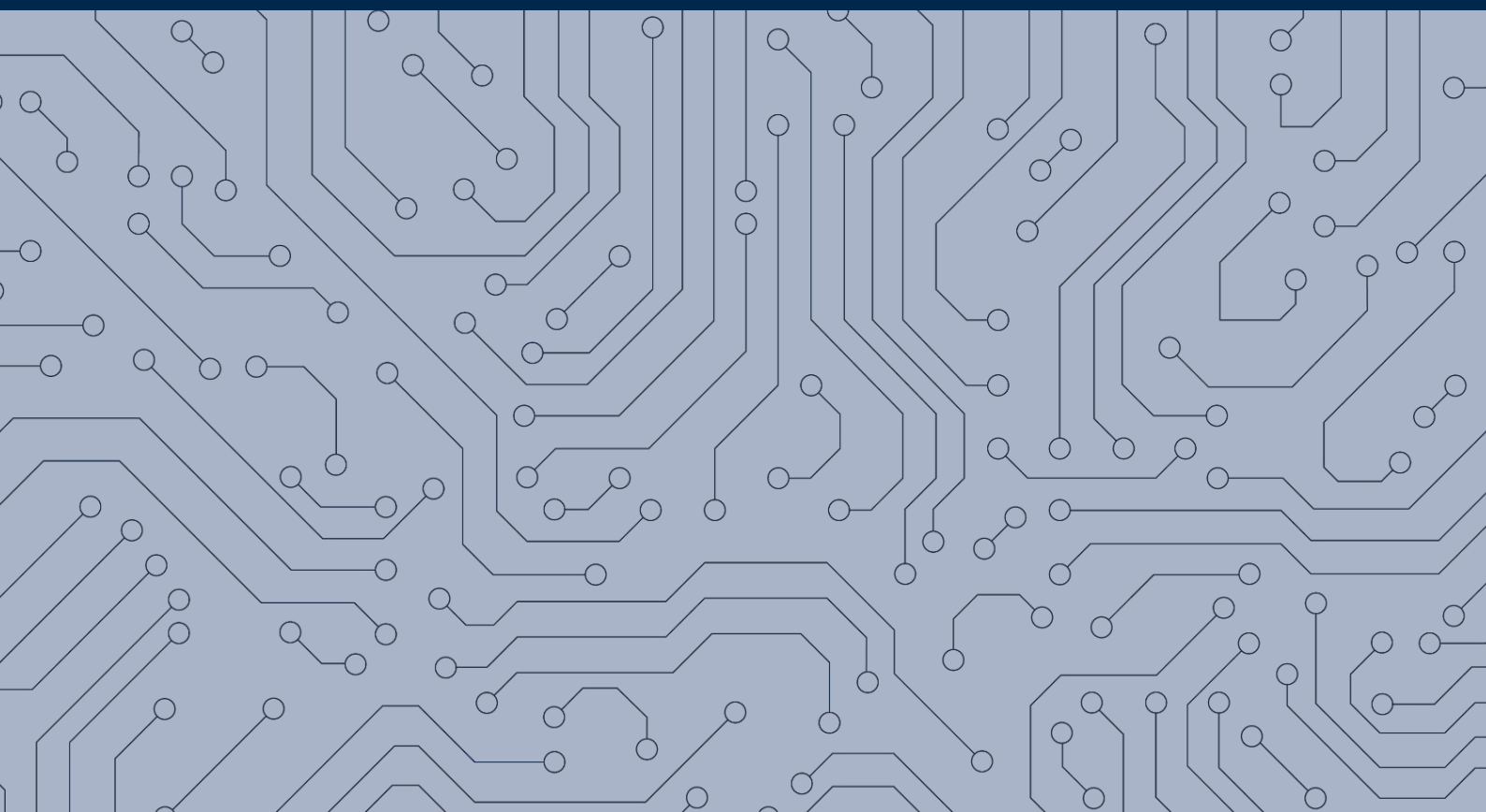


First Sensor 
is now part of



Interim Report on Q3 2024

FIRST SENSOR AG, BERLIN



TO OUR SHAREHOLDERS

Dear Shareholders and Business Partners,

The difficult economic conditions continue and a real upturn is still a long time coming. First Sensor therefore only generated €90.1 million in the first nine months of fiscal year 2024. Although this is €12 million below the previous year's figure overall, it has remained stable for three quarters. In particular, the order of magnitude is in line with our expectations, which we recently lowered to between €115 million and €125 million for the year as a whole. In view of the subdued business development, some investment projects have been reprioritized and some have been postponed to the next financial year. We have therefore also recently lowered our guidance for the investment volume to between €5 million and €7 million in the current financial year.

Our annual employee surveys are an important tool for identifying strengths and weaknesses and the associated optimization potential. 70% of First Sensor employees took part in the survey this year, which was significantly more than last year. Employees were particularly positive in their assessment of their pride in working at TE and that they would recommend TE as a great place to work. There was also an increase in the number of people who felt that their own opinion counts and that managers value different perspectives. There was also a strong sense that the well-being of employees is genuinely cared for so that they can balance work and life and have access to wellbeing resources. All of these aspects are part of TE's corporate values and are designed to help attract and retain the best talent, among other things.

In order to improve the good results even further, action plans are drawn up for all topics, with which optimization potential can be implemented. This means that the employee surveys are also a stocktaking exercise that can be compared with later results. An important signal to employees that the title "Every Voice Counts" is taken absolutely seriously.

We appreciate your interest in the further development of our company and your constructive support. As usual, we will keep you informed about our next steps.

Your Management Board

Thibault Kassir

Robin Maly

Dirk Schäfer

SALES AND INVESTMENTS AT A GLANCE

In the third quarter of fiscal year 2024 (October 1, 2023 - September 30, 2024), First Sensor's sales amounted to €30.4 million (prior-year quarter: €35.8 million). This corresponds to a decline of €5.3 million or 14.9%. Sales after nine months amounted to €90.1 million after €102.1 million in the same period of the previous year. The decline of € 12.0 million or 11.8% after three quarters reflects the overall economic development, particularly in Germany. The sales trend was in line with expectations, which have recently been reduced, and the guidance for the 2024 financial year, which assumes a sales level of between €115 million and €125 million.

In line with the general business development, investment projects were also reprioritized; some of them will be postponed to the next financial year. As a result, the planned investment volume for the current financial year has been adjusted accordingly to between €5 million and €7 million.

ORDER SITUATION REMAINS UNSATISFACTORY

	<i>June 30, 2023</i>	<i>Sept. 30, 2023</i>	<i>Dec. 31, 2023</i>	<i>March 31, 2024</i>	<i>June 30, 2024</i>	Absolute change (Q3/Q3)	in %
€ thousand	Q3 FY2023	Q4 FY2023	Q1 FY2024	Q2 FY2024	Q3 FY2024		
Sales	35,760	32,474	30,295	29,364	30,427	-5,333	-14.9
<i>Product sales</i>	<i>34,330</i>	<i>31,509</i>	<i>29,404</i>	<i>28,117</i>	<i>28,006</i>	<i>-6,325</i>	<i>-18.4</i>
<i>Sales from services</i>	<i>1,430</i>	<i>965</i>	<i>891</i>	<i>1,247</i>	<i>2,422</i>	<i>992</i>	<i>69.3</i>
Incoming orders	20,880	25,521	24,107	25,849	24,253	3,373	16.2
Orders on hand	84,428	77,465	72,168	69,900	66,147	-18,281	-21.7
Book-to-bill ratio	0.61	0.81	0.82	0.87	0.87	-	-

Incoming orders fell by 6.9% year-on-year to €74.2 million in the first nine months of the financial year (previous year: €79.7 million). Orders on hand fell accordingly by €18.3 million to €66.1 million (previous year: €84.4 million). This results in a rolling book-to-bill ratio of 0.87.

CONSOLIDATED INCOME STATEMENT (IFRS)

€ thousand	Oct. 1, 2022 - June 30, 2023	Oct. 1, 2023 - June 30, 2024	Absolute change	in %
Sales	102,126	90,086	-12,040	-11.8
Other operating income	997	379	-618	-62.0
Changes in inventories of finished goods and work in progress	9,623	2,336	-7,287	-75.7
Other own work capitalized	16	0	-16	-100.0
Cost of materials/cost of purchased services	-55,166	-41,922	13,244	-24.0
Gross profit	57,596	50,879	-6,717	-11.7
Staff costs	-32,211	-32,192	19	-0.1
Other operating expenses	-12,369	-10,418	1,951	-15.8
EBITDA	13,016	8,269	-4,747	-36.5
Depreciation and amortization	-5,773	-5,194	579	-10.0
EBIT	7,243	3,075	-4,168	-57.5
Financial result	28	486	458	>200
PROFIT BEFORE TAXES	7,271	3,561	-3,710	-51.0
Income taxes	2	-246	-248	>200
PROFIT OR LOSS FOR THE PERIOD	7,273	3,315	-3,958	-54.4

In the third quarter of the 2024 financial year (October 1, 2023 - September 30, 2024), First Sensor's sales amounted to €30.4 million after €35.8 million in same period of the previous year. This corresponds to a decline of €5.3 million or 14.9%. Sales after nine months amounted to €90.1 million after €102.1 million in the same period of the previous year. The decline of €12.0 million or 11.8% after three quarters reflects the overall economic development, particularly in Germany. The sales trend was in line with expectations, which have since been reduced, and the guidance for the 2024 financial year, which assumes a sales level of between €115 million and €125 million.

The change in inventories of finished and unfinished goods fell significantly by €7.3 million in the reporting period. This decrease mainly relates to finished goods. The cost of materials also fell significantly to €41.9 million (previous year: €55.2 million), mainly due to the decline in sales. As a result, the cost of materials ratio fell to 46.5% after 54.0% in the same period of the previous year. In line with business development, gross profit fell by 11.7% to €50.9 million (previous year: €57.6 million).

Staff costs hardly changed at €32.2 million (previous year: €32.2 million). The staff costs ratio thus increased to 35.7% (previous year: 31.5%). Other operating expenses fell to €10.4 million (previous year: €12.4 million). This put EBITDA at €8.3 million (previous year: €13.0 million).

As a result of investments that have not yet been made in full, depreciation and amortization fell to €5.2 million in the reporting period (previous year: €5.8 million). This resulted in an EBIT of €3.1 million (previous year: €7.2 million). The EBIT margin after nine months is therefore 3.4% (previous year: 7.1%).

Net income for the first nine months of the financial year amounted to €3.3 million (previous year: €7.3 million). This corresponds to earnings per share outstanding (diluted/undiluted) of €0.32 (previous year: €0.70).

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (IFRS)

ASSETS			
€ thousand	Sept. 30, 2023	June 30, .2024	Absolute change
Non-current assets	77,205	75,111	-2,094
Inventories	43,622	44,040	418
Trade receivables	16,599	13,725	-2,874
Current assets	576	1,314	738
Cash and cash equivalents	30,989	21,554	-9,435
Total ASSETS	168,991	155,744	-13,247

Since the reporting date of September 30, 2023, total assets have fallen by €13.2 million to €155.7 million (previous year: €169.0 million). Significant changes on the assets side related to the decrease in cash and cash equivalents to €21.6 million (previous year: €31.0 million), primarily due to investments in the reporting period. Trade receivables fell in line with the sales trend to €13.7 million after €16.6 million on the previous year's reporting date. Inventories, on the other hand, increased only slightly by €0.4 million to €44.0 million (previous year: €43.6 million) in order to be able to meet delivery obligations.

EQUITY AND LIABILITIES			
€ thousand	Sept. 30, 2023	June 30, .2024	Absolute change
Equity	126,835	129,795	2,960
Non-current financial liabilities	7,518	5,756	-1,762
Non-current liabilities	2,505	2,422	-83
Current financial liabilities	4,540	4,094	-446
Trade payables	14,736	8,080	-6,656
Current liabilities	12,857	5,597	-7,260
Total EQUITY AND LIABILITIES	168,991	155,744	-13,247

The equity ratio improved as at the reporting date, rising from 75.1% to 83.3%. On the liabilities side of the balance sheet, non-current and current financial liabilities were further reduced; they now total €9.9 million (previous year: €12.1 million). In addition to scheduled repayments, these changes are also the result of reclassifications of lease liabilities in line with maturities. Trade payables decreased to €8.1 million (previous year: €14.7 million), mainly due to lower material costs. Other current liabilities fell by €7.3 million to €5.6 million since the balance sheet date, mainly in the area of VAT liabilities.

First Sensor reports a positive net cash position of €15.8 million after the third quarter of 2024 (September 30, 2023: € 24.2 million).

WORKING CAPITAL

€ thousand	Sept. 30, 2023	June 30, 2024	Absolute change	in %
Working capital	45,468	49,615	4,147	9.1
Capital employed	122,677	124,951	2,274	1.9

Working capital increased by €4.1 million to €49.6 million in the first nine months of the 2024 financial year, primarily as a result of the decline in trade payables. In line with this development, capital employed increased by €2.3 million to €125.0 million since the reporting date.

CASH FLOW

€ thousand	Oct. 1, 2022 - June 30, 2023	Oct. 1, 2023 - June 30, 2024
Operating cash flow	6.896	-3.682
Cash flow from investing activities*	-1.281	4.947
Cash flow from financing activities	-5.121	-2.191
Free cash flow	5.615	1.265

* The cash inflows and outflows in the cash pool represent changes in investments in financial assets and were presented for the nine months and retrospectively for the same period of the previous year under "Cash flow from investing activities".

After nine months, cash flow from operating activities amounted to €-3.7 million (previous year: €+6.9 million), mainly due to the reduction in VAT liabilities. Cash flow from investing activities amounted to €4.9 million and therefore does not yet reflect the planned volume of investments at the Oberschöneweide production site. Cash flow from financing activities was mainly characterized by repayments and amounted to €-2.2 million. Free cash flow was positive at €1.3 million (previous year: €5.6 million), mainly due to lower than planned investment activities.

KEY FIGURES FOR THE FIRST SENSOR SHARE

	Sept. 30, 2023	June 30, 2024	Absolute change	in %
Share capital (€)	51,657,480	51,659,980	2,500	n/a
Number of shares (weighted, basic)	10,331,496	10,331,607	111	n/a
Number of shares (diluted)	10,338,700	10,339,089	389	n/a

FINANCIAL CALENDAR

January 31, 2025	Publication of the 2024 Annual Report
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April 24, 2025	Annual General Meeting 2025
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First Sensor AG prepares the quarterly statement in accordance with the International Financial Reporting Standards (IFRS). However, this report has not been prepared in accordance with IAS 34 "Interim Financial Reporting" and has not been audited or reviewed. Rounding differences to the mathematically exact figures may occur in the presentation. The quarterly statement contains forward-looking statements. Actual results may differ materially from expectations of future developments.