



Sanmina To Acquire ZT Systems Manufacturing From AMD

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Today's Presenters



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Additional Information and Where to Find It

For a more detailed discussion of these and other risks and uncertainties, please refer to the Company's filings with the Securities and Exchange Commission, including the most recent annual and quarterly reports, as well as similar disclosures by other companies in the industry.

Transaction Overview



SANMINA

- Sanmina to acquire ZT Systems Manufacturing, a leading provider of Cloud and AI infrastructure to the world's largest hyperscalers, from AMD
- Positions Sanmina to capitalize on long-term growth trends in Cloud and AI infrastructure spend
- Establishes a strategic commercial partnership for NPI with AMD to accelerate quality and time-to-deployment of AMD rack and cluster-scale AI solutions
- Acquired manufacturing expertise will allow for expansion of Sanmina's position in the Cloud and AI market
- Purchase price of \$2.55 billion cash and equity, plus \$450 million in contingent consideration, totaling up to \$3 billion
- Sanmina and AMD will partner to ensure success of ongoing platform transition at ZT Systems
- Accretive to non-GAAP EPS in the first year after closing, with further accretion expected as synergies are realized over time

Transaction Delivers Compelling Value for Sanmina Shareholders

ZT Systems Manufacturing: Provider of Critical Accelerated Cloud and AI Infrastructure with Significant Domestic Manufacturing Footprint



Business Highlights

- Leading provider of end-to-end systems integration from components to complete racks, for the Cloud and AI infrastructure ecosystem
- Industry-leading power and liquid cooling capabilities
- Established US and EU-based manufacturing footprint with global supply chain
- Trusted partner to the world's largest hyperscalers
- Extensive experience with next-gen AI platforms
- Warranty and support for hyperscalers
- Seasoned management team with deep industry expertise and world-class manufacturing know-how

Robust Footprint and Advanced Capabilities

Secaucus, NJ



Multiple facilities

Liquid Cooling capabilities

1.2mm+ sq. ft.

Georgetown, TX



State-of-the-art greenfield facility

Liquid Cooling capabilities

~500k sq. ft. with optionality to expand to 1mm+

Almelo, Netherlands



Single facility fulfilling European demand

Future Liquid Cooling capabilities

~250k sq. ft.

Plenty of Power Capacity in Place to Support Future Growth

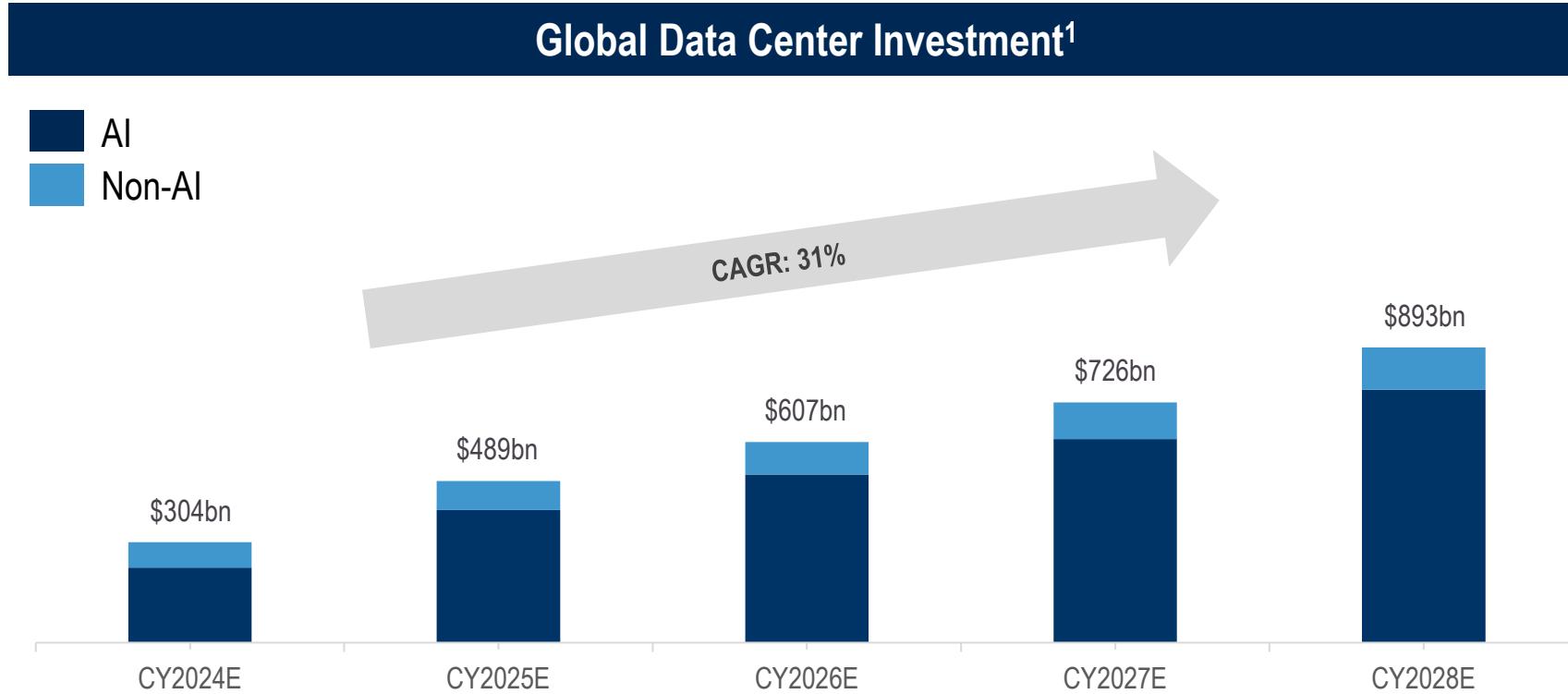
Advances Sanmina's Strategic Priorities in Cloud and AI



- Positions Sanmina to capitalize on long-term growth trends in Cloud and AI infrastructure spend
- Establishes a strategic commercial partnership for NPI with AMD to accelerate quality and time-to-deployment of AMD rack and cluster-scale AI solutions
- Broadens and deepens relationships with hyperscaler customers
- Enhances Sanmina's ability to partner closely with both hyperscaler and OEM customers across all platforms and technologies in the industry
- Brings industry-leading manufacturing capacity and know-how in the U.S. and Netherlands, reinforcing Sanmina's existing footprint
- Complements Sanmina's well-established vertical integration strategy
- Augments Sanmina's best-in-class management and technical talent pool

Accelerates Entry Into Cloud and AI Across All Technologies

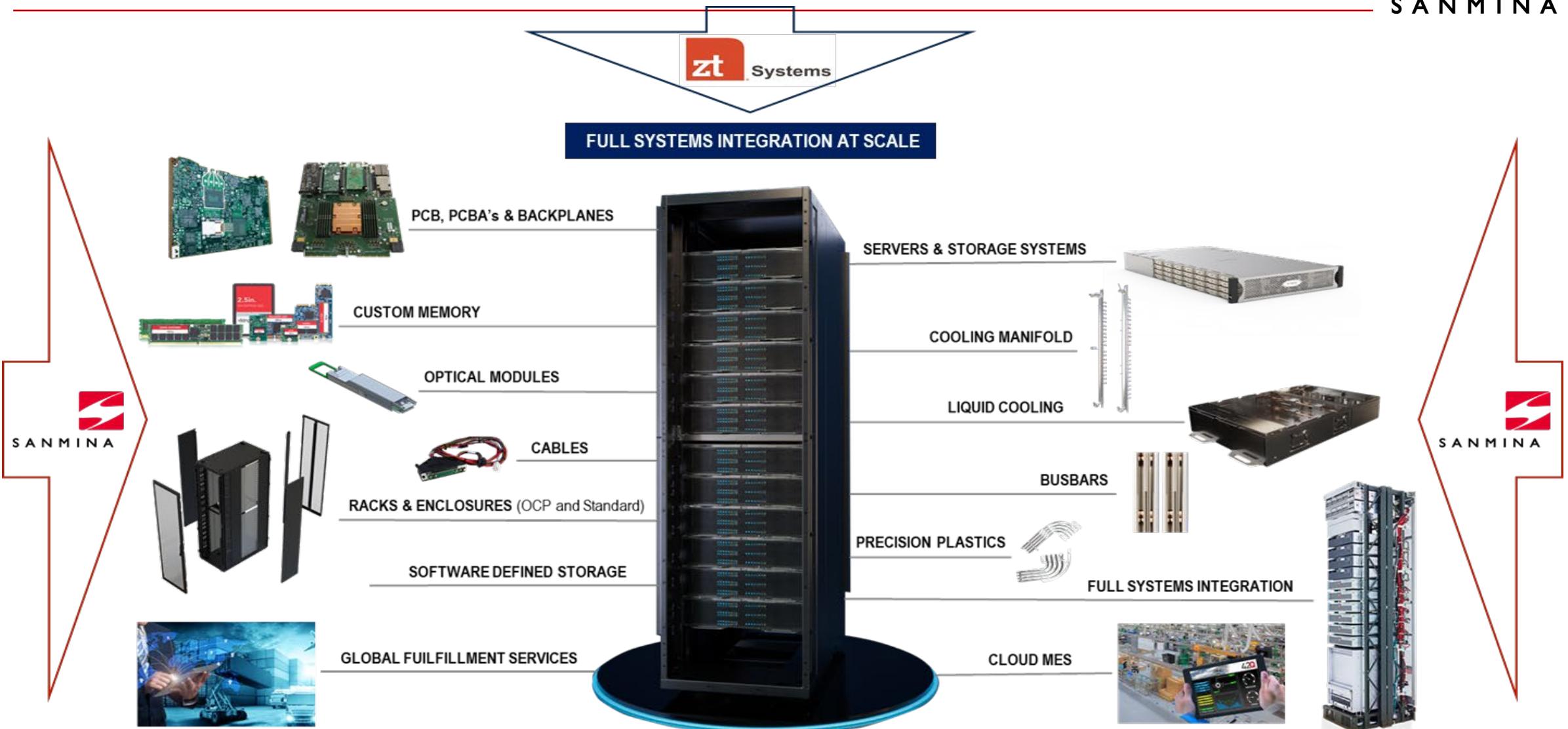
Exposure to Secular Growth Trends in Cloud and AI



Sanmina + ZT Systems Manufacturing Will Capitalize on Long-term Growth Trends in Cloud and AI Infrastructure Spend

¹Wall street research.

“One-Stop Shop” End-to-End Solutions for Cloud and AI End-Market



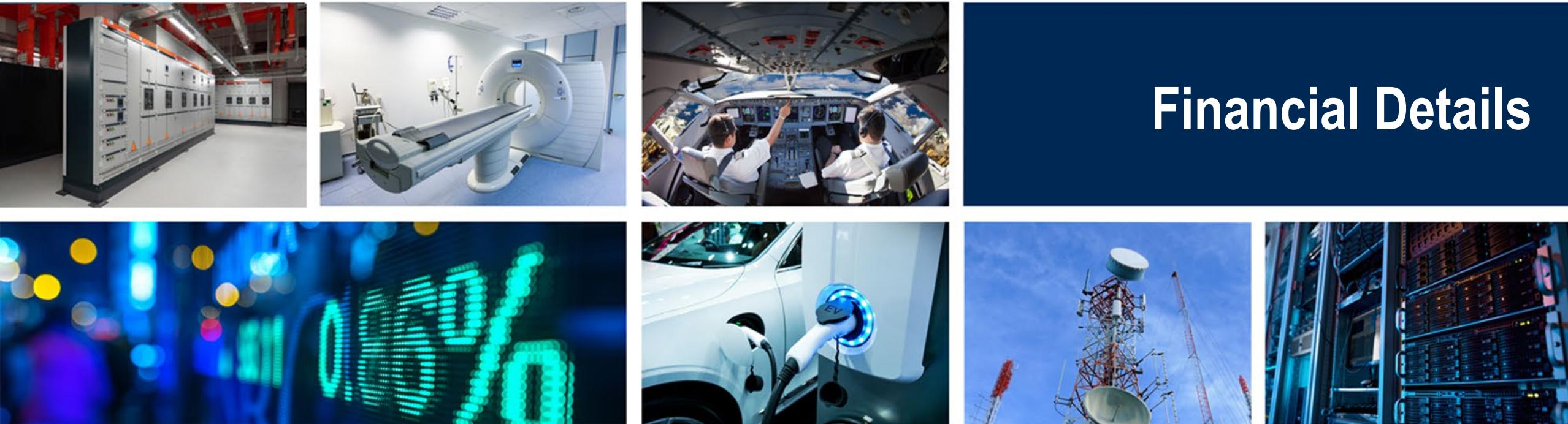
Establishes Sanmina as Industry Leader In Data Center AI End-Market

Sanmina and AMD NPI Partnership



- Sanmina to become the preferred NPI manufacturing partner for AMD's rack and cluster-scale AI solutions
- Strategic partnership accelerates deployment of complex AI rack systems tailored to hyperscaler requirements
- Sanmina's mission-critical technology focus and vertical integration, combined with ZT Systems' leading next-gen compute systems manufacturing and AMD's concurrent silicon / systems design will enable Sanmina to accelerate production and validation timelines for hyperscale deployment

Sanmina-AMD Partnership Accelerates Time-to-Market, Quality and Flexibility for Customers



Transaction Details



S A N M I N A

Purchase Price (\$3 billion)

- \$2.25 billion upfront cash consideration to pay for assets at net asset value
- Premium of \$300 million paid \$150 million in cash and \$150 million Sanmina equity aligning interest of Sanmina and AMD
- Up to \$450 million contingent consideration based on financial performance of the business over the next 3 years

Target Asset Value (\$2.25 billion)

- \$2.0 billion target net working capital at closing with corresponding purchase price adjustment mechanism
- Approximately \$250 million of net PP&E at closing, including three state-of-the-art facilities

Equity Consideration (\$150 million)

- \$150 million valued at the 5-day volume-weighted average price on second trading day prior to closing
- Equity lock-up period of 3 years, which begins at the time of closing, during which equity sales are limited to 33% in the first year, 33% in the second year, and the remaining equity in the third year

Financing (\$2.5 billion)

- \$2.5 billion 364-day bridge facility from Bank of America
- Permanent debt financing expected to be secured between signing and closing

Expect Transaction to Close Near the End of the 2025 Calendar Year

Expected Financial Benefits

Increases Scale and High Value End-Market Exposure

- ZT Systems Manufacturing has a current annual run-rate net revenue of approximately \$5 - \$6 billion
- Expect to double Sanmina's revenue in 3 years

Expected to be Accretive to Financial Profile

- Accretive to Sanmina's non-GAAP EPS in the first year after closing
- Further non-GAAP EPS accretion expected as synergies are fully realized over time

Synergy Opportunity

- Operational efficiencies due to scale
- Vertical integration opportunities

Commitment to Strong Balance Sheet



- Committed to maintaining a strong balance sheet and ample liquidity
- Investing in working capital, PP&E and capabilities that accelerate entry into Cloud and AI end-market
- Expect working capital build in 2026 / 2027 to support the growth of the business
- Opportunity to improve inventory turns
- We will continue to focus on cash generation, and our capital allocation strategy remains unchanged
- Targeting a net leverage ratio of 1.0x to 2.0x over time

Committed to Preserving Sanmina's Existing Ratings With a Goal of Achieving Investment Grade Over Time

Key Takeaways



- Accelerates Sanmina's position in the Cloud and AI infrastructure end-market
- ZT Systems brings decades of experience and is a trusted partner to the world's leading hyperscalers
- Complements Sanmina's well-established vertical integration strategy
- Establishes a strategic commercial partnership for NPI with AMD to accelerate quality and time-to-deployment of AMD rack and cluster-scale AI solutions
- Enhances Sanmina's ability to partner closely with both hyperscaler and OEM customers across all platforms and technologies
- Sanmina and AMD will partner to ensure success of ongoing platform transition at ZT Systems
- Committed to maintaining a strong balance sheet and ample liquidity
- Accretive to non-GAAP EPS in the first year after closing, with further accretion expected as synergies are realized over time

Transaction Delivers Compelling Value for Sanmina Shareholders



Thank You

