

RoodMicrotec N.V. publishes 2021 annual report with audited financial statements

RoodMicrotec shows strong financial performance for the year 2021, resulting in:

- Total income of EUR 14.5 million with an EBITDA of EUR 2.8 million
- Net profit of EUR 1.4 million
- Cash flow from operating activities of EUR 2.2 million

Deventer, April 21, 2022 – RoodMicrotec N.V., a leading independent company for semiconductors supply and quality services, today publishes the Company's Annual Report for the financial year 2021 including the audited financial statements. The 2021 Annual Report is available for download on the corporate website: www.roodmicrotec.com/en/investor-relations-en/financial-publications.

The total income for 2021 amounted to EUR 14.5 million, which was 22% higher than in 2020. The net result after taxes for 2021 was EUR 1.4 million positive, mainly due to a higher delivery of services during the year.

"We were expecting a significant increase in total income and a profit in 2021 and managed to outperform our expectations by focusing on our core business and services", says Martin Sallenhag, CEO of RoodMicrotec. "We are very pleased with the overall Company development during 2021 and expect that the increase in total income will continue in 2022. The cash situation makes it possible for us to invest in capacity and capability to meet the increasing demand from the market and our customers."

Throughout 2021, the Test Operations unit showed a sharp increase, which was related to the general up-swing in the market and the excellent position RoodMicrotec has with its customers. The Supply Chain Management unit also showed a strong increase compared to last year. In the second half of 2021, we however saw a decrease in total income compared to the first half of 2021 due to the world-wide shortage of components and raw materials in the semiconductor industry. RoodMicrotec has put actions in place to mitigate the impacts as far as possible. Some of the new projects have not yet been moved into volume production due to the COVID-19 pandemic. In 2021, the Qualification & Failure Analysis unit saw a decrease compared to 2020 due to the delayed start of new projects. Some of these delayed projects started in the second half of 2021, so the total income in this unit increased compared to the first half of 2021.

2021 HIGHLIGHTS / MAIN DEVELOPMENTS

Financials

- Total income: EUR 14.5 million (2020: EUR 11.9 million).
- EBITDA: EUR 2.8 million (2020: EUR 1.3 million).
- Balance sheet total: EUR 15.0 million (2020: EUR 14.3 million).
- Net result: EUR 1.4 million positive (2020: EUR 0.3 million negative).
- Net cash flow from operating activities: EUR 2.0 million (2020: EUR 1.5 million).

Commercial/operational

- **RoodMicrotec** now offers test services at wafer level for new types of photonic integrated circuits to customers from the semiconductor industry. Jenoptik provides the necessary technology platform with the UFO Probe® Card and thus supports **RoodMicrotec** in setting up the respective test structure.
- An AIOLOS Wafer Level Test Handler from AEM's Afore Wafer Level Test Solutions has been installed at the **RoodMicrotec** facility in Nördlingen. With this handler, **RoodMicrotec** is now able to offer its customers additional capabilities in the fast-growing markets of sensor testing. This system is also set up for 200 mm wafer frame probing of a wide range of semiconductor devices. **RoodMicrotec** will not only extend its business areas, but also its testing capabilities.
- During 2021 the booked SCM projects have continued to progress towards production through test program development as well as qualification work. Some of the projects are now close to ramp-up and we start to see the first volumes for these customers. The SCM team is continuing to prepare for future projects with pre-development of certain functions that will be used in future products.
- A consortium of 31 key players for packaging of electronics, optics and photonics, leading equipment suppliers and testing experts from 11 countries are involved in APPLAUSE, "Advanced packaging for photonics, optics and electronics for low cost manufacturing in Europe,". The project fosters the European semiconductor value chain by building new tools, methods and processes for high volume manufacturing where **RoodMicrotec** will be able to benefit with new solutions in these areas.
- The refinancing of the bond loan issued in 2014 has been completed by the end of the first quarter 2021. A group of long-time investors provides the refinancing in the amount of EUR 2.6 million. Also the management participates so show their confidence in the Company's business plans and future projects.
- The Court of Appeal has given a verdict in the legal proceedings concerning the dispute about (non) fulfillment of contractual obligations of a debtor. The Court of Appeal ratified the verdicts of the Subdistrict Court of Zwolle and sentenced the debtor to bear the costs of appeal.
- Prime Capital Debt SCS, SICAV-FIS – Robus Recovery Sub-Fund ("Robus") initiated legal proceedings before the Regional Court of Hamburg (Landgericht Hamburg) against **RoodMicrotec GmbH** regarding the perpetual bond (Genussscheine) of EUR 500k that **RoodMicrotec GmbH** issued in 2012.

Events after balance sheet date

- In February 2022 Robus and **RoodMicrotec GmbH** agreed on a full and final settlement of the 2012 perpetual bond. This final settlement has been reached before and confirmed by the Regional Court of Hamburg.
- Robus initiated legal proceedings before the Regional Court of Frankfurt am Main (Landgericht Frankfurt am Main) against **RoodMicrotec GmbH** regarding the perpetual bond (Genussscheine) of EUR 1,994k that **RoodMicrotec GmbH** issued in 2010. **RoodMicrotec GmbH** contests all allegations and claims, and denies that any compensation payments are due on the perpetual bond or that any grounds for extraordinary termination of the perpetual bond exist. Accordingly, **RoodMicrotec GmbH** will ask the court to reject Robus' claim.

Key figures

(x EUR 1,000)	2021	2020
Results		
Total income	14,532	11,874
EBITDA	2,786	1,345
EBIT (operating result)	1,227	-199
EBT	1,038	-369
Net cash flow from operating activities	2,049	1,517
Net result	1,435	-265
Capital, Debt & Liquidity Ratios		
Total assets	14,995	14,337
Group equity	5,583	3,844
Net debt	374	1,870
Invested capital (net debt + equity)	5,957	5,714
Gearing ratio (net debt/ capital)	6%	33%
Solvency (group equity / total liabilities)	37%	27%
Debt ratio (net debt / EBITDA)	0.1	1.4
Net working capital	317	-55
Working capital ratio (net working capital / total income)	2.2%	-0.5%
ROCE (EBIT / average invested capital)	21.0%	-3.3%
Assets		
Tangible and intangible fixed assets	8,295	9,177
Investments in (in)tangible fixed assets	681	866
Depreciation of (in)tangible fixed assets	1,559	1,544
Data per share (x EUR 1)		
Group equity	0.074	0.051
Operating results	0.016	-0.003
Net cash flow from operating activities	0.027	0.020
Net result	0.019	-0.004
Share price: at year-end	0.201	0.183
Share price: highest	0.267	0.267
Share price: lowest	0.176	0.107
Other information		
Number of issued shares at year end (x 1,000)	75,076	74,896
Average number of employees (FTE)	89	86
Total income / Average FTE	163	138

Sales and result

In 2021, RoodMicrotec's total income came in 22% higher than in 2020 at EUR 14.5 million (2020: EUR 11.9 million), with 94% of its total sales in the European countries.

In the first half of 2021, wafers were ordered and received for one of our SCM customers to manage the supply chain during a planned change of an assembly house. About EUR 0.5 million has been realized for these wafers as total income and approximately the same amount has been accounted for in the cost for raw materials and consumables. The parts will be delivered during 2022, where only part of the selling price will be recognized in the total income but with a positive impact on the net result.

Total income from the automotive sector increased in 2021 by 37% to EUR 6.9 million (2020: EUR 5.0 million) and represents 48% of the total income. The total income in the industrial / medical sector increased in 2021 by 15% to EUR 6.3 million (2020: EUR 5.5 million) and represents 43% of the total income. The HiRel / aerospace sector increased by 2% to EUR 0.9 million (2020: EUR 0.9 million). The total income in this sector mainly consists of failure analysis and qualification work and this is very much depending on the design cycles at our customers. Total income in other sectors declined by 8% to EUR 0.5 million (2020: EUR 0.5 million).

Total income by market sector:

(x EUR 1,000)	2021	2020	change
Automotive	6,886	5,021	37.1%
Industrial/Healthcare	6,270	5,454	15.0%
HiRel / Aerospace	926	908	2.0%
Others	450	491	-8.4%
Total	14,532	11,874	22.4%

In 2021 the total income in the Supply Chain Management unit increased by 27% to EUR 3.4 million (2020: EUR 2.7 million). The total income in the Test Operations unit increased by 46% to EUR 7.9 million (2020: EUR 5.4 million). The total income in the Qualification & Failure Analysis unit came in 15% lower, at EUR 3.2 million (2020: EUR 3.8 million).

Total income results per operational unit:

(x EUR 1,000)	2021	2020	change
Supply Chain Management	3,364	2,659	26.5%
Test Operations	7,938	5,429	46.2%
Qualification & Failure Analysis	3,230	3,786	-14.7%
Total	14,532	11,874	22.4%

Personnel and organization

During 2021, RoodMicrotec continued to optimize the organization to keep track with the changing demands from the customers and markets. Furthermore, we recruit highly experienced personnel to be able to support our plans for the future. The average number of full-time employees (FTE) was 89 in 2021. Total income per average full-time employee increased to EUR 163,000 from EUR 138,000 in 2020. Our policy is to strive for growth of sales per FTE.

Until May 2021 we used short-time working in our company in order to be able to react to the international effects of COVID-19. After that date the demand from our customers was high and stable and we therefore decided to discontinue the short-time work. Short-time work had an effect on the average full-time employees of minus 4 FTEs. It was and is absolutely crucial for us not to have to lay off any employees, so we were very happy to be able to use the short-time working option. In some positions, our employees have also decided to voluntarily work more from home in order to reduce the number of colleagues present in our facilities.

We have not experienced any interruptions in the business operations due to the COVID-19 pandemic. The measures taken with masks, distance between the working places, home offices and general care, have enabled us to offer a safe environment for our employees and we have had very few incidents in the company during 2021.

Outlook

RoodMicrotec expects the total income in 2022 to be in the range of EUR 15.0 million to EUR 15.6 million with a positive result before tax. The current situation in the world regarding lead-times for wafers and packaging as well as shipment delays may impact the ability to achieve the expected total income. The war in Ukraine could also have an impact on the business but in the short term we don't see any significant impacts. RoodMicrotec is keeping a close eye on the situation and is doing everything possible to mitigate any impact.

Conference call

You are invited to take part in RoodMicrotec's conference call for shareholders, financial press and analysts on
Thursday, April 21, 2022 at 9:30 CEST.

The management will present the Annual Report 2021 in detail and answer your questions.

The dial-in number for the call is: **+31 (0)20 531 5863** (via operator)

Annual General Meeting of Shareholders

The Annual General Meeting of Shareholders of the Company will be held by webcast (virtual meeting) on Thursday, June 9, 2022 at 15:00 CEST. The Board of Management and Supervisory Board have decided to organize the AGM in such manner, that it can only be attended by registered shareholders through a webcast. Shareholders do not have the option to attend the AGM in person, as the Meeting will only be held remotely via a digital platform (virtual meeting).

The convening notice (including registration and voting instructions) and the agenda with explanatory notes, as well as all other meeting documents for the AGM will be available from Thursday April 28, 2022 onwards on our corporate website: www.roodmicrotec.com/en/investor-relations-en/annual-general-meeting.

Financial calendar

April 28, 2022	Publication of invitation and agenda for the Annual General Meeting of Shareholders
June 9, 2022	Annual General Meeting of shareholders
July 21, 2022	Publication Interim Report 2022
July 21, 2022	Conference call for shareholders, press and analysts
October 13, 2022	Trading update quarter 3-2022

Forward-looking statements

This press release contains a number of forward-looking statements. These statements are based on current expectations, estimates and prognoses of the Board of Management and on the information currently available to the Company. The statements are subject to certain risks and uncertainties which are hard to evaluate, such as the general economic conditions, interest rates, exchange rates and amendments to statutory laws and regulations. The Board of Management of RoodMicrotec cannot guarantee that its expectations will materialize. Furthermore, RoodMicrotec does not accept any obligation to update the statements made in this press release.

About RoodMicrotec

RoodMicrotec is a leading independent company for semiconductor supply and quality services. With more than 50 years of experience in the semiconductor and electronics industry, RoodMicrotec is well-established as a highly valued partner for many companies worldwide. The Company provides full-turnkey ASIC services for complex microchips that are customized to handle specific applications for individual customers. In cooperation with strong partners, RoodMicrotec manages the entire development and production flow of ASICs in the target volume, ranging from low quantities up to multiple millions per year. The turnkey solution includes project management, wafer test, assembly, final test, qualification, failure analysis and logistics. All services comply with the industrial and quality requirements of the high reliability, aerospace, automotive, healthcare and industrial sectors. RoodMicrotec's headquarter is located in Deventer, Netherlands, with operational units in Nördlingen and Stuttgart, Germany.

For more information visit <https://www.roodmicrotec.com>

Further information

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This press release is published in English only.