

Quarterly statement Q3 2023

July 1 to September 30, 2023

elmos[®]



Profitable growth trajectory continues in third quarter of 2023

Year on year sales growth of 26.7% in Q3 2023 to 151.5 million Euro and 27.5% EBIT margin underline encouraging business development

“After a positive first half-year, we started the second half of the year dynamically, as expected. Thanks to our attractive portfolio of innovative automotive mixed-signal solutions and the targeted capacity expansion we were able to continue our encouraging business development. Elmos is fully on track for a strong year 2023 and for an ongoing positive development in the future.” *Dr. Arne Schneider, CEO of Elmos Semiconductor SE*

Key figures

in million Euro unless otherwise indicated	Q3 2023	Q3 2022	Change	9M 2023	9M 2022	Change
Sales	151.5	119.6	26.7%	418.5	321.7	30.1%
Gross profit	69.9	54.0	29.5%	195.7	144.3	35.6%
in % of sales	46.1%	45.1%		46.8%	44.8%	
Research and development expenses	16.3	11.4	43.0%	51.0	40.1	27.2%
in % of sales	10.8%	9.6%		12.2%	12.5%	
Operating results	40.2	32.7	22.9%	104.0	75.0	38.7%
in % of sales	26.5%	27.4%		24.9%	23.3%	
EBIT	41.6	29.8	39.8%	107.5	74.4	44.4%
in % of sales	27.5%	24.9%		25.7%	23.1%	
Consolidated net income after non-controlling interests	28.0	19.9	40.5%	71.4	49.4	44.7%
in % of sales	18.4%	16.6%		17.1%	15.4%	
Earnings per share (basic) in Euro	1.63	1.16	40.4%	4.17	2.89	44.6%
	09/30/2023	06/30/2023	Change	09/30/2023	12/31/2022	Change
Total assets	731.7	635.8	15.1%	731.7	542.4	34.9%
Shareholders' equity	419.9	391.6	7.2%	419.9	360.4	16.5%
in % of total assets	57.4%	61.6%		57.4%	66.4%	
Financial liabilities	118.4	109.9	7.7%	118.4	81.0	46.2%
Liquid assets and securities	74.6	32.5	>100.0%	74.6	72.1	3.5%
Net debt	-43.8	-77.4	-43.5%	-43.8	-8.9	>100.0%
	Q3 2023	Q3 2022	Change	9M 2023	9M 2022	Change
Cash flow from operating activities	33.8	15.4	>100.0%	40.6	81.2	-50.0%
Capital expenditures	34.0	21.0	61.7%	91.6	52.0	76.1%
in % of sales	22.4%	17.6%		21.9%	16.2%	
Adjusted free cash flow	33.9	-8.7	n/a	-21.5	21.2	n/a
Operating adjusted free cash flow	-3.3	-8.7	-61.8%	-58.7	21.2	n/a

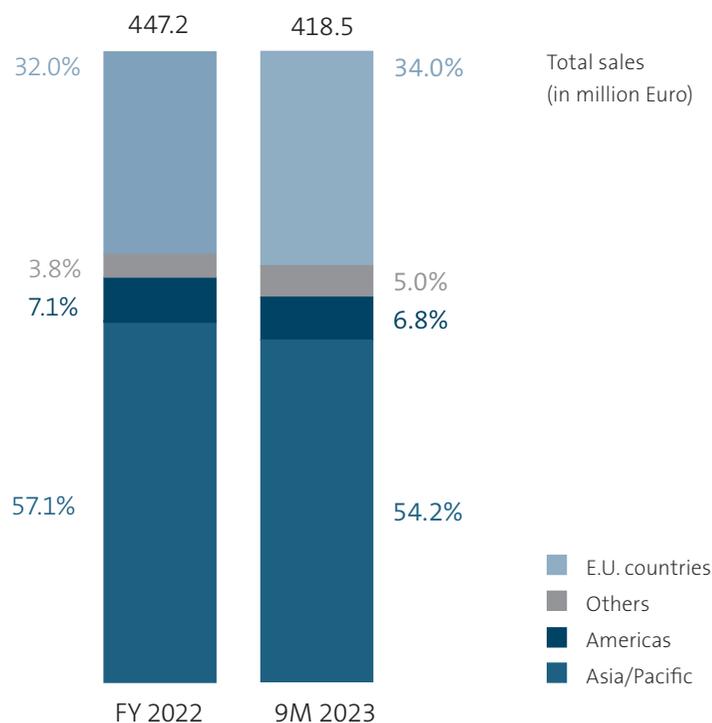
Definitions of selected financial indicators

- 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, plus effects from M&A transactions
- Operating adjusted free cash flow: 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
- 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 third quarter of 2023 as a result of the launch of new products and ongoing high demand for Elmos innovative mixed-signal semiconductors.
- > Once again, Group sales were significantly higher year on year and have now set a new record for quarterly sales for the eleventh time in succession.
- > EBIT and the EBIT margin continued to improve due to the strong growth in the third quarter of 2023.
- > The main focus of capital expenditure remained on the expansion of testing capacities, in particular in Asia.
- > Adjusted free cash flow in the reporting period was primarily influenced by the partial payment for the sale of the wafer fab, as well as investments in the future and increased working capital.
- > As expected, the supply and demand situation in the market for automotive semiconductors continued to normalize.
- > The order situation at Elmos 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



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, the Middle East conflict 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.

Condensed consolidated statement of financial position

Assets in thousand Euro	09/30/2023	12/31/2022
Intangible assets	40,848	36,255
Property, plant and equipment	305,396	219,252
Securities	14,719	33,241
Investments	1	1
Other financial assets	8,874	8,806
Deferred tax assets	524	326
Non-current assets	370,362	297,881
Inventories	182,785	116,635
Trade receivables	96,378	67,808
Securities	6,979	2,210
Other financial assets	3,642	3,154
Other receivables	18,483	18,034
Income tax assets	131	67
Cash and cash equivalents	52,915	36,641
Current assets	361,313	244,548
Total assets	731,675	542,428

Equity and liabilities in thousand Euro	09/30/2023	12/31/2022
Share capital	17,700	17,700
Treasury shares	-579	-581
Additional paid-in capital	19,443	18,707
Surplus reserve	102	102
Other equity components	-353	-569
Retained earnings	383,043	324,433
Equity attributable to owners of the parent	419,356	359,792
Non-controlling interests	572	629
Equity	419,928	360,421
Financial liabilities	100,276	76,436
Deferred tax liabilities	9,705	8,537
Non-current liabilities	109,982	84,973
Provisions	26,181	20,212
Income tax liabilities	43,397	21,441
Financial liabilities	18,093	4,521
Trade payables	72,921	44,209
Other liabilities	41,172	6,651
Current liabilities	201,765	97,035
Liabilities	311,746	182,007
Total equity and liabilities	731,675	542,428

Condensed consolidated income statement

in thousand Euro	Q3 2023	Q3 2022	9M 2023	9M 2022
Sales	151,506	119,555	418,452	321,720
Cost of sales	-81,626	-65,592	-222,734	-177,430
Gross profit	69,880	53,963	195,719	144,290
Research and development expenses	-16,340	-11,425	-51,012	-40,090
Distribution expenses	-5,698	-4,154	-17,168	-12,851
Administrative expenses	-7,639	-5,669	-23,547	-16,365
Operating result before other operating expenses (-)/income	40,203	32,715	103,991	74,984
Foreign exchange gains	1,267	793	1,946	3,845
Other operating income	387	776	3,714	2,274
Other operating expenses	-237	-4,519	-2,131	-6,654
Earnings before interest and taxes (EBIT)	41,621	29,764	107,520	74,449
Finance income	274	298	588	579
Finance expenses	-820	-300	-1,967	-948
Earnings before taxes	41,075	29,761	106,140	74,080
Income tax	-13,159	-9,840	-34,748	-24,802
thereof current income tax	-12,226	-9,056	-33,911	-25,019
thereof deferred tax	-933	-784	-837	217
Consolidated net income	27,916	19,921	71,392	49,278
thereof attributable to owners of the parent	27,952	19,898	71,449	49,388
thereof attributable to non-controlling interests	-37	24	-57	-110
Earnings per share	Euro	Euro	Euro	Euro
Basic earnings per share	1.63	1.16	4.17	2.89
Fully diluted earnings per share	1.63	1.16	4.17	2.89

Condensed consolidated statement of cash flows

in thousand Euro	Q3 2023	Q3 2022	9M 2023	9M 2022
Consolidated net income	27,916	19,921	71,392	49,278
Depreciation and amortization	9,098	9,293	28,153	29,142
Losses/Gains (-) from disposal of non-current assets	47	208	-66	196
Financial result	546	2	1,380	369
Other non-cash expenses/income (-)	933	784	837	-217
Current income tax	12,226	9,056	33,911	25,019
Expenses for stock awards/share matching	180	134	738	414
Changes in pension provisions	0	1	0	1
Changes in net working capital:				
Trade receivables	-8,210	-6,401	-28,570	-22,670
Inventories	-15,794	-8,101	-64,905	-12,280
Other assets	3,474	-1,208	-937	-6,262
Trade payables	2,314	-5,426	8,532	15,723
Other provisions and other liabilities	4,934	7,895	3,290	12,829
Income tax payments	-3,642	-11,020	-12,019	-10,025
Interest paid	-510	-80	-1,753	-890
Interest received	274	298	588	579
Cash flow from operating activities	33,786	15,357	40,570	81,206
Capital expenditures for intangible assets	-4,239	-3,164	-12,569	-8,732
Capital expenditures for property, plant and equipment	-32,883	-20,955	-87,003	-51,368
Payments received in connection with future disposals in the scope of consolidation	37,200	0	37,200	0
Disposal of non-current assets	1	29	291	61
Disposal of/payments for (-) securities	1,028	2,864	14,159	-12,818
Payments for other non-current financial assets	-19	-19	-64	-58
Cash flow from investing activities	1,088	-21,245	-47,986	-72,915
Proceeds from the borrowing of financial liabilities	9,128	0	40,000	18,461
Cash outflows from the repayment of financial liabilities	-513	-513	-1,539	-12,000
Repayment of liabilities from installment purchase	-160	-159	-480	-476
Repayment of leasing liabilities	-376	-344	-1,075	-1,039
Dividend distribution	0	0	-12,839	-11,121
Repayment of other financial liabilities	0	0	-280	-280
Other changes	0	0	0	27
Cash flow from financing activities	8,078	-1,016	23,787	-6,428
Increase/decrease (-) in cash and cash equivalents	42,953	-6,904	16,371	1,863
Effects of exchange rate changes on cash and cash equivalents	97	229	-96	636
Cash and cash equivalents at beginning of reporting period	9,866	26,930	36,641	17,756
Cash and cash equivalents at end of reporting period	52,915	20,255	52,915	20,255

Financial calendar

Fiscal year 2024	
Preliminary results 2023 ¹	February 15, 2024
Final results 2023 ¹	March 14, 2024
Quarterly results Q1/2024 ¹	May 7, 2024
Annual General Meeting	May 15, 2024
Quarterly results Q2/2024 ¹	August 1, 2024
Quarterly results Q3/2024 ¹	November 6, 2024

¹The 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

Ralf Hoppe | Investor Relations

Phone: + 49 (0) 231-75 49-7000

Fax: + 49 (0) 231-75 49-111

invest@elmos.com

Elmos Semiconductor SE

Heinrich-Hertz-Straße 1

44227 Dortmund | Germany

Phone: + 49 (0) 231-75 49-0

Fax: + 49 (0) 231-75 49-149

info@elmos.com | www.elmos.com

Notes

This document is a quarterly statement pursuant to section 51a of the rules and regulations for the Frankfurter Wertpapierbörse. 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