

Interim Report Q1

January - March 2023

At the heart
of innovation

Interim Report January-March 2023

First quarter 2023

- Net sales amounted to SEK 58.411 M (27.471), equivalent to an increase of 113%.
- Net sales increased by 94% at constant currency.
- Adjusted EBITDA totaled SEK -11.731 M (-17.328).
- Profit/loss before depreciation and amortization (EBITDA) amounted to SEK -15.003 M (-11.972).
- Operating profit/loss (EBIT) was SEK -40.678 M (-26.985).
- Profit/loss after tax amounted to SEK -40.135 M (-18.332).
- Earnings per share before and after dilution was SEK -0.41 (-0.10).
- Equity per share amounted to SEK 5.59 (5.66).

Significant events in the first quarter:

- February 22 - Sivers Semiconductors announced that the Sivers Wireless business, in collaboration with Intel and WiSig Networks, had launched the world's first 5G millimeter-wave FR2 stand-alone CPE solution. The solution was demonstrated live at the MWC2023 congress in Barcelona.
- February 24 - Sivers Semiconductors AB announced that the Sivers Wireless business area had received orders worth USD 0.65 M (SEK 6.5 M) for the delivery of unlicensed 5G mmWave modules in the 60 GHz band during 2023 to multiple new customers entering the volume phase. The orders include customers such as Airvine, as well as other customers through Richardson RFPD (Sivers' distributor), and represent the start of a volume ramp-up after general availability announcements of their products.
- February 27 - Sivers Semiconductors announced that the Sivers Wireless business area had demonstrated a fully-functioning and deployment-ready base station reference design based on the NXP Semiconductors at the MWC2023 exhibition in Barcelona. Sivers and PureSoftware have jointly developed an O-RAN-compliant

base station reference design for the 5G mmWave market based on the NXP Layerscape® processor platform.

- March 7 - Sivers Semiconductors announced that the Sivers Photonics business area had successfully demonstrated its CW-WDM MSA compliant distributed feedback (DFB) laser arrays with Ayar Labs' SuperNova™ remote optical source, supporting next generation applications including AI connections, disaggregated data centers, 6G, phased array sensory systems and more.
- March 10 - Sivers Semiconductors announced that the Sivers Wireless business area had joined a coalition of 85 organizations across seven states in the US to submit an application for investment under the US Federal CHIPS and Science Act.
- March 17 - Sivers Semiconductors announced that the Sivers Wireless business area had signed a development agreement for an advanced satellite communication solution with Thorium Space, a Polish advanced satellite communication systems company. The agreement is the first step in the development of advanced chipsets for SATCOM ground terminals, as well as space deployment. The value of the agreement is approximately USD 1.85 M (SEK 19.5 M).

Significant events after the end of the period:

- April 4 - Sivers Semiconductors carried out a directed issue of 20,695,650 new ordinary shares at a subscription price of SEK 7.25 per share, corresponding to approximately SEK 150 M before transaction costs.

Key performance indicators

SEK 000	2023	2022	2022
	Jan-Mar	Jan-Mar	Jan-Dec
Net sales	58,411	27,471	132,607
Net sales growth, %	113%	98%	46%
Net sales growth, at constant currency, %	94%	79%	30%
Adjusted EBITDA	-11,731	-17,328	-75,277
EBITDA	-15,003	-11,972	-73,693
EBIT	-40,678	-26,985	-185,096
Profit/loss for the period	-40,135	-18,332	-86,384
Earnings per share before and after dilution, SEK	-0.19	-0.10	-0.41
Equity per share, SEK	5.59	5.66	5.8

An online presentation of the Interim Report will be held at 10:00 AM (CEST) on May 04, 2023.

Register for the webinar via: <https://attendee.gotowebinar.com/register/8935587393350632286>

CEO's Statement

Doubling revenues - the growth journey continues

Following a very strong close to 2022, we are proud to continue to generate outstanding growth in the first quarter of 2023. Sales increased by 113 percent to SEK 58.4 million, a new record for any single quarter.

This is the second consecutive year that we returned net sales growth of approximately 100 percent in the first quarter in year-on-year terms. The growth was driven by expansion in both Wireless and Photonics, which grew by 235 and 29 percent respectively compared to the first quarter of 2022. The strong sales figures were primarily due to the orders secured in the fourth and first quarter, totaling SEK 240 M. Our target net sales growth of at least 100 percent for the full year 2023 stands, although this may vary between quarters as previously stated.

Adjusted for items affecting comparability, EBITDA was SEK -11.7 M (-17.3) in the first quarter. The improved operating profit was primarily due to increased sales, although cost control also remained tight which accelerates our journey towards profitability. For example, we reduced headcount from 130 employees in the fourth quarter to 116 employees at the end of the first quarter. Good cost control and strong growth create the right conditions for reaching our target of positive adjusted EBITDA in the second half of 2023. We are also striving to ensure that cash flow from operating activities becomes positive as soon as possible.

Worth noting is that the difference between EBITDA and adjusted EBITDA is largely linked to changes in the share price, where an increased share price means increased provisions for long-term incentive programs, which results in increased personnel costs. For the first quarter, this meant an increase of approx. 8.4 million in personnel costs compared to the same quarter last year. These costs do not affect cash flow, but affect both EBITDA and EBIT. It is also notable that capitalized work for own account decreases by 9.4 million year over year, which had a positive impact on last year's comparative figures at the EBITDA level. The reason for the decrease is an increased customers funded development. This is a positive trend and means that the company's EBITDA compared to last year is standing very strong.

Just before the end of the quarter, the company raised approximately SEK 150 million before transaction costs in a directed share issue aimed at both existing and several new Swedish and international investors. I would like to take this opportunity to express my thanks for the confidence shown in us, and am particularly pleased to be welcoming AP2, Cicero Fonder, AP4 and Serpentine Ventures AG amongst our shareholders. Furthermore, Siverts has received a conditional credit offer of SEK 50 million. The credit offer is conditional on



Siverts concluding ongoing negotiations relating to additional junior capital of SEK 50 million for a total financing of SEK 250 million.

The new financing secures the continued organic growth. The financing is critical to the successful delivery of orders from two European satellite communications companies. These orders are worth approximately SEK 190 million in total, of which the most recent from Thorium Space totaled SEK 19.5 million and was placed as recently as March 17. The Wireless business area is also seeing significant interest in 5G, particularly noticeable at the MWC in Barcelona, where we announced a 5G collaboration with Intel and WiSig Networks. Together we are developing a solution aimed at 5G mmWave in India. Towards the end of last year, we announced our first customer on the Indian market, a region that we believe has very positive future prospects for us and where we are seeing significant interest from several potential customers.

Our first US Fortune 100 customer has continued during the first quarter to push the collaboration where we invoiced approx. SEK 11 M compared to SEK 9 M the year before. We have also received an order from the same customer that will be delivered during the second quarter for the equivalent of approx. 30,000 laser array chips that the customer will use for internal characterization and system development.

During the quarter, we were encouraged by the significant interest shown in our technology at the major Optical Fiber Communication Conference and Exhibition (OFC) in San Diego, where we gave a live demonstration of our DFB lasers alongside Ayar Labs, with the aim of supporting expected strong AI-related demand in future. Our platform will have tremendous potential in a couple of years' time when our customers ramp up volumes once their respective prototype phases are complete.

Sivers is benefiting from several megatrends that will continue to grow regardless of developments in the wider world. Our competitive products and strong global network mean that we are in a unique and very strong position. I look forward to our continued success in 2023 with great confidence.

Anders Storm, President and CEO

The Sivers Semiconductors Group in summary

Sivers Semiconductors AB (publ) is the Parent Company of a Group comprising the wholly-owned subsidiaries Sivers Wireless AB, Sivers Semiconductors 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. Sivers Semiconductors Inc's head office is located in Chatham, New Jersey, USA. Sivers Photonics' head office and factory are located in Glasgow, Scotland.

This report relates to the Group's operations during the period January 1, 2023 to March 31, 2023.

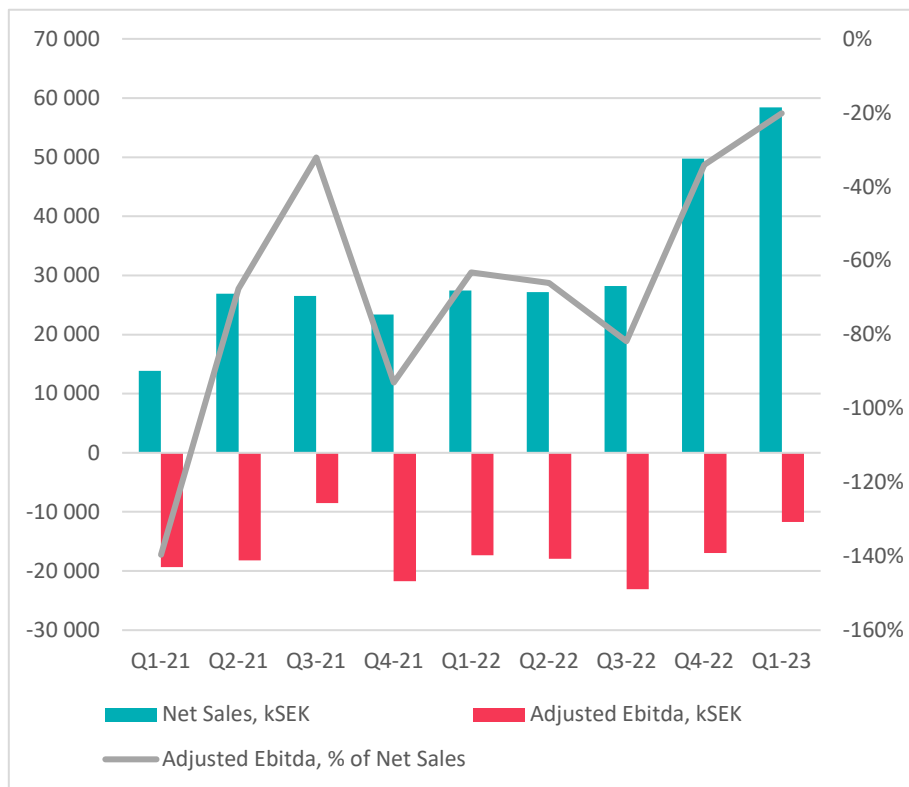
The Sivers Semiconductors Group is an international supplier of advanced 5G systems for data and telecommunications networks and satellite communication, and of optical products for optical fiber networks, sensors and optical wireless communication (Li-Fi).

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,

Net sales and adjusted EBITDA



and the core of the wireless solutions Wireless offers. 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).

Net sales and EBITDA

First quarter

Group Net sales were SEK 58.411 M (27.471), an increase of SEK 30.940 M, corresponding to 113% year-on-year. Net sales increased by 94% given unchanged exchange rates. Wireless' net sales increased by SEK 26.260 M, equivalent to a 235% increase, and Photonics' net sales increased by SEK 4.680 M, an increase of 29%.

Adjusted EBITDA totaled SEK -11.731 M (-17.328), an improvement of SEK 5.597 M mainly driven by increased revenue.

EBITDA was SEK -15.003 M (-11.972), a decrease of SEK 3.031 M. The decrease was mainly linked to costs for long-term incentive programs, which was SEK 8.429 M higher compared to same quarter last year. Furthermore, Siverts Semiconductors Inc (formerly Mixcomm) was included only from February 22, 2022, which meant lower personnel costs for the first quarter of 2022.

EBIT was SEK -40.678 M (-26.985), a decrease of SEK 13.693 M. The change in EBIT is largely due to increased depreciation and amortization resulting from the acquisition of MixComm. In the first quarter, this depreciation and amortization amounted to SEK -13.040 M and the majority related to the amortization of Group intangible assets identified as part of the purchase price allocation.

Profit after tax was SEK -40.135 M (-18.332) a decrease of SEK 21.803 M. Other comprehensive income was SEK -6.097 M (-10.151), an increase of SEK 4.054 M. The change was due to translation effects from USD and GBP to SEK.

Depreciation and amortization

First quarter

Profit for the first quarter 2023 was affected by SEK -25.675 M (-15.013) in depreciation and amortization, a decrease of SEK 10.662 M, of which SEK -3.398 M (-2.782) related to depreciation and amortization of equipment, tools and installations, SEK -7.085 M (-6.620) related to depreciation and amortization of the previous year's capitalized development expenses, SEK -13.406 M (3.895) related to amortization of other intangible assets and SEK -1.785 M (-1.715) relates to depreciation and amortization of right-of-use assets in lease agreements. The change was mainly due to Group depreciation and amortization, which increased by SEK 9.111 M in intangible assets identified in connection with the acquisition of Mixcomm in 2022.

Income tax

First quarter

Income tax totaled SEK 3.117 M (1.178) in the first quarter. The change was mainly due to the acquisition of Mixcomm and reversals of deferred tax liabilities.

Liquidity, cash flow and financing

As of March 31, 2023, Group cash and cash equivalents and other current financial assets totaled SEK 33.824 M (156.035). Cash and cash equivalents totaled SEK 33.824 M (64.908). In addition to Group cash and cash equivalents, short-term investments in interest-bearing bonds amounted to SEK 0 M (91.127). Of the SEK 100 M loan facility entered into as of September 29, 2022, SEK 50 M has been taken up during the fourth quarter of 2022, after which the remaining SEK 50 M can be utilized if necessary. This means that the company's Cash and cash equivalents, other short-term financial assets including unused loan facility amounts to SEK 83.824 M at the end of the quarter.

In the first quarter, Group cash flow from operating activities amounted to SEK -4.368 M (-62.608). Cash flow from operating activities mainly improved as a result of changes in working capital.

The Group's cash flow from investment activities increased year-on-year, primarily due to the acquisition of MixComm in the first quarter of 2022 representing a new outflow of SEK -206.475 M.

As the Group is in a development phase and still lacks sufficient earning capacity to cover the costs of the business through sales revenue, the liquidity risk is a significant risk and uncertainty factor. Management prepares and monitors detailed cash flow forecasts and may need to take measures such as new share issues, cost savings and borrowing to ensure sufficient liquidity. In the second quarter of 2023, Siverts completed a new issue of SEK 150 M and received a conditional credit offer of SEK 50 M. The credit offer is conditional on Siverts concluding ongoing negotiations relating to further junior capital of SEK 50 M for a total financing of SEK 250 M

Investments

The Group's total investments in the period January–March amounted to SEK 12.309 M (747.371) and related to intangible assets for capitalized development expenses of SEK 4.370 M (13.974), acquisitions of other intangible assets of SEK 6.290 M (0.078), acquisition of property, plant and equipment of SEK 1.649 M (1.423) and acquisitions of subsidiaries SEK 0 M (731.896). In the period, a number of investments in current corporate bonds expired or were divested, totaling SEK 8.692 M (42.000) which contributed positive cash flow.

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

Equity

As of March 31, 2023, Group equity amounted to SEK 1,195.522 M (1,211.063). Share capital totaled SEK 106.977 M (106.977).

Parent Company

Operating profit was SEK -4.027 (-1.729) M, a decrease of SEK 2.298 M. The decrease was mainly due to reversal of social security expenses under the options program made in the first quarter of 2022 .

Profit/loss from financial items decreased by SEK 9.274 M. The change was due to exchange rate fluctuations in 2022 and increased interest expenses in the first quarter of 2023 compared to 2022.

The change in other current financial assets was due to bonds divested or expired in the period from the end of the first quarter 2022 to the end of the first quarter 2023.

Shares

Sivers Semiconductors' share capital was divided over 213,954,244 (213,954,244) shares with a quotient value of SEK 0.50 as of March 31, 2023. These shares comprise 212,854,244 ordinary shares, each with a voting right of 1.0, and 1,100,000 Class C shares, each with a voting right of 0.1. The Class C shares are held by the Company for uses including the 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 254900UBKNY2EJ588J53.

Employees

As of March 31, 2023, the Group had 116 (137) employees, excluding consultants. The decrease is mainly related to fewer employees in Sweden.

Ownership structure

As of March 31, 2023, Sivers Semiconductors AB (publ) had two shareholders who directly and indirectly each held shares corresponding to five percent or more of the votes and capital in the Company. In total, Sivers Semiconductors had approximately 22,000 shareholders.

Outlook for 2023

Previously announced customer contracts and new business are expected to contribute to significant sales growth in the year. Continuous optimization of costs and investments, alongside net sales growth, are expected to accelerate Sivers' journey towards profitability.

In 2023, Sivers' net sales growth is expected to exceed 100%. Net sales may vary between quarters as a result of individual contracts. Furthermore, Sivers expects to reach positive adjusted EBITDA in the second half of 2023.

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 2022. 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 25, 2023	Annual General Meeting	For more information, please contact: Anders Storm, CEO Telephone: +46 (0) 702 62 63 90 Email: anders.storm@sivers-semiconductors.com
July 20, 2023	Interim Report Q2 2023	
October 26, 2023	Interim Report Q3 2023	
February 8, 2024	Year-End Report 2023	

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

Sivers Semiconductors AB (publ)

Kista, Sweden, May 4, 2023

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 integrated circuits and modules. Wireless develops mmWave products for advanced 5G systems for data and telecommunications networks and satellite communication. The portfolio includes RF transceivers, beamforming 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 head office is located in Kista, Sweden.

The parent company Sivers Semiconductors AB (publ) is listed on Nasdaq Stockholm under the SIVE ticker.

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

Sivers Semiconductors AB (publ)

Corp. ID no. 556383-9348

Investor Relations: ir@sivers-semiconductors.com

Telephone: +46 (0)8 703 68 00

Sivers Semiconductors AB

Box 1274

SE-164 29 Kista Sweden

Consolidated Income Statement in summary

Group (SEK 000)	2023 Jan-Mar	2022 Jan-Mar	2022 Jan-Dec
Net sales	58,411	27,471	132,607
Other operating income	2,592	1,363	8,295
Capitalized work on own account	4,370	13,974	59,276
Raw materials and consumables	-9,250	-9,910	-48,992
Other external expenses	-35,706	-19,537	-99,585
Personnel costs	-35,420	-25,332	-125,364
Depreciation, amortization and impairment of property, plant and equipment, and intangible	-25,675	-15,013	-111,403
OPERATING PROFIT/LOSS	-40,678	-26,985	-185,096
Profit from financial items			
Financial income	1,648	8,143	94,716
Financial expenses	-4,222	-669	-13,248
Profit before tax	-43,252	-19,511	-103,628
Income tax	3,117	1,178	17,244
PROFIT/LOSS FOR THE PERIOD	-40,135	-18,332	-86,384
Attributable to Parent Company shareholders	-40,135	-18,332	-86,384
Earnings per share (SEK)			
Before and after dilution	-0.19	-0.10	-0.41

Consolidated Statement of Comprehensive Income in summary

Other comprehensive income			
Items to be reclassified to profit and loss			
Exchange rate differences from translation of foreign operations	6,097	10,151	85,216
COMPREHENSIVE INCOME FOR THE PERIOD	-46,232	-28,484	-1,168
Attributable to Parent Company shareholders	-46,232	-28,484	-1,168

Consolidated Statement of Financial Position in summary

Group (SEK 000)	03/31/2023	3/31/2022	12/31/2022
ASSETS			
Non-current assets			
Goodwill	399,545	371,681	401,673
Capitalized development expenses	190,718	191,503	193,121
Other intangible assets	692,586	645,180	705,247
Property, plant and equipment	100,907	102,353	102,595
Other assets	384	169	352
Total non-current assets	1,384,141	1,310,886	1,402,989
Current assets			
Inventories	30,815	28,288	28,985
Accounts receivable	30,708	21,884	42,325
Other receivables	7,550	13,524	15,824
Prepaid expenses and accrued income	56,585	16,938	25,294
Other current financial assets	-	91,127	8,519
Cash and cash equivalents	33,824	64,908	47,174
Total current assets	159,483	236,669	168,111
TOTAL ASSETS	1,543,623	1,547,554	1,571,100

Group (SEK 000)	03/31/2023	3/31/2022	12/31/2022
EQUITY AND LIABILITIES			
Equity	1,195,522	1,211,063	1,240,079
Non-current liabilities			
Bank borrowing	6,000	10,000	7,000
Deferred tax liability	151,743	149,707	156,885
Provisions	1,674	1,716	1,172
Leasing liabilities	20,436	25,534	21,474
Other non-current liabilities	3,314	4,765	3,524
Total non-current liabilities	183,168	191,722	190,055
Current liabilities			
Convertible loan	48,263	-	44,493
Bank borrowing	4,000	4,000	4,000
Accounts payable	56,419	15,340	39,262
Leasing liabilities	6,859	6,372	6,913
Other liabilities	11,613	86,655	14,265
Accrued expenses and prepaid income	37,779	32,402	32,033
Total current liabilities	164,933	144,769	140,966
TOTAL EQUITY AND LIABILITIES	1,543,623	1,547,554	1,571,100

Consolidated Statement of Changes in Equity in summary

Group (SEK 000)	3/31/2023	3/31/2022	12/31/2022
Opening balance	1,240,079	798,903	798,903
Profit/loss for the period	-40,135	-18,332	-86,384
Other comprehensive income	-6,097	-10,151	85,216
Issue expenses	-	-	-788
Non-cash issue	-	440,857	440,857
Repurchase/sale of Treasury shares	-	123	1,181
Share-based payments	1,675	-336	1,094
Closing balance at the end of the period	1,195,522	1,211,063	1,240,081

Consolidated Statement of Cash Flow in summary

Group (SEK 000)	01/01/2023 -03/31/2023	01/01/2022 -03/31/2022	01/01/2022 -12/31/2022
Operating activities			
Operating profit/loss	-40,678	-26,985	-185,096
Adjustments for non-cash items	29,167	9,272	106,212
Interest received	88	134	5,717
Interest paid	-279	-588	-11,932
Income tax received	-	-	4,177
Cash flow from operating activities before change in working capital	-11,702	-18,167	-80,922
Cash flow from change in working capital			
Increase(-)/decrease(+) in inventories	-1,607	-654	-663
Increase(-)/decrease(+) in operating receivables	-12,008	2,205	-29,631
Increase(+)/decrease(-) in operating liabilities	20,949	-45,992	-26,245
Cash flow from operating activities	-4,368	-62,608	-137,461
Investing activities			
Acquisition of property, plant and equipment	-1,649	-1,736	-13,731
Acquisition of intangible assets	-10,661	-14,052	-71,278
Financing of MixComm	-	-206,475	-206,475
Sold/matured financial instruments	8,692	42,000	125,492
Cash flow from investing activities	-3,617	-180,263	-165,992
Financing activities			
Borrowings	-	-	50,000
Loan amortizations	-1,000	-1,000	-4,000
Issue expenses	-	-	-788
Amortization of leasing liabilities and hire purchase loans	-2,388	-2,400	-11,190
Sale/exercise of stock options using treasury shares	-	123	1,181
Cash flow from financing activities	-3,388	-3,277	35,203
Cash flow for the period	-11,373	-246,148	-268,250
Opening cash and cash equivalents	47,174	304,117	304,117
Exchange rate difference in cash and cash equivalents	-1,977	6,939	11,307
Closing cash and cash equivalents	33,824	64,908	47,174

Parent Company Income Statement in summary

Parent Company (SEK 000)	2023 Jan-Mar	2022 Jan-Mar	2022 Jan-Dec
Net sales	2,730	2,239	11,658
Other external expenses	-2,295	-1,906	-12,591
Personnel costs	-4,462	-2,061	-12,946
OPERATING PROFIT/LOSS	-4,027	-1,729	-13,879
Profit from financial items			
Other interest income and similar items	4,547	9,558	104,242
Interest expenses and similar items	-5,371	-1,108	-125,296
Profit before tax	-4,851	6,721	-34,933
Income tax	-	-	-
Profit/loss for the period	-4,851	6,721	-34,933

Parent Company Statement of Comprehensive Income in summary

Other comprehensive income	-	-	-
Comprehensive income for the period	-4,851	6,721	-34,933

Parent Company Statement of Financial Position in summary

Parent Company (SEK 000)	03/31/2023	3/31/2022	12/31/2022
ASSETS			
Non-current assets			
Financial non-current assets			
Shares in Group companies	1,095,555	1,093,972	1,095,363
Receivables from Group companies	315,954	256,441	301,546
Total financial non-current assets	1,411,509	1,350,413	1,396,909
Total non-current assets	1,411,509	1,350,413	1,396,909
Current assets			
Current receivables			
Receivables from Group companies	1,374	11,717	383
Other receivables	178	424	1,150
Prepaid expenses and accrued income	2,688	4,295	1,098
Other current financial assets	-	91,127	8,519
Total current receivables	4,239	107,563	11,150
Cash and cash equivalents	16,481	41,198	24,521
Total current assets	20,720	148,761	35,671
TOTAL ASSETS	1,432,229	1,499,174	1,432,580
Parent Company (SEK 000)			
	03/31/2023	3/31/2022	12/31/2022
EQUITY AND LIABILITIES			
Share capital	106,977	106,977	106,977
Share premium reserve	1,704,261	1,705,049	1,704,261
Retained earnings including profit/loss for the year	-442,938	-400,193	-439,673
Total equity	1,368,301	1,411,833	1,371,565
Provisions			
Provisions	640	79,246	406
Total provisions	640	79,246	406
Current liabilities			
Convertible loan	48,263	-	44,493
Accounts payable	741	991	1,948
Other liabilities	8,751	1,659	7,919
Accrued expenses and prepaid income	5,533	5,445	6,250
Total current liabilities	63,288	8,095	60,610
TOTAL EQUITY AND LIABILITIES	1,432,229	1,499,174	1,432,580

Notes

Note 1 – Accounting principles

The Interim Report has been prepared in accordance with IAS 34 and the applicable regulations of the Swedish 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 at volume 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

Revenue type	Jan-Mar 2023			Jan-Mar 2022		
	Wireless	Photonics	Total	Wireless	Photonics	Total
Hardware	3,764	5,021	8,785	6,704	2,025	8,729
NRE/Development	33,393	15,945	49,338	4,044	14,261	18,305
Support & other	288	-	288	437	-	437
Total	37,445	20,966	58,411	11,185	16,286	27,471
Recognition						
At a point in time	3,325	20,231	23,556	4,204	539	4,743
Over time	34,119	735	34,855	6,981	15,747	22,728
Total	37,445	20,966	58,411	11,185	16,286	27,471
Geographical market						
North America	3,532	15,822	19,354	6,948	12,033	18,981
Europe	33,241	3,660	36,901	3,102	2,393	5,495
Asia	671	1,484	2,156	1,135	1,859	2,994
Total	37,445	20,966	58,411	11,185	16,286	27,471

Revenue type	Jan-Dec 2022		
	Wireless	Photonics	Total
Hardware	21,732	11,463	33,194
NRE/Development	36,351	61,612	97,963
Support & other	288	-	288
Total	59,533	73,074	132,607
Recognition			
At a point in time	18,758	2,138	20,895
Over time	40,775	70,937	111,712
Total	59,533	73,074	132,607
Geographical market			
North America	24,634	56,702	81,336
Europe	27,910	11,055	38,966
Asia	6,988	5,317	12,305
Total	59,533	73,074	132,607

Net sales and profit by segment

Jan-Mar 2023, SEK 000	Wireless	Photonics	Group-wide	Total
Net sales				
External net sales	37,445	20,966	-	58,411
Net sales from other segments	-	-	-	-
Total net sales	37,445	20,966	-	58,411
Profit				
Adjusted EBITDA	-5,046	-4,344	-2,341	-11,731
Adjustments				-3,272
Depreciation/amortization and impairment				-25,675
EBIT				-40,678
Financial income				1,648
Financial expenses				-4,222
Profit before tax				-43,252
Income tax				3,117
Profit/loss after tax				-40,135

Net sales and profit by segment

Jan-Mar 2022, SEK 000	Wireless	Photonics	Group-wide	Total
Net sales				
External net sales	11,185	16,286	-	27,471
Net sales from other segments				
Total net sales	11,185	16,286	-	27,471
Profit				
Adjusted EBITDA	-7,627	-5,747	-3,954	-17,328
Adjustments				5 356
Depreciation/amortization and impairment				-15,013
EBIT				-26,985
Financial income				8,143
Financial expenses				-669
Profit before tax				-19,511
Income tax				1,178
Profit/loss after tax				-18,332

Net sales and profit by segment

Jan-Dec 2022, SEK 000

	Wireless	Photonics	Group-wide	Total
Net sales				
External net sales	59,533	73,084	-	132,607
Net sales from other segments	-	-	-	-
Total net sales	59,533	73,074	-	132,607
Profit				
Adjusted EBITDA	-50,714	-9,538	-15,025	-75,277
Adjustments				1,584
Depreciation/amortization and impairment				-111,403
EBIT				-185,096
Financial income				94,716
Financial expenses				-13,248
Profit before tax				-103,628
Income tax				17,244

Wireless

Net sales for the first quarter of 2023 amounted to SEK 37.445 M (11.185), an increase of SEK 26.260 M, up 235% in year-on-year terms. The improvement was mainly due to recently signed NRE agreements at the end of 2022 and the start of 2023.

Adjusted EBITDA was SEK -5.046 M (-7.627), an improvement of SEK 2.581 M. The increase was mainly due to increased net sales.

Photonics

Net sales for the first quarter of 2023 amounted to SEK 20.966 M (16.286), an increase of SEK 4.680 M in year-on-year terms, up 29%.

Adjusted EBITDA was SEK -4.344 M (-5.747), an improvement of SEK 1.403 M. The increase was mainly due to increased net sales, but was negatively effected by higher energy costs.

Note 3 – Financial instruments

The Statement of Financial Position includes operating receivables and liabilities held to maturity. These consist of accounts receivable, contract assets, 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 to fair value. The credit risk for the receivables is judged to be low. The Statement of Financial Position also includes current financial assets comprising bonds with a term of less than one year. As of March 31, 2023, all had expired or been divested. These are recognized at fair value in profit and loss. During the fourth quarter 2022, SEK 50.000 M of the SEK 100.000 M loan facility entered into on September 29, 2022 was utilized. The loan has a conversion option, whereby the conversion right has been measured at fair value through profit or loss and is recognized under other liabilities in the Statement of Financial Position. Fair value is calculated based on level 1 for bonds and level 2 for derivatives in the fair value hierarchy. There were no movements between the different levels compared with 2022.

Outstanding financial instruments recognized at fair value.	03/31/2023	03/31/2022	12/31/2022
SEK 000			
Current assets and current liabilities			
Assets	-	91,127	8,519
Liabilities	5,897		5,724

Note 4 – Transactions with related parties

During the period, normal business transactions took place between companies within the Group and other related parties.

Note 5- Deferred tax liability

The Group's deferred tax liability on March 31, 2023 was SEK 151.743 M (149.707), an increase of SEK 2.036 M. Deferred tax liabilities in the Balance Sheet are mainly linked to consolidated values identified in connection with the acquisition of MixComm, which are dissolved in the Income Statement over the useful life of the identified assets.

Alternative Performance Measures (APM)

Alternative performance measures are used to describe progress of operations and increase comparability between periods. They are not defined using the IFRS regulatory framework, rather they correspond to the Group Management's and Board's measures of the Company's financial performance and can be viewed as a complement to the financial information presented under IFRS.

Group	01/01/2023 -03/31/2023	01/01/2022 -03/31/2022	01/01/2022 -12/31/2022
PROFITABILITY			
Net sales growth, %	113%	98%	46%
Net sales growth, at constant currency (%)	94%	79%	30%
EBITDA (SEK 000)	-15,003	-11,972	-73,693
EBITDA adjusted (SEK 000)	-11,731	-17,328	-75,277
EBIT (SEK 000)	-40,678	-26,985	-185,096
CAPITAL STRUCTURE			
Equity (SEK 000)	1,195,522	1,211,063	1,240,079
Total assets (SEK 000)	1,543,623	1,547,554	1,571,000
Capital employed (SEK 000)	1,288,277	1,260,956	1,331,700
Interest-bearing net debt (SEK 000)	53,033	-15,015	38,723
Capital turnover ratio (multiple)	0.0	0.0	0.1
Equity/assets ratio (%)	77%	78%	78%
Debt/equity ratio (%)	7%	4%	7%
CASH FLOW AND LIQUIDITY			
Cash flow before investments (SEK 000)	-4,368	-62,608	-133,461
Cash flow after investments (SEK 000)	-7,986	-242,871	-299,454
Cash and cash equivalents (SEK 000)	33,824	64,908	47,174
INVESTMENTS			
Acquisition of property, plant and equipment (SEK 000)	-1,649	-1,423	-13,731
Acquisition of intangible assets (SEK 000)	-10,661	-14,052	-71,278
PERSONNEL			
Average number of employees	119	139	131
Sales per employee (SEK 000)	491	198	1,012
Total number of employees	116	137	130
DATA PER SHARE			
Number of shares*	213,954,244	213,954,244	213,954,244
Average number of shares before dilution	213,954,244	191,312,681	208,371,393
Earnings per share before and after dilution	-0.19	-0.10	0.41
Equity per share (SEK)	5.59	5.66	5.80

Definitions of alternative performance measures

	Definition	Reason for using the measure
PROFITABILITY		
Net sales growth, %	Percentage change in Net sales compared with the previous period's Net sales	The measure is used to monitor progress of the Group's operations between different periods
Net sales growth, at constant currency %	Net sales adjusted for exchange rates compared to the equivalent period in the previous year	Illustrates the Company's growth in Net sales driven by volume and price changes independent of exchange rate effects.
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
Adjusted EBITDA	EBITDA adjusted for items affecting comparability Items affecting comparability include: *Expenses related to the employee stock option programs (IFRS 2 expenses and social security expenses) *Acquisition related expenses *Restructuring costs *Legal costs in the event of major disputes *Revaluation of contingent consideration	The purpose of using the KPI is to illustrate the performance of the operating activities, independent of depreciation, amortization and items affecting comparability.
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 cash and cash equivalents	The measure shows the Group's total debt/equity ratio
Capital turnover ratio (multiple)	Revenue for the period 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 helps to increase understanding of the Group's capital structure
Debt/equity ratio (%)	Interest-bearing liabilities divided by equity	The measure describes financial risk, i.e. the proportion of the Group's assets that is financed by borrowing
CASH FLOW AND LIQUIDITY		
Cash flow before investments	Profit after financial items plus items not affecting cash flow and 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 plus items not affecting cash flow and 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	
Sales per employee*	Sales 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 measure 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 an owner perspective

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

** Non-financial measure

Calculation of financial measures not included in IFRS

	03/31/2023	3/31/2022	12/31/2022
Net sales growth, %			
Net sales	58,411	27,471	132,607
Net sales, corresponding period previous year	27,471	13,840	90,652
Net sales growth	113%	98%	46%
Net sales growth, at constant currency, %			
Net sales	58,411	27,471	132,607
Exchange rate adjustment	-5,074	-2,655	-14,723
Net sales adjusted	53,337	24,816	117,884
Net sales, corresponding period previous year	27,471	13,840	90,652
Net sales growth, at constant currency	94%	79%	30%
EBITDA (SEK 000)			
Operating profit/loss	-40,678	-26,985	-185,096
Depreciation, amortization and impairment of property, plant and equipment, and intangible assets	25,675	15,013	111,403
EBITDA	-15,003	-11,972	-73,693
Adjusted EBITDA (SEK 000)			
EBITDA	-15,003	-11,972	-73,693
Expenses in relation to stock option programs	2,379	-6,050	-5,300
Acquisition-related expenses	-	694	2,085
Restructuring costs	894	-	1,631
Adjusted EBITDA	-11,731	-17,328	-75,277
Capital employed (SEK 000)			
Total assets	1,543,623	1,547,554	1,571,100
Deferred tax liability	-151,743	-149,707	-156,885
Provisions	-1,674	-1,716	-1,172
Non-interest bearing portion of other non-current liabilities	-3,102	-3,531	-3,197
Accounts payable	-56,419	-15,340	-39,262
Non-interest bearing portion of other liabilities	-4,629	-83,903	-6,851
Accrued expenses and prepaid income	-37,779	-32,402	-32,033
Capital employed	1,288,277	1,260,956	1,331,700
Interest-bearing net debt			
Interest-bearing non-current liabilities (leasing and other)	26,648	36,768	28,801
Interest-bearing current liabilities (convertible, leasing and other)	60,209	13,125	57,096
Cash and cash equivalents	-33,824	-64,908	-47,174
Interest-bearing net debt	53,033	-15,015	38,723
Capital turnover ratio, multiple			
Net sales	58,411	27,471	132,607
Average total assets	1,545,589	1,249,466	1,258,354
Total assets at the beginning of the period	1,547,554	951,379	951,379
Total assets at the end of the period	1,543,623	1,547,554	1,565,330
Capital turnover ratio, multiple	0.0	0.0	0.1
Equity/assets ratio, %			
Equity (SEK 000)	1,195,522	1,211,063	1,240,079
Total assets (SEK 000)	1,543,623	1,547,554	1,571,100
Equity/assets ratio, %	77%	78%	79%
Debt/equity ratio (%)			
Interest-bearing liabilities	86,857	49,893	85,897
Equity	1,195,522	1,211,063	1,240,079
Debt/equity ratio (%)	7%	4%	7%
Equity per share, SEK			
Equity, SEK 000	1,195,522	1,211,063	1,240,079
Number of shares at the end of the period	213,954,244	213,954,244	213,954,244
Equity per share	5.59	5.66	5.80

