



Welcome to the



RoodMicrotec

**Annual General Meeting
of Shareholders**

**By Webcast
June 9, 2022**

Opening and announcements

Vic Tee
Supervisory Board -
Chairman



Martin Sallenhag
CEO



Marc Verstraeten
Supervisory Board







Arvid Ladega
CFO



Ruud van der Linden
Supervisory Board



Overview

 Total number of shares issued	75,076,267
 Total number of shares eligible to vote	75,072,167
 Total number of shares voted	19,133,836 (25.49%)
 Total number of shareholders voted	78

Agenda

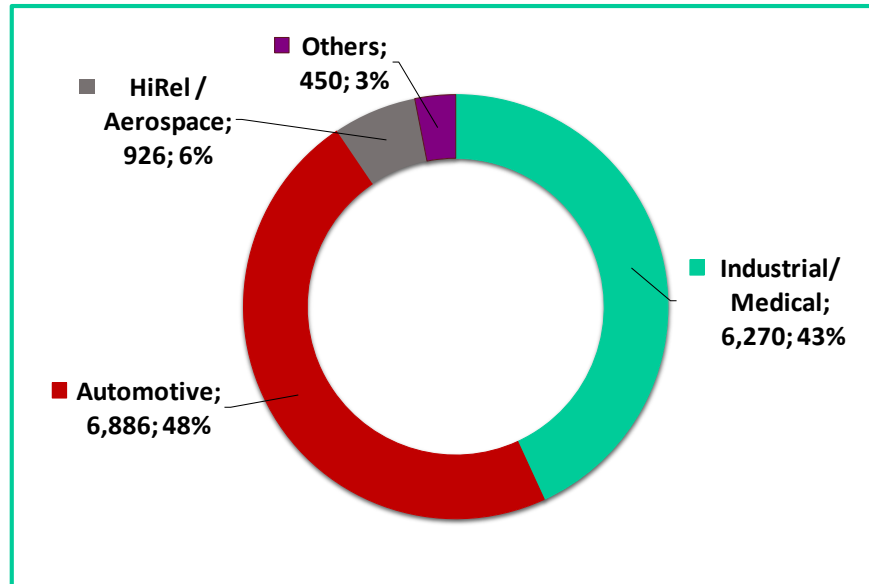
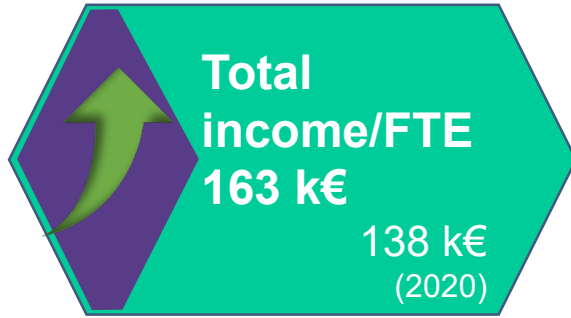
1. Opening and announcements
2. Annual Report for the 2021 financial year
3. Discharge of the members of the Board of Management and the Supervisory Board
4. Authorization for share issue
5. Other items and any other business
6. Closing

2.a Report of the Board of Management on the Company's activities during the 2021 financial year

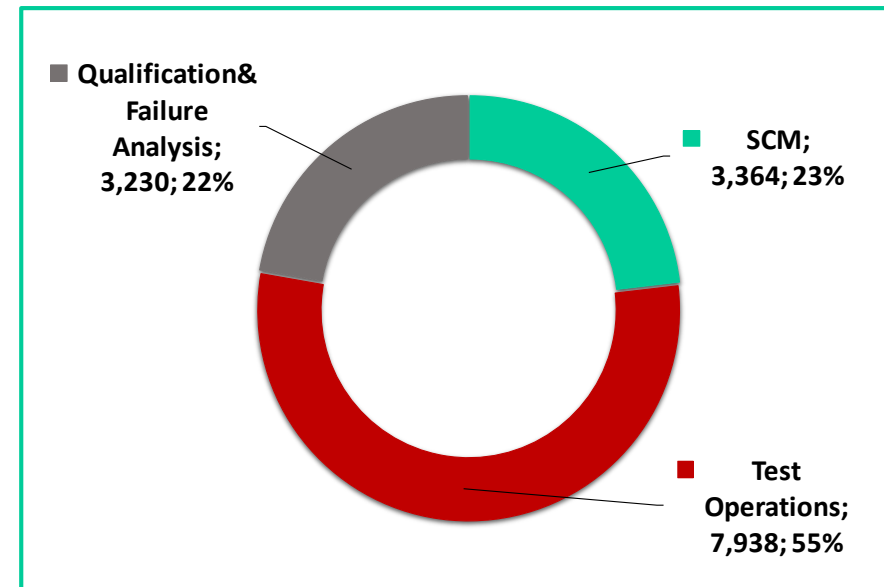
**Corporate &
operational
update**



2021 - Performance indicators



Distribution of total income 2021 by market
(EUR x1,000)



Distribution of total income 2021 by Operational Units
(EUR x1,000)

Focus on the fast growing sectors & trends

- Long-term semiconductor industry's aggregate annual growth could average from 6 – 8% a year up to 2030.

Source: <https://www.mckinsey.com/industries/semiconductors/our-insights/the-semiconductor-decade-a-trillion-dollar-industry>

- Short-term market forecast for 2022 looks bright.

Source: public available information from various analyst firms combined

- Warning: the next downturn is coming according to Future Horizons analysts

- World-wide economy and general situation uncertain

Trends

>>> Mobility

EV, automated / autonomous driving (ADAS), Radar, lidar, camera

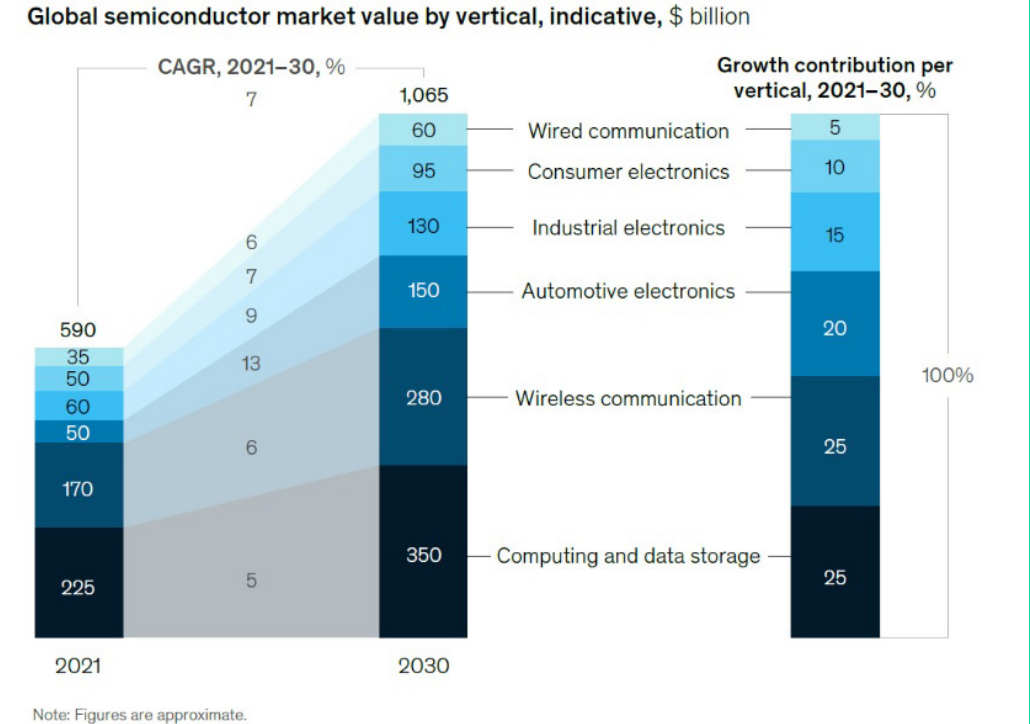
>>> Connectivity / wireless

Industry 4.0, IoT, e-medical, fitness tracker

>>> Energy

power generation, energy saving

>>> Data storage digitalization

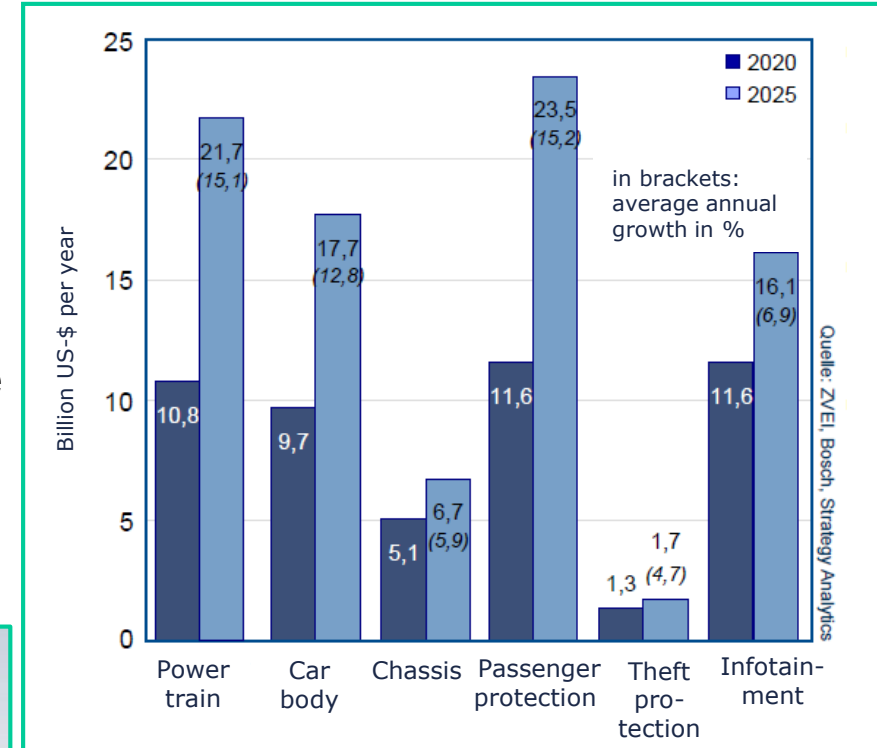


Market outlook – automotive electronics

Demand on automotive semiconductors will grow 11.8% per year until

2025 Source: Worldwide demand on Automotive semiconductors according ZVEI microelectronic trend analysis till 2025 (published June 2021) - <https://www.zvei.org> (Next update June 2022)

- Growth of 4.6% in number of vehicles in the next five years
- Push for electric vehicles and autonomous driving, in parallel decrease of combustion engines (CO2-emission free)
- Increasing demand of electronic devices within the vehicles – in 2021 about 650 Euro semiconductor value per car, growth expectation in the next years to about 1,500 Euro
 - Safety / Security
 - Advancement of navigation, infotainment, and connectivity systems
 - Electrification, 5G networking, autonomous driving cars.

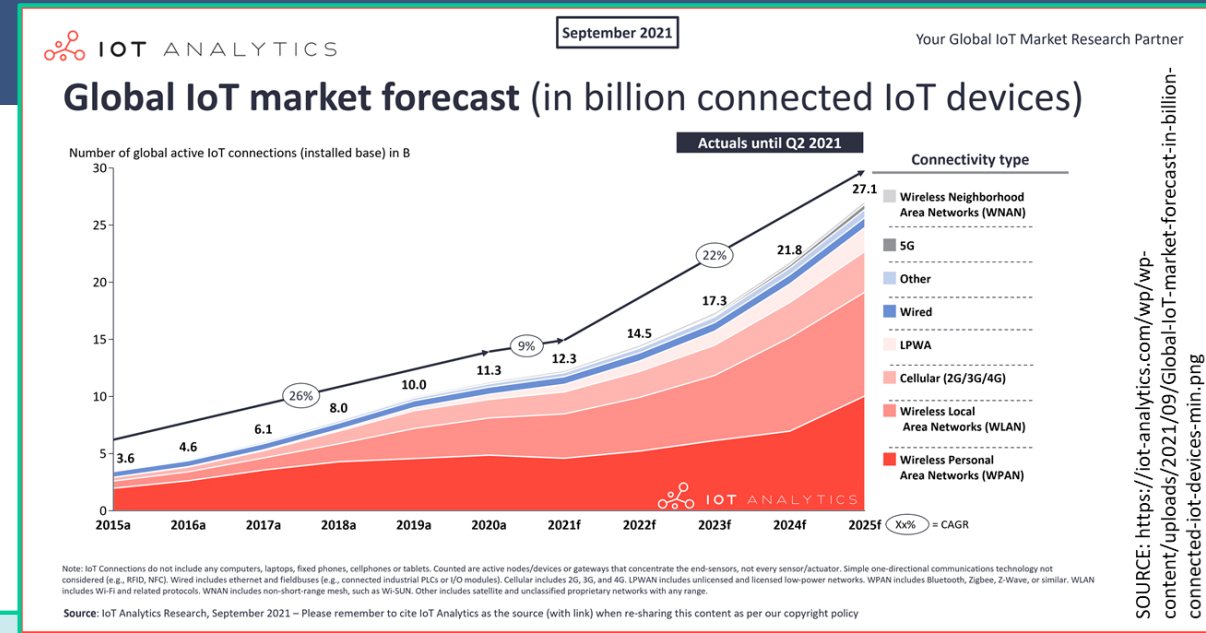


Market outlook – industrial

Industrial / IoT electronics: CAGR 26.4% for 2022 – 2029
expected market value USD 2,465 billion in 2029

Source: <https://www.fortunebusinessinsights.com/press-release/internet-of-things-iot-market-9155>, March 2022

- Growing market for machines
- Significant growth of electronic devices within the systems driven by Industry 4.0, AI, robots, etc.
- Sensor technology
- Safety
- For all kinds of applications, e.g.
 - At home
 - In cars
 - In agriculture
 - In medical fields
 - ... and elsewhere



Today, IoT has many use cases in Agriculture

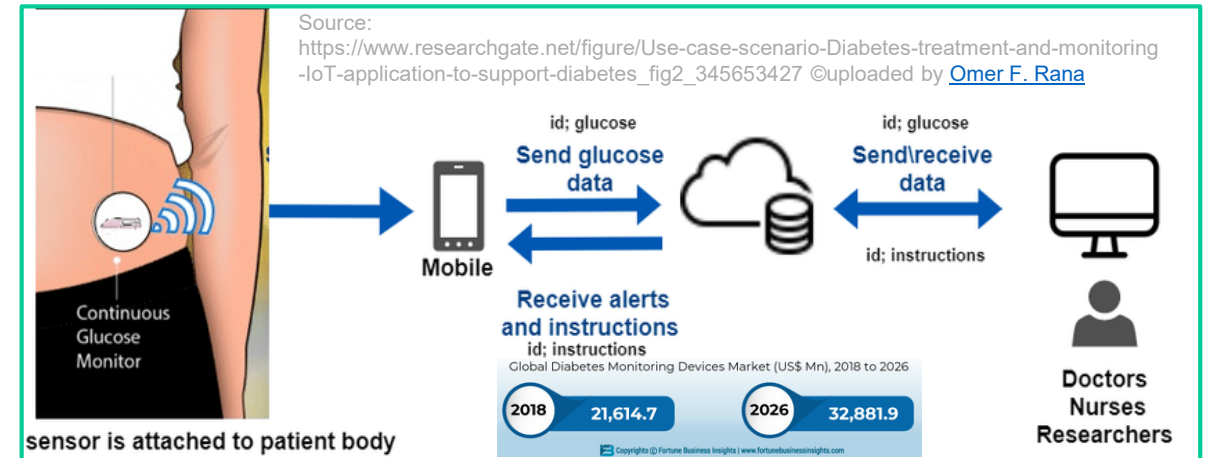
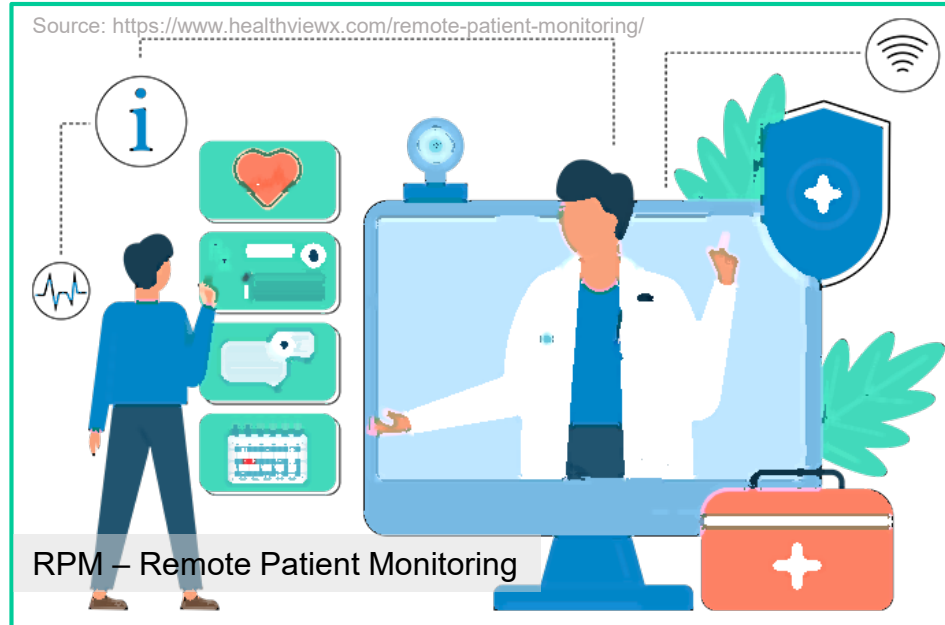
Source: <https://www.expresscomputer.in/guest-blogs/smart-farming-how-iot-driven-precision-agriculture-helps-feed-the-globe/68180/>



Market outlook – medical

- Accelerating demand for medical applications / IoMT
- CAGR of 25.9% (2021-2028) reaching USD 446 billion by 2028

Source: <https://www.fortunebusinessinsights.com/internet-of-things-iot-in-healthcare-market-102188>



- Significant growth of electronic devices within specific application areas:
 - Diagnostics, remote consultation
 - Telemedicine, remote patient monitoring (RPM)
 - Implants like pacemaker, hearing aids
 - Safety
 - Point-of-Care, workflow management

RoodMicrotec – strategy (markets)



**Focus on
automotive,
industrial and
medical markets**

**Strengthening
relationships with
customers and
partners**

**Strengthening our
brand awareness
by organizing
seminars**



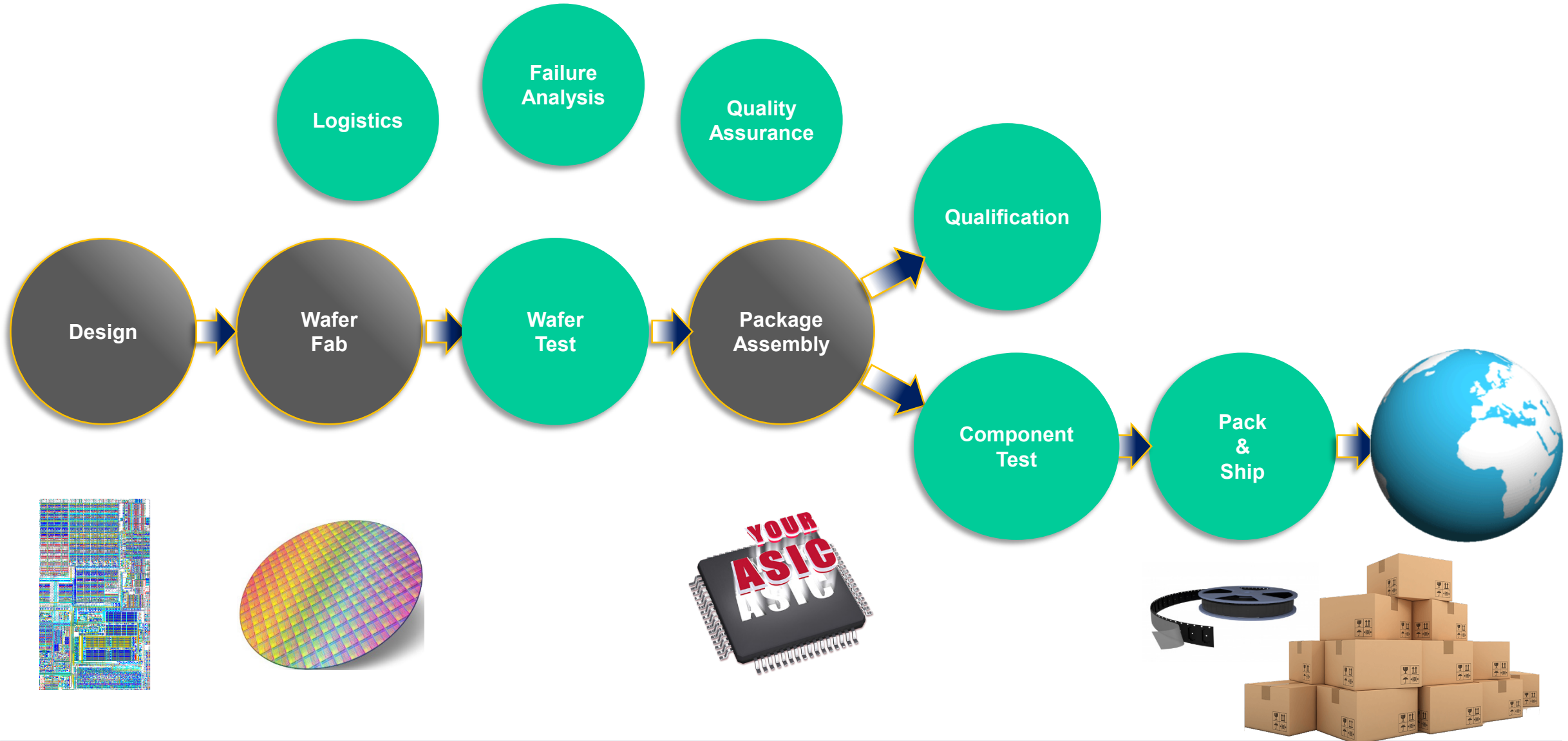
**Being an
important player
in the automotive,
Industry 4.0 and
IoT/IoMT markets**

**Develop industry
partnerships with
wafer fabs,
assembly houses
and design
houses**

**Participate in
consortiums that
develop new
technologies and
applications**



ASIC Design and Manufacturing Flow

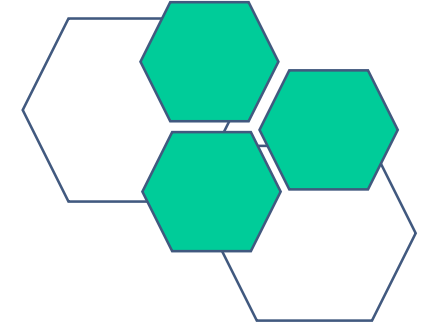


Semiconductor Production Services



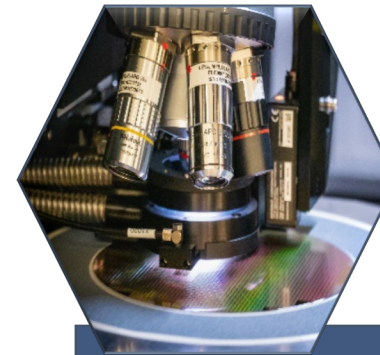
Test Engineering

- Test program development
- Test hardware design
- Correlation and characterization
- Test program conversion
- Test data evaluation and optimization of test solutions
- Design for Test (DFT) support



End-of-Line

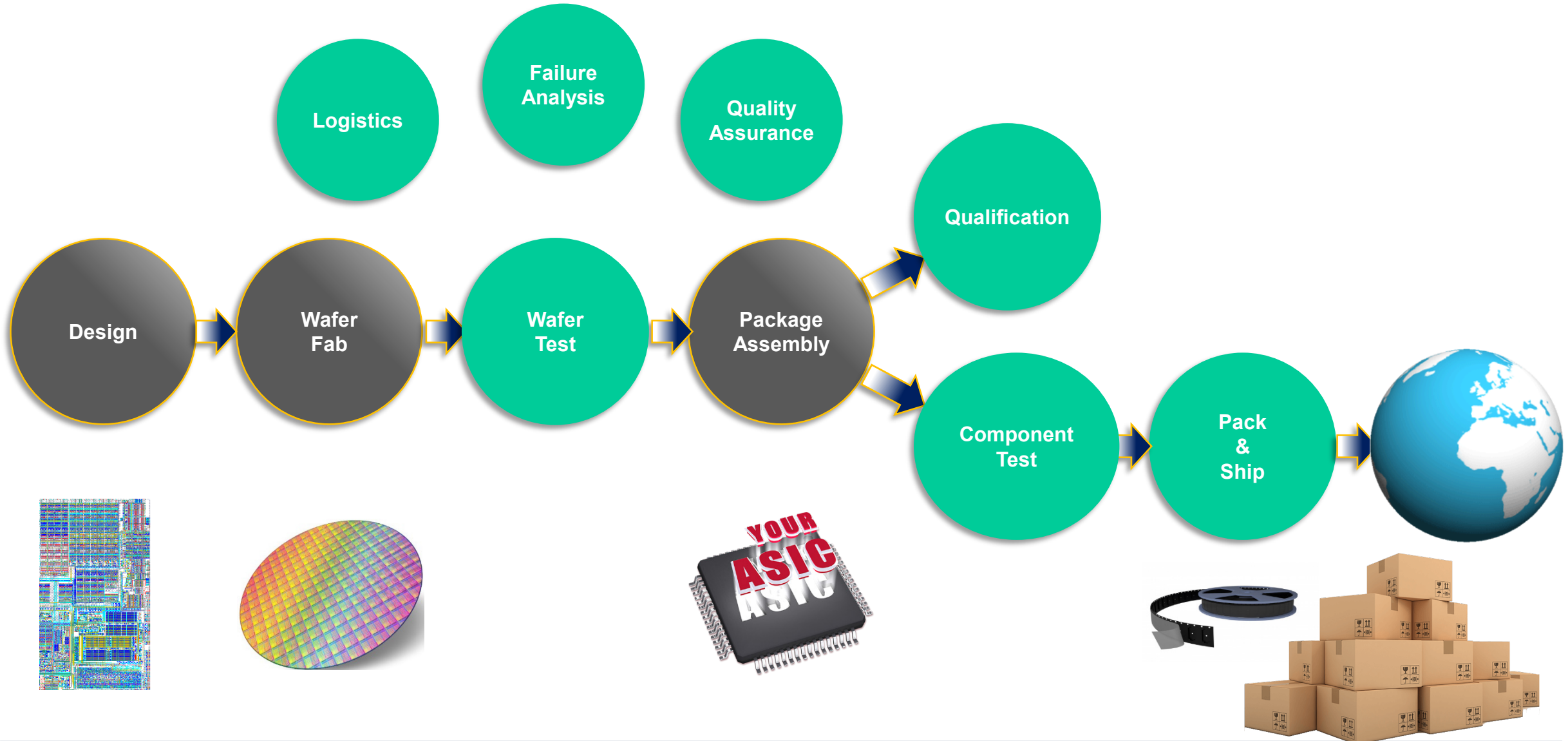
- Tape & reel
- Scanning and straightening
- Device programming
- Long-term storage



Test Services

- Wafer test up to 12 inch at -55°C to +200°C
- Automatic Optical Inspection (AOI)
- IC component test from -40°C to +125°C
- RF and High Power test
- Image sensor and PIC test

ASIC Design and Manufacturing Flow



Qualification & Failure Analysis

Environmental Stress Tests

- Temperature Cycling (TC) and Temperature Shock (TS)
- High Accelerated Stress Test (HAST)
- Temperature Humidity Biased (THB)
- High Temperature Reverse Bias (HTRB)
- High Temperature Gate Bias (HTGB)
- High Voltage / Humidity / Temperature Reverse Bias (HV-H3TRB)

Mechanical Stress Tests

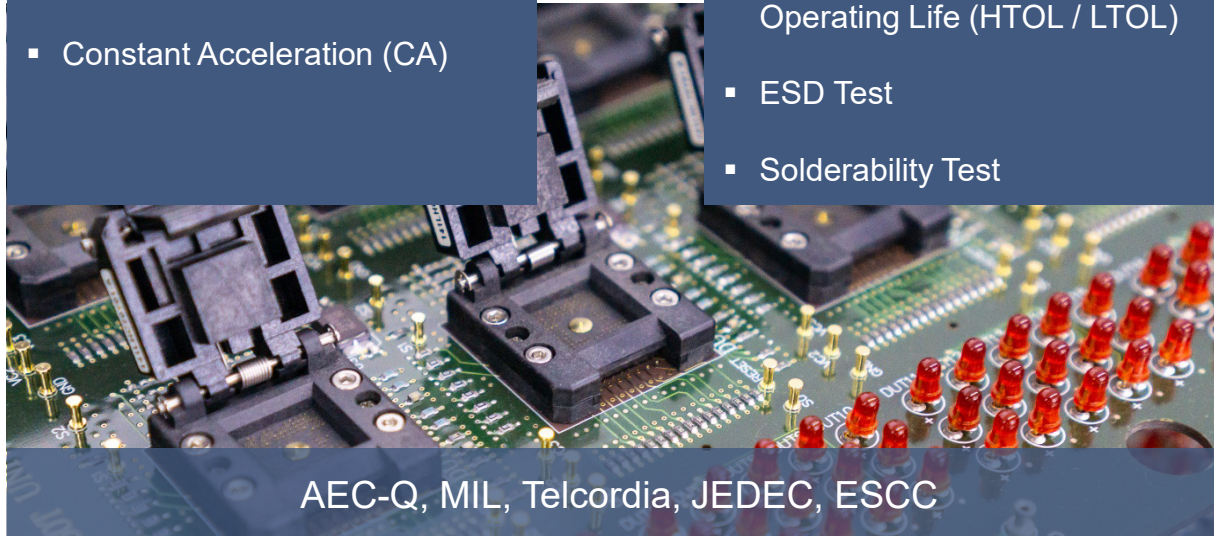
- Vibration
- Shock
- Constant Acceleration (CA)

Lifetime / Reliability

- Burn-In / Monitoring Burn-In
- High / Low Temperature Operating Life (HTOL / LTOL)
- ESD Test
- Solderability Test

Optoelectronic Tests and Characterization

- Lifetime and Reliability tests of LEDs, VCSELs, photodiodes
- Electro-optical characterization of emitters and receivers
- Custom development of special reliability tests
- Telcordia GR468 qualification



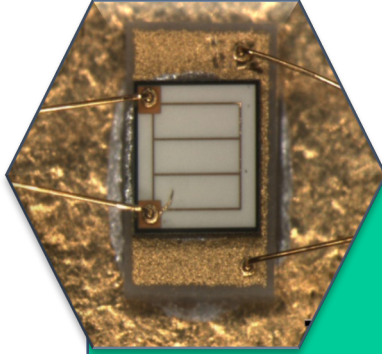
AEC-Q, MIL, Telcordia, JEDEC, ESCC

Qualification & Failure Analysis



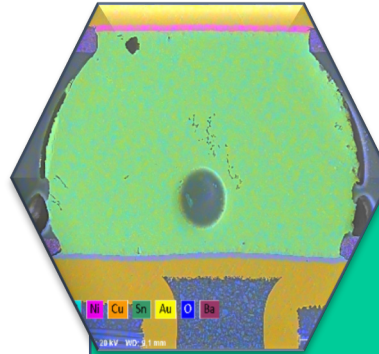
Failure Analysis

- Anamnesis / verification of history
- Electrical characterization
- Decapsulation
- Fault localization with OBIRCH / EMMI
- Deprocessing
- FIB cross section



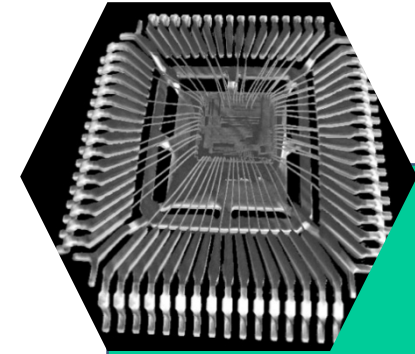
Destructive Physical Analysis

- Visual inspection (external / internal)
- Scanning acoustic microscopy
- Solderability
- Particle impact noise detection (PIND)
- Seal test (gross & fine leak)
- Bond pull & bond shear test



Metallography

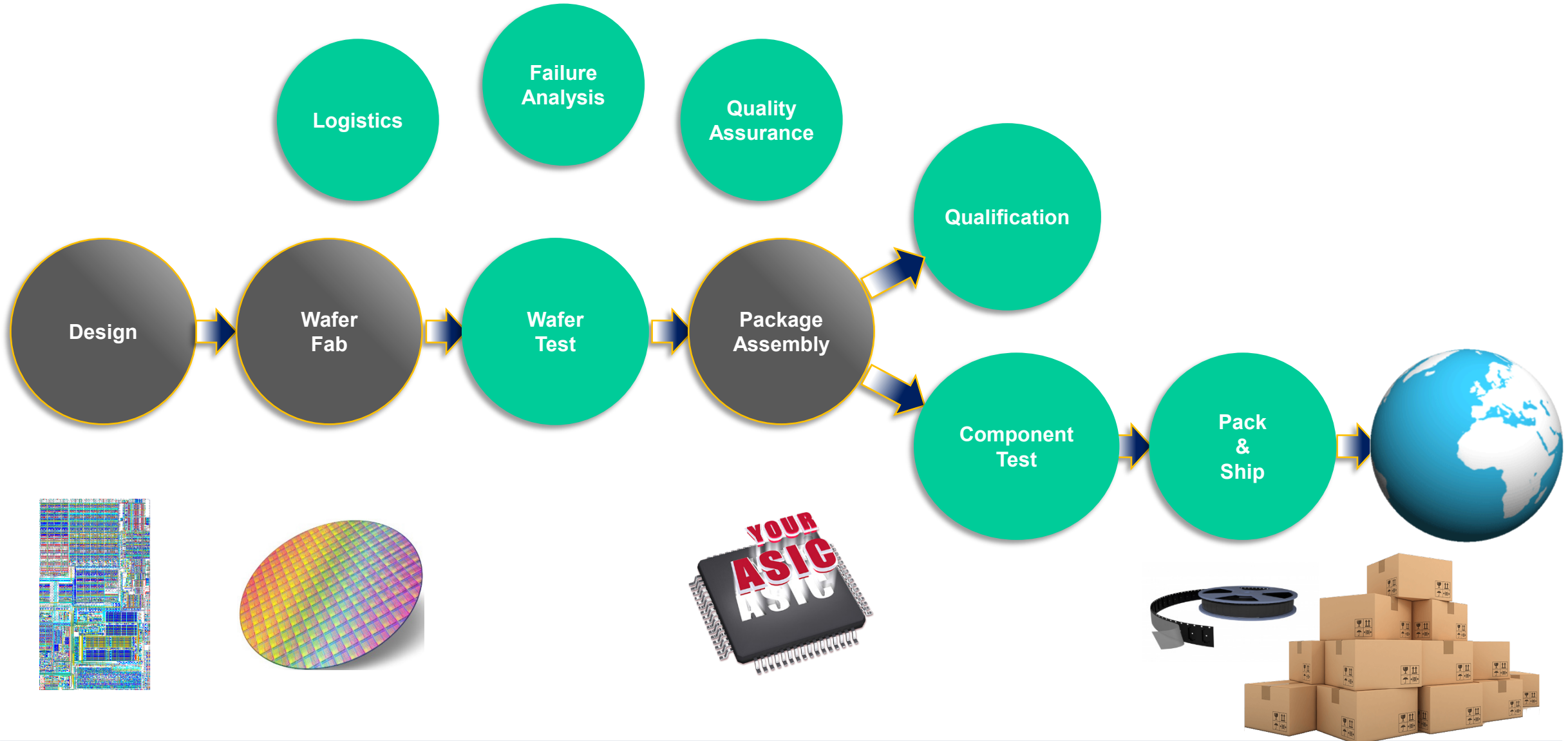
- Cross sectioning
- Optical microscopy
- Dye penetration and dye & pry
- UV microscopy
- Scanning electron microscopy
- Material analysis (EDX)
- Microstructure characterization



Further Services

- X-ray microscopy (2D & 3D)
- FIB modification (ASIC)
- Counterfeit parts identification
- Benchmark analysis
- Whisker inspection
- Measurement of ionic contamination
- Press fit qualification

ASIC Design and Manufacturing Flow



Supply Chain Management by RoodMicrotec



Long term contracts and short term spot business

● Long term contracts, the following services are discussed, defined and quoted:

- Design – is the customer looking for an ASIC design partner, RoodMicrotec can advise on the right selection
- Wafer supply – is the customer asking RoodMicrotec to source the wafers
- Packaging – is the customer looking for a standard or custom package, shall RoodMicrotec support in design and supply
- Test solution – does the device need to be tested at wafer and/or component level, is there a requirement for temperature testing
- Qualification – according which standard does the device need to be qualified
- Logistics – where will the part be used, buffer stock, customs rules, etc

● Short term spot business to fill free capacity in the departments, the following services are offered:

- Capacity increase when a customer does not have enough capacity
- Qualification of a device not being tested in volume production by RoodMicrotec
- Up-screening of parts for high demand applications (very low volumes)
- Failure analysis on parts, modules and PCBs

Long term contracts

- There are different type of long term contracts within RoodMicrotec:
 - SCM projects
 - Test projects
 - Burn-In projects
- RoodMicrotec is continuing to increase the number of long term contracts in the order book
- Volumes and business are committed from the customer as frame contracts or purchase orders
- Internal planning can be done in an optimal way since the demand is well defined
- Investments can be done based on known information and future needs
- In 2021 the sales revenue from long term contracts was about 60% of the total income
- With new booked projects as well as projects under discussion, the amount of long term contracts will be between 60% and 70% in the coming years

Short term spot business

- There are different type of short term spot businesses within RoodMicrotec:
 - Test for customers to handle peak demands
 - Single test or end-of-line services to support one-off demands
 - Qualification and up-screening of products
 - Technology analysis of products that are planned for production
 - Failure analysis when things are not going according plan
- The gross margin for these type of projects is higher due to the one-off structure
- Internal planning is done to prioritize long term contracts and fill our machinery
- Limited investments done based on this business, use existing machinery
- In 2021 the sales revenue from short term spot business was about 40% of the total income
- The amount of short term spot business will be between 30% and 40% in the coming years

RoodMicrotec – strategy (operations)

**Work with
Fabless
Companies**

**Further
strengthen the
internal quality
systems
(ISO 9001, VDA
6.2 and ISO/IEC
17025)**

**Invest in new
equipment to
strengthen our
technical position**

**Combining
long term
contracts and
short term spot
business**

**Take full
responsibility for
every step in the
supply chain**

Human Resources – the core value of the company

- At the end of 2021 we employed 92 persons
- Average number of full-time employees in 2021 was 89 due to short-time working which was used from January to May
- No COVID-19 interruptions, all measures taken (face masks, distance, digitalization, flexible usage of home office) were fully supported from all our motivated employees
- Internal apprenticeship of young people in 3 professions
- Our motivated and ambitious team is committed to high technical and personal competence
- The team works innovative, thinks and acts in a proactive way to take over responsibility



Quality Management - 'Quality First' is our guiding principle







- Forward-looking quality planning & its implementation in all relevant businesses, services and production processes
- Continuous improvement in all processes
- High level of dedication and commitment from all employees
- Provide products at the right time in agreed quality according defined safety and reliability requirements





The test laboratories are accredited according to DIN EN ISO/IEC 17025:2018 by the accreditation body DAkkS. The accreditation is valid only for the scope listed in the annex of the accreditation certificates D-PL-12120-01-01 and D-PL-12120-01-02.

2021 highlights – commercial & operational



COVID-19 pandemic

-  COVID-19 continued to change the way we work (mobile office, distance between individuals and safety measures)
-  Fewer direct meetings with customers and suppliers, replaced with a virtual meeting strategy
-  The business started to pick up speed already in the second half of 2020 and this trend has continued during 2021
-  The support from our employees during the months in 2020 and 2021 when we did short-time work was excellent



Communication and seminars

-  Due to COVID-19 lectures on various subjects were given during virtual events and conferences
-  The [LinkedIn](#) activities have been increased by publishing interesting technical posts at our account

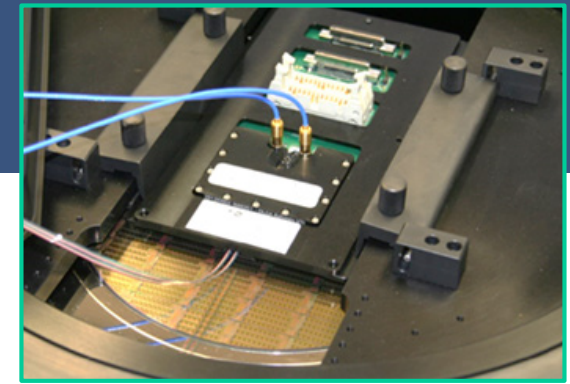
Long term contracts

-  The booked projects progressing towards production through test program development and qualification work
-  Some of the projects are now close to ramp-up and we start to see the first volumes for these customers

Publicly funded projects

-  The APreMedI and EuroPAT-MASIP projects were successfully finalized during 2021
-  The APPLAUSE project is on-going and will be finalized during Q4-2022

2021 highlights – commercial & operational



● **“Investments” to increase testing capability and capacity**

- PIC testing at wafer level – RoodMicrotec offers these test service using Jenoptik’s UFO Probe® Card for setting up the respective test structure
- In cooperation with AEM and the installation of the AIOLOS Wafer Level Test Handler, RoodMicrotec will extend its business areas and also the testing capabilities for sensors and parts on wafer frames

● **Completion of secured bond loan refinancing**

- The refinancing of the bond loan issued in 2014 was completed by the end of the first quarter 2021
- A group of long-time investors (including the management) provided the refinancing in the amount of EUR 2.6 million

● **Legal proceeding regarding perpetual bond**

- Prime Capital Debt SCS, SICAV-FIS – Robus Recovery Sub-Fund ("Robus") initiated legal proceedings before the Regional Court of Hamburg (Landgericht Hamburg) against the wholly owned subsidiary RoodMicrotec GmbH regarding the perpetual bond of EUR 500k that RoodMicrotec GmbH issued in 2012
- RoodMicrotec GmbH contested all allegations and claims, and denied that any compensation payments were due on the perpetual bonds or that any grounds for extraordinary termination of the perpetual bonds existed and accordingly
- In February 2022 both parties agreed on a settlement

RoodMicrotec – strategy (a look into the future)

Vision



To offer a complete range of high-quality services that enable the manufacturing and supply of reliable semiconductor devices

Continuing to focus on development of new technologies and special requirements from the market

Mission



To be the innovative, independent and reliable partner of choice for semiconductor component supply, test and reliability services

High Power

GaN
SiC
IGBT

(2kV/100A device test)
(2kV/10A wafer test)

High Frequency

HF ASICs
5G
Radar
Lidar

(24 / 60 / 122 GHz)

Photonics

Photonic ICs (PIC)
Photonics Sensors
Biochips
Datacom

(electrical & optical tests)

2.a Report of the Board of Management on the Company's activities during the 2021 financial year

**Financials &
outlook**



2021 - Key Financial Indicators

Total income
€ 14.5 M

Free Cash Flow
€ 1.2 M

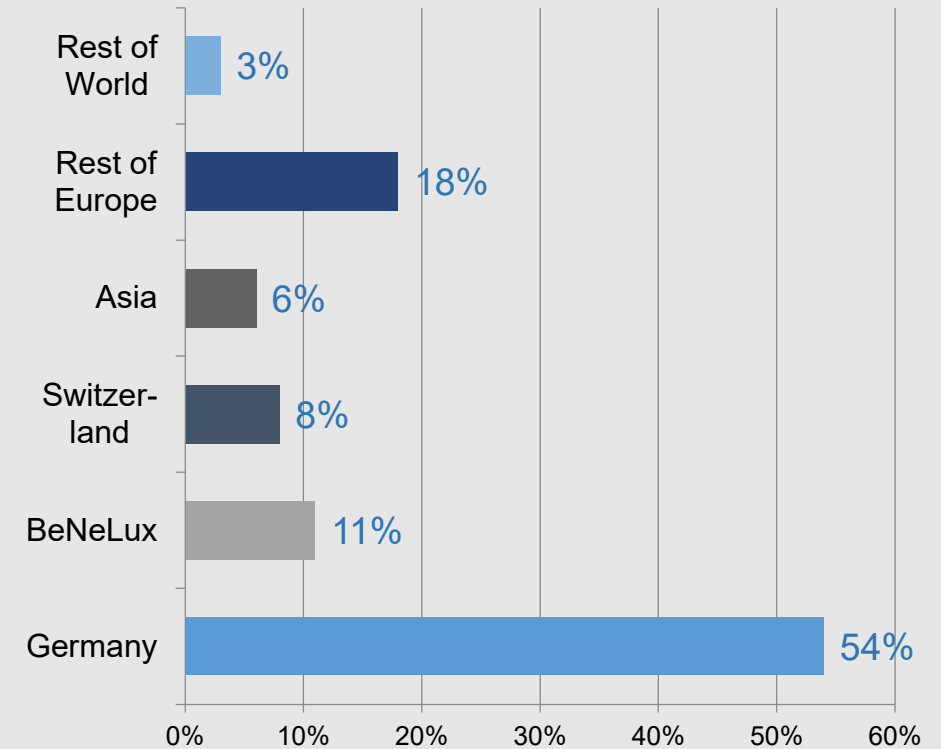
Profit Before Tax
€ 1.0 M
(7.1%)

Solvency
37%

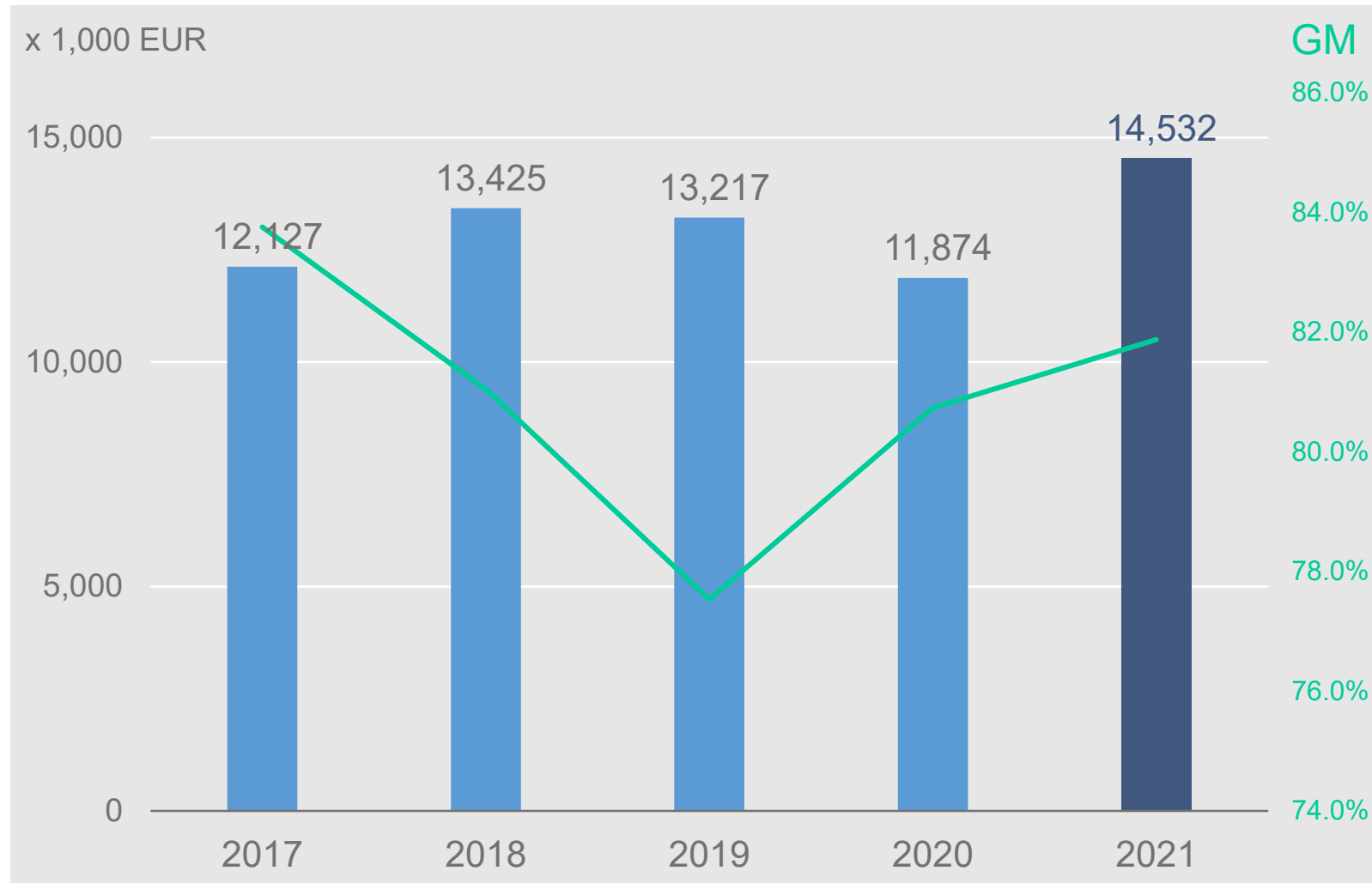
Net Debt
€ 0.4 M

ROCE
21.0%

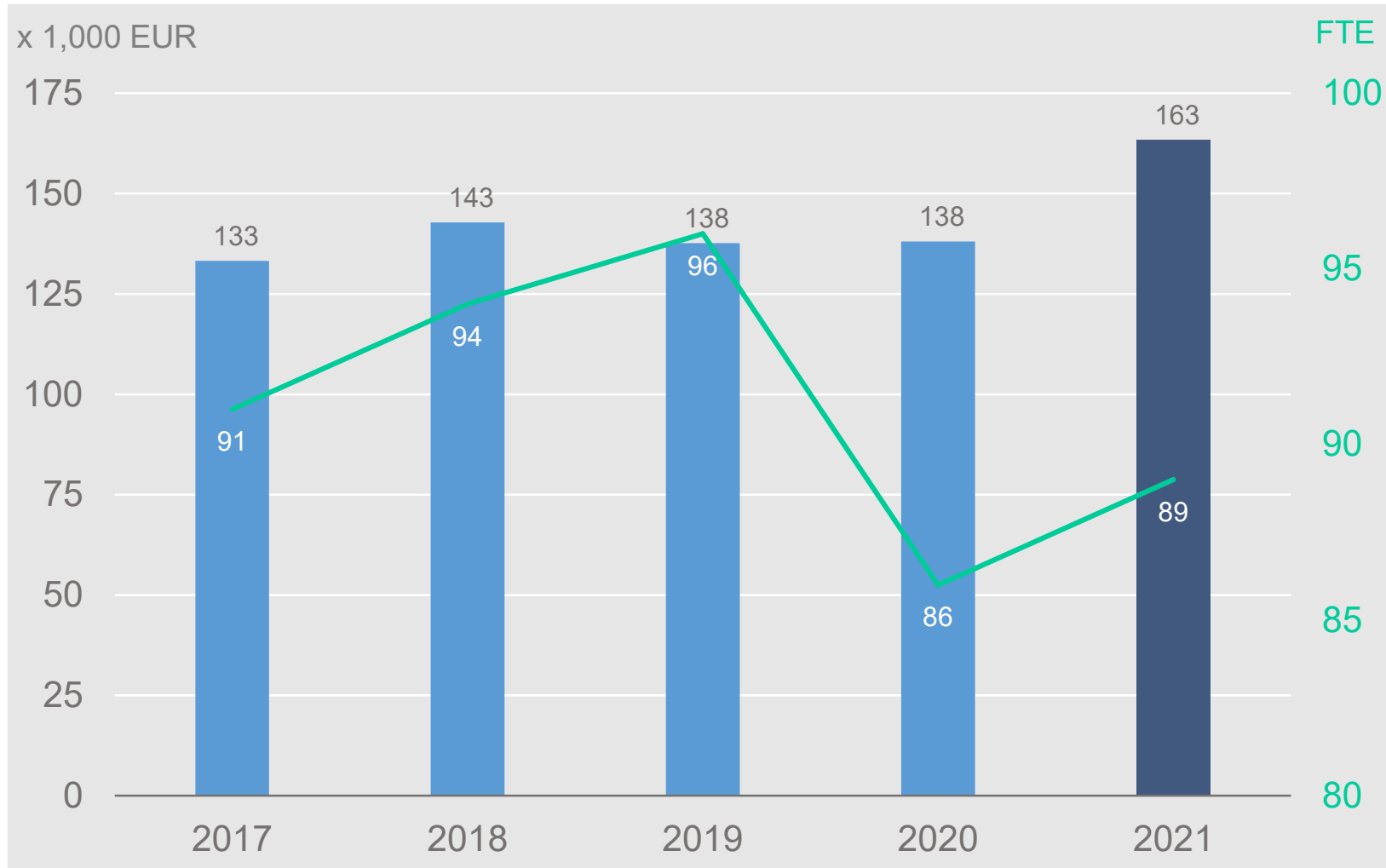
Revenue by geography
in %



Total income & gross margin



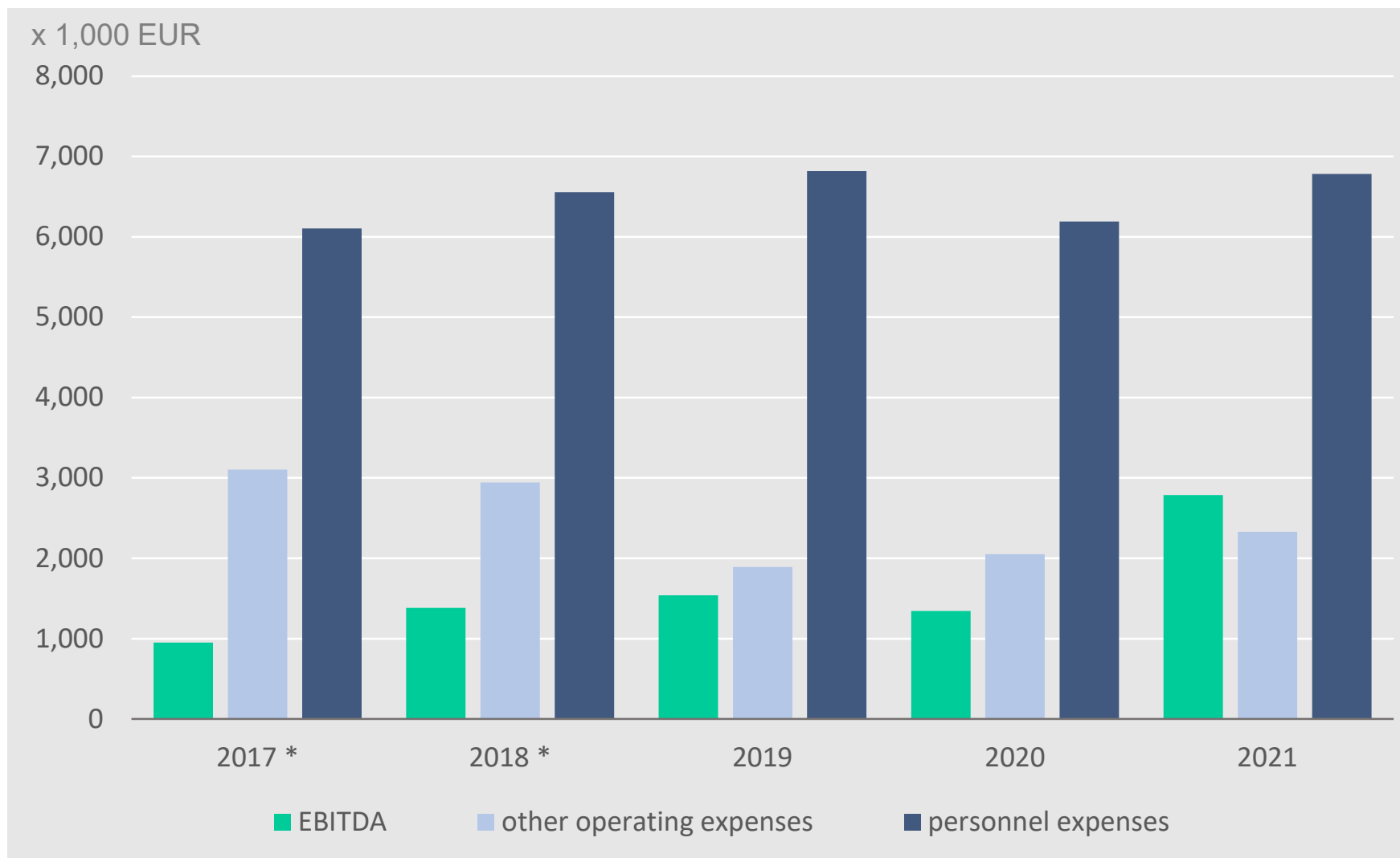
Total income per employee & headcount



Note:

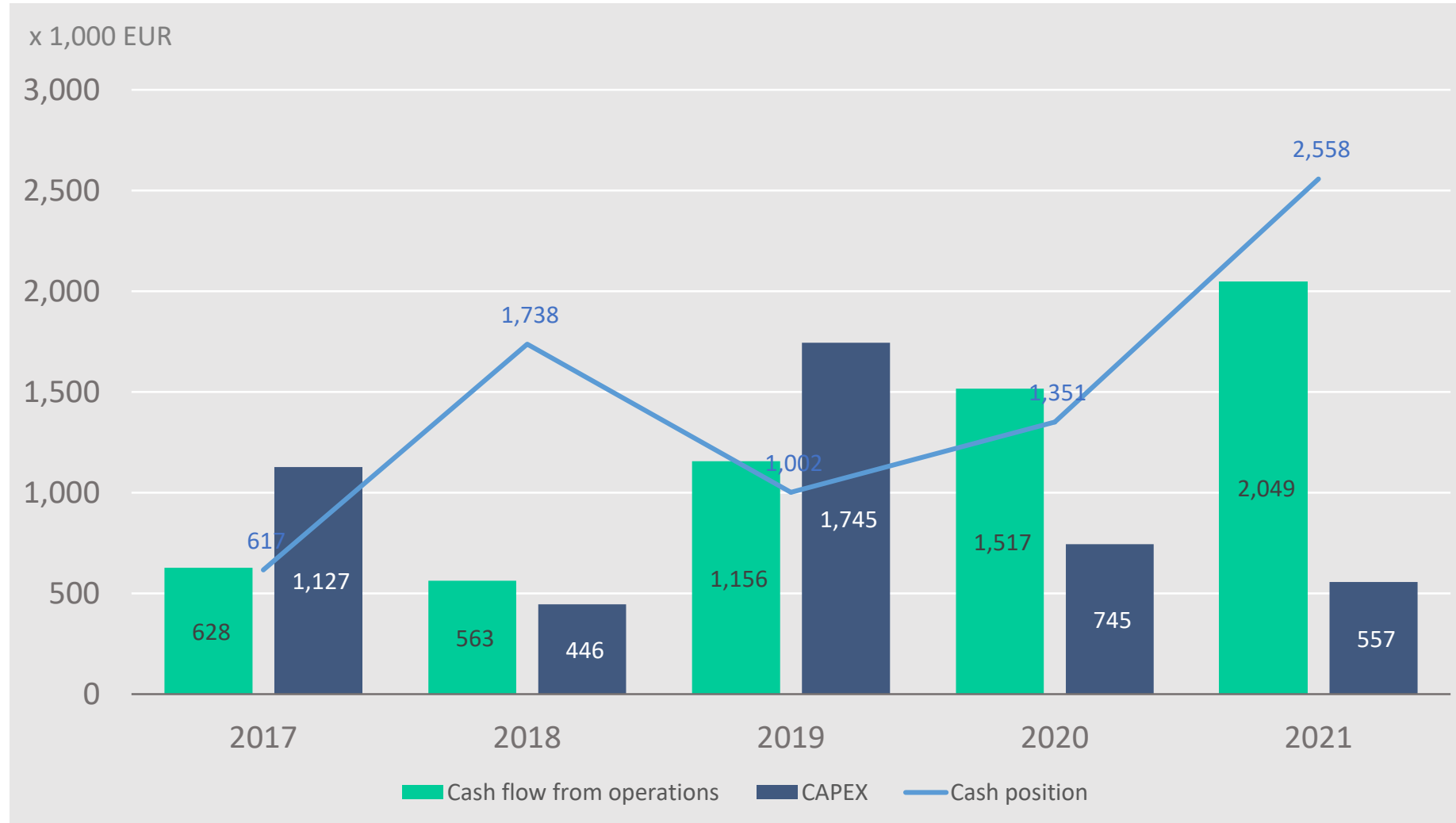
FTE's reduced due to short time work in 2020 by 10 FTE and 2021 by 4 FTE

EBITDA & OPEX



Note:
* EBITD and other OPEX
prior adoption ifrs 16

Liquidity position



Events after balance sheet date

- **Final settlement agreement with Robus regarding legal proceedings on perpetual bond issued in 2012**
 - In February 2022 Robus and RoodMicrotec GmbH agreed on a full and final settlement of the 2012 perpetual bond
 - This final settlement has been reached before and confirmed by the Regional Court of Hamburg

- **Legal proceedings initiated by Robus regarding the perpetual bond issued in 2010**
 - Robus initiated legal proceedings before the Regional Court of Frankfurt am Main (Landgericht Frankfurt am Main) against RoodMicrotec GmbH regarding the perpetual bond of EUR 1,994k that RoodMicrotec GmbH issued in 2010.
 - RoodMicrotec GmbH contests all allegations and claims, and denies that any compensation payments are due on the perpetual bond or that any grounds for extraordinary termination of the perpetual bond exist
 - Accordingly, RoodMicrotec GmbH will ask the court to reject Robus' claim

Outlook and first quarter 2022

Outlook

🏠 **Rood**Microtec expects the total income in 2022 to be in the range of EUR 15.0 million to EUR 15.6 million with a positive result before tax. The current situation in the world regarding lead-times for wafers and packaging as well as shipment delays may impact the ability to achieve the expected total income. The war in Ukraine could also have an impact on the business but in the short term we don't see any significant impacts. **Rood**Microtec is keeping a close eye on the situation and is doing everything possible to mitigate any.



2.a Report of the Board of Management on the Company's activities during the 2021 financial year

**Risk &
Corporate
Governance
policy**



Risk & Corporate Governance policy

● The following documents (based on the latest version of the Dutch Corporate Governance Code) are available on www.roodmicrotec.com

- Corporate Governance
- Policy for Bilateral Contacts with Shareholders
- Code of Conduct
- Regulations for the Supervisory Board
- Remuneration policy
- Whistle Blower policy

2.b Report of the Supervisory Board on the 2021 financial year



High priority matters during the financial year 2021 for the Supervisory Board

- The robustness of the Company in weathering the COVID-19 pandemic and the prudent operational disciplines to protect the Company from further SARS-CoV-2 variants proved effective; hence there was no negative impact on the business throughout the year.
- The uncertainties of market trends particularly in the automotive sector, with issues regarding the long-term move to electrification, and other industrial and technology changes provide a clear indication of an assured growth of the semiconductor industry which is further supported by the latest industry forecasts that have a direct impact on the future prospects of the Company. The only major point of concern throughout the year was caused by supply chain shortages in the semiconductor industry as a whole which were closely monitored by management and contingency plans acted on when necessary to ensure uninterrupted supplies to customers. This particular issue was well managed by the team and had little impact on the results.
- The legal procedures initiated by Prime Capital Debt SCS, SICAV-FIS – Robus Recovery Sub-Fund (“Robus”) against the Company. The Company contested all allegations and claims, and denied that any compensation payments were due on the perpetual bonds or that any grounds for extraordinary termination of the perpetual bonds exist. We do not believe that the ultimate resolution of these legal proceedings will have a material adverse effect on the Company’s financial condition, liquidity position and results of operations. However, future revisions to this assessment cannot be ruled out, and any reassessment of the legal proceedings could have a material adverse effect on the financial condition, liquidity position and results of operations, particularly in the period in which reassessment is made.

Supervisory Board proposals to the AGM

 The Supervisory Board proposes to the shareholders at the AGM to:

- (i) adopt the financial statements for the financial year 2021,
- (ii) discharge the Board of Management from liability for its conduct of business in 2021,
- (iii) discharge the Supervisory Board from liability for its supervision of the management in 2021, and
- (iv) add the net profit for the financial year 2021 to the retained earnings reserve within equity.

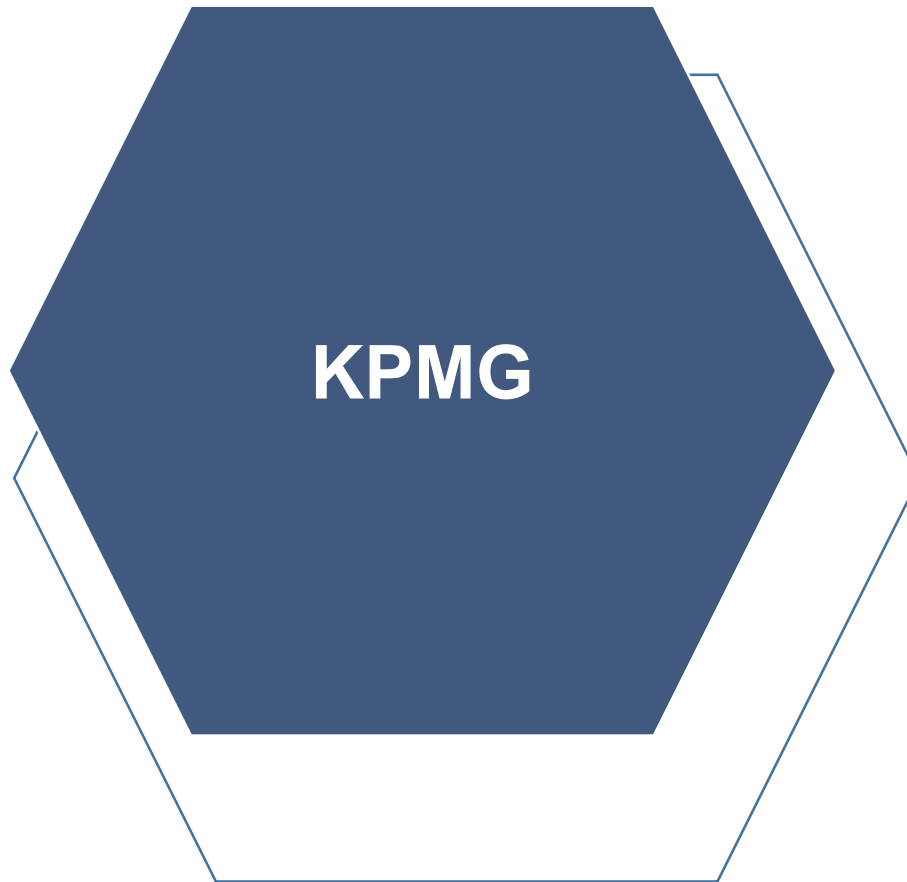
Strategic direction of the Company

- Prior to 2021 we had concluded the limited size of the Company operating in a public environment as a share-issuing listed entity was hampered by relatively extensive costs and other non-business related requirements
- The Supervisory Board in concert with the Management Board started an active examination of the options to reposition the Company strategically in order to
 - Remove or mitigate these burdens, or
 - Move the Company to a new position in the industry
- This was monitored on a monthly basis throughout the year based on the following four scenarios:
 - Continue “as-is”, focusing on autonomous growth
 - Grow through a buy-and-build strategy
 - Strategic M&A, including joining a larger ecosystem
 - Delisting the Company and continue as a private company in a standalone scenario, potentially including an MBO and search for a financial sponsor

Composition of the Supervisory Board

- The Supervisory Board comprises of three independent members who meet the requirements of the Corporate Governance Code. Following the prescribed 8 (4+4) year term of Vic Tee, he was reappointed with shareholder approval for further 2-year terms in 2017 and 2019 and an exceptional one year term in 2021 due to the need for oversight continuity given the significant changes of the Board of Management and the Supervisory Board over that period and the severe restrictions imposed during the COVID-19 pandemic.
- Vic Tee will finally step down after the close of today's AGM, leaving two independent members which given their high levels of complementary expertise are considered to be fully adequate for a Company of this size. The choice of Ruud van der Linden to join the Supervisory Board was partly based on his additional experience and connections in the investment sector of the industry which may bring opportunities as the Company develops further.
- The Company is extremely grateful for the tremendous contribution that Vic Tee has given the Company during a period of more than thirteen years.

2.c Adoption of the 2021 financial statements and remuneration report



Audit of the 2021 Annual Report by KPMG

- Under this agenda item, Mr. John Verhoeven, responsible audit partner of KPMG Accountants N.V., will give a short presentation on the audit of the 2021 Annual Report.

KPMG was granted the engagement for the audit of the financial statements for the financial years 2019, 2020, 2021 and 2022 by the Extraordinary Meeting of Shareholders of the Company, held on November 26, 2019.

Independent auditor's report



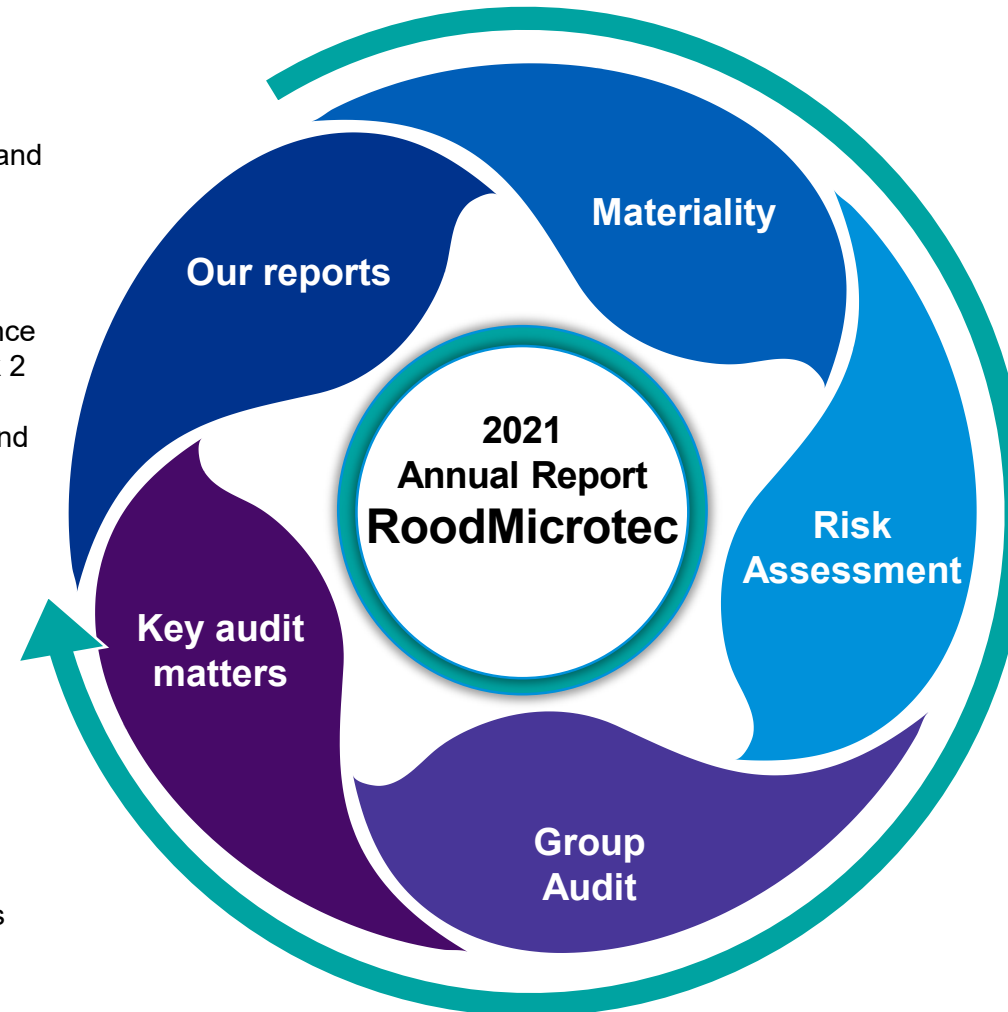
Financial statements

- Auditor's report on consolidated and parent company financial statements
- Our opinion: unqualified
- Financial statements give a true and fair view and are in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code
- Report by the Managing Board and other information



Key audit matters

- Valuation of goodwill
- Valuation of deferred tax assets



Materiality of EUR 120,000

- 0.48% of 2021 net sales
- Misstatements in excess of EUR 6,000 are reported to the Supervisory Board



Consideration was given to:

- Going concern
- Fraud and non-compliance with laws and regulations
- Climate-related risks



Group Audit

- Instructions to component auditors
- Centrally performed audit procedures
- Involvement of specialists
- Audit coverage of 100% of total assets and 100% of net sales

2.c Adoption of the 2021 financial statements and remuneration report

- The Supervisory Board has approved the financial statements for the 2021 financial year, as drawn up by the Board of Management and included in the 2021 Annual Report. It is proposed to the Meeting to adopt the 2021 financial statements and the Remuneration Report for the financial year 2021, which is included in the 2021 Annual Report on pages 50 to 54.

● Voting result

In favor	Against	Abstain	TOTAL
19,091,501 (99.8%)	160	42,175	19,133,836

2.d Appropriation of the 2021 net result

- In accordance with clauses 27.2 and 29.3(b) of the Company's Articles of Association, it is proposed to the Meeting that the net profit of the Company for the 2021 financial year in the amount of EUR 1,435,000 is added to the retained earnings reserve within the equity of the Company.

● Voting result

In favor	Against	Abstain	TOTAL
19,091,561 (99.8%)	100	42,175	19,133,836

3.a Discharge of the members of the Board of Management from liability for their management in 2021

- In accordance with clause 29.3(c) of the Company's Articles of Association, it is proposed to the Meeting that the members of the Board of Management are granted discharge from liability for their management during the 2021 financial year.

● Voting result

In favor	Against	Abstain	TOTAL
18,377,161 (96.0%)	3,400	753,275	19,133,836

3.b Discharge of the members of the Supervisory Board from liability for their supervision in 2021

- In accordance with clause 29.3(c) of the Company's Articles of Association, it is proposed to the Meeting that the members of the Supervisory Board are granted discharge from liability for their supervision during the 2021 financial year.

● Voting result

In favor	Against	Abstain	TOTAL
18,862,161 (98.6%)	3,400	268,275	19,133,836

4.a Designation of the Board of Management as the body authorized to issue shares and to grant rights to acquire shares

- In accordance with clause 5.1 of the Company's Articles of Association, it is proposed that the Meeting appoints the Board of Management, for a 16-month period from the date of the Meeting (i.e. until and including October 9, 2023), as the body of the Company which, subject to the Supervisory Board's approval, is authorized to issue shares and to grant rights to acquire shares at such a price and on such conditions as determined for each issue by the Board of Management, subject to the Supervisory Board's approval, as may be required.
- The number of shares, including rights to acquire shares, which the Board of Management shall be authorized to issue shall be limited to:
 - (i) 10% of the number of shares in the capital of the Company that are issued at the time of the Meeting, and
 - (ii) an additional 10% of the number of shares in the capital of the Company that are issued at the time of the Meeting, in case of an issue of shares by the Company in relation to a merger or acquisition.

● Voting result

In favor	Against	Abstain	TOTAL
19,084,763 (99.7%)	1,283	47,790	19,133,836

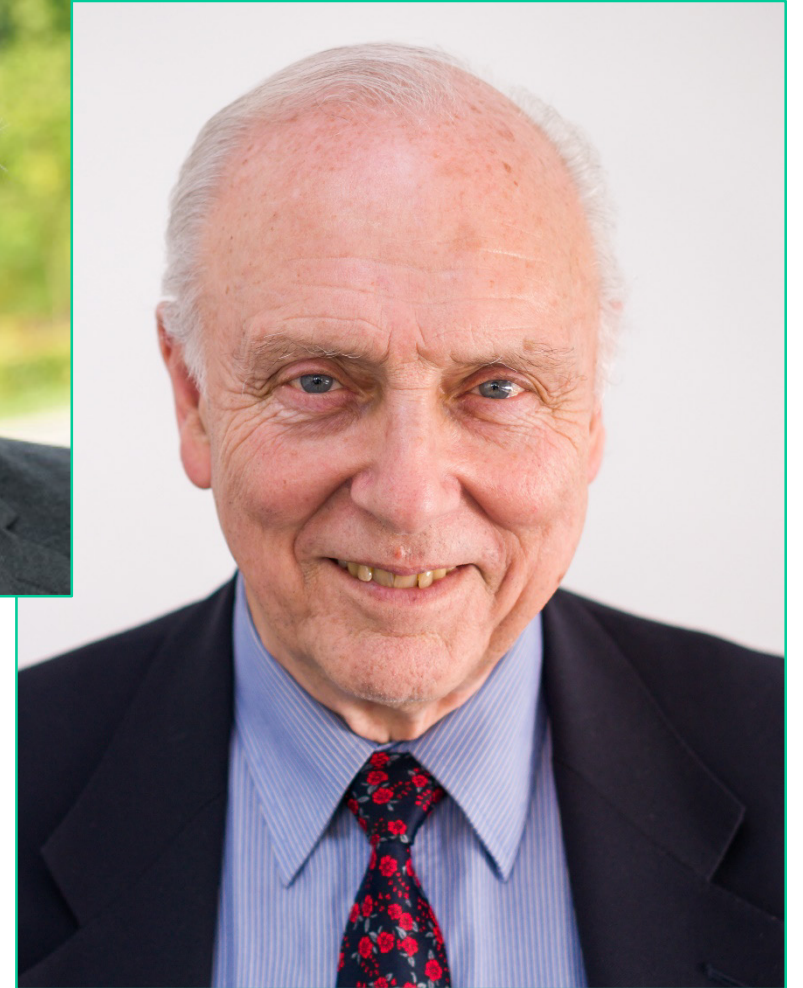
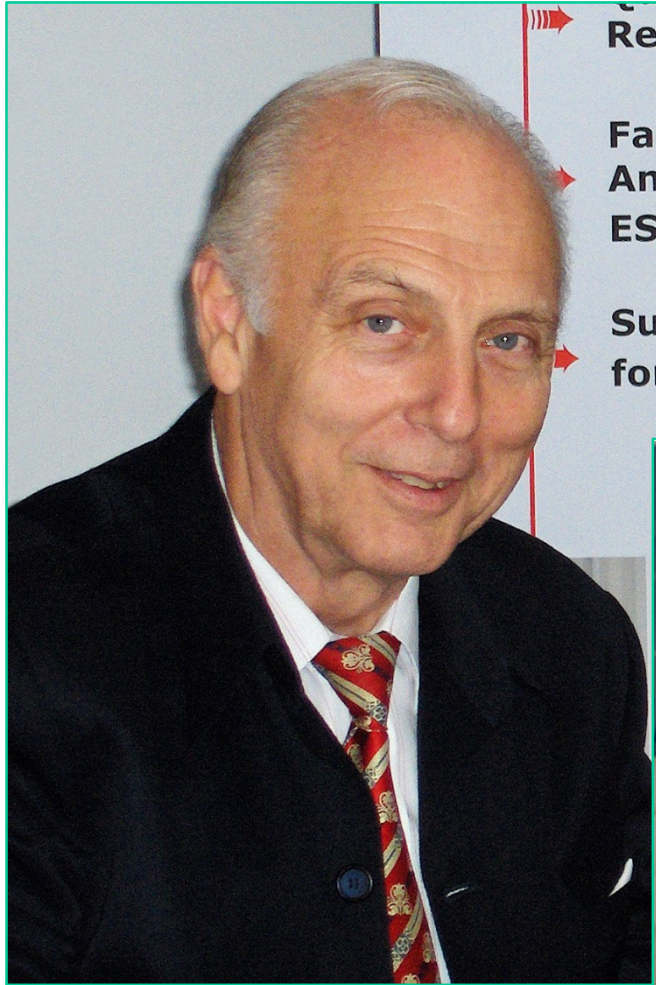
4.b Designation of the Board of Management as the body authorized to restrict or exclude pre-emptive rights upon the issue of shares and the granting of rights to acquire shares

- In accordance with clause 7.6 of the Company's Articles of Association, it is proposed that the Meeting appoints the Board of Management, for a 16-month period from the date of the Meeting (i.e. until and including October 9, 2023), as the body of the Company which, subject to the Supervisory Board's approval, is authorized to restrict or exclude any pre-emptive rights of shareholders when shares are issued or rights to acquire shares are granted.

● Voting result

In favor	Against	Abstain	TOTAL
18,784,763 (98.2%)	301,343	47,730	19,133,836

Thanks to Vic Tee



5. Other items and any other business - Questions

**Thank you for
your
participation
and your
support!**

Stay healthy!



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