

Interim Report Q2 January-June 2023

At the heart
of innovation



Interim Report Q2 2023

The following Interim Report relates to the period January 1 - June 30 2023

Second quarter April-June 2023

- Net sales amounted to SEK 45.751 M (27.154), equivalent to an increase of 68%. Net sales increased by 56% at constant currency.
- Adjusted EBITDA totaled SEK -16.597 M (-17.925).
- Profit/loss before depreciation and amortization (EBITDA) amounted to SEK -20 628 M (-19.002).
- Operating profit/loss (EBIT) was SEK -46.168 M (-64.382).
- Profit/loss after tax amounted to SEK -29.983 M (-61.049).
- Earnings per share before and after dilution was SEK -0.13 (-0.29).
- Equity per share amounted to SEK 5.72 (5.74).

First six months January-June 2023

- Net sales amounted to SEK 104.162 M (54.624), equivalent to an increase of 91%. Net sales increased by 77% at constant currency.
- Adjusted EBITDA totaled SEK -28.328 M (-35.254).
- Profit/loss before depreciation and amortization (EBITDA) amounted to SEK -35 631 M (-30.974).
- Operating profit/loss (EBIT) was SEK -86.846 M (-91.367).
- Profit/loss after tax amounted to SEK -70.118 M (-79.381).
- Earnings per share before and after dilution was SEK -0.31 (-0.39).
- Equity per share amounted to SEK 5.72 (5.74)

Significant events in the second quarter

- June 12 - Siverts Photonics received a new order worth USD 1.3 M (approx. SEK 14 M) for the qualification and supply of advanced photonic devices for optical sensing applications from a US-based customer.
- May 29 - Siverts Semiconductors recruited Lottie Saks as new CFO.

- May 25 - Siverts Semiconductors obtained financing of SEK 75 M, including a convertible loan of SEK 25 million.
- May 25 - Siverts Semiconductors evaluated the expansion of Photonics' capacity to meet volumes of more than 1000 wafers per week. To enable this, Siverts Semiconductors is launching a strategic business development project, hiring an Advisor, and making changes to Photonics' management.
- May 8 - WiSig Networks, Siverts Semiconductors and Intel demonstrate 5G millimeter-wave backhaul technology at G20 Event, attracting strong interest in the product which combines Siverts millimeter-wave chip and antenna module solutions with WiSig Networks' modem and software stack implemented on the Intel Agilex FPGA.
- May 5 - Siverts Semiconductors receives EU grant amounting to EUR 496,070 (approx. SEK 5 M) for design, development and characterization of Multi-element RF Antenna circuitry.
- April 4 - Siverts Semiconductors carried out a directed share issue totaling approximately SEK 150 M

Significant events after the end of the period

- August 15 - Siverts Semiconductors is recruiting Dr. Bami Bastani as strategic advisor to the board and management.
- August 14 - Siverts Wireless receives USD 0.425M (SEK 4.6 M) contract from top-tier SATCOM network provider.
- August 9 - The company was awarded USD 0.375 M (4 MSEK) under the Defense Advanced Research Projects Agency (DARPA).
- July 3 - New order of 1 MUSD (approx. 11 MSEK) from Ayar Labs for the development of the next generation laser array chip that supports applications for, among other things, High Performance Computing (HPC), Artificial Intelligence (AI) and Machine Learning (ML).

Key performance indicators

SEK 000	2023 Apr-Jun	2022 Apr-Jun	2023 Jan-Jun	2022 Jan-Jun	2022 Jan-Dec
Net sales	45,751	27,154	104,162	54,624	132,607
Net sales growth, %	68%	1%	91%	34%	46%
Net sales growth, at constant currency, %	56%	-12%	77%	19%	30%
Adjusted EBITDA	-16,597	-17,925	-28,328	-35,254	-75,277
EBITDA	-20,628	-19,002	-35,631	-30,974	-73,693
EBIT	-46,168	-64,382	-86,846	-91,367	-185,096
Profit/loss for the period	-29,983	-61,049	-70,118	-79,381	-86,384
Earnings per share before and after dilution, SEK	-0.13	-0.29	-0.31	-0.39	-0.41
Equity per share, SEK	5.72	5.74	5.72	5.74	5.80



An online presentation of the Interim Report will be held at 10:00 AM (CEST) August 17, 2023.
Register for the webinar via: <https://attendee.gotowebinar.com/register/8441716459573161817>

CEO's Statement

91% growth year-to-date -
confirming 100 % growth outlook

The strong growth continued in the second quarter of the year. Sales increased by 68 percent to SEK 45.7 million, and growth was 91 percent in the first half-year, which means that we are on route to achieving our goal of net sales growth of at least 100 percent for the full year 2023. As previously stated, this figure may vary between quarters depending on when major orders are shipped, for example the product order of beam-formers from October 2022 of which approximately SEK 15 million will be shipped in the third quarter.

The strong sales are a result of the strong order intake we have had over the past 10 months. Since September 2022, we have officially published a total order value of approximately SEK 270 million. The growth is driven by both Wireless and Photonics, which grew by 128 and 33 percent respectively compared to the second quarter of 2022. Adjusted for items affecting comparability, EBITDA for the second quarter was SEK -16.6 million (-17.9). That the adjusted EBITDA improvement is lower than the growth is mainly due to the positive development with customer-financed projects. A higher proportion of customer projects compared to product projects means a reduced capitalization of R&D of SEK 11 million. With continued good cost control, we see that we can accelerate our path to profitability. Among other things, we have continued to right-size our workforce and incurred restructuring costs of approximately SEK 3 million during the quarter. The company has gone from 130 employees at the end of 2022 to 116 employees at the end of the second quarter. The strong order intake and growth as well as cost control means that we look positively at our chances of reaching our goal of a positive adjusted EBITDA result in the second half of 2023.

Of the markets Siverts serves, the Satellite communication market is the strongest right now, where we work with several customers. Market growth is fueled by huge investments from many companies that are deploying large numbers of satellites in new lower orbits around the Earth. These orbits, such as LEO (Low earth Orbit) and MEO (Medium earth Orbit), require new types of technology where Sivert's solutions are well suited. We have several ongoing development projects in the area and are also starting to see that volume sales are about to pick up through, for example, the delivery of the BFIC order from October 2022. We also expect further orders and delivery throughout the rest of the year.

During the quarter, we carried out a directed share issue that added capital of approximately SEK 150 million before deductions for transaction costs. I would like to take the opportunity to thank you for the



trust and am especially happy to be able to welcome the Second AP Fund, Cicero Fonder, fourth AP Fund and Serpentine Ventures AG as new owners. During the quarter, we also negotiated long-term loan facilities of 100 million.

With the order from Ayar Labs of approximately SEK 11 million at the beginning of July, we secured our position as a supplier in one of the future's biggest growth areas. The demand for optical high-speed communication is expected to grow strongly in the future as the demand for capacity for generative artificial intelligence (AI) requires new solutions as today's electrical communication between processors (CPU) and graphics processors (GPU) no longer offers sufficient capacity to quickly process the huge amounts of data that next-generation AI challenges require. These challenges include, for example, solving the issue of rampant energy consumption. Optical high-speed communication for CPUs and GPUs enables the speed and capacity to increase manifold, while at the same time we can reduce energy consumption by up to 90%. Our partner Ayar Labs offers with its optical I/O chip, the solution to this problem, where Siverts will supply the laser chip.

Through Ayar Lab's optical I/O solution, which utilizes our DFB lasers, 4Tb/s bidirectional chip-to-chip connection is already possible today. A performance that is superior to today's traditional electrical solutions and necessary to enable next-generation artificial intelligence and advanced machine learning. In the long term, we expect an enormous market potential within Optical high-speed communication and currently work with most new companies in this field.

In total, more than SEK 7 billion has been invested in new companies, such as Celestial AI, Lightelligence och Lightmatter, in this market where Siverts has a very strong offer and is one of the initiators of the standardization of laser chips for this market via the CW-WDM MSA (<https://cw-wdm.org/>).

Regarding the future capacity expansion for Photonics production, to support our future expected growth for our US Fortune 100 customer and optical I/O, we have started a strategic project to evaluate different options. We mainly consider three options. To establish/expand a new factory (green field), to buy an existing factory that we adapt to our needs, or to find a partners who can offer larger volume manufacturing. We have made progress in all tracks, and now have a short list of possible options.

At the same time, we are investigating possible financing options – for example through the EU regulation (Chips Act) which announced a total budget of 43 billion euros to increase EU chip production in the region, or via the US Chips and Science Act which announced a total of 39 billion USD for chip manufacturing in the US. We expect to be able to provide more information in the second half of the year. During the second quarter, we invoiced approx. SEK 11 million to our Fortune 100 customer and shipped the approx. 30,000 chips that were announced in last quarter's report.

All in all, I look to the future with great confidence. We are benefiting from several megatrends where we have recently secured large orders in all areas, including the volume preparation order of 14 million for sensor chips for LiDAR that we received in June. We now have a nice, broad customer portfolio that will continue to grow and our innovative, competitive products mean we are in a unique and excellent position. I look forward to a continued success in 2023.

Anders Storm, President and CEO

This is Sivers Semiconductors

Sivers Semiconductors AB is a leading supplier of semiconductor components to the wireless and optical data and telecommunications market through its two business areas, Wireless and Photonics.

Total headcount at the end of the second quarter

116

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 conducted through the two business areas Wireless and Photonics. Sivers Semiconductors and Sivers Wireless head office is located in Kista, Sweden. Sivers Semiconductors Inc. is located in Chatham, New Jersey, USA. Sivers Photonics' head office and factory are located in Glasgow, Scotland.

Sivers Semiconductors is listed on Nasdaq OMX Nordic Stockholm under the SIVE ticker.



Sivers Semiconductors enables a better connected and safer world by delivering the best solutions in terms of fiber and wireless networks.

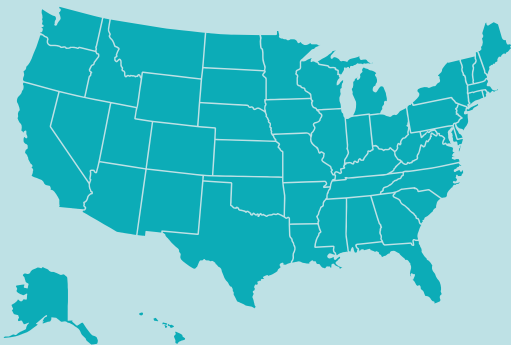


Sivers Wireless develops RF chips and antennas for advanced 5G systems for data and telecommunications networks and satellite communications.

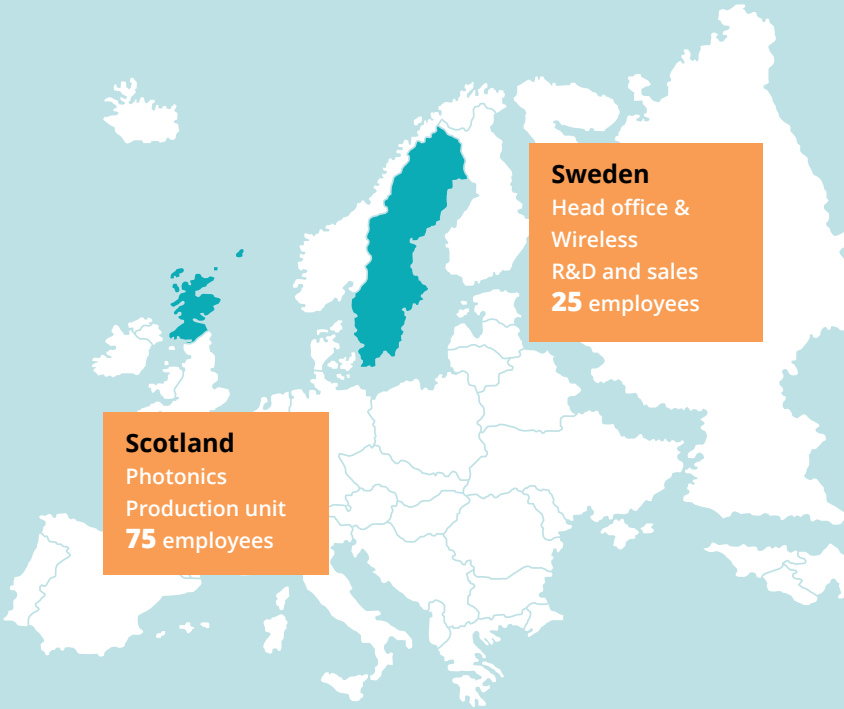


Sivers Photonics develops and develops and manufactures semiconductor products for optical communications and optical sensing.

Sivers in the world



USA
Wireless
SATCOM & radar
R&D and sales
16 employees



Scotland
Photonics
Production unit
75 employees

Sweden
Head office &
Wireless
R&D and sales
25 employees

Wireless

Sivers Wireless develops mmWave products for advanced 5G systems for data and telecommunications networks and satellite communications. Millimeter wave is a key technology in 5G networks and the core of the solutions Wireless offers.

Wireless' key application areas are driven by megatrends, such as high-speed broadband and satellite communications. Operators in the telecommunications market are facing several major challenges: increased global demand for broadband for end customers, network optimization, a higher number of connected devices and sensors, greater network security and more high-quality connections. The trend has been further strengthened in the wake of the covid19 pandemic, as more users demand quality broadband for innovative new services. On the one hand, the services are essential for everyday life and, on the other hand, more and more companies view functioning broadband services as business-critical at a time when more people are working from home and environmental demands are reducing travel.

Fast, wireless connections, known as fixed wireless access (FWA), are a cost-effective alternative to the copper network (DSL), cable and fiber. The market, which exists for both licensed and unlicensed frequency bands, is driven by an increased need for broadband connections to homes, offices and mobile base stations.

Increased traffic, new frequency allocations, state infrastructure investments and general technological development are driving the trend of large-scale FWA roll-outs globally. In the United States alone, USD 20.4 Bn will be invested in broadband solutions over the next ten years¹, through the Rural Digital Opportunity Fund (RDOF).¹⁾

Sivers – a vital cog in several mega trends



The chips and components offered by the Group meet demand in several areas where growth is driven by overlapping megatrends.



Photonics

Sivers Photonics designs and manufactures advanced III-V semiconductors and integrated circuits for photonic devices, primarily for optical communications and optical sensing applications in consumer and industrial electronics. These photonic chips are key components for several future technologies, such as autonomous vehicles and smart factories.

The need for optical communications is driven by demand for cloud services for telecommunications networks and personal use, with applications such as Netflix and YouTube. The need to reduce power consumption, increase speeds and manage heat in HPC computers requires data to be transmitted by light in future instead of electric current. Various new units with increased capacity and intelligence are introduced on the market each year. Optical communications will continue to rely on silicon photonics technology, with strong growth in hyper-scale data centers and data center interconnections (DCI).

The market for optical communications is expected to grow from USD 9.6 billion in 2020 to USD 20.9 billion in 2026.²⁾

One important customer group for Photonics comprises companies that offer cloud storage solutions, where optical communications devices are a key component. Optical communications applications include critical components in data centers, telecom and 5G, including fiber to the home, passive optical networks and quantum technology applications. Optical sensing applications include LiDAR for autonomous vehicles, consumer healthcare, wearable technology and sensors for smart cities and smart factories.

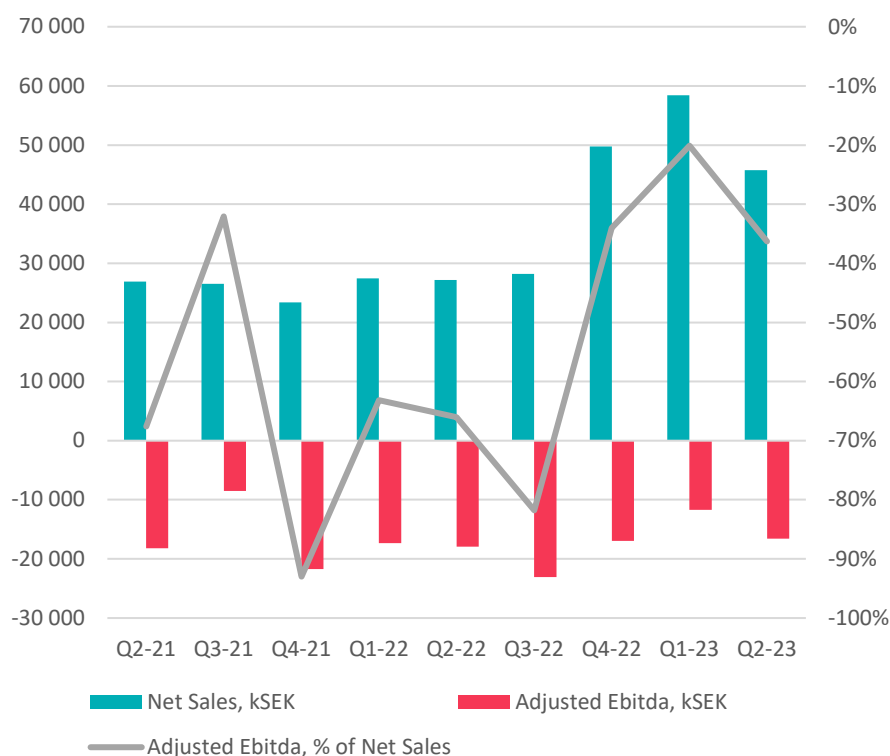
The optical communications sector is facing something of a revolution through the emergence of silicon photonics, a fast-growing technology where copper connections are replaced by small optical circuits that are integrated with silicon-based circuits in order to transmit light instead of electric signals. One effect will be significantly faster computer processing speeds compared to traditional chips.

The light source is a laser chip, made of indium phosphide (InP) that is integrated into the silicon circuit. Sivers Photonics is a leading supplier of these indium phosphide lasers. Sivers' InP-platform, InP100, supports advanced optical communications and computer applications with very high data speeds.

¹⁾ Federal Communications Commission (FCC) www.rdof.com 2021

²⁾ Yole Développement 2021, optical transceivers for Datacom & Telecom

Net sales and adjusted EBITDA



Net sales and result

Second quarter

The Group's net sales amounted to SEK 45.751 M (27.154), an increase of SEK 18.597 M, equivalent to 68% year-on-year. Net sales increased by 56% at constant currency. Wireless' net sales increased by SEK 12.950 M, equivalent to a 128% increase, and Photonics' net sales increased by SEK 5.647 M, an increase of 33%.

EBITDA adjusted for non-comparable items ("adjusted EBITDA") totaled SEK -16.597 M (-17.925), an increase of SEK 1.328 M. The improvement is mainly due to higher revenues, but also fewer employees. EBITDA was SEK -20.628 M (-19.002), a decrease of SEK 1.626 M.

EBIT amounted to SEK -46.168 M (-64.382), an improvement of 18.214 M. The change in EBIT is largely due to a write-down during the second quarter of 2022, which affected EBIT negatively by 22.029 M.

Profit after tax was SEK -29.983 M (-61.049) a decrease of SEK 31.065 M. The Group reported a positive net financial position in the first quarter, mainly due to exchange rate gains.

Other comprehensive income amounted to SEK 35.992 M (77.458), a decrease of SEK 41.467 M. The change can be attributed to conversion effects from USD and GBP to SEK.

January-June

The Group's net sales amounted to SEK 104.162 M (54.624), an increase of SEK 49.537 M, equivalent to 91% year-on-year. Net sales increased by 77% at constant currency. Wireless net sales increased by SEK 39.210 M, equivalent to a 184% increase, and Photonics' net sales increased by SEK 10.327 M, equivalent to 31%.

EBITDA adjusted for items affecting comparability ("Adjusted EBITDA") totaled SEK -28.328 M (-35.254), an improvement of SEK 6.926 M. EBITDA was SEK -35.361 M (-30.974), a decrease of SEK 4.657 M.

EBIT was SEK -86.846M (-91.367), an improvement of SEK 4.521 M. The change in EBIT is largely due to the write-down of intangible assets of SEK -22.029 M, which negatively affected the second quarter of 2022. Furthermore, EBIT for 2023 has been negatively affected by higher depreciation that accrued through the acquisition of MixComm (now Siverts Semiconductors Inc), where the depreciation was only charged to parts of the previous period.

Profit after tax amounted to SEK -70.118 M (-79.381), a improvement by SEK 9.263 M. The result for the period has, among other things, been positively affected by a higher degree of reversal of deferred tax liabilities attributable to the acquisition of Siverts Semiconductors Inc and an improved net finance income as a result of exchange rate gains on revaluation of receivables and liabilities as well as final settlement of previous derivative liability connected to repayment of previous convertible loan.

Other comprehensive income amounted to SEK 29.895 M (67.307), a decrease of SEK 37.412 M. The change can be attributed to conversion effects from USD and GBP to SEK.

Depreciation and amortization

Second quarter

Profit for the second quarter 2023 was affected by SEK -25.540 M (-45.380) in depreciation and amortization, a decrease of SEK 19.839 M, of which SEK -3.505 M (-2.920) related to depreciation and amortization of equipment, tools and installations, SEK -6.643 M (-6.611) related to depreciation and amortization of the previous year's capitalized development expenses, SEK -13.587 M (-12.072) related to amortization of other intangible assets and SEK -1.814 M (-1.749) relates to depreciation and amortization of right-of-use assets in lease agreements, and SEK -0 M (-22.029) relates to impairment of capitalized development expenses.

January-June

Profit/loss for the period January-June was affected by SEK -51.215 M (-60.393) in depreciation, amortization and impairment, a decrease of SEK 9.178 M. SEK -6.903 M (-5.702) related to depreciation of equipment, tools and installations, SEK -13.728 M (-13.231) related to amortization of the previous year's capitalized development expenses, SEK -26.984 (15.967) related to amortization of other intangible assets, SEK -3.599 M (-3.464) related to depreciation of right-of-use assets in leasing agreements, and SEK 0 M (-22.029) related to impairment of capitalized development expenses.

Liquidity, cash flow and financing

On June 30, 2023, the Group's cash and cash equivalents and other current financial assets amounted to SEK 81.302 M (108.541). Cash and cash equivalents totaled SEK 81.302 M (64.042). In addition to Group cash and cash equivalents, short-term investments in interest-bearing bonds amounted to SEK 0 M (44.499). In the second quarter 2023, the Group secured further financing totaling SEK 100 M in the form of borrowing and loan facilities, of which SEK 50 M had been utilized at the end of the period. This means that the company's cash and cash equivalents and other current financial assets including the remaining unutilized loan facility totaled SEK 131.302 M at the end of the quarter.

In the second quarter, the Group's cash flow from operating activities amounted to SEK -41.593 M (-26.858). Cash flow from operating activities declined mainly as a result of changes in working capital. Group cash flow from investment activities declined compared to the corresponding period of the previous year, mainly due to sales of bonds in the same period of the previous year and which resulted in frozen bank funds in 2023.

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 2023, Sivers completed a new share issue of SEK 150 M, raised junior capital of SEK 75 M, and signed a further SEK 25 M loan facility, generating total financing of SEK 250 M.

Investments

The Group's total investments in the period January-June amounted to SEK 36.144 M (766.172) and related to intangible assets for capitalized development expenses of SEK 9.911 M (30.553), acquisitions of other intangible assets of SEK 21.284 M (0.208), acquisition of property, plant

and equipment of SEK 4.949 M (3.515) and acquisitions of subsidiaries SEK 0 M (731.896). In the period, a number of investments in current corporate bonds expired which totaled SEK 8.692 M (88,628) which had a positive effect on cash flow. The investment in capitalized development expenses was attributable to the development of new product generations. Increase in locked funds amounted to 14 900 TSEK during the period and effected the cash flow negatively.

Equity

As of June 30, 2023 Group equity amounted to SEK 1,341.449 M (1,227.529). Share capital totaled SEK 117.433 M (106.977).

Parent Company

In the second quarter 2023, the Parent Company completed a directed new issue of some SEK 150 M. The Parent Company also raised a long-term convertible loan of SEK 25 M and a further SEK 25 M in borrowing recognized in other long-term liabilities. Interest expenses and similar items have been negatively affected by write-down of shares in subsidiaries as a result of an intra-group transaction, while other interest income and similar items have been positively affected by currency revaluation of mainly GBP and USD to SEK.

Shares

Sivers Semiconductors' share capital was divided over 234,649,894 (213,954,244) shares with a quotient value of SEK 0.50 as of June 30, 2023. These shares comprise 233,754,244 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. The increase in the number of shares relates to the issue of 20,695,650 shares in the second quarter 2023. Since June 10, 2021, the share trades on Nasdaq Stockholm under the ticker SIVE, ISIN code SE0003917798 and LEI code 254900UBKNY2EJ588J53.

Employees

As of June 30, 2023, the Group had 116 (131) employees, excluding consultants). The decrease is mainly related to fewer employees in Sweden.

Ownership structure

As of June 30, 2023, Sivers Semiconductors AB (publ) had three owners 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.

2023 Outlook

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.

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

Sivers Semiconductors AB (publ)

Kista, Sweden, August 17, 2023

The Board

Sivers Semiconductors AB (publ)

Corp. ID no. 556383-9348

Investor Relations

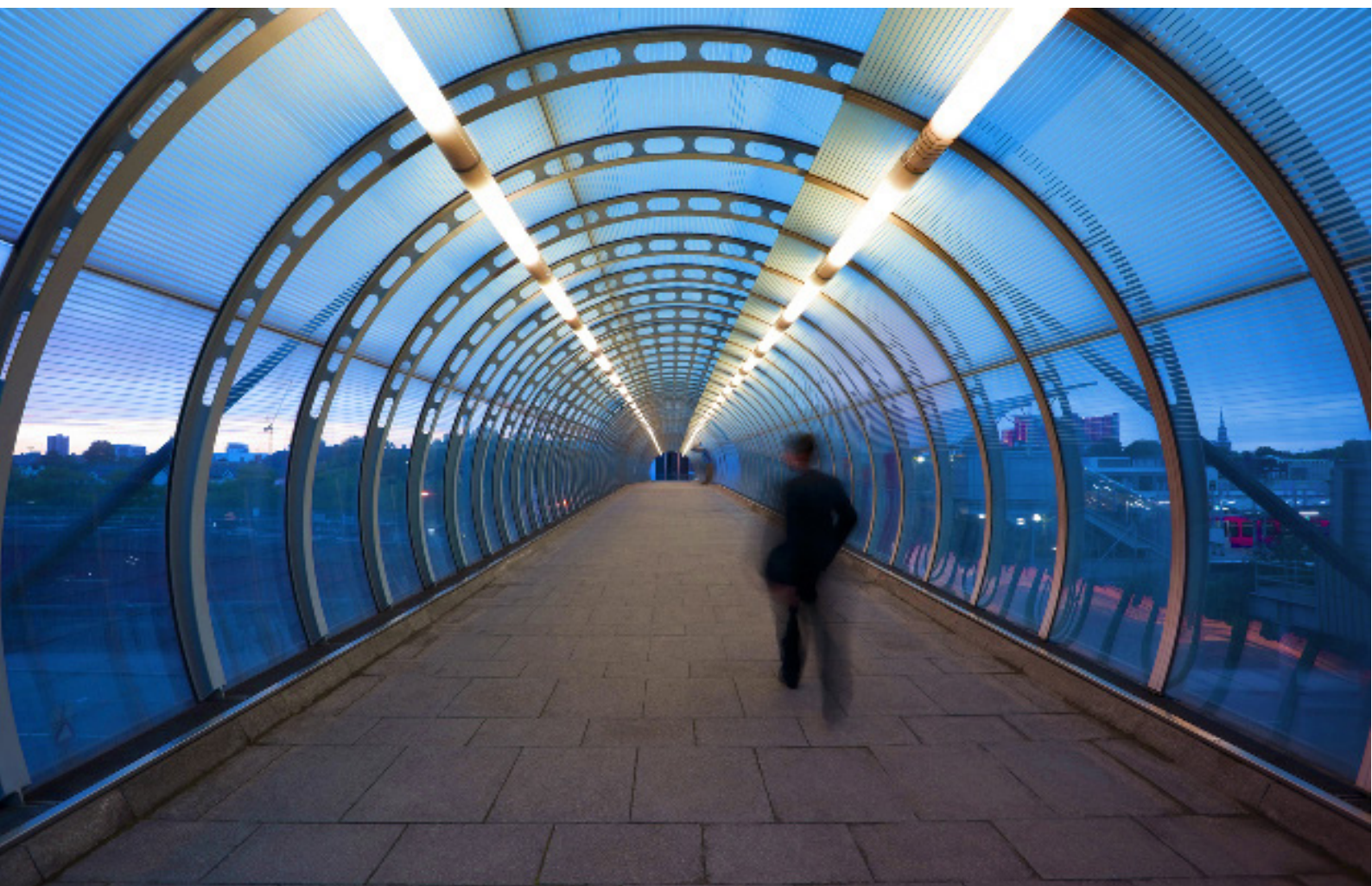
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Sivers Semiconductors AB

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Consolidated Income Statement in summary

SEK 000	2023 Apr-Jun	2022 Apr-Jun	2023 Jan-Jun	2022 Jan-Jun	2022 Jan-Dec
Net sales	45,751	27,154	104,162	54,624	132,607
Other operating income	2,880	2,954	5,472	4,317	8,295
Capitalized work on own account	5,540	16,579	9,911	30,553	59,276
Raw materials and consumables	-12,227	-13,067	-21,477	-22,977	-48,992
Other external expenses	-25,875	-22,802	-61,581	-42,340	-99,585
Personnel costs	-36,698	-29,819	-72,117	-55,151	-125,364
Depreciation, amortization and impairment of property, plant and equipment, and intangible assets	-25,540	-45,380	-51,215	-60,393	-111,403
Operating profit/loss	-46,168	-64,382	-86,846	-91,367	-185,096
Profit from financial items					
Financial income	19,146	2,615	20,795	10,758	94,716
Financial expenses	-6,861	-2,915	-11,084	-3,584	-13,248
Profit before tax	-33,883	-64,682	-77,135	-84,193	-103,628
Income tax	3,900	3,634	7,017	4,812	17,244
Profit/loss for the period	-29,983	-61,049	-70,118	-79,381	-86,384
Attributable to Parent Company shareholders	-29,983	-61,049	-70,118	-79,381	-86,384
Earnings per share (SEK)					
Before and after dilution	-0.13	-0.29	-0.31	-0.39	-0.41

Consolidated Statement of Comprehensive Income in summary

SEK 000	2023 Apr-Jun	2022 Apr-Jun	2023 Jan-Jun	2022 Jan-Jun	2022 Jan-Dec
Other comprehensive income					
Items to be reclassified to profit and loss					
Exchange rate differences from translation of foreign operations	35,992	77,458	29,895	67,307	85,216
Comprehensive income for the period	6,008	16,410	-40,223	-12,074	-1,168
Attributable to Parent Company shareholders	6,008	16,410	-40,223	-12,074	-1,168

Consolidated Statement of Financial Position in summary

SEK 000	6/30/2023	6/30/2022	12/31/2022
ASSETS			
Non-current assets			
Goodwill	412,253	396,106	401,673
Capitalized development expenses	192,027	191,503	193,121
Other intangible assets	727,176	686,452	705,247
Property, plant and equipment	104,941	101,551	102,595
Other assets	15,529	278	352
Total non-current assets	1,451,926	1,375,890	1,402,989
Current assets			
Inventories	36,900	30,081	28,985
Account receivables	16,887	28,833	42,325
Other receivables	21,215	12,723	12,237
Prepaid expenses and accrued income	64,732	17,083	28,871
Other current financial assets	-	44,499	8,519
Cash and cash equivalents	81,302	64,042	47,174
Total current assets	221,035	197,261	168,111
TOTAL ASSETS	1,672,961	1,573,152	1,571,100

SEK 000	6/30/2023	6/30/2022	12/31/2022
EQUITY AND LIABILITIES			
Equity	1,341,449	1,227,529	1,240,079
Total equity	1,341,449	1,227,529	1,240,079
Non-current liabilities			
Bank borrowing	5,000	9,000	7,000
Deferred tax liability	154,948	161,296	156,885
Provisions	1,222	2,405	1,172
Leasing liabilities	19,498	24,312	21,474
Convertible loan	24,048	-	-
Other non-current liabilities	26,390	4,112	3,524
Total non-current liabilities	231,105	201,124	190,055
Current liabilities			
Convertible loan	-	-	44,493
Bank borrowing	4,000	4,000	4,000
Accounts payable	46,533	17,052	39,262
Leasing liabilities	6,974	6,309	6,913
Other liabilities	6,727	84,640	14,265
Accrued expenses and prepaid income	36,172	32,497	32,033
Total current liabilities	100,407	144,498	140,966
TOTAL EQUITY AND LIABILITIES	1,672,961	1,573,152	1,571,100

Consolidated Statement of Changes in Equity in summary

SEK 000	6/30/2023	6/30/2022	12/31/2022
Opening balance	1,240,079	798,903	798,903
Profit/loss for the period	-70,118	-79,381	-86,384
Other comprehensive income	29,895	67,287	85,206
New share issue	139,099	-788	-788
Non-cash issue	-	440,857	440,857
Repurchase/sale of Treasury shares	-	123	1,181
Share-based payments	2,494	527	1,106
Closing balance at the end of the period	1,341,449	1,227,529	1,240,081

Consolidated Statement of Cash Flow in summary

SEK 000	4/01/2023 -30/06/2022	4/01/2022 -30/06/2022	1/01/2023 -30/06/2022	1/01/2022 -30/06/2022	1/01/2022 -12/31/2022
Operating activities					
Operating profit/loss	-46,168	-64,382	-86,846	-91,367	-185,096
Adjustments for non-cash items	36,819	46,796	65,985	56,068	106,212
Interest received	682	2,430	771	2,564	5,717
Interest paid	-8,154	-254	-8,433	-842	-11,932
Income tax received	-37	-1	-37	-1	4,177
Cash flow from operating activities before change in working capital	-16,858	-15,410	-28,560	-33,577	-80,922
Cash flow from changes in working capital					
Increase (-) / decrease (+) in inventories	-5,011	-1,207	-6,618	-1,861	-663
Increase (-) / decrease (+) in operating receivables	8,325	-3,918	-3,683	-1,713	-29,631
Increase (+) / decrease (-) in operating liabilities	-28,048	-6,323	-7,100	-52,315	-26,245
Cash flow from operating activities	-41,593	-26,858	-45,961	-89,466	-137,461
Investing activities					
Acquisition of property, plant and equipment	-885	-2,090	-2,534	-3,826	-13,731
Acquisition of intangible assets	-20,534	-16,708	-31,195	-30,760	-71,278
Sale of property, plant and equipment	1,031		1,031		
Financing of MixComm	-	-	-	-206,475	-206,475
Locked bank funds	-14,900	-	-14,900	-	-
Sold/matured financial instruments	-	46,628	8,692	88,628	125,492
Cash flow from investing activities	-35,288	27,829	-38,906	-152,434	-165,992
Financing activities					
Borrowings	50,000	-	50,000	-	50,000
Loan amortizations	-51,000	-1,000	-52,000	-2,000	-4,000
Issue expenses	-4,000	-788	-4,000	-788	-788
New share issue	138,143	-	138,143	-	-
Amortization of lease debt and hire purchase loans	-2,630	-2,285	-5,018	-4,685	-11,190
Sale/exercise of warrants using Treasury shares	-	-	-	123	1,181
Cash flow from financing activities	130,512	-4,072	127,124	-7,349	35,203
Cash flow for the period	53,631	-3,101	42,258	-249,249	-268,250
Opening cash and cash equivalents	33,824	64,908	47,174	304,117	304,117
Exchange rate difference in cash and cash equivalents	-6,153	2 235	-8,130	9,174	11,307
Cash and cash equivalents at the end of the year	81,302	64,042	81,302	64,042	47,174

Parent Company Income Statement in summary

SEK 000	2023 Apr-Jun	2022 Apr-Jun	2023 Jan-Jun	2022 Jan-Jun	2022 Jan-Dec
Net sales	2,958	2,200	5,688	4,439	11,658
Other external expenses	-1,800	-4,471	-4,095	-6,377	-12,591
Personnel costs	-7,443	-3,465	-11,905	-5,526	-12,946
Operating profit/loss	-6,284	-5,736	-10,312	-7,464	-13,879
Profit from financial items					
Other interest income and similar items	22,690	5,550	27,238	15,109	104,242
Interest expenses and similar items	-69,788	-3,236	-75,159	-4,345	-125,296
Profit before tax	-53,382	-3,422	-58,233	3,299	-34,933
Income tax	-	-	-	-	-
Profit for the period	-53,382	-3,422	-58,233	3,299	-34,933

Parent Company Statement of Comprehensive Income in summary

SEK 000	2023 Apr-Jun	2022 Apr-Jun	2023 Jan-Jun	2022 Jan-Jun	2022 Jan-Dec
Profit/loss for the period	-53 382	-3 422	-58 233	3 299	-34 933
Other comprehensive income	-	-	-	-	-
Comprehensive income for the period	-53,382	-3,422	-58,233	3,299	-34,933

Parent Company Statement of Financial Position in summary

SEK 000	6/30/2023	6/30/2022	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	371,483	322,531	301,546
Övriga långfrista fordringar	14,900	-	-
Total financial non-current assets	1,481,938	1,416,504	1,396,909
Total non-current assets	1,481,938	1,416,504	1,396,909
Current assets			
Current receivables			
Receivables from Group companies	575	12,346	383
Other receivables	11,310	82	1,150
Prepaid expenses and accrued income	1,123	2,113	1,098
Other current financial assets	-	44,499	8,519
Total current receivables	13,008	59,040	11,150
Cash and cash equivalents	25,569	19,054	24,521
Total current assets	38,577	78,095	35,671
TOTAL ASSETS	1,520,515	1,494,598	1,432,580

SEK 000	6/30/2023	6/30/2022	12/31/2022
EQUITY AND LIABILITIES			
Share capital	117,325	106,977	106,977
Share premium reserve	1,833,011	1,704,261	1,704,261
Retained earnings including profit/loss for the year	-495,425	-403,248	-439,673
Total equity	1,454,911	1,407,990	1,371,565
Non- current liabilities			
Convertible debt	24,048		
Provisions	376	834	406
Other non-current assets	23,095		
Total non- current liabilities	47,519	834	406
Current liabilities			
Convertible debt	-		44,493
Accounts payable	1,070	1,387	1,948
Other liabilities	3,411	79,115	7,919
Accrued expenses and prepaid income	13,604	5,272	6,250
Total current liabilities	18,085	85,774	60,610
TOTAL EQUITY AND LIABILITIES	1,520,515	1,494,598	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. In both Wireless and Photonics, there are so-called "Non Recurrent Engineering" (NRE) contracts. These contracts relate to development projects where Sivers Semiconductors companies

adapt technology in hardware to match customer needs or develop a new product, for example. Customized products developed through NRE contracts can later be sold at volume under the category "hardware". Revenue for NRE contracts is recognized over time. In the Wireless business area, support is also sold for the company's hardware, to facilitate the customer's adaptation of the technology to their products. For example, the support contracts 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 reported over time.

Revenue type	Apr- Jun 2023			Apr- Jun 2022		
	Wireless	Photonics	Total	Wireless	Photonics	Total
Hardware	3,293	3,788	7,081	4,088	3,351	7,439
NRE/Development projects	19,490	18,882	38,372	5,611	13,672	19,283
Support & other	298	-	298	431	-	431
Total	23,081	22,670	45,751	10,130	17,023	27,154
Recognition						
At a point in time	3,764	2,482	6,246	3,772	77	3,849
Over time	19,317	20,188	39,505	6,358	16,946	23,304
Total	23,081	22,670	45,751	10,130	17,023	27,154
Geographical market						
North America	2,744	17,560	20,304	5,939	11,973	17,912
Europe	20,197	3,989	24,186	3,296	2,256	5,552
Asia	139	1,122	1,262	895	2,795	3,690
Total	23,081	22,670	45,751	10,130	17,023	27,154

Revenue type	Jan-Jun 2023			Jan-Jun 2022		
	Wireless	Photonics	Total	Wireless	Photonics	Total
Hardware	7,057	8,810	15,866	10,792	5,376	16,168
NRE/Development projects	52,883	34,827	87,710	9,655	27,933	37,588
Support & other	585	-	585	868	-	868
Total	60,525	43,636	104,162	21,315	33,309	54,624
Recognition						
At a point in time	7,090	1,412	8,501	7,976	616	8,592
Over time	53,436	42,225	95,660	13,339	32,693	46,032
Total	60,525	43,636	104,162	21,315	33,309	54,624
Geographical market						
North America	6,276	33,381	39,657	12,887	24,006	36,893
Europe	53,438	7,649	61,087	6,398	4,649	11,047
Asia	811	2,606	3,417	2,030	4,654	6,684
Total	60,525	43,636	104,162	21,315	33,309	54,624

Revenue type	Jan-Dec 2022		
	Wireless	Photonics	Total
Hardware	21 732	11 463	33 194
NRE/Development projects	36 351	61 612	97 963
Support & other	1 450	-	1 450
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

Apr-Jun 2023, SEK 000	Wireless	Photonics	Group-wide	Total
Net sales				
External net sales	23 081	22 670	-	45 751
Net sales from other segments	0	0	-	0
Total net sales	23 081	22 670	-	45 751
Profit				
Adjusted EBITDA	-8 696	-1 793	-6 108	-16 597
Adjustments				-4 031
Depreciation/amortization and impairment				-25 540
EBIT				-46 168
Financial income				19 146
Financial expenses				-6 861
Profit before tax				-33 883
Income tax				3 900
Profit/loss after tax				-29 983

Net sales and profit by segment

Apr-Jun 2022, SEK 000	Wireless	Photonics	Group-wide	Total
Net sales				
External net sales	10,130	17,023	-	27,154
Net sales from other segments	-	-	-	-
Total net sales	10,130	17,023	-	27,154
Profit				
Adjusted EBITDA	-9 774	-2 461	-5 690	-17 925
Adjustments				-1 077
Depreciation/amortization and impairment				-45 380
EBIT				-64 382
Financial income				2 615
Financial expenses				-2 915
Profit before tax				-64 682
Income tax				3 634
Profit/loss after tax				-61 049

Net sales and profit by segment

Apr-Jun 2023, SEK 000	Wireless	Photonics	Group-wide	Total
Net sales				
External net sales	60 525	43 636	-	104 162
Net sales from other segments				
Total net sales	60 525	43 636	-	104 162
Profit				
Adjusted EBITDA	-13 742	-6 137	-8 448	-28 328
Adjustments				-7 303
Depreciation/amortization and impairment				-51 215
EBIT				-86 846
Financial income				20 795
Financial expenses				-11 084
Profit before tax				-77 135
Income tax				7 017
Profit/loss after tax				-70 118

Net sales and profit by segment

Apr-Jun 2022, SEK 000	Wireless	Photonics	Group-wide	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				
Adjusted EBITDA	-13 742	-6 137	-8 448	-28 328
Adjustments				-7 303
Depreciation/amortization and impairment				-51 215
EBIT				-86 846
Financial income				20 795
Financial expenses				-11 084
Profit before tax				-77 135
Income tax				7 017
Profit/loss after tax				-70 118

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
Profit/loss after tax				-86,384

Wireless Net sales for the second quarter of 2023 amounted to SEK 23.081 M (10.130), an increase of SEK 12.950 M, up 128% 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 -8.696 M (-9.774), a decrease of SEK 1.078 M.

Net sales for the period January-June 2023 amounted to SEK 60.525 M (21.315), an increase of SEK 39.210 M, up 184% in year-on-year terms. Adjusted EBITDA was SEK -13.742 M (-17.404), an improvement of SEK 3.661 M. The improvement is mainly due to higher revenue.

Photonics

Net sales for the second quarter of 2023 amounted to SEK 22.670 M (17.023), an increase of SEK 5.647 M year-on-year, representing an increase of 33%. Adjusted EBITDA was SEK -1.793 M (-2.461), an improvement of SEK 0.668 M. The improvement was mainly attributable to increased net sales, but was negatively affected by higher energy prices.

Net sales for the period January-June 2023 amounted to SEK 43.636 M (33.309), an increase of SEK 10.327 M in year-on-year terms, up 31%. Adjusted EBITDA was SEK -6.137 M (-8.200), an improvement of SEK 2.063 M.

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 June 30, 2023, all had been divested.

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 had a conversion option, whereby the conversion right was measured at fair value through profit or loss and recognized under other liabilities in the Statement of Financial Position. Fair value was calculated based on level 1 for bonds and level 2 for derivatives in the fair value hierarchy. As of June 30, 2023, there were no assets in the Statement of Financial Position valued at fair value. There were no movements between the different levels compared with 2022.

Outstanding financial instruments recognized at fair value

SEK 000	6/30/2023	6/30/2022	12/31/2022
Current assets and current liabilities			
Assets	-	44,499	8,519
Liabilities	-	-	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 June 30, 2023 was SEK 154.948 M (161.296), a decrease of SEK 6.348 M. Deferred tax liabilities in the Statement of Financial Position are mainly linked to consolidated values identified in connection with the acquisition of MixComm in 2022, which are dissolved in the Income Statement over the useful life of the identified assets.

Definitions of alternative performance measures

Profitability	Definition	Reason for using the measure
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 relation to major disputes, and revaluation of contingent consideration	The purpose of using the measure 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
Employees		
Average number of employees¹⁾	Average number of employees in the period	
Sales per employee¹⁾	Sales divided by average number of employees	
Total number of employees¹⁾	Total number of employees at the end of the period	
Data per share		
Number of shares²⁾	Number of shares at the end of the period	
Average number of shares²⁾	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

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

2) Non-financial measure

Alternative Performance Measures

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

Group

SEK 000	01/01/2023-06/30/2023	01/01/2022 - 06/30/2022	01/01/2022 - 12/31/2022
Profitability			
Net sales growth, %	91%	34%	46%
Net sales growth, at constant currency (%)	77%	19%	30%
EBITDA	-35,631	-30,974	-73,693
Adjusted EBITDA	-28,328	-35,254	-75,277
EBIT	-86,846	-91,367	-185,096
Capital Structure			
Equity	1,341,449	1,227,529	1,240,079
Total assets	1,672,961	1,573,152	1,571,000
Capital employed	1,377,650	1,274,544	1,331,700
Interest-bearing net debt	164,647	-17,028	38,723
Capital turnover ratio (multiple)	0.1	0.0	0.1
Equity/assets ratio (%)	80%	78%	78%
Debt/equity ratio (%)	6%	4%	7%
Cash Flow and Liquidity			
Cash flow before investments	-45,961	-89,466	-133,461
Cash flow after investments	-84,866	-241,899	-299,454
Cash and cash equivalents	81,302	64,042	47,174
Investments			
Acquisition of property, plant and equipment (SEK 000)	4,949	-3,515	-13,731
Acquisition of intangible assets (SEK 000)	31,195	-30,760	-71,278
Employees			
Average number of employees	118	136	131
Sales per employee (SEK 000)	883	402	1,012
Total number of employees	116	131	130
Data per share			
Number of shares	234,649,894	213,954,244	213,954,244
Average number of shares before dilution	226,543,899	204,983,124	208,371,393
Earnings per share before and after dilution	-0.31	-0.39	0.41
Equity per share (SEK)	5.72	5.74	5.80

Calculation of financial measures not included in IFRS

Group

(000)	2023-06-30	2022-06-30	2022-12-31
Net sales growth, %			
Net sales	104,162	54,624	132,607
Net sales, corresponding period previous year	54,624	40,751	90,652
Net sales growth	91%	34%	46%
Net sales growth, at constant currency, %			
Net sales	104,162	54,624	132,607
Exchange rate adjustment	-7,248	-6,118	-14,723
Net sales adjusted	96,914	48,506	117,884
Net sales, corresponding period previous year	54,624	40,751	90,652
Net sales growth, at constant currency	77%	19%	30%
EBITDA (SEK 000)			
Operating profit/loss	-86,846	-91,367	-185,096
Depreciation, amortization and impairment of property, plant and equipment, and intangible assets	51,215	60,393	111,403
EBITDA	-35,631	-30,974	-73,693
Adjusted EBITDA (SEK 000)			
EBITDA	-35,631	-30,974	-73,693
Expenses in relation to stock option programs	2,514	-4,974	-5,300
Acquisition-related expenses	-	694	2,085
Restructuring costs	4,789	-	1,631
Adjusted EBITDA	-28,328	-35,254	-75,277
Capital employed (SEK 000)			
Total assets	1,672,961	1,573,152	1,571,100
Deferred tax liability	-154,948	-161,296	-156,885
Provisions	-1,222	-2,405	-1,172
Non-interest bearing portion of other non-current liabilities	-50,300	-3,452	-3,197
Accounts payable	-46,533	-17,052	-39,262
Non-interest bearing portion of other liabilities	-6,136	-81,906	-6,851
Accrued expenses and prepaid income	-36,172	-32,497	-32,033
Capital employed	1,377,650	1,274,544	1,331,700
Interest-bearing net debt			
Interest-bearing non-current liabilities (leasing and other)	71,779	33,972	28,801
Interest-bearing current liabilities (convertible, leasing and other)	11,565	13,043	57,096
Cash and cash equivalents	81,302	-64,042	-47,174
Interest-bearing net debt	164,647	-17,028	38,723
Capital turnover ratio, multiple			
Net sales	104,162	54,624	132,607
Average total assets	1,610,257	1,262,265	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	1,672,961	1,573,152	1,571,100
Capital turnover ratio, multiple	0.1	0.0	0.1
Equity/assets ratio, %			
Equity (SEK 000)	1,341,449	1,227,529	1,240,079
Total assets (SEK 000)	1,672,961	1,573,152	1,571,100
Equity/assets ratio, %	80%	78%	79%

Calculation of financial measures not included in IFRS

Group

(000)	2023-06-30	2022-06-30	2022-12-31
Debt/equity ratio (%)			
Interest-bearing liabilities	83,344	47,015	85,897
Equity	1,341,449	1,227,529	1,240,079
Debt/equity ratio (%)	6%	4%	7%
Equity per share, SEK			
Equity, SEK 000	1,341,449	1,227,529	1,240,079
Number of shares at the end of the period	234,649,894	213 954 244	213 954 244
Equity per share	5.72	5.74	5.80

Financial calendar

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

October 26, 2023 Interim Report Q3 2023

February 8, 2024 Year-End Report 2023