

A large, abstract geometric pattern composed of interconnected black lines and dots, forming a complex, multi-faceted shape that resembles a stylized wave or a network structure. It spans the width of the page and is positioned above the main text.

Quarterly statement Q3 2020

July 1 to September 30, 2020

Significant recovery in current Q4 2020 – full-year guidance 2020 above market expectations

Q3 2020 at the upper end of guidance range: Sales at 40.9 million Euro / EBIT at -10.5 million Euro

“As expected, the third quarter of 2020 was clearly a turning point. We are seeing significant recovery in our business with very strong sequential growth in the fourth quarter of 2020. Due to this noticeable improvement, the full-year guidance for 2020 is above market expectations. This recovery is widespread, however the strongest impetus is coming from Asia,” says Dr. Anton Mindl, CEO of Elmos Semiconductor SE. “In spite of the current rise in coronavirus infections, our intensive work on numerous new projects and our known strong product portfolio puts us in a confident mood when it comes to our medium- to long-term development.”

Key figures

in million Euro unless otherwise indicated	Q3 2020	Q3 2019 ¹	Change	9M 2020	9M 2019 ¹	Change
Sales	40.9	67.8	-39.7%	163.9	197.7	-17.1%
Gross profit	11.9	32.5	-63.4%	64.6	91.1	-29.0%
in % of sales	29.1%	47.9%		39.4%	46.1%	
Research and development expenses	11.1	10.6	4.0%	36.0	29.6	21.6%
in % of sales	27.1%	15.7%		21.9%	15.0%	
Operating income	-7.0	9.1	n/a	1.2	28.5	-95.9%
in % of sales	-17.2%	13.4%		0.7%	14.4%	
EBIT	-10.5	9.7	n/a	-0.2	29.8	n/a
in % of sales	-25.7%	14.3%		-0.2%	15.1%	
Consolidated net loss (-)/ consolidated net income after non-controlling interests	-6.2	4.3	n/a	0.6	17.4	-96.3%
in % of sales	-15.1%	6.4%		0.4%	8.8%	
Earnings per share (basic) in Euro	-0.34	0.22	n/a	0.03	0.89	-96.1%
	09/30/2020	06/30/2020	Change	09/30/2020	12/31/2019	Change
Total assets	394.9	405.5	-2.6%	394.9	439.5	-10.2%
Shareholders' equity	304.5	310.3	-1.9%	304.5	339.7	-10.4%
in % of total assets	77.1%	76.5%		77.1%	77.3%	
Financial liabilities	46.2	47.5	-2.7%	46.2	49.1	-5.8%
Liquid assets and securities	85.6	87.1	-1.6%	85.6	123.3	-30.6%
Net cash	39.4	39.5	-0.3%	39.4	74.3	-47.0%
	Q3 2020	Q3 2019	Change	9M 2020	9M 2019	Change
Cash flow from operating activities	3.2	15.0	-78.7%	17.5	32.6	-46.2%
Capital expenditures	3.7	7.4	-49.9%	12.9	32.7	-60.6%
in % of sales	9.1%	9.9% ²		7.9%	14.9% ²	
Adjusted free cash flow	-0.5	88.3	n/a	2.6	76.2	-96.6%

¹ Prior-year amounts were adjusted; for purposes of comparison, information regarding the consolidated income statement relates exclusively to continuing operations.

² Percentage shown relates to sales from continuing and discontinued operations of 75,025 thousand Euro.

³ Percentage shown relates to sales from continuing and discontinued operations of 219,146 thousand Euro.

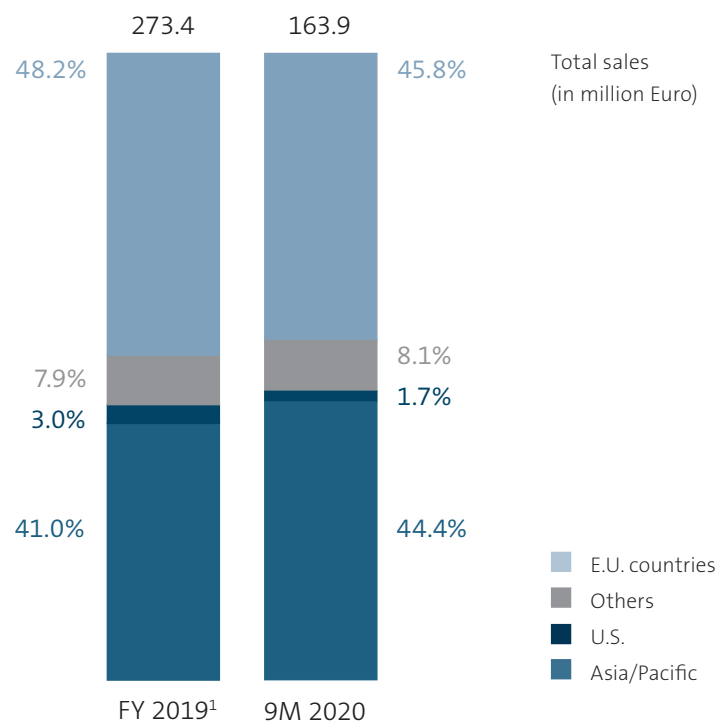
Definitions of selected financial indicators

- Adjusted free cash flow: Cash flow from operating activities less capital expenditures for/plus disposal of intangible assets and property, plant and equipment (including payments from the disposal of consolidated companies)
- Capital expenditures: Capital expenditures in intangible assets and property, plant and equipment less capitalized development costs
- Further information on the key figures used can be found in the 2019 Annual Report at www.elmos.com

Profit, financial position, as well as assets and liabilities

- > The sales and earnings performance in the third quarter of 2020 is at the upper end of the given guidance range.
- > Capital expenditures remain at a low level in response to the coronavirus pandemic.
- > Adjusted free cash flow was almost balanced in the reporting quarter.
- > All production departments and significant parts of the administration were operating on short-time work in the third quarter of 2020 due to the coronavirus pandemic.
- > 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 well above one at the end of the reporting period.
- > We are seeing significant recovery in our business with very strong sequential growth in the fourth quarter of 2020.

Sales by region



¹ The figures relate exclusively to continuing operations.

Guidance

Guidance for the Fiscal Year 2020 (as of November 3, 2020)	
Sales	227 to 233 million Euro
EBIT	6 to 9 million Euro
∅ Exchange rate	1.15 EUR/USD

Condensed consolidated statement of financial position

Assets in thousand Euro	09/30/2020	12/31/2019
Intangible assets	30,845	32,864
Property, plant and equipment	132,018	137,803
Securities	43,441	17,324
Investments	1	1
Other financial assets	6,255	4,704
Deferred tax assets	128	56
Non-current assets	212,688	192,751
Inventories	94,346	78,759
Trade receivables	27,956	50,928
Securities	4,722	11,003
Other financial assets	1,056	3,418
Other receivables	6,562	7,242
Income tax assets	10,081	403
Cash and cash equivalents	37,478	95,018
Current assets	182,201	246,771
Total assets	394,889	439,522

Equity and liabilities in thousand Euro	09/30/2020	12/31/2019
Share capital	20,104	20,104
Treasury shares	-1,986	-469
Additional paid-in capital	57,692	82,490
Surplus reserve	102	102
Other equity components	13	123
Retained earnings	227,968	236,732
Equity attributable to owners of the parent	303,893	339,081
Non-controlling interests	607	582
Equity	304,499	339,663
Financial liabilities	43,131	44,680
Deferred tax liabilities	4,840	7,284
Non-current liabilities	47,971	51,964
Provisions	20,403	22,233
Income tax liabilities	213	6,157
Financial liabilities	3,116	4,390
Trade payables	12,025	10,159
Other liabilities	6,662	4,956
Current liabilities	42,419	47,895
Liabilities	90,389	99,859
Total equity and liabilities	394,889	439,522

Condensed consolidated income statement

in thousand Euro	Q3 2020	Q3 2019 ¹	9M 2020	9M 2019 ¹
Sales	40,882	75,025	163,893	219,146
thereof from discontinued operations	0	7,206	0	21,448
Sales from continuing operations	40,882	67,819	163,893	197,698
CONTINUING OPERATIONS				
Sales from continuing operations	40,882	67,819	163,893	197,698
Cost of sales	-28,978	-35,324	-99,244	-106,611
Gross profit	11,904	32,494	64,649	91,087
Research and development expenses	-11,059	-10,629	-35,953	-29,573
Distribution expenses	-4,071	-4,775	-14,479	-14,761
Administrative expenses	-3,794	-8,037	-13,061	-18,218
Operating result before other operating expenses (-)/income	-7,020	9,054	1,157	28,535
Foreign exchange losses (-)/gains	-1,091	1,083	-808	968
Other operating income	412	803	2,649	2,137
Other operating expenses	-2,794	-1,230	-3,244	-1,808
Earnings before interest and taxes (EBIT) from continuing operations	-10,493	9,711	-247	29,832
Finance income	119	29	375	275
Finance costs	-184	-253	-679	-1,274
Earnings before taxes	-10,559	9,487	-551	28,833
Income tax	4,416	-5,103	1,222	-11,322
thereof current income tax	1,405	-4,606	-1,299	-9,763
thereof deferred tax	3,011	-497	2,521	-1,559
Consolidated net loss (-)/ consolidated net income after taxes from continuing operations	-6,143	4,384	671	17,511
DISCONTINUED OPERATIONS				
Consolidated net loss (-)/ consolidated net income after taxes from discontinued operations	0	63,043	0	66,022
Consolidated net loss (-)/ consolidated net income after taxes from continuing and discontinued operations	-6,143	67,427	671	83,534
thereof attributable to owners of the parent	-6,164	67,381	646	83,464
thereof attributable to non-controlling interests	21	46	25	69
Earnings per share	Euro	Euro	Euro	Euro
Basic earnings per share	-0.34	0.22 ²	0.03	0.89 ²
Fully diluted earnings per share	-0.34	0.22 ²	0.03	0.89 ²

¹ Adjustment of prior-year figures according to IFRS 5 (differentiation between continuing and discontinued operations)

² Key figure relates exclusively to continuing operations

Condensed consolidated statement of cash flow

in thousand Euro	Q3 2020	Q3 2019	9M 2020	9M 2019
Consolidated net loss (-)/ consolidated net income from continuing and discontinued operations	-6,143	67,427	671	83,534
Depreciation and amortization	7,353	8,148	23,138	24,041
Gains from the disposal of assets	-193	-283	-163	-205
Earnings from the sale of discontinued operations	0	-61,911	0	-61,911
Financial result	66	305	304	1,242
Other non-cash income	-3,011	-1,734	-2,520	-1,714
Current income tax	-1,405	4,672	1,299	9,928
Expenses for stock awards/share matching	63	17	213	66
Changes in net working capital:				
Trade receivables	10,857	2,657	22,973	-350
Inventories	-3,222	-3,325	-15,587	-14,062
Other assets	3,578	-1,445	2,950	1,422
Trade payables	-2,148	233	1,704	-2,354
Other provisions and other liabilities	1,477	1,477	-133	3,511
Income tax payments	-4,148	-1,067	-16,921	-9,925
Interest paid	-53	-244	-799	-902
Interest received	118	29	375	232
Cash flow from operating activities	3,189	14,956	17,504	32,552
Cash flow from investing activities				
Capital expenditures for intangible assets	-1,238	-1,626	-3,527	-6,698
Capital expenditures for property, plant and equipment	-3,511	-7,352	-12,478	-32,064
Disposal of non-current assets	1,027	-4	1,072	35
Disposal of investments	0	19	0	19
Payments from the disposal of consolidated companies	0	82,345	0	82,345
Disposal of/payments for (-) securities	0	2,000	-19,819	15,574
Payments for other non-current financial assets	-487	-120	-1,460	-362
Cash flow from investing activities	-4,209	75,262	-36,212	58,849
Cash flow from financing activities				
Change in current liabilities to banks	0	-89	0	-327
Share-based payment/issue of treasury shares	0	-1,369	421	-1,388
Buyback of treasury shares	0	-413	-26,949	-2,582
Repayment of lease liabilities	-748	-271	-2,398	-2,534
Repayment of liabilities from installment purchase	-156	-156	-465	-464
Dividend distribution	0	0	-9,409	-10,218
Other changes	25	233	86	231
Cash flow from financing activities	-879	-2,065	-38,714	-17,282
Decrease (-)/increase in cash and cash equivalents	-1,899	88,152	-57,422	74,119
Effects of exchange rate changes on cash and cash equivalents	-82	3,122	-118	3,483
Cash and cash equivalents at beginning of reporting period	39,458	13,465	95,018	27,137
Cash and cash equivalents at end of reporting period	37,478	104,740	37,478	104,740

Financial calendar

Fiscal year 2021	
Preliminary results 2020 ¹	February 17, 2021
Final results 2020 ¹	March 17, 2021
Quarterly results Q1/2021 ¹	May 6, 2021
Annual General Meeting	May 20, 2021
Quarterly results Q2/2021 ¹	August 4, 2021
Quarterly results Q3/2021 ¹	November 4, 2021

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

Janina Rosenbaum | Investor Relations

Phone: + 49 (0) 231-75 49-287

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

Note

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.