

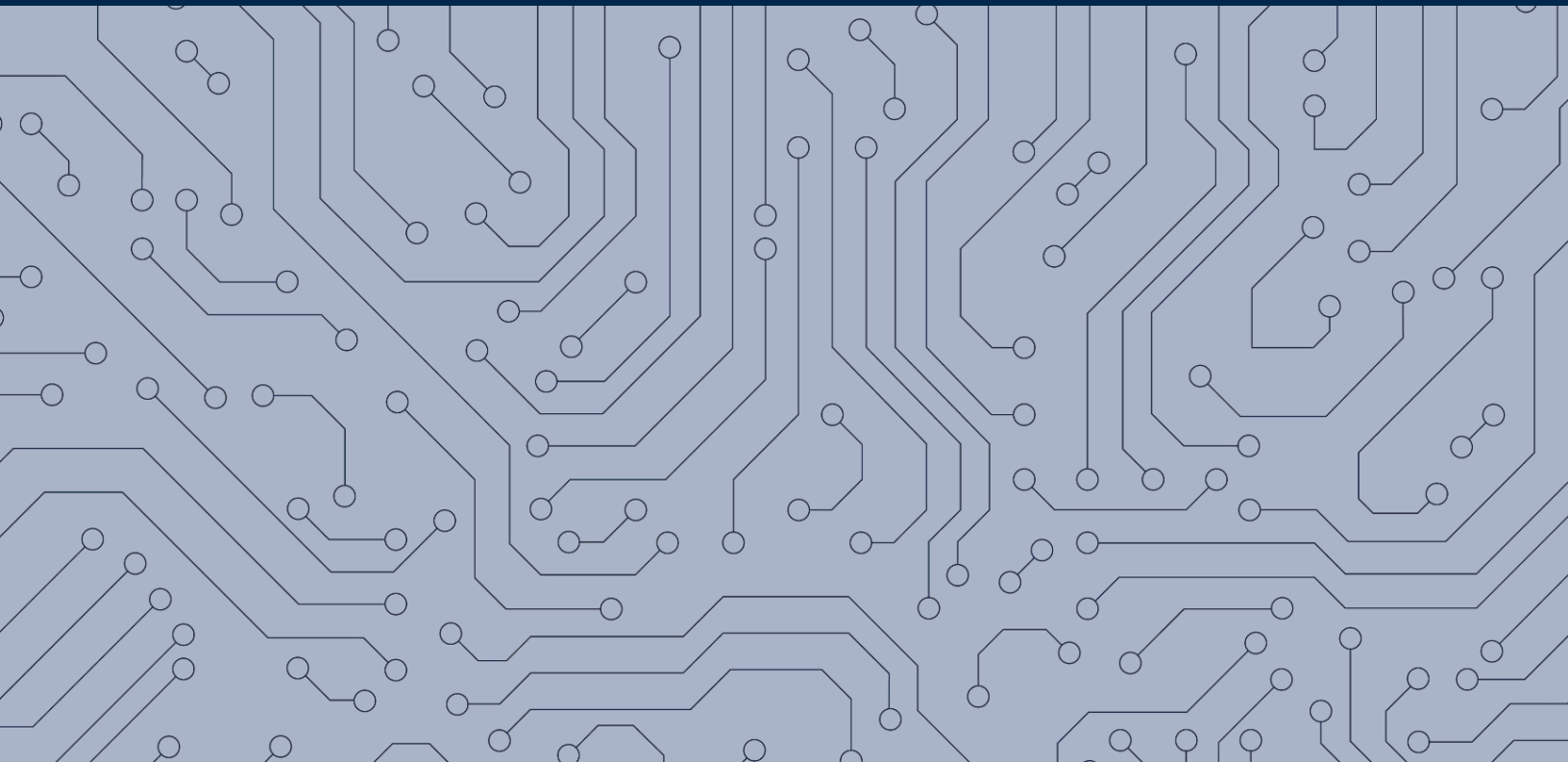
First Sensor 

is now part of



Interim Report as of March 31, 2024

FIRST SENSOR AG, BERLIN



ABOUT THIS REPORT

The reporting period is the six months from October 1, 2023 to March 31, 2024. To ensure that this report is as current as possible, it includes all relevant information available up to the responsibility statement dated May 15, 2024.

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), and in accordance with additional requirements of the *Handelsgesetzbuch* (HGB – German Commercial Code).

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

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. The German version of the report takes precedence over the English translation in the event of any discrepancies.

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 forward-looking statements that are exclusively intended to provide information on future developments at the company. They do not constitute a recommendation to buy, hold or sell First Sensor shares. 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 sector or the industries of First Sensor's customers, such as general economic conditions, interest rate fluctuations, consumer spending patterns and technological changes.

All statements concerning the future in this report were produced on the basis of probability-based planning and represent reasonable forward-looking statements regarding the future that 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,

First Sensor's sales amounted to €59.7 million in the first half of the 2024 financial year, around 10% lower than the previous year's level. The downturn in the industrial sector is thus proving more pronounced and tougher than originally expected. We have therefore decided to lower our sales forecast for the financial year and have published new guidance of between €115 million and €125 million.

We are taking advantage of the somewhat calmer order situation to make various optimizations in production. On the one hand, we have an investment budget of between €8 million and €10 million for this financial year. Of this figure, around €5 million relates to three new pieces of machinery which will increase both capacity and automation. In addition, measures are planned to improve employee safety in production even further. We are aiming not just to achieve our goal of "zero accidents in the workplace", but to maintain this level moving ahead as well.

This year's Annual General Meeting was held in person in Berlin on April 24, 2024. The Management Board and the Supervisory Board reported extensively on the 2023 financial year and answered all questions from shareholders in attendance. Resolutions were adopted on all agenda items by a large majority.

Naturally, the integration into the TE Connectivity Group was a key issue once again. It has become clear that First Sensor is TE Connectivity's European center of competence for sensor production. As such, First Sensor benefits not just from considerable capital expenditure, but also from significantly greater market presence. Globally, its integration into TE Connectivity's distribution organization means that customers in around 140 countries can source sensors from First Sensor.

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) recently raised its forecast for global growth slightly. At the same time, it emphasizes that a prolonged global downturn could be imminent and that risks to economic development are on the rise. The sobering reality is that global economic activity is weak by historical standards and the growth prospects for the medium term are unsatisfactorily low. The war in Ukraine and the conflict in Gaza are weighing on the global economy. If the situation escalates, the IMF fears that this could mean a return to rising inflation.

The IMF no longer rates inflation as a major risk. However, it is concerned by the latest figures from the US, where consumer prices have risen faster than anticipated. Most of the progress on inflation has come from the decline in energy prices as well as cheaper goods from China, but service inflation remains high. Bringing inflation down to the target level therefore remains the priority for the central banks. If this means interest rates are not lowered in the coming months as anticipated, that could lead to further woes for the economy.

The US economy is projected to grow by 2.7%, 1.2% more than forecast in fall 2023. Growth of as much as 5.3% is expected for the Chinese economy. The economy in the euro area is set to grow by 0.8%. Development in this region is being curbed by the German economy in particular, which is forecast to grow by just 0.2%, 0.3% less than the previous forecast in January.

Developments on the sensor market

According to the members of the German Electrical and Electronic Manufacturers' Association (ZVEI), orders in the German electrical and digital industry continued to decline in the opening months of 2024. Orders from Germany decreased by 8.1%, while orders from abroad fell by 12.4%. Production was down by 5.9% as against the previous year's level. Around half of the member companies do not expect this level to change in the next six months.

The members of the German Association for Sensors and Measurement (AMA) also reported a further drop in sales of 6.0% in the fourth quarter of 2023. Incoming orders decreased by 3.0% over the same period. The fourth quarter of 2023 was therefore tougher than expected for sensors and measurement technology. The association's members are cautiously optimistic for 2024 and are forecasting sales growth of 2.0%.

2.1.2 Financial position and financial performance

Sales development

First Sensor generated sales of €59.7 million in the first half of the 2024 financial year (October 1, 2023 to September 30, 2024), a year-on-year reduction of 10.1% (previous year: €66.3 million). Sales of €30.3 million were generated in the first quarter of 2024 (previous year: €30.7 million). Sales amounted to €29.4 million in the second quarter (previous year: €35.6 million). Owing to the downturn in the industrial sector and the postponement of the anticipated catch-up effects until the next financial year, the Management Board has lowered its full-year sales forecast. While sales of between €135 million and €145 million had initially been assumed for the 2024 financial year, the new forecast is for €115 million to €125 million.

Looking at the regions, there was a pronounced decline in sales in the DACH region (Germany, Austria, Switzerland, Liechtenstein) and in North America. After €42.7 million in the same period of the previous year, sales of €32.9 million were generated in the DACH region in the first half of the year, accounting for 55.1% of total sales. Sales in North America declined from €5.4 million to €3.8 million (6.3% of total sales). The second most important sales market was Asia, where sales amounted to €11.9 million (19.9% of total sales; previous year: €6.8 million). Sales performance in the rest of Europe was stable at €11.1 million (previous year: €11.3 million), accounting for 18.6% of total sales.

€ thousand	6M 2023	6M 2024	Absolute change	In %
DACH*	42,742	32,879	-9,863	-23.1
Rest of Europe	11,318	11,069	-249	-2.2
North America	5,386	3,762	-1,624	-30.2
Asia	6,800	11,865	5,065	74.5
Others	80	85	5	6.8
Total	66,326	59,659	-6,667	-10.1

*Germany, Austria, Switzerland, Liechtenstein

Order situation

The sales decline in the first half of the 2024 financial year is reflected in the order situation. Following new orders of just €24.1 million in the first quarter, this figure improved only slightly to €25.8 million in the second quarter. Incoming orders therefore amounted to €50.0 million after the first six months of the 2024 financial year (previous year: €58.8 million).

Orders on hand continued to fall as against the previous quarter, amounting to €69.9 million after €101.7 million in the previous year. The book-to-bill ratio was 0.87 after the first half of the year (previous year: 1.09) and is therefore in line with the reduced sales forecast.

€ thousand	Oct. 1, 2022	Oct. 1, 2023	Absolute change	In %
	- Mar. 31, 2023	- Mar. 31, 2024		
Sales	66,326	59,659	-6,667	-10.1
<i>Product sales</i>	63,421	57,521	-5,900	-9.3
<i>Sales from services</i>	2,905	2,138	-767	-26.4
Incoming orders	58,823	49,956	-8,867	-15.1
Orders on hand	101,730	69,900	-31,830	-31.3
Book-to-bill ratio	1.09	0.87	-0.22	-20.3

Results

€ thousand	6M 2023	6M 2024	Absolute change	In %
Sales	66,326	59,659	-6,667	-10.1
Other operating income	670	291	-379	-56.5
Changes in inventories of finished goods and work in progress	6,794	3,216	-3,578	-52.7
Other own work capitalized	16	0	-16	-100.0
Cost of materials/cost of purchased services	-34,515	-26,750	7,765	-22.5
Gross profit	39,291	36,417	-2,874	-7.3
Staff costs	-21,235	-21,547	-312	1.5
Other operating expenses	-7,657	-6,225	1,432	-18.7
EBITDA	10,399	8,645	-1,754	-16.9
Depreciation of property, plant and equipment and amortization of intangible assets	-3,680	-3,497	183	-5.0
EBIT	6,719	5,148	-1,571	-23.4
Financial result	15	378	363	>200
Profit before taxes and non-controlling interests	6,735	5,526	-1,209	-18.0
Income taxes	2	-164	-166	>200
Profit or loss for the period	6,737	5,362	-1,375	-20.4

First Sensor's sales decreased by 10.1% to €59.7 million in the first six months of the 2024 financial year (previous year: €66.3 million). After €30.3 million in the first quarter, sales amounted to €29.4 million in the second quarter. This development is reflected in the revised forecast for the year as a whole, which anticipates sales of between €115 and €125 million.

Inventories of finished goods and work in progress increased by €3.2 million in the first six months of the 2024 financial year, predominantly in work in progress. There was no further own work capitalized (previous year: €16 thousand). Other operating income was down year-on-year at €0.3 million (previous year: €0.7 million), resulting in gross revenue of €62.9 million (previous year: €73.1 million).

The cost of materials fell sharply by 22.5% to €26.8 million (previous year: €34.5 million), predominantly as a result of the decline in sales and the lower rise in inventories. The cost of materials ratio in relation to gross revenue improved significantly to 44.8% (previous year: 52.8%). This resulted in gross profit of €36.4 million (previous year: €39.3 million).

Meanwhile, staff costs rose slightly to €21.5 million (previous year: €21.2 million). In conjunction with the drop in sales, the staff costs ratio deteriorated considerably to 34.3% (previous year: 29.0%). Other operating expenses declined slightly to €6.2 million (previous year: €7.7 million).

Operating EBITDA fell from €10.4 million in the previous year to €8.6 million, resulting in an EBITDA margin of 14.5% (previous year: 15.7%).

Changes in depreciation and amortization were insignificant and amounted to €3.5 million (previous year: €3.7 million) as the most recent investments have not yet been fully capitalized. Operating EBIT amounted to €5.1 million in the first half of 2024 (previous year: €6.7 million) with an EBIT margin of 8.6% (previous year: 10.1%). As the key performance indicators have been changed for the 2024 financial year, no forecast is published for the EBIT margin.

The financial result amounted to €0.4 million after the first six months. This was higher than in the previous year (€15 thousand) as a result of the rise in interest rates. Earnings before taxes for the first half of 2024 thus amounted to €5.5 million (previous year: €6.7 million). No (deferred) taxes were incurred in the reporting period on account of the tax group with TE Connectivity; the reported taxes are predominantly provisions for corporation tax on non-controlling interests. The result for the period amounts to €5.4 million (previous year: €6.7 million). This translates to basic/diluted earnings per share outstanding of €0.52/0.52 (previous year: €0.65/0.65).

Capital structure

The equity of the First Sensor Group increased to €129.2 million as of March 31, 2024 (September 30, 2023: €126.8 million) as a result of net retained profits. The equity ratio improved to 79.6% compared with 75.1% as of the end of the previous year.

Non-current financial liabilities were reduced further to €6.3 million (September 30, 2023: €7.5 million). Within current liabilities, trade payables declined by €2.0 million to €12.7 million. Current financial liabilities increased to €6.7 million after €4.5 million at the end of the previous year, predominantly as a result of profit transfer liabilities to TE Connectivity. Other current liabilities have decreased since the end of the previous year on account of lower VAT liabilities and other provisions.

Cash and cash equivalents and cash pool receivables declined by a total of €5.5 million compared with September 30, 2023 to €23.9 million (previous year: €29.4 million). Overall, First Sensor has a net cash position of €17.0 million, down by €7.2 million as against the end of the previous financial year (September 30, 2023: €24.2 million). The decline in cash pool receivables since the end of the previous year was primarily due to capital expenditure in the reporting period.

€ thousand	Sept. 30, 2023	March 31, 2024	Absolute change	In %
Non-current financial liabilities	7,518	6,338	-1,180	-15.7
Current financial liabilities	4,540	6,719	2,179	48.0
Cash and cash equivalents	1,531	801	-730	-47.7
Cash pool receivables	27,832	23,112	-4,720	-16.7
Pledged bank balances	6,906	6,108	-798	-11.6
Net debt (-)/net cash (+)	24,211	16,963	-7,248	-29.9

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 amounted to €3.6 million in the first half of the 2024 financial year (previous year: €8.6 million), thereby slightly exceeding depreciation and amortization of €3.6 million. More than half of the planned investment volume for the financial year of between €8 million and €10 million will not be invested until the second half of the year. The focus of investments is on expanding capacity and modernization.

€ thousand	Oct. 1, 2022	Oct. 1, 2023
	- Mar. 31, 2023*	- Mar. 31, 2024
Investments in intangible assets	37	214
Investments in property, plant and equipment	8,521	3,342
Cash investments	8,558	3,556
Sale of intangible assets and property, plant and equipment	0	62
Changes in investments in financial assets	12,231	4,721
Other effects	106	507
Cash flow from investing activities	3,778	1,733
Amortization of intangible assets	-821	-281
Depreciation of property, plant and equipment	-2,859	-3,216
Depreciation and amortization	-3,680	-3,497

* The column has been restated compared to the previous year's report. Further disclosures under 4.4

Liquidity

The operating cash flow was still negative at €-1.0 million after the first six months of the financial year (previous year: €+1.5 million). This is predominantly due to the reduction in VAT receivables.

The cash outflow from investing activities was down on the previous year's level at €1.7 million (previous year: €3.8 million).

The cash outflow from financing activities amounted to €-1.5 million. The prior-year figure (€-4.3 million) was due to principal repayments.

Free cash flow, the total of operating cash flow and cash flow from investing activities, was positive at €0.8 million in the reporting period (previous year: €5.3 million).

€ thousand	6M 2023*	6M 2024
Operating cash flow	1,473	-960
Cash flow from investing activities	3,778	1,733
Cash flow from financing activities	-4,299	-1,534
Change in cash and cash equivalents	952	-761
Exchange differences	0	0
Cash and cash equivalents at the beginning of the period	899	1,531
Cash and cash equivalents at the end of the period	1,851	770
Free cash flow	5,251	773

* The column has been restated compared to the previous year's report. Further disclosures under 4.4

Net assets

Total assets declined to €162.3 million over the first six months of the 2024 financial year (September 30, 2023: €169.0 million).

There were no notable changes within non-current assets as a majority of the investments in property, plant and equipment have not yet been capitalized.

Within current assets, inventories increased by a further €3.6 million to €47.2 million (September 30, 2023: €43.6 million), predominantly in the area of semi-finished goods. Trade receivables fell by €6.3 million to €10.3 million (previous year: €16.6 million) in line with the development in sales.

The overall decrease in cash funds and cash pool receivables of €5.5 million to €23.9 million in the reporting period is essentially due to the increase in capital expenditure and the further rise in inventories.

Working capital, i.e. inventories plus trade receivables less advance payments and trade payables, decreased slightly to €44.9 million over the first six months (September 30, 2023: €45.5 million). Capital employed declined to €121.4 million after €122.7 million as of the end of the previous year.

2.1.3 Overall statement

Business performance in the first six months of the 2024 financial year was largely defined by the difficult economic landscape. The weakness of the industrial sector meant that sales amounted to €59.7 million, 10.1% lower than the previous year's level. As it has become apparent that the anticipated catch-up effects will be delayed until the next financial year, the Management Board has reduced its sales forecast for the 2024 financial year to between €115 and €125 million. The original guidance had been for sales of between €135 and €145 million.

The second key performance indicator, the investment volume, was forecast at €8 million to €10 million for the 2024 financial year. A significant share of this volume, €3.6 million, was already invested in the first half of the year. It is expected that the share for the second half of the year will be even higher and that the target will be achieved.

2.2 FORECAST REPORT AND OPPORTUNITY AND RISK REPORT

2.2.1 Forecast report

General economic and sector conditions

The International Monetary Fund (IMF) has slightly raised its forecast for global growth. According to the IMF, the world economy is expected to expand by 3.2% in 2024, 0.3 percentage points more than expected in fall 2023. The IMF no longer rates inflation as a major risk to the world economy. While the global rate of inflation was still 9.4% in 2022, it is set to fall to 2.8% by the end of 2024 and 2.4% the following year, according to the new forecast.

The projected growth is not especially high by global standards, the historic average is 3.8%. The IMF anticipates a slight improvement in Germany's economic performance in the coming year. However, it has downwardly revised its forecast sharply and now expects growth of just 1.3%. The IMF's assessment of future prospects is sobering, with Germany set for only a modest and gradual recovery in the coming years.

Following a weak first quarter of 2024 and against the backdrop of a slight improvement in indicators as a result of falling inflation, rising wages and income, a consistently stable development on the labor market and growing stimulus from foreign trade as the year progresses, leading German research institutes are forecasting a tangible economic recovery. The expected recovery nonetheless remains subject to some uncertainty, especially as regards geopolitical developments. The tentative rise in incoming orders in manufacturing is being interpreted as a sign of gradual industrial stabilization.

Development of the sensor market

According to a study by Allied Market Research, the global sensor market is set to grow to around USD 345 billion by 2028 with a CAGR (Compound Annual Growth Rate) of 8.9%. Sensors detect events or changes in the environment and then provide a corresponding signal. Sensors typically monitor physical properties such as light, heat, movement, moisture or pressure and respond by sending a signal to a display screen, or by transmitting the information electronically for further processing. Sensors will also play a key role in the future, e.g. in the areas of environmental monitoring, traffic monitoring and control, energy monitoring, remote monitoring and diagnosis of systems and autonomous driving.

The key factors driving the growth of the sensor market include rising demand for IoT technologies, the development of smart cities, the growing use of smartphones and other electronic devices, as well as progress in automation. The proliferation of wearable devices and innovative applications in the biomedical sector and the automotive sector are also creating growth prospects for the global sensor market.

Business performance forecast for 2024

Sales

Business performance in the first six months of the 2024 financial year was largely defined by the difficult economic landscape. The weakness of the industrial sector meant that sales amounted to €59.7 million, 10.1% lower than the previous year's level. In view of the order situation, it is already apparent that the anticipated catch-up effects will be delayed until the next financial year. The Management Board has therefore reduced its sales forecast for the 2024 financial year to between €115 and €125 million.

Investments

The second key performance indicator, the investment volume, was forecast at €8 million to €10 million for the 2024 financial year. A significant share of this volume, €3.6 million, was already invested in the first half of the year. It is expected that the share for the second half of the year will be even higher and that the target will be achieved.

Financial position

Customer call-offs under supply agreements fell short of expectations in some cases and the availability of individual components is still experiencing disruption. These two factors are causing inventories to rise, in particular in semi-finished goods. These inventories are to be reduced again over the course of the financial year. Nonetheless, working capital will remain largely stable 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.

Overall statement

First Sensor felt the effects of the economic downturn in the first half of the 2024 financial year, especially in the industrial sector, and its sales fell short of the original forecast. The Management Board has therefore lowered its sales guidance for the 2024 financial year to between €115 and €125 million. The implementation of planned investments will continue to accelerate in the second half of the year, meaning that the projected level of between €8 million and €10 million should be achieved in the 2024 financial year. These investments will enable the company to expand its capacity and enhance its efficiency. Both are key to First Sensor's future planned growth trajectory.

2.2.2 Report on risks and opportunities

The risks and opportunities for the First Sensor Group are explained in detail in its 2023 Annual Report. There have been no significant changes to the matters described in this report since it was published.

3. INTERIM CONSOLIDATED FINANCIAL STATEMENTS 2024

3.1 CONSOLIDATED STATEMENT OF FINANCIAL POSITION (IFRS)

3.1.1 Assets

€ thousand	Sept. 30, 2023	March 31, 2024	Absolute change
Intangible assets	2,801	2,560	-241
Goodwill	15,979	15,979	0
Property, plant and equipment	53,144	53,394	250
Non-current financial assets	5,281	4,483	-798
Total non-current assets	77,205	76,416	-789
Inventories	43,622	47,241	3,619
Trade receivables	16,599	10,346	-6,253
Financial assets	29,458	24,737	-4,721
Other current assets	576	2,772	2,196
Cash and cash equivalents	1,531	801	-730
Total current assets	91,786	85,896	-5,890
Total ASSETS	168,991	162,312	-6,679

3.1.2 Equity and liabilities

€ thousand	Sept. 30, 2023	March 31, 2024	Absolute change
Issued capital	51,657	51,657	0
Capital reserves	10,811	10,811	0
Retained earnings	64,367	66,752	2,385
Total equity	126,835	129,220	2,385
Provisions for pensions	184	200	16
Non-current financial liabilities	7,518	6,338	-1,180
Other non-current financial liabilities	2,321	2,319	-2
Total non-current liabilities	10,023	8,857	-1,166
Provisions for taxes	838	330	-508
Other current provisions	168	116	-52
Current financial liabilities	4,540	6,719	2,179
Advance payments received on orders	17	13	-4
Trade payables	14,736	12,710	-2,026
Other current liabilities	11,834	4,346	-7,488
Total current liabilities	32,133	24,235	-7,898
Total EQUITY AND LIABILITIES	168,991	162,312	-6,679

3.2 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (IFRS)

3.2.1 Consolidated income statement

€ thousand	Oct. 1, 2022 - Mar. 31, 2023	Oct. 1, 2023 - Mar. 31, 2024	Absolute change
Sales	66,326	59,659*	-6,667
Other operating income	670	291	-379
Changes in inventories of finished goods and work in progress	6,794	3,216	-3,578
Other own work capitalized	16	0	-16
Cost of materials/cost of purchased services	-34,515	-26,750	7,765
Gross profit	39,291	36,417	-2,874
Staff costs	-21,235	-21,547	-312
Other operating expenses	-7,657	-6,225	1,432
EBITDA	10,399	8,645	-1,754
Depreciation of property, plant and equipment and amortization of intangible assets	-3,680	-3,497	183
EBIT	6,719	5,148	-1,571
Financial result	15	378	363
Profit before taxes and non-controlling interests	6,735	5,526	-1,209
Income taxes	2	-164	-166
Profit or loss for the period	6,737	5,362	-1,375
Net profit/loss for the period attributable to First Sensor AG shareholders before transfer to TE Connectivity	6,737	5,362	-1,375
Net profit for the period attributable to minority interests	0	0	0
Earnings per share in € (basic)	0.65	0.52	-0.13
Earnings per share in € (diluted)	0.65	0.52	-0.13

*See 4.3. for details.

3.2.2 Other comprehensive income

€ thousand	Oct. 1, 2022 - Mar. 31, 2023	Oct. 1, 2023 - Mar. 31, 2024
Profit or loss for the period	6,737	5,362
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	0	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	0	0
Total other comprehensive income	0	0
Total comprehensive income	6,737	5,362
Thereof attributable to First Sensor AG shareholders	6,737	5,362
Thereof attributable to non-controlling interests	0	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, 2023	10,331	51,657	10,811	64,367	0	0	126,835
Profit or loss	0	0	0	5,362	0	0	5,362
Income and expense recognized directly in equity	0	0	0	1,264	0	0	1,264
Total comprehensive income	0	0	0	6,626	0	0	6,626
Profit transfer to TE	0	0	0	-4,241	0	0	-4,241
As of March 31, 2024	10,331	51,657	10,811	66,752	0	0	129,220

3.4 CONSOLIDATED STATEMENT OF CASH FLOWS (IFRS)

€ thousand	Oct. 1, 2022 - Mar. 31, 2023*	Oct. 1, 2023 - Mar. 31, 2024
PROFIT BEFORE TAXES	6,735	5,526
Interest paid	31	-398
Depreciation of property, plant and equipment and amortization of intangible assets	3,680	3,497
Gains/losses on the disposal of non-current assets	75	32
Other non-cash expenses/income	0	0
Changes in provisions	-195	-36
Changes in working capital	-2,111	3,399
Changes in other assets and liabilities	-6,743	-12,308
Income taxes paid	2	-672
CASH FLOW FROM OPERATING ACTIVITIES	1,473	-960
Payments for investments in property, plant and equipment and intangible assets	-8,558	-3,556
Proceeds from disposal of property, plant and equipment, intangible assets and equity investments	0	62
Changes of investments in financial assets	12,231	4,721
Interest received	106	507
CASH FLOW FROM INVESTING ACTIVITIES	3,778	1,733
Proceeds from shareholders	282	0
Dividends paid/profit transfer	0	0
Repayments of financial liabilities	-4,091	-1,050
Repayments of lease liabilities	-353	-375
Interest paid	-137	-109
CASH FLOW FROM FINANCING ACTIVITIES	-4,299	-1,534
CASH-EFFECTIVE CHANGE IN CASH AND CASH EQUIVALENTS	952	-761
Changes in cash and cash equivalents due to exchange rate movements	0	0
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	899	1,531
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	1,851	770

* The column has been restated compared to the previous year's report. Further disclosures under 4.4

4. NOTE

This interim report of First Sensor AG as of March 31, 2024 was prepared in accordance with the International Financial Reporting Standards (IFRS) as applicable in the EU and 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, 2024. 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 2023 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, 2023 to March 31, 2024.

Non-current assets of €76,402 thousand and investments in non-current assets of €3,556 thousand relate exclusively to Germany.

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

4.2 INTANGIBLE ASSETS

€ thousand	Concessions, licenses and similar	Internally generated intangible assets	Customer base	Payments on account	Total
Cost of purchase					
October 1, 2023	8,319	3,446	19,573	82	31,421
Additions	0	0	0	214	214
Disposals	0	0	0	0	0
Reclassifications	34	0	0	-196	-162
March 31, 2024	8,353	3,446	19,573	100	31,472
Cumulative depreciation					
October 1, 2023	7,366	1,629	19,573	51	28,619
Additions	146	148	0	0	294
Disposals	0	0	0	0	0
Reclassifications	0	0	0	0	0
Exchange differences	0	0	0	0	0
March 31, 2024	7,512	1,776	19,573	51	28,913
Carrying amount as of October 1, 2023	953	1,818	0	31	2,801
Carrying amount as of March 31, 2024	841	1,670	0	48	2,560

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

4.3 NOTES TO SALES REVENUE

Revenue of EUR 59.7 million includes revenues of EUR 2.1 million attributable to the previous financial year. This was determined after the end of the 2023 financial year as part of an audit of transfer prices.

4.4 NOTES TO THE STATEMENT OF CHANGES IN EQUITY

As a result of the profit transfer agreement with TE Connectivity Sensors Germany Holding AG, the dividend distribution in the 2023 financial year was again carried out by TE Connectivity Sensors Germany Holding AG and thus did not affect the equity of First Sensor AG.

4.5 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

In accordance with IAS 7 “Statement of Cash Flows”, First Sensor reports the cash flow from operating activities using the indirect method, in which the profit or loss for the period is adjusted by the effects of non-cash transactions, deferrals of past or future inflows and outflows from operating activities and items of income or expense in connection with the cash flow from investing or financing activities. The reconciliation is based on earnings before taxes; tax payments are presented within the operating cash flow, interest received as part of the cash flow from investing activities and interest paid as part of the cash flow from financing activities. Loans to companies in the TE Connectivity Group (cash pool) are also allocated to investing activities, as the cash pool does not meet the requirements for cash and cash equivalents or other financial resources.

In the 2023 financial year, it was determined that the cash pool receivable previously included in cash and cash equivalents does not satisfy the requirements for recognition as cash and cash equivalents in accordance with IAS 7. This was retroactively corrected in the annual financial statements for the 2023 financial year in accordance with IAS 8.42 and thus is also taken into account for the first half of 2023. As a result, cash and cash equivalents reported in the statement of cash flows as of March 31, 2023 decreased from €18.5 million to €1.9 thousand. The change in the cash pool receivable is now reported under cash flow from investing activities.

The changes in the presentation of the consolidated statement of cash flow described above result in the deviations shown in the table below.

	Reported	Correction	Adjusted value
€ thousand	6M 2023	6M 2023	6M 2023
PROFIT BEFORE TAXES	6,744	-9	6,735
CASH FLOW FROM OPERATING ACTIVITIES	1,398	75	1,473
Payments for investments in financial assets*	0	12,231	12,231
CASH FLOW FROM INVESTING ACTIVITIES*	-8,377	12,155	3,778
CASH FLOW FROM FINANCING ACTIVITIES	-4,299	0	-4,299
CHANGE IN CASH AND CASH EQUIVALENTS*	-11,279	12,231	952
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD*	29,779	-28,880	899
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD*	18,501	-16,650	1,851

4.6 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, 2022 - Mar. 31, 2023	Oct. 1, 2023 - Mar. 31, 2024
Sale of goods and services		
Sales	59,650	54,913
Other operating income	25	0
Purchase of goods		
Cost of material	-38,099	-33,359
Other operating expenses	-1,528	-1,231
Financing		
Other interest and similar income	114	463

Receivables from and liabilities to companies of the TE Group:

€ thousand	Oct. 1, 2022 - Mar. 31, 2023	Oct. 1, 2023 - Mar. 31, 2024
Trade		
payables	22,400	8,529
Trade		
receivables	855	7,350

4.7 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, 15 May 2024
First Sensor AG

Thibault Kassir

Robin Maly

Dirk Schäfer

5. 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, 2024
First Sensor AG

Thibault Kassir	Robin Maly	Dirk Schäfer
Member of the	Member of the	Member of the
Management Board	Management Board	Management Board

First Sensor AG

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