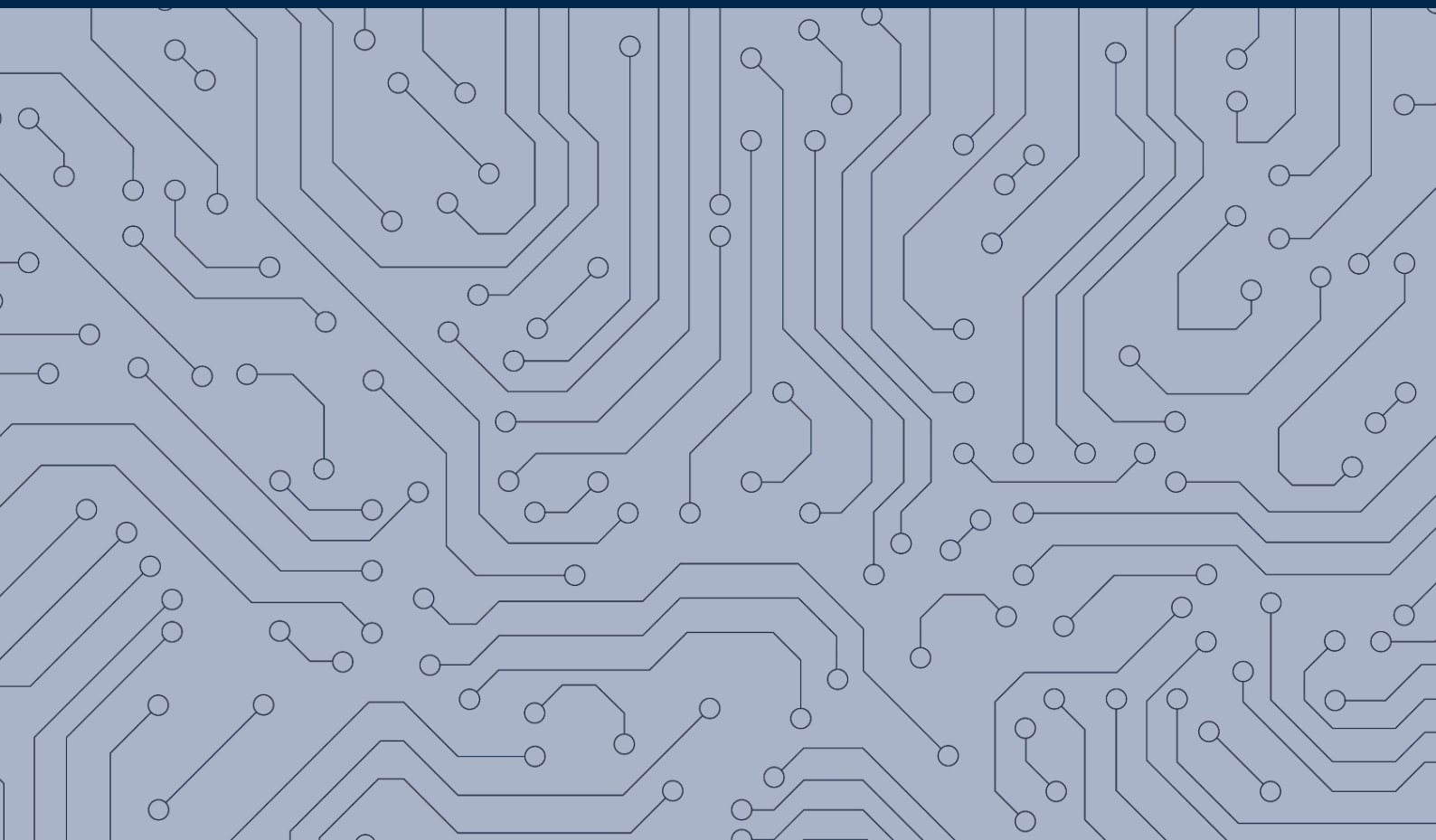


First Sensor 
is now part of



Interim Report as of March 31, 2023

FIRST SENSOR AG, BERLIN



ABOUT THIS REPORT

The reporting period is the six months from October 1, 2022 to March 31, 2023. To ensure this report is as current as possible, it includes all relevant information available up to the Responsibility Statement dated May 15, 2023.

Information on Accounting

The interim consolidated financial statements and the consolidated interim report are prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the European Union (EU), as well as additional requirements pursuant to the German Commercial Code (Handelsgesetzbuch – HGB).

The internal control system (ICS) provides reasonable assurance regarding the reliability of financial reporting and compliance with applicable laws and regulations. To monitor the effectiveness of the ICS, there are regular reviews of the processes relevant to financial reporting.

Information on formal presentation

This year, we are once again publishing our interim report exclusively in digital form. It is available as a full-content PDF in German and English. In the event of any discrepancies, the German version of the report shall take precedence over the English translation.

For better readability, we refrain from references to rounding differences in this publication and use only the masculine form. It refers to persons of any gender.

Disclaimer

The interim report contains statements which are forward-looking and do not represent any incitement to buy, hold or sell shares of First Sensor AG, but rather are intended exclusively for information purposes with regard to possible future developments at the company. Forward-looking statements are those that address activities, events or developments that management intends, expects, projects, believes or anticipates will or may occur in the future. By their nature, forward-looking statements are subject to numerous factors, risks and uncertainties that could cause actual outcomes and results to be materially different from the results projected. Our results will be subject to many of the same risks that apply to the semiconductor, automotive, medical technology and industrial industries, such as general economic conditions, interest rate fluctuations, consumer spending patterns and technological changes.

All future-oriented specifications in this consolidated financial report were produced on the basis of a probability-based plan and represent reasonable forward-looking statements regarding the future which cannot be guaranteed. It should be noted that all forward-looking statements only speak as of the date of this report and that First Sensor AG does not assume any obligation, except as required by law, to update any forward-looking statement or to conform any such statement to actual events or development.

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1. TO OUR SHAREHOLDERS

1.1 FOREWORD BY THE MANAGEMENT BOARD

Dear Shareholders and Business Partners,

In the first half of the 2023 financial year, First Sensor successfully translated its high order backlog into dynamic sales growth of 16.1% to €66.4 million. These figures are in line with our expectations for the financial year, which anticipated sales of between €130 million and €140 million. Profitability also improved considerably as a result. Nevertheless, we expect development to be more restrained in the second half of the year on account of general conditions and the planned normalization of inventories. This could return profitability to expected levels for the financial year. Accordingly, the expected EBIT margin of between 3% and 5% has not been revised for the 2023 financial year.

We accelerated our investments significantly in the first half of 2023 to modernize existing systems and further expand capacity. This also relates to the relocation of production from the TE Connectivity location in Dortmund to Berlin-Oberschöneweide. We have now hired around 25 additional employees there to handle the higher volume. The expansion of the location in Oberschöneweide and the order volumes on the books also provide considerable job security at the site.

This year's Annual General Meeting was on April 25, 2023 and was held in person for the first time in three years on account of the pandemic. The Management Board and the Supervisory Board reported extensively on the 2022 financial year and answered all questions from shareholders in attendance. Resolutions were adopted on all agenda items by a large majority.

One key issue was integration into the TE Connectivity Group. It was made clear that First Sensor was and remains an integral part of TE Connectivity's strategy and success. First Sensor accounts for approximately 15% of global sales in IMS (industrial and medical sensors) and TRS (sensors for the transport sector) and First Sensor is a European center of excellence for MEMS.

We as the Management Board, we are delighted that TE Connectivity has gained exceptional talent at all levels of the company from First Sensor, including the Chief Technology Officer in IMS and our German Cluster Operations Leader, who is responsible for several production locations.

We continue to be delighted by your interest in the development of our company and by your constructive support. As usual, we will keep you informed about the next steps in our journey.

The Management Board



Thibault Kassir



Robin Maly



Dirk Schäfer

2. CONSOLIDATED INTERIM REPORT

2.1 ECONOMIC REPORT

2.1.1 General economic and sector conditions

Developments in the economy as a whole

The International Monetary Fund (IMF) has been emphasizing the risks of a global recession since fall 2022. It expects one third of the global economy to report negative economic growth in at least two consecutive quarters. The main reasons for this pessimistic forecast are the impact of the Covid-19 pandemic, Russia's invasion of Ukraine and natural disasters caused by climate change. Rising energy prices, inflation and supply chain disruption are squeezing the global economy, believes the IMF.

According to the IMF, substantial interest rate hikes to tackle inflation have also hurt growth in many countries. At around 0.8%, growth in the euro area in 2023 is expected to be only half as high as in the U.S. German gross domestic product (GDP) is even expected to decline by 0.1% in 2023. This makes the IMF even more pessimistic than the German Council of Economic Experts, which just recently revised its growth forecast for this year upwards from minus 0.1% to plus 0.2%. Globally, the IMF sees a balancing act between restoring price stability and avoiding sliding into a recession.

Developments on the sensor market

The members of the German Electrical and Electronic Manufacturers' Association (ZVEI) reported a 6.3% upturn in incoming orders in the first few months of the year. Adjusted for inflation, this means that there has been no further growth. Germany saw an increase of 8.6% and orders from abroad picked up by just 4.5%. Euro area orders actually decreased by 6.6%. While production was 5.9% higher than in the previous year, just 14% of member companies expect to see sales growth in the next six months.

The members of the AMA - Association for Sensor and Measurement - generated a 10% sales increase in the 2022 financial year. Nonetheless, incoming orders cooled off in the fourth quarter of 2022. Accordingly, the outlook for sensors and measurement technology is more modest for the 2023 financial year. The AMA members do not anticipate any sales growth for the 2023 financial year.

2.1.2 Financial position and financial performance

Sales development

After beginning the financial year with a high order backlog, First Sensor saw sales pick up by 16.1% in the first six months of the 2023 financial year to €66.4 million (previous year: €57.2 million). Sales of €30.7 million were generated in the first quarter (previous year: €29.1 million), while sales in the second quarter climbed significantly to €35.7 million (previous year: €28.0 million). Overall, this performance was in line with planning for the year as a whole, which anticipated total sales of between €130 million and €140 million.

The regional distribution of sales reflects changes to the sales structure. Currently, €42.8 million are generated in the DACH region (Germany, Austria, Switzerland, Liechtenstein), which corresponds to 64.5% of total sales. The second most important sales market was the rest of Europe with €11.3 million or 17.1% of total sales. North America contributed €5.4 million or 8.1% of total sales. The share of sales in Asia reached 10.2%, amounting to €6.8 million.

€ thousand	6M 2022	6M 2023	Absolute change	in %
DACH*	36,468	42,792	6,324	17.3
Rest of Europe	7,795	11,318	3,523	45.2
North America	3,690	5,386	1,696	46.0
Asia	8,944	6,800	-2,144	-24.0
Others	270	80	-190	-70.4
Total	57,167	66,376	9,209	16.1

*Germany, Austria, Switzerland, Liechtenstein

Order situation

Dynamic sales performance in the first half of the 2023 financial year was offset by a significant year-on-year decline in incoming orders. Following new orders of just €25.1 million in the first quarter, these picked up to €33.7 million in the second quarter. Incoming orders after the first six months of the 2023 financial year therefore came to €58.8 million (previous year: €90.6 million).

The order backlog reduced slightly compared to the previous quarter from €102.6 million to €101.7 million (previous year: €129.5 million). The book-to-bill ratio after the first half of the year was 1.09 (previous year: 1.56), indicating stable business development in the future.

€ thousand	Oct. 1, 2021 - Mar. 31, 2022	Oct. 1, 2022 - Mar. 31, 2023	Absolute change	in %
Sales	57,167	66,376	9,209	16.1
<i>Product sales</i>	57,167	63,471	6,304	11.0
<i>Sales from services</i>	0	2,905	2,905	>200.0
Incoming orders	90,560	58,823	-31,737	-35.0
Orders on hand	129,470	101,730	-27,740	-21.4
Book-to-bill ratio	1.56	1.09	-	-

Results

In the first six months of the 2023 financial year, First Sensor increased sales by 16.1% to €66.4 million (previous year: €57.2 million). Following sales of €30.7 million in the first quarter, sales in the second quarter reached €35.7 million. Sales development was therefore in line with expectations for the year as a whole, in which sales of between €130 million and €140 million are anticipated.

Inventories of finished goods and work in progress expanded by €6.8 million in the first six months of 2023, primarily affecting work in progress as a result of supply difficulties for certain components. Own work capitalized came to just €16 thousand compared to €88 thousand in the previous year. Other operating income was unchanged year-on-year at €0.7 million, resulting in gross revenue of €73.2 million (previous year: €57.2 million).

Cost of materials again saw above-average growth of 27.6% to €34.7 million (previous year: €27.2 million), due largely to significant price increases for materials and energy. The cost of materials ratio in relation to gross revenue thus saw only an immaterial change to 47.4% (previous year: 47.6%). This resulted in gross profit of €39.2 million (previous year: €30.7 million).

Staff costs also increased, largely due to extraordinary salary adjustments and personnel recruitment and amounted to €21.2 million in the reporting period (previous year: €19.9 million). In conjunction with the rise in sales, the staff costs ratio improved considerably to 29.0% (previous year: 34.8%). Other operating expenses declined slightly to €7.6 million (previous year: €8.2 million).

EBITDA improved considerably from €2.6 million in the previous year to €10.4 million. This equates to an EBITDA margin of 15.7% (previous year: 4.5%).

Changes in depreciation and amortization were insignificant and came to €3.7 million (previous year: €3.5 million), as the most recent investments have not yet been fully capitalized. Operating earnings (EBIT) amounted to €6.7 million for the first half of 2023 (previous year: €-0.9 million). This translates into an EBIT margin of 10.1%, far higher than the target range. In view of the economic slowdown, including on the sensors market, and the planned normalization of inventories, more restrained development is expected in the second half of the year. This could return profitability to expected levels for the financial year. An unchanged EBIT margin of between 3% and 5% is therefore expected for the 2023 financial year.

The financial result after six months amounted to €15 thousand, up on the previous year as a result of repayments (€-0.4 million). Earnings before taxes for the first half of 2023 thus also came to €6.7 million (previous year: €-1.3 million). No (deferred) taxes were incurred in the reporting period as a result of the tax group with TE Connectivity. The result for the period therefore also amounts to €6.7 million (previous year: €-1.3 million). This corresponds to basic/diluted earnings per share outstanding of €0.65/0.65 (previous year: €-0.12/-0.12).

€ thousand	6M 2022	6M 2023	Absolute change	in %
Sales	57,167	66,376	9,209	16.1
Other operating income	669	670	1	0.1
Changes in inventories of finished goods and work in progress	-59	6,794	6,853	<0
Other own work capitalized	88	16	-72	<0
Cost of materials/cost of purchased services	-27,160	-34,659	-7,499	27.6
Gross profit	30,705	39,197	8,492	27.7
Staff costs	-19,892	-21,235	-1,343	6.8
Other operating expenses	-8,221	-7,553	668	<0
EBITDA	2,592	10,409	7,817	>200
Depreciation of property, plant and equipment and amortization of intangible assets	-3,470	-3,680	-210	6.0
EBIT	-878	6,729	7,607	<0
Financial result	-373	15	388	<0
Profit before taxes and non-controlling interests	-1,251	6,744	7,995	<0
Income taxes	0	2	2	0.0
Profit or loss for the period	-1,251	6,747	7,998	<0

Capital structure

As of the reporting date of March 31, 2023, the equity of the First Sensor Group increased to €131.4 million (September 30, 2022: €124.4 million) as a result of net retained profits. The equity ratio improved to 79.8% compared with 75.7% as of the balance sheet date.

Non-current financial liabilities experienced only an insignificant change, amounting to €9.5 million (previous year: €9.2 million). Current financial liabilities decreased considerably in the first quarter of the financial year due to repayments and came to €2.1 million (previous year: €9.5 million). As of the balance sheet date, other current liabilities decreased chiefly due to the utilization of provisions in connection with personnel obligations.

The €29.8 million decline in cash pool and cash and cash equivalents to €18.5 million as of the end of the reporting period was attributable primarily to high investments in the reporting period and the increase in inventories.

At the end of the second quarter of 2023, First Sensor reported a net cash position of €6.9 million, €4.1 million less than at the last balance sheet date.

€ thousand	Sept. 30, 2022	March 31, 2023	Absolute change	in %
Non-current financial liabilities	9,213	9,476	263	2.8
Current financial liabilities	9,496	2,089	-7,407	-78.0
Cash pool	28,880	16,650	-12,230	-42.3
Cash and cash equivalents	900	1,851	951	105.7
Net debt (-)/Net cash (+)	11,071	6,936	-4,135	-37.3

It can also be assumed for the future that First Sensor will be in a position to finance operating business and planned growth from the resources at its disposal and in association with TE Connectivity.

First Sensor does not use off-balance sheet financing instruments.

Investments

Cash investments rose to €8.5 million in the first half of the 2023 financial year (previous year: €5.4 million), more than twice the amount of depreciation and amortization at €4.0 million. A large part of the investments is related to modernization and capacity expansion in connection with the relocation of production from the TE Connectivity location in Dortmund to Berlin-Oberschöneeweide.

€ thousand	Oct. 1, 2021 - Mar. 31, 2022	Oct. 1, 2022 - Mar. 31, 2023
Investments in intangible assets	418	-30
Investments in property, plant and equipment	5,013	8,522
Cash investments	5,431	8,492
Sale of intangible assets and property, plant and equipment	972	8
Other effects	30	106
Cash flow from investing activities	-4,429	-8,377
Amortization of intangible assets	-793	-1,532
Depreciation of property, plant and equipment	-2,677	-2,516
Depreciation and amortization	-3,470	-4,049

Liquidity

Operating cash flow was slightly into positive territory after the first six months of the financial year at €1.4 million (previous year: €-7.1 million). This predominantly reflects the considerable upturn in sales volume in March 2023.

The cash outflow from investing activities rose sharply to €-8.4 million (previous year: €-4.4 million).

The cash outflow from financing activities amounted to €-4.3 million. The previous year's figure (€-24.3 million) was largely defined by the profit transfer to TE Connectivity in the amount of €-22.0 million.

Free cash flow as the sum of operating cash flow and cash flow from investing activities was accordingly negative at €-7.0 million in the reporting period (previous year: €-11.5 million).

€ thousand	6M 2022	6M 2023
Operating cash flow	-7,071	1,398
Cash flow from investing activities	-4,429	-8,377
Cash flow from financing activities	-24,308	-4,299
Change in cash and cash equivalents	-35,808	-11,279
Exchange differences	-12	0
Cash and cash equivalents at the beginning of the period	65,784	29,779
Cash and cash equivalents at the end of the period	29,964	18,501
Free cash flow	-11,500	-6,979

Net assets

Total assets remained stable over the course of the first six months of financial year 2023 at €164.6 million (September 30, 2022: €164.3 million).

In non-current assets, property, plant and equipment rose by €5.7 million to €56.3 million (previous year: €50.6 million) in response to increased investing activities.

As far as current assets are concerned, inventories posted an increase of €6.9 million to €46.6 million (September 30, 2022: €39.7 million), largely in the area of semi-finished goods as a result of a lack of components. Trade receivables fell by €0.8 million to €15.6 million (previous year: €16.4 million) despite business expansion.

The decrease in cash funds in the reporting period by €11.3 million to €18.5 million is due mainly to the increase in capital expenditure and the build-up of inventories.

Working capital, i.e. inventories plus trade receivables less advance payments and trade payables, increased to €49.4 million in the course of the first six months (September 30, 2022: €44.2 million). By contrast, capital employed as total assets less current liabilities rose to €143.5 million, compared with €136.8 million as of the last balance sheet date.

2.1.3 Overall statement

The economic environment in the first six months of the 2023 financial year was dominated by inflation stemming from the war in Ukraine and high levels of uncertainty regarding further developments. Under these conditions, First Sensor achieved a 16.1% increase in sales to €66.4 million. This sales development was consistent with expectations and in line with the guidance for the 2023 financial year, which expects sales of between €130 million and €140 million.

Profitability improved significantly in the reporting period. After six months, EBIT reached €6.7 million. This translates into an EBIT margin of 10.1%, far higher than the target range. In view of the economic slowdown, including on the sensors market, and the planned normalization of inventories, more restrained development is expected in the second half of the year. This could return profitability to expected levels for the financial year. An unchanged EBIT margin of between 3% and 5% is therefore expected for the 2023 financial year.

2.2 FORECAST, OPPORTUNITY AND RISK REPORT

2.2.1 Forecast report

General economic and sector conditions

The International Monetary Fund (IMF) is more pessimistic about the future of the global economy than it was at the start of the year. Faced with turbulence in the financial sector, high inflation, the ongoing repercussions of the Russian invasion of Ukraine and three years of the Covid-19 pandemic, the IMF lowered its forecast. It now expects global growth to slow to 2.8% this year compared to 2022 (3.4%).

According to the IMF, substantial interest rate hikes to tackle inflation have hurt growth in many countries. At around 0.8%, growth in the euro area this year is expected to be only half as high as in the U.S. German gross domestic product (GDP) is even expected to decline by 0.1% in 2023. Globally, the IMF sees a balancing act between restoring price stability and avoiding sliding into a recession.

In its updated economic forecast for 2023, the German Council of Economic Experts puts anticipated German gross domestic product (GDP) growth at 0.2% in 2023 and 1.3% in 2024. The short-term outlook has thus improved slightly since fall 2022 but the situation remains strained. Inflation should have peaked in fall 2022. Nonetheless, it is still extremely high and will likely decline only slowly. The Council expects to see average inflation of 6.6% in 2023, with the figure not dropping to 3.0% until 2024.

Development of the sensor market

Sensors are the heroes of modern technology. From sensors that monitor air quality and pollution in cities to sophisticated sensors in medical equipment that help diagnose and treat illness and sensors in cars that ensure passenger safety, sensors play a vital role in improving lives.

The Allied Market Research institute estimated the global sensor market at \$167 billion in 2019 and expects it to grow to \$346 billion by 2028, with average annual growth of 8.9% between 2021 and 2028.

Sensors are devices that detect events or changes in the environment and then provide a corresponding output. They record physical inputs such as light, heat, movement, moisture, pressure or other variables and respond with an output on a display screen or transmit the information electronically so that it can be processed further. The institute believes there is particular potential for growth in the increasing use of temperature and proximity sensors in portable, modern healthcare equipment and motion and position sensors in industry. In addition, the increasing use of gyroscope and accelerometers in consumer electronics in connection with innovative applications such as gesture recognition, biometrics and motion detection is expected to create opportunities for the sensor industry.

Forecast for the business development in 2023

Sales

Despite the unfavorable conditions, First Sensor's sales developed pleasingly in the first six months of the 2023 financial year, increasing by 16.1% to €66.4 million. The restrained start to the financial year was offset in the second quarter. The good order situation is a sound basis for further business development. Guidance for the year as a whole is therefore confirmed: Sales should be between €130 million and €140 million.

Results

Profitability improved significantly thanks to higher sales at the end of the first half of 2023. In view of the economic slowdown, including on the sensors market, and the planned normalization of inventories, more restrained development is expected in the second half of the year. This could return profitability to expected levels for the financial year. An unchanged EBIT margin of between 3% and 5% is therefore expected for the 2023 financial year.

Financial position

Materials availability is still experiencing disruption leading to the build-up of inventories, especially for semi-finished goods. These inventories are to be reduced again throughout the financial year. Despite this, working capital will likely be elevated in the second half of the financial year. The liquidity position provides sufficient flexibility to finance operations and investments, in particular also thanks to the combination with TE Connectivity.

Planned investments in modernization and capacity expansion gained ground in the first half of 2023. €8 million to €10 million was originally planned, a figure that will likely be exceeded for the year as a whole. Depreciation and amortization, on the other hand, should be well below this level at the end of the financial year. Cash flow will be significantly influenced by profitability in the further course of the year.

Overall statement

The high order backlog was successfully translated into a considerable sales upturn in the first half of the 2023 financial year. This development matches original planning, which anticipated sales of between €130 million and €140 million for the 2023 financial year. Profitability improved significantly recently. In view of the economic slowdown, including on the sensors market, and the planned normalization of inventories, more restrained development is expected in the second half of the year. This could return profitability to expected levels for the financial year. An unchanged EBIT margin of between 3% and 5% is therefore expected for the 2023 financial year.

2.2.2 Report on risks and opportunities

The risks and opportunities for the First Sensor Group are explained in detail in its 2022 Annual Report. There have been no significant changes to the matters described in this report since it was published.

3. INTERIM CONSOLIDATED FINANCIAL STATEMENTS 2023

3.1 CONSOLIDATED STATEMENT OF FINANCIAL POSITION (IFRS)

3.1.1 Assets

€ thousand	Sept. 30, 2022	March 31, 2023	Absolute change
Intangible assets	4,152	3,261	-891
Goodwill	15,979	15,979	0
Property, plant and equipment	50,571	56,266	5,695
Total non-current assets	70,702	75,506	4,804
Inventories	39,715	46,630	6,915
Trade receivables	16,396	15,642	-754
Tax assets	1	0	-1
Financial assets	35,630	16,766	-18,864
Other current assets	992	8,183	7,191
Cash and cash equivalents	913	1,865	952
Total current assets	93,647	89,086	-4,561
Total ASSETS	164,349	164,591	242

3.1.2 Equity and liabilities

€ thousand	Sept. 30, 2022	March 31, 2023	Absolute change
Issued capital	51,612	51,657	45
Capital reserves	10,574	10,811	237
Retained earnings	62,214	68,956	6,742
Other reserves	-41	-41	0
Total equity	124,360	131,383	7,023
Provisions for pensions	254	272	18
Non-current financial liabilities	9,738	9,476	-262
Other non-current financial liabilities	2,469	2,395	-74
Total non-current liabilities	12,461	12,144	-317
Provisions for taxes	531	531	0
Other current provisions	428	215	-213
Current financial liabilities	6,271	2,089	-4,182
Advance payments received on orders	160	125	-35
Trade payables	11,733	12,707	974
Other current liabilities	8,405	5,399	-3,006
Total current liabilities	27,528	21,065	-6,463
Total EQUITY AND LIABILITIES	164,349	164,591	242

3.2 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (IFRS)

3.2.1 Consolidated income statement

€ thousand	Oct. 1, 2021	Oct. 1, 2022	Absolute change
	- Mar. 31, 2022	- Mar. 31, 2023	
Sales	57,167	66,376	9,209
Other operating income	669	670	1
Changes in inventories of finished goods and work in progress	-59	6,794	6,853
Other own work capitalized	88	16	-72
Cost of materials/cost of purchased services	-27,160	-34,659	-7,499
Gross profit	30,705	39,197	8,492
Staff costs	-19,892	-21,235	-1,343
Other operating expenses	-8,221	-7,553	668
EBITDA	2,592	10,409	7,817
Depreciation of property, plant and equipment and amortization of intangible assets	-3,470	-3,680	-210
EBIT	-878	6,729	7,607
Financial result	-373	15	388
Profit before taxes and non-controlling interests	-1,251	6,744	7,995
Income taxes	0	2	2
Profit or loss for the period	-1,251	6,747	7,998
Net profit/loss for the period attributable to First Sensor AG shareholders before profit transfer to TE Connectivity	-1,242	6,747	7,989
Net profit for the period attributable to minority interests	-9	0	9
Earnings per share in € (basic)	-0.12	0.65	0.77
Earnings per share in € (diluted)	-0.12	0.65	0.77

3.2.2 Other comprehensive income

€ thousand	Oct. 1, 2021	Oct. 1, 2022
	- Mar. 31, 2022	- Mar. 31, 2023
Profit or loss for the period	-1,251	6,747
Actuarial gains and losses on defined benefit plans	0	0
Taxes on changes in value offset directly against equity	0	0
Items not subsequently reclassified to profit or loss	0	0
Changes from currency translation	-10	0
Remeasurement of derivative financial instruments	0	0
Expenses recycled to profit or loss	0	0
Taxes on changes in value offset directly against equity	0	0
Items that can be subsequently reclassified to profit or loss	-10	0
Total other comprehensive income	-10	0
Total comprehensive income	-1,261	6,747
Thereof attributable to First Sensor AG shareholders	-1,271	6,747
Thereof attributable to non-controlling interests	-9	0

3.3 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (IFRS)

€ thousand	Number of shares in thousands	Issued capital	Capital reserves	Retained earnings	Other reserves	Non-controlling interests	Total equity
As of October 1, 2022	10,322	51,612	10,574	62,214	-41	0	124,360
Profit or loss	0	0	0	6,747	0	0	6,747
Other comprehensive income	0	0	0	-6	0	0	-6
Total comprehensive income	0	0	0	6,741	0	0	6,741
Capital increase from the issue of new shares (IFRS 2)	9	45	237	0	0	0	282
As of March 31, 2023	10,331	51,657	10,811	68,955	-41	0	131,383

3.4 CONSOLIDATED STATEMENT OF CASH FLOWS (IFRS)

€ thousand	Oct. 1, 2021 - Mar. 31, 2022	Oct. 1, 2022 - Mar. 31, 2023
PROFIT BEFORE TAXES	-1,251	6,744
Interest paid	247	31
Depreciation of property, plant and equipment and amortization of intangible assets	3,470	3,680
Gains/losses on the disposal of non-current assets	-1	75
Other non-cash expenses/income	16	0
Changes in provisions	52	-195
Changes in working capital	-3,410	-7,717
Changes in other assets and liabilities	-6,443	-1,222
Income taxes paid	249	2
CASH FLOW FROM OPERATING ACTIVITIES	-7,071	1,398
Payments for investments in property, plant and equipment and intangible assets	-5,431	-8,492
Proceeds from disposal of property, plant and equipment, intangible assets and equity investments	972	8
Interest received	30	106
CASH FLOW FROM INVESTING ACTIVITIES	-4,429	-8,377
Proceeds from shareholders	31	282
Dividends paid/profit transfer	-21,994	0
Repayments of financial liabilities	-1,628	-4,091
Repayments of lease liabilities	-440	-353
Interest paid	-277	-137
CASH FLOW FROM FINANCING ACTIVITIES	-24,308	-4,299
CHANGE IN CASH AND CASH EQUIVALENTS	-35,807	-11,279
Changes in cash and cash equivalents due to exchange rate movements	-12	0
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	65,784	29,779
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	29,964	18,501

4. GROUP NOTES

This First Sensor AG Interim Report as of March 31, 2023, was prepared according to the International Financial Reporting Standards (IFRS) as applicable in the EU, observing the interpretations of the International Financial Reporting Interpretations Committee (IFRIC).

The provisions of IAS 34 were complied with in the interim financial statements as of March 31, 2023. These are condensed financial statements that do not contain all the disclosures of IFRS consolidated financial statements, so these financial statements must be read in conjunction with the notes to the 2022 annual report.

4.1 DEVELOPMENT OF THE FIRST SENSOR GROUP

The First Sensor Group consists of the parent company First Sensor AG, based in Berlin, and one subsidiary. First Sensor AG is the sole shareholder of First Sensor Lewicki GmbH. There were no changes in the consolidated group in the period from October 1, 2022 to March 31, 2023.

Non-current assets of €75,326 thousand and investments in non-current assets of €8,492 thousand relate exclusively to Germany.

The average number of employees (full-time employees) of the First Sensor Group in the reporting period was 672.

4.2 INTANGIBLE ASSETS

€ thousand	Concessions, licenses and similar	Internally generated intangible assets	Customer base	Payments on account	Total
Cost of purchase					
October 1, 2022	9,771	4,081	19,573	286	33,711
Additions	0	482	0	21	502
Disposals	0	-532	0	0	-532
Reclassifications	149	0	0	-149	0
March 31, 2023	11,427	4,647	19,573	157	33,681
Cumulative depreciation					
October 1, 2022	7,998	1,936	19,573	50	29,558
Additions	690	171	0	0	861
Disposals	0	0	0	0	0
Reclassifications	0	0	0	0	0
Exchange differences	0	0	0	0	0
March 31, 2023	8,688	2,107	19,573	50	30,420
Carrying amount as of October 1, 2022	1,773	2,144	0	236	4,153
Carrying amount as of March 31, 2023	1,232	1,923	0	106	3,261

Intangible assets were neither pledged as security for liabilities nor otherwise restricted as of the end of the reporting period.

4.3 NOTES TO THE STATEMENT OF CHANGES IN EQUITY

Due to the profit transfer agreement with TE Connectivity Sensors Germany Holding AG, the dividend distribution in the 2022 financial year was again carried out by TE Connectivity Sensors Germany Holding AG and therefore no longer affected the equity of First Sensor AG.

4.4 RELATED PARTY TRANSACTIONS

Related parties as referred to by IAS 24 are the majority shareholder TE Connectivity Sensors Germany Holding AG, TE Connectivity Ltd., Schaffhausen, Switzerland, and its subsidiaries and associates. Transactions with related parties essentially relate to the cash management system, ongoing supply and clearing transactions and service contracts. First Sensor utilizes potential economies of scale by participating in the TE Connectivity Group's cash management system. All transactions with related parties have been contractually agreed and are carried out at arm's length conditions.

Transactions with individuals or companies who can be subject to the influence of First Sensor or who can influence First Sensor must be disclosed unless such transactions have already been recognized in the consolidated financial statements through the inclusion of consolidated companies.

The following transactions were carried out with individuals and companies deemed related parties of First Sensor:

Goods and services between First Sensor and companies of the TE Group:

€ thousand	Oct. 1, 2021 - Mar. 31, 2022	Oct. 1, 2022 - Mar. 31, 2023
Sale of goods and services		
Sales	2,044	59,650
Other operating income	50	25
Purchase of goods		
Cost of material	-21	-38,099
Other operating expenses	-2,239	-1,528
Financing		
Other interest and similar income	31	114

Receivables from and liabilities to companies of the TE Group:

€ thousand	Oct. 1, 2021 - Mar. 31, 2022	Oct. 1, 2022 - Mar. 31, 2023
Trade		
payables	628	22,400
Trade		
payables	416	855

4.5 SUPPLEMENTARY REPORT

There were no significant events after the end of the reporting period with an impact on the net assets, financial position and results of operations of the First Sensor Group.

Berlin, May 15, 2023
First Sensor AG



Thibault Kassir



Robin Maly



Dirk Schäfer

5. STATEMENT BY THE LEGAL REPRESENTATIVES (RESPONSIBILITY STATEMENT) IN ACCORDANCE WITH SECTION 297 (2) SENTENCE 4 AND SECTION 315 (1) SENTENCE 5 HGB

To the best of our knowledge, and in accordance with the applicable reporting principles for half-year financial reporting, the consolidated half-year financial statements give a true and fair view of the assets, financial position and profit or loss of the Group, and the interim Group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group in the rest of the financial year.

Berlin, May 15, 2023

First Sensor AG



Thibault Kassir

Member of the Management Board



Robin Maly

Member of the Management Board



Dirk Schäfer

Member of the Management Board

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