

INTERIM REPORT Q2

January-June 2022

Sivers Semiconductors.

At the heart of innovation



Interim Report January-June 2022

Second quarter 2022

- Net sales amounted to SEK 27.154 M (26.911), equivalent to an increase of 1%. Net sales decreased by 12% at constant currency.
- Profit before depreciation and amortization (EBITDA) amounted to SEK -19.002 M (-20.080).
- Adjusted EBITDA totaled SEK -17.925 M (-18.196).
- Operating profit/loss (EBIT) was SEK -64.382 M (-28.009).
- Profit/loss after tax amounted to SEK -61.049 M (-28.897).
- Earnings per share before and after dilution was SEK -0.29 (-0.19).
- Equity per share amounted to SEK 5.74 (3.13).

January-June 2022

- Net sales amounted to SEK 54.624 M (40.751), equivalent to an increase of 34%. Net sales increased by 19% at constant currency.
- Profit before depreciation and amortization (EBITDA) amounted to SEK -30.974 M (-37.851).
- Adjusted EBITDA totaled SEK -35.254 M (-37.524).
- Operating profit/loss (EBIT) was SEK -91.367 M (-53.811).
- Profit/loss after tax amounted to SEK -79.381 M (-55.130).
- Earnings per share before and after dilution was SEK -0.39 (-0.36).
- Equity per share amounted to SEK 5.74 (3.13).

Significant events during the second quarter:

- On May 19, Siverts Semiconductors announced that its subsidiary, Siverts Photonics, had signed a contract worth over USD 617,000 to deliver next-generation laser sources by commencing a partnership agreement with a new customer.

- On May 19, 2022, Todd Thomson was elected a new board member by the Annual General Meeting.
- On June 17, Siverts Semiconductors and Richardson RFPD announced that Siverts Wireless had signed a global distribution agreement with Richardson RFPD to strengthen the growth of the 5G and SATCOM millimeter wave business on the global arena.
- On June 22, Siverts Semiconductors announced that it had completed the integration of MixComm, creating a strong global challenger in 5G, SATCOM and radar. Along with broadening Siverts' portfolio, and increasing its presence in the US, the integration is estimated to create synergies of approximately SEK 10 M per year. Siverts is recognizing an impairment of intangible assets of approximately SEK 22 M due to overlapping product areas. Siverts is also introducing a new leadership role in the USA, making Mike Noonan, the former CEO of MixComm, President US.

Significant events after the end of the period:

- There were no significant events after the end of the period.

Key performance indicators

SEK 000	2022	2021	2022	2021	2021
	Apr- Jun	Apr- Jun	Jan-Jun	Jan- Jun	Jan-Dec
Net sales	27,154	26,911	54,624	40,751	90,652
Net sales growth %	1%	25%	34%	-8%	-6%
Net sales growth, at constant currency %	-12%	43%	19%	4%	0%
EBITDA	-19,002	-20,080	-30,974	-37,851	-107,185
EBITDA adjusted	-17,925	-18,196	-35,254	-37,524	-64,935
EBIT	-64,382	-28,009	-91,367	-53,811	-140,941
Profit/loss for the period	-61,049	-28,897	-79,381	-55,130	-133,704
Earnings per share before and after dilution, SEK	-0.29	-0.19	-0.39	-0.36	-0.83
Equity per share, SEK	5.74	3.13	5.74	3.13	4.57

An online presentation of the Interim Report will be held at 10:00 AM (CEST) Thursday, July 21, 2022. Register for the webinar via: <https://attendee.gotowebinar.com/register/4756229340920337931>

CEO's Statement

We can look back on an eventful first six months of the year, during which several strategic milestones have been achieved. In the first quarter, the strategic acquisition of MixComm was completed. In the second quarter, we won our third Fortune 100 customer, integrated MixComm into the Wireless business area and appointed a new management team for the business area. During the first six months of the year, sales increased by 34 percent to a total of SEK 54 million. In terms of sales, the second quarter was on a par with the first quarter with sales of SEK 27 million, but in terms of growth the second quarter was weaker with an increase of 1 percent compared with the second quarter of 2021.

We believe that conditions during the second half of the year will be better than they have been earlier in the year. As each day passes, it is becoming easier for us to sign new NRE (Non Recurrent Engineering) development contracts and the Company is optimistic about new customers. We see growing interest in new projects and a greater willingness to invest from customers, which is a significant change compared to a year ago when few customers had confidence in planning ahead.

One of the key highlights of the quarter was the long-term partnership agreement Photonics signed with a new Fortune 100 customer to deliver next-generation laser sources for their strategic development project. This initial order is worth over SEK 6 million. This is the third Fortune 100 technology company that has chosen to work with us for Photonics' laser sources, and I am very proud that Sivers has the ability to add customers like this to our customer base. In parallel, development continues with our two other Fortune 100 customers, making good progress and validates that our Indium phosphide platform InP100 truly is well positioned and timely. The platform will have tremendous potential in a couple of years' time when our customers make the decision to ramp up volumes for the prototypes currently under development.

In addition to our already strong Photonics operations, we now have a very strong position in 5G, SATCOM and radar thanks to the merger with MixComm. The acquisition has made us one of the strongest suppliers of 5G/ mmWave and we now have 43 design wins to date, and 10 customers which have 20 products on the market that use Sivers' hardware. The acquisition increases our capacity, broadens our IP portfolio and strengthens our global presence, which is truly valued by our customers. It is incredibly important that Sivers has feet on the ground in the USA in order to win US orders. Specifically, customers and potential customers are showing great interest in SATCOM. Additionally, in Wireless we are also seeing interest from new types of US customer due to our increased presence in the USA.

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One positive example of the integration with MixComm is the global distribution agreement with Richardson RFPD signed by Sivers Wireless during the quarter. Richardson RFPD is a division of Arrow and is a formidable player in the component distribution market.

The distribution agreement is a cornerstone of the overall go-to-market strategy of Wireless and gives us global coverage. Richardson RFPD's strength is the combination of its local presence, deep technical competence and dedication to supporting end customers' success. The agreement is key to our continued growth.

We attracted a lot of interest at the IMS2022 Exhibition on June 21-23 in Denver, Colorado, USA. The trade fair was proof that the market has gained further momentum and the atmosphere was very positive. We ran live demonstrations of, among other things, our customer Airvines WaveTunnel system for indoor broadband coverage. The system is based on our chips and has the potential to completely conquer the market for indoor intelligent broadband solutions.

Following diligent internal work within Wireless (formerly Sivers IMA) and the acquisitions of CST Global (Photonics) in 2017 and MixComm in 2021, we have a structure and product portfolio in place to take the next exciting steps in Sivers' development and I greatly look forward to continuing to help build this unique technology company. We will be holding a capital market day on September 26th, 2022 to provide greater insight into the Group and our future prospects. Further details will be available after the summer.

I am delighted to see the wheels of the ecosystem running somewhat more smoothly now. Even though the global economy is in a uncertain situation, we are looking to the future with great confidence. The pandemic and component shortage have led the whole eco system to be behind schedule, but the underlying demand has not changed. Our competitive products, strong global network and the merger of MixComm ensure that we are well equipped for the future. We are in an excellent position and I remain optimistic about the future.

Anders Storm, President and CEO

The Group in summary

The Sivers Semiconductors Group in summary

The Parent Company Sivers Semiconductors AB (publ) is the Parent Company of a Group comprising wholly-owned subsidiaries Sivers Wireless AB, MixComm Inc., Sivers Photonics Ltd and Trebax AB. Operations are mainly conducted through the two business areas Wireless and Photonics. Sivers Semiconductors and Sivers Wireless are headquartered in Kista, Sweden. MixComm's headquarter is in Chatham, New Jersey, USA. Sivers Photonics' headquarter and factory are located in Glasgow, Scotland.

This report relates to the Group's operations during the period January 1, 2022 to June 30, 2022.

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

The Sivers 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 mmWave technology. MmWave is a key technology in the 5G networks that are now being built, and is the core of the wireless solutions that 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 to several Fortune 100 and Silicon Valley customers, directly or via partners.

Net sales and EBITDA



Net sales and EBITDA

Second quarter

The Group's Net sales was SEK 27.154 M (26.911), an increase of SEK 0.243 M), 1% year-on-year. Net sales decreased by 12% at constant currency. Wireless Net sales increased by SEK 0.247 M, equivalent to a 3% increase, and Photonics' Net sales decreased by SEK 0.004 M, equivalent to 0%.

EBITDA was SEK -19.002 M (-20.080), an increase of SEK 1.079 M. EBITDA adjusted for non-comparable items ("adjusted EBITDA") totaled SEK -17.925 M (-18.196), an increase of SEK 0.271 M.

EBIT amounted to SEK -64.382 M (-28.009), a decrease of SEK 36.372 M. The change in EBIT is primarily attributable to impairment of intangible assets in connection with the integration of MixComm due to overlapping product areas of SEK -22.029 M. The change in EBIT is also due to increased depreciation and amortization resulting from the acquisition of MixComm. In the second quarter, this depreciation and amortization amounted to SEK -12.261 M and the majority related to the amortization of Group intangible assets identified in the acquisition analysis.

Profit after tax was SEK -61.049 M (-28.897) a decrease of SEK 32.152 M.

January-June

During the period, the Group's Net sales was SEK 54.624 M (40.751), an increase of SEK 13.874 M), equivalent to 34% year-on-year. Net sales increased by 19% at constant currency. Wireless' Net sales increased by SEK 8.185 M, equivalent to a 62% increase and Photonics' Net sales increased by SEK 5.689 M which is an increase of 21%.

EBITDA was SEK -30.974 M (-37.851), an increase of SEK 6.877 M. EBITDA adjusted for non-comparable items ("adjusted EBITDA") totaled SEK -35.254 M (-37.524), an increase of SEK 2.270 M.

EBIT was SEK -91.367 M (-53.811), a decrease of SEK 37.555 M. The change in EBIT is primarily attributable to the aforementioned impairment of intangible assets in connection with the integration of MixComm due to overlapping product areas of SEK -22.029 M. The change in EBIT is also due to increased depreciation and amortization resulting from the acquisition of MixComm. During the period, this depreciation and amortization amounted to SEK -16.217 M and the majority related to the amortization of Group intangible assets identified in the acquisition analysis.

Profit after tax was SEK -79.381 M (-55.130) a decrease of SEK 24.251 M.

Net sales

From the first quarter of 2022, the Group introduced the term Net sales which relate to revenue from contracts with customers. The aim is to clarify the distinction between income from customer agreements and other operating income. Previously, Net sales was reported as Revenue. The term "Other operating income" remains unchanged.

Net sales growth at constant currency

To facilitate the review of changes in Net Sales excluding the exchange rate impact, a new metric was introduced in the first quarter of 2022, which is "Net sales at constant currency".

The metric illustrates the change in Net sales based on the exchange rates in the current period of the previous period. To calculate the new metric, the Group is using the average exchange rate for each current period.

Adjusted EBITDA

With the purpose of increasing comparability of the core business and to improve transparency regarding items affecting comparability in the Statement of Comprehensive Income, the Group introduced the KPI "Adjusted EBITDA" in the first quarter of 2022. Items affecting comparability include expenses related to the employee stock option programs (IFRS 2 expenses and social security expenses), acquisition-related expenses and restructuring costs. Other items affecting comparability may be included in the future, such as legal costs in the event of major disputes and revaluation of contingent consideration.

Depreciation and amortization

Second quarter

Profit for the second quarter of 2022 was affected by SEK -45.380 M (-7.929) in depreciation, amortization and impairment, an increase of SEK 37.451 M. SEK -2.920 M (-1.490) related to depreciation and amortization of equipment, tools and installations, SEK -6.611 M (-5.192) related to amortization of the previous year's capitalized development expenses, SEK -12.072 (0) related to amortization of other intangible assets, SEK -1.749 M (-1.247) related to depreciation of right-of-use assets in leasing agreements, and SEK -22.029 M (0) related to impairment of intangible assets.

January-June

Profit/loss for the period January-June was affected by SEK -60.393 M (-15.960) in depreciation, amortization and impairment, an increase of SEK 44.433 M. SEK -5.702 M (-3.183) related to depreciation and amortization of equipment, tools and installations, SEK -13.231 M (-10.366) related to depreciation and amortization of the previous year's capitalized development expenses, SEK -15.967 M (0) related to depreciation of other intangible assets,

SEK -3.464 M (-2.411) related to depreciation of right-of-use assets in leasing contracts, and SEK 22.029 M (0) related to impairment of intangible assets.

Liquidity, cash flow and financing

On June 30, 2022, The Group's cash and cash equivalents and other current financial assets amounted to SEK 108.541 M (142.721). Cash and cash equivalents totaled SEK 64.042 M (92.505). In addition to Group cash and cash equivalents, short-term investments in interest-bearing bonds amounted to SEK 44.499 M (50,216).

In the second quarter, cash flow from operating activities amounted to SEK -26.858 M (-37.234). In the period January to June, the Group's cash flow from operating activities amounted to SEK -89.466 M (-73.166). The Group's cash flow from investment activities decreased year-on-year primarily due to the acquisition of MixComm in the first quarter representing a new outflow of SEK -206.475 M.

In relation to the acquisition of MixComm, Siverts Semiconductors AB issued 39,187,320 new shares which constituted part of the purchase consideration (please see note 4 for further information).

Investments

The Group's total investments in the period January – June amounted to SEK 766.172 M (79.635) and intangible assets for capitalized development expenses of SEK 30.553 M (26.594), acquisitions of other intangible assets of SEK 0.208 M (0), acquisition of property, plant and equipment of SEK 3.515 M (2.615) and acquisitions of subsidiaries of SEK 731.896 M (0) and loans to Associated companies of SEK 0 M (0.117). In the period, investments in short-term corporate bonds decreased with SEK 88.628 M (0), which had a positive effect on cash flow.

The investment in capitalized development expenses was attributable to the development of new product generations.

Equity

As of June 30, 2022, Group equity amounted to SEK 1,227.529 M (484.169). Share capital totalled SEK 106.977 M (77.222).

Parent Company

In the first quarter 2022, the Parent Company acquired the total shares in MixComm Inc. (See further information in note 4), which increased holding in the Group companies.

Shares

As of June 30, 2022, Siverts Semiconductor's share capital was divided over 213,954,244 (154,445,647) shares with a quotient value of SEK 0.50. These shares comprise 212,854,244 ordinary shares with voting right of 1.0 and 1,100,000 Class C shares 0.1 voting right each.

The Class C shares are held by the Company for uses including exercise of stock option programs. Since June 10, 2021, the share trades on Nasdaq Stockholm under the ticker SIVE, ISIN code SE0003917798 and LEI code 254900UB-KNY2EJ588J53.

Employees

As of June 30, 2022, the Group had 137 (117) employees, excluding consultants. The increase is primarily related to the acquisition of MixComm.

Ownership structure

As of June 30, 2022, Siverts 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, Siverts Semiconductors had approximately 21,000 shareholders.

Outlook for 2022

The board of Siverts Semiconductors deems that correct measures have been taken in the group 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 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 2021. 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:

September 26, 2022	Capital market day 2022	For more information, please contact:
October 27, 2022	Interim Report Q3 2022	Anders Storm, CEO
February 16, 2022	Year-end Report 2022	Telephone: +46 (0) 702 62 63 90
		Email: anders.storm@sivers-semiconductors.com

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

Sivers Semiconductors AB (publ)

Kista, Sweden, July 21, 2022

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 mmWave products for advanced 5G systems for data and telecommunications networks and satellite communication. The portfolio includes RF transceivers, steel forming front end ICs, integrated mmWave antennas, repeaters, and software algorithms for optimum mmWave RF performance. Photonics develops and manufactures semiconductor optical products for optical fiber networks, sensors and optic fiber communication (Li-Fi).

The Parent Company Sivers Semiconductors AB (publ) is listed on Nasdaq Stockholm under the SIVE ticker. The head office is located in Kista, Sweden.

For more information: <https://sivers-semiconductors.com>

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Consolidated Income Statement in summary

Group (TSEK 000)	2022 Apr- Jun	2021 Apr- Jun	2022 Jan-Jun	2021 Jan- Jun	2021 Jan-Dec
Net sales	27,154	26,911	54,624	40,751	90,652
Other operating income	2,954	1,366	4,317	3,425	7,196
Capitalized work on own account	16,579	12,071	30,553	26,594	56,447
Raw materials and consumables	-13,067	-10,694	-22,977	-17,001	-30,638
Other external expenses	-22,802	-21,895	-42,340	-42,072	-119,077
Personnel costs	-29,819	-27,838	-55,151	-49,549	-111,765
Depreciation, amortization and impairment of fixed assets	-45,380	-7,929	-60,393	-15,960	-33,756
OPERATING PROFIT/LOSS	-64,382	-28,009	-91,367	-53,811	-140,941
Profit from financial items					
Financial income	2,615	2	10,758	151	5,284
Financial expenses	-2,915	-900	-3,584	-1,491	-3,355
Profit/Loss before tax	-64,682	-28,907	-84,193	-55,151	-139,012
Income tax	3,634	11	4,812	21	5,308
PROFIT/LOSS FOR THE PERIOD	-61,049	-28,897	-79,381	-55,130	-133,704
Attributable to Parent Company shareholders	-61,049	-28,897	-79,381	-55,130	-133,704
Earnings per share (SEK)					
Before and after dilution	-0.29	-0.19	-0.39	-0.36	-0.83

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	77,458	-1,569	67,307	4,031	7,274
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	16,410	-30,465	-12,074	-51,099	-126,430
Attributable to Parent Company shareholders	16,410	-30,465	-12,074	-51,099	-126,430

Consolidated Statement of Financial Position in summary

Group (TSEK 000)	6/30/2022	6/30/2021	12/31/2021
ASSETS			
Non-current assets			
Goodwill	396,106	134,812	134,812
Other intangible assets	877,955	164,815	184,212
Property, plant and equipment	101,551	62,285	101,542
Other intangible assets	278	118	169
Total non-current assets	1,375,890	362,030	420,735
Current assets			
Inventories	30,081	20,131	23,496
Accounts receivable	28,833	26,370	23,152
Other receivables	12,723	12,232	13,487
Prepaid expenses and accrued income	17,083	43,302	14,272
Other current financial assets	44,499	50,216	152,119
Cash and cash equivalents	64,042	92,505	304,117
Total current assets	197,261	244,756	530,643
TOTAL ASSETS	1,573,152	606,786	951,379

Group (SEK 000)	6/30/2022	6/30/2021	12/31/2021
EQUITY AND LIABILITIES			
Equity	1,227,529	484,169	798,903
Non-current liabilities			
Bank borrowing	9,000	13,000	11,000
Deferred tax	161,296	105	84
Provisions	2,405	14,161	7,161
Leasing liabilities	24,312	22,017	25,098
Other non-current liabilities	4,112	6,739	5,632
Total non-current liabilities	201,124	56,022	48,975
Current liabilities			
Bank borrowing	4,000	4,000	4,000
Accounts payable	17,052	21,973	21,830
Leasing liabilities	6,309	3,759	5,364
Other liabilities	84,640	5,608	6,360
Accrued expenses and deferred income	32,497	31,254	65,947
Total current liabilities	144,498	66,594	103,501
TOTAL EQUITY AND LIABILITIES	1,573,152	606,786	951,379

Consolidated Statement of Changes in Equity in summary

	6/30/2022	6/30/2021	12/31/2021
Opening balance	798,903	531,925	531,925
Profit/loss for the period	-79,381	-55,130	-133,704
Other comprehensive income	67,287	4,031	7,274
New share issue	-788	-	389,381
Non-cash issue	440,857	-	-
Repurchase/sale of Treasury shares	123	-	-605
Share-based compensation	527	3,343	4,631
Closing balance at the end of the period	1,227,529	484,169	798,903

Consolidated Statement of Cash Flow in summary

Group (SEK 000)	4/1/2022 -30/06/2022	4/1/2021 -06/30/2021	1/1/2022 -30/06/2022	1/1/2021 -06/30/2021	1/1/2021 -12/31/2021
Operating activities					
Operating profit/loss	-64,382	-28,009	-91,367	-53,811	-140,941
Adjustments for non-cash items	46,796	9,782	56,068	16,256	30,248
Interest received	2,430	-	2,564	-	370
Interest paid	-254	-838	-842	-1,429	-2,485
Income tax received	-1	-	-1	-	4,911
Cash flow from operating activities before change	-15,410	-19,065	-33,577	-38,984	-107,896
Cash flow from change in working capital					
Increase(-)/decrease(+) in inventories	-1,207	-2,861	-1,861	-5,031	-8,115
Increase(-)/decrease(+) in operating receivables	-3,918	-22,427	-1,713	-41,417	-7,253
Increase(+)/decrease(-) in operating liabilities	-6,323	7,119	-52,315	12,267	40,297
Cash flow from operating activities	-26,858	-37,234	-89,466	-73,166	-82,967
Investing activities					
Acquisition of property, plant and equipment	-2,090	-1,501	-3,826	-2,615	-35,820
Acquisition of intangible assets	-16,708	-12,071	-30,760	-26,594	-56,447
Loan to associated company	-	-1	-206,475	-117	-
Financing of MixComm	-	-	-	-	-122
Sales of property, plant and equipment	-	-	-	-	-18,847
Investments in financial instruments	46,628	-50,309	88,628	-50,309	-133,772
Cash flow from investing activities	27,829	-63,881	-152,434	-79,635	-245,008
Financing activities					
Loan amortizations	-1,000	-1,000	-2,000	-2,000	-4,000
Issue expenses	-788	-	-788	-	-12,269
New share issue	-	-	-	-	401,650
Amortization of lease debt and hire purchase loans	-2,285	-1,957	-4,685	-3,796	-8,366
Repurchase of Treasury shares	-	-	-	-	-1,716
Sale/exercise of stock options using Treasury shares	-	-	123	-	1,111
Cash flow from financing activities	-4,072	-2,957	-7,349	-5,796	376,410
Cash flow for the period	-3,101	-104,071	-249,249	-158,595	48,435
Opening cash and cash equivalents	64,908	196,774	304,117	249,448	249,448
Exchange rate difference in cash and cash equivalents	2,235	-198	9,174	1,653	6,234
Closing cash and cash equivalents	64,042	92,505	64,042	92,505	304,117

Parent Company Income Statement in summary

Parent Company (SEK 000)	2022 Apr- Jun	2021 Apr- Jun	2022 Jan-Jun	2021 Jan- Jun	2021 Jan-Dec
Revenue	2,200	2,488	4,439	4,333	9,101
Other external expenses	-4,471	-6,944	-6,377	-10,963	-16,011
Personnel costs	-3,465	-4,309	-5,526	-7,891	-17,383
OPERATING PROFIT/LOSS	-5,736	-8,765	-7,464	-14,521	-24,292
Profit from financial items					
Other interest income and similar items	5,550	-705	15,109	7,739	19,831
Financial expenses and similar items	-3,236	-980	-4,345	-1,748	-50,809
Profit/Loss before tax	-3,422	-10,450	3,299	-8,530	-55,270
Income tax	-	-	-	-	-
Profit/loss for the period	-3,422	-10,450	3,299	-8,530	-55,270

Parent Company Statement of Comprehensive Income in summary

Other comprehensive income	-	-	-	-	-
Total comprehensive in-	-3,422	-10,450	3,299	-8,530	-55,270

Parent Company Statement of Financial Position in summary

Parent Company (SEK 000)	6/30/2022	6/30/2021	12/31/2021
ASSETS			
Non-current assets			
Financial non-current assets			
Shares in Group companies	1,093,972	226,839	300,106
Receivables from Group companies	322,531	267,908	213,008
Long-term prepaid expenses	-	-	41,558
Total financial non-current assets	1,416,504	494,747	554,672
Total non-current assets	1,416,504	494,747	554,672
Current assets			
Current receivables			
Receivables from Group companies	12,346	10,556	11,789
Other receivables	82	203	384
Prepaid expenses and accrued income	2,113	433	820
Other current financial assets	44,499	50,216	152,119
Total current receivables	59,040	61,408	165,111
Cash and cash equivalents	19,054	77,281	290,056
Total current assets	78,095	138,689	455,167
TOTAL ASSETS	1,494,598	633,436	1,009,839
Parent Company (SEK 000)			
	6/30/2022	6/30/2021	12/31/2021
EQUITY AND LIABILITIES			
Share capital	106,977	77,223	87,383
Share premium reserve	1,704,261	904,565	1,283,785
Retained earnings including profit/loss for the year	-403,248	-360,644	-406,701
Total equity	1,407,990	621,143	964,467
Provisions			
Provisions	834	5,770	2,627
Total provisions	834	5,770	2,627
Current liabilities			
Accounts payable	1,387	1,051	2,506
Other liabilities	79,115	412	773
Accrued expenses and deferred income	5,272	5,059	39,466
Total current liabilities	85,774	6,523	42,745
TOTAL EQUITY AND LIABILITIES	1,494,598	633,436	1,009,839

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 Sivers 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 Sivers 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 Sivers 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	Apr- Jun 2022			Apr- Jun 2021		
	Wireless	Photonics	Total	Wireless	Photonics	Total
Hardware	4,088	3,351	7,439	8,682	4,063	12,745
NRE/Development	5,611	13,672	19,283	661	12,965	13,626
Support & Other	431	-	431	540	-	540
Total	10,130	17,023	27,154	9,883	17,027	26,911
Recognition						
At a point in time	3,772	77	3,849	8,682	172	8,854
Over time	6,358	16,946	23,304	1,201	16,856	18,056
Total	10,130	17,023	27,154	9,883	17,027	26,911
Geographical market						
North America	5,939	11,973	17,912	3,972	14,590	18,562
Europe	3,296	2,256	5,552	3,510	1,364	4,874
Asia	895	2,795	3,690	2,401	1,073	3,474
Total	10,130	17,023	27,154	9,883	17,027	26,911

Revenue type	Jan-Jun 2022			Jan-Jun 2021		
	Wireless	Photonics	Total	Wireless	Photonics	Total
Hardware	10,792	5,376	16,168	10,241	7,368	17,608
NRE/Development	9,655	27,933	37,588	1,819	20,253	22,072
Support & Other	868	-	868	1,070	-	1,070
Total	21,315	33,309	54,624	13,130	27,621	40,751
Recognition						
At a point in time	7,976	616	8,592	10,241	172	10,413
Over time	13,339	32,693	46,032	2,889	27,449	30,338
Total	21,315	33,309	54,624	13,130	27,621	40,751
Geographical market						
North America	12,887	24,006	36,893	4,729	21,657	26,386
Europe	6,398	4,649	11,047	5,133	3,206	8,340
Asia	2,030	4,654	6,684	3,268	2,757	6,025
Total	21,315	33,309	54,624	13,130	27,621	40,751

Net sales and profit by segment

Apr-Jun 2022, SEK 000	Wireless	Photonics	Shared Group costs	Total
Revenue				
External Net sales	10,130	17,023	-	27,154
Net sales from other segments	0	0	-	0
Total Net sales	10,130	17,023	-	27,154
Profit				
EBITDA	-10,280	-2,773	-5,949	-19,002
Depreciation/amortization and impairment	-	-	-45,380	-45,380
EBIT	-10,280	-2,773	-51,329	-64,382
Financial income	-	-	2,615	2,615
Financial expenses	-	-	-2,915	-2,915
Profit/Loss before tax	-10,280	-2,773	-51,629	-64,682
Income tax	-	-	3,634	3,634
Profit/loss after tax	-10,280	-2,773	-47,996	-61,049

Net sales and profit by segment

Apr-Jun 2021, SEK 000	Wireless	Photonics	Shared Group costs	Total
Revenue				
External Net sales	9,883	17,027	-	26,911
Net sales from other segments	-	-	-	-
Total Net sales	9,883	17,027	-	26,911
Profit				
EBITDA	-7,125	-4,299	-8,656	-20,080
Depreciation/amortization and impairment	-	-	-7,929	-7,929
EBIT	-7,125	-4,299	-16,585	-28,009
Financial income	-	-	2	2
Financial expenses	-	-	-900	-900
Profit/Loss before tax	-7,125	-4,299	-17,483	-28,907
Income tax	-	-	11	11
Profit/loss after tax	-7,125	-4,299	-17,472	-28,897

Net sales and profit by segment

Jan-Jun 2022, SEK 000	Wireless	Photonics	Shared Group costs	Total
Net sales				
External Net sales	21,315	33,309	-	54,624
Net sales from other segments				
Total Net sales	21,315	33,309	-	54,624
Profit				
EBITDA	-13,995	-8,658	-8,322	-30,974
Depreciation/amortization and impairment	-	-	-60,393	-60,393
EBIT	-13,995	-8,658	-68,715	-91,367
Financial income	-	-	10,758	10,758
Financial expenses	-	-	-3,584	-3,584
Profit/Loss before tax	-13,995	-8,658	-61,540	-84,193
Income tax	-	-	4,812	4,812
Profit/loss after tax	-13,995	-8,658	-56,729	-79,381

Net sales and profit by segment

Jan-Jun 2021, SEK 000	Wireless	Photonics	Shared Group costs	Total
Net sales				
External Net sales	13,130	27,621	-	40,751
Net sales from other segments	-	-	-	-
Total Net sales	13,130	27,621	-	40,751
Profit				
EBITDA	-11,655	-11,675	-14,521	-37,851
Depreciation/amortization and impairment	-	-	-15,960	-15,960
EBIT	-11,655	-11,675	-30,481	-53,811
Financial income	-	-	151	151
Financial expenses	-	-	-1,491	-1,491
Profit/Loss before tax	-11,655	-11,675	-31,820	-55,151
Income tax	-	-	21	21
Profit/loss after tax	-11,655	-11,675	-31,799	-55,130

Net sales and profit by segment

Jan-Dec 2021, SEK 000

	Wireless	Photonics	Shared Group costs	Total
Net sales				
External Net sales	22,141	68,511	-	90,652
Net sales from other segments				
Total income	22,141	68,511	-	90,652
Profit				
EBITDA	-33,974	-7,352	-65,859	-107,185
Depreciation/amortization and impairment	-	-	-33,756	-33,756
EBIT	-33,974	-7,352	-99,615	-140,941
Financial income	-	-	5,284	5,284
Financial expenses	-	-	-3,355	-3,355
Profit/Loss before tax	-33,974	-7,352	-97,686	-139,012
Income tax	-	-	5,308	5,308
Profit/loss after tax	-33,974	-7,352	-92,378	-133,704

Wireless

Net sales for the second quarter of 2022 amounted to SEK 10.130 M (9.883), an increase of SEK 0.247 M, which represents an increase of 2.5% year-on-year. The increase is primarily due to the Net sales of MixComm which was acquired during the year. EBITDA was SEK -10.280 M (-7.125), a decrease of SEK 3.155 M.

Photonics

Net sales for the second quarter 2022 amounted to SEK 17.023 M (17.027), a decrease of SEK 0.004 M year-on-year, representing an increase of 0%. EBITDA was SEK -2.773M (-4.299), an increase of SEK 1.526 M.

Note 3 – Financial instruments

The Balance Sheet includes operating receivables and liabilities held to maturity. These consist of accounts receivables, contract assets, cash and cash equivalents, accounts payable, other current liabilities, accrued expenses and hire-purchase liabilities. These are reported at amortized cost, which is an approximation to fair value. The credit risk for the receivables is judged to be low.

The Balance Sheet also includes current financial assets comprising bonds with a term of less than one year. These are recognized at fair value in profit and loss.

Note 4 – Business acquisition

Acquisition of MixComm

On October 14, 2021 Siverts Semiconductors signed an agreement regarding the acquisition of all the shares in MixComm, Inc, a US challenger in the development of chips for millimeter wave technology. Completion of the acquisition was conditional upon regulatory approval by CFIUS (the Committee on Foreign Investment in the United States). Approval was obtained from CFIUS on January 20, 2022. The acquisition was completed on February 22, 2022, from which date the acquisition of MixComm was consolidated in Siverts Semiconductors. The acquisition is expected to generate synergies in sales and product development as the acquired operations complement Siverts Semiconductors' existing business, both commercially and in terms of technology, and by increased geographical coverage.

The purchase consideration was paid in the form of the issue of 39,187,320 new shares and USD 22.617 M in cash. The sellers are also entitled to a performance-based purchase consideration of a maximum of 6,993,007 new shares provided that certain commercial milestones relating to customers are reached. During the fourth quarter 2021, in accordance with the acquisition agreement, Siverts Semiconductors paid SEK 18,847 M to MixComm relating to interim financing of operations. This transaction has been recognized as a financial receivable as of Q4 2021, but was converted to shares in MixComm in connection with completion of the acquisition in the first quarter 2022.

The purchase consideration has been valued as follows (SEK 000):

Cash and cash equivalents:	212,367
Ordinary shares issued:	440,857
Additional purchase consideration:	78,671
Total purchase consideration	731.896

The fair value of the 39,187,320 new shares issued as part of the purchase consideration (440,857) was based on the listed share price as of February 22, 2022 of SEK 11.25 per share. The value of the additional purchase consideration was determined by expected outcome of the commercial milestones, and was recognized in other current liabilities in the Statement of Financial Position.

Transaction costs for the acquisition amounted to SEK 42.252 M, of which SEK 41.558 M was recognized in 2021 and SEK 694 M recognized in 2022. These expenses are recognized in other external expenses in the Group's Consolidated Income Statement and in operating activities in the Consolidated Cash Flow Statement.

Assets and liabilities recognized as a result of the acquisition are as follows (SEK 000):

Assets & Liabilities	Fair value
Tangible non-current assets	657,769
Property, plant and equipment	4,426
Inventory	4,173
Accounts receivable	22
Other current assets	2,473
Cash and cash equivalents	5,891
Interest-bearing liabilities	2,483
Other current liabilities	-27,622
Deferred tax liabilities/assets net	-152,837
Acquired identifiable net assets	491,813
Goodwill	240,083
Acquired net assets	731,896

The acquisition analysis is preliminary.

Goodwill is attributable to employees, future customers and market position. No proportion of recognized goodwill is expected to be tax deductible.

In the period January-June of 2022, the acquired business contributed SEK 11.420 M to revenue and SEK -14.369 M to net loss in the Group's Consolidated Income Statement.

The Group's cash outflow as a result of the business acquisition was (SEK 000):

Cash consideration	-212,367
Less - acquired cash and cash equivalents	5,891
Net outflow Investing activities	-206,475

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's measures of the Company's financial performance and can be viewed as a complement to the financial information presented under IFRS.

Group (SEK 000)	1/1/2022 -30/06/2022	1/1/2021 -06/30/2021	1/1/2021 -12/31/2021
PROFITABILITY			
Net sales growth %	34%	-8%	-6%
Net sales growth, at constant currency (%)	19%	0%	0%
EBITDA (SEK 000)	-30,974	-37,851	-107,185
EBITDA adjusted (SEK 000)	-35,254	-37,524	-64,935
EBIT (SEK 000)	-91,367	-53,811	-140,941
CAPITAL STRUCTURE			
Equity (SEK 000)	1,227,529	484,169	798,903
Total assets (SEK 000)	1,573,152	606,786	951,379
Capital employed (SEK 000)	1,274,544	533,194	849,139
Interest-bearing net debt (SEK 000)	-17,028	-43,480	-253,881
Capital turnover ratio (multiple)	0.0	0.1	0.1
Equity/assets ratio (%)	78%	80%	84%
Debt/equity ratio (%)	4%	10%	6%
CASH FLOW AND LIQUIDITY			
Cash flow before investments (SEK 000)	-89,466	-73,166	-82,967
Cash flow after investing activities (SEK 000)	-241,899	-152,801	-327,975
Cash and cash equivalents (TSEK 000)	64,042	92,505	304,117
INVESTMENTS			
Acquisition of property, plant and equipment (SEK)	-3,515	-2,615	-38,948
Acquisition of intangible assets (SEK 000)	-30,760	-26,594	-56,447
PERSONNEL			
Average number of employees	136	109	117
Turnover per employee (SEK 000)	402	374	775
Total number of employees	131	117	126
DATA PER SHARE			
Number of shares*	213,954,244	154,445,647	174,766,924
Average number of shares before dilution*	213,954,244	154,445,647	160,676,238
Earnings per share before and after dilution	-0.39	-0.36	-0.83
Equity per share (SEK)	5.74	3.13	4.57

* 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 2021.

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, 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 (multiple)	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

*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

	6/30/2022	6/30/2021	12/31/2021
Net sales growth %			
Net sales	54,624	40,751	90,652
Net sales corresponding period previous year	40,751	44,255	96,170
Net sales growth	34%	-8%	-6%
Net sales growth, at constant currency %			
Net sales	54,624	40,751	90,652
Exchange rate adjustment	-6,118	5,388	5,423
Net sales adjusted	48,506	46,139	96,075
Net sales corresponding period previous year	40,751	44,255	96,170
Net sales growth, at constant currency	19%	4%	0%
EBITDA (SEK 000)			
Operating profit/loss	-91,367	-53,811	-140,941
Depreciation, amortization and impairment of fixed assets	60,393	15,960	33,756
EBITDA	-30,974	-37,851	-107,185
EBITDA adjusted (SEK 000)			
EBITDA-30	-30,974	-37,851	-107,185
Expenses in relation to stock option programs	-4,974	327	-2,148
Acquisition related expenses	694	-	41,558
Restructuring costs	-	-	2,840
EBITDA adjusted	-35,254	-37,524	-64,935
Capital employed (SEK 000)			
Total assets	1,573,152	606,786	951,379
Deferred tax	-161,296	-105	-84
Provisions	-2,405	-14,161	-7,161
Non-interest bearing portion of other non-current liabilities	-3,452	-3,308	-3,679
Accounts payable	-17,052	-21,973	-21,830
Non-interest bearing portion of other liabilities	-81,906	-9,632	-3,538
Accrued expenses and deferred income	-32,497	-24,414	-65,947
Capital employed	1,274,544	533,194	849,139
Interest-bearing net debt			
Interest-bearing non-current liabilities (leasing and other)	33,972	38,449	38,050
Interest-bearing current liabilities (convertible, leasing and other)	13,043	10,576	12,186
Cash and cash equivalents	-64,042	-92,505	-304,117
Interest-bearing net debt	-17,028	-43,480	-253,881
Capital turnover ratio, multiple			
Income	54,624	40,751	90,652
Average total assets	1,262,265	626,986	799,282
Total assets at the beginning of the period	951,379	647,186	647,186
Total assets at the end of the period	1,573,152	606,786	951,379
Capital turnover ratio, multiple	0.0	0.1	0.1
Equity/assets ratio %			
Equity (SEK 000)	1,227,529	484,169	798,903
Total assets (SEK 000)	1,573,152	606,786	951,379
Equity/assets ratio, %	78%	80%	84%
Debt/equity ratio (%)			
Interest-bearing liabilities	47,015	49,025	50,236
Equity	1,227,529	484,169	798,903
Debt/equity ratio (%)	4%	10%	6%
Equity per share, SEK			
Equity, SEK 000	1,227,529	484,169	798,903
Number of shares at the end of the period*	213,954,244	154,445,647	174,766,924
Equity per share	5.74	3.13	4.57

* 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 2021.

Sivers Semiconductors.