

# Investor Fact Sheet

SMTC Corporation (Nasdaq: SMTX)  
www.SMTC.com



## Company Overview

SMTC Corporation is a mid-size provider of end-to-end electronics manufacturing services (EMS) including PCBA production, systems integration and comprehensive testing services. The company also provides enclosure fabrication, as well as product design, sustaining engineering and supply chain management services for its customers. Services extend over the entire electronic product life cycle from development and introduction of new products through to the growth, maturity and end-of-life phases.

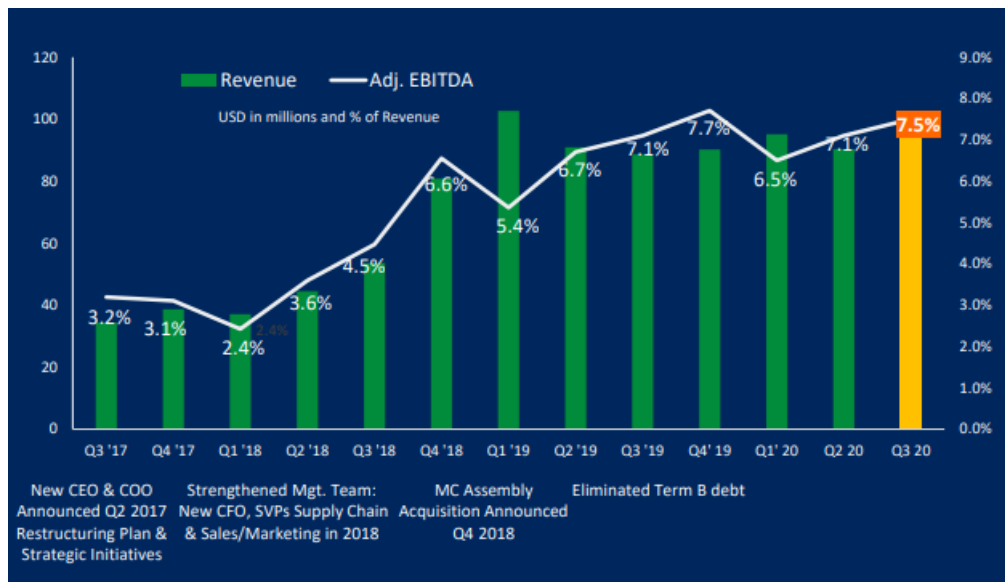
SMTC offers fully integrated contract manufacturing services to global original equipment manufacturers (OEMs) and emerging technology companies. The Company is focused on the most attractive end markets, incl. Avionics, Aerospace & Defense, IoT, 5G, Medical & Safety and has been successful in winning significant new business with over \$130 million of new orders received over the past 3 quarters.

SMTC operates over 50 manufacturing and assembly lines at strategically located facilities providing local support and expanded manufacturing capabilities globally for best-in-class cost opportunities. The MC Assembly acquisition in November 2018 by SMTC created a preeminent low-to-medium volume, value-added Electronics Manufacturing Services (“EMS”) Provider. To serve customers, SMTC has facilities in Fremont, CA, Boston, MA, Phoenix, AZ, Melbourne, FL, El Paso, TX, Hong Kong, China, two in Mexico and a corporate office in Toronto, ONT.

## Select Financial Statistics

Nasdaq Ticker:	<b>SMTX</b>
Closing Price 11/3/20:	<b>\$3.52</b>
52-Week Range:	
Low:	<b>\$1.32</b>
High:	<b>\$4.19</b>
Shares Outstanding	
Basic 9/27/20:	<b>28.2M</b>
Diluted 9/27/20	<b>29.6M</b>
Market Cap 8/5/20:	<b>\$99.3M</b>
TTM Revenue:	<b>\$375.3M</b>
Term Loans A & ABL Revolver	<b>\$69.1M</b>
Finance & operating lease obligations	<b>\$17.0M</b>
Net Debt 6/28/20	<b>\$85.9M<sup>1</sup></b>
Insider Ownership:	<b>12%</b>
Institutional Ownership:	<b>33%</b>
Fiscal Year-end:	<b>1/3/2021</b>

<sup>1</sup>Excludes \$0.2 million in cash. Effective January 1, 2019, with the adoption of the new lease standard (ASC 842 – Leases), the Company recorded \$17.0 million of finance and operating lease obligations (as of Sept. 27, 2020) which includes \$3.6 million of new operating lease for extension of the Company’s Fremont, CA facility lease effective Q1 2020.



### Q3 2020 Growth

**12.3% YoY Revenue**  
**20.2% YoY Adj. EBITDA**



### 2021 Guidance:

Revenue \$430M - \$450M  
Adj. EBITDA \$33M - \$37M \*

Guidance is made as of Nov. 4, 2020 and subject to change without notice.  
\*See reconciliation in press release dated Nov. 4, 2020

## Investor Relations Contact:

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## EXPERIENCED LEADERSHIP TEAM



**Ed Smith**  
President & CEO

25+ years EMS, electronic components distribution industry experience

SMTEK increased from \$0.35 to \$15.23 at takeout under his stewardship

At AVNET led Americas component operations increased from \$ 1.2 to \$4.0B; Started a global embedded business and grew to \$2.2B in 7 years



**Rich Fitzgerald**  
COO

18+ years: electronics industry experience



**Steve Waszak**  
CFO & SVP M&A

20+ years finance, strategic M&A development experience



**Josh Chien**  
SVP Global Head of Sales, Marketing & Customer Experience

20+ years EMS sales and operations experience



**Phil Wehrli**  
SVP Global Planning & Supply Chain

35+ supply chain management experience



Revenue by Industry Sectors	Q3 2020		Q3 2019		Change	
	Dollars	Percent	Dollars	Percent	Dollars	Percent
Industrial IoT, Power & Clean Technology*	\$37.0	37.2%	\$36.7	41.4%	\$0.3	0.8%
Semiconductors	\$16.0	16.1%	\$7.3	8.2%	\$8.7	119.2%
Avionics, Aerospace & Defense	\$12.0	12.1%	\$5.2	5.9%	\$6.8	130.8%
Medical and Safety	\$11.3	11.4%	\$10.5	11.8%	\$0.8	7.6%
Retail and Payment Systems	\$10.3	10.4%	\$10.6	12.0%	(\$0.3)	(2.8%)
Test and Measurement	\$8.1	8.1%	\$8.8	9.9%	(\$0.7)	(8.0%)
Telecom, Networking & Communications*	\$4.8	4.8%	\$9.6	10.8%	(\$4.8)	(50.0%)
<b>Total</b>	<b>\$99.5</b>	<b>100.0%</b>	<b>\$88.7</b>	<b>100.0%</b>	<b>\$10.8</b>	<b>12.3%</b>

\*Several customers were reclassified between Test & Measurement to Industrial IoT, Power & Clean Technology for all periods

## INVESTMENT HIGHLIGHTS

What is Changing?

**Winning significant new business** with \$46 million in new awards and bookings during the third quarter

**Starting to see an acceleration of customer programs** moving through the customer certification process, into new product introduction phase and entering production that will continue to ramp in 2021.

**All factories remain open supporting customers** as we continue to operate as a COVID-compliant safe workplace

**Delivering on best-in-class financial metrics** across our Tier III EMS peers to deliver premium shareholder value

- ✓ **Reaffirming the Higher End of Prior Second Half 2020 Guidance\***  
Revenue \$195M - \$205M, up from \$185M in first half of 2020  
Adj. EBITDA \$14.0M - \$15.0M, up from \$12.6M in first half of 2020
- ✓ **Focusing on the most attractive end markets**, incl. Aerospace & Defense, IoT, 5G, Medical & Safety
- ✓ **Gaining market share** by deepening existing customer relationships and adding new customers
- ✓ **Experienced management team** managing through challenging market conditions
- ✓ **Supply chain continuity** provides innovative solutions working through the COVID-19 pandemic challenges
- ✓ **Establishing 2021 Full Year Guidance\***  
Revenue \$430M - \$450M  
Adj. EBITDA \$33M - \$37M, consistent with LT financial model targets

\*Guidance made as of November 4, 2020 and subject to change without notice.

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