

Interim Report H1 2023

January 1 to June 30, 2023

elmos[®]



Successful business performance continues in second quarter

Sales of 136.0 million Euro and EBIT margin of 25.1% in Q2 2023 underline profitable growth trajectory

“We have succeeded in setting a new record for quarterly sales for the tenth time in a row and aim to continue the successful growth strategy going forward. Our innovative product portfolio offers excellent conditions for doing so.”

Dr. Arne Schneider, CEO of Elmos Semiconductor SE

Interim group management report

January 1 to June 30

Key figures

in million Euro unless otherwise indicated	Q2 2023	Q2 2022	Change	H1 2023	H1 2022	Change
Sales	136.0	105.8	28.6%	266.9	202.2	32.0%
Gross profit	66.6	46.4	43.5%	125.8	90.3	39.3%
in % of sales	48.9%	43.8%		47.1%	44.7%	
Research and development expenses	18.6	15.0	23.9%	34.7	28.7	21.0%
in % of sales	13.7%	14.2%		13.0%	14.2%	
Operating income	33.1	21.1	56.9%	63.8	42.3	50.9%
in % of sales	24.3%	19.9%		23.9%	20.9%	
EBIT	34.1	25.2	35.4%	65.9	44.7	47.5%
in % of sales	25.1%	23.8%		24.7%	22.1%	
Consolidated net income after non-controlling interests	23.0	16.0	43.9%	43.5	29.5	47.5%
in % of sales	16.9%	15.1%		16.3%	14.6%	
Earnings per share (basic) in Euro	1.34	0.93	43.8%	2.54	1.72	47.4%
	06/30/2023	03/31/2023	Change	06/30/2023	12/31/2022	Change
Total assets	635.8	584.6	8.8%	635.8	542.4	17.2%
Shareholders' equity	391.6	381.2	2.7%	391.6	360.4	8.7%
in % of total assets	61.6%	65.2%		61.6%	66.4%	
Financial liabilities	109.9	80.0	37.4%	109.9	81.0	35.7%
Cash, cash equivalents, and marketable securities	32.5	52.3	-38.0%	32.5	72.1	-55.0%
Net debt	-77.4	-27.7	>100.0%	-77.4	-8.9	>100.0%
	Q2 2023	Q2 2022	Change	H1 2023	H1 2022	Change
Cash flow from operating activities	8.4	21.9	-61.5%	6.8	65.8	-89.7%
Capital expenditures	42.4	19.9	>100.0%	57.6	31.0	85.8%
in % of sales	31.2%	18.8%		21.6%	15.3%	
Adjusted free cash flow	-36.7	-0.5	>100.0%	-55.4	29.9	n/a

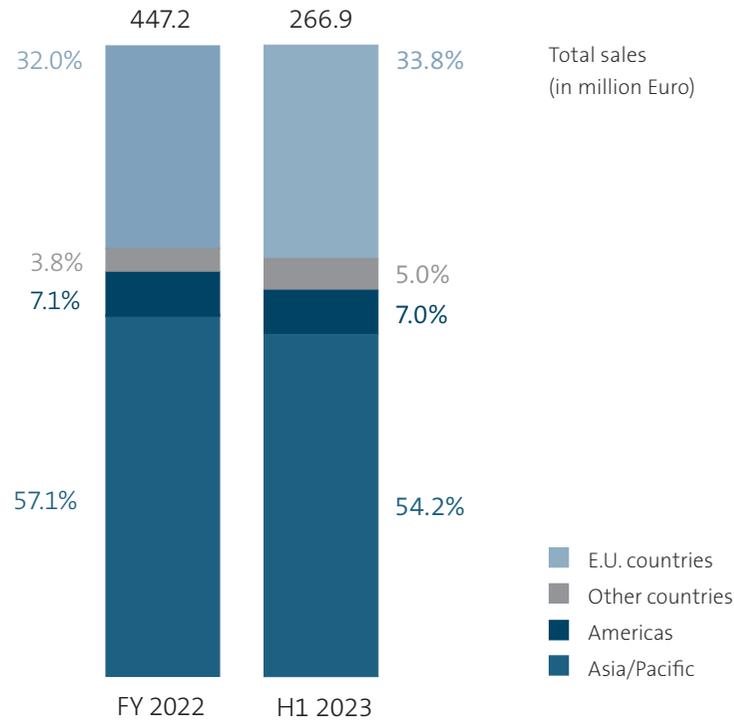
Definitions of selected financial indicators

- Capital expenditures: Capital expenditures for intangible assets and property, plant and equipment less capitalized development expenses
- Adjusted free cash flow: Cash flow from operating activities less capital expenditures for/plus disposal of intangible assets and property, plant and equipment
- Further information on the key figures used can be found in the 2022 Annual Report at www.elmos.com

Profit, financial position, as well as assets and liabilities

- > Positive sales and earnings performance continues in the second quarter of 2023 as a result of persistently high demand for Elmos semiconductors.
- > Group sales were significantly higher year on year and have now set a new record for quarterly sales for the tenth time in succession.
- > Due to the strong growth, EBIT and the EBIT margin improved year on year in the second quarter of 2023, despite inflation-related cost increases.
- > Capital expenditures were once again intensified in the reporting period to expand testing capacities.
- > Adjusted free cash flow was negative in the second quarter of 2023 mainly due to high capital expenditures for growth and increased working capital.
- > The order situation remains at a high level and the ratio of orders received for the next three months to sales over the past three months, known as the book-to-bill ratio, continued to be above one at the end of the reporting period.

Sales by region



Economic environment

- > The first six months of fiscal year 2023 were characterized by continued strong demand for semiconductors, especially for automotive applications. However, consistently high prices dampening consumer spending, tight monetary policy, and a tense global economic situation were all factors that hindered a broader economic.
- > According to the German Association of the Automotive Industry (Verband der Automobilindustrie – VDA), the automotive industry has performed solidly over the course of the year to date. Despite a decline in orders received, the order backlog remains at a solid level. For this reason as well as easing supply bottlenecks and the lower levels of the previous year, the global automotive market increased significantly in the first six months of 2023. The number of new car registrations rose by 18% year on year in Europe, by 13% in the United States and by 9% in China.
- > According to the International Monetary Fund (IMF) global economic growth will slow down by 2.8% this year, mainly due to ongoing high inflation and the war in Ukraine. The IMF is forecasting a 1.3% increase in economic output among industrialized markets and growth of 3.9% in emerging and developing economies. The VDA recently revised its guidance for vehicle production upwards due to the improved performance over the year to date. However, the automotive market still remains relatively far away from the 2019 pre-crisis levels despite the marked gains.
- > The prospects for the automotive semiconductor market remain positive. According to Gartner, it is expected to expand by 13.8% in 2023, with growth fueled by increasing digitalization and electrification in vehicle systems and functions and the further development of e-mobility.

Guidance Fiscal Year 2023 (unchanged as of June 28, 2023)

Sales	More than 560 million Euro (at least +25% YoY)
EBIT margin	25% ± 2 percentage points
Capital expenditures (in % of sales) ¹	19% ± 2 percentage points
Operating adjusted free cash flow ²	Negative
Assumed average exchange rate	1.05 EUR/USD

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

² Cash flow from operating activities less capital expenditures for/plus disposal of intangible assets and property, plant, and equipment and excluding effects from M&A transactions.

Explanation of the guidance for fiscal year 2023:

The current outlook has not changed since the guidance dated June 28, 2023.

- > For fiscal year 2023, Elmos expects Group sales of more than 560 million Euro (increase of at least 25% year on year) and an EBIT margin of 25% ± 2 percentage points of sales.
- > The company anticipates capital expenditures of approximately 19% ± 2 percentage points of sales in fiscal year 2023.
- > As a result, Elmos expects a negative operating adjusted free cash flow in 2023.

Current expectations may be adversely affected in particular by geopolitical events, especially the war in Ukraine or tighter sanctions and trade restrictions, market volatility, such as the ongoing global allocation phase in the automotive semiconductor sector combined with global supply chain bottlenecks, rising costs of and potential shortages for energy, material, services, and personnel.

Opportunities and risks

- > The individual company risks and opportunities are described in detail in our Annual Report 2022. Elmos has not identified any material changes in the first half of fiscal year 2023 above and beyond the opportunities and risks presented in the Annual Report 2022.
- > Since the outbreak of the war in Ukraine, business performance has been characterized by uncertainties due to a variety of political and economic effects caused by sanctions, supply bottlenecks and higher prices for raw materials and energy, and high inflation.
- > The success of our products depends on general economic and political conditions and can be impacted by events such as economic crisis, military conflicts, political changes, geopolitical tension, and trade wars and trade restrictions.
- > Supply constraints in the global semiconductor market may have eased somewhat in the first half of 2023, but they continue to impact economic development and the financial performance of Elmos.
- > The situation on the labor market remains tight, particularly for skilled workers and engineers, and there remains a risk that the company will lose qualified employees and not be able to replace them quickly and that demand for new staff cannot be met.
- > Elmos continuously monitors the geopolitical and economic environment in our core markets in order to anticipate new potential risks or changes in the assessment of risks as early as possible, and to be in a position to take action or make adjustments. However, it is not possible at the present time to completely assess the full extent of the risks posed by the current geopolitical and economic situation.
- > As explained in the Annual Report, individual risks may cause substantial damage to the Company in extreme cases. Such cases can neither be predicted nor ruled out. Irrespective of this, it should be noted that the occurrence of an individual risk, even if it does not develop into an extreme case, can have a strong negative impact on the profit, financial position, as well as assets and liabilities of the Company.

Significant events

- > On June 28, 2023, Elmos and Littelfuse, Inc., a diversified industrial technology company, entered into an agreement on the sale of the Elmos wafer fab in Dortmund to Littelfuse.
- > Elmos held its Annual General Meeting as a virtual event on May 10, 2023. The shareholders adopted all of the items on the agenda by a large majority. The Annual General Meeting approved a roughly 15% dividend increase to 0.75 Euro per share for fiscal year 2022.
- > Visit www.elmos.com for more events, new products, and notifications on voting rights from the first half of 2023.

Condensed interim consolidated financial statements according to IFRS

January 1 to June 30

Condensed consolidated statement of financial position

Assets in thousand Euro	06/30/2023	12/31/2022
Intangible assets	38,469	36,255
Property, plant and equipment	274,748	219,252
Securities	14,656	33,241
Investments	1	1
Other financial assets	8,853	8,806
Deferred tax assets	482	326
Non-current assets	337,209	297,881
Inventories	166,991	116,635
Trade receivables	88,168	67,808
Securities	7,933	2,210
Other financial assets	4,785	3,154
Other receivables	20,814	18,034
Income tax assets	24	67
Cash and cash equivalents	9,866	36,641
Current assets	298,580	244,548
Total assets	635,789	542,428

Equity and liabilities in thousand Euro	06/30/2023	12/31/2022
Share capital	17,700	17,700
Treasury shares	-579	-581
Additional paid-in capital	19,263	18,707
Surplus reserve	102	102
Other equity components	-563	-569
Retained earnings	355,091	324,433
Equity attributable to owners of the parent	391,014	359,792
Non-controlling interests	608	629
Shareholders' equity	391,623	360,421
Financial liabilities	74,976	76,436
Deferred tax liabilities	8,685	8,537
Non-current liabilities	83,662	84,973
Provisions	20,970	20,212
Income tax liabilities	34,705	21,441
Financial liabilities	34,915	4,521
Trade payables	65,664	44,209
Other liabilities	4,249	6,651
Current liabilities	160,504	97,035
Liabilities	244,166	182,007
Total equity and liabilities	635,789	542,428

Condensed consolidated income statement

in thousand Euro	Q2 2023	Q2 2022	H1 2023	H1 2022
Sales	136,032	105,806	266,946	202,165
Cost of sales	-69,481	-59,426	-141,107	-111,838
Gross profit	66,551	46,380	125,839	90,327
Research and development expenses	-18,649	-15,049	-34,673	-28,665
Distribution expenses	-6,166	-4,434	-11,470	-8,697
Administrative expenses	-8,632	-5,794	-15,908	-10,696
Operating income before other operating expenses (-)/income	33,104	21,103	63,787	42,269
Foreign exchange gains	236	2,131	679	3,052
Other operating income	2,452	916	3,327	1,499
Other operating expenses	-1,653	1,065	-1,894	-2,135
Earnings before interest and taxes (EBIT)	34,139	25,215	65,899	44,685
Finance income	226	147	314	281
Finance expenses	-228	-318	-1,148	-647
Earnings before taxes	34,137	25,044	65,065	44,319
Income tax	-11,181	-9,268	-21,589	-14,962
thereof current income tax	-11,574	-10,869	-21,685	-15,963
thereof deferred tax	393	1,601	96	1,001
Consolidated net income	22,956	15,776	43,476	29,357
thereof attributable to owners of the parent	22,953	15,954	43,497	29,490
thereof attributable to non-controlling interests	3	-178	-21	-133
Earnings per share	Euro	Euro	Euro	Euro
Basic earnings per share	1.34	0.93	2.54	1.72
Fully diluted earnings per share	1.34	0.93	2.54	1.72

Condensed consolidated statement of comprehensive income

in thousand Euro	Q2 2023	Q2 2022	H1 2023	H1 2022
Consolidated net income	22,956	15,776	43,476	29,357
Items to be reclassified to the consolidated income statement in later periods including respective tax effect				
Foreign currency adjustments without deferred tax effect	-66	235	-174	429
Foreign currency adjustments with deferred tax effect	0	0	0	0
corresponding deferred tax	0	0	0	0
Changes in market value of financial assets measured at market value	-83	-1,189	269	-2,475
corresponding deferred tax	28	390	-87	812
Items not to be reclassified to the consolidated income statement in later periods including respective tax effects				
Actuarial gains/losses (-) from pension plans	0	0	0	0
corresponding deferred tax	0	0	0	0
Other comprehensive income after taxes	-121	-564	7	-1,234
Total comprehensive income after taxes	22,835	15,213	43,483	28,123
thereof attributable to owners of the parent	22,833	15,390	43,504	28,256
thereof attributable to non-controlling interests	2	-177	-21	-133

Condensed consolidated statement of cash flows

in thousand Euro	Q2 2023	Q2 2022	H1 2023	H1 2022
Consolidated net income	22,956	15,776	43,476	29,357
Depreciation and amortization	11,139	11,426	19,055	19,849
Gains from disposal of assets	-118	-14	-113	-12
Financial result	2	171	834	367
Other non-cash income	-393	-1,601	-96	-1,001
Current income tax	11,574	10,869	21,685	15,963
Expenses for stock awards/share matching	382	139	558	280
Changes in net working capital:				
Trade receivables	-12,979	-9,534	-20,360	-16,269
Inventories	-25,304	-4,669	-49,111	-4,179
Other assets	1,495	-2,017	-4,411	-5,054
Trade payables	9,756	9,197	6,218	21,149
Other provisions and other liabilities	-5,608	-1,770	-1,644	4,934
Income tax payments (-)/refunds	-4,126	-5,466	-8,377	995
Interest paid	-561	-733	-1,243	-810
Interest received	226	147	314	281
Cash flow from operating activities	8,440	21,920	6,784	65,849
Capital expenditures for intangible assets	-6,431	-2,966	-8,330	-5,568
Capital expenditures for property, plant and equipment	-38,833	-19,513	-54,120	-30,413
Disposal of non-current assets	147	27	290	32
Payments for (-)/Disposal of securities	0	-972	13,131	-15,682
Payments for other non-current financial assets	-19	-20	-45	-39
Cash flow from investing activities	-45,136	-23,444	-49,074	-51,670
Proceeds from borrowing financial liabilities	30,872	0	30,872	18,976
Cash outflows from the repayment of financial liabilities	-513	-12,512	-1,026	-12,000
Repayment of liabilities from installment purchase	-160	-158	-320	-317
Repayment of leasing liabilities	-361	-349	-699	-695
Dividend distribution	-12,839	-11,121	-12,839	-11,121
Repayment of other financial liabilities	0	0	-280	-280
Other changes	16	3	0	26
Cash flow from financing activities	17,015	-24,137	15,708	-5,412
Decrease (-)/increase in cash and cash equivalents	-19,681	-25,661	-26,582	8,767
Effects of exchange rate changes on cash and cash equivalents	-94	242	-193	407
Cash and cash equivalents at beginning of reporting period	29,640	52,349	36,641	17,756
Cash and cash equivalents at end of reporting period	9,866	26,930	9,866	26,930

Condensed consolidated statement of changes in equity

in thousand Euro	Equity attributable to owners of the parent									Non-controlling interests	Group	
	Shares thousand	Share capital	Treasury shares	Additional paid-in capital	Surplus reserve	Other equity components			Retained earnings	Total	Total	Total
						Provision for financial assets measured at market value	Foreign currency translation	Unrealized actuarial gains/losses				
January 1, 2022	17,700	17,700	-591	18,111	102	-153	586	-455	264,146	299,445	715	300,160
Consolidated net income									29,490	29,490	-133	29,357
Other comprehensive income for the period						-1,663	429	0		-1,234	0	-1,234
Total comprehensive income						-1,663	429	0	29,490	28,256	-133	28,123
Share-based payment/issue of treasury shares			6	-6						0		0
Dividend distribution									-11,121	-11,121		-11,121
Expenses for stock awards/share matching				280						280		280
Other changes									27	27		27
June 30, 2022	17,700	17,700	-585	18,385	102	-1,816	1,015	-455	282,542	316,887	581	317,468
January 1, 2023	17,700	17,700	-581	18,707	102	-1,282	894	-181	324,433	359,792	629	360,421
Consolidated net income									43,497	43,497	-21	43,476
Other comprehensive income for the period						181	-174	0		7	0	7
Total comprehensive income						181	-174	0	43,497	43,504	-21	43,483
Share-based payment/issue of treasury shares			2	-2						0		0
Dividend distribution									-12,839	-12,839		-12,839
Expenses for stock awards/share matching				558						558		558
June 30, 2023	17,700	17,700	-579	19,263	102	-1,102	720	-181	355,091	391,014	608	391,623

Notes to condensed interim consolidated financial statements

January 1 to June 30

The condensed interim consolidated financial statements for the first half of 2023 were released for publication pursuant to Management Board resolution in July 2023.

1 – GENERAL INFORMATION

The address of the Company's registered office is: Heinrich-Hertz-Straße 1, 44227 Dortmund, Germany

Basic principles of the preparation of financial statements

The condensed interim consolidated financial statements for the period January 1 to June 30, 2023, have been prepared in accordance with IAS 34 "Interim Financial Reporting." These financial statements therefore do not contain all the information and disclosures required for consolidated financial statements and should be consulted together with the consolidated financial statements for the fiscal year ended December 31, 2022.

Essential accounting policies and measurement methods

For the preparation of the condensed interim consolidated financial statements, the same accounting policies and measurement methods have been adopted as were applied for the preparation of the consolidated financial statements for the fiscal year ended December 31, 2022, with the exception of the amended IFRS standards explained below.

- > Amendments to IAS 1 – *Presentation of Financial Statements* and IFRS Practice Statement 2: Disclosure of Accounting Policies
- > Amendments to IAS 8 – *Accounting Policies, Changes in Accounting Estimates and Errors*: Definition of Accounting Estimates
- > Amendments to IAS 12 – *Deferred Tax*: Deferred Tax related to Assets and Liabilities from a Single Transaction
- > IFRS 17 – *Insurance Contracts* and Amendments to IFRS 17 – *Insurance Contracts*
- > Amendments to IFRS 17 – *Insurance Contracts*: Initial Application of IFRS 17 and IFRS 9 – Comparative Information

The initial application of these amended standards did not have a material impact on the Group's financial, profit, and economic position.

Estimates and assumptions

The Company recognizes provisions for pension obligations pursuant to IAS 19. For 2023, an actuarial interest rate of 3.15 % has been applied, unchanged from December 31, 2022. Provisions for pensions were not remeasured as of June 30, 2023, due to materiality reasons. They will be remeasured as of December 31, 2023.

Estimates and discretionary decisions

Estimates and discretionary decisions may have an impact on the amount of assets and liabilities reported in the balance sheet, the disclosures regarding contingent assets and liabilities as of the reporting date, and on the income and expenses disclosed for the reporting period. This is all the more relevant against the backdrop of the war in Ukraine and associated risks such as potential shortages of energy and raw materials and price increases. A widening of this conflict would heighten the risk of a global economic downturn even further, which, coupled with the current inflation and interest rate trend, could lead to a significant decline in consumer spending. Tariff disputes and trade restrictions, between the United States and China for example, could also dampen worldwide trade and global growth. As a result, the amounts actually incurred or accrued may differ from the estimates and discretionary decisions; changes may have a material effect on the interim financial statements. The available information on anticipated economic development was taken into account when updating the estimates and discretionary decisions. This information was taken into consideration when reviewing the impairment of financial assets.

Discretionary decisions (with respect to IFRS 5)

On June 28, 2023, Elmos Semiconductor SE and Littelfuse Inc. ("Littelfuse") signed a sale and purchase agreement to transfer Elmos' 200mm wafer fabrication activities at the Dortmund location (fab) to Littelfuse. The completion of the transaction is subject to customary closing conditions and regulatory approvals. In this context it had to be considered whether the accounting provisions of IFRS 5 were applicable as of the interim balance sheet date of June 30, 2023. Given its prior experiences with the rejection of the previous deal, the management of Elmos believes, as of the reporting date, that it is not highly probable that the authorities will issue a final and unconditional approval within the meaning of IFRS 5.7 in conjunction with IFRS 5.8 and, as a result, the planned transaction was not recognized in accordance with the requirements of IFRS 5 in the consolidated interim financial statements as of June 30, 2023.

Recycling of equity components in other comprehensive income

The Company sold bonds prior to maturity in the first half of 2023. Adjustments were made for these bonds in other comprehensive income as part of equity up to the date of sale. Pursuant to IAS 1.92, these amounts that are recognized in other comprehensive income have to be disclosed as reclassification adjustments (recycling) as of the date of realization. In this context, amounts of 268 thousand Euro previously recognized in other comprehensive income had to be reclassified through profit or loss to the consolidated income statement in the first half of the year (first half of 2022: 0 thousand Euro). There were no other transactions, either in the first half of 2023 or in the prior year, that would have required the recycling of equity components in other comprehensive income.

Contracts with customers

The geographic segment "EU countries" basically includes all member states of the European Union at the current reporting date. The European countries that are not currently members of the European Union are part of the "Other" segment. Revenue from external customers is distributed according to the customer's delivery locations.

Proceeds from transactions with external customers in thousand Euro	01/01 - 06/30/2023	01/01 - 06/30/2022
Germany	38,443	27,852
Other E.U. countries	51,743	40,416
Americas	18,703	14,304
Asia/Pacific	144,817	111,175
Others	13,239	8,417
Sales	266,946	202,165

Ordinary business transactions with a significant impact

Substantial capital expenditures affecting property, plant and equipment were made in the first half of 2023 (54,120 thousand Euro) and in the second quarter of 2023 (38,833 thousand Euro). Capital expenditures focused mainly on the expansion of testing capacities (technical equipment and machinery).

Exceptional business transactions

There were no exceptional business transactions in the first six months of 2023.

Seasonal and economic effects on business operations

The International Monetary Fund (IMF) lowered its global growth forecast slightly in April 2023 as it believes that ongoing inflation and the war in Ukraine will cause the global economy to expand at a slower-than-expected rate. According to the IMF, global economic output is only set to increase by 2.8% compared to the prior year. Germany's gross domestic product is actually expected to decline slightly by 0.1%. The Chinese economy is forecast to grow by 5.2% this year, while the IMF expects growth in the United States to stand at 1.6%. An increase of 0.8% is forecast for the eurozone's economy.

2 – INFORMATION ON FINANCIAL INSTRUMENTS

The following table lists the book values and fair values of the Group's financial instruments. The fair value of a financial instrument is the price that would be received for the sale of an asset or paid for the transfer of a liability between market participants in a regular business transaction as of the measurement date. In view of varying factors of influence, the presented fair values can only be regarded as indicators of the amounts actually recoverable in the market. Detailed information on the methods and assumptions underlying the determination of the value of financial instruments can be found under note 29 to the 2022 consolidated financial statements. Its relevance to these half-year financial statements is undiminished.

Book values and fair values of each category of financial assets and liabilities

in thousand Euro	June 30, 2023		December 31, 2022	
	Book value	Fair value	Book value	Fair value
Financial assets				
Investments	1	1	1	1
Securities (long-term)	14,656	14,656	33,241	33,241
Securities (short-term)	7,933	7,933	2,210	2,210
Trade receivables	88,168	88,168	67,808	67,808
Cash and cash equivalents	9,866	9,866	36,641	36,641
Other financial assets	13,638	13,638	11,960	11,960
Financial liabilities				
Trade payables	65,664	65,664	44,209	44,209
Liabilities to banks	101,030	93,287	71,348	62,402
Other financial liabilities	9,517	9,517	10,326	10,326

At the end of each reporting period, a review is conducted to find out whether reclassifications between valuation hierarchies must be made. The following presentation shows which valuation hierarchy levels (in accordance with IFRS 13) financial assets and liabilities measured at fair value are classified to.

Hierarchy of fair values

Level 1: quoted (unadjusted) prices in active markets for similar assets or liabilities

in thousand Euro		01/01	Addition	Disposal	Reclassification	Market valuation	06/30
Long-term securities ¹	2023	30.241	0	-13.131	-6.041	587	11.656
	2022	39.850	21.247	0	-7.262	-2.527	51.308
Short-term securities ¹	2023	2.210	0	0	6.041	-318	7.933
	2022	5.492	0	-5.492	7.262	-21	7.241

¹ At fair value through other comprehensive income (with recycling)

Level 2: methods where all input parameters with a material effect on the determined fair value are observable either directly or indirectly

in thousand Euro		01/01	Addition	Disposal	Market valuation	06/30
Forward exchange contracts/	2023	0	311	0	0	311
Currency option transactions	2022	4	0	0	629	633

Level 3: methods using input parameters that have a material effect on the determined fair values and are not based on observable market data

in thousand Euro		01/01	Addition	Disposal	06/30
Call options	2023	10	0	0	10
	2022	9	3	0	12
Investments	2023	1	0	0	1
	2022	1	0	0	1

3 – RELATED PARTY DISCLOSURES

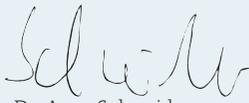
As reported in the consolidated financial statements for the fiscal year ended December 31, 2022, the Elmos Group maintains business relationships with related companies and individuals in the context of the ordinary course of business.

These supply and performance relationships continue to be transacted at market prices.

Notifications of managers' transactions for the period from January 1 to June 30, 2023, are available at www.elmos.com.

4 – SIGNIFICANT EVENTS AFTER THE END OF THE FIRST SIX MONTHS OF 2023

There are no events of particular significance and with material effects on the assets, liabilities, financial position, and profit or loss to be reported after the end of the first six months of 2023.


Dr. Arne Schneider


Guido Meyer


Dr. Jan Dienstuhl

REVIEW REPORT

To Elmos Semiconductor SE, Dortmund

We have reviewed the condensed interim consolidated financial statements – comprising the condensed consolidated statement of financial position, the condensed consolidated statement of income, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of cash flows, the condensed consolidated statement of changes in equity for the period from 1 January 2023 to 30 June 2023, and selected explanatory notes to the condensed interim consolidated financial statements – and the interim group management report for the period from 1 January 2023 to 30 June 2023 which form part of the half-year financial reporting in accordance with section 115 of the German Securities Trading Act (Wertpapierhandelsgesetz – WpHG). The preparation of the condensed interim consolidated financial statements in accordance with those IFRS applicable to interim financial reporting as adopted by the EU, and of the interim group management report in accordance with the requirements of the German Securities Trading Act applicable to interim group management reports, is the responsibility of the Company's management. Our responsibility is to issue a report on the condensed interim consolidated financial statements and on the interim group management report based on our review.

We conducted our review of the condensed interim consolidated financial statements and the interim group management report in accordance with the German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with a certain level of assurance, that the condensed interim consolidated financial statements have not been prepared, in material aspects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU, and that the interim group management report has not been prepared, in material aspects, in accordance with the regulations of the German Securities Trading Act applicable to interim group management reports. A review is limited primarily to inquiries of Company employees and analytical assessments and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statements audit, we cannot issue an auditor's report.

Based on our review no matters have come to our attention that cause us to believe that the condensed interim consolidated financial statements for the period from 1 January 2023 to 30 June 2023 have not been prepared, in material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU, or that the interim group management report has not been prepared, in material respects, in accordance with the regulations of the German Securities Trading Act applicable to interim group management reports.

Essen, 27 July 2023

BDO AG Wirtschaftsprüfungsgesellschaft

Marc Fritz

German Public Auditor

Dr. Marcus Falk

German Public Auditor

RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the accounting principles applicable to interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position, and profit or loss of the Group, and the interim group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group in the remaining fiscal year.

Dortmund, July 27, 2023



Dr. Arne Schneider



Guido Meyer



Dr. Jan Dienststuhl

Financial calendar

Fiscal year 2023

Quarterly results Q2/2023¹ July 27, 2023

Quarterly results Q3/2023¹ November 8, 2023

¹ The German Securities Trading Act (Wertpapierhandelsgesetz) and the Market Abuse Regulation oblige issuers to announce any information that may have a substantial price impact immediately, irrespective of the financial calendar. Therefore, we cannot rule out having to announce key figures of quarterly and annual results ahead of the dates mentioned above. As we can never rule out changes of dates, we recommend checking them in advance on the website (www.elmos.com).

Contact

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Notes

The half-year financial report of Elmos Semiconductor SE fulfills the requirements of the applicable provisions under the German Securities Trading Act (Wertpapierhandelsgesetz, WpHG) and comprises, according to Section 115 WpHG, condensed consolidated half-year financial statements, a group management report, and a responsibility statement. The consolidated half-year financial statements have been prepared in accordance with the IFRS applicable to interim financial reporting as released by the IASB and adopted by the European Union. The half-year financial report should be consulted together with our Annual Report for financial year 2022. The Annual Report includes a comprehensive presentation of our business activities and notes to the financial indicators applied.

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

Forward-looking statements

This report contains statements directed to the future that are based on assumptions and estimates made by the management of Elmos. Even though we assume the underlying expectations of our forward-looking statements to be realistic, we cannot guarantee these expectations will prove right. The assumptions may carry risks and uncertainties, and as a result actual events may differ materially from the current statements made with respect to the future. Among the factors that could cause material differences are changes in general economic and business conditions, changes in exchange 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.

This English translation is provided for convenience only. The German text shall be the sole legally binding version.