

Third Quarter Report 2021

| Key figures USD millions (except earnings per share) | Q3 2021 | Q3 2020 | Q2 2021 | 9 months 2021 | 9 months 2020 |
|---|-------------|-------------|-------------|---------------|---------------|
| Revenues | 1,521 | 1,440 | 1,463 | 4,498 | 2,471 |
| Gross margin in % (adjusted - see footnote 1) | 34% | 27% | 33% | 34% | 32% |
| Result from operations (EBIT) (adjusted - see footnote 1) | 157 | 63 | 128 | 454 | 268 |
| EBIT margin in % (adjusted - see footnote 1) | 10% | 4% | 9% | 10% | 11% |
| Net result (adjusted - see footnote 1) | 12 | 12 | 82 | 182 | 102 |
| Basic / diluted earnings per share in CHF ²⁾ (adjusted - see footnote 1) | 0.02 / 0.02 | 0.08 / 0.05 | 0.29 / 0.29 | 0.66 / 0.65 | 0.51 / 0.48 |
| Basic / diluted earnings per share in USD (adjusted - see footnote 1) | 0.02 / 0.02 | 0.09 / 0.05 | 0.31 / 0.31 | 0.71 / 0.71 | 0.56 / 0.53 |
| Net debt | 2,194 | 2,483 | 2,252 | 2,194 | 2,483 |

¹⁾ Excluding M&A-related, transformation and share-based compensation costs as well as results from sale of business and equity investments

²⁾ Earnings per share in CHF were converted using the average currency exchange rate for the respective periods

Robust third quarter results delivering strong profitability and operating cash flow amid demanding supply chain environment and continuing market imbalances

Report to shareholders on the third quarter 2021

- Portfolio re-alignment continues with smaller-scale disposal of building-related systems completed and larger-scale disposal at late stage of process
- Synergy creation and integration programs progressing to plan
- Delisting of OSRAM Licht AG (“OSRAM”) share completed

Ladies and Gentlemen

Our business performed well in the third quarter and delivered results clearly above the midpoint or near the upper end of our guidance. Despite continuing supply chain imbalances, our automotive business was strong while our consumer business contributed attractively in line with previous expectations. At the same time, we continue to move ahead in re-aligning and shaping our future portfolio. We closed a smaller-scale disposal for building-related systems in October and are in the late stage of a larger-scale disposal. Moreover, the joint venture between OSRAM and Continental has been dissolved which is another important step to streamline our business profile. These successes demonstrate our full focus on implementing portfolio alignments timely and as communicated. We completed the delisting of the OSRAM share at the end of the quarter which further simplifies our corporate structure. We are also pleased with the development of our integration and synergy creation programs which are progressing in line with plans and towards our targets.

We see ongoing tightness in chip supply and imbalances in supply chains, particularly in the automotive market. This is introducing revenue volatility into automotive supply chains as component shortages trigger lower production volumes at automotive OEMs. We expect that these imbalances will persist well into the coming year and continue to be accompanied by tighter availability of certain materials and supplies. Where possible we aim to factor higher sourcing costs into future customer pricing. We continue to see revenue drivers in automotive and industrial lighting and consumer optical solutions in areas like display management and camera enhancement in the coming quarters. At the same time, we invest into our technology roadmaps for mid- and long-term growth markets in display and visualization, differentiated illumination and advanced sensing. This includes focused equipment investments to improve capacity and enable new products.

Financial results

Third quarter group revenues were USD 1,521 million, up 4% sequentially compared to the second quarter 2021 and up 6% compared to same quarter 2020. Adjusted¹ group gross margin for the third quarter 2021 was 34%, up from 33% for the second quarter 2021 and up from 27% for the same quarter 2020.

¹ Excluding M&A-related, transformation and share-based compensation costs as well as results from sale of business and equity investments

The adjusted¹ group result from operations (EBIT) was USD 157 million or 10% of revenues for the third quarter compared up from USD 128 million or 9% for the second quarter and USD 63 million or 4% of revenues for the same period 2020 (unadjusted: USD 97 million or 6% of revenues for the third quarter). Adjusted¹ group net income was USD 12 million for the third quarter compared to USD 82 million for the second quarter and unchanged compared to USD 12 million for the same quarter 2020 (unadjusted: USD -48 million for the third quarter). Adjusted¹ diluted earnings per share² for the third quarter were USD 0.02 or CHF 0.02 (unadjusted: USD -0.21 or CHF -0.19).

The group operating cash flow for the third quarter was robust at USD 255 million while group free cash flow reached USD 147 million. Group net debt was USD 2,194 million on 30 September 2021, translating into a group leverage of 1.7x net debt/adjusted¹ EBITDA. Cash and cash equivalents stood at USD 1,533 million on 30 September 2021.

Business development

Our Semiconductors segment contributed strongly to group performance generating 67% of revenues in the third quarter, combined with a healthy adjusted operating margin of 13%. In this segment, the automotive market area recorded very positive results driven by available backlog. The consumer market area showed a solid development in line with expectations driven by optical sensing solutions for multiple applications. The industrial and medical market areas performed well as the attractive demand momentum in industrial lighting continues across established and emerging markets. Medical and other imaging product lines developed positively in the quarter. We pursue development activities for future optical solutions including light sensing, new LED technologies and 3D technologies such as camera enhancement, display management, AR and 3D applications, LED-based visualization, UV-C LED and advanced LED front lighting.

Our Lamps & Systems (L&S) segment showed an overall positive development in the third quarter contributing 33% of revenues. The L&S automotive business including traditional markets performed well, reflecting typical seasonality and robust demand across channels. Market traction for LED retrofit solutions continues to increase. The other areas of the L&S business recorded good demand for industrial, building-related and medical applications while demand in lagging industrial markets is showing first signs of improvement.

We have discontinued using the advisory services of former ams CFO Michael Wachslar as we have very recently been informed of an ongoing investigation of Mr. Wachslar conducted by Austrian authorities. This is related to private securities transactions allegedly assigned to Mr. Wachslar and two former employees of ams. The Supervisory Board of ams AG has acknowledged Mr. Wachslar's decision not to stand as a candidate for this Supervisory Board. Mr. Wachslar stepped down as CFO of ams effective May 2020. The company itself is not a subject of this investigation or related allegations. We are fully cooperating with the relevant authorities and have initiated an internal investigation into the matter. We are not able to comment further on ongoing investigations.

Outlook

For the fourth quarter 2021, we expect group revenues of USD 1,360-1,460 million - which exclude the disposed revenues of the DS North America and connected building applications businesses and

¹ Excluding M&A-related, transformation and share-based compensation costs as well as results from sale of business and equity investments

² Based on 261,215,988 basic / 261,489,566 diluted shares

deconsolidated revenues from the dissolved joint venture - and an expected adjusted operating (EBIT) margin of 8-11%, based on currently available information and exchange rates. The outlook reflects the above-mentioned disposal and deconsolidation effects as well as near term supply chain volatilities in the automotive market due to constrained end-to-end supply situations and lower production volumes at multiple OEMs, irrespective of an overall positive backlog situation. The outlook also reflects an unfavorable exchange rate development and a decreased year-on-year contribution from the consumer market in line with previous comments and expectations. On a like-for-like revenue basis to the third quarter without deconsolidation effects, expected fourth quarter group revenues would be USD 1,405-1,505 million.

Consolidated Income Statement

(unaudited)

| USD millions (except earnings per share) | Q3 2021 | 9 months 2021 | Q3 2020 | 9 months 2020 |
|--|--------------|---------------|--------------|---------------|
| Revenues | 1,521 | 4,498 | 1,440 | 2,471 |
| Cost of sales | -1,037 | -3,249 | -1,135 | -1,783 |
| Gross profit | 484 | 1,249 | 307 | 688 |
| Gross margin in % | 32% | 28% | 21% | 28% |
| Research and development | -184 | -578 | -178 | -321 |
| Selling, general and administrative | -202 | -668 | -255 | -393 |
| Other operating income | 34 | 85 | 35 | 43 |
| Other operating expense | -29 | -37 | -2 | -2 |
| Result from equity investments | -5 | -14 | -2 | -2 |
| Result from operations | 97 | 36 | -94 | 12 |
| Net financing result | -69 | -176 | -78 | -190 |
| Result before tax (contin. operations) | 28 | -140 | -172 | -179 |
| Income tax result | -76 | -96 | 25 | 21 |
| Net result (continuing operations) | -48 | -236 | -148 | -158 |
| Results from discontinued operations | 0 | -1 | 2 | 2 |
| Net result | -48 | -237 | -144 | -155 |
| Thereof non-controlling interests | 7 | -2 | -43 | -43 |
| Thereof ams shareholders | -55 | -235 | -102 | -112 |
| Basic earnings per share in CHF ¹⁾ | -0.19 | -0.83 | -0.36 | -0.51 |
| Diluted earnings per share in CHF ¹⁾ | -0.19 | -0.83 | -0.38 | -0.51 |
| Basic earnings per share in USD | -0.21 | -0.90 | -0.39 | -0.57 |
| Diluted earnings per share in USD | -0.21 | -0.90 | -0.43 | -0.57 |
| Basic earnings per share in CHF ¹⁾ (continuing operations) | -0.19 | -0.83 | -0.37 | -0.52 |
| Diluted earnings per share in CHF ¹⁾ (continuing operations) | -0.19 | -0.83 | -0.39 | -0.52 |
| Basic earnings per share in USD (continuing operations) | -0.21 | -0.90 | -0.40 | -0.58 |
| Diluted earnings per share in USD (continuing operations) | -0.21 | -0.90 | -0.44 | -0.58 |
| Number of shares basic (in million) | 261.2 | 261.1 | 260.6 | 200.0 |
| Number of shares diluted (in million) | 261.5 | 261.7 | 265.5 | 205.5 |

¹⁾ Earnings per share in CHF were converted using the average currency exchange rate for the respective period.

Consolidated Balance Sheet

(unaudited)

| USD millions | September 30, 2021 | December 31, 2020 |
|--|--------------------|-------------------|
| Assets | | |
| Cash and cash equivalents | 1,533 | 1,886 |
| Trade receivables | 826 | 733 |
| Inventories | 978 | 1,013 |
| Other receivables and assets | 271 | 200 |
| Short-term investments | 19 | 22 |
| Assets held for sale | 232 | 57 |
| Total current assets | 3,860 | 3,911 |
| Property, plant and equipment | 1,881 | 2,288 |
| Intangible assets | 4,733 | 4,783 |
| Right of use assets | 298 | 341 |
| Investments in associates | 81 | 89 |
| Deferred tax assets | 157 | 195 |
| Other long term assets | 147 | 128 |
| Financial assets | 37 | 30 |
| Total non-current assets | 7,333 | 7,854 |
| Total assets | 11,192 | 11,763 |
| Liabilities and Equity | | |
| Current liabilities | | |
| Short-term interest-bearing loans and borrowings | 565 | 280 |
| Trade payables | 791 | 643 |
| Income tax payables | 136 | 123 |
| Current Provisions | 424 | 404 |
| Other current liabilities | 1,538 | 2,002 |
| Liabilities associated with assets held for sale | 182 | 150 |
| Total current liabilities | 3,635 | 3,603 |
| Interest-bearing loans and borrowings | 3,162 | 3,620 |
| Employee benefits | 217 | 257 |
| Deferred tax liabilities | 243 | 268 |
| Provisions | 52 | 52 |
| Other liabilities | 531 | 387 |
| Total non-current liabilities | 4,205 | 4,586 |
| Equity | | |
| Issued capital | 324 | 324 |
| Additional paid-in capital | 2,313 | 2,569 |
| Treasury shares | -145 | -150 |
| Retained earnings | 18 | 1,092 |
| Other components of equity | 900 | -190 |
| Total equity attributable to shareholders of ams AG | 3,410 | 3,646 |
| Non-controlling interests | -59 | -72 |
| Total equity | 3,352 | 3,574 |
| Total liabilities and equity | 11,192 | 11,763 |

Consolidated Statement of Cash Flows

(unaudited)

| USD millions | Q3 2021 | 9 months 2021 | Q3 2020 | 9 months 2020 |
|---|------------|------------------|---------------|------------------|
| Operating activities | | | | |
| Net income (loss) | -48 | -237 | -144 | -155 |
| <i>Adjustments to reconcile net income (loss) to cash provided/used</i> | 0 | 0 | 0 | 0 |
| Income (loss) from discontinued operations, net of tax | 0 | 1 | -3 | -3 |
| Amortization, depreciation, and impairment | 148 | 693 | 277 | 455 |
| Expenses from stock option plans (acc. to IFRS 2) | 12 | 38 | 21 | 60 |
| Income taxes | 76 | 96 | -25 | -21 |
| Net financial result | 69 | 176 | 78 | 190 |
| Other non-cash (income) expenses | -3 | -1 | 13 | 13 |
| (Gains) losses on sales and disposals of businesses, intangible assets, and property, plant, and equipment, net | -2 | -31 | 1 | 1 |
| Result from sale of financial assets | 0 | 0 | 0 | 0 |
| (Gains) losses on investments accounted for using the equity method | 3 | 9 | 2 | 3 |
| Change in current assets and liabilities | 0 | 0 | 0 | 0 |
| <i>(Increase) decrease in inventories</i> | 20 | -38 | 74 | 59 |
| <i>(Increase) decrease in trade receivables</i> | -13 | -64 | -53 | 55 |
| <i>(Increase) decrease in other current assets</i> | -37 | -41 | 23 | -42 |
| <i>Increase (decrease) in trade payables</i> | 8 | 150 | -124 | -113 |
| <i>Increase (decrease) in current provisions</i> | -9 | -29 | 12 | -4 |
| <i>Increase (decrease) in other current liabilities</i> | 60 | 79 | 4 | 24 |
| Change in other assets and liabilities | -11 | -1 | -61 | -62 |
| Income taxes paid | -20 | -81 | -9 | -9 |
| Dividends received | 0 | 0 | 0 | 0 |
| Interest received | 1 | 3 | 1 | 4 |
| Cash flows from operating activities (continuing operations) | 255 | 723 | 86 | 454 |
| Cash flows from operating activities discontinued operations | 0 | 0 | -2 | -2 |
| Cash flows operating activities | 255 | 723 | 84 | 452 |
| Investing activities | | | | |
| Additions to intangible assets and property, plant, and equipment | -108 | -255 | -84 | -145 |
| Acquisitions, net of cash and cash equivalents acquired | -10 | -532 | -1,386 | -1,386 |
| Purchases of investments | -1 | -12 | -1 | -214 |
| Proceeds and payments from sales of investments, intangible assets, and property, plant, and equipment | 2 | 12 | 2 | 2 |
| Proceeds and payments from sales of business activities, net of cash and cash equivalents disposed of | 45 | 136 | 0 | 49 |
| Cash flows from investing activities (continuing operations) | -73 | -652 | -1,469 | -1,694 |
| Cash flows from investing activities discontinued operations | 0 | 0 | 0 | 0 |
| Cash flows from investing activities | -73 | -652 | -1,469 | -1,694 |

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| | | | | |
|---|--------------|--------------|---------------|--------------|
| Financing activities | | | | |
| Payments from capital increases in subsidiaries with minority interests | 0 | 15 | 0 | 0 |
| Purchase of common stock of company | 0 | -1 | 0 | -150 |
| Proceeds from issuance of long-term debt | 0 | 0 | 1,465 | 1,465 |
| Proceeds from loans | 1 | 114 | 103 | 213 |
| Repayment of convertible notes | 0 | -20 | 0 | 0 |
| Repayment of loans | -137 | -337 | -1,085 | -1,248 |
| Repayment of lease liabilities | -23 | -63 | -17 | -29 |
| Sale of treasury shares | 1 | 6 | 1 | 167 |
| Interest paid | -59 | -146 | -14 | -36 |
| Transaction costs from loans and borrowing | 0 | 0 | -51 | -177 |
| Dividends paid | 0 | -1 | -2 | -2 |
| Changes resulting from capital increase | 0 | 0 | 0 | 1,947 |
| Cash flows from financing activities (continuing operations) | -218 | -432 | 401 | 2,149 |
| Cash flows from financing activities (discontinued operations) | 0 | 0 | 0 | 0 |
| Cash flows from financing activities | -218 | -432 | 401 | 2,149 |
| Effects of changes in foreign exchange rates on cash and cash equivalents | 9 | 31 | -47 | -48 |
| Change in cash and cash equivalents | -27 | -330 | -1,032 | 859 |
| Cash and cash equivalents at the begin of period | 1,597 | 1,899 | 2,482 | 591 |
| Cash and cash equivalents at end of period | 1,570 | 1,570 | 1,450 | 1,450 |
| Less: Cash and cash equivalent of assets held for sale at the end of reporting period | 37 | 37 | 11 | 11 |
| Cash and cash equivalents at end of period (continuing operations) | 1,533 | 1,533 | 1,439 | 1,439 |

Reconciliation from adjusted figures to reported figures

| USD millions | Q3 2021 | 9 months 2021 | Q3 2020 | 9 months 2020 |
|---|-------------|---------------|-------------|---------------|
| Gross profit – adjusted | 514 | 1,526 | 384 | 792 |
| M&A related costs (information - see footnote 1) | -24 | -72 | -32 | -55 |
| Share-based compensation | -1 | -2 | -4 | -7 |
| Transformation costs | -5 | -25 | -42 | -42 |
| Asset restructuring | 0 | -179 | 0 | 0 |
| Gross profit – IFRS reported | 484 | 1,249 | 306 | 688 |
| Gross margin in % – adjusted | 34% | 34% | 27% | 32% |
| Gross margin in % – IFRS reported | 32% | 28% | 21% | 28% |
| Operating expenses – adjusted | -357 | -1,072 | -322 | -524 |
| M&A related costs (information - see footnote 1) | -38 | -94 | -49 | -86 |
| Share-based compensation | -11 | -37 | -17 | -53 |
| Result from the sale of a business | 19 | 43 | 0 | 0 |
| Transformation costs | 6 | -39 | -11 | -11 |
| Result from equity investments | -5 | -14 | -2 | -3 |
| Operating expenses – reported | -387 | -1,213 | -401 | -677 |
| Result from operations – adjusted | 157 | 454 | 63 | 268 |
| M&A related costs (information - see footnote 1) | -62 | -166 | -81 | -140 |
| Share-based compensation | -12 | -39 | -21 | -60 |
| Transformation costs | 0 | -64 | -54 | -54 |
| Asset restructuring | 0 | -179 | 0 | 0 |
| Result from the sale of a business | 19 | 43 | 0 | 0 |
| Result from equity investments | -5 | -14 | -2 | -3 |
| Result from operations – IFRS reported | 97 | 36 | -95 | 11 |
| Operating margin in % – adjusted | 10% | 10% | 4% | 11% |
| Operating margin in % – reported | 6% | 1% | -7% | 0% |
| Result from operations – adjusted | 157 | 454 | 63 | 268 |
| Net financing result | -69 | -176 | -78 | -190 |
| Income tax result | -76 | -96 | 25 | 21 |
| Net result adjusted (continuing operations) | 12 | 182 | 10 | 99 |
| Results from discontinued operations | 0 | -1 | 2 | 2 |
| Net result - adjusted | 12 | 182 | 12 | 102 |
| Basic adjusted earnings per share (in USD) | 0.02 | 0.71 | 0.11 | 0.58 |

¹⁾ M&A related costs includes depreciation and amortization of purchase price allocated assets, integration, carve-out and acquisition related costs

Financial statements in EUR

Consolidated Income Statement

(unaudited)

| EUR millions (except earnings per share) | Q3 2021 | 9 months 2021 | Q3 2020 | 9 months 2020 |
|---|--------------|---------------|--------------|---------------|
| Revenues | 1,288 | 3,809 | 1,220 | 2,093 |
| Cost of sales | -878 | -2,752 | -961 | -1,510 |
| Gross profit | 410 | 1,057 | 260 | 583 |
| Gross margin in % | 32% | 28% | 21% | 28% |
| Research and development | -156 | -490 | -151 | -272 |
| Selling, general and administrative | -171 | -566 | -216 | -333 |
| Other operating income | 28 | 72 | 30 | 36 |
| Other operating expense | -24 | -32 | -2 | -2 |
| Result from equity investments | -5 | -12 | -2 | -2 |
| Result from operations | 83 | 30 | -80 | 10 |
| Net financing result | -59 | -149 | -66 | -161 |
| Result before tax (contin. operations) | 24 | -119 | -146 | -152 |
| Income tax result | -64 | -81 | 21 | 18 |
| Net result (continuing operations) | -40 | -200 | -125 | -134 |
| Results from discontinued operations | 0 | 0 | 2 | 2 |
| Net result | -40 | -200 | -122 | -131 |
| Thereof non-controlling interests | 6 | -2 | -36 | -36 |
| Thereof ams shareholders | -46 | -199 | -86 | -95 |
| Basic earnings per share in CHF ¹⁾ | -0.19 | -0.83 | -0.36 | -0.51 |
| Diluted earnings per share in CHF ¹⁾ | -0.19 | -0.83 | -0.38 | -0.51 |
| Basic earnings per share in EUR | -0.18 | -0.76 | -0.33 | -0.48 |
| Diluted earnings per share in EUR | -0.18 | -0.76 | -0.36 | -0.48 |
| Basic earnings per share in CHF ¹⁾ (continuing operations) | -0.19 | -0.83 | -0.37 | -0.52 |
| Diluted earnings per share in CHF ¹⁾ (continuing operations) | -0.19 | -0.83 | -0.39 | -0.52 |
| Basic earnings per share in EUR (continuing operations) | -0.18 | -0.76 | -0.34 | -0.49 |
| Diluted earnings per share in EUR (continuing operations) | -0.18 | -0.76 | -0.37 | -0.49 |
| Number of shares basic (in million) | 261.2 | 261.1 | 260.6 | 200.0 |
| Number of shares diluted (in million) | 261.5 | 261.7 | 265.5 | 205.5 |

¹⁾ Earnings per share in CHF were converted using the average currency exchange rate for the respective periods.

Consolidated Balance Sheet

(unaudited)

| EUR millions | September 30, 2021 | December 31, 2020 |
|--|--------------------|-------------------|
| Assets | | |
| Cash and cash equivalents | 1,298 | 1,597 |
| Trade receivables | 700 | 621 |
| Inventories | 829 | 858 |
| Other receivables and assets | 230 | 169 |
| Short-term investments | 16 | 19 |
| Assets held for sale | 196 | 48 |
| Total current assets | 3,269 | 3,312 |
| Property, plant and equipment | 1,593 | 1,938 |
| Intangible assets | 4,008 | 4,051 |
| Right of use assets | 252 | 289 |
| Investments in associates | 69 | 75 |
| Deferred tax assets | 133 | 165 |
| Other long term assets | 124 | 108 |
| Financial assets | 31 | 25 |
| Total non-current assets | 6,210 | 6,652 |
| Total assets | 9,479 | 9,963 |
| Liabilities and Equity | | |
| Current liabilities | | |
| Short-term interest-bearing loans and borrowings | 478 | 237 |
| Trade payables | 670 | 545 |
| Income tax payables | 115 | 104 |
| Current Provisions | 359 | 342 |
| Other current liabilities | 1,302 | 1,696 |
| Liabilities associated with assets held for sale | 154 | 127 |
| Total current liabilities | 3,079 | 3,052 |
| Interest-bearing loans and borrowings | 2,678 | 3,066 |
| Employee benefits | 183 | 218 |
| Deferred tax liabilities | 206 | 227 |
| Provisions | 44 | 44 |
| Other liabilities | 450 | 328 |
| Total non-current liabilities | 3,561 | 3,884 |
| Equity | | |
| Issued capital | 274 | 274 |
| Additional paid-in capital | 1,959 | 2,176 |
| Treasury shares | -122 | -127 |
| Retained earnings | 15 | 925 |
| Other components of equity | 762 | -161 |
| Total equity attributable to shareholders of ams AG | 2,888 | 3,088 |
| Non-controlling interests | -50 | -61 |
| Total equity | 2,839 | 3,027 |
| Total liabilities and equity | 9,479 | 9,963 |

Consolidated Statement of Cash Flows

(unaudited)

| EUR millions | Q3 2021 | 9 months 2021 | Q3 2020 | 9 months 2020 |
|---|------------|------------------|---------------|------------------|
| Operating activities | | | | |
| Net income (loss) | -40 | -200 | -122 | -131 |
| <i>Adjustments to reconcile net income (loss) to cash provided/used</i> | | | | |
| Income (loss) from discontinued operations, net of tax | 0 | 0 | -2 | -2 |
| Amortization, depreciation, and impairment | 126 | 587 | 235 | 386 |
| Expenses from stock option plans (acc. to IFRS 2) | 10 | 32 | 18 | 51 |
| Income taxes | 64 | 81 | -21 | -18 |
| Net financial result | 59 | 149 | 66 | 161 |
| Other non-cash (income) expenses | -2 | -1 | 11 | 11 |
| (Gains) losses on sales and disposals of businesses, intangible assets, and property, plant, and equipment, net | -2 | -26 | 1 | 0 |
| Result from sale of financial assets | 0 | 0 | 0 | 0 |
| (Gains) losses on investments accounted for using the equity method | 2 | 7 | 2 | 2 |
| Change in current assets and liabilities | | | | |
| <i>(Increase) decrease in inventories</i> | 17 | -32 | 63 | 50 |
| <i>(Increase) decrease in trade receivables</i> | -11 | -54 | -45 | 47 |
| <i>(Increase) decrease in other current assets</i> | -32 | -34 | 19 | -36 |
| <i>Increase (decrease) in trade payables</i> | 7 | 127 | -105 | -96 |
| <i>Increase (decrease) in current provisions</i> | -8 | -24 | 10 | -3 |
| <i>Increase (decrease) in other current liabilities</i> | 51 | 67 | 3 | 20 |
| Change in other assets and liabilities | -9 | -1 | -52 | -53 |
| Income taxes paid | -17 | -69 | -7 | -8 |
| Dividends received | 0 | 0 | 0 | 0 |
| Interest received | 1 | 2 | 1 | 4 |
| Cash flows from operating activities (continuing operations) | 216 | 612 | 73 | 385 |
| Cash flows from operating activities discontinued operations | 0 | 0 | -2 | -2 |
| Cash flows operating activities | 216 | 612 | 71 | 383 |
| Investing activities | | | | |
| Additions to intangible assets and property, plant, and equipment | -92 | -216 | -71 | -123 |
| Acquisitions, net of cash and cash equivalents acquired | -9 | -451 | -1,174 | -1,174 |
| Purchases of investments | -1 | -10 | 0 | -181 |
| Proceeds and payments from sales of investments, intangible assets, and property, plant, and equipment | 2 | 10 | 2 | 2 |
| Proceeds and payments from sales of business activities, net of cash and cash equivalents disposed of | 38 | 115 | 0 | 41 |
| Cash flows from investing activities (continuing operations) | -62 | -552 | -1,244 | -1,435 |
| Cash flows from investing activities discontinued operations | 0 | 0 | 0 | 0 |
| Cash flows from investing activities | -62 | -552 | -1,244 | -1,435 |

| | | | | |
|---|--------------|--------------|--------------|--------------|
| Financing activities | | | | |
| Payments from capital increases in subsidiaries with minority interests | 0 | 13 | 0 | 0 |
| Purchase of common stock of company | 0 | -1 | 0 | -127 |
| Proceeds from issuance of long-term debt | 0 | 0 | 1,241 | 1,241 |
| Proceeds from loans | 1 | 97 | 88 | 180 |
| Repayment of convertible notes | 0 | -17 | 0 | 0 |
| Repayment of loans | -116 | -285 | -919 | -1,057 |
| Repayment of lease liabilities | -20 | -53 | -14 | -25 |
| Sale of treasury shares | 1 | 5 | 1 | 141 |
| Interest paid | -50 | -123 | -12 | -30 |
| Transaction costs from loans and borrowing | 0 | 0 | -43 | -150 |
| Dividends paid | 0 | -1 | -2 | -2 |
| Changes resulting from capital increase | 0 | 0 | 0 | 1,649 |
| Cash flows from financing activities (continuing operations) | -184 | -366 | 340 | 1,820 |
| Cash flows from financing activities (discontinued operations) | 0 | 0 | 0 | 0 |
| Cash flows from financing activities | -184 | -366 | 340 | 1,820 |
| Effects of changes in foreign exchange rates on cash and cash equivalents | 7 | 26 | -40 | -41 |
| Change in cash and cash equivalents | -23 | -279 | -874 | 728 |
| Cash and cash equivalents at the begin of period | 1,352 | 1,609 | 2,102 | 500 |
| Cash and cash equivalents at end of period | 1,329 | 1,329 | 1,228 | 1,228 |
| Less: Cash and cash equivalent of assets held for sale at the end of reporting period | 31 | 31 | 9 | 9 |
| Cash and cash equivalents at end of period (continuing operations) | 1,298 | 1,298 | 1,219 | 1,219 |

Reconciliation from adjusted figures to reported figures according to IFRS

| EUR millions | Q3 2021 | 9 months 2021 | Q3 2020 | 9 months 2020 |
|---|-------------|---------------|-------------|---------------|
| Gross profit – adjusted | 436 | 1,293 | 326 | 671 |
| M&A related costs (information - see footnote 1) | -21 | -61 | -27 | -46 |
| Share-based compensation | -1 | -1 | -3 | -6 |
| Transformation costs | -4 | -21 | -36 | -36 |
| Asset restructuring | 0 | -152 | 0 | 0 |
| Gross profit – IFRS reported | 410 | 1,057 | 260 | 583 |
| Gross margin in % – adjusted | 34% | 34% | 27% | 32% |
| Gross margin in % – IFRS reported | 32% | 28% | 21% | 28% |
| Operating expenses – adjusted | -303 | -908 | -273 | -444 |
| M&A related costs (information - see footnote 1) | -32 | -80 | -41 | -73 |
| Share-based compensation | -9 | -32 | -15 | -45 |
| Result from the sale of a business | 16 | 37 | 0 | 0 |
| Transformation costs | 5 | -33 | -10 | -10 |
| Result from equity investments | -5 | -12 | -2 | -2 |
| Operating expenses – reported | -327 | -1,027 | -340 | -573 |
| Result from operations – adjusted | 133 | 384 | 53 | 227 |
| M&A related costs (information - see footnote 1) | -53 | -141 | -68 | -119 |
| Share-based compensation | -10 | -33 | -18 | -51 |
| Transformation costs | 0 | -54 | -45 | -45 |
| Asset restructuring | 0 | -152 | 0 | 0 |
| Result from the sale of a business | 16 | 37 | 0 | 0 |
| Result from equity investments | -5 | -12 | -2 | -2 |
| Result from operations – IFRS reported | 83 | 30 | -80 | 10 |
| Operating margin in % – adjusted | 10% | 10% | 4% | 11% |
| Operating margin in % – reported | 6% | 1% | -7% | 0% |
| Result from operations – adjusted | 133 | 384 | 53 | 227 |
| Net financing result | -59 | -149 | -66 | -161 |
| Income tax result | -64 | -81 | 21 | 18 |
| Net result adjusted (continuing operations) | 10 | 154 | 8 | 84 |
| Results from discontinued operations | 0 | 0 | 2 | 2 |
| Net result - adjusted | 10 | 154 | 10 | 86 |
| Basic adjusted earnings per share (in EUR) | 0,02 | 0,60 | 0,09 | 0,49 |

¹⁾ M&A related costs includes depreciation and amortization of purchase price allocated assets, integration, carve-out and acquisition related costs

Third Quarter Report

2021



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This report is also available in German. All figures are unaudited.