

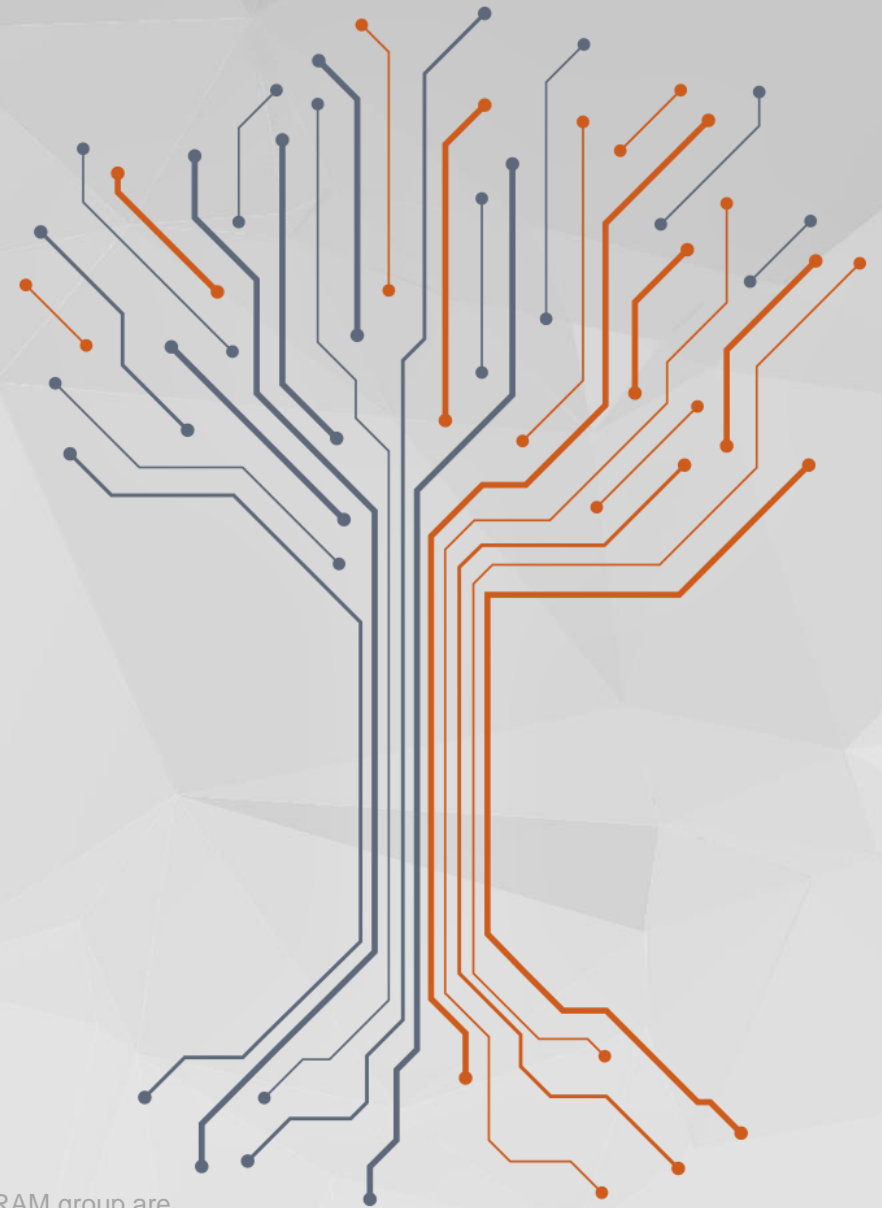


## First quarter results 2021

Alexander Everke, CEO  
Ingo Bank, CFO  
Moritz M. Gmeiner, Head of IR

May 2021

**Please note:** The ams brand is owned by ams AG, the OSRAM brand is owned by OSRAM GmbH. ams group and OSRAM group are in the process of integration. The combination of the ams and OSRAM brand is not representing a new brand. This is a visual symbol of the two companies coming together, representing the aspiration of our future joined group.



# ams and OSRAM at a glance



>5.5 bn

USD combined  
revenues 2020\*

5,500+

Engineers

20,000+

Customers

~30,000

Employees

~60/40%

AIM/consumer  
revenue split H2 2020

40+

Major R&D  
Locations

15,000+

Patents granted  
and applied

110+

Years design +  
manufacturing

# Vision and mission for ams and OSRAM

Create the uncontested leader in optical solutions

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Sensing



Illumination



Visualization



Become the uncontested leader in optical solutions through bold investments in disruptive innovation and continuous transformation delivering best in class profitability and growth

# Pursue market leadership in key optical segments

For our focus technologies

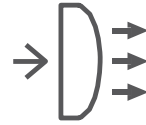
Key solution components

## Emitters



- LEDs
- Micro LED / Mini LED
- VCSELs / EELs
- Lamps

## Optical components & micro-modules



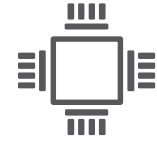
- Optical elements: Lenses, light guides, DOEs
- Micro-optical packaging
- Optical modules

## Detectors



- Light sensors
- Bio-sensors
- Image sensors

## Integrated circuits & algorithms



- Emitter driver ICs
- Sensor interfaces
- Sensor processors (incl. algorithms)

## Micro-Optical Solutions & Lamps

### Sensing



### Illumination



### Visualization



# Leading in optical solutions

Light and sensing in perfect combination

Leading market position in optical solutions, driving disruptive innovation

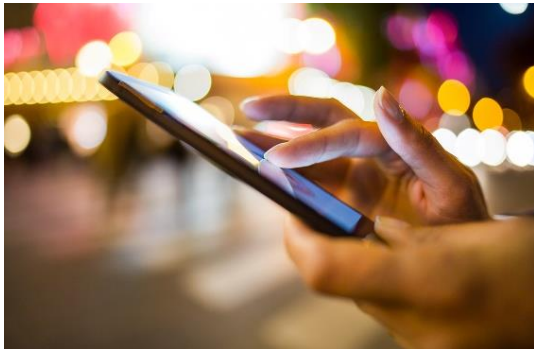
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Strategic positioning

LED (Micro/Mini), VCSEL/EEL, 3D sensing, light sensing, image sensing, spectral sensing

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Key technology areas



## Consumer

- 3D applications
- Augmented Reality
- Display management
- Next generation displays
- Wearables



## Automotive Solutions

- Lighting
- Distance and Ranging
- In Cabin
- Optical Signaling



## Industrial

- Specialized Lighting
- High Performance Imaging
- Distance and Proximity
- Home Automation



## Medical

- X-Ray Imaging
- In Vitro Diagnostics
- Physical Parameters
- 24/7 monitoring



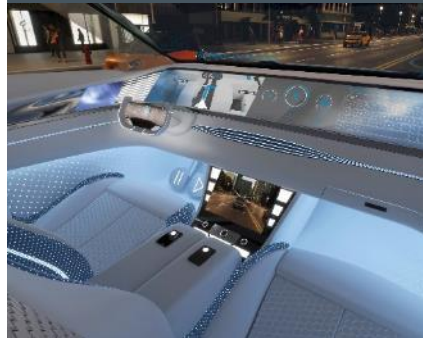
# Enabling innovation in automotive mobility

Driving automotive application and technology trends

Exterior lighting



Interior lighting



Automated + autonomous driving



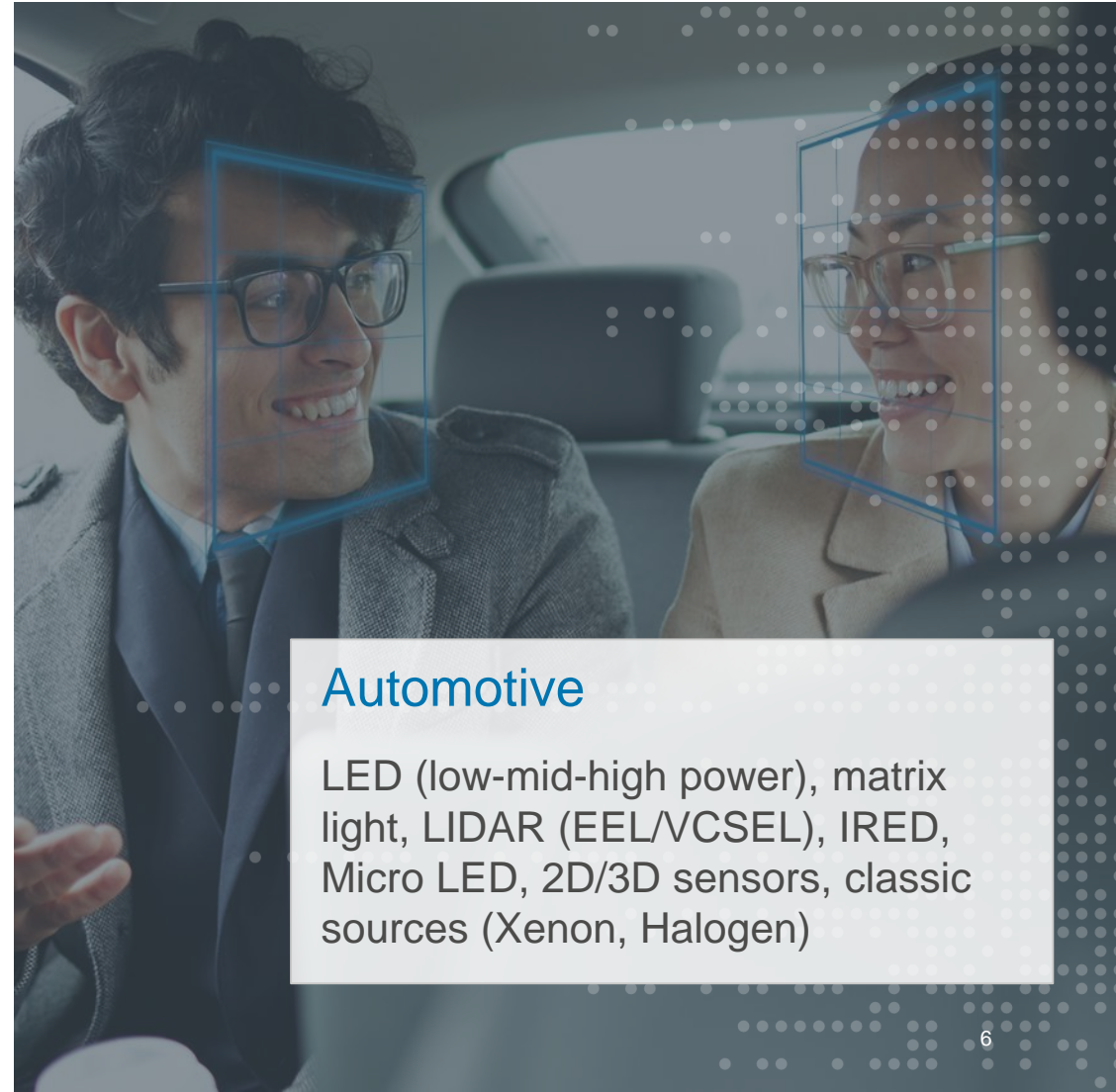
Head-up display



Driver + interior monitoring



Gesture sensing + HMI



## Automotive

LED (low-mid-high power), matrix light, LIDAR (EEL/VCSEL), IRED, Micro LED, 2D/3D sensors, classic sources (Xenon, Halogen)





## Automotive mobility innovation

Interior and exterior lighting

Projected lighting

Next generation highly pixelated headlights

LIDAR (scanning, solid state, FMCW, flash)

Head-up displays

Driver monitoring, interior monitoring

Gesture sensing





## Next gen technology for safer driving

### LIDAR for ADAS and autonomous vehicles

- Edge-emitting, top power density for MEMS and mechanical mirror
- VCSEL-enabled solid-state and flash
- Pulse laser, architecture roadmap (FMCW)

### Highly pixelated headlights

- High resolution forward lighting
- Innovation combines illumination and visualization
- Novel applications for safety and driver assistance



# Enabling innovation in mobile + wearable devices

Creating solutions for consumer application and technology trends



3D authentication



3D AR/VR



Next generation  
Micro LED displays



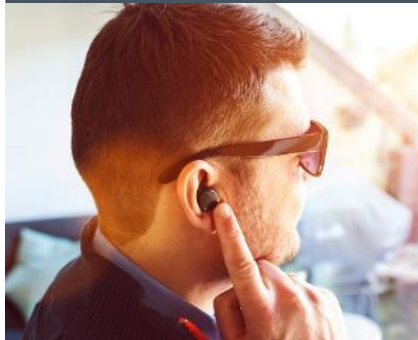
Display  
management



Camera  
enhancement



Presence detection



## Mobile technology

3D sensing, BOLED, Micro LED, Mini LED, LED, IRED, color sensing, proximity sensing, VCSEL/EEL, near-to-eye, AWB, spectral sensing, ANC



## Enabling next gen mobile devices

Micro LED for displays

World-facing 3D for Augmented Reality

3D behind OLED display

New wearables (glasses, patches, headwear)

AR/VR, near-to-eye technologies

Sensors/drivers in Micro LED displays

Next generation sensing e.g. self-mixing interferometry (SMI)







## Next generation Micro LED displays

- New display paradigm in performance + power consumption
- Excellent technology position in epitaxy + wafer processing, extensive know-how along process chain
- Driving industrialization, followed by seamless sensor-display integration

## Mini LED

- Enhance current displays via backlight
- Innovation potential beyond backlighting



## New possibilities for mobile device AR/VR/camera

- World-facing 3D for new features including AR/VR + camera enhancing
- 3D dToF + other ToF system portfolio
- Wide-range vivid 3D scene modeling, lowlight bokeh, fast precise AF

## AR/VR near-to-eye technologies

- Driving high performance visualization for consumer/prosumer (LED, laser)
- Near-to-eye sensing for future AR devices



# Enabling new medical and health applications

Non-invasive and point of care technologies

Medical imaging



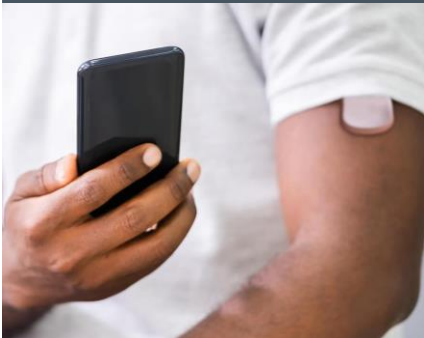
Point of care diagnostics



UV-C disinfection



Digital health



Micro camera endoscopy



## Medical & Healthcare

CT sensing + photon counting, digital X-Ray sensing, spectral sensing, UV-C, NanEye, LED

## Digital Health revolution

### In-vitro diagnostics

- Saliva, blood, other body fluids
- Viruses, bacteria, antibodies, hormones

### Vital sign sensing

- Watches, patches, hearables, headwear
- ECG, HRV, SpO2, blood pressure, hydration + more

### From treatment to prevention: home use diagnostics

- Reducing healthcare and insurance cost
- Fast, early, inexpensive testing / monitoring
- Smartphones connected to medical cloud





# Enhancing sensing + optical solutions for Industry

Technologies for Industry 5.0 applications

Industrial IoT + automation



Access control + security monitoring



Near-infrared spectroscopy



Industrial imaging + machine vision



Robotics



UV-C disinfection



**Industry**  
Near-infrared spectroscopy, IRED, LIDAR, EEL/VCSEL, UV-C



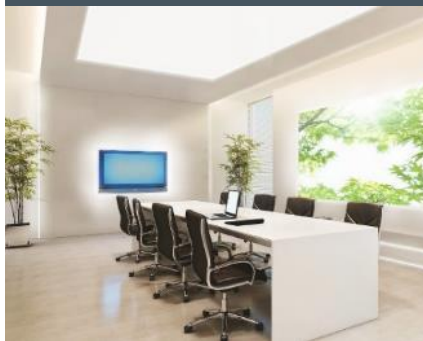
# Enabling specialty lighting applications

Lighting applications and technology

Horticulture



Smart indoor



Smart outdoor



Disinfection



Event + special purpose



## Lighting

LED, Mini LED, control systems,  
UV-C, IRED





## Lighting + sensing innovation

Quantum dots: Light conversion,  
IR imaging, in-vitro diagnostics

UV-C LEDs

Direct photon counting for CT

Computational and diffractive optics

Self-mixing interference lasers  
for self-mixing interferometry (SMI)

Mid-IR sources and detectors

Spectral imaging

Artificial Intelligence in optical solutions

# Integration fully on track



Full business control of OSRAM, domination and profit and loss transfer agreement (DPLTA) in effect



New global organization defined, roll-out ongoing



New segment and financial reporting framework in place



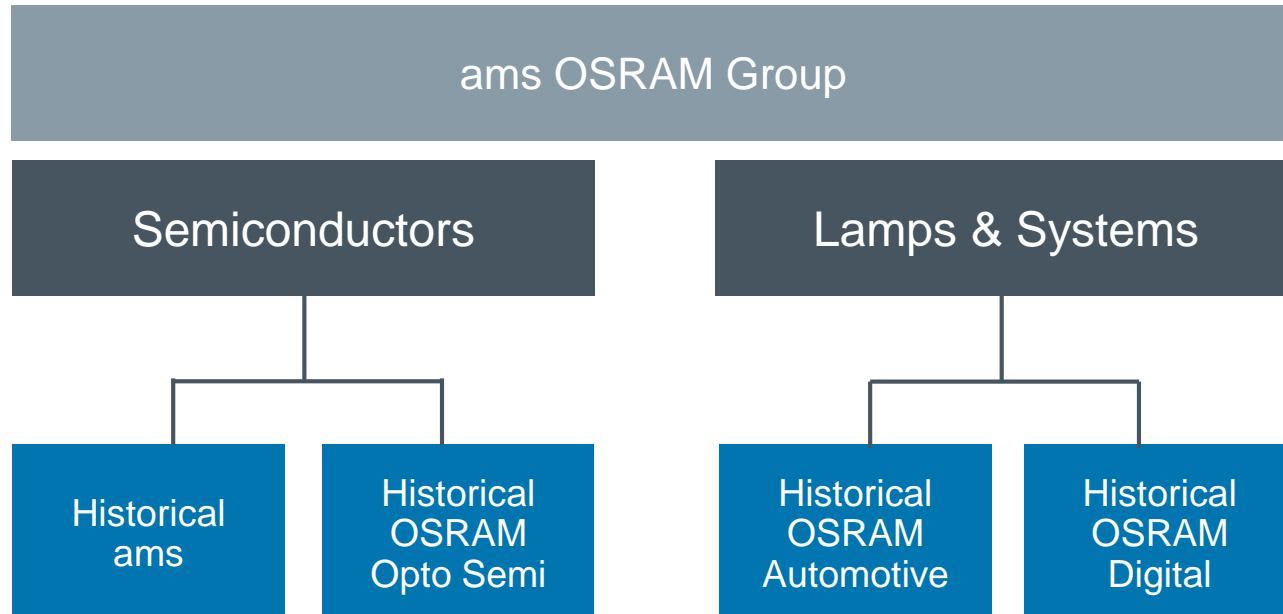
Increased expected total synergies and savings to EUR 350m, EUR 50m pre-DPLTA savings realized



Portfolio alignment in progress, active M&A processes



# New reporting segments

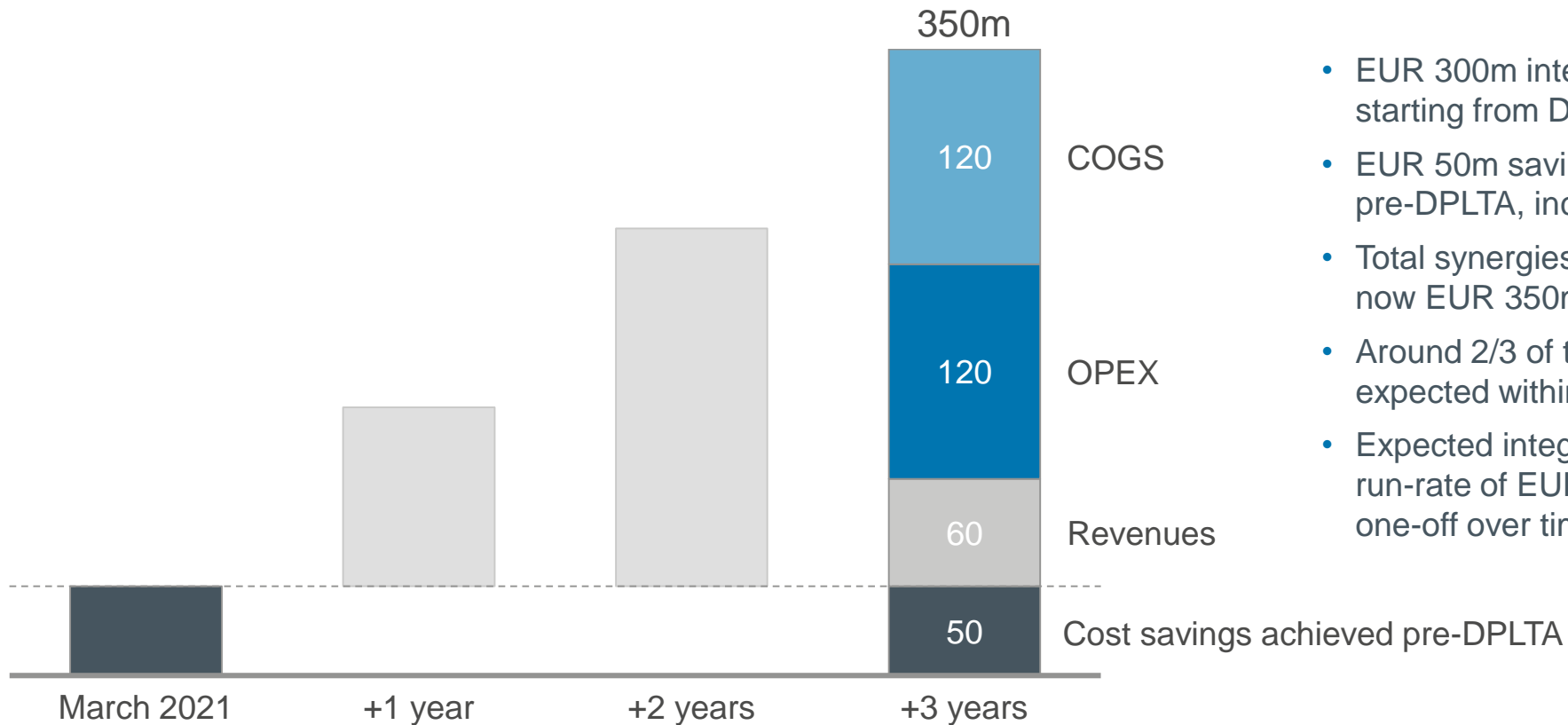


## Key aspects

- Clear reporting structure driven by technological approach
- Semiconductors leverages semiconductor know-how and manufacturing resources across businesses
- Lamps & Systems contains more self-sufficient businesses, historical OSRAM Digital in focus for portfolio streamlining

# Expected total synergies/cost savings increased

## EUR 350m total synergies and cost savings (in m)



## Key aspects

- EUR 300m integration synergies confirmed starting from DPLTA effective date
- EUR 50m savings already achieved pre-DPLTA, included as new baseline
- Total synergies + pre-DPLTA cost savings now EUR 350m
- Around 2/3 of total integration synergies expected within first two years
- Expected integration costs equivalent to ~1.3x run-rate of EUR 300m integration synergies, one-off over time



## Q1 2021

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- Healthy demand drives positive group results, sequential revenue decline reflects expected typical seasonal effects
- Ongoing strong automotive demand
- Very solid group adjusted operating margin, robust cash flow generation
- Historical ams business with revenues in upper half and adj. operating profitability at top end of final guidance range

## Q2 2021

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- Guidance for total ams OSRAM group
- Continued strength in automotive market, other end markets generally supportive

# Overview key financials

USDm

		Q1 2021	Q4 2020
Revenues		1,549	1,706
Gross margin	(adjusted) <sup>1)</sup>	35%	35%
Result from operations (EBIT)	(adjusted) <sup>1)</sup>	172	285
EBIT margin	(adjusted) <sup>1)</sup>	11%	17%
Net result	(adjusted) <sup>1)</sup>	89	183
EPS (basic) in USD	(adjusted) <sup>1)</sup> (IFRS reported)	0.38 0.03	0.62 0.20
EPS (basic) in CHF <sup>2)</sup>	(adjusted) <sup>1)</sup> (IFRS reported)	0.34 0.03	0.55 0.18

<sup>1)</sup> Excl. M&A-related, transformation and share-based compensation costs and results from sale of business units and equity investments.

<sup>2)</sup> Earnings per share in CHF were converted using the average currency exchange rate for the respective periods.

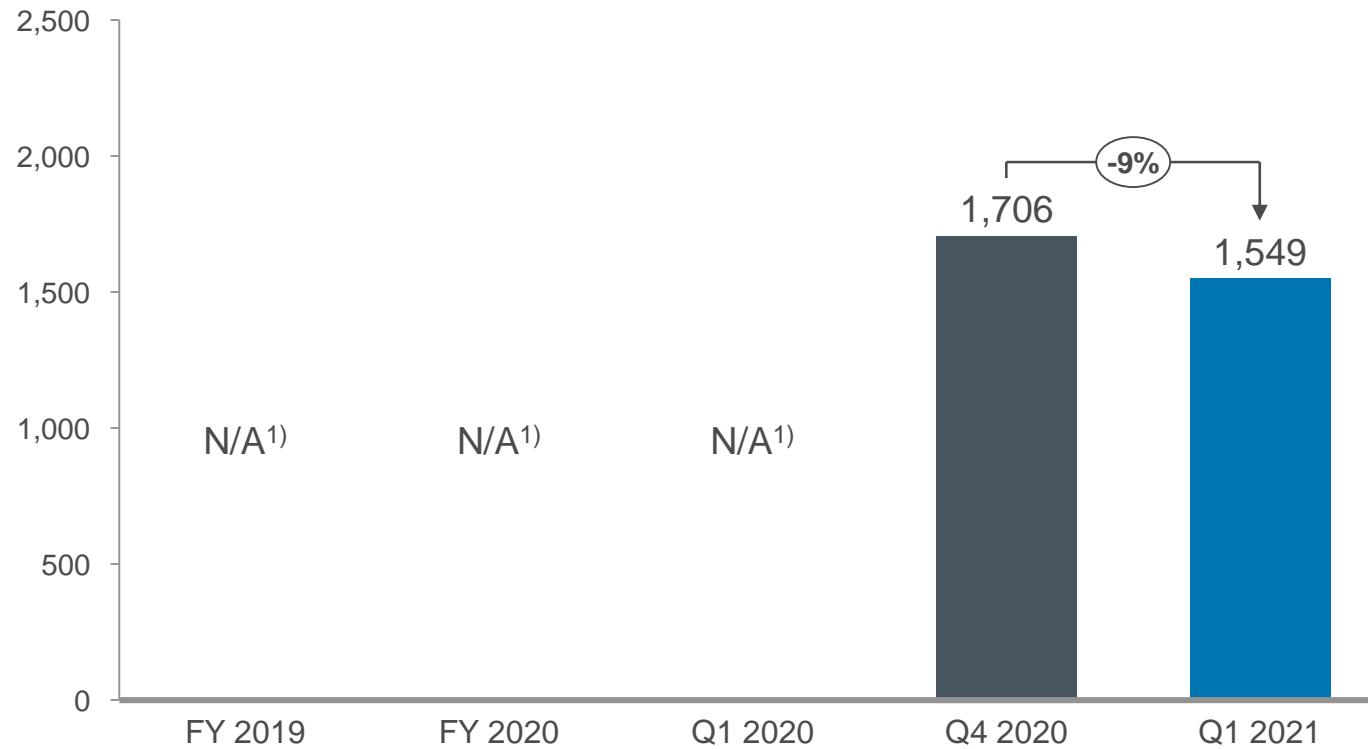
Note: All USD figures are based on FX rate EUR/USD 1.2083 for Q1 2021; historic figures are recalculated based on the same FX rate.



# Revenues

USDm

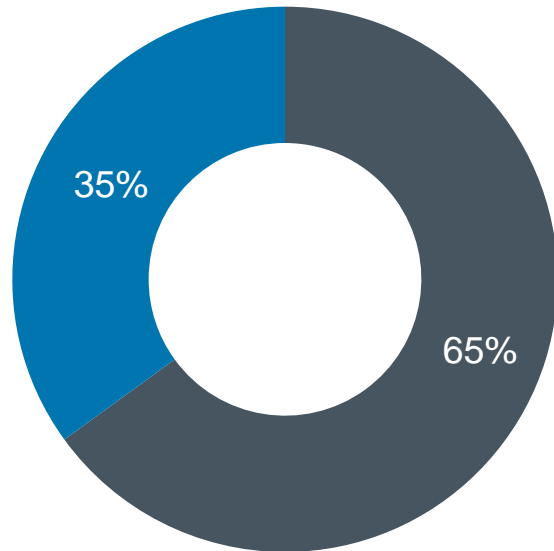
## Total revenues



<sup>1)</sup> Historical figures for the combined group are not available as consolidation started in Q3 2020.

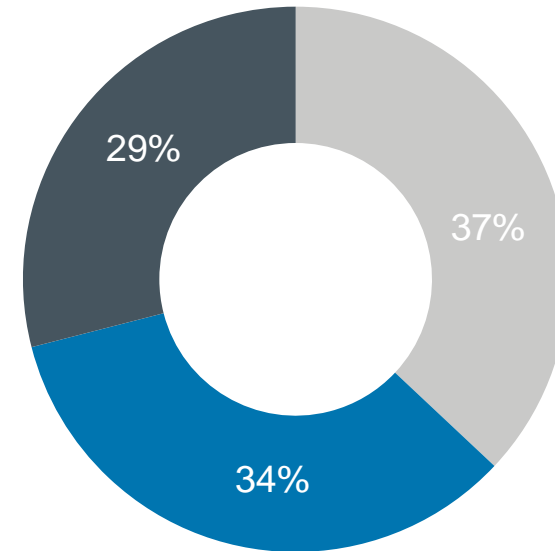
# Revenue split

Revenues per segment Q1 2021<sup>1)</sup>



■ Semiconductors ■ Lamps & Systems

Revenues per end market H2 2020



■ Consumer ■ Automotive ■ Industrial and Medical

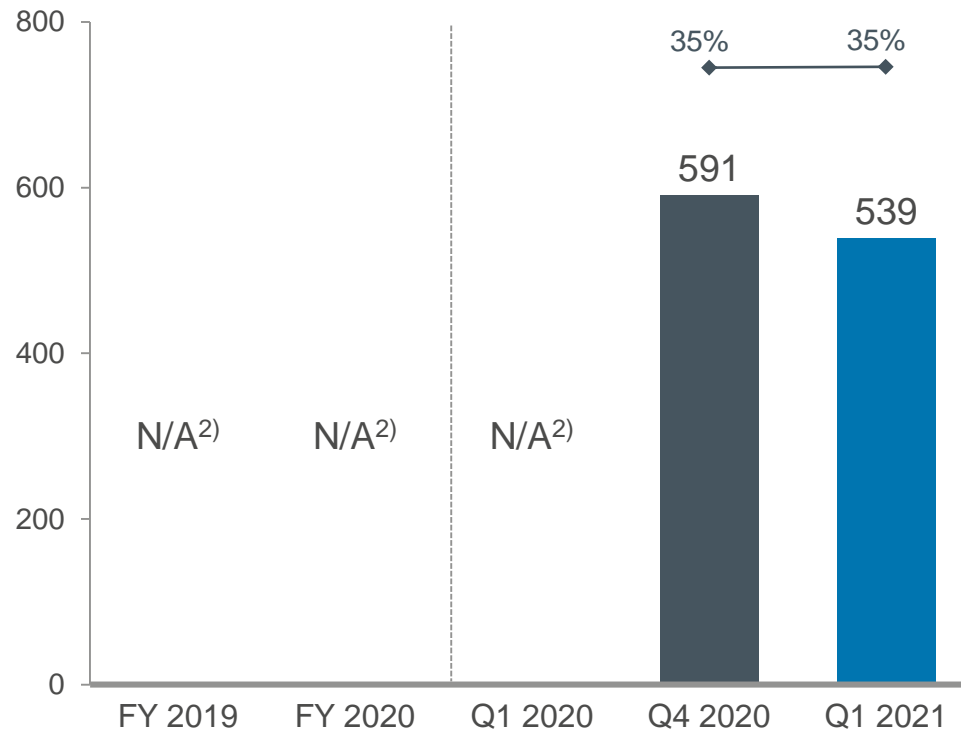
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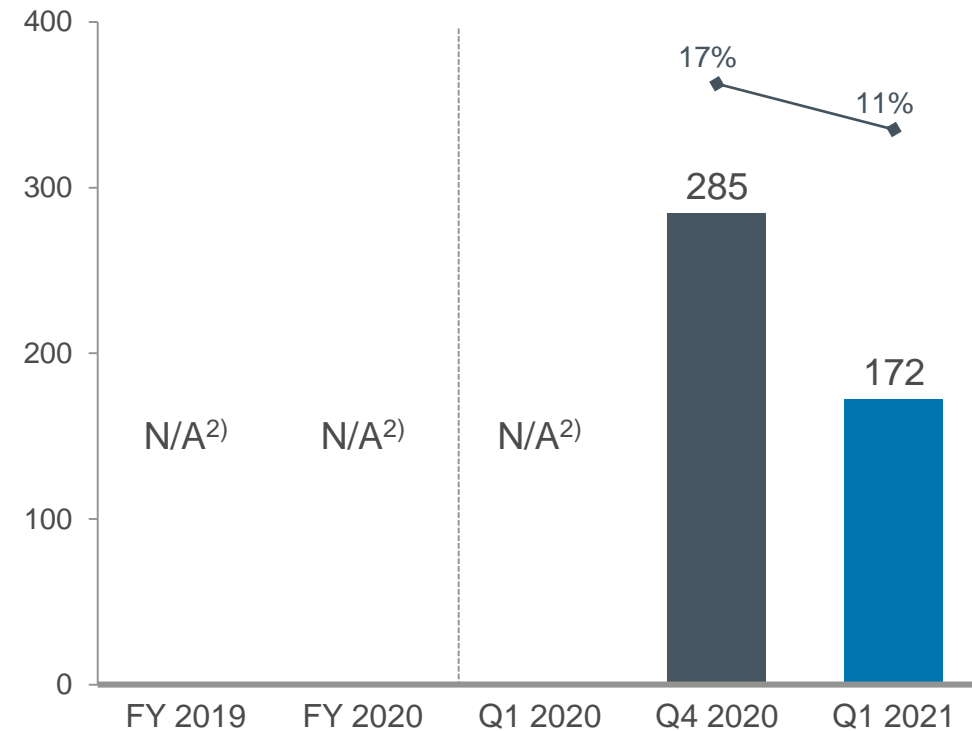
# Gross profit, operating profit (EBIT)

USDm, % of revenues

## Gross profit, gross margin (adj.)<sup>1)</sup>



## EBIT, EBIT margin (adj.)<sup>1)</sup>



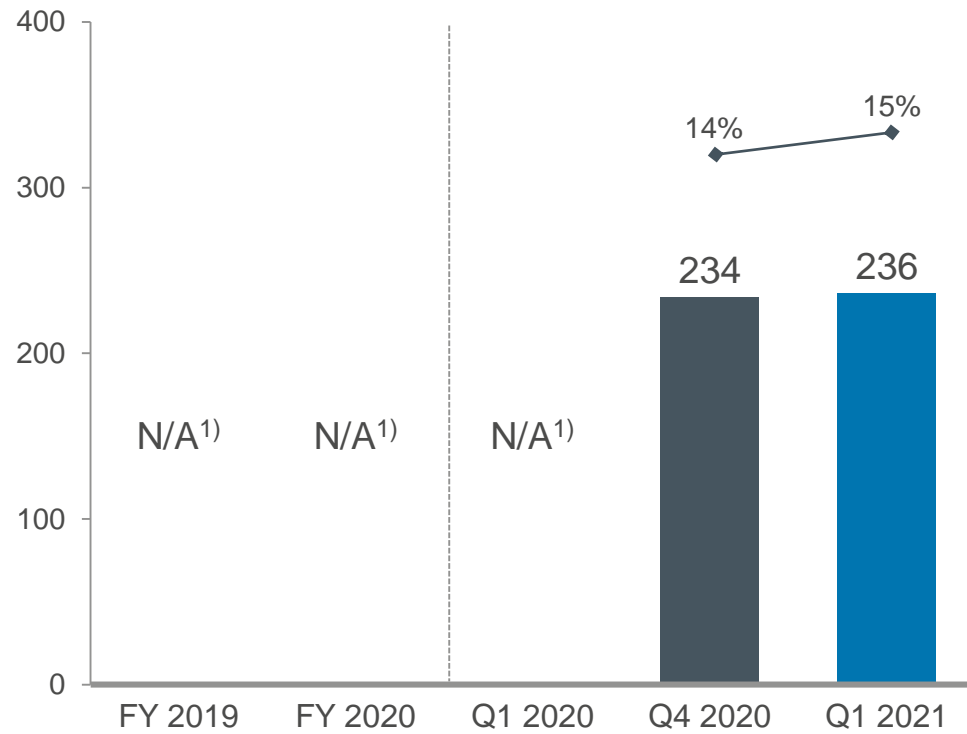
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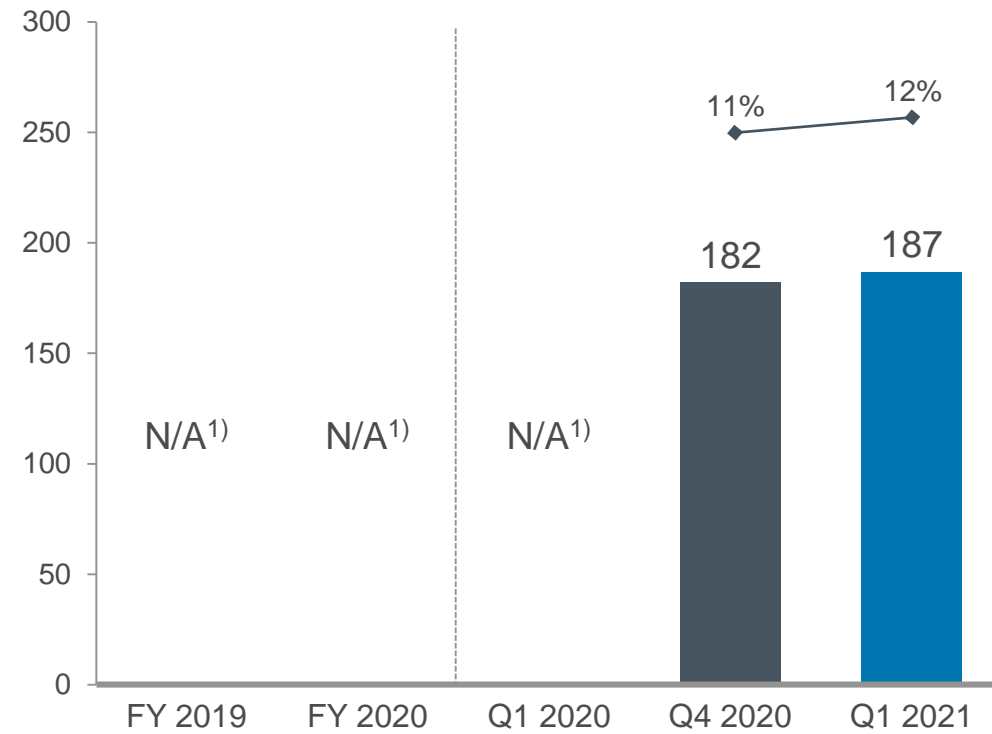
# Operating expenses

USDm, % of revenues

## SG&A



## R&D



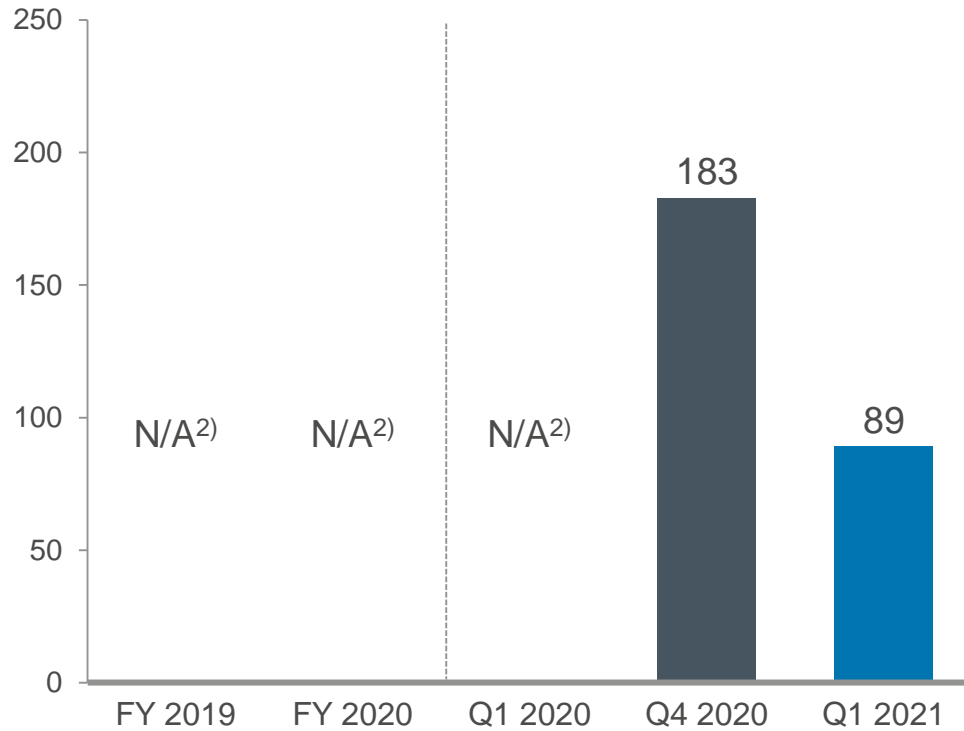
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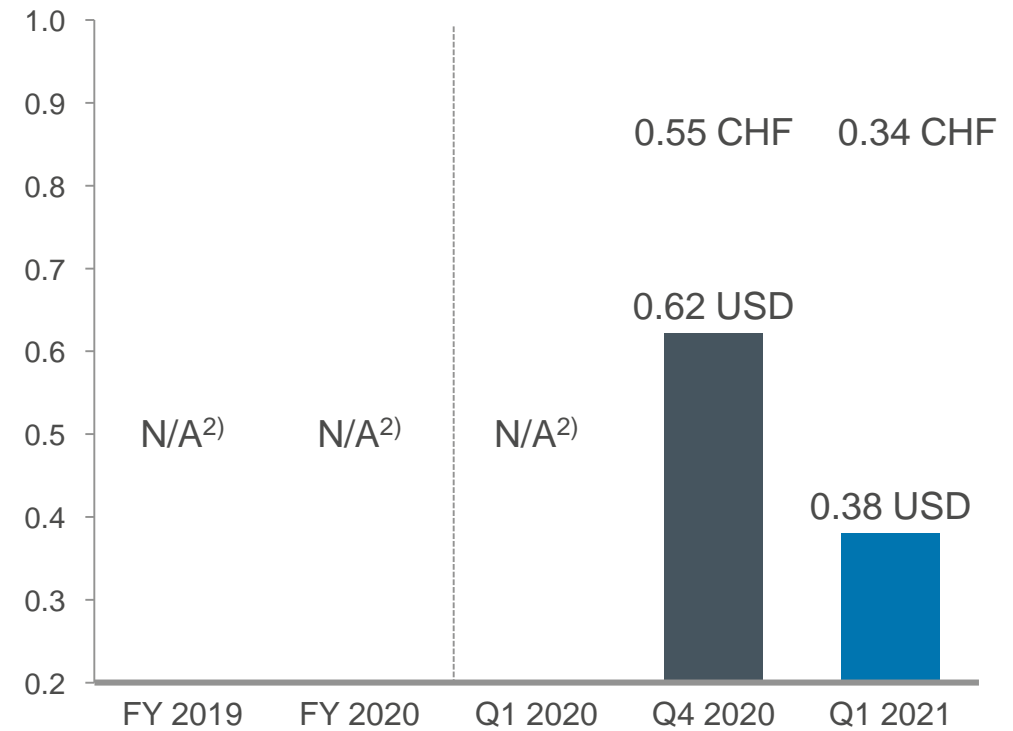
# Net result and EPS

USDm, USD per share

## Net result (adj.)<sup>1)</sup>



## EPS basic (adj.)<sup>1)2)</sup>



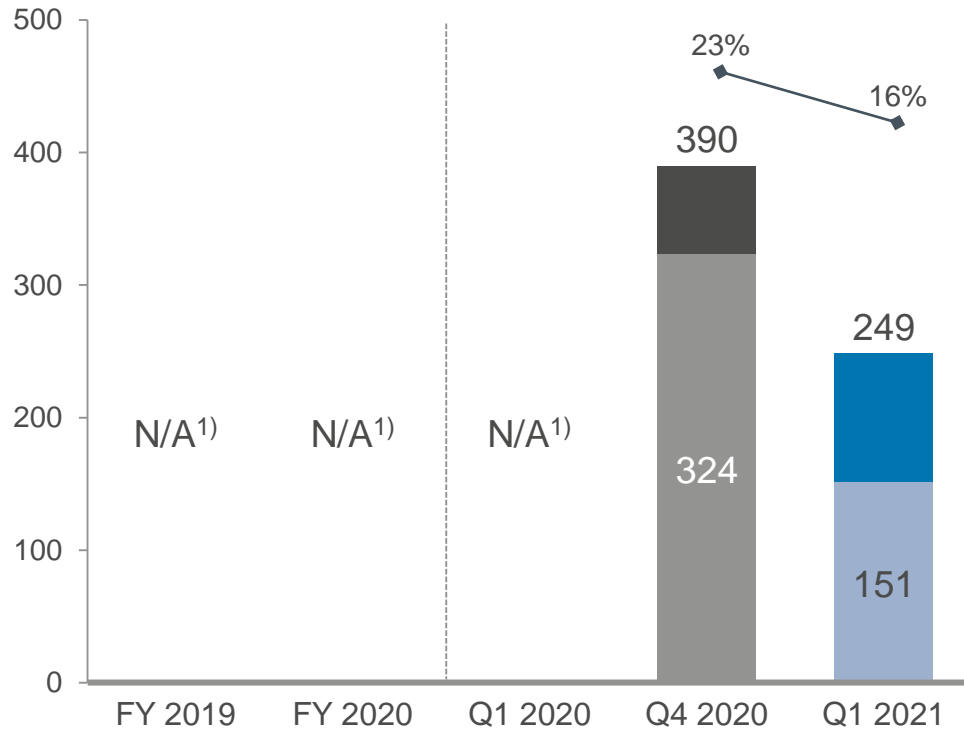
<sup>1)</sup> Excluding M&A-related, transformation and share-based compensation costs and results from sale of business units and equity investments.

<sup>2)</sup> Historical figures for the combined group are not available as consolidation started in Q3 2020.

# Cash flow, CAPEX

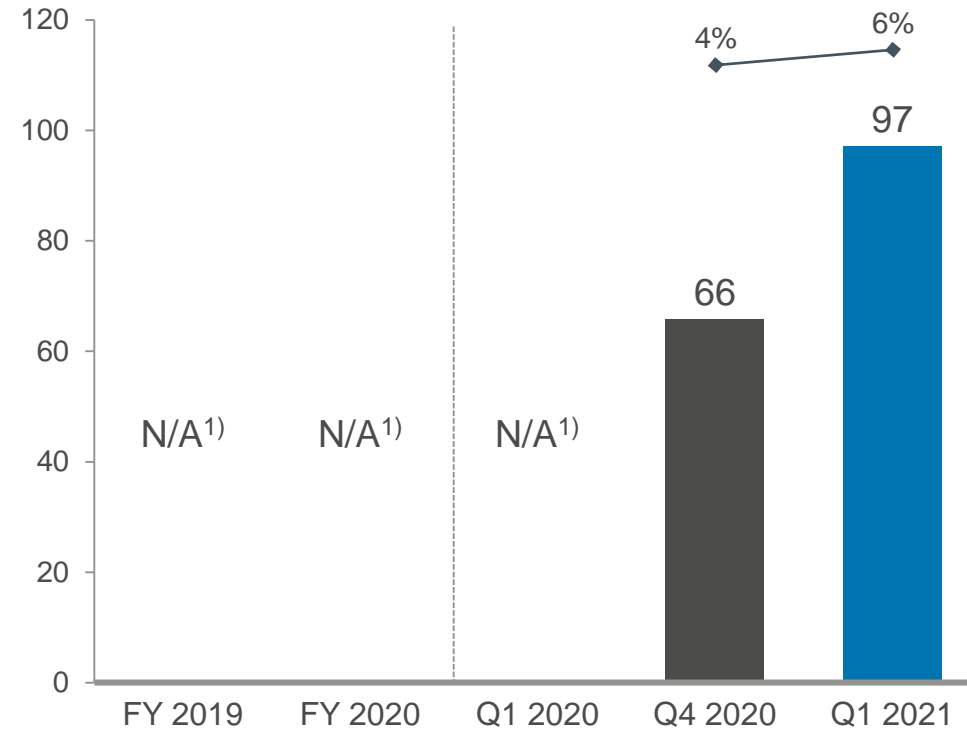
USDm, % of revenues

## Operating / Free cash flow (FCF)



Operating cash flow Free cash flow

## Capital expenditures

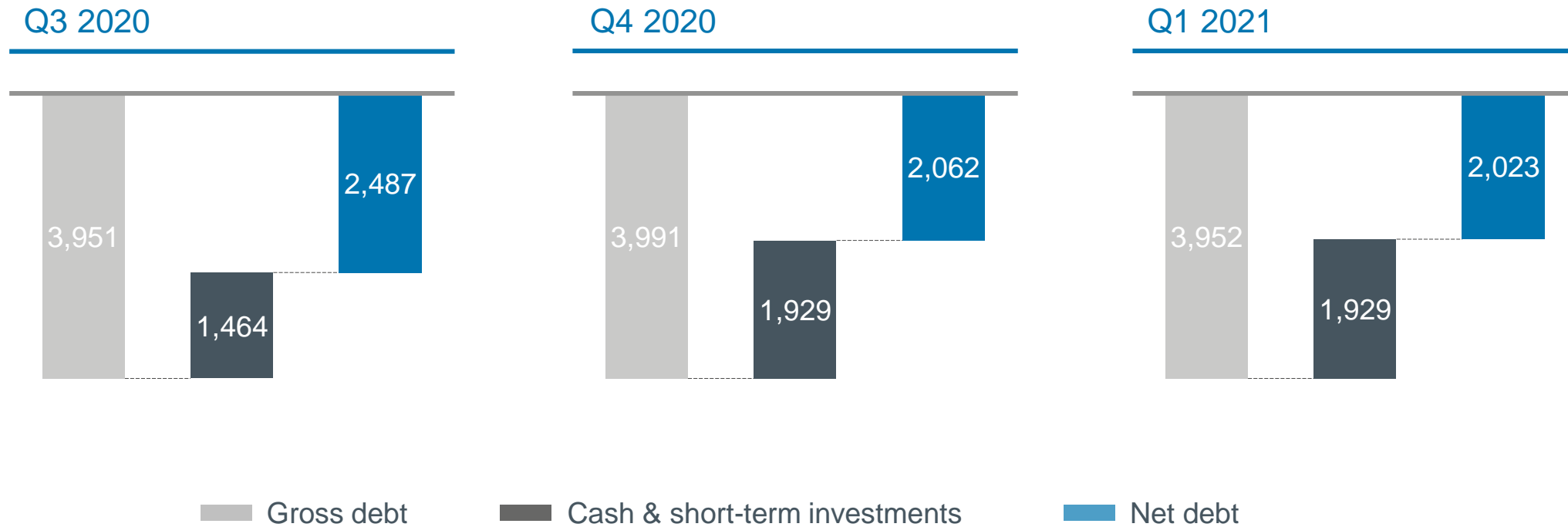


<sup>1)</sup> Historical figures for the combined group are not available as consolidation started in Q3 2020.



# Cash and debt overview

USDm



- Group leverage of 1.7x net debt/adjusted<sup>1)</sup> EBITDA at end of Q1 2021

<sup>1)</sup> Excluding M&A-related, transformation and share-based compensation costs and results from sale of business units and equity investments

# Outlook ams OSRAM group Q2 2021

## Revenues

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USD 1,430-1,530 million

## Operating profitability

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7-10%

Adjusted EBIT margin

## Guidance structure

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Quarterly guidance for  
ams OSRAM group

- Revenues
- Adj. EBIT

OSRAM financial reporting  
continues in line with statutory  
requirements until delisting effective

# Delisting offer

Unconditional offer for all OSRAM shareholders prior to delisting from regulated markets

## Key terms

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- Public offer for all outstanding OSRAM shares in connection with the delisting
- Offer price EUR 52.30; max. total consideration EUR 1.4bn<sup>1</sup>
- Attractive offer at 15% premium to cash compensation under DPLTA
- Unconditional offer, no acceptance threshold
- ams current holds ~72% of OSRAM shares
- 4-week offer period expected to start on 21 May, following regulatory approval

## Aspects and rationale

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- Next logical step to realize full ownership and drive integration of OSRAM
- Tendered shares reduce annual compensation payment obligation under DPLTA
- Total consideration already fully financed, no additional financing needs
- Eliminate listing-related costs for OSRAM and streamline resources

<sup>1</sup>) Based on the offer price and 100% acceptance rate by all remaining shareholders





ams  OSRAM

Thank you

**Please note:** The ams brand is owned by ams AG, the OSRAM brand is owned by OSRAM GmbH. ams group and OSRAM group are in the process of integration. The combination of the ams and OSRAM brand is not representing a new brand. This is a visual symbol of the two companies coming together, representing the aspiration of our future joined group.

# Profit and loss statement

USDm

	Q1 2021	Q1 2020 <sup>2)</sup>
Revenues	1,549	549
Gross profit	500	204
• Gross margin (adjusted <sup>1)</sup> )	35%	39%
• Gross margin (IFRS reported)	32%	37%
Research and development	-187	-72
Selling, general and administrative	-236	-71
Other operating income/expenses	10	4
Results from equity investments	-5	0
Result from operations (EBIT)	81	65
• EBIT margin (adjusted <sup>1)</sup> )	11%	20%
• EBIT margin (IFRS reported)	5%	12%
Net financing costs	-69	-80
Result before tax	12	14
Income tax result	-12	-3
Net result (adjusted <sup>1)</sup> )	89	28
Net result (IFRS reported)	-2	-17

<sup>1)</sup> Excl. M&A-related, transformation and share-based compensation costs and results from sale of business units and equity investments.

<sup>2)</sup> Q1 2020 figures reflect pre OSRAM consolidation, which commenced Q3 2020.

# Balance sheet

USDm

Assets	Mar 31, 2021	Dec 31, 2020	Liabilities and equity	Mar 31, 2021	Dec 31, 2020
Cash and short term invest.	1,929	1,929	Interest-bearing debt	248	286
Financial investments	10	23	Trade liabilities	686	659
Trade receivables	811	750	Tax liabilities	102	16
Inventories	1,076	1,037	Provisions	389	524
Other current assets	178	205	Other liabilities	2,027	2,049
Assets held for sale	106	58	Liabil. assets held for sale	175	154
<b>Total current assets</b>	<b>4,110</b>	<b>4,001</b>	<b>Total current liabilities</b>	<b>3,628</b>	<b>3,688</b>
Fixed assets	2,304	2,342	Interest-bearing debt	3,704	3,705
Intangible assets	4,905	4,895	Employee benefits	248	263
Right of use assets	345	349	Deferred tax liabilities	269	274
Investments in associates	121	100	Long term provisions	54	54
Deferred tax asset	196	200	Other liabilities	392	396
Other non-current assets	115	106			
Long-term financial assets	32	45			
<b>Total non-current assets</b>	<b>8,019</b>	<b>8,037</b>	<b>Total non-current liabilities</b>	<b>4,667</b>	<b>4,693</b>
			Shareholders' equity ams	3,904	3,731
			Equity minority interest	-70	-73
<b>Total assets</b>	<b>12,129</b>	<b>12,039</b>	<b>Total liabil. and equity</b>	<b>12,129</b>	<b>12,039</b>



# Cash flow statement

USDm

	Q1 2021	Q1 2020 <sup>1)</sup>
Result before tax	12	-14
Depreciation	191	92
Cash flow from operations	249	257
Capital expenditures	-97	-40
Acquisition of subsidiaries, net of cash acquired	-16	0
Acquisition/disposal financial investments	-10	-189
Cash flow from investing activities	-114	-177
Proceeds from borrowings	115	110
Repayment of debt	-200	-37
Sale of treasury shares	3	169
Interest paid	-67	-12
Cash flow from financing activities	-166	212
Change in cash and cash equivalents (incl. effects of changes in foreign exchange rates)	8	301
Cash and cash equivalents at end of period	1,929	906

<sup>1)</sup> Q1 2020 figures reflect pre OSRAM consolidation, which commenced Q3 2020.