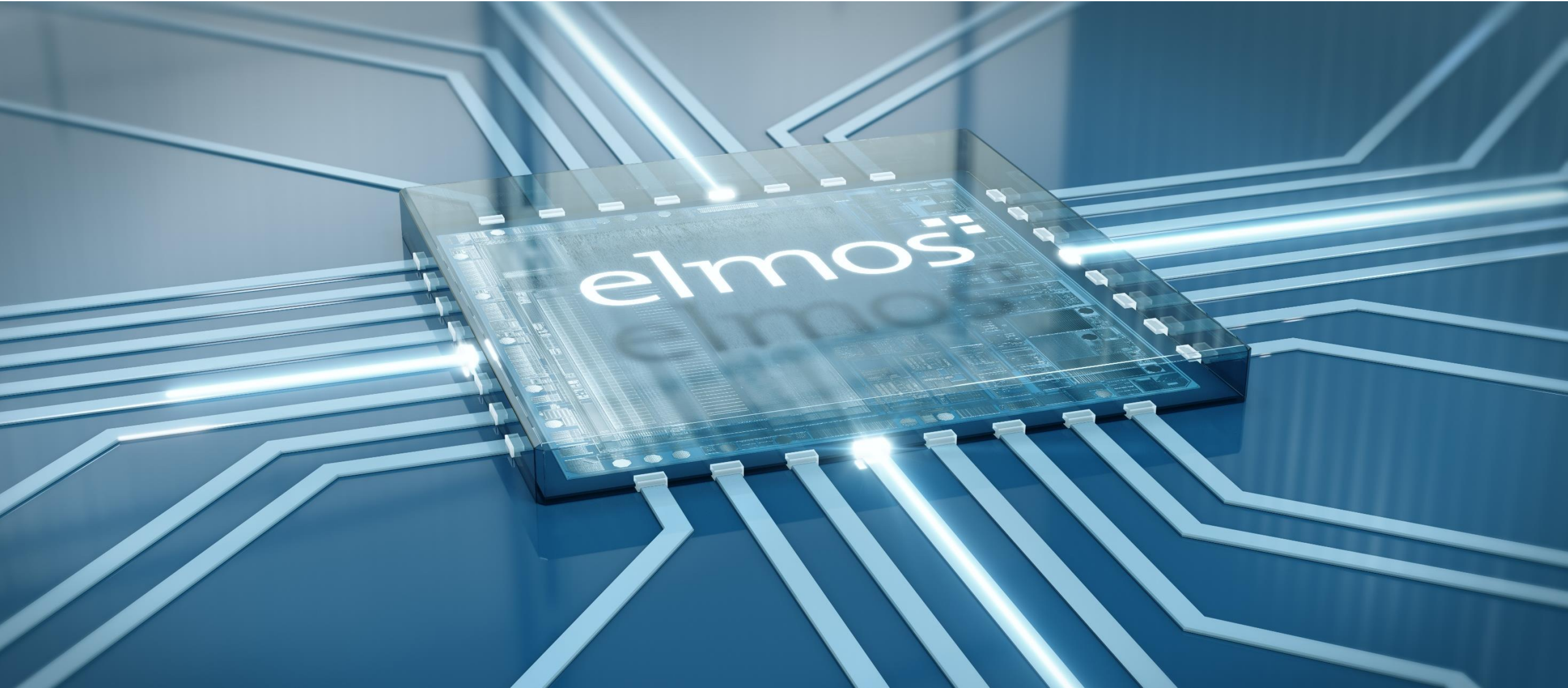


# Investor Presentation Q3 2022

December 2022



# ELMOS CORPORATE OVERVIEW



## Corporate highlights

**~7** Elmos ICs  
on average in every new car<sup>1</sup>  
<sup>1</sup>based on FY 2021

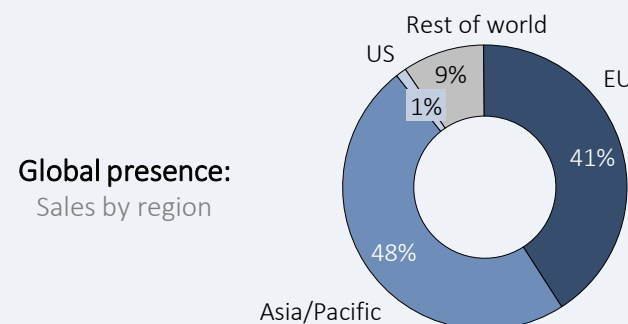
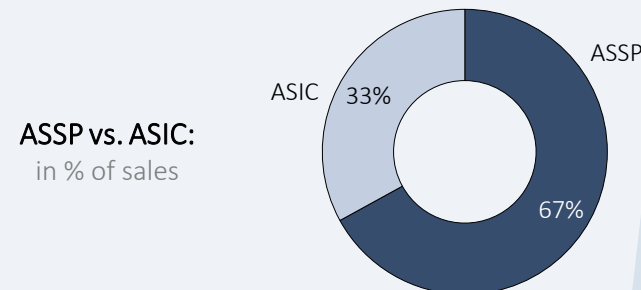
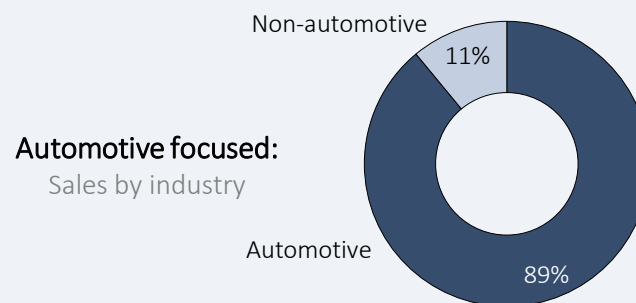
**6** product segments:  
Ranging, Optical, Sensor ICs, Motor Control,  
Lighting, Safety/Power/Custom ICs

**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 2021



## Financial highlights FY 2021

**322** million Euro sales  
strong growth to new record levels

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

**60** million Euro CAPEX  
mainly for the expansion of test capacities

**72** percent equity ratio  
emphasizing Elmos' financial solidity

**>1** billion Euro market capitalization  
(as of December 30, 2021)

# ELMOS INNOVATIVE SOLUTIONS FOR GLOBAL MEGA TRENDS

elmos<sup>®</sup>

Leading innovator in future mobility

- #1 FOR ULTRASONIC ICs
- #1 FOR HVAC FLAPS
- #1 FOR GESTURE CONTROL
- #1 FOR AMBIENT AND REAR LIGHT



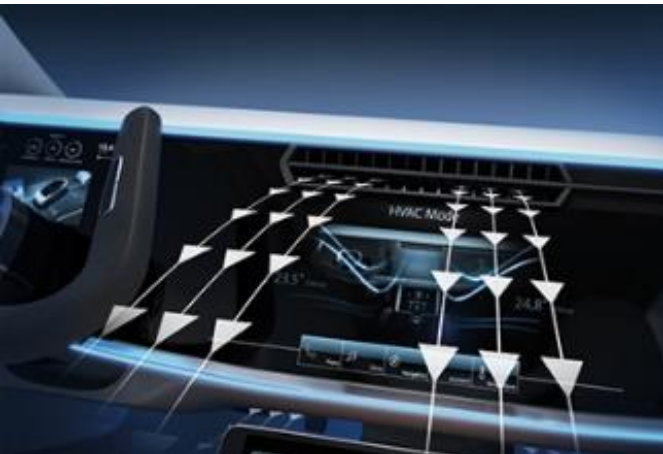
USER EXPERIENCE



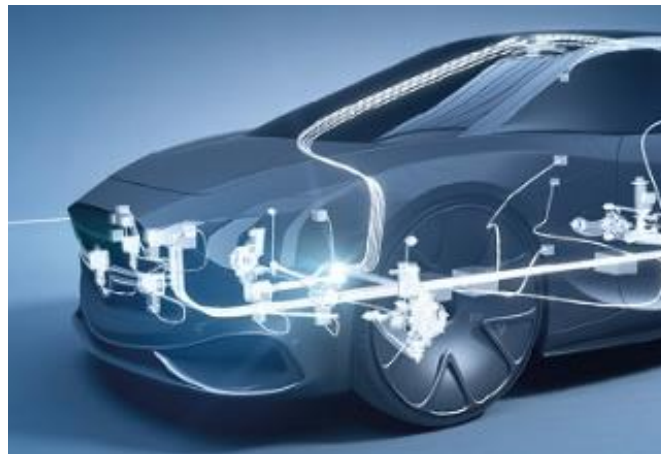
ADAS & AUTONOMOUS DRIVING



SAFETY



COMFORT



ELECTRIFICATION



LIGHTING



# HIGHLIGHTS IN Q3 2022



Ongoing high demand for automotive semiconductors in a very challenging economic and geopolitical environment

## Semiconductor market

Continued high order levels for automotive semiconductors despite weakening in other IC segments.

Foundry capacities have gradually improved – mainly as a result of lower demand in other segments. However, automotive-specific 8-inch technologies remain tight.

The supply and demand mismatch is continuing with order levels exceeding the available capacity.

## Geopolitical environment

The war in Ukraine has massive impacts on global supply chains, logistics, material and energy prices.

Economic sanctions, supply bottlenecks as well as the high inflation affect the global economic development. Prices for material, energy and labor continue to increase.

The direct impact of the war in Ukraine is negligible for Elmos, as we do not directly ship any products to customers in Russia or the Ukraine.

For our own production in Dortmund we have initiated a comprehensive package to be able to maintain wafer fabrication in case of a further tightening of the gas supply.

We are monitoring the situation and the potential impacts very closely and will update the markets, if this should be necessary.

## UPDATE: Sale of wafer fab

On Dec. 14, 2021 we signed a sale and purchase agreement with Silex Microsystems AB to transfer the Elmos wafer fab including a separate long-term supply agreement for wafers produced at the Dortmund fab.

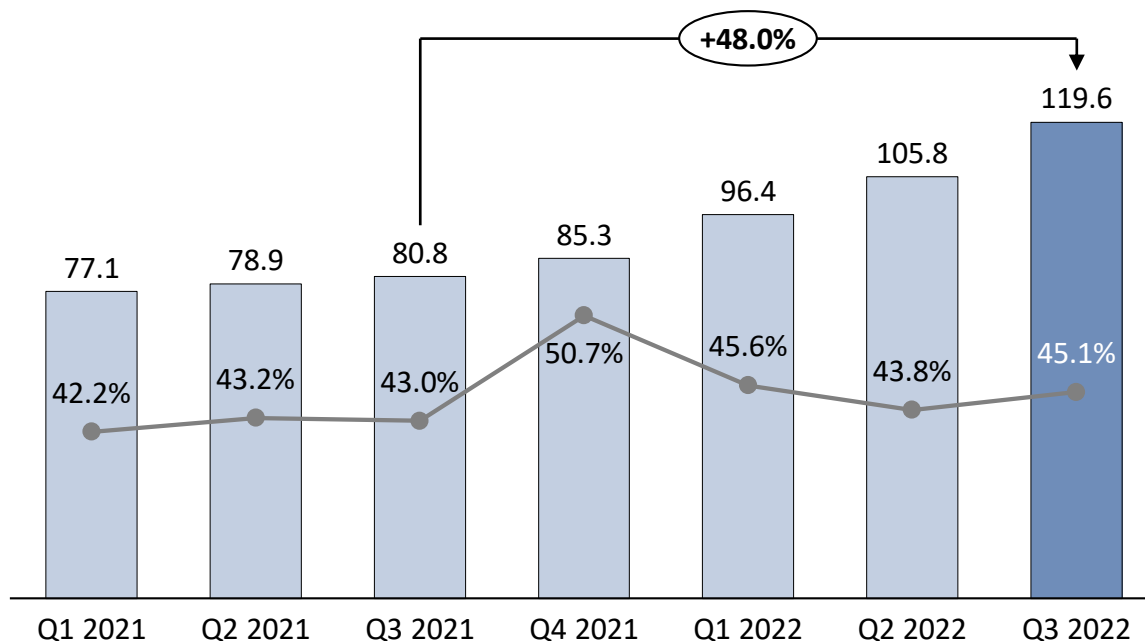
On Nov. 7, 2022, the Federal Ministry of Economics and Climate Protection (BMWK) has informed the parties involved that the sale of the Elmos wafer fab to Silex Microsystems AB will most likely be prohibited.

In its meeting on Nov. 9, 2022, the German Federal Cabinet prohibited the sale of the Elmos wafer fab to Silex Microsystems AB. Due to the prohibition, the sale of the wafer fab cannot be completed.

In the short term there will be no operational impacts by this decision. This decision has also no impact on our financial guidance for fiscal year 2022, as our outlook does not include any effects from this transaction (see also page 10).

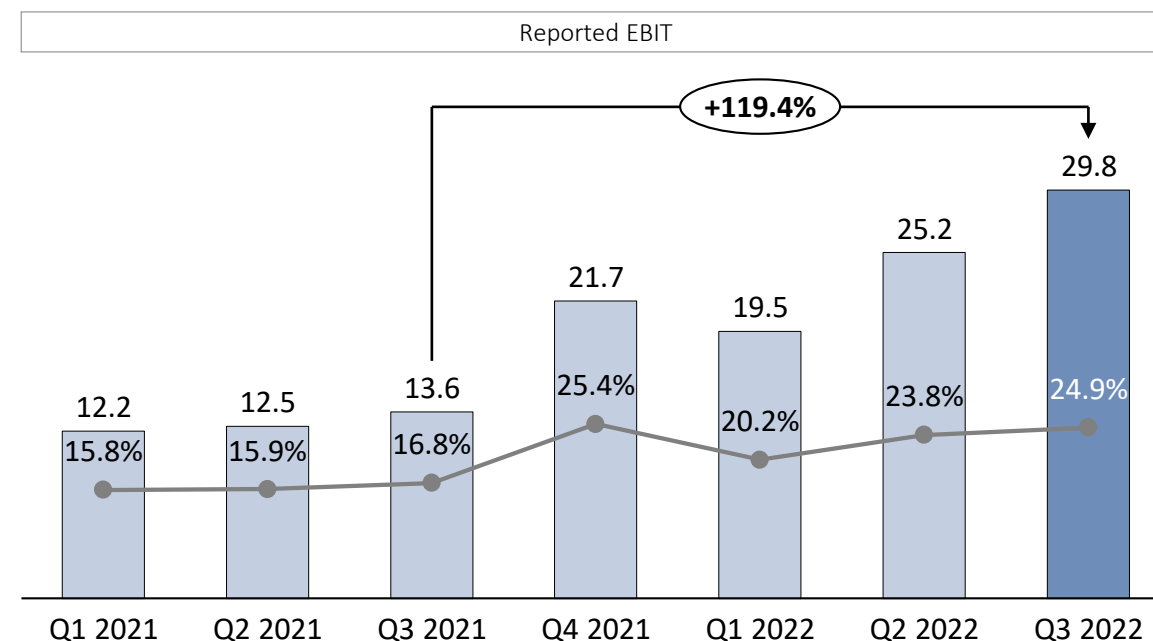
# SALES AND EBIT

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



- Sales in Q3 2022 again increased significantly by **38.8 million Euro** or **48.0%** to **119.6 million Euro** (FX adjusted yoy growth was 38%).
- This strong increase is driven by the ongoing high demand for Elmos semiconductors in **all product segments**.
- The **Q3 2022 gross margin** remained quite stable despite negative impacts due to the **inflationary cost development**.

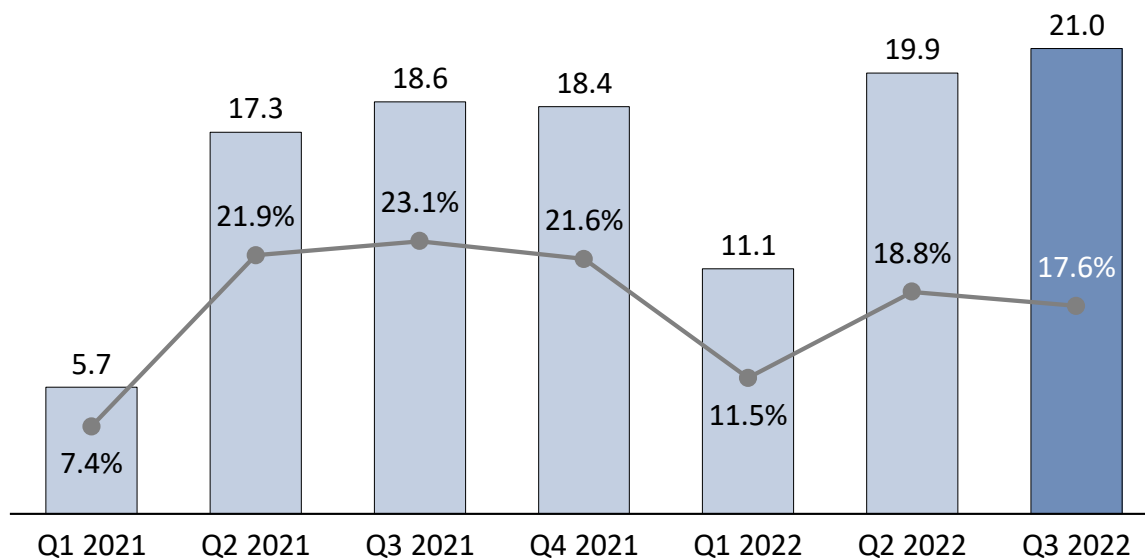
Quarterly EBIT (in million Euro) & EBIT margin (in %)



- EBIT in Q3 2022 **more than doubled** compared to the previous years' quarter to **29.8 million Euro**.
- This positive development is mainly due to **higher volume** and **below average R&D expenses**.
- Q3 2022 EBIT margin reached **24.9%**, an increase of 8.1 percentage points year-over-year.

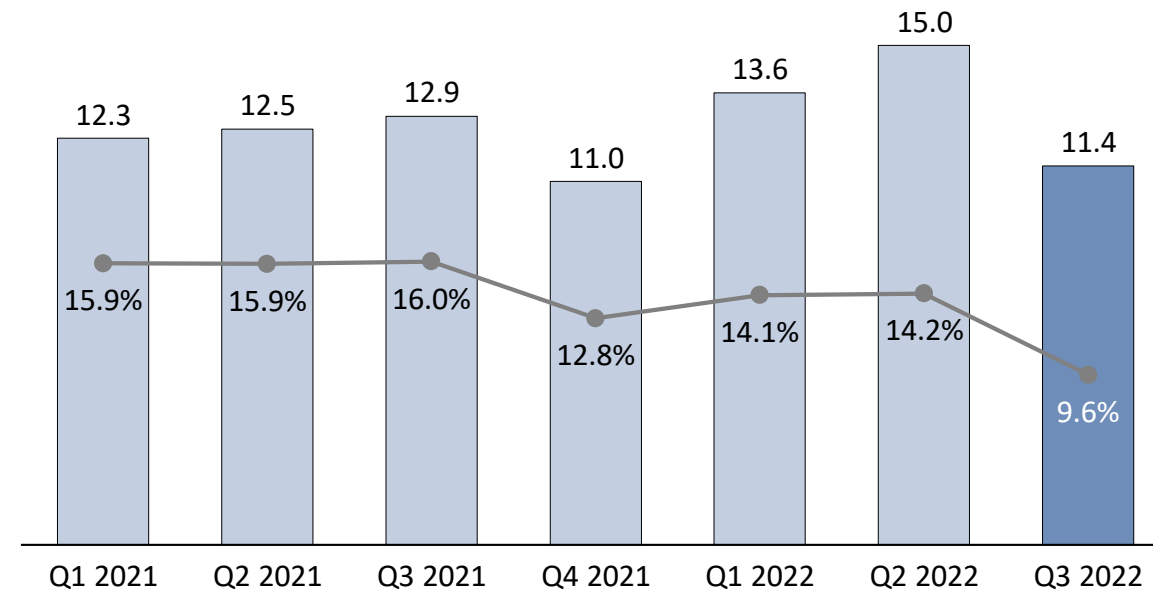
# CAPEX AND R&D EXPENSES

CAPEX<sup>1</sup> (in million Euro & in % of sales)



- Capital expenditures increased to 21.0 million Euro in Q3 2022 and were mainly used for the expansion of our testing capacities, especially in Asia.
- Q3 2022 CAPEX to sales ratio stood at 17.6%, in line with our expectations.

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

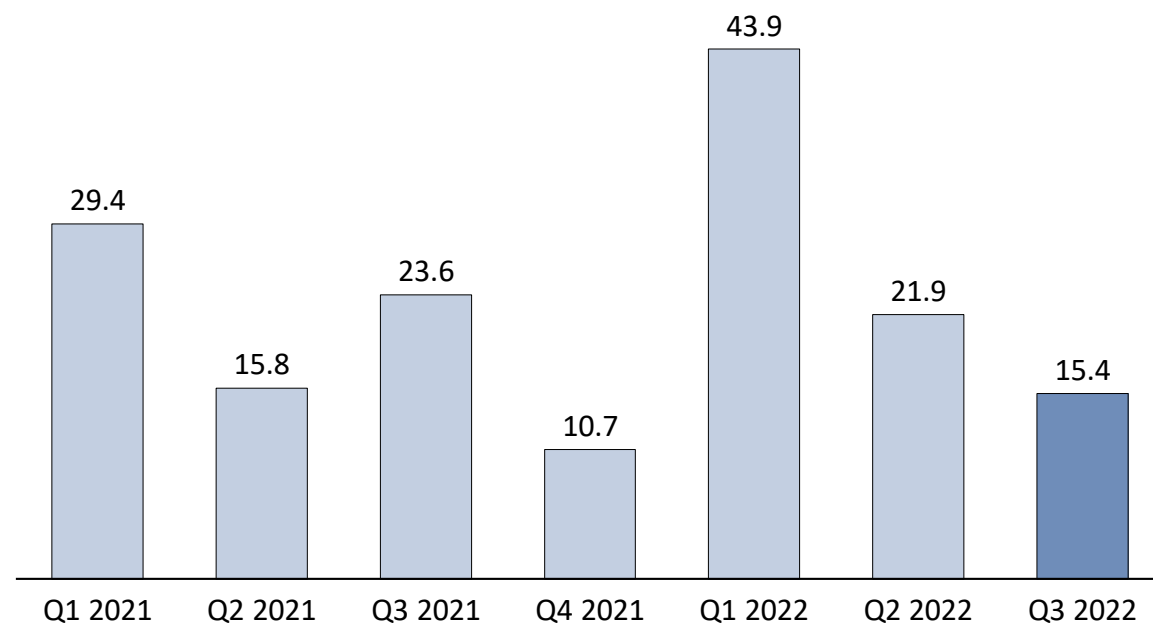


- R&D expenses decreased to 11.4 million Euro, also due to higher capitalization of development costs in Q3 2022.
- In the first 9 months of 2022, we were able to further **accelerate our New Design Win activities**. These promising new projects in all of our product segments form an excellent basis for our future growth.

<sup>1</sup>Capital expenditures for intangible assets and property, plant and equipment less capitalized development expenses

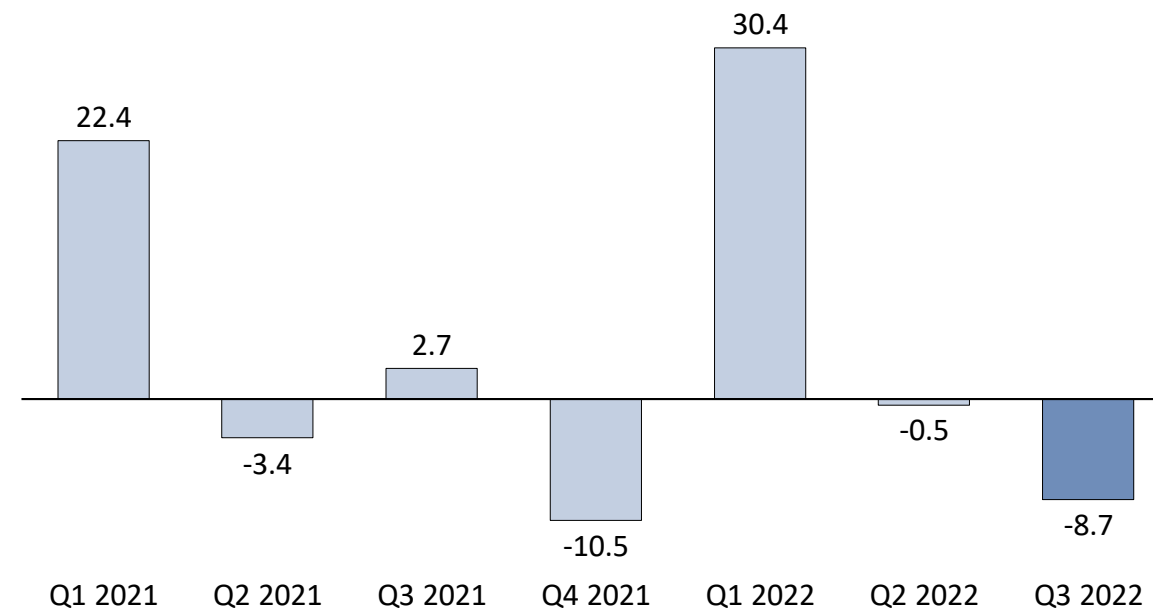
# CASH FLOW

Operating cash flow (in million Euro)



- **Q3 2022 cash flow from operations** totaled **15.4 million Euro**. The strong net result was partially offset by impacts from higher working capital as well as tax payments from our 2021 results.

Adjusted free cash flow<sup>1</sup> (in million Euro)

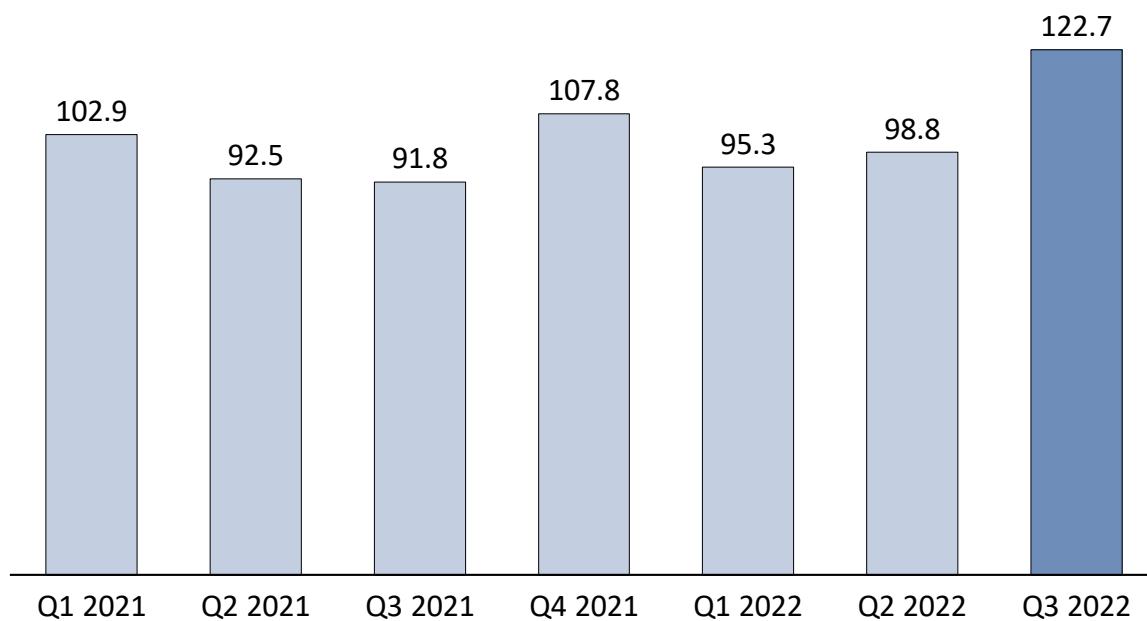


- Due to the ongoing high CAPEX spending, the **adjusted free cash flow** was negative at **-8.7 million Euro** in Q3 2022.

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

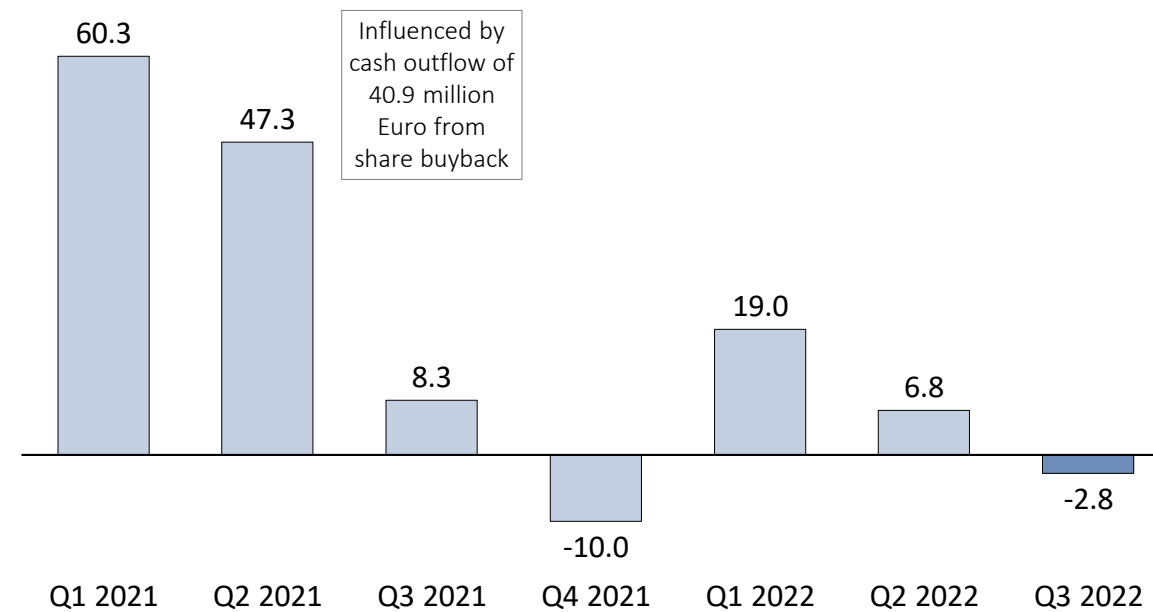
# WORKING CAPITAL AND NET CASH/DEBT

**Working capital<sup>1</sup>** (in million Euro, at the end of the quarter)



- **Working capital increased significantly in Q3 2022** mainly due to higher trade receivables as a result of the strong sales performance and less trade payables.

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



- Impacted by the negative adjusted free cash flow, Elmos recorded a **small net debt position of 2.8 million Euro at the end of Q3 2022.**

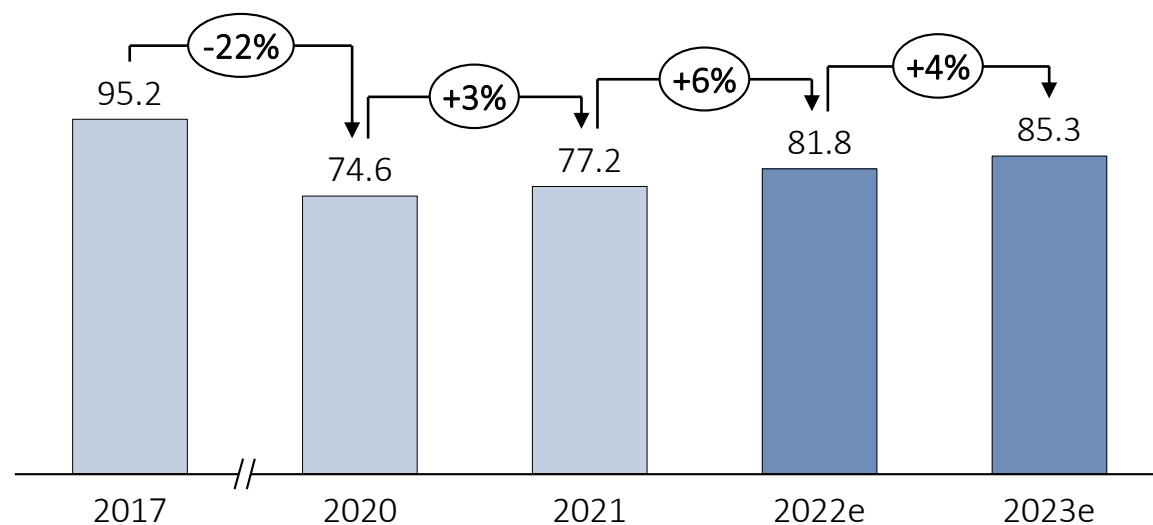
<sup>1</sup>Trade accounts receivables plus inventories less trade accounts payables



# MARKET FORECAST

## Automotive market

Light vehicle production in million units (IHS)<sup>1</sup>



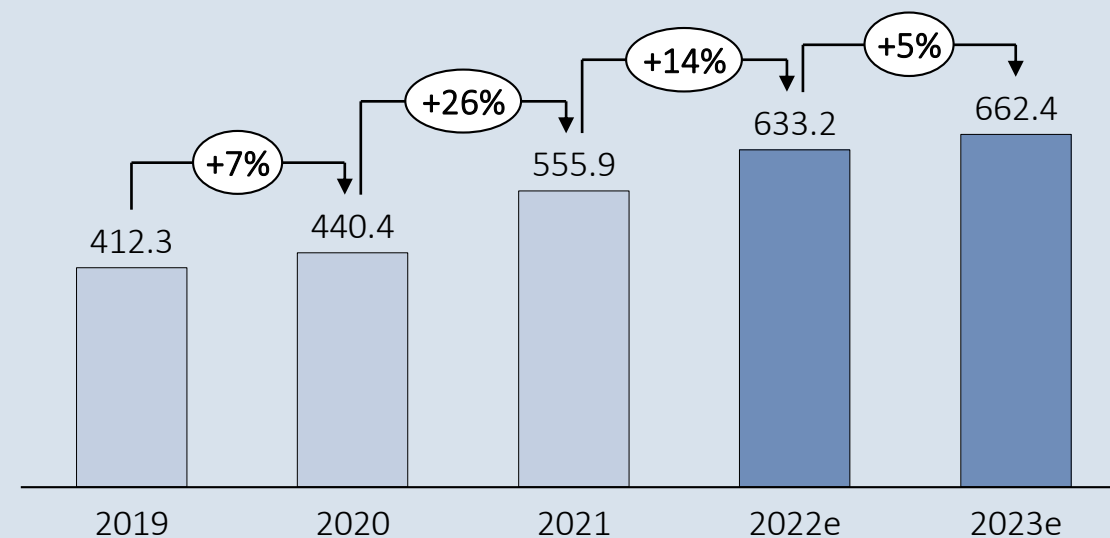
Estimated regional market development yoy (in %)<sup>1</sup>

	Europe	North America	China
2022e vs 2021	-2%	+11%	+6%
2023e vs 2022e	+6%	+6%	+1%

<sup>1</sup>IHS Light Vehicle Production Forecast (October 2022)

## Semiconductor market

Worldwide Semiconductor Market in billion USD (WSTS)<sup>2</sup>



Estimated regional market development yoy (in %)<sup>2</sup>

	Europe	Americas	Japan	APAC
2022e vs 2021	+14%	+24%	+14%	+11%
2023e vs 2022e	+3%	+5%	+5%	+5%

<sup>2</sup>World Semiconductor Trade Statistics (WSTS) Semiconductor Market Forecast 2022 (Update August 2022)

# GUIDANCE

## Elmos FY 2022 guidance (as of November 3, 2022)

### Guidance for FY 2022

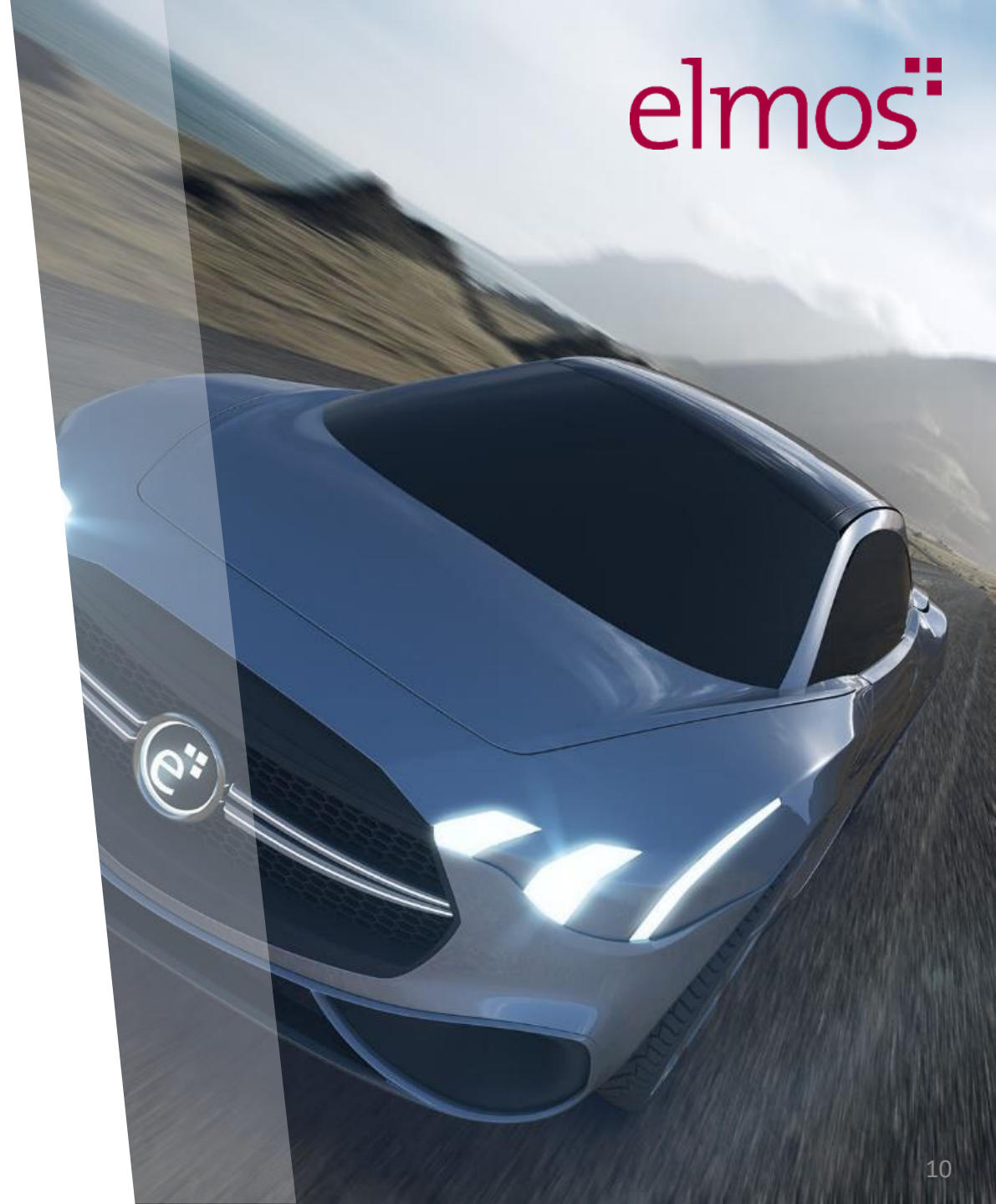
Sales (NEW):	more than 440 million Euro
Operating EBIT margin (NEW):	23% $\pm$ 2 percentage points
CAPEX (in % of sales):	17% $\pm$ 2 percentage points
Operating adjusted free cash flow:	Positive above previous year (11.1 million Euro)
Ø exchange rate:	1.00 EUR/USD

### Notes to guidance 2022:

The guidance for the full year 2022 does not include any effects from the potential closing of the sale of the Elmos wafer fab to Silex.

Besides current business performance and the order situation, the guidance is also based on the expectations and assumptions regarding general economic and geopolitical developments and specific industry and market developments.

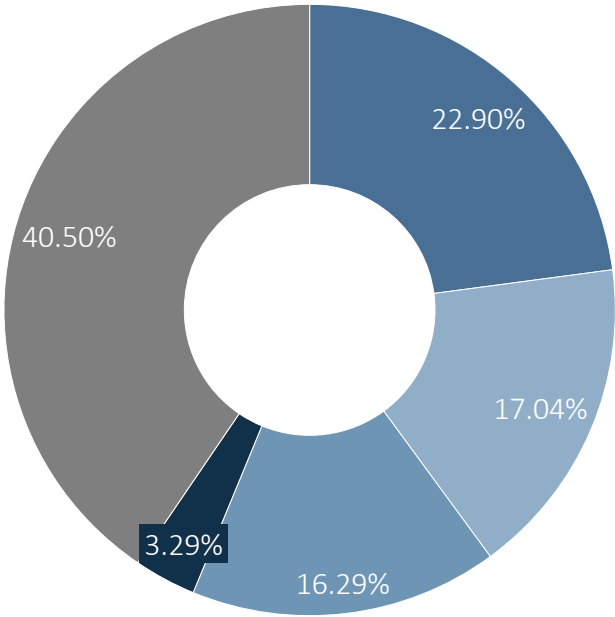
Current expectations may be affected by geopolitical events, in particular the war in Ukraine, market turbulences such as the ongoing allocation in the semiconductor sector combined with bottlenecks in global supply chains, by the ongoing COVID-19 pandemic, as well as due to further rising prices for materials, energy and services and problems with gas supplies, etc.

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 square icon containing three dots arranged in a triangular pattern.

# SHAREHOLDER STRUCTURE SET FOR LONG-TERM PERSPECTIVE



Elmos Semiconductor SE shareholder structure (December 2022)



- 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 2017	FY 2018	FY 2019		FY 2020	FY 2021
			continuing & discontinued operations	continuing operations		
Sales	250.4	277.6	294.8	273.4	232.6	322.1
Growth in %	9.5%	10.8%	6.2%	7.7%	-14.9%	38.5%
<i>thereof continuing operations</i>	230.1	253.9	273.4	273.4	232.6	322.1
<i>thereof discontinued operations</i>	20.4	23.7	21.4	n/a	n/a	n/a
Gross profit	110.1	125.5	136.8	125.6	92.6	144.7
in % of sales	43.9%	45.2%	46.4%	45.9%	39.8%	44.9%
Research & development expenses	33.8	36.0	44.6	40.7	47.7	48.7
in % of sales	13.5%	13.0%	15.1%	14.9%	20.5%	15.1%
Operating income	37.1	49.3	45.8	41.4	8.5	59.9
in % of sales	14.8%	17.8%	15.5%	15.1%	3.7%	18.6%
EBIT	38.4	51.0	97.3   45.3 <sup>1</sup>	29.8   40.9 <sup>2</sup>	8.7	60.0   64.9 <sup>3</sup>
in % of sales	15.3%	18.4%	33.0%   15.4% <sup>1</sup>	10.9%   15.0% <sup>2</sup>	3.7%	18.6%   20.2% <sup>3</sup>
Earnings before taxes	35.5	49.5	96.0	28.7	8.2	59.4
in % of sales	14.2%	17.8%	32.6%	10.5%	3.5%	18.4%
Consolidated net income attributable to owners of the parent	24.9	35.4	85.7	18.5	6.4	39.8
in % of sales	10.0%	12.8%	29.1%	6.8%	2.8%	12.4%
Earnings per share (basic) in Euro	1.26	1.79	4.36	0.94	0.35	2.24
	12/31/2017	12/31/2018	12/31/2019		12/31/2020	12/31/2021
Total assets	336.9	369.1	439.5		395.5	418.0
Shareholders' equity	240.1	266.6	339.7		310.2	300.2
in % of total assets	71.3%	72.2%	77.3%		78.4%	71.8%
Financial liabilities	51.2	43.8	49.1		45.6	76.1
Liquid assets and securities	84.4	60.7	123.3		85.8	66.1
Net cash/Net debt (-)	33.2	16.9	74.3		40.2	-10.0
	FY 2017	FY 2018	FY 2019		FY 2020	FY 2021
Cash flow from operating activities	37.9	48.4	45.6		27.3	79.6
Capital expenditures <sup>4</sup>	37.2	41.4	43.6		18.8	60.0
in % of sales <sup>4</sup>	14.9%	14.9%	14.8%		8.1%	18.6%
Cash flow from investing activities	-47.2	-34.3	37.2		-42.4	-73.6
Adjusted free cash flow <sup>5</sup>	-5.2	-3.3	76.9		3.6	11.1
Dividend per share in Euro	0.40	0.52	0.52		0.52	0.65 <sup>6</sup>
Employees on annual average	1,155	1,250	1,317		1,208	1,151

<sup>1</sup>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.

<sup>2</sup>Without consideration of the restructuring expenses for the termination of the cooperation with the Fraunhofer Institute IMS.

<sup>3</sup>Without consideration of expenses in connection with the agreement on the sale of the wafer fab.

<sup>4</sup>Capital expenditures for intangible assets and property, plant and equipment less capitalized development expenses.

<sup>5</sup>Cash flow from operating activities less capital expenditures for/plus disposal of intangible assets and property, plant and equipment (including payments for additions to shares/proceeds from changes in the scope of consolidation).

<sup>6</sup>Proposal to the Annual General Meeting in May 2022.

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
Preliminary results 2022 <sup>1</sup>	February 16, 2023
Final results 2022 <sup>1</sup>	March 16, 2023
Quarterly results Q1 2023 <sup>1</sup>	May 4, 2023
Annual General Meeting	May 10, 2023
Quarterly results Q2 2023 <sup>1</sup>	July 27, 2023
Quarterly results Q3 2023 <sup>1</sup>	November 8, 2023

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	Jonah Emerson	Hold
Oddo BHF	Martin Marandon-Carlhian	Hold
Warburg Research	Malte Schaumann	Buy

Investor Relations	
Ralf Hoppe	
Head of Investor Relations & Public Relations	
Phone	+49 231 7549 7000
Email	ralf.hoppe@elmos.com

<sup>1</sup>The 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](http://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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