



The X-FAB journey – achievements and the way forward


Rudi De Winter, CEO

The logo for xfab, featuring the lowercase letters 'xfab' in a teal, sans-serif font. The background is a white triangle pointing to the left, set against a teal background.

We delivered on our
commitments

Our 2021 commitments...

X-FAB Investor Day 2021:

Looking ahead 

Our goals remain valid

- › Strengthen No. 1 position as AUTOMOTIVE specialty pure-play foundry
 - › Stay committed to the INDUSTRIAL market
 - › Make MEDICAL the next automotive
 - › Remain the foundry market leader for SILICON CARBIDE

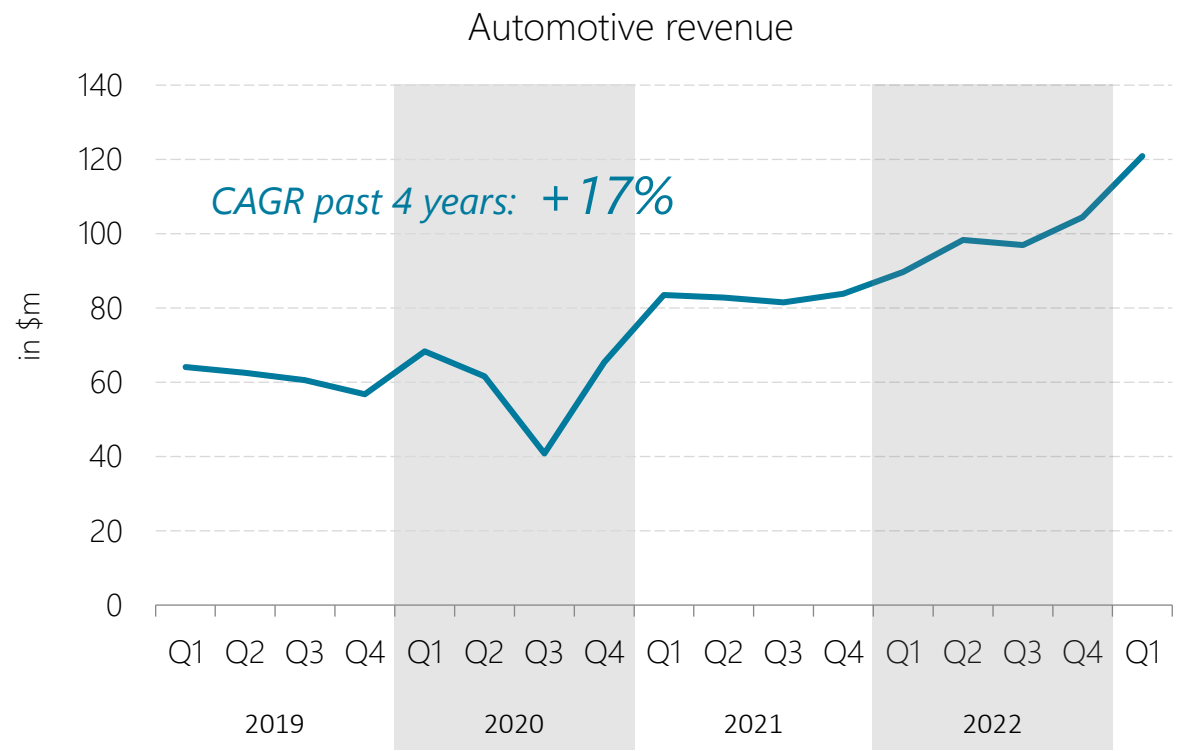
10% annual revenue growth on average

USD 1bn revenue by 2026

>27% EBITDA margin

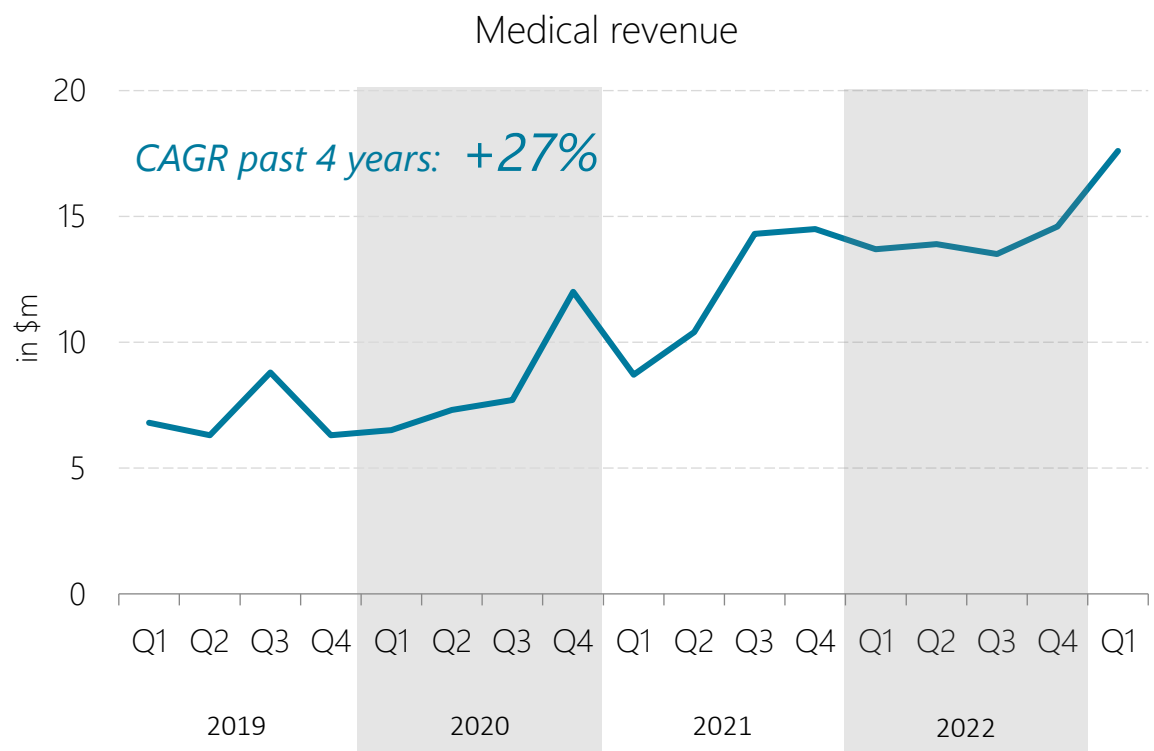
... and where we are today

Strengthen no. 1 position as AUTOMOTIVE specialty pure-play foundry



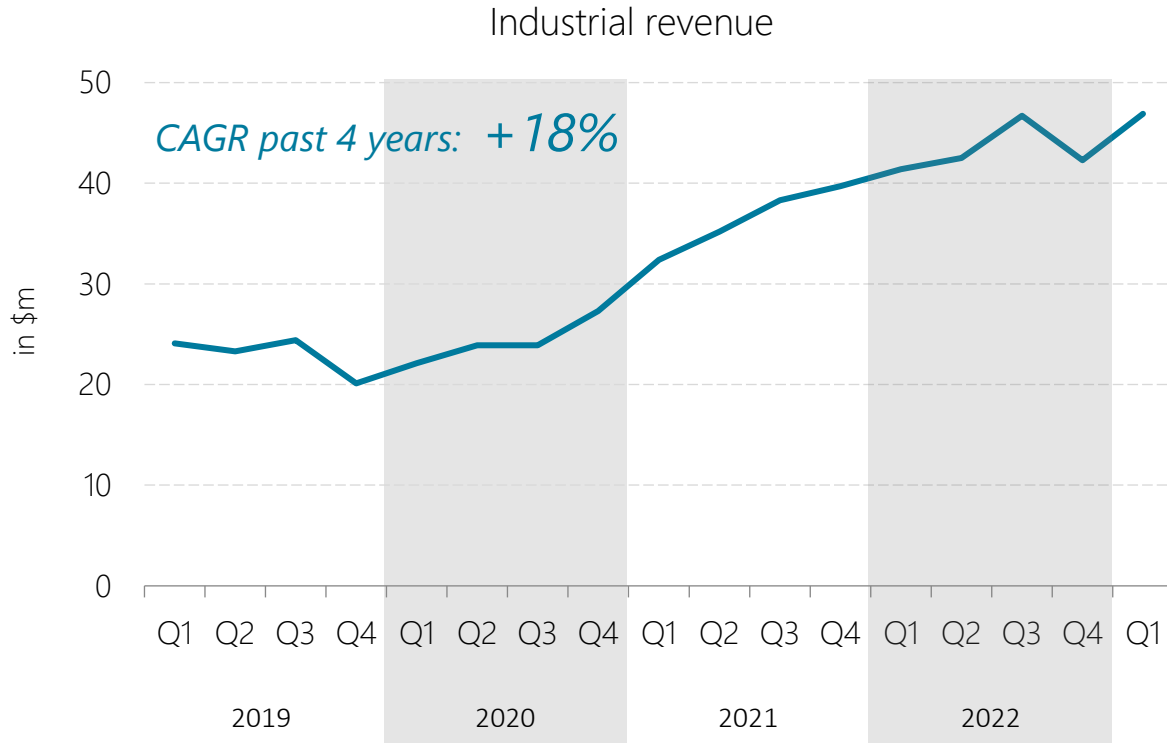
... and where we are today

We are making MEDICAL the next automotive



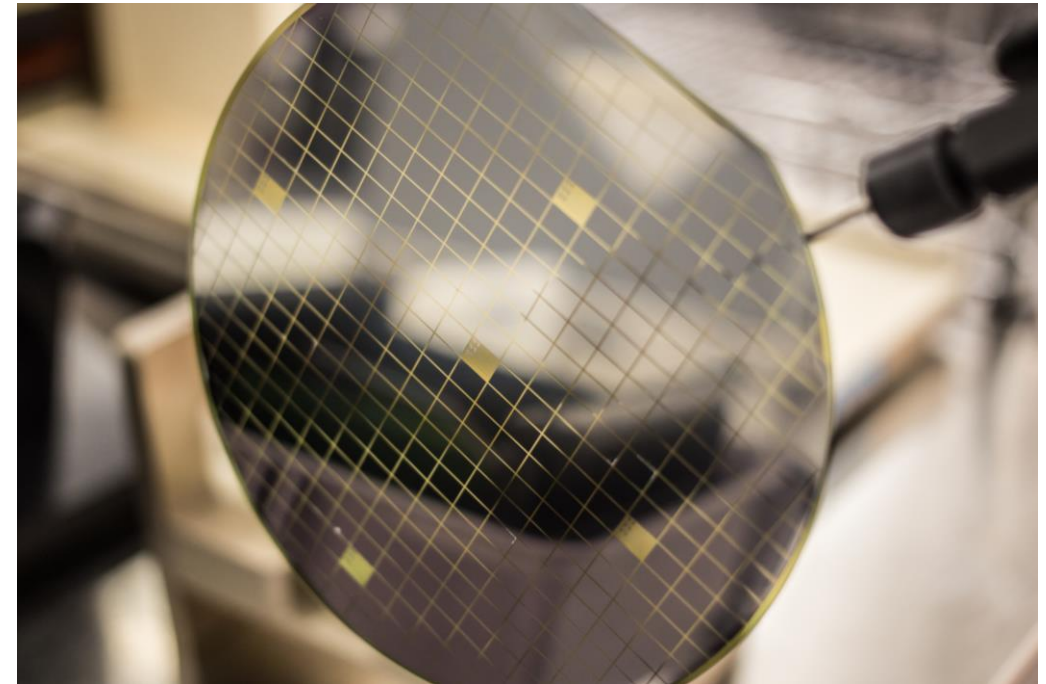
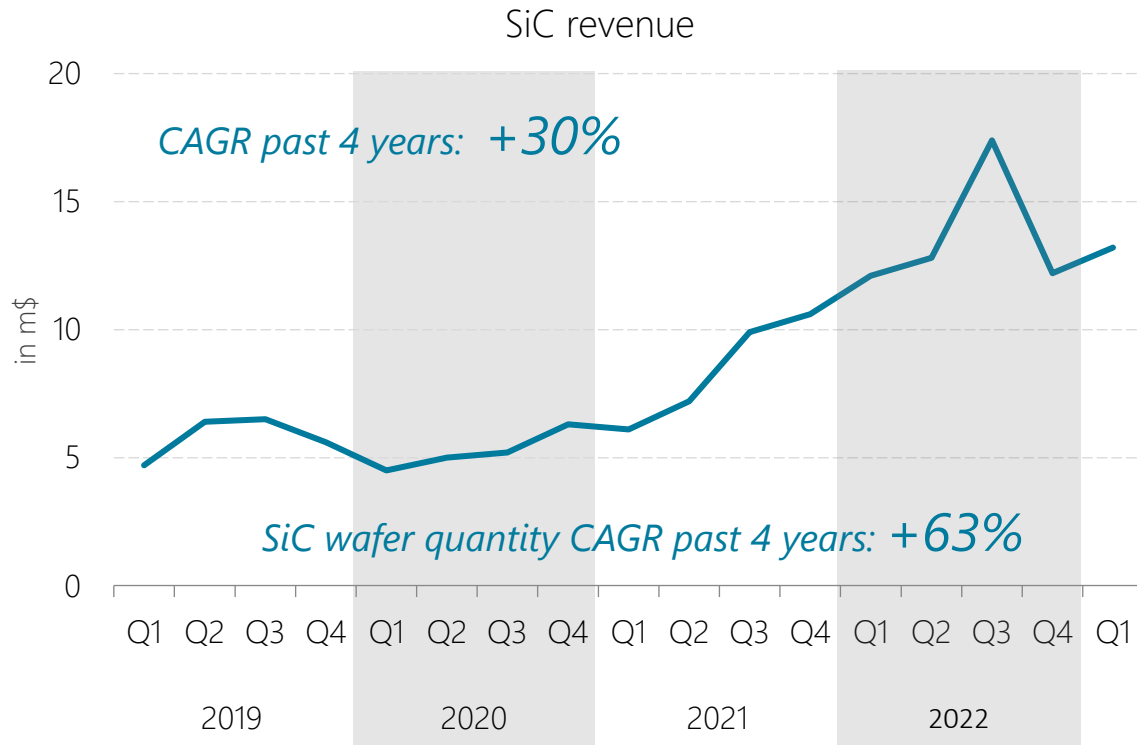
... and where we are today

Stay committed to the INDUSTRIAL market



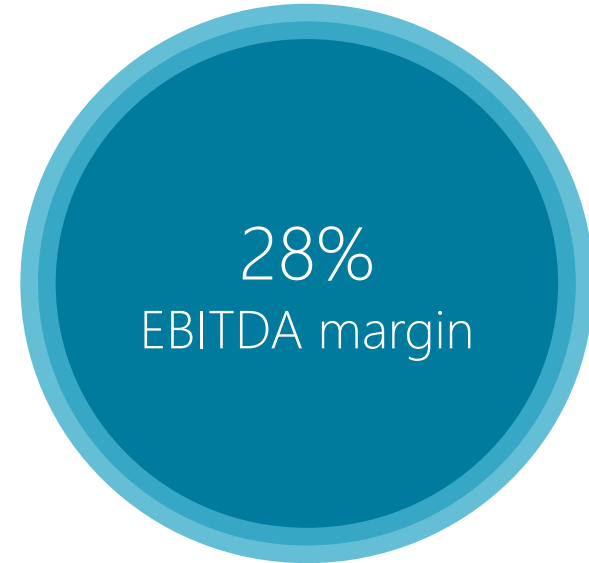
... and where we are today

Continue to lead the SILICON CARBIDE foundry market



... and where we are today

Q1 2023



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What has changed?

Strategic importance of semiconductors

Chip Shortage

Importance of semiconductors for the global economy is universally acknowledged

Reshoring & Funding activities

Semiconductors are central to governments' agendas

Going local with EU Chips Act & US Chips Act

Structural shortage of 200 mm capacity

Due to underinvestment in past decades & overload of existing fabs



The transformation of X-FAB

Business mix

Increased share of high-value add automotive, industrial and medical business to 89% of revenues (Q1 2023)

Phase-out of CCC* legacy business

How we do business

Introduced long-term agreements with customers

Paradigm shift in the pricing structure

Long-term agreements with customers

What is the portion of our business signed up under LTA?

CMOS 200mm

- › 2023-2025
- › Take or pay
- › 15% prepayment
- › 70% of capacity
- › Top 10 customers

SiC

- › 2023-2027
- › Take or pay
- › 75% participation in capacity expansion in the form of prepayment
- › 3 LTAs completed, more underway

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The way forward

Semiconductors are key to resolving the challenges of our time

- > Enabling the development of sustainable and energy-efficient products across all sectors
- > Drives strong growth in X-FAB's key end markets in the long term – automotive, industrial and medical

Climate change



> ELECTRIFICATION OF EVERYTHING

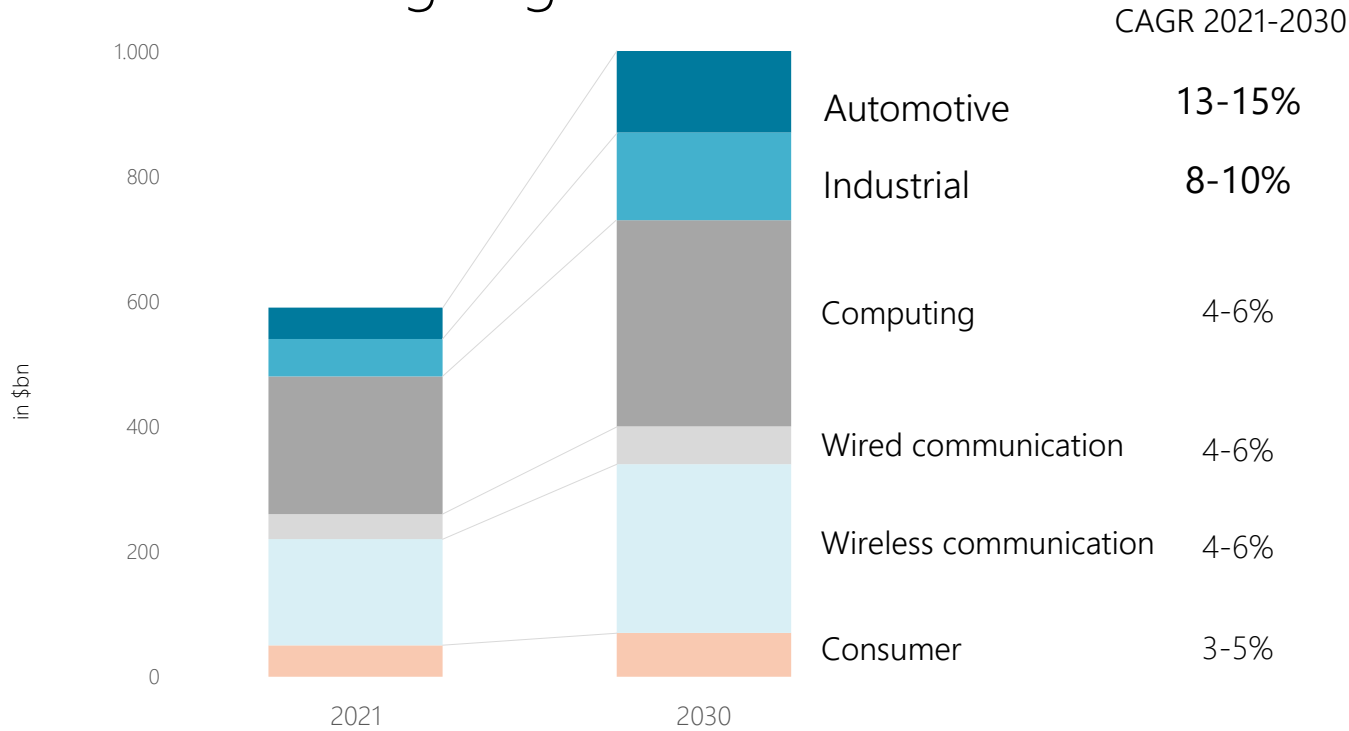
Growing & aging populations



> DIGITAL HEALTHCARE

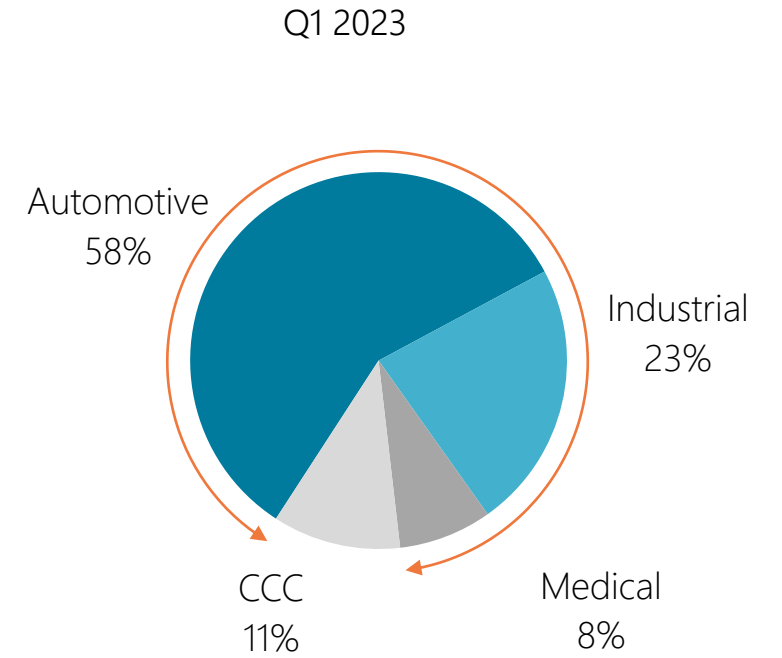
X-FAB is perfectly positioned

Strong semiconductor market growth going forward



McKinsey Intelligence

Favorable business mix

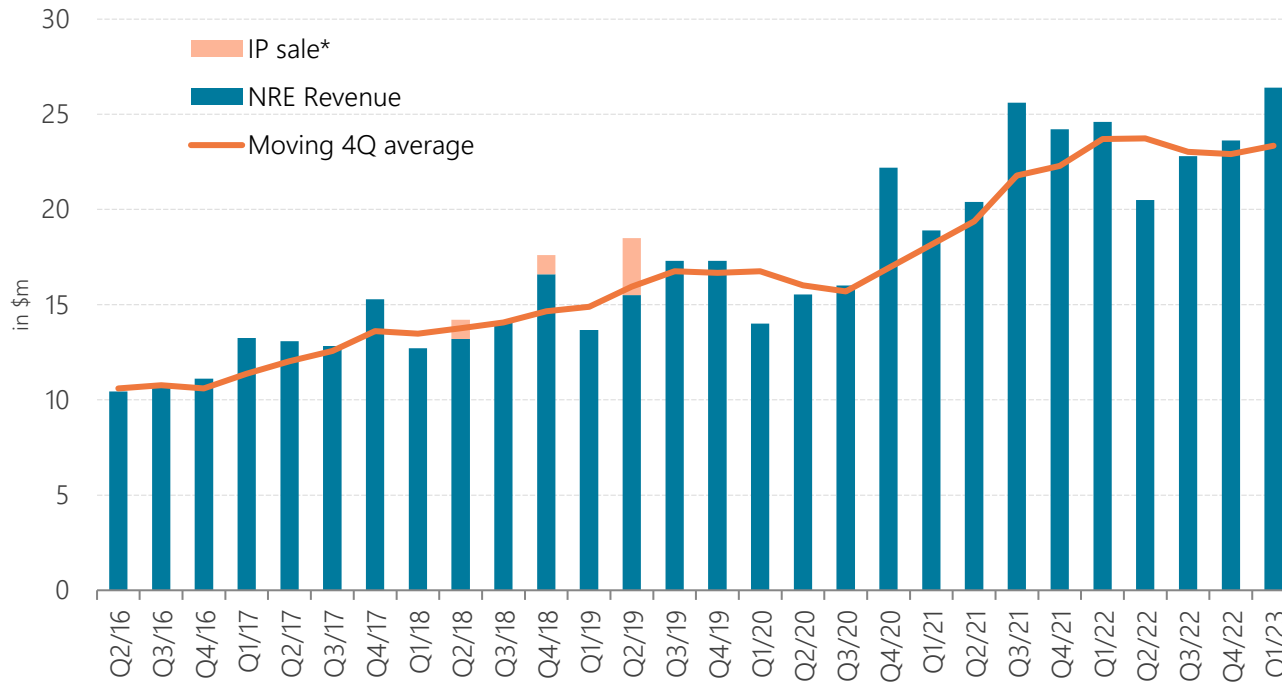


Core business: **89%**

Major growth drivers: **automotive & industrial** applications

Strong prototyping pipeline

Prototyping revenue as indicator for future growth and business mix

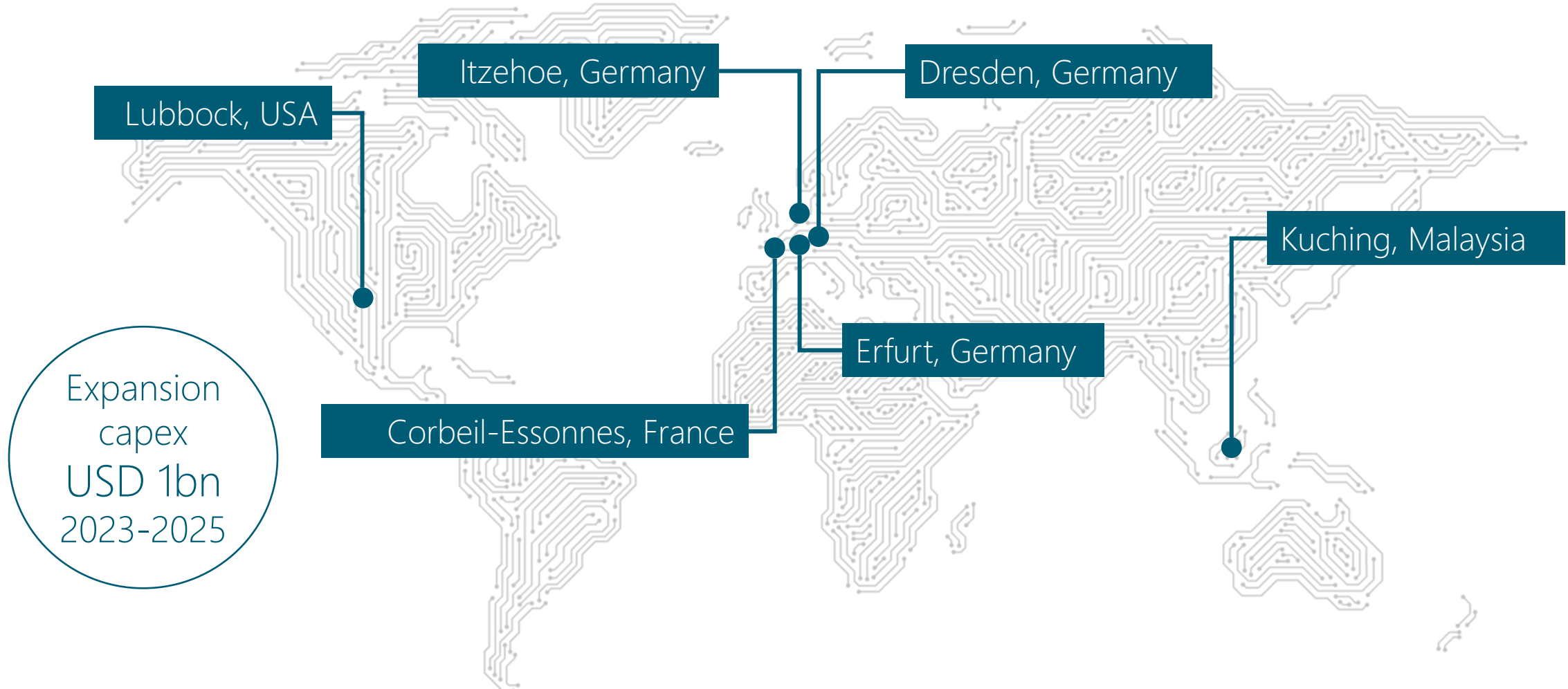


- › Next generation automotive technology on 110nm underway
- › 250 prototypes per quarter, each representing new future business
- › Valuing X-FAB's technology IP

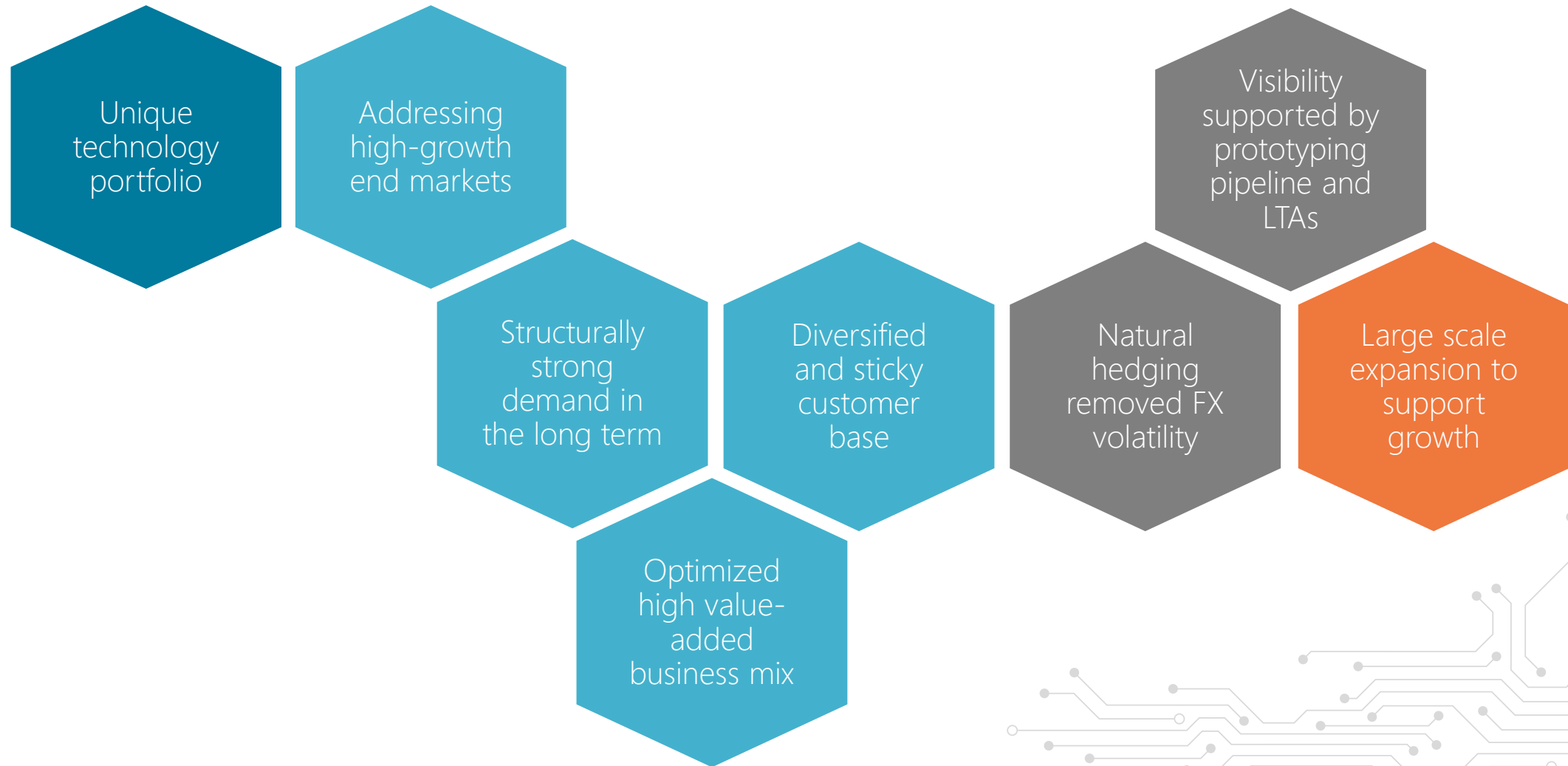
*IP sale not directly related to prototyping

Building the right capacity to support growth

Major investment program to expand capacity across all sites




The building blocks for success



The way forward

X-FAB – sustainable growth and business success by providing much sought-after specialty technologies in high-growth end markets

The logo for xfab, featuring the lowercase letters 'xfab' in a bold, blue, sans-serif font. The 'x' is slightly larger and more prominent than the other letters.A circular graphic with a white center and a light blue border, containing the text 'USD 1.5bn revenue by 2026'.

USD 1.5bn
revenue
by 2026

A circular graphic with a white center and a light blue border, containing the text '30-35% EBITDA margin'.

30-35%
EBITDA
margin

Responsible growth – ESG at X-FAB



Drive technological innovation to support sustainability goals for climate action and health and well-being.



Promote diversity and inclusion within the workplace to ensure equal opportunities for all employees.



Reduce carbon footprint, normalized to stepped mask layers, by 40% by 2030 compared to 2021.



Lower water consumption, normalized to by stepped mask layers, by 20% by 2030 compared to 2021 levels.

xfab

Thank you.

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