

Press release

Siltronic AG
Einsteinstrasse 172
81677 Munich
www.siltronic.com

Siltronic demonstrates resilience in the financial year 2024 – Muted expectations for 2025 due to continued high inventory levels

- **Sales decrease to EUR 1,412.8 million and EBITDA to EUR 363.8 million in 2024 –
EBITDA margin of 25.8 percent**

- **Guidance: Reduction of inventory levels at chip manufacturers and their customers will
also shape 2025**
 - **Sales expected to be in the region of the previous year, no increase year-over-year
expected**
 - **H1 2025 sales expected to be in the high single-digit percentage range below H2
2024**
 - **EBITDA margin between 22 and 27 percent**
 - **Capex significantly reduced to a range of EUR 350 to 400 million**

Munich, Germany, March 6, 2025 – Despite challenging conditions, Siltronic AG (MDAX/TecDAX: WAF) demonstrated resilience in the 2024 financial year. Accordingly, the company achieved sales of EUR 1,412.8 million (2023: EUR 1,513.8 million) and an EBITDA of EUR 363.8 million (2023: EUR 433.9 million), confirming the figures published at the beginning of February. In an environment of continued weak demand, a solid EBITDA margin of 25.8 percent (2023: 28.7 percent) was achieved.

"Siltronic closed the 2024 financial year at the upper end of expectations and acted consistently in a difficult market environment," says Dr. Michael Heckmeier, CEO of Siltronic AG. "Despite growing end markets, particularly through Artificial Intelligence, 2025 will also be characterized by the reduction of still elevated inventory levels at chip manufacturers and their customers. At the same time, we are continuously working on our costs to strengthen our competitiveness. With our new capacities and innovative strength, we are perfectly positioned for the upcoming recovery."

Business Development 2024 – resilient despite continued demand weakness

In EUR million	2024	2023	Q4 2024	Q3 2024
Sales	1,412.8	1,513.8	360.6	357.3
Cost of sales	-1,137.4	-1,141.6	-295.1	-288.1
Gross profit	275.4	372.2	65.5	69.2
Gross margin in %	19.5	24.6	18.2	19.4
EBITDA	363.8	433.9	93.0	89.4
EBITDA margin in %	25.8	28.7	25.8	25.0
Depreciation, amortization and impairment less reversals	-238.5	-202.5	-65.6	-60.5
EBIT	125.2	231.3	27.4	28.9
EBIT margin in %	8.9	15.3	7.6	8.1
Financial result	-24.9	-0.5	-8.5	-6.6
Result before income taxes	100.3	230.8	18.9	22.3
Income taxes	-33.1	-29.5	-20.6	-3.5
Tax rate in %	33	13	109	16
Result for the period	67.2	201.3	-1.6	18.8
Earnings per share In EUR	2.10	6.15	-0.08	0.60

Group sales decreased by 6.7 percent in the financial year 2024 – the guidance was in the high single-digit percentage range – to EUR 1,412.8 million. This was due to slightly negative price and product mix effects and a lower wafer area sold. The price decline was most pronounced for older product types with diameters up to 200 mm.

Cost of sales decreased by EUR 4.2 million year-over-year to EUR 1,137.4 million. This decrease was mainly due to the lower wafer area sold. Cost of sales decreased at a lower percentage than sales, primarily due to higher depreciation related to capital expenditures and lower fixed cost dilution. On the other hand, the cost for raw materials and supplies slightly decreased in line with the relative volume decline compared to the previous year. Overall, the gross margin decreased from 24.6 percent to 19.5 percent.

In order to mitigate risks from FX developments, Siltronic implemented currency hedging measures, which resulted in a net expense from exchange rate effects of EUR 0.3 million in 2024, compared to a gain of EUR 16.5 million in 2023.

In the reporting year, Siltronic achieved an EBITDA of EUR 363.8 million (2023: EUR 433.9 million). The EBITDA margin of 25.8 percent (2023: 28.7 percent) remained resilient despite the prolonged weak demand – the guidance was between 24 and 26 percent. The main reasons for the year-over-year decline in EBITDA margin are the lower sales level and a deteriorated result from FX effects. With the increase in depreciation due to the continued high capex activity by EUR 36.0 million, the operating result (EBIT) fell significantly to EUR 125.2 million, compared to EUR 231.3 million in the previous year.

The financial result decreased significantly to EUR -24.9 million (2023: EUR -0.5 million). This is partly due to a lower net result from financial investments, and partly due to loans to support the financing of capex, which led to a noticeable increase in interest expenses on loans.

In the past financial year, income taxes amounted to EUR 33.1 million (2023: EUR 29.5 million). The Group's tax rate for the reporting year was 33 percent (2023: 13 percent). The higher tax rate is due to deferred tax effects. This resulted in a net profit of EUR 67.2 million (2023: EUR 201.3 million), of which EUR 63.0 million (2023: EUR 184.4 million) was attributable to the shareholders of Siltronic AG. Earnings per share reached EUR 2.10 compared to EUR 6.15 in the previous year.

Cash flow development characterized by increased investment levels

In EUR million	2024	2023
Cash flow from operating activities	344.5	487.9
Proceeds/payments for capital expenditure including intangible assets	-667.5	-1,112.1
Free cash flow	-323.0	-624.2
Cash-effective change in prepayments	26.0	-39.3
Net cash flow	-297.0	-663.5

In the past financial year, payments for capex including intangible assets significantly decreased to EUR 667.5 million, compared to EUR 1,112.1 million in the previous year. As expected, both the free cash flow (2024: EUR -323.0 million) and the net cash flow (2024: EUR -297.0 million) improved considerably year-over-year. However, the still elevated capex level once again resulted in both remaining clearly negative.

Healthy statement of financial position

In EUR million	Dec. 31, 2024	Dec. 31, 2023
Total assets	5,084.4	4,504.9
Cash and cash equivalents	663.7	456.9
Equity	2,215.2	2,099.7
Equity ratio	% 43.6	46.6
Net financial debt	733.5	355.7

As of December 31, 2024, total assets, with significantly increased property, plant and equipment, reached EUR 5,084.4 million (previous year: EUR 4,504.9 million). The equity ratio remained at a healthy level of 43.6 percent (2023: 46.6 percent). The high capex at the end of 2023, some of which was not due for payment until 2024 led to payments for capex (EUR 667.5 million) significantly exceeding the balance sheet additions for the reporting year (EUR 523.4 million). The majority of balance sheet additions was allocated to the construction of the new 300 mm fab in Singapore. As a result, net financial debt increased by EUR 377.8 million to EUR 733.5 million (December 31, 2023: EUR 355.7 million).

Outlook for 2025: Continued muted expectations due to elevated inventory levels

For 2025, the Executive Board expects the end markets to grow again. After an increase of six percent in the previous year, a seven percent growth is forecast for 2025, with Artificial Intelligence applications being a key driver. However, this is mostly not expected to lead to an improvement in Siltronic's sales performance due to the slowly decreasing inventory levels at chip manufacturers and their customers. Accordingly, the Executive Board expects sales to be in the same region as last year, assuming unchanged FX rates (EUR/USD: 1.08). H1 2025 is currently expected to be below H2 2024 by a high single-digit percentage range. The recent development of the Euro against the US dollar may help to mitigate this effect. The sales guidance takes into account the discontinuation of production of polished and epitaxial wafers up to 150 mm diameter in Burghausen as of July 31, 2025.

The EBITDA margin is expected to be in the range of 22 to 27 percent. The ramp costs for the new fab will be partially offset by savings in energy and other areas.

Depreciation and amortization will increase to EUR 380 to 440 million in 2025 due to the high capex in recent years. This increase is mainly due to the planned start of depreciation of major parts of the new Singapore fab in mid-2025.

Mainly due to the higher depreciation, the Executive Board expects EBIT in 2025 to be significantly lower than in the previous year.

As previously announced, capex will be further reduced and is expected to be in the range of EUR 350 to 400 million. As a result, the company expects a noticeable improvement in net cash flow, which will, however, remain significantly negative.



Conference call for analysts and investors

The Executive Board of Siltronic AG will hold a conference call with analysts and investors (in English only) on March 6, 2025 at 10:00 am (CET). This call will be streamed via the Internet. The audio webcast will be available live as well as on demand on Siltronic's website.

Upcoming Dates:

April 30, 2025	Quarterly Statement for Q1 2025
May 12, 2025	Annual General Meeting
July 29, 2025	Interim Report for Q2 2025
October 28, 2025	Quarterly Statement for Q3 2025

Contact:

Verena Stütze
Head of Investor Relations & Communications
Tel.: +49 (0)89 8564 3133
Email: investor.relations@siltronic.com

Company profile:

As one of the leading wafer manufacturers, Siltronic is globally oriented and operates production sites in Asia, Europe, and the USA. Silicon wafers are the foundation of the modern semiconductor industry and the basis for chips in all electronic applications – from computers and smartphones to electric cars and wind turbines. The international company is highly customer-oriented and focuses on quality, precision, innovation, and growth. Siltronic AG employs around 4,400 people worldwide and has been listed in the Prime Standard of the German Stock Exchange since 2015. Siltronic AG shares are included in both the MDAX and TecDAX stock market indices.

Disclaimer

This press release contains forward-looking statements based on assumptions and estimates made by the Executive Board of Siltronic AG. These statements can be identified by wording such as "expect", "want", "anticipate", "intend", "plan", "believe", "strive", "estimate", and "will" or similar terms. Although we assume that the expectations contained in these forward-looking statements are realistic, we cannot guarantee that they will prove to be correct. These assumptions may contain risks and uncertainties that could cause the actual figures to differ considerably from the forward-looking statements. Factors that can cause such discrepancies include changes in the macroeconomic and business environment, changes in exchange rates and interest rates, the introduction of products that compete with our own products, a lack of acceptance of new products or services, and changes in corporate strategy. Siltronic does not intend to update these forward-looking statements, nor does it assume any responsibility to do so.

This press release includes supplementary financial indicators that either are or may be so-called alternative performance indicators that are not clearly defined in the relevant financial reporting framework. In assessing the financial position and performance of Siltronic, these supplementary financial indicators should not be used in isolation or as an alternative to those presented in the consolidated financial statements and determined in accordance with the relevant financial reporting framework. Other companies that present or report alternative performance indicators with similar names may calculate them differently. Explanations of the key financial figures used are available in the Annual Report of Siltronic AG.

Due to rounding, some of the figures presented in this press release as well as in other reports may not add up exactly to the stated totals and percentages presented may not accurately reflect the absolute values to which they relate.