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Interim Statement as at March 31, 2023

PVA TePla maintains

growth trajectory

Sales revenues rise to
EUR 58.5 million (+ 75.8 %)

Gross margin of
28.6 % (– 1.8 pp)

Order backlog grows to
EUR 327.2 million (+ 5.2 %)

EBIT margin of 9.4 % (+ 2.5 pp)

Foreword by the Management Board

Dear Shareholders and Business Partners of PVA TePla,

The PVA TePla Group maintained its growth trajectory in the first quarter of 2023, building on the success of recent fiscal years. Sales revenues and income increased noticeably compared to the previous year and incoming orders and the order backlog were again at a high level. This success is based on our first-class products, our vision of ourselves as a technology and development partner for our customers and our highly committed employees.

The figures clearly demonstrate our successful start to the year: Revenue climbed by 75.8 % in the first quarter to EUR 58.5 million, (Q1 2022: EUR 33.3 million), with the EBITDA margin coming to 12.3 % (Q1 2022: 10.2 %). Our order books were in good shape again as of March 31, 2023 at a total of EUR 327.2 million (+ 5.2 % year on year).

Although the global economy is still facing numerous challenges, our growth drivers are intact. Megatrends such as digitalzation, the shift in energy supply to renewable energy sources and the transition to green modes of transport are shoring up the semiconductor industry and us, an essential link in the chain, in the long term.

Given this, the forecast for the current fiscal year remains optimistic: We anticipate a considerable rise in sales revenues to EUR 240 bis 260 million and earnings before interest, tax, depreciation and amortization (EBITDA) of between EUR 36 million and EUR 40 million.

We would like to take this opportunity to once again thank all of our colleagues whose commitment and expertise contributed to the company's good performance. Our thanks also go to our shareholders, for their trust, and of course to our customers and suppliers. We look forward to continuing our close cooperation.

Wettenberg, May 4, 2023

Manfred Bender
Chief Executive Officer

Oliver Höfer
Chief Operating Officer

Jalin Ketter
Chief Financial Officer

Dr. Andreas Mühe
Chief Technology Officer

Key figures at a glance

EUR '000	Jan. 1 – Mar. 31, 2023	Jan. 1 – Mar. 31, 2022
Sales revenues	**58,472**	**33,254**
Semiconductor Systems	41,955	25,073
Industrial Systems	16,517	8,181
Gross profit	**16,707**	**10,106**
in % sales revenues	28.6	30.4
R&D expenses	2,135	1,537
EBITDA	**7,197**	**3,397**
in % sales revenues	12.3	10.2
Operating result (EBIT)	**5,495**	**2,282**
in % sales revenues	9.4	6.9
Consolidated net result for the period	**3,848**	**1,491**
in % sales revenues	6.6	4.5
Total assets	**289,132**	**290,331***
Equity	**107,769**	**104,096***
Equity ratio in %	37.3	35.9
Employees as of March 31	**697**	**581**
Incoming orders	**61,738**	**61,428**
Book-to-bill-ratio	1.06	1.85
Order backlog	**327,203**	**311,109**
Cash flow from operating activities	**10,111**	**3,459**
Net financial position	**28,971**	**16,354***

* As of December 31

Interim Statement of PVA TePla AG as of March 31, 2023

General Statement by the Management Board

After a successful second half of 2022, PVA TePla maintained its strong growth trajectory in the first quarter of 2023. Sales revenues and earnings enjoyed a significant upturn, with incoming orders and the order backlog also increasing on the previous year – from an already high level.

Our diversified business model proved successful as we reduced our dependency on individual sectors. We also took suitable measures to address the challenges presented by the war in Ukraine, the energy crisis and inflation. We will closely observe and continue to flexibly manage the developments on our procurement and production markets.

Organizational structure

There were no changes to the Group's structure or the companies included in consolidation compared to the previous financial report dated December 31, 2022.

Preliminary note on reporting

This interim statement was prepared in accordance with the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB) and adopted by the EU. All information relates to the PVA TePla Group (hereinafter also referred to as the PVA-TePla Group) and its consolidated subsidiaries. Unless otherwise indicated in the text, margins and ratios refer to the sales revenues. The interim statement has not been audited within the meaning of Section 317 HGB, nor has it been reviewed.

Sales revenues and results of operations

Group business development

In the first three months of 2023, the PVA TePla Group expanded sales revenues by 75.8 % to EUR 58.5 million compared to EUR 33.3 million in the same period of 2022. 72 % of this (previous year: 75 %) was attributed to the Semiconductor Systems segment and 28 % (previous year: 25 %) to the Industrial Systems segment.

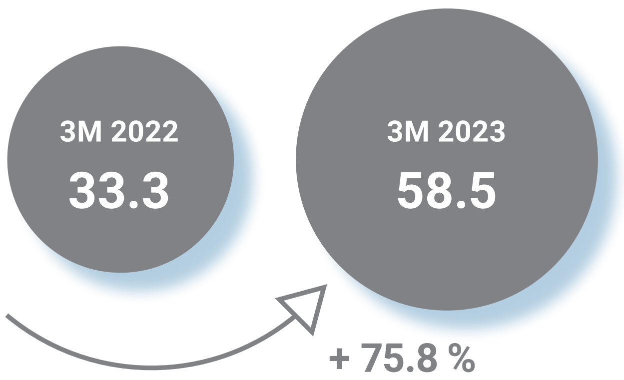
The gross margin in the first three months of 2023 was 28.6 %, down slightly on the high previous year figure of 30.4 %. Factors behind the 1.8 percentage point decline included changes to the product mix as well as higher material and production costs.

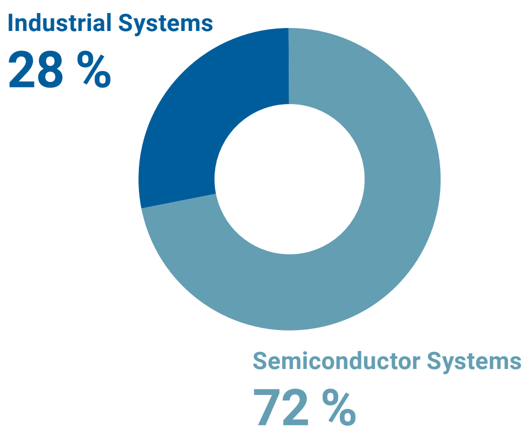
The company reported a 29 % upturn in selling and distributing expenses in the first quarter of 2023 to EUR 5.5 million, compared to EUR 4.3 million in the same period of 2022. This reflects the successful expansion of sales structures and strong sales revenues growth, confirming the success of these measures.

Administrative costs increased in absolute terms by EUR 1.6 million to EUR 4.2 million, although as a proportion of the sales revenues the ratio declined from 7.8 % to 7.1 %.

Research and development expenses increased by 38.9 % year on year to EUR 2.1 million. The ratio fell from 4.6 % to 3.7 % thanks to the far higher sales volume.

Consolidated sales revenues (Jan. 1 – Mar. 31 in EUR million)





The other operating expenses increased by EUR 0.3 million to EUR 0.9 million, prompted by currency exchange losses, especially from currency hedges transacted for longer-term customer contracts denominated in US dollars. This was offset by income from exchange rate transactions which were recognized in other operating income of EUR 1.4 million (previous year: EUR 1.2 million).

All in all, earnings before interest, taxes, depreciation and amortization (EBITDA) amounted to EUR 7.2 million in the period under review after EUR 3.4 million in the first quarter of 2022. As a proportion of sales revenues, this gives a margin of 12.3 % compared with 10.2 % in the previous year. Taking write-downs into consideration, an operating result (EBIT) of EUR 5.5 million remains, set against EUR 2.3 million in the comparative period. This corresponds to a margin of 9.4 % compared to 6.9 % in the first three months of 2022. After deducting tax expenses, earnings for the period came to EUR 3.8 million after EUR 1.5 million in Q1 2022.

Segment performance

Sales revenues by division	Q1 2023 EUR '000	Q1 2022 EUR '000	Change in %
Semiconductor Systems	41,955	25,073	67.3
Industrial Systems	16,517	8,181	101.9
Total	**58,472**	**33,254**	**75.8**

Sales revenues in the Semiconductor Systems segment came to EUR 42.0 million in the first three months of the current year, an increase of more than 67 % over the segment's revenues totaling EUR 25.1 million in the same period of the previous year. The increase in sales revenues was again driven by continued high demand for metrology systems and the delivery of crystal-growing systems for the semiconductor wafer industry. The segment's operating result came to EUR 6.0 million, compared to EUR 1.6 million in the previous year.

With growth of 101.9 %, the Industrial Systems segment recorded a substantial rise in sales revenues to EUR 16.5 million from EUR 8.2 million in the first three months of 2022. Key drivers in the segment were high-temperature heat treatment systems. The segment's operating result came to EUR 1.0 million, compared to EUR 0.6 million in the previous year.

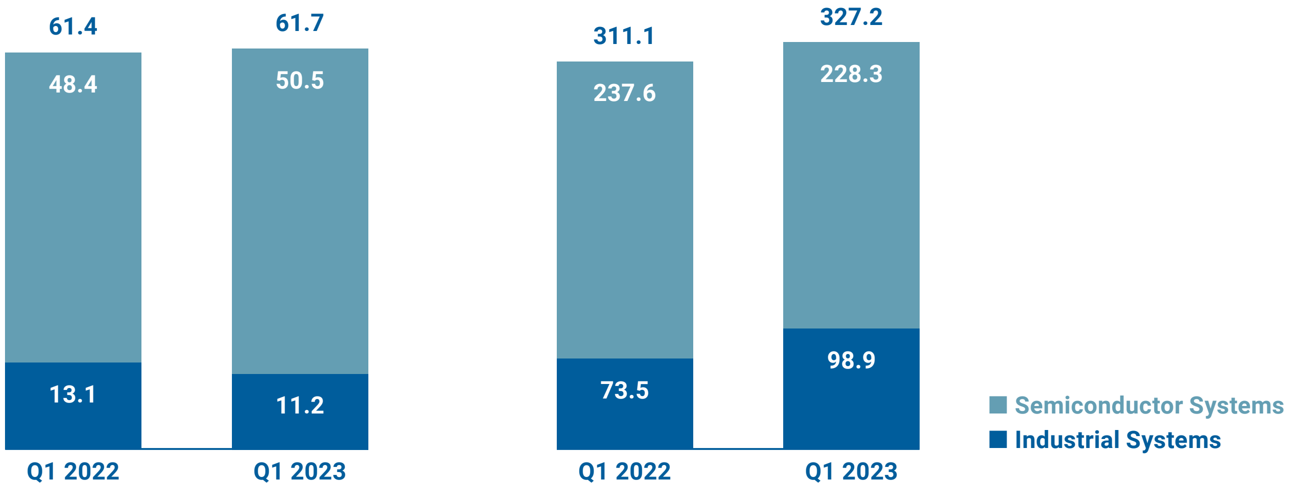
Orders

The order backlog of the PVA TePla Group increased from EUR 311.1 million as of the previous year's closing date to EUR 327.2 million as of the reporting date. This reflects the stable demand and high visibility of the business. Of this figure, EUR 228.3 million was attributed to the Semiconductor Systems segment (previous year: EUR 237.6 million) and EUR 98.9 million to the Industrial Systems segment (previous year: EUR 73.5 million).

At EUR 61.7 million, incoming orders were up slightly on the previous year's EUR 61.4 million. The book-to-bill ratio of 1.06 and the order backlog continue to indicate a good order situation.

Incoming orders in the Semiconductor Systems division amounted to EUR 50.5 million (previous year: EUR 48.4 million). This essentially includes orders from the semiconductor industry for crystal growing and metrology systems.

Incoming orders in the Industrial Systems division reached EUR 11.2 million (previous year: EUR 13.1 million). The orders include technologies that are used in medical technology and the optical industry.



Incoming orders Jan. 1 – Mar. 31 in EUR million

Order backlog as of Mar. 31 in EUR million

Asset position

Total assets declined slightly compared to December 31, 2022 by around 0.5 % to EUR 289.1 million (December 31, 2022: EUR 290.3 million).

Current assets saw a slight decrease from EUR 217.6 million to EUR 216.2 million. Within current assets, inventories in particular picked up considerably, rising from EUR 75.0 million to EUR 88.0 million – due firstly to the higher business volume and secondly to warehousing in line with the procurement strategy. Trade and other receivables and contract assets were down on comparative figures, while cash enjoyed a substantial upturn from EUR 27.2 million to EUR 36.9 million.

Total non-current assets rose slightly from EUR 72.7 million to EUR 73.0 million, largely a result of higher deferred tax assets.

Current liabilities decreased by a significant EUR 6.2 million to EUR 154.5 million (December 31, 2022: EUR 160.7 million), largely attributable to lower contract liabilities.

At EUR 26.9 million, non-current liabilities were only slightly higher than at the previous year's reporting date (December 31, 2022: EUR 25.6 million).

Equity increased to EUR 107.8 million (December 31, 2022: EUR 104.1 million), with the equity ratio coming to 37.3 % (December 31, 2022: 35.9 %).

Financial position

In the first three months of 2023, the PVA-TePla Group generated cash flow from operating activities of EUR 10.1 million (Q1 2022: EUR 3.5 million), which reflects the progress made in processing customer orders and the receipt of advance customer payments.

Cash flow from investing activities was EUR – 0.8 million (Q1 2022: EUR – 8.7 million).

Cash flow from financing activities amounted to EUR – 3.2 million EUR (Q1 2022: – 0.4 million EUR) and essentially related to a non-recurring distribution of accrued earnings brought forward to former shareholders at MPA Industrie SAS, which was acquired in full in November 2022. Cash flow from financing activities also includes repayments in connection with leases.

The net financial position was EUR 29.0 million (December 31, 2022: EUR 16.4 million). The working capital facility within the syndicated loan facility has still not been utilized.

Employees

The Group had 697 employees as of March 31, 2023 (March 31, 2022: 581). The increase was primarily in production.

Significant events within the reporting period

As announced by the PVA TePla AG Supervisory Board on January 17, 2023, the current CEO Manfred Bender will leave the company for personal reasons by mutual agreement with effect from June 30, 2023. Manfred Bender joined the company in 2021 and was decisive in the company's extremely good performance. At its meeting on January 17, 2023, the Supervisory Board resolved that CFO Jalin Ketter will take over as speaker of the Management Board from July 1, 2023 onwards. Jalin Ketter came to PVA TePla AG in 2015 and, as a certified auditor, was initially responsible for heading the finance department. The Supervisory Board appointed her to the company's Management Board in June 2020. As CFO, Jalin Ketter was instrumental in shaping the technology company's successful development and helped drive modernization. She extended her contract until mid-2028.

Forecast

Despite economic uncertainties as a result of Russia's attack on Ukraine and high energy prices that have driven up inflation and led to price volatility in the areas of procurement and transport, PVA TePla remains optimistic about the rest of the year.

PVA TePla benefits from a number of different megatrends. The increase in the demand for semiconductors and power electronics in electromobility, renewable energies, and the general trend toward digitalization are driving the development of new materials and technologies. We are confident that we will be able to make full use of the market potential thanks the combination of innovative technology, our production capacity, and our strong sales network.

We also see especially large growth potential in the area of quality inspections, which serve not only to reduce the amount of wasted materials and the costs of downstream process steps, but also to optimize and increase the efficiency of upstream process steps. Similarly, innovative materials such as silicon carbide, among others, which represents a promising alternative to materials that are traditionally used on account of its outstanding properties as a material for semiconductors, offer further potential. That is why we are making targeted investments here in research and development and the expansion of our production capacity. The acquisition of MPA Industrie SAS, which brings with it broad-based process expertise in ceramic coatings, was an important step that will allow us to reinforce our position in this promising market of the future.

Given this, the forecast for the current fiscal year remains unchanged: We anticipate a considerable rise in sales revenues to EUR 240 bis 260 million and earnings before interest, tax, depreciation and amortization (EBITDA) of between EUR 36 million and EUR 40 million.

Interim group financial statements

Condensed Consolidated Statement of Financial Position as of March 31, 2023

EUR '000	Mar. 31, 2023	Dec. 31, 2022
Assets		
Non-current assets		
Intangible assets	19,943	20,497
Right-of-use assets	2,542	2,650
Property, plant and equipment	33,985	33,997
Financial assets	9,011	9,019
Deferred tax assets	7,485	6,581
Total non-current assets	**72,966**	**72,743**
Current assets		
Inventories	88,024	74,996
Trade and other receivables	62,075	73,568
Contract assets	27,927	40,466
Income tax assets	1,233	1,332
Cash and cash equivalents and term deposits	36,906	27,227
Total current assets	**216,166**	**217,589**
Total	**289,132**	**290,331**
Liabilities		
Equity	107,769	104,096
Non-current liabilities	26,898	25,558
Current liabilities	154,465	160,678
Total	**289,132**	**290,331**

Condensed Consolidated Income Statement

EUR '000	Jan. 1 – Mar. 31, 2023	Jan. 1 – Mar. 31, 2022
Sales revenues	**58,472**	**33,254**
Cost of sales	– 41,765	– 23,148
Gross profit	**16,707**	**10,106**
Selling and distributing expenses	– 5,493	– 4,256
General administrative expenses	– 4,160	– 2,591
Research and development expenses	– 2,135	– 1,537
Other operating income	1,446	1,201
Other operating expenses	– 870	– 641
Operating result (EBIT)	**5,495**	**2,282**
Financial result	– 43	– 135
Net result before tax	5,452	2,147
Income taxes	– 1,604	– 656
Consolidated net result for the period	**3,848**	**1,491**
Earnings per share		
Earnings per share (basic) in EUR	0.18	0.07
Earnings per share (diluted) in EUR	0.18	0.07

Condensed Consolidated Cash Flow Statement

EUR '000	Jan. 1 – Mar. 31, 2023	Jan. 1 – Mar. 31, 2022
Cash flow from operating activities	**10,111**	**3,459**
Cash flow from investing activities	**– 791**	**– 8,664**
Cash flow from financing activities	**– 3,157**	**– 403**
= Net change in cash and cash equivalents	6,163	– 5,605
+/– Effect of exchange rate fluctuations on cash and cash equivalents	– 848	– 486
+ Cash fund in cash flow statement at beginning of period	15,602	52,734
= Cash fund in cash flow statement at end of period	**20,918**	**46,643**
+ Term deposits	15,988	5,000
= Cash fund in consolidated statement of financial position at end of period	36,906	51,643

Imprint

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