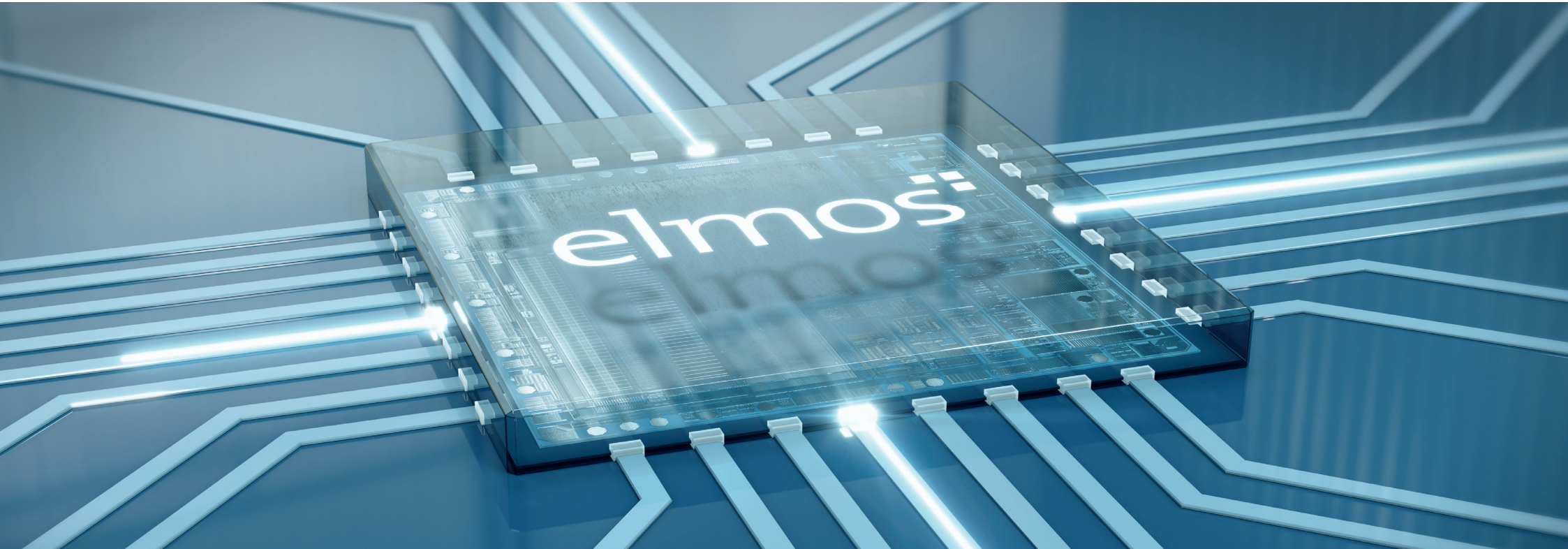


Interim Report H1 2022

January 1 to June 30, 2022

elmos[®]



Strong second quarter 2022 – further positive development expected in the second half of the year

Sales of 105.8 million Euro and EBIT margin of 23.8% in Q2 2022 underscore the successful business performance – full year sales of more than 430 million Euro expected in 2022

“The continued high demand for Elmos’ innovative semiconductor solutions fuels our business performance and highlights Elmos’ successful growth strategy. Thanks to the exceptional level of commitment of the entire Elmos team and the close collaboration with our customers and suppliers, we have successfully mastered the enormous challenges of the global supply crisis so far. Despite difficult overall conditions, we expect the dynamic business development to continue in the second half of the year based on the consistently strong order situation.”

Dr. Arne Schneider, CEO of Elmos Semiconductor SE

Interim group management report

January 1 to June 30

Key figures

in million Euro unless otherwise indicated	Q2 2022	Q2 2021	Change	H1 2022	H1 2021	Change
Sales	105.8	78.9	34.1%	202.2	156.0	29.6%
Gross profit	46.4	34.1	36.0%	90.3	66.7	35.5%
in % of sales	43.8%	43.2%		44.7%	42.7%	
Research and development expenses	15.0	12.5	20.1%	28.7	24.8	15.7%
in % of sales	14.2%	15.9%		14.2%	15.9%	
Operating income	21.1	12.8	65.1%	42.3	24.0	75.8%
in % of sales	19.9%	16.2%		20.9%	15.4%	
EBIT	25.2	12.5	101.0%	44.7	24.7	80.7%
in % of sales	23.8%	15.9%		22.1%	15.9%	
Consolidated net income after non-controlling interests	16.0	8.5	87.9%	29.5	16.8	76.0%
in % of sales	15.1%	10.8%		14.6%	10.7%	
Earnings per share (basic) in Euro	0.93	0.47	99.1%	1.72	0.92	86.4%
	06/30/2022	03/31/2022	Change	06/30/2022	12/31/2021	Change
Total assets	495.8	487.4	1.7%	495.8	418.0	18.6%
Shareholders' equity	317.5	313.2	1.4%	317.5	300.2	5.8%
in % of total assets	64.0%	64.3%		64.0%	71.8%	
Financial liabilities	81.7	95.1	-14.1%	81.7	76.1	7.4%
Cash, cash equivalents, and marketable securities	88.5	114.1	-22.5%	88.5	66.1	33.9%
Net cash/Net debt (-)	6.8	19.0	-64.5%	6.8	-10.0	n/a
	Q2 2022	Q2 2021	Change	H1 2022	H1 2021	Change
Cash flow from operating activities	21.9	15.8	38.4%	65.8	45.3	45.4%
Capital expenditures	19.9	17.3	15.5%	31.0	23.0	35.0%
in % of sales	18.8%	21.9%		15.3%	14.7%	
Adjusted free cash flow	-0.5	-3.4		29.9	19.0	57.2%

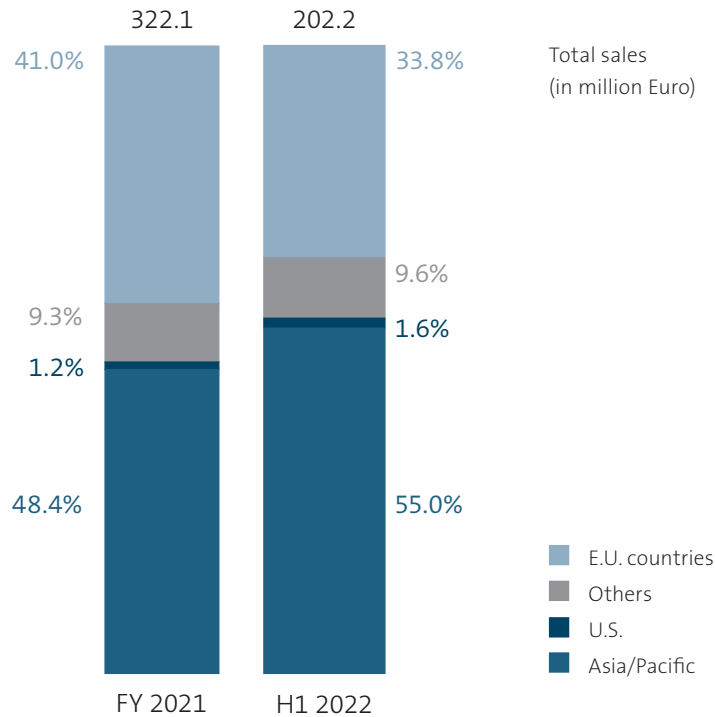
Definitions of selected financial indicators

- Capital expenditures: Capital expenditures for intangible assets and property, plant and equipment less capitalized development expenses
- Adjusted free cash flow: Cash flow from operating activities less capital expenditures for/plus disposal of intangible assets and property, plant and equipment (including proceeds from additions to the scope of consolidation)
- Further information on the key figures used can be found in the 2021 Annual Report at www.elmos.com

Profit, financial position, as well as assets and liabilities

- > The positive sales and earnings performance in the second quarter of 2022 continues to be influenced by an ongoing high demand for semiconductors and the associated allocation situation, as well as supply bottlenecks of key components and price increases for materials.
- > Group sales were significantly higher year on year and have now set a new record for quarterly sales for the sixth time in succession.
- > EBIT and the EBIT margin also increased as a result of the strong growth in the second quarter of 2022, despite further increasing material prices and adverse effects caused by the allocation and the COVID-19 pandemic.
- > Capital expenditures were used mainly for the expansion of testing capacities.
- > Adjusted free cash flow in the reporting period was mainly impacted by scheduled capital expenditures and tax payments.
- > The order situation is at an unabated high level and the ratio of orders received for the next three months to sales over the past three months, known as the book-to-bill ratio, continued to be above one at the end of the reporting period.

Sales by region



Economic environment

- > The first six months of fiscal year 2022 were characterized by continued strong demand for semiconductors, especially for automotive applications. However, global economic development was severely impacted by the war in Ukraine, the ongoing COVID-19 pandemic and periods of lockdown, especially in China, and global supply chain disruptions. Moreover, the costs of materials and energy are increasing sharply in some cases as a result of the shortage of raw materials and gas supply bottlenecks.
- > According to the German Association of the Automotive Industry (Verband der Automobilindustrie – VDA), the general conditions for the automotive industry have deteriorated significantly worldwide. In addition to the factors stated above, rising costs of financing for consumers following interest rate hikes in the U.S. and in Europe have also had a negative impact on passenger car sales. As a whole, most of the large automotive markets contracted in the first six months of 2022 compared to the prior year. According to the VDA, the number of new car registrations fell by 14% in Europe, 18% in the U.S., 16% in Japan, while registrations in China increased by just under 4%.
- > The International Monetary Fund (IMF) believes the global economy will grow at a much slower rate this year, mainly due to the war in Ukraine. The IMF simultaneously expects higher inflation, driven among other things by higher prices for energy, raw materials, and food. The VDA is also more pessimistic in its assessment of the development of global automotive markets and has lowered its sales forecasts for 2022 in the light of current developments. By contrast, the growth outlook for the semiconductor industry in 2022 is consistently positive despite greater uncertainty, heightened geopolitical tensions, and increasing prices for materials. In its spring forecast, WSTS (World Semiconductor Trade Statistics) expects the global semiconductor market to grow by 16.3% in 2022 year on year.
- > The medium-term outlook for the semiconductor market, especially for automotive semiconductor applications, also continues to be positive. In a recent study published in May 2022, the management consulting firm McKinsey expects the global semiconductor market to grow at an average annual rate of 7% by 2030, driven by increased digitalization, greater use of electromobility, and the increasing electrification of systems and functions in vehicles.

Guidance update report

Fiscal year 2022	As of August 2, 2022	As of May 3, 2022
Sales	New: More than 430 million Euro	More than 400 million Euro
Operating EBIT margin	Unchanged: 21% ± 2 percentage points	21% ± 2% percentage points
Capital expenditures (in % of sales) ¹	Unchanged: 17% ± 2% percentage points	17% ± 2% percentage points
Operating adjusted free cash flow ²	Unchanged: Positive, above the prior year (11.1 million Euro)	Positive, above the prior year (11.1 million Euro)
Assumed exchange rate	New: 1.00 EUR/USD	1.10 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

Guidance for fiscal year 2022:

In spite of the ongoing adverse effects of global supply bottlenecks and the COVID-19 pandemic, together with additional uncertainties since the start of war in Ukraine, we can raise our sales guidance for the full year 2022 thanks to the positive development in the first half of the year, the consistently encouraging order situation, and the available wafer capacities. In all other respects, the current outlook has not changed since the guidance dated May 3, 2022.

- > Elmos now expects Group sales of more than 430 million Euro and an unchanged operating EBIT margin of 21% ± 2 percentage points of sales for fiscal year 2022.
- > Testing capacities will continue to be expanded further. Therefore, Elmos expects capital expenditures to continue to be around 17% ± 2% percentage points of sales.
- > For fiscal year 2022, the Company is still forecasting a positive operating adjusted free cash flow exceeding the prior-year figure (11.1 million Euro).
- > The guidance does not include any effects from a possible closing of the sale of the Elmos wafer fab to Silex Microsystems AB.

However, current expectations may be negatively affected by, among other things, geopolitical developments, notably the war in Ukraine, market volatility, for example, ongoing allocation in the semiconductor sector combined with global supply chain bottlenecks, the ongoing COVID-19 pandemic, and further increases in prices for materials, energy, and services, as well as gas supply issues.

Opportunities and risks

- > The individual company risks and opportunities are described in depth in our Annual Report 2021.
- > As already described in detail in the individual parts of the opportunities and risks section of the Elmos Annual Report 2021, economic development and Elmos business performance continue to be influenced by a combination of the effects of the COVID-19 pandemic, the ongoing allocation in the semiconductor industry, and bottlenecks in global supply chains.
- > Since the start of war in Ukraine, there has been additional uncertainty as a result of various political and economic effects due to sanctions, bottlenecks in the supply of raw materials and energy, and high inflation.
- > Elmos launched a comprehensive package of measures for its production location in Dortmund early on to be able to maintain operations as far as possible without major restrictions, at least temporarily, in the event of a further tightening of the gas supply in Germany. In the event that the German Federal Ministry of Economic Affairs and Climate Action (Bundesministerium für Wirtschaft und Klimaschutz, BMWK) invokes the emergency level of the Emergency Plan for Gas, and gas supplies to operate the two Elmos combined heat and power plant units (CHP) at the Dortmund headquarters are reduced or even discontinued, the necessary heating, power, and cooling for semiconductor production and other relevant areas could be temporarily guaranteed within a short period of time via alternative sources of energy or additional heating systems. In addition, a modest amount of natural gas is essential to purify the emissions released during the production process.
- > Even if these measures are successful, we cannot completely rule out temporary production shutdowns at the Elmos location in Dortmund or delays in deliveries to customers in the event of potential fuel bottlenecks. Although Elmos is in regular and close consultation with all of its suppliers, the effects of a potential fuel shortage at one of our suppliers cannot be estimated, which could also affect Elmos' production and delivery capabilities. Furthermore, if the Federal Network Agency (Bundesnetzagentur)

would determine significantly lower total gas import volumes to Germany, existing contractually fixed prices for natural gas could be canceled by the energy supplier. This could put a significant strain on energy costs and have a considerable impact on economic development at Elmos.

- > Elmos continuously monitors the geopolitical and economic environment in our core markets in order to anticipate new potential risks or changes in the assessment of risks as early as possible, and to be in a position to take action or make adjustments. However, it is not possible at the present time to completely assess the full extent of the risks given the current geopolitical and economic situation.
- > As explained in the Annual Report, individual risks may cause substantial damage to the Company in extreme cases. Such cases can neither be predicted nor ruled out. Irrespective of this, it should be noted that the occurrence of an individual risk, even if it does not develop into an extreme case, can have a strong negative impact on the financial, profit, and economic position of the Company.

Significant events

- > Elmos again held its Annual General Meeting as a virtual event on May 11, 2022. The shareholders adopted all of the items on the agenda by a large majority. The Annual General Meeting approved a 25% dividend increase to 0.65 Euro per share for fiscal year 2021.
- > Visit www.elmos.com for more events, new products, and notifications on voting rights from the first half of 2022.

Condensed interim consolidated financial statements according to IFRS

January 1 to June 30

Condensed consolidated statement of financial position

Assets in thousand Euro	06/30/2022	12/31/2021
Intangible assets	37,484	37,668
Property, plant and equipment	195,596	170,865
Securities	54,308	42,850
Investments	1	1
Other financial assets	8,418	8,379
Deferred tax assets	77	54
Non-current assets	295,883	259,817
Inventories	84,319	80,140
Trade receivables	56,014	39,745
Securities	7,241	5,492
Other financial assets	3,076	2,143
Other receivables	16,435	12,314
Income tax assets	5,885	599
Cash and cash equivalents	26,930	17,756
Current assets	199,899	158,190
Total assets	495,782	418,007

Equity and liabilities in thousand Euro	06/30/2022	12/31/2021
Share capital	17,700	17,700
Treasury shares	-585	-591
Additional paid-in capital	18,385	18,111
Surplus reserve	102	102
Other equity components	-1,257	-23
Retained earnings	282,542	264,146
Equity attributable to owners of the parent	316,887	299,445
Non-controlling interests	581	715
Shareholders' equity	317,468	300,160
Provisions for pensions	52	52
Financial liabilities	77,313	61,527
Deferred tax liabilities	7,498	9,314
Non-current liabilities	84,863	70,894
Provisions	17,426	16,298
Income tax liabilities	22,490	246
Financial liabilities	4,413	14,581
Trade payables	41,558	12,071
Other liabilities	7,563	3,757
Current liabilities	93,451	46,954
Liabilities	178,314	117,847
Total equity and liabilities	495,782	418,007

Condensed consolidated income statement

in thousand Euro	Q2 2022	Q2 2021	H1 2022	H1 2021
Sales	105,806	78,913	202,165	156,019
Cost of sales	-59,426	-44,797	-111,838	-89,350
Gross profit	46,380	34,116	90,327	66,669
Research and development expenses	-15,049	-12,529	-28,665	-24,780
Distribution expenses	-4,434	-4,178	-8,697	-8,251
Administrative expenses	-5,794	-4,627	-10,696	-9,596
Operating income before other operating expenses (-)/income	21,103	12,781	42,269	24,043
Foreign exchange gains/losses (-)	2,131	-581	3,052	496
Other operating income	916	1,158	1,499	1,743
Other operating expenses	1,065	-811	-2,135	-1,546
Earnings before interest and taxes (EBIT)	25,215	12,547	44,685	24,735
Finance income	147	108	281	207
Finance expenses	-318	-204	-647	-427
Earnings before taxes	25,044	12,452	44,319	24,515
Income tax	-9,268	-3,945	-14,962	-7,691
thereof current income tax	-10,869	-3,787	-15,963	-6,887
thereof deferred tax	1,601	-158	1,001	-804
Consolidated net income	15,776	8,507	29,357	16,824
thereof attributable to owners of the parent	15,954	8,489	29,490	16,756
thereof attributable to non-controlling interests	-178	18	-133	68
Earnings per share	Euro	Euro	Euro	Euro
Basic earnings per share	0.93	0.47	1.72	0.92
Fully diluted earnings per share	0.93	0.47	1.72	0.92

Condensed consolidated statement of comprehensive income

in thousand Euro	Q2 2022	Q2 2021	H1 2022	H1 2021
Consolidated net income	15,776	8,507	29,357	16,824
Items to be reclassified to the consolidated income statement in later periods including respective tax effects				
Foreign currency adjustments without deferred tax effect	235	45	429	64
Foreign currency adjustments with deferred tax effect	0	0	0	0
corresponding deferred tax	0	0	0	0
Changes in market value of financial assets measured at market value	-1,189	-49	-2,475	-106
corresponding deferred tax	390	16	812	35
Items not to be reclassified to the consolidated income statement in later periods including respective tax effects				
Actuarial gains/losses (-) from pension plans	0	0	0	0
corresponding deferred tax	0	0	0	0
Other comprehensive income after taxes	-564	12	-1,234	-7
Total comprehensive income after taxes	15,213	8,518	28,123	16,817
thereof attributable to owners of the parent	15,390	8,500	28,256	16,749
thereof attributable to non-controlling interests	-177	18	-133	68

Condensed consolidated statement of cash flows

in thousand Euro	Q2 2022	Q2 2021	H1 2022	H1 2021
Consolidated net income	15,776	8,507	29,357	16,824
Depreciation and amortization	11,426	7,540	19,849	14,960
Gains (-)/Losses from disposal of assets	-14	299	-12	356
Financial result	171	95	367	220
Other non-cash income (-)/expenses	-1,601	159	-1,001	804
Current income tax	10,869	3,787	15,963	6,887
Expenses for stock awards/share matching	139	76	280	153
Changes in pension provisions	0	-24	0	-16
Changes in net working capital:				
Trade receivables	-9,534	2,445	-16,269	-2,892
Inventories	-4,669	2,936	-4,179	10,330
Other assets	-2,017	-6,197	-5,054	-8,544
Trade payables	9,197	2,781	21,149	7,465
Other provisions and other liabilities	-1,770	-3,776	4,934	585
Income tax payments	-5,466	-2,232	995	-1,359
Interest paid	-733	-665	-810	-704
Interest received	147	108	281	207
Cash flow from operating activities	21,920	15,838	65,849	45,276
Capital expenditures for intangible assets	-2,966	-2,305	-5,568	-3,644
Capital expenditures for property, plant and equipment	-19,513	-16,934	-30,413	-22,705
Payments related to additions to the group of consolidated companies	0	0	0	64
Disposal of non-current assets	27	16	32	29
Payments for (-)/Disposal of securities	-972	-4,113	-15,682	-3,615
Payments for other non-current financial assets	-20	-514	-39	-1,027
Cash flow from investing activities	-23,444	-23,850	-51,670	-30,898

in thousand Euro	Q2 2022	Q2 2021	H1 2022	H1 2021
Proceeds from financial liabilities	0	0	18,976	0
Cash outflows from the repayment of financial liabilities	-12,512	-2,000	-12,000	0
Share-based payment/issue of treasury shares	0	66	0	66
Repayment of liabilities from installment purchase	-158	-156	-317	-313
Repayment of leasing liabilities	-349	-570	-695	-1,118
Dividend distribution	-11,121	-9,425	-11,121	-9,425
Repayment of other financial liabilities	0	0	-280	0
Other changes	3	17	26	25
Cash flow from financing activities	-24,137	-12,069	-5,412	-10,766
Decrease (-)/increase in cash and cash equivalents	-25,661	-20,081	8,767	3,612
Effects of exchange rate changes on cash and cash equivalents	242	66	407	70
Cash and cash equivalents at beginning of reporting period	52,349	64,010	17,756	40,313
Cash and cash equivalents at end of reporting period	26,930	43,995	26,930	43,995

Condensed consolidated statement of changes in equity

in thousand Euro	Equity attributable to owners of the parent									Non-controlling interest	Group	
	Shares thousand	Share capital	Treasury shares	Additional paid-in capital	Surplus reserve	Other equity components			Retained earnings	Total	Total	Total
						Provision for financial assets measured at market value	Foreign currency translation	Unrealized actuarial gains/losses				
January 1, 2021	20,104	20,104	-1,986	57,592	102	83	412	-468	233,742	309,581	634	310,214
Consolidated net income									16,756	16,756	68	16,824
Other comprehensive income for the period						-71	64	0		-7	0	-7
Total comprehensive income						-71	64	0	16,756	16,749	68	16,817
Share-based payment/issue of treasury shares			20	45						66		66
Dividend distribution									-9,425	-9,425		-9,425
Expenses for stock awards/share matching				153						153		153
Other changes									26	26		26
June 30, 2021	20,104	20,104	-1,966	57,790	102	12	476	-468	241,100	317,149	702	317,851
January 1, 2022	17,700	17,700	-591	18,111	102	-153	586	-455	264,146	299,445	715	300,160
Consolidated net income									29,490	29,490	-133	29,357
Other comprehensive income for the period						-1,663	429	0		-1,234	0	-1,234
Total comprehensive income						-1,663	429	0	29,490	28,256	-133	28,123
Share-based payment/issue of treasury shares			6	-6						0		0
Dividend distribution									-11,121	-11,121		-11,121
Expenses for stock awards/share matching				280						280		280
Other changes									27	27		27
June 30, 2022	17,700	17,700	-585	18,385	102	-1,816	1,015	-455	282,542	316,887	581	317,468

Notes to condensed interim consolidated financial statements

January 1 to June 30

The condensed interim consolidated financial statements for the first half of 2022 were released for publication pursuant to Management Board resolution in August 2022.

1 – GENERAL INFORMATION

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

Basic principles of the preparation of financial statements

The condensed interim consolidated financial statements for the period January 1 to June 30, 2022, have been prepared in accordance with IAS 34 "Interim Financial Reporting." These financial statements therefore do not contain all the information and disclosures required for consolidated financial statements and should therefore be consulted together with the consolidated financial statements for the fiscal year ended December 31, 2021.

Essential accounting policies and measurement methods

For the preparation of the condensed interim consolidated financial statements, the same accounting policies and measurement methods have been adopted as were applied for the preparation of the consolidated financial statements for the fiscal year ended December 31, 2021, with the exception of the amended IFRS standards and improvements explained below.

- > Amendments to IAS 16 – *Property, Plant and Equipment*: Proceeds before Intended Use
- > Amendments to IAS 37 – *Provisions, Contingent Liabilities and Contingent Assets*:
 - Onerous contracts – Cost of Fulfilling a Contract
- > Amendments to IFRS 3 – *Business Combinations*: Reference to the Conceptual Framework
- > *Improvements to IFRS 2018-2020*

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

Estimates and assumptions

The Company recognizes provisions for pension obligations pursuant to IAS 19. Due to materiality issues, the provisions for pensions were not currently measured as of June 30, 2022. A revaluation, also against the background of the increased interest rate level, will be carried out as of December 31, 2022.

Estimates and discretionary decisions

Estimates and discretionary decisions may have an impact on the amount of assets and liabilities reported in the balance sheet, the disclosures regarding contingent assets and liabilities as of the reporting date, and on the income and expenses disclosed for the reporting period. This is especially true in light of the COVID-19 pandemic and the war in Ukraine, which are causing distortions in global supply chains, end markets, energy and raw material markets, and economic development as a whole. The amounts actually incurred or accrued may differ from the estimates and discretionary decisions; changes may have a material effect on the interim financial statements. The available information on anticipated economic development was taken into account when updating the estimates and discretionary decisions. This information was taken into consideration when reviewing the impairment of financial assets.

Discretionary decisions (with respect to IFRS 5)

On December 14, 2021, Elmos Semiconductor SE and Silex Microsystems AB, Sweden, ("Silex") signed a sale and purchase agreement to transfer the Elmos 200mm wafer fabrication activities at the Dortmund location (fab) to Silex. The completion of the transaction is subject to customary closing conditions and regulatory approvals. In this context it had to be considered whether the accounting provisions of IFRS 5 were applicable as of the balance sheet date of December 31, 2021. The management of Elmos was of the opinion that the authorities were not very likely to issue a final approval within the meaning of IFRS 5.7 in conjunction with IFRS 5.8 quickly, and as a result, the planned transaction was not recognized in the consolidated financial statements as of December 31, 2021, in accordance with the requirements of IFRS 5. The review process by the competent authority is due to run until June 30, 2022. A final result was not yet available at the time of preparation. In this regard, the management of Elmos maintains its estimate that final approval by the authorities is not very likely within the meaning of IFRS 5, and continues not to recognize the transaction in accordance with the requirements of IFRS 5 within the scope of the interim financial statements as of June 30, 2022.

Ordinary business transactions with a significant impact

Substantial capital expenditures affecting property, plant and equipment were made in the first half of 2022 (30,413 thousand Euro) and in the second quarter of 2022 (19,513 thousand Euro).

The investments were mainly used for the expansion of testing capacities (technical equipment and machinery).

Issuances, repurchases and repayments of promissory notes, etc.

In the first half of 2022, promissory note loans in the amount of 12,000 thousand Euro were repaid. Furthermore, a universal loan in the amount of 20,000 thousand Euro has been taken out for the purpose of investing in growth.

Exceptional business transactions

There were no exceptional business transactions in the first six months of 2022.

Basis of consolidation

Under a merger agreement dated December 13, 2021, between Elmos Semiconductor SE and GED Electronic Design GmbH as well as MAZ Mikroelektronik-Anwendungszeitrum GmbH in the federal state of Brandenburg, the two subsidiaries were merged with Elmos Semiconductor SE effective January 1, 2022.

Area 21 Software GmbH, Dortmund, was founded in the first half of 2022. The company is due to commence its operational business activities at the beginning of the fourth quarter of 2022. The purpose of the company is to develop, design, and program software and software platforms, including application software and firmware, for use in connection with semiconductors, integrated circuits, sensors, and chips.

Seasonal and economic effects on business operations

The International Monetary Fund (IMF) again lowered its global growth forecast at the end of July 2022. Due to the war in Ukraine and persistently high inflation as well as government-imposed restrictions on movement in China, the global economy will grow more slowly than expected. According to the forecast, global economic output will grow by only 3.2% this year compared with the previous year, i.e. 0.4 percentage points less than assumed in the April forecast. Germany's gross domestic product is expected to be 1.2% higher than previous year. The growth forecast for China has been lowered to 3.3% this year. For the USA, the IMF expects growth of 2.3%. For the Eurozone economy, an overall increase of 2.6% is expected.

2 – INFORMATION ON FINANCIAL INSTRUMENTS

The following table lists the book values and fair values of the Group's financial instruments. The fair value of a financial instrument is the price that would be received for the sale of an asset or paid for the transfer of a liability between market participants in a regular business transaction as of the measurement date. In view of varying factors of influence, the presented fair values can only be regarded as indicators of the amounts actually recoverable in the market. Detailed information on the methods and assumptions underlying the determination of the value of financial instruments can be found under note 29 to the 2021 consolidated financial statements. Its relevance to these half-year financial statements is undiminished.

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

in thousand Euro	June 30, 2022		December 31, 2021	
	Book value	Fair value	Book value	Fair value
Financial assets				
Investments	1	1	1	1
Securities (long-term)	54,308	54,308	42,850	42,850
Securities (short-term)	7,241	7,241	5,492	5,492
Trade receivables	56,014	56,014	39,745	39,745
Cash and cash equivalents	26,930	26,930	17,756	17,756
Other financial assets	11,494	11,494	10,522	10,522
Financial liabilities				
Trade payables	41,558	41,558	12,071	12,071
Liabilities to banks	72,252	65,795	65,487	66,077
Other financial liabilities	10,588	10,588	11,186	11,186

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

Hierarchy of fair values

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

in thousand Euro		01/01	Addition	Disposal	Reclassification	Market valuation	06/30
Long-term securities ¹	2022	39,850	21,247	0	-7,262	-2,527	51,308
	2021	39,693	5,382	-523	-5,040	-64	39,449
Short-term securities ¹	2022	5,492	0	-5,492	7,262	-21	7,241
	2021	2,751	509	-1,752	5,040	-41	6,506

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

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

in thousand Euro		01/01	Addition	Disposal	Market valuation	06/30
Forward exchange contracts/	2022	4	0	0	629	633
Currency option transactions	2021	-232	0	232	0	0

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

in thousand Euro		01/01	Addition	Disposal	06/30
Call options	2022	9	3	0	12
	2021	8	1	0	9
Investments	2022	1	0	0	1
	2021	2,201	0	-2,200	1

3 – RELATED PARTY DISCLOSURES

As reported in the consolidated financial statements for the fiscal year ended December 31, 2021, the Elmos Group maintains business relationships with related companies and individuals in the context of the ordinary course of business.

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

Notifications of managers' transactions for the period from January 1 to June 30, 2022, are available at www.elmos.com.

4 – SIGNIFICANT EVENTS AFTER THE END OF THE FIRST SIX MONTHS OF 2022

There are no events of particular significance and with material effects on the assets, liabilities, financial position, and profit or loss to be reported after the end of the first six months of 2022.

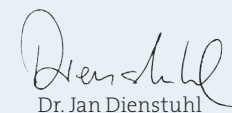
Dortmund, August 2, 2022



Dr. Arne Schneider



Guido Meyer



Dr. Jan Dienstuhl

Review Report

To Elmos Semiconductor SE, Dortmund

We have reviewed the condensed interim consolidated financial statements of Elmos Semiconductor SE – comprising the condensed consolidated statement of financial position as at 30 June 2022, the condensed consolidated statement of income, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of cash flows, the condensed consolidated statement of changes in equity for the period from 1 January 2022 to 30 June 2022, and selected explanatory notes to the condensed interim consolidated financial statements – and the interim group management report of Elmos Semiconductor SE for the period from 1 January 2022 to 30 June 2022 which form part of the half-year financial reporting in accordance with section 115 of the German Securities Trading Act (Wertpapierhandelsgesetz – WpHG). The preparation of the condensed interim consolidated financial statements in accordance with those IFRS applicable to interim financial reporting as adopted by the EU, and of the interim group management report in accordance with the requirements of the German Securities Trading Act applicable to interim group management reports, is the responsibility of the Company's management. Our responsibility is to issue a report on the condensed interim consolidated financial statements and on the interim group management report based on our review.

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

Based on our review no matters have come to our attention that cause us to believe that the condensed interim consolidated financial statements of Elmos Semiconductor SE for the period from 1 January 2022 to 30 June 2022 have not been prepared, in material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU, or that the interim group management report has not been prepared, in material respects, in accordance with the regulations of the German Securities Trading Act applicable to interim group management reports.

Düsseldorf, 2 August 2022

Grant Thornton AG Wirtschaftsprüfungsgesellschaft

Eckhard Lewe

German Public Auditor

Ulf Kellerhoff

German Public Auditor

RESPONSIBILITY STATEMENT

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

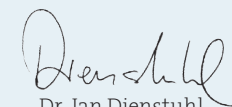
Dortmund, August 2, 2022



Dr. Arne Schneider



Guido Meyer



Dr. Jan Dienstuhl

Financial calendar

Fiscal year 2022

Quarterly results Q2/2022 ¹	August 2, 2022
Quarterly results Q3/2022 ¹	November 3, 2022

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

Contact

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Notes

The half-year financial report of Elmos Semiconductor SE fulfills the requirements of the applicable provisions under the German Securities Trading Act (Wertpapierhandelsgesetz, WpHG) and comprises, according to Section 115 WpHG, condensed consolidated half-year financial statements, a group management report, and a responsibility statement. The consolidated half-year financial statements have been prepared in accordance with the IFRS applicable to interim financial reporting as released by the IASB and adopted by the European Union. The half-year financial report should be consulted together with our Annual Report for financial year 2021. The Annual Report includes a comprehensive presentation of our business activities and notes to the financial indicators applied.

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

Forward-looking statements

This report contains statements directed to the future that are based on assumptions and estimates made by the management of Elmos. Even though we assume the underlying expectations of our forward-looking statements to be realistic, we cannot guarantee these expectations will prove right. The assumptions may carry risks and uncertainties, and as a result actual events may differ materially from the current statements made with respect to the future. Among the factors that could cause material differences are changes in general economic and business conditions, changes in exchange and interest rates, the introduction of competing products, lack of acceptance of new products, and changes in business strategy. Elmos neither intends nor assumes any obligation to update its statements with respect to future events.

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