

INTERIM REPORT Q2

January- June 2021

Sivers Semiconductors.

At the heart of innovation



Interim Report January-June 2021

Second quarter 2021

- Revenue amounted to SEK 26.911 M (21.445), an increase of 25%
- Profit before depreciation and amortization (EBITDA) amounted to SEK -20.080 M (-9.068)
- Operating profit/loss (EBIT) for the period was SEK -28.009 M (-16.590)
- Profit/loss after tax was SEK -28.897 M (-22.392)
- Earnings per share before and after dilution was SEK -0.19 (-0.16)
- Equity per share amounted to SEK 3.13 (2.15)

January-June 2021

- Revenue amounted to SEK 40.751 M (44.255), a decrease of 8%
- Profit before depreciation and amortization (EBITDA) amounted to SEK -37.851 M (-20.070)
- Operating profit/loss (EBIT) for the period was SEK -53.811 M (-35.049)
- Profit/loss after tax was SEK -55.130 M (-43.609)
- Earnings per share before and after dilution was SEK -0.36 (-0.32)
- Equity per share amounted to SEK 3.13 (2.15)

Significant events during the second quarter:

- On May 12, Siverts Semiconductors AB announced that its subsidiary Siverts Wireless had made a new design win with a North American telecom operator.
- Carolina Tendorf was elected as new board member by the Annual General Meeting on May 20, 2021.
- On June 1, Siverts Semiconductors AB announced that the subsidiary Siverts Wireless and Lithuanian high-tech company 8devices reached a key milestone in the development of a new 60 GHz Fixed Wireless Access (FWA) product. 8devices estimates that earlier indicated order worth of SEK 70-100 M between 2021-2024, has increased by approx. 30-50%.

- On June 3, Nasdaq Stockholm's listing committee approved Siverts Semiconductors AB's application for admission of the share for trading on Nasdaq Stockholm main market. The first day of trading on Nasdaq Stockholm's main list was Thursday 10 June 2021.

- On June 3, Siverts Semiconductors AB's subsidiary Siverts Photonics announced that it reached a significant milestone, alongside its partners Imec and ASM AMICRA, in a joint silicon photonics project.

- On June 7, Siverts Semiconductors AB announced that its subsidiary, Siverts Wireless, signed a reseller agreement with Japanese electronics specialist Shoshin. The agreement is related to working together on the Japanese market.

- On June 9, Siverts Semiconductors AB announced a design win for the subsidiary Siverts Wireless for its 60 GHz mmWave IC and antenna module with TMYTEK in Taiwan. Siverts also received a small, first order of evaluation kits and BFM06009 RF modules.

- On June 10, Siverts Semiconductors announced that the subsidiary Siverts Photonics had won a new order in Optical Sensing worth approximately SEK 14 million from one of the company's established Fortune 100 customers.

Significant events after the end of the period:

- The Board of Directors of Siverts Semiconductors AB has resolved on a new issue of Series C shares and the repurchase and conversion of Series C shares. The purpose is to ensure delivery of shares to participants under the Company's outstanding incentive program and to secure liquidity for payment of social contributions for such programs.

Key performance indicators

SEK 000	2021 Apr- Jun	2020 Apr- Jun	2021 Jan-Jun	2020 Jan- Jun	2020 Jan-Dec
Revenue	26,911	21,445	40,751	44,255	96,170
EBITDA	-20,080	-9,068	-37,851	-20,070	-55,661
EBIT	-28,009	-16,590	-53,811	-35,049	-85,710
Profit/loss for the period	-28,897	-22,392	-55,130	-43,609	-195,782
Earnings per share before and after dilution, SEK	-0.19	-0.16	-0.36	-0.32	-1.37
Equity per share, SEK	3.13	2.15	3.13	2.15	3.44

An online presentation of the Interim Report will be held at 10:00 AM (CET) Thursday, August 19, 2021.

Register for the webinar via: <https://attendee.gotowebinar.com/register/7854093448544534029>

CEO's Statement

As expected, we took the first step out of the pandemic in the second quarter, which contributed to the company's positive progress, and with Wireless in particular returning to growth. We also successfully completed the move to Nasdaq's main list as planned. We continued to expand the customer base and maintained an excellent dialog with new and existing customers and partners. Sales were SEK 27 million in the second quarter, an increase of 25% year-on-year. Wireless' sales returned an increase of 118%.

We continued our growth investments in the quarter, including production capacity, customer support, sales and marketing. EBIT was SEK -28 million, down by almost SEK 11 million year-on-year. The cost increase is according to plan and has multiple causes. These include the non-recurring costs associated with the Nasdaq listing process of approximately SEK 8 million. Increased personnel costs are a result of recruitments to ensure strong future growth. We had 117 employees at the end of the quarter, an increase of 18 in year-on-year terms.

During the quarter, the Wireless business area made several important announcements, including new design wins, one with TMYTEK in Taiwan and one with a North American telecom company that will develop products for unlicensed 5G. We now have a total of 26 design wins. Our market leading 60 Ghz technology is the foundation for our agreement with Lithuanian high-tech company 8devices. In the quarter, 8devices increased its estimated demand for equipment from us by 30–50% in 2021–2024, corresponding to estimated sales of SEK 90–150 million.

Photonics also made advances, winning another follow-up order of SEK 14 million for optical sensing from our largest Fortune 100 customer, who we have now collaborated with for nearly three years. The total order value during these years was just under SEK 100 million, and each new order increases our chances of playing a part in the future volume production of the customer's sensors. Alongside our partners Imec and ASM AMICRA, we also successfully integrated lasers from our platform with Imec's Silicon photonics platform in the quarter, which will accelerate the use of silicon photonics in many new applications.

We had a strong cash position at the end of the quarter, which we will continue to use for our organic and international expansion.



We reached an important milestone in the second quarter with the listing of the share on Nasdaq Stockholm's main list. The listing is a quality stamp and another important piece of the puzzle in the continued expansion and progress of the company. It strengthens our profile and brand with customers and investors, and improves our access to the Swedish and international capital markets. It also improves our ability to attract and retain qualified staff. Overall, the listing is an important step towards creating increased long-term shareholder value.

Everyone at Sivers has worked hard to get where we are today. Many of our customers are moving towards volume production and we foresee considerable potential to capitalize on the hard work we have put into the company when societies are able to open up again. Our competitive products and global network make us well equipped to capture our market opportunities, hence I continue to stay very optimistic about the future.

Anders Storm, President and CEO

The Group in summary

The Siverts Semiconductors Group in summary

Siverts Semiconductors AB (publ) is the Parent Company of a Group comprising the wholly-owned subsidiaries Siverts Wireless AB, Siverts Photonics Ltd and Trebax AB. Operations are mainly conducted through the two business areas Wireless and Photonics. Siverts Semiconductors and Siverts Wireless are headquartered in Kista, Sweden, with a local office in Gothenburg. Siverts Photonics' headquarter and factory are located in Glasgow, Scotland. This report relates to the Group's operations during the period January 1, 2021 to June 30, 2021.

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

The Siverts Semiconductors Group enables a better connected and safer world by delivering the best solutions in terms of sensors, data and wireless networks.

Wireless

The Wireless business area develops, manufactures and sells chips, components, modules and subsystems based on advanced 5G millimeter wave technology. Millimeter wave is a key technology in the 5G networks that are now being built, and the core of the wireless solutions Wireless offers.

The business area mainly supplies systems manufacturers, who

in turn deliver solutions to telecom operators. Deliveries are made directly or through partners.

Photonics

The Photonics business area develops, designs, manufactures and sells III-V compound semiconductor laser devices for optical communication, optical sensing/sensors and optical wireless networks. Optical communications devices are a key component of cloud storage and cloud communications in areas such as Passive Optical Networks (PON) and Quantum technologies. Optical Sensing devices enable autonomous and assisted driving vehicles in areas such as Consumer Biometrics and Augmented Reality applications and Optical Wireless Devices are critical to free-space optical communications using light (LiFi).

The business area delivers to several Fortune 100 and Silicon Valley customers, directly or via partners.

Revenue and EBITDA



Net sales and EBITDA

Second quarter

During the second quarter 2021, revenue was SEK 26.911 M (21.445), an increase of 25% year-on-year. Wireless' revenue increased by SEK 5.346 M, an increase of 118%, Photonics' revenue increased by SEK 0.119 M which corresponds to 0%.

EBITDA was SEK -20.080 M (-9.068), a decrease of SEK 11.012 M. This change is mainly the result of costs for the change of listing to Nasdaq main market, which amounted to approx. SEK 8 M, for external financial and legal advisors and audit connected to the listing change. Personnel costs have also increased, which is mainly the result of an increase in the number of staff. EBIT was SEK -28.009 M (-16.590), a decrease of SEK 11.419 M. EBIT also decreased in line with EBITDA, as changes in year-on-year depreciation and amortization had a relatively limited profit impact.

January-June

In the period January-June, the Group's revenue was SEK 40.751 M (44.255), a decrease of 8% year-on-year. Wireless' revenue increased by SEK 2.334 M, an increase of 22%, Photonics' revenue decreased by SEK 5.838 M which is a decrease of 17%. The reduced revenue in the period was mainly a result of the second and third wave of the Covid-19 pandemic, which affected customers' opportunities to activate external test networks, for example, which in turn slowed sales in the quarter.

EBITDA was SEK -37.851 M (-20.070), a decrease of SEK 17.781 M. This was the result of decreased income in the first quarter, and increased costs, mainly related to the change of listing to Nasdaq main market which amounted to approx. SEK 8 M for external financial and legal advisors, and other external expenses and personnel expenses in the second quarter attributable to factors including increased number of staff.

EBIT was SEK -53.811 M (-35.049), a decrease of SEK 18.762 M. EBIT was mainly affected by increased depreciation, amortization and impairment of previous years' capitalized development expenses, due to additional intangible assets that have started to be amortized during the period.

Depreciation and amortization

Second quarter

Profit for the second quarter 2021 was affected by SEK -7.929 M (-7.521) in depreciation and amortization, an increase of SEK 0.408 M, of which SEK -1.490 M (-1.636) related to depreciation and amortization of equipment, tools and installations, SEK -5.192 M (-4.686) related to depreciation and amortization of the previous year's capitalized development expenses and SEK -1.247 M (-1.199) relates to depreciation and amortization of right-of-use assets in lease agreements. There were no depreciations or amortizations due to impairments during the quarter.

January-June

Profit for the period January-June was affected by SEK -15.960 M (-14.979) in depreciation and amortization, an increase of SEK 0.981 M. SEK -3.183 M (-3.281) related to depreciation and amortization of equipment, tools and installations, of which SEK -0.285 M were impairments. SEK -10.366 M (-9.268) related to depreciation and amortization of the previous year's capitalized development expenses, and SEK -3.667 M (-3.752) related to depreciation and amortization of right-of-use assets in leasing agreements.

Liquidity, cash flow and financing

On June 30 2021, the Group's cash and cash equivalents, and other current financial amounted to SEK 142.721 M (249.448). Cash and cash equivalents amounted to SEK 92.505 M (249.448). Other current financial assets, relating to interest-bearing bonds according to company's instructions for investing excess liquidity, amounted to SEK 50.216 M (0). The investments consist of interest-bearing securities and fixed-rate loans with an average duration of less than 1 year.

During the year, the Group's cash flow was affected by increases mainly in capitalized development expenses and total receivables. The investment in capitalized development expenses is attributable to the development of new product generations. The increase in total receivables was mainly derived from purchasing of machinery and equipment to be used in Photonics' proprietary production not yet been recognized as an asset in the Balance Sheet.

Investments

The Group's total investments in the period January - June amounted to SEK 79.635 M (18.505) and related to intellectual property rights for underlying capitalized development expenses of SEK 26.594 M (17.535), acquisitions of property, plant and equipment of SEK 2.615 M (0.970), loan to associated company of SEK 0.117 M (0) and acquisition of corporate bonds of SEK 50.309 M (0). The investment in capitalized development expenses is attributable to the development of new product generations. Investments in capitalized development expenses increased year-on-year, because the Group had a higher amount of projects in the development phase during the period. Purchasing of machinery and equipment for proprietary production has also taken place which has not yet been capitalized in the Balance sheet for the period. All acquired corporate bonds have a term shorter than one year.

Equity

As of June 30, 2021, Group equity amounted to SEK 484.169 M (531.925). Share capital totaled SEK 77,222,823.50.

Parent Company

In the second quarter 2021, the Parent Company's other external expenses increased by SEK 5.726 M. This was largely due to costs for activities related to the change of listing to Nasdaq main market but also increased consulting fees and additions to strengthen the organization. During the period January-June, the parent company's other external expenses and personnel costs increased, due to the same factors as in the second quarter.

Shares

Sivers Semiconductor's share capital was divided over 154,445,647 (139,882,186) shares with a quotient value of SEK 0.50 as of June 30, 2021. All shares are of the same series and have equal rights to the vote and profit in the Company. Since June 10, 2021, the share trades on Nasdaq Stockholm under the ticker SIVE, ISIN code SE0003917798 and LEI code 254900UBKKNY2EJ588J53.

Employees

As of June 30, 2021, the Group had 117 (99) employees, excluding consultants. This increase of 18 people is linked to the growth plan the Board and company have set for 2021 in order to meet future demand.

Ownership structure

As of June 30, 2021, Sivers Semiconductors AB (public) had three owners, each of which directly and indirectly held shares corresponding to 5% or more of the votes and capital in the company. In total, Sivers Semiconductors had approximately 20,000 shareholders.

Outlook for 2021

Sivers Semiconductors' Board of Directors considers that the Group has taken the right measures to ensure a strong product family. Progress in sales and product development has been made and investments are continuing. The Board has decided to continue to not publish forecasts.

Risks and uncertainties

The Sivers Semiconductor 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 2020 and in the prospectus dated June 3, 2021. No new significant risks have been identified since the publication of the Annual Report and the prospectus, however a possible 4th wave of the corona virus may affect the Group's performance as long as countries still have restrictions in place.

Financial calendar

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

November 12 2021 Interim report Q3 2021

February 15 2022 Year-End Report 2021

For more information, please contact:

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

Sivers Semiconductors AB (publ)

Kista, Sweden August 19, 2021

The Board

This is Sivers Semiconductors

Sivers Semiconductors AB is a leading and internationally recognized technology company that, through its two business areas Wireless and Photonics, supplies chips and integrated modules. Wireless develops RF chips and antennas for advanced 5G systems for data and telecommunications networks. Photonics develops and manufactures semiconductor optical products for optical fiber networks, sensors and optical wireless communication (Li-Fi).

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

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

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Sivers Semiconductors AB

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Consolidated Income Statement in summary

Group (SEK 000)	2021 Apr- Jun	2020 Apr- Jun	2021 Jan-Jun	2020 Jan- Jun	2020 Jan-Dec
Revenue	26,911	21,445	40,751	44,255	96,170
Other operating income	1,366	2,056	3,425	5,823	9,099
Capitalized work on own account	12,071	10,453	26,594	17,535	37,215
Raw materials and consumables	-10,694	-5,827	-17,001	-11,172	-26,333
Other external expenses	-21,895	-12,464	-42,072	-30,548	-62,819
Personnel costs	-27,838	-24,733	-49,549	-45,963	-108,994
Depreciation, amortization and impairment of fixed assets and intangible assets	-7,929	-7,521	-15,960	-14,979	-30,049
OPERATING PROFIT/LOSS	-28,009	-16,590	-53,811	-35,049	-85,710
Profit/Loss from financial items					
Financial income	2	-	151	31	4,103
Financial expenses	-900	-5,812	-1,491	-8,613	-119,744
Profit/Loss before tax	-28,907	-22,402	-55,151	-43,630	-201,351
Income tax	11	11	21	21	5,569
PROFIT/LOSS FOR THE YEAR	-28,897	-22,392	-55,130	-43,609	-195,782
Attributable to Parent Company shareholders	-28,897	-22,392	-55,130	-43,609	-195,782
Earnings per share (SEK)					
Before and after dilution	-0.19	-0.16	-0.36	-0.32	-1.37

Consolidated Statement of Comprehensive Income in summary

Other comprehensive income					
Items to be reclassified to profit and loss					
Exchange rate differences from translation of foreign operations	-1,569	-4,183	4,031	-3,484	-5,974
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-30,465	-26,574	-51,099	-47,093	-201,756
Attributable to Parent Company shareholders	-30,465	-26,574	-51,099	-47,093	-201,756

Consolidated Statement of Financial Position in summary

Group (SEK 000)	6/30/2021	6/30/2020	12/31/2020
ASSETS			
Fixed assets			
Goodwill	134,812	134,812	134,812
Other intangible assets	164,815	138,657	147,553
Property, plant and equipment	62,285	50,910	61,372
Financial assets	118	-	-
Total non-current assets	362,030	324,379	343,737
Current assets			
Inventories	20,131	13,898	14,776
Accounts receivable	26,370	23,433	19,460
Other receivables	12,232	11,687	7,405
Prepaid expenses and accrued income	43,302	7,974	12,360
Other current financial assets	50,216	-	-
Cash and cash equivalents	92,505	65,721	249,448
Total current assets	244,756	122,713	303,450
TOTAL ASSETS	606,786	447,091	647,186

Group (SEK 000)	6/30/2021	6/30/2020	12/31/2020
EQUITY AND LIABILITIES			
Equity	484,169	301,079	531,925
Non-current liabilities			
Bank borrowing	13,000	-	15,000
Deferred tax	105	147	126
Provisions	14,161	7,046	17,177
Leasing liabilities	22,017	10,094	22,166
Other non-current liabilities	6,739	9,288	7,702
Total non-current liabilities	56,022	26,575	62,172
Current liabilities			
Bank borrowing	4,000	-	4,000
Convertible debentures	-	41,484	-
Accounts payable	21,973	9,936	14,246
Leasing liabilities	3,759	3,039	3,975
Other liabilities	5,608	39,508	8,721
Accrued expenses and deferred income	31,254	25,469	22,148
Total current liabilities	66,594	119,437	53,090
TOTAL EQUITY AND LIABILITIES	606,786	447,091	647,186

Consolidated Statement of Changes in Equity in summary

	6/30/2021	6/30/2020	12/31/2020
Opening balance	531,925	288,533	288,533
Profit/loss for the period	-55,130	-43,609	-195,782
Other comprehensive income	4,031	-3,484	-5,974
New issue	-	51,219	247,814
New issue, redemption of employee stock options	-	7,838	20,002
Offset issue, loans	-	-	21,057
New issue, redemption of convertible debenture	-	-	153,492
Share-based compensation	3,343	583	2,783
Closing balance at the end of the period	484,169	301,079	531,925

Consolidated Statement of Cash Flow in summary

Group (SEK 000)	1/1/2021 -06/31/2021	1/1/2020 -06/30/2020	1/1/2020 -12/31/2020
Operating activities			
Operating profit/loss	-53,811	-35,049	-85,710
Adjustments for non-cash items	16,256	17,878	63,280
Interest paid	-1,429	-2,660	-4,265
Income tax received	-	-	9,173
Cash flow from operating activities before change in working capital	-38,984	-19,831	-17,522
Cash flow from change in working capital			
Increase(-)/decrease(+) in inventories	-5,031	-4,420	-5,414
Increase(-)/decrease(+) in operating receivables	-41,417	-6,329	-8,714
Increase(+)/decrease(-) in operating liabilities	12,267	7,805	-8,417
Cash flow from operating activities	-73,166	-22,775	-40,067
Investment activities			
Acquisition of property, plant and equipment	-2,615	-970	-2,313
Acquisition of intangible assets	-26,594	-17,535	-37,215
Loan to associated company	-117	-	-
Sales of property, plant and equipment	-	-	30
Investments in financial instruments	-50,309	-	-
Cash flow from investing activities	-79,635	-18,505	-39,498
Financing activities			
Borrowings	-	-	20,000
Amortization of loan	-2,000	-	-1,000
Issue expenses	-	-2,380	-5,881
New issue	-	61,437	273,698
Amortization of lease debt and hire purchase loans	-3,796	-3,860	-7,263
Cash flow from financing activities	-5,796	55,197	279,553
Cash flow for the period	-158,595	13,917	199,988
Cash and cash equivalents at the beginning of the period	249,448	52,228	52,228
Exchange rate difference in cash and cash equivalents	1,653	-424	-2,767
Cash and cash equivalents at the end of the period	92,505	65,721	249,448

Parent Company Income Statement in summary

Parent Company (SEK 000)	2021 Apr- Jun	2020 Apr- Jun	2021 Jan-Jun	2020 Jan- Jun	2020 Jan-Dec
Revenue	2,488	1,604	4,333	3,446	7,614
Other external expenses	-6,944	-1,218	-10,963	-3,256	-9,760
Personnel costs	-4,309	-2,994	-7,891	-5,442	-16,154
OPERATING PROFIT/LOSS	-8,765	-2,609	-14,521	-5,252	-18,300
Profit/Loss from financial items					
Other interest income and similar items	-705	1,040	7,739	2,052	8,432
Financial expenses and similar items	-980	-20,776	-1,748	-22,732	-190,158
Profit/Loss before tax	-10,450	-22,345	-8,530	-25,933	-200,027
Income tax	-	-	-	-	-
Profit/loss for the period	-10,450	-22,345	-8,530	-25,933	-200,027

Parent Company Statement of Comprehensive Income in summary

Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-10,450	-22,345	-8,530	-25,933	-200,027

Parent Company Statement of Financial Position in summary

Parent Company (SEK 000)	6/30/2021	6/30/2020	12/31/2020
ASSETS			
Fixed assets			
Financial non-current assets			
Shares in Group companies	226,839	226,839	226,839
Receivables from Group companies	267,908	200,578	185,653
Total financial non-current assets	494,747	427,417	412,492
Total non-current assets	494,747	427,417	412,492
Current assets			
Current receivables			
Receivables from Group companies	10,556	12,224	7,926
Other receivables	203	-	25
Prepaid expenses and accrued income	433	392	288
Other current financial assets	50,216	-	-
Total current receivables	61,408	12,615	8,239
Cash and cash equivalents	77,281	54,595	215,858
Total current assets	138,689	67,211	224,097
TOTAL ASSETS	633,436	494,628	636,589
Parent Company (SEK 000)	6/30/2021	6/30/2020	12/31/2020
EQUITY AND LIABILITIES			
Share capital	77,223	69,640	77,223
Share premium reserve	904,565	528,838	904,565
Retained earnings including profit/loss for the year	-360,644	-183,563	-355,457
Total equity	621,143	414,915	626,331
Provisions			
Provisions	5,770	7,046	6,542
Total provisions	5,770	7,046	6,542
Current liabilities			
Convertible debentures	-	41,484	-
Accounts payable	1,051	436	472
Other liabilities	412	29,092	162
Accrued expenses and deferred income	5,059	1,653	3,083
Total current liabilities	6,523	72,666	3,717
TOTAL EQUITY AND LIABILITIES	633,436	494,628	636,589

Notes

Note 1 – Accounting principles

The Interim Report has been prepared in accordance with IAS 34 and the applicable regulations of the Annual Accounts Act. The Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and the Swedish Annual Accounts Act. The Parent Company applies the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR2.

Note 2 – Revenue from contracts with customers and segment reporting

The products (chips, modules, evaluation packages, semiconductor products, etc.) that the Sivers Semiconductors Group manufactures and sells to customers are hardware. Hardware sales are recognized either at a point in time or over time. In the Wireless business area, performance obligations are normally fulfilled at a specific point in time, while Photonics has a larger proportion of contracts where performance obligations are met over time.

Both Wireless and Photonics enter into Non Recurrent Engineering (NRE) contracts. These contracts relate to development projects where the Sivers Semiconductors companies adapt technology in hardware to match customer needs or develop a new product. Customized products developed through NRE contracts can later be sold under the category "hardware". Revenue for NRE contracts is recognized over time.

The Wireless business area also sells support for the Company's hardware, which facilitates customization of the technology. For example, the support agreements allow Sivers Semiconductors' products to be embedded into the customer's products, which are then sold on to end customers. Revenue from support contracts is recognized over time.

Revenue type	Apr- Jun 2021			Apr- Jun 2020		
	Wireless	Photonics	Total	Wireless	Photonics	Total
Hardware	8,682	4,063	12,745	3,764	3,266	7,031
NRE/Development project	661	12,965	13,626	353	13,641	13,995
Support & Other	540	-	540	420	-	420
Total	9,883	17,027	26,911	4,537	16,908	21,445
Recognition						
At a point in time	8,682	172	8,854	3,764	520	4,284
Over time	1,201	16,856	18,056	773	16,388	17,161
Total	9,883	17,027	26,911	4,537	16,908	21,445
Geographical market						
North America	3,972	14,590	18,562	426	14,421	14,848
Europe	3,510	1,364	4,874	3,384	1,563	4,947
Asia	2,401	1,073	3,474	727	923	1,651
Total	9,883	17,027	26,911	4,537	16,908	21,445

Revenue type	Jan-Jun 2021			Jan-Jun 2020		
	Wireless	Photonics	Total	Wireless	Photonics	Total
Hardware	10,241	7,368	17,608	9,227	7,053	16,281
NRE/Development project	1,819	20,253	22,072	757	26,406	27,163
Support & Other	1,070	-	1,070	812	-	812
Total	13,130	27,621	40,751	10,796	33,459	44,255
Recognition						
At a point in time	10,241	172	10,413	9,227	520	9,747
Over time	2,889	27,449	30,338	1,568	32,940	34,508
Total	13,130	27,621	40,751	10,796	33,459	44,255
Geographical market						
North America	4,729	21,657	26,386	654	28,304	28,959
Europe	5,133	3,206	8,340	7,844	3,570	11,414
Asia	3,268	2,757	6,025	2,297	1,585	3,882
Total	13,130	27,621	40,751	10,796	33,459	44,255

Segment revenue and profit

Apr-Jun 2021, SEK 000	Wireless	Photonics	Shared Group costs	Total
Revenue				
External revenue	9,883	17,027	-	26,911
Revenue from other segments	0	0	-	0
Total revenue	9,883	17,027	-	26,911
Profit				
EBITDA	-7,125	-4,299	-8,656	-20,080
Depreciation, amortization and impairment	-	-	-7,929	-7,929
EBIT	-7,125	-4,299	-16,585	-28,009
Financial income	-	-	2	2
Financial expenses	-	-	-900	-900
Profit/Loss before tax	-7,125	-4,299	-17,483	-28,907
Income tax	-	-	11	11
Profit after tax	-7,125	-4,299	-17,472	-28,897

Segment revenue and profit

Apr-Jun 2020, SEK 000	Wireless	Photonics	Shared Group costs	Total
Revenue				
External revenue	4,537	16,908	-	21,445
Revenue from other segments	-	-	-	-
Total revenue	4,537	16,908	-	21,445
Profit				
EBITDA	-7,043	494	-2,519	-9,068
Depreciation, amortization and impairment	0	0	-7,521	-7,521
EBIT	-7,043	494	-10,041	-16,590
Financial income	0	0	-2,825	-2,825
Financial expenses	0	0	-2,987	-2,987
Profit/Loss before tax	-7,043	494	-15,853	-22,402
Income tax	-	-	11	11
Profit after tax	-7,043	494	-15,843	-22,392

Segment revenue and profit

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

Segment revenue and profit

Jan-Jun 2020, SEK 000	Wireless	Photonics	Shared Group costs	Total
Revenue				
External revenue	10,796	33,459	-	44,255
Revenue from other segments	-	-	-	-
Total revenue	10,796	33,459	-	44,255
Profit				
EBITDA	-12,724	-2,165	-5,181	-20,070
Depreciation, amortization and impairment	-	-	-14,979	-14,979
EBIT	-12,724	-2,165	-20,159	-35,049
Financial income	-	-	31	31
Financial expenses	-	-	-8,613	-8,613
Profit/Loss before tax	-12,724	-2,165	-28,741	-43,630
Income tax	-	-	21	21
Profit after tax	-12,724	-2,165	-28,720	-43,609

Segment revenue and profit

Jan-Dec 2020, SEK 000

	Wireless	Photonics	Shared Group costs	Total
Revenue				
External revenue	22,688	73,482	-	96,170
Revenue from other segments	-	-	-	-
Total revenue	22,688	73,482	-	96,170
Profit				
EBITDA	-37,875	399	-18,185	-55,661
Depreciation, amortization and impairment	-	-	-30,049	-30,049
EBIT	-37,875	399	-48,235	-85,710
Financial income	-	-	4,103	4,103
Financial expenses	-	-	-119,744	-119,744
Profit/Loss before tax	-37,875	399	-163,875	-201,351
Income tax	-	-	5,569	5,569
Profit after tax	-37,875	399	-158,306	-195,782

Wireless

Revenue for the second quarter 2021 amounted to SEK 9.883 M (4.537), an increase of SEK 5.346 M, which represents an increase of 118 % year-on-year. EBITDA was SEK -7.124 M (-7.043), a decrease of SEK 0.081 M.

The decrease in EBITDA in the quarter, despite increased revenue, was mainly due to increased other external expenses not directly attributable to increased sales or capitalized work on own account, such as licensing and consulting charges and administration fees paid to the parent company. Costs relating to raw materials and consumables also increased at a pace with increased revenue. EBIT, which amounted to SEK -12.044 M (-11.431) in the second quarter, also decreased as the item depreciation, amortization and impairment increased due to higher amortization related to capitalized development expenses from previous years after the second quarter last year.

Revenue for the period January-June amounted to SEK 13.130 M (10.796), an increase of SEK 2.334 M, which represents an increase of 22% year-on-year. EBITDA was SEK -11.653 M (-12.723), an increase of SEK 1.070 M.

Apart from increased income, the increase in EBITDA was primarily due to an increase in capitalized work on own account as a result of accrued major projects in Wireless. The total cost mass not directly attributable to capitalized work also increased in the period, but not to the same extent as revenue.

EBIT, which amounted to SEK -21.408 M (-21.485) in the period, increased, although at a lower rate than EBITDA, as depreciation, amortization and impairment increased year-on-year as a result of increased amortization related to capitalized development expenses from previous years after the second quarter last year.

Photonics

Revenue for the second quarter 2021 amounted to SEK 17.027 M (16.908), an increase of SEK 0.119 M year-on-year, which corresponds to 0%. EBITDA was SEK -4.299 M (-4.94), a decrease of SEK 4.793 M.

The decrease in EBITDA is connected to increased costs for goods and necessities, other external expenses and personnel costs. The increased costs of input goods and necessities was due to increased purchasing of goods and services connected with research and development. The increase in other external expenses was connected to increased costs for consultants and an increased number of staff within the company.

EBIT also decreased in line with EBITDA, as changes in year-on-year depreciation and amortization had a relatively limited impact on profit.

Revenue for the period January-June amounted to SEK 27.621 M (33.459), a decrease of SEK 5.838 M year-on-year, representing a decrease of 17%. EBITDA was SEK -11.675 M (-12.165), a decrease of SEK 9.510 M.

The decrease in EBITDA is linked to reduced income driven by delays caused by Covid-19 in the first quarter, and increased costs of raw materials and consumables. The increased costs of input goods and necessities was due to increased purchasing of goods and services connected with research and development.

EBIT also decreased in line with EBITDA, as changes in depreciation, amortization and impairment compared to first quarter of the previous year had a relatively limited impact on profit.

Note 3 – Financial instruments

The Balance Sheet includes operating receivables and liabilities held to maturity. These consist of accounts receivables, contract assets, cash and cash equivalents, accounts payable, other current liabilities, accrued expenses and hire-purchase liabilities.

These are reported at amortized cost, which is an approximation to fair value. The credit risk for the receivables is judged to be low.

Alternative Performance Measures (APM)

Alternative performance measures are used to describe progress of operations and increase comparability between periods. These are not defined by the IFRS regulatory framework, but correspond to the Group's and management' measures of the company' financial performance and can be viewed as a complement to the financial information presented under IFRS.

Group (SEK 000)	1/1/2021 -06/31/2021	1/1/2020 -06/30/2020	1/1/2020 -12/31/2020
PROFITABILITY			
Revenue growth (%)	-8%	-6%	0%
EBITDA (SEK 000)	-37,851	-20,070	-55,661
EBIT (SEK 000)	-53,811	-35,049	-85,710
CAPITAL STRUCTURE			
Equity (SEK 000)	484,169	301,079	531,925
Total assets (SEK 000)	606,786	447,091	647,186
Capital employed (SEK 000)	533,194	385,705	584,499
Interest-bearing net debt (SEK 000)	-43,480	18,905	-196,874
Capital turnover ratio (times)	0.1	0.1	0.2
Equity/assets ratio (%)	80%	67%	82%
Debt/equity ratio (%)	10%	28%	10%
CASH FLOW AND LIQUIDITY			
Cash flow before investments (SEK 000)	-73,166	-22,775	-40,067
Cash flow after investing activities (SEK 000)	-152,801	-41,280	-79,566
Cash and cash equivalents (SEK 000)	92,505	65,721	249,448
INVESTMENTS			
Acquisition of property, plant and equipment (SEK 000)	-2,615	-970	-2,313
Acquisition of intangible assets (SEK 000)	-26,594	-17,535	-37,215
Sales of property, plant and equipment (SEK 000)	-	-	30
PERSONNEL			
Average number of employees	109	100	101
Turnover per employee (SEK 000)	374	443	952
Total number of employees	117	99	103
DATA PER SHARE			
Number of shares*	154,445,647	139,882,186	154,445,647
Average number of shares before dilution*	154,445,647	138,087,798	142,821,263
Earnings per share before and after dilution	-0.36	-0.32	-1.37
Equity per share (SEK)	3.13	2.15	3.44

* In order to calculate equity per share and earnings per share, the number of shares and the average number of shares have been adjusted retrospectively to reflect the bonus issue elements of new share issues completed in 2020.

Definitions of key performance indicators

	Definition	Reason for using the measure
PROFITABILITY		
Revenue growth (%)	Percentage change in revenue compared with previous period	The measure is used to monitor progress of the Group's operations between different periods
EBITDA	Profit before financial items, tax and depreciation and amortization	The measure is a means of evaluating profit without taking into account financial decisions or tax
EBIT (Operating profit)	Profit before financial items and tax	Operating profit provides an overall view of total profit generation in operations
CAPITAL STRUCTURE		
Equity	Equity at the end of the period	Used to calculate equity/assets ratio
Total assets	Total assets or the sum of liabilities and equity	Used to calculate capital employed and equity/assets ratio
Capital employed	Total assets less non-interest bearing liabilities, including deferred tax	Shows the proportion of assets linked to operations
Interest-bearing net debt	Net interest-bearing provisions and liabilities less financial assets including cash and cash equivalents	The measure shows the Group's total debt/equity ratio
Capital turnover ratio (times)	Sales for the year divided by average total assets	Measure of the assets' ability to generate revenue
Equity/assets ratio (%)	Equity as a percentage of total assets	The measure shows the proportion of total assets that comprises equity and contributes to increasing understanding of the Group's capital structure
Debt/equity ratio (%)	Interest-bearing liabilities divided by equity	The measure describes financial risk, that is the proportion of the Group's assets that is financed by borrowing
CASH FLOW AND LIQUIDITY		
Cash flow before investments	Profit after financial items including items not affecting cash flow less changes in working capital	Used to monitor whether the company is able to generate a sufficiently positive cash flow to maintain operations and generate a surplus for future investments
Cash flow after investments	Profit after financial items incl. items not affecting cash flow less changes in working capital and investments	Used to monitor whether the company is able to generate a sufficiently positive cash flow to maintain and expand operations and generate a surplus for future dividends
Cash and cash equivalents	Bank balances and cash	Used to calculate interest-bearing net debt
PERSONNEL		
Average number of employees*	Average number of employees in the period	
Turnover per employee*	Turnover divided by average number of employees	
Total number of employees	Total number of employees at the end of the period	
DATA PER SHARE		
Number of shares**	Number of shares at the end of the period*	
Average number of shares**	Average number of shares at the end of the period*	
Earnings per share (SEK)	Profit for the period divided by average number of shares	The performance indicator sheds light on the owners' share of profit
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

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

** Non-financial measure

Calculation of financial measures not included in IFRS

	6/30/2021	6/30/2020	12/31/2020
Revenue growth (%)			
Revenue	40,751	44,255	96,170
Revenue corresponding period previous year	44,255	46,970	96,355
Revenue growth (%)	-8%	-6%	0%
EBITDA (SEK 000)			
Operating profit/loss	-53,811	-35,049	-85,710
Depreciation, amortization and impairment of fixed assets	15,960	14,979	30,049
EBITDA	-37,851	-20,070	-55,661
Capital employed (SEK 000)			
Total assets	606,786	447,091	647,186
Deferred tax	-105	-147	-126
Provisions	-14,161	-7,046	-17,177
Non-interest bearing portion of other non-current liabilities	-3,308	-3,196	-3,355
Accounts payable	-21,973	-9,936	-14,246
Non-interest bearing portion of other liabilities	-9,632	-15,592	-5,634
Accrued expenses and deferred income	-24,414	-25,469	-22,148
Capital employed	533,194	385,705	584,499
Interest-bearing net debt			
Interest-bearing non-current liabilities (leasing and other)	38,449	16,185	41,513
Interest-bearing current liabilities (convertible, leasing and other)	10,576	68,440	11,061
Cash and cash equivalents	-92,505	-65,721	-249,448
Interest-bearing net debt	-43,480	18,905	-196,874
Capital turnover ratio, times			
Revenue	40,751	44,255	96,170
Average total assets	626,986	435,680	535,727
Total assets at the beginning of the period	647,186	424,268	424,268
Total assets at the end of the period	606,786	447,091	647,186
Capital turnover ratio, times	0.1	0.1	0.2
Equity/assets ratio %			
Equity (SEK 000)	484,169	301,079	531,925
Total assets (SEK 000)	606,786	447,091	647,186
Equity/assets ratio, %	80%	67%	82%
Debt/equity ratio (%)			
Interest-bearing liabilities	49,025	84,625	52,574
Equity	484,169	301,079	531,925
Debt/equity ratio (%)	10%	28%	10%
Equity per share, SEK			
Equity, SEK 000	484,169	301,079	531,925
Number of shares at the end of the period*	154,445,647	139,882,186	154,445,647
Equity per share	3.13	2.15	3.44

* In order to calculate equity per share and earnings per share, the number of shares and the average number of shares have been adjusted retrospectively to reflect the bonus issue elements of new share issues completed in 2020.

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