



SOITEC REPORTS FY'25 FIRST QUARTER REVENUE

- In line with guidance, Q1'25 revenue amounted to €121m, down 24% at constant exchange rates and perimeter compared with Q1'24
- RF-SOI inventory absorption continued to weigh on Mobile Communications
- Strong growth achieved in the Smart Devices division, which was renamed “Edge and Cloud AI” to reflect the markets addressed
- Automotive & Industrial revenue impacted by a slower automotive market
- FY'25 outlook confirmed: stable revenue year-on-year at constant exchange rates and perimeter and EBITDA¹ margin² around 35%

Bernin (Grenoble), France, July 23rd, 2024 – Soitec (Euronext Paris), a world leader in designing and manufacturing innovative semiconductor materials, today announced consolidated revenue of 121 million Euros for the first quarter of FY'25 (ended June 30th, 2024), down 23% on a reported basis compared with 157 million Euros achieved in the first quarter of FY'24. This reflects a 24% decline at constant exchange rates and perimeter³ and a slightly positive currency impact of 1%.

Pierre Barnabé, Soitec's CEO, commented: ***“The low point reached in the first quarter of our fiscal year 2025 was anticipated and is in line with our expectations, in a challenging market environment. The absorption of our customers' RF-SOI inventories is progressing and should be completed towards the end of the first half of our fiscal year 2025. Beyond***

¹ The EBITDA represents operating income before depreciation, amortization, impairment of non-current assets, non-cash items relating to share-based payments, provisions for impairment of current assets and for contingencies and expenses, and disposals gains and losses. EBITDA is not a financial indicator defined by IFRS and may not be comparable to EBITDA as reported by other groups. It represents additional information and should not be considered as a substitute for operating income or net cash generated by operating activities.

² EBITDA margin = EBITDA from continuing operations / Revenue

³ There was no scope effect, neither in Q1'25 nor in Q1'24.

this quarter, the gradual recovery in RF-SOI deliveries and the continued growth of our increasingly diversified product portfolio will underpin the revenue increase throughout the second part of fiscal year 2025. We therefore reiterate our full year guidance.

Looking ahead, Soitec’s organic growth will be underpinned in all three of its end markets by increasingly powerful megatrends: 5G expansion and the continued premiumization of smartphones, the ongoing digitization and electrification of the automotive sector, the proliferation of edge AI devices, and the expansion of cloud AI computing power capabilities in a more sustainable way. Our innovation and industrial roadmaps are designed to reinforce our leadership in SOI while accelerating the diversification of our portfolio of engineered substrates with new compound semiconductors, beyond SOI.”

First quarter FY’25 consolidated revenue (unaudited)

	Q1’25	Q1’24	Q1’25/Q1’24	
			<i>change reported</i>	<i>chg. at const. exch. rates & perimeter</i>
<i>(Euros millions)</i>				
Mobile Communications	48	89	-45%	-46%
Automotive & Industrial	26	37	-29%	-31%
Edge and Cloud AI <i>(previously Smart Devices)</i>	46	31	+49%	+47%
Total revenue	121	157	-23%	-24%

In line with announced expectations, Soitec revenue reached 121 million Euros in the first quarter of FY’25, a 24% year-on-year decrease at constant exchange rates and perimeter³ compared to the first quarter of FY’24, reflecting contrasted performance across Soitec’s three end markets. Decline in Mobile Communications and Automotive & Industrial revenue was only partially compensated by a strong performance in Edge and Cloud AI (previously named Smart Devices). The new name of the division does not imply any change in perimeter and reporting.

Mobile Communications

In the first quarter of FY’25, Mobile Communications revenue stood at 48 million Euros, down 46% at constant exchange rates compared to the first quarter of FY’24.

Soitec continues to see signs of recovery in the smartphone market, as well as improving inventory levels at fabless and OEMs companies. In the first quarter of FY’25, **RF-SOI wafers** demand was slower to let persisting inventories flow down the value chain, resulting in substantially lower volumes compared to the first quarter of FY’24. Soitec remains confident that

sales of RF-SOI wafers will recover in the second half of FY'25, as the inventory absorption among its direct customers ends.

On the other hand, sales of **POI (Piezoelectric-on-Insulator) wafers** dedicated to RF filters have been significantly growing quarter-over-quarter since the beginning of fiscal year 2024, with another sequential growth recorded in the first quarter of FY'25 compared to the fourth quarter of FY'24. This is translating into a sharp year-on-year increase against the first quarter of FY'24. POI activity benefited from the addition of another new customer in production, bringing the total to nine, while more than ten customers remain in the qualification phase. POI wafers continue to benefit from a strong acceleration in China and Soitec's engagement with all leading US fabless companies.

Sales of **FD-SOI wafers**, designed to equip front end modules integrated in both 5G Sub-6 GHz and 5G mmWave smartphones, were slightly lower than in the first quarter of FY'24.

Automotive & Industrial

Automotive & Industrial revenue reached 26 million Euros in the first quarter of FY'25, a 31% year-on-year decline at constant exchange rates compared to the first quarter of FY'24. After a very strong fiscal year 2024, revenue was impacted in the first quarter of FY'25 by a slower automotive market.

After several quarters of significant year-on-year growth leading to a very strong fourth quarter of FY'24, **Power-SOI wafer** sales showed a decline in the first quarter of FY'25 compared to the first quarter of FY'24. This was essentially driven by lower volumes impacted by a slower automotive market. Power-SOI remains a key component for gate drivers, in vehicle networking and increasingly Battery Management ICs, supported by an increasing number of foundries and IDMs worldwide.

In the first quarter of FY'25, **FD-SOI wafer** sales, which continue to be mostly driven by adoption for automotive microcontrollers, imagers, radar and wireless connectivity, recorded another good performance.

Automotive & Industrial continued to benefit from revenue generated by Soitec's **SmartSiC™** cutting-edge silicon carbide technology. SmartSiC™ deliveries of samples and prototypes are growing. Device qualifications and SmartSiC™ wafer production ramp-up at Soitec's plant will continue step by step driven by customer demand and EV penetration.

During the first quarter of FY'25, Soitec announced a new offer with X-FAB to provide the foundry's extensive fabless client network with power devices based on Soitec's SmartSiC™ wafers.

Edge and Cloud AI (previously Smart Devices)

Edge and Cloud AI revenue reached 46 million Euros in the first quarter of FY'25, representing a 47% increase at constant exchange rates compared to the first quarter of FY'24, with contrasted performance among the different products.

Sales of **Imager-SOI wafers** for 3D imaging applications were particularly strong in the first quarter of FY'25, benefitting from a phasing effect.

Sales of **Photonics-SOI wafers** were higher than in the first quarter of FY'24. The strong traction is led by a growing appetite for more powerful and more energy-efficient data centers required to deliver on the exponential growth of AI-related computing power capabilities. Photonics-SOI is now a standard technology platform for high-speed and high bandwidth optical interconnections in data centers, adopted in pluggable optical transceivers, and used for the development of Co-Packaged Optics.

Sales of **FD-SOI wafers**, which remain driven by the demand for Edge Computing devices across consumer and industrial sectors, were below the level reached in the first quarter of FY'24, impacted by a phasing effect.

FY'25 outlook confirmed

Soitec confirms expecting FY'25 revenue to be stable year-on-year at constant exchange rates and perimeter as compared to FY'24, with an expected decline of around 15% in the first half of FY'25 against the first half of FY'24 and a rebound anticipated in the second half of FY'25, driven by the recovery of the RF-SOI activity following the end of the inventory absorption among Soitec's customers, supported by a rebound in the smartphone market, and the continued adoption of POI.

Soitec also confirms expecting FY'25 EBITDA¹ margin² to be around 35%.

Key events of Q1'25

X-FAB and Soitec team up to offer SmartSiC™ at Lubbock plant, USA

On May 22nd, 2024, Soitec announced a partnership to bring power devices based on Soitec's cutting-edge SmartSiC™ silicon carbide wafers to X-FAB's extensive fabless client network. The ambition is to offer Soitec's SmartSiC™ wafers for the production of silicon carbide power devices at X-FAB's plant in Lubbock, Texas. This collaboration follows the successful completion of the assessment phase, during which silicon carbide (SiC) power devices were manufactured at X-FAB Texas on 150mm SmartSiC™ wafers. Soitec will offer X-FAB's customers easy access to the SmartSiC™ substrate through a joint supply chain consignment model. X-FAB is the pioneer and leader of the foundry model in the fast-growing SiC market.

Soitec enters into a strategic partnership with Tokai Carbon to develop polycrystalline silicon carbide substrates for Soitec SmartSiC™ wafers

On May 22nd, 2024, Soitec and Tokai Carbon, a comprehensive manufacturer of carbon and graphite products, have entered into a strategic partnership for the development and supply of polycrystalline silicon carbide substrates specifically designed for Soitec SmartSiC™ wafers. Under this partnership, which will see Tokai Carbon supply 150mm and 200mm polySiC wafers to Soitec, the two companies are harnessing their advanced R&D capabilities to enhance the SmartSiC™ ecosystem. Tokai Carbon's advanced technology and manufacturing capacity in polycrystalline silicon carbide (polySiC) combined with the right to use Soitec specifications for polySiC coarse wafers compliant with Soitec SmartSiC™ is expected to make a strategic contribution to the global ramp-up of SmartSiC™ wafer production.

Soitec extends partnership with UMC to provide leading engineered substrates for industry's first 3D IC solution for RF-SOI

On June 13th, 2024, Soitec announced the expansion of its partnership with UMC, a leading global semiconductor foundry company, to bring to the market the industry's first 3D IC solution for RF-SOI technology for the 5G era. UMC's 3D IC solution for RF-SOI addresses the challenge of incorporating more RF front-end modules into a single device by vertically stacking dies and utilizing wafer-to-wafer bonding technology. It reduces die size by more than 45%, enabling customers to integrate more RF components to address the greater bandwidth requirements of 5G. Soitec RF-SOI substrates play a vital role in providing the mechanical and electrical performance needed to ensure large volume manufacturing of UMC's solution with no degradation of radio frequency performance. Soitec and UMC have successfully partnered for over 11 years delivering leading RF-SOI solutions.

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Analysts conference call to be held in English on Wednesday 24th July at 8:00 am CET.

To listen to this conference call, the audiocast is available live and in replay at the following address: https://channel.royalcast.com/soitec/#!/soitec/20240724_1

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Agenda

Q2'25 revenue and H1'25 results are due to be published on November 20th, 2024, after market close.

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This document is provided by Soitec (the “Company”) for information purposes only.

The Company’s business operations and financial position are described in the Company’s Universal Registration Document (which notably includes the Annual Financial Report) which was filed on June 5th, 2024, with the French stock market authority (Autorité des Marchés Financiers, or AMF) under number D.24-0462. The French version of the 2023-2024 Universal Registration Document, together with English courtesy translations for information purposes, are available for consultation on the Company’s website (www.soitec.com), in the section Company - Investors - Financial Reports.

Your attention is drawn to the risk factors described in Chapter 2.1 (Risk factors and controls mechanism) of the Company’s Universal Registration Document.

This document contains summary information and should be read in conjunction with the Universal Registration Document.

This document contains certain forward-looking statements. These forward-looking statements relate to the Company’s future prospects, developments and strategy and are based on analyses of earnings forecasts and estimates of amounts not yet determinable. By their nature, forward-looking statements are subject to a variety of risks and uncertainties as they relate to future events and are dependent on circumstances that may or may not materialize in the future. Forward-looking statements are not a guarantee of the Company’s future performance. The occurrence of any of the risks described in Chapter 2.1 (Risk factors and controls mechanism) of the Universal Registration Document may have an impact on these forward-looking statements.

The Company’s actual financial position, results and cash flows, as well as the trends in the sector in which the Company operates may differ materially from those contained in this document. Furthermore, even if the Company’s financial position, results, cash-flows and the developments in the sector in which the Company operates were to conform to the forward-looking statements contained in this document, such elements cannot be construed as a reliable indication of the Company’s future results or developments.

The Company does not undertake any obligation to update or make any correction to any forward-looking statement in order to reflect an event or circumstance that may occur after the date of this document.

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About Soitec

Soitec (Euronext - Tech Leaders), a world leader in innovative semiconductor materials, has been developing cutting-edge products delivering both technological performance and energy efficiency for over 30 years. From its global headquarters in France, Soitec is expanding internationally with its unique solutions, and generated sales of 1 billion Euros in fiscal year 2023-2024. Soitec occupies a key position in the semiconductor value chain, serving three main strategic markets: Mobile Communications, Automotive

and Industrial, and Edge and Cloud AI (previously Smart Devices). The company relies on the talent and diversity of its 2,300 employees, representing 50 different nationalities, working at its sites in Europe, the United States and Asia. Soitec has registered over 4,000 patents.

Soitec, SmartSiC™ and Smart Cut™ are registered trademarks of Soitec.

For more information: <https://www.soitec.com/en/> and follow us on X: @Soitec_Official

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Appendix

Consolidated revenue per quarter (Q1'25 unaudited)

Quarterly revenue	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25
<i>(Euros million)</i>					
Mobile Communications	89	169	130	222	48
Automotive & Industrial	37	38	44	44	26
Edge and Cloud AI (previously Smart Devices)	31	37	65	70	46
Total revenue	157	245	240	337	121

Change in quarterly revenue

	Q1'25/Q1'24	
	Reported change	Organic change ¹
<i>(vs. previous year)</i>		
Mobile Communications	-45%	-46%
Automotive & Industrial	-29%	-31%
Edge and Cloud AI (previously Smart Devices)	+49%	+47%
Total revenue	-23%	-24%

¹ At constant exchange rates and comparable scope of consolidation (there was no scope effect in Q1'25, nor in Q1'24)

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