

Ad hoc: Elmos announces midterm financial targets 2030

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Elmos Semiconductor SE (WKN 567710, ISIN DE0005677108)

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Elmos Semiconductor SE (FSE: ELG), a leading supplier of automotive mixed-signal semiconductors, today announced its midterm financial targets. In addition, the third quarter of 2024 ended positively and the company confirms its sales and EBIT outlook for the full year 2024.

Midterm targets 2030

Based on the strong product portfolio, the transformation of the Elmos Group into a fabless company, the increased internationalization and the successful acquisition of new business in recent years, Elmos can sustainably participate in the structural growth of the automotive semiconductor market due to the increased use of intelligent electronics in modern vehicles.

The company therefore plans to continue to grow and is targeting full year group sales of around 1 billion Euro until 2030. The midterm EBIT margin target has been set at around 25% of sales. In addition to continuing its profitable growth, the focus in the coming years will increasingly be on higher cash generation. Until 2030, Elmos plans to invest on average less than 10% of sales in property, plant and equipment and intangible assets, less capitalized development costs. By reducing the CAPEX ratio, optimizing working capital and reducing the tax rate, it is planned to gradually improve adjusted free cash flow.

Midterm targets 2030

Sales: approx. 1 billion Euro for the full year

EBIT-margin: approx. 25% of sales

CAPEX-ratio: <10% of sales on average until 2030

Adjusted free cash flow: gradual improvement

The new midterm targets and the growth strategy will be presented to investors and analysts at a virtual capital markets day (CMD) on November 11, 2024. The presentation for the Elmos CMD will be published at <https://www.elmos.com/english/about-elmos/investor/capital-markets-day-2024> on November 11, 2024.

Third quarter of 2024

In the third quarter of 2024, the company generated group sales of 156.6 million Euro (Q3 2023: 151.5 million Euro), an increase of 3.4% year-on-year and plus 10.3% compared to the second quarter of 2024. EBIT amounted to 39.9 million Euro (Q3 2023: 41.6 million Euro). This corresponds to an EBIT margin of 25.5% of sales (Q3 2023: 27.5%). Capital expenditures for property, plant and equipment and intangible assets, less capitalized development costs were reduced as planned to 5.9 million Euro or 3.8% of sales in the third quarter of 2024 (Q3 2023: 34.0 million Euro). The adjusted free cash flow amounted to 45.5 million Euro (Q3 2023: 33.9 million Euro).

For fiscal year 2024, Elmos expects sales in the lower range of the unchanged sales guidance of 605 million Euro \pm 25 million Euro. The operating EBIT margin (excluding special items) is still expected at 25% \pm 2 percentage points of sales. In addition, the company expects a reduction in capital expenditures for property, plant and equipment, and intangible assets less capitalized development expenses to around 12% \pm 2 percentage points of sales. For the full year 2024, Elmos now expects a positive adjusted free cash flow, including effects from the closing of the sale of the Elmos wafer fab to Littelfuse Inc., USA. The guidance is based on an exchange rate of 1.10 EUR/USD.

Ad hoc announcement

Quarterly statement Q3 2024

Further information on the third quarter 2024 and the first nine months of 2024 of Elmos Semiconductor SE will be published in the quarterly statement Q3 2024 on November 6, 2024. This statement will be available at www.elmos.com. Elmos will hold a conference call (in English) for analysts and investors on November 6, 2024 at 9:00 a.m. (CET). The conference call will be available later on the website.

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 payments from changes in the scope of consolidation)
- Further information on the key figures used can be found in the Annual Report 2023 at www.elmos.com

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About Elmos

Elmos develops, produces and markets semiconductors, primarily for use in the automotive industry. Our components communicate, measure, regulate and control safety, comfort, powertrain and network functions. For 40 years, Elmos innovations have been bringing new functions to life and making mobility worldwide safer, more comfortable and more energy efficient. With our solutions we are already the worldwide #1 in applications with great future potential, such as ultrasonic distance measurement, ambient and rear light as well as intuitive HMI.

Notice

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