

Investor Presentation Q2 2021

September 2021

elmos[®]



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

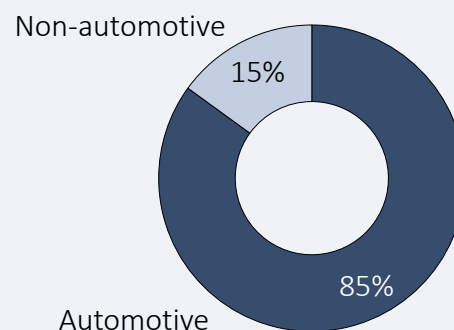
16 locations worldwide incl. 7 R&D centers
HQ located in Dortmund, Germany

>35 years experience in analog
mixed signal IC solutions

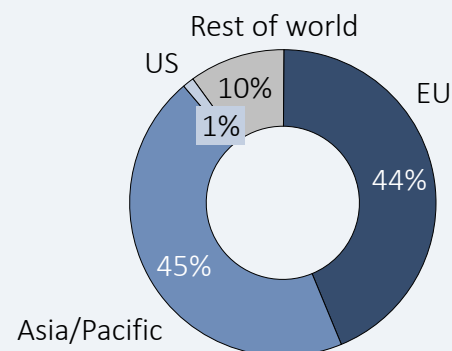
1,150 employees thereof 350+ product
developers & engineers

Sales breakdown

Automotive focused:
Sales by industry FY 2020



Global presence:
Sales by region H1 2021



Financial highlights H1 2021

156 million Euro sales
influenced by semiconductor allocation

16 percent EBIT margin
impacted by allocation-related effects,
especially material price increases

47 million Euro net cash
underlining Elmos' strong financial position

76 percent equity ratio
emphasizing Elmos' financial solidity

733 million Euro market capitalization
(as of June 30, 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



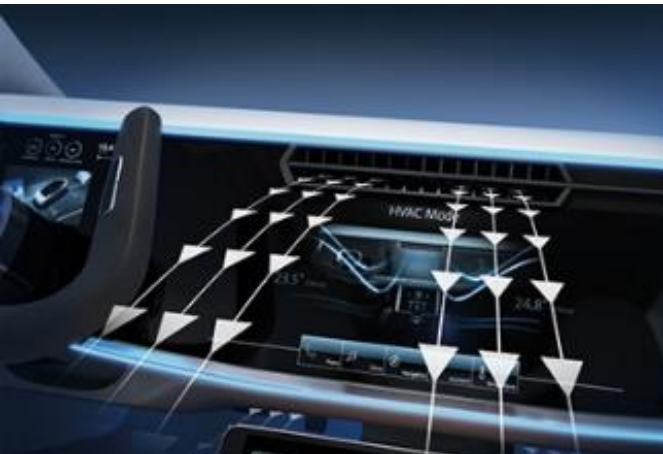
USER EXPERIENCE



ADAS & AUTONOMOUS DRIVING



SAFETY



COMFORT



ELECTRIFICATION



LIGHTING

HIGHLIGHTS OF Q2 2021



The course of the pandemic has weakened somewhat, but the effects of the IC shortage are clearly noticeable now, as the allocation has accelerated in the second quarter

COVID-19 pandemic

Starting in April 2021, Elmos has coordinated 3 vaccination rounds for employees and their relatives. At our Dortmund site alone, almost 600 people have been vaccinated.

Since July 2021, first steps initiated to facilitate some of the Corona related measures and gradual return to offices.

After summer holidays, fully vaccinated employees will be able to access the social areas such as the company gym and health and fitness programs will resume.

Semiconductor market

The ongoing high demand for semiconductors in all industries worldwide has further accelerated the allocation situation along the entire value chain in the second quarter.

The allocation of foundry capacities, supply bottlenecks for key components, material price increases and logistical challenges are having noticeable impact on the business performance.

More and more market participants expect the capacity shortage and the effects of the global semiconductor shortage to continue in 2022.

Strategic highlights

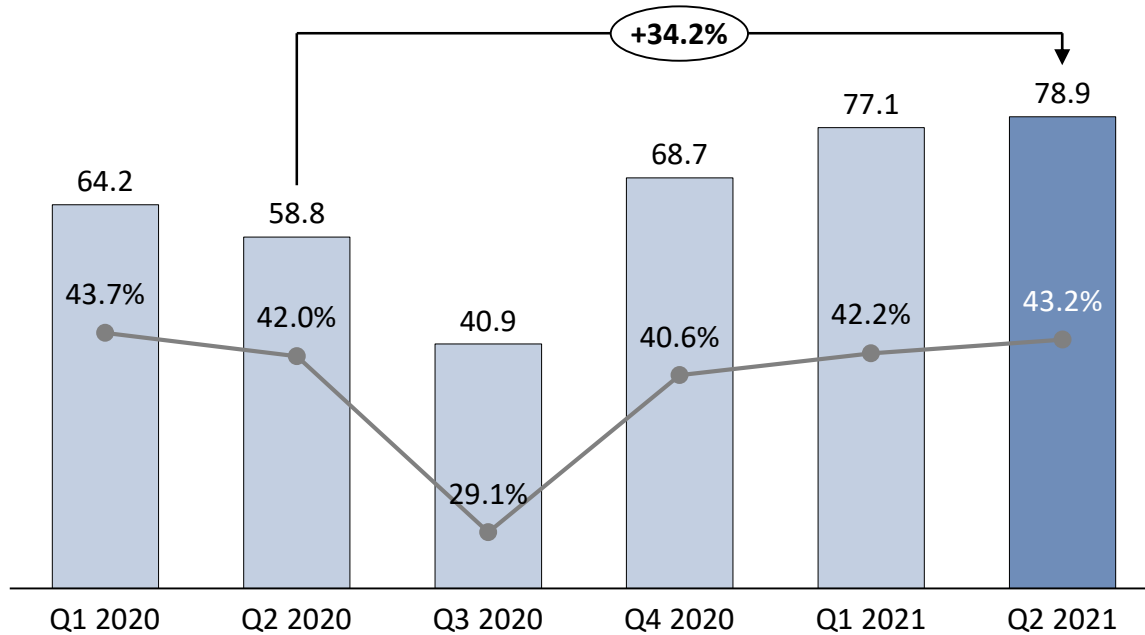
The virtual AGM in May 2021 approved all agenda items by a large majority. Dr. Dirk Hoheisel and Dr. Volkmar Tanneberger were newly elected to the Supervisory Board as shareholder representatives alongside the long-serving board members and company founders Dr. Klaus Weyer and Prof. Dr. Günter Zimmer.

Elmos is still fully on track for another successful year in new design wins, supported by a continued high level of R&D activities in all application fields.

Despite the temporary allocation situation, we have further intensified our CAPEX program in the backend and will invest a record amount in our testing area this year, to install the necessary capacities to secure our delivery capabilities.

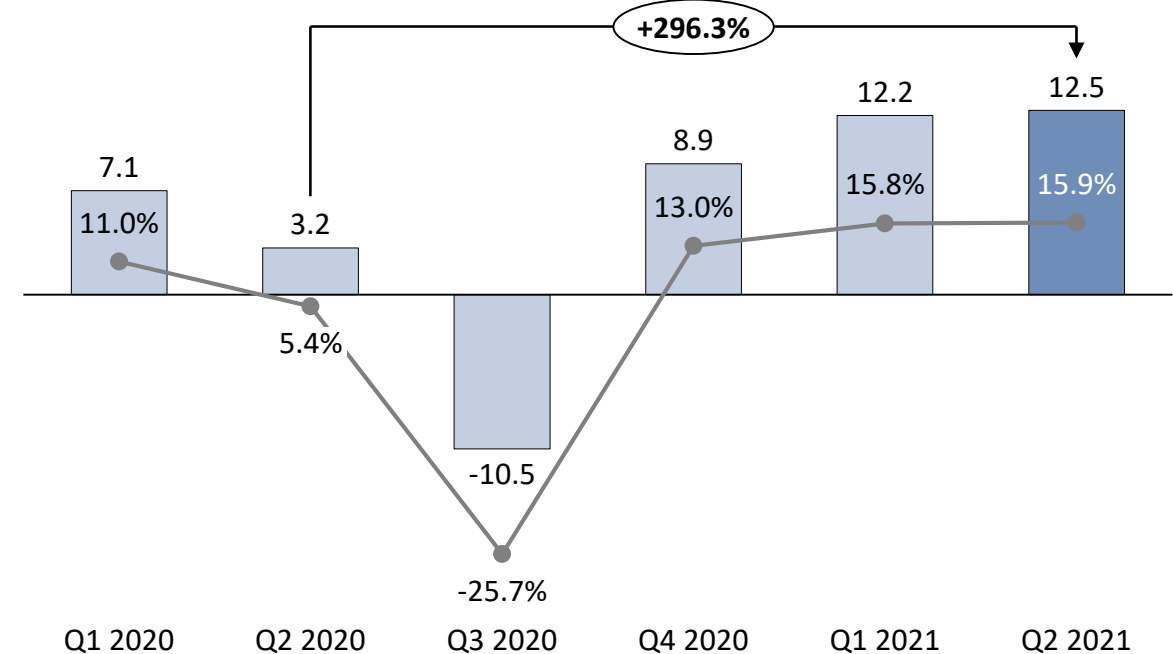
SALES AND EBIT

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



- Sales in Q2 2021 were once again **clearly above previous year (+34%)** as expected, supported by a strong increase in all product segments
- The ratio of orders on hand for the next three months to sales over the past three months (**book-to-bill**) was **above one** at the end of the reporting period

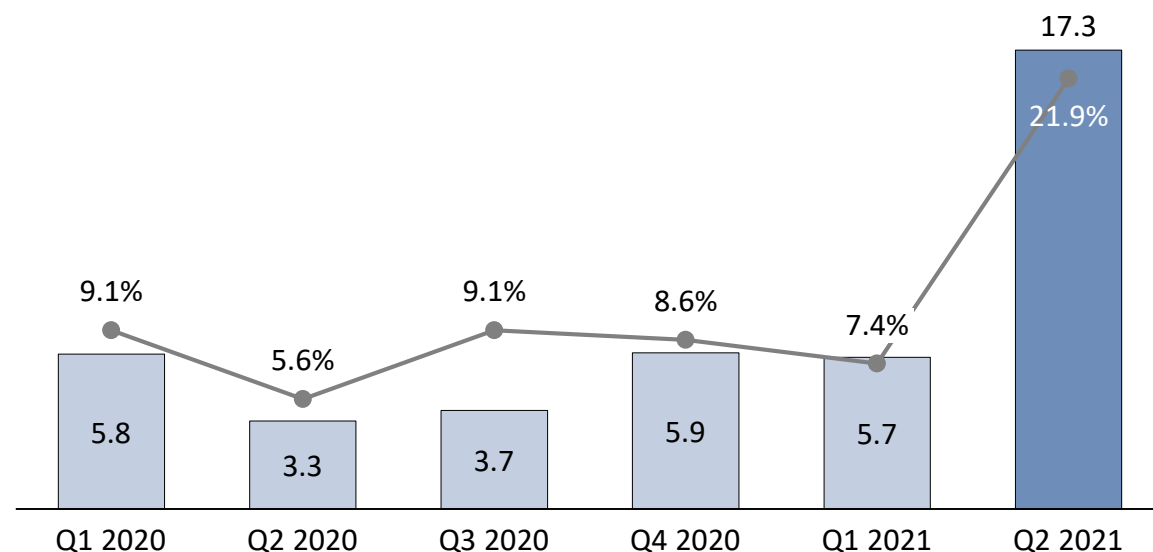
Quarterly EBIT (in million Euro) & EBIT margin (in %)



- **Strong increase in EBIT to 12.5 million Euro** based on higher volumes, but allocation-related effects prevented an even more dynamic development in the second quarter
- **Q2 2021 EBIT margin of 15.9%** precisely in line with the quarterly guidance (16% ± 1.5%-points)

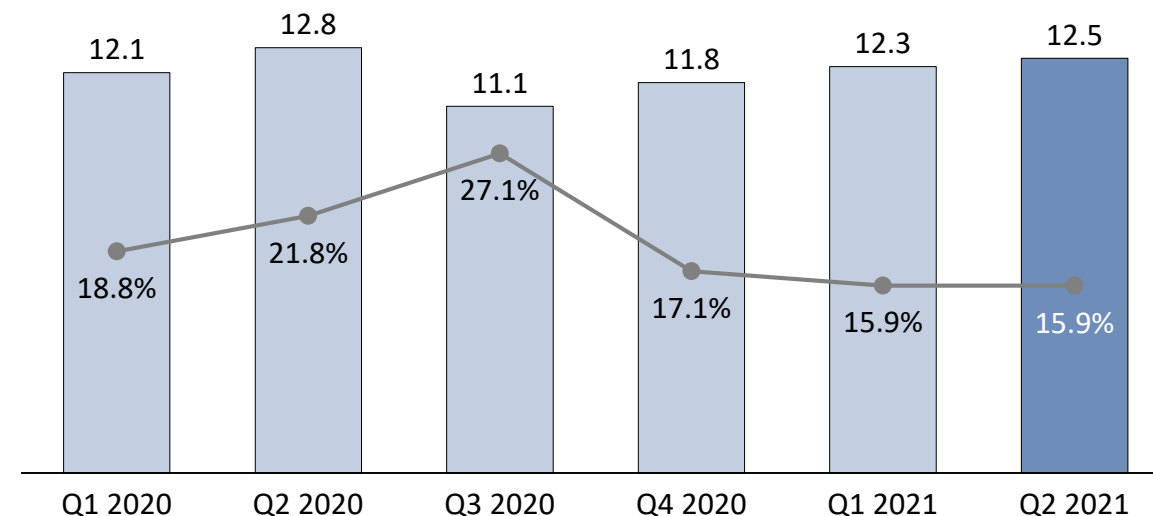
CAPEX AND R&D EXPENSES

CAPEX¹ (in million Euro & in % of sales)



- Higher investments of 17.3 million Euro in Q2 2021 reflect the previously announced backend capex program
- Q2 2021 CAPEX to sales ratio exceeds 20%
- Investments in new testing equipment will continue in 2021 to expand the capacities to secure our delivery capabilities

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

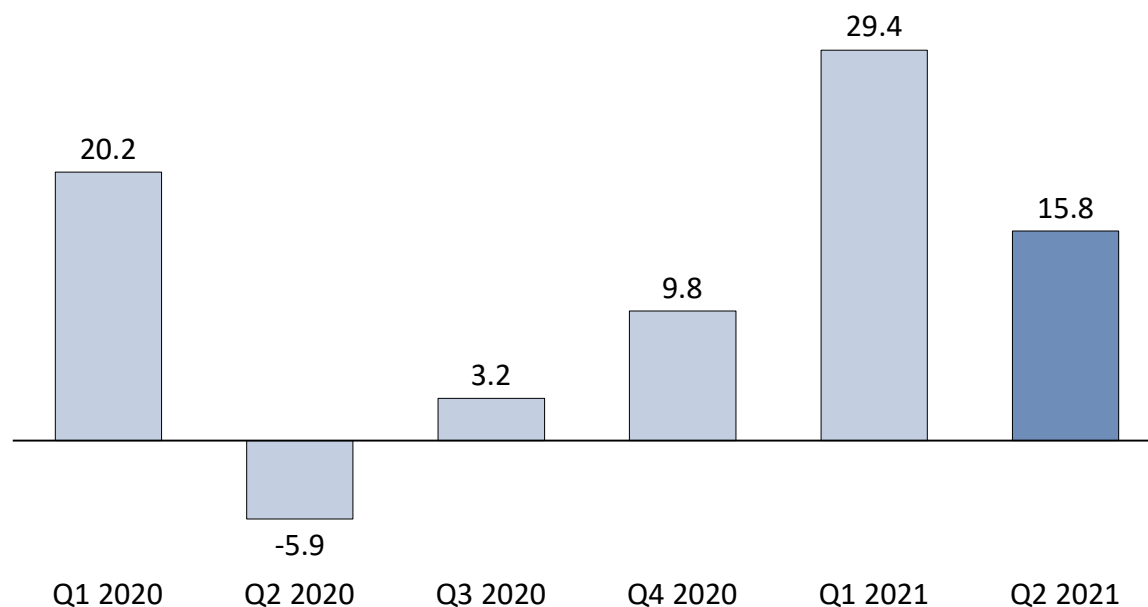


- R&D expenses continue to **remain on a high level** at approximately 16% of sales
- After six months we are **fully on track with our New Design Win activities** with promising new projects in all product segments

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

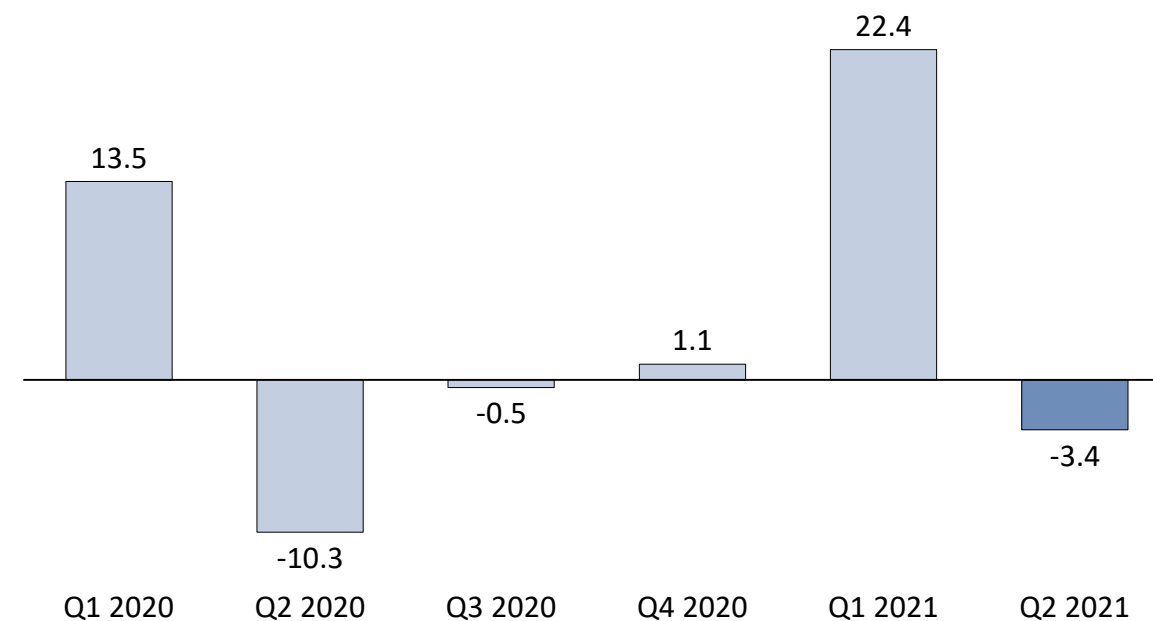
CASH FLOW

Operating cash flow (in million Euro)



- Despite the reduction of inventories by around 3 million Euro, the **cash flow from operations** in Q2 2021 was lower compared to Q1 2021 mainly due to seasonal effects

Adjusted free cash flow¹ (in million Euro)

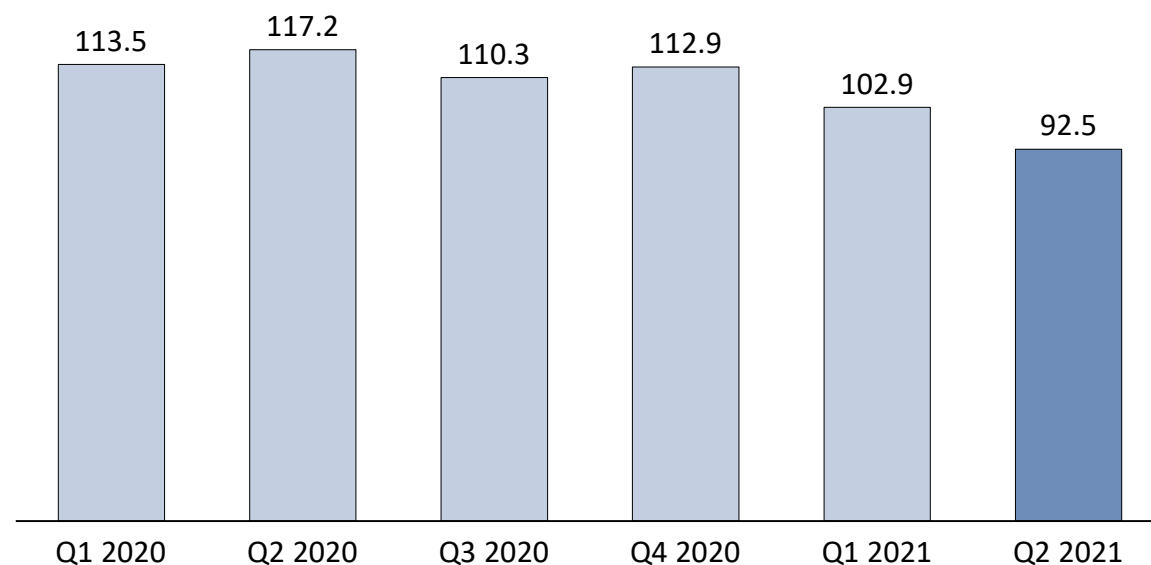


- The lower cash flow from operations combined with a significantly higher CAPEX spending resulted in a **slightly negative adjusted free cash flow in Q2 2021**
- The major **CAPEX program for the backend area** continues to influence the **free cash flow** in the further course of 2021

¹Cash flow from operating activities less capital expenditures for/plus disposal of intangible assets and property, plant and equipment (including payments for shares and proceeds from additions to the scope of consolidation)

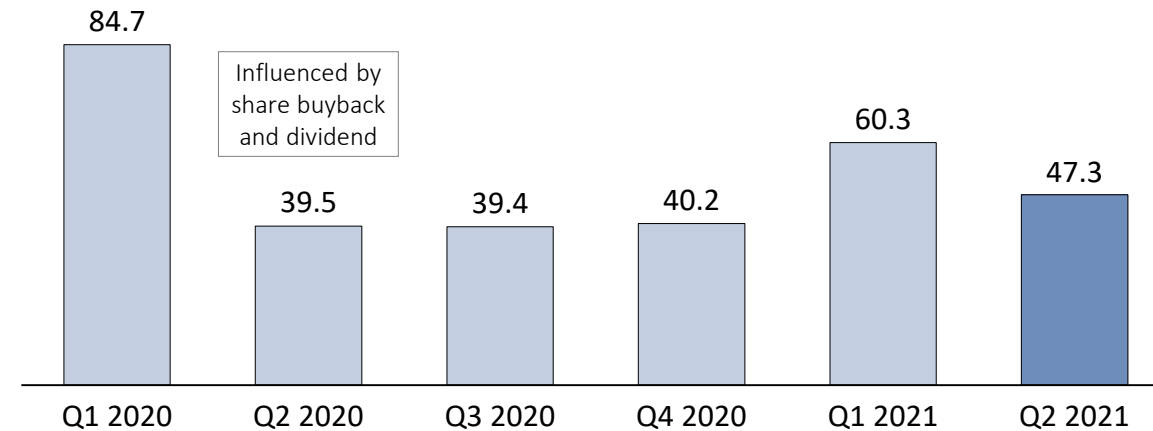
WORKING CAPITAL AND NET CASH

Working capital¹ (in million Euro, at the end of the quarter)



- Further **reduction of the working capital** in Q2 2021 is mainly the result of **lower inventories** due to the ongoing strong demand in the semiconductor market
- Slightly **lower receivables and higher accounts payables** also improved working capital at the end of Q2 2021

Net cash (in million Euro, at the end of the quarter)



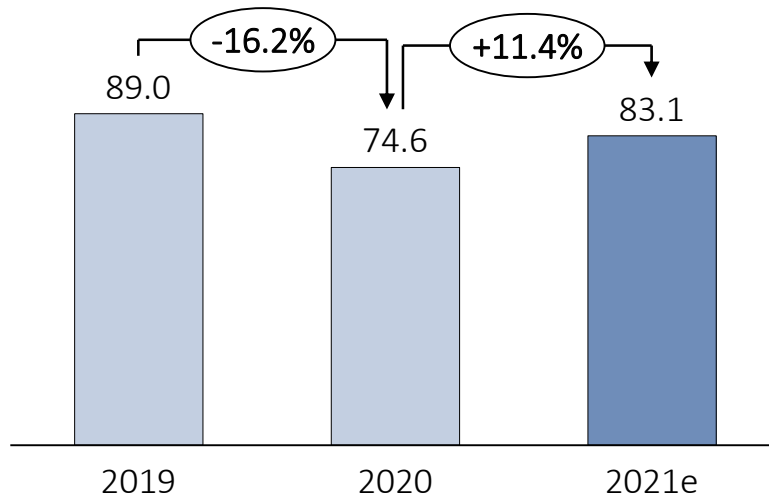
- Due to the higher investments in Q2 2021 and the dividend payment in May, our **net cash position declined to 47.3 million Euro** at June 30, 2021, still above year-end 2020 level

¹Trade accounts receivables plus inventories less trade accounts payables

MARKET FORECAST

Automotive market

Light vehicle production in million units (IHS)¹



Estimated regional market development YoY 2021/2020:

- Europe (+12%)
- China (+5%)
- North America (+16%)

¹IHS Light Vehicle Production Forecast (June 2021)

Automotive & semiconductor headlines

Global production of 3.9 million vehicles will be lost in 2021 as a result of the shortage

AlixPartners, May 2021

Supply bottlenecks and concerns over newly rising infection numbers are weighing on economy

Ifo Institut, July 2021

ICs vendors to face tighter 8-inch fab capacity in 2022

DigitimesAsia, July 2011

Renault CEO warns chip crunch will ripple through 2022

AutomotiveNews Europe, July 2021

Audi sees chip disruption persisting until 2022

Chip manufacturer TSMC warns shortages could continue through 2022

Reuters/Bloomberg, April 2021

GUIDANCE FOR 2021

Elmos 2021 guidance (as of August 04, 2021)

Q3 2021

Sales:	79 ± 5 million Euro
EBIT margin:	15.5% ± 2 percentage points
Ø exchange rate:	1.20 EUR/USD

Full year 2021 (unchanged)

Significant increase in sales and EBIT compared to the previous year

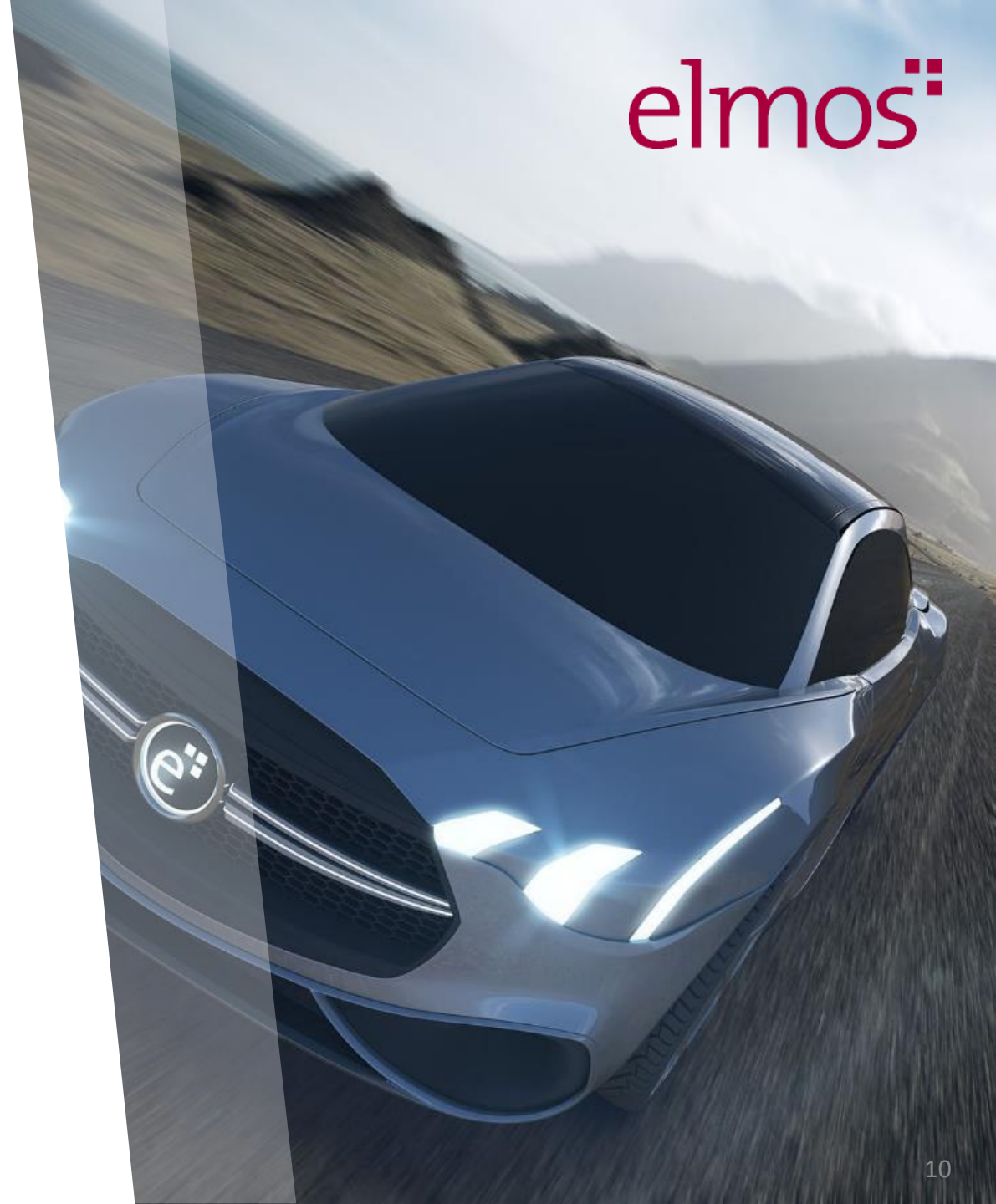
Capital expenditures significantly higher year on year

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.

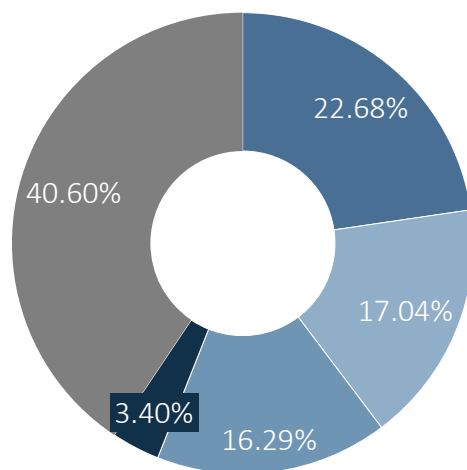
Our forecast ability is also significantly affected by the current allocation within the IC market, combined with delivery constraints of key components based on the global capacity bottlenecks.

The Elmos logo is located in the top right corner of the slide. It consists of the word "elmos" in a lowercase, sans-serif font, followed by a stylized graphic element resembling a colon or a pair of dots.

SHAREHOLDER STRUCTURE SET FOR LONG-TERM PERSPECTIVE

Elmos Semiconductor SE shareholder structure

- **Reduction of share capital** of 20,103,513.00 Euro by cancellation of 1,940,000 shares to 18,163,513.00 Euro as of August 17, 2021
- **Public share buyback offer 2021** (a total of **1.05 million shares** bought back at an offer price per share of **39.00 Euro**) settled on September 6, 2021
- **Further reduction of share capital** of 18,163,513.00 Euro by cancellation of 463,513 shares to 17,700,000.00 Euro as of September 20, 2021
- **Elmos now holds 601,010 treasury shares / 3.40% of share capital**



- Weyer Beteiligungsgesellschaft mbH and related parties
- Jumakos Beteiligungsgesellschaft mbH
- ZOE-VVG GmbH and related parties
- Treasury Stock
- Free float

Elmos 5-year share price development



5-YEAR OVERVIEW ELMOS GROUP (IFRS)

in million Euro unless otherwise indicated						
	FY 2016	FY 2017	FY 2018	FY 2019		FY 2020
				<i>continuing & discontinued operations</i>	<i>continuing operations</i>	
Sales	228.6	250.4	277.6	294.8	273.4	232.6
growth in %	4.1%	9.5%	10.8%	6.2%	7.7%	-14.9%
<i>thereof continuing operations</i>	206.9	230.1	253.9	273.4	273.4	232.6
<i>thereof discontinued operations</i>	21.7	20.4	23.7	21.4	n/a	0
Gross profit	96.8	110.1	125.5	136.8	125.6	92.6
in % of sales	42.3%	43.9%	45.2%	46.4%	45.9%	39.8%
Research & development expenses	36.0	33.8	36.0	44.6	40.7	47.7
in % of sales	15.7%	13.5%	13.0%	15.1%	14.9%	20.5%
Operating income	22.0	37.1	49.3	45.8	41.4	8.5
in % of sales	9.6%	14.8%	17.8%	15.5%	15.1%	3.7%
EBIT	23.1	38.4	51.0	97.3 45.3 ¹	29.8 40.9 ²	8.7
in % of sales	10.1%	15.3%	18.4%	33.0% 15.4% ¹	10.9% 15.0% ²	3.7%
Earnings before taxes	23.1	35.5	49.5	96.0	28.7	8.2
in % of sales	10.1%	14.2%	17.8%	32.6%	10.5%	3.5%
Consolidated net income attributable to owners of the parent	15.9	24.9	35.4	85.7	18.5	6.4
in % of sales	6.9%	10.0%	12.8%	29.1%	6.8%	2.8%
Earnings per share (basic) in Euro	0.80	1.26	1.79	4.36	0.94	0.35
	12/31/2016	12/31/2017	12/31/2018	12/31/2019		12/31/2020
Total assets	312.9	336.9	369.1	439.5		395.5
Shareholders' equity	231.6	240.1	266.6	339.7		310.2
in % of total assets	74.0%	71.3%	72.2%	77.3%		78.4%
Financial liabilities	36.2	51.2	43.8	49.1		45.6
Liquid assets and securities	91.6	84.4	60.7	123.3		85.8
Net cash	55.4	33.2	16.9	74.3		40.2
	FY 2016	FY 2017	FY 2018	FY 2019		FY 2020
Cash flow from operating activities	33.5	37.9	48.4	45.6		27.3
Capital expenditures ³	23.2	37.2	41.4	43.6		18.8
in % of sales ³	10.1%	14.9%	14.9%	14.8%		8.1%
Cash flow from investing activities	-34.9	-47.2	-34.3	37.2		-42.4
Adjusted free cash flow ⁴	9.1	-5.2	-3.3	76.9		3.6
Dividend per share in Euro	0.35	0.40	0.52	0.52		0.52 ⁵
Employees on annual average	1,127	1,155	1,250	1,317		1,208

¹ Without consideration of the result from the sale of the subsidiary SMI and without consideration of the restructuring expenses for the termination of the cooperation with the Fraunhofer Institute IMS.

² Without consideration of the restructuring expenses for the termination of the cooperation with the Fraunhofer Institute IMS.

³ Capital expenditures for intangible assets and property, plant and equipment less capitalized development expenses.

⁴ Cash flow from operating activities less capital expenditures for/plus disposal of intangible assets and property, plant and equipment (including payments from disposals of consolidated companies and payments for shares).

⁵ Proposal for the AGM in 2021.

Due to calculation processes, tables and references may produce rounding differences from the mathematically exact values (monetary units, percentage statements, etc.).

FINANCIAL CALENDAR / RESEARCH COVERAGE / IR CONTACT



Event	Date
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:	17,700,000 € / shares

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

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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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