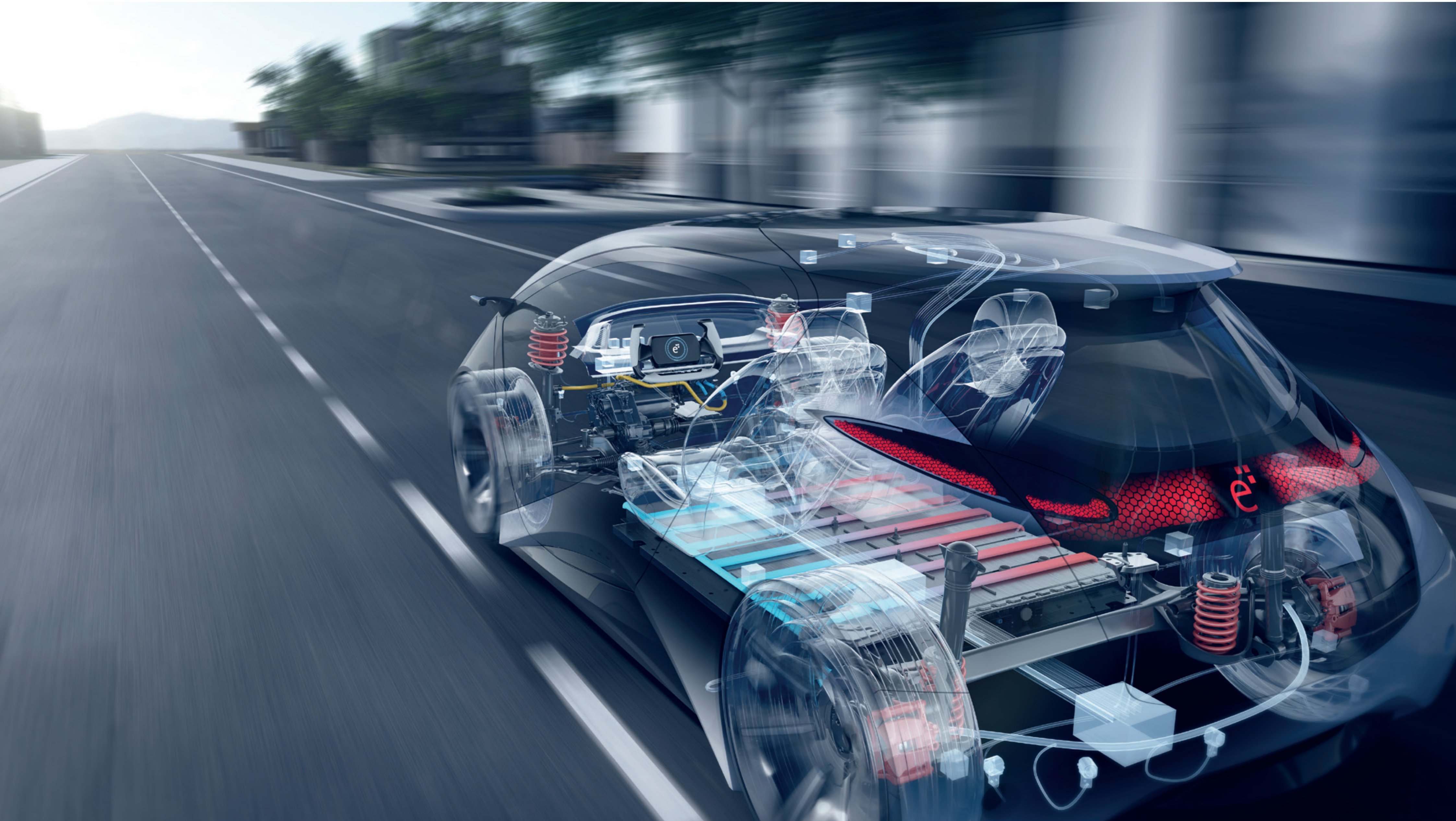
40 years of Elmos
Annual Report 2024



Content

Five-year overview Elmos Group (IFRS)

million Euro unless otherwise indicated	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Sales	232.6	322.1	447.2	575.0	581.1
Growth in %	-14.9%	38.5%	38.9%	28.6%	1.1%
Gross profit	92.6	144.7	207.5	271.3	254.5
in % of sales	39.8%	44.9%	46.4%	47.2%	43.8%
Research & development expenses	47.7	48.7	55.5	68.8	59.1
in % of sales	20.5%	15.1%	12.4%	12.0%	10.2%
Operating income	8.5	59.9	110.0	148.1	138.6
in % of sales	3.7%	18.6%	24.6%	25.7%	23.8%
EBIT	8.7	60.0	110.1	150.7	172.6 | 145.8[1]
in % of sales	3.7%	18.6%	24.6%	26.2%	29.7% | 25.1%[1]
Earnings before taxes	8.2	59.4	108.5	149.0	170.3
in % of sales	3.5%	18.4%	24.3%	25.9%	29.3%
Consolidated net income attributable to owners of the parent	6.4	39.8	71.4	99.1	128.7
in % of sales	2.8%	12.4%	16.0%	17.2%	22.1%
Earnings per share (basic) in Euro	0.35	2.24	4.17	5.79	7.51
	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024
Total assets	395.5	418.0	542.4	812.4	799.8
Shareholders' equity	310.2	300.2	360.4	447.9	563.2
in % of total assets	78.4%	71.8%	66.4%	55.1%	70.4%
Financial liabilities	45.6	76.1	81.0	118.7	113.2
Liquid assets and securities	85.8	66.1	72.1	108.3	91.5
Net cash/Net debt (-)	40.2	-10.0	-8.9	-10.4	-21.7
	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Cash flow from operating activities	27.3	79.6	98.6	102.6	16.3
Capital expenditures[2]	18.8	60.0	73.0	115.1	44.3
in % of sales[2]	8.1%	18.6%	16.3%	20.0%	7.6%
Cash flow from investing activities	-42.4	-73.6	-72.6	-73.8	-1.1
Adjusted free cash flow[3]	3.6	11.1	14.9	12.9	5.1
Dividend per share in Euro	0.52	0.65	0.75	0.85	1.00[4]
Employees (annual average)	1,208	1,151	1,176	1,282	1,372

[1] Operating EBIT: EBIT (earnings before interest and taxes) without special effects (extraordinary result from the sale of the wafer fab and cost optimization programs)
[2] Capital expenditures for intangible assets and property, plant and equipment less capitalized development expenses.
[3] 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 and proceeds/payments from changes in the scope of consolidation).
[4] Proposal to the Annual General Meeting in May 2025.

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

Letter from the CEO

Dear shareholders,

The past fiscal year marked the 40th anniversary of the Company's foundation. EL-MOS, Elektronik in MOS-Technologie, was founded in 1984 and has developed over the past four decades from a small start-up into one of the world's leading suppliers of automotive mixed-signal semiconductors. Entrepreneurial spirit, strategic vision, a clear focus on customers and innovations, but above all the tireless commitment and unique team spirit of all employees have made us so successful during this time. We all work with passion and conviction and are proud of helping shape the Elmos success story.

In our anniversary year, we continued our positive economic performance despite shrinking markets, with slightly less momentum after the end of the semiconductor allocation as expected. 2024 was characterized by our customers' inventory reduction. Nevertheless, we managed to increase Group sales once again after the record of the previous year. Compared to our competitors, this is an especially strong performance, that impressively demonstrates our innovative product portfolio and the resilience of the Elmos organization. Operating earnings before interest and taxes (EBIT) also exceeded the high target margin of 25%. I would like to express my sincere thanks to all Elmos employees for this outstanding performance.

In addition to the economic successes, we were also able to implement important structural milestones in the past year. With the closing of the sale of the wafer fab to our American partner Littelfuse, the transformation to a fabless company has been completed. Furthermore, we have made targeted adjustments to the group organization and management structure in response to the strong international growth and new challenges. In a time of rapid change, we are now even better positioned to meet new challenges, proactively address potential risks, and consistently seize opportunities as they arise.

At the end of the year, Guido Meyer, who served as Chief Operating Officer for many years, retired from the Company after almost 30 years, including eight years on the Management Board. Over a period of about three decades, Guido Meyer has played a major role in leading the Company to high growth and major operational and structural successes. On behalf of Elmos and the Management Board, I would like to express my sincere thanks to Guido Meyer for his outstanding achievements, tireless commitment and trusting cooperation.

Economic development

After three intensive years with very high growth rates, the automotive semiconductor market has been in a normalization phase since the beginning of 2024. Many of our customers are increasingly focusing on inventory and cost optimization. In addition, we are operating in an environment characterized by geopolitical uncertainties and subdued economic expectations. We are facing these challenges with a high degree of flexibility, responsiveness, and cost discipline. We are doing this based on the strong position we have built over the past few years. We were one of the few companies in the semiconductor industry to meet our sales forecast in fiscal year 2024. Elmos generated Group sales of 581.1 million Euro in fiscal year 2024, an increase of 1.1% compared to the sales record of the previous year. Particularly satisfying is the development of the earnings quality of Elmos which we were able to keep at a high level even with slower growth. In fiscal year 2024, we generated operating earnings before interest and taxes (EBIT) of 145.8 million Euro. The operating EBIT margin thus came to a gratifying 25.1%. Including one-off and special items, EBIT even amounted to 172.6 million Euro in the past fiscal year.

Thanks to our exceptional financial performance and high growth opportunities, the Elmos share is considered an attractive investment in the technology sector. We are very proud that Elmos was promoted to the TecDAX index in June 2024, making it one of the 30 largest listed technology companies in Germany, based on free float market capitalization. The latest news from the automotive industry and ongoing geopolitical and economic uncertainties have had a noticeable impact on the performance of Elmos and other semiconductor companies, particularly since the second half of 2024. However, our analysts remain optimistic about Elmos and estimate a fair value of up to 110 Euro per share. We are confident, too, that we will succeed in sustainably increasing the value of the company through profitable growth combined with a clear focus on cash flow.

Based on the successful business performance in the past year, we propose a noticeable increase in the dividend of around 18% and, with our dividend proposal of 1.00 Euro per share, we want our shareholders to participate appropriately in the success of fiscal year 2024. At the same time, we are thus also maintaining the necessary financial flexibility for the Company's strategic development and future growth.

Product highlights

We have been very successful in acquiring new business in the recent past. Last year, we again won a large number of attractive new orders in all segments and regions, thereby further expanding our position in our application fields. We introduced our pioneering product portfolio, our design wins and our innovation roadmap in detail at our Capital Markets Day in November of last year. I would now like to present some of the highlights to you:

- **Electrification and efficiency:** The transition to electric vehicles (EVs) is one of the most important trends shaping the automotive industry. Here we benefit from a higher share of modern electric vehicles in which our solutions for safe and efficient mobility are used. Elmos Motor Control and Sensor ICs control the thermal management for electric and hybrid vehicles with high precision, ensuring the engine, electric drive, or battery maintains its optimum operating temperature, thus increasing efficiency, reducing energy consumption, and also reducing greenhouse gas emissions. In addition, Elmos Motor Control ICs optimize temperature efficiency when heating the interior through intelligent climate flap control, thus increasing not only passenger comfort but also the range of electric vehicles.

- **Driver assistance systems (ADAS) and autonomous driving:** Another important trend driving demand for ICs and sensors is the rapid development of autonomous driving technologies and highly advanced driver assistance systems in modern vehicles through all segments. As the global market leader for automotive ultrasonic ICs, we are at the technological forefront for higher road safety. With the help of our high-performance ultrasonic sensor ICs, intelligent driver assistance systems are raising safety standards in all vehicle segments.
- **Comfort and premium features:** The trend toward more comfort, premium features and well-being characterizes the automotive industry, not only in traditional premium models but also in the volume segments. As more and more consumers not only want to fulfill their basic mobility needs with a modern vehicle but also desire a more sophisticated, safer and more comfortable driving experience, carmakers are upgrading their volume and mid-range models. Ambient interior lighting concepts are a good example. Dynamic lighting concepts are becoming increasingly popular and are indispensable in modern vehicles of all segments. Elmos LED controllers make it possible to illuminate the entire interior individually with improved energy and cost efficiency, thus increasing comfort and well-being for drivers and passengers.
- **New E/E vehicle architecture and software defined vehicles:** New zonal E/E architectures combine many smaller ECUs into few more powerful central computers that perform functions within the defined zones. The change to zonal architectures increases not only the demand for high-performance semiconductors but also the demand for more reliable and secure energy supply and data transmission adapted to new requirements. Elmos ICs make electronic fuses possible. With the new Elmos eFuse product family, classic fuses can be replaced today already. New electronic fuse systems enable the development of decentralized and software defined vehicle system architectures and thus also support weight reduction by reducing the size of the wire harness in the vehicle. As vehicles are increasingly software defined and connected to the internet, security is another top priority here. Over-the-air updates (OTA) and zonal architectures increase the attack surface for potential cyber threats. The latest generation of Elmos semiconductors are equipped with integrated security functions to ensure the integrity of software updates and to protect against unwanted access from outside.

All these trends increase the relevance of intelligent electronics in modern vehicles and keep driving the semiconductor content in all systems and functions. For Elmos, as an innovative, agile and reliable semiconductor specialist, the structural trends for the automotive semiconductor market are very promising.

Strategic development

Reporting year 2024 was a very important and extremely successful year for the Company's structural and strategic development. The closing of the sale of the wafer fab to the U.S. company Littelfuse for a sales price of around 93 million Euro marks the completion of the transformation of Elmos into a fabless company. As such, we will be able to access the advanced foundry technologies of our manufacturing partners for the production of our innovative semiconductors, including wafer production in Dortmund based on our long-term supply agreement with Littelfuse. I would like to take this opportunity to express my heartfelt gratitude to everyone involved, because with the sale of the wafer fab to Littelfuse we have found a very good and sustainable solution for our employees, our customers, our shareholders and also for semiconductor production in Germany.

Due to our strong growth, our significantly expanded international presence and the dynamics of our industry, we have realigned the corporate and management structure of the Elmos Group. From January 1, 2025, the new Elmos Executive Committee (EEC) will consist of five experienced executives in addition to the two-member Management Board. The new EEC is a very dynamic and highly experienced team that is unparalleled in the industry. Composed of long-standing Elmos employees and new executives from renowned global corporations, the EEC has an excellent mix of internal knowledge and external perspectives. We are convinced that the new management structure will make a significant contribution to the successful development of Elmos in the future.

The demands of carmakers and our customers in terms of innovation, shorter development cycles and competitive costs are constantly increasing. In addition, there are rapidly growing and highly competitive markets in Asia, particularly in China, combined with more complex supply chains. We want to and have to face these global challenges. For this purpose, we also have to constantly review our processes and structures. It must be our goal to continuously increase our competitiveness and innovative strength so that we can remain number one in our application fields and seize the great opportunities for growth as an agile and innovative fabless company. For this reason, we have established Elmos Semiconductor SE as the Group's holding company with four new operating limited liability companies (GmbHs) as of January 1, 2025. The new holding structure provides more flexibility and important advantages for financial and tax optimization. This structural realignment opens up new opportunities for us, makes us more competitive, and thus forms the basis for further successful development.

In view of geopolitical developments, dynamic growth prospects and a changing competitive environment, we have refined our China strategy. Elmos already has a strong position in China, and with our new activities we will further expand our position as a competitive local semiconductor supplier in the world's largest automotive market. For this purpose, we have established JiWeiCheng Semiconductor (Shanghai) Co., Ltd., a wholly-owned subsidiary of Elmos Semiconductor Singapore Pte. Ltd., Singapore, last year. JiWeiCheng will supply customers in China with semiconductors manufactured in China with an increasingly higher local value-added share. Within a few months after the foundation of JiWeiCheng, we shipped the first Chinese ICs to local customers – so it can be said that we are moving ahead at China speed!

Sustainability

We also made noticeable progress in the area of sustainability over the past year. In addition to the further expansion of the extensive ESG reporting on our website, we prepared the Elmos Sustainability Report 2024 based on the new Corporate Sustainability Reporting Directive (CSRD) and the corresponding European Sustainability Reporting Standards (ESRS). Even though the necessary German CSRD Implementation Act has still not come into effect yet and the current legal situation therefore does not yet stipulate the mandatory preparation of an extensive report in accordance with ESRS provisions, we decided to prepare and publish the Elmos Sustainability Report for the year 2024 in compliance with the new, significantly more extensive and demanding standards. In addition, we have fully achieved our greenhouse gas reduction targets in 2024 once again. We are right on track to reduce the greenhouse gas emissions of our own activities – i.e. scope 1 and 2 – by 40% by 2026 compared to the base year 2022 and to become carbon neutral for our own activities by 2035. In the future, we want to keep implementing our high ambitions across the entire Company and within the supply chain, thereby making an even larger contribution to greater sustainability.

Outlook

The current fiscal year will be characterized by ongoing inventory adjustments by our customers as well as geopolitical and economic uncertainties. Due to the current situation in our core markets, combined with a low level of visibility at present, we expect demand to remain subdued in the first half of the year. However, we anticipate a stronger performance for the second half-year compared to the first six months. For fiscal year 2025, Elmos expects sales of 580 million Euro ± 30 million Euro and an EBIT margin of 23% ± 3% points of sales. The Company anticipates capital expenditures in property, plant and equipment and intangible assets less capitalized development expenses of around 7% ± 2% points of sales. For fiscal year 2025, Elmos expects a positive adjusted free cash flow of 7% ± 2% points of sales, thus significantly above the prior-year level (2024: 0.9% of sales).

Dear shareholders, since the Company was founded more than 40 years ago, Elmos has become one of the world's leading suppliers of analog mixed-signal ICs for the automotive industry. In our attractive market niches, we play an important role in shaping key megatrends for the automotive future. We at Elmos can be very proud of that. At the same time, however, our environment has become more challenging and fast-paced in many respects. We will successfully meet the challenges of the coming decades with undiminished agility, innovative strength, commitment, and our great team spirit. We are prepared to seize structural growth opportunities in our markets consistently and focus on profitable growth and the increase in shareholder value.

At this point, I would like to thank the entire Elmos team once again for their exemplary commitment and outstanding work. I would also like to thank my two colleagues on the Management Board, Dr. Jan Dienstuhl and Guido Meyer, the EEC members, our anchor shareholders and the entire Supervisory Board of Elmos Semiconductor SE. And of course I would also like to express my sincere thanks to you, dear shareholders, for your support and commitment. We look forward to continuing our successful journey together. Even after 40 years, we at Elmos are convinced that the best is yet to come!

Thank you very much! We look forward to your continued support.

Kind regards

Sincerely yours,
Dr. Arne Schneider
CEO of Elmos Semiconductor SE

Management Board and Executive Committee

Dr. Arne Schneider, Chief Executive Officer

- Graduate economist | Hamburg, Germany
- Management Board member since 2014, appointed until 2030
- Strategy, Coordination of Board Responsibilities, Executive Personnel, Quality, Finance, Accounting & Controlling, Investor Relations, Human Resources, Purchasing, IT

Dr. Jan Dienstuhl, Chief Sales Officer

- Graduate electrical engineer | Hagen, Germany
- Management Board member since 2019, appointed until 2029
- Sales, Development, Business Lines, Technology

Guido Meyer, Chief Operating Officer until December 31, 2024

- Graduate engineer (FH) | Schwerte, Germany
- Management Board member since 2017, appointed until 2024
- Production, Foundry, Assembly, Logistics, Product Engineering

Margarita Mamberger

- Chief Financial Officer (CFO)
- Degree in Economics | Bochum, Germany
- At Elmos since 2015

Dr. Michael Neuhäuser

- Chief Product Officer (CPO)
- PhD in Electrical Engineering | Munich, Germany
- At Elmos since 2024

Dr. Patrick Schmitt

- Chief Operating Officer (COO)
- PhD in Information Management | Eschborn, Germany
- At Elmos since 2024

Dr. Burkhard von Spreckelsen

- Chief Development Officer (CDO)
- PhD in Business Administration | Munich, Germany
- At Elmos since 2020

Jochen Vaihinger

- Chief Technology Officer (CTO)
- Degree in Electrical Engineering | Munich, Germany
- At Elmos since 2024

1980s

Beginning: ELMOS, which stands for "Electronics in MOS technology", was founded in 1984 by Prof. Dr. Günter Zimmer, Dr. Klaus Weyer, and Norbert Ellenberger in Dortmund with the aim of manufacturing customer-specific chips in CMOS technology. With support from the state of NRW, local partners and in collaboration with Dortmund University, the first company is established in the region's "Technologiepark".

1990s

Successful ASIC manufacturer: In 1994, Elmos celebrates its 10th anniversary and establishes itself as a successful ASIC manufacturer for the automotive industry. With 150 employees and 20 million ASICs produced, ISO 9001 certification follows as one of the first semiconductor companies.

2000s

Initial public offering: Elmos goes public on October 11, 1999 and places 7.5 million shares at 22 Euro on the "Neuer Markt" – a segment of the German Stock Exchange. Institutional investors, in particular, provide the new stock corporation with fresh capital and enable further growth.

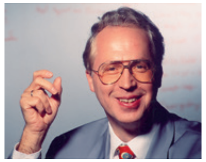










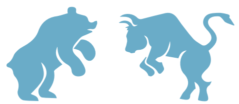





Initial successes: The first major market success is a chip for the Rowenta iron. The arrival of Knut Hinrichs as Managing Director has a major impact on the sales strategy, and the involvement of BMW represents a decisive strategic coup in the Company's history. From then on, many companies in the automotive industry become increasingly aware of Elmos products, which enable completely new technical applications in cars.

6-inch wafer production: After numerous expansion efforts since the Company was founded, the foundation stone for the third construction phase was laid in 1995. At the same time, the switch from 4-inch to 6-inch wafers begins in order to meet the increasing demand.

8-inch wafer production: In 2005, Elmos enters into a cooperation with the Fraunhofer IMS for 8-inch production and expands production in Dortmund. In September, the foundation stone is laid for a new building on the Elmos Campus in Dortmund.

2010s

2020s

40 elmos

From ASICs to ASSPs: The starting signal for six application-specific standard product families (ASSPs) is given in 2006. By increasing the direct sales of such product ranges, partnerships with existing customers can be expanded in other fields, and new customers can be acquired.

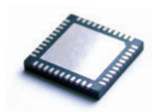
Internationalization: The new foundations in Seoul, Singapore and Shanghai in 2011 are a major step towards internationality for the future. At the same time, the first contracts are concluded with Asian distributors.

Four decades of innovation: Elmos has developed into a leading player in the field of automotive semiconductor technology. Through strategic expansion, technological innovations and successful partnerships, the Company has grown internationally and developed from a small start-up into a global player.

Asian expansion: In the course of 2009, Elmos expands in Asia, acquires new customers, and enters into a cooperation with foundry partner MagnaChip. In addition, the 100 millionth chip is delivered to Autoliv.

Strategic developments: Societas Europaea – Following its entry in the Commercial Register on July 1, 2020, the former company legal form – "Aktiengesellschaft" or "AG" – is changed, meaning that the Company now operates as Elmos Semiconductor SE. The increasing expertise and relevance of embedded software at Elmos since the 2010s has taken on a new dimension with the founding of Area 21 Software GmbH.

Other important milestones: With the targeted implementation of the international growth strategy, with the expansion of the production network in Asia, the transformation to a fabless player and on the basis of a new, forward-looking corporate structure, Elmos has laid an excellent foundation for further successful development in the coming decades.



Supervisory Board report

Dear Shareholders,

In the fiscal year 2024, Elmos once again performed successfully in a challenging geopolitical and economic environment and achieved another very good result despite the slowdown in growth momentum due to customers' inventory adjustments following the end of the semiconductor allocation. The Supervisory Board diligently attended to its duties and responsibilities imposed by law and the Articles of Incorporation in the reporting year. The Supervisory Board advised the Management Board in running the Company and supervised management activity. Verbally and in writing, the Supervisory Board was supplied in a regular and timely manner with comprehensive information about the Company's situation by the Management Board. It was directly involved in all decisions of substantial importance. The future realignment of the Elmos Group with Elmos Semiconductor SE as the holding company and the transfer of the wafer fab in Dortmund to Littelfuse, Inc., as well as the current difficult market environment in the European automotive industry were discussed in close coordination. Capital market law and sustainability issues were also discussed.

The Management Board's reports on all business transactions of relevance to the Company were examined and discussed at length in the Supervisory Board meetings. Insofar as stipulated by law or the Articles of Incorporation, the Supervisory Board gave its opinion on the Management Board's reports and resolutions following diligent examination and in-depth discussion. Outside the framework of Supervisory Board meetings, the Chairman and other members of the Supervisory Board were also informed about material business transactions by the CEO.

Audit committee

The audit committee set up by the Supervisory Board is primarily tasked with monitoring the accounting process and the effectiveness of the Internal Control System, the Risk Management System, and the Internal Audit System. The audit committee is also tasked with selecting and monitoring the auditor, which includes the review of the separate financial statements and consolidated financial statements, the independence of the auditor, the additional services provided by the auditor, and the quality of the audit. Together with the auditor, the audit committee discusses its assessment of the audit risk, audit strategy and audit planning, as well as the audit findings. The audit committee also deals with compliance within the Company. The audit committee is made up of two members, who are the Supervisory Board's two financial experts, Dr. Klaus Weyer (Chairman) and Dr. Dirk Hoheisel. Both members of the audit committee are independent of the Company and the Management Board (as are all other shareholder representatives on the Supervisory Board) and have comprehensive expertise in the fields of accounting, auditing, Internal Control and Risk Management Systems, and sustainability. The CEO and the Chief Financial Officer of the Company, as well as the auditor, also attend the meetings of the audit committee from time to time.

The audit committee convened three times in the fiscal year 2024: on February 27, July 31, and December 11. It has met once so far in 2025, on February 17. Some of the meetings of the audit committee were held as video conferences. The committee members attended all meetings in full. At its meetings, the audit committee discussed risk management, compliance, the Internal Control System, and Internal Audit. In addition, it discussed the quality of the audit, the audit engagement, additional services, and the independence of the auditor. Subsequently, it defined the key audit matters for the annual audit. Another topic was the preparations for sustainability reporting as part of the Corporate Sustainability Reporting Directive (CSRD) and the status of the corresponding legislative process in Germany. The auditor was present for a part of these discussions. The audit committee sometimes consults with the auditor without the presence of the Management Board. Other items addressed at the meetings included current accounting topics, new developments in accounting, and other current issues.

Meetings of the Supervisory Board

In the 2024 fiscal year, a total of four ordinary meetings of the entire Supervisory Board took place: on February 28, May 15, September 3, and December 12. In the meeting held on March 6, 2025, the Supervisory Board focused on the discussion and the adoption of the 2024 financial statements and consolidated financial statements. The Company's auditor was present for a part of this session.

During the meetings in the reporting year, the Supervisory Board was informed in detail about current developments, the Company's situation, and current business policy decisions on the basis of written and verbal reports by the Management Board and guests. Based on these comprehensive explanations, the Supervisory Board adopted the required resolutions. If necessary, resolutions were jointly adopted by the Supervisory Board and Management Board. During its sessions, the Supervisory Board regularly discussed the current performance of the Company with respect to sales, earnings, liquidity, and future prospects. The situation of the subsidiaries, as well as the Group's strategic development beyond the reporting year, was dealt with in detail. One focus of the Supervisory Board's discussions was the current situation in the European automotive and semiconductor industry, the budget for the next fiscal year, and cost optimization measures.

The Supervisory Board's discussions with the Management Board primarily concerned the future structure of the Elmos Group with the change to a two-member Management Board and a five-member Elmos Executive Committee (EEC) with the corresponding allocation of responsibilities. The Supervisory Board also dealt with the contract extensions of Dr. Arne Schneider and Dr. Jan Dienstuhl. There was also coordination between the Supervisory Board and the Management Board regarding the preparations for the closing of the sale of the wafer fab in Dortmund to Littelfuse, Inc. In addition, the Supervisory Board talked about the present state of "Design Wins" from previous years, as well as new ones, combined with sales planning and current developments in various product segments. The Supervisory Board also discussed the next technology generations. The discussion also covered growth strategies and the Company's strategic positioning in China. Other topics discussed by the Supervisory Board included the efficiency review of the Supervisory Board, the objectives of the Management Board – including with regard to sustainability –

the organization of the 2024 Annual General Meeting and the 2024 half-year financial statements.

The Supervisory Board consulted the reports of the audit committee to inform itself about the key audit matters and discussed the financial reports. The Supervisory Board performed its audit duties pursuant to the German Audit Reform Act (AReG) by monitoring the quality of the auditor during the annual audit, compliance with provisions for non-audit services, and the independence of the auditor. As in previous fiscal years, the Supervisory Board informed itself about the Risk Management System and its main areas of focus, which was expanded for the first time in the 2024 fiscal year to include the new requirements of the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz). The Supervisory Board also dealt with the audit committee's report on the Internal Control System, the accounting process, and compliance. In addition, it discussed in detail the content and format for the next Annual General Meeting on May 15, 2025. Based on the recommendation of the Management Board, the positive experiences with virtual Annual General Meetings in recent years and the trend among listed companies in Germany, it was decided to prepare and hold the Annual General Meeting 2025 in virtual format again, subject to a subsequent resolution by the Supervisory Board to the contrary. Meetings of the Supervisory Board were held in person, with the exception of the meeting on December 12, 2024, at which one Supervisory Board member took part in the meeting via video communication. The members of the Supervisory Board attended all meetings in full. In some cases, the consultations took place without the Management Board being present.

Audit of separate financial statements and consolidated financial statements

At its meeting on March 6, 2025, the Supervisory Board discussed the audit of the annual and consolidated financial statements as of December 31, 2024, with the involvement of BDO AG Wirtschaft sprüfungsgesellschaft, Hamburg, Dortmund office, and the report of the audit committee. According to the resolution of the Annual General Meeting of May 15, 2024, and the ensuing commission given by the Supervisory Board to the auditor, the separate financial statements prepared in accordance with the provisions of the German Commercial Code (HGB) for the fiscal year from January 1 to December 31, 2024, and the management report of Elmos Semiconductor SE, which is combined with the group management report of the Company ("combined management report"), were audited by the branch in Dortmund, Germany, of BDO AG Wirtschaftsprüfungsgesellschaft, Hamburg, Germany. The auditor issued an unqualified audit opinion. The consolidated financial statements of Elmos Semiconductor SE were prepared in accordance with the International Financial Reporting Standards (IFRS) as applicable in the EU and completed with the statements required under Section 315e (1) German Commercial Code (HGB). The consolidated financial statements according to IFRS and the combined management report also received an unqualified audit opinion. The financial statement documents, the Annual Report, and the audit reports were submitted to all Supervisory Board members in due time. In the Supervisory Board meeting held on March 6, 2025, the statements and reports were also explained verbally by the Management Board. The auditor also reported on the results of their audit in this session, including key audit matters. The Supervisory Board and the auditor communicated with each other at various points in time while the key audit matters were being defined and while the audit was being carried out. After its own examination of the financial statements of Elmos Semiconductor SE, the consolidated financial statements, and the combined management report, as well as the Management Board's proposal for the appropriation of retained earnings, the Supervisory Board approved the auditor's findings based on the audit and approved the financial statements of Elmos Semiconductor SE and the consolidated financial statements of the Elmos Group. The financial statements are thus adopted. The auditor also conducted a formal audit of the remuneration report with a focus on the disclosures stipulated by stock corporation law and prepared a separate audit opinion, which is included in the remuneration report. The audited remuneration report will be submitted for approval to the next Annual General Meeting on May 15, 2025, in accordance with Section 120a (4) German Stock Corporation Act (AktG).

The Supervisory Board and Management Board will propose to the Annual General Meeting a resolution to pay a dividend of 1.00 Euro per share for fiscal year 2024 out of the retained earnings of 404.4 million Euro (according to HGB) and to carry forward the remaining amount to new accounts.

The Supervisory Board also reviewed the Company's Sustainability Report during its meeting on March 6, 2025.

Remuneration systems for the Supervisory and Management Boards

The Annual General Meeting on May 15, 2024 resolved changes to the remuneration system for the Supervisory Board. The remuneration system for the Management Board will be submitted to the next Annual General Meeting on May 15, 2025 for approval.

Corporate governance

The Supervisory Board and Management Board work closely together for the Company's benefit and are committed to the sustained increase of shareholder value. The Supervisory Board concerned itself once more with the recommendations and suggestions of the German Corporate Governance Code (GCGC) in the fiscal year 2024. In May 2024, the Supervisory Board and Management Board jointly released an updated declaration pursuant to Section 161 German Stock Corporation Act (AktG) on compliance with the recommendations of the GCGC in the version of April 28, 2022. This declaration of compliance and all previous ones have been made permanently available at www.elmos.com.

Conflicts of interest among members of the Management Board or Supervisory Board subject to disclosure to the Supervisory Board or the Annual General Meeting did not arise. The Company regularly informed and supported the members of the Supervisory Board with regard to new laws and recent court rulings pertaining to relevant topics, such as the enhanced sustainability reporting requirements, and the Supply Chain Due Diligence Act (LkSG).

Further information on corporate governance can be found in this Annual Report.

Composition of the Supervisory Board and Management Board

Guido Meyer, Member of the Management Board for Production, left the Management Board of Elmos Semiconductor SE as of December 31, 2024. The Supervisory Board would like to thank Mr. Meyer for his great commitment and outstanding achievements during his 30 years with the Company, including eight years as Chief Operating Officer. There were no changes in the composition of the Supervisory Board and Management Board in the fiscal year 2024.

The Supervisory Board has extended the employment contract of CEO Dr. Arne Schneider, which runs until the end of December 2025, by a further five years until the end of December 2030 and the employment contract of Dr. Jan Dienstuhl, Chief Development and Sales Officer, until December 2029.

The Supervisory Board's financial experts, Dr. Klaus Weyer and Dr. Dirk Hoheisel meet the legal requirements in terms of knowledge in the fields of accounting and auditing and also have expertise in the area of sustainability. All four shareholder representatives on the Supervisory Board: Dr. Klaus Weyer, Prof. Dr. Günter Zimmer, Dr. Dirk Hoheisel and Dr. Volkmar Tanneberger, are independent of the Company and the Management Board. No member of the Supervisory Board serves on the Management Board of another company or holds other supervisory board or comparable positions. The composition of the Supervisory Board ensures the proper performance of its duties imposed by law and the Articles of Incorporation with the requisite expertise, competence, and professional and managerial experience for the benefit of the Company.

The Supervisory Board would like to thank all employees and all members of the Management Board for their excellent work and their outstanding dedication in a very challenging and successful fiscal year 2024.

Dortmund, March 6, 2025

On behalf of the Supervisory Board
Dr. Klaus Weyer
Chairman of the Supervisory Board

Supervisory Board

Dr. Klaus Weyer

- Chairman
- Chairman of the audit committee, financial expert pursuant to Section 100 (5) AktG
- Independent member of the Supervisory Board
- Graduate physicist | Penzberg, Germany

Prof. Dr. Günter Zimmer

- Vice Chairman and Honorary Chairman for life
- Independent member of the Supervisory Board
- Graduate physicist | Duisburg, Germany

Dr. Dirk Hoheisel

- Vice Chairman of the audit committee, financial expert pursuant to Section 100 (5) AktG
- Independent member of the Supervisory Board
- Graduate engineer | Berlin, Germany

Dr. Volkmar Tanneberger

- Independent member of the Supervisory Board
- Graduate engineer | Meine, Germany

Thomas Lehner

- Employee representative
- Graduate engineer | Dortmund, Germany

Sven-Olaf Schellenberg

- Employee representative
- Graduate physicist | Dortmund, Germany

Statement on Corporate Governance

In accordance with Sections 289f and 315d German Commercial Code (HGB), including the Corporate Governance Report

In the following chapter, the Management Board – also on behalf of the Supervisory Board – reports on corporate governance at Elmos pursuant to Principle 23 of the German Corporate Governance Code (GCGC). Previous statements on corporate governance can be accessed at www.elmos.com.

Implementation of the German Corporate Governance Code (GCGC)

For the Supervisory Board and Management Board of Elmos, corporate governance means the implementation of responsible and sustainable business management with the appropriate transparency across all areas of the Group. The Supervisory Board and Management Board again concerned themselves with the provisions of the GCGC in the fiscal year 2024. In May 2024, they released a joint declaration of compliance in accordance with Section 161 German Stock Corporation Act (AktG) with reference to the GCGC in the version dated April 28, 2022. Apart from the deviations reported therein, all recommendations of the GCGC have been complied with. All previously released declarations of compliance have been made available at www.elmos.com.

Compliance

One of the tasks of the Management Board as a whole, and of the members of the Management Board within their individual areas of responsibility, is the control and monitoring of compliance within the Group. Elmos has a Compliance Management System (CMS) in place to ensure compliance with applicable laws and statutes as well as all internal rules and guidelines.

Elmos already had the adequacy and implementation of its Compliance Management System (CMS) audited by an external, independent auditor in accordance with the "IDW Assurance Standard: Principles for the Proper Performance of Reasonable Assurance Engagements Relating to Compliance Management Systems (IDW AsS 980)" in 2022. The findings of the audit were that the implemented CMS rules in the description of the CMS are appropriate, suitable, and implemented in all material respects in accordance with the CMS principles applied. Elmos successfully completed the compliance audit in accordance with IDW PS 980 with the effectiveness test in the fiscal year 2024.

In the 2024 fiscal year, Internal Audit again conducted non-event-related audits in various divisions and in cooperation with OSAT partners (Outsourced Semiconductor Assembly and Test). Evaluating the audit reports helps to improve and develop the CMS. Elmos aims to continuously improve compliance within the Group and to further integrate it as an essential part of the Elmos culture.

The Elmos Code of Conduct serves as a framework for employees on how to act and conduct themselves. All of the rules and principles applying at the Company are defined in the Code of Conduct. The Code of Conduct is updated regularly, most recently in February 2025, and communicated through training courses. In order to ensure adherence to the strict compliance principles not only within our Group, but also throughout the supply chain, we require our suppliers and business partners to meet their social responsibilities in all their business activities, dealings, and decisions in accordance with the Elmos Supplier Code of Conduct and to rigorously comply with the respective applicable laws and all other relevant provisions in the countries in which they operate.

The Supervisory Board and audit committee are informed at least once a year about the CMS, the findings of Internal Audit, and the measures taken. As part of the efforts to continuously improve the CMS, annual key issues are defined.

Working methods of the Management Board and the Supervisory Board

The Supervisory Board and Management Board share the commitment to the Group's responsible corporate governance. Their primary objective is to ensure the Company's continued existence and to sustainably increase its value. The Management Board consisted of three members until December 31, 2024 and two members since January 1, 2025. The individual members of the Management Board are responsible for their respective key areas; together, they assume responsibility for the entire management in accordance with the applicable law, the Articles of Incorporation, the Management Board's rules of procedure, and the resolutions of the Annual General Meeting.

The Management Board represents the Company externally. The Management Board is responsible for the management of the Group, the definition and monitoring of the Group's strategic orientation and corporate targets, and the Group's financing. The Elmos Executive Committee (EEC) was established as of January 1, 2025 to support the Management Board in strategic and operational tasks. In addition to the two members of the Management Board, the EEC consists of five other Managers. The EEC usually meets once a week. The Management Board gives regular, extensive, and timely reports to the Supervisory Board on developments and events of relevance to the Company. The Supervisory Board supervises the Management Board, appoints its members, and advises them with respect to the Company's management. The Supervisory Board works with the Management Board to ensure timely and long-term succession planning for the Management Board. Discussions are held on this matter on a regular basis. The respective contractual relationships are addressed with regard to the remaining term of the appointments and the possibility of extending them, and decisions are made on new appointments. The Supervisory Board has extended the employment contract of CEO Dr. Arne Schneider, which runs until the end of December 2025, by a further five years until the end of December 2030 and the employment contract of Dr. Jan Dienstuhl, Chief Development and Sales Officer, until December 2029.

The Supervisory Board and the Management Board work closely together based on mutual trust. The Management Board involves the Supervisory Board in essential decisions. The rules of procedure of the two Boards define this cooperation, among other issues. A detailed summary of the Supervisory Board's work in the fiscal year 2024 can be found in the Supervisory Board report. Sustainability and future-related issues are addressed and also focused on by the entire Supervisory Board. The entire Committee also discusses and approves the Company's sustainability strategy and ESG targets, such as the reduction of greenhouse gas emissions, together with the Management Board. The Chairman gives a report to the shareholders on the Supervisory Board's work over the past fiscal year at each Annual General Meeting.

The Supervisory Board of Elmos Semiconductor SE has six members. Pursuant to the SE's Participation Agreement, it consists of four shareholder representatives and two employee representatives. The representatives of the shareholders are elected by the Annual General Meeting; the employee representatives are elected by the staff. The current Supervisory Board of the SE was elected by the Annual General Meeting on May 20, 2021, or appointed by way of the SE's Participation Agreement. The term of office for members of the Supervisory Board is six years. The next regular election to the Supervisory Board of Elmos Semiconductor SE will take place at the Annual General Meeting in May 2027.

The Supervisory Board has formed an audit committee. More information about the activities and composition of the audit committee can be found in the Supervisory Board report.

The Supervisory Board has defined the goals and principles with respect to its composition and drafted a competence profile for the entire Committee. It includes international experience, technical and entrepreneurial expertise, strategic vision, knowledge of the Company, industry-specific know-how and diversity, as well as experience in accounting, auditing, and internal control procedures. Any conflicts of interest must be avoided.

The aforementioned objectives have been achieved in the current composition of the Supervisory Board and of the audit committee. They will also be taken into consideration in future nominations. Supervisory Board members Dr. Klaus Weyer and Prof. Dr. Günter Zimmer are considered independent despite their many years of service on the Supervisory Board. Their work on the Supervisory Board is characterized by extensive knowledge of the Company's business. Thanks to their long-standing experience and their impartial, objective powers of judgment, they make a significant contribution to the Supervisory Board's successful work. Their many years of service to the Supervisory Board is merely an indicator of a potential lack of independence. An overall assessment going above and beyond the scope of formal, typical indicators is necessary to judge the independence of Board members.

Both members of the audit committee, Dr. Klaus Weyer and Dr. Dirk Hoheisel, have special expertise and experience in the application of accounting principles and Internal Control and Risk Management Systems, as well as special expertise and experience in the auditing of financial statements. This also includes sustainability reporting and its auditing. Dr. Klaus Weyer has expertise in the aforementioned areas due to factors such as his many years working as a management consultant, managing director, and member of the Management Board and Supervisory Board of Elmos. Dr. Dirk Hoheisel possesses expertise in the aforementioned areas, among other things, due to his many years of service as a Divisional Director and Managing Director of Robert Bosch GmbH.

The qualification matrix for the Supervisory Board of Elmos Semiconductor SE is as follows:

Qualification matrix for the members of the Supervisory Board of Elmos Semiconductor SE

Competencies **Entire Supervisory Board**	Dr. Klaus Weyer Chairman Chairman of audit committee Appointed until 2027	Prof. Dr. Günter Zimmer Vice Chairman Appointed until 2027	Dr. Dirk Hoheisel Supervisory Board member Audit committee member Appointed until 2027	Dr. Volkmar Tanneberger Supervisory Board member Appointed until 2027	Thomas Lehner Supervisory Board member Employee representative Appointed until 2027	Sven-Olaf Schellenberg Supervisory Board member Employee representative Appointed until 2027
Industry-specific expertise	x	x	x	x	x	x
Technical expertise	x	x	x	x	x	x
Long-standing knowledge of the Company	x	x	x	x	x	x
Business expertise	x	x	x	x		
International experience	x	x	x	x		
Strategic vision including sustainability-related and future issues	x	x	x	x	x	x
Independence	x	x	x	x		

Competencies **Audit committee**	Dr. Klaus Weyer Chairman	Dr. Dirk Hoheisel Vice Chairman
Expertise in accounting and internal control and risk management systems including information security	x	x
Expertise in auditing	x	x
Expertise in sustainability topics and sustainability reporting	x	x

In accordance with D.12 of the GCGC, the Supervisory Board regularly carries out a self-assessment of how effectively the Supervisory Board as a whole and its audit committee fulfill their respective duties. It uses questionnaires to evaluate how efficiently and effectively they perform their tasks on an annual basis. In accordance with No. B.2 of the GCGC, the Supervisory Board and the Management Board jointly address the issue of long-term succession planning for the Management Board. Discussions are also held on the planning period and necessary qualifications, as required.

Implementation of equal participation and diversity

In accordance with applicable statutory provisions, the Supervisory Board and Management Board defined minimum quotas as of June 30, 2022, for the representation of women on the Supervisory Board and Management Board, as well as for the first and second senior executive levels. The targets must be met by June 30, 2027. The minimum quotas are as follows: 0% for the Supervisory Board and Management Board, 7.14% for the first senior executive level, and 6.67% for the second senior executive level.

There are no women on either the Supervisory Board or Management Board at present. When filling positions on the Management Board or nominating candidates for the Supervisory Board, Elmos Semiconductor SE always makes decisions on the basis of the best qualifications, experience, and suitability for the benefit of the Company. The current composition of the Supervisory Board and Management Board puts Elmos in a very good position. Given the Company's strong technical orientation, especially its focus on electrical engineering, semiconductors, and micro-technology, executives at Elmos have, for the most part, completed technical degree courses. There is a general shortage of young talent in engineering subjects, with women choosing engineering careers even less frequently than men. As a result, there are significantly fewer highly qualified and experienced female candidates available to fill positions on the Management Board and Supervisory Board than there are male candidates.

With just under 7%, the target ratio at the first management level was not quite achieved in the 2024 fiscal year. Although the number of female Division Heads remained unchanged, the total number of Division Heads increased slightly. At just under 12%, the proportion of women in the second management level exceeded the target and the previous year's figure. All data refers to the employees of Elmos Semiconductor SE in Germany as of December 31, 2024.

Irrespective of the fulfillment of all statutory requirements, Elmos attaches great importance to equal opportunities and employee diversity, and promotes a corporate culture based on appreciation, equality, and mutual respect. Employees of all genders are treated equally at our Company as a matter of principle. All of our employees are hired and supported on the basis of their qualifications and abilities and irrespective of their gender. We have a policy of advancing employees Company-wide regardless of gender and focus on suitability, motivation, and expertise when it comes to selecting job applicants.

Elmos pursues a diversity concept based on non-discrimination to determine the composition of the Management Board and the Supervisory Board – as it does throughout the entire Company. The objective of this concept is to achieve appropriate diversity in terms of professional experience and backgrounds particularly with respect to industries, regions, and Company affiliation, educational backgrounds, and personal character traits. These aspects were taken into account to determine the current composition of these bodies. In principle, the suitability of a person for a task is decisive for employment in the Company, regardless of gender, skin color, ethnic or social origin, nationality, religion, ideology, political views, disability, age, marital status or sexual identity and orientation.

Annual General Meeting, financial reporting and Investor Relations

Shareholders make use of their rights at the Annual General Meeting. They receive the agenda, information regarding participation, and, upon request, the Annual Report in good time. The relevant documents relating to the upcoming and past Annual General Meetings, as well as further information on participation in and voting at the Annual General Meeting, are available on our website – also in English – and can also be requested from the Company. Shareholders who are unable to attend the Annual General Meeting have the option to have their voting rights exercised in accordance with their instructions by proxies appointed by Elmos. On May 10, 2023, the Annual General Meeting authorized the Management Board to hold the Annual General Meeting without in-person attendance until May 9, 2028 (virtual Annual General Meeting). Based on the experience of recent years, the Supervisory Board and the Management Board consider the flexibility to hold Annual General Meetings either in person or virtually to be necessary and beneficial for the Company. However, prior to each Annual General Meeting, the Management Board will consider and decide on the format of the Annual General Meeting in the best interests of the Company and the shareholders, also taking into account the dialog with shareholders. Following in-depth consultation and discussion in the Management Board and Supervisory Board and the positive experience of the virtual Annual General Meetings in recent years, the 2025 Annual General Meeting is to be prepared and held as a virtual Annual General Meeting again, subject to a subsequent resolution to the contrary.

Dates of importance to the shareholders are published annually in a financial calendar. All interim announcements, half-year and annual reports, as well as comprehensive information about the Company, are available at www.elmos.com in German and English. The Management Board reports four times a year on business development, the current situation and the Company's outlook. In addition, the Management Board and Investor Relations regularly inform analysts, investors, the press and the public about the Company's current performance, for example, at roadshows, conferences and Company press releases. If necessary, Elmos Semiconductor SE informs by means of ad hoc publicity about information not made public that might have a material effect on the stock market price of the Elmos share if it became known (so-called insider information). The Investor Relations Team is also available for any questions the shareholders may have.

Risks

Responsible risk management contributes to the success of sound corporate governance. The Management Board regularly provides the Supervisory Board with information about risks. Information about the risk management system and internal control system can be found in the combined management report under "Opportunities and risks."

Audit

Before submitting a proposal for the appointment of the auditor, the audit committee of the Supervisory Board again obtained a declaration of independence from the auditor for the fiscal year 2024. This declaration furnished no doubts about auditor independence. Compliant with No. D.8 GCGC, the Supervisory Board arranged for the auditor to give account without delay of material findings and incidents to occur during the performance of the audit. Compliant with No. D.9 GCGC, the Supervisory Board also required that the auditor inform the Supervisory Board or make note in the audit report if the auditor detects deviations from the declaration of compliance as issued by the Management Board and the Supervisory Board. No inconsistencies of this kind were established. Compliant with No. D.10 GCGC, the audit committee discusses the assessment of the audit risk, the audit strategy, and the audit planning, as well as the audit findings together with the auditor. The Chairman of the audit committee regularly discussed the progress of the audit with the auditor and reported back to the committee.

Share-based remuneration programs

Elmos has created share-based remuneration programs for executives and Management Board members. The share price is a central criterion for our shareholders when it comes to investing in the Company. The linking of certain remuneration components to the stock price is therefore an incentive for beneficiaries. More information on this topic can be found in the notes to the consolidated financial statements.

Remuneration system/Remuneration report

The Annual General Meeting on May 10, 2023 approved the current remuneration system for the members of the Management Board in accordance with Section 87a (1) and (2) Sentence 1 German Stock Corporation Act (AktG). The remuneration for the members of the Supervisory Board was decided by the Annual General Meeting on May 15, 2024 in accordance with Section 113 (3) German Stock Corporation Act (AktG). Changes to the remuneration system for the Management Board will be proposed for approval at the next Annual General Meeting on May 15, 2025. A description of the remuneration systems can be found on the website at www.elmos.com/english/about-elmos/investor/corporate-governance.html. The remuneration report pursuant to Section 162 German Stock Corporation Act (AktG), including the auditor's report, will be made public on the website of Elmos Semiconductor SE at www.elmos.com/english/about-elmos/investor/corporate-governance.html after the resolution on its approval by the Annual General Meeting 2025.

Reportable securities transactions
(Managers' Transactions)

Transactions involving Elmos shares, debt instruments of the Company, or related financial instruments of the Management Board and Supervisory Board of Elmos Semiconductor SE and individuals who perform management functions within the Company (at Elmos: members of the Elmos Executive Committee) and their related parties must be reported to the Company and the German Federal Financial Supervisory Authority (BaFin) immediately (within three business days) – (Art. 19 [1] of the Market Abuse Regulation [MAR]). Elmos is also obliged to distribute these notifications throughout Europe without delay (no later than two business days after receipt of the notification) and to transmit them to the Company register and the German Federal Financial Supervisory Authority (BaFin). Publications are also made on the Elmos website in the Investor/Corporate Governance section in German and English.

Declaration of compliance with the German Corporate Governance Code 2024

Superseding the declaration of compliance of May 2023, Management Board and Supervisory Board of Elmos Semiconductor SE declare in accordance with Section 161 AktG (German Stock Corporation Act):

I. Statements with respect to the future

Elmos Semiconductor SE will comply with the recommendations of the "Government Commission German Corporate Governance Code" (in short: GCGC) in its latest version of April 28, 2022 (released in the official section of the Federal Gazette on June 27, 2022) as of now, subject to the following exceptions:

- No age limits will be defined for members of the Management Board or for members of the Supervisory Board (GCGC Recommendations B.5 and C.2). The Supervisory Board decides on the suitability of the members of the Management Board. Appointing the members of the Supervisory Board is the responsibility of the Annual General Meeting; thus the Annual General Meeting also decides on the Supervisory Board's age structure.

- The Chairman of the Supervisory Board is also the Chairman of the Audit Committee (GCGC Recommendation D.3 sentence 5). The Supervisory Board is convinced that the workload of committee chairmanship is not too high and can be managed by the Chairman of the Supervisory Board. The Supervisory Board does also not see the risk of a too close relationship with the Management Board and of the Supervisory Board Chairman's lack of attention on these grounds in seeing to his additional obligations as Chairman of the Audit Committee. The Chairman of the Supervisory Board is perfectly suited to chairing the Audit Committee as well. It is in the Company's interest not to follow this recommendation (GCGC Recommendation D.3 sentence 5).

- The determination of the remuneration of each member of the Management Board complies with current statutory requirements, most notably those under the Shareholders' Rights Directive (ARUG II). Any stricter requirements or more specific definitions are not considered expedient at present (GCGC Recommendations G.1 and G.2).

- The Supervisory Board determines the remuneration of the members of the Management Board at its reasonable discretion. No benchmarking surveys to be prepared especially for Elmos Semiconductor SE will be commissioned (GCGC Recommendation G.3). Employee remuneration will not be analyzed specifically for the sole purpose of determining Management Board remuneration (GCGC Recommendation G.4). The Supervisory Board utilizes remuneration surveys and benchmarks of other companies instead as well as taking into consideration the existing employee remuneration level and typical changes in remuneration over time. With respect to analyses going beyond that scope, the Supervisory Board does not recognize a corresponding benefit of the increased effort.

- Management Board employment contracts do not provide for caps on severance payments in case of premature termination of Management Board membership (GCGC Recommendation G.13). The Supervisory Board holds the view that the appropriate amount of a severance payment in case of an early termination of the employment contract can only be determined by agreement in the individual case.

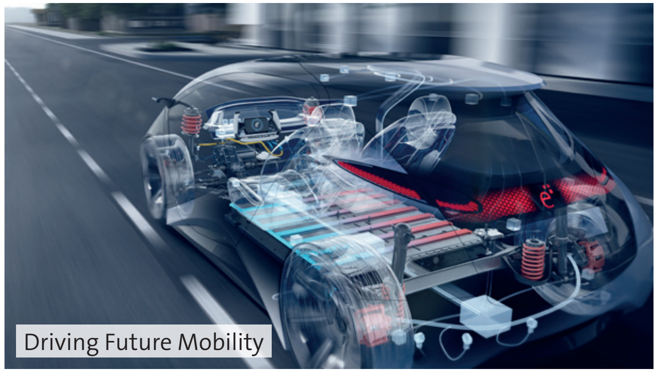
II. Statements with respect to the past

The recommendations of the GCGC in its current version of April 28, 2022 (announcement in the official section of the Federal Gazette on June 27, 2022) have been complied with since the release of the declaration of compliance in May 2023 with the exceptions mentioned under I.

Dortmund, May 2024

On behalf of the Supervisory Board
Dr. Klaus Weyer
Chairman of the Supervisory Board

On behalf of the Management Board
Dr. Arne Schneider
Chief Executive Officer


Driving Future Mobility


eMobility


Ultrasonic sensors for environment detection

Elmos product contribution

environmental protection, safety, comfort

In its 40-year history, Elmos has established itself as one of the world's most experienced companies for analog mixed-signal semiconductors in the automotive sector. Elmos accompanies the structural change in the automotive industry with unique solutions and thus plays a decisive role in shaping the mobility of tomorrow. Our pioneering products form the interface between the analog and digital worlds and ensure greater safety, efficiency, comfort and environmental protection. We are a global leader in many of our application areas and continuously develop intelligent innovations that offer added value for our customers and end users.

Automotive applications (Share of sales in FY 2024: 92%)

As a specialist in advanced automotive applications, our ICs (integrated circuits) provide pioneering solutions for the challenges of global automotive megatrends and enable the use of intelligent electronics in modern vehicle architecture. The innovative product portfolio from Elmos supports autonomous driving; it is an important component of modern Advanced Driver Assistance Systems (ADAS), it improves environmental protection through consumption-optimized or emission-free drives, it increases the efficiency of systems throughout the vehicle, it enables the development of modern on-board networks and software functions and maximizes the safety, comfort and well-being of drivers and passengers.

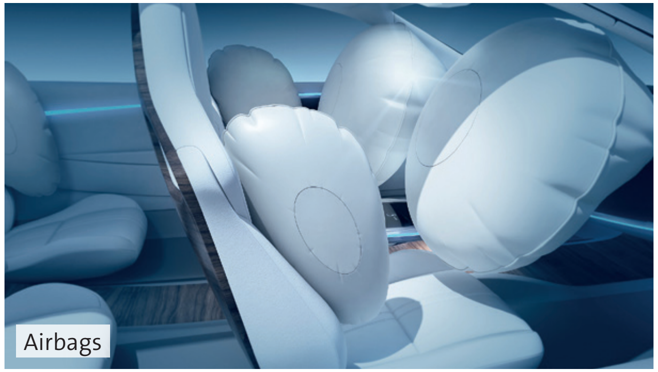
Ultrasonic sensors for environment detection

Elmos is particularly focused on applications in the area of safety for vehicle occupants and other road users. Elmos ICs for ultrasonic sensors are indispensable for maximum safety in Advanced Driver Assistance Systems (ADAS) and in autonomous or semi-autonomous driving, as they enable highly precise detection of the area around the vehicle.

Measuring distances and detecting the environment using ultrasonic sensor ICs is a long-time proven, reliable, and highly efficient key technology. As a market leader, Elmos has already delivered more than 1 billion ultrasonic ICs worldwide.

Elmos ultrasonic ICs support modern driver assistance systems by providing precise 360-degree detection of the surrounding area at low speeds, for example, in the city or in slow-moving traffic on the highway, at ranges of up to six meters. Ultrasonic systems are exceptionally reliable and work in any light or weather conditions. They are also highly versatile thanks to their compact design, as well as cost-effective. The environment sensor technology with Elmos ultrasonic ICs detects obstacles, pedestrians, cyclists or animals extremely quickly and very accurately. In emergency situations, automated systems often react far more rapidly than humans and can, therefore, prevent accidents or at least reduce the impact, for example, with emergency brake assistants. The latest generation of Elmos ultrasonic ICs with AI-based sensor technology enables even more precise environment detection around the vehicle in near real time, while at the same time reliably detecting interference signals, e.g. from cobblestones, and distinguishing them from real dangers around the car. This means that obstacles can be detected even earlier and more accurately than before. The latest generation of Elmos ultrasonic ICs also requires only around a quarter of the energy of previous ICs, despite significantly higher performance. This pioneering development will primarily be used for autonomous driving at levels L2 to L4 and in electric vehicles.

In addition to increased safety, ultrasonic ICs in park assist systems ensure stress-free parking without the need for instruction in almost any parking space, thus preventing damage to vehicles and infrastructure. Advanced systems featuring ultrasonic technology detect parking spaces and take over parking and exiting operations fully automatically, even in the smallest of parking spaces, regardless of whether the space is perpendicular or parallel. This allows parking spaces to be used efficiently and significantly reduces urban parking traffic.



Interior lighting

Lighting is an important topic for the appealing aesthetics of modern vehicles and for the well-being of the occupants. There are new applications in the interior and exterior of vehicles in which entire areas can be efficiently illuminated with LEDs and individually designed. Nowadays, attractive and harmonious interior lighting with modern interior lighting concepts is standard in almost all vehicle segments. New dynamic ambient lighting concepts with the help of Elmos ICs develop the lighting experience further, create emotions, increase the comfort and well-being of the occupants, and warn in time of potential dangerous situations.

Ambient lighting concepts with Elmos LED controllers make it possible to illuminate the interior, dashboard, center console, doors, or headliner in almost any shape, color, and color temperature completely individually. Using LEDs can significantly increase energy- and cost-efficiency. LEDs save up to 80% in energy compared to traditional light bulbs and have a significantly longer life. LEDs contain no harmful or toxic chemicals, can be recycled and are, therefore, considered very environmentally friendly.

Exterior lighting

Elmos semiconductors for automotive rear lights have been setting new standards for very bright and constant light intensity with low energy consumption and individual design options for many years now.

Compared to conventional light bulbs, LED rear lights reach maximum brightness far more quickly, which can reduce the reaction time for the following traffic, especially when braking, which, in turn, reduces the braking distance. In addition to the higher safety standards, Elmos LED rear light drivers offer vehicle manufacturers a wealth of new design options for a striking and dynamic vehicle rear, combining great design freedom with high functionality, safety and energy efficiency.

We are also developing new drivers for OLED applications in rear lights and for front grille designs. Illuminated front grilles are increasingly becoming an important new feature in modern vehicles, as the "illuminated grille" creates strong and unique brand effects. In addition, lighting concepts in the front grille support the vehicle's communication with other road users or pedestrians – an important function in driverless autonomous driving.

Airbags

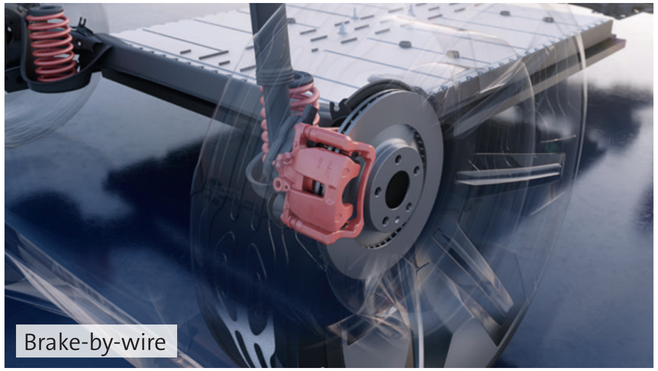
In addition to active assistance and safety systems, passive safety systems, such as airbags, contribute significantly to the safety of vehicle occupants and prevent or even reduce serious or fatal accidents. Elmos airbag ICs enable the airbag control unit to deploy the relevant airbags – or several airbags simultaneously if necessary – in fractions of a second in the event of a front, rear or side crash, or to activate restraint systems such as the belt tensioner.

Some modern vehicles are fitted with up to 30 different airbags to provide occupants with the best possible protection in the event of an accident.

In fully autonomous driving, the possible applications and number of airbags will continue to grow in the future because the different postures and adjustable seat angles in a self-driving car would mean that conventional restraint systems such as the three-point safety belt would only provide insufficient occupant protection in the event of an accident. To do this, the system must precisely detect the position of the occupants in the vehicle so that the correct airbags are deployed in the event of an accident.

Elmos ICs do more than provide better protection for vehicle occupants. Special pedestrian airbags soften the impact that a pedestrian or cyclist has on a vehicle and significantly reduce the effects of an accident.

And from an environmental point of view, airbags also contribute positively in a way that should not be underestimated. Installing airbag systems means that lightweight materials can be used, thus considerably reducing the weight of the vehicle chassis without compromising the safety of its occupants.



Motor control

As the electrification of vehicles progresses, the demand for intelligent electromechanical components such as actuators, fans and pumps is rising sharply. In modern vehicles, several dozen of these little assistants enable the electronic and automatic control of a variety of systems and functions in the interior and exterior of the vehicle. The increasing use of motor control ICs is mainly driven by comfort functions and the thermal management system, which is essential for all electric vehicles to increase efficiency and range.

Elmos is already a leading global specialist for reliable IC solutions for DC, BLDC and stepper motors. Our latest generation of products will be launched in 2025, including a new optimized controller for high-performance brushless motors and a range of fully integrated motor drivers for different power ranges. These new products enable highly efficient and low-noise drive solutions for a variety of motor types in a power range from under 5 watts to over 1 kilowatt. This means that applications such as valves, pumps, active radiator grille shutters, fans, air conditioning flaps and all types of actuators can be operated very efficiently and almost silently. In addition to the innovative hardware, Elmos also provides a modern, qualified software platform for the motor control ICs, which enables complete system solutions and significantly reduces development times for new applications.

Thermal management

In the field of electromobility, thermal management plays a crucial role in optimizing the efficiency, charging times, and ranges of hybrid and electric vehicles. Our portfolio in this area is constantly growing. Elmos' thermal management products cover the three core elements – engine, battery, and interior – and enable intelligent cooling and thermal management in modern vehicles.

To ensure perfect interaction between the coolant and refrigerant circuits, Elmos motor control ICs regulate a large number of pumps, valves, and flaps throughout the vehicle, thus maintaining an optimal operating temperature for all mechanical and electronic components. This increases the efficiency of the drive system and reduces energy and fuel consumption.

Unlike in vehicles with internal combustion engines, the heat for heating the interior of battery-powered vehicles must be generated by the battery alone. Optimum and highly efficient temperature control is therefore very important, especially in winter, in order to use as little energy as possible from the battery. Elmos motor control ICs also help here. Smart air-conditioning shutters and vents allow the airflow in the interior to be regulated with great precision. Individual climate zones allow each occupant to enjoy a personal feel-good temperature without having to heat or cool the entire vehicle cabin and consume unnecessary energy.

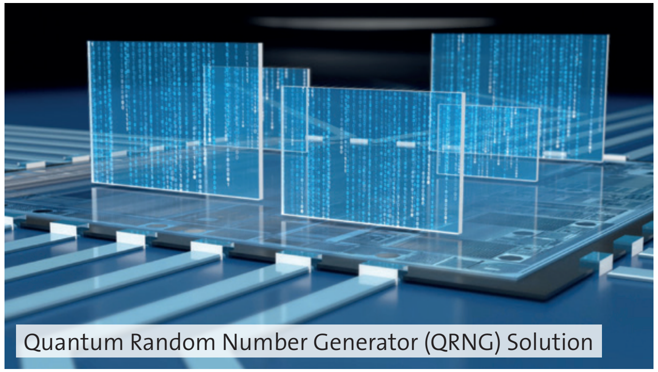
Elmos' innovative applications in the area of thermal management support the expansion of electromobility, enable a reduction in vehicle emissions, and thus make a significant contribution to protecting the environment.

Sensor ICs (including battery management)

Elmos sensor ICs are the important interface between the analog and digital world. Elmos sensor ICs have been setting standards for more than 25 years, for example, for measuring pressure and temperature in vehicles. In electric vehicles, Elmos semiconductors for Battery Management Systems (BMS) monitor the operating and charging status of the battery system, regulate the charging and discharging cycle as well as power output to the various loads, and maintain the voltage and operating temperature of the battery within an optimal range. This increases the safety, performance, and service life of the battery.

Brake-by-wire systems supported by Elmos brake pressure sensor ICs are gradually replacing conventional braking technologies in vehicles. Compared to classic mechanical braking systems, they offer optimum control and a significantly faster response time. They also allow the braking behavior to be tailored to the driver's individual requirements.

Power management (eFuse)


Quantum Random Number Generator (QRNG) Solution


Smart home

Based on proven technology, we have developed new fully integrated rain sensors for the windshield, which raise the detection quality of water and dirt to a new level. A perfectly functioning rain sensor has an important task in the age of automated driving, namely to ensure a clear view of the centrally mounted front camera, and of course functional safety is also a must here.

Power management (including eFuse)

The switch to E/E zone architectures, which are essential for autonomous driving, the change to a 48-volt electrical system and increasing digitalization and software-defined vehicles, are increasing the demand for innovative and intelligent solutions for electronic fuses. Modern vehicle designs require a high and reliable supply of energy, especially in the case of electric and hybrid vehicles. With the new eFuse product family, classic fuses can already be replaced today. Unlike conventional fuses, electronic fuses respond extremely quickly and reliably. In addition, eFuses are more sustainable because, unlike fuses, they do not have to be replaced after triggering. Electronic safety systems also enable the creation of flexible and software-defined vehicle system architectures and help to reduce weight by reducing the number of wiring harnesses in the vehicle.

Cybersecurity

As cybersecurity threats increase due to the rapid rise of AI and quantum computing, the need for secure and robust encryption is growing rapidly. Increasing connectivity, digitalization and software updates in modern vehicles are also increasing the requirements being placed on data protection and cybersecurity. Elmos is developing the world's smallest quantum random number generator IC (QRNG) for this purpose. Based on quantum mechanical principles, the QRNG IC enables true random number generation and thus provides more effective protection against cyber attacks of all kinds. The Elmos QRNG IC can be easily integrated into various applications such as IoT, automotive and car-to-X communication, which underlines the versatility of the QRNG IC's application possibilities.

Non-automotive applications (Share of sales in FY 2024: 8%)

Elmos ICs contribute to greater environmental protection, safety, and comfort beyond the automotive sector, too.

Smart home

With its semiconductor applications for smart installation and building technology, Elmos makes homes safer and more energy-efficient. Advanced semiconductor technology makes it possible to connect a wide variety of functions in homes or buildings and control them centrally and easily using a smartphone or tablet.

Advanced motion and presence detection using the Elmos PIR (passive infrared) smart sensor helps reduce electricity consumption in buildings or sends alerts about unwelcome intruders. Elmos semiconductors are used in HVAC systems in buildings in order to regulate room temperatures in the most efficient and energy-saving way possible, for example.

Industrial automation

Elmos semiconductors facilitate the transformation of industrial automation into Industry 4.0. Digital solutions and the connectivity of machines have made industrial processes increasingly efficient and flexible, while also enhancing productivity and quality. Costs, energy consumption, and emissions can be reduced simultaneously. Elmos semiconductors are used in a number of different areas of application, such as in temperature and pressure monitoring, power supply, or the connection of machinery with industrial processes.

ESG highlights 2024 at Elmos as a fabless company

Sustainability is a fundamental part of our corporate strategy and our commitment to environmental, social and economic sustainability is firmly anchored in our company.

Environmental

ISO 14001
Environmental Management System

ISO 50001
Energy Management System

86.6%
Share of renewable energies in external electricity procurement

20.4%
Reduction in Scope 1 and 2 emissions
(compared to the base year 2022)

Social

> 1,100 employees at
19 locations in
9 countries

41%
Share of employees in Research and Development

19
Training hours
(per person)

Governance

581.1 million Euro
Group sales

Product contribution of Elmos Group sales

- 69%
  for more environmental protection and efficiency
- 77%
  for more safety and health
- 60%
  for more comfort and well-being

IDW PS 980
Successful examination of the Compliance Management System (CMS)

Sustainability

and non-financial Group report (Combined non-financial report of Elmos Semiconductor SE and the Group)

General information

General disclosures (ESRS 2)

Basis for preparation

General basis for preparation of sustainability statements (BP-1)

This non-financial report (hereinafter referred to as the Sustainability Report) serves to fulfill the reporting obligations in accordance with Sections 315b and 315c German Commercial Code (HGB) in conjunction with Sections 289b to 289e German Commercial Code (HGB) and Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation). This report is a consolidated Group Sustainability Report that has been prepared for the first time in accordance with the requirements of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). As the CSRD has not yet been transposed into German law, this Sustainability Report is not included in the management report. It was audited by the Supervisory Board, but not by the auditor.

Based on the sale of the wafer fab in Dortmund to Littelfuse Inc., which was closed at the end of 2024, this Sustainability Report primarily represents the organizational structure of Elmos as a fabless company without its own wafer fab.

The entire value chain is taken into account as part of the materiality analysis. The policies, metrics and targets mentioned in this report relate primarily to the Elmos Group with a focus on the sole production site in Dortmund. As the semiconductor industry's value chain is highly complex, the data points presented primarily cover the Company's own activities, as well as the upstream value chain, here, for example, in the form of upstream emissions in the Corporate Carbon Footprint. Our products can be used in a wide range of applications. As a Tier 2 supplier, we have no reliable information on downstream processes such as the further processing or use of our products.

Disclosures in relation to specific circumstances (BP-2)

The starting point for these data points is primary data. Where necessary, this primary data was combined with estimates, assumptions or secondary data. This primarily concerns the Corporate Carbon Footprint, for example, the Scope 3 emissions for employee mobility. No significant measurement uncertainties are known.

Forward-looking information is based on assumptions and estimates made by the Management Board of Elmos. We cannot guarantee that expectations will turn out to be correct. The assumptions may carry risks and uncertainties, and as a result actual events may differ materially from the forward-looking statements.

Governance

The role of the administrative, management and supervisory bodies (GOV-1)

The Management Board consisted of three members in the reporting year. The Management Board is jointly responsible for the overall management of the Company in accordance with the Articles of Incorporation, the rules of procedure and the relevant laws. From the 2025 fiscal year, the Management Board will consist of two members. The Supervisory Board consists of a total of six members, two of whom are employee representatives. Elmos Semiconductor SE also has its own works council. There are five other works councils and one general works council within the Elmos Group. Detailed information on the role of the executive bodies of Elmos Semiconductor SE and a qualification matrix of the members of the Supervisory Board can be found in the Statement on Corporate Governance and in the report of the Supervisory Board in this Annual Report. The skills listed in the qualification matrix are also required of the members of the Management Board.

All members of the Management Board and Supervisory Board in office during the reporting year are male (100%). Four of the six members of the Supervisory Board are considered independent by Elmos. The percentage of independent members of the Supervisory Board is, therefore, 67%.

The CEO of Elmos Semiconductor SE has overall responsibility for sustainability. In this way, the topic of sustainability is firmly anchored in the Company's organization. In addition to the CEO, the executive body at Elmos in the reporting year also consists of a Management Board member responsible for Production and a Management Board member responsible for Development and Sales. Overall responsibility for monitoring impacts, risks and opportunities (IROs) lies with the Management Board.

The Supervisory Board of Elmos Semiconductor SE deals with sustainability issues as a whole. This also includes a discussion of the Company's sustainability strategy, sustainability reporting and key ESG targets. The Supervisory Board is also responsible for monitoring sustainability reporting and auditing the Sustainability Report.

Risks are monitored by the respective risk owners via the Group-wide Risk Management System (RMS). Overall responsibility for the RMS lies with the Management Board. To this end, the Management Board has initiated a risk management process and given it a firmly anchored place within the Company's organization in the context of a Risk Management team. Risks are assessed, monitored and reported at an operational level by the RMS team, which reports regularly to the Management Board. In close cooperation with internal experts, the RMS team reviews the assessments made as part of the materiality analysis at least once a year and shares its findings with the CEO.

The Risk Management team is made up of representatives of the individual companies and the Division Heads or designated Risk Managers. The team is responsible for central coordination within the Company, risk reporting and reporting to the Management Board. The effectiveness and appropriateness of the Risk Management System are regularly reviewed by internal and external controls. The Management Board informs the Supervisory Board at least once a year, or more regularly if required, about the impacts, risks and opportunities.

At the beginning of the year, the Management Board defines annual targets together with the respective heads of the specialist departments. The majority of these targets are aimed directly or indirectly at material impacts, risks and opportunities. Target achievement is monitored over the course of the year and evaluated on an annual basis. The connection between IROs and targets is discussed in more detail in the topic-specific standards.

All members of the Management Board and Supervisory Board have sustainability-related expertise, partly due to their many years of professional experience. In addition, they have access to internal experts (particularly in the areas of Facility Management, Human Resources and Investor Relations, Public Relations & ESG) and external expertise (primarily through trade fairs, events, customer contacts, consultants, etc.). As part of the assessment of the material impacts, risks and opportunities, the executive bodies contribute their skills and expertise in relation to sustainability matters.

Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies (GOV-2)

In the reporting year, the Investor Relations, Public Relations & ESG team regularly informed the Management Board about material impacts, risks and opportunities, the implementation of due diligence in the area of sustainability and the results and effectivness of the policies, actions, metrics and targets. The Management Board in turn informs the Supervisory Board at least once a year about the aforementioned topics.

The Management Board and Supervisory Board consider the impacts, risks and opportunities by establishing the identified topics as part of Elmos' corporate strategy and our daily work. There were no compromises in connection with material impacts, risks and opportunities in the reporting year.

Integration of sustainability-related performance in incentive schemes (GOV-3)

The remuneration of the members of the Supervisory Board of Elmos Semiconductor SE consists exclusively of fixed remuneration components in cash. The remuneration of the members of the Management Board of Elmos Semiconductor SE consists of fixed remuneration (basic salary, fringe benefits and pension commitments) and variable remuneration (variable non-share price-related remuneration components and variable share price-related remuneration components).

Target-related bonuses form one component of the non-share price-related Management Board remuneration. One component of this is the further development of the Company regarding sustainability (ESG). Climate targets are also mapped within this module. Nevertheless, the achievement of the remuneration-relevant targets is primarily based on energy and resource-related topics or on their positive development within the Company and thus indirectly also on emissions and a corresponding reduction in emissions. The proportion of sustainability-related remuneration is flexible and is determined individually for each member of the Management Board each year. In the reporting year, it amounted to between 3% and 5% of the target-related bonus.

The remuneration system is developed by the Supervisory Board and approved by the Annual General Meeting.

Statement on due diligence (GOV-4)

Elmos is guided by the international instruments of the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises and thus also by the due diligence processes specified in the frameworks. The most important aspects and steps of the due diligence processes are described in more detail in this Sustainability Report.

Risk management and internal controls over sustainability reporting (GOV-5)

The internal control system (ICS) and the risk management system (RMS) of Elmos consist of a number of structures, processes, and measures for the control and monitoring of central business processes and management decisions. The aim is to identify risks and limit known risks in order to ensure that business runs smoothly – including with regard to sustainability reporting. In particular, approval processes and the principle of dual control are strictly adhered to.

As part of the risk management system (RMS), risks, including sustainability-related risks, are assessed according to the two criteria of probability of occurrence and amount of damage. The probability of occurrence indicates how likely it is that the damaging event will occur. The amount of damage indicates the impact to be expected when the damaging event occurs. The amount of damage should be assessed as quantitatively as possible. It is also possible to emphasize certain risks by assigning them "priority 1." This assessment is based on the amount of damage, the probability of occurrence and the assessment of the person responsible for the risk. Priority 1 risks are listed separately and tracked or managed.

With regard to sustainability reporting, non-compliance with or inadequate implementation of the increasing governance and ESG disclosure requirements was identified as a potential risk as part of the RMS, but was not assessed as material.

The Investor Relations, Public Relations & ESG team is responsible for preparing the Sustainability Report. In preparation for meeting the requirements of the CSRD/ESRS, Elmos underwent an audit readiness assessment in 2024 in cooperation with the auditors. The specialist knowledge already available within the team is expanded through regular participation in further training and information events. Technical input for the report is provided by the individual specialist departments, in particular, Facility Management, Human Resources, Finance and Purchasing. Through intensive exchange with the auditors and internal specialist departments, potential risks in connection with reporting can be reduced and, at best, eliminated.

The Sustainability Report is reviewed by the relevant specialist departments, approved by the Management Board and audited by the Supervisory Board.

Strategy

Strategy, business model and value chain (SBM-1)

Elmos develops, produces and distributes mixed-signal semiconductor solutions, primarily for automotive applications for use in motor vehicles and, to a lesser extent, for non-automotive applications for use in industry. Our components communicate, measure, regulate and control safety, comfort, powertrain and network functions. Further information on this can be found in the "Business model and strategy" section of the combined management report.

Sustainability is a fundamental part of our corporate strategy, and our commitment to social, ecological, and economic sustainability is firmly anchored within our Company. We perceive sustained added value in a comprehensive way and regard it as an integral part of our strategy, management processes and goals, as well as our business model. We orient the success of our business activities not only towards financial key figures, but also want to connect that success with social acceptance, a high level of ecological awareness, and correct ethical conduct. We define and think about sustainability holistically and consider all three aspects of sustainability in the process: Environmental, social and governance. That is why growth and sustainability go hand in hand at Elmos to help us achieve long-term profitable growth and make a positive contribution to the environment and society.

The semiconductor business is the Elmos Group's only business segment. The production of semiconductors as an electronic component is covered by code C.26 of the statistical classification of economic activities in the European Community (NACE). Total sales here amounted to 581.1 million Euro in the reporting year.

For 40 years, Elmos innovations have been enabling new functions, making mobility safer, more comfortable and more energy-efficient worldwide and thus making a significant contribution to reducing greenhouse gas emissions and thus to climate change mitigation.

Elmos products make a major contribution to greater environmental protection and efficiency, safety and health, as well as comfort and well-being. Applications in the areas of motor control & thermal management and smart home, in particular, contribute to greater environmental protection and efficiency. Applications in the areas of airbags, exterior lighting and ultrasonic environment detection make a particular contribution to greater safety and health. Ambient lighting, optical ICs, ultrasonic environment detection and smart home applications are the main contributors to greater comfort and well-being.

		Contribution to increased		
		environmental protection and efficiency	safety and health	comfort and well-being
	Automotive			
Application	Airbags	low	high	low
	Ambient lighting	medium	low	high
	Exterior lighting	medium	high	low
	Motor control and thermal management	high	medium	medium
	Optical ICs (including gesture control)	-	medium	high
	Power management (including eFuses)	medium	low	low
	Sensor ICs (including battery management)	medium	medium	low
	Ultrasonic sensors for environment detection	low	high	high
	Non-automotive			
	Industrial automation	medium	medium	-
	Smart home	high	medium	high

An analysis of our product applications shows that more than 69% of Group sales make a substantial contribution to increased environmental protection and higher efficiency. More than 77% enhance safety and health in road traffic, at home, or in industrial processes. In addition, over 60% of sales increase the sense of comfort and well-being of end consumers. For the purposes of this sales analysis, all applications with a high or medium impact are considered to make a significant contribution, while applications with a low or no impact are not considered.

In other words, Elmos semiconductor solutions are already making our world greener, safer, and more comfortable. However, as the majority of our products can serve several purposes at the same time (environmental protection, safety and comfort), it is difficult to define specific targets here. Nevertheless, we want to focus our product portfolio and the development of new semiconductor applications even more strongly on the topics of sustainability and climate change mitigation in the future, in order to be able to offer further innovative solutions for the significant reduction of greenhouse gas emissions in our product segments. However, this depends to a large extent on the implementation of the relevant applications by customers and end customers in the end market, which Elmos cannot influence.

Elmos divides its markets into the following regions: EU countries, Asia/Pacific, America and Other. Additional information can be found in the "Sales development" section of the business report. The number of employees as of December 31, 2024 by geographical area for Elmos as a fabless company is broken down as follows: 1,206 employees in Europe, 72 employees in Asia/Pacific and 11 employees in America.

Interests and views of stakeholders (SBM-2)

As part of the materiality analysis, Elmos distinguishes between six key stakeholders: Employees, customers, suppliers, investors, society and legislation.

Employees are internal stakeholders, whereas the other five groups are external stakeholders. Workers in the value chain are covered via the stakeholder group of suppliers. They, in turn, are divided into three groups: suppliers and service providers in the upstream value chain (primarily foundry and OSAT partners), workers from external companies who carry out work on the Company premises and service providers in the downstream value chain (e.g. logistics service providers). We also incorporate the interests of the six stakeholder groups in the further development of our corporate and sustainability strategy and our business model.

We are in contact with all our stakeholders via various communication channels. For example, we make contact with our investors at the Annual General Meeting and at roadshows and conferences. We meet our customers at trade fairs, individual workshops and customer meetings. An exchange with society takes place through the Elmos Foundation ("Elmos Stiftung") and through cooperation with colleges and universities. Detailed information on exchanges with our employees can be found in this Sustainability Report in the section on the own workforce (ESRS S1).

The purpose of our intensive communication is to meet the interests and expectations of the individual stakeholder groups and to further develop the Company in sustainability issues. Suggestions received via the communication channels shown in the table are collected and evaluated by the relevant departments. If adjustments need to be made, these are implemented in consultation with the Management Board and then communicated to the relevant stakeholder group.

The interests and expectations of the stakeholders can be understood very well thanks to the intensive contact with the groups mentioned. Elmos is aware of legal requirements, voluntary commitments, customer-specific requirements and social focus topics and takes them into account in its sustainability activities where appropriate.

As part of the regular and periodic exchange of information, the administrative, management and supervisory bodies are informed of the views of the stakeholders by the specialists in charge. This also includes sustainability-related topics.

	Interests and expectations	Communication channels
Employees	• Secure workplaces • Fair payment • Career opportunities • Employer attractiveness & additional benefits	• Employee communication • Training & further education • Works meetings • Corporate events • Works council
Customers	• Innovative solutions • High-quality products • Delivery capability • Technology & innovation roadmap	• Long-term partnerships • Customer support • Trade fairs • Publications • Workshops & audits
Suppliers	• Compliance with contracts • Legal standards	• Long-term partnerships • Supplier Code of Conduct • Supplier surveys • Risk management & audits
Investors	• Positive business development • Profitability & growth • Capital market communication	• Annual General Meeting • Financial reports • Press releases • Roadshows & conferences
Society	• Responsibility for the environment and wider society • Positive contribution	• Elmos Foundation • Collaborations with universities and science/academia • Donations
Legislation	• Strict adherence to all applicable laws • Compliance with regulations, permits, guidelines • Active collaboration	• Certifications • Associations • Working groups • Workshops • Surveys

Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)

Area	Standard	Sub-topic	Materiality of the impacts	Financial materiality
Environmental	Climate change (ESRS E1)	Climate change mitigation	Negative and positive	Opportunity
		Energy	Negative and positive	Opportunity
Social	Own workforce (ESRS S1)	Working conditions	Positive	Risk
		Equal treatment and opportunities for all	Positive	-
		Other work-related rights	Positive	-
	Workers in the value chain (ESRS S2)	Working conditions	Negative	-
		Equal treatment and opportunities for all	Negative	-
		Other work-related rights	Negative	-
Governance	Business conduct (ESRS G1)	Corporate culture	Positive	Risk
		Corruption and bribery	Positive	Risk

Around 100 IROs (impacts, risks and opportunities) were identified in the course of the double materiality analysis. 22 of these were assessed as material for Elmos. This results in a reporting obligation for Elmos in accordance with the four topic-specific standards (ESRS) presented in the table. The other six topic-specific standards (ESRS) are immaterial for Elmos and, therefore, not reportable in accordance with the CSRD. Detailed information on the material impacts, risks and opportunities identified follows in the topic-specific disclosures. Elmos was already aware of the IROs identified as part of the materiality analysis and actions were implemented accordingly. The analysis therefore does not result in any significant changes to the business model.

Based on the overall assessment of risks, it can be stated that, from today's perspective and on the basis of the risk-bearing capacity analysis, there are no risks that endanger the Company's continued existence. Furthermore, the Executive Management of Elmos is confident that the Group's earnings and innovative strength will provide a solid basis for future business performance and ensure the necessary resources to pursue the opportunities available to the Group.

All disclosures are subject to the disclosure requirements of ESRS. No additional Company-specific information is provided.

Impact, risk and opportunity management

Description of the process to identify and assess material impacts, risks and opportunities (IRO-1)

The materiality analysis is based on the sub-topics of the ESRS. The methodology used to determine the materiality of the 37 sub-topics distinguishes between positive and negative impacts, as well as risks and opportunities. The main assumption is the continued existence of Elmos in its current form.

The following procedure was used to assess the **impacts:** as explained in the stakeholder analysis, Elmos distinguishes between internal and external stakeholders. In the course of the materiality analysis, the Compliance Committee and relevant specialist divisions were identified as internal stakeholders in addition to employees. External stakeholders are customers, suppliers, investors, society and legislation. As part of the materiality analysis, the stakeholder perspective was taken via corresponding representatives in the form of internal experts. To this end, discussions were held with the experts in which the sub-topics of the ESRS were examined and assessed in terms of their materiality. In addition, the sustainability reports of key suppliers, in particular, the available materiality analyses, were taken into account for the supply chain perspective. At the same time, a comparison was always carried out between the ESRS topics and the existing ESG reporting, in particular, the ESG policies and ESG KPIs published on the website at www.elmos.com in the Sustainability section. To determine the materiality of impacts, the scale, scope and, in the case of negative impacts, remedy are assessed on a four-point scale. This determines the severity of an impact. In the case of potential impacts, the probability of occurrence is also included in the assessment.

The existing Group-wide risk management system (RMS) was used to assess **risks and opportunities.** The risks identified as part of the RMS were examined for risks potentially relevant to the materiality analysis. Relevant risks were included in the materiality analysis together with their gross assessment in the RMS. Opportunities for Elmos arise primarily from the business activity itself, i.e. from the sale of developed products. To determine the materiality of risks and opportunities, the effect and probability of occurrence are assessed on a four-point scale.

In the assessment methodology described above, based on a four-point scale, the range of aggregated impacts, risks and opportunities can range from 1 to 4. The materiality threshold was set at >2.5, which is the upper half of the possible range.

The quantification of the criteria considered was primarily carried out in consultation with internal experts. The assessment of the scale criterion was based on the ESG KPIs published on the website. For example, the order of magnitude of the individual indicators or their development over time was taken into account.

This is the first Elmos sustainability report based on CSRD or ESRS. The materiality assessment is reviewed at least every three years and on an ad hoc basis.

Disclosure requirements in ESRS covered by the undertaking's sustainability statement (ESRS 2 IRO-2)

This is a full report in accordance with ESRS. The disclosure requirements covered can be seen from the headings used.

The information presented in this sustainability report was collected in close cooperation with various specialist departments. Wherever possible, information from IT systems and software programs based on certified management systems was used.

Policies adopted to manage material sustainability matters (MDR-P)

The following explanations are relevant for all topic-specific standards. In order to meet information needs and provide a uniform framework for action for all stakeholders, Elmos has been publishing various sustainability-related documents on the Group's website at www.elmos.com for many years, including selected ESG policies, in both German and English.

The overarching document relating to sustainability is the ESG/ sustainability strategy, in which Elmos commits to environmental, social and economic sustainability. The strategy addresses the aspects of vision, sustainability as part of the corporate strategy, communication, organization, materiality analysis and risk analysis. Policies relating to topic-specific standards are introduced later in the Sustainability Report.

The scope of application of the individual ESG policies is indicated in each document. Selected policies only affect the only production site in Dortmund. As a rule, however, the scope of application is the Elmos Group.

All ESG policies are drafted by the Investor Relations, Public Relations & ESG team, approved by the respective divisions and adopted by the Management Board. The topicality of the documents is checked at least once a year. All stakeholders, primarily employees and business partners, are responsible for implementing the ESG policies.

Metrics and targets

Tracking the efficacy of policies and actions through targets (MDR-T)

Various sustainability-related targets already exist within the Elmos Group, primarily within the framework of the ISO management systems implemented at Elmos, but also beyond that. In the course of sustainability reporting, some selected targets are presented with reference to the material impacts, risks and opportunities. The overall responsibility for setting targets lies with the Management Board. The respective divisions implement measures and monitor target achievement.

Additional mandatory information

Specific actions and resources in relation to material sustainability matters (MDR-A) are addressed in the topic-specific standards.

The metrics in relation to material sustainability matters (MDR-M) are disclosed in the topic-specific standards.

As the interests and views of stakeholders are already taken into account, no significant changes were made to the strategy or business model with regard to sustainability-related issues in the reporting year.

A long-term time horizon (> 5 years) is applied for IROs relating to the products. A short-term time horizon (1 year) is used for all other IROs.

The option to omit information relating to intellectual property, know-how or the results of innovations was not exercised.

No information has been included in this report by external reference. References within the report are marked accordingly at the relevant points.

Elmos is financed by equity, promissory note loans, and bank loans.

Operating expenditure (OpEx) and/or capital expenditure (CapEx) for material sustainability aspects outside of reporting in accordance with the EU Taxonomy are negligible in relation to total expenditure.

Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3)

Material impacts, risks and opportunities in the area of climate change

Sub-topic	Description	Impact / risk / opportunity	Positive / Negative	Potential / Actual	Distribution	Explanation
Climate change mitigation	Saving greenhouse gas emissions through Elmos products	Impact	Positive	Actual	Downstream	Semiconductor solutions in vehicle electronics make a significant contribution to reducing global greenhouse gas emissions.
	Generating sales through climate-friendly products	Opportunity	Positive	Potential	Own activity	There is great sales potential in climate-friendly semiconductor solutions.
	Output of greenhouse gas emissions in production	Impact	Negative	Actual	Own activity	The majority of emissions are generated in Scope 3, i.e. in the upstream value chain. Elmos can primarily influence Scope 1 and 2 emissions. Corresponding climate targets have already been formulated.
	Output of greenhouse gas emissions in the supply chain	Impact	Negative	Actual	Entire value chain	Although the semiconductor industry is not defined as an energy-intensive industry, the energy required in the production process is associated with greenhouse gas emissions.
Energy	Saving energy and increasing energy efficiency through Elmos products	Impact	Positive	Actual	Downstream	The majority of our products are designed to help customers' applications become more efficient. This means that automotive semiconductor solutions make a significant contribution to energy savings and therefore to climate change mitigation.
	Generating sales through energy-efficient products	Opportunity	Positive	Potential	Own activity	There is great sales potential in energy-efficient semiconductor solutions.
	Energy consumption in production	Impact	Negative	Actual	Own activity	Our only production site in Dortmund, in particular, has energy requirements for semiconductor manufacturing.
	Energy consumption in the supply chain	Impact	Negative	Actual	Entire value chain	The production of semiconductors requires high levels of energy along the entire value chain, particularly for the processing of wafers.

In the course of the materiality analysis carried out, the two material positive impacts, two material opportunities and four material negative impacts in the area of climate change shown in the table were identified. This means that the sub-topics of climate change mitigation and energy are material in the area of climate change.

To assess the resilience of our business model and our strategy with regard to environmental aspects, the CSRD requires a resilience analysis. This consists of our Group-wide risk management system (RMS) anchored in the compliance management system (CMS) and a separate climate risk and vulnerability analysis for the only Elmos production site in Dortmund. The upstream and downstream value chain are taken into account in the RMS.

Risks, including climate-related risks, are regularly identified as part of the RMS and their impact on the Company's objectives and continued existence is analyzed. Each risk identified in the RMS is evaluated and appropriate countermeasures are defined. Compliance with the measures and their effectiveness is monitored.

In a standardized process, the risk managers report to the risk management team once a year on the current status of material risks. Based on the RMS list, the risk managers review the assessment of all existing risks in their respective areas of responsibility and add new risks as required. In addition, the risk management team requests quarterly updates from the divisional managers. Ad hoc risks and losses incurred are communicated immediately if they are urgent. More information on the risk management system (RMS) can be found in the "Opportunities and risks" section of this Annual Report.

In order to identify actual and potential climate-related physical risks, both chronic and acute, a climate risk and vulnerability analysis was carried out for the only production site in Dortmund with production as a key system element. Detailed information on this can be found in the ESG policy "Environmental protection and management" at www.elmos.com in the Sustainability section. The climate risk and vulnerability analysis has shown that the production site in Dortmund is not exposed to any current or future material climate risks thanks to its advantageous location. The resilience analysis, therefore, does not result in any material climate-related physical risks for Elmos, neither chronic nor acute.

In addition, climate-related transition risks, also known as transitory risks, were analyzed. These are recorded via the existing risk management system (RMS) and were taken into account accordingly in the materiality analysis. Examples include the tightening of environmental regulations, significant increases in energy costs or non-compliance with or inadequate implementation of increasing governance and ESG disclosure requirements. None of the risks considered were classified as material.

Impact, risk and opportunity management

Policies related to climate change mitigation and adaptation (E1-2)

Elmos has various ESG guidelines in the environmental area, including an overarching ESG policy on "Environmental protection and management." Elmos has also published the separate document "Climate targets" and a document on the "Corporate Carbon Footprint". In it, we commit ourselves to the climate targets set out below. Elmos is also committed to climate change mitigation along the supply chain. Our Code of Conduct for Suppliers and Business Partners calls for active environmental protection, for example, by minimizing energy consumption and reducing greenhouse gas emissions.

Thanks to our innovative semiconductors, we enable energy efficiency first and foremost through our products. But we also focus on energy efficiency in the production process. Elmos is part of the Germany-wide initiative "Energy Efficiency and Climate Protection Networks," which has developed into one of the most successful instruments of the National Action Plan on Energy Efficiency (NAPE). Elmos is thus actively supporting the energy efficiency targets of the German government. Production processes and workflows are constantly analyzed for potential efficiency improvements. The following policies are directly related to the material IROs identified in the area of climate change.

Relevant policies in the area of climate change

Title	Contents
ESG policy: Environmental protection and management	• Management systems in accordance with ISO 14001 and ISO 50001 • Process and product responsibility • Application examples • Climate risk analysis
ESG targets: Climate targets	• System boundary • Climate targets • Status of target achievement • Climate change mitigation measures
ESG KPI: Corporate Carbon Footprint	• Explanation of the "Scopes" • System boundary • Greenhouse gas emissions • Key drivers • Previous year comparison
Code of Conduct for Suppliers and Business Partners	• Corruption • Human rights • Environmental protection • Handling information and data • Whistleblower system
ESG policy: Energy efficiency of Elmos products	• Energy efficiency of Elmos semiconductors • Energy efficiency through Elmos semiconductors

Actions and resources in relation to climate change policies (E1-3)

Notable measures with decarbonization levers that were implemented in the reporting year relate primarily to the areas of energy efficiency and renewable energies. Our approach is based on investment rather than compensation. We will, therefore, gradually switch our external electricity procurement completely to renewable energy by purchasing guarantees of origin and invest in the installation of photovoltaic systems on the roofs of buildings at our Dortmund site. In addition, the heating system at our logistics site was replaced in the reporting year, resulting in natural gas savings. We are also investing in the maintenance and optimization of our combined heat and power plant (CHP), which is still a highly efficient electricity-producing technology.

In addition to these more substantial measures, we are also taking many smaller energy-saving steps, such as using high-efficiency pumps, optimizing cooling systems, and replacing fluorescent lighting with modern LEDs. These activities are implemented as part of our ISO 50001-certified Energy Management System and our ISO 14001-certified Environmental Management System. The certifications are reviewed annually or confirmed in repeat audits. In addition, an energy efficiency analysis was carried out by an external service provider during an on-site inspection of the main location in Dortmund in the reporting year. The results compiled in the final report confirm the effectivness of our Energy- and Environmental Management Systems, as Elmos has already leveraged and implemented all significant potentials in the area of energy efficiency. By implementing the aforementioned measures, Elmos was able to reduce Scope 1 and 2 emissions by 20.4% in the 2024 fiscal year compared to the base year 2022 and is, therefore, well on the way to achieving its own ambitious climate targets, which are explained in more detail below.

Metrics and targets

Targets related to climate change mitigation and adaptation (E1-4)

Our main target is to reduce the greenhouse gas emissions produced by Elmos. The focus here is on reducing the emissions directly caused and for which Elmos is responsible, i.e. Scope 1 and 2 emissions. In November 2023, the following climate targets were therefore adopted for Elmos as a fabless company without its own wafer fab. Climate target 1 is a gradual reduction of Scope 1 and 2 emissions by 40% compared to the base year 2022 by 2026 – i.e. an annual reduction of 10%. Climate target 2 is complete climate neutrality in Scope 1 and 2 by 2035 – i.e. a 100% reduction in Scope 1 and 2 emissions.

The market-based method is used to calculate Scope 2 emissions for target achievement. A GHG emission reduction target for Scope 3 has not yet been adopted due to the highly complex and global supply chain and the limited ability of Elmos to influence the main sources of greenhouse gas emissions.

The targeted savings relate to the base year 2022. The emissions for 2022 are 4,470 t CO2e in Scope 1 and 3,321 t CO2e in Scope 2.

No guidelines or the like were consulted when setting the objectives and the objectives were not externally validated. Based on the sale of the wafer fab in Dortmund to Littelfuse Inc., which was closed at the end of December 2024, the Elmos climate targets and our Corporate Carbon Footprint are based on the organizational structure of Elmos as a fabless company without its own wafer fab. Other potential future developments were not taken into account when setting the climate targets. As the production site in Dortmund is currently operating at full capacity and is expected to continue to do so in the future, no future developments with a significant impact on the status quo are currently expected.

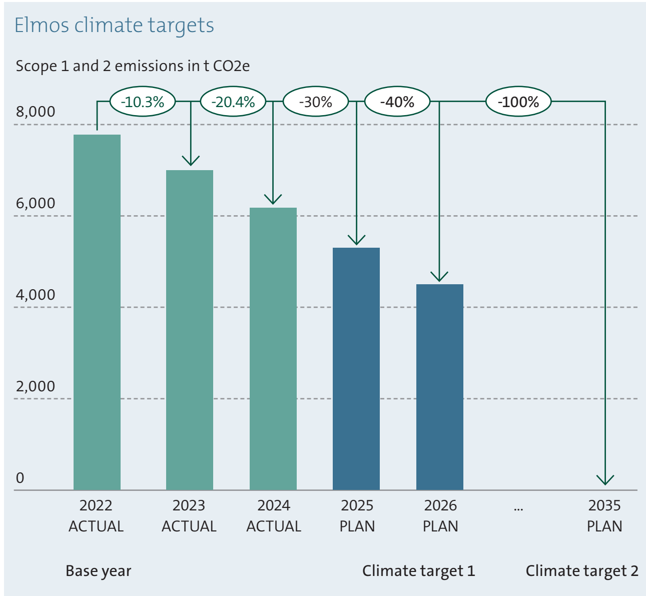
Based on the Technical Summary “Pathways to Net-Zero” of the Science Based Targets Initiative (SBTi) from October 2021, cross-sectoral reduction paths of 42% by 2030 and 90% by 2050 compared to the base year 2020 are specified. For Elmos, this results in an emissions budget of 4,519 t CO2e for 2030 and an emissions budget of 779 t CO2e for 2050 with the base year 2022. Elmos’ ambitious climate targets meet or exceed these limits. It can be deduced from this that the emission savings targeted by Elmos for Scope 1 and 2 are compatible with the 1.5° target.

Climate target 1 will be achieved, in particular, through the aforementioned gradual purchase of guarantees of origin, investments in climate change mitigation (e.g. own photovoltaic systems) and other measures to increase efficiency. All necessary measures have been successfully implemented since the target was set. Climate target 2 will then be achieved by converting the combined heat and power plant (CHP) in the medium term. Viable options and alternatives for the CHP plant will be analyzed in the coming years and implemented by the time the target is to be reached at the latest, for example, switching the energy source to biogas or hydrogen or switching to a climate-friendly technology such as heat pumps. The municipal heating plan of the City of Dortmund also plays a central role in the future energy supply of the site, although this has not yet been adopted.

Parameter	Climate target 1	Climate target 2
Description	Emission reduction in Scope 1 and 2 by 40% compared to the base year 2022	Emission reduction in Scope 1 and 2 by 100% compared to the base year 2022
Target	-40%	-100%
Target horizon	2026	2035
Reporting year	-20.4%	-20.4%
Status		
Relevant IRO	Output of greenhouse gas emissions in production	

Beyond 2035, climate neutrality in our own activities is to be maintained as a matter of course, i.e. emissions in Scope 1 and 2 are to be kept constant at 0.

In addition to the overarching climate targets, we continuously invest in smaller and larger measures to increase energy efficiency, which ultimately contribute to an additional reduction in emissions.



Additional target in the area of climate change

Parameter	Share of renewable energies in external electricity procurement
Description	To achieve climate target 1, we will gradually switch our external electricity procurement to electricity from renewable sources. We will achieve this by purchasing guarantees of origin. Selected roof areas at our production site in Dortmund are also suitable for PV systems. We are installing PV systems on these roof areas to generate our own green electricity. In the reporting year, a capacity of 68 kWp was installed.
Target	100%
Target horizon	2026
Reporting year	86.6%
Status	▪
Relevant IRO	Energy consumption in production

Transition plan for climate change mitigation (E1-1)

Elmos sees its climate targets, which were approved by the Management Board and Supervisory Board, as a transition plan for climate change mitigation. In terms of our own activities, energy is the most important decarbonization lever. We will, therefore, switch our entire energy supply to energy from renewable sources by 2035.

In terms of products, Elmos is first and foremost an "enabler." Elmos semiconductors contribute to environmental protection and energy saving in various ways, both in the products themselves and in the applications in which they are used. For this reason, the development of Elmos semiconductors focuses on energy efficiency and environmental protection. We are constantly trying to reduce the environmental impact of our products through innovation. This can be seen, for example, in smaller structure sizes, which are associated with lower material requirements, or an increase in the energy efficiency of products and a resulting reduction in energy requirements.

The assets to be mentioned with regard to potentially included greenhouse gas emissions are essentially our test facilities and our combined heat and power plant (CHP). Some of the test systems are located at our OSAT partners. Corresponding emissions from these facilities are recorded in Scope 3 and are not included here. As a significant reduction in the energy requirements of the test machines is difficult to achieve, Elmos is instead aiming to reduce the resulting emissions by purchasing guarantees of origin for electricity from renewable sources. In addition, we keep the efficiency of the systems up to date at all times through appropriate maintenance and servicing work.

According to our Corporate Carbon Footprint, the Scope 3 category "Use of products sold" was not classified as material. This means that there are no enclosed greenhouse gas emissions at product level.

Energy consumption and mix (E1-5)

Based on the sale of the wafer fab in Dortmund to Littelfuse Inc. closed at the end of 2024, the energy consumption is based on the organizational structure of Elmos as a fabless company without its own wafer fab. The figures shown are energy purchases. A large proportion of the natural gas purchased is converted on site. In this way, electricity is produced with the help of the CHP unit. To avoid double counting, energy generation by the CHP plant is not differentiated further.

Energy consumption and mix	Year 2023	Year 2024
(1) Fuel consumption from coal and coal products (GWh)	0	0
(2) Fuel consumption from crude oil and petroleum products (GWh)	0	0
(3) Fuel consumption from natural gas (GWh)	20.0	22.8
(4) Fuel consumption from other fossil sources (GWh)	0	0
(5) Consumption of purchased or acquired electricity, heat, steam and cooling and from fossil sources (GWh)	3.7	1.8
(6) Total fossil energy consumption (GWh) (sum of lines 1 to 5)	**23.7**	**24.6**
Share of fossil sources in total energy consumption (in %)	**68.3%**	**68.0%**
(7) Consumption from nuclear sources (GWh)	**0**	**0**
Share of consumption from nuclear sources of total energy consumption (in %)	**0%**	**0%**
(8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biological origin, biogas, renewable hydrogen, etc.) (GWh)	0.2	0.2
(9) Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources (GWh)	10.8	11.4
(10) Consumption of self-generated non-fuel renewable energy (GWh)	0	0
(11) Total renewable energy consumption (GWh) (sum of lines 8 to 10)	**11.0**	**11.6**
Share of renewable sources in total energy consumption (in %)	**31.7%**	**32.0%**
Total energy consumption (GWh) (sum of lines 6 and 11)	34.8	36.1

The production of semiconductors as an electronic component is covered by code C.26 of the statistical classification of economic activities in the European Community (NACE). This makes the semiconductor industry a climate-intensive sector. Elmos operates exclusively in the field of semiconductors. All net revenue is allocated to this sector. The energy purchased by Elmos as a fabless company amounted to 36.1 GWh in the reporting year. Net revenue amounted to 581.1 million Euro. The energy intensity is, therefore, 0.062 GWh / million Euro.

Energy intensity per net revenue	Year 2023	Year 2024	Δ
Total energy consumption from activities in climate-intensive sectors per net revenue from activities in climate-intensive sectors (GWh / million Euro)	0.060	0.062	+2.9%

Description of the processes to identify and assess material climate-related impacts, risks and opportunities (ESRS 2 IRO-1)

A detailed description of the process for identifying and assessing material climate-related impacts, risks and opportunities is provided in ESRS 2. As the Corporate Carbon Footprint forms the basis for the definition of actions and targets in the area of climate change, a description of its calculation methodology follows here. The Elmos Corporate Carbon Footprint (CCF) is prepared internally by the Investor Relations, Public Relations & ESG team in cooperation with the relevant divisions without external support. The framework is the internationally recognized Greenhouse Gas Protocol (GHG Protocol). It divides emissions into three categories:

- **Scope 1:** direct emissions from burning fuel in the Company's own facilities
- **Scope 2:** indirect emissions from energy sourced externally
- **Scope 3:** indirect emissions from upstream and downstream supply chains

Based on the sale of the wafer fab in Dortmund to Littelfuse Inc., which was closed at the end of December 2024, our Corporate Carbon Footprint is based on the organizational structure of Elmos as a fabless company without its own wafer fab. The emissions associated with the manufacturing of semiconductors within the Dortmund wafer fab are, therefore, included in Scope 3, as are those from external foundries. The calculation of the carbon footprint used data from the entire Elmos Group as a fabless company, i.e., the emissions from all sites where data was available.

A wide range of activity and usage data was collected in coordination with the relevant departments. This concerned everything from energy and water usage, to waste volumes, raw materials and transportation. The footprint is, therefore, based primarily on primary data. Assumptions and estimates had to be made at selected points, such as in the area of employee mobility. We used emission factors from various national and international databases, as well as selected supplier-specific emission factors to calculate emissions. The calculation made it possible to identify the actual and potential future sources of greenhouse gas emissions for Elmos.

Gross Scopes 1, 2, 3 and Total GHG emissions (E1-6)

The gross Scope 1 GHG emissions for the reporting year amounted to 4,854 t CO2e. The main drivers in Scope 1 are the emissions produced by the natural gas used in the combined heat and power plant (CHP). 270 t CO2e are attributable to the vehicle fleet. The use of wood pellets at our Dresden site generates an additional 6 tons of CO2e in biogenic emissions.

The gross Scope 2 GHG emissions for the reporting year amounted to 1,344 t CO2e market-based and 4,850 t CO2e location-based. The difference between the market-based and location-based Scope 2 emissions results from the purchase of guarantees of origin with which we actively invest in the expansion of wind and hydropower plants. The Scope 2 emissions are almost exclusively attributable to purchased electricity. Steam, cooling and a large proportion of the heat are generated by the combined heat and power plant at our main site and are, therefore, not recorded separately. Some selected locations heat electrically. They account for 26 t CO2e of the Scope 2 emissions mentioned (both market-based and location-based).

Scope 1 and 2 emissions cover the entire Elmos Group with a few exceptions (individual locations with insignificant greenhouse gas emissions).

Seven of the 15 categories are included in Scope 3 – with a focus on the upstream value chain. The remaining categories are either irrelevant or immaterial, or we do not currently have any valid data pertaining to them. In total, gross Scope 3 GHG emissions for the reporting year amounted to 110,878 t CO2e. In Scope 3, the majority of emissions are attributable to purchased goods and services (Category 1), including greenhouse gases from the wafer fab in Dortmund. All production machinery in Dortmund is equipped with extremely efficient exhaust gas scrubbers, which eliminate a large proportion of the theoretical emissions. This makes an active contribution to climate change mitigation. Other purchased goods include processed wafers from foundries, plastics and packaging materials. Another driver is transportation logistics (Category 4: upstream transportation and distribution).

Total GHG emissions for the reporting year amounted to 117,077 t CO2e (market-based) and 120,756 t CO2e (location-based).

	Base year 2022	Year 2023	Year 2024	Δ
SCOPE 1 GREENHOUSE GAS EMISSIONS				
Gross Scope 1 GHG emissions (t CO2e)	4,470	4,260	4,854	+14%
SCOPE 2 GREENHOUSE GAS EMISSIONS				
Gross market-based Scope 2 GHG emissions (t CO2e)	3,321	2,727	1,344	-51%
Gross location-based Scope 2 GHG emissions (t CO2e)	3,321	3,969	4,850	+22%
SIGNIFICANT SCOPE 3 GREENHOUSE GAS EMISSIONS				
Total gross indirect (Scope 3) GHG emissions (t CO2e)	93,653	135,749	110,878	-18%
1 Purchased goods and services	84,828	127,088	104,165	-18%
2 Capital goods	1,934	438	0	-100%
3 Fuel and energy-related activities (not included in Scope 1 or Scope 2)	2,271	2,026	1,999	-1%
4 Upstream transportation and distribution	3,690	5,014	3,537	-29%
5 Waste generation	118	111	93	-16%
6 Business travel	148	438	395	-10%
7 Employee commuting	664	634	690	+9%
TOTAL GREENHOUSE GAS EMISSIONS				
Total GHG emissions (market-based) (t CO2e)	101,444	142,735	117,077	-18%
Total GHG emissions (location-based) (t CO2e)	101,444	144,058	120,756	-16%
GHG INTENSITY PER NET REVENUE				
Total GHG emissions (market-based) per net revenue (t CO2e / thousand Euro)	0.23	0.25	0.20	-19%
Total GHG emissions (location-based) per net revenue (t CO2e / thousand Euro)	0.23	0.25	0.21	-17%

Anticipated financial effects from material physical and transition risks and potential climate-related opportunities (E1-9)

Neither significant climate-related physical risks nor significant climate-related transition risks were identified as part of the climate risk and vulnerability analysis. Therefore, there are no expected financial effects to report.

Key opportunities in the area of climate change (ESRS E1) are revenue generation through climate-friendly products and energy-efficient products. However, these cannot be conclusively quantified due to numerous influencing factors. These include the success of Elmos and our customers, market changes or shifts in our customers' portfolios, but also market turbulence caused by geopolitical or economic uncertainties, for example. Overall, however, Elmos considers the medium and long-term growth prospects for automotive electronics to be positive. A wide range of trends – such as advances in driver assistance systems up to autonomous driving, powertrain electrification, digitalization, innovative system architectures, and increasing requirements in terms of safety and comfort applications – is fueling the increased use of electronics in vehicles.

Additional mandatory information

Information on the EU Taxonomy can be found in the corresponding chapter of the report. They primarily comprise our innovative products. However, these are not linked to our climate targets. There is no CapEx plan for the EU Taxonomy.

Elmos is not active in the coal, oil or gas sectors.

Elmos is not subject to EU Regulation 2016/1011.

As no significant risks were identified in the climate risk analysis and the associated consideration of various climate scenarios, the analysis was not relevant for the definition of the climate targets.

The financial resources used for climate change mitigation actions in the 2024 fiscal year outside of reporting in accordance with the EU Taxonomy are insignificant compared to the Company's total investments and total expenses and are, therefore, negligible.

Elmos does not participate in either the European or the German emissions trading system.

GHG removals and GHG mititgation projects financed through carbon credits, were not identified as material in the course of the materiality analysis. Elmos did not develop or finance projects for the extraction and storage of greenhouse gases in the reporting year, neither within nor outside its upstream and downstream value chain.

Internal carbon pricing was not identified as material in the course of the materiality analysis. Elmos does not apply an internal carbon pricing system.

Reporting in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)

Determination of relevant environmental objectives and economic activities of Elmos in the context of the EU Taxonomy

Semiconductor solutions for the automotive industry make a significant contribution to reducing global CO2 fleet emissions. Elmos contributes to this with a wide variety of automotive components, for example, with ICs specifically for hybrid and electric vehicles, efficient LED lighting, highly efficient control for air conditioning systems, aerodynamic optimization, as well as temperature and heat management, sensors for automatic lighting and highly efficient heating systems.

As already explained in the general disclosures (ESRS 2), Elmos operates exclusively in the semiconductor segment. The production of semiconductors as an electronic component is covered by code C.26 of the statistical classification of economic activities in the European Community (NACE). There are no other Taxonomy-related activities or business segments in the Elmos Group.

In the Annex to the technical assessment criteria of the Delegated Regulation of June 4, 2021 supplementing the EU Taxonomy Regulation, the NACE code C.26 relevant for Elmos was assigned to Section 3.6 ("Manufacture of other low-carbon technologies"), among others. According to the description in Section 3.6, the manufacture of other low carbon technologies is aimed at substantial greenhouse gas emission reductions in other sectors of the economy. It enables other sectors of the economy to contribute substantially to fulfilling environmental objectives or to significantly reduce greenhouse gas emissions (enabling activity). The relevant economic activity of the EU Taxonomy for which Elmos technologies make a significant contribution to meeting environmental targets is the manufacture of energy-efficient building equipment (Section 3.5). With the extension of the Delegated Regulation of June 27, 2023, the automotive share of Elmos' economic activity can be allocated to Section 3.18 ("Manufacture of automotive and mobility components"). Section 3.18 covers the manufacture of mobility components to deliver and improve the environmental performance of zero-emission vehicles. This is also an enabling activity. By manufacturing semiconductors for the automotive industry, especially for highly efficient systems and applications, for low-emission drive concepts or for hybrid or electric vehicles, Elmos makes a contribution to the production of low-carbon transportation technologies (Section 3.3). Non-automotive applications are, therefore, assigned to activity 3.6, while automotive applications are assigned to activity 3.18.

The analysis of economic activities based on the requirements of the EU Taxonomy has shown that Elmos' products make a significant contribution to environmental target 1 (climate change mitigation). Elmos' activities do not contribute substantially to the other environmental objectives 2 (climate change adaptation), 3 (sustainable use and protection of water and marine resources), 4 (transition to a circular economy), 5 (pollution prevention and control) and 6 (protection and restoration of biodiversity and ecosystems).

Determination of Elmos' Taxonomy-eligible turnover within the framework of the EU Taxonomy

For the 2024 reporting year, Taxonomy-eligible turnover is identified using the Elmos ESG product matrix. It can be found in the general disclosures (ESRS 2) in the "Strategy" section. Within the sales analysis for the EU Taxonomy, all applications with a high or medium impact on protecting the environment and efficiency are considered to make a significant contribution to environmental objective 1 (climate change mitigation), while applications with a low or no impact are not considered. In the Elmos Group, all sales attributable to semiconductors that could enable a significant contribution to the fulfillment of environmental objectives by increasing efficiency, directly or indirectly reducing consumption, or reducing a vehicle's or building's CO_2 emissions (such as ICs for energy-saving LED control of ambient and rear lighting, ICs for optimized and efficient motor control and thermal management, semiconductors for efficient power and battery management, and home automation and industrial automation solutions) make a significant contribution to greater environmental protection and efficiency. According to the assessment criteria of the EU Taxonomy, all other sales from products for applications that have a low or no impact on protecting the environment and efficiency do not qualify as Taxonomy-eligible, although the use of parking assistance systems, for example, considerably reduces urban parking traffic and, therefore, indirectly contributes to reducing CO_2. The basis for sales is sales in accordance with IAS 1 or revenue recognized in accordance with IFRS 15 in the consolidated financial statements. As a result, 69.1% of Elmos' Group sales were identified as Taxonomy-eligible.

Determination of Elmos' Taxonomy-eligible capital expenditure (CapEx) within the framework of the EU Taxonomy

The Company is not able to prepare a clear breakdown of capital expenditure (CapEx) based on environmentally sustainable criteria. Among other things, this is because all types of semiconductors, including those that may not be Taxonomy-eligible, are tested on a testing machine. We, therefore, determine Taxonomy-eligible and Taxonomy non-eligible capital expenditure in an approximate manner, either on the basis of Taxonomy-eligible turnover or the number of units sold of all Taxonomy-eligible products, depending on the type of capital expenditure. For example, capital expenditure on land and buildings was broken down on the basis of the number of units sold of the Taxonomy-eligible products, as this capital expenditure is apportioned using a more value-neutral approach based on cost allocation, and the value or complexity of a product has no effect on the use of that type of investment. By contrast, with regards to capital expenditure on property, plant and equipment that are deployed directly in the production process (such as technical equipment for the testing process or testing machines), we used turnover to determine Taxonomy-eligible capital expenditure so as to take into account the varying degrees of utilization of production machinery by our different types of semiconductors, depending on their complexity, while applying a value-based method. Higher-value ("more expensive") semiconductors tend to spend longer on testing machines or undergo more complex testing programs than simple ("cheaper") semiconductors. Higher-value products therefore use testing machines longer and place a greater strain on technical equipment than simple products. In these cases, a value-based calculation according to turnover is preferable compared to a value-neutral breakdown by number of units. The same applies to product-related or project-related capitalized development expenses, and thus materially to intangible assets, because higher-value or more complex projects generally require more development resources, meaning that a higher proportion of development expenses can be capitalized than in the case of semiconductors that were less complex and simpler to develop. Additions to property, plant and equipment and intangible assets according to the consolidated financial statements were used as a basis for total capital expenditure (Taxonomy-eligible and Taxonomy non-eligible). According to this analysis, 69.6% of the Elmos Group's capital expenditure (CapEx) can be classified as Taxonomy-eligible.

Determination of Elmos' Taxonomy-eligible operating expenditure (OpEx) within the framework of the EU Taxonomy

A clear and specific breakdown of Taxonomy-eligible and Taxonomy non-eligible expenditure is also not possible in the case of operating expenditure (OpEx) and would, in our view, be of very little informative value in any case. Depending on the cost type, we again used either turnover or number of units sold to approximately determine the OpEx KPI. For all relevant, EU Taxonomy-based expenses that are directly linked to product development, we used the proportion of turnover accounted for by our defined Taxonomy-eligible activities, because higher-value products tend to require higher research and development expenses, and in particular more human resources. We treated other expenditure not related to product development, such as expenditure for maintenance and repair of buildings, as typical cost allocations and broke this expenditure down based on the number of units sold of the Taxonomy-eligible products. In accordance with the EU Taxonomy, direct, non-capitalized costs relating to research and development, building renovation measures, short-term leasing, maintenance and repair were used as the basis for total operating expenses, i.e. Taxonomy-eligible and non-Taxonomy-eligible operating expenses. In addition, all other direct expenses in connection with the day-to-day maintenance of property, plant and equipment by the Company or third parties to whom activities are outsourced that are necessary to ensure the continuous and effective functioning of these assets were taken into account. Accordingly, the share of Taxonomy-eligible operating expenses (OpEx) of the Elmos Group is 69.3%.

Determination of Taxonomy-aligned economic activities of Elmos within the framework of the EU Taxonomy

The determination of the Taxonomy-aligned economic activities for Elmos is divided into two parts, one for products according to activity 3.6 and the other for products according to activity 3.18. With regard to activity 3.6, we had to realize that fulfilling the very complex technical screening criteria and thus proving Taxonomy alignment of our products would only be possible with an enormous amount of effort. The full life-cycle assessment required to verify the savings in GHG emissions, audited by an independent third party, would involve a disproportionate amount of time and money for the Company. Furthermore, such an assessment would have to be based on many uncertain assumptions. It would then be necessary to additionally verify, in accordance with the technical assessment criteria, whether the respective product actually is the best performing technology available on the market. This means that a supplier would have to demonstrate that its products or solutions are better in terms of emissions savings than any competitor products available on the market. It is not difficult to see that demonstrating this is not feasible at all in practice because the detailed information on all relevant competitor products required for this purpose is not available. Due to these extremely complex requirements of the technical screening criteria for economic activity 3.6, which would either not be met at all or only with disproportionately high effort, Elmos reports 0% for Taxonomy-aligned turnover, CapEx and OpEx for activity 3.6 in the reporting year.

In contrast, it is possible to report Taxonomy-aligned products in category 3.18. For this purpose, we reviewed our activities according to the technical assessment criteria defined in Annex I EU 2023/2485. Almost all Elmos automotive semiconductors can be installed in vehicles with internal combustion engines (ICEs), in hybrid vehicles (HEVs/PHEVs), as well as in zero-emissions vehicles, i.e., battery electric vehicles (BEVs) and vehicles with a fuel cell (FCVs). However, it should be noted that Elmos is generally not aware of the specific models or platforms in which its ICs are used or the quantities involved. For this reason, the share of Elmos semiconductors in zero-emissions vehicles (BEVs & FCVs) is determined on the basis of data on global automobile production for 2024. According to S&P Global (S&P Global Mobility Automotive Powertrain Production – January 2025), a total of around 89.5 million vehicles were produced worldwide in 2024, 14.7% of which are zero-emissions vehicles with an electric powertrain (BEVs) or a fuel cell (FCVs). Hybrid models are not taken into account in this regard as, according to the EU Taxonomy, only vehicles not causing any direct CO2 exhaust emissions can be considered Taxonomy-aligned.

In addition to the significant contribution to an environmental objective, the technical assessment criteria for Taxonomy-aligned activities also require the avoidance of significant adverse effects (the do no significant harm criteria) on other environmental targets.

For compliance with the DNSH criteria for the EU environmental target **2. Climate change adaptation,** Elmos has subjected the main location in Dortmund, which is the only production site in the Elmos Group worldwide, to a detailed climate risk and vulnerability analysis. The outcome of the assessment was that, thanks to the location of the Elmos production site, no current or future material climate risks were identified.

The criteria for environmental objective **3. Sustainable use and protection of water and marine resources** primarily relate to regulatory and statutory requirements, which Elmos is obliged to comply with anyway, especially at its only production site in Dortmund. A detailed description can be found in our ESG policy on water management, which can be found in the Sustainability section of www.elmos.com. In addition, the Elmos Environmental Management System is certified in accordance with the demanding ISO 14001 standard, which requires the identification and evaluation of potential risks to the environment. As a result, this risk analysis shows that Elmos' economic activities do not affect the EU's third environmental objective.

With the DNSH criteria for environmental objective **4. Transition to a circular economy,** the focus is primarily on general requirements, such as product design for a long life, recycling in the production process and the provision of information on substances of concern. Elmos semiconductors are designed for longevity and durability as a rule. The average product cycle of the products is 6 to 10 years, a period that is usually aligned with the service life of a car, although the actual life and functionality of the ICs is normally much longer. In addition, Elmos has implemented a comprehensive Waste Management System with a focus on transparency, environmental protection, resource cycles, occupational safety and decontamination. As a result, Elmos can point to a waste recycling rate of over 90% at all times. With regard to the provision of information on substances of concern, please refer to our statements on conflict minerals, ELV, REACH, and RoHS, which are available at www.elmos.com.

With regard to the EU environmental target **5. Pollution prevention and control,** there are no indications that Elmos is in breach of the requirements stipulated by the EU Taxonomy. Because Elmos complies with the necessary regulations and directives, the possibility that Elmos uses, manufactures, or markets substances of very high concern as defined by the EU Taxonomy can therefore be ruled out.

With regard to the EU environmental target **6. Protection and restoration of biodiversity and ecosystems,** we would like to refer you to our ESG guideline on biodiversity, which can be found at www.elmos.com in the Sustainability section. The risk analysis described in this policy – which is based on the Key Biodiversity Areas within the Biodiversity Risk Filter of the WWF Risk Filter Suite of the World Wide Fund For Nature (WWF) – shows that Elmos' economic activities are not detrimental to this environmental objective.

In summary, it can, therefore, be determined that the requirements for avoiding significant adverse effects and complying with the do no significant harm (DNSH) criteria of the other EU environmental objectives are met.

In addition to the technical assessment criteria, our processes have also undergone a review regarding their compliance with the minimum safeguards of the EU Taxonomy in order to determine Taxonomy-aligned economic activities. A gap analysis was prepared for this purpose to ensure compliance with the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights, including the fundamental principles and rights set out in the eight core conventions of the International Labor Organization's Declaration on Fundamental Principles and Rights at Work and the International Bill of Human Rights. The analysis centers on issues such as human and labor rights, bribery and corruption, taxation and fair competition, as well as the responsible use of science, technology, and innovation. At Elmos, the minimum protection requirements are ensured by using the existing, comprehensive compliance management structures. These include the Group-wide Compliance Management System (CMS), the Codes of Conduct for employees, suppliers, and business partners, the policies on human rights, the statements on conflict minerals and on ELV, REACH, and RoHS, and numerous guidelines on social issues and corporate governance, which can be found at www.elmos.com in the Sustainability and Corporate Governance section. No significant gaps were determined as part of the gap analysis, meaning that compliance with the minimum safeguards is also deemed to be in place.

As a result, Elmos was able to slightly increase its Taxonomy-aligned shares across all three KPIs (turnover, CapEx, OpEx) compared to the previous year. The shares of Taxonomy-aligned turnover and Taxonomy-aligned operating expenditure (OpEx) of Elmos were both 9.0%. The share of Taxonomy-aligned capital expenditure (CapEx) amounted to 8.9%.

Explanatory notes on the EU Taxonomy disclosures

All disclosures relate to the reporting period from January 1, 2024, to December 31, 2024 (previous year: January 1, 2023, to December 31, 2023).

In line with the consolidated financial statements of Elmos Semiconductor SE, the key financial indicators were determined in accordance with IFRS and stated in million Euro.

The financial indicators within the scope of the EU Taxonomy reporting obligation (turnover, CapEx, OpEx) are based on data from the consolidated financial statements of Elmos Semiconductor SE as of December 31, 2024 and were determined in accordance with the requirements and definitions in Annex I (KPIs of non-financial companies) of the Delegated Regulation of July 6, 2021 and reported in accordance with the requirements in Annex V of the Delegated Regulation of June 27, 2023.

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities – disclosure for 2024

Fiscal year 2024	2024			Substantial contribution criteria						DNSH criteria (do no significant harm)									
Economic activities	Code	Turnover	Proportion of turnover in 2024	Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity	Minimum safeguards	Taxonomy-aligned (A.1.) or Taxonomy-eligible (A.2.) proportion of turnover in 2023	Category enabling activity	Category transitional activity
		million Euro	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Manufacture of automotive and mobility components	CCM 3.18.	52.0	9.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	n/a	Y	Y	Y	Y	Y	Y	7.8%	E	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**52.0**	**9.0%**	**9.0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**n/a**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**7.8%**		
Of which enabling		52.0	9.0%	9.0%	0%	0%	0%	0%	0%	n/a	Y	Y	Y	Y	Y	Y	7.8%	E	
Of which transitional		0	0%	0%						n/a	n/a	n/a	n/a	n/a	n/a	n/a	0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Manufacture of other low-carbon technologies	CCM 3.6.	48.9	8.4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								10.8%		
Manufacture of automotive and mobility components	CCM 3.18.	300.7	51.8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								53.4%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		369.4	60.2%	60.2%	0%	0%	0%	0%	0%								64.2%		
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		401.7	69.1%	69.1%	0%	0%	0%	0%	0%								72.1%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		179.4	30.9%																
TOTAL		581.1	100.0%																

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – disclosure for 2024

Fiscal year 2024	2024			Substantial contribution criteria						DNSH criteria (do no significant harm)									
Economic activities	Code	CapEx	Proportion of CapEx in 2024	Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity	Minimum safeguards	Taxonomy-aligned (A.1.) or Taxonomy-eligible (A.2.) proportion of CapEx in 2023	Category enabling activity	Category transitional activity
		million Euro	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Manufacture of automotive and mobility components	CCM 3.18.	6.2	8.9%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	n/a	Y	Y	Y	Y	Y	Y	7.8%	E	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**6.2**	**8.9%**	**8.9%**	**0%**	**0%**	**0%**	**0%**	**0%**	**n/a**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**7.8%**		
Of which enabling		**6.2**	**8.9%**	**8.9%**	**0%**	**0%**	**0%**	**0%**	**0%**	**n/a**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**7.8%**	**E**	
Of which transitional		**0**	**0%**	**0%**						**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**0%**		**T**
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Manufacture of other low-carbon technologies	CCM 3.6.	6.2	9.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								10.8%		
Manufacture of automotive and mobility components	CCM 3.18.	35.7	51.7%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								53.5%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**41.9**	**60.7%**	**60.7%**	**0%**	**0%**	**0%**	**0%**	**0%**								**64.3%**		
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		**48.1**	**69.6%**	**69.6%**	**0%**	**0%**	**0%**	**0%**	**0%**								**72.1%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		21.0	30.4%																
TOTAL		69.1	100.0%																

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities – disclosure for 2024

Fiscal year 2024	2024			Substantial contribution criteria						DNSH criteria (do no significant harm)									
Economic activities	Code	OpEx	Proportion of OpEx in 2024	Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity	Minimum safeguards	Taxonomy-aligned (A.1.) or Taxonomy-eligible (A.2.) proportion of OpEx in 2023	Category enabling activity	Category transitional activity
		million Euro	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	Y; N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Manufacture of automotive and mobility components	CCM 3.18.	4.7	9.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	n/a	Y	Y	Y	Y	Y	Y	7.9%	E	
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**4.7**	**9.0%**	**9.0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**n/a**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**7.9%**		
Of which enabling		**4.7**	**9.0%**	**9.0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**n/a**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**7.9%**	**E**	
Of which transitional		**0**	**0%**	**0%**						**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**0%**		**T**
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Manufacture of other low-carbon technologies	CCM 3.6.	4.5	8.6%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								10.9%		
Manufacture of automotive and mobility components	CCM 3.18.	27.2	51.7%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								53.5%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**31.7**	**60.3%**	**60,3%**	**0%**	**0%**	**0%**	**0%**	**0%**								**64.4%**		
A. OpEx of Taxonomy-eligible activities (A.1+A.2)		**36.4**	**69.3%**	**69.3%**	**0%**	**0%**	**0%**	**0%**	**0%**								**72.2%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		16.2	30.7%																
TOTAL		52.6	100.0%																

Social information

Own workforce (ESRS S1)

Strategy

Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3)

Material impacts, risks and opportunities in the area of the own workforce

Sub-topic	Description	Impact / risk / opportunity	Positive / Negative	Potential / Actual	Distribution	Explanation
Working conditions	Attractive workplaces with good working conditions and many additional benefits	Impact	Positive	Actual	Own activity	Elmos is an attractive high-tech employer with a unique corporate culture. In addition to fair salaries, a high level of social benefits, individual career opportunities and a good work-life balance, Elmos offers numerous advantages for attracting and retaining employees.
	Holistic, occupational health management	Impact	Positive	Actual	Own activity	Elmos has established a comprehensive health management system for its employees with many benefits, such as vaccinations, a gym with an extensive range of courses, sporting events and Company reintegration management.
	Positive contribution to society through social commitment	Impact	Positive	Actual	Own activity	Social commitment at Elmos is primarily promoted by the Elmos Foundation ("Elmos Stiftung"), which was established in 2016. The Elmos Foundation focuses its charitable work on three areas: supporting projects for the promotion of education and science, regional activities at the locations of the Elmos Group and running campaigns combating global poverty. Further information can be found at www.elmos-stiftung.de/en/.
	Lack of availability of (key) employees / possible loss of know-how	Risk	Negative	Potential	Own activity	As an innovative company in the semiconductor industry, attracting and retaining highly qualified employees is a fundamental task for Elmos. Due to the tight labor market, particularly for skilled workers and engineers, there is a risk that qualified employees will leave the Company, or that the Company will not be able to attract qualified employees. This could have a negative impact on the Company's performance.
Equal treatment and opportunities for all	Skills development through training and further education	Impact	Positive	Actual	Own activity	Elmos places great emphasis on promoting and supporting young people and is highly committed to vocational training, which it sees as an important investment in the future. In addition, we offer all employees a comprehensive internal and external training and development program.
	Group-wide promotion of equal treatment and diversity	Impact	Positive	Actual	Own activity	Elmos attaches great importance to equal opportunities and employee diversity and promotes a corporate culture based on appreciation, equality and mutual respect.
Other work-related rights	Respect and promotion of human rights	Impact	Positive	Actual	Own activity	Elmos is aware of its due diligence for the compliance with human rights. Elmos acts in accordance with internationally applicable human rights and, in particular, does not tolerate any form of human trafficking, child labor, forced labor or other forms of exploitation. There is neither a risk of forced labor nor a risk of child labor within Elmos.

In the course of the materiality analysis carried out, the seven material IROs shown in the table were identified for the own workforce, of which six are positive impacts and one is a risk. These material IROs affect all employees at Elmos and result directly from the Elmos corporate philosophy.

This means that the sub-topics of working conditions, equal treatment and opportunities for all and other work-related rights are material with regards to the own workforce.

Impact, risk and opportunity management

Policies related to own workforce (S1-1)

Notable policies and documents related to the identified material IROs in the own workforce are listed in the table below. They all cover the Company's entire workforce.

Relevant policies in the area of the own workforce

Title	Contents
Code of Conduct	• Conflicts of interest • Competition and antitrust law • Handling information, data and Company property
Policy Statement on Human Rights	• Upholding human rights • Anti-discrimination • Diversity and equal opportunities • Fair payment • Freedom of association and collective bargaining
Occupational Health and Safety, Environmental Protection, and Energy Policy	• Legal compliance • Employees' sense of responsibility and employee participation • Continuous improvement
ESG policy: Recruiting	• Personnel needs • Personnel request • Recruitment channels • Staff selection • Hiring
ESG policy: Additional benefits	• Health management • Continuing and professional education • Career opportunities • Company events • Retirement
ESG policy: Occupational health and safety	• ISO 45001 – Occupational health and safety • Training courses • Protective equipment • Risk assessment
ESG policy: Health promotion	• Company medical service • Course offer • Company reintegration management
ESG policy: Social engagement	• Elmos Foundation • Promotion of education and science • Local activities • Combating poverty around the world
ESG policy: Employee training	• Personnel development • Compulsory training • Specialist training and further education
ESG policy: Diversity and equal opportunities	• Applicants • Equality • Promotion
ESG policy: Upholding human rights	• International standards and principles • Human trafficking and exploitation • Training courses • Whistleblower system
ESG policy: Anti-discrimination	• Discrimination and disadvantage • Exclusion • Authorized representatives
ESG policy: Fair and equal pay	• Minimum wages and social benefits • Variable remuneration components • Management Board remuneration
ESG policy: Whistleblower system	• Whistleblower portal • Reporting an infringement • Checking whistleblowing reports • Confidentiality and integrity

Elmos is aware of its due diligence for the compliance with human rights and demands this in the Code of Conduct for employees. All our employees worldwide receive regular training on the Code of Conduct. In addition, Elmos' whistleblower system is available across the company for anonymous reports of Code of Conduct and compliance violations. In the event of incoming reports, these are investigated by the Chief Compliance Officer and significant violations of applicable labor standards and human rights are reported to the Management Board.

In its corporate activities, Elmos is guided by international standards and principles such as the UN Universal Declaration of Human Rights, the fundamental principles of the International Labor Organization (ILO), the principles of the UN Global Compact, the OECD Guidelines for Multinational Enterprises and the UN 17 Sustainable Development Goals.

Human trafficking, forced labor and child labor are explicitly addressed in the Policy Statement on Human Rights, the Group-wide Code of Conduct and the ESG guideline on upholding human rights.

At Elmos, we want to offer all employees worldwide a working environment that is free of any form of discrimination and disadvantage. We do not tolerate employees, business partners or third parties being discriminated against, harassed or insulted. We respect the dignity, privacy, and right of personality of every single individual.

For this reason, the ESG guidelines "Anti-discrimination" and "Diversity and equal opportunities," among others, address these aspects. No one may be discriminated against, attacked, harassed or excluded on the basis of gender, skin color, ethnic or social origin, nationality, religion, ideology, political views, disability, age, marital status, sexual identity or orientation. This begins in the selection process, where special attention is paid to equal opportunities and anti-discrimination. Any form of sexual and non-sexual harassment, corporal punishment and coercion will not be tolerated.

Processes for engaging with own workers and workers' representatives about impacts (S1-2)

Elmos attaches great importance to an active exchange between Executive Management and employees. For this reason, Elmos pursues a pronounced employee communication via a wide variety of communication channels. Works meetings, for example, offer the opportunity to engage in open and constructive dialog. There is also a lively exchange between management and the works council in numerous committees. For further communication with employees, the Management Board sends German and English video messages several times a year, as well as event-related messages to employees on current and important topics. Elmos also publishes an employee magazine in German and English at least twice a year. Relevant brief information is shared by e-mail and on the intranet around once a week. The Elmos intranet provides key information, assistance, and documents. Current reports and information are also displayed on large monitors at various locations around the respective Company site. Elmos maintains a suggestion system that invites employees to submit suggestions, requests for changes, and ideas for optimization at any time. In addition, the employees elect two employee representatives to the Supervisory Board of Elmos Semiconductor SE every five years.

Employee surveys are conducted annually to maintain and increase employee satisfaction. Employee appraisals are held at least once a year between employees and their supervisors, in which employees are given feedback on their work results and work behavior. The meetings are also a place for supervisors to get feedback from their employees about their leadership and cohesion within the team. Any suggestions for improvement, requests, or pointers that employees may have for their supervisors are discussed.

Processes to remediate negative impacts and channels for own workers to raise concerns (S1-3)

Compliance with applicable laws and statutes and with all internal rules and regulations is a top priority for Elmos. We pursue a strict zero tolerance policy in relation to compliance violations and have a Group-wide compliance management system (CMS) in place. One key element of our CMS is providing a whistleblower system with various reporting channels, including full anonymity when desired. Whistleblowers have the option of submitting a report by letter, e-mail or via a web-based whistleblower portal, for example. The portal is available in German and English. The Elmos whistleblower system meets the requirements of the German Whistleblower Protection Act (HinSchG) and the Directive (EU) 2019/1937 on the protection of persons who report breaches of Union law, and is compliant with the EU General Data Protection Regulation (GDPR). Elmos has pledged to treat all incoming reports as confidential and investigate them conscientiously and initiate the necessary actions. Whistleblowers receive feedback on their report as soon as possible, and in any event within three months. If necessary, they are also notified of any follow-up measures that are planned or have already been taken and the reasons for these actions (such as internal research or inquiries).

Employees are informed about the whistleblower system as part of regular training on the Code of Conduct. The whistleblower system can be accessed both via the Elmos website and the intranet.

Elmos views confidentiality and integrity as top priorities. No one who reports a suspected compliance violation in good faith need fear disadvantages or reprisals, even if the suspected violation turns out to be unjustified. We do not tolerate retaliation against whistleblowers, but protect them resolutely.

Taking action on material impacts on own workforce and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions (S1-4)

In addition to the existing measures and established processes, such as participation in job and career fairs and an extensive range of training and development courses, the following measures were implemented in the reporting year to further increase the positive impacts.

A Barista Café was opened at our main location in Dortmund as a meeting place for breaks and inspiring discussions. An employee survey was conducted to measure employee satisfaction. The range of courses offered in our company gym was expanded, and we took part in various company runs. New first aiders were also trained. The presence in social media, such as LinkedIn and Instagram, was strengthened. And numerous teams have organized various events, such as a visit to the BVB stadium, archery, an exhibition visit and joint dinners.

Other benefits that go above and beyond the norm include an in-house cafeteria at the main location in Dortmund, a multi-story parking lot with separate bicycle parking spaces, e-charging stations for e-bikes and company cars, a free in-house gym with an extensive program of courses, the offer of massages and free fruit and water. In addition, an internal health team facilitates certain medical examinations and vaccinations for employees.

Responsibility for reviewing the effectiveness of the individual measures lies with the respective divisions, in particular, the HR department.

Metrics and targets

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (S1-5)

Based on the sale of the wafer fab in Dortmund to Littelfuse Inc. which was closed at the end of 2024, the key personnel metrics are based on the organizational structure of Elmos as a fabless company without its own wafer fab.

Parameter	Participation rate in mandatory compliance training	Occupational accidents measured on the basis of the 1,000-man ratio
Description	To ensure the continuous development of all employees, Elmos offers numerous training and further education courses. Important training courses on key topics (e.g. Compliance, Code of Conduct, cyber security, occupational safety, environmental protection and energy management) must be repeated at regular intervals by all employees and successfully completed.	We set the highest standards in occupational safety. The Elmos Occupational Health and Safety Management System for the main site in Dortmund is, therefore, certified in accordance with the strict requirements of ISO 45001. As part of this system, we are consistently committed to reducing (reportable) accidents at work.
Target	>95%	<10.6
Target horizon	Annually	Annually
Reporting year	92%	6.9
Status	▪	▪
Relevant IRO	Skills development through training and further education	Attractive workplaces with good working conditions and many additional benefits

Characteristics of the undertaking's employees (S1-6)

2024	Female	Male	Total
Number of permanent employees	290	938	1,228
Number of temporary employees	16	45	61
Number of employees	**306**	**983**	**1,289**
Number of full-time employees	230	931	1,161
Number of part-time employees	76	52	128
Number of employees	**306**	**983**	**1,289**

Figures as of December 31, 2024 in number of persons. Figures include trainees, students and temporary employees.

Employee turnover in the reporting year was 2.5%, measured by voluntary resignations of full-time and part-time employees in relation to the average headcount.

Characteristics of non-employee workers in the undertaking's own workforce (S1-7)

To increase flexibility, for example to cover peak demand, Elmos also employs freelancers and temporary workers in exceptional cases, usually through third-party companies. These instruments enable Elmos to respond at short notice and flexibly to an increasingly rapidly changing market environment. Their use can contribute to optimizing our competitiveness and thus to securing employment in general. Elmos endeavors to reduce the use of non-direct employees, especially temporary workers, as much as possible. However, the vast majority of Elmos employees already have direct and permanent contracts. As of December 31, 2024, Elmos only had 5 temporary workers (2 women and 3 men).

Diversity metrics (S1-9)

In the reporting year, 237 employees (18%), 58 women and 179 men, were under 30 years old, 672 employees (52%), 174 women and 498 men, were between 30 and 50 years old and 380 employees (29%), 74 women and 306 men, were over 50 years old. The average age was 42 years. Information on the gender distribution of Top Management can be found in the statement on corporate governance in this Annual Report.

Adequate wages (S1-10)

In our Company, female, male and non-binary employees are treated equally. There are no known differences between employees' wages or salaries that could be attributed to gender alone. Elmos remunerates all employees fairly and appropriately and guarantees at least statutory minimum wages, applicable working time regulations and overtime regulations, as well as statutory and voluntary social benefits. In addition, Elmos also grants variable remuneration components and special payments, e.g. in the form of target agreements or depending on the Company's success.

Social protection (S1-11)

93% of the workforce is employed in Germany and, therefore, enjoys comprehensive statutory social protection, particularly with regard to illness, unemployment, accidents at work and disability, parental leave and retirement. All other employees of the Elmos Group are also employed in countries that offer a minimum standard of social protection. In addition, Elmos offers its employees numerous voluntary social benefits and health promotion measures.

Training and skills development metrics (S1-13)

As an innovative company in the semiconductor industry, specialists with excellent training are of particular importance to Elmos. In order to ensure the continuous development of all employees and to prepare them for new challenges, Elmos offers numerous training and further education courses at all levels. All our employees, regardless of gender, are promoted on the basis of their qualifications and skills. Elmos employees in leadership and management positions complete specific leadership and management training courses in addition to the regular training program.

Important training courses on key topics (e.g. Compliance, Code of Conduct, cybersecurity, occupational safety, environmental protection and energy management) must be repeated by all employees at regular intervals and successfully completed. Employees undergo further specialist training and development courses depending on their area of responsibility. The specific training requirements are determined as part of the annual employee appraisals.

In addition, Elmos is highly committed to vocational training, which it sees as an important investment in the future. Elmos offers a total of 11 different apprenticeships and dual study programs at its German locations, primarily at its main location in Dortmund. High-quality training at Elmos is tailored to our needs as an innovative, high-tech company and offers young people an excellent starting point for their professional careers.

The majority of employees regularly take part in the performance and career assessments described above. In the reporting year, 60% took advantage of the annual employee appraisals.

The average number of training hours in the reporting year was 19 hours per person. The figure was 21 hours for women and 19 hours for men. Employees in the management category completed an average of 25 hours of training in the reporting year, with women completing 30 hours and men 24 hours. Employees in the skilled worker category completed an average of 18 hours of training, with women completing 20 hours and men 18 hours.

Health and safety metrics (S1-14)

We set the highest standards in occupational safety. The Elmos Occupational Health and Safety Management System for the main location in Dortmund is, therefore, certified in accordance with the strict requirements of ISO 45001. The system covers 83% of employees. The other Elmos locations are development or sales offices without their own production facilities. The risk of accidents is very low for these locations.

There were no fatalities in the reporting year. At the main location in Dortmund, there were 6 reportable occupational accidents and 7 reportable commuting occupational accidents in the reporting year. The latter are not directly the responsibility of Elmos and can only be influenced by us to a limited extent. The rate of reportable occupational accidents per 1,000,000 hours worked at the main location in Dortmund was 5.8 in the reporting year. Elmos has no information on reportable work-related illnesses.

Work-life balance metrics (S1-15)

Elmos supports a good work-life balance and the compatibility of family and career with numerous measures and offers for all employees. In addition to the prevailing legal frameworks, such as maternity protection and parental leave, these include a regulation on working remotely, which offers employees a great deal of flexibility, flexitime and trust-based working time models for flexible working hours, individual part-time models to reconcile private obligations such as caring for relatives and work, and paid special leave, e.g. for weddings, anniversaries, births, relocations or bereavement.

In the reporting year, 5% of employees took family-related leave for maternity leave, parental leave or care leave, of which 47% were women and 53% men.

Incidents, complaints and severe human rights impacts (S1-17)

Overarching figures on Compliance incidents are reported in the section on business conduct (ESRS G1). No reports were received via the whistleblower system in the reporting year. Overall, there were no incidents or complaints, neither serious nor material, relating to human rights in connection with the employees of Elmos, especially not in the area of discrimination. As there were no incidents, there were also no related payments.

Additional mandatory information

There is no correlation between the IROs identified in the own workforce and the climate targets.

No information is provided on the resources available and used to take measures with regard to material impacts on the own workforce.

There are no particularly vulnerable groups at Elmos. Therefore, specific political commitments regarding inclusion or support measures for people from vulnerable groups are not material for Elmos.

The topics of collective bargaining coverage and social dialogue were not identified as material in the course of the materiality analysis. This is because Elmos Semiconductor SE and its subsidiaries are not subject to collective bargaining. Furthermore, Germany is the only EEA country in which Elmos has a significant number of employees. With the exception of the employees of Online Engineering GmbH, all employees in Germany are represented vis-à-vis the management by works councils. Additional information can be found on our website.

In the course of the materiality analysis, the topic of persons with disabilities was not identified as material. For legal reasons, Elmos is not allowed to ask employees about their disability status. Nevertheless, we have set up a representative body for severely disabled employees to ensure equal rights for employees with disabilities.

Compensation metrics were not identified as material in the course of the materiality analysis. There are no known differences between employees' wages or salaries that could be attributed to gender alone. Additional information can be found in the report on equality and equal pay in this Annual Report.

Workers in the value chain (ESRS S2)

Strategy

Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3)

Material impacts, risks and opportunities in the area of workers in the value chain

Sub-topic	Description	Impact / risk / opportunity	Positive / Negative	Potential / Actual	Distribution
Working conditions	Non-compliance with the Code of Conduct for Suppliers and Business Partners with regard to working conditions in the supply chain	Impact	Negative	Potential	Entire value chain
Equal treatment and opportunities for all	Non-compliance with the Code of Conduct for Suppliers and Business Partners with regard to equal treatment & discrimination in the supply chain	Impact	Negative	Potential	Entire value chain
Other work-related rights	Non-compliance with the Code of Conduct for Suppliers and Business Partners with regard to human rights in the supply chain	Impact	Negative	Potential	Entire value chain

In the course of the materiality analysis carried out, the topics shown in the table were identified as material. All workers in the value chain can be affected by the three identified material potential negative impacts. The effects identified as part of the materiality analysis are directly related to the complex and international industry in which Elmos operates and thus also to the Elmos business model. No significant risks and opportunities were identified within the materiality analysis.

Along the supply chain, regulations on working conditions, equal treatment and discrimination, as well as human rights are defined in our Code of Conduct for Suppliers and Business Partners, for example. Compliance with the Code of Conduct is stipulated in our General Purchase Conditions. In addition to their compliance, we expect our business partners to at least comply with national legislation.

Workers in the value chain who may be affected by the impacts identified in the materiality analysis can be divided into three groups: The first group comprises our suppliers and service providers in the upstream value chain. This mainly relates to our foundry and OSAT (Outsourced Semiconductor Assembly and Test) partners. It should be noted here that the main suppliers of Elmos are large and established high-tech companies, which are generally also listed on the stock exchange and thus are of public interest. These suppliers generally have modern and established structures, processes and policies in place to minimize negative impacts related to workers in the value chain.

The second group comprises workers from external companies who carry out work on the Company premises. This primarily relates to the main location in Dortmund and manual activities such as building cleaning, green maintenance or servicing and maintenance work, as well as other external service providers for administration, sales or development.

The third group comprises service providers in the downstream value chain, such as logistics service providers.

No significant risk of child or forced labor in our direct supply chain has been identified in the analyses conducted to date, including with external support. However, due to the business activities of Elmos and its focus on the Asian market, this risk cannot be ruled out in the indirect upstream supply chain due to industry and country risks. For example, risks are generally attributed to the electrical industry due to the product-related use of conflict minerals. Based on the ITUC Global Rights Index, the same applies to selected countries in Asia, such as China, India, Korea, Malaysia and Thailand.

As part of the materiality analysis, the sub-topics of working conditions, equal treatment and opportunities for all and other work-related rights were identified as material in the area of workers in the value chain.

Impact, risk and opportunity management

Policies related to value chain workers (S2-1)

In connection with the identified IROs, the Code of Conduct for Suppliers and Business Partners, compliance with which is prescribed in the General Purchase Conditions, should be mentioned, in particular. In addition, the following documents compiled in the table are relevant with regard to the identified material IROs in the area of workers in the value chain.

Relevant policies in the area of workers in the value chain

Title	Contents
General Purchase Conditions	• Orders and prices • Delivery dates and deadlines • Invoicing and payment • Acceptance and notification of defects • Compliance and Code of Conduct
Code of Conduct for Suppliers and Business Partners	• Corruption • Human rights • Environmental protection • Handling information and data • Whistleblower system
Terms of sale and delivery	• Confidentiality / Prices • Deliveries • Payments • Warranty
Policy Statement on Human Rights	• Human rights compliance • Anti-discrimination • Diversity and equal opportunities • Fair payment • Freedom of association and collective bargaining
ESG policy: Whistleblower system	• Whistleblower portal • Reporting an infringement • Checking whistleblowing reports • Confidentiality and integrity
ESG policy: Supply chain management	• Selection of suppliers • Human rights • Raw materials from controversial sources • German Supply Chain Due Diligence Act (LkSG)

In addition to compliance with the Code of Conduct for Suppliers and Business Partners, we expect our business partners to at least comply with national legislation and to observe the declarations, guidelines and recommendations on which our Code of Conduct for Suppliers and Business Partners is based. In order to comply with the applicable human rights, we, therefore, also demand compliance with the UN Universal Declaration of Human Rights, the fundamental principles of the International Labor Organization (ILO), the principles of the UN Global Compact, the OECD Guidelines for Multinational Enterprises and the 17 UN Sustainable Development Goals.

Other notable ESG documents are the policies “whistleblower system” and “supply chain management.” The whistleblower system presented in the section on the own workforce (ESRS S1) is also accessible to workers in the value chain. In this way, potential violations can and should be identified and appropriate countermeasures initiated. The aforementioned documents place a particular focus on the workforce in the upstream value chain, i.e. on suppliers. All documents are publicly available in German and English on the Company website.

Processes for engaging with value chain workers about impacts (S2-2)

Elmos expects its suppliers and business partners to uphold and ensure compliance with the principles described in the Code of Conduct for Suppliers and Business Partners or comparable (minimum) standards. Suppliers and business partners must ensure, as far as possible, that their subcontractors also comply with appropriate standards. Suppliers and business partners are at liberty to introduce more extensive behavioral guidelines with higher requirements for ethical and social conduct for themselves and their employees. Suppliers and business partners undertake to make their employees aware of the content of the Code of Conduct and the obligations arising from it. They undertake to work towards ensuring that the Company’s actions comply with the principles of the Elmos Code of Conduct for Suppliers and Business Partners, in particular, by introducing and, if necessary, adapting guidelines and processes.

The working group on the supply chain (including the Purchasing, Quality, Human Resources and Legal departments) is involved in the development and revision of the Code of Conduct for Suppliers and Business Partners and also takes aspects of our suppliers and business partners into account. This indirectly takes into account the perspective of these workers in the value chain. The Management Board is responsible for adopting the Code of Conduct for Suppliers and Business Partners.

Processes to remediate negative impacts and channels for value chain workers to raise concerns (S2-3)

Elmos has set up a digital whistleblower system that is freely accessible on the company website. The whistleblower system consists of two modules. In addition to notifications within the Company (Compliance module), there is another module specifically for reports in the supply chain. We refer to this digital whistleblower system set up by Elmos in our Code of Conduct for Suppliers and Business Partners, among other things. At this point, we refer to the information on the whistleblower system already provided in the section on the own workforce (ESRS S1). The process for dealing with incoming reports is also described there. There are also other channels for providing information, such as e-mail, telephone or mail. No reports were received via the various channels in the reporting year.

So far, no significant negative impact on workers in the value chain has been caused, nor has it been necessary to take mitigation actions.

Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions (S2-4)

Before a business relationship can be entered into with a new supplier, the supplier is systematically examined and evaluated. Preliminary surveys, including on compliance with human rights and environmental standards, are carried out for this purpose. There is also a query about financial stability.

In the reporting year, we introduced a new risk management process for our suppliers in collaboration with an external service provider to increase the transparency of our value chain and to comply with the German Supply Chain Due Diligence Act (LkSG).

Based on information on industry and country risks, as well as publicly available reports, all suppliers are assessed in the four areas of labor rights, human rights, health and safety and the environment with regard to any risks that may exist. An overall rating is calculated in conjunction with our ability to exert influence, which results from our purchasing volume from the suppliers. This evaluation distinguishes between four classes: no priority, low priority, medium priority and high priority.

Elmos then takes a closer look at product-relevant suppliers and service providers that are assigned a medium or high priority. These suppliers are sent questionnaires on the topics in which risks have been identified. If necessary, supplier-specific measures are identified, implemented and monitored after the questionnaires have been processed. The analysis is repeated at least once a year. As part of our IATF certification, selected suppliers can also be audited on site in a process audit if required.

Targets

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (S2-5)

Parameter	Monitoring of key suppliers and service providers	Compliance in the value chain
Description	As part of our risk analysis, all key suppliers directly involved in the value chain of Elmos are to be monitored. These are primarily suppliers and service providers who are involved in the development and creation of our products.	Elmos has set up a whistleblower system with various reporting channels for reporting compliance incidents. Within the digital reporting system, there is a separate module for reporting violations within the supply chain. The aim is not to receive any reports of critical incidents. Should this nevertheless be the case, Elmos has established a dedicated process for dealing with such reports.
Target	100% of key suppliers and service providers	0 critical reports
Target horizon	Annually	Annually
Reporting year	100% of key suppliers and service providers	0 critical reports
Status	▪	▪
Relevant IRO	Non-compliance with the Code of Conduct for Suppliers and Business Partners	Non-compliance with the Code of Conduct for Suppliers and Business Partners

Additional mandatory information

There are no employees working in the operations of a joint venture or a special purpose entity in which the reporting company holds an interest.

There are no workers who are particularly vulnerable to adverse impacts due to their inherent characteristics or special circumstances.

There are no workers who may be more at risk due to certain characteristics, a certain working environment or the performance of certain activities.

No cases of non-compliance with the United Nations Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work or the OECD Guidelines for Multinational Enterprises involving workers in the value chain were reported in the upstream and downstream value chain.

No significant actual negative impacts were identified in the materiality analysis, only significant potential negative impacts. This means that no specific actions have had to be taken to date. Positive effects result from the business activities of Elmos. However, no significant positive effects on the workers in the value chain have been identified. There are, therefore, no targeted actions.

To date, no serious problems or incidents relating to human rights have been reported within the upstream and downstream value chain.

No information is provided on the resources available and/or used to manage material effects.

The materiality analysis did not identify any material risks or opportunities relating to workers in the value chain (ESRS S2).

Governance information

Business conduct (ESRS G1)

Impact, risk and opportunity management

Description of the processes to identify and assess material impacts, risks and opportunities (ESRS 2 IRO-1)

Material impacts, risks and opportunities in the area of business conduct

Sub-topic	Description	Impact / risk / opportunity	Positive / Negative	Potential / Actual	Distribution	Explanation
Corporate culture	Good corporate governance and corporate culture with an appropriate compliance management system (CMS)	Impact	Positive	Actual	Own activity	Strict compliance with applicable laws and all of the rules and regulations in place at the Company is a fundamental principle at Elmos and an important part of the corporate culture.
	Compliance risks (e.g. acceptance of benefits, bribery, data protection violations, violations of antitrust law)	Risk	Negative	Potential	Own activity	Despite our comprehensive compliance management system (CMS), potential compliance risks and violations cannot be completely ruled out.
Corruption and bribery	Positive and good corporate ethics	Impact	Positive	Actual	Own activity	We actively strive to adhere to our ethical principles and the Elmos Code of Conduct, as well as combat corruption and bribery at our Company. Elmos condemns all forms of corruption and bribery and does not tolerate any conduct aimed at gaining an unfair advantage in business activities.
	Corruption or money laundering and the associated loss of reputation, fines or criminal consequences	Risk	Negative	Potential	Own activity	A potential loss of our reputation as a result of corruption or money laundering could also entail a significant financial risk.

In the course of the materiality analysis carried out, a total of four IROs were identified as material, two of which were a positive impact and two of which were financial risks.

This means that the sub-topics of corporate culture and corruption and bribery are material in the area of business conduct.

Corporate culture and business conduct policies (G1-1)

Notable policies and documents related to the identified material IROs in the area of business conduct are listed in the table below.

Relevant policies in the area of business conduct

Title	Contents
Code of Conduct	• Conflicts of interest • Competition and antitrust law • Handling information, data and Company property
Anti-corruption guideline	• Gifts from third parties • Gifts to third parties • Invitations from third parties • Invitations to third parties
General Purchase Conditions	• Orders and prices • Delivery dates and deadlines • Invoicing and payment • Acceptance and notification of defects • Compliance and Code of Conduct
Code of Conduct for Suppliers and Business Partners	• Corruption • Human rights • Environmental protection • Handling information and data • Whistleblower system
ESG policy: Compliance management system (CMS)	• IDW 980 – CMS • Chief Compliance Officer and Compliance Committee • Internal Audit • Training courses
ESG policy: Business ethics and anti-corruption	• Corruption and bribery • Conflicts of interest • Whistleblower system
ESG policy: Whistleblower system	• Whistleblower portal • Reporting an infringement • Checking whistleblowing reports • Confidentiality and integrity
ESG policy: Supply chain management	• Selection of suppliers • Human rights • Raw materials from controversial sources • German Supply Chain Due Diligence Act (LkSG)

For the Supervisory Board and Management Board of Elmos, corporate governance means the implementation of responsible and sustainable business management with the appropriate transparency across all areas of the Group. The Supervisory Board and Management Board regularly deal with the requirements of the German Corporate Governance Code (GCGC). Elmos reports on Corporate Governance within the framework of the declaration of conformity with the GCGC.

The whistleblower system can also be used to report cases of corruption and bribery. Detailed information on this can be found in the section on the own workforce (ESRS S1). Reports are processed according to the procedure described there.

For new employees, training on the Code of Conduct is mandatory, among other things. In addition, all employees receive training on the Code of Conduct every two years. Furthermore, in-depth training courses are held for employees in the relevant areas, e.g. on trade compliance and corruption prevention, competition and antitrust law. The focus here is particularly on employees who take part in association meetings and meetings of funding projects or who work in sales. Elmos imparts the necessary basic knowledge through online and classroom training.

Prevention and detection of corruption and bribery (G1-3)

Elmos condemns all forms of corruption and bribery and does not tolerate any conduct aimed at gaining an unfair advantage in business activities. We actively strive to adhere to our ethical principles and the Elmos Code of Conduct, as well as combat corruption and bribery at our Company. To this end, Elmos has a Group-wide compliance management system (CMS) and its own anti-corruption policy. The following regulations are consistently implemented in the Company: Prohibition of bribery and corruption, maximum limits for gifts and the handling of invitations, obligation to render correct accounts, obligation to keep confidential information secret and prohibition of anti-competitive behavior.

The Management Board has delegated responsibility for compliance within the Company to the Chief Compliance Officer. The Chief Compliance Officer is responsible for the timely, efficient and adequate implementation of the CMS. The Chief Compliance Officer acts autonomously and independently. The necessary powers have been transferred to the Chief Compliance Officer by the Management Board. In addition, Internal Audit carries out non-event-related audits in various areas of the Company. Evaluating the audit reports helps to improve and develop the CMS. Elmos aims to continuously improve compliance within the Group and to further integrate it as an essential part of the Elmos culture.

The Chief Compliance Officer reports directly to the CEO and informs the entire Management Board regularly, at least once a quarter. The Management Board reports annually to the Supervisory Board and the audit committee on compliance. The Chief Compliance Officer's quarterly reports are summarized and prepared for this purpose.

Elmos already had the adequacy and implementation of its compliance management system (CMS) audited by an external, independent auditor in accordance with the "IDW Assurance Standard: Principles for the Proper Performance of Reasonable Assurance Engagements Relating to Compliance Management Systems (IDW AsS 980)" in 2022. In addition, Elmos successfully completed the compliance audit in accordance with IDW PS 980 with the effectiveness test in the fiscal year 2024.

Suppliers and business partners are provided with the relevant documents, such as our General Purchase Conditions and the Code of Conduct for Suppliers and Business Partners, when a contract is concluded. In addition, all documents mentioned in this report, such as the ESG policies, are available in German and English on the Elmos sustainability website and are, therefore, freely and publicly accessible to all stakeholders. The Code of Conduct is handed out to all new employees in printed form with the recruitment documents. It is also available on the website and, together with accompanying information, on the company intranet.

There are no particularly high-risk functions. All employees must complete compliance training courses that address the various aspects of compliance and provide instructions for the respective areas of work.

The Company regularly informs and supports the members of the Supervisory Board with regard to new laws and current case law on relevant topics. In addition, there is a regular exchange, at least once a year, between the Supervisory Board and the auditor on new legal and regulatory requirements in the areas of Compliance, Internal Control, Risk Management and Corporate Governance, as well as Accounting, Financial Reporting and Sustainability Reporting.

Metrics

Confirmed incidents of corruption and bribery (G1-4)

There were no confirmed cases of corruption or bribery in the reporting period. This meant that no fines had to be paid. As there were no incidents, no actions had to be taken.

Additional mandatory information

The management of relationships with suppliers, including payment practices, was not identified as material in the course of the materiality analysis. However, anchoring the requirements relating to human rights, occupational health and safety and environmental sustainability in our Code of Conduct for Suppliers and Business Partners and in the Policy Statement on Human Rights under the German Supply Chain Due Diligence Act (LkSG) promotes the effectiveness of our Supply Chain Management, as it enables us to increase transparency along the value chain, identify potential risks and initiate appropriate measures. Additional information on our supplier management can be found in the section workers in the value chain (ESRS S2).

Political influence and lobbying activities were not identified as material in the course of the materiality analysis. Outside of association activities, Elmos does not exert any direct political influence on legislative decisions and does not engage in active or proactive lobbying. However, as a leading company in the semiconductor industry, Elmos regularly exchanges information, opinions and experience with members from industry, politics and society. Additional information can be found on our website.

Elmos does not work with live animals or animal products and, therefore, has no corresponding animal welfare guidelines.

Equality and equal pay report

Elmos attaches great importance to equal opportunities and employee diversity and promotes a corporate culture based on appreciation, equality and mutual respect. In our Company, female, male and non-binary employees are treated equally. All our employees are recruited on the basis of their qualifications and skills, and we are committed to gender-independent promotion throughout the company. We do not prefer or disadvantage anyone on the basis of their gender, skin color, ethnic or social origin, nationality, religion, ideology, political views, disability, age, marital status, or sexual identity or orientation. There are no known differences between employees' wages or salaries that could be attributed to gender alone. This is why there are no measures in place at the Company to end any kind of unequal treatment. Inquiries regarding equal pay are processed in accordance with the legal requirements, taking into account the rights of the employees and the employer.

Average number of employees per year | Elmos Semiconductor SE

	Women			Men		
	2024	2023	2022	2024	2023	2022
Full time	154	139	137	666	627	603
Part time	70	76	76	35	27	23
Total	**224**	**215**	**213**	**700**	**654**	**626**

Combined management report

In this combined management report, we analyze the course of business and the situation of the Elmos Group and Elmos Semiconductor SE in the reporting year. Further information about Elmos Semiconductor SE is included in a separate section containing HGB disclosures.

Business model and strategy

The Elmos Group, with Elmos Semiconductor SE as its parent company (hereinafter "Elmos"), is a global supplier of mixed-signal semiconductors, primarily for customers in the automotive industry. As a system solutions specialist, our goal is to improve the customer's electronic system, thereby increasing the performance, efficiency, and safety of applications and benefitting customers in a number of ways, including in terms of production, costs, performance, and reliability. For 40 years, Elmos has established itself as a specialist for mixed-signal semiconductors with the aim of continuously developing the next innovations that offer added value for our customers and end users.

Our products offer innovative solutions for global automotive megatrends: Elmos semiconductors support driver assistance systems through to autonomous driving, electric drive concepts, digitalization and software-defined vehicles, innovative system architectures and enable greater safety, comfort and well-being in all vehicles. Our aim is to sustainably benefit from structural market growth in the automotive semiconductor market, and from the increasing electrification of all systems and functions in vehicles with our pioneering products. We want to continue to grow profitably in our application areas and continue the positive development of the entire Company.

Innovative, high-quality product portfolio

As a supplier of mixed-signal semiconductors for automotive electronics, Elmos currently supplies several hundred customers worldwide, including all major automotive suppliers. Sales to automotive customers accounted for 92% of the Group's sales in the reporting year. In the industrial and consumer goods sectors, Elmos supplies products for applications in smart installation and facility technology, household appliances, and machine control systems, among other things. These products accounted for 8% of sales in the reporting year.

Our product range is divided into business lines. The structure of the business lines is oriented toward the products of the target applications. The business lines market customer-specific semiconductors (ASICs = application-specific integrated circuits) and application-specific standard chips (ASSPs = application-specific standard products). ASICs are developed according to customer specifications and tailor-made for each customer. Elmos defines the specifications for ASSPs. ASSP product developments are aligned with market demands. Elmos prioritizes different product ideas and takes into account expected volumes, information on the competition, and feasibility, among other factors. Only those projects are realized that meet the Company's targets for market expectations, margin potential, and strategic positioning. ASSPs accounted for around 72% of the Group's sales in the reporting year, with the remaining 28% generated with ASICs. A majority of the products in development, and a majority of the Design Wins, are ASSPs.

Elmos achieves a high level of quality with its products, as well as in its business, manufacturing, and support processes. For example, the Elmos quality management system is certified at the relevant locations in accordance with the automotive industry standard IATF 16949. The recertification audit in 2024 confirms the high level of the Quality Management System. Elmos also possesses ISO 26262 certification (functional safety) Group-wide. Furthermore, Elmos also maintains an ISO/SAE 21434-certified Automotive Cybersecurity Management System (ACSMS) to develop cyber-secure products and maintain cybersecurity over the entire product life cycle.

Research and development

Our research and development activities are focused on the competitive and on-time design of products to further expand the innovative Elmos portfolio and ensure that the numerous new projects enter series development. A strong understanding of systems in our core applications with a pronounced culture of innovation are at the forefront of this. A total of 467 employees worked in research and development on average over the year. That is around 34% of the Elmos Group's entire workforce. The business lines work closely with the research and development department. If necessary, external development services are also used.

Organizational structure

The organization of Elmos is oriented toward the target markets, customer needs, and internal requirements. Elmos focuses on proximity to customers (Tier 1s) and automotive manufacturers (OEMs) in order to meet their current requirements and recognize specific future requirements at an early stage. This is the only way we can understand the complex systems in our core applications in depth so that we can continue to offer competitive products with corresponding unique selling points in the future.

As of January 1, 2025, the Elmos Group implemented a new Group structure with a Group holding company (Elmos Semiconductor SE) as the Group parent company and four new operating limited liability companies under German law (so-called "GmbHs"). This new Group structure is specifically geared towards our long-term international growth strategy. The administrative headquarters of Elmos Semiconductor SE has been relocated within North Rhine-Westphalia from Dortmund to Leverkusen as of January 1, 2025. The largest Elmos location with the four operating GmbHs and the majority of employees is still in Dortmund. Various branches, subsidiaries and partner companies at several locations, mainly in Germany (Berlin, Bruchsal, Dresden, Dusseldorf, Frankfurt/Oder), the USA (Detroit) and Asia (including Seoul, Singapore, Shanghai, Shenzhen, Tokyo, Taipei and Pune), provide sales and application support, as well as product development. Furthermore, in the first half of 2024, Elmos Semiconductor SE – indirectly via its subsidiary

Elmos Semiconductor Singapore Pte. Ltd., Singapore – founded JiWeiCheng Semiconductor Shanghai Co. Ltd., China. Through JiWeiCheng, customers in China are served with a local brand and local management with semiconductors that are manufactured with an increasing proportion of Chinese added value.

Elmos Semiconductor SE and Littelfuse, Inc., USA, a diversified industrial technology company, signed an agreement on June 28, 2023 for the sale of Elmos' wafer manufacturing operations at the Dortmund site to Littelfuse, which was closed at the turn of the year on December 31, 2024. All other activities, including test operations, have remained with Elmos. In addition, Elmos and Littelfuse have entered into a long-term supply agreement with an initial term until 2029, under which Elmos will purchase certain quantities of the wafers produced in the fab. This long-term agreement complements the other supply agreements with the other foundry partners of Elmos, and secures the necessary capacities for Elmos to meet the planned customer requirements. The German Federal Antitrust Authority (Bundeskartellamt) issued its unconditional approval of the deal in July 2023. In August 2023, the Federal Ministry for Economic Affairs and Climate Action (BMWK) also granted its clearance under foreign trade law for the sale of Elmos' wafer fab to Littelfuse without any conditions. With the closing of the transaction, the transformation of Elmos within the front-end area of the value chain without its own production into a so-called fabless company is complete.

In addition to cooperating with partners in wafer processing in the front-end area, Elmos also works with partners in the test area (so-called OSAT – Outsourced Semiconductor Assembly and Test) in the back-end area, primarily in Asia. The aim is to achieve a permanently high utilization of the Company's own test area in Dortmund and to implement growth beyond the capacities in Dortmund through cooperation with external partners.

Control system

Control parameters

The Elmos control system is based on four essential elements: sales, EBIT or EBIT margin, capital expenditures, and free cash flow (adjusted). These key figures are significant indicators of the financial performance of the Elmos Group and Elmos Semiconductor SE and form an essential basis for operational and strategic management decisions. They are used to measure the achievement of targets and the Company's success, as well as to determine the performance-related variable remuneration for the Management Board.

Each indicator is considered and analyzed, both individually and in connection to the other ones. As a growth-oriented and innovative company, Elmos attaches great importance to the profitable growth of sales. Earnings before interest and taxes (EBIT) and the EBIT margin reflect the quality of earnings.

The demand for capital expenditures is derived from medium-term sales planning and the resulting demands on manufacturing and test capacity, as well as economic considerations. Non-budgeted capital expenditures are made only after an additional check has been conducted. Adjusted free cash flow is defined as cash flow from operating activities less investments in/plus disposals of intangible assets and property, plant and equipment (including changes in the scope of consolidation).

Reporting of the control system

The Management Board is informed in detail at least once per month about the performance of business operations in the form of standardized reports. This reporting system is enhanced by ad hoc analyses in writing or oral reports, if necessary. The actual data generated by the Group-wide reporting system is compared with the budget data each month. Deviations from the budget figures are analyzed and annotated, and adequate countermeasures are defined.

Business report

Macroeconomic and sector-specific framework conditions

The major global automotive markets have developed differently in terms of light vehicle production figures in 2024. According to S&P Global, the number of new vehicles produced worldwide in 2024 fell slightly by 1.1% compared to the previous year. From a regional perspective, China (+3.8%) recorded growth, while Europe (-4.7%) and North America (-1.4%) saw declines.

Light vehicle production figures[1]	Change
Worldwide	-1.1%
Europe	-4.7%
China	+3.8%
North America	-1.4%
Semiconductor market	
Overall semiconductor market (worldwide)[2]	+19.0%
Automotive semiconductor market (worldwide)[3]	+1.6%

Sources: [1]S&P Global Mobility Light Vehicle Production Forecast (As of: January 2025), [2]WSTS (As of: December 2024), [3]S&PGlobal Mobility Automotive Semiconductor Tracker (published in December 2024)

The semiconductor market recorded significant growth in 2024, in particular, due to much stronger demand for memory ICs. According to the industry association WSTS (World Semiconductor Trade Statistics), total semiconductor sales worldwide rose by +19.0% to USD 627 billion in 2024. In contrast, according to S&P Global, the automotive semiconductor market was only able to grow slightly by +1.6% in 2024.

Guidance/actual comparison

Elmos issued its guidance for the past fiscal year for the first time in February 2024 and confirmed it in the outlook as part of the combined management report for fiscal year 2023. In November 2024, in addition to announcing medium-term financial targets, Elmos specified the outlook for 2024 in terms of sales and adjusted free cash flow, as shown in the following table. With sales of 581.1 million Euro (+1.1% vs. previous year), an operating EBIT margin of 25.1%, investments of 7.6% of sales and an adjusted free cash flow of 5.1 million Euro, Elmos met its forecast from November 2024. Capital expenditures for intangible assets and property, plant and equipment less capitalized development costs were significantly reduced compared to the previous year's high level. At 7.6% of sales, investments were below the forecast of around 12% ± 2 percentage points due to lower growth and our activities to achieve operational excellence and test time optimization, meaning that this key performance indicator fell short of, respectively did not meet, the forecast.

	02/2024	11/2024	Actual 2024	
Sales	605 million Euro ± 25 million Euro	Lower range of the unchanged sales guidance of 605 million Euro ± 25 million Euro	581.1 million Euro	✔
Operating[1] EBIT margin in % of sales	25% ± 2 percentage points	25% ± 2 percentage points	25.1%	✔
Capital expenditures[2] in % of sales	12% ± 2 percentage points	12% ± 2 percentage points	7.6%	↓
(Operating[3]) adjusted Free cash flow[4]	Operating adjusted FCF: positive and significantly above the previous year's level (-24.3 million Euro)	Adjusted FCF: Positive	Adjusted FCF: 5.1 million Euro	✔
Average exchange rate EUR/USD	*1.10*	*1.10*	*1.08*	

[1] Excluding special effects (sale of wafer fab, as well as restructuring expenses and consulting expenses in connection with internal reorganization).
[2] Capital expenditures for intangible assets and property, plant and equipment less capitalized development expenses.
[3] Excluding effects from the sale of Elmos wafer fab to Littelfuse Inc., USA.
[4] Cash flow from operating activities, less investments in/plus disposals of intangible assets and property, plant and equipment.

Business performance and economic situation

Financial statements according to IFRS

The consolidated financial statements of Elmos Semiconductor SE for fiscal year 2024 were prepared in accordance with the International Financial Reporting Standards (IFRS) as applicable in the EU. The semiconductor business is the Elmos Group's only business segment.

On June 28, 2023, Elmos Semiconductor SE and Littelfuse, Inc., USA, signed an agreement for the sale of Elmos' wafer fab in Dortmund to Littelfuse. Elmos sold its own wafer fab for a net purchase price totaling around 93.9 million Euro. The closing of the transaction became effective on December 31, 2024. Following the closing of the transaction, Elmos will be able to operate as a fabless company in the front-end area of the value chain without its own production and source processed wafers exclusively from external foundries, including Littelfuse Inc. under a long-term supply agreement.

Sales development

Following the end of the global supply bottlenecks, the automotive semiconductor market has been in a normalization phase since the beginning of 2024, which is characterized, in particular, by inventory optimizations by automotive customers. The process of destocking and underlying economic uncertainties, particularly in Europe, had a noticeable impact on sales development in the reporting year and the high growth rates of the past three years slowed down as expected. Despite this, Elmos was once again able to increase consolidated sales slightly year-on-year by 6.1 million Euro or 1.1% to 581.1 million Euro in the past fiscal year, once again exceeding the record sales of the previous year (2023: 575.0 million Euro).

Condensed income statement

in million Euro or %	FY 2024	FY 2023	Change
Sales	581.1	575.0	1.1%
Gross profit	254.5	271.3	-6.2%
in % of sales	43.8%	47.2%	
Research and development expenses	59.1	68.8	-14.1%
in % of sales	10.2%	12.0%	
Distribution expenses	24.8	23.0	7.6%
in % of sales	4.3%	4.0%	
Administrative expenses	32.2	31.5	2.2%
in % of sales	5.5%	5.5%	
Operating result before other operating expenses/income	138.6	148.1	-6.4%
in % of sales	23.8%	25.7%	
Foreign exchange gains	2.4	1,5	65.8%
Other operating result	31.7	1,2	27.2x
EBIT	172.6	150.7	14.6%
in % of sales	29.7%	26.2%	
Operating EBIT	145.8	150.7	-3.2%
in % of sales	25.1%	26.2%	
Finance income	1.1	1.2	-10.1%
Finance expenses	-3.4	-2.9	17.6%
Earnings before taxes	170.3	149.0	14.3%
in % of sales	29.3%	25.9%	
Consolidated net income attributable to owners of the parent	128.7	99.1	29.8%
in % of sales	22.1%	17.2%	
Earnings per share (basic) in Euro	7.51	5.79	29.7%
Dividend per share in Euro	1.00[1]	0.85	17.6%

[1] Proposal for the Annual General Meeting on May 15, 2025.

Sales by region: In the reporting year, only the Europe region (countries of the European Union) recorded positive sales growth of +6.9% to 210.7 million Euro (2023: 197.2 million Euro). At 308.3 million Euro, sales in the Asia/Pacific region (APAC) almost reached the high level of the previous year (2023: 308.9 Euro million) and, at 53.0% (2023: 53.7%), continue to represent the largest regional share of sales in the Elmos Group. Sales with direct customers in America amounted to 39.1 million Euro or 6.7% of Group sales in the 2024 fiscal year and were, therefore, also almost on a par with the previous year (2023: 39.6 million Euro or 6.9%).

Share of sales | in %	FY 2024	FY 2023
E.U. countries	36.3%	34.3%
Asia/Pacific	53.0%	53.7%
America	6.7%	6.9%
Others	4.0%	5.1%

Sales by customer and product group: In 2024, the ten largest customers accounted for around 55% of sales (2023: 54%), the share of the ten product groups with the highest sales was around 46% in the reporting year (2023: 41%). A single customer generally purchases several products in different phases of their life cycles and often uses them in various models, brands, and markets. The large number of customer relationships results in a high level of diversity.

Order backlog: Incoming orders and the order situation typically reflect the current business development or the current ordering behavior of customers. The book-to-bill figure – the ratio of orders received for the next three months to sales over the past three months – can be a useful indicator in this regard. Due to the normalization of semiconductor capacity bottlenecks and the associated reduction in inventories, customers have adjusted their ordering behavior accordingly. In addition, customers are currently placing orders at very short notice, which makes it difficult to accurately forecast business development for the current year. The temporarily lower order volumes and the short-term nature of orders, therefore, also having an impact on the book-to-bill ratio. For this reason, the book-to-bill ratio is currently below one. Order backlog is usually entered upon receiving the customer's order, but may vary between the time when the order is placed and delivery due to a number of factors. There is no guarantee that order backlog will always be converted into sales.

New projects (Design Wins): As in previous years, all Business Lines were once again very successful in the reporting year in terms of new projects acquired and a large number of new projects were successfully acquired. As expected, the number of ASSPs in the Design Wins was also significantly higher than the number of ASICs in 2024. Design Wins generally take two to five years before they go into serial production and make a contribution to sales. This excellent performance in Design Wins strengthens the foundations for our future growth.

Profit situation

Gross profit: Gross profit fell from the previous year's high level to 254.5 million Euro (2023: 271.3 Euro million) due to the lower sales growth, inflationary cost increases and inventory revaluation. The gross margin decreased accordingly to 43.8% (2023: 47.2%).

Research and development expenses: Expenditure on research and development decreased by 9.7 million Euro to a total of 59.1 million Euro in the 2024 fiscal year (2023: 68.8 million Euro), mainly due to the higher capitalization of development costs and higher subsidies. With a share of sales of 10.2% (2023: 12.0%), research and development expenses remained at a solid level. This means that we have sufficient development capacity in all our application areas to be able to develop innovative solutions for our customers.

Distribution expenses: In the reporting year, sales-related expenses increased slightly by 1.8 million Euro to 24.8 million Euro compared to the previous year due to higher consulting services (2023: 23.0 million Euro).

Administrative expenses: At 32.2 million Euro, administrative expenses in 2024 were slightly higher than the previous year by 0.7 million Euro (2023: 31.5 million Euro). The increase compared to the previous year is mainly due to higher personnel expenses.

Other operating income and expenses: Other operating income increased significantly year-on-year to 48.8 million Euro in the 2024 fiscal year (2023: 4.9 million Euro). The increase is primarily due to the profit of 43.5 million Euro (2023: 0.0 million Euro) from the deconsolidation of the subsidiary Dortmund Semiconductor GmbH following the closing of the sale of the wafer fab. Other operating expenses of -17.1 million Euro (2023: -3.7 million Euro) mainly include expenses for the implementation of personnel measures as part of programs for operational excellence and to reduce costs in the amount of 14.4 million Euro (2023: 0.0 million Euro).

Earnings before interest and taxes: EBIT in the 2024 fiscal year increased significantly year-on-year by 22.0 million Euro or 14.6% to 172.6 million Euro, primarily due to the operating developments described above and the special effects in other operating income and expenses (2023: 150.7 million Euro). The EBIT margin including special effects rose accordingly to 29.7% (2023: 26.2%). Operating EBIT, i.e. excluding the exceptional items in net other operating income and expenses (sale of wafer fab and cost optimization programs) totaling 26.8 million Euro (2023: 0.0 million Euro), reached 145.8 million Euro in the reporting year and was thus only slightly below the record level of the previous year (2023: 150.7 million Euro). The operating EBIT margin was 25.1% (2023: 26.2%) and thus in line with the full-year guidance for the 2024 fiscal year.

Additional information on the calculation of operating EBIT

in million Euro	FY 2024	FY 2023
Earnings before interest and taxes (EBIT)	**172.6**	**150.7**
Restructuring expenses	14.4	0
Consulting expenses in connection with internal reorganization	2.2	0
Result from the sale of the wafer fab	-43.5	0
Earnings before interest and taxes (EBIT) (operating)	**145.8**	**150.7**

Consolidated net income, earnings per share: After deducting financing income and expenses, as well as taxes and minority interests, Elmos generated consolidated net income attributable to the shareholders of the parent company of 128.7 million Euro in the fiscal year 2024 (2023: 99.1 million Euro). The Group's net profit for the year corresponds to undiluted earnings per share of 7.51 Euro (2023: 5.79 Euro). The year-on-year increase in consolidated net income and earnings per share was mainly due to the special effects described above.

Proposal for the appropriation of retained earnings: The net income of Elmos Semiconductor SE in accordance with the German Commercial Code (HGB) – further details in the HGB financial statements – amounts to 134.5 million Euro (2023: 78.7 million Euro). The profit carried forward from the previous year amounts to 269.8 million Euro. At the Annual General Meeting on May 15, 2025, the Management Board and Supervisory Board will propose to distribute a dividend of 1.00 Euro per share (2023: 0.85 Euro per share), 17.6% higher than in the previous year, from the retained earnings of Elmos Semiconductor SE of 404.4 million Euro in 2024. The total payout would thus amount to 17.1 million Euro, based on 17,142,187 shares entitled to dividends as of December 31, 2024.

Financial position

Condensed statement of cash flows

in million Euro or %	FY 2024	FY 2023	Change
Consolidated net income	128.7	99.0	29.9%
Depreciation and amortization	37.5	42.3	-11.4%
Result from the sale of a subsidiary	-43.5	0	n/a
Change in net working capital[1]	-44.7	-69.5	-35.8%
Other items[2]	-61.7	30.9	n/a
Cash flow from operating activities	**16.3**	**102.6**	**-84.1%**
Capital expenditures for intangible assets and property, plant and equipment	-67.0	-127.2	-47.3%
Disposal of securities	10.0	16.0	-37.3%
Proceeds related to (future) disposals in the scope of consolidation	55.4	37.2	49.0%
Other items	0.4	0.2	2.1x
Cash flow from investing activities	**-1.1**	**-73.8**	**-98.5%**
Cash flow from financing activities	**-22.6**	**22.9**	**n/a**
Change in liquid assets	-7.4	51.8	n/a
Adjusted free cash flow[3]	**5.1**	**12.9**	**-60.5%**

[1] Trade receivables, inventories, trade payables.
[2] Including income tax payments.
[3] Cash flow from operating activities, less investments in/plus disposals of intangible assets and property, plant and equipment (including payments from changes in the scope of consolidation).

Cash flow from operating activities: Cash flow from operating activities amounted to 16.3 million Euro in fiscal year 2024 (2023: 102.6 million Euro). The significant reduction compared to the previous year resulted primarily from the expected tax payments (corporation tax and trade tax) totaling -123.0 million Euro (2023: -16.3 million Euro). The high tax payments resulted from the significant profit increases in the last three fiscal years, which had not yet been fully taken into account in the provisional tax assessments.

Cash flow from investing activities: Following the expansion of the testing area, particularly in East Asia, last year, the Company invested significantly less in the reporting year, as expected. In total, investments in intangible assets and property, plant and equipment amounted to -67.0 million Euro in the reporting year (2023: -127.2 million Euro). Payments received in connection with disposals in the scope of consolidation as part of the closing of the sale of the wafer fab at the end of 2024 amounted to 55.4 million Euro (2023: 37.2 million Euro). Securities (bonds and promissory note investments) in the amount of 10.0 million Euro were also sold in the reporting year (2023: 16.0 million Euro). Overall, cash flow from investing activities amounted to -1.1 million Euro in fiscal year 2024 (2023: -73.8 million Euro) and was thus well below the level of the previous year.

Cash flow from financing activities: Cash flow from financing activities amounted to -22.6 million Euro in the reporting period, compared to 22.9 million Euro in the same period of the previous year. In addition to the dividend payment of -14.6 million Euro (2023: -12.8 million Euro), cash flow from financing activities was significantly affected compared to the previous year by higher repayments of financial liabilities totaling -16.1 million Euro (2023: -2.1 million Euro) and lower proceeds totaling 9.9 million Euro (2023: 40.0 million Euro) due to the assumption of new financial liabilities.

Adjusted free cash flow in the 2024 fiscal year, including the payment from the sale of the wafer fab, amounted to 5.1 million Euro (2023: 12.9 million Euro) and was thus in positive territory as expected. The operational adjusted free cash flow (excluding effects from the sale of the Elmos wafer fab to Littelfuse) was below the previous year's level at -50.3 million Euro (2023: -24.3 million Euro), primarily due to high tax payments.

Liquid assets: Cash and cash equivalents amounted to 80.8 million Euro as of December 31, 2024 and were, therefore, 7.4 million Euro below the previous year's figure due to the changes described above (December 31, 2023: 88.2 million Euro).

Financial situation: Elmos is financed by equity, promissory note loans, and bank loans. As of December 31, 2024, the Company had various short-term credit lines available in the amount of 100.0 million Euro, of which 9.9 million Euro had been drawn down as of December 31, 2024. Detailed information on the individual elements of the financial situation can be found in the notes.

Principles and goals of financial management: The primary objective of the Elmos Group's capital management is to ensure an adequate credit rating, liquidity at all times with a high degree of financial flexibility, and a solid capital structure. This objective is geared towards supporting the Group's business activities, continuing operations over the long term, and acting in the interests of shareholders, employees, and other stakeholders. Elmos pursues a strategy of continuous and sustained increases in shareholder value.

The Management Board actively manages the capital structure of the Elmos Group and makes adjustments where necessary in consideration of the economic framework and the risks carried by the underlying assets. The Group monitors its capital based on net debt or net cash in absolute terms, as well as the equity ratio. Net cash includes cash and cash equivalents as well as securities less current and non-current financial liabilities. The equity ratio puts equity in proportion to total assets.

Other financial obligations and disclosures of off-balance sheet financial instruments: In addition to the aforementioned financial instruments, the Company partially finances its capital expenditures through lease, rental, and service agreements. In each case, there is a balanced relationship between advantages and risks, and the arrangements are customary in the market. The resulting repayment obligations are reported as "Other financial obligations." On December 31, 2024, these amounted to 39.0 million Euro (December 31, 2023: 37.8 million Euro). Investment orders that have been placed result in a purchase commitment of 0.3 million Euro (2023: 11.4 million Euro).

Assets and liabilities

Condensed statement of financial position

in million Euro or %	12/31/2024	12/31/2023	Change
Intangible assets	67.1	40.8	64.5%
Property, plant and equipment	288.5	292.1	-1.2%
Other non-current assets	8.0	9.6	-16.3%
Securities (current and non-current)	10.7	20.2	-47.1%
Inventories	209.2	191.5	9.2%
Trade receivables	94.6	91.0	3.9%
Cash and cash equivalents	80.8	85.6	-5.6%
Other current assets	41.0	26.8	52.6%
Assets held for sale	0	54.7	-100%
Total assets	**799.8**	**812.4**	**-1.5%**
Equity	563.2	447.9	25.7%
Financial liabilities (current and non-current)	113.2	118.7	-4.6%
Other non-current liabilities	20.7	9.8	2.1x
Trade payables	57.5	97.6	-41.1%
Other current liabilities	45.2	134.9	-66.5%
Liabilities associated with assets held for sale	0	3.5	-100%
Total equity and liabilities	**799.8**	**812.4**	**-1.5%**

Total assets decreased by 12.6 million Euro to 799.8 million Euro as of the reporting date of December 31, 2024 (December 31, 2023: 812.4 million Euro). On the assets side, there were the following significant changes compared to the previous year's reporting date: Increase in intangible assets (+26.3 million Euro) due to the capitalization of development services as a result of increased project activities, decrease in non-current securities (-13.2 million Euro), increase in inventories (+17.7 million Euro), lower other receivables (-5.0 million Euro), higher income tax assets (+20.3 million Euro), lower cash and cash equivalents (-4.8 million Euro) and the deconsolidation of assets due to the closing of the sale of the wafer fab as of December 31, 2024 (-54.7 million Euro). Significant changes on the liabilities side relate to the following balance sheet items: Increase in equity due to the positive earnings performance (+115.2 million Euro), increase in deferred tax liabilities (+10.9 million Euro), increase in provisions, primarily for cost optimization programs (+18.7 million Euro), decrease in income tax liabilities after the tax payments in the fourth quarter of 2024 (-71.6 million Euro), decrease in trade payables (-40.1 million Euro) and decrease in other liabilities (-36.7 million Euro), primarily in connection with the closing of the sale of the wafer fab.

Determination of RoIC

in million Euro or %	2024	2023
❶ EBIT	172.6 | 145.8[1]	150.7
	12/31/2024	12/31/2023
Intangible assets	67.1	40.8
Property, plant and equipment	288.5	292.1
Inventories	209.2	191.5
Trade receivables	94.6	91.0
less		
Trade payables	57.5	97.6
❷ Invested capital	**601.8**	**517.8**
RoIC (❶/❷)	**28.7% | 24.2%[1]**	**29.1%**

[1] Based on operating EBIT.

Return indicator: Elmos applies return on invested capital (RoIC) used for business operations as a return indicator. This enables the Company to establish a link between profitability and capital used for operational purposes. RoIC therefore also serves as an indicator of added value. Due to the higher invested capital, the RoIC of 28.7% in 2024 was slightly lower than in the previous year (2023: 29.1%). Based on operating EBIT excluding special items, the RoIC for the 2024 fiscal year is 24.2%.

Overall statement on the economic situation

In the 2024 fiscal year, the Elmos Group performed well in a challenging geopolitical and economic environment combined with shrinking automotive markets and inventory adjustments among customers and once again achieved a pleasing performance. As expected, the positive economic development in 2024 was somewhat less dynamic than in previous years following the end of the semiconductor allocation. Despite this, Group sales once again increased slightly compared to the previous year's record figure and the sales guidance was met. At 25.1%, the operating EBIT margin, excluding special items, was also at the high target level in the fiscal year. Including special effects, EBIT was even significantly higher than in the previous year. Consolidated net income and earnings per share were also up on the previous year, which is also reflected in a higher proposed appropriation of profits compared to the previous year. In addition to the positive operating performance, important structural projects were initiated and successfully implemented in the reporting year in order to position the Elmos Group even better in international competition. With the closing of the sale of its own wafer fab at the end of the year, the transformation to a fabless company is complete and Elmos can now access modern technologies from its production partners even more flexibly. In addition, we have specifically adapted the Group organization to the strong international growth with Elmos Semiconductor SE as the Group holding company based in Leverkusen. The Company has also launched important optimization measures for operational excellence and cost reduction in all areas, in order to continue to operate successfully in the face of increased global competition and achieve its high profitability targets. The high level of acceptance and attractiveness of the innovative mobility solutions from Elmos are reflected in the successful acquisition of new business. In 2024, Elmos was again able to acquire a large number of projects with existing and new customers in all product segments and in all regions with new Design Wins.

Elmos Semiconductor SE (separate financial statements according to HGB)

Elmos Semiconductor SE is the parent company of the Elmos Group. The Management Board of Elmos Semiconductor SE is responsible for managing the Company and the Group. Elmos Semiconductor SE is also affected by the business performance of its (directly and indirectly held) subsidiaries and investments. Apart from responsibility for business operations, the Group's parent is also responsible for the Group's strategic orientation and therefore determines the corporate strategy within the framework of higher-level group functions, represented by the members of the Management Board.

Unlike with the consolidated financial statements, Elmos Semiconductor SE does not prepare its separate financial statements according to International Financial Reporting Standards (IFRS) but instead pursuant to the provisions of the German Commercial Code (HGB). The complete financial statements are released separately. The financial statements have received the auditor's unqualified audit opinion. They are released in the electronic Federal Gazette, filed with the register of companies, can be requested as a special print publication, and are available on the Company's website, www.elmos.com.

Business performance 2024

The business performance and economic situation of Elmos Semiconductor SE essentially determine the business performance of the Group. Consequently, the explanations provided in the sections "Business model and strategy" and "Economic report" apply to both the Elmos Group and Elmos Semiconductor SE. The following presentation of the financial, profit, and economic position refers to the financial statements of Elmos Semiconductor SE prepared in accordance with the provisions of the German Commercial Code (HGB).

Sales and earnings performance

Condensed income statement (HGB)

in million Euro or %	FY 2024	FY 2023	Change
Sales	**582.0**	**575.3**	**1.2%**
Change in inventories, other own work capitalized and other operating income	112.1	90.8	23.5%
Material costs	325.3	340.3	-4.4%
Personnel expenses	93.3	82.2	13.5%
Amortization of intangible assets and depreciation of fixed assets and property, plant and equipment	29.5	25.8	14.4%
Other operating expenses	80.5	69.3	16.2%
Operating result	**165.5**	**148.4**	**11.5%**
Income from investments and financial result	1.9	-2.7	n/a
Earnings before taxes	**167.4**	**145.7**	**14.9%**
Net income	**134.5**	**78.7**	**70.9%**

The results of operations, financial position and net assets of Elmos Semiconductor SE are essentially reflected in the performance of the Elmos Group due to its interdependencies with the Group companies and its weight within the Group.

Since the beginning of 2024, the automotive semiconductor market has been in a normalization phase, which is characterized, in particular, by inventory optimizations of automotive customers. The reduction in inventories and economic uncertainties also had a noticeable impact on the sales performance of Elmos Semiconductor SE in the reporting year and thus prevented potentially higher growth.

Sales in the past fiscal year increased only slightly by 1.2% to 582.0 million Euro (2023: 575.3 million Euro) due to the developments described above. The operating result was affected by lower sales growth, inflationary cost increases for materials and personnel, as well as the provision for restructuring expenses and consulting expenses in connection with the Group's internal reorganization. The increase in the 2024 fiscal year to 165.5 million Euro (2023: 148.4 million Euro) was mainly due to the profit from the sale of the Dortmund wafer fab to Littelfuse.

Financial position

Condensed statement of cash flows (HGB)

in million Euro or %	FY 2024	FY 2023	Change
Net income	**134.5**	**78.7**	**70.9%**
Depreciation and amortization	29.5	25.8	14.4%
Result from the sale of subsidiaries	-60.8	0.0	n/a
Expenses from the disposal of non-current assets	1.5	0.6	2.4x
Decrease (-) / increase (+) in current provisions[1]	-59.2	64.3	n/a
Increase (-) in inventories, trade receivables, and other assets	-31.6	-115.0	-72.6%
Decrease (-)/increase (+) in trade payables and other liabilities	-37.7	79.5	n/a
Cash flow from operating activities	**-23.7**	**133.9**	**n/a**
Cash flow from investing activities	**35.8**	**-108.4**	**n/a**
Cash flow from financing activities	**-20.2**	**26.8**	**n/a**
Change in cash and cash equivalents	-8.1	52.3	n/a
Cash and cash equivalents at beginning of period	83.3	31.0	2.7x
Cash and cash equivalents at end of period	**75.2**	**83.3**	**-9.8%**

[1] Including income tax payments.

Cash flow from operating activities amounted to -23.7 million Euro in the fiscal year 2024 (2023: 133.9 million Euro). This is mainly due to the decrease in current provisions as a result of the income tax payments in the fourth quarter of 2024 and the decrease in trade payables, as well as the increase in inventories and receivables. Cash flow from investing activities amounted to 35.8 million Euro (2023: -108.4 million Euro) and was influenced, in particular, by lower investments and the sale of the Dortmund wafer fab. Cash flow from financing activities stood at -20.2 million Euro in the reporting year (2023: 26.8 million Euro). The financing of Elmos Semiconductor SE is secured, essentially through equity, promissory note loans and bank loans.

Assets and liabilities

Condensed statement of financial position (HGB)

in million Euro or %	12/31/2024	12/31/2023	Change
Non-current assets	311.9	355.1	-12.2%
Inventories	206.9	197.2	4.9%
Receivables and other assets	135.3	113.9	18.8%
Cash in hand, cash in banks	75.2	83.3	-9.8%
Other assets	4.0	3.5	13.5%
Total assets	**733.3**	**753.1**	**-2.6%**
Equity	521.5	400.9	30.1%
Provisions	46.9	106.0	-55.8%
Other liabilities (liabilities, deferred income, deferred tax liabilities)	165.0	246.2	-33.0%
Total equity and liabilities	**733.3**	**753.1**	**-2.6%**

The balance sheet total fell slightly by 2.6% from 753.1 million Euro on the previous year's reporting date to 733.3 million Euro as of December 31, 2024. On the assets side, the change is primarily attributable to the reduction in financial assets due to the sale of the shares in Dortmund Semiconductor GmbH (Dortmund wafer fab), while inventories, receivables and other assets increased for business-related reasons. On the liabilities side, the development is mainly due to significantly lower provisions as a result of income tax payments and the increase in other provisions for personnel measures as part of the cost optimization programs, as well as lower liabilities, while equity has increased considerably. As a result of these developments, the equity ratio of Elmos Semiconductor SE also increased significantly year-on-year to 71.1% as of December 31, 2024 (December 31, 2023: 53.2%).

Retained earnings and proposal for the appropriation of retained earnings

The legal basis for a distribution is represented by the retained earnings of Elmos Semiconductor SE determined in accordance with financial accounting provisions under commercial law. The annual financial statement as of December 31, 2024 shows retained earnings of 404.4 million Euro (2023: 284.4 million Euro). At the Annual General Meeting on May 15, 2025, the Supervisory Board and Management Board will propose that the retained earnings for fiscal year 2024 be used for the distribution of a dividend of 1.00 Euro per no-par value share entitled to dividend – up 17.6% year on year – and that the remaining amount be carried forward to new accounts.

Business outlook for 2025 and material opportunities and risks

Due to the Company's ties with the Group companies and its relevance for the Group, the expectations for Elmos Semiconductor SE are reflected in the outlook for the Group. The expected development of Elmos Semiconductor SE in fiscal year 2025 also depends to a large extent on the development of the Group as a whole and its risk and opportunity profile. This is the subject of the report on opportunities and risks and the Group's outlook. The statements on the Group's expected performance and its opportunities and risks made therein, therefore, also apply to the expected performance and opportunities and risks of Elmos Semiconductor SE. The description of the Internal Control and Risk Management System regarding the financial accounting process for Elmos Semiconductor SE pursuant to Section 289 (4) German Commercial Code (HGB) follows in the "Opportunities and risks" section.

As the Group's parent, Elmos Semiconductor SE also receives income from its investments. Accordingly, the Group's expected business performance in 2025 should also influence the earnings of Elmos Semiconductor SE, which constitutes the most significant unit in the Group. Overall, we expect that Elmos Semiconductor SE's retained earnings in 2025 will once again make it possible for our shareholders to participate adequately in the development of the Group's earnings.

Subsequent events

With effect from January 1, 2025, Online Engineering GmbH, Dortmund was merged with Sales & Solutions GmbH, Dortmund in accordance with the merger agreement between Elmos Semiconductor SE, Dortmund, Elmos Semiconductor Sales & Solutions GmbH, Dortmund and Online Engineering GmbH, Dortmund. Both Elmos Semiconductor Sales & Solutions GmbH, Dortmund, which was founded in the 2024 fiscal year, and Online Engineering GmbH, Dortmund, are subsidiaries of Elmos Semiconductor SE, Dortmund.

Otherwise, there were no significant events after the end of the 2024 fiscal year that are not already reflected in the consolidated income statement and the statement of financial position.

Opportunities and risks

Opportunities

Corporate governance and management at Elmos Semiconductor SE and the Elmos Group are geared toward increasing the Company's value systematically and sustainably. Opportunities are identified and analyzed within the Group and for Elmos Semiconductor SE. A quantification of opportunities is not always feasible because they are usually determined by external general conditions and factors, as well as complex interrelations that can only be controlled to a limited extent by Elmos (or not at all).

Macroeconomic and industry-specific opportunities

Increasing internationalization and access to growth markets, particularly in Asia, open up macroeconomic opportunities for Elmos. This particularly includes the Chinese automotive market, which continues to show high growth potential and could further expand its leading role in electric mobility. At the same time, we assert our solid position with automotive semiconductors in certain applications in the established markets, where we also seize opportunities for long-term growth.

The shift in automotive mobility is opening up industry-specific opportunities to us, particularly as a result of the following automotive megatrends: Driver assistance systems through to autonomous driving, electromobility, innovative system architectures and software-defined vehicles, as well as higher requirements in terms of safety, connectivity, comfort and well-being, often made possible by intelligent electronic applications. As the Elmos product portfolio is not dependent on a specific powertrain technology, the growing number of semiconductors resulting from the increasing digitalization and electrification of all vehicle systems and functions offers opportunities in all of our areas of application. Demand for semiconductors was noticeably affected in the 2024 fiscal year by a temporary reduction in inventories by our customers following the end of the allocation, but remained at a high level. In the medium and long term, the proportion of semiconductors per vehicle is expected to increase further due to the trends described above. A structural and sustained increase in demand for semiconductors is, therefore, still expected in the coming years.

Product-specific opportunities

Product-specific opportunities open up for Elmos due to innovation. Our business lines seek to continuously increase our opportunities with customers through innovative or advanced high-quality products. In addition to our business with ASICs, the development and distribution of ASSPs continues to offer increased opportunities. As well as systematically enhancing our semiconductors, we are also expanding our expertise and organization in the area of software so that we can add additional software functionalities to our innovative semiconductors in the future and push ahead with our own software developments for our customers even faster. Furthermore, we seize these opportunities by consistently investing in research and development, and through the ability to use our foundry partners' processes to gain access to modern process technologies. In particular, the transformation of Elmos into a fabless company following the closing of the sale of the wafer fab in Dortmund will help us to operate even more flexibly in the future. New and more advanced products could be brought to market if our development progress exceeds current expectations. Elmos also sees opportunity in the expansion of the product portfolio. This can take place through acquisitions of third-party entities and technologies or through partnerships.

Elmos markets its products based on the respective application, region, and industry. Within the regions, we focus our sales capacities on the markets that show the largest business and sales potential. We invest in the development and internationalization of our sales division and application support close to the customer in order to distribute our solutions effectively and to intensify our customer relationships. This applies in particular to the growth regions in Asia. With the establishment of a local brand in China and the expansion of the local value chain, we believe we have a good chance of participating in the growth of the Chinese semiconductor market for automotive applications in the future.

Other opportunities

We are constantly working to optimize our processes and organization along the entire value chain, including in the areas of development, testing, technology, quality, administration, supply chain and logistics, and are investing in measures to increase efficiency and operational excellence throughout the Group and have initiated comprehensive measures to optimize costs. The new Group structure as of January 1, 2025, with a Group holding company (Elmos Semiconductor SE) as the Group parent company and four new operating limited liability companies under German law (so-called "GmbHs"), is specifically geared towards our long-term international growth strategy.

Management's overall assessment of opportunities

Management is confident that the profitability and innovative strength of the Elmos Group and Elmos Semiconductor SE provide a solid foundation for future business development and ensure the necessary resources to pursue the opportunities available to the Group.

With the completed transformation to a fabless company without its own wafer fab, the Company can now access state-of-the-art technologies from its manufacturing partners even more flexibly than before. In addition, the new Group structure and the initiated programs for operational excellence and cost reduction strengthen the Company's profitability and resilience. If we make better progress with these measures and methods than expected at present, this might have a positive effect on our financial, profit, and economic position and make us exceed our forecast and our mid-term prospects. Particularly the macroeconomic, industry-specific, and product-specific opportunities have the potential to make a positive contribution to the financial, profit, and economic position.

Risks

The following explanations include the explanatory report on the key features of the Internal Control and Risk Management System pursuant to Sections 289 (4) and 315 (4) German Commercial Code (HGB).

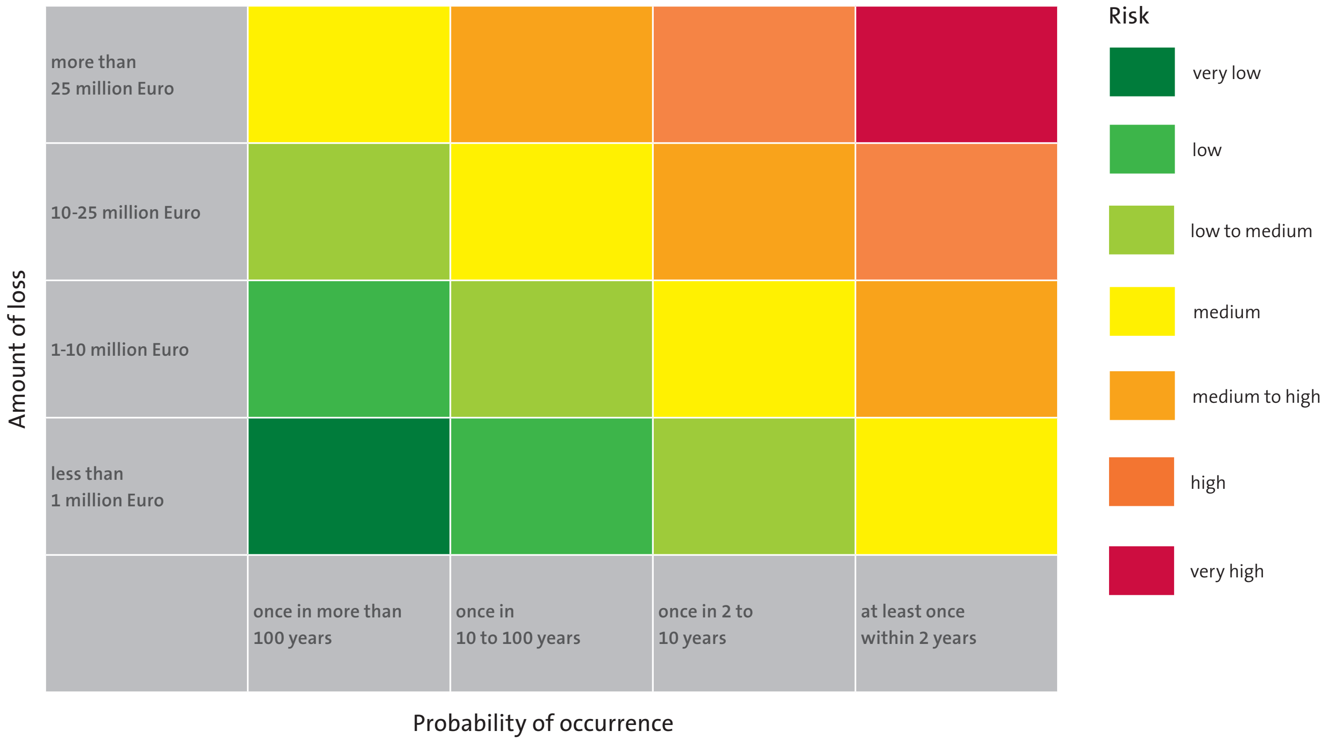
Certain risks must be consciously taken in order to operate successfully on the market and exploit entrepreneurial opportunities. Generating added value from consciously taking a risk, which is unavoidable in any case, is an important aspect of risk management.

Elmos has established a risk management system that focuses on safeguarding the Company's continued existence. Risk management at Elmos comprises all measures related to identifying, assessing, and managing risks, as well as transparent risk reporting. It complies with the legal requirements for a risk management system in accordance with Section 91 (3) German Stock Corporation Act (AktG). The Management Board bears the overall responsibility for this. To this end, the Management Board has initiated a risk management process and given it a firmly anchored place within the Company's organization in the context of a Risk Management team. The Risk Management team is made up of the Division Managers, representatives of the subsidiaries, and the appointed Risk Managers and is responsible for central coordination within the Company, risk reporting, and reporting to the Management Board. Each risk is assigned to Risk Owners who, together with the Risk Managers, identify and assess the risks and define appropriate countermeasures. Risk owners and Risk Managers monitor compliance with the measures and their efficacy.

Risks for Elmos Semiconductor SE and the Group are identified regularly and their impact on the Company's targets is analyzed. Where the Company has the relevant expertise, certain risks are taken if an appropriate return can be expected at the same time. Beyond that, major risks are avoided if possible. Risks that are known within the Company are analyzed and reviewed. Adequate countermeasures are developed insofar as possible.

Binding standards and rules have been defined for risk identification. In a standardized process of review sessions, the divisions report on the current state of material risks with defined gradual thresholds. Ad hoc risks and losses that have occurred are communicated directly to the RMS team and, if necessary, to the Management Board if they are urgent, independently of the normal reporting channels.

Individual risks are aggregated in risk groups. Risk assessment is reported for these risk groups as an overall assessment of the individual risks. Depending on their estimated probability of occurrence and probable amount of loss in consideration of business activities, the profit and financial position, and the assets and liabilities, risks are classified according to the matrix and assessed as "very low," "low," "low to medium," "medium," "medium to high," "high," and "very high." Measures for risk reduction or avoidance are listed for each identified risk, and they are regularly discussed with the responsible executives in consideration of early warning indicators.



Internal control system and compliance and risk management system

The internal control system (ICS) consists of a series of structures, processes, and measures for controlling and monitoring central business processes and management decisions within Elmos Semiconductor SE and the Elmos Group. The objective is to identify risks and mitigate known risks in order to ensure that business develops seamlessly. Among other aspects, the ICS focuses on the financial accounting process and financial reporting for monitoring and ensuring proper and adequate financial accounting and a transparent representation of the actual net asset, financial, and profit situation of the Group and Elmos Semiconductor SE. It contains the principles, processes, and measures introduced by management, and it is oriented toward the organizational implementation of the management's decisions. Further information on compliance and the compliance management system (CMS) can be found in the Compliance section of the statement on corporate governance in this Annual Report.

With respect to the accounting process of Elmos Semiconductor SE with the consolidated companies and the Group as a whole, structures and processes have been implemented with the aim of ensuring the correctness of the separate and consolidated financial statements. The principles, structural organization and workflow management, as well as the processes of the accounting-related Internal Control and Risk Management System are governed by corresponding guidelines, work instructions, and responsibilities at Elmos Semiconductor SE and throughout the Group in all subsidiaries. These are adjusted to recent internal and external developments as necessary. Key features of the Internal Control and Risk Management System with respect to the accounting process are (i) the identification of the main areas of risk and control relevant to the Group-wide accounting process, (ii) controls to monitor the accounting process and its results, (iii) preventive control measures in Finance and Accounting and the areas generating key information for the preparation of the individual and consolidated financial statements, including defined approval processes in relevant areas, (iv) measures and access rules for the proper IT-based processing of facts and data related to Group Accounting and the annual financial statements, and (v) the regulation of responsibilities when involving external specialists. The Management Board assumes overall responsibility for the internal control and risk management system with respect to the accounting process for the financial statements of Elmos Semiconductor SE and the consolidated financial statements.

Statements on the effictivness of the governance systems[1]

Appropriate and effective governance systems have been implemented to ensure responsible corporate management. The Management Board received regular reports on the individual governance systems in the fiscal year 2024 as part of the monitoring and management of the Company. Based on these reports and information from Internal Audit, the Management Board is not aware of any circumstances that would suggest that the risk management system (RMS), the internal control system (ICS), or the compliance management system (CMS) is not appropriate or effective. In addition, the systems are regularly checked by means of internal and external controls.

[1] The section "Statements on the efficacy of the Governance systems" is extraneous information that has not been audited by the auditor.

Economic, political, social, and regulatory risks (risk assessment: medium to high)

As a globally active company, business development is significantly influenced by global economic and geopolitical developments. Geopolitical risks continued to have a noticeable impact in the 2024 fiscal year. Due to the ongoing war in Ukraine, the conflict in the Middle East and geopolitical tensions, particularly between China and the USA, business activity was largely characterized by uncertainty, accompanied by a variety of political and economic consequences. This volatile environment has made it much more difficult to forecast the development of the economy and markets. Furthermore, an escalation of the conflict or the emergence of new conflicts would further increase the risk of a global economic downturn. Elmos continuously monitors the geopolitical and economic environment in its 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.

In the course of the 2024 fiscal year, the allocation in the semiconductor segment was almost completely eliminated. Due to the increasing normalization of supply chains, customers have increasingly begun to reduce their semiconductor inventories since the beginning of the year. Due to the declining inventory levels, a renewed increase in demand for automotive semiconductors or increased demand for smartphones or other electronic devices could result in a shortage of wafer capacities in the future and once again result in bottlenecks in the supply chains.

The COVID-19 pandemic no longer had any noticeable impact in the 2024 fiscal year. Nevertheless, we are continuing to monitor the situation very closely, as it is very difficult to predict the emergence of new virus variants or the outbreak of other infectious diseases. This also applies to any forecast of the impact on our business activities.

The deterioration in the overall economic environment, particularly in the automotive industry, renewed supply bottlenecks in the semiconductor supply chain or the outbreak of infectious diseases harbors a variety of risks that could have a significant impact on our net assets, financial position and results of operations.

The use of our products depends in part on the general economic, financial, and political conditions going forward. Events such as global economic or national crises, the current crisis in the European automotive industry, military conflicts, such as the ongoing war in Ukraine, the conflict in the Middle East, the situation in North Korea, political changes or geopolitical tensions, increases in tariffs and far-reaching trade restrictions, such as the trade conflict between the USA and China and the conflict over Taiwan, further tightened semiconductor sanctions with China, currency and interest rate fluctuations, changes in new vehicle emissions standards, a recession in Europe or other major world markets, a significant slowdown in growth in Asia, and an increase in sovereign debt could negatively impact our customers' ability and willingness to use our products.

Social and political instability, for instance caused by acts of terror, war, or international conflicts, natural disasters, long-lasting strikes, or pandemics, could have negative effects beyond the respective national economy affected and, therefore, significantly impact our business too.

Industry and market risks
(risk assessment: medium to high)

Global semiconductor market

Following the end of the semiconductor allocation, the reporting year was characterized by a slowdown in growth momentum and an increased reduction in inventories at our customers. Overall, orders for automotive semiconductors have fallen compared to the level in the semiconductor allocation. The current subdued market environment and the slower penetration of electromobility, particularly in Europe, could lead to increased price pressure from customers and OEMs in addition to weaker sales, which could then also affect the price level for semiconductor products. Due to short-term market fluctuations, however, it is not possible at present to predict when our customers' inventory adjustments will be completed and orders for automotive semiconductors will return to the level of real demand. Due to the lower customer call-offs after the end of the semiconductor allocation, Elmos Semiconductor SE's own inventories have increased noticeably, leading to increased capital employed. A longer or greater than expected decline in orders could have a significant impact on the Company's net assets, financial position and results of operations. However, due to our customers' reduced inventories, a noticeable recovery in demand for electronic products in the automotive sector or in other sectors could result in capacity bottlenecks across all industries, at least in certain areas. Elmos works very closely with all manufacturing partners worldwide to be able to react quickly and flexibly to order fluctuations, and, at the same time, ensure that sufficient wafer and test capacities will also be available in the future to meet delivery obligations. However, it cannot be ruled out that market or order fluctuations cannot always be fully compensated for and could have a significant impact on the Company's net assets, financial position and results of operations.

Dependence on the automotive industry

The core business of Elmos is linked directly to the demand of the automotive industry or automotive suppliers for semiconductors. A collapse or significant fluctuations in car production and sales figures also represents a risk for Elmos as a semiconductor supplier. The demand for semiconductors made by Elmos is also affected by the delivery capability of other suppliers, as systems and cars can be manufactured only if all suppliers are capable of delivery.

In 2024, sales and production volumes fell slightly compared to the previous year and are still far from the volumes seen before the Coronavirus pandemic. In addition, the automotive industry, particularly in Europe, is currently experiencing a structural crisis that is affecting car manufacturers and suppliers alike. Negative effects on global demand for passenger cars, persistently high fluctuations in sales and production figures or structural changes in the automotive industry could also have a significant impact on the business performance of Elmos.

The customer structure of Elmos is very international and broadly based, but there is still a certain dependency on some major automotive suppliers. However, it should be noted that a customer usually purchases several products with different life cycles, and these are often used in different models, brands and markets. Thanks to the stronger focus by Elmos on ASSPs over the past few years, this kind of customer dependence has been reduced, as these products can be marketed to several customers. On the other hand, the risk of replaceability increases, as competitors will offer comparable products in many cases.

Competition risks

A large number of competitors in the semiconductor market for automotive applications offer products similar to the ones Elmos supplies, based on a similar technological foundation. Elmos also competes with large manufacturers for high-volume contracts and is thus exposed to corresponding pricing pressure. In the future, we may see increased local competition in China, even from analog mixed-signal manufacturers, or even increased exports of Chinese semiconductors for certain applications. The expansion of state subsidies for Chinese semiconductor manufacturers could potentially lead to a further intensification of the competitive situation in China. This could then have a negative impact on Elmos' business activities and profit position.

Personnel risks
(risk assessment: medium)

Dependence on individual employees

The Company's highly development-intensive business activity leads to clearly pronounced and very specific engineering expertise, but not necessarily to patents. The consequence for Elmos, as for any other technology company, is a dependence on individual employees.

Shortage of qualified employees

An important aspect for success in the market is the quality and availability of employees. Despite a certain easing on the labor market, there is a risk that qualified employees will leave the Company and that no adequate replacement specialists and engineers can be found in the near future. Elmos meets this challenge with a variety of recruiting measures. Nonetheless, there is also the risk that the Company might not be able to recruit qualified employees if new demand arises, which could affect the Company's development negatively.

Absence of employees due to a pandemic

The COVID-19 pandemic no longer had any noticeable impact in the 2024 fiscal year. Nevertheless, an upturn in COVID-19 infections or an outbreak of other infectious diseases could lead to a noticeable absence of employees, which in turn could have a negative impact on business performance, and, therefore, on the profit and financial position.

Research and development risks (risk assessment: medium to high)

The market for Elmos products is characterized by the constant advancement and improvement of products. Technological change is leading to a continuous increase in the complexity of applications, products and technologies, as well as ever-shorter innovation and development cycles. The success of Elmos, therefore, depends heavily on the ability to assess market trends and technological developments early and correctly, in order to efficiently develop innovative and complex products or successor generations of existing products, to introduce them to the market on time, and to make sure that these products are chosen by the customers. There is also the risk that products or entire application fields relevant to the sales of Elmos might be replaced by new technologies, either completely or in part, so that Elmos is no longer able to offer any competitive products in such fields.

The customer participates in the development expenses incurred by Elmos in the case of customer-specific products. In the case of developments that do not lead to a supply relationship, there is a risk that the company will have to bear the full cost of non-amortized costs.

For product developments initiated by Elmos (i.e., all ASSPs), there are no binding customer orders yet when development starts. As a result, Elmos bears the development costs. If there is not enough customer acceptance, development and production costs might not be amortized by product sales at a later date. However, Elmos works together with lead customers, if possible, in the development of ASSP components as well in order to increase the chances of success in the market.

The future success of Elmos also depends on the ability to develop or apply new development and production technologies. Elmos predominantly develops products on processes provided by external foundries. Despite thorough research, Elmos might infringe patent rights held by third parties with its own product developments, which could have a significant effect on the respective product and its marketing potential.

If Elmos is no longer capable of developing, manufacturing, and selling new products and product upgrades in the future, significant effects on the financial, profit, and economic positions will likely be the result.

Financial risks (risk assessment: medium)

Investments

The provision of financial resources to the subsidiary companies and investments results in an increased obligation to detect and, if necessary, to minimize potential risks at the earliest possible stages by means of adequate controlling instruments and target/actual analyses. In addition, the subsidiaries and investments are subject to routine reviews with a focus on finance, law, and compliance as part of internal audits and for other purposes.

Cost development

Compared to the 2023 fiscal year, the risks with regard to cost development in the reporting year have weakened somewhat. Inflation is still at a higher level, but the momentum has slowed noticeably. Nevertheless, market prices for commodities and energy are expected to remain volatile. Moreover, a further increase in personnel costs is to be expected. These developments could have a negative impact on our financial, profit, and economic position if the costs cannot be offset or passed on to our customers by way of price adjustments. A significantly longer or sharper decline in orders could result in increased capital employed due to excessively high inventories as a result of purchase commitments with manufacturing partners.

Hedge accounting does not have a material impact on the assessment of the Company's position or expected business development, even in terms of price change, default, and liquidity risks. Detailed information on financial risks, comprising credit and default risk, liquidity and financing risk, and financial market risk, which are immaterial for both the Group and Elmos Semiconductor SE, can be found in the notes to the consolidated financial statements and in the notes to the seperate financial statements of Elmos Semiconductor SE.

Business and operational risks (risk assessment: medium to high)

Purchasing risks

Although Elmos cooperates with a large number of suppliers and service providers worldwide, the Company is exposed to supply and price risks on the procurement side, particularly with regard to the materials required for production, such as (raw) wafer capacities, raw materials such as gold and copper or specialty gases, as well as machines, spare parts or energy supplies.

The raw materials Elmos needs for manufacturing are available worldwide in part from different suppliers, yet are controlled by monopolies in some cases. A certain dependence on individual Far Eastern partners is typical in the industry. Elmos has spread this risk by cooperating with several partners in different countries wherever possible. Despite the efforts to spread risk by using different partners, there is a risk of a longer-term interruption to operations – for example, due to a strike, natural disasters, a pandemic, or trade restrictions, or due to the closure of facilities by a manufacturing partner. Such events could negatively impact the ability to supply Elmos products or render them unusable due to a lack of further processing. Elmos is not able to rule out or influence an interruption or stop in production at a partner's manufacturing facilities. The inability or restricted ability of our partners to meet their delivery obligations to Elmos for this or other reasons could have a negative impact on our financial, profit, and economic position.

There is a tendency among machine suppliers towards an oligopoly, limiting the negotiating power of Elmos. Raw materials might not be available in the required volume, for example as a result of bottlenecks on the part of the manufacturer. In particular, the price of wafers is subject to volatility on the global market. In addition, the higher price of gold has led to cost increases in the assembly of our products. Semiconductor allocation, in particular, has led to noticeable increases in the prices of materials, machinery, and logistics services in the past few years and has therefore had a negative impact on Elmos' business performance.

Business interruption

Since the start of the war in Ukraine, there have been major uncertainties with regard to the supply of energy and certain raw materials. The energy supply situation has currently eased. Since the beginning of the war in Ukraine, Elmos has initiated an extensive package of measures for its own production at the Dortmund site to be able to maintain production operations at least temporarily, if possible, without major restrictions, in the event of a potential shortage of gas or energy in Germany.

Elmos continuously monitors the current situation on the energy markets and is in close coordination with its suppliers and production partners, in order to recognize potential adverse effects on the security of energy supply and the development of prices for electricity and natural gas at an early stage and to initiate appropriate (counter)measures if necessary. Despite the successful implementation of countermeasures, we cannot completely rule out temporary production downtimes at the Elmos location in Dortmund, at suppliers and production partners or delivery delays to customers in the event of possible supply bottlenecks or longer power outages

In addition to the operational risks already described and explained, the risk of the destruction of production facilities by fire or other disasters is a material operational risk. Even though the risk of business interruption through such events is adequately covered by insurance, a significant threat of losing key customers remains. This risk cannot be insured against.

Business interruption could also occur as a result of power outage. The production facilities are prepared for short-term power failures as far as possible. The risk of an interruption to operations is reduced by the fact that production is physically separated into internal and external facilities.

The usual insurable risks – such as fire, water, storm, theft, third-party liability, and costs of a possible recall – are insured. Insurance for further risks, such as cyberattacks, as well as fidelity losses have been taken out. However, it cannot be ruled out that the costs of a potential recall or other events might exceed the maximum amount covered. Further typically insurable risks capable of significantly damaging the development of the Group or jeopardizing its continued existence are not apparent at present.

Warranty claims and product liability

Products made by Elmos are integrated as components into complex electronic systems. Defects or malfunctions of the semiconductors produced by Elmos or of the electronic systems into which they are integrated can be directly or indirectly damaging to the property, health, or lives of third parties. In most cases, Elmos cannot completely exclude its liability to customers or third parties in its sales contracts. Elmos has taken out product liability insurance as a way of limiting this risk.

Elmos consistently follows a zero-defect strategy and constantly invests in the detection and prevention of sources of error and defects. In order to minimize potential sources of error with respect to safety-relevant components for vehicles, Elmos has implemented and audited a development process in accordance with ISO 26262 (functional safety). In addition, the semiconductors are tested extensively in production, usually in view of automotive applications, with regard to quality and functionality. Even though the Company applies elaborate and recognized test procedures before commencing delivery of its products, product defects might still become apparent only upon the installation or the end consumer's use of the product. If such product defects materialize, expensive and time-consuming product modifications might ensue, and further liability claims might arise. A recall, for which Elmos would have to assume liability, could also have material effects on the financial, profit, and economic position.

Legal risks

At present, there are no legal disputes whose outcome might entail a high risk to the financial, profit, and economic position. However, it cannot be ruled out that it might come to such litigation in the future. Legal disputes might arise, for example, from business operations or in matters of property rights or trademarks, or in connection with holding structures within the Elmos Group. Depending on risk assessment, adequate provisions are made for legal risks in the statement of financial position as a preventive measure; recognition and measurement find entry in the consolidated financial statements in accordance with IAS 37. As the outcomes of lawsuits cannot be predicted, expenses may be incurred that have a material effect on our business and exceed the respective provisions made.

IT risks

For Elmos, as for other globally operating companies, the reliability and security of information technology (IT) are of great importance. This applies increasingly to the utilization of IT systems in support of operational processes, as well as to the support of internal and external communication. Around the world, Elmos has seen a rise in threats to information security along with an increasingly professional approach to cybercrime, as reflected in a jump in phishing attacks, for example. For these reasons, Elmos has proactively increased its protection against cyberattacks in recent years and is continuously working on further improvements. In the fiscal year 2022, Elmos successfully had its Information Security Management System (ISMS) certified in accordance with the ISO 27001 standard as part of a TISAX assessment. TISAX (Trusted

Information Security Assessment Exchange) is an information security certificate that is of crucial importance for suppliers and service providers to German car manufacturers and their subsidiaries. Furthermore, processing procedures and technical systems that involve personal data have been adapted to the strict requirements of the General Data Protection Regulation (GDPR), which was introduced in 2018. Despite all technical precautions, as well as reviews and audits conducted by external providers, any serious failure of these systems can lead to data loss and/or the disturbance of production, interference with operational processes, legal disputes, or fines with a considerable impact on the Company's situation in terms of financial, profit, and economic positions. In addition, despite very careful and comprehensive project management, the transformation of the existing SAP R/3 system to the future SAP S/4 HANA platform could lead to disruptions in business processes, which could have a negative impact on business activities and the profit situation.

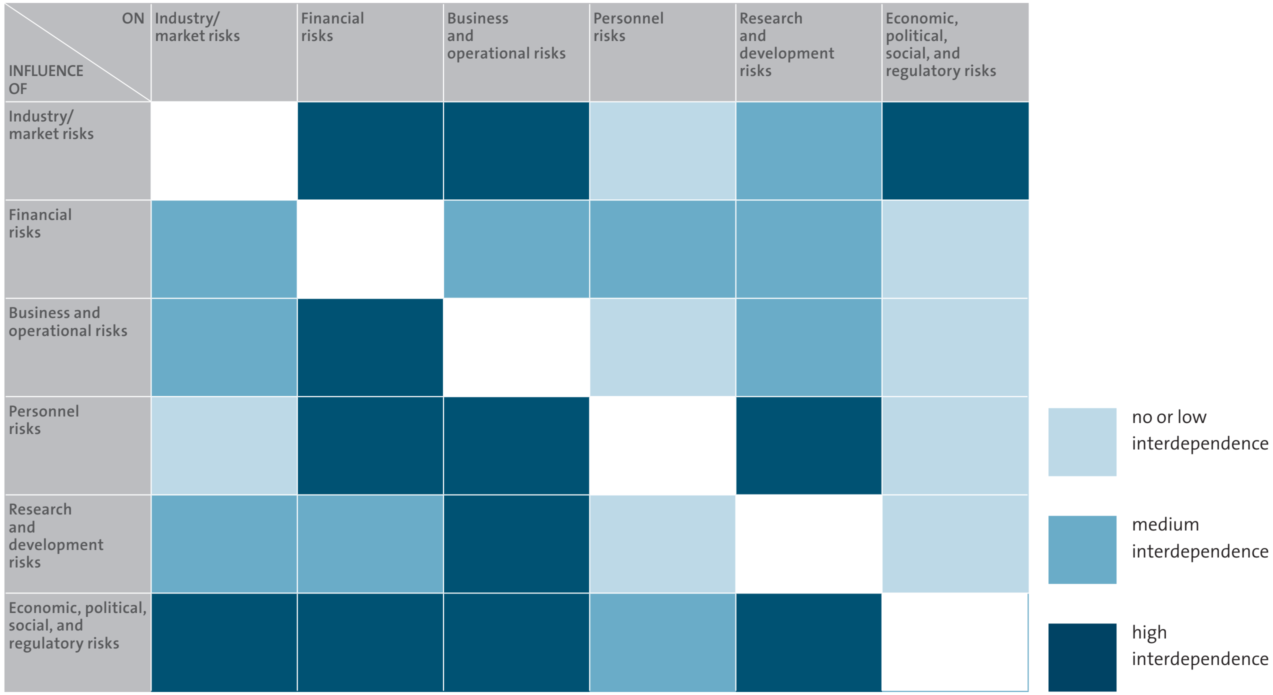
Ecological risks

Elmos is certified according to both the demanding environmental management standard ISO 14001 and the energy management standard ISO 50001. These certifications are confirmed in repeat audits. Although this approach helps minimize ecological risks, it cannot be fully ruled out that the Group could incur ecological risks with an impact on the financial, profit, and economic position due to factors such as misconduct or extraneous circumstances.

Interdependencies between risks

Risks do not occur in isolation. Instead, they are dependent on other risks and have an influence on them. A consideration of the interdependencies between risk groups is also part of an integrated approach to managing the dangers that risks pose to the Company. The following six risk groups, as described above in detail, have been investigated with regard to their mutual interdependencies:

Correlation matrix



Note on interpreting the correlation matrix: influence of the risk groups in the rows on the risk groups in the columns

1) Economic, political, social, and regulatory risks
2) Industry and market risks
3) Personnel risks
4) Research and development risks
5) Financial risks
6) Business and operational risks

The above correlation matrix, which presents the influence of the risk groups in the rows on the risk groups in the columns, illustrates how the risk groups influence each other.

Management’s overall assessment of risks

Elmos aggregates all risks reported by the various Company divisions and functions. Risks are analyzed; however, individual risks might cause considerable damage 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.

The aforementioned risks are assessed by Management based on the potential amounts of loss and probability of occurrence according to the respective risk category, as noted, with further input provided by a risk-bearing capacity analysis. Risks that are subject to substantial interdependencies are additionally evaluated with regard to the resulting effect. It should be noted that in some categories, risks of a nature that could jeopardize the Company’s existence (risks with a potential loss of >25 million Euro) do exist, but that these generally have a relatively low probability of occurrence or are associated with interactions with other risks. As a consequence, no individual risks are currently assessed as belonging to the categories within the Company for both the highest amount of loss and the highest probability of occurrence (i.e., no risk assessment as “very high”).

Conclusion: From today’s perspective and based on the risk-bearing capacity analysis, there are still no risks that jeopardize the continued existence of Elmos Semiconductor SE and the Elmos Group.

In the opinion of the Management Board, there are no significant changes in the assessment of the risk situation compared to the previous year. This is particularly evident in the unchanged assessment of the individual risk groups. The opportunities arising from the sale of the Dortmund wafer fab to Littelfuse outweigh the risks. In addition, a long-term supply agreement was concluded until at least 2029 to secure the required wafer capacities.

Outlook

Economic and industry-specific framework conditions

The International Monetary Fund (IMF) expects global growth of 3.3% in the current year (2024: 3.2%). Accordingly, global growth is expected to remain stable, although it may vary significantly from region to region. The IMF has thus raised its latest economic forecast for the global economy for 2025 slightly by 0.1 percentage points compared to the October 2024 forecast. At the same time, the IMF warns, in particular, of an intensification of protectionist policies and trade tensions, which could reduce investments and disrupt supply chains once again, thereby also affecting the global automotive and semiconductor markets.

In January 2025, S&P Global expected a slight decline of -0.5% in car production figures for the global automotive market in the current year, due, in particular, to economic and geopolitical uncertainties. As in the previous year, regional differences can be seen. On the one hand, a downward trend is expected in Europe and North America, in particular, while a more stable trend is forecast for Asia, especially in China.

Forecast market development

Gross domestic product[1]	Forecast 2025
Worldwide	+3.3%
Europe	+1.0%
Germany	+0.3%
China	+4.6%
U.S.A.	+2.7%
Light vehicle production figures[2]	
Worldwide	-0.5%
Europe	-3.0%
China	+0.3%
North America	-2.2%

Sources: [1]IWF (as of: January 2025), [2]S&P Global Mobility Light Vehicle Production Forecast (as of: January 2025)

Operational targets for the fiscal year 2025

Sales and earnings targets

Besides current business performance and the order situation, the guidance is also based on the expectations and assumptions regarding general economic development and specific industry and market development, as described above. As Elmos Semiconductor SE is the most significant unit in the Group, the Group's expected business performance in 2025 also applies to the expected performance of Elmos Semiconductor SE. The current fiscal year will be influenced by customers continuing to adjust their inventories, along with geopolitical and economic uncertainties. The full-year guidance reflects the current situation in the core markets relevant to the Company and the low level of visibility. Elmos expects a stronger performance in the second half of 2025 compared to the first six months. For fiscal year 2025, Elmos expects sales of 580 million Euro ± 30 million Euro and an EBIT margin of 23% ± 3 percentage points of sales. The guidance is based on an exchange rate of 1.05 EUR/USD.

Capital expenditure and liquidity targets

Elmos expects capital expenditures for property, plant and equipment and intangible assets, less capitalized development costs, of around 7% ± 2%-points of sales for the fiscal year 2025. For 2025, Elmos expects a positive adjusted free cash flow of 7% ± 2 percentage points of sales and thus significantly above the level of the previous year (2024: 0.9% of sales). The expected development of investment and liquidity targets also relates to both the Group and Elmos Semiconductor SE.

Guidance 2025

Sales	580 million Euro ± 30 million Euro
EBIT margin	23% ± 3 percentage points of sales
Capital expenditures[1]	7% ± 2 percentage points of sales
Adjusted free cash flow[2]	7% ± 2 percentage points of sales
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.

Dividend targets

Free liquidity is planned to be utilized in part for the payment of a dividend. In view of the Company's business performance and earnings development, the Supervisory Board and the Management Board will propose a dividend of 1.00 Euro per share (previous year: 0.85 Euro) at the Annual General Meeting in May 2025.

Underlying assumptions of our guidance

Elmos regards the medium- and long-term growth prospects for automotive electronics as positive. The increased use of electronics in vehicles is driven by numerous trends, including advances in driver assistance systems all the way to autonomous driving, the electrification of the powertrain, digitalization, new system architectures all the way to the software-defined vehicle, and increasing demands on safety and comfort applications.

A positive performance for Elmos requires the success of our current and future customers as well as our ability to sell our products to them. The international automotive supplier market is subject to fierce competition. Resulting effects, such as shifts in the market or portfolio changes at our customers, are difficult to predict. The outlook is based, among other factors, on the assumptions regarding economic developments described above as well as on the information contained in the report on opportunities and risks. Expectations may be influenced, in particular, by geopolitical events, intensified sanctions and trade restrictions, as well as economic, sector and market-specific developments and cost fluctuations.

Legal information

Disclosures pursuant to takeover law

The information required by takeover law as stipulated under Sections 289a and 315a German Commercial Code (HGB) as of December 31, 2024 (also the explanatory report in accordance with Section 176 [1] Sentence 1 German Stock Corporation Act (AktG), is reported below. The composition of the subscribed capital and holdings that exceed 10% of the voting rights can be found in note 22 of the consolidated financial statements.

Limitations with regard to voting rights or the transfer of shares

Statutory limitations with regard to voting rights granted by shares can result, in particular, from the regulations of the German Stock Corporation Act (AktG) or the Securities Trading Act (WpHG). For example, shareholders may be barred from voting under certain conditions pursuant to Section 136 German Stock Corporation Act (AktG). These prerequisites are, for example, the approval of their own actions, the release from a liability or a claim of the Company against the shareholder. Furthermore, according to Section 71b German Stock Corporation Act (AktG), Elmos Semiconductor SE does not have any rights linked to treasury shares or any voting rights. Moreover, due to breaches of disclosure requirements under capital market law in accordance with Section 44 WpHG, rights linked to shares (e.g., voting rights) may be excluded at least for a certain period of time.

Some share-based compensation components for the Management Board and employees include time-related restrictions, such as holding periods. Furthermore, preventive, time-limited trading restrictions for the Supervisory Board, the Management Board, and individual employees are in place.

Shares with special rights conferring powers of control

Shares with special rights conferring powers of control have not been issued.

Form of voting rights control in the case of employee shareholdings

Like other shareholders, employees who hold shares in Elmos Semiconductor SE exercise their control rights directly, in accordance with legal stipulations and the Articles of Incorporation.

Legal stipulations and provisions of the Articles of Incorporation for the appointment and dismissal of Management Board members and for amendments to the articles

We refer to the relevant statutory provisions for the appointment and dismissal of members of the Management Board (Sections 84, 85 German Stock Corporation Act [AktG], Art. 9 [1], 39 [2], 46 SE Regulation [SE-VO]) and for the amendment of the Articles of Incorporation (Art. 59 Regulation [SE-VO], Section 179 German Stock Corporation Act [AktG]). The Company's Articles of Incorporation include supplementary provisions.

According to the Articles of Incorporation, the Management Board of the Company consists of at least two members (Section 4 (1) of the Articles of Incorporation). The Supervisory Board is responsible for appointing, dismissing, and concluding the employment contracts of the members of the Management Board. The Supervisory Board determines the number of members of the Management Board. It may appoint a Chairman and a Deputy Chairman of the Management Board. A spokesperson and deputy members of the Management Board can also be appointed (Section 4 [2] of the Articles of Incorporation). Members of the Management Board are appointed for a maximum term of six years. Reappointments are permitted (Section 4 (3) of the Articles of Incorporation).

Resolutions of the Annual General Meeting on amendments to the Articles of Incorporation require a majority of two thirds of validly cast votes or, if at least half of the share capital is represented, a simple majority of validly cast votes (Section 13 (2) sentence 3 of the Articles of Incorporation), unless mandatory statutory provisions or the Articles of Incorporation stipulate a different majority. The Supervisory Board is authorized to make amendments to the Articles of Incorporation that only affect the wording (Section 179 (1) German Stock Corporation Act [AktG], Section 9 (9) of the Articles of Incorporation).

The Management Board's authorization to issue shares

The following statements on the Management Board's authorization to issue shares are based on the amount of share capital at the time of the Annual General Meeting's resolution on the authorization on May 22, 2020 (20,103,513.00 Euro). The share capital as of December 31, 2024, stood at 17,700,000.00 Euro following the cancellation of treasury shares on two occasions over the course of fiscal year 2021.

The Management Board is authorized to increase the Company's share capital up to and including May 21, 2025, subject to the Supervisory Board's consent, by up to 10,051,756.00 Euro, once or more than once, through the issue of new no-par value bearer shares against contributions in cash or in kind (authorized capital 2020).

If the capital is increased against contributions in cash, subscription rights shall be granted to the shareholders. The shares may be taken over by banks under the obligation to offer them to the shareholders for subscription. However, the Management Board is authorized to exclude the shareholders' subscription rights, subject to the Supervisory Board's consent:

- if the new shares are issued at a price that is not significantly lower than the stock market price and the shares issued under exclusion of the shareholders' subscription rights pursuant to Section 186 (3) Sentence 4 German Stock Corporation Act (AktG) do not exceed 10% of the share capital in total, neither at the effective date nor at the time at which this authorization is exercised. The sale of treasury shares is to be counted toward this 10% limit if it takes place during the term of this authorization under exclusion of the shareholders' subscription rights pursuant to Section 186 (3) Sentence 4 German Stock Corporation Act (AktG). Furthermore, those shares that have been issued (or are to be issued) to service bonds (including income bonds) with conversion or option privileges and/or a conversion obligation are to be counted toward this limit if the bonds or income bonds have been issued during the term of this authorization under exclusion of the shareholders' subscription rights pursuant accordingly to Section 186 (3) Sentence 4 German Stock Corporation Act (AktG);

- if doing so is necessary in order to grant the creditors of the bonds issued by the Company or its Group companies (including income bonds) with conversion or option privileges and/or a conversion obligation a subscription right for new shares to the extent to which they would be entitled upon exercising their conversion or option privilege and/or upon meeting a conversion obligation;
- in the event of a capital increase against contributions in cash for issuance to employees and executives of the Company, employees of affiliated companies, and freelance workers;
- for the payment of stock dividends ("scrip dividends"), which involves offering shareholders the option of entirely or partially investing the dividends to which they are entitled as a contribution in kind for the acquisition of new shares in the Company;
- for fractional amounts.

Moreover, with the approval of the Supervisory Board, the Management Board is authorized to exclude shareholders' subscription rights in the event of a capital increase against contributions in kind.

The total of the shares issued according to this authorization against contributions in cash or in kind under exclusion of the shareholders' subscription rights must not exceed a proportionate amount of the share capital of 2,010,351.30 Euro; the sale of treasury shares is to be counted toward this limit if it takes place during the term of this authorization under exclusion of the shareholders' subscription rights. Furthermore, those shares that have been issued or are to be issued to service bonds (including income bonds) with conversion or option privileges and/or a conversion obligation are to be counted toward this limit if the bonds or income bonds have been issued during the term of this authorization under exclusion of the shareholders' subscription rights. The Management Board is further authorized to determine all other rights attached to the shares, as well as the particulars of the issue, subject to the Supervisory Board's consent.

The Management Board's authorization to issue convertible bonds and option bonds

The share capital is conditionally increased by up to 10,000,000.00 Euro, divided into no more than 10,000,000 no-par value bearer shares (conditional capital 2020). The conditional capital increase is carried out by issuing up to 10,000,000 no-par value bearer shares only to the extent that the holders or creditors of convertible bonds or subscription warrants from option bonds issued by Elmos Semiconductor SE or one of the Company's Group companies within the meaning of Section 18 German Stock Corporation Act (AktG) until May 21, 2025, on the basis of the Management Board's authorization by the Annual General Meeting of May 22, 2020, make use of their conversion or option privileges or fulfill their conversion or option obligations, or shares are supplied under tender rights and insofar as no other forms of performance are utilized for servicing. Furthermore, the new shares are issued at the conversion or option prices to be determined respectively in the terms and conditions of the convertible bonds or option bonds in accordance with the aforementioned authorization resolution.

The new shares are entitled to dividends from the beginning of the fiscal year in which they come into being by the exercise of conversion or option privileges or the fulfillment of conversion obligations; deviating from this, the Management Board may determine that the new shares are entitled to dividends from the beginning of the fiscal year for which, at the time of exercising conversion or option privileges or fulfilling conversion obligations, no resolution by the Annual General Meeting on the appropriation of retained earnings has been adopted yet, subject to the Supervisory Board's consent.

The Management Board is authorized to determine the further particulars of the implementation of the conditional capital increase, subject to the Supervisory Board's consent.

The Management Board's authorization to buy back shares

The Management Board is authorized by the Annual General Meeting's resolution of May 11, 2022, to purchase treasury shares in the amount of up to 10% of the share capital in total by May 10, 2027, subject to the Supervisory Board's consent. Together with any treasury shares acquired for other reasons, which are held by the Company or are attributable to it in accordance with Sections 71a et seq. German Stock Corporation Act (AktG), the shares acquired on the basis of this authorization may not exceed 10% of the Company's share capital at any time. The authorization to acquire and use treasury shares may be exercised entirely or in several parts, once or more than once, and for one or more than one purpose within the scope of the aforementioned limitation. The acquisition shall be made via the stock exchange or by means of a public share buyback offer addressed to all shareholders of the Company or by means of a purchase from individual shareholders on the basis of an individual agreement; however, not from natural or legal persons who hold shares whose voting rights at the time of the share acquisition pursuant to this authorization are attributable to a member of the Management Board and/or the Supervisory Board pursuant to Sections 34 et seq. German Securities Trading Act (WpHG) – or any successor provisions – as well as persons who are subject to reporting requirements pursuant to Article 19 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of April 16, 2014 on market abuse ("Market Abuse Regulation" and any successor provisions) without taking into account the exception pursuant to Article 19 (8) and (9) of the Market Abuse Regulation (and any successor provisions). The authorization contains differentiating requirements for the separate purchase types, particularly with respect to the admissible purchase price. The authorization to acquire and use treasury shares based on the resolution of the Annual General Meeting of May 22, 2020, and limited to the period prior to May 21, 2025, was canceled when the new authorization took effect.

As of December 31, 2024, the Company still held a total of 557,813 treasury shares, or 3.15% of the share capital. With regard to the disclosures pursuant to Section 160 (1) No. 2 German Stock Corporation Act (AktG), we refer to the section entitled "Equity" in the notes to the financial statements and to Note 22 in the notes to the consolidated financial statements.

Material agreements on the condition of a change of control as a result of a takeover bid and the subsequent effects

Various agreements – particularly certain loan agreements, supply agreements, license agreements, patent cross license agreements, investment agreements, cooperation agreements, software agreements, development agreements, and agreements or notices on public funding – contain change-of-control clauses. In the event of material changes in the ownership structure of Elmos, these agreements particularly grant the contractual partner the option to have the contractual relationship terminated prematurely and/or to assert claims for damages, which could have effects on the further development of business, as well as the Company's financial position, net assets and results of operations. Such clauses are common in the market.

Compensation agreements in case of a takeover bid

In case of a change of control, the members of the Management Board are entitled to terminate their respective employment contracts within three to six months from the occurrence of a change of control with three to six months' notice to the end of the month, and to resign from their duties as of the termination of their employment contracts. In the event that this right of termination is exercised, each Management Board member is entitled to compensation in the amount of the remuneration for two years, limited by the amount of the remuneration to be paid for the remaining term of the respective employment contract. Applicable is the remuneration amount paid during the most recent fiscal year. The Company is also committed to compensation payments for the post-termination effects of non-competition clauses, and it may make extraordinary special payments. In addition, provisions were made in some cases regarding share holding periods, share-based compensation (with the granting of up to three times the shares to be granted as part of the share-based bonus) and pensions.

Combined non-financial report

The combined non-financial report in accordance with Sections 289b and 315b German Commercial Code (HGB) is included in the "Information for our shareholders" section of the Annual Report, which is publicly accessible on the website of Elmos Semiconductor SE (www.elmos.com/english/about-elmos/investor/financial-reports).

Statement on Corporate Governance

The statement on corporate governance in accordance with Sections 289f and 315d HGB is included in the "Information for our shareholders" section of the Annual Report, which is publicly accessible on the website of Elmos Semiconductor SE (www.elmos.com/english/about-elmos/investor/financial-reports).

Dortmund, March 6, 2025

Dr. Arne Schneider

Dr. Jan Dienstuhl

Consolidated financial statements

Consolidated statement of financial position

Assets | thousand Euro	Notes	12/31/2024	12/31/2023
Intangible assets	14	67,065	40,757
Property, plant and equipment	15	288,525	292,132
Securities	16	237	13,422
Investments	16	1	1
Other financial assets	21	7,060	8,927
Deferred tax assets	17	960	656
Non-current assets		**363,848**	**355,895**
Inventories	18	209,201	191,526
Trade receivables	19	94,577	91,018
Securities	16	10,434	6,748
Other financial assets	21	4,262	5,524
Other receivables	21	16,154	21,110
Income tax assets		20,541	212
Cash and cash equivalents	20	80,813	85,629
Assets held for sale	5	0	54,736
Current assets		**435,982**	**456,503**
Total assets		**799,830**	**812,398**

Equity and liabilities | thousand Euro	Notes	12/31/2024	12/31/2023
Share capital	22	17,700	17,700
Treasury shares	22	-558	-579
Additional paid-in capital	22	20,247	19,613
Surplus reserve		102	102
Other equity components	22	239	-254
Retained earnings		524,987	410,857
Equity attributable to owners of the parent		**562,718**	**447,439**
Non-controlling interests		467	504
Equity		**563,184**	**447,943**
Financial liabilities	25	98,275	99,879
Deferred tax liabilities	17	20,683	9,814
Non-current liabilities		**118,958**	**109,693**
Provisions	24	41,482	22,735
Income tax liabilities	26	199	71,839
Financial liabilities	25	14,924	18,807
Trade payables	27	57,521	97,598
Other liabilities	26	3,563	40,304
Liabilities connected to assets held for sale	5	0	3,480
Current liabilities		**117,688**	**254,763**
Liabilities		**236,646**	**364,455**
Total equity and liabilities		**799,830**	**812,398**

Consolidated income statement

thousand Euro	Notes	FY 2024	FY 2023
Sales	6	**581,105**	**575,013**
Cost of sales	7	-326,564	-303,698
Gross profit		**254,541**	**271,316**
Research and development expenses	7	-59,059	-68,774
Distribution expenses	7	-24,754	-23,000
Administrative expenses	7	-32,173	-31,480
Operating income before other operating expenses (-)/income		**138,555**	**148,061**
Foreign exchange gains	10	2,418	1,459
Other operating income	11	48,766	4,905
Other operating expenses	11	-17,105	-3,743
Earnings before interest and taxes (EBIT)		**172,634**	**150,682**
Finance income	9	1,102	1,226
Finance expenses	9	-3,399	-2,890
Earnings before taxes		**170,337**	**149,019**
Income tax		**-41,677**	**-49,996**
thereof current income tax	12	-31,054	-66,547
thereof deferred tax	12	-10,624	16,551
Consolidated net income		**128,660**	**99,023**
thereof attributable to owners of the parent		128,697	99,148
thereof attributable to non-controlling interests		-37	-125
Earnings per share		Euro	Euro
Basic/Diluted earnings per share	13	7.51	5.79

Consolidated statement of comprehensive income

thousand Euro	Notes	FY 2024	FY 2023
Consolidated net income		**128,660**	**99,023**
Items to be reclassified to the consolidated income statement in later periods including respective tax effects			
Foreign currency adjustments without deferred tax effect		187	-219
Changes in market value of financial assets measured at market value	22	546	748
deferred tax on this item	22	-187	-237
Items not to be reclassified to the consolidated income statement in later periods including respective tax effects			
Actuarial losses (-)/ gains from pension plans	22	-78	34
deferred tax on this item	22	26	-11
Other comprehensive income after taxes		**493**	**315**
Total comprehensive income after taxes		**129,153**	**99,338**
thereof attributable to owners of the parent		129,190	99,463
thereof attributable to non-controlling interests		-37	-125

Consolidated statement of cash flows

thousand Euro	Notes	FY 2024	FY 2023
Consolidated net income		128,660	99,023
Depreciation and amortization	8	37,464	42,270
Losses from disposal of non-current assets		1,730	514
Income from the sale of a subsidiary		-43,453	0
Financial result		2,297	1,664
Other non-cash expense/income (-)		4,751	-16,551
Current income tax	12	31,054	66,547
Expense for stock awards/share matching		656	908
Changes in provisions for pensions		64	0
Changes in net working capital:			
Trade receivables	19	-3,559	-23,251
Inventories	18	-11,861	-91,999
Other assets	21	3,767	-5,833
Trade payables	27	-29,236	45,720
Other provisions and other liabilities		19,259	704
Income tax payments		-123,023	-16,303
Interest paid	9	-3,403	-1,996
Interest received	9	1,102	1,226
Cash flow from operating activities		**16,268**	**102,643**
Capital expenditures for intangible assets	14	-33,875	-18,179
Capital expenditures for property, plant and equipment	15	-33,168	-109,014
Payments from disposal of non-current assets		442	291
Payments connected to future eliminations from the scope of consolidation		0	37,200
Payments from eliminations from the scope of consolidation		55,444	0
Payments from additions to the scope of consolidation		3	0
Disposal of securities	16	10,046	16,029
Payments for other non-current financial assets	21	0	-77
Cash flow from investing activities		**-1,108**	**-73,750**
Payments from incurrence of financial liabilities	25	9,915	40,000
Payments for repayment of financial liabilities	25	-16,052	-2,051
Dividend distribution	36	-14,567	-12,839
Repayment of liabilities from installment purchase		0	-565
Repayment of lease liabilities		-1,574	-1,444
Repayment of other financial liabilities		-280	-280
Other changes		-4	115

thousand Euro	Notes	FY 2024	FY 2023
Cash flow from financing activities		**-22,562**	**22,936**
Decrease (-)/Increase in cash and cash equivalents		**-7,402**	**51,829**
Effect of exchange rate changes on cash and cash equivalents		40	-295
Cash and cash equivalents at beginning of reporting period	20	88,175	36,641
Cash and cash equivalents at end of reporting period	**20**	**80,813**	**88,175**
thereof cash and cash equivalents of the disposal group	5	0	2,546

Consolidated statement of changes in equity

												Non-controlling interests	Group
	Equity attributable to owners of the parent												
thousand Euro	Notes	Shares thousand	Share capital	Treasury shares	Additional paid-in capital	Surplus reserve	Other equity components			Retained earning	Total	Total	Total
							Reserve for financial assets measured at market value	Currency translation	Unrealized actuarial gains/losses (-)				
01/01/2023		**17,700**	**17,700**	**-581**	**18,707**	**102**	**-1,282**	**894**	**-181**	**324,433**	**359,792**	**629**	**360,421**
Consolidated net income										99,148	99,148	-125	99,023
Other comprehensive income for the period	22						511	-219	23		315		315
Total comprehensive income							511	-219	23	99,148	99,463	-125	99,338
Share-based payment/Issue of treasury shares	22			2	-2						0		0
Dividend distribution										-12,839	-12,839		-12,839
Expense for stock awards/share matching	22				908						908		908
Other changes										115	115		115
12/31/2023		**17,700**	**17,700**	**-579**	**19,613**	**102**	**-772**	**675**	**-158**	**410,857**	**447,439**	**504**	**447,943**
01/01/2024		**17,700**	**17,700**	**-579**	**19,613**	**102**	**-772**	**675**	**-158**	**410,857**	**447,439**	**504**	**447,943**
Consolidated net income										128,697	128,697	-37	128,660
Other comprehensive income for the period	22						359	187	-52		493	0	493
Total comprehensive income							359	187	-52	128,697	129,190	-37	129,153
Share-based payment/Issue of treasury shares	22			21	-21						0		0
Dividend distribution										-14,567	-14,567		-14,567
Expense for stock awards/share matching	22				656						656		656
12/31/2024		**17,700**	**17,700**	**-558**	**20,247**	**102**	**-413**	**862**	**-210**	**524,987**	**562,718**	**467**	**563,184**

Notes to the consolidated financial statements

General information

Elmos Semiconductor SE ("the Group", "the Company", or "Elmos") has its registered office in 44227 Dortmund, Heinrich-Hertz-Str. 1 (Germany) and is entered in the register of companies at the District Court (Amtsgericht) Dortmund, under section B, no. 31940. The Articles of Association in their current version have been in effect since the conversion as of July 1, 2020, last amended in May 2023. Based on this amendment, the Management Board is authorized, up to and including May 9, 2028, to hold the Annual General Meeting without the physical presence of the shareholders or their proxies at the location of the Annual General Meeting (virtual Annual General Meeting). The administrative headquarters of Elmos Semiconductor SE have been relocated within North Rhine-Westphalia from Dortmund to Leverkusen as of January 1, 2025.

The Company's business is the development, manufacture and distribution of microelectronic components and system parts (application specific integrated circuits or, in short, ASICs, and application specific standard products or, in short, ASSPs) and technological devices with similar functions. The Company may conduct all transactions suitable for serving the object of the business directly or indirectly. The Company is authorized to establish branches, acquire or lease businesses of the same or a similar kind or invest in them, and conduct all business transactions that are beneficial to the object of the business. The Company is authorized to conduct business in Germany as well as abroad. In addition to its domestic branches, the Company has sales companies and business locations in Europe, Asia and the U.S. and cooperates with other German and international companies in the development and manufacture of semiconductor chips. The Company is a listed stock corporation, and its shares are traded in the Prime Standard at the Frankfurt Stock Exchange.

In view of geopolitical conflicts such as the ongoing war in Ukraine, the conflict in the Middle East, sanctions and trade restrictions, bottlenecks in global supply chains, rising prices and potential shortages of energy, materials, services and personnel, the critical items in this regard, i.e., intangible assets and property, plant and equipment, trade receivables and inventories, were subjected to an impairment test.

Accounting policies

1 – Principles of financial accounting

Basic information

The consolidated financial statements have been prepared in euros. Values stated in "thousand Euro" have been rounded up or down to thousand Euro according to financial rounding.

The consolidated financial statements of Elmos have been prepared in accordance with the International Financial Reporting Standards (IFRS) as applicable in the European Union (EU) and the supplementary applicable regulations of German commercial law as stipulated by Section 315e (1) HGB (Commercial Code). All the IFRS released by the International Accounting Standards Board (IASB) in effect at the time of the preparation of the consolidated financial statements and applied by Elmos were endorsed by the European Commission for adoption in the EU.

The consolidated statement of financial position, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity have been prepared in accordance with IAS 1 – *Presentation of Financial Statements*. Individual items have been aggregated for improved clarity; such items are explained in the notes.

The financial statements were released for publication by Management Board resolution of March 6, 2025.

Estimates and discretionary decisions

The most important forward-looking assumptions as well as other material sources of estimate uncertainty identified as of the end of the reporting period based on which there is a considerable risk that a material adjustment of the book values of assets and liabilities will become necessary within the next fiscal year are explained in the following. Beyond the scope of the areas described below, assumptions and estimates are also necessary for valuation allowances for bad debt, inventories, contingent liabilities and other provisions. In accordance with IAS 8 – *Accounting Policies, Changes in Accounting Estimates and Errors*, changes to estimates are recognized in profit or loss as soon as new information becomes available.

Even though these estimates and assumptions have been made by management to the best of their knowledge based on current events and measures, actual results may deviate from estimates made. This holds true especially in view of the continuing geopolitical risks, particularly due to the wars in Ukraine and the Middle East, potentially leading to price increases and shortages of energy and commodities, and the conflict about Taiwan. Rising inflation and higher interest rates may also result in a considerable decrease in consumption. Customs disputes and trade restrictions between leading industrialized nations can have a negative impact on global trade and thus on economic development. The developments in these global political conflicts continue to be highly dynamic so that it cannot be ruled out that the actual results will deviate significantly from the estimates and assumptions made within the framework of these consolidated financial statements or that an adjustment of the estimates and assumptions made will be necessary in future periods and that this might have a material effect on Elmos Group's assets and liabilities, financial position and profit/loss.

Deferred tax assets

In addition to the balance sheet differences from IFRS and the tax balance sheet approach, deferred tax assets are recognized for all unutilized tax loss carry-forward to the extent it appears probable that taxable income will be available so that loss carry-forward can in fact be utilized. For the determination of the amount of deferred tax assets, a material discretionary decision made by the Company's management is required, based on the expected time of occurrence and the amount of taxable future income as well as future tax planning strategies. More detailed information can be found under note 17.

Pension commitments

Expenses for defined benefit pension plans are determined according to actuarial calculations. The actuarial evaluation is made on the basis of assumptions with regard to discount rates, expected returns on pension plan assets, future raises of wages and salaries, mortality, and future retirement pension increases. Due to the long-term orientation of those plans, such estimates are subject to material uncertainty. More detailed information can be found under note 24.

Development expenses

Development expenses are capitalized in accordance with the accounting policies and valuation methods described under note 3 at the best possible estimate. More detailed information can be found under note 14.

Property, plant and equipment

Items of property, plant and equipment are capitalized on the basis of the best possible estimate according to the accounting and valuation method presented under note 3. More detailed information can be found under note 15.

Leases

In addition to establishing an adequate capitalization interest rate, the valuation of rights of use as well as liabilities under leases requires assumptions with respect to other parameters or rather the probability and dates of entry or exercise. The Group cannot readily determine the interest rate the lease is based on in the individual case. Therefore, the Group also applies its incremental borrowing rate for measuring lease liabilities. That is the interest the Group would have to pay if it borrowed the funds over a comparable term at comparable security required in a similar economic environment for an asset with a value similar to the right of use. Some leases include purchase options/extension options that can be exercised by the Group prior to expiry of the noncancelable term. The Group evaluates as of the provision date if the exercise of such options is likely. Depending on this assessment, the lease's underlying useful life is determined. More detailed information on leases can be found under notes 3 and 15.

Amended standards

The accounting policies applied generally correspond to those applied in the previous year. Exceptions were the following amendments to standards subject to first-time mandatory application for fiscal year 2024.

Amendments to standards	First-time mandatory adoption according to the IASB	Effects on Elmos
Amendments to IAS 1 – *Presentation of Financial Statements:* Classification of Liabilities as Current or Non-current	01/01/2024	Immaterial
Amendments to IAS 1 – *Presentation of Financial Statements:* Classification of Liabilities as Current or Non-current, Deferral of Effective Date	01/01/2024	Immaterial
Amendments to IAS 1 – *Presentation of Financial Statements:* Non-current Liabilities with Covenants	01/01/2024	Immaterial
Amendments to IFRS 16 – *Leases:* Lease Liability in a Sale and Leaseback	01/01/2024	Immaterial
Amendments to IAS 7 – *Statement of Cash Flows* and amendments to IFRS 7 – *Financial Instruments: Disclosures:* Supplier Finance Arrangements	01/01/2024	Immaterial

Amendments to standards voluntarily applicable in advance (EU endorsed)

The IASB has released the following amendments to standards that have already been incorporated into EU law within the framework of the comitology procedure but were not yet subject to mandatory application in fiscal year 2024. The Group does not apply these amendments to standards in advance.

Amendments to standards	First-time mandatory adoption in the EU	Effects on Elmos
Amendments to IAS 21 – *The Effects of Changes in Foreign Exchange Rates:* Lack of Exchangeability	01/01/2025	Immaterial

Standards and amendments to standards not yet applicable in the EU (not yet EU endorsed)

The IASB has released the following standards and amendments to standards that were not yet subject to mandatory application in fiscal year 2024. These standards and amendments to standards have so far not been endorsed by the EU and are therefore not adopted by the Group.

Standards/Amendments to standards	First-time mandatory adoption according to the IASB	Effects on Elmos
Amendments to IFRS 9 – *Financial Instruments* and IFRS 7 – *Financial Instruments:* Disclosures; amendments with respect to the classification and measurement of financial instruments and amendments with respect to contracts referencing nature-dependent electricity	01/01/2026	Immaterial
IFRS 18 – *Presentation and Disclosure in Financial Statements*	01/01/2027	Cf. annotation below this table
IFRS 19 – *Subsidiaries without Public Accountability: Disclosures*	01/01/2027	None
Annual Improvements to IFRS Accounting Standards (Volume 11)	01/01/2026	Immaterial

IFRS 18 – *Presentation and Disclosure in Financial Statements*

IFRS 18 contains requirements for the presentation and disclosure of information in financial statements for all companies that apply IFRS. IFRS 18 replaces IAS 1 – *Presentation of Financial Statements.* The new standard is subject to mandatory application for fiscal years beginning on or after January 1, 2027. Elmos will begin evaluating the quantitative and qualitative effects of the application of IFRS 18 on the consolidated financial statements in the current fiscal year but cannot reliably estimate their extent yet.

2 – Principles of consolidation

Scope of consolidation, consolidation date and consolidation methods

In addition to Elmos Semiconductor SE, the consolidated financial statements prepared for fiscal year 2024 include all entities whose voting rights Elmos has the direct or indirect majority of, or, in cases of control over the entity as defined by IFRS 10 – *Consolidated Financial Statements,* based on other rights. Capital consolidation is based on the purchase method: The investments' acquisition values are set off against the proportionate balance of assets and liabilities acquired at their respective time values. As of the acquisition date, identifiable assets and liabilities are fully accounted for at their respective fair values. The balance of a remaining asset difference is stated as goodwill. As of the time Elmos no longer exercises control over a company, that company is deconsolidated. As of that time, assets and liabilities as well as income and expenses are no longer attributable to Elmos.

The separate financial statements of the entities included in the consolidated financial statements of Elmos are stated in correspondence to the reporting date of the consolidated financial statements. All material receivables and liabilities as well as transactions between the consolidated entities have been eliminated in the consolidated financial statements.

A list of the subsidiaries included in the consolidated financial statements can be found under note 33.

The consolidated financial statements include no material non-controlling interests.

Foreign currency translation and foreign currency transactions

Material functional currencies are the euro for Elmos Semiconductor SE and its European subsidiaries and the U.S. dollar for Elmos N.A. Inc. The consolidated financial statements have been prepared in euros. Assets and liabilities denominated in foreign currencies are generally translated at the closing exchange rate as of the reporting date.

With regard to subsidiaries whose functional currency is the national currency of the respective country in which the subsidiary keeps its registered office, assets and liabilities entered in foreign currency in the statements of financial position of the economically independent international subsidiaries are translated into euros at the closing exchange rates as of the respective reporting dates. Income and expense items are translated at average exchange rates over the underlying period. Differences resulting from the measurement of equity at historical rates and closing rates as of the end of the reporting period are recognized outside profit or loss as changes in equity under other equity components.

The Company occasionally enters into forward exchange contracts and currency option transactions to hedge foreign currency transactions for periods consistent with committed exposures. These currency hedges reduce the impact of foreign exchange rate fluctuations on the Company's profit position. The Company is not involved in speculative transactions. For the total realized and unrealized foreign exchange gains or losses from currency hedges during fiscal year 2024, please refer to note 30.

Statement of cash flows

The cash flow statement shows how cash and cash equivalents (identical to the item in the consolidated statement of financial position) have changed in the course of the fiscal year by inflows and outflows of funds. The effects of acquisitions and divestitures as well as other changes to the scope of consolidation have been considered.

In accordance with IAS 7, the statement distinguishes between cash flows from operating activities, investing activities and financing activities. Finance expenses and finance income recognized in the consolidated income statement essentially correspond to the amounts paid.

3 – Accounting and valuation principles

Sales

The Company generates sales primarily by selling ASICs and ASSPs as well as by their development. Sales are stated net of sales tax and after deduction of any discounts given.

Sales are recognized at the time products are shipped to the customer or at the time the risk of loss passes to the customer, i.e., at the time the customer is able to determine the use of the transferred goods or services and to essentially reap the benefits of use. Within the framework of consignment warehousing agreements, sales are recognized either at the time of acceptance by the customer or at the time the consignment warehouse is stocked up, depending on the time of the passing of risk. Sales from all product shipments are thus recognized with respect to certain points in time. The same applies to sales from development activities which are recognized upon reaching contractually defined milestones. Sales equal the transaction price which Elmos is probably entitled to claim. Variable consideration is included in the transaction price if it is highly probable that there will be no significant reduction of sales as soon as the uncertainty with respect to the variable consideration ceases to exist.

There is no significant financing component as customary terms of payment of 30 to 60 days are agreed on.

Goodwill

Goodwill from business acquisitions is not amortized but reviewed for recoverability at least once a year. In addition to that, an impairment test is made if special events or market developments indicate that the fair value of a reporting unit might have fallen below its book value. As of the acquisition date, the acquired goodwill is allocated to the cash-generating unit (CGU) expected to benefit from the business combination's synergy effects.

Impairment is identified by determining the recoverable amount of the CGU the goodwill is allocated to. If the recoverable amount of the CGU is below its book value, impairment of goodwill needs to be recognized through profit or loss in the consolidated income statement. The recoverable amount is the higher of the two amounts of fair value less cost to sell and value in use.

All goodwill is allocated to the respective CGUs. For that purpose, each subsidiary usually represents one CGU.

The determination of the CGU's recoverable amount is based on value in use. For each CGU, future cash flows are determined on the basis of detailed long-term planning which involves a period of five years. The net present value of these future cash flows is then calculated by way of discounting.

Other intangible assets

In accordance with IAS 38, intangible assets originating from development are capitalized only if, among other criteria, it is a) sufficiently probable that the Company will receive the asset's future economic benefit and b) if the asset's cost can be measured reliably. These criteria do apply to capitalized development projects in connection with the development of ASICs. Projects are also capitalized if they are not yet linked to customer orders (ASSPs) but for which customer demand has been identified based on experience. Their recoverability is reviewed annually by the Company. Depreciation begins after the development stage is completed or rather at the start of pilot series production.

Development expenses are capitalized after technological feasibility or realizability is provided (so-called QB1 status). Cost is amortized as of the start of production (so-called QB3 status) on a straight- line basis over the estimated useful life of three to seven years. Expenses for the in-house development of design and process technology are capitalized insofar as all conditions in accordance with IAS 38 are met. Expenses are amortized under the straight-line method over the shortest respective period of the estimated useful life of the technology, the patent protection term or the term of the contract, yet for no longer than 20 years. Acquired intangible assets are recognized at cost and amortized over their estimated useful lives of 3 to 20 years under the straight-line method.

Amortization/Impairment is recognized in the consolidated income statement (cf. note 8). There were no other intangible assets with indefinite useful lives in fiscal year 2024 or fiscal year 2023.

Property, plant and equipment

Items of property, plant and equipment are generally capitalized at acquisition or production cost. Items of property, plant and equipment are depreciated over their estimated useful lives using the straight-line method as follows:

- Buildings: 25 to 50 years
- Building improvements: 8 to 10 years
- Technical equipment and machinery/Factory and office equipment: 5 to 15 years

If the book value exceeds the expected recoverable amount, impairment loss is recognized for that value in accordance with IAS 36.

Upon the sale or disposal of items of property, plant and equipment, corresponding acquisition cost and corresponding accumulated depreciation/impairment are eliminated from the respective accounts. Gains or losses from the disposal of property, plant and equipment are reported as other operating income or expenses. Costs for maintenance and repair are entered in the consolidated income statement as expense for the period in which they incur.

Leases

The Group assesses upon closing whether the contract originates or contains a lease. This is the case if the contract gives the right to control the use of an identified asset for a certain period of time against payment. The Group recognizes the right of use of the underlying asset and liabilities for lease payments.

Rights of use: The Group recognizes rights of use as of their provision date, i.e., the date on which the underlying asset is available for use. Rights of use are measured at acquisition cost less all accumulated depreciation and all accumulated impairment loss. Expenses for rights of use comprise recognized lease liabilities, initial direct costs incurred, and lease payments made at or prior to provision less any lease incentives. Subsequently the right of use is subject to straight-line deprecation from the provision date up to the expiry of the lease term unless ownership of the underlying asset is transferred to the Group as of the completion of the lease term or expenses for the right of use make allowance for the fact that the Group will exercise a purchase option. In that case the right of use is depreciated over the useful life of the underlying asset identified according to the provisions for property, plant and equipment. In addition, the right of use is continuously adjusted for impairment, if necessary, and adjusted for certain revaluations of lease liabilities. The Group reports rights of use that do not meet the definition of investment property under property, plant and equipment in the consolidated statement of financial position.

Lease liabilities: As of the provision date, the Group recognizes lease liabilities at the present value of the lease payments to be made over the term of the lease, discounted with the interest rate underlying the lease or, if that interest rate cannot be readily determined, with the Group's incremental borrowing rate. Lease payments comprise fixed payments and also include the exercise price of a purchase option if it is reasonably assured that the Group will actually exercise the option, lease payments for an extension option if the Group is reasonably certain it will exercise the option, and penalty payments for premature termination of the lease unless the Group is reasonably certain it will not terminate prematurely. Any lease liability is measured at amortized book value under the effective interest method. It is remeasured if the future lease payments change due to changes in index or interest rates, if the Group adjusts its estimate for probable payments within the context of a residual value guarantee, if the Group changes its assessment on the exercise of a purchase, extension or termination option, or if a de-facto fixed lease payment changes. Lease liabilities are reported under non-current or current financial liabilities in the consolidated statement of financial position.

Rights of use and lease liabilities with respect to leases of low-value assets or short-term leases are not recognized. The Group recognizes the lease payments associated with such leases as expense on a straight-line basis over the term of the lease (see also note 32).

Investments

Investments represent interests in entities over which Elmos has neither control nor significant influence. Investments for which there is a quoted market price are classified as equity instruments "at fair value through other comprehensive income (no recycling)" and measured at that value. Investments for which there is no active market are also classified as "at fair value through other comprehensive income (no recycling)" and measured at amortized cost. Insofar it is assumed that the book value equals the market value.

Financial instruments

According to IFRS 9, a financial instrument is a contract that originates a financial asset for one entity and a financial liability or an equity instrument for another entity. Considering their nature, financial instruments are classified into the following categories:

- Financial assets and liabilities measured at (amortized) cost
- Financial assets and liabilities measured at fair value

Regular purchase and sale transactions are entered as of the settlement date.

With the exception of trade receivables, Elmos measures a financial asset or a financial liability at fair value upon first-time valuation. Subsequent measurement corresponds to the business model to which the financial asset or liability is attributed as well as the characteristics of the contractual cash flows of the financial asset or liability.

- Hold and sell
- Hold
- Trade
- Financial liabilities at amortized cost
- Financial liabilities at fair value through profit or loss

The financial instruments entered in the statement of financial position of Elmos include, among others, liquid assets, securities, trade receivables, other financial assets, trade payables, forward exchange contracts, and other outside financing.

Financial assets and liabilities

Elmos classifies financial assets for subsequent measurement as measured either at amortized cost, at fair value through other comprehensive income, or at fair value through profit or loss. This classification is made on the basis of the business model applied by Elmos for controlling the financial assets and on the characteristics of the respective financial asset's contractual cash flows.

If the financial asset is held within the framework of a business model aimed at holding financial assets for the purpose of collecting contractual cash flows and if the terms of the contract provide for cash flows at predetermined points in time that represent solely principal payments and interest payments on the outstanding principal amount, the financial asset is measured at amortized cost.

Elmos measures a financial asset at fair value through other comprehensive income if both of the following conditions are met: The business model aims at collecting contractual cash flows as well as selling financial assets and the terms of the contract provide for cash flows at predetermined points in time that represent solely principal payments and interest payments on the outstanding principal amount.

All other financial assets neither measured at amortized cost nor at fair value through other comprehensive income are measured at fair value through profit or loss.

Elmos measures financial liabilities, with the exception of derivative financial instruments, at amortized cost in applying the effective interest method.

The Group has so far made no use of the option to designate financial assets and financial liabilities as financial assets and liabilities at fair value through profit or loss upon their first-time recognition (fair value option).

Derivative financial instruments

Elmos utilizes derivative financial instruments such as currency option transactions and forward exchange contracts to hedge against currency risk. Such derivative financial instruments are accounted for at fair value. Changes in fair value of derivative financial instruments are recognized through profit or loss in the consolidated income statement.

Inventories

Inventories are measured at acquisition or production cost or at the lower recoverable net value as of the reporting date. In addition to directly attributable costs, production cost also includes manufacturing costs and overhead as well as depreciation. Overhead costs are recognized as fixed amounts on the basis of the production facilities' usual utilization. Costs of unused production capacity (idle capacity costs) are reported in the consolidated income statement under cost of sales. Inventory allowances are made insofar as acquisition or production cost exceeds the expected recoverable net sales proceeds.

Trade receivables

Trade receivables as well as other receivables are generally recognized at face value in consideration of adequate allowances. The valuation allowance for bad debt comprises to a considerable degree estimates and assessments of individual receivables based on the respective customer's creditworthiness, current economic developments, and the analysis of historical bad debt loss on portfolio basis.

Cash and cash equivalents (liquid assets)

Liquid assets comprise cash on hand, checks and cash in banks and are measured at fair value upon initial recognition and at amortized cost in subsequent periods.

Provisions

Provisions are made for legal or factual obligations with historical origins if it is probable that a sufficiently reliable fulfillment of the obligation will lead to an outflow of the Group's resources and if a reliable estimate of the amount of the obligation can be made.

Recurring net pension expenses according to IAS 19 are made up of different components, reflecting different aspects of the Company's financial agreements as well as the expense for the benefits received by the employees. These components are determined by using the actuarial cost method on the basis of actuarial assumptions as stated under note 24.

The accounting principles provide that:

- all benefit improvements the Company is committed to as of the current valuation date are reflected in the planned benefit obligation, and
- actuarial gains and losses are directly recognized outside profit or loss in other comprehensive income.

Adequate provisions for warranty and product liability claims are made in individual cases upon risk assessment with respect to sales-oriented as well as legal consequences. Provisions for restructuring measures are entered if and when the Group has adopted a detailed and formal restructuring plan and restructuring measures have either begun or have been publicly announced.

Income tax

Current tax assets and tax liabilities for the current period and previous periods are measured at the amounts expected for tax refunds to be collected from the tax authorities or rather tax payments to be made to the tax authorities. The calculation of these amounts is based on the tax rates and tax laws in effect as of the reporting date in those countries in which the Group operates and generates taxable income.

Deferred taxes are determined under the liability method. Deferred income taxes reflect the net tax expense/income of temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and their respective tax values. The calculation of deferred tax assets and liabilities is carried out on the basis of the tax rates expected as applicable for the period in which an asset is realized or a debt is paid. The measurement of deferred tax assets and liabilities considers the tax effects resulting from the way an entity expects to realize its assets' carrying amounts or pay its debts as of the reporting date.

Deferred tax assets and liabilities are recognized regardless of the point in time at which the temporary accounting differences are expected to reverse. Deferred tax assets and liabilities are not discounted and they are reported in the statement of financial position as non-current assets or non-current liabilities.

A deferred tax asset is recognized for all deductible temporary differences to the extent it is probable that taxable income will be available against which the temporary difference can be offset. As of each reporting date, the Company assesses deferred tax assets not accounted for anew. The Company recognizes a deferred tax asset previously unaccounted for to the extent it has become probable that future taxable income will allow the deferred tax asset's realization. In the opposite case, the deferred tax asset's book value is reduced to the extent it appears no longer probable that there will be sufficient taxable income in order to make use of the benefit of the deferred tax asset either in its entirety or in part.

Current taxes and deferred taxes are charged or credited directly to equity if the tax relates to items credited or charged directly to equity in the same period or in another period.

No deferred tax liabilities incur to the extent that non-distributed profits of foreign investments are intended to remain invested in that entity for an incalculable period of time. Deferred tax liabilities are recognized for all taxable temporary differences insofar as the deferred tax liability does not result from goodwill which does not allow for amortization for tax purposes.

No deferred tax liabilities incur upon the first-time recognition of goodwill from business combinations. Deferred tax assets also include tax relief claims resulting from the expected utilization of tax loss carry-forwards and tax credits in the following years insofar as their realization is assured with sufficient reliability.

Deferred tax is determined on the basis of the tax rates in effect at or expected for the time of realization according to the respective countries' current tax law.

Sales tax

Income, expenses and assets are recognized net of sales tax, with the exception of the following cases:

- If the sales tax incurred upon the acquisition of assets or the claiming of services cannot be reclaimed from the tax authorities, the sales tax is recognized as part of the asset's production cost or rather as part of expenses.
- Receivables and liabilities are recognized inclusive of sales tax.

The sales tax amount to be refunded by or paid to the tax authorities is recognized in the statement of financial position under other receivables or other liabilities, respectively.

Government grants

Government grants or subsidies are recognized if it is reasonably assured that the grants are given and that the Company fulfills the corresponding conditions. Grants linked to expenses are recognized on schedule as income over the time period that is required to offset them against the corresponding expenses they are meant to compensate. Grants for an asset are recognized in the statement of financial position as reduction of acquisition or production cost. More detailed information can be found under note 31.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or manufacture of an asset for which a considerable period of time is required to be put into the intended state for use or sale are capitalized as part of the respective asset's acquisition or production cost with respect to all qualified assets the construction or manufacture of which has been started on or after January 1, 2009. All other borrowing costs are recognized as expense for the period in which they incur. Borrowing costs are interest expense and other costs an entity incurs in connection with borrowing outside capital.

Disposal groups

The Group reports assets and liabilities as a disposal group if they are to be sold or otherwise disposed of as a group in one transaction and if they meet the criteria defined in IFRS 5 – *Non-current Assets Held for Sale and Discontinued Operations*. The assets and liabilities of the disposal group are reported separately in the statement of financial position under "Assets held for sale" and "Liabilities associated with assets held for sale". The expenses and sales of a disposal group are included in the result from continuing operations until disposal, unless the disposal group qualifies as a discontinued operation for reporting purposes.

Upon initial classification as held for sale, non-current assets are recognized at the lower of carrying amount and fair value less costs to sell; they are no longer amortized. A disposal group is initially measured in accordance with the relevant IFRS standards and then the resulting carrying amount of the Group is compared with the net fair value in order to determine the lower value to be recognized.

Impairment loss due to the initial classification as held for sale is recognized in the consolidated income statement, as are subsequent impairment losses and reversals of impairment losses, up to the amount of the cumulative impairment loss.

Notes to geographic information

4 – Geographic information

The geographic segment "Other EU countries" basically includes all member states of the European Union as of the respective reporting date. European countries that are currently not members of the European Union are included in the segment "Other countries."

Third-party sales are broken down according to the customers' delivery locations.

Third-party sales | thousand Euro	FY 2024	FY 2023
Germany	111,470	93,178
Other EU countries	99,210	103,978
America	39,090	39,555
Asia/Pacific	308,252	308,886
Other countries	23,082	29,417
Sales	**581,105**[1]	**575,013**[2]

[1] Thereof Hong Kong with sales of 82,888 thousand Euro (14.3% of total sales) and Japan with sales of 72,677 thousand Euro (12.5% of total sales)
[2] Thereof Hong Kong with sales of 109,526 thousand Euro (19.0% of total sales)

One individual customer accounts for more than 10% of consolidated sales (customer with sales of 60,8 million Euro) in fiscal year 2024 (2023: no single customer with sales of more than 10 %).

Geographic breakdown of non-current assets | thousand Euro	12/31/2024	12/31/2023
Germany	223,093	213,023
Other EU countries	852	980
America	172	225
Asia/Pacific	131,711	132,084
Non-current assets[1]	**355,828**	**346,312**

[1] Not including other financial assets and deferred tax

The semiconductor business represents Elmos Group's sole business segment.

5 – Disposal group / Deconsolidation

On June 28, 2023, Elmos Semiconductor SE and Littelfuse, Inc. signed a binding agreement for the sale of the Elmos wafer fab at the Dortmund location to Littelfuse. Elmos is selling its wafer fab, which is part of the semiconductor business, for a preliminary total purchase price of roughly 93,931 thousand Euro. As part of the agreement, Littelfuse took over the Dortmund wafer production facility with a technology team of around 223 employees. All other activities, including testing operations, remain with Elmos. The closing of the transaction became effective at midnight, December 31, 2024. Until the closing date, Elmos retained full operational control over wafer manufacturing. The buyer made a payment of roughly 37,200 thousand Euro to Elmos Semiconductor SE in fiscal year 2023. The remaining (preliminary) purchase price of 56,731 thousand Euro was paid upon completion of the transaction at the end of fiscal year 2024. In the course of the sale as of December 31, 2024, cash and cash equivalents in the amount of 1,287 thousand Euro were disposed of from the Group. A final purchase price calculation based on contractually defined variable purchase price components, in particular on the inventories of unfinished and finished products and on the working capital at the time of the execution of the transaction at midnight on December 31, 2024, with only minor adjustments expected, will be made by mid-May 2025.

Assets and liabilities held for sale

After deconsolidation, no assets and liabilities will be recognized in the consolidated statement of financial position as of December 31, 2024. At the time of deconsolidation, the assets and liabilities had the following carrying amounts:

thousand Euro	12/31/2024
Intangible assets	474
Property, plant and equipment	18,405
Deferred tax assets	16,012
Inventories	17,913
Trade receivables	486
Cash and cash equivalents	1,287
Other financial assets	30
Other assets	438
Total assets	**55,045**
Provisions	1,708
Trade payables	2,632
Financial liabilities	14
Other liabilities	116
Total liabilities	**4,470**

In the consolidated statement of financial position as of December 31, 2023, the following items of the statement of financial position were included in assets held for sale and liabilities connected to assets held for sale:

thousand Euro	12/31/2023
Intangible assets	307
Property, plant and equipment	15,854
Deferred tax assets	17,249
Inventories	18,353
Trade receivables	41
Cash and cash equivalents	2,546
Other financial assets	23
Other assets	363
Assets held for sale	**54,736**
Provisions	1,577
Trade payables	1,714
Financial liabilities	38
Other liabilities	151
Liabilities connected to assets held for sale	**3,480**

There were no impairment losses on assets due to differences with respect to the lower amount of carrying amount and fair value less costs to sell in the disposal group.

No cumulative income or expenses in connection with the disposal group were included in other comprehensive income.

Notes to the consolidated income statement and the consolidated statement of comprehensive income

6 – Sales

The Company generates sales by selling semiconductors and by developing them (please also refer to the geographic segment breakdown under note 4).

thousand Euro	FY 2024	FY 2023	Change
Sales	581,105	575,013	6,092

Sales from contracts with customers have increased by 1.1% over the previous year. In fiscal year 2024, the automotive semiconductor market grew slightly once again, driven by the increasing digitization and electrification of automotive systems and functions as well as the expansion of electromobility.

7 – Notes to the consolidated income statement according to the cost of sales method

Cost of sales

The cost of sales contains costs of performances rendered toward the generation of sales. In addition to direct material costs, direct labor costs and special direct costs, the cost of sales also includes manufacturing and material overhead as well as depreciation. Moreover, cost of sales includes changes in work in process and finished goods inventories and can be broken down as follows:

thousand Euro	FY 2024	FY 2023
Material costs	-242,616	-267,912
Personnel expense	-48,829	-44,659
Other overhead	-55,881	-55,391
Changes in inventories	20,762	64,264
Cost of sales	**-326,564**	**-303,698**

Wage and salary increases and the higher number of employees reflect in personnel expenses, which are up by 4,170 thousand Euro compared to the previous year. At 55,881 thousand Euro, other overheads are almost unchanged compared to the previous year (2023: 55,391 thousand Euro). The increase in inventories of 20,762 thousand Euro is mainly due to a significant increase in finished goods (see also note 18).

Research and development expenses

Substantial expenses regularly incur with regard to research and development projects carried out in anticipation of future sales. Research expenses are charged to profit/loss according to the amount of work invested. Development expenses are capitalized depending on the project and then amortized or – insofar as capitalization requirements are not met – recognized in profit/loss. In fiscal year 2024, R&D expenses of 59,059 thousand Euro (2023: 68,774 thousand Euro) were recognized as expense.

Distribution expenses

Distribution expenses in the amount of 24,754 thousand Euro (2023: 23,000 thousand Euro) essentially include expenses for personnel, travel cost, consulting fees and depreciation.

Administrative expenses

Administrative expenses of 32,173 thousand Euro (2023: 31,480 thousand Euro) include personnel expense for staff in administration as well as proportionate personnel expense for the members of the Management Board. Other material items are expenses for depreciation, maintenance, insurance as well as legal and consulting fees.

8 – Additional information on the consolidated income statement according to the cost of sales method

Within the scope of the presentation of the consolidated income statement in accordance with the cost of sales method, expenses are allocated with regard to functional areas. Manufacturing costs, distribution expenses, administrative expenses and research and development expenses contained the following cost types as indicated below:

Material costs

Material costs amounted to 258,027 thousand Euro in the year under review and are down by 24,356 thousand Euro from the previous year (2023: 282,383 thousand Euro). They include expenses for raw materials, supplies and consumables as well as services claimed.

Personnel expense

Personnel expense went up 14,356 thousand Euro compared to the previous year. The number of employees – based on an average employment ratio – went up from 1,282 in fiscal year 2023 to 1,372 in fiscal year 2024 (+7.0%). Apart from increased staff numbers, the increase in personnel expense is accounted for by raises in wages and salaries. Further staff information can be found under note 39.

thousand Euro	FY 2024	FY 2023
Wages and salaries	-111,998	-100,568
Social security expense	-19,651	-16,723
Pension plan expense	-84	-86
Personnel expense	**-131,733**	**-117,377**

Depreciation and amortization/Impairment

The breakdown of depreciation and amortization can be gathered from the development of the Group's non-current assets (please refer to notes 14 and 15).

Depreciation, amortization and write-downs due to impairment amounted to 37,464 thousand Euro in the year under review (2023: 42,270 thousand Euro), equivalent to a decrease by 4,806 thousand Euro (among other factors due to the higher prior-year impairment of goodwill of 1,923 thousand Euro). Due to the application of the cost of sales method, depreciation of property, plant and equipment and amortization of intangible assets have been allocated to the items "Cost of sales," "Research and development expenses," "Distribution expenses" and "Administrative expenses" in the consolidated income statement.

9 – Finance income and finance expenses

thousand Euro	FY 2024	FY 2023
Interest income	1,102	1,226
Other finance income	0	0
Finance income	**1,102**	**1,226**
Interest expense for lease liabilities	-127	-131
Other interest expenses	-3,272	-2,639
Other finance expenses	0	-120
Finance expenses	**-3,399**	**-2,890**

The increase in other interest expenses is due to higher interest expenses in connection with taking out bonded loans in the amount of 40,000 thousand Euro in the second half of 2023.

Finance income and finance expenses entered in the consolidated income statement essentially correspond to the amounts paid.

The total amounts of interest income and interest expenses for financial assets and financial liabilities measured at fair value outside profit or loss are as follows:

thousand Euro	FY 2024	FY 2023
Interest income	1,102	1,226
Interest expenses	-3,272	-2,639
Interest result	**-2,170**	**-1,413**

10 – Foreign exchange gains

Foreign exchange gains from exchange rate changes recognized through profit/loss amount to 2,418 thousand Euro in fiscal year 2024 (2023: 1,459 thousand Euro). Foreign currency amounts are translated at the current exchange rate on the reporting date (EUR/USD: 1.0444; EUR/KRW: 1,539.13; EUR/SGD: 1.4166; EUR/CNY: 7.6234; EUR/JPY: 164.57; EUR/TWD: 34.1967; EUR/INR: 89.0441) or converted into euros at the moving average rate (EUR/USD: 1.0820; EUR/KRW: 1,474.9767; EUR/SGD: 1.4456; EUR/CNY: 7.7867; EUR/JPY: 163.7899; EUR/TWD: 34.9208; EUR/INR: 89.1861).

Exchange rate changes cumulatively attributable to the owners of the parent and recognized outside profit or loss amount to 862 thousand Euro in fiscal year 2024 (2023: 675 thousand Euro), considering corresponding deferred tax. Further information on changes in foreign currency exchange rates recognized outside profit or loss can be found under note 22.

11 – Other operating income and expenses

Other operating income in the amount of 48,766 thousand Euro (2023: 4,905 thousand Euro) primarily includes the deconsolidation profit of 43,453 thousand Euro (2023: 0 thousand Euro) from the disposal of subsidiary Dortmund Semiconductor GmbH (please also refer to note 5) and, at 2,064 thousand Euro (2023: 0 thousand Euro), income connected to the first consolidation of Donum Grundstücksverwaltungsgesellschaft mbH. Other operating income also includes, among other items, income from the reversal of provisions in the amount of 963 thousand Euro (2023: 2,450 thousand Euro), income from passenger car use in the amount of 925 thousand Euro (2023: 831 thousand Euro), profits from the sale of assets in the amount of 60 thousand Euro (2023: 121 thousand Euro), other prior-period income in the amount of 221 thousand Euro (2023: 315 thousand Euro), insurance reimbursements in the amount of 96 thousand Euro (2023: 229 thousand Euro), and various individual items.

Other operating expenses of 17,105 thousand Euro (2023: 3,743 thousand Euro) essentially include, at 13,985 thousand Euro (2023: 0 thousand Euro), restructuring expenses (please also refer to note 24). In addition, other operating expenses include land charges in the amount of 421 thousand Euro (2023: 342 thousand Euro), other prior-period expenses in the amount of 84 thousand Euro (2023: 139 thousand Euro), accounting loss from the disposal of non-current assets in the amount of 1,790 thousand Euro (2023: 637 thousand Euro), and various individual items. In the previous year, additional expenses due to the impairment of goodwill within the Group had to be considered (please also refer to note 14).

12 – Income tax

Current taxes on income either paid or owed as well as corresponding deferred taxes are reported as income tax.

thousand Euro	FY 2024	FY 2023
Current income tax	**-31,054**	**-66,547**
Germany	-30,967	-66,387
Abroad	-87	-160
thereof taxes from previous years	*-179*	*0*
Deferred tax	**-10,624**	**16,551**
Germany	-10,627	16,549
Abroad	3	2
thereof taxes from previous years	*0*	*0*
Income tax	**-41,677**	**-49,996**

Deferred tax has been calculated under the so-called liability method pursuant to IAS 12. For Germany, the combined income tax rate of 32.805% (2023: 32.805%) has been applied. The Company's combined income tax rate includes the trade tax collection rate of 485% (2023: 485%), the corporate tax rate of 15.0% (2023: 15.0%) and the solidarity surcharge of 5.5% (2023: 5.5%). With respect to the international entities, respective country-specific tax rates have been applied for the calculation of deferred tax.

Deferred taxes are determined for temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the tax statements in the separate financial statements. The deferral of taxes shows tax assets and liabilities that result from the approximation of book value differences over time. Material components of the Company's deferred tax assets and liabilities are described under note 17.

In the course of the deconsolidation of Dortmund Semiconductor GmbH, deferred tax assets in the amount of 16,012 thousand Euro were disposed of as at December 31, 2024 and reported under deconsolidation profit in profit/loss.

The differences between the statutory tax rate and the effective tax rate applied for the Group are as follows:

in %	FY 2024	FY 2023
Statutory tax rate	32.81	32.81
Foreign tax rate differential	-0.05	0.07
Expenses disallowable against tax	0.84	0.06
Trade tax additions/cuts	0.12	0.10
Permanent differences	0.00	0.16
Taxes from previous years	-0.11	0.00
Deconsolidation of Dortmund Semiconductor GmbH	-8.91	0.00
Other	-0.23	0.36
Effective tax rate	**24.47**	**33.56**

13 – Earnings per share

Basic earnings per ordinary share are calculated on the basis of the weighted average number of ordinary shares outstanding in the respective fiscal year. Diluted earnings per ordinary share are calculated under the so-called *treasury stock method* on the basis of the weighted average number of ordinary shares outstanding plus all stock options with dilutive potential.

Reconciliation of shares | number of shares	FY 2024	FY 2023
Weighted average number of ordinary shares outstanding	17,132,965	17,119,902
Stock options with dilutive potential (calculation according to IAS 33.45 et seq.)	0	0
Calculation of earnings per share | in Euro		
Consolidated net income attributable to owners of the parent	128,697,308	99,148,242
Basic earnings per share	7.51	5.79
Diluted earnings per share	7.51	5.79

The weighted average number of shares in 2024 and 2023 respectively includes the weighted average effect of changes from transactions with treasury shares.

There was no dilutive effect in 2024 or 2023 anymore as all stock option plans expired in 2019. In the period between the reporting date and the preparation of the consolidated financial statements, Elmos did not carry out any share buyback transactions.

Notes to the statement of financial position

14 – Intangible assets

thousand Euro	Goodwill	Development projects		Software and licenses and similar rights and assets		Payments on account and projects under development		Total
Acquisition and production costs		**In-house effort**	**Purchase**	**In-house effort**	**Purchase**	**In-house effort**	**Purchase**	
12/31/2022	**7,405**	**41,223**	**5,688**	**7,562**	**26,914**	**12,653**	**4,332**	**105,777**
Foreign currency adjustments	0	0	0	0	-1	0	0	-1
Additions	0	53	0	0	1,068	9,545	8,693	19,359
Transfers	0	777	1,864	0	0	-777	-1,864	0
Disposals	0	0	0	0	0	0	0	0
Reclassification due to presentation as assets held for sale	0	0	0	0	-950	0	-52	-1,002
12/31/2023	**7,405**	**42,053**	**7,552**	**7,562**	**27,031**	**21,421**	**11,109**	**124,133**
Foreign currency adjustments	0	0	0	0	1	0	0	1
Additions	0	2,205	1,270	0	1,180	17,377	11,473	33,505
Transfers	0	6,730	2,230	0	384	-6,730	-2,583	31
Disposals	0	-5,102	-376	0	-8,873	0	0	-14,351
12/31/2024	**7,405**	**45,886**	**10,676**	**7,562**	**19,723**	**32,068**	**19,999**	**143,319**
Depreciation and amortization/Impairment								
12/31/2022	**5,482**	**30,368**	**1,834**	**7,562**	**23,406**	**869**	**0**	**69,521**
Foreign currency adjustments	0	0	0	0	-1	0	0	-1
Additions	1,923	5,748	1,679	0	1,525	3,026	652	14,553
Disposals	0	0	0	0	0	0	0	0
Reclassification due to presentation as assets held for sale	0	0	0	0	-697	0	0	-697
12/31/2023	**7,405**	**36,116**	**3,513**	**7,562**	**24,233**	**3,895**	**652**	**83,376**
Foreign currency adjustments	0	0	0	0	1	0	0	1
Additions	0	3,143	1,525	0	1,172	496	624	6,960
Disposals	0	-5,055	-376	0	-8,652	0	0	-14,083
12/31/2024	**7,405**	**34,204**	**4,662**	**7,562**	**16,754**	**4,391**	**1,276**	**76,254**
Book value 12/31/2023	0	5,937	4,039	0	2,798	17,526	10,457	40,757
Book value 12/31/2024	**0**	**11,682**	**6,014**	**0**	**2,969**	**27,677**	**18,723**	**67,065**

Other intangible assets

Development projects and projects under development

In 2024, expenses linked to product developments were capitalized as development projects and projects under development in the amount of 22,707 thousand Euro (2023: 12,134 thousand Euro). The resulting ratio of capitalized development expenses to total research and development expenses incurred in the Group comes to approx. 27.8% (2023: 15.0%). Depreciation of capitalized developments amounted to 5,788 thousand Euro in 2024 (2023: 11,105 thousand Euro), thereof extraordinary write-down for projects not realized as planned in the amount of 1,120 thousand Euro (2023: 5,677 thousand Euro). The book value of capitalized development efforts (including projects under development) is 48,721 thousand Euro as of December 31, 2024 (December 31, 2023: 31,802 thousand Euro).

Software and licenses and similar rights and assets

In 2024 as in the year before, no expenses for process technology were capitalized. Amortization came to 155 thousand Euro in 2024 (2023: 207 thousand Euro). As of December 31, 2024, the book values for process technology capitalized as non-current assets added up to 0 thousand Euro (December 31, 2023: 155 thousand Euro).

Other information

Costs linked to research and development projects are charged to expenses to the extent in which they incur, provided they do not meet the criteria for capitalization under IAS 38.57. Research and development expenses of 4,250 thousand Euro were reimbursed by customers in 2024 (2023: 5,114 thousand Euro) and reported under consolidated sales. .

15 – Property, plant and equipment

thousand Euro	Land	Buildings and building improvements	Buildings and building improvements – right of use	Technical equipment and machinery/ Factory and office equipment	Technical equipment and machinery/ Factory and office equipment – right of use	Payments on account and construction in process	Total
Acquisition and production cost							
12/31/2022	**5,896**	**51,150**	**10,012**	**314,535**	**8,647**	**21,735**	**411,975**
Foreign currency adjustments	0	0	0	-35	-22	0	-57
Additions	0	202	812	97,956	455	19,211	118,636
Transfers	0	141	0	21,226	0	-21,367	0
Disposals	0	0	0	-8,250	-342	0	-8,592
Reclassification due to recognition as assets held for sale	0	-4,996	0	-77,189	-1,494	-356	-84,035
12/31/2023	**5,896**	**46,497**	**10,824**	**348,243**	**7,244**	**19,223**	**437,927**
Foreign currency adjustments	0	0	0	12	29	0	41
Additions	183	11,229	1,760	13,445	815	8,134	35,566
Transfers	0	1,567	0	10,294	0	-11,892	-31
Disposals	0	-7,495	-381	-35,123	-1,149	-2,225	-46,373
12/31/2024	**6,079**	**51,798**	**12,203**	**336,871**	**6,939**	**13,240**	**427,130**
Depreciation and amortization/Impairment							
12/31/2022	**0**	**26,763**	**756**	**161,967**	**3,238**	**0**	**192,724**
Foreign currency adjustments	0	0	0	-30	-12	0	-42
Additions	0	1,620	465	24,572	1,177	0	27,834
Transfers	0	0	0	191	-191	0	0
Disposals	0	0	0	-6,202	-339	0	-6,541
Reclassification due to recognition as assets held for sale	0	-3,675	0	-63,926	-579	0	-68,180
12/31/2023	**0**	**24,708**	**1,221**	**116,572**	**3,294**	**0**	**145,795**
Foreign currency adjustments	0	0	0	14	18	0	32
Additions	0	5,259	519	27,107	979	0	33,864
Transfers	0	0	0	0	0	0	0
Disposals	0	-7,291	-381	-32,647	-766	0	-41,085
12/31/2024	**0**	**22,676**	**1,359**	**111,046**	**3,525**	**0**	**138,606**
Book value 12/31/2023	5,896	21,789	9,603	231,671	3,950	19,223	292,132
Book value 12/31/2024	**6,079**	**29,122**	**10,844**	**225,825**	**3,414**	**13,240**	**288,525**

The high additions in fiscal year 2023 resulted from the expansion of the testing area, particularly in East Asia, in order to have sufficient testing capacity for the future sales development.

Additions to “Technical equipment and machinery/Factory and office equipment” include purchase transactions for fiscal year 2024 (2023) in the amount of 3,899 thousand Euro (December 31, 2023: 14,406 thousand Euro) where corresponding cash outflows will take (took) place only in 2025 (2024). No borrowing costs were capitalized in fiscal year 2024 or the previous year.

Depreciation and amortization/Impairment of “Technical equipment and machinery/Factory and office equipment” includes extraordinary write-down in the amount of 1,053 thousand Euro (2023: 66 thousand Euro).

Leases

The Group did not generate material income from subletting in fiscal year 2024 (2023). Future minimum payments under non-cancelable subletting agreements are immaterial as well.

The Company has signed real estate lease agreements for administration buildings and the parking garage, the terms of which extend to the end of 2026. These are reported as rights of use to buildings and building improvements. Other right-of-use assets include technical equipment, machinery and factory and office equipment.

16 – Securities and investments

a) Securities

The Company has purchased securities (bonds and borrowers’ notes) from different banks. Insofar as the securities’ remaining terms to maturity exceed one year, they have been allocated to non-current assets (237 thousand Euro; 2023: 13,422 thousand Euro). Securities that mature within twelve months have been allocated to current assets (10,434 thousand Euro; 2023: 6,748 thousand Euro).

b) Investments

The Company holds shares in the following other entities:

thousand Euro	12/31/2024	12/31/2023
Epigone	1	1
Investments	**1**	**1**

Epigone Grundstücksverwaltungsgesellschaft mbH & Co. Vermietungs KG, Mainz

Elmos holds 6% of the shares as of December 31, 2024, unchanged from the previous year.

Summarized financial information

Entity | thousand	Currency	Total assets	Liabilities	Earnings	Net income for the period
Epigone[1] 2024	Euro	-	-	-	-
Epigone[2] 2023	Euro	7,391	6,780	889	292

[1] No annual financial statements of the Company are currently available.
[2] Presented figures are based on preliminary unaudited financial statements as of December 31, 2023.

17 – Deferred tax

thousand Euro	12/31/2024	12/31/2023
Deferred tax assets	**960**	**656**
Securities	199	392
Other financial assets	2	2,094
Cash and cash equivalents	0	133
Provisions for pensions	152	124
Other provisions	539	506
Financial liabilities	2,815	2,117
Trade payables	0	344
Loss carry-forward	578	297
Other	39	0
Subtotal	4,324	6,008
Balance	-3,364	-5,352
Deferred tax liabilities	**-20,683**	**-9,814**
Intangible assets	-15,869	-10,289
Property, plant and equipment	-5,431	-4,110
Trade receivables	-304	-296
Cash and cash equivalents	-683	-2
Other financial assets	-552	0
Inventories	-367	-34
Other liabilities	-684	-393
Other	-157	-42
Subtotal	-24,047	-15,166
Balance	3,364	5,352
Net deferred tax	**-19,723**	**-9,158**

The balances stated above were determined in accordance with IAS 12.74 a) and b), i.e., deferred tax assets and deferred tax liabilities were netted against each other insofar as assets and liabilities related to the same tax authority and the tax entity was entitled to offset current tax assets against tax liabilities.

Deferred tax liabilities also include tax effects from changes in equity outside profit or loss. The change in net deferred tax in the amount of 10,565 thousand Euro essentially comprises deferred tax in the consolidated income statement of 10,624 thousand Euro (expense) and other changes outside profit or loss in the amount of 59 thousand Euro (increase in equity; please also refer to note 22). The capitalization of deferred tax assets on taxable loss carry-forward was made on the basis of the involved entities' medium-term business planning. As of December 31, 2024, tax loss carry-forward for Elmos entities comes to 578 thousand Euro (December 31, 2023: tax loss carry-forward of 297 thousand Euro).

18 – Inventories

thousand Euro	12/31/2024	12/31/20223
Raw materials	56,283	60,305
Work in process	104,284	98,146
Finished goods	48,634	33,075
Inventories	**209,201**	**191,526**

Inventories increased by approx. 9.2% (17,675 thousand Euro) in fiscal year 2024.

The impairment of inventories recognized as expense (cost of sales) amounts to 16,819 thousand Euro (2023: 16,363 thousand Euro). This concerns, among other things, inventories written off in full as their future sale is deemed unlikely.

19 – Trade receivables

thousand Euro	12/31/2024	12/31/2023
Trade receivables	93,854	92,005
Valuation allowance/Foreign currency valuation	723	-987
Trade receivables	**94,577**	**91,018**

Elmos Group constantly assesses its customers' creditworthiness and usually requests no collateral. Potential bad debt is adjusted in value based on management estimates and assumptions. The following table presents the changes in valuation allowances/foreign currency valuation made for current and non-current receivables:

thousand Euro	2024	2023
Valuation allowance/Foreign currency valuation as of 01/01	**-987**	**-519**
Additions in the reporting period (valuation allowance expense)	0	0
Consumption	0	0
Reversals (appreciation in value of initially written-off receivables)	0	0
Foreign currency valuation	1,710	-468
Valuation allowance/Foreign currency valuation as of 12/31	**723**	**-987**

The impairment of trade receivables is entered for the most part in allowance accounts. The decision whether to recognize a default risk through an allowance account or a direct write-down on the receivable depends on the assessment of the probability of debt loss. Elmos Group did not have to make material valuation allowances for the purpose of IFRS 9 due to any significant increases in debt loss or objective indications of impairment in fiscal years 2024 and 2023 in consideration of historical factors and continuous credit rating assessment. If receivables are considered irrecoverable, the corresponding impaired asset is derecognized. There were derecognized receivables in fiscal year 2024 in the amount of 276 thousand Euro (2023: 3 thousand Euro).

The following table provides information on the credit risk carried by financial assets:

thousand Euro		Trade receivables		Other financial assets	
		12/31/2024	12/31/2023	12/31/2024	12/31/2023
Neither impaired nor overdue as of the reporting date		82,609	75,271	11,322	14,451
Not impaired as of the reporting date and overdue within the following time bands	<30 days	8,355	10,174	0	0
	30 - 60 days	1,248	1,200	0	0
	61 - 90 days	827	521	0	0
	91 - 180 days	240	1.626	0	0
	181 - 360 days	5	1.792	0	0
	>360 days	16	372	0	0

20 – Cash and cash equivalents

The Company regards all highly liquid capital investments with a maturity of three months or less as of the date of acquisition as cash equivalents. For the purpose of the preparation of consolidated financial statements, cash and cash equivalents include cash on hand, cash in banks and checks.

21 – Other non-current and current financial assets and other receivables

thousand Euro	12/31/2024	12/31/2023
Receivables from investment company (Epigone)	6,709	6,709
Tenant loans	0	1,803
Other loans	15	15
Net pension asset	337	400
Other non-current financial assets	**7,060**	**8,927**
Other financial assets	4,262	5,524
Other current financial assets	**4,262**	**5,524**
Other tax assets	11,518	16,744
Accrued income	3,933	3,439
Other current receivables	703	928
Other receivables	**16,154**	**21,110**

Due to the extension of the real estate lease agreements between Elmos and Epigone in 2021, receivables of Elmos from the investment company Epigone continue to be reported under "Other non-current financial assets" as of December 31, 2024 (please also refer to note 15).

22 – Equity

Share capital: The share capital of 17,700 thousand Euro entered in the statement of financial position as of December 31, 2024 (December 31, 2023: 17,700 thousand Euro), consisting of 17,700,000 (December 31, 2023: 17,700,000) no-par value bearer shares, each with a theoretical share of 1.00 Euro in the share capital, is fully paid up. Each share grants equal rights and corresponds to one vote in the General Meeting of Shareholders. In fiscal year 2021, the Management Board decided with approval of the Supervisory Board to reduce the Company's share capital from 20,103,513 Euro by altogether 2,403,513 Euro to 17,700,000 Euro, exercising the authorization given by the Annual General Meeting on May 22, 2020, by retiring 2,403,513 no-par value bearer shares with a theoretical share of 1.00 Euro each in the share capital (Section 71 (1) no. 8 sentence 6 AktG).

Treasury shares: As of December 31, 2024, the Company holds 557,813 (December 31, 2023: 579,274) of the Company's no-par shares, adding up to a theoretical share in the share capital of 558 thousand Euro (December 31, 2023: 579 thousand Euro). The number of treasury shares was decreased in fiscal years 2024 and 2023 by the issue of shares within the framework of share-based remuneration. Treasury shares held by the Company on the day of the Annual General Meeting are neither entitled to vote nor entitled to dividend.

Additional paid-in capital

thousand Euro	12/31/2024	12/31/2023
Premiums	11,109	11,130
Stock awards/Share matching	9,139	8,483
Additional paid-in capital	**20,247**	**19,613**

Additional paid-in capital essentially includes premiums from capital increases and the issue of shares of Elmos Semiconductor SE. In 2024, this item was decreased by 21 thousand Euro due to share-based payments and the issue of treasury shares linked to them (2023: decrease by 2 thousand Euro).

The share attributable to stock awards and share matching went up in 2024 by the amount of the expense from the issue of stock awards/share matching (656 thousand Euro; 2023: 908 thousand Euro).

Other equity components

thousand Euro	12/31/2024	12/31/2023
Foreign currency adjustments	862	675
deferred tax on this item	0	0
Financial assets measured at market value	-614	-1,160
deferred tax on this item	201	388
Actuarial losses	-417	-341
deferred tax on this item	207	183
Other equity components	**239**	**-254**

Foreign currency adjustments include differences from currency translation of the financial statements of foreign subsidiaries.

Financial assets measured at market value cover changes in the fair value of selected financial instruments (please refer to notes 29 and 30).

Actuarial gains/losses reflect the gains or losses resulting from changes in actuarial assumptions for the determination of the present value of the defined benefit obligation and/or the fair value of the plan assets.

The development of changes in equity outside profit or loss attributable to the owners of the parent in the years 2024 and 2023 is shown in the following table:

thousand Euro	2024	2023
Balance as of 01/01	**-254**	**-569**
Exchange rate changes	187	-219
deferred tax on this item	0	0
Changes in financial assets measured at market value	546	748
deferred tax on this item	-187	-237
Changes in actuarial losses	-78	34
deferred tax on this item	26	-11
Balance as of 12/31	**239**	**-254**

"Recycling" of equity components outside profit or loss

In fiscal year 2023, but not in the current fiscal year, the Company disposed of bonds prior to maturity. For these bonds, adjustments have been made outside profit or loss in equity up to the date of sale. In accordance with IAS 1.92, such amounts recognized outside profit or loss must be reported as of the time of realization as reclassification amounts ("recycling"). In this context, the amount of 0 thousand Euro previously recognized outside profit or loss had to be reclassified through profit/loss in the consolidated income statement in fiscal year 2024 (previous year: 268 thousand Euro). There were no other transactions in the year under review or the previous year that would have required recycling of equity components outside profit or loss.

Interests in share capital

	12/31/2024		12/31/2023	
	thousand Euro	%	thousand Euro	%
Weyer Beteiligungsgesellschaft mbH, Schwerte	3,664	20.7	3,664	20.7
Jumakos Beteiligungsgesellschaft mbH, Dortmund	3,016	17.0	3,016	17.0
ZOE-VVG GmbH, Duisburg	2,659	15.0	2,659	15.0
Treasury shares	558	3.3	579	3.3
Shareholders <10% interest	7,804	44.0	7,782	44.0
Share capital	**17,700**	**100.0**	**17,700**	**100.00**

Considering related parties, the interest attributed to "Weyer Beteiligungsgesellschaft mbH and related parties" comes to 22.9% and the interest attributed to "ZOE-VVG GmbH and related parties" comes to 16.3% as of December 31, 2024 (December 31, 2023: 22.9% and 16.3% respectively).

Capital authorizations of the Management Board

Authorized capital	2020:	10,051,756 Euro		up to 05/21/2025
Conditional capital	2020:	10,000,000 Euro	Bond with warrants or convertible bonds	up to 05/21/2025
Share buyback	up to 10% of the share capital			up to 05/10/2027

Dividend

According to the German Stock Corporation Act, the dividend eligible for distribution is determined on the basis of the retained earnings Elmos Semiconductor SE reports in its annual financial statements (separate financial statements) prepared in accordance with the provisions of the German Commercial Code (HGB). In fiscal year 2024 (2023), Elmos Semiconductor SE distributed a dividend of 0.85 Euro (0.75 Euro) per share out of the retained earnings of fiscal year 2023 (2022).

23 – Share-based payment plans

Share-based remuneration of Management Board members consists of the covenant to be assigned treasury shares under certain conditions. The covenant depends on the sustainable achievement of a significantly improved business valuation and therefore considers the Company's moving average share price over longer periods of time. In fiscal year 2024, the Group incurred expenses in the amount of 167 thousand Euro (2023: 371 thousand Euro) for the share-based remuneration of Management Board members. New payment plans for Management Board members were not concluded in the current fiscal year. The year-on-year decrease in expenses is mainly due to the termination of the contractual term of one Management Board member as of December 31, 2024.

24 – Provisions

Provisions for pensions

thousand Euro	12/31/2024	12/31/2023
Present value of pension commitments	1,217	1,203
Fair value of pension plan reinsurance	-1,554	-1,603
Net asset recognized in statement of financial position	**-337**	**-400**

The Company has a pension plan for members of the Management Board of Elmos Semiconductor SE (including former members) and in part for members of the management of subsidiaries. Benefits depend on individual contractual agreements. The Company has taken out pension plan reinsurance policies the claims of which have been assigned to the beneficiaries.

The actuarial expert opinion is based on a pension adjustment of 1.5% per annum as in the previous year. Expected pay increases are determined at 0.0%, also unchanged. The evaluation is carried out in accordance with IAS 19. The interest rate was 3.06% per annum as of December 31, 2024 (December 31, 2023: 3.65% p. a.). For actuarial assumptions with respect to mortality and disability risk, the Heubeck mortality tables 2018 G have been applied.

Pension plan expenses are allocated to personnel expenses of the different functional units and can be broken down as follows:

thousand Euro	FY 2024	FY 2023
Service cost	0	0
Interest	42	39
Pension expense (net amount)	**42**	**39**

Changes in the present value of defined benefit obligations and the fair value of reinsurance policies are as follows:

thousand Euro	2024	2023
Present value of pension commitments as of 01/01	**1,203**	**1,297**
Pension expense (net amount)	42	39
Benefits paid to pensioners	-92	-92
Actuarial losses/gains (-) from changes in financial assumptions	64	-41
Present value of pension commitments as of 12/31	**1,217**	**1,203**
Present value of reinsurance policies as of 01/01	**1,603**	**1,653**
Income from plan assets	57	50
Benefits from reinsurance policies	-93	-93
Actuarial losses from changes in financial assumptions	-13	-7
Present value of reinsurance policies as of 12/31	**1,554**	**1,603**

Defined benefit pension plans are primarily exposed to risks due to changes of actuarial assumptions, e.g., the actuarial interest rate. A lower discount factor results in higher pension commitments.

Income from pension plan reinsurance amounts to 44 thousand Euro (2023: 43 thousand Euro) including payments made in the event of death. Premiums were paid in the amount of 0 thousand Euro (2023: 0 thousand Euro). For 2025, no contribution payments are expected, either.

There are also indirect pension commitments to Management Board members of Elmos Semiconductor SE (including former members) through a pension fund. For completely congruent coverage of its obligations, the pension fund has taken out corresponding reinsurance policies for the exact agreed contribution amount. In 2024, contributions to these pension plans amounted to 106 thousand Euro (2023: 107 thousand Euro).

The employer's social security contributions made for employees amounted to 7,873 thousand Euro in 2024 (2023: 6,943 thousand Euro). The contributions to employees' direct insurance came to 526 thousand Euro in 2024 (2023: 351 thousand Euro).

Amounts of the current and four preceding reporting periods:

thousand Euro	FY 2024	FY 2023	FY 2022	FY 2021	FY 2020
Pension commitment	1,217	1,203	1,297	1,752	1,818
Fair value of pension plan reinsurance	-1,554	-1,603	-1,653	-1,700	-1,747
Overfunding/Underfunding (-)	337	400	356	-52	-71
Adjustments to plan liabilities based on historical data	0	0	1	1	-8
Adjustments to plan assets based on historical data	0	0	0	0	0

One material valuation parameter is the discount rate applied. In accordance with IAS 19.83, it must be chosen in congruence with the term and the currency and in consideration of the interest rates of highly rated corporate bonds. A change of 1% point to the assumption of the actuarial interest rate would have had the following effect in the year under review (previous year):

thousand Euro	Increase by 1% point		Decrease by 1% point	
	FY 2024	FY 2023	FY 2024	FY 2023
Effect on defined benefit obligations	-99	-94	114	116

It has to be taken into consideration that sensitivities reflect changes to the defined benefit obligation only for the respective specific scope of changes to the assumptions (here for example: 1.0% point). If the scope of a change to the assumption is different, this does not necessarily result in a linear effect on the obligation.

Based on the sensitivity analyses carried out, there would be no significant effect on pension expense, as in the previous year. For materiality considerations, sensitivity analyses are not carried out for other parameters.

Expected maturities for pension payments of the next five years:

thousand Euro	2024	2025	2026	2027	2028	2029
FY 2024	n/a	92	92	91	90	88
FY 2023	92	92	91	90	89	n/a

The average term of material pension benefit commitments is 7.9 years (2023: 8.0 years).

Current provisions

thousand Euro	01/01/2024	Consumption	Reversal	Addition	12/31/2024
Vacation bonus provisions	1,517	-1,482	0	1,139	1,174
Royalty provisions	2,787	-2,745	-42	2,950	2,950
Employer's liability insurance association	455	-362	-94	532	531
Warranty and product liability	5,400	-182	-1,000	23	4,241[1]
Licenses	995	-281	-459	371	626
Other personnel provisions	9,934	-7,255	-49	13,343	15,973
Other provisions	1,646	-1,031	0	976	1,591
Restructuring provisions	0	0	0	14,396	14,396
Current provisions	**22,735**	**-13,338**	**-1,644**	**33,730**	**41,482**

[1] Thereof 4,100 thousand Euro with respect to Elmos Semiconductor SE

The provision for restructuring is related to a Management Board resolution made on December 16, 2024. Due to changes in the economic environment, the relocation of significant test capacities to Asia and the sale of the wafer fab at the Dortmund site, the organization is to be adapted to the changed market conditions. The amount of the provision was determined on the basis of current estimates of the costs associated with the reduction in personnel (primarily for severance and redundancy payments).

Provisions for warranties and product liability are created largely on the basis of known individual risks in line with the risk assessment carried out on the reporting date. These are individual warranty cases for which there are uncertainties regarding the claim as of the reporting date. The provision for licenses includes the payment obligation to in-house and external inventors. The calculation of the provision is based on existing compensation contracts. The other personnel provisions primarily include bonus obligations, severance payments, overtime and awards. The other provisions relate to various identifiable individual risks and contingent obligations. Provisions classified as current are expected to be utilized within the subsequent fiscal year.

25 – Financial liabilities

Non-current financial liabilities

thousand Euro	12/31/2024	12/31/2023
Bonded loans	79,000	79,000
KfW loans	11,794	13,846
Lease obligations	7,160	6,433
Other financial liabilities	320	600
Non-current financial liabilities	**98,275**	**99,879**

The bonded loan issued in 2017 in the amount of 40,000 thousand Euro is divided into three tranches with terms of five, seven and ten years at fixed interest, respectively. As of the current reporting date, 14,000 thousand Euro thereof are still reported under non-current financial liabilities. The bonded loan issued in 2021 in the amount of 25,000 thousand Euro is divided into three tranches with terms of five, eight and ten years at fixed interest, respectively. The bonded loan issued in 2023 in the amount of 40,000 thousand Euro is divided into three tranches with terms of five, seven and ten years at fixed interest, respectively.

The KfW loan is a loan in the face value of 20,000 thousand Euro taken out in the first quarter of 2022, repayable up to the year 2031 at annual installments of 2,051 thousand Euro.

Other financial liabilities include contingent payment obligations connected to the acquisition of shares in Online Engineering GmbH, Dortmund in fiscal year 2021.

Current financial liabilities

As of December 31, 2024, the Company had various short-term lines of credit at its disposal in the total amount of 100 million Euro (2023: 75 million Euro). As of December 31, 2024, the Company provided these credit facilities as collateral in the amount of 718 thousand Euro (2023: 742 thousand Euro). Current financial liabilities (December 31, 2024: 14,924 thousand Euro; December 31, 2023: 18,807 thousand Euro) essentially comprise credit lines utilized in the amount of 9,915 thousand Euro (2023: 0 thousand), the installment of the KfW loan to be repaid in 2025 (2024) in the amount of 2,051 thousand Euro (2023: 2,051 thousand Euro), and 1,640 thousand Euro for the current portion of lease obligations (2023: 1,312 thousand Euro).

Loans

The effective interest rates of the loans range between 0.55% p.a. and 4.84% p.a., unchanged from the previous year.

Cash flows from financial liabilities

The following table lists all contractually defined payouts as of December 31, 2024 and December 31, 2023 (indicated as positive values in the following table) for redemption, repayment and interest on financial liabilities accounted for. Payments are stated at undiscounted cash flows including interest payments for the next fiscal years. Also included are all cash flows from derivative financial instruments measured at positive and negative fair value.

12/31/2024 | thousand Euro	2025	2026-2029	from 2030
Liabilities to banks[1]	14,441	55,333	46,102
Trade payables	57,521	0	0
Other financial liabilities	1,345	320	0
Lease liabilities[2]	1,783	6,200	1,428

[1] Bonded loans, KfW loan, and credit lines utilized.

[2] Concerns not freely disposable items of property, plant and equipment.

Future finance expenses from lease obligations amount to 584 thousand Euro (2023: 379 thousand Euro).

12/31/2023 | thousand Euro	2024	2025-2028	from 2029
Liabilities to banks[1]	18,622	48,260	57,701
Trade payables	97,598	0	0
Other financial liabilities	874	600	0
Lease liabilities[2]	1,425	6,234	490

[1] Bonded loans, KfW loan.

[2] Concerns not freely disposable items of property, plant and equipment.

The presentation of the liquidity analysis is based on the following assumptions: With respect to financial instruments at variable interest rates, the statement of future interest payments is based on current fixing as of the reporting date. Foreign currency amounts have been translated at the exchange rates of the current reporting date (12/31/2024: EUR/USD: 1.0444; EUR/KRW: 1,539.13; EUR/SGD: 1.4166; EUR/CNY: 7.6234; EUR/JPY: 164.57; EUR/TWD: 34.1967; EUR/INR: 89.0441; 12/31/2023: EUR/USD: 1.1050; EUR/KRW: 1,433.66; EUR/SGD: 1.4591; EUR/CNY: 7.8509; EUR/JPY: 156.33), and the resulting amount has been used for the determination of future payments.

Reconciliation of financial liabilities linked to the cash flow from financing activities

thousand Euro	01/01/2024	Cash changes		Non-cash changes		12/31/2024
		Cash inflow	Cash outflow	Reclassification	Interest/Lease obligations	
Non-current financial liabilities	99,879	0	0	-3,212	1,609	98,275
Current financial liabilities	18,807	9,915	-17,906	3,212	896	14,924
	118,686	**9,915**	**-17,906**	**0**	**2,505**	**113,199**

thousand Euro	01/01/2023	Cash changes		Non-cash changes		12/31/2023
		Cash inflow	Cash outflow	Reclassification	Interest/Lease obligations	
Non-current financial liabilities	76,436	40,000	0	-17,218	661	99,879
Current financial liabilities	4,521	0	-4,340	17,218	1,408	18,807
	80,957	**40,000**	**-4,340**	**0**	**2,069**	**118,686**

26 – Other liabilities and income tax liabilities

As in the previous year, other liabilities as of the reporting date are solely current and amount to 3,563 thousand Euro (December 31, 2023: 40,304 thousand Euro). Other current liabilities include wage income tax liabilities, outstanding payments for social security contributions, payments received on account of orders and other financial liabilities. The year-on-year decrease is primarily due to lower advance payments in connection with the completed sale of a subsidiary. In accordance with the contractual agreements, Elmos Semiconductor SE had already received a cash amount of 37,200 thousand Euro in the second half of fiscal year 2023. In the course of the disposal of the consolidated entity with effect from December 31, 2024, these advance payments received no longer exist as of the reporting date.

Income tax liabilities amount to 199 thousand Euro (December 31, 2023: 71,839 thousand Euro) and as of December 31, 2024 comprise liabilities of Elmos Semiconductor SE of 0 thousand Euro (December 31, 2023: 71,689 thousand Euro) and liabilities of individual domestic and international subsidiaries of 199 thousand Euro (December 31, 2023:.150 thousand Euro). The year-on-year decrease is therefore due primarily to income tax paid by Elmos Semiconductor SE in fiscal year 2024.

27 – Trade payables

Trade payables primarily concern the purchasing of materials and the claiming of services for maintaining business operations. Trade payables are due in full within one year.

28 – Derivative financial instruments

In fiscal year 2024, Elmos concluded several currency hedges. Those are forward exchange rate contracts for the currency USD; corresponding income or expenses have been stated under the item “Foreign exchange gains” (cf. note 29). The market value of forward exchange rate contracts is measured in application of the exchange rates as of the reporting date based on market assessments of the corresponding banks.

29 – Additional information on financial instruments

Book values, measurement and fair values according to measurement categories

With respect to the classification of financial instruments, the Company follows the measurement categories defined by IFRS 9 as the spreading of risks within these measurement categories is similar.

The book value of financial instruments such as trade receivables and trade payables essentially corresponds to the fair value due to the short-term maturities of such financial instruments. The book values of short-term and long-term securities attributed to the “hold and sale” business model correspond to the market value. Measurement was made on the basis of market values as of the reporting date provided by the banks involved. Securities reported under “hold” were measured at amortized cost. The market value of forward exchange contracts/currency option transactions (cf. note 30) was determined on the basis of the currency exchange rates as of the reporting date provided by the banks involved. The market value of liabilities to banks was established on the basis of market prices determined for the same or similar issues and the interest rates currently made available to the Company.

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

			Recognition according to IFRS 9						Recognition according to IFRS 9				
thousand Euro	Business mode	Book value 12/31/2024	Amortized cost	At fair value through profit/loss	At fair value outside profit or loss no recycling	At fair value outside profit or loss recycling	Fair value 12/31/2024	Book value 12/31/2023	Amortized cost	At fair value through profit/loss	At fair value outside profit or loss no recycling	At fair value outside profit or loss recycling	Fair value 12/31/2023
investments	Hold and sale	1	0	0	1	0	1	1	0	0	1	0	1
Securities (long-term)	Hold	0	0	0	0	0	0	3,000	3,000	0	0	0	3,000
Securities (long-term)	Hold and sale	237	0	0	0	237	237	10,422	0	0	0	10,422	10,422
Securities (short-term)	Hold	0	0	0	0	0	0	0	0	0	0	0	0
Securities (short-term)	Hold and sale	10,434	0	0	0	10,434	10,434	6,748	0	0	0	6,748	6,748
Trade receivables	Hold	94,577	94,577	0	0	0	94,577	91,018	91,018	0	0	0	91,018
Cash and cash equivalents	Hold	80,813	80,813	0	0	0	80,813	85,629	85,629	0	0	0	85,629
Other financial assets													
Other receivables and assets (current)	Hold	4,262	4,262	0	0	0	4,262	5,524	5,524	0	0	0	5,524
Other loans and assets (non-current)	Hold	7,060	7,060	0	0	0	7,060	8,927	8,927	0	0	0	8,927
Forward exchange contracts/Currency option transactions	Trade	0	0	0	0	0	0	0	0	0	0	0	0
Financial assets of disposal group	Hold	0	0	0	0	0	0	2,610	2,610	0	0	0	2,610
Financial assets		**197,384**	**186,712**	**0**	**1**	**10,671**	**197,384**	**213,879**	**196,708**	**0**	**1**	**17,170**	**213,879**
Trade payables	Financial liabilities AC	57,521	57,521	0	0	0	57,521	97,598	97,598	0	0	0	97,598
Liabilities to banks[1]	Financial liabilities AC	103,799	103,799	0	0	0	101,175	110,062	110,062	0	0	0	105,292
Other financial liabilities													
Miscellaneous financial liabilities	Financial liabilities AC	1,665	1,665	0	0	0	1,665	1,474	1,474	0	0	0	1,474
Forward exchange contracts/Currency option transactions	Financial liabilities FVTPL	0	0	0	0	0	0	0	0	0	0	0	0
Lease obligations	Financial liabilities AC	8,800	8,800	0	0	0	8,800	7,744	7,744	0	0	0	7,744
Financial liabilities of disposal group	Financial liabilities AC	0	0	0	0	0	0	1,752	1,752	0	0	0	1,752
Financial liabilities		**171,785**	**171,785**	**0**	**0**	**0**	**169,161**	**218,630**	**218,630**	**0**	**0**	**0**	**213,860**
Aggregated by business model													
Hold and sale		10,672	0	0	1	10,671	10,672	17,171	0	0	1	17,170	17,171
Hold		186,712	186,712	0	0	0	186,712	196,708	196,708	0	0	0	196,708
Trade		0	0	0	0	0	0	0	0	0	0	0	0
Financial liabilities at amortized cost		171,785	171,785	0	0	0	169,161	218,630	218,630	0	0	0	213,860
Financial liabilities at fair value through profit or loss		0	0	0	0	0	0	0	0	0	0	0	0

[1] Bonded loans, KfW loan, and credit lines utilized.

Hierarchy of fair values

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

thousand Euro		01/01	Addition	Disposal	Transfer	Market valuation	12/31
Long-term securities[1]	2024	10,422	0	0	-11,034	849	237
	2023	30,241	0	-13,712	-7,046	939	10,422
Short-term securities[1]	2024	6,748	0	-7,046	11,034	-302	10,434
	2023	2,210	0	-2,317	7,046	-191	6,748

[1] Hold and sale

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

thousand Euro		01/01	Addition	Disposal	Market valuation	12/31
Forward exchange contracts/ Currency option transactions	2024	0	0	0	0	0
	2023	0	0	0	0	0

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

thousand Euro		01/01	Addition	Disposal	12/31
Investments	2024	1	0	0	1
	2023	1	0	0	1

thousand Euro		01/01	Addition	Derecognition	12/31
Call options	2024	0	0	0	0
	2023	10	0	-10	0

Information on the consolidated income statement

The following table shows net gains or losses from financial instruments as recognized in the consolidated income statement.

Gains/Losses (-) | thousand Euro	FY 2024	FY 2023
Hold	6,147	-273
Trade	287	586
Financial liabilities at amortized cost	-4,060	1,729
Financial liabilities at fair value through profit/loss	0	0

Elmos recognizes valuation allowances/debt loss for trade receivables attributable to the "hold" category under other operating expenses. Gains from foreign currency translation of financial assets attributable to the "hold" business model primarily result from trade receivables as well as cash and cash equivalents. Net gains and losses essentially comprise valuation allowances, currency translation effects and debt loss. Expenses or income attributable to the business model "financial liabilities at amortized cost" result from exchange rate differences of trade payables. Foreign exchange gains in the amount of 299 thousand Euro and foreign exchange losses in the amount of 12 thousand Euro (2023: foreign exchange gains of 621 thousand Euro and foreign exchange losses of 35 thousand Euro) linked to currency hedges are reported under the "trade" business model. Interest from financial instruments is stated under interest income (cf. note 9).

30 – Financial risk

Basic information

The basic principles of risk management within Elmos Group are explained comprehensively in the combined management report ("Opportunities and risks").

With respect to its assets, liabilities, planned transactions and firm commitments, Elmos is particularly exposed to credit risks, liquidity risks, risks from changes in exchange rates and interest rates, and other price risks. Financial risk management aims at detecting and assessing these market risks in good time in a continuous process and in close cooperation with the Group's operating business units, and at limiting them, if necessary, through adequate measures. Interest and exchange rate risks for instance are controlled and contained by utilizing suitable derivatives. In doing so, Elmos enters into forward exchange contracts and currency option transactions to hedge foreign currency transactions for periods consistent with committed exposures. These derivative transactions for currency hedging are aimed at minimizing the impact of exchange rate fluctuations on the profit position. Elmos uses such hedging instruments only for non-speculative risk containing purposes in connection with the hedged items.

Credit and default risk

Liquid assets essentially comprise cash and cash equivalents. With respect to the investment of liquid assets, the Group is potentially exposed to losses due to credit risk if banks or issuers do not fulfill their obligations. Elmos controls the resulting risk position by a diversification of products and contracting parties. Investments of liquid assets take into consideration high flexibility and diversification with respect to banks and issuers, among other factors. A substantial part of the portfolio is placed with banks with high credit ratings under deposit protection (e.g., overnight deposits and fixed deposits, structured time deposits). In addition, liquid assets are invested in listed bonds (e.g., corporate bonds and structured bonds with credit rating components) and to a lesser extent in borrowers' notes ("Schuldscheinanlagen"). The emphasis of issuer's ratings continues to be placed on investment grade ratings. Trade receivables primarily originate from sales generated with microelectronic components, sensors, system parts, and development services. Customers are for the most part automotive suppliers and to a lesser extent companies in the industrial sector, consumer goods industry, medical technology industry, and other sectors. Accounts receivable are continuously monitored; default risks are met with specific allowances for bad debt. Credit loss expected during the respective term did not have to be considered for trade receivables. The terms of payment reflect the historical development of the respective business relationship; observation of the terms is monitored continuously. With respect to new customers, credit rating information is gathered in advance and credit limits are determined if necessary. Business transactions with key accounts are subject to special default risk supervision. Altogether, Elmos pursues a stringent credit policy. The maximum default exposure is reflected by the book values of the financial assets reported in the statement of financial position. Against the backdrop of continued global uncertainties, outstanding receivables are monitored and reminded with scrutiny as part of a continuous operational process.

Liquidity and financing risk

The liquidity risk of Elmos addresses the contingency that the Company might not be able to fulfill its financial obligations upon maturity, e.g., the payment of finance debt, the payment of trade payables, and payment obligations arising from lease agreements. Elmos maintains a liquidity reserve in the form of cash and cash equivalents, investments of high fungibility and convertibility into cash and sufficiently available free lines of credit so that this risk will not materialize and liquidity and financial flexibility are assured at any time. In addition, the Group's liquidity is constantly monitored within the framework of short-term and long-term liquidity planning. Apart from their respective internal financing power, liquidity of the domestic and international subsidiaries is provided through the Group's lines of credit and loans as well as by banks. The cash flows from financial liabilities are presented under note 25.

Financial market risk

Due to its international business activities, Elmos is exposed to market price risks from changes in exchange rates (essentially against the U.S. dollar), interest rates, and prices for raw materials (e.g., gold). There are also market price risks within the scope of guaranteeing electric power and natural gas supplies for the medium term. These market price risks could have a negative effect on the Group's assets and liabilities, financial position and profit/loss.

a) Exchange rate risk

Exchange rate risks result from operating activities (sales, procurement) as well as investing activities. Due to increased purchasing of services in USD, especially assembly and foundry services from Asia, the Group's currency exposure has expanded. Generally speaking, Elmos is still aiming for natural hedging, i.e., a balance of USD cash inflow and outflow, and takes measures throughout the Group for containing its exposure. If management considers it necessary, the excess volume not covered by natural hedging is controlled actively, e.g., by entering into derivative financial instruments for currency hedging.

Elmos was exposed to currency risks as of the reporting date. In fiscal year 2024, Elmos realized foreign exchange gains in the amount of 299 thousand Euro (2023: 621 thousand Euro) and incurred foreign exchange losses in the amount of 12 thousand Euro (2023: 35 thousand Euro) from U.S. dollar currency hedges, reported in the consolidated financial statement under foreign exchange gains.

Had the euro been revalued (devalued) against the U.S. dollar by 10% as of December 31, 2024 with respect to the monetary financial instruments, earnings (before taxes) would have been 3,578 thousand Euro lower (4,327 thousand Euro higher) (2023: 1,830 thousand Euro lower (2,236 thousand Euro higher)). The Group's equity effect would have come to the same amount due to the result effect in consideration of income tax incurred.

b) Interest rate risk

The risk of interest rate changes Elmos is exposed to as of the reporting date results from securities classified under “hold and sale.” If the market interest rate was higher (lower) by 100 basis points, equity would be down by 35 thousand Euro (increase in equity by 41 thousand Euro) (2023: decrease (increase) in equity by 156 (157) thousand Euro). Deferred tax on these amounts would have to be considered as well.

Elmos is exposed to interest rate risks primarily in the euro area. Within the context of making financing decisions, the Management Board determines the target mix of fixed and variable-interest liabilities. The financing structure is derived and implemented on that basis. For long-term financing projects, fixed interest rates are usually agreed on for securing the basis of calculation. Interest derivatives are also utilized if necessary. Further information about securing long-term financing can be found under note 25.

Capital management

It is the primary objective of Elmos Group's capital management to assure an adequate credit rating, liquidity at any time and at high financial flexibility, and a solid capital structure. The Management Board actively controls Elmos Group's capital structure and makes adjustments, if necessary, in consideration of the economic framework as well as the risks carried by the underlying assets. Control measures aim at safeguarding operating liquidity and sufficient robustness to withstand economic fluctuation without losing any measure of the capacity to act strategically. For maintaining or adjusting the capital structure, dividends may be paid to the shareholders, for instance, or new shares may be issued. As of December 31, 2024 and December 31, 2023, no changes were made to any of the objectives, guidelines and procedures. The Group generally monitors its capital based on net debt or rather net cash in absolute terms as well as the equity ratio. Net debt or net cash includes cash and cash equivalents (for 2023: including those of the disposal group; please also refer to note 5) plus securities less current and non-current financial liabilities. The equity ratio puts equity in proportion to total assets.

	FY 2024	FY 2023
Net debt	-21.7 million Euro	-10.4 million Euro
Equity ratio	70.4%	55.1%

Other information

31 – Government grants

The Company receives government grants used for financing research and development projects. Government grants used for research and development projects were offset against research and development expenses and recognized under that item (7,946 thousand Euro in 2024; 4,398 thousand Euro in 2023). For information about investment grants for non-current assets, please refer to note 15.

32 – Other financial obligations and contingencies

Future minimum payments owed under non-cancelable rental agreements and leases, maintenance agreements, insurance premiums, and various obligations to accept with initial or remaining terms of more than one year as of December 31, 2024 and December 31, 2023 are as follows:

thousand Euro	2024	2025	2026	2027	2028	2029	Later years	Total
12/31/2024	n/a	28,027	6,238	4,624	35	35	0	**38,959**
12/31/2023	24,963	11,270	658	544	409	0	0	**37,844**

Total expenditure for rental and lease agreements amounted to 3,000 thousand Euro in 2024 and 2,753 thousand Euro in 2023.

Material expenses for short-term leases and expenses for leased low-value assets did not apply in fiscal years 2024 and 2023. The total cash outflow for leases comes to 1,574 thousand Euro (2023: 1,444 thousand Euro) for principal payments and 127 thousand Euro (2023: 131 thousand Euro) for interest payments.

A purchase commitment in the amount of 264 thousand Euro (2023: 11,375 thousand Euro) results from investment orders placed.

For an affiliated company sold in fiscal year 2019, there is still a guarantee in place, (probably) for a transitional period, in the amount of 6,767 thousand USD. From today's vantage, Elmos does not expect the guarantee to be claimed.

33 – Consolidated companies

The parent company as well as the subsidiaries controlled in accordance with IFRS 10 have been included in the consolidated financial statements at hand. Shares in the capital of the subsidiaries are unchanged from the previous year.

The following changes to the scope of consolidation took place in fiscal years 2024 and 2023:

Acquisition of shares in Donum Grundstücksverwaltungsgesellschaft mbH, Dortmund

Elmos SE acquired 100% of the shares in Donum Grundstücksverwaltungsgesellschaft mbH, Dortmund, with economic effect as of January 1, 2024. Donum Grundstücksverwaltungsgesellschaft mbH specializes in the management of real estate. The company was founded in 1982 and currently has one employee (managing director). With the acquisition of the shares, Elmos SE has the opportunity to exercise control over Donum Grundstücksverwaltungsgesellschaft mbH within the meaning of IFRS 3. As a result, Donum Grundstücksverwaltungsgesellschaft mbH has been included in the consolidated financial statements of Elmos SE as a subsidiary as of January 1, 2024.

The preliminary fair values of the identifiable assets and liabilities of Donum Grundstücksverwaltungsgesellschaft mbH as of the date of obtaining control are as follows:

Fair value as of the date of obtaining control

thousand Euro	
Assets	
Land, land rights and buildings	6,900
Cash and cash equivalents	49
	6,949
Liabilities	
Liabilities to affiliates	-17
Liabilities from tenant loans	-1,804
Other liabilities	-2,000
Deferred tax liabilities due to reevaluation	-1,018
	-4,839
= Total identifiable net assets at fair value	**2,110**
less badwill from business acquisition	-2,064
= transferred consideration	**46**
Breakdown of cash inflow due to obtaining control:	
Cash and cash equivalents acquired with the transition to subsidiary status (included in cash flow from investing activities)	49
Outflow of cash and cash equivalents	-46
Cash inflow due to business acquisition in fiscal year 2024	**3**

No material transaction costs were incurred in acquiring the company.

Since the date of acquisition, Donum Grundstücksverwaltungsgesellschaft mbH has contributed 0 thousand Euro to sales and 1,965 thousand Euro to the Group's net income for the period. Specifically, this relates to income of 2,064 thousand Euro in connection with the entity's initial consolidation and other income of -99 thousand Euro. The income from initial consolidation is based on the reevaluation of properties and is recognized in the consolidated income statement under other operating income.

Formation of subsidiary Elmos Semiconductor Taiwan Ltd., Taiwan

In fiscal year 2024, Elmos Semiconductor SE founded Elmos Semiconductor Taiwan Ltd., Taiwan. This company is intended to facilitate and advance sales activities in Asia.

Formation of subsidiary JiWeiCheng Semiconductor Shanghai Co. Ltd., Shanghai (China)

In fiscal year 2024, Elmos Semiconductor SE – indirectly through its subsidiary Elmos Semiconductor Singapore Pte. Ltd., Singapore – founded Elmos Semiconductor JiWeiCheng Semiconductor Shanghai Co. Ltd., China. The new company is a further step Elmos Semiconductor SE takes in expanding its comprehensive presence in Asia.

Formation of subsidiary Elmos Semiconductor India Private Limited, Pune (India)

In fiscal year 2024, Elmos Semiconductor SE (20% of the shares directly attributable to Elmos SE, 80% of the shares indirectly through its subsidiary Elmos Semiconductor Singapore Pte. Ltd., Singapore) founded Elmos Semiconductor India Private Limited, India. This company is intended to facilitate and advance sales activities in India.

Formation of subsidiary Elmos Semiconductor Dortmund Operations GmbH, Dortmund

In fiscal year 2024, Elmos Semiconductor SE founded Elmos Semiconductor Dortmund Operations GmbH, Dortmund. This new company is connected to the establishment of the new holding structure, which is intended to enable more flexibility in the financial and tax environment.

Formation of subsidiary Elmos Semiconductor Business Services GmbH, Dortmund

In fiscal year 2024, Elmos Semiconductor SE founded Elmos Semiconductor Business Services GmbH, Dortmund. This new company is connected to the establishment of the new holding structure, which is intended to enable more flexibility in the financial and tax environment.

Formation of subsidiary Elmos Semiconductor Technology & Engineering GmbH, Dortmund

In fiscal year 2024, Elmos Semiconductor SE founded Elmos Semiconductor Technology & Engineering GmbH, Dortmund. This new company is connected to the establishment of the new holding structure, which is intended to enable more flexibility in the financial and tax environment.

Formation of subsidiary Elmos Semiconductor Sales & Solutions GmbH, Dortmund

In fiscal year 2024, Elmos Semiconductor SE founded Elmos Semiconductor Sales and Solutions GmbH, Dortmund. This new company is connected to the establishment of the new holding structure, which is intended to enable more flexibility in the financial and tax environment.

Overall, it can be stated that the comparability of the consolidated financial statements of the current and previous financial year with respect to assets and liabilities, financial position and profit/loss is not materially affected by these new formations in fiscal year 2024.

Deconsolidation of Dortmund Semiconductor GmbH, Dortmund

The sale of the wafer fab in Dortmund to U.S. technology company Littelfuse, Inc. marks the completion of the transformation of Elmos Semiconductor SE into a fabless company. With the closing of the transaction, which took effect at midnight (CET) on December 31, 2024, new owner Littelfuse acquires Dortmund Semiconductor GmbH – the spun-off unit of Elmos wafer production. The legal transfer of interests and thus the loss of control took place on December 31, 2024. The subsidiary was also deconsolidated as of that date (please also refer to notes 5 and 11).

Deconsolidation of European Semiconductor Assembly (eurasem) B.V., Nijmegen/The Netherlands

Subsidiary European Semiconductor Assembly (eurasem) B.V., Nijmegen/The Netherlands, was eliminated from Elmos Group's scope of consolidation in the fourth quarter of 2023 by way of liquidation. There were no material effects on results from this elimination.

Deconsolidation of Elmos Design Center LLC, St. Petersburg/Russia

Subsidiary Elmos Design Center LLC, St. Petersburg/Russia, was eliminated from Elmos Group's scope of consolidation in the fourth quarter of 2023 by way of liquidation. There were no material effects on results from this elimination.

Shareholdings

thousand or %	Currency	Interest	Equity	Net income	Relationship
Parent: Elmos Semiconductor SE, Dortmund					
Domestic					
DMOS Dresden MOS Design GmbH, Dresden	EUR	74.8%	938	-483[1]	Subsidiary
Epigone Grundstücksverwaltungsgesell-schaft mbH & Co. Vermietungs KG, Mainz	EUR	6.0%	-	-[4]	Investment
Area 21 Software GmbH, Dortmund	EUR	100.0%	88	278[1, 2]	Subsidiary
Mechaless Systems GmbH, Bruchsal	EUR	100.0%	678	-78[1]	Subsidiary
Online Engineering GmbH, Dortmund	EUR	100.0%	2,358	252[1]	Subsidiary
Donum Grundstücksverwaltungs-gesellschaft mbh, Dortmund	EUR	100.0%	49	24[1]	Subsidiary
Elmos Semiconductor Dortmund Operations GmbH, Dortmund	EUR	100.0%	465	0[1]	Subsidiary
Elmos Semiconductor Business Services GmbH, Dortmund	EUR	100.0%	24	-1[1]	Subsidiary
Elmos Semiconductor Technology & Engineering GmbH, Dortmund	EUR	100.0%	51	0[1]	Subsidiary
Elmos Semiconductor Sales & Solutions GmbH, Dortmund	EUR	100.0%	25	0[1]	Subsidiary
Abroad					
Elmos Services B.V., Nijmegen (NL)	EUR	100.0%	2,244	51[1, 2]	Subsidiary
Elmos N.A. Inc., Plymouth (U.S.A.)	USD	100.0%	2,185	217[1]	Subsidiary
Elmos Korea Co. Ltd., Seoul (Korea)	KRW	100.0%	737,858	173,953[1]	Subsidiary
Elmos Semiconductor Singapore Pte. Ltd., Singapore	SGD	100.0%	762	83[1]	Subsidiary
Elmos Semiconductor Technology (Shanghai) Co. Ltd., Shanghai (China)	CNY	100.0%	6,014	1,005[1, 2]	Subsidiary
Elmos Japan K.K., Tokyo (Japan)	JPY	100.0%	50,457	5,568[1]	Subsidiary
Elmos Semiconductor Taiwan Ltd. (Taiwan)	TWD	100.0%	7,620	2,620[1]	Subsidiary
JiWeiCheng Semiconductor.Shanghai Co. Ltd., Shanghai (China)	CNY	100.0%	961	-2,875[1, 2]	Subsidiary
Elmos Semiconductor India Private Limited, Pune (Indien)	INR	100.0%	11,382	-3,568[1, 3]	Subsidiary

[1] Presented figures are based on preliminary unaudited financial statements as of December 31, 2024.
[2] Indirect investment of Elmos Semiconductor SE, Dortmund.
[3] Direct as well as indirect investment of Elmos Semiconductor SE, Dortmund.
[4] No annual financial statements of the Company are currently available.

Additional summarized financial information as of 12/31

thousand Euro or %		Interest	Assets		Liabilities		Sales	Allocated dividend
			Current	Non-current	Current	Non-current		
For non-controlling interests in subsidiaries (IFRS 12 B10)								
DMOS, Dresden	**2024**	25.2%	2,575	1,469	2,220	9	9,243	0
	2023	25.2%	1,070	2,904	1,989	22	8,241	0

34 – Information on Management Board and Supervisory Board

thousand Euro		Short-term payments		Share-based payments
		Fixed remuneration	Variable remuneration	Stock awards
Management Board	**FY 2024**	1,154	2,745	0
	FY 2023	1,350	2,567	0
Supervisory Board	**FY 2024**	480	0	0
	FY 2023	450	0	0

There are indirect pension commitments to Management Board members for benefits after termination of employment for which no pension provisions must be made because of completely congruent coverage by reinsurance policies. In fiscal year 2024, contributions to these pension plans amounted to 90 thousand Euro (2023: 90 thousand Euro), included in the fixed remuneration component.

Remuneration paid to former Management Board members or their surviving dependents amounted to 393 thousand Euro in fiscal year 2024, thereof fixed components in the amount of 393 thousand Euro and variable components in the amount of 0 thousand Euro (2023: 392 thousand Euro, thereof fixed remuneration 392 thousand Euro and variable components 0 thousand Euro). Moreover, insurance premiums in the amount of 16 thousand Euro were paid (2023: 17 thousand Euro) for this group of beneficiaries. These amounts are balanced by reimbursements from reinsurance policies in the amount of 393 thousand Euro (2023: 393 thousand Euro). The amount of pension provisions for acting and former members of the Management Board or their surviving dependents was 1,109 thousand Euro as of December 31, 2024 (December 31, 2023: 1,110 thousand Euro).

As of December 31, 2024, no acting members of the Management Board or the Supervisory Board were members of statutory supervisory boards or comparable domestic or foreign supervisory bodies.

35 – Information on Group auditor fees

Fees of Group auditor BDO AG

thousand Euro	FY 2024	FY 2023
Audit services	297[1]	338[2]
Other certification services	0	0
Tax counseling	0	0
Other services	0	0
Group auditor fees	**297**	**338**

[1] Thereof 0 thousand Euro for the previous year
[2] Thereof 0 thousand Euro for the previous year

In 2024 and 2023, audit services comprised fees for the statutory audit of separate financial statements and consolidated financial statements as well as the review of the 6-month consolidated financial statements of Elmos. The item also includes the fee of 10 thousand Euro for the formal audit of the remuneration report for fiscal year 2024 (previous year: 10 thousand Euro). Compared to the previous year, fees for the audit of subsidiary Dortmund Semiconductor GmbH, deconsolidated in fiscal year 2024, are no longer included.

36 – Appropriation of retained earnings and dividend proposal

Management Board and Supervisory Board propose to the Annual General Meeting in May 2025 the payment of a dividend of 1.00 Euro per share for fiscal year 2024 out of the 2024 retained earnings of Elmos Semiconductor SE in the amount of 404.4 million Euro. The total dividend payout would thus amount to 17.1 million Euro, based on 17,142,187 shares entitled to dividend as of December 31, 2024.

37 – Managers' transactions according to Art. 19 (1) Market Abuse Regulation

Notifications of managers' transactions according to Art. 19 (1) Market Abuse Regulation for the period from January 1 to December 31, 2024 are available at www.elmos.com.

38 – Related party disclosures

Pursuant to IAS 24 – *Related Party Disclosures*, individuals or entities in control of or controlled by Elmos Group must be disclosed unless they are already included in Elmos Group's consolidated financial statements as consolidated entities. Control is assumed if a shareholder holds more than half of the voting rights in Elmos Semiconductor SE or if the shareholder is in a position, by virtue of the Articles of Association or contractual agreement, to control the financial and business policies of Elmos Group's management. In addition, mandatory disclosure pursuant to IAS 24 includes transactions with associated companies and individuals who have significant influence over Elmos Group's financial and business policies, including close relatives or interconnected companies. Significant influence on Elmos Group's financial and business policies may be based on an interest in Elmos Semiconductor SE of 20% or more, a position on the Management Board or Supervisory Board of Elmos Semiconductor SE, or another key function in management. Transactions between related parties are carried out at arm's length.

Apart from the remuneration of Management Board and Supervisory Board – representing the key management personnel of Elmos Group – disclosed under note 34 ("Information on Management Board and Supervisory Board"), no Management Board or Supervisory Board member received any compensation for consulting services rendered personally in fiscal years 2024 or 2023.

39 – Number of employees

ø Employees	FY 2024	FY 2023
Production	578	546
Distribution	97	106
Administration	184	171
Quality Control	46	44
Research and Development	467	415
Total	**1,372**	**1,282**

40 – Significant events after the end of the fiscal year

With effect from January 1, 2025, Online Engineering GmbH, Dortmund was merged with Sales & Solutions GmbH, Dortmund in accordance with the merger agreement between Elmos Semiconductor SE, Dortmund, Elmos Semiconductor Sales & Solutions GmbH, Dortmund and Online Engineering GmbH, Dortmund. Both Elmos Semiconductor Sales & Solutions GmbH, Dortmund, which was founded in the 2024 fiscal year, and Online Engineering GmbH, Dortmund, are subsidiaries of Elmos Semiconductor SE, Dortmund.

Otherwise, there were no significant events after the end of the 2024 fiscal year that are not already reflected in the consolidated income statement and the statement of financial position.

41 – Declaration of compliance pursuant to Section 161 AktG

In May 2024, Management Board and Supervisory Board of Elmos released the declaration pursuant to Section 161 AktG (Stock Corporation Act) and made it permanently available at www.elmos.com.

Dortmund, March 6, 2025

Dr. Arne Schneider   Dr. Jan Dienstuhl

Independent auditor's report

To Elmos Semiconductor SE, Dortmund

Report on the audit of the consolidated financial statements and of the combined management report

Audit opinions

We have audited the consolidated financial statements of Elmos Semiconductor SE, Dortmund, and its subsidiaries (the group), which comprise the consolidated statement of financial position as at 31 December 2024 and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year from 1 January 2024 to 31 December 2024, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In addition, we have audited the combined management report (report on the position of the company and of the group) of Elmos Semiconductor SE for the financial year from 1 January 2024 to 31 December 2024. In accordance with the German legal requirements, we have not audited the content of those parts of the combined management report listed in section "OTHER INFORMATION".

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRSs as adopted by the EU, and the additional requirements of German commercial law pursuant to § 315e (1) HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities and financial position of the group as at 31 December 2024, and of its financial performance for the financial year from 1 January 2024 to 31 December 2024 and
- the accompanying combined management report as a whole provides an appropriate view of the group's position. In all material respects, this combined management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the combined management report does not cover the content of those parts of the combined management report listed in section "OTHER INFORMATION".

Pursuant to § 322 (3) sentence 1 HGB (German Commercial Code), we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the combined management report.

Basis for the Audit Opinions

We conducted our audit of the consolidated financial statements and of the combined management report in accordance with § 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements.

In addition, in accordance with Article 10 (2) letter (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the combined management report.

Key Audit Matters in the Audit of the Annual Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the financial year from 1 January 2024 to 31 December 2024. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

We have identified the following matter as key audit matters to be disclosed in our auditor's report:

Deconsolidation of the wafer production of Dortmund Semiconductor GmbH as of December 31, 2024

Matter

On June 28, 2023, Elmos Semiconductor SE and Littelfuse Inc., USA, entered into an agreement for the sale of the wafer production facility in Dortmund to Littelfuse Inc. which will be completed by transferring all shares in Dortmund Semiconductor GmbH. In the consolidated financial statements for fiscal year 2023, the assets and liabilities held for sale were recognized as a disposal group in accordance with the provisions of IFRS 5. The transaction was approved by the German Federal Cartel Office and the foreign trade approval by the German Federal Ministry for Economic Affairs and Climate Protection without conditions already in the 2023 financial year. The transfer of the shares was completed at midnight on

December 31, 2024, including the payment of the remaining amount of the provisional purchase price by Littelfuse Inc. The contractual purchase price includes variable components that depend in particular on the amount of working capital and the volume of unfinished and finished orders at the time of execution.

The deconsolidation of the wafer production of Dortmund Semiconductor GmbH led to the derecognition of assets and liabilities in the amount of EUR 55.0 million and EUR 4.5 million and the recognition of income of EUR 43.5 million. Due to the overall material effect of the deconsolidation on the net assets, financial position and results of operations of the Group in connection with the variable purchase price components, this matter was of particular importance in the context of our audit.

The executive directors' disclosures on the sale and transfer of the shares in Dortmund Semiconductor and on the calculation and presentation of the disposal proceeds can be found in the notes in sections "5. Disposal group/deconsolidation" and "11. Other operating income and expenses".

Auditing response and findings

As part of our audit, we assessed whether the conditions for the execution of the transaction set out in the purchase agreement had been met. To this end, we examined, among other things, the receipt of the purchase price payment by inspecting the account statements. In addition, we verified the preliminary determination of the variable purchase price components, in particular with regard to working capital and the volume of unfinished and finished orders.

On the basis of the financial statements of Dortmund Seminconductor GmbH, we examined that the assets and liabilities of the sold wafer production were correctly written off in the context of the deconsolidation.

Furthermore, we examined whether all related deconsolidation postings were fully and correctly taken into account.

In addition, we examined the calculation of the income from the deconsolidation and the completeness and accuracy of the disclosures in the notes on the sale.

Overall, we were able to satisfy ourselves that the deconsolidation was carried out properly and that the related information and explanations in the notes to the consolidated financial statements are appropriate.

Other information

The executive directors or the supervisory board are responsible for the other information. The other information comprises. The other information comprises:

- he separately published combined non-financial report which is referenced in the "Combined non-financial report" section of the combined management report
- the separately published statement on corporate governance, which is referenced in the "Statement on corporate governance" section of the combined management report
- the components of the combined management report that are not part of the combined management report and are not audited in substance which relate to the "Statements on the effectiveness of the governance systems" in the "Opportunities and risks" section
- the other parts of the annual report, except for the audited consolidated financial statements and combined management report as well as our auditor's report.

Our audit opinions on the consolidated financial statements and on the group combined management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and thereby acknowledge whether the other information

- is materially inconsistent with the consolidated financial statements, with the combined management report, or our knowledge obtained in the audit or
- otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the executive directors and the supervisory board for the combined financial statements and the combined management report

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e (1) HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position and financial performance of the group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i. e. fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the combined management report that, as a whole, provides an appropriate view of the group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The supervisory board is responsible for overseeing the group's financial reporting process for the preparation of the consolidated financial statements and of the combined management report.

Auditor's responsibilities for the audit of the consolidated financial statements and for the combined management report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this combined management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the consolidated financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems.
- evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to be able to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the group in compliance with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e (1) HGB.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express audit opinions on the consolidated financial statements and on the combined management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinions.
- evaluate the consistency of the combined management report with the consolidated financial statements, its conformity with [German] law, and the view of the group's position it provides.
- perform audit procedures on the prospective information presented by the executive directors in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and, where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Report on the assurance on the electronic rendering of the consolidated financial statements and the combined management report, prepared for publication purposes in accordance with § 317 (3a) HGB

Assurance Opinion

We have performed assurance work in accordance with § 317 (3a) HGB to obtain reasonable assurance as to whether the rendering of the consolidated financial statements and the combined management report (hereinafter the "ESEF documents") contained in the electronic file "ELMOS_KAP_2024.zip" and prepared for publication purposes complies in all material respects with the requirements of § 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the combined management report into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the consolidated financial statements and the combined management report contained in the electronic file identified above and prepared for publication purposes complies in all material respects with the requirements of § 328 (1) HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying consolidated financial statements and the accompanying combined management report for the financial year from 1 January 2024 to 31 December 2024 contained in the "Report on the audit of the consolidated financial statements and of the combined management report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

Basis for the Assurance Opinion

We conducted our assurance work on the rendering of the consolidated financial statements and the combined management report contained in the file identified above in accordance with § 317 (3a) HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports, Prepared for Publication Purposes in Accordance with § 317 (3a) HGB (IDW AsS 410 (06.2022)). Our responsibility in accordance therewith is further described in the "Auditor's Responsibilities for the Assurance Work on the ESEF Documents" section. Our audit firm has applied the requirements of the IDW Quality Management Standards, which implement the IAASB's International Standards on Quality Management.

Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The executive directors of the company are responsible for the preparation of the ESEF documents with the electronic renderings of the consolidated financial statements and the combined management report in accordance with § 328 (1) sentence 4 No. 1 HGB and for the tagging of the consolidated financial statements in accordance with § 328 (1) sentence 4 No. 2 HGB.

In addition, the executive directors of the company are responsible for such internal controls that they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of § 328 (1) HGB for the electronic reporting format.

The supervisory board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

Auditor's Responsibilities for the Assurance Work on the ESEF documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of § 328 (1) HGB. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also

- identify and assess the risks of material intentional or unintentional non-compliance with the requirements of § 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.

- obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- evaluate the technical validity of the ESEF documents, i. e. whether the file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815, in the version in force at the date of the financial statements, on the technical specification for this electronic file.
- evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited consolidated financial statements and to the audited combined management report.
- evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Delegated Regulation (EU) 2019/815, in the version in force at the date of the financial statements, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as group auditor by the consolidated general meeting on 15 May 2024. We were engaged by the supervisory board on 25 November 2024. We have been the group auditor of the Elmos Semiconductor SE since the financial year 2023.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

Other matter – use of the auditor's report

Our auditor's report must always be read together with the audited consolidated financial statements and the audited combined management report as well as the assured ESEF documents. The consolidated financial statements and the combined management report converted to the ESEF format – including the versions to be published in the German Federal Gazette – are merely electronic renderings of the audited consolidated financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the assured ESEF documents provided in electronic form.

German public auditor responsible for the engagement

The German Public Auditor responsible for the engagement is Dr. Marcus Falk.

Responsibility statement

We assure that to the best of our knowledge and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and the group management report combined with the management report of Elmos Semiconductor SE 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.

Dortmund, March 6, 2025

Dr. Arne Schneider   Dr. Jan Dienstuhl

Financial calendar 2025

Final results 2024[1]	March 20, 2025
Quarterly results Q1 / 2025[1]	May 6, 2025
Annual General Meeting	May 15, 2025
Quarterly results Q2 / 2025[1]	July 31, 2025
Quarterly results Q3 / 2025[1]	November 4, 2025

[1] The German Securities Trading Act (Wertpapierhandelsgesetz) and the Market Abuse Regulation (EU) oblige issuers to immediately announce any information that may have a substantial share price impact, irrespective of the financial calender. 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).

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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 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.

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