

INTERIM REPORT Q1

January-March 2021

Sivers Semiconductors.

At the heart of innovation



Interim Report January-March 2021

First quarter 2021

- Revenue amounted to SEK 13,840 M (22,810), a decrease of 39%
- Profit before depreciation and amortization (EBITDA) amounted to SEK -17,771 M (-11,001)
- Operating profit/loss (EBIT) for the period was SEK -25,802 M (-18,459)
- Profit/loss after tax was SEK -26,233 M (-21,217)
- Earnings per share before and after dilution was SEK -0.17 (-0.16)
- Equity per share amounted to SEK 3.32 (2.34)

Significant events in the first quarter:

- On January 11, Pelle Wijk was appointed MD of the subsidiary Siverts Wireless.
- On January 11, Siverts Semiconductors announced that the subsidiary Siverts Photonics had won an order in Optical Sensing worth approximately SEK 11 million from one of the company's established Fortune 100 customers. The order will be delivered and invoiced in the first half of 2021.
- On January 21, Lottie Saks was appointed new Board member in Siverts Semiconductors AB at an Extraordinary General Meeting.
- On February 4, Siverts Semiconductors AB announced that the subsidiary Siverts Wireless had received an order for the IC component from TMYTEK in Taiwan, a company that provides millimeter wave solutions in 5G and satellite communication. This new order opens up new opportunities on the Asian market, even if the order is of minor value at the current stage.

- On March 15, Siverts Semiconductors AB announced that its subsidiary Siverts Wireless AB had won new so called design wins with three new customers. The aim is to use Siverts Semiconductors' technology in new products in new verticals and applications, as well as in products at customers with an existing product line in the millimeter wave area.
- On March 30, Siverts Semiconductors AB announced that its subsidiary Siverts Wireless AB had received two major orders totaling SEK 7 M. The orders are for RFICs to be used for licensed and unlicensed 5G products and will be delivered during Q1 and Q2 2021.

Significant events after the end of the period:

- A proposal that Carolina Tendorf be elected to the Board of Directors will be presented to the AGM on 20 May 2021.
- Siverts Semiconductors AB announced on May 12th that its subsidiary Siverts Wireless has won a new design win with a North American telecom company. This new customer has decided to develop products for the unlicensed 5G millimeter wave market by using Siverts market leading 60 GHz technology.

Key performance indicators

SEK 000	2021 Jan-Mar	2020 Jan-Mar	2020 Jan-Dec
Revenue	13,840	22,810	96,170
EBITDA	-17,771	-11,001	-55,661
EBIT	-25,802	-18,459	-85,710
Profit/loss for the period	-26,233	-21,217	-195,782
Earnings per share before and after dilution, SEK	-0.17	-0.16	-1.37
Equity per share, SEK	3.32	2.34	3.44

An online presentation of the Interim Report will be held at 10:00 AM (CET) Thursday, May 20, 2021.
Register for the webinar via: <https://attendee.gotowebinar.com/register/1344301813517394700>

CEO's Statement

In the first quarter, the second and third waves of the pandemic slowed the positive growth from the fourth quarter, which affected first quarter sales negatively. Although this did not lead to any order or customer losses, revenue was pushed forward into the future for both Photonics and Wireless. Now that the vaccination roll-out has gathered pace on many of our main markets, we are observing increased activity in both business areas, which indicates that growth has started to increase again.

Digital customer meetings and design-wins

We continue to prepare for the future with new design wins and productive digital customer meetings, which are set to generate new business during the year. The planned list change to Nasdaq's main list during June 2021 has also been in focus during the quarter. We are ensuring that we are able to manage our future growth by investments in new production capacity and recruitment of new personnel. In the quarter, we employed 14 new members of staff who will start over the coming six months. At the end of the first quarter, we retained our strong cash position of approximately SEK 197 M that will be used for future investments in growth.

Net sales totaled SEK 14 M in the first quarter, a decrease of 39% year-on-year. As we have previously indicated, in this phase quarterly sales can be irregular depending on when orders are delivered. The agreement signed in the closing days of the quarter provides one example, as major parts were postponed to the second quarter.

Photonics participates in many promising processes

In the first quarter, we received another optical recognition order worth approximately SEK 11 M from our largest Fortune 100 customer. Part of the order was delivered and invoiced in the first quarter, with the remainder due in the second quarter. This means that this customer has placed orders totaling SEK 85 M since October 2018. We continue to focus on the next step with this Fortune 100 customer, and our other Fortune 100 customer. We are also in dialog with other potential major customers.

Wireless advances in the US and Asia

Wireless continued to advance. In the first quarter, Wireless signed three new designs wins and received two US volume orders totaling SEK 7 M, of which the majority will be delivered in the second quarter. As soon as the pandemic loosens its grip I am convinced that several of Wireless' customers will pick up speed in their external test networks, resulting in many more end customers.



In the quarter, we also received an order for BFIC¹ components from TMYTEK in Taiwan. This is a new product that we have developed alongside Ampleon. Although the value of TMYTEK's order is not significant at present, we believe that the order can open up new opportunities on the Asian market as the company is an important Taiwanese operator in 5G millimeter wave solutions and satellite communication .

At the end of the quarter, we had sold a total of 13 evaluation kits and signed three new design wins, which means that we now have a total of 24 design wins. This is eight more than a year ago and we anticipate more design wins in 2021.

Strong future optimism

We are continuing to expand our customer base and are involved in multiple talks with old and new customers and partners. Many of our customers are moving towards volume production and we are confident about the future. Our competitive products and global network mean that we are well equipped to take advantage of strong underlying market growth. We are in an excellent position in terms of customers, our Balance Sheet and new products. This means that I am very optimistic about our future.

Anders Storm, President and CEO

¹BFIC - Beamforming integrated circuit

The Group in summary

The Siverts Semiconductors Group in summary

Siverts Semiconductors AB (publ) is the Parent Company of a Group comprising the wholly-owned subsidiaries Siverts Wireless AB, Siverts Photonics Ltd and Trebax AB. Operations are mainly conducted through the two business areas Wireless and Photonics. Siverts Semiconductors and Siverts Wireless are headquartered in Kista, Sweden, with a local office in Gothenburg. Siverts Photonics's headquarter and factory are located in Glasgow, Scotland.

This report relates to the Group's operations during the period January 1, 2021 to March 31, 2021.

The Siverts Semiconductors Group is an international supplier of advanced 5G systems for data- and telecommunications networks and optical products to optical fiber networks, sensors and optical wireless communication (Li-Fi).

The Siverts Semiconductors Group enables a better connected and safer world by delivering the best solutions in terms of sensors, data and wireless networks.

Wireless

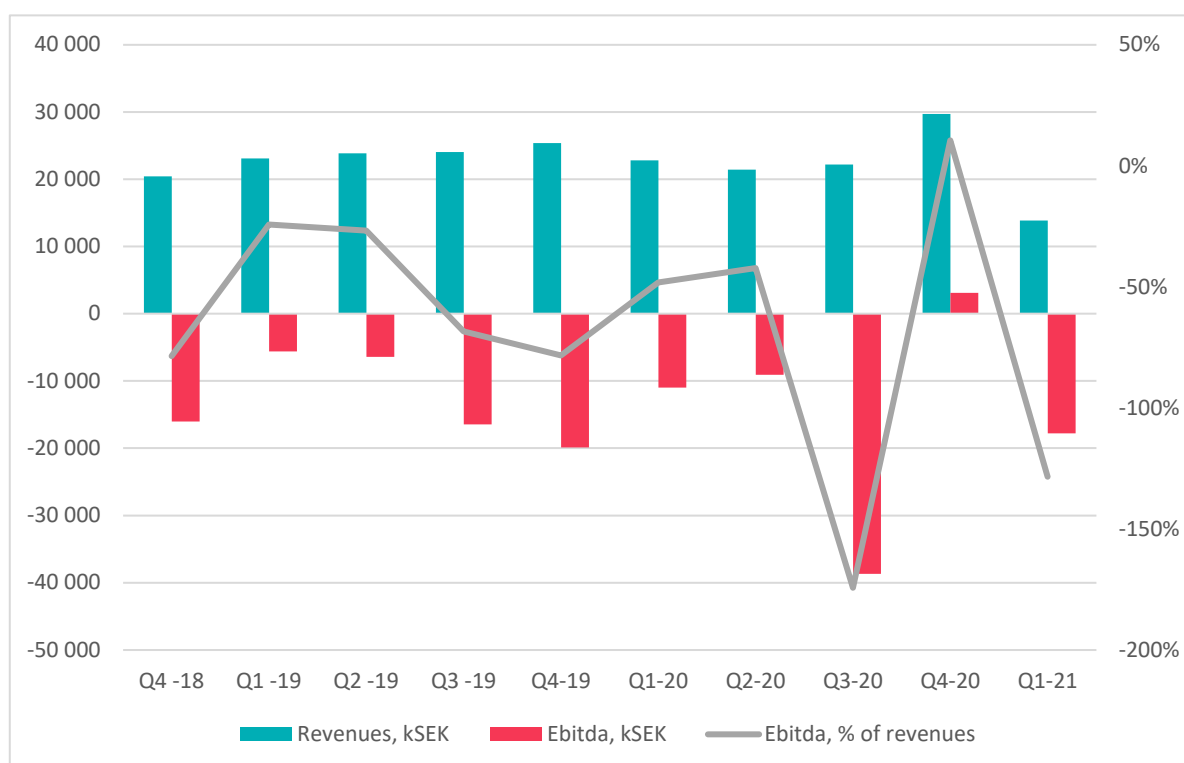
The Wireless business area develops, manufactures and sells chips, components, modules and subsystems based on advanced 5G millimeter wave technology. Millimeter wave is a key technology in the 5G networks that are now being built, and the core of the wireless solutions Wireless offers.

The business area mainly supplies systems manufacturers, who in turn deliver solutions to telecom operators. Deliveries are made directly or through partners.

Photonics

The Photonics business area develops, designs, manufactures and sells III-V compound semiconductor laser devices for optical communication, optical sensing/sensors and optical wireless networks. Optical communications devices are a key component of cloud storage and cloud communications in areas such as Passive Optical Networks (PON) and Quantum technologies. Optical Sensing devices enable autonomous and assisted driving vehicles in areas such as Consumer Biometrics and Augmented Reality applications and Optical Wireless Devices are critical to free-space optical communications using light (LiFi). The business area delivers directly or via partners to several Fortune 100 customers located in Silicon Valley

Revenue and EBITDA



Net sales and EBITDA

First quarter

During the first quarter 2021, revenue was SEK 13.840 M (22.810), a decrease of 39% year-on-year. Wireless' revenue decreased by SEK 3.011 M, a decrease of 48%. Photonics' revenue decreased by SEK 5.959 M, a decrease of 36%. The reduced revenue in the quarter was mainly a result of the second and third wave of the Covid-19 pandemic, which affected customers' opportunities to activate external test networks, for example, which in turn slowed sales in the quarter and pushed revenue into the future.

EBITDA was SEK -17.771 M (-11.001), a decrease of SEK 6.770 M. This outcome is a result of reduced revenue in the quarter, and an increase mainly in other non-recurring external expenses of approximately SEK 3 M attributable to the planned change of listing to Nasdaq main market.

EBIT was SEK -25.802 M (-18.459), a decrease of SEK 7.343 M. EBIT also made negative progress in line with EBITDA, as changes in year-on-year depreciation and amortization had a relatively limited impact on profit.

Depreciation and amortization

Profit for the first quarter 2021 was affected by SEK -8.031 M (-7.457) in depreciation and amortization, an increase of SEK 0.574 M, of which SEK -1.693 M (-1.646) related to depreciation and amortization of equipment, tools and installations, SEK -5.174 M (-4.581) related to depreciation and amortization of the previous year's capitalised development expenses and SEK -1.164 M (-1.231) relates to depreciation and amortization of right-of-use assets in lease agreements.

Liquidity, cash flow and financing

On March 31, 2021 the Group's cash and cash equivalents amounted to SEK 196.774 M (249.448).

In the first quarter, the Group's cash flow was affected by increases mainly in capitalized development expenses and total receivables. The investment in capitalized development expenses is attributable to the development of new product generations. The increase in total receivables was mainly derived from purchasing of machinery and equipment that will be used in Photonics' proprietary production, but which has not yet been recognized as an asset in the Balance Sheet.

Investments

The Group's total investments in the period January – March amounted to SEK 15.754 M (7.610) and related to intellectual property rights for underlying capitalized development expenses of SEK 14.524 M (7.081), acquisitions of property, plant and equipment of SEK 1.114 M (0.529) and loan to associated company of SEK 0.116 M (0). The investment in capitalized development expenses is attributable to the development of new product generations. Investments in capitalized development expenses increased year-on-year, because the Group had a higher amount of projects in the development phase during the quarter. Purchasing of machinery and equipment for proprietary production has also taken place which has not yet been capitalized in the Balance Sheet for the first quarter.

Equity

As of March 31, 2021 Group equity amounted to SEK 512.911M (531.925). Share capital totaled SEK 77,222,823.50.

Parent Company

In the first quarter 2021, the Parent Company's other external expenses increased by SEK 1.981 M. This was largely due to costs for activities relating to preparations for the planned change of listing to Nasdaq main market. Personnel costs also increased, mainly due to the recruitment of another staff member in the Parent Company.

Shares

Sivers Semiconductor's share capital was divided over 154,445,647 (139,882,186) shares with a quotient value of SEK 0.50 as of March 31, 2021. All shares are of the same series and have equal rights to the vote and profit in the Company. Since November 30, 2017, the share trades on Nasdaq First North Growth Market under the ticker SIVE, ISIN code SE0003917798 and LEI code 254900UBKNY2EJ588J53.

Employees

As of March 31, 2021, the Group had 104 (100) employees, excluding consultants.

Ownership structure

As of March 31, 2021, Sivers Semiconductors AB (public) had three owners, each of which directly and indirectly held shares corresponding to five percent or more of the votes and capital in the company. In total, Sivers Semiconductors had approximately 19,500 shareholders.

Outlook for 2021

Sivers Semiconductors' Board of Directors considers that the Group has taken the right measures to ensure a strong product family. Progress in sales and product development has been made and investments are continuing. The Board has decided to continue to not publish forecasts.

Risks and uncertainties

The Sivers Semiconductor Group's operations, financial position and results of operations can be affected by a number of risks and uncertainties. These risks are described in the Group's Annual Report 2020. No new significant risks have been identified since the publication of the Annual Report.

Financial calendar

Sivers Semiconductors AB provides recurring financial information according to the following schedule:

May 20, 2021	Annual General Meeting	For more information, please contact: Anders Storm, CEO Telephone: +46 (0) 702 62 63 90 Email: anders.storm@sivers-semiconductors.com
August 19, 2021	Interim Report Q2 2021	
November 12, 2021	Interim Report Q3 2021	

This Interim Report has not been submitted for review by the company's Auditor.

Sivers Semiconductors AB (publ)

Kista, Sweden, May 20, 2021

The Board

This is Sivers Semiconductors

Sivers Semiconductors AB is a leading and internationally recognized technology company that, through its two business areas Wireless and Photonics, supplies chips and integrated modules. Wireless develops RF chips and antennas for advanced 5G systems for data and telecommunications networks. Photonics develops and manufactures semiconductor optical products for optical fiber networks, sensors and optical wireless communication (Li-Fi).

The Parent Company Sivers Semiconductors AB (publ) is listed On Nasdaq First North Growth Market under The SIVE ticker.

Erik Penser Bank is appointed as Sivers Semiconductors AB's Certified Advisor on Nasdaq First North Growth Market.
Telephone: +46 (0)8 463 80 00
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Sivers Semiconductors AB

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Consolidated Income Statement in summary

Group (SEK 000)	2021 Jan-Mar	2020 Jan-Mar	2020 Jan-Dec
Revenue	13,840	22,810	96,170
Other operating income	2,060	3,766	9,099
Capitalized work on own account	14,524	7,081	37,215
Raw materials and consumables	-6,307	-5,345	-26,333
Other external expenses	-20,177	-18,084	-62,819
Personnel costs	-21,710	-21,230	-108,994
Depreciation, amortization and impairment of fixed assets and intangible assets	-8,031	-7,457	-30,049
OPERATING PROFIT/LOSS	-25,802	-18,459	-85,710
Profit/Loss from financial items			
Financial income	150	2,857	4,103
Financial expenses	-591	-5,626	-119,744
Profit/Loss before tax	-26,243	-21,228	-201,351
Income tax	11	11	5,569
PROFIT/LOSS FOR THE YEAR	-26,233	-21,217	-195,782
Attributable to Parent Company shareholders	-26,233	-21,217	-195,782
Earnings per share (SEK)			
Before and after dilution	-0.17	-0.16	-1.37

Consolidated Statement of Comprehensive Income in

Other comprehensive income			
Items to be reclassified to profit and loss			
Exchange rate differences from translation of foreign operations	5,600	699	-5,974
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-20,633	-20,518	-201,756
Attributable to Parent Company shareholders	-20,633	-20,518	-201,756

Consolidated Statement of Financial Position in summary

Group (SEK 000)	3/31/2021	3/31/2020	12/31/2020
ASSETS			
Fixed assets			
Goodwill	134,812	134,812	134,812
Other intangible assets	158,295	134,327	147,553
Property, plant and equipment	63,525	56,349	61,372
Financial assets	120	-	-
Total non-current assets	356,752	325,488	343,737
Current assets			
Inventories	17,455	12,996	14,776
Accounts receivable	15,626	16,916	19,460
Other receivables	9,597	14,092	7,405
Prepaid expenses and accrued income	34,990	9,824	12,360
Cash and cash equivalents	196,774	82,194	249,448
Total current assets	274,442	136,022	303,450
TOTAL ASSETS	631,194	461,510	647,186

Group (SEK 000)	3/31/2021	3/31/2020	12/31/2020
EQUITY AND LIABILITIES			
Equity	512,911	327,380	531,925
Non-current liabilities			
Bank borrowing	14,000	-	15,000
Deferred tax	116	158	126
Provisions	14,001	2,981	17,177
Leasing liabilities	22,256	10,863	22,166
Other non-current liabilities	7,431	11,025	7,702
Total non-current liabilities	57,804	25,027	62,172
Current liabilities			
Bank borrowing	4,000	-	4,000
Convertible debentures	-	43,832	-
Accounts payable	17,525	9,729	14,246
Leasing liabilities	3,931	3,486	3,975
Other liabilities	7,409	30,322	8,721
Accrued expenses and deferred income	27,614	21,733	22,148
Total current liabilities	60,479	109,103	53,090
TOTAL EQUITY AND LIABILITIES	631,194	461,510	647,186

Consolidated Statement of Changes in Equity in summary

Group (SEK 000)	3/31/2021	3/31/2020	12/31/2020
Opening balance	531,925	288,533	288,533
Profit/loss for the period	-26,233	-21,217	-195,782
Other comprehensive income	5,600	699	-5,974
New issue	-	51,219	247,814
Ongoing new issue, redemption of warrants	-	7,838	-
New issue, redemption of employee stock options	-	-	20,002
Offset issue, loans	-	-	21,057
New issue, redemption of convertible debenture	-	-	153,492
Share-based compensation	1,619	309	2,783
Closing balance at the end of the period	512,911	327,380	531,925

Consolidated Statement of Cash Flow in summary

Group (SEK 000)	1/1/2021 -03/31/2021	1/1/2020 -03/31/2020	1/1/2020 -12/31/2020
Operating activities			
Operating profit/loss	-25,802	-18,459	-85,710
Adjustments for non-cash items	6,474	4,909	63,280
Interest paid	-591	-2,191	-4,265
Income tax received		-	9,173
Cash flow from operating activities before change in working capital	-19,920	-15,741	-17,522
Cash flow from change in working capital			
Increase(-)/decrease(+) in inventories	-2,170	-3,095	-5,414
Increase(-)/decrease(+) in operating receivables	-18,990	-928	-8,714
Increase(+)/decrease(-) in operating liabilities	5,148	-613	-8,417
Cash flow from operating activities	-35,932	-20,377	-40,067
Investment activities			
Acquisition of property, plant and equipment	-1,114	-529	-2,313
Acquisition of intangible assets	-14,524	-7,081	-37,215
Loan to associated company	-116	-	-
Sales of property, plant and equipment	-	-	30
Cash flow from investing activities	-15,754	-7,610	-39,498
Financing activities			
Borrowings	-	-	20,000
Amortization of loan	-1,000	-	-1,000
Issue expenses	-	-2,380	-5,881
New issue	-	53,599	273,698
Ongoing new issue	-	7,838	-
Amortization of lease debt and hire purchase loans	-1,839	-1,902	-7,263
Cash flow from financing activities	-2,839	57,155	279,553
Cash flow for the period	-54,525	29,168	199,988
Cash and cash equivalents at the beginning of the period	249,448	52,228	52,228
Exchange rate difference in cash and cash equivalents	1,851	798	-2,767
Cash and cash equivalents at the end of the period	196,774	82,194	249,448

Parent Company Income Statement in summary

Parent Company (SEK 000)	2021 Jan-Mar	2020 Jan-Mar	2020 Jan-Dec
Revenue	1,845	1,843	7,614
Other external expenses	-4,019	-2,038	-9,760
Personnel costs	-3,582	-2,448	-16,154
OPERATING PROFIT/LOSS	-5,756	-2,643	-18,300
Profit/Loss from financial items			
Other interest income and similar items	8,444	4,679	8,432
Financial expenses and similar items	-768	-5,624	-190,158
Profit/Loss before tax	1,920	-3,587	-200,027
Income tax	-	-	-
Profit/loss for the period	1,920	-3,587	-200,027

Parent Company Statement of Comprehensive Income in summary

Other comprehensive income	-	-	-
Total comprehensive income for the period	1,920	-3,587	-200,027

Parent Company Statement of Financial Position in summary

Parent Company (SEK 000)	3/31/2021	3/31/2020	12/31/2020
ASSETS			
Fixed assets			
Financial non-current assets			
Shares in Group companies	226,839	226,839	226,839
Receivables from Group companies	222,146	195,156	185,653
Total financial non-current assets	448,985	421,995	412,492
Total non-current assets	448,985	421,995	412,492
Current assets			
Current receivables			
Receivables from Group companies	9,140	8,557	7,926
Other receivables	1,314	526	25
Prepaid expenses and accrued income	2,320	2,252	288
Total current receivables	12,773	11,335	8,239
Cash and cash equivalents	178,058	74,785	215,858
Total current assets	190,831	86,120	224,097
TOTAL ASSETS	639,816	508,114	636,589
Parent Company (SEK 000)	3/31/2021	3/31/2020	12/31/2020
EQUITY AND LIABILITIES			
Share capital	77,223	68,802	77,223
Ongoing new issue	-	838	-
Share premium reserve	904,565	528,838	904,565
Retained earnings including profit/loss for the year	-351,918	-161,491	-355,457
Total equity	629,870	436,987	626,331
Provisions			
Provisions	5,779	2,981	6,542
Total provisions	5,779	2,981	6,542
Current liabilities			
Convertible debentures	-	43,832	-
Accounts payable	930	867	472
Other liabilities	755	21,936	162
Accrued expenses and deferred income	2,482	1,510	3,083
Total current liabilities	4,168	68,146	3,717
TOTAL EQUITY AND LIABILITIES	639,816	508,114	636,589

Notes

Note 1 – Accounting principles

The Interim Report has been prepared in accordance with IAS 34 and the applicable regulations of the Annual Accounts Act. The Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and the Swedish Annual Accounts Act. The Parent Company applies the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR2.

Note 2 – Revenue from contracts with customers and segment reporting

The products (chips, modules, evaluation packages, semiconductor products, etc.) that the Siverts Semiconductors Group manufactures and sells to customers are hardware. Hardware sales are recognized either at a point in time or over time. In the Wireless business area, performance obligations are normally fulfilled at a specific point in time, while Photonics has a larger proportion of contracts where performance obligations are met over time. Both Wireless and Photonics enter into Non Recurrent Engineering (NRE) contracts.

These contracts relate to development projects where the Siverts Semiconductors companies adapt technology in hardware to match customer needs or develop a new product. Customized products developed through NRE contracts can later be sold under the category "hardware". Revenue for NRE contracts is recognized over time.

The Wireless business area also sells support for the Company's hardware, which facilitates customization of the technology. For example, the support agreements allow Siverts Semiconductors' products to be embedded into the customer's products, which are then sold on to end customers. Revenue from support contracts is recognized over time.

Revenue type	Jan-Mar 2021			Jan-Mar 2020		
	Wireless	Photonics	Total	Wireless	Photonics	Total
Hardware	1,558	3,305	4,863	5,463	3,787	9,250
NRE/Development project	1,158	7,288	8,447	403	12,765	13,168
Support & Other	530	-	530	392	-	392
Total	3,247	10,593	13,840	6,258	16,552	22,810
Recognition						
At a point in time	1,558	-	1,558	5,463	-	5,463
Over time	1,688	10,593	12,282	795	16,552	17,347
Total	3,247	10,593	13,840	6,258	16,552	22,810
Geographical market						
North America	757	7,068	7,824	228	13,883	14,111
Europe	1,623	1,842	3,465	4,460	2,007	6,468
Asia	867	1,683	2,551	1,570	661	2,232
Total	3,247	10,593	13,840	6,258	16,552	22,810

Segment revenue and profit

Jan-Mar 2021, SEK 000	Wireless	Photonics	Shared Group costs*	Total
Revenue				
External revenue	3,247	10,593	-	13,840
Revenue from other segments	-	-	-	-
Total revenue	3,247	10,593	-	13,840
Profit				
EBITDA	-4,530	-7,376	-5,865	-17,771
Depreciation, amortization and impairment	-	-	-8,031	-8,031
EBIT	-4,530	-7,376	-13,896	-25,802
Financial income	-	-	150	150
Financial expenses	-	-	-591	-591
Profit/Loss before tax	-4,530	-7,376	-14,338	-26,243
Income tax	-	-	11	11
Profit after tax	-4,530	-7,376	-14,327	-26,233

Segment revenue and profit

Jan-Mar 2020, SEK 000	Wireless	Photonics	Shared Group costs*	Total
Revenue				
External revenue	6,258	16,552	-	22,810
Revenue from other segments	-	-	-	-
Total revenue	6,258	16,552	-	22,810
Profit				
EBITDA	-5,681	-2,659	-2,661	-11,001
Depreciation, amortization and impairment	-	-	-7,457	-7,457
EBIT	-5,681	-2,659	-10,119	-18,459
Financial income	-	-	2,857	2,857
Financial expenses	-	-	-5,626	-5,626
Profit/Loss before tax	-5,681	-2,659	-12,888	-21,228
Income tax	-	-	11	11
Profit after tax	-5,681	-2,659	-12,877	-21,217

Segment revenue and profit

Jan-Dec 2020, SEK 000	Wireless	Photonics	Shared Group costs*	Total
Revenue				
External revenue	22,688	73,482	-	96,170
Revenue from other segments	-	-	-	-
Total revenue	22,688	73,482	-	96,170
Profit				
EBITDA	-37,875	399	-18,185	-55,661
Depreciation, amortization and impairment	-	-	-30,049	-30,049
EBIT	-37,875	399	-48,235	-85,710
Financial income	-	-	4,103	4,103
Financial expenses	-	-	-119,744	-119,744
Profit/Loss before tax	-37,875	399	-163,875	-201,351
Income tax	-	-	5,569	5,569
Profit after tax	-37,875	399	-158,306	-195,782

Wireless

Revenue for the first quarter 2021 amounted to SEK 3.247 M (6.258), a decrease of SEK 3.011 M, which represents a decrease of 48 % year-on-year. EBITDA was SEK -4.530 M (-5.681), an increase of SEK 1.151 M.

The positive progress for EBITDA is primarily due to an increase in capitalized work on own account as a result of accrued major projects in Wireless. Personnel expenses and costs of input goods and necessities decreased slightly as a result of reversals of provisions for social security expenses relating to staff share option programs (due to a lower share price in Q1), and reduced volumes of purchased input goods and necessities driven by lower sales.

EBIT also made positive progress in line with EBITDA, as changes in depreciation and amortization against the first quarter in the previous year had a limited effect on profit.

Photonics

Revenue for the first quarter 2021 amounted to SEK 10.593 M (16.552), a decrease of SEK 5.959 M year-on-year, representing a decrease of 36%. EBITDA was SEK -7.376 M (-2.659), a decrease of SEK 4.717 M.

The decrease in EBITDA was linked to revenue for the quarter being delayed due to delays caused by Covid-19, and increased costs for input goods and necessities. The increased costs of input goods and necessities was due to increased purchasing of goods and services connected with research and development.

EBIT also made negative progress in line with EBITDA, as year-on-year changes in depreciation and amortization had limited profit impact.

Note 3 – Financial instruments

The balance sheet includes financial assets and liabilities related to operations, mainly comprised of accounts receivable, cash and cash equivalents, accounts payable, other current liabilities, accrued expenses and hire purchase loans. These are reported at amortized cost, which is an approximation of fair value. The credit risk for the receivables is judged to be low.

Alternative Performance Measures (APM)

Alternative performance measures are used to describe progress of operations and increase comparability between periods. These are not defined by the IFRS regulatory framework, but correspond to the Group's and management' measures of the company' financial performance and can be viewed as a complement to the financial information presented under IFRS.

Group	1/1/2021 -3/31/2021	1/1/2020 -3/31/2020	1/1/2020 -12/31/2020
PROFITABILITY			
Revenue growth (%)	-39%	-1%	0%
EBITDA (SEK 000)	-17,771	-11,001	-55,661
EBIT (SEK 000)	-25,802	-18,459	-85,710
CAPITAL STRUCTURE			
Equity (SEK 000)	512,911	327,380	531,925
Total assets (SEK 000)	631,194	461,510	647,186
Capital employed (SEK 000)	564,318	416,476	584,499
Interest-bearing net debt (SEK 000)	-145,367	6,902	-196,874
Capital turnover ratio (times)	0.0	0.1	0.2
Equity/assets ratio (%)	81%	71%	82%
Debt/equity ratio (%)	10%	27%	10%
CASH FLOW AND LIQUIDITY			
Cash flow before investments (SEK 000)	-35,932	-20,377	-40,067
Cash flow after investing activities (SEK 000)	-51,685	-27,987	-79,566
Cash and cash equivalents (SEK 000)	196,774	82,194	249,448
INVESTMENTS			
Acquisition of property, plant and equipment (SEK 000)	-1,114	-529	-2,313
Acquisition of intangible assets (SEK 000)	-14,524	-7,081	-37,215
Sales of property, plant and equipment (SEK 000)	-	-	30
PERSONNEL			
Average number of employees	105	102	101
Turnover per employee (SEK 000)	132	224	952
Total number of employees	104	100	103
DATA PER SHARE			
Number of shares*	154,445,647	139,882,186	154,445,647
Average number of shares before dilution*	154,445,647	136,293,410	142,821,263
Earnings per share before and after dilution	-0.17	-0.16	-1.37
Equity per share (SEK)	3.32	2.34	3.44

** In order to calculate equity per share and earnings per share, the number of shares and the average number of shares have been adjusted retrospectively to reflect the bonus issue elements of new share issues completed in 2020.

Definitions of key performance indicators

	Definition	Reason for using the measure
PROFITABILITY		
Revenue growth (%)	Percentage change in revenue compared with previous period	The measure is used to monitor progress of the Group's operations between different periods
EBITDA	Profit before financial items, tax and depreciation and amortization	The measure is a means of evaluating profit without taking into account financial decisions or tax
EBIT (Operating profit)	Profit before financial items and tax	Operating profit provides an overall view of total profit generation in operations
CAPITAL STRUCTURE		
Equity	Equity at the end of the period	Used to calculate equity/assets ratio
Total assets	Total assets or the sum of liabilities and equity	Used to calculate capital employed and equity/assets ratio
Capital employed	Total assets less non-interest bearing liabilities, including deferred tax	Shows the proportion of assets linked to operations
Interest-bearing net debt	Net interest-bearing provisions and liabilities less financial assets including cash and cash equivalents	The measure shows the Group's total debt/equity ratio
Capital turnover ratio (times)	Sales for the year divided by average total assets	Measure of the assets' ability to generate revenue
Equity/assets ratio (%)	Equity as a percentage of total assets	The measure shows the proportion of total assets that comprises equity and contributes to increasing understanding of the Group's capital structure
Debt/equity ratio (%)	Interest-bearing liabilities divided by equity	The measure describes financial risk, that is the proportion of the Group's assets that is financed by borrowing
CASH FLOW AND LIQUIDITY		
Cash flow before investments	Profit after financial items including items not affecting cash flow less changes in working capital	Used to monitor whether the company is able to generate a sufficiently positive cash flow to maintain operations and generate a surplus for future investments
Cash flow after investments	Profit after financial items incl. items not affecting cash flow less changes in working capital and investments	Used to monitor whether the company is able to generate a sufficiently positive cash flow to maintain and expand operations and generate a surplus for future dividends
Cash and cash equivalents	Bank balances and cash	Used to calculate interest-bearing net debt
PERSONNEL		
Average number of employees*	Average number of employees in the period	
Turnover per employee*	Turnover divided by average number of employees	
Total number of employees	Total number of employees at the end of the period	
DATA PER SHARE		
Number of shares**	Number of shares at the end of the period*	
Average number of shares**	Average number of shares at the end of the period*	
Earnings per share (SEK)	Profit for the period divided by average number of shares	The performance indicator sheds light on the owners' share of profit
Equity per share (SEK)	Equity divided by total number of shares at the end of the period	The measure shows the extent of owners' invested capital per share from a owner perspective

*The performance indicator is operational and is not considered an alternative performance indicator according to ESMA's guidelines

** Non-financial measure

Calculation of financial measures not included in IFRS

	3/31/2021	3/31/2020	12/31/2020
Revenue growth (%)			
Revenue	13,840	22,810	96,170
Revenue corresponding period previous year	22,810	23,099	96,355
Revenue growth (%)	-39%	-1%	0%
EBITDA (SEK 000)			
Operating profit/loss	-25,802	-18,459	-85,710
Depreciation, amortization and impairment of fixed assets	8,031	7,457	30,049
EBITDA	-17,771	-11,001	-55,661
Capital employed (SEK 000)			
Total assets	631,194	461,510	647,186
Deferred tax	-116	-158	-126
Provisions	-14,001	-2,981	-17,177
Non-interest bearing portion of other non-current liabilities	-3,501	-3,570	-3,355
Accounts payable	-17,525	-9,729	-14,246
Non-interest bearing portion of other liabilities	-4,120	-6,862	-5,634
Accrued expenses and deferred income	-27,614	-21,733	-22,148
Capital employed	564,318	416,476	584,499
Interest-bearing net debt			
Interest-bearing non-current liabilities (leasing and other)	40,186	18,318	41,513
Interest-bearing current liabilities (convertible, leasing and other)	11,220	70,779	11,061
Cash and cash equivalents	-196,774	-82,194	-249,448
Interest-bearing net debt	-145,367	6,902	-196,874
Capital turnover ratio, times			
Revenue	13,840	22,810	96,170
Average total assets	639,190	442,889	535,727
Total assets at the beginning of the period	647,186	424,268	424,268
Total assets at the end of the period	631,194	461,510	647,186
Capital turnover ratio, times	0.0	0.1	0.2
Equity/assets ratio %			
Equity (SEK 000)	512,911	327,380	531,925
Total assets (SEK 000)	631,194	461,510	647,186
Equity/assets ratio, %	81%	71%	82%
Debt/equity ratio (%)			
Interest-bearing liabilities	51,407	89,096	52,574
Equity	512,911	327,380	531,925
Debt/equity ratio (%)	10%	27%	10%
Equity per share, SEK			
Equity, SEK 000	512,911	327,380	531,925
Number of shares at the end of the period*	154,445,647	139,882,186	154,445,647
Equity per share	3.32	2.34	3.44

* In order to calculate equity per share and earnings per share, the number of shares and the average number of shares have been adjusted retrospectively to reflect the bonus issue elements of new share issues completed in 2020.

Sivers Semiconductors