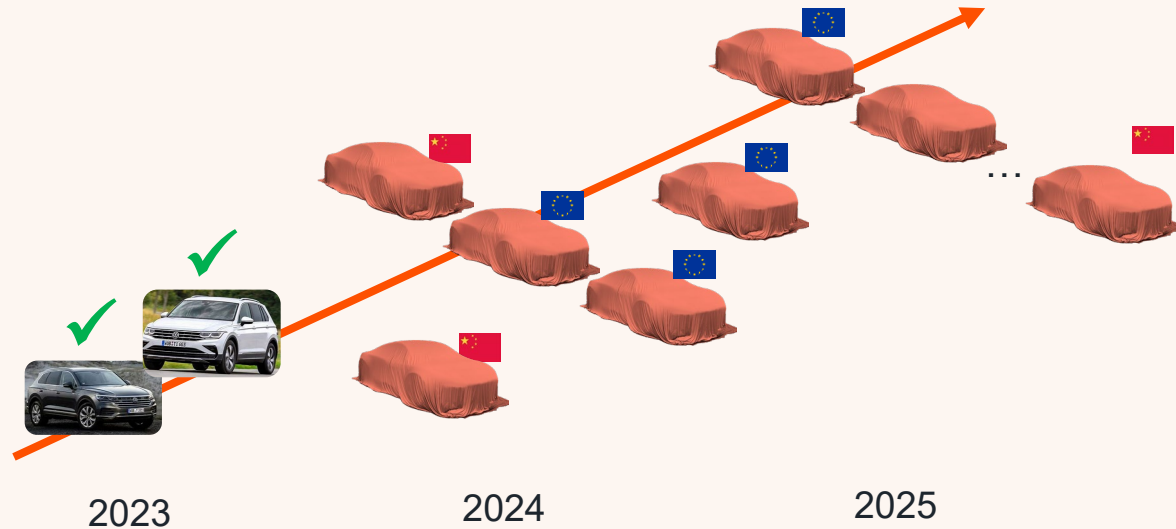


Q2/24 design-win update: EVIYOS ramping and traction continuing

Ams OSRAM ideally position for emerging pixelated headlight market



EVIYOS high-pixelated forward lighting



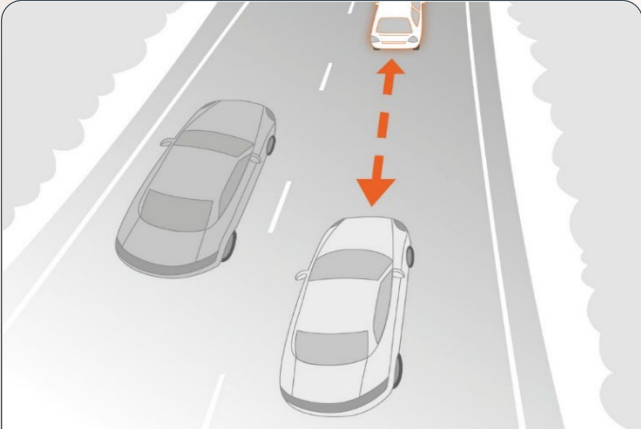
Source: Trendforce, July 2024

- **>450 m€ LTV* design wins to date**
- **Continued ramp ensures ams OSRAM average BOM growth**

*cumulated, estimated project life-time values

ams OSRAM is at the forefront of developing the LiDAR automotive market

ams OSRAM is a key partner of Robosense – a Chinese leader in automotive LIDAR modules



Key Trends:

- Autonomous driving
- Safety
- Traffic jam assistant
- Highway pilot emerging
- Mobility as a service



Mass-produced M Platform LiDAR

M1	M1 Plus	M2
World's First Mass Production Delivery	Ultimate Price-performance Ratio	More Powerful Performance
Range: 200m(150m@10%NSD)	Range: 200m(180m@10%NSD)	Range: 250m(200m@10%NSD)
Field of view (FW): 120° x 25°	Field of view (FW): 120° x 25°	Field of view (FW): 120° x 25°
Resolution(H): average value 0.2"	Resolution(H): average value 0.2"	Resolution(H): average value 0.1"
Resolution(V): average value 0.2"	Resolution(V): average value 0.2"(POD 1°)	Resolution(V): average value 0.2"(POD 1°)
Size(DHW(H)): 108mm x 110mm x 45mm	Size(DHW(H)): 111mm x 110mm x 45mm	Size(DHW(H)): 111mm x 110mm x 45mm
Weights: 750g	Weights: 690g	Weights: 690g

Deep, collaborative industry partnerships



65 Design-win vehicle models

25 SOP vehicle models

1H FY 2024 – strong design-win traction continuing

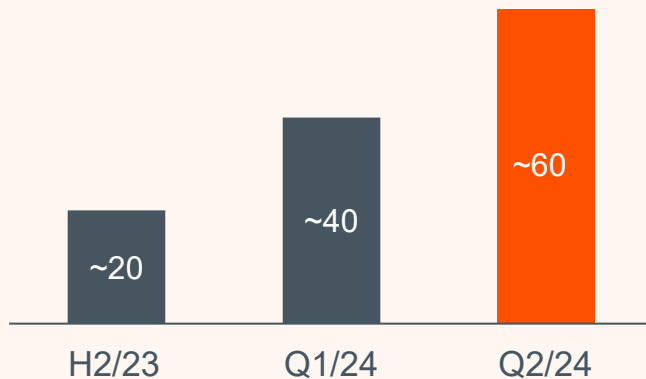
Structural growth from the profitable core underpinned by unabated design-win momentum



Re-establish-the-base implementation progress

Cost savings on track to reach End-FY24 implementation target of EUR ~75m run-rate savings

Realized savings to date:



Note:

No 100% fall-through to bottom line (2023 reference) due to price decline & general cost increases (inflation, factor price changes, etc..)

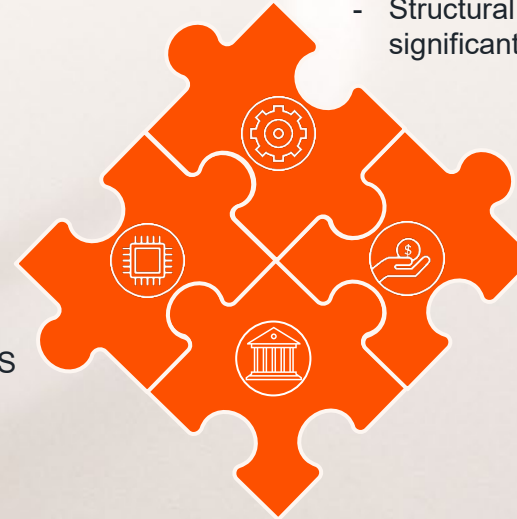
Portfolio

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



Set-up & Infrastructure

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



Monetizing Innovation

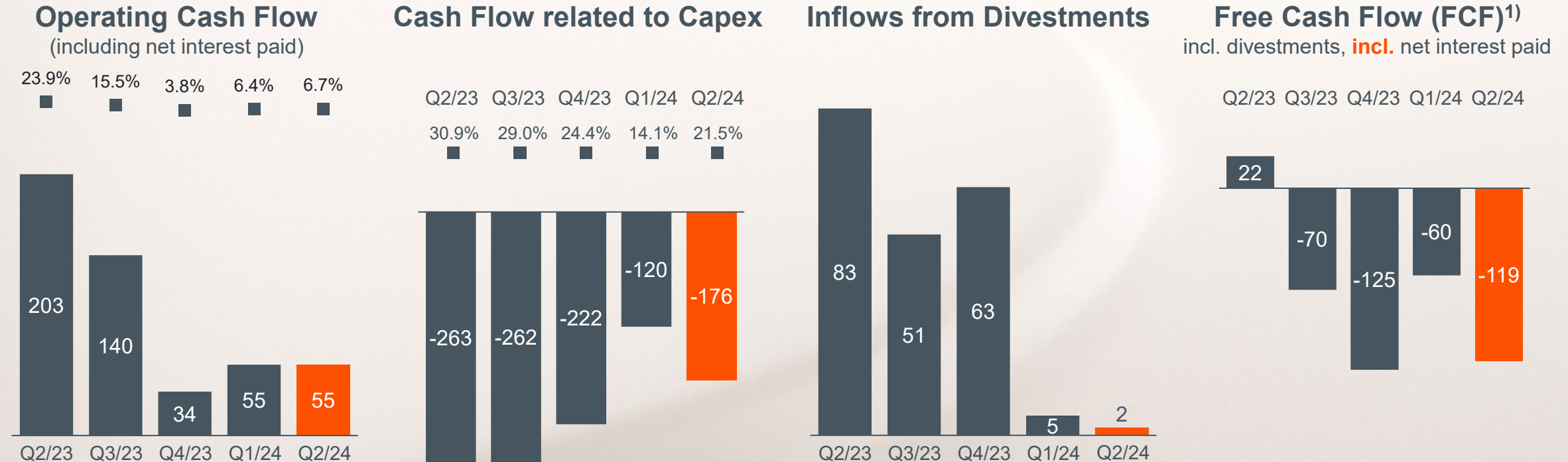


Refinancing

- Issuance of new HYBs in Oct 2023
- Rights Issue Dec 2023

Operating cash flow and FCF now includes net interest paid; CAPEX reduced

All figures in EURm / % of revenues



- Operating CF: on same level as Q1 due to interest payment of senior notes in Q2; OP CF includes EUR 64m net interest paid in Q2
- CAPEX: still meaningfully burdened by microLED equipment that could not be cancelled and equipment for ramp of new automotive products

¹⁾ Free Cashflow (FCF) defined as Operating CF (incl. net interest paid) – Capex + proceeds from divestments

Strong available liquidity and balanced maturity profile with diversified funding mix

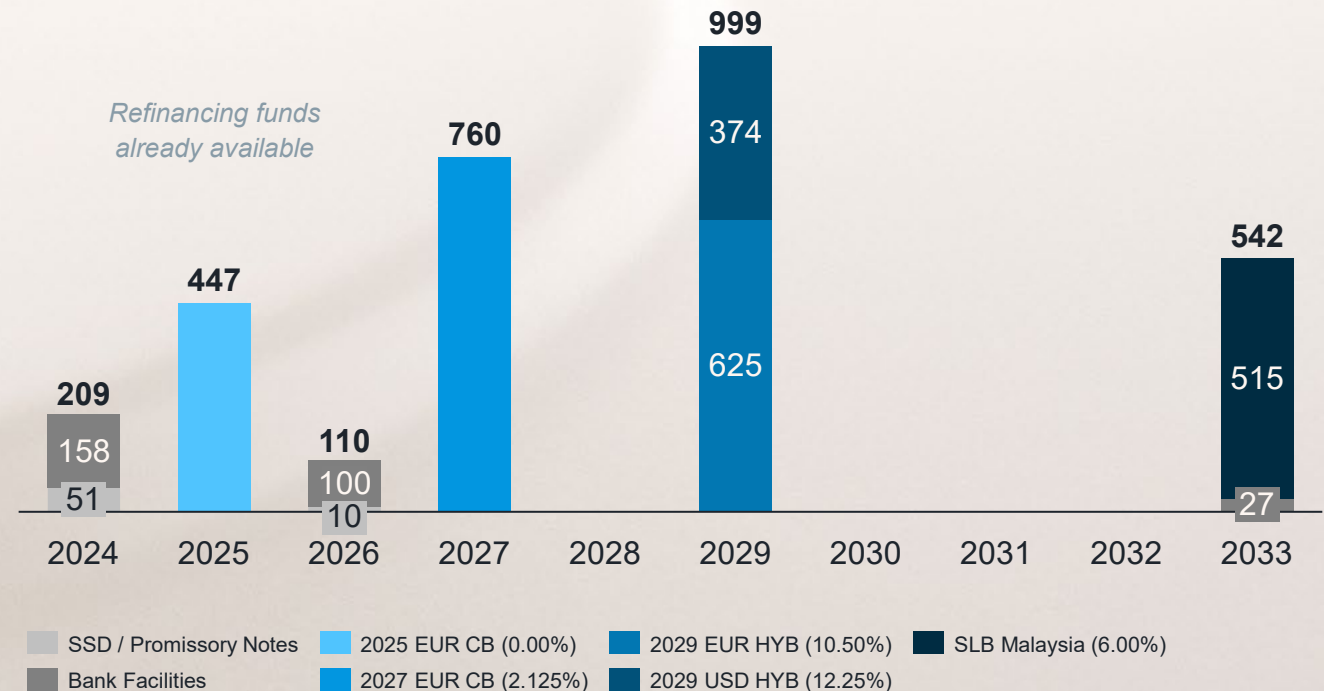
Current capitalization

€m, IFRS values as of June 2024

IFRS book values	June 2024
	EUR million
Cash	(900)
Other Financial Debt ^{1), 2)}	346
2025 EUR Convertible Bond (0.00%) ¹⁾	440
2027 EUR Convertible Bond (2.125%) ¹⁾	680
2029 EUR Senior Unsecured Note (10.50%) ¹⁾	630
2029 USD Senior Unsecured Note (12.25%) ¹⁾	379
Revolving Credit Facility (EUR 800m undrawn)	0
SLB Malaysia transaction ¹⁾	401
Total debt	2,876
Total net debt	1,977
Outstanding OSRAM Licht AG – Put Options	605
Available Liquidity ³⁾	1,806

Current debt maturity profile

€m, repayment amounts as of June 2024

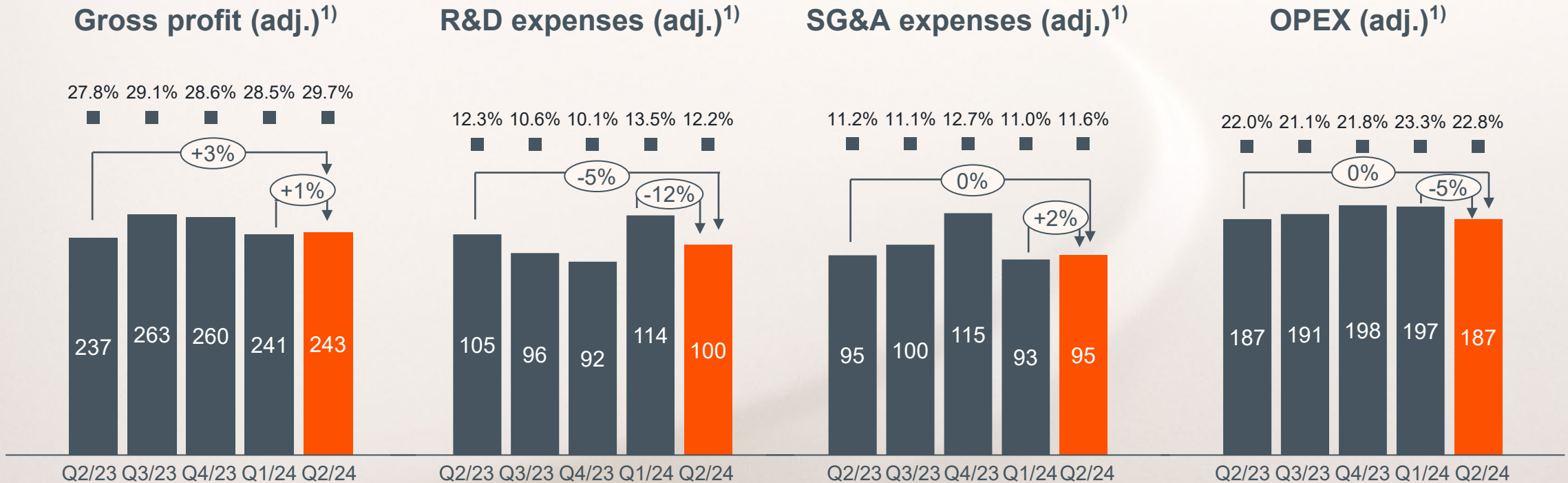


Notes:

- Amounts reflect carrying amounts / book values. For 2025CB - Nominal Amount: EUR 447.4m (formerly EUR 600m; reduced by 2 buybacks in the meantime) / Book Value under Debt (IFRS per June 2024): EUR 440m. For 2027CB - Nominal Amount: EUR 760m / Book Value under Debt (IFRS per June 2024): EUR 680m
- Includes R&D loans, Bank Facilities and Promissory Notes
- Includes EUR 900m Cash, EUR 800m RCF (undrawn) and EUR 106m bilateral bank facilities (undrawn)

Group: microLED cancellation still elevating adj. R&D

All figures in EURm / % of revenues

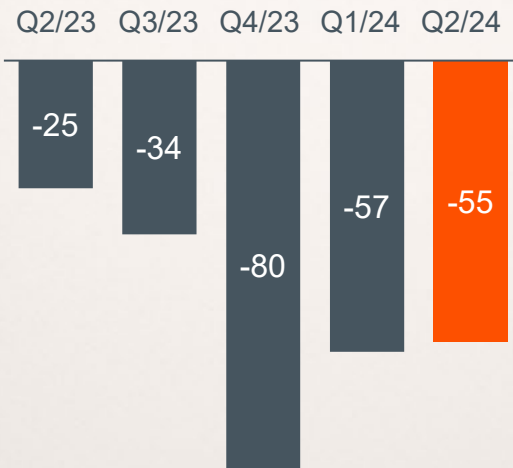


- Adj. Gross Profit: QoQ and YoY increases in line with improved loading in CSA and reduction of manufacturing footprint from 'Re-establish-the-Base';
- Adj. R&D expenses: IPCEI funding contributes to QoQ reduction; still elevated due to capitalization of previous microLED related development no-longer applicable
- Adj. SG&A expenses: slight reduction year-over-year; continuous contributions from 'Re-establish-the-Base'

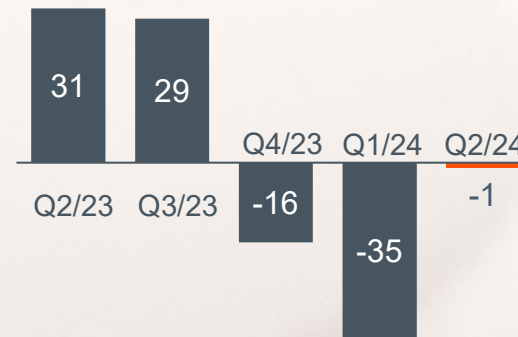
Adj. net result / Adj. EPS improving quarter over quarter, reaching break-even

All figures in EURm / EUR per share

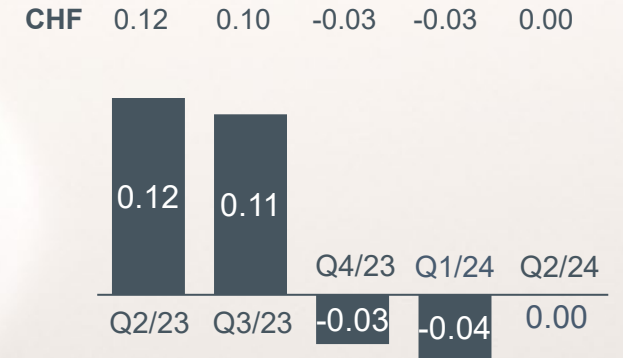
Net financing result (adj.)¹⁾



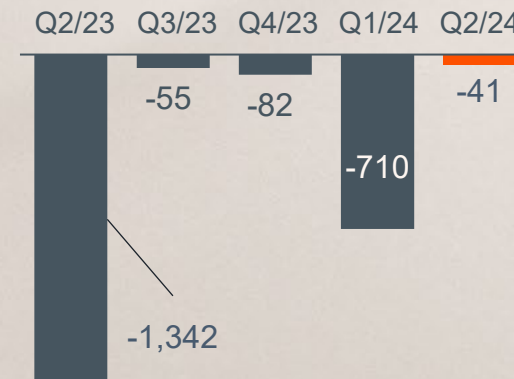
Net results (adj.)¹⁾



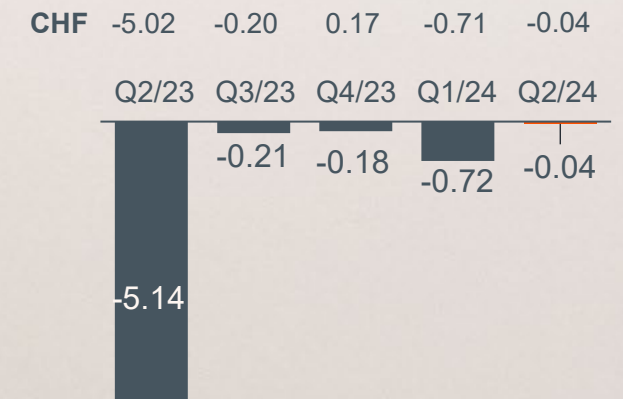
EPS diluted (adj.)¹⁾



Net results IFRS



EPS diluted IFRS



- Adjusted net financing essentially driven by net interest expenses (interest expenses plus interest received) after re-financing in Q4/23
- Weighted average number of shares outstanding during Q2/24: 990,695,369

Business outlook

Q3 2024 Guidance

- Revenue EUR 830m - 930m
- Adj. EBITDA 17% - 20%
- Based on assumption
EUR/USD 1.10

H2 / 2024 comments

- ~75 m€ run-rate savings at year-end from 'Re-establish-the-Base' program on track
- Some cost headwinds e.g. personnel cost, less capitalization
- CAPEX might land between EUR 500m to 550m as certain expected capital grants could slip into 2025
- FCF significantly improving in 2H due to lower CAPEX and higher profitability
- Full FY24 FCF before net interest payments positive (including divestments proceeds)

Summary Q2

Summary

Q2/24:

- Solid Q2 revenue and above mid-point profitability
- Continued year-over-year structural growth in automotive semis
- Strong design-win momentum in core business with EUR 2.5bn year-to-date

'Re-establish-the-Base' progress update

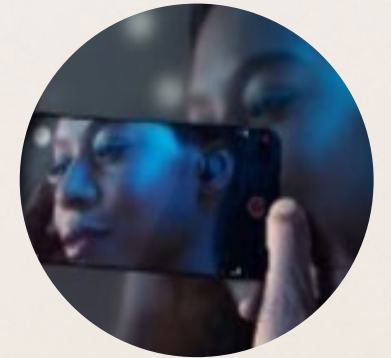
- EUR ~60m savings realized to date – on track for ~75m run-rate savings E/24
- Most critical non-core portfolio parts already addressed

MicroLED strategy update:

- Restructuring of microLED related organizations initiated
- Relevant development resources transferred to automotive high-pixelated FWL development
- Process for finding new lessee for Kulim-2 factory on track

Outlook Q3/24:

- Increase of revenues and adj. EBITDA



Q&A



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Kamper**

CEO



**Rainer
Irle**

CFO



**Dr. Jürgen
Rebel**

Head of IR