JENOPTIK

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Quarterly Statement of the Jenoptik Group

January to March 2024

Jenoptik at a glance

	Jan. – Mar. 2024	Jan. – Mar. 2023	Change in %
Order intake (in million euros)	**242.0**	**283.0**	**– 14.5**
Advanced Photonic Solutions	197.9	212.1	– 6.7
Smart Mobility Solutions	29.4	38.9	– 24.3
Non-Photonic Portfolio Companies	14.0	30.6	– 54.1
Other[1]	0.7	1.4	
Revenue (in million euros)	**256.1**	**234.1**	**9.4**
Advanced Photonic Solutions	200.5	181.8	10.3
Smart Mobility Solutions	24.0	22.9	4.6
Non-Photonic Portfolio Companies	30.9	28.3	9.4
Other[1]	0.7	1.0	
EBITDA (in million euros)	**44.5**	**36.6**	**21.6**
Advanced Photonic Solutions	40.1	36.7	9.2
Smart Mobility Solutions	0.1	– 0.1	n/a
Non-Photonic Portfolio Companies	5.4	3.2	68.7
EBITDA margin (in %)	**17.4**	**15.6**	
Advanced Photonic Solutions[2]	19.7	20.0	
Smart Mobility Solutions[2]	0.4	– 0.4	
Non-Photonic Portfolio Companies[2]	17.1	10.9	
EBIT (in million euros)	**26.0**	**19.9**	**30.4**
EBIT margin (in %)	**10.2**	**8.5**	
Earnings after tax (in million euros)	**15.4**	**11.8**	**30.7**
Earnings per share (in euros)	**0.27**	**0.21**	**28.6**
Free cash flow (in million euros)	**19.5**	**28.5**	**– 31.7**
Cash conversion rate (in %)	**43.8**	**78.0**	
Net debt (in million euros)[3]	**416.7**	**423.1**	**– 1.5**
Equity ratio (in %)[3]	**54.3**	**54.2**	

	March 31, 2024	Dec. 31, 2023	March 31, 2023
Order backlog (in million euros)	**731.3**	**745.0**	**776.1**
Advanced Photonic Solutions	575.2	579.8	611.7
Smart Mobility Solutions	66.1	60.2	81.2
Non-Photonic Portfolio Companies	89.9	104.9	82.8
Employees (headcount incl. trainees and temporary staff)	**4,704**	**4,658**	**4,493**
Advanced Photonic Solutions	3,310	3,293	3,155
Smart Mobility Solutions	541	526	494
Non-Photonic Portfolio Companies	545	534	547
Other[1]	308	305	297

[1] Other includes Corporate Center (holding, shared services, real estate) and consolidation

[2] Based on the sum of external and internal revenue

[3] Prior-year figures refer to December 31, 2023

Please note that there may be rounding differences in this report compared to the mathematically exact amounts (currency units, percentages).

Summary of Business Performance, January to March 2024

- Order intake down on prior year: At 242.0 million euros in the period from January through March 2024, the order intake was down on the prior-year figure of 283.0 million euros. The book-to-bill ratio was 0.94 (prior year: 1.21). The order backlog, worth 731.3 million euros, remained at a good level (31/12/2023: 745.0 million euros).

  See Earnings position – page 6

- Revenue sharply up on prior year: Over the reporting period, revenue of 256.1 million euros was up by 9.4 percent on the prior year (prior year: 234.1 million euros), in particular thanks to the contribution from the Advanced Photonic Solutions division.

  See Earnings position – page 4

- Marked improvement in EBITDA: In particular due to good performance of the Advanced Photonic Solutions division and the improvement in earnings of the Non-Photonic Portfolio Companies, EBITDA rose by 21.6 percent to 44.5 million euros (prior year: 36.6 million euros). The EBITDA margin was 17.4 percent (prior year: 15.6 percent).

  See Earnings position – page 5

- Balance sheet and financing structure still highly robust: The equity ratio, at 54.3 percent, remained virtually unchanged from the level at year-end 2023 (31/12/2023: 54.2 percent). Free cash flow amounted to 19.5 million euros (prior year: 28.5 million euros).

  See Financial and asset position – page 7

- Guidance confirmed: For the fiscal year 2024, the Executive Board anticipates revenue growth in the mid-single-digit percentage range and an EBITDA margin of 19.5 to 20.0 percent, including an expected impact of about 0.5 percentage points for the move to the new semiconductor site in Dresden.

  See Forecast Report – page 13

Earnings, Financial, and Asset Position

The tables in the Quarterly Statement, which show a breakdown of the key indicators by segment, include the Corporate Center (holding company, shared services, real estate) and consolidation effects under "Other". Jenoptik operates in the following reportable segments: the Advanced Photonic Solutions division, the Smart Mobility Solutions division, and the Non-Photonic Portfolio Companies.

Earnings position

In the first three months of 2024, Jenoptik was able to significantly increase revenue and EBITDA, especially in the Advanced Photonic Solutions division.

In the first quarter 2024, the Group saw revenue improve to 256.1 million euros, a significant 9.4-percent increase on the prior year (prior year: 234.1 million euros).

In the Advanced Photonic Solutions division, the marked revenue growth was particularly facilitated by sustained good business in the Semiconductor Equipment area. The Smart Mobility Solutions division and the Non-Photonic Portfolio Companies also improved revenue in the first three months of 2024.

Revenue by segment (in million euros)

	1/1 to 31/3/2024	1/1 to 31/3/2023	Change in %
Total	**256.1**	**234.1**	**9.4**
Advanced Photonic Solutions	200.5	181.8	10.3
Smart Mobility Solutions	24.0	22.9	4.6
Non-Photonic Portfolio Companies	30.9	28.3	9.4
Other	0.7	1.0	– 30.2

During the period from January through March 2024, Jenoptik increased revenue both in Germany and in other European countries, while the prior-year level was not quite reached in the Americas and Asia/Pacific. The Advanced Photonic Solutions division was the main contributor to the strong increase in revenue seen in Europe (including Germany), from 130.2 million euros to 159.9 million euros. At 70.7 percent, the share of revenue generated abroad was down on the prior-year figure of 74.0 percent.

The cost of sales increased to 172.1 million euros (prior year: 156.3 million euros), rising slightly more strongly than revenue in percentage terms. This was in part due to higher depreciation/amortization from investments. At 84.1 million euros, gross profit was up on the prior-year figure of 77.8 million euros, primarily due to the contribution made by the Advanced Photonic Solutions division. The gross margin, however, decreased to 32.8 percent (prior year: 33.2 percent).

Over the reporting period, research and development expenses increased to 16.0 million euros (prior year: 14.1 million euros). Development expenses on behalf of customers posted in cost of sales increased to 8.1 million euros (prior year: 7.7 million euros). The R+D output came to 25.9 million euros, up on the prior-year figure of 23.1 million euros and equating to a share of revenue of 10.1 percent (prior year: 9.9 percent).

R+D output (in million euros)

	1/1 to 31/3/2024	1/1 to 31/3/2023	Change in %
R+D output	**25.9**	**23.1**	**12.1**
R+D expenses	16.0	14.1	13.3
Capitalized development costs	1.8	1.3	37.2
Developments on behalf of customers	8.1	7.7	5.7

Selling expenses of 26.6 million euros in the reporting period were virtually unchanged from the prior-year figure of 26.2 million euros, despite the increase in revenue; at 10.4 percent, the selling expenses ratio was down on the prior-year level of 11.2 percent.

Administrative expenses rose to 17.6 million euros (prior year: 16.1 million euros), but the administrative expenses ratio remained unchanged at 6.9 percent (prior year: 6.9 percent).

In the first quarter, other operating income came to 5.5 million euros, slightly up on the prior-year period (prior year: 4.7 million euros). Lower currency losses were chiefly responsible for the improvement in other operating expenses to minus 3.4 million euros (prior year: minus 6.0 million euros). Overall, other operating income and expenses came to 2.1 million euros (prior year: minus 1.3 million euros).

Over the first three months of 2024, EBITDA improved to 44.5 million euros, 21.6 percent up on the prior-year figure of 36.6 million euros, mainly due to good performance of the Advanced Photonic Solutions division, but also the improvement seen by the Non-Photonic Portfolio Companies. The EBITDA margin in the first quarter of 2024 came to 17.4 percent (prior year: 15.6 percent).

In the first three months of 2024, this good performance was also reflected in income from operations (EBIT), which at 26.0 million euros was also sharply up on the prior-year figure of 19.9 million euros. The corresponding margin improved from 8.5 percent to 10.2 percent.

EBITDA (in million euros)

	1/1 to 31/3/2024	1/1 to 31/3/2023	Change in %
Total	**44.5**	**36.6**	**21.6**
Advanced Photonic Solutions	40.1	36.7	9.2
Smart Mobility Solutions	0.1	– 0.1	n/a
Non-Photonic Portfolio Companies	5.4	3.2	68.7
Other	– 1.1	– 3.3	

EBIT (in million euros)

	1/1 to 31/3/2024	1/1 to 31/3/2023	Change in %
Total	**26.0**	**19.9**	**30.4**
Advanced Photonic Solutions	27.1	25.1	8.2
Smart Mobility Solutions	– 1.6	– 1.5	– 5.3
Non-Photonic Portfolio Companies	3.5	1.4	143.3
Other	– 3.0	– 5.0	

The financial result decreased during the reporting period, primarily due to higher currency losses, to minus 4.8 million euros (prior year: minus 3.5 million euros).

Over the reporting period, Jenoptik achieved markedly improved earnings before tax of 21.2 million euros (prior year: 16.5 million euros). Income taxes amounted to 5.8 million euros (prior year: 4.7 million euros). The tax rate was 27.3 percent (prior year: 28.5 percent). The cash effective tax rate rose to 24.4 percent (prior year: 17.5 percent).

Group earnings after tax increased to 15.4 million euros (prior year: 11.8 million euros). Group earnings per share came to 0.27 euros (prior year: 0.21 euros).

Order position

In the first three months of 2024, the order intake, worth 242.0 million euros, was 14.5 percent down on the prior-year figure of 283.0 million euros. Demand was weaker than expected in Optical Test & Measurement and in certain applications in Life Science and Medical Technology, as well as in the Non-Photonic Portfolio Companies, here in part due to project delays. The Group's book-to-bill ratio came to 0.94 (prior year: 1.21).

Although the order backlog decreased by 1.8 percent to 731.3 million euros, it remained at a good level (31/12/2023: 745.0 million euros). Of this backlog, around 563 million euros or around 77 percent (prior year: around 571 million euros or around 74 percent) is due to be converted to revenue in the present fiscal year.

Order situation (in million euros)

	1/1 to 31/3/2024	1/1 to 31/3/2023	Change in %
Order intake	**242.0**	**283.0**	**– 14.5**
Advanced Photonic Solutions	197.9	212.1	– 6.7
Smart Mobility Solutions	29.4	38.9	– 24.3
Non-Photonic Portfolio Companies	14.0	30.6	– 54.1
Other	0.7	1.4	

	31/3/2024	31/12/2023	Change in %
Order backlog	**731.3**	**745.0**	**– 1.8**
Advanced Photonic Solutions	575.2	579.8	– 0.8
Smart Mobility Solutions	66.1	60.2	9.8
Non-Photonic Portfolio Companies	89.9	104.9	– 14.3

As of March 31, 2024, the number of Jenoptik employees (including trainees and temporary staff) rose 1.0 percent or by 46 persons to 4,704 (31/12/2023: 4,658 employees). In the Advanced Photonic Solutions division, the number of employees rose slightly due to an increase in staff in the Semiconductor Equipment area. At the end of March 2024, 1,710 people were employed at the foreign locations (31/12/2023: 1,677 employees). In the Segment Report, the number of employees is stated on the basis of full-time equivalents (FTE). For the Group, this number amounted to 4,338 employees at the end of March 2024 (31/12/2023: 4,280 employees).

Employees (headcount incl. trainees and temporary staff)

	31/3/2024	31/12/2023	Change in %
Total	**4,704**	**4,658**	**1.0**
Advanced Photonic Solutions	3,310	3,293	0.5
Smart Mobility Solutions	541	526	2.9
Non-Photonic Portfolio Companies	545	534	2.1
Other	308	305	1.0

As of March 31, 2024, Jenoptik had a total of 147 trainees (31/12/2023: 163 trainees).

Detailed information on the development of the divisions can be found in the Segment Report from page 9 on.

Financial and asset position

Compared to the end of December 2023, net debt decreased marginally to 416.7 million euros (31/12/2023: 423.1 million euros). As of March 31, 2024, the Group also had unused credit lines worth around 400 million euros. Leverage, net debt in relation to EBITDA, improved to 1.9x (31/12/2023: 2.0x). The Group therefore still has sufficient financial leeway to ensure the company's scheduled strategic growth.

Over the reporting period, Jenoptik invested 19.8 million euros in property, plant, and equipment, including leases of 5.6 million euros, and intangible assets (prior year: 22.5 million euros, including leases of 7.1 million euros). At 17.8 million euros, the largest share of capital expenditure was spent on property, plant, and equipment (prior year: 20.4 million euros), in part for new technical equipment and an expansion in production capacities, in particular for the semiconductor equipment industry, and construction of the factory in Dresden. Capital expenditure for intangible assets of 1.9 million euros was slightly down on the prior-year figure of 2.1 million euros. Scheduled depreciation/amortization totaled 18.5 million euros (prior year: 16.6 million euros) and includes the impacts arising from the purchase price allocation for the acquisitions made in recent years.

In the first quarter of 2024, cash flows from operating activities amounted to 32.3 million euros (prior year. 44.4 million euros), mainly influenced by the increase in working capital.

At the end of March 2024, cash flows from investing activities came to minus 17.9 million euros (prior year: minus 18.9 million euros), primarily due to lower capital expenditure for property, plant, and equipment, as well as disposals of fixed assets.

As a result of lower cash flows from operating activities before taxes, the free cash flow came to 19.5 million euros (prior year: 28.5 million euros). The free cash flow is calculated on the basis of the cash flow from operating activities before income tax payments less the inflows and outflows of funds for intangible assets and property, plant, and equipment. In the first three months of 2024, the cash conversion rate came to 43.8 percent, significantly down on the prior-year figure of 78.0 percent.

Cash flows from financing activities increased slightly to minus 25.3 million euros in the period covered by the report (prior year: minus 24.2 million euros) and were primarily influenced by the change in liabilities to banks and the interest paid.

At 1,660.4 million euros as of March 31, 2024, the total assets of the Jenoptik Group were virtually unchanged on the 2023 year-end figure of 1,666.9 million euros.

Non-current assets fell compared with the year-end figure for 2023, to 1,083.9 million euros (31/12/2023: 1,099.8 million euros). This was mainly due to currency effects, particularly in the intangible assets item.

Current assets increased from 567.1 million euros at the end of 2023 to 576.5 million euros as of the end of March 2024, in particular due to the rise in inventories, which increased to 294.7 million euros (31/12/2023: 269.3 million euros). By contrast, trade receivables fell, primarily due to a seasonally high level of receivables in the fourth quarter of 2023.

Primarily driven by the increase in inventories, the working capital as of March 31, 2024 rose to 312.9 million euros (31/12/2023: 304.4 million euros / 31/3/2023: 283.2 million euros). The working capital ratio, that of working capital to revenue based on the last twelve months, was 28.8 percent and thus slightly above the value at year-end 2023 (31/12/2023: 28.6 percent / 31/3/2023: 28.1 percent).

At 901.9 million euros, equity as of March 31, 2024 was approximately at the same level as at year-end 2023 (31/12/2023: 903.3 million euros). Currency effects, in particular, had a negative impact on this item, and were not fully compensated by the improved net profit for the period. The equity ratio remained almost unchanged, at 54.3 percent compared with 54.2 percent at the end of December 2023.

Non-current liabilities fell to 477.4 million euros (31/12/2023: 496.0 million euros), and in the first three months of 2024 were mainly influenced by the decrease in non-current financial debt to 455.3 million euros (31/12/2023: 472.3 million euros) as a result of the early repayment of a debenture bond and repayment of other liabilities to banks.

Current liabilities rose to 281.0 million euros (31/12/2023: 267.6 million euros). Contract liabilities increased due to consideration paid by or due from customers arising from project business. The increase in the other current non-financial liabilities item is chiefly due to the accrual of leave entitlements throughout the year and other obligations toward employees.

The Group continues to ensure healthy balance sheet ratios and a comfortable liquidity position.

Segment Report

The two divisions, Advanced Photonic Solutions and Smart Mobility Solutions, together with the Non-Photonic Portfolio Companies, represent the segments as defined in IFRS 8.

The revenue, order intake, and order backlog figures provided in the Segment Report relates exclusively to transactions with external parties.

Advanced Photonic Solutions

From January through March 2024, the Advanced Photonic Solutions division generated revenue of 200.5 million euros, a significant 10.3 percent above the prior-year figure of 181.8 million euros. In particular in the business with the semiconductor equipment industry revenue increased in the first three months of 2024.

Revenue in Europe (including Germany) grew from 103.4 million euros to 131.6 million euros but was below prior-year figures in the other regions. In the first three months of 2024, the Advanced Photonic Solutions division contributed a total of 78.3 percent of Jenoptik's revenue (prior year: 77.7 percent).

On the basis of good revenue growth, EBITDA of 40.1 million euros was a sharp 9.2 percent up on the prior-year figure of 36.7 million euros. The division's EBITDA margin was 19.7 percent (prior year: 20.0 percent).

Compared to the prior-year period, EBIT also improved to 27.1 million euros (prior year: 25.1 million euros).

The order intake in the Advanced Photonic Solutions division, worth 197.9 million euros, did not reach the value of the prior-year quarter (prior year: 212.1 million euros). While demand from the semiconductor equipment industry remained nearly constant, Optical Test & Measurement and Medical Technology/Life Science posted significantly fewer new orders than in the prior year. Set against revenue, this resulted in a book-to-bill ratio of 0.99 for the reporting period, compared with 1.17 in the prior year.

Advanced Photonic Solutions at a glance (in million euros)

	31/3/2024	31/3/2023	Change in %
Revenue	200.5	181.8	10.3
EBITDA	40.1	36.7	9.2
EBITDA margin (in %)[1]	19.7	20.0	
EBIT	27.1	25.1	8.2
EBIT margin (in %)[1]	13.3	13.6	
Capital expenditure	13.2	13.6	– 3.2
Free cash flow	13.4	21.6	– 37.9
Cash conversion rate (in %)	33.4	58.7	
Order intake	197.9	212.1	– 6.7
Order backlog[2]	575.2	579.8	– 0.8
Employees (full-time equivalent/FTE)[2]	3,058	3,033	0.8

[1] Based on the sum of external and internal revenue

[2] Prior-year figures refer to December 31, 2023

At a value of 575.2 million euros, the order backlog as at March 31, 2024 was slightly below the figure at year-end 2023 (31/12/2023: 579.8 million euros) but still at a good level. It remained virtually unchanged in the Semiconductor Equipment field.

From January through March 2024, capital expenditure in the Advanced Photonic Solutions division amounted to 13.2 million euros (prior year: 13.6 million euros). Investments were made in the new fab in Dresden in particular. As a result of rising demand for optics and sensors for the semiconductor industry, Jenoptik is expanding its manufacturing capacities at its Dresden site and will invest 90 to 100 million euros in a state-of-the-art production building for micro-optics and sensors and a new office complex. Production is scheduled to start at the new factory in early 2025.

Primarily due to the increase in working capital, the free cash flow (before interest and income tax payments) decreased to 13.4 million euros, down from 21.6 million euros in the prior year. The cash conversion rate consequently fell to 33.4 percent (prior year: 58.7 percent).

Smart Mobility Solutions

In the first six months of 2024, the Smart Mobility Solutions division posted revenue of 24.0 million euros, an increase of 4.6 percent on the prior-year period (prior year: 22.9 million euros). The increase in revenue was particularly notable in Europe (including Germany). From January through March 2024, the division's share of Jenoptik's revenue came to 9.4 percent (prior year: 9.8 percent).

EBITDA increased slightly to 0.1 million euros in the period covered by the report (prior year: minus 0.1 million euros). The EBITDA margin was 0.4 percent, compared with minus 0.4 percent in the first three months of the prior year.

The division's order intake is subject to typical fluctuations in project business, and at 29.4 million euros in the first quarter of 2024 was significantly down on the prior-year figure of 38.9 million euros. Over the reporting period, the book-to-bill ratio came to 1.23 (prior year: 1.70).

Compared to the end of 2023, the division's order backlog grew by 9.8 percent to 66.1 million euros (31/12/2023: 60.2 million euros).

Primarily due to a significantly lower reduction in working capital in the first quarter compared to the prior-year period, the division's free cash flow (before interest and income tax payments) for the first three months of 2024 came to minus 0.9 million euros (prior year: 4.0 million euros).

Smart Mobility Solutions at a glance (in million euros)

	31/3/2024	31/3/2023	Change in %
Revenue	24.0	22.9	4.6
EBITDA	0.1	– 0.1	n/a
EBITDA margin (in %)[1]	0.4	– 0.4	
EBIT	– 1.6	– 1.5	– 5.3
EBIT margin (in %)[1]	– 6.7	– 6.6	
Capital expenditure	2.9	2.0	49.0
Free cash flow	– 0.9	4.0	n/a
Cash conversion rate (in %)	< 0	< 0	
Order intake	29.4	38.9	– 24.3
Order backlog[2]	66.1	60.2	9.8
Employees (full-time equivalent/FTE)[2]	502	485	3.6

[1] Based on the sum of external and internal revenue

[2] Prior-year figures refer to December 31, 2023

Non-Photonic Portfolio Companies

In the period from January through March 2024, the Non-Photonic Portfolio Companies posted an increase in revenue to 30.9 million euros, compared with 28.3 million euros in the prior-year period. In these first three months, revenue growth was mainly achieved in North America. The Non-Photonic Portofolio Companies' share of Jenoptik's revenue remained constant at 12.1 percent.

Over the reporting period, the segment's EBITDA rose to 5.4 million euros (prior year: 3.2 million euros), in part due to a higher earnings contribution from HOMMEL ETAMIC. The EBITDA margin improved from 10.9 percent in the prior-year period to 17.1 percent in the first three months of 2024.

EBIT came to 3.5 million euros, up on the prior-year figure of 1.4 million euros.

In the first three months of 2024, the order intake, worth 14.0 million euros, was significantly down on the prior-year figure of 30.6 million euros, in part due to project delays. Both Prodomax and HOMMEL ETAMIC received fewer new orders. Over the reporting period, the book-to-bill ratio of 0.45 was therefore also significantly below the prior-year figure of 1.08.

Due to the reduced order intake, the Non-Photonic Portfolio Companies had an order backlog worth 89.9 million euros at the end of the reporting period, below the level at year-end 2023 (31/12/2023: 104.9 million euros).

Higher cash flows from operating activities, in part due to the increase in earnings, positive effects in the working capital, and the sale of a property, were particularly responsible for the increase in the free cash flow (before interest and income tax payments) to 8.3 million euros (prior year: minus 3.7 million euros).

Non-Photonic Portfolio Companies at a glance (in million euros)

	31/3/2024	31/3/2023	Change in %
Revenue	30.9	28.3	9.4
EBITDA	5.4	3.2	68.7
EBITDA margin (in %)[1]	17.1	10.9	
EBIT	3.5	1.4	143.3
EBIT margin (in %)[1]	11.1	4.9	
Capital expenditure	2.7	5.4	– 49.8
Free cash flow	8.3	3.7	125.1
Cash conversion rate (in %)	154.1	115.5	
Order intake	14.0	30.6	– 54.1
Order backlog[2]	89.9	104.9	– 14.3
Employees (full-time equivalent/FTE)[2]	515	500	3.0

[1] Based on the sum of external and internal revenue

[2] Prior-year figures refer to December 31, 2023

Risk and Opportunity Report

Within the framework of the reporting on risk and opportunity management, we refer to the details on pages 72ff. of the Annual Report 2023.

Uncertainties from trade and geopolitical conflicts persist, and conflicts may intensify due to various factors. While the economic decoupling of the US and China has not changed significantly in the past fiscal year, with increasing trade barriers and technical regulations having a negative impact on global growth, the risk of renewed escalation of tensions between China on the one hand and Taiwan and the US on the other remains high. Despite the international orientation of the semiconductor industry, a significant impact on the global semiconductor market may be assumed in the event of escalation due to Taiwan's strong position in some stages of production. The Israel-Gaza conflict, which escalated in 2023, persists and could further intensify, potentially triggering a larger regional conflict involving additional parties, as demonstrated by Iran's drone and rocket attack on Israel. For Jenoptik, the conflict currently has no significant direct impact on customers and suppliers. The Russian war against Ukraine with the associated sanctions does not pose any direct risks due to Jenoptik's almost non-existent business activities in either country. Indirectly, both conflicts could impact in particular on supply chains, the supply of energy, and its pricing, and also influence the short-term availability of raw materials. Continued risks from current, regionally diverse inflation trends persist, partly due to global and regional factors. These include structural problems such as a shortage of skilled workers, geopolitical tensions, and the associated development of energy costs, which cannot be influenced in the short term. Jenoptik is actively countering inflation risks through steps taken in both purchasing and sales. With active risk mitigation, we counter the impacts of the measures introduced by the European Central Bank, such as interest rate risks.

The global construction of numerous new semiconductor factories driven by efforts toward technological sovereignty presents an opportunity for significant growth in the semiconductor industry over the next decade, potentially resulting in increased demand for lithographic equipment in factory setups.

The semiconductor industry is currently experiencing weaker demand. Ongoing economic uncertainty has led customers in certain market segments to remain cautious, resulting in concern regarding the timing and pace of the expected recovery. As a supplier in the semiconductor industry, Jenoptik thus also faces the risk of order delays. Additionally, technological requirements have rapidly changed due to an industry driven focus, such as the preference for more powerful and efficient graphics processors (GPUs) over traditional processors (CPUs) in data centers. Consequently, this could potentially lead to altered or delayed demand, posing risks for the Advanced Photonics Solutions division.

The expected economic consequences of these risks may have a negative impact on our earnings, financial, and asset position.

There were no other major changes in the risks and opportunities described in the Annual Report during the course of the first quarter of 2024.

At present, no risks have been identified that, either individually or in combination with other risks, could jeopardize the continued existence of the company.

Forecast Report

Future development of business

The Jenoptik Group remains committed to pursuing its goal of securing profitable growth in the medium and long term. This will be primarily supported by our strong position in core markets such as Semiconductor & Electronics, Life Science & Medical Technology, and Smart Mobility, along with a constantly improving product mix and economies of scale.

Jenoptik is well-positioned in its core markets and also has a well-balanced portfolio of products and services that ensure stability during crises and help the company to offset fluctuations.

Despite an increasingly challenging general market environment, the Executive Board of JENOPTIK AG expects to achieve further profitable growth in the fiscal year 2024, given the continued strong order backlog and the Group's solid positioning in its core markets. A demand recovery is expected, particularly in the second half of the year. In this light, the Executive Board confirms the guidance provided in March 2024 and for the year expects revenue growth in the mid-single-digit percentage range (2023: 1,066.0 million euros) and an EBITDA margin of 19.5 to 20.0 percent (2023: 19.7 percent), including an expected impact of approximately 0.5 percentage points for the relocation to the new semiconductor site in Dresden. Jenoptik will continue to invest in the expansion of its production capacities in the fiscal year 2024 and therefore expects investments to be moderately up on the prior-year figure of 110.4 million euros.

This forecast is subject to the proviso that geopolitical risks do not escalate. These include, for example, the war in Ukraine with the sanctions that have been put in place and potential impacts on price developments, energy supplies, and supply chains, the conflict in the Middle East, and the overall economic environment. Potential portfolio changes are not considered in this forecast.

All statements on the future development of the business situation have been made on the basis of current information available at the time the report was prepared. A variety of known and unknown risks, uncertainties, and other factors (e.g., portfolio changes) may cause the actual results, the financial situation, the development, or the performance of the company to diverge significantly from the information provided here.

Jena, May 7, 2024

Consolidated Statement of Comprehensive Income

Consolidated Statement of Profit or Loss

in thousand euros	1/1 to 31/3/2024	1/1 to 31/3/2023
Continuing operations		
Revenue	256,148	234,064
Cost of sales	172,074	156,281
Gross profit	**84,074**	**77,783**
Research and development expenses	15,998	14,121
Selling expenses	26,566	26,235
General administrative expenses	17,613	16,135
Other operating income	5,496	4,650
Other operating expenses	3,379	5,997
EBIT	**26,013**	**19,945**
Financial income	2,097	1,984
Financial expenses	6,924	5,447
Financial result	**– 4,828**	**– 3,463**
Earnings before tax from continuing operations	**21,185**	**16,481**
Income taxes	– 5,786	– 4,701
Earnings after tax from continuing operations	**15,399**	**11,780**
Group		
Earnings after tax	**15,399**	**11,780**
Results from non-controlling interests	103	21
Earnings attributable to shareholders	15,296	11,759
Earnings per share in euros (undiluted = diluted)	**0.27**	**0.21**

Consolidated Statement of Comprehensive Income

in thousand euros	1/1 to 31/3/2024	1/1 to 31/3/2023
Earnings after tax	**15,399**	**11,780**
Items that are or may be reclassified to profit or loss	**– 16,596**	**– 7,042**
Cash flow hedges	– 2,529	1,137
thereof: income taxes	1,046	– 495
Foreign currency exchange differences	– 14,067	– 8,179
thereof: income taxes	– 287	512
Total other comprehensive income	**– 16,596**	**– 7,042**
Total comprehensive income	**– 1,197**	**4,738**
Thereof attributable to:		
Non-controlling interests	36	– 267
Shareholders	– 1,234	5,005

Consolidated Statement of Financial Position

Assets in thousand euros	31/3/2024	31/12/2023	Change	31/3/2023
Non-current assets	**1,083,882**	**1,099,825**	**– 15,943**	**1,115,177**
Intangible assets	695,807	712,512	– 16,705	720,759
Property, plant and equipment	364,930	361,654	3,275	333,506
Investment property	3,445	3,461	– 15	3,559
Investments accounted for using the equity method	207	207	0	5,574
Financial investments	915	945	– 30	2,962
Other non-current assets	10,065	11,863	– 1,798	13,235
Deferred tax assets	8,512	9,182	– 671	35,581
Current assets	**576,481**	**567,087**	**9,393**	**560,556**
Inventories	294,717	269,261	25,456	289,394
Current trade receivables	127,774	144,239	– 16,466	117,296
Contract assets	72,314	68,079	4,235	56,375
Other current financial assets	4,481	5,347	– 866	11,046
Other current non-financial assets	19,984	12,472	7,513	20,324
Current financial investments	670	0	670	888
Cash and cash equivalents	56,541	67,690	– 11,149	56,804
Assets held for sale	0	0	0	8,429
Total assets	**1,660,362**	**1,666,912**	**– 6,550**	**1,675,733**

Equity and liabilities in thousand euros	31/3/2024	31/12/2023 [1]	Change	31/3/2023 [1]
Equity	**901,877**	**903,313**	**– 1,435**	**847,560**
Share capital	148,819	148,819	0	148,819
Capital reserve	194,286	194,286	0	194,286
Other reserves	552,253	553,487	– 1,234	493,851
Non-controlling interests	6,519	6,720	– 202	10,604
Non-current liabilities	**477,447**	**496,034**	**– 18,587**	**548,271**
Pension provisions	4,588	4,627	– 39	4,203
Other non-current provisions	14,671	14,257	414	18,478
Non-current financial debt	455,265	472,323	– 17,058	507,426
Other non-current liabilities	1,786	1,936	– 150	3,546
Deferred tax liabilities	1,137	2,891	– 1,754	14,619
Current liabilities	**281,038**	**267,565**	**13,472**	**279,902**
Income tax payables	6,719	6,305	414	8,573
Other current provisions	38,058	37,815	243	44,602
Current financial debt	18,637	18,437	200	15,755
Current trade payables	107,314	108,810	– 1,496	99,186
Contract liabilities	74,610	68,400	6,210	80,665
Other current financial liabilities	9,897	8,058	1,839	6,632
Other current non-financial liabilities	25,802	19,741	6,061	24,490
Total equity and liabilities	**1,660,362**	**1,666,912**	**– 6,550**	**1,675,733**

[1] adjusted due to amendments to IAS 1 (classification of liabilities as current or non-current)

Consolidated Statement of Cash Flows

in thousand euros	1/1 to 31/3/2024	1/1 to 31/3/2023
Earnings before tax	**21,185**	**16,481**
Financial income and expenses	4,828	3,463
Depreciation and amortization	18,474	16,626
Other non-cash income/expenses	– 661	59
Change in provisions	642	2,350
Change in working capital	– 5,929	8,457
Change in other assets and liabilities	– 1,670	2,159
Cash flows from operating activities before income tax payments	**36,870**	**49,597**
Income tax payments	– 4,554	– 5,163
Cash flows from operating activities	**32,317**	**44,433**
Capital expenditure for intangible assets	– 2,388	– 2,111
Proceeds from sale of property, plant and equipment	1,739	108
Capital expenditure for property, plant and equipment	– 16,746	– 19,075
Sale of subsidiaries or other business units less cash sold	0	2,019
Capital expenditure for other financial investments	– 669	– 212
Proceeds from other financial investments	26	150
Interest received and similar income	144	197
Cash flows from investing activities	**– 17,893**	**– 18,922**
Dividends to non-controlling interests	– 238	– 485
Proceeds from additions of financial liabilities	2	13,339
Repayments of loans	– 19,641	– 29,351
Payments for leases	– 3,704	– 3,244
Change in group financing	5,827	999
Interest paid and other expenses	– 7,509	– 5,430
Cash flows from financing activities	**– 25,263**	**– 24,172**
Cash-effective change in cash and cash equivalents	**– 10,840**	**1,338**
Change in cash and cash equivalents from foreign currency effects	– 470	– 1,074
Changes of loss allowance in cash and cash equivalents	161	– 218
Cash and cash equivalents at the beginning of the period	67,690	56,758
Cash and cash equivalents at the end of the period	**56,541**	**56,804**

Dates

June 18, 2024

Annual General Meeting 2024

August 9, 2024

Publication of Interim Report January to June 2024

November 12, 2024

Publication of Quarterly Statement January to September 2024

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