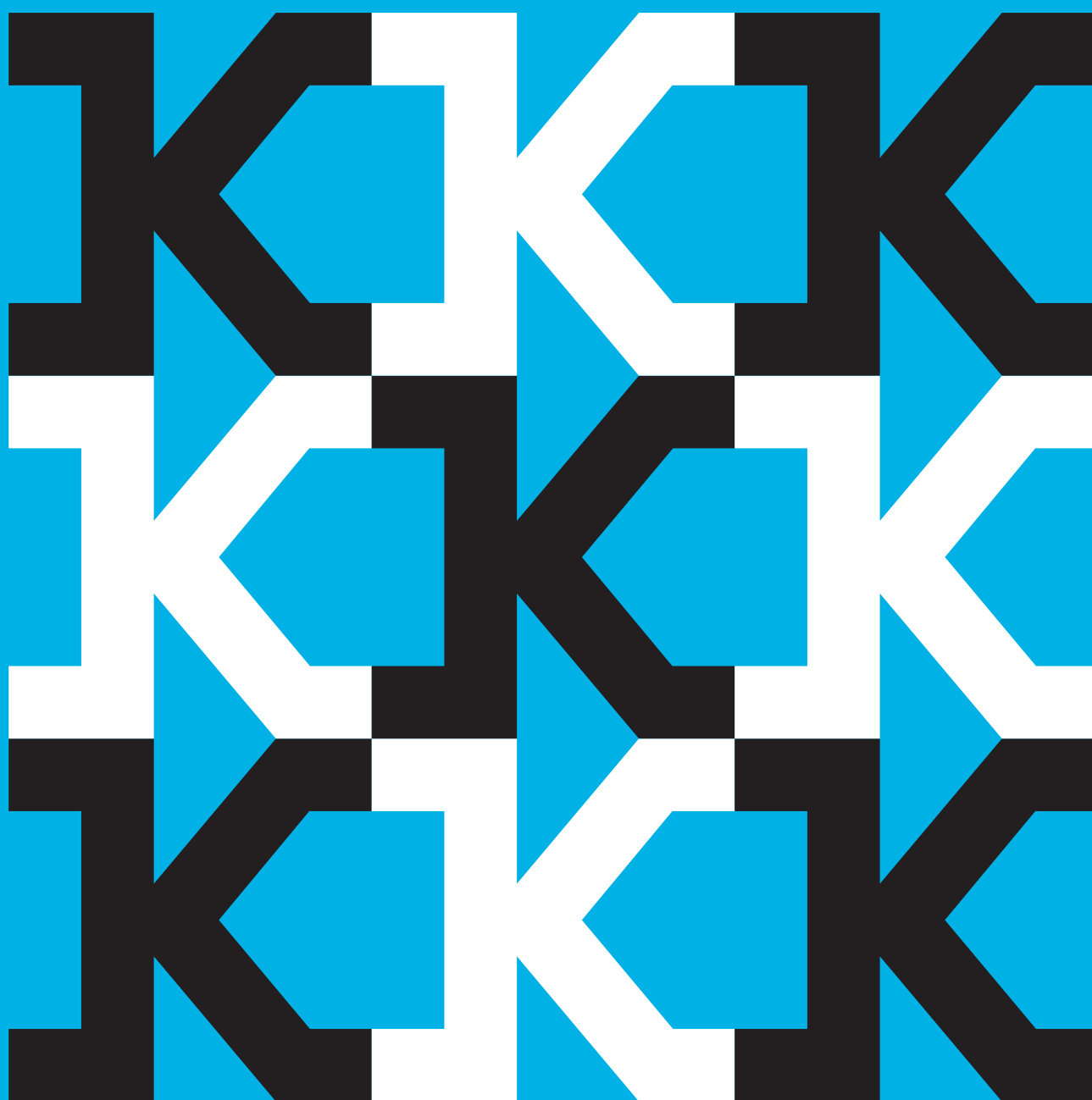


# KATEK

Lead the category

MEMBER OF PRIMEPULSE

## Half-Year Report as at 30 June 2023



# At a glance

## Key Group figures (EUR k)

	YTD Jun/2023	YTD Jun/2022
Revenue	390,388	315,882
Gross profit	114,914	89,083
EBITDA	14,164	12,010 *
EBIT	1,473	1,366 *
EBITDA adj.	16,627	17,888 *
Net profit or loss of the Group	-1,699	-2,558
	30 Jun 2023	31 Dec 2022
Total Assets	516,433	502,097
Equity	163,274	164,963
Equity ratio	31.6%	32.9%

\* Change in the presentation of the currency translation as of 31 December, 2022, for more details please refer to the Annual Report 2022. Numbers as of 30 June 2022 before the adjustment amounted to: EBITDA: EUR 11,064k, EBIT: EUR 420k, EBITDA adj.: EUR 16,942k

## KATEK Highlights

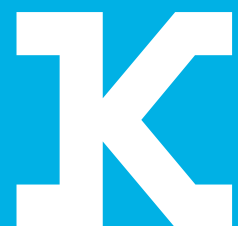
EBITDA YTD  
increased by 17.9%

June 2023 was the  
best month in the  
company's history  
with an EBITDA  
margin of 7.6%.

Revenue growth:  
+23.6% vs.  
Q2 2022 YTD

Gross profit Q2 2023  
already around 30% again  
(+2.3 percentage points  
compared to Q1 2023).

Acquisition for the  
highly profitable  
US company Nextek  
closed in July 2023.



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2nd Quarter 2023

## Report of the Management Board

### **Dear Shareholders,**

We last wrote to you to report that the 2023 financial year was one of the “years of efficiency”. The now completed first half of 2023 already shows the significant progress made by our Group in this regard. Once again, we were able to maintain high growth momentum in 2023, and at the same time, based on a significantly improved gross margin, we increased EBITDA by 17.9% compared to the same period in the previous year.

### **Operational business development**

The operational business saw a very positive development in the first half of 2023. In terms of revenue, the Group is 23.6% above the same period the previous year. This is predominantly related to the strong organic development of the business. Also both segments contribute to this, the stronger impetus is coming again from the Systems & Products segment with +25.1% Year-over-year (YoY). The solar division, in particular, was again able to make a disproportionately large contribution to this strong development with a revenue increase of 42.8%.

A good 40% of the total growth is ultimately due to the first-time consolidation of KATEK Canada Inc. (formerly SigmaPoint Technologies Inc.), which was not part of the Group in the same period the previous year.

EBITDA YTD increased to EUR 14.2 million, or 17.9%, in comparison to the previous year. June 2023 marked an all-time high in the company's history with an EBITDA margin of 7.6%. A significantly improved gross margin contributed to this development. In Q2 2023, the gross margin was around 30% in relation to total operating performance, and thus, more than 2 percentage points above the

previous quarter. Efficient material cost management and consistent pricing of all relevant additional costs are essential key elements in this respect. The material crisis may not be entirely over yet, but at KATEK its effects are increasingly limited to highly critical components from a few suppliers, primarily in the area of active components.

The adjusted EBITDA YTD is EUR 16.6 million. The adjustments contain hardly any adjustments in connection with broker acquisitions, but mainly those in connection with M&A or Post Merger Integration (PMI) projects.

Our successful supply chain management programs carry on unchanged. Inventories were further reduced to EUR 243.0 million in the first half of 2023 (7.2% reduction in 2023). Regardless of growth, further material reductions are planned for the remainder of the year.

The effective working capital management is also reflected in a strong operating cash flow:

KATEK closed the first half of 2023 with an operating cash flow of EUR 11.5 million. The cash on hand more than doubled to EUR 43.2 million YoY, and thus form a solid basis for further organic and inorganic growth.

### **Development of eCharging**

With its Smart Charging segment, KATEK is addressing the extraordinarily lucrative electromobility market and is entering the market with its own Whitelabel Wallbox GhostONE. The very positive feedback for our state-of-the-art solution continues to be reflected in a significant number of new order intake. As a result, we consider very strong growth in this area to be possible with the ramp-up of orders starting in 2024.



## M&A

As reported, we already signed a purchase agreement for the highly profitable Nextek Inc. in Madison, Alabama, USA in 2022. The acquisition was formally completed (closing) in early July 2023, and the company is currently carrying out the post-merger integration program.

Further acquisitions are currently being examined, in particular sensible additions for our units in the Systems & Products segment.

## Outlook

Order backlogs and operational utilization remain high in all areas. In addition, we are expecting initial successes from material cost negotiations as the material crisis continues to subside.

In the overall view of all relevant factors, in particular on the basis of the previous run rate in the first half of 2023, the usually strong fourth quarter, the material crisis that continues to flatten out, the high order backlog and the currently successful implementation of measures on the price and cost side, we fully confirm the framework forecast provided by the 2022 consolidated financial statements. The factors mentioned allow us to look forward to the coming quarters with joy and confidence. Join us in looking forward to the continuation of the "years of efficiency" at KATEK.

Munich, August 2023

KATEK SE



Rainer Koppitz  
CEO



Dr. Johannes Fues  
CFO





Rainer Koppitz  
CEO KATEK SE



Dr. Johannes Fues  
CFO KATEK SE

# Interim Group management report for the period 1 January 2023 to 30 June 2023

## A Economic report

### 1 Business activity and business performance

After six months of the current financial year, the KATEK Group's consolidated revenue reached approx. EUR 390.4 million and were thus EUR 74.5 million, or +23.6% higher than the previous year. This continuous growth can be seen as positive, especially in terms of the still critical geopolitical situation.

At EUR 14.2 million, the Group EBITDA was EUR 2.2 million above the previous year's figure of EUR 12.0 million. The EBITDA adj. was EUR 16.6 million in the first half of 2023 (previous year: EUR 17.9 million). The adjustments are mainly based on integration and M&A expenses. In contrast to the same period of the previous year, only a small amount of additional expenses related to the material crisis are included. Overall business performance can be viewed as positive.

### 2 Earnings situation

Consolidated revenue of the KATEK Group increased by EUR 74.5 million, or 23.6%, from EUR 315.9 million to EUR 390.4 million in the first half of the year. Roughly EUR 42.6 million of this increase in revenue is attributable to organic growth; the remainder is attributable to KATEK Canada Inc. (formerly SigmaPoint Technologies Inc.), which was acquired in the previous year.

Revenue by region developed as follows:

EUR k	30 Jun 2023	30 Jun 2022
Germany	249,113	227,628
Europe	98,531	78,788
Rest of world	42,743	9,466
	<b>390,388</b>	<b>315,882</b>

This revenue growth is also reflected in the segments. Revenue in the Electronics segment

increased by EUR 56.7 million, or 21.2%, from EUR 267.5 million to EUR 324.2 million. The Systems & Products segment grew by EUR 17.8 million, or 25.1%, from EUR 70.8 million to EUR 88.6 million. For the Electronics segment, the main growth drivers, in addition to the above-mentioned acquisition of SigmaPoint, are the increased Revenue in the market for renewable energies. For the Systems & Products segment, the main growth driver is the pleasing development of the medical alert systems and solar/renewables markets.

The total operating performance of the KATEK Group increased in the current reporting period by EUR 78.2 million to EUR 399.9 million (previous year: EUR 321.7 million).

The cost of materials amounts to EUR 285.0 million, up from EUR 232.6 million in the previous year. The absolute increase in the cost of materials is largely due to the Group's growth. To a lesser extent than in the 2022 financial year, the additional costs in connection with the material crisis also had an impact. The cost of materials ratio in relation to total operating performance was 71.3% in the current reporting period, and was therefore 1.0 percentage point lower than in the same period of the previous year at 72.3%.

The absolute gross profit increased from EUR 89.1 million in the previous year to EUR 114.9 million in the current year. The gross profit ratio in relation to the Group's total operating performance was 28.7% in the reporting period and thus 1.0 percentage point above the previous year's figure of 27.7%. This improvement essentially results from the successful material cost management and the consistent pricing of all relevant additional costs.

The gross profit of the Electronics segment rose YoY by EUR 19.8 million, or 30.1%, from EUR 65.8 million to EUR 85.6 million. The gross profit of the Systems & Products segment in the reporting year amounted to EUR 30.8 million, and thus increased by EUR 6.6 million, or 27.3%. The pleasing development of the markets described in the revenues is also reflected in the gross profit.

Other operating income amounted to EUR 1.4 million in the reporting period (previous year: EUR 1.4 million).

Personnel expenses amounted to EUR 72.7 million in the first half of 2023 (previous year: EUR 56.3 million). The increase in personnel expenses YoY results from the general growth of the KATEK Group including an amount of EUR 7.8 million attributable to the consolidation of KATEK Canada in comparison to the previous year. The ratio of personnel expenses to revenue increased by 0.8 percentage points YoY from 17.8% to 18.6%.

Other operating expenses amounted to EUR 29.5 million in the reporting period (previous year: EUR 22.1 million). The ratio (other operating expenses in relation to total operating performance) changed only slightly from 6.9% in the same period of the previous year to 7.4% in the first half of 2023. The increase in other operating expenses is largely due to the stake in KATEK Canada, which was acquired in the previous year.

EBITDA in the first half of 2023 was EUR 14.2 million (previous year: EUR 12.0 million).

The EBITDA adj. was EUR 16.6 million in the first half of 2023 (previous year: EUR 17.9 million).

The reconciliation between the two earnings indicators is shown in the following table:

EUR m	30 Jun 2023	30 Jun 2022
<b>EBITDA</b>	<b>14.2</b>	<b>12.0</b>
IPO-related expenses	0.0	0.0
M&A, integration and other non-recurring expenses	1.3	5.8
Restructuring expenses	1.1	0.0
<b>Total adjustments to EBITDA</b>	<b>2.4</b>	<b>5.9</b>
<b>Adjusted EBITDA</b>	<b>16.6</b>	<b>17.9</b>

At EUR 12.7 million, depreciation of property, plant and equipment and intangible assets were EUR 2.0 million higher than in the same period of the previous year.

EBITA, defined as EBITDA less depreciation on property, plant and equipment, amounted to EUR 3.1 million in the reporting period (previous year: EUR 2.6 million).

The EBIT of the KATEK Group for the first half of the 2023 financial year amounts to EUR 1.5 million, and is therefore EUR 0.1 million higher than in the previous year.

The financial result amounted to EUR -3.8 million in the current year in comparison to EUR -5.0 million in the previous year. The change is mainly due to foreign currency effects.

The consolidated half-year result adjusted for the result of non-controlling interests was EUR -1.5 million (previous year: EUR -2.3 million).

### 3 Asset and financial position

At the end of the first half of 2023, the consolidated balance sheet total was EUR 516.4 million and is therefore EUR 14.3 million above the value of EUR 502.1 million as at 31 December 2022. This change is based on several effects described below, but in particular on the growth of the Group.

Non-current assets amount to EUR 156.5 million (31 December 2022: EUR 153.8 million), and thus increased by EUR 2.6 million. This development is mainly due to the increase in intangible assets by EUR 3.2 million, which was partially offset by the decrease in property, plant and equipment by EUR 0.6 million.

Current assets increased in the current reporting period by EUR 11.7 million to EUR 360.0 million (31 December 2022: EUR 348.3 million). Inventories decreased from EUR 261.9 million at the end of the 2022 financial year by EUR 18.9 million to EUR 243.0 million. At the same time, cash and cash equivalents increased by EUR 20.5 million. The main reason for this is the ongoing projects to optimize working capital. As a result of the Group's revenue growth, trade receivables also increased by EUR 6.8 million (31 December 2022: EUR 43.6 million) to EUR 50.4 million.

Non-current liabilities amounted to EUR 129.3 million at the end of the first half of 2023 following an amount of EUR 75.9 million as at 31 December 2022. Non-current loans increased by EUR 58.7 million to EUR 61.2 million (31 December 2022: EUR 2.5 million). This increase is due to the reclassification of the maturities from the currently valid financing agreements of 30 June 2023. Furthermore, other financial liabilities also fell by EUR 5.3 million to EUR 62.9 million. The main driver was a decrease in liabilities from finance leases and other financing agreements.

Current liabilities decreased by EUR 37.4 million to EUR 223.9 million (31 December 2022: EUR 261.2 million). The main reason for this was the reclassification described above. Furthermore, trade payables also decreased by EUR 9.9 million to EUR 113.8 million (31 December 2022: EUR 123.7 million). This is mainly related to the reduction in inventories described above. Current contract liabilities decreased by EUR 3.4 million to EUR 16.2 million (previous year: EUR 19.6 million). This is entirely due to the decrease in advance payments received for orders.

The total of liabilities as of the reporting date is therefore EUR 353.2 million (31 December 2022: EUR 337.1 million). This is matched by equity amounting to EUR 163.3 million (31 December 2022: EUR 165.0). The equity ratio was 31.6% as of the reporting date (December 31, 2022: 32.9%).

Cash flow from operating activities amounted to EUR 11.5 million for the first half of 2023 (31 December 2022: EUR – 7.8 million). Cash inflow from operating activities is significantly influenced by the positive effects in connection with working capital management.

Cash flow from investing activities shows a value of EUR -11.5 million for the first half of 2023 (previous year: EUR -11.2 million). Cash outflow from investing activities was characterized by payments for intangible assets in the amount of EUR -4.8 million (previous year: EUR -3.2 million) and property, plant and equipment in the amount of EUR -6.7 million (previous year: EUR -8.0 million).

Cash inflow from financing activities amounted to EUR 20.9 million and showed an increase of EUR 29.1 million compared to the previous year. Deposits from borrowing amounting to EUR 36.9 million (previous year: EUR 3.0 million) are partly offset with repayments of debt and lease liabilities in the amount of EUR -11.2 million (previous year: EUR -9.8 million) in the current reporting period.

In the reporting period, there was an overall increase in cash and cash equivalents compared to cash and cash equivalents at the beginning of the financial year. The value on 30 June 2023 was EUR 18.2 million (June 30, 2022: EUR 6.8 million).

The KATEK Group therefore has positive cash and cash equivalents as of the reporting date and can fall back on undrawn credit lines from financial institutions as of the reporting date. This enables KATEK to meet its payment obligations at any time.

#### 4 Employees

In total, the Group employed 3,374 people as at 30 June 2023 (previous year: 2,723).

In addition, as at 30 June 2023, a total of 82 people (previous year as of 30 June: 67 people) were in an apprenticeship relationship with companies in the KATEK Group.

At the reporting date, KATEK SE had 12 employees (previous year as at 30 June 2022: 5).

## B. Anticipated development with its main opportunities and risks

In the Annual Report 2022, we described in detail the design of the risk management system of the KATEK Group in addition to the description of the main opportunities and risks.

In the current reporting period, we continue to identify price fluctuations on the commodity and energy markets, but with less volatility than in 2022. For the second half of the year, there are still uncertainties regarding natural gas and electricity prices, as well as a rather cautious outlook for global economic growth.

Nevertheless, there were no significant changes in the reporting period compared to the statements already published in the 2022 Annual Report.

## C. Forecast for the KATEK Group

In principle, it can be stated that there have been no changes to the structural business requirements for the KATEK Group. There are no changes with regard to the medium-term objectives.

However, any statements regarding a forecast for the 2023 financial year are still only possible if the above-mentioned uncertainties are taken into account. Overall, market researchers are assuming average growth of approx. 4.7% for 2023 compared to the previous year with an overall increase in volatility (in4ma 2022).

Based on the latest information on the above factors, the management of KATEK is currently forecasting the following developments for the financial year 2023, unchanged from the forecast communicated in the 2022 consolidated financial statements:

- Development of revenue: KATEK will continue to outpace the market and record growth of at least 10% compared to the financial year 2022.
- Development of (adj.) EBITDA: Notwithstanding the current headwinds, KATEK will continue to increase its operating margin. The Company assumes that adj. EBITDA will rise by at least 20%.

In summary, the following picture results:

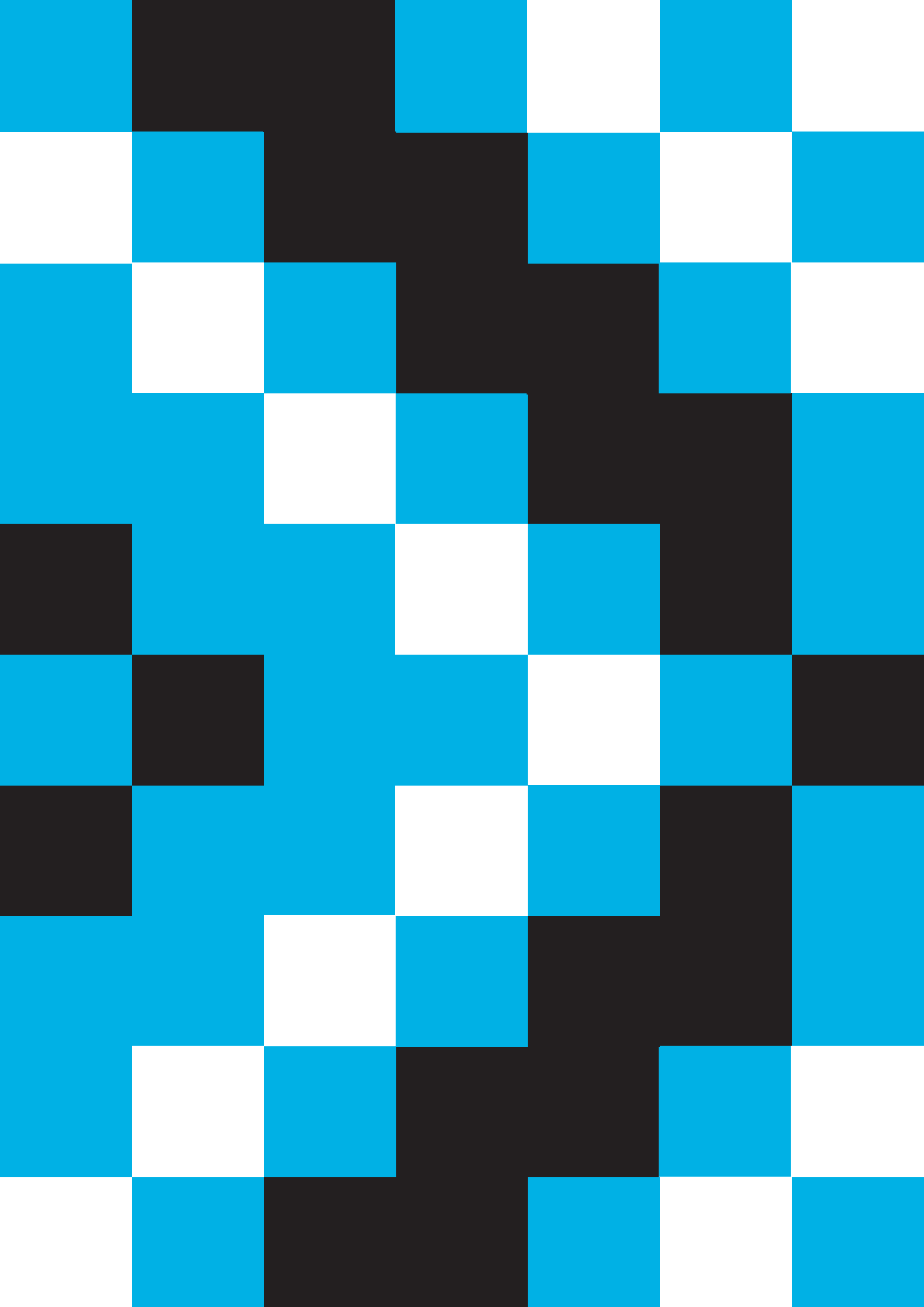
	Forecast (as of 30 june 2023)	Forecast (as of 31 march 2023)
Revenue 2023	+ 10 % compared to FY 2022	+ 10 % compared to FY 2022
EBITDA adj. 2023	+ 20 % compared to FY 2022	+ 20 % compared to FY 2022

### **Notice Concerning an Audit**

This document was neither subject to an audit in accordance with Section 317 of the German Commercial Code (HGB) nor to a review by an auditor.

### **Disclaimer Concerning Forward-Looking Statements**

This document contains forward-looking statements that reflect our current views about future events. Words like "anticipate", "assume", "believe", "assume", "estimate", "expect", "intend", "can/could", "plan", "project", "should" and similar terms identify such forward-looking statements. These statements are subject to a number of risks and uncertainties. Some examples of this are an unfavorable development of the global economic situation, unavoidable events of force majeure such as natural disasters, pandemics, acts of terrorism, political unrest, armed conflicts, industrial accidents and their consequences on our revenue, purchasing, production or financing activities, changes in exchange rates, Customs and foreign trade regulations, production interruptions due to material shortages, some of which are described in this interim report under the heading "Risk and Opportunity Report". Should one of these uncertain factors or one of these imponderables occur, or should the assumptions on which the forward-looking statements are based prove to be incorrect, the actual results could differ materially from the results stated or implied in these statements. We neither intend nor assume any obligation to update forward-looking statements on an ongoing basis, since these are based solely on the circumstances as of the date of publication.



## Consolidated statement of comprehensive income

EUR k	01 Apr 2023 - 30 Jun 2023	01 Apr 2022 - 30 Jun 2022 adjusted**	01 Jan 2023 - 30 Jun 2023	01 Jan 2022 - 30 Jun 2022 adjusted**
<b>Revenue</b>	<b>190,143</b>	<b>157,455</b>	<b>390,388</b>	<b>315,882</b>
Changes in inventories of finished goods/ work in progress	3,644	- 163	4,373	3,275
Own work capitalized	3,637	1,421	5,187	2,569
<b>Total operating performance</b>	<b>197,424</b>	<b>158,713</b>	<b>399,948</b>	<b>321,725</b>
Cost of materials	- 138,376	- 113,403	- 285,034	- 232,642
<b>Gross profit</b>	<b>59,047</b>	<b>45,310</b>	<b>114,914</b>	<b>89,083</b>
Other operating income	590	740 **	1,395	1,373 **
Personnel expenses	- 36,911	- 27,733	- 72,655	- 56,334
Other operating expenses	- 15,174	- 11,408 **	- 29,490	- 22,113 **
<b>EBITDA</b>	<b>7,552</b>	<b>6,909 **</b>	<b>14,164</b>	<b>12,010 **</b>
Depreciation and amortisation	- 6,521	- 5,275	- 12,690	- 10,644
<b>Earnings before interest and taxes (EBIT)</b>	<b>1,032</b>	<b>1,634 **</b>	<b>1,473</b>	<b>1,366 **</b>
Finance income	29	32	43	44
Finance costs	- 2,785	- 837	- 5,149	- 1,573
Exchange differences	- 600	- 3,378 **	1,318	- 3,428 **
<b>Earnings before income taxes</b>	<b>- 2,325</b>	<b>- 2,550</b>	<b>- 2,314</b>	<b>- 3,590</b>
Income taxes	618	733	615	1,032
<b>Net profit or loss of the Group</b>	<b>- 1,707</b>	<b>- 1,817</b>	<b>- 1,699</b>	<b>- 2,558</b>
thereof attributable to non-controlling interests	- 105	- 158	- 244	- 295
<b>thereof attributable to shareholders of KATEK SE</b>	<b>- 1,602</b>	<b>- 1,659</b>	<b>- 1,455</b>	<b>- 2,263</b>
Number of shares (weighted average)	14,445,687	13,241,880	14,445,687	13,241,880
Earnings per share (EUR), basic and diluted	- 0.12	- 0.14	- 0.10	- 0.17

\* Due to rounding, sums may differ from the exact result of adding the individual figures.

\*\* Change in the presentation of the currency translation as of 31 December, 2022, for more details please refer to the Annual Report 2022. Numbers as of 30 June 2022 before the adjustment amounted to: Other operating income: EUR 5,304k, Other operating expenses: EUR -26,990k, EBITDA: EUR 11,064k, EBIT: EUR 420k, Exchange differences: EUR -2,482k



# Consolidated statement of comprehensive income

EUR k	01 Apr 2023 - 30 Jun 2023	01 Apr 2022 - 30 Jun 2022 adjusted**	01 Jan 2023 - 30 Jun 2023	01 Jan 2022 - 30 Jun 2022
<b>Net profit or loss of the Group</b>	<b>-1,707</b>	<b>-1,817</b>	<b>-1,699</b>	<b>-2,558</b>
<b>Other comprehensive income</b>				
<b>Items that may be subsequently recycled through profit or loss</b>				
Exchange differences arising from currency translation during the financial year	-16	-52	93	77
	<b>-16</b>	<b>-52</b>	<b>93</b>	<b>77</b>
<b>Items that may not subsequently be recycled through profit or loss</b>				
Changes in actuarial gains/losses from pensions	21	738	-113	1,130
Deferred taxes from changes in actuarial gains/losses from pensions provisions	-6	-201	31	-307
	<b>16</b>	<b>537</b>	<b>-82</b>	<b>823</b>
<b>Other comprehensive income after tax</b>	<b>-1</b>	<b>485</b>	<b>10</b>	<b>900</b>
<b>Total comprehensive income</b>	<b>-1,709</b>	<b>-1,332</b>	<b>-1,689</b>	<b>-1,658</b>
thereof attributable to non-controlling interests	-105	-159	-244	-296
thereof attributable to shareholders of KATEK SE	-1,603	-1,173	-1,445	-1,362

\* Due to rounding, sums may differ from the exact result of adding the individual figures.

# Consolidated statement of financial position

## Assets

EUR k	30 Jun 2023	31 Dec 2022
<b>Non-current assets</b>		
Property, plant and equipment	101,501	102,081
Goodwill	15,226	15,226
Other intangible assets	23,618	20,392
Financial assets	1,824	1,824
Employee benefits	239	489
Other financial assets	329	304
Other assets	1	0
Deferred tax assets	13,727	13,503
<b>Total non-current assets</b>	<b>156,465</b>	<b>153,819</b>
<b>Current assets</b>		
Inventories	243,018	261,918
Trade receivables	50,367	43,603
Other financial assets	12,710	12,887
Income tax receivables	1,094	1,094
Other assets and prepaid expenses	9,624	6,149
Cash and cash equivalents	43,157	22,628
<b>Total current assets</b>	<b>359,969</b>	<b>348,278</b>
<b>Total Assets</b>	<b>516,433</b>	<b>502,097</b>

\* Due to rounding, sums may differ from the exact result of adding the individual figures.

# Consolidated statement of financial position

## Liabilities

EUR k	30 Jun 2023	31 Dec 2022
<b>Equity</b>		
Share capital	14,446	14,446
Share premium	129,733	129,733
Revenue reserves	18,021	19,466
Equity attributable to owners of the company	162,200	163,644
Non-controlling interests	1,075	1,319
<b>Total equity</b>	<b>163,274</b>	<b>164,963</b>
<b>Non-current liabilities</b>		
Non-current loans	61,230	2,543
Employee benefit liability	2,185	1,995
Other provisions	812	738
Other financial liabilities	62,856	68,167
Other liabilities	1,209	1,089
Deferred tax liabilities	1,007	1,360
<b>Total non-current liabilities</b>	<b>129,299</b>	<b>75,892</b>
<b>Current liabilities</b>		
Current loans	33,628	66,275
Other provisions	3,454	3,498
Trade payables	113,844	123,709
Contract liabilities	16,228	19,580
Other financial liabilities	27,781	23,373
Income tax liabilities	1,271	2,887
Other liabilities and deferred income	27,652	21,920
<b>Total current liabilities</b>	<b>223,859</b>	<b>261,242</b>
<b>Total liabilities</b>	<b>353,158</b>	<b>337,134</b>
<b>Total equity and liabilities</b>	<b>516,433</b>	<b>502,097</b>

\* Due to rounding, sums may differ from the exact result of adding the individual figures.

## Consolidated statement of cash flows

EUR k	01 Jan 2023 - 30 Jun 2023	01 Jan 2022 - 30 Jun 2022
<b>Cash flows from operating activities</b>		
Net profit or loss of the Group	- 1,699	- 2,558
+/- Income tax expense/income	- 615	- 1,032
+/- Finance expense/income	5,106	1,432
+ Amortization of intangible assets and financial assets, depreciation of property, plant and equipment	12,690	10,644
+/- Other non-cash effective expenses/income	- 589	- 427
+/- Loss/gain on disposal of non-current assets	158	63
+/- Increase/decrease of provisions	554	1,223
+/- Increase/decrease in inventories, trade receivables and other assets	9,096	- 38,202
+/- Increase/decrease in trade payables and other liabilities	- 11,702	22,287
<b>+/- Cash inflow/outflow from operating activities</b>	<b>12,999</b>	<b>- 6,571</b>
+ Interest received	41	24
+/- Income tax reimbursements/payments	- 1,556	- 1,271
<b>Cash flow from operating activities</b>	<b>11,484</b>	<b>- 7,818</b>
<b>Cash flows from investing activities</b>		
- Cash paid for intangible assets	- 4,841	- 3,175
+ Cash received from the disposal of property, plant and equipment	17	19
- Cash paid for property, plant and equipment	- 6,666	- 7,999
<b>Cash flow from investing activities</b>	<b>- 11,491</b>	<b>- 11,155</b>

## Consolidated statement of cash flows

EUR k	01 Jan 2023 - 30 Jun 2023	01 Jan 2022 - 30 Jun 2022
<b>Cash flows from financing activities</b>		
+ Cash received from borrowing	36,904	2,950
- Cash repayment of loans and lease liabilities	- 11,245	- 9,813
+ Cash received from subsidies/grants	39	30
- Cash paid for interest	- 4,787	- 1,333
<b>Cash flow from financing activities</b>	<b>20,910</b>	<b>- 8,166</b>
<b>-/+ Net decrease/increase in cash and cash equivalents</b>	<b>20,904</b>	<b>- 27,139</b>
Cash and cash equivalents at the beginning of the reporting period	- 2,760	33,909
Changes in cash and cash equivalents due to exchange rates and changes in valuation	14	- 12
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>18,158</b>	<b>6,758</b>
thereof: Cash at banks and on hand	43,157	18,261
thereof: Liabilities to banks	24,999	11,503

\* Due to rounding, sums may differ from the exact result of adding the individual figures.

## Consolidated statement of changes in equity

EUR k	Share capital	Share premium	Retained reserves			Equity attributable to owners of the company	Non-controlling interests	Total
			Reserve for actuarial gains/losses	Foreign currency translation reserve (OCI)	Other			
<b>01 Jan 2023</b>	<b>14,446</b>	<b>129,733</b>	<b>1,097</b>	<b>214</b>	<b>18,154</b>	<b>163,644</b>	<b>1,319</b>	<b>164,963</b>
Net profit or loss of the Group	0	0	0	0	-1,455	-1,455	-244	-1,699
Other comprehensive income	0	0	-82	91	0	9	0	9
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>-82</b>	<b>91</b>	<b>-1,455</b>	<b>-1,446</b>	<b>-244</b>	<b>-1,690</b>
<b>30 Jun 2023</b>	<b>14,446</b>	<b>129,733</b>	<b>1,015</b>	<b>306</b>	<b>16,700</b>	<b>162,198</b>	<b>1,075</b>	<b>163,273</b>

\* Due to rounding, sums may differ from the exact result of adding the individual figures.

## Consolidated statement of changes in equity

EUR k	Share capital	Share premium	Retained reserves			Equity attributable to owners of the company	Non-controlling interests	Total
			Reserve for actuarial gains/losses	Foreign currency translation reserve (OCI)	Other			
<b>01 Jan 2022</b>	<b>13,242</b>	<b>111,784</b>	<b>41</b>	<b>160</b>	<b>24,797</b>	<b>150,023</b>	<b>1,777</b>	<b>151,799</b>
Net profit or loss of the Group	0	0	0	0	- 2,263	- 2,263	- 295	- 2,558
Other comprehensive income	0	0	823	78	0	901	1	901
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>823</b>	<b>78</b>	<b>- 2,263</b>	<b>- 1,362</b>	<b>- 295</b>	<b>- 1,658</b>
<b>30 June 2022</b>	<b>13,242</b>	<b>111,784</b>	<b>864</b>	<b>237</b>	<b>22,534</b>	<b>148,660</b>	<b>1,481</b>	<b>150,141</b>

\* Due to rounding, sums may differ from the exact result of adding the individual figures.

## Segment reporting

### Background to segmentation

The segment disclosures are based on the internal management reporting of two reportable segments. The summary below describes the businesses in each of the Group's reportable segments.

- [Electronics](#)
- [Systems & Products](#)

The Electronics segment comprises the activities of the Group in the development of hardware and software, prototyping and the manufacture of high-quality electronics for industrial customers. This segment constitutes the origins of the current KATEK Group.

The Systems & Products segment comprises the same value-added activities, but, in contrast to the Electronics segment, it possesses a number of additional features that together create particular value-added (high-value electronics). Firstly, the activities of this segment are targeted towards markets that display particularly strong growth and opportunities due to an underlying megatrend. KATEK has aligned its R&D activities towards these target markets. Nowadays KATEK offers its own systems and products in these fields which therefore display higher value-added and integrate the Group's own intellectual property. They include products and services related to smart EV charging, medical alert systems and solar/renewable energy.

The Others segment includes activities in the field of fabless prototyping, but only to a small extent. The content of this segment does not have any relationship to the operating activities of the other segments.

The segments are internally controlled only on the basis of gross profit and sales. For this reason, only these two indicators are currently included in the segment reporting published in the following section. In particular, there is no presentation of segment assets, segment liabilities and investments. The segment reporting is constantly reviewed, further developed and optimized.



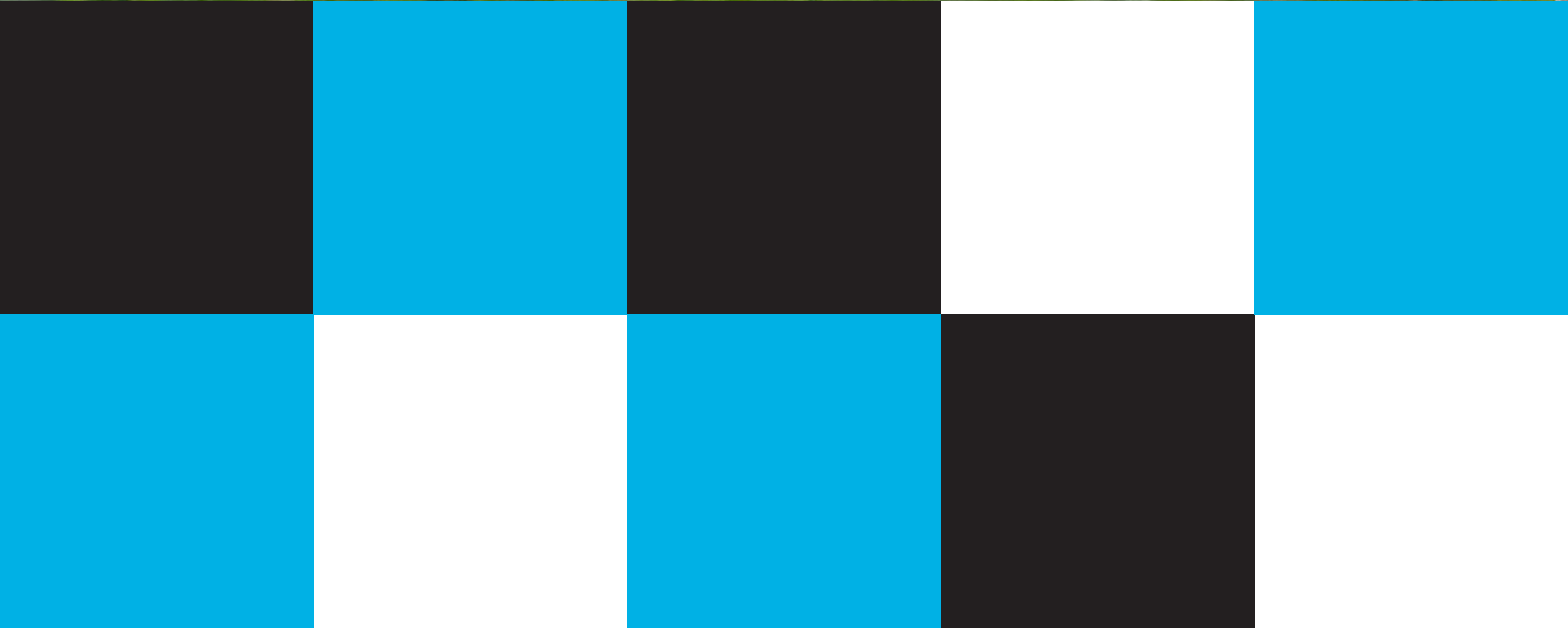
## Segment reporting

### Information on reportable segments

EUR k	Segment revenue		External revenue		Intersegment Revenue	
	01 Jan 2023 - 30 Jun 2023	01 Jan 2022 - 30 Jun 2022	01 Jan 2023 - 30 Jun 2023	01 Jan 2022 - 30 Jun 2022	01 Jan 2023 - 30 Jun 2023	01 Jan 2022 - 30 Jun 2022
Electronics	324,201	267,506	300,737	244,445	23,463	23,062
Systems & Products	88,587	70,787	88,587	70,787	0	0
<b>Total reportable segments</b>	<b>412,788</b>	<b>338,293</b>	<b>389,324</b>	<b>315,232</b>	<b>23,463</b>	<b>23,062</b>
All other segments	1,389	866	1,063	661	327	205
Reconciliation to Consolidated Financial Statements	- 23,790	- 23,278	0	- 11	- 23,790	- 23,267
<b>KATEK Group</b>	<b>390,387</b>	<b>315,882</b>	<b>390,387</b>	<b>315,882</b>	<b>0</b>	<b>0</b>

EUR k	Gross Profit	
	01 Jan 2023 - 30 Jun 2023	01 Jan 2022 - 30 Jun 2022
Electronics	85,563	65,788
Systems & Products	30,802	24,204
<b>Total reportable segments</b>	<b>116,366</b>	<b>89,992</b>
All other segments	336	232
Reconciliation to Consolidated Financial Statements	- 1,788	- 1,140
<b>KATEK Group</b>	<b>114,913</b>	<b>89,083</b>

The reconciliation to the consolidated financial statements presents those matters that are not directly related to the business segments or the other segments. Among other items, these include the consolidation of business transactions between the segments and certain reconciliation items, such as the costs incurred by the parent company of the Group that cannot be allocated to the segments..



# Selected explanatory notes

## 1 General information

These consolidated half-year financial statements of KATEK SE, Munich, and its subsidiaries (hereinafter: "KATEK", "KATEK Group" or "Group") have been prepared in accordance with International Financial Reporting Standards (IFRS as adopted by the EU). In accordance with IAS 34, the consolidated half-year financial statements are published in a condensed form compared to the consolidated annual financial statements and should be read in the context of the IFRS consolidated financial statements published for fiscal year 2022. These are available in the internet at [www.katek-group.de](http://www.katek-group.de).

They have not been audited or reviewed by an auditor.

The consolidated financial statements are prepared in euros. Unless otherwise indicated, all amounts are stated in thousands of euros (EUR k). In individual cases, rounding may result in values in this report not adding up exactly to the totals given and in percentages not being derived exactly from the values presented.

The reporting period covers the period from 1 January 2023 to 30 June 2023. The registered office of KATEK SE is Promenadeplatz 12, 80333 Munich, Germany. KATEK SE is registered with the Local Court of Munich under HRB 245284..

Since the IPO on 4 May 2021, the shares have been traded on the regulated market of the Frankfurt Stock Exchange under ISIN DE000A2TSQH7 and are listed in the PRIME Standard.

## 2 Application of new accounting standards

The KATEK Group has implemented all accounting standards adopted by the EU and mandatory from 1 January 2023. However, these changes did not result in any impact on the accounting methods of the KATEK Group or the need for retrospective adjustments.

## 3 Scope of consolidation

There were no changes in the scope of consolidation during the reporting period compared to the consolidated financial statements as at 31 December 2022.

## 4 Accounting and valuation methods

The main accounting and valuation methods, as well as the consolidation principles and the handling of assumptions and estimates have been applied in this interim report in the same way as the methods described in the 2022 annual report. These can be found in "Section 4. Accounting and valuation methods" in the 2022 Annual Report.

The tax expenses in the interim reporting periods are determined in accordance with IAS 34 on the basis of the currently expected tax rate for the entire year. Future developments for determining deferred tax assets were taken into account.

## 5 Significant events and transactions

In the reporting period, there were no events or transactions that could be material to the KATEK Group's net assets, financial position or results of operations.

## 6 Financial instruments

### Classification and fair value

The following table reconciles the financial instruments contained in the line items of the statement of financial position to the classifications and measurement categories of IFRS 9 as at 30 June 2023. In addition, it presents the accumulated carrying amounts of the measurement categories and the fair value of each classification.

Financial instruments		Measurement pursuant to IFRS 9						Fair value as of 30 Jun 2023
EUR k	Category pursuant to IFRS 9	Carrying amount as at 30 Jun 2023	Amortized cost	Fair value through OCI	Fair value through profit or loss	Measurement pursuant to IFRS 9	thereof assets and liabilities falling under IFRS 16	
Assets								
Financial assets	FVTOCI	1,824	0	1,824	0	1,824	0	1,824
Current trade receivables	AC	50,367	50,367	0	0	50,367	0	50,367
Other non-current financial assets	AC	329	329	0	0	329	0	329
Other current financial assets		12,710	12,254	0	456	12,710	0	12,710
(thereof other current financial assets)	AC	3,997	3,997	0	0	3,997	0	3,997
(thereof receivables from factoring arrangements)	AC	8,257	8,257	0	0	8,257	0	8,257
(thereof current receivables from derivative financial instruments)	FVTPL	456	0	0	456	456	0	456
Cash and cash equivalents	AC	43,157	43,157	0	0	43,157	0	43,157

Financial instruments		Measurement pursuant to IFRS 9						Fair value as of 30 Jun 2023
EUR k	Category pursuant to IFRS 9	Carrying amount as at 30 Jun 2023	Amortized cost	Fair value through OCI	Fair value through profit or loss	Measurement pursuant to IFRS 9	thereof assets and liabilities falling under IFRS 16	
Equity and liabilities								
Non-current loans	AC	61,230	61,230	0	0	61,230	0	60,981
Current loans	AC	33,628	33,628	0	0	33,628	0	33,553
Current trade payables	AC	113,844	113,844	0	0	113,844	0	113,844
Other non-current financial liabilities		62,856	22,366	0	8,965	31,332	31,524	62,856
(thereof other non-current financial liabilities)	AC	22,366	22,366	0	0	22,366	0	22,366
(thereof other non-current financial liabilities)	FVTPL	8,965	0	0	8,965	8,965	0	8,965
(thereof non-current liabilities from leases)	n.a.	31,524	0	0	0	0	31,524	31,524
Other current financial liabilities		27,781	18,001	0	614	18,614	9,167	27,781
(thereof other current financial liabilities)	AC	18,000	18,000	0	0	18,000	0	18,000
(thereof current liabilities from derivative financial instruments)	FVTPL	614	0	0	614	614	0	614
(thereof current liabilities from leases)	n.a.	9,167	0	0	0	0	9,167	9,167



The following table reconciles the financial instruments contained in the line items of the statement of financial position to the classifications and measurement categories of IFRS 9 as at 31 December 2022. In addition, it presents the accumulated carrying amounts of the measurement categories and the fair value of each classification:

Financial instruments			Measurement pursuant to IFRS 9					Fair value as of 31 Dec 2022
EUR k	Cate- gory pursu- ant to IFRS 9	Carrying amount as at 31 Dec 2022	Amor- tized cost	Fair value through OCI	Fair value through profit or loss	Mea- sure- ment pursu- ant to IFRS 9	thereof assets and liabilities falling under IFRS 16	
Assets								
Financial assets	FVTOCI	1,824	0	1,824	0	1,824	0	1,824
Current trade receivables	AC	43,603	43,603	0	0	43,603	0	43,603
Other non-current financial assets	AC	304	304	0	0	304	0	304
Other current financial assets		12,887	12,496	0	391	12,887	0	12,887
(thereof other current financial assets)	AC	3,257	3,257	0	0	3,257	0	3,257
(thereof receivables from factoring arrangements)	AC	9,240	9,240	0	0	9,240	0	9,240
(thereof current receivables from derivative financial instruments)	FVTPL	391	0	0	391	391	0	391
Cash and cash equivalents	AC	22,628	22,628	0	0	22,628	0	22,628

Financial instruments		Measurement pursuant to IFRS 9						Fair value as of 31 Dec 2022
EUR k	Category pursuant to IFRS 9	Carrying amount as at 31 Dec 2022	Amortized cost	Fair value through OCI	Fair value through profit or loss	Measurement pursuant to IFRS 9	thereof assets and liabilities falling under IFRS 16	
Equity and liabilities								
Non-current loans	AC	2,543	2,543	0	0	2,543	0	2,531
Current loans	AC	66,275	66,275	0	0	66,275	0	65,816
Current trade payables	AC	123,709	123,709	0	0	123,709	0	123,709
Other non-current financial liabilities		68,167	25,374	0	8,965	34,340	33,827	68,167
(thereof other non-current financial liabilities)	AC	25,374	25,374	0	0	25,374	0	25,374
(thereof other non-current financial liabilities)	FVTPL	8,965	0	0	8,965	8,965	0	8,965
(thereof non-current liabilities from leases)	n.a.	33,827	0	0	0	0	33,827	33,827
Other current financial liabilities		23,373	13,856	0	931	14,787	8,586	23,373
(thereof other current financial liabilities)	AC	13,856	13,856	0	0	13,856	0	13,856
(thereof current liabilities from derivative financial instruments)	FVTPL	931	0	0	931	931	0	931
(thereof current liabilities from leases)	n.a.	8,586	0	0	0	0	8,586	8,586

The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. In light of the varying inputs, the fair values presented above are merely an indication of the actual prices that may be realized on the market.

The fair values of financial instruments are calculated on the basis of the market information available on the reporting date and are based on the following methods and assumptions:

The fair value of current and non-current loans is measured at the present value of the cash flows anticipated from the liabilities using the market interest rates for similar instruments (level 2 of the fair value hierarchy).

The fair value of trade receivables, other receivables, other financial assets and cash and cash equivalents are assumed to equate with their carrying amounts on the respective reporting dates on account of the low credit risk and short terms to maturity.

Due to the short terms of trade payables, it is assumed that the carrying amounts of these assets corresponds to the fair values of these financial instruments.

Financial liabilities at fair value through profit or loss consist of derivative financial instruments. The nominal amounts of these derivative financial instruments are presented gross on the basis of the absolute figures of the purchases and sales. The fair values of the corresponding liabilities are calculated using the available market information and are remeasured each reporting date.

Sundry other financial liabilities are measured at amortized cost. It is assumed that the carrying amounts of these financial instruments corresponds to their fair value due to their predominantly short terms.



The following table shows the fair value hierarchy of assets and liabilities measured at fair value:

Fair value hierarchy	30 Jun 2023			31 Dec 2022		
EUR k	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets						
Financial assets	0	0	1,824	0	0	1,824
Other current financial assets	0	65	391	0	0	391
(thereof current receivables from derivative financial instruments)	0	65	391	0	0	391
Equity and liabilities						
Other non-current financial liabilities	0	0	8,965	0	0	8,965
(thereof other non-current financial liabilities)	0	0	8,965	0	0	8,965
Other current financial liabilities	0	0	614	0	318	614
(thereof current liabilities from derivative financial instruments)	0	0	614	0	318	614

For financial assets, the acquisition cost continues to represent the best estimate of fair value, insofar there were no changes during the period. Derivative financial instruments are measured by external experts using the latest market data and applying customary market methods.

Other non-current financial liabilities measured at level 3 of the fair value hierarchy of EUR 8,965k (previous year: EUR 0k) consist of liabilities from an earn-out arrangement. Their fair value is based on a valuation technique that uses their anticipated future results and a risk-free interest rate as inputs.

Current receivables from derivative financial instruments, measured at level 2 of the fair value hierarchy, of EUR 65k (previous year: EUR 0k) relate to forward exchange transactions. Current receivables from level 3 derivative financial instruments in the amount of EUR 391k (previous year: EUR 0k) and current liabilities from level 3 derivative financial instruments in the amount of EUR 614k (previous year: EUR 614k) relate to option programs. Their fair values are based on option pricing models that depend on their anticipated payoff and a risk-free interest rate. Financial derivatives are valued by external experts on the basis of current market data using standard valuation methods.

The amounts contained in other financial liabilities relate to financing liabilities in connection with the acquisition or manufacture of technical equipment and machines.

## 7 Related party transactions

Related parties include shareholders that can exercise significant influence over the KATEK Group, associated companies, joint ventures, non-consolidated subsidiaries and individuals who can exercise significant influence over KATEK and the financial and business policies of the Group. Persons who can exercise significant influence over the financial and business policies of the Group include all individuals in key management positions and their close family relatives. Within the Group, this concerns the members of the executive management of the parent company and its Supervisory Board.

### Notes on affiliated companies

Within the course of normal business activity the KATEK Group and its subsidiaries maintain business relationships with numerous other businesses.

Companies affiliated to the PRIMEPULSE Group also qualify as related parties along with the Empaios Real Estate Group. Transactions with related parties, members of the Management Board, the Supervisory Board or other related parties, are aggregated and presented under a separate line item.

All business transaction were concluded at arm's length conditions and do not deviate in substance

from transactions with other entities. No expenses were recognized in the reporting year or in previous years for bad debts or doubtful debts owed by related parties.

PRIMEPULSE SE renders services to the KATEK Group, while Empaios Real Estate Group leases real estate to it. The PRIMEPULSE Group comprises a number of operating divisions that conduct business with KATEK.

The following table presents the trade in goods and services received with related parties:

EUR k	Expenses		Revenue	
	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
PRIMEPULSE Group	141	64	1,125	1,423
PRIMEPULSE SE	474	449	0	1
Empaios Real Estate Group*	1,875	1,621	0	0
Other	59	54	0	0
	<b>2,550</b>	<b>2,189</b>	<b>1,125</b>	<b>1,423</b>

\* presents the rent installments or purchase price payments but not the income or expenses recognized

The following table presents receivables from and liabilities to related parties:

EUR k	Liabilities		Receivables	
	30 Jun 2023	31 Dec 2022	30 Jun 2023	31 Dec 2022
PRIMEPULSE Group	57	34	209	1
PRIMEPULSE SE	7,506	8	0	1
Empaios Real Estate Group	25	0	0	0
Other	85	11,026	0	940
	<b>7,673</b>	<b>11,068</b>	<b>209</b>	<b>942</b>

The reduction in other liabilities to related parties and persons results from a change in the Group of affiliated persons as at 30 June 2023.

## 8 Contingent liabilities and other financial obligations

There have been no significant changes compared to 31 December 2022 in terms of contingent liabilities, contingent liabilities or other financial obligations.

## 9 Events after the reporting period

Effective 10 July 2023, KATEK SE gained full control of the US-based company Nextek Inc, located in Madison, Alabama. All required official approvals have been granted, and the acquisition is hereby formally completed. Nextek specializes in technologically complex electronics in the field of fast prototyping and high mix, low volume ([www.nextekinc.com](http://www.nextekinc.com)) and represents an ideal operational complement to KATEK Canada in the medium term.

## Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim management report of the Group 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 for the remaining months of the financial year.

Munich, August 2023

KATEK SE

Management Board



Rainer Koppitz  
CEO



Dr. Johannes Fues  
CFO

