

Ad hoc: Agreement signed on the sale of the Elmos wafer fab in Dortmund to Littelfuse

Public disclosure of inside information pursuant to Article 17 Market Abuse Regulation (MAR)

28-Jun-2023 / 02:40 CET/CEST

Elmos Semiconductor SE (FSE: ELG, "Elmos"), one of the world's leading suppliers of mixed-signal automotive semiconductors, and Littelfuse, Inc., USA (NASDAQ: LFUS, "Littelfuse"), a diversified, industrial technology manufacturing company, today entered into a definitive agreement on the sale of the Elmos wafer fab ("fab") at the Dortmund site to Littelfuse. Under the agreement, a German subsidiary of Littelfuse will acquire the Elmos wafer fab at the Dortmund site with approximately 225 employees. All other activities, including testing operations, will remain with Elmos.

Elmos has agreed to sell the Dortmund wafer fab at a net purchase price of approximately 93 million Euro. Following regulatory approvals, the buyer will make a payment of approximately 37 million Euro. The remaining approximately 56 million Euro will be paid at closing, expected to be effective December 31, 2024. With the acquisition of the Dortmund fab, Littelfuse enhances its capabilities in power semiconductors.

The closing of the transaction is subject to certain closing conditions and regulatory approvals, among them the investment control procedure under foreign trade law conducted by the German Federal Ministry of Economic Affairs and Climate Action. The closing of the transaction is expected to be effective December 31, 2024. Elmos will retain full operational control over the wafer fab until the closing date.

In addition, Elmos and Littelfuse have agreed to enter into a defined multi-year capacity sharing arrangement with an initial term lasting through 2029, with Elmos buying defined volumes of wafers produced at the fab. This long-term agreement supplements the existing supply arrangements with Elmos' other foundry partners and ensures that Elmos has the necessary capacities to meet projected customer demand.

The transaction has no major effects on EBIT in fiscal year 2023, which is why the current forecast for the full-year EBIT margin in 2023 ($25\% \pm 2$ percentage points) continues to apply. Cash flow is expected to be positively influenced in fiscal year 2023 by the payment of approximately 37 million Euro after regulatory approvals. Irrespective of the transaction, Elmos continues to increase its efforts to expand testing capacities for future growth. The company now anticipates capital expenditures of approximately $19\% \pm 2$ percentage points of sales in fiscal year 2023 (previously: $17\% \pm 2$ percentage points). As a result, Elmos now expects a negative operating adjusted free cash flow in 2023.

Contact

Elmos Semiconductor SE
Ralf Hoppe, Head of Investor Relations, Public Relations & ESG
Phone: +49-231-7549-7000
Email: invest@elmos.com

About Elmos

Elmos develops, produces and markets semiconductors, primarily for use in the automotive industry. Our components communicate, measure, regulate and control safety, comfort, powertrain and network functions. For 40 years, Elmos innovations have been bringing new functions to life and making mobility worldwide safer, more comfortable and more energy efficient. With our solutions we are already the worldwide #1 in applications with great future potential, such as ultrasonic distance measurement, ambient and rear light as well as intuitive HMI.

Notice

This release contains forward-looking statements that are based on assumptions and estimates made by the Elmos management. Even though we assume the underlying expectations of the forward-looking statements to be realistic, we cannot guarantee the expectations will prove right. The assumptions may carry risks and uncertainties, and as a result actual events may differ materially from the forward-looking statements. Among the factors that could cause such differences are changes in general economic and business conditions, fluctuations of exchange rates and interest rates, the introduction of competing products, lack of acceptance of new products, and changes in business strategy. Elmos neither intends nor assumes any obligation to update its statements with respect to future events.