

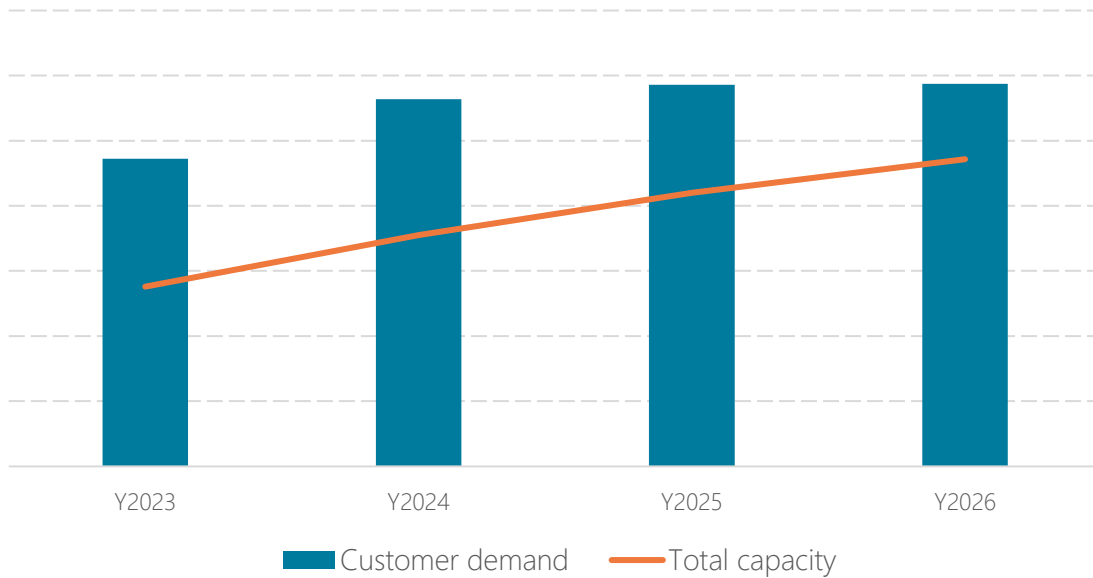


Accelerating X-FAB's capacity ramp

Damien Macq, COO & Dirk Drescher, VP Operations

Demand to exceed supply in the coming years

Customer forecast vs. total capacity



- > X-FAB technology successful with continuous strong demand in core markets
- > Significant investments to leverage this excess demand and build the supply that our customers need

Significant investments in new manufacturing capacity and partnerships

- Expansion projects for additional manufacturing capacity at all 200 mm sites
- Expansion of our SiC foundry business
- Expansion of our MEMS capacity
- Expansion through selected outsourcing partnerships



X-FAB's manufacturing output will grow significantly

Challenges in adding "mature node" capacity

IN THE PAST

TODAY

acquire & utilize empty mature fabs

Clean room space

investment in new cleanroom space

large used equipment market
short lead times

Equipment

brand new equipment with
long lead times

unconstrained

Supply chain

constrained

moderate

Investments

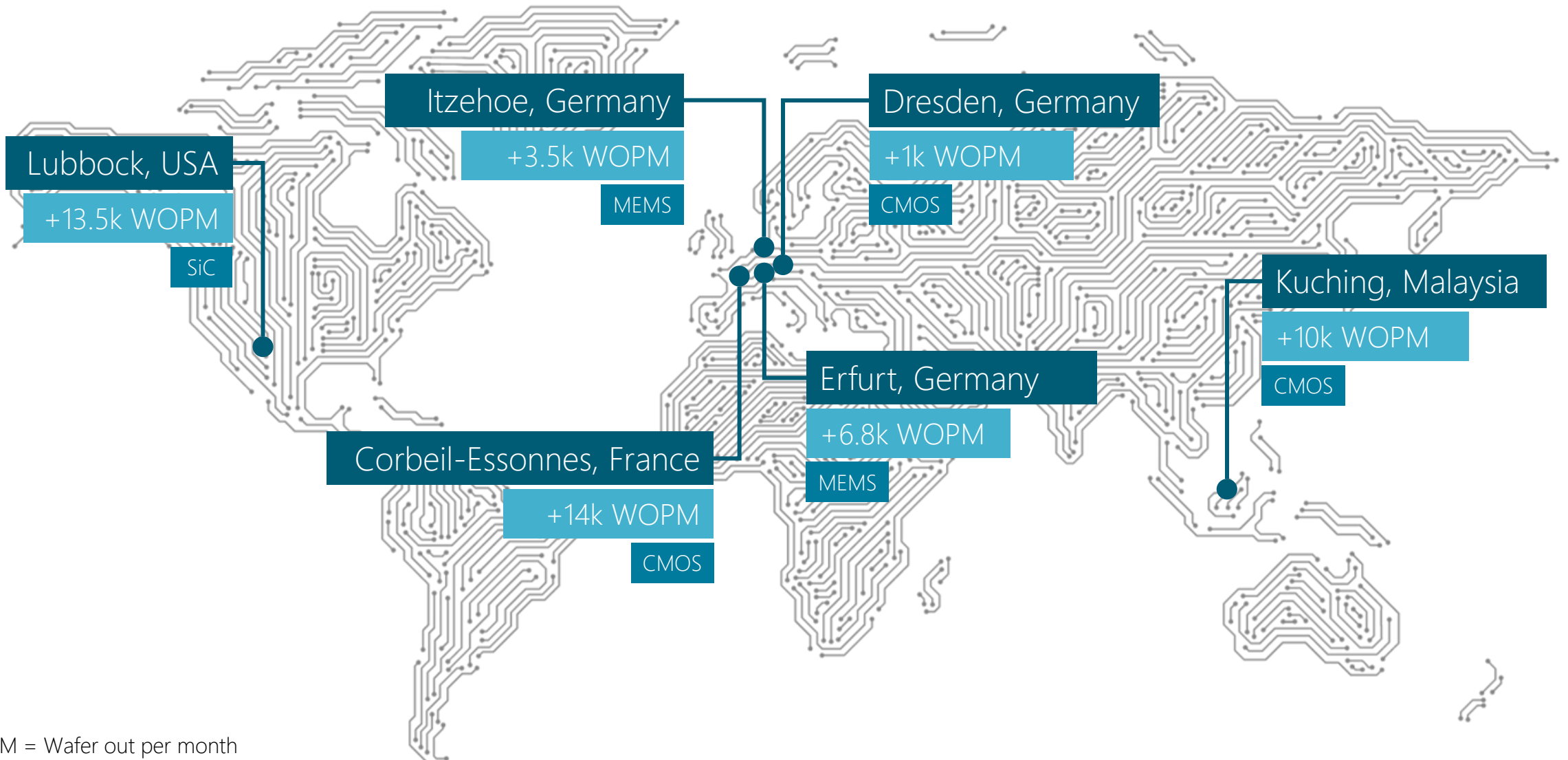
high

<12 months

Lead time for new capacity

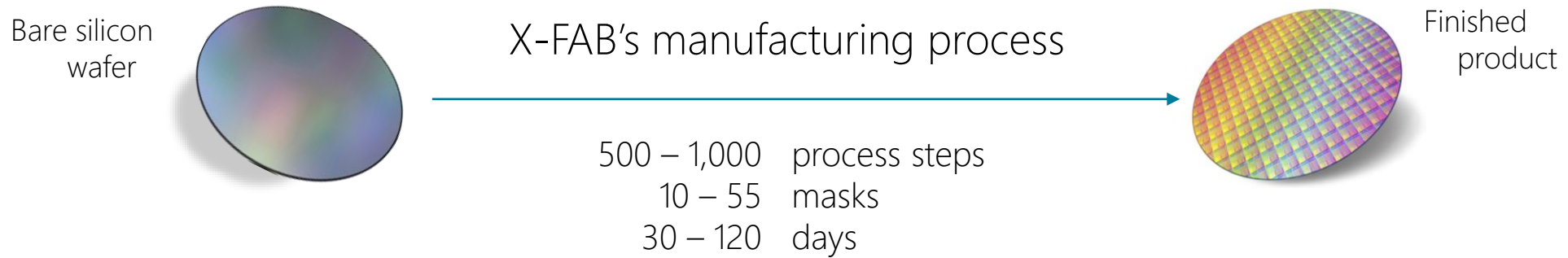
up to 36 months

We grow our capacity at all sites



WOPM = Wafer out per month

Increased value add drives manufacturing complexity



19 masks
required for a
legacy consumer product

54 masks
required for
DNA sequencing applications

2-5x
more value for more complex
wafers

X-FAB France

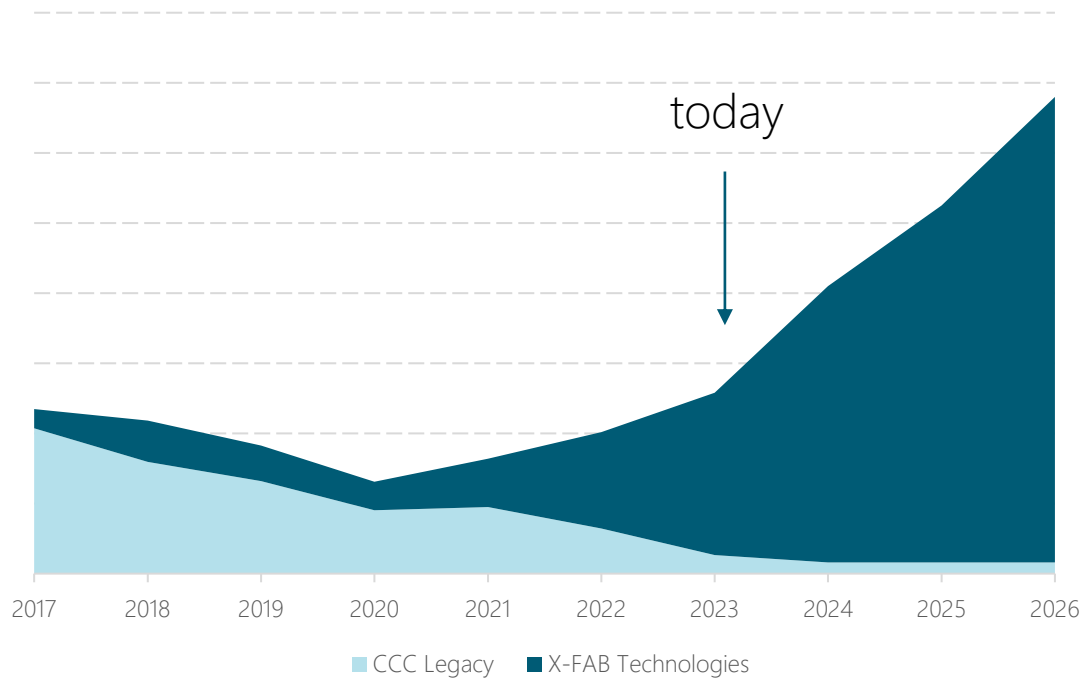
Expansion plan

- > Conversion consumer to automotive process
- > Transfer 180 nm from Kuching, start new 110 nm copper-based
- > Improved automation
- > 5 investment phases
- > 170M\$ CAPEX (2023-2025)
- > +14k WOPM X-FAB technologies



Transforming the business at X-FAB France

Our site in France is undergoing a significant transformation, which was initiated in 2021



Acceleration of business and process shift towards X-FAB processes

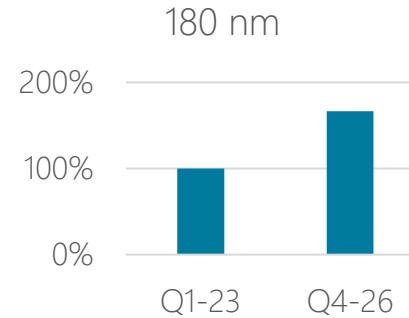
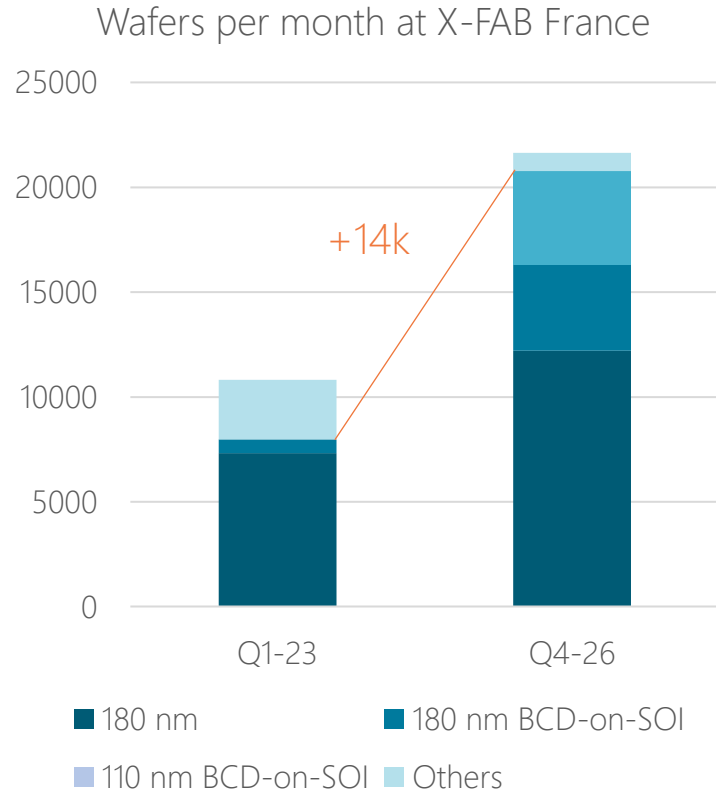
- > More masks per product
- > More revenues per wafer
- > More sustainable business

Significant transformation of the site

- > New tools installation and qualification
- > Resources growth
- > Accelerate process migration towards automotive

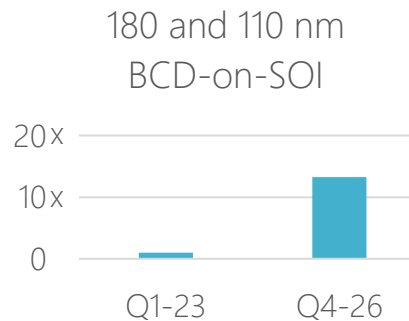
Wafer capacity at X-FAB France

While transitioning from CCC to X-FAB core processes X-FAB France to become the center of 110 nm production



+67%

180 nm for core markets



x13

180 and 110 nm BCD-on-SOI

X-FAB Sarawak

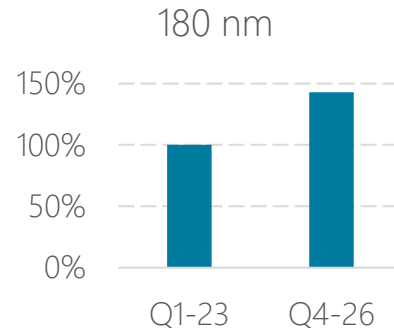
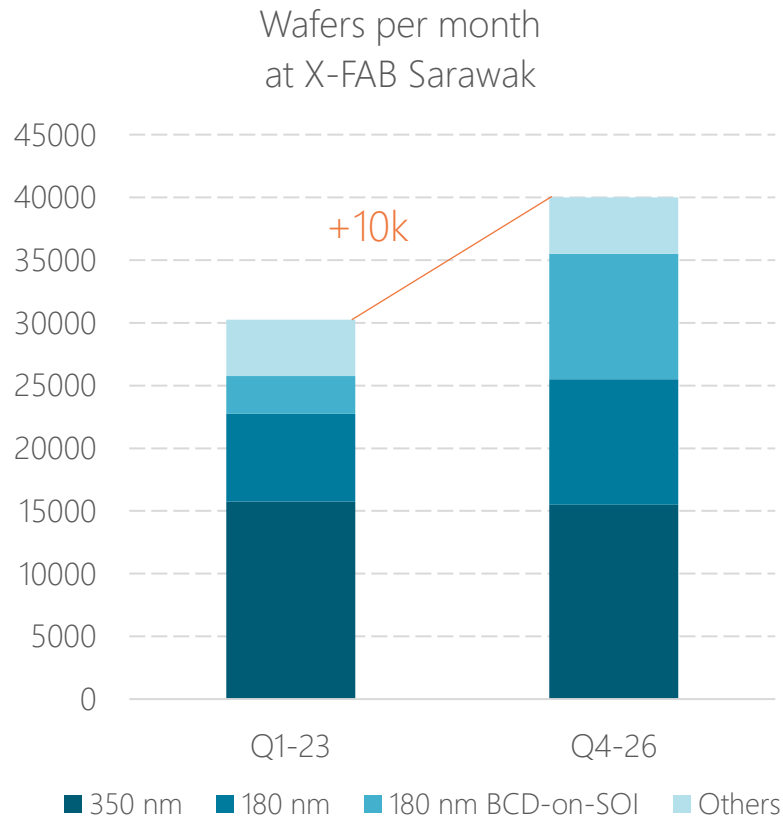
10k expansion plan

- > Building expansion + space optimization current clean room
- > Adding 6,300 m² clean room space
- > Improved automation
- > Process: focus 180 nm
- > >550M\$ CAPEX (2023-2025)
- > 50% increase in mask layers/day



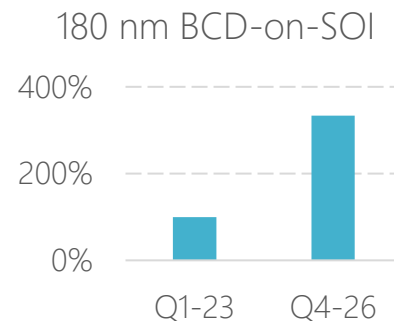
Wafer capacity at Sarawak

Significant increase of our capacity for core market processes while maintaining execution excellence



+43%

180 nm for core markets

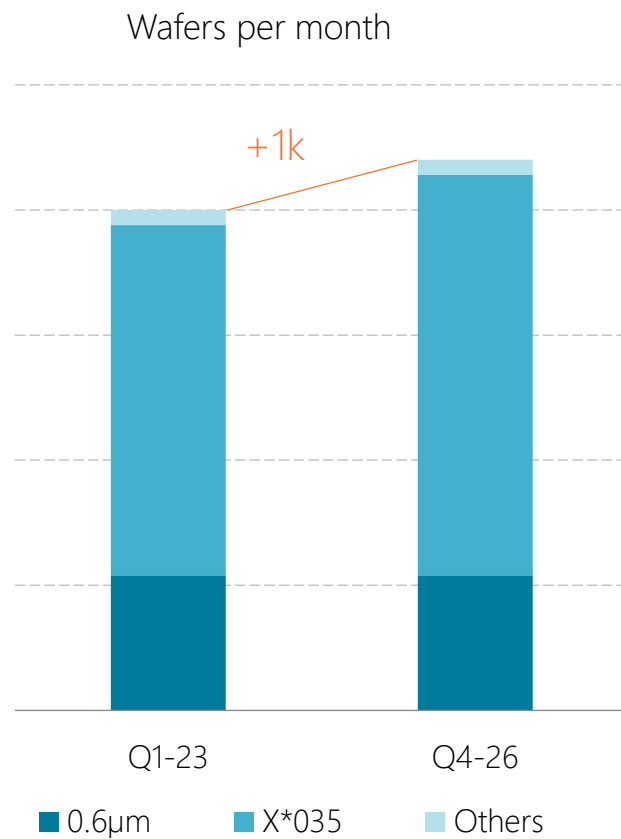


+230%

180 nm BCD-on-SOI for automotive

X-FAB Dresden

Focus on 350 nm CMOS for further MEMS processing



Expansion plan

- > Building expansion + space optimization current clean room
- > Improved automation
- > 30 M\$ CAPEX (2023-2025)
- > Up to 11k wafers per month

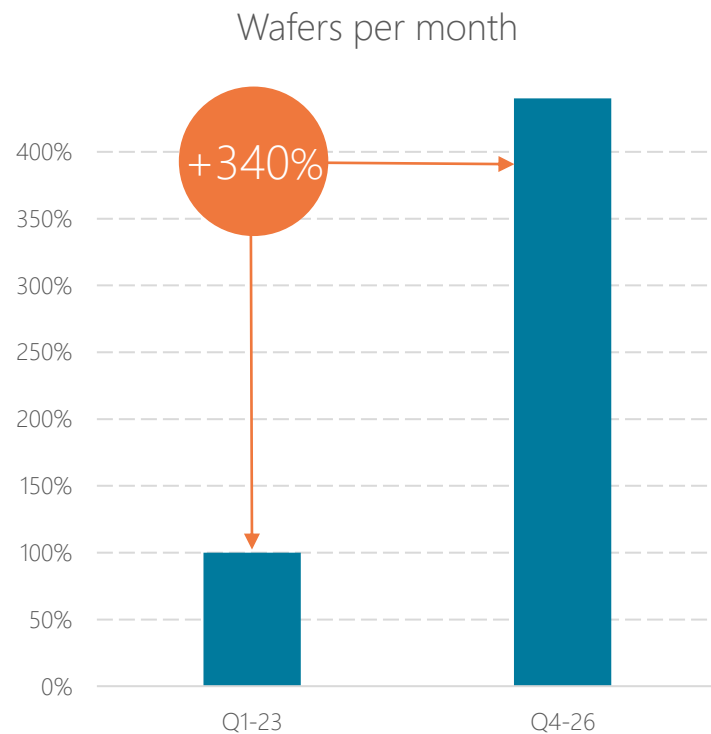


X-FAB Texas

Converting CMOS to SiC technology

Expansion plan

- > Conversion of 3,200 m² fab space into clean room
- > Installation of SiC specific equipment for capacity growth
- > Improved level of automation
- > 200 M\$ CAPEX (2023-2025)



+340 %
Capacity for SiC technologies

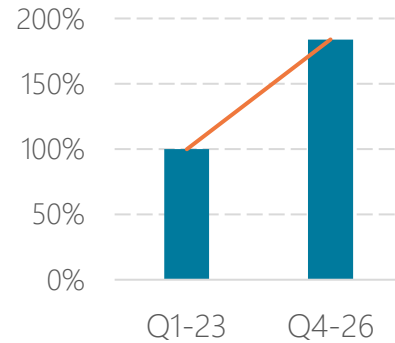


X-FAB Erfurt & Itzehoe

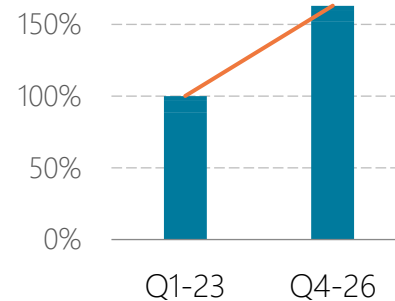
Significant MEMS capacity growth and production ramp underway

Expansion plan

- > Erfurt:
50 M\$ CAPEX (2023-2025)
converted fab space into 1,460 m²
new clean room space, ready for
equipment
- > Itzehoe:
allocated additional 100 m² clean
room space for capacity expansion



+84%
MEMS capacity at Erfurt



+63%
MEMS capacity at Itzehoe



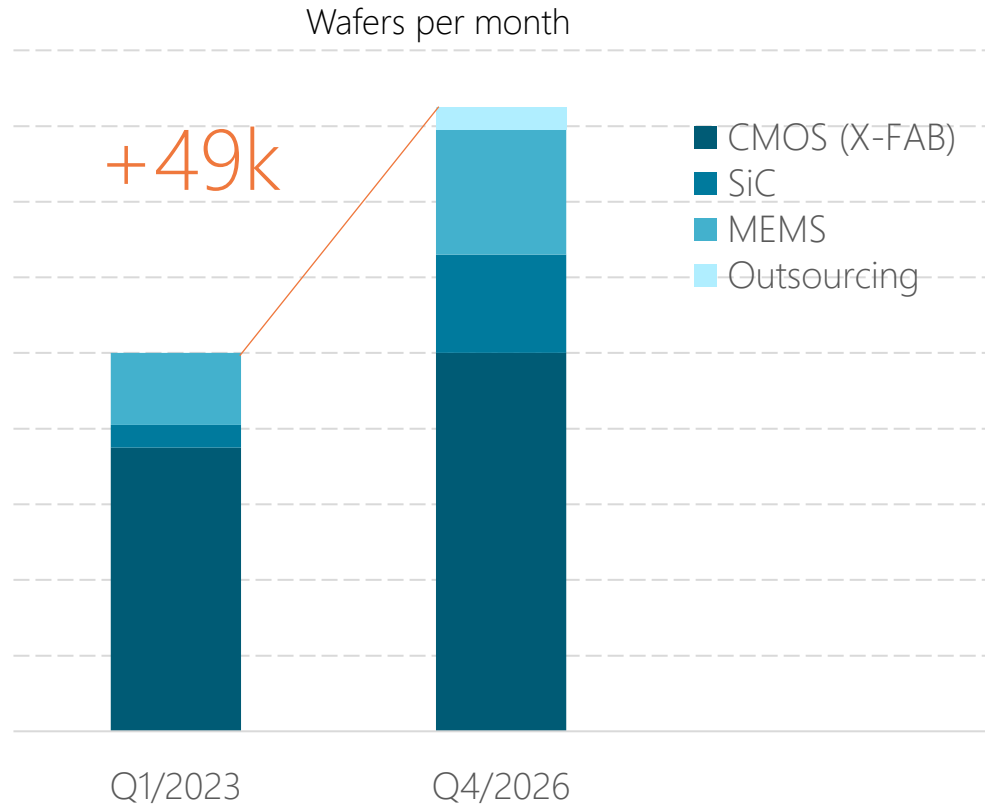
Capacity expansion drivers: outsourcing

- › X-FAB engaged with various external partners to create additional capacity
 - Focus on a few large opportunities (large volume ASICs) with mature technologies
 - Strong interactions with lead customers of X-FAB to accelerate qualifications
- › Fast capacity enablement with no capex
 - 350 nm with risk production start in Q4/23



Conclusion

At X-FAB, we are committed to address the ongoing significant growth in our core markets by investing in additional capacity at all sites with more value-added processes



+64%
Capacity increase in wafers per month

Up to +50%
Process complexity increase

xfab

Thank you.

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