

Quarterly statement Q1 2023

January 1 to March 31, 2023

elmos[®]



Successful start into the new year – profitable growth continues

At 130.9 million Euro, sales up 36% year on year in the first quarter 2023 – EBIT margin reaches 24.3%

“We got off to a successful start in the new year, which has allowed us to lay a solid foundation for further positive business performance in 2023. As a result of new project launches, business development will be even more dynamic in the second half of the year, enabling us to further strengthen the market position in our application fields. As one of the leading suppliers of innovative mixed-signal semiconductors, and as a reliable partner to our customers, we will benefit in the long term from the structural growth in the semiconductor market resulting from the increasing digitization and electrification of all vehicle systems and functions.”

Dr. Arne Schneider, CEO of Elmos Semiconductor SE

Key figures

in million Euro unless otherwise indicated	Q1 2023	Q1 2022	Change
Sales	130.9	96.4	35.9%
Gross profit	59.3	43.9	34.9%
in % of sales	45.3%	45.6%	
Research & development expenses	16.0	13.6	17.7%
in % of sales	12.2%	14.1%	
Operating income before other operating expenses (-)/ income	30.7	21.2	45.0%
in % of sales	23.4%	22.0%	
EBIT	31.8	19.5	63.1%
in % of sales	24.3%	20.2%	
Consolidated net income after non-controlling interests	20.5	13.5	51.8%
in % of sales	15.7%	14.0%	
Earnings per share (basic) in Euro	1.20	0.79	51.7%
	03/31/2023	12/31/2022	Change
Total assets	584.6	542.4	7.8%
Shareholders' equity	381.2	360.4	5.8%
in % of total assets	65.2%	66.4%	
Financial liabilities	80.0	81.0	-1.2%
Liquid assets and securities	52.3	72.1	-27.4%
Net debt	-27.7	-8.9	>100.0%
	Q1 2023	Q1 2022	Change
Operating cash flow	-1.7	43.9	n/a
Capital expenditures	15.2	11.1	37.4%
in % of sales	11.6%	11.5%	
Adjusted free cash flow	-18.7	30.4	n/a

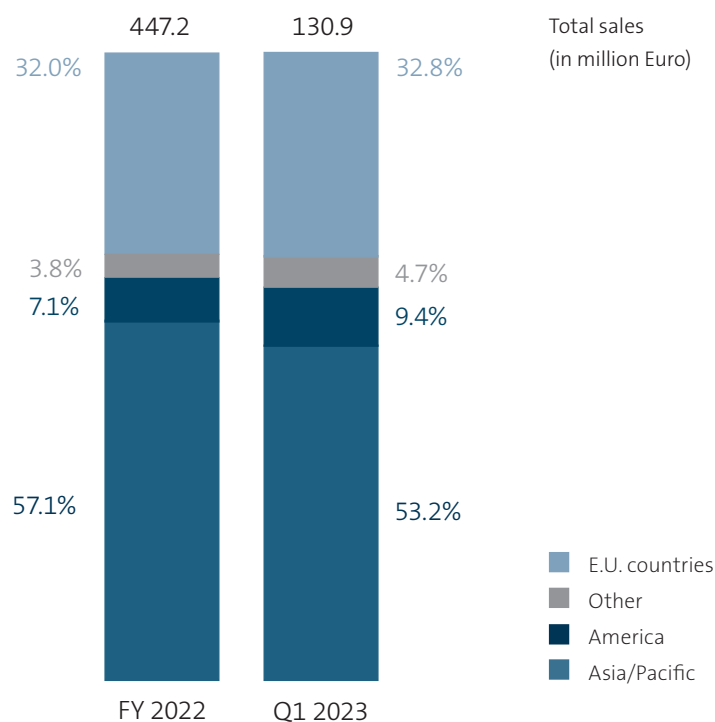
Definitions of selected financial indicators

- 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

Profit, financial position, as well as assets and liabilities

- > The positive sales and earnings performance is the result of high demand for Elmos semiconductors.
- > Thanks to the strong growth in sales, EBIT and the EBIT margin improved year on year in the first quarter, in spite of inflation-related cost increases.
- > Capital expenditures remained on a high level in the first quarter of 2023 and were primarily used for the expansion of testing capacities in Asia.
- > Adjusted free cash flow was negative due to higher working capital and planned capital expenditures for growth.
- > The ratio of orders received for the next three months to sales over the past three months, known as the book-to-bill ratio, was above one at the end of the reporting period.

Sales by region



Guidance Fiscal Year 2023 (unchanged)

Sales	More than 560 million Euro (at least +25% YoY)
EBIT margin	25% ± 2 percentage points
Capital expenditures (in % of sales) ¹	17% ± 2 percentage points
Adjusted free cash flow ²	Level of the previous year (14.9 million Euro) ± 10 million Euro
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.

- > The guidance for fiscal year 2023 issued in February 2023 is confirmed.
- > The Supervisory Board and the Management Board will propose an increase in the dividend to 0.75 Euro per share at the Annual General Meeting on May 10, 2023 (previous year: 0.65 Euro per share).
- > 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 energy, material, services, and personnel; gas supply issues; and uncertainties related to the ongoing COVID-19 pandemic, especially in China.

Condensed consolidated statement of financial position

Assets in thousand Euro	03/31/2023	12/31/2022
Intangible assets	36,906	36,255
Property, plant and equipment	242,187	219,252
Securities	18,879	33,241
Investments	1	1
Other financial assets	8,831	8,806
Deferred tax assets	395	326
Non-current assets	307,199	297,881
Inventories	141,687	116,635
Trade receivables	75,189	67,808
Securities	3,794	2,210
Other financial assets	4,359	3,154
Other receivables	22,735	18,034
Income tax assets	0	67
Cash and cash equivalents	29,640	36,641
Current assets	277,403	244,548
Total assets	584,601	542,428

Equity and liabilities in thousand Euro	03/31/2023	12/31/2022
Share capital	17,700	17,700
Treasury shares	-581	-581
Additional paid-in capital	18,883	18,707
Surplus reserve	102	102
Other equity components	-441	-569
Retained earnings	344,977	324,433
Equity attributable to owners of the parent	380,640	359,792
Non-controlling interests	606	629
Equity	381,246	360,421
Financial liabilities	75,431	76,436
Deferred tax liabilities	9,020	8,537
Non-current liabilities	84,450	84,973
Provisions	27,356	20,212
Income tax liabilities	27,234	21,441
Financial liabilities	4,558	4,521
Trade payables	56,286	44,209
Other liabilities	3,471	6,651
Current liabilities	118,906	97,035
Liabilities	203,356	182,007
Total equity and liabilities	584,601	542,428

Condensed consolidated income statement

in thousand Euro	Q1 2023	Q1 2022
Sales	130,914	96,359
Cost of sales	-71,626	-52,413
Gross profit	59,288	43,947
Research and development expenses	-16,023	-13,616
Distribution expenses	-5,304	-4,262
Administrative expenses	-7,277	-4,902
Operating income before other operating expenses (-)/ income	30,684	21,166
Foreign exchange gains	443	921
Other operating income	875	582
Other operating expenses	-241	-3,200
Earnings before interest and taxes (EBIT)	31,760	19,470
Finance income	88	134
Finance expenses	-920	-330
Earnings before taxes	30,928	19,275
Income tax	-10,408	-5,694
thereof current income tax	-10,111	-5,094
thereof deferred tax	-297	-600
Consolidated net income	20,520	13,581
thereof attributable to owners of the parent	20,543	13,536
thereof attributable to non-controlling interests	-23	45
Earnings per share	Euro	Euro
Basic earnings per share	1.20	0.79
Fully diluted earnings per share	1.20	0.79

Condensed consolidated statement of cash flows

in thousand Euro	Q1 2023	Q1 2022
Consolidated net income	20,520	13,581
Depreciation and amortization	7,916	8,423
Losses from disposal of assets	5	2
Financial result	832	196
Other non-cash expense	297	600
Current income tax	10,111	5,094
Expense for stock awards/ share matching	176	141
Changes in net working capital:		
Trade receivables	-7,381	-6,735
Inventories	-23,807	490
Other assets	-5,906	-3,037
Trade payables	-3,538	11,952
Other provisions and other liabilities	3,964	6,704
Income tax payments (-)/ refunds	-4,251	6,461
Interest paid	-682	-77
Interest received	88	134
Cash flow from operating activities	-1,656	43,929
Capital expenditures for intangible assets	-1,899	-2,602
Capital expenditures for property, plant and equipment	-15,287	-10,900
Payments from disposal of non-current assets	143	5
Disposal of/ investment in (-) securities	13,131	-14,710
Payments for other financial assets	-26	-19
Cash flow from investing activities	-3,938	-28,226
Proceeds from financial liabilities to banks	0	19,487
Repayment of financial liabilities to banks	-513	0
Repayment of liabilities from installment purchase	-160	-159
Repayment of leasing liabilities	-338	-346
Repayment of other financial liabilities	-280	-280
Other changes	-16	23
Cash flow from financing activities	-1,307	18,725
Decrease (-)/ increase in cash and cash equivalents	-6,901	34,428
Effect of exchange rate changes on cash and cash equivalents	-99	165
Cash and cash equivalents at beginning of reporting period	36,641	17,756
Cash and cash equivalents at end of reporting period	29,640	52,349

Financial calendar

Fiscal year 2023

Quarterly results Q1/2023 ¹	May 4, 2023
Annual General Meeting	May 10, 2023
Quarterly results Q2/2023 ¹	July 27, 2023
Quarterly results Q3/2023 ¹	November 8, 2023

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).

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Notice

This document is a quarterly statement in accordance with Section 51a Rules and Regulations for the Frankfurter Wertpapierbörse (Börsenordnung für die Frankfurter Wertpapierbörse). For mathematical reasons, tables and references may contain rounding differences to the exact figures (currency units, percentages, etc.).

Forward-looking statements

This report contains forward-looking statements that are based on assumptions and estimates made by the Elmos management. Even though we assume the underlying expectations of our 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 forward-looking statements. Among the factors that could cause such differences are changes in general economic and business conditions, fluctuations of exchange rates 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.

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