

Analysts' Conference Presentation

February 2021

elmos[®]



DISCLAIMER

This presentation contains selected, preliminary and unaudited financial figures regarding fiscal year 2020

ELMOS CORPORATE OVERVIEW



Corporate Highlights

~6 Elmos ICs
on average in every new car

6 product segments:
Ranging, Optical, Sensor ICs, Motor Control,
Lighting, Safety/Power/Custom ICs

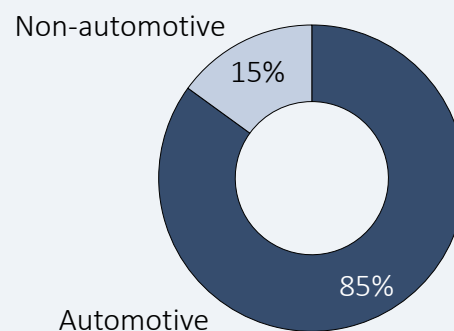
16 locations worldwide incl. 7 R&D centers
HQ located in Dortmund, Germany

>35 years experience in analog
mixed signal IC solutions

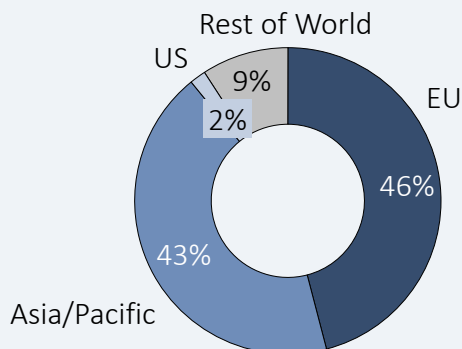
1,150 employees thereof 350+ product
developers & engineers

Sales Breakdown FY 2020

Automotive focused:
Sales by industry



Global presence:
Sales by region



Financial Highlights FY 2020

233 million Euro sales
in fiscal year 2020

20 percent research & development ratio
record spending in R&D activities despite
COVID-19 pandemic

40 million Euro net cash
underlining Elmos' strong financial position

78 percent equity ratio
emphasizing Elmos' financial solidity

746 Euro million market capitalization
(as of Feb. 12, 2021)

ELMOS INNOVATIVE SOLUTIONS FOR GLOBAL MEGA TRENDS

elmos[®]

Leading innovator in future mobility

#1 FOR ULTRASONIC ICS

#1 FOR HVAC FLAPS

#1 FOR GESTURE CONTROL

#1 FOR AMBIENT AND REAR LIGHT



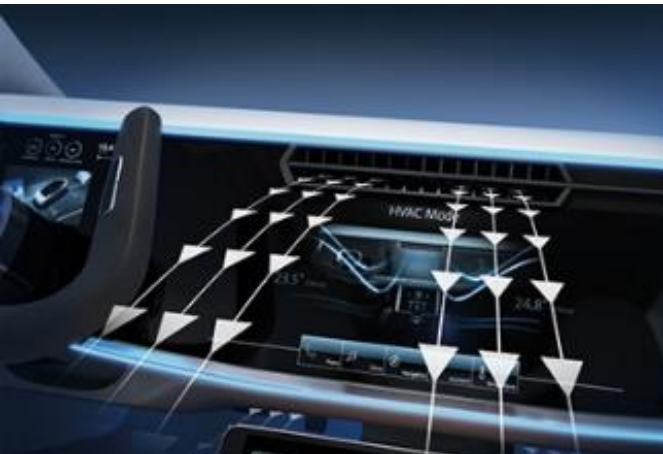
USER EXPERIENCE



ADAS & AUTONOMOUS DRIVING



SAFETY



COMFORT



ELECTRIFICATION




LIGHTING

HIGHLIGHTS OF FISCAL YEAR 2020


The year 2020 was dominated by managing the effects of the COVID-19 pandemic... 


Q1 2020

Elmos presents new dynamic LED rear light applications at CES in Las Vegas

First COVID-19 hygiene and protective measures are implemented at all Elmos locations 

Announcement not to extend the cooperation with the Fraunhofer Institute after June 2020


Travel ban, meeting & visitor restrictions; closure of social areas within Elmos 


Extensive remote-office regulation 

New foundry cooperation with Samsung

Elmos buys back 7.7% of the share capital as a result of the successful public buyback offer


Q2 2020

Start of short-time work program at Dortmund fab 


Management Board and senior executives voluntarily waive a part of their remuneration 

First virtual Annual General Meeting approves all agenda items


Expansion of short-time work to further non-productive areas 


Additional solidarity contribution by the Management Board and senior executives 

Q3 2020

Introduction of voluntary severance program for German employees 


Conversion into a European stock corporation (Societas Europaea – SE) completed, strengthening the international positioning of Elmos


Despite slight improvements of COVID-cases in Germany and other countries during the summer, all protective measures maintained at Elmos 

Q2 results continue to be impacted by the COVID-19 pandemic 


Elmos presents solutions for ambient lighting and gesture control at the DVN Car Smart Interior Online Expo

Q4 2020

Suspension of short-time work as a result of increasing orders in Q4 

Q3 results reflect impact of pandemic, but significant recovery with very strong growth in Q4 expected 

Management Board contract of Dr. Jan Dienstuhl (CSO) extended until 2023

Extension of protective measures in connection with the second hard lockdown in Germany and other countries around the globe 

Purchase agreement signed to acquire Dortmund based engineering provider Online Engineering GmbH

Dr. Anton Mindl retires after 15 years as CEO of Elmos at the end of the year; Dr. Arne Schneider to become the new CEO as of Jan. 01, 2021

HIGHLIGHTS OF FISCAL YEAR 2020

...but also many important strategic milestones have been achieved. ✓

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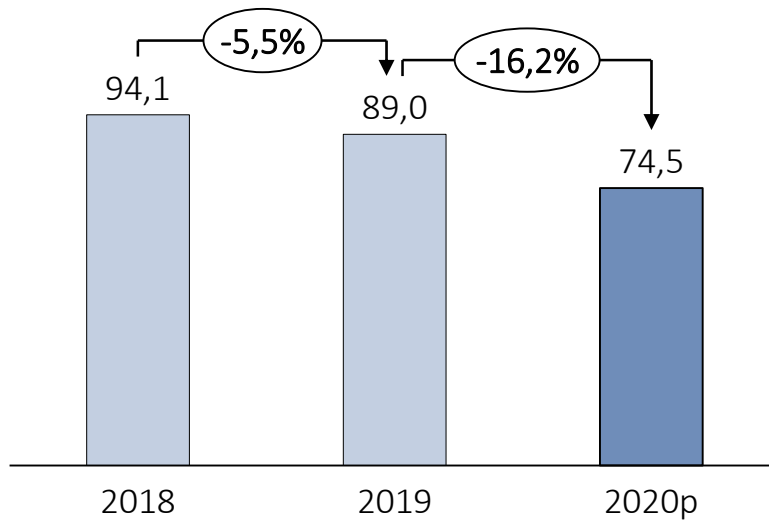
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MARKET ENVIRONMENT: STRONG DECLINE DUE TO PANDEMIC

Automotive Market

Light vehicle production in million units (IHS)¹



Regional market development YoY 2020/2019:

- Europe (-22%)
- China (-4%)
- North America (-20%)

¹IHS Light Vehicle Production (January 2021)

For the auto industry, 2020 was a horrible year – but it ended better than expected

COVID-19, buyer preference push US passenger car sales to record low in 2020

How will Europe's automotive industry recover from COVID-19?

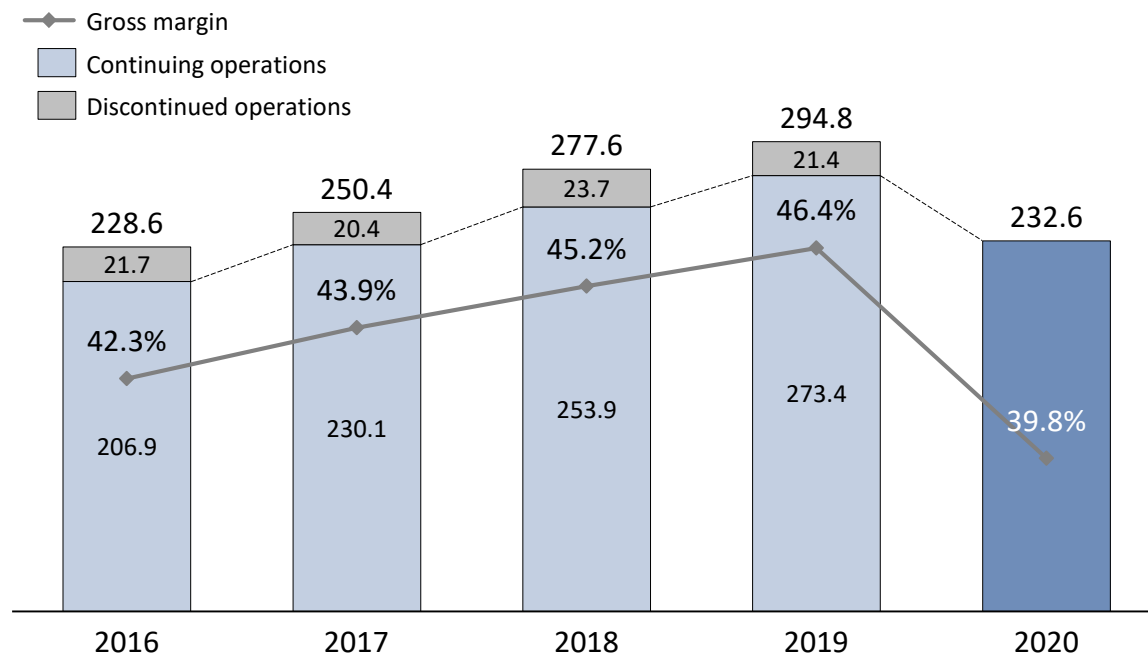
UK car production in 2020 slumped to lowest level since 1984

China's car production, sales surge in December 2020

Car sales in Europe suffer worst fall ever in pandemic year

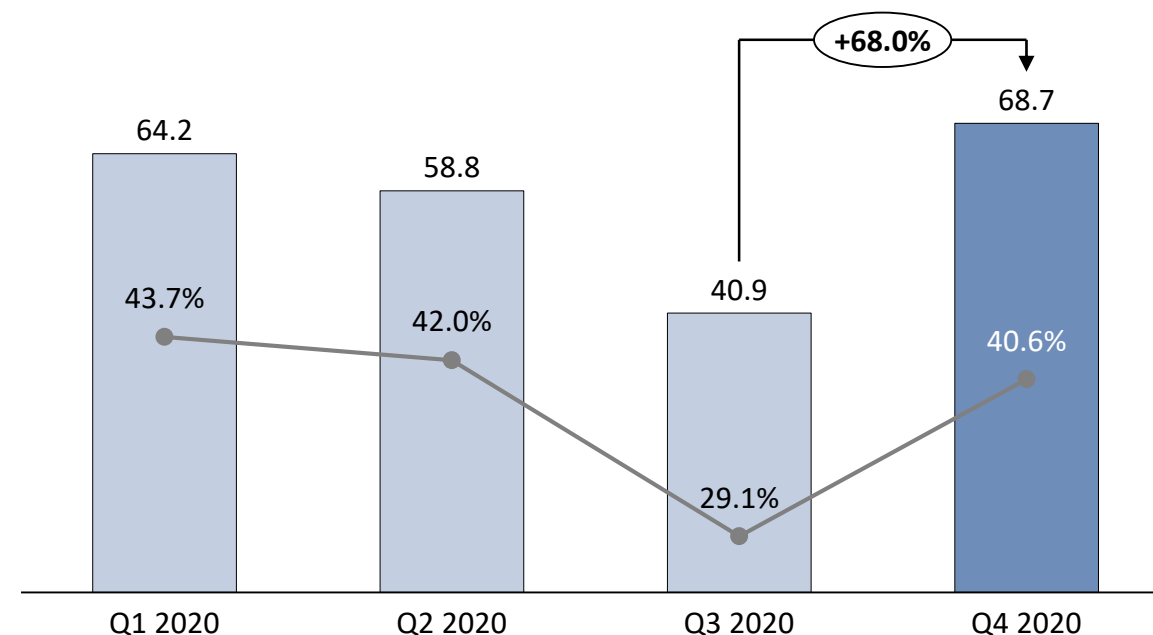
FY 2020: SALES AT THE UPPER END OF GUIDANCE RANGE

Yearly sales (in million Euro) & gross margin¹ (in %)



- FY 2020 sales performance is at the **upper end** of the given guidance range (between 227 and 233 million Euro)
- FY 2020 sales **decrease** 14.9%² due to the **COVID-19 pandemic**
- **Decrease** in gross margin is reflecting the **lower fixed costs absorption** as a result of the **under-utilization in production** due to the lower sales volume

Quarterly sales (in million Euro) & gross margin (in %)



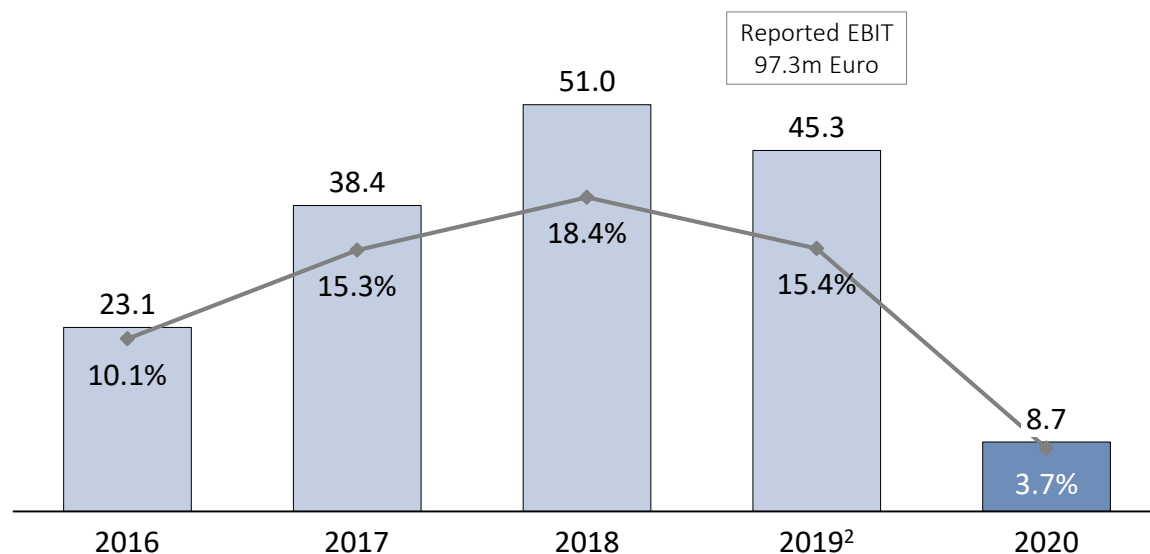
- As expected, we benefited from the **recovery of the automotive market** and **strong IC demand** in the last quarter of the year
- The ratio of orders received for the next three months to sales over the past three months (**book-to-bill**) was **well above one** at the end of the reporting period

¹Gross margins in years 2016 to 2019 relate to continuing and discontinued operations; in year 2020 to continuing operations only.

²Sales decrease refers to continuing operations only.

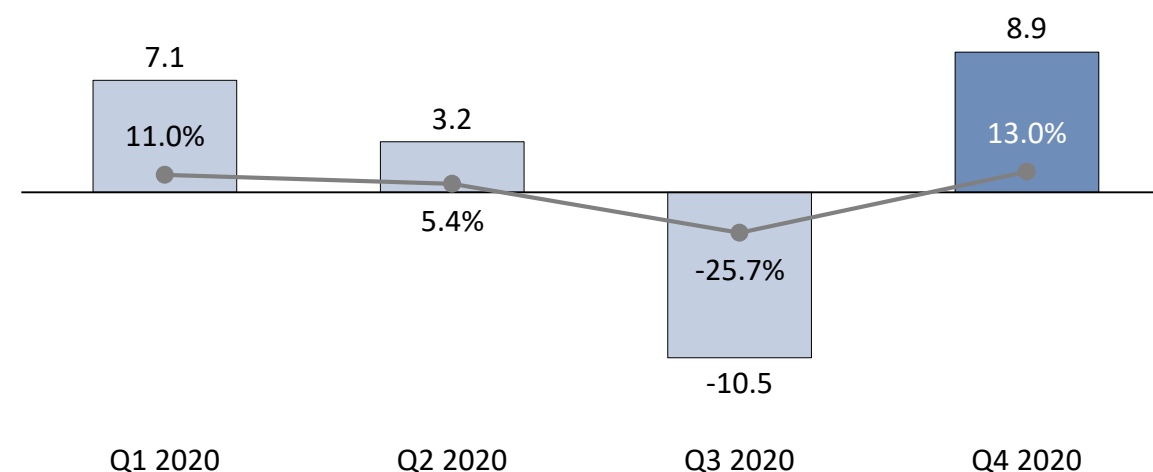
FY 2020: EBIT ALSO AT THE UPPER END OF GUIDANCE RANGE

Yearly EBIT¹ (in million Euro) & EBIT margin (in %)



- EBIT margin achieved our mid-term target level in 2017, 2018 and 2019
- 2020 EBIT was heavily impacted by the sales decrease and lower fixed costs absorption
- The implemented operational measures such as short-time work, voluntary salary cuts and additional savings prevented a further deterioration of our profitability

Quarterly EBIT (in million Euro) & EBIT margin (in %)



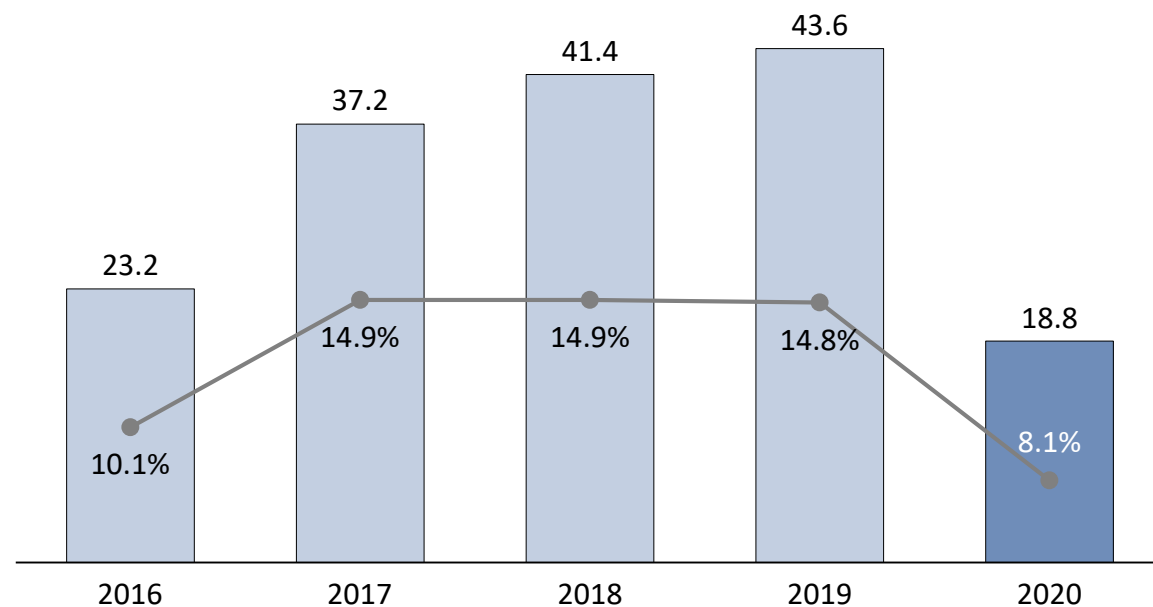
- Fast turn-around in Q4 2020 as production volumes have significantly increased after the crisis-related low-point in Q3 2020
- Q4 2020 EBIT margin of 13% is approaching pre-crisis performance levels

¹EBIT and EBIT margins in years 2016 to 2019 relate to continuing and discontinued operations; in year 2020 to continuing operations only.

²Operational EBIT/EBIT margin without consideration of the result from the sale of the subsidiary SMI and without deduction of the restructuring expenses for the termination of the cooperation with the Fraunhofer Institute IMS.

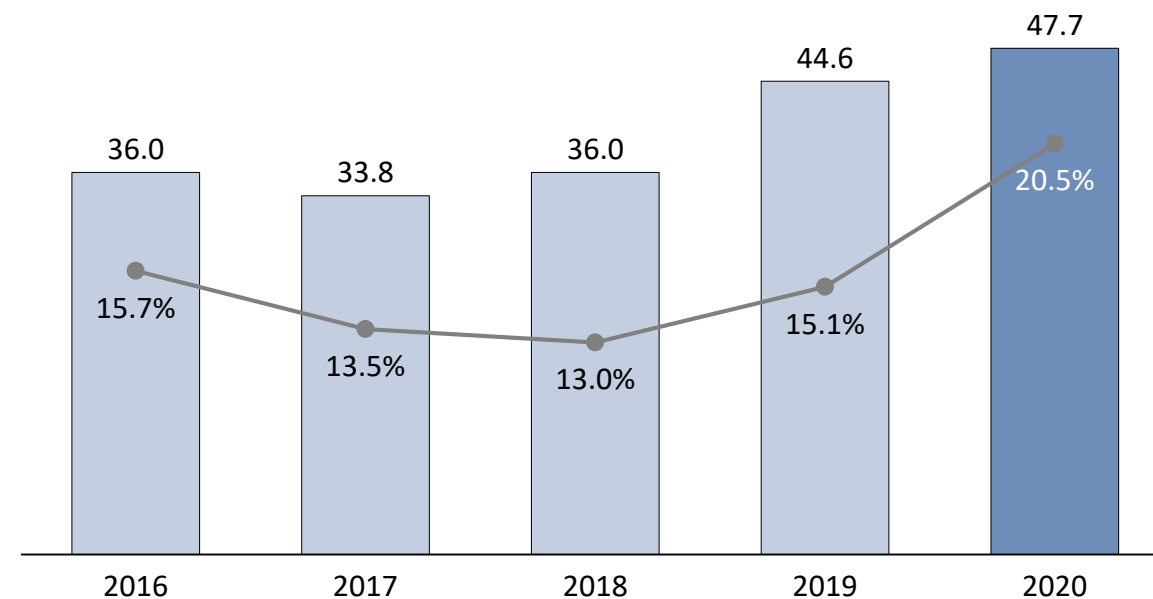
CAPEX AND R&D EXPENSES

CAPEX¹ (in million Euro & in % of sales)



- Capex for FY 2020 amounted to only 18.8 million Euro or 8.1% of sales
- Investments in new equipment have been restricted due to the crisis

R&D expenses² (in million Euro & in % of sales)



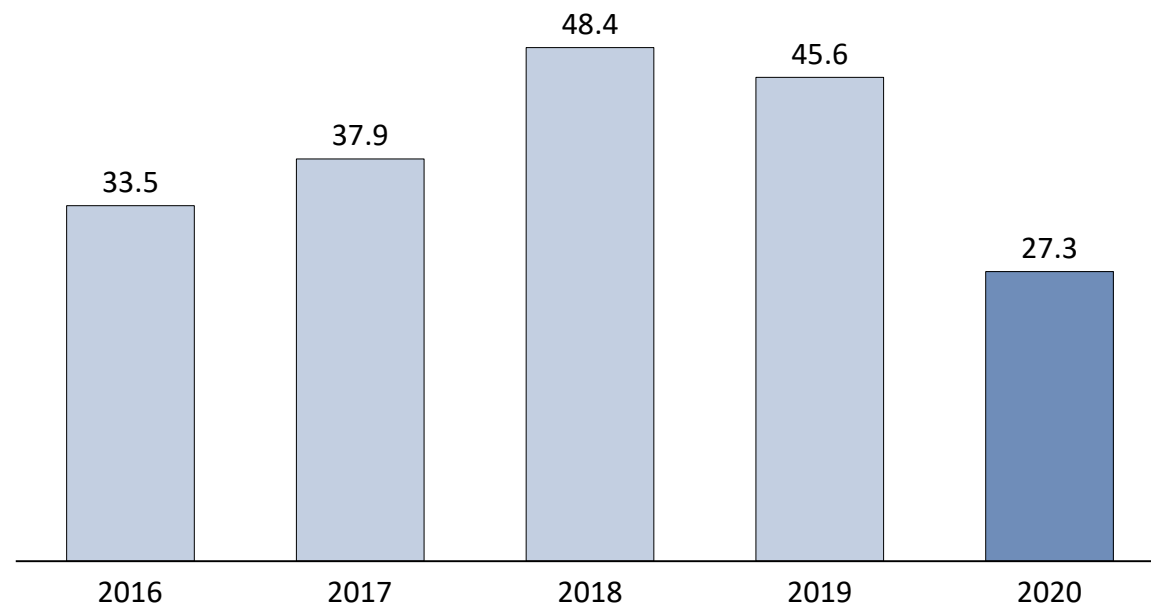
- To further strengthen our innovative leadership we have not reduced our R&D activities during the COVID-19 pandemic
- Despite travel bans and limited customer meetings, we could once again achieve a very good result for our design wins in 2020

¹Capital expenditures for intangible assets and property, plant and equipment less capitalized development expenses.

²R&D expenses in years 2016 to 2019 relate to continuing and discontinued operations; in year 2020 to continuing operations only.

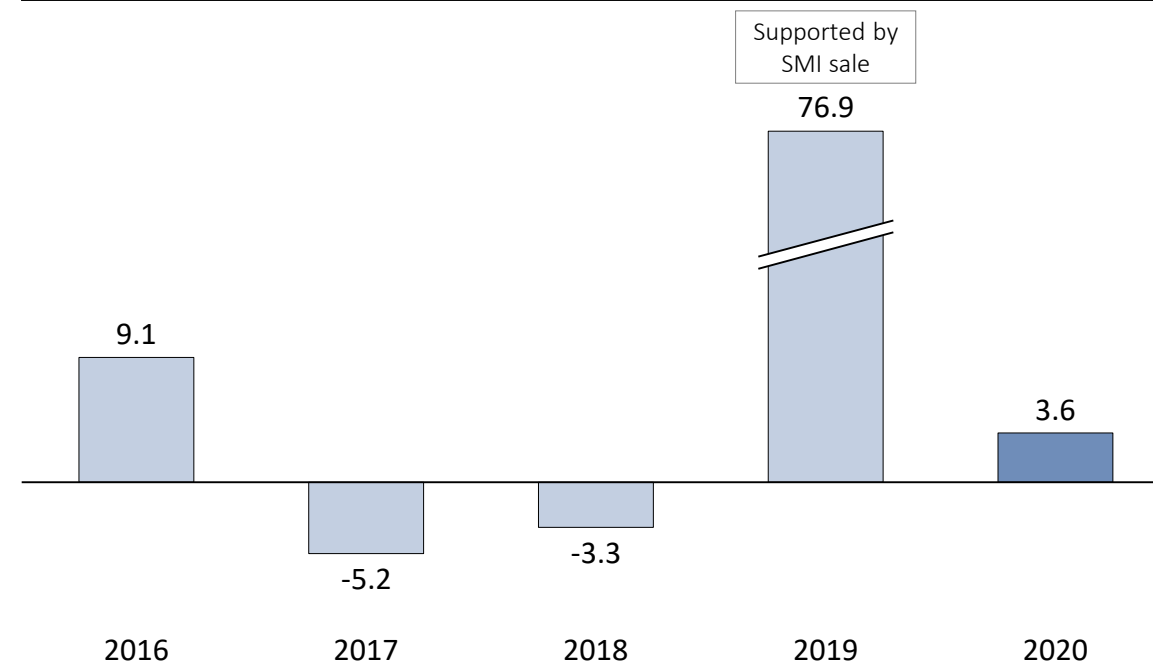
CASH FLOW

Operating cash flow (in million Euro)



- The **cash flow** from operations in FY 2020 declined mainly due to the lower income

Adjusted free cash flow¹ (in million Euro)

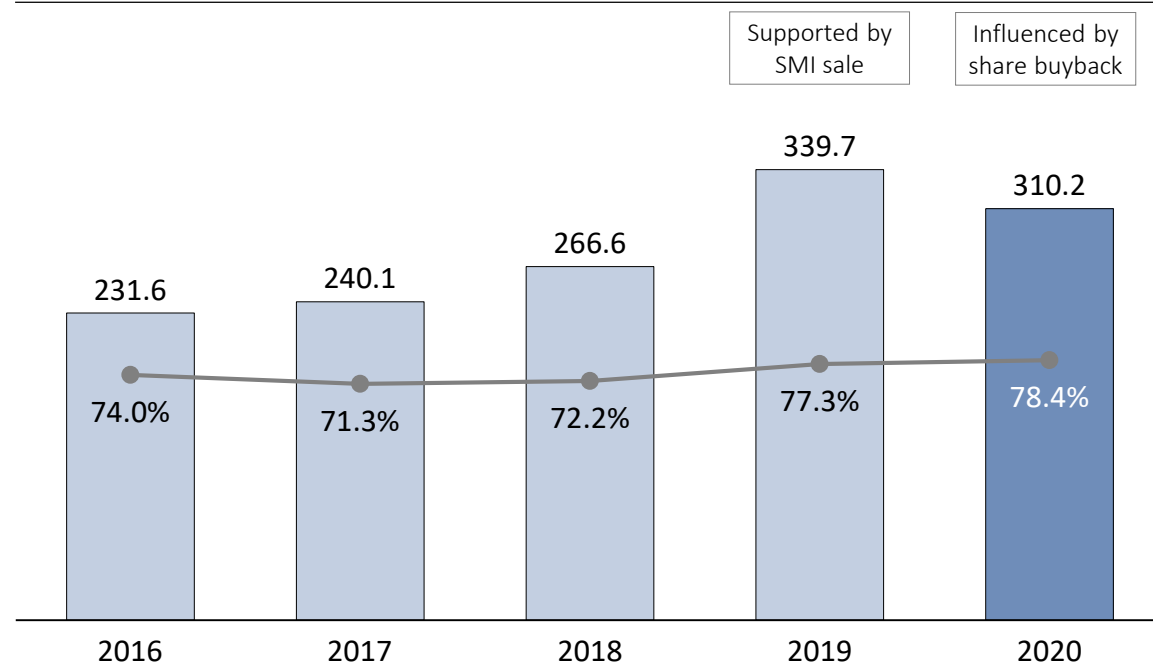


- Despite the overall challenging business development with declining sales and lower income levels, we could achieve a **positive adjusted free cash flow** in FY 2020
- The adjusted free cash flow in the previous year was significantly positive due to the cash inflow from the SMI transaction

¹Cash flow from operating activities less capital expenditures for/plus disposal of intangible assets and property, plant and equipment (incl. payments from disposals of consolidated companies and payments for shares)

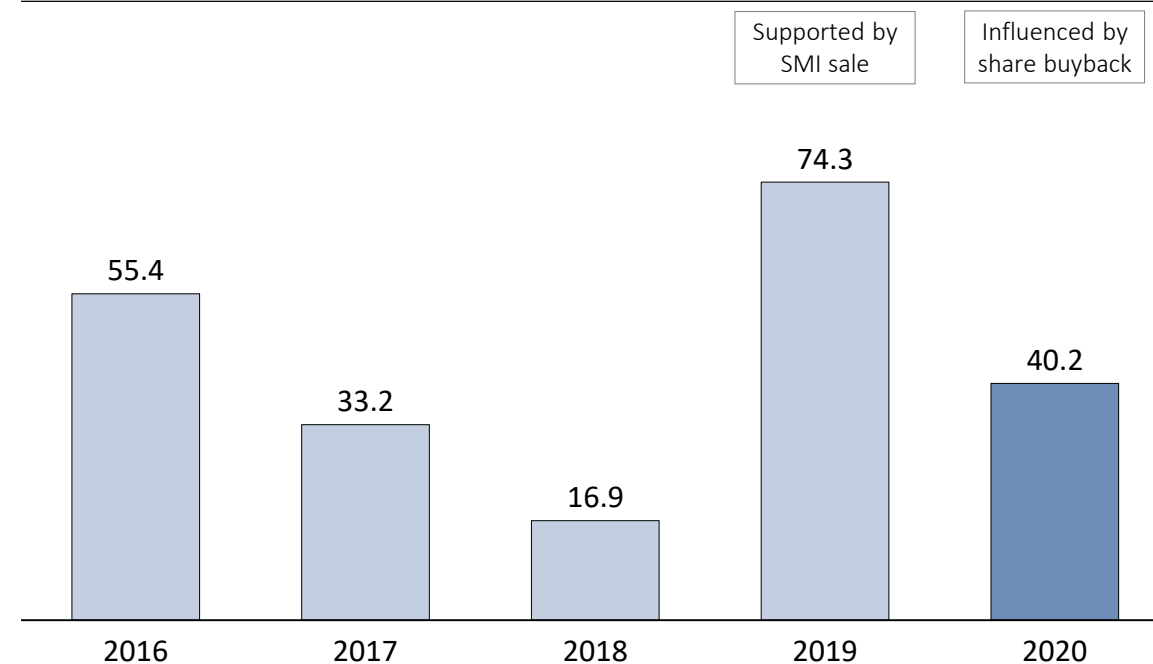
EQUITY AND NET CASH

Shareholders' equity (in million Euro & in % of total assets)



- The further increase of the equity ratio to 78% at the end of FY 2020 underlines the financial solidity of Elmos
- Despite the massive impacts of the global pandemic, the equity and financial base of Elmos is stronger than ever

Net cash (in million Euro)

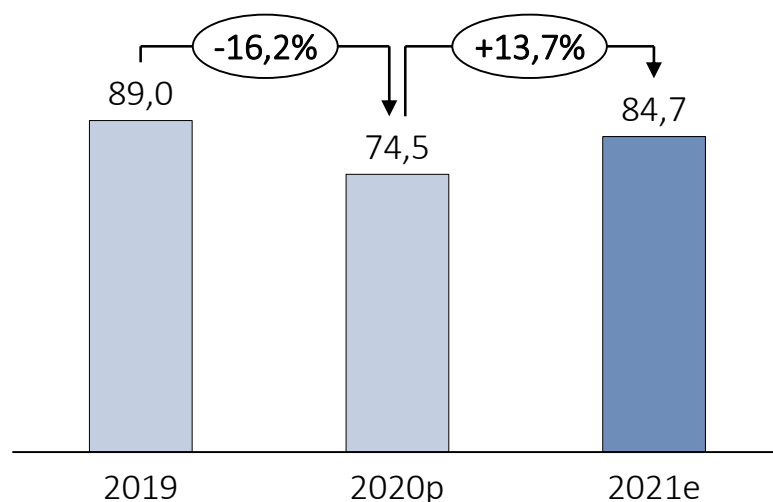


- Since more than 10 years now, Elmos is able to achieve a net cash position at year-end
- Thanks to this strong financial position, we were able to successfully complete a buy-back of 7.7% of our own shares in March 2020, which was the main reason for the reduction in net cash year-over-year, holding 9.9% at the end of year

GUIDANCE FOR 2021

Automotive Market Outlook

Light vehicle production in million units (IHS)¹



Est. regional market development YoY 2021/2020:

- Europe (+14%)
- China (+6%)
- North America (+25%)

¹IHS Light Vehicle Production (January 2021)

Elmos 2021 Guidance (as of February 17, 2021)

Q1 2021

Sales:	76 ± 3 million Euro
EBIT:	14.5% ± 1.5%-points
Ø exchange rate:	1.20 EUR/USD

Full Year 2021

Significant increase in sales and EBIT compared to the previous year

Capital expenditures significantly higher year on year

Positive adjusted free cash flow above previous year expected

Notes to guidance 2021:

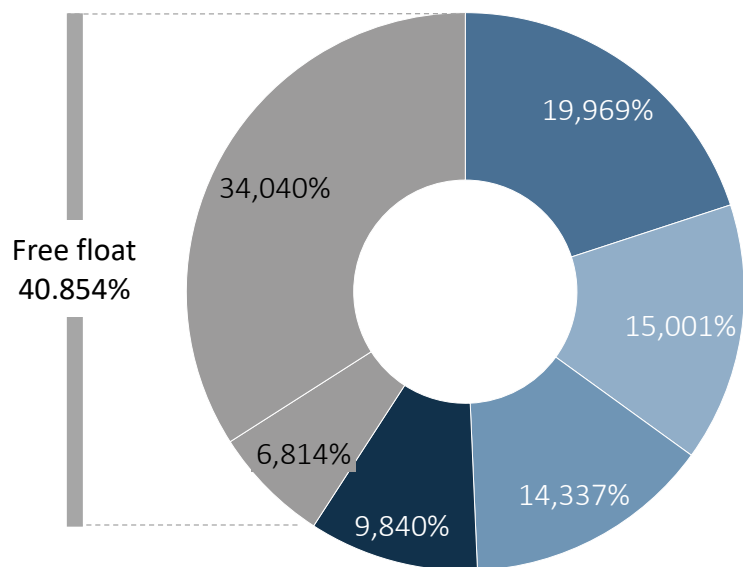
The 2021 guidance is based on relevant market and industry forecasts, which are associated with certain risks due to the ongoing COVID 19 pandemic and are also likely to be subject to greater fluctuations over the course of the year.

Our forecast ability is also significantly affected by the current allocation within the IC market, combined with delivery constraints of key components based on the global capacity bottlenecks.

SHAREHOLDER STRUCTURE SET FOR LONG-TERM PERSPECTIVE

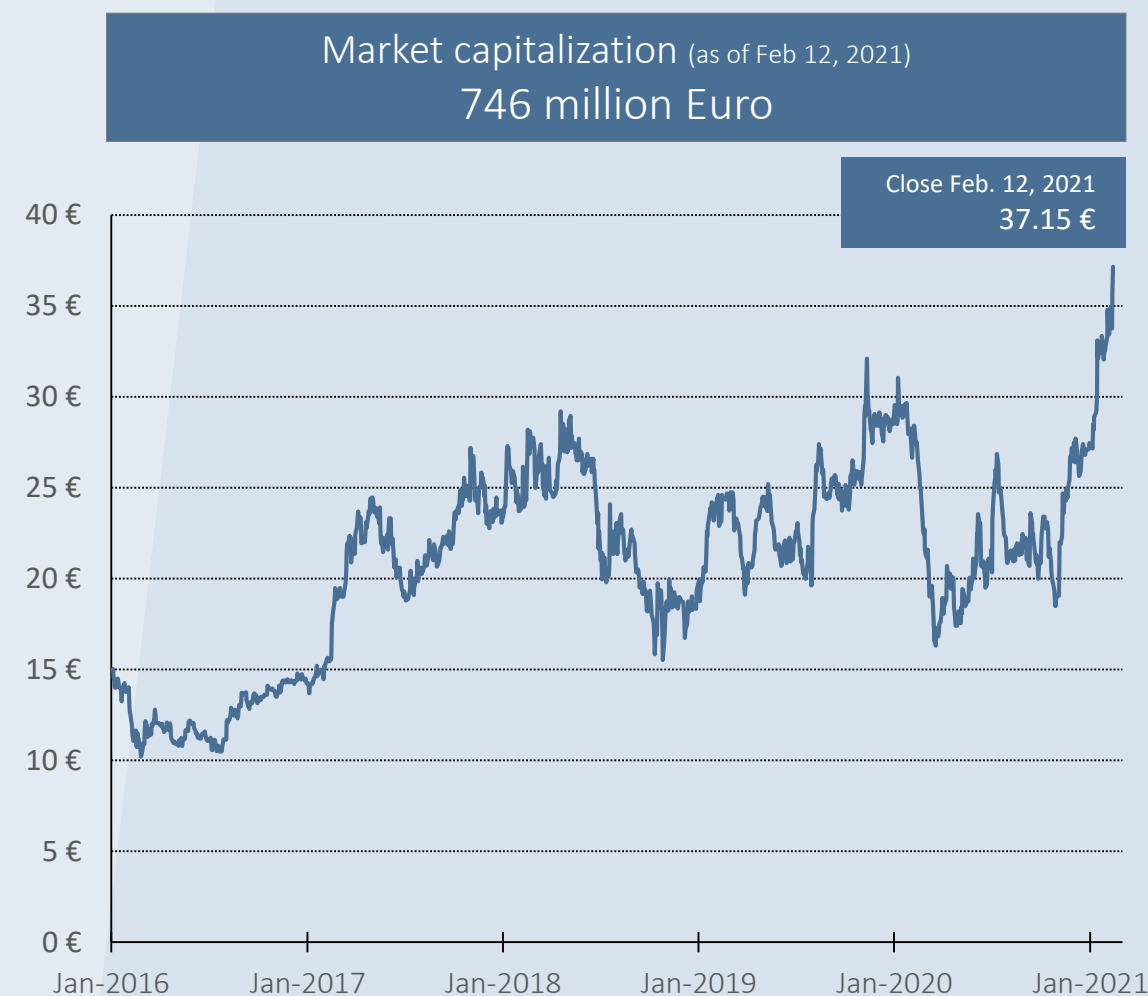
Elmos Semiconductor SE shareholder structure

- Public buyback offer 2020 (Offer price per share: 17.50 Euro)
- A total of **1.54 million shares** bought back for ~27 million Euro
- Elmos now holds 1,978,206 treasury shares / **9.840%** of share capital



- Weyer Beteiligungsgesellschaft mbH and related parties
- Jumakos Beteiligungsgesellschaft mbH
- ZOE-VVG GmbH and related parties
- Treasury Stock
- Free float, thereof:
 - 6.814% Teslin Capital Management BV as of May 2020

Elmos 5-year share price development



FINANCIAL CALENDAR / RESEARCH COVERAGE / IR CONTACT



Event	Date
Preliminary results 2020 ¹	February 17, 2021
Final results 2020 ¹	March 17, 2021
Quarterly results Q1/2021 ¹	May 6, 2021
Annual General Meeting	May 20, 2021
Quarterly results Q2/2021 ¹	August 4, 2021
Quarterly results Q3/2021 ¹	November 4, 2021

Elmos Semiconductor SE – basic share data	
ISIN / WKN:	DE0005677108 / 567710
Stock symbol:	ELG
Code:	ELGG.De
Class:	Non-par value bearer shares
Segment:	Prime Standard, Regulated Market
Share capital:	20,103,513 € / shares

Institution	Analyst	Recommendation
Deutsche Bank	Robert Sanders	Hold
Hauck & Aufhäuser	Christian Sandherr	Buy
Oddo BHF	Stéphane Houri	Buy
Warburg Research	Malte Schaumann	Buy

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¹The German Securities Trading Act (Wertpapierhandelsgesetz) and the Market Abuse Regulation (EU) oblige issuers to immediately announce any information that may have a substantial price impact, irrespective of the communicated schedules. Therefore it is possible that we will announce key figures of quarterly and annual results ahead of the dates listed above. As we can never rule out changes of dates, we recommend checking dates and news ahead of schedule on the Company's website (www.elmos.com).



DISCLAIMER

This presentation contains forward-looking statements based on beliefs of Elmos' management. Such statements reflect the company's current views with respect to future events and are subject to risks and uncertainties. Many factors could cause the actual results to be materially different, including, among others, changes in general economic and business conditions, changes in currency exchange rates and interest rates, introduction of competing products, lack of acceptance of new products or services and changes in business strategy. Actual results may vary materially from those projected here. Elmos does not intend or assume any obligation to update these forward-looking statements.

Elmos Semiconductor SE

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