

Year-End Report Q4 | January-December 2023

At the heart  
of innovation



# Year-end Report Q4 2023

The following Interim Report relates to the period January 1 - December 31 2023

## Fourth quarter October-December 2023

- Net sales amounted to SEK 73.882 M (49.771), equivalent to an increase of 48%. Net sales increased by 42% at constant currency.
- Adjusted EBITDA totaled SEK 21.032 M (-16.943).
- Profit/loss before depreciation and amortization (EBITDA) amounted to SEK 13.515 M (-16.112).
- Operating profit/loss (EBIT) was SEK -33.784 M (-41.842).
- Profit/loss after tax amounted to SEK -46.382 M (-38.153).
- Earnings per share before and after dilution was SEK -0.20 (0.18).
- Equity per share amounted to SEK 5.10 (5.80).

## January- December 2023

- Net sales amounted to SEK 236.334 M (132.607), equivalent to an increase of 78%. Net sales increased by 71% at constant currency.
- Adjusted EBITDA totaled SEK -19.827 M (-75.277).
- Profit/loss before depreciation and amortization (EBITDA) amounted to SEK -33.654 M (-73.277).
- Operating profit/loss (EBIT) was SEK -158.623 M (-185.096).
- Profit/loss after tax amounted to SEK -157.384 M (-86.384).
- Earnings per share before and after dilution was SEK -0.68 (-0.41).
- Equity per share amounted to SEK 5.10 (5.80).

## Key performance indicators<sup>1</sup>

SEK 000	2023 Oct-Dec	2022 Oct-Dec	2023 Jan- Dec	2022 Jan-Dec
Net sales	73,882	49,771	236,334	132,607
Net sales growth, %	48%	113%	78%	46%
Net sales growth, at constant currency, %	42%	80%	71%	30%
Adjusted EBITDA	21,032	-16,943	-19,827	-75,277
EBITDA	13,515	-16,112	-33,654	-73,693
EBIT	-33,784	-41,842	-158,623	-185,096
Profit/loss for the period	-46,382	38,153	-157,384	-86,384
Earnings per share before and after dilution, SEK	-0,20	0,18	-0,68	-0,41
Equity per share, SEK	5.10	5.80	5.10	5.80

1. See definitions and calculations on page 17-19.

## Significant events in the fourth quarter

- ➔ November 29 - Sivers Photonics receives USD 1 M (approximately SEK 10 M) orders for advanced optical sensing within LiDAR, medical, and industrial sectors.
- ➔ December 6 - Sivers Photonics, Lionix International, and Chilas B.V. partner to develop narrow-linewidth tunable laser technology for optical communications and optical sensing markets.
- ➔ December 15 - Sivers Semiconductors was granted EUR 1.2 M (approximately SEK 14 M) EU grant for design of 6G chip

## Significant events after the end of the period

- ➔ 22 January - Sivers Photonics receives follow-up order from US Fortune 100 customer
- ➔ 30 January - Sivers Semiconductors was granted €0.6 million (approximately SEK 6.7 M) grant from European Space Agency
- ➔ 1 February - Sivers Semiconductors Expands Partnership with Thorium Space S.A.



An online presentation of the Interim Report will be held at 10:00 AM (CEST) February 8, 2024.  
Register for the webinar via: <https://register.gotowebinar.com/register/4798746368595461983>

# CEO's Statement

## Significantly improved profitability and record year lay the foundation for the future

2023 was a record year. Sales exceeded SEK 200 million for the first time and amounted to SEK 236 million. This is an increase in net sales of 13 times since 2016, and corresponds to net sales growth of 78 percent year over year. The fourth quarter was also a record quarter for the company with sales of SEK 74 million, corresponding to growth of 48 percent.

For the first time, we also delivered a positive adjusted EBITDA as well as EBITDA result, which for the fourth quarter were SEK 21 million and SEK 13.5 million respectively, which meant a very positive end to the year and by far fulfilled our outlook of positive adjusted EBITDA. This was also a very strong improvement compared to the previous year of the equivalent of SEK 38 million, driven mainly by the good growth but also thanks to measures taken to improve profitability.

The strong sales were a result of strong growth in Wireless, which increased by 110 percent compared to the corresponding quarter last year.

Photonics' sales cycles in the fourth quarter were temporarily longer than expected, but we are now seeing an increase in order intake and demand for our products from customers who deliver next-generation chips to the AI market, autonomous vehicles and smart sensors. After the end of the quarter, we have received another order from our US Fortune 100 customer, this is very gratifying and this order for new chips means that we feel confident that the project is progressing in a good way. Many of these orders will be delivered in 2024, additionally we see a strong pipeline for 2025.

Wireless' growth continues on a strong path and consistently add new projects. During the quarter, we received an EU grant from HORIZON Europe of EUR 1.2 million (approximately SEK 14 million) to design millimeter wave building blocks for next-generation 6G technology. The project is a confirmation that Siverts is at the absolute forefront of technology development in Wireless and gives us a great opportunity to take a leading role in the 6G race within a strong European ecosystem. In January 2024, we also received SEK 6.7 million in grants from the European Space Agency.

In January, we also received an order of approximately SEK 30 million from Thorium Space, where we continue our excellent collaboration. With approximately SEK 50 million in new business in a short period of time and many interesting projects in the pipeline, primarily in satellite communications, Wireless has a bright future ahead of it.

In November, for the fourth year in a row, we held a Capital Markets



Day. The aim was to increase the understanding of our business and how Siverts contributes to industry trends of upgraded technology and infrastructure through innovative, competitive products. I am very proud that we have customers who see value in presenting with Siverts. This year we were joined by Pawel Rymaszewski, CEO of Thorium Space and Charlie Wuischpard, CEO of Ayar Labs, as well as our very important partner GlobalFoundries. The day gave a good picture of how our products integrates into several megatrends and how we have strengthened our position in rapidly growing markets such as optical communication and satellite communication. The event is still available to watch on our website.

2023 was an exceptional year of growth and we foresee continued growth for many years to come. During the last 12 months, we reported new orders of SEK 330 million, which bodes well for the future.

Together with a continued optimization of costs, investments and capital structure, we expect our organic growth to take us to profitability. We are negotiating an extended loan facility of SEK 50 million from existing lenders. The Company anticipates this financing will fully address 2024, without the need for capital contributions from our shareholders.

I look forward to 2024 and especially in the near future when our most important fairs MWC and OFC will take place. I look forward to getting back to you on how these are going and sharing future successes we see coming during the year.

### 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 fourth  
quarter

123

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 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. Sivers Semiconductors is listed on Nasdaq 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.

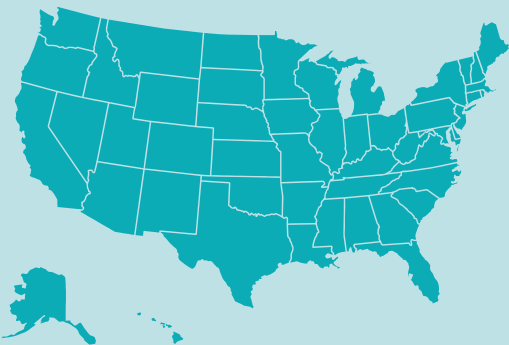


**Sivers Wireless** develops RF chips and antennas for advanced 5G systems for data and telecommunications networks and satellite communications.



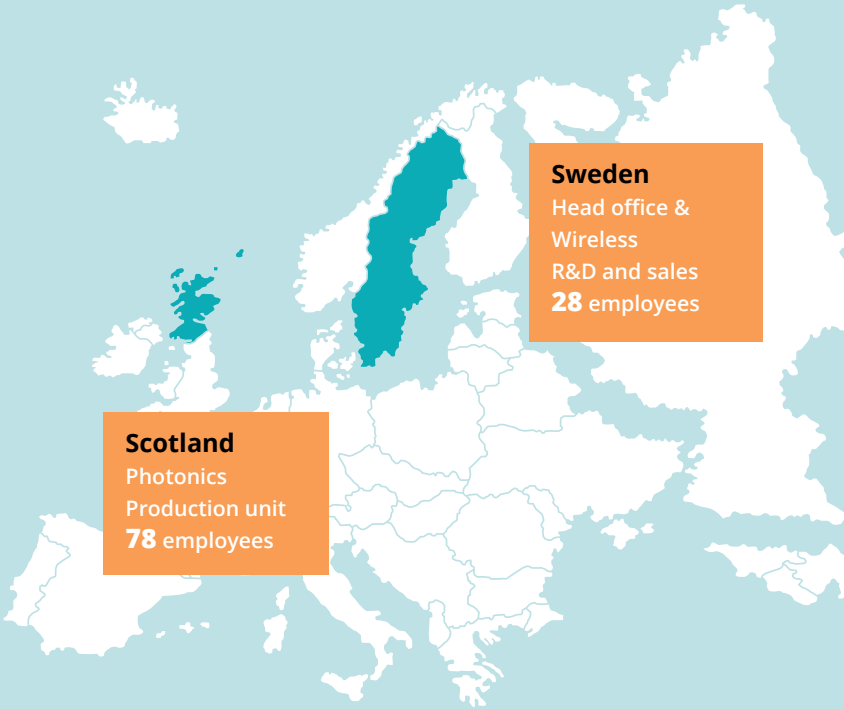
**Sivers Photonics** develops and manufactures semiconductor products for optical communications and optical sensing.

## Sivers in the world



### USA

Wireless  
SATCOM & radar  
R&D and sales  
17 employees



### Scotland

Photonics  
Production unit  
78 employees

### Sweden

Head office &  
Wireless  
R&D and sales  
28 employees

## Wireless

Sivers Wireless develops mmWave products for advanced 5G/6G systems for data and telecommunications networks and satellite communications. Millimeter wave is a key technology in 5G/6G 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, mobile base stations and satellite communications reaching everywhere thanks to new LEO (low earth orbit) or MEO (medium earth orbit) satellites.

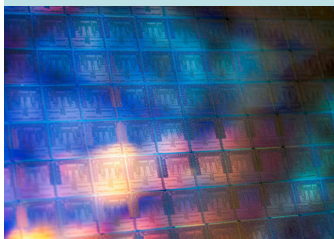
Increased traffic, new frequency allocations, state infrastructure investments and general technological development are driving the trend of large-scale FWA roll-outs globally. In the United States alone,

### Sivers – a vital cog in several megatrends

#### High-speed broadband



#### Silicon photonics



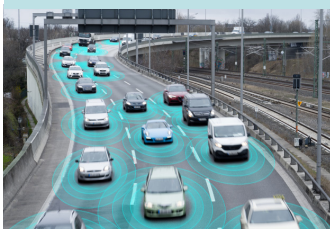
#### Satellite communications



#### Augmented reality



#### Autonomous vehicles



#### Sensors



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



USD 20.4 Bn will be invested in broadband solutions over the next ten years<sup>1</sup>. through the Rural Digital Opportunity Fund (RDOF).<sup>1)</sup>

## Photonics

Sivers Photonics designs and manufactures advanced III-V semiconductors and integrated circuits for photonics and silicon photonics for mainly optical communication and optical sensor applications, primarily in various application areas for both consumer and industrial electronics to meet the increasing demand for computing speed and AI application, replacing electrical with optical connections for a more sustainable world. 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).<sup>2)</sup>

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.

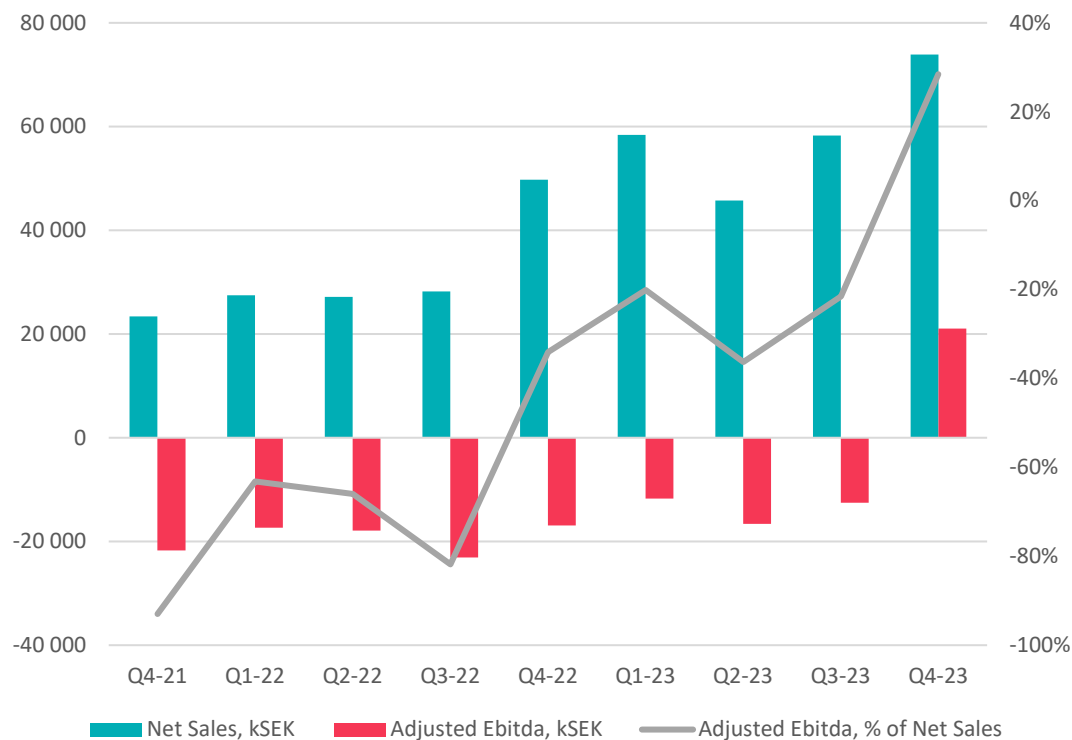
The optical communications sector is facing something of a revolution through the emergence of silicon photonics, a fast-growing technology where copper connections are replaced by small optical circuits that are integrated with silicon-based circuits in order to transmit light instead of electric signals. 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.

<sup>1)</sup> Federal Communications Commission (FCC) [www.rdof.com](http://www.rdof.com) 2021

<sup>2)</sup> Yole Développement 2021, optical transceivers for Datacom & Telecom

## Net sales and adjusted EBITDA



## Net sales and results

### Fourth quarter

The Group's net sales amounted to SEK 73.882 M (49.771), an increase of SEK 24.111 M, equivalent to 48% year-on-year. Net sales increased by 42% given unchanged exchange rates. Wireless' net sales increased by SEK 29.744 M, equivalent to a 110% increase and Photonics' net sales decreased by SEK 5.633 M, or 25%.

Adjusted EBITDA (see reconciliation on page 19) totaled SEK 21.032 M (-16.943), an improvement of SEK 37.975 M or 224%. The improvement was mainly due to increased income, but also lower personnel costs due to cost savings programs. EBITDA was SEK 13.515 M (-16.113), an improvement of SEK 29.627 M or 184%.

EBIT was SEK -33.784 M (-41.842), an improvement of SEK 8.058 M or 19%. The improvement was linked to increased income flows from NRE and product sales, but was negatively affected by lower capitalized development expenses due to a sharper focus on NRE and other income-generating activities. At the same time as fixed costs decreased, EBIT was affected by costs relating to write-down of SEK 20.915 M linked to one of several customer projects with one of Siver's customers that has been de-prioritized in favor of other ongoing and new joint projects and a data security breach, which increased other external costs by SEK 8.494 M during the fourth quarter. Sivers has taken several measures to further strengthen the internal control structure.

Profit after tax was SEK -46.382 M (38.153) a decrease of SEK 84.535 M. The Group's net financial income was negative in the fourth quarter, mainly due to exchange rate fluctuations, but also to interest expenses on new borrowing drawn down during 2023. Fluctuation in effective tax is due to Sivers not reporting deferred tax on taxable losses, except for depreciation of acquisition-related intangible assets and R&D grants in Scotland.

Other comprehensive income was SEK -55.210 M (-51.079), a decrease of SEK 4.131 M. The change was due to translation effects from USD and GBP to SEK.

### January-December

The Group's net sales amounted to SEK 236.334 M (132.607), an increase of SEK 103.727 M, equivalent to 78% year-on-year. Net sales increased by 71% given unchanged exchange rates. Wireless' net sales increased by SEK 92.650 M, equivalent to a 156% increase, and Photonics' net sales increased by SEK 11.068 M, or 15%.

Adjusted EBITDA totaled SEK -19.827 M (-75.277), an improvement of SEK 55.450 M or 74%. EBITDA was SEK -33.654 M (-73.693), an improvement of SEK 40.039 M or 54%.

EBIT was SEK -158.623 M (-185.096), an improvement of SEK 26.473 M. The change in EBIT was largely due to higher net sales and non-recurring items, EBIT for 2023 was negatively affected by increased depreciation and amortization for intangible assets from the acquisition of MixComm (now Sivers Semiconductors Inc.), where depreciation and amortization was only recognized for parts of the previous period. The increase in costs in addition to non-recurring items within other external costs can also be derived from higher consulting costs linked mainly to NRE projects.

Profit after tax was SEK -157.384 M (-86.384) a decrease of SEK 71.000 M. Profit for the period was negatively affected by factors including, a lower net financial position attributable to exchange rate losses on revaluation of receivables and liabilities, as well as higher interest costs linked to new loans taken out during the period. The previous year's financial net was positively affected by SEK 78.671 M regarding the reversal of the additional purchase price for MixComm.



Other comprehensive income was SEK -25.315 M (85.216), a decrease of SEK 110.531 M. The change was due to translation effects from USD and GBP to SEK.

## Depreciation and amortization

### Fourth quarter

Profit for the fourth quarter 2023 was affected by SEK -47.300 M (-25.730) in depreciation and amortization, a cost increase of SEK 21.570 M, of which SEK -3.522 M (-3.618) related to depreciation and amortization of equipment, tools and installations, SEK -6.892 M (-6.974) related to depreciation and amortization of the previous year's capitalized development expenses, SEK -13.824 M (-13.294) related to amortization of other intangible assets and SEK -2.146 M (-1.844) related to depreciation and amortization of right-of-use assets in lease agreements, and SEK -20.915 M (0) related to impairment of other intangible assets.

### January-December

Profit for the period January to December was affected by SEK -124.969 M (-111.403) in depreciation, amortization and impairment, a cost increase of SEK 13.566 M. SEK -14.122 M (-12.439) related to depreciation of equipment, tools, fixtures and fittings. SEK -27.544 M (-27.604) related to amortization of the previous year's capitalized development expenses, SEK -54.806 (-42.240) related to amortization of other intangible assets, SEK -7.581 M (-7.091) related to depreciation of right-of-use assets in leasing agreements, SEK 0 M (-22.029) related to impairment of capitalized development expenses and SEK -20.915 M (-) related to impairment of other intangible assets for previously mentioned customer project.

## Liquidity, cash flow and financing

On December 31, 2023, the Group's cash and cash equivalents and other current financial assets amounted to SEK 40.691 M (55.693). Cash and cash equivalents totaled SEK 25.525 M (47.174). In addition to Group cash and cash equivalents, short-term investments in bank balances and bonds amounted to SEK 15.167 M (8.519). In the second quarter, the Group secured further financing of SEK 100 M in the form of borrowing, convertibles and loan facilities, of which SEK 75 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 65.691 M at the end of the period.

In the fourth quarter, the Group's cash flow from operating activities amounted to SEK -27.561 M (-11.454). Cash flow from operating activities declined mainly as a result of changes in working capital.

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. The Company is currently finalizing an agreement to expand its existing credit facility by 50 MSEK. The Company anticipates this financing will fully address 2024 needs.

## Investments

The Group's total investments in the period January–December amounted to SEK 53.836 M (816.878) and related to intangible assets for capitalized development expenses of SEK 32.763 M (59.276),

acquisitions of other intangible assets of SEK 13.969 M (12.002), acquisition of property, plant and equipment of SEK 7.103 M (13.731) and acquisitions of subsidiaries of SEK 0 M (731.896). In the period, a number of investments in short-term corporate bonds were sold, totaling SEK 8.692 M (125.492) which had a positive effect on cash flow. The investment in capitalized development expenses was attributable to the development of new product generations. Frozen bank funds totaled SEK 14.9 M and had a negative effect on cash flow.

## Equity

As of December 31, 2023 Group equity amounted to SEK 1,197.740 M (1,240.079). Share capital totaled SEK 117.325 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 50 M in borrowing recognized in other long-term liabilities. Interest expenses etc. were negatively affected by impairment of shares in subsidiaries due to an intra-Group transaction, while other interest income etc. were positively affected by currency revaluation, mainly from GBP and USD to SEK, but has decreased compared to the previous year as a result of the reversal of previously booked conditional additional purchase price. Personnel costs have been negatively affected as a result of more employees and non-recurring costs, while other external costs have been positively affected by decreasing consulting costs.

## 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 December 31, 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 and 1,442,860 ordinary shares are held by the company for uses including the exercise of stock option programs and for social contribution charges. 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. The board proposes that no dividend be paid for the financial year 2023.

## Employees

As of December 31, 2023, the Group had 123 (130) employees, excluding consultants. The reduction mainly relates to a reduction in headcount in Sweden.

## Ownership structure

As of December 31, 2023, Sivers Semiconductors AB (publ) had three owners who directly and indirectly each held shares corresponding to 5% or more of the votes and capital in the company. In total, Sivers Semiconductors had approximately 21,000 shareholders.

## 2024 Outlook

The board chooses not to issue a forecast for 2024.

## 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, February 08, 2024

The Board

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# Consolidated Income Statement in summary

SEK 000	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
Net sales	73,882	49,771	236,334	132,607
Other operating income	6,844	1,691	14,230	8,295
Capitalized work on own account	9,198	12,871	32,763	59,276
Raw materials and consumables	-16,159	-9,526	-50,223	-48,992
Other external expenses	-32,796	-37,503	-134,076	-99,585
Personnel costs	-27,454	-33,417	-132,682	-125,364
Depreciation, amortization and impairment of property, plant and equipment, and intangible assets	-47,300	-25,730	-124,969	-111,403
<b>Operating profit/loss</b>	<b>-33,784</b>	<b>-41,842</b>	<b>-158,623</b>	<b>-185,096</b>
<b>Profit from financial items</b>				
Financial income	-503	80,868	7,219	94,716
Financial expenses	-19,433	-9,407	-24,378	-13,248
<b>Profit before tax</b>	<b>-53,719</b>	<b>29,619</b>	<b>-175,783</b>	<b>-103,628</b>
Income tax	7,338	8,535	18,399	17,244
<b>Profit/loss for the period</b>	<b>-46,382</b>	<b>38,153</b>	<b>-157,384</b>	<b>-86,384</b>
Attributable to Parent Company shareholders	-46,382	38,153	-157,384	-86,384
<b>Earnings per share (SEK)</b>				
Before and after dilution	-0.20	0.18	-0.68	-0.41

# Consolidated Statement of Comprehensive Income in summary

SEK 000	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
<b>Other comprehensive income</b>				
Items to be reclassified to profit and loss				
Exchange rate differences from translation of foreign operations	-55,210	-51,079	-25,315	85,216
<b>Comprehensive income for the period</b>	<b>-101,591</b>	<b>-12,926</b>	<b>-182,699</b>	<b>-1,168</b>
Attributable to Parent Company shareholders	-101,591	-12,926	-182,699	-1,168

# Consolidated Statement of Financial Position in summary

SEK 000	12/31/2023	12/31/2022
<b>ASSETS</b>		
<b>Non-current assets</b>		
Goodwill	391,560	401,673
Capitalized development expenses	197,360	193,121
Other intangible assets	620,192	705,247
Property, plant and equipment	90,835	102,595
Other assets	517	352
<b>Total non-current assets</b>	<b>1,300,463</b>	<b>1,402,989</b>
<b>Current assets</b>		
Inventories	36,360	28,985
Account receivables	44,978	42,325
Other receivables	14,654	15,824
Prepaid expenses and accrued income	68,774	25,284
Other current financial assets	15,167	8,519
Cash and cash equivalents	25,525	47,174
<b>Total current assets</b>	<b>205,456</b>	<b>168,111</b>
<b>TOTAL ASSETS</b>	<b>1,505,920</b>	<b>1,571,100</b>

SEK 000	12/31/2023	12/31/2022
<b>EQUITY AND LIABILITIES</b>		
Equity	1,197,740	1,240,079
<b>Total equity</b>	<b>1,197,740</b>	<b>1,240,079</b>
<b>Non-current liabilities</b>		
Bank borrowing	-	7,000
Deferred tax liability	135,597	156,885
Provisions	1,130	1,172
Leasing liabilities	15,622	21,474
Convertible loans	23,917	-
Other non-current liabilities	50,772	3,524
<b>Total non-current liabilities</b>	<b>227,038</b>	<b>190,055</b>
<b>Current liabilities</b>		
Convertible loans	-	44,493
Bank borrowing	-	4,000
Accounts payable	37,728	39,262
Leasing liabilities	7,171	6,913
Other liabilities	5,836	14,265
Accrued expenses and prepaid income	30,407	32,033
<b>Total current liabilities</b>	<b>81,142</b>	<b>140,966</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,505,920</b>	<b>1,571,100</b>

# Consolidated Statement of Changes in Equity in summary

SEK 000	12/31/2023	12/31/2022
<b>Opening balance</b>	<b>1,240,079</b>	<b>798,903</b>
Profit/loss for the period	-157,384	-86,384
Other comprehensive income	-25,315	85,216
New share issue	139,598	-788
Non-cash issue	-	440,857
Repurchase/sale of Treasury shares	-	1,179
Share-based payments	762	1,096
<b>Closing balance at the end of the period</b>	<b>1,197,740</b>	<b>1,240,079</b>

# Consolidated Statement of Cash Flow in summary

SEK 000	10/01/2023 -12/31/2023	10/01/2022 -12/31/2022	01/01/2023 -12/31/2023	01/01/2022 -12/31/2022
<b>Operating activities</b>				
Operating profit/loss	-33,784	-41,843	-158,623	-185,096
Adjustments for non-cash items	38,383	22,309	125,804	106,212
Interest received	212	521	1,187	5,717
Interest paid	-9,195	-8,091	-20,312	-11,932
Income tax received	-3,411	4,176	2,303	4,177
<b>Cash flow from operating activities before change in working capital</b>	<b>-7,795</b>	<b>-22,925</b>	<b>-49,642</b>	<b>-80,922</b>
<b>Cash flow from changes in working capital</b>				
Increase (-) / decrease (+) in inventories	-227	1,719	-7,288	-663
Increase (-) / decrease (+) in operating receivables	-26,562	-17,443	-48,615	-29,631
Increase (+) / decrease (-) in operating liabilities	7,024	27,195	-321	-26,245
<b>Cash flow from operating activities</b>	<b>-27,560</b>	<b>-11,454</b>	<b>-105,865</b>	<b>-137,461</b>
<b>Investing activities</b>				
Acquisition of property, plant and equipment	-1 669	-5,079	-7,103	-13,731
Acquisition of intangible assets	-880	-18,291	-46,732	-71,278
Financing of MixComm	-	-	-	-206,475
Frozen bank funds	-	-	-14,900	-
Sold/matured financial instruments	-	4,864	8,692	125,492
<b>Cash flow from investing activities</b>	<b>-2 549</b>	<b>-18,505</b>	<b>-60,044</b>	<b>-165,992</b>
<b>Financing activities</b>				
Borrowings	25,000	50,000	75,000	50,000
Loan amortizations	-8,000	-1,000	-61,000	-4,000
Issued loans	-	-	-9,039	-
Repaid loans	-	-	9,039	-
Issue expenses	-	-	-10,445	-788
New share issue	-	-	150,043	-
Amortization of lease debt and hire purchase loans	-1,518	-4,139	-8,608	-11,190
Sale/exercise of stock options using treasury shares	-	1,056	-	1,181
<b>Cash flow from financing activities</b>	<b>15,482</b>	<b>45,917</b>	<b>144,990</b>	<b>35,203</b>
<b>Cash flow for the period</b>	<b>-14,629</b>	<b>15,928</b>	<b>-20,918</b>	<b>-268,250</b>
Opening cash and cash equivalents	35,978	35,178	47,174	304,117
Exchange rate difference in cash and cash equivalents	4,176	-3,962	-731	11,307
<b>Closing cash and cash equivalents</b>	<b>25,525</b>	<b>47,174</b>	<b>25,525</b>	<b>47,174</b>



# Parent Company Income Statement in summary

SEK 000	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
Net sales	4,357	4,969	12,330	11,658
Other external expenses	-2,904	-3,633	-8,906	-12,591
Personnel costs	-6,280	-4,178	-21,501	-12,946
<b>Operating profit/loss</b>	<b>-4,827</b>	<b>-2,841</b>	<b>-18,077</b>	<b>-13,879</b>
<b>Profit from financial items</b>				
Other interest income and similar items	-2,551	83,794	26,577	104,242
Interest expenses and similar items	-12,549	-21,948	-90,401	-125,296
<b>Profit before tax</b>	<b>-19,927</b>	<b>59,004</b>	<b>-81,901</b>	<b>-34,933</b>
Income tax	-	-	-	-
<b>Profit/loss for the period</b>	<b>-19,927</b>	<b>59,004</b>	<b>-81,901</b>	<b>-34,933</b>

# Parent Company Statement of Comprehensive Income in summary

SEK 000	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
<b>Profit/loss for the period</b>	<b>-19,927</b>	<b>59,004</b>	<b>-81,901</b>	<b>-34,933</b>
Other comprehensive income	-	-	-	-
<b>Comprehensive income for the period</b>	<b>-19,927</b>	<b>59,004</b>	<b>-81,901</b>	<b>-34,933</b>

# Parent Company Statement of Financial Position in summary

SEK 000	12/31/2023	12/31/2022
<b>ASSETS</b>		
<b>Non-current assets</b>		
Financial non-current assets		
Shares in Group companies	1,188,491	1,095,363
Receivables from Group companies	298,550	301,546
<b>Total financial non-current assets</b>	<b>1,487,041</b>	<b>1,396,909</b>
<b>Total non-current assets</b>	<b>1,487,041</b>	<b>1,396,909</b>
<b>Current assets</b>		
<b>Current receivables</b>		
Receivables from Group companies	376	383
Other receivables	64	1,150
Prepaid expenses and accrued income	1,046	1,098
Other current financial assets	15,167	8,519
<b>Total current receivables</b>	<b>16,652</b>	<b>11,150</b>
Cash and cash equivalents	11,349	24,521
<b>Total current assets</b>	<b>28,002</b>	<b>35,671</b>
<b>TOTAL ASSETS</b>	<b>1,515,043</b>	<b>1,432,580</b>

SEK 000	12/31/2023	12/31/2022
<b>EQUITY AND LIABILITIES</b>		
Share capital	117,325	106,977
Share premium reserve	1,833,511	1,704,261
Retained earnings including profit/loss for the year	-519,805	-439,673
<b>Total equity</b>	<b>1,431,031</b>	<b>1,371,565</b>
<b>Non-current liabilities</b>		
Convertible loans	23,917	-
Provisions	346	406
Other non-current liabilities	47,988	-
<b>Total non-current liabilities</b>	<b>72,251</b>	<b>406</b>
<b>Current liabilities</b>		
Convertible loans	-	44,493
Accounts payable	810	1,948
Other liabilities	5,447	7,919
Accrued expenses and prepaid income	5,503	6,250
<b>Total current liabilities</b>	<b>11,760</b>	<b>60,610</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,515,043</b>	<b>1,432,580</b>

# 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. The same accounting principles and calculation methods are followed in the interim reports as in the most recent annual report.

## Note 2

### Revenue from contracts with customers and segment reporting

The products (chips, modules, evaluation packages, semiconductor products, etc.) that the Siverts Semiconductors Group manufactures and sells to customers are hardware. Product sales are recognized either at a point in time or over time. In the Photonics business area, performance obligations are normally fulfilled at a specific point in time, while Wireless 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 devel-

opment projects where Siverts 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 "product sales". 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 Siverts 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	Oct-Dec 2023			Oct-Dec 2022		
	Wireless	Photonics	Total	Wireless	Photonics	Total
Product sales	7,937	5,041	12,979	5,045	3,243	8,289
NRE/Development projects	48,477	12,164	60,641	21,613	19,594	41,207
Support & other	262	-	262	275	-	275
<b>Total</b>	<b>56,677</b>	<b>17,205</b>	<b>73,882</b>	<b>26,933</b>	<b>22,838</b>	<b>49,771</b>

#### Recognition

At a point in time	10,953	17,205	28,158	4,986	22,838	27,824
Over time	45,723	-	45,723	21,948	-	21,948
<b>Total</b>	<b>56,677</b>	<b>17,205</b>	<b>73,882</b>	<b>26,933</b>	<b>22,838</b>	<b>49,771</b>

#### Geographical market

North America	5,075	10,794	15,869	1,916	19,284	21,200
Europe	51,602	5,407	57,008	21,357	2,935	24,292
Asia	-	1,004	1,004	3,661	619	4,279
<b>Total</b>	<b>56,677</b>	<b>17,205</b>	<b>73,882</b>	<b>26,933</b>	<b>22,838</b>	<b>49,771</b>

Revenue type	Jan-Dec 2023			Jan-Dec 2022		
	Wireless	Photonics	Total	Wireless	Photonics	Total
Product sales	24,534	22,593	47,126	21,732	11,463	33,194
NRE/Development projects	126,372	61,559	187,931	36,351	61,612	97,963
Support & other	1,277	-	1,277	1,450	-	1,450
<b>Total</b>	<b>152,182</b>	<b>84,152</b>	<b>236,334</b>	<b>59,533</b>	<b>73,074</b>	<b>132,607</b>

#### Recognition

At a point in time	27,583	84,152	111,735	18,758	73,074	91,832
Over time	124,600	-	124,600	40,775	-	40,775
<b>Total</b>	<b>152,182</b>	<b>84,152</b>	<b>236,334</b>	<b>59,533</b>	<b>73,074</b>	<b>132,607</b>

#### Geographical market

North America	14,624	61,350	75,974	24,634	56,702	81,336
Europe	136,188	17,937	154,125	27,910	11,055	38,966
Asia	1,370	4,864	6,235	6,988	5,317	12,305
<b>Total</b>	<b>152,182</b>	<b>84,152</b>	<b>236,334</b>	<b>59,533</b>	<b>73,074</b>	<b>132,607</b>

## Net sales and profit by segment

Oct-Dec 2023, SEK 000	Wireless	Photonics	Group-wide	Total	Wireless	Photonics	Group-wide	Total
<b>Net sales</b>								
External net sales	56,677	17,205	-	73,882	26,933	22,838	-	49,771
<b>Total net sales</b>	<b>56,677</b>	<b>17,205</b>	<b>-</b>	<b>73,882</b>	<b>26,933</b>	<b>22,838</b>	<b>-</b>	<b>49,771</b>
<b>Profit</b>								
Adjusted EBITDA	15,106	7,917	-1,992	21,032	-16,860	1,967	-2,050	-16,944
Adjustments				-10,093				831
Depreciation/amortization and impairment				-47,300				-25,730
EBIT				-33,784				-41,843
Financial income				-503				80,868
Financial expenses				-19,433				-9,407
Profit before tax				-53,719				29,618
Income tax				7,338				8,535
<b>Profit/loss after tax</b>				<b>-46,382</b>				<b>38,153</b>

Jan-Dec 2023, SEK 000	Wireless	Photonics	Group-wide	Total	Wireless	Photonics	Group-wide	Total
<b>Net sales</b>								
External net sales	152,182	84,152	-	236,334	59,533	73,084	-	132,607
<b>Total net sales</b>	<b>152,182</b>	<b>84,152</b>	<b>-</b>	<b>236,334</b>	<b>59,533</b>	<b>73,074</b>	<b>-</b>	<b>132,607</b>
<b>Profit</b>								
Adjusted EBITDA	-5,326	-2,074	-12,427	-19,827	-50,714	-9,538	-15,025	-75,277
Adjustments				-13,827				1,584
Depreciation/amortization and impairment				-124,969				-111,403
EBIT				-158,623				-185,096
Financial income				7,219				94,716
Financial expenses				-24,378				-13,248
Profit before tax				-175,783				-103,628
Income tax				18,399				17,244
<b>Profit/loss after tax</b>				<b>-157,384</b>				<b>-86,384</b>



## Wireless

Net sales for the fourth quarter 2023 amounted to SEK 56.677 M (26.933), an increase of SEK 29.744 M, up 110% 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, and increased product sales. Adjusted EBITDA was SEK 15.106 M (-16.860), an improvement of SEK 31.966 M.

Net sales for the period January-December 2023 amounted to SEK 152.182 M (59.533), an increase of SEK 92.649 M, up 156% in year-on-year terms. Adjusted EBITDA was SEK -5.326 M (-50.714), an improvement of SEK 45.388 M. The improvement in adjusted EBITDA was mainly due to increased sales.

## Photonics

Net sales for the fourth quarter of 2023 amounted to SEK 17.205 M (22.838), a decrease of SEK 5.633 M year-on-year, representing a decrease of -25%. Adjusted EBITDA was SEK 7.917 M (1.967), an improvement of SEK 5.950 M. The improvement was mainly due to an improved product mix with increased margins.

Net sales for the period January-December 2023 amounted to SEK 84.152 M (73.074), an increase of SEK 11.077 M in year-on-year terms, or 15%. Adjusted EBITDA was SEK -2.074 M (-9.538), an improvement of SEK 7.464 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 December 31, 2023, all had been divested. During the second quarter of 2023, Siivers Semiconductors AB issued a convertible loan of SEK 25 M and utilized additional loans totaling SEK 50 M, which are reported as other long-term liabilities. The loans have a variable rate of STIBOR 3M + 8% with maturity in May 2025.

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 December 31, 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	12/31/2023	12/31/2022
<b>Current assets and current liabilities</b>		
Assets	-	8,519
Liabilities	-	5,724

## Note 4

### Transactions with related parties

During the third quarter, Siivers, through its subsidiary Siivers Semiconductors Inc, issued USD 0.850 M in loans to key management personnel. The loan was repaid in full, plus interest, before the end of the quarter. The transaction is deemed to have taken place at arm's length basis and on market terms. Otherwise, transactions with related parties have taken place as outlined in the Annual Report.

## Note 5

### Deferred tax liability

The Group's deferred tax liability on December 31, 2023 was SEK 135.597 M (156.885), a decrease of SEK 21.289 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
<b>Net sales growth, %</b>	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
<b>Net sales growth, at constant currency, %</b>	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.
<b>EBITDA</b>	Profit before financial items, tax, depreciation and amortization	The measure is a means of evaluating profit without taking into account financial decisions or tax
<b>Adjusted EBITDA</b>	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 IT breach..	The purpose of using the measure is to illustrate the performance of the operating activities, independent of depreciation, amortization and items affecting comparability
<b>EBIT (operating profit)</b>	Profit before financial items and tax	Operating profit provides an overall view of total profit generation in operations
<b>Capital Structure</b>		
<b>Equity</b>	Equity at the end of the period	Used to calculate equity/assets ratio
<b>Total assets</b>	Total assets or the sum of liabilities and equity	Used to calculate capital employed and equity/assets ratio
<b>Capital employed</b>	Total assets less non-interest bearing liabilities, including deferred tax	Shows the proportion of assets linked to operations
<b>Interest-bearing net debt</b>	Net interest-bearing provisions and liabilities less cash and cash equivalents	The measure shows the Group's total debt/equity ratio
<b>Capital turnover ratio (multiple)</b>	Revenue for the period divided by average total assets	Measure of the assets' ability to generate revenue
<b>Equity/assets ratio (%)</b>	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
<b>Debt/equity ratio (%)</b>	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
<b>Cash Flow and Liquidity</b>		
<b>Cash flow before investments</b>	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
<b>Cash flow after investments</b>	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
<b>Cash and cash equivalents</b>	Bank balances and cash	Used to calculate interest-bearing net debt
<b>Employees</b>		
<b>Average number of employees<sup>1)</sup></b>	Average number of employees in the period	
<b>Sales per employee<sup>1)</sup></b>	Sales divided by average number of employees	
<b>Total number of employees<sup>1)</sup></b>	Total number of employees at the end of the period	
<b>Data per share</b>		
<b>Number of shares<sup>2)</sup></b>	Number of shares at the end of the period	
<b>Average number of shares<sup>2)</sup></b>	Average number of shares at the end of the period	
<b>Earnings per share (SEK)</b>	Profit for the period divided by average number of shares	The performance indicator sheds light on the owners' share of profit
<b>Equity per share (SEK)</b>	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 Key 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	01/01/2023-12/31/2023	01/01/2022 - 12/31/2022
<b>Profitability</b>		
Net sales growth, %	78%	46%
Net sales growth, at constant currency (%)	71%	30%
EBITDA	-33,654	-73,693
Adjusted EBITDA	-19,827	-75,277
EBIT	-158,623	-185,096
<b>Capital Structure</b>		
Equity	1,197,740	1,240,079
Total assets	1,505,920	1,571,000
Capital employed	1,294,838	1,331,700
Interest-bearing net debt	71,574	38,723
Capital turnover ratio (multiple)	0.2	0.1
Equity/assets ratio (%)	80%	78%
Debt/equity ratio (%)	8%	7%
<b>Cash Flow and Liquidity</b>		
Cash flow before investments	-105,865	-133,461
Cash flow after investments	-165,909	-299,454
Cash and cash equivalents	25,525	47,174
<b>Investments</b>		
Acquisition of property, plant and equipment (SEK 000)	7,103	13,731
Acquisition of intangible assets (SEK 000)	46,732	71,278
<b>Employees</b>		
Average number of employees	123	131
Sales per employee (SEK 000)	1,921	1,012
Total number of employees	123	130
<b>Data per share</b>		
Number of shares	234,649,894	213,954,244
Average number of shares before dilution	231,964,922	210,190,271
Earnings per share before and after dilution	-0.68	0.41
Equity per share (SEK)	5.10	5.80

# Calculation of financial measures not included in IFRS

## Group

SEK 000	12/31/2023	12/31/2022
<b>Net sales growth, %</b>		
Net sales	236,334	132,607
Net sales, corresponding period previous year	132,607	90,652
Net sales growth	78%	46%
<b>Net sales growth, at constant currency, %</b>		
Net sales	236,334	132,607
Exchange rate adjustment	-9,397	-14,723
Net sales adjusted	226,938	117,884
Net sales, corresponding period previous year	132,607	90,652
Net sales growth, at constant currency	71%	30%
<b>EBITDA (SEK 000)</b>		
Operating profit/loss	-158,623	-185,096
Depreciation, amortization and impairment of property, plant and equipment, and intangible assets	124,969	111,403
EBITDA	-33,654	-73,693
<b>Adjusted EBITDA (SEK 000)</b>		
EBITDA	-33,654	-73,693
Expenses in relation to stock option programs	742	-5,300
Acquisition-related expenses	-2,758	2,085
Restructuring costs	7,349	1,631
Cyber security breach expenses	8,494	-
EBITDA adjusted	-19,827	-75,277
<b>Capital employed (SEK 000)</b>		
Total assets	1,505,920	1,571,100
Deferred tax liability	-135,597	-156,885
Provisions	-1,130	-1,172
Non-interest bearing portion of other non-current liabilities	-2,784	-3,197
Accounts payable	-37,728	-39,262
Non-interest bearing portion of other liabilities	-5,504	-6,851
Accrued expenses and prepaid income	-28,338	-32,033
Capital employed	1,294,838	1,331,700
<b>Interest-bearing net debt</b>		
Interest-bearing non-current liabilities (leasing and other)	87,527	28,801
Interest-bearing current liabilities (convertible, leasing and other)	9,572	57,096
Cash and cash equivalents	-25,525	-47,174
Interest-bearing net debt	71,574	38,723
<b>Capital turnover ratio, multiple</b>		
Net sales	236,334	132,607
Average total assets	1,538,510	1,258,354
Total assets at the beginning of the period	1,571,100	951,379
Total assets at the end of the period	1,505,920	1,571,100
Capital turnover ratio, multiple	0.2	0.1
<b>Equity/assets ratio, %</b>		
Equity (SEK 000)	1,197,740	1,240,079
Total assets (SEK 000)	1,505,920	1,571,100
Equity/assets ratio, %	80%	79%



# Calculation of financial measures not included in IFRS

## Group

SEK 000	12/31/2023	12/31/2022
<b>Debt/equity ratio (%)</b>		
Interest-bearing liabilities	97,099	85,897
Equity	1,197,740	1,240,079
Debt/equity ratio (%)	8%	7%
<b>Equity per share, SEK</b>		
Equity, SEK 000	1,197,740	1,240,079
Number of shares at the end of the period	234,649,894	213,954,244
Equity per share	5.10	5.80



## Financial calendar

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

<b>May 3, 2024</b>	Interim Report Jan-Mar 2024
<b>April 24, 2024</b>	Annual Report 2023
<b>July 18, 2024</b>	Interim Report Jan-Jun 2024
<b>October 25, 2024</b>	Interim Report Jan-Sep 2024
<b>February 7, 2025</b>	Year-end Report 2024