

A close-up, low-angle shot of a microchip, showing a grid of square dies on a circular substrate. The image is in shades of blue and black, with a soft glow on the surface.

**ANNUAL REPORT**  
**2022**

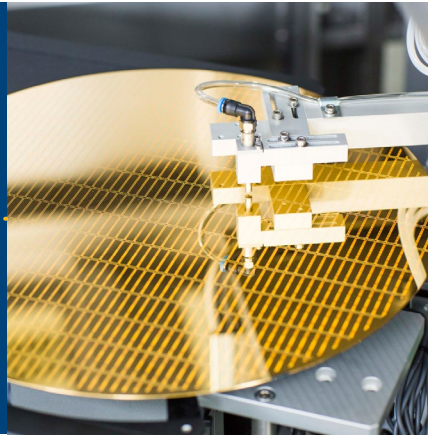
## Lithography

- > Mask Aligner
- > UV Projection  
Lithography Systems
- > Coaters/Developers

Order entry:  
> € 203.0 million

Sales:  
> € 175.7 million

EBIT:  
> € 30.5 million



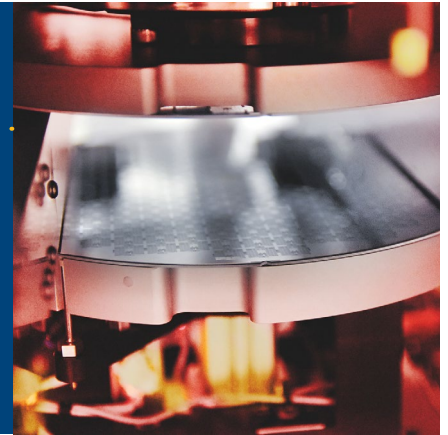
## Bonder

- > Bonder

Order entry:  
> € 76.6 million

Sales:  
> € 35.0 million

EBIT:  
> -€ 2.0 million



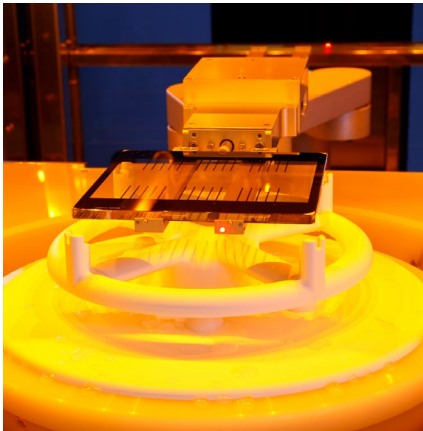
## Photomask Equipment

- > Photomask Processing  
Systems

Order entry:  
> € 130.9 million

Sales:  
> € 48.8 million

EBIT:  
> € 6.1 million



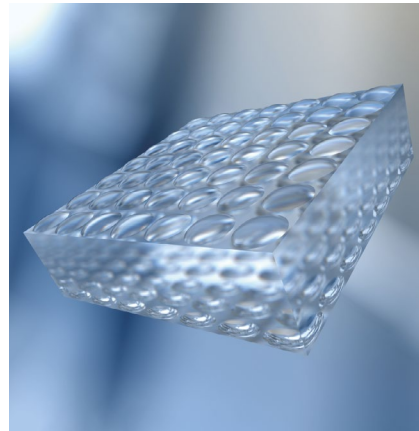
## Micro-optics

- > Micro-optics and Lenses

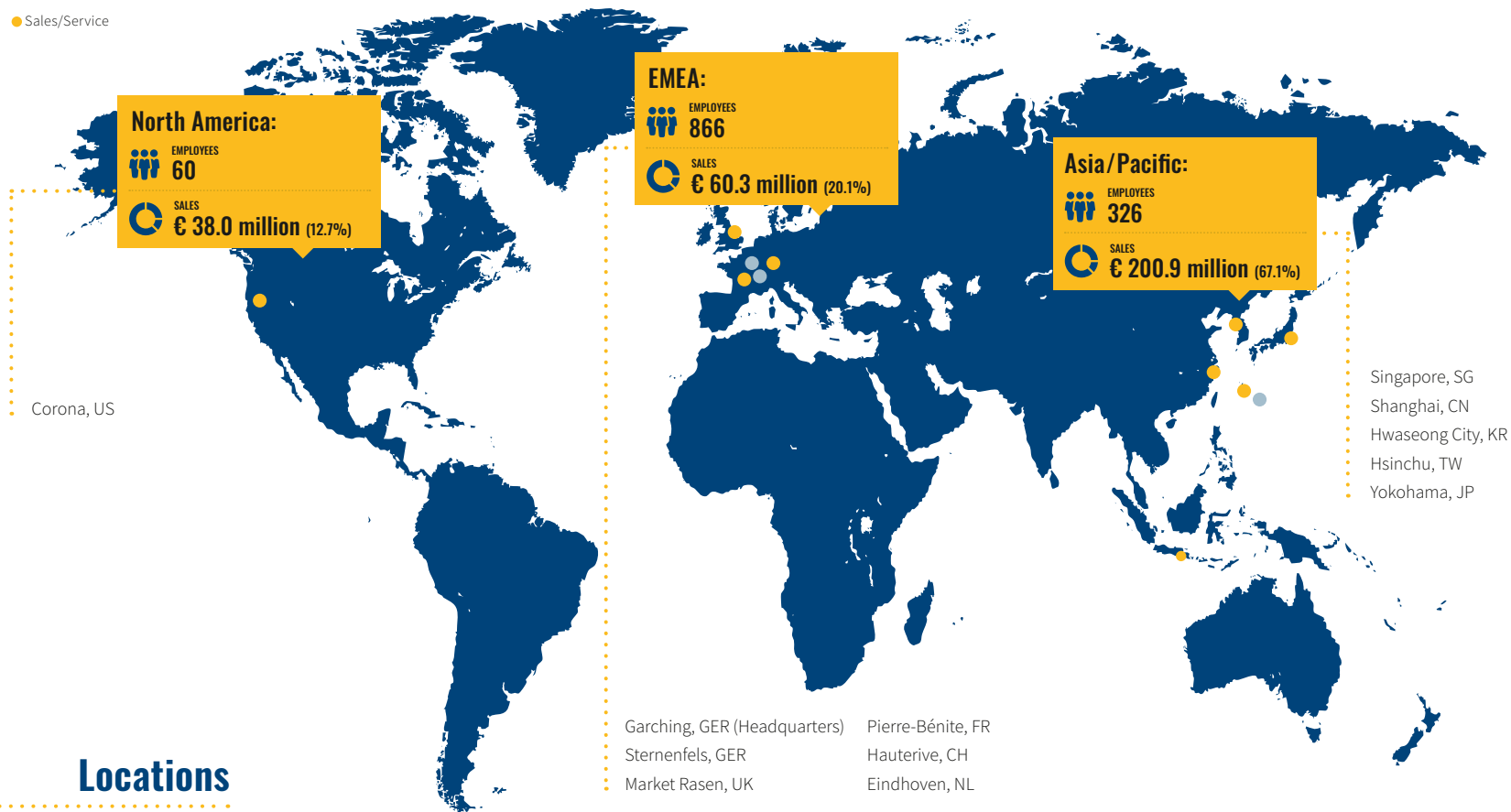
Order entry:  
> € 35.3 million

Sales:  
> € 39.2 million

EBIT:  
> € 0.7 million



● Production ● Sales/Service



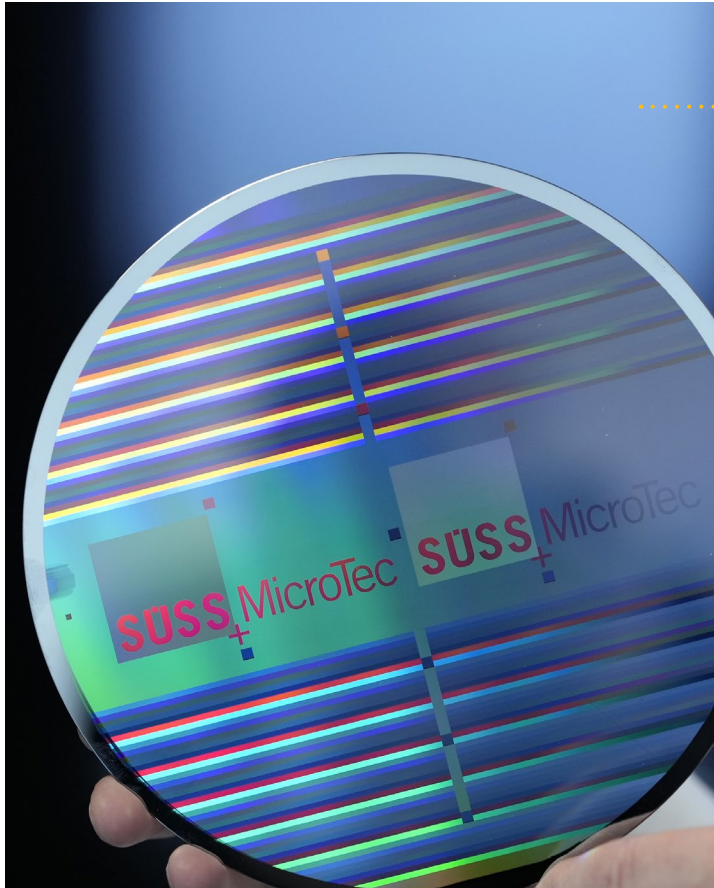
## Locations

## Key Figures

in € million	2022	2021	Change
<b>Business Development</b>			
Order entry	446.2	337.0	32.4%
Order backlog as of December 31	346.4	193.9	78.6%
Total sales	299.1	263.4	13.6%
Gross profit	110.1	94.2	16.9%
Gross profit margin	36.8%	35.8%	1.0%-Points
Cost of sales	189.1	169.2	11.8%
Research and Development costs	25.0	22.1	13.1%
EBITDA	41.9	29.6	41.6%
EBITDA margin	14.0%	11.2%	2.8%-Points
EBIT	32.8	22.6	45.1%
EBIT margin	11.0%	8.6%	2.4%-Points
Earnings after tax	24.5	16.0	53.1%
Earnings per share, basic (in €)	1.28	0.84	–

in € million	2022	2021	Change
<b>Balance sheet and cash flow</b>			
Equity	177.7	156.9	13.3%
Equity ratio	50.3%	56.2%	-5.9%-Points
Balance sheet total	353.2	279.2	26.5%
Net cash	41.3	33.8	22.2%
Free Cashflow	16.0	14.7	8.8%
<b>Further key figures</b>			
Investments	7.9	9.6	-17.7%
Investment ratio	2.6%	3.6%	-1.0%-Points
Depreciation	9.1	7.1	28.2%
Employees as of December 31	1,252	1,178	6.3%

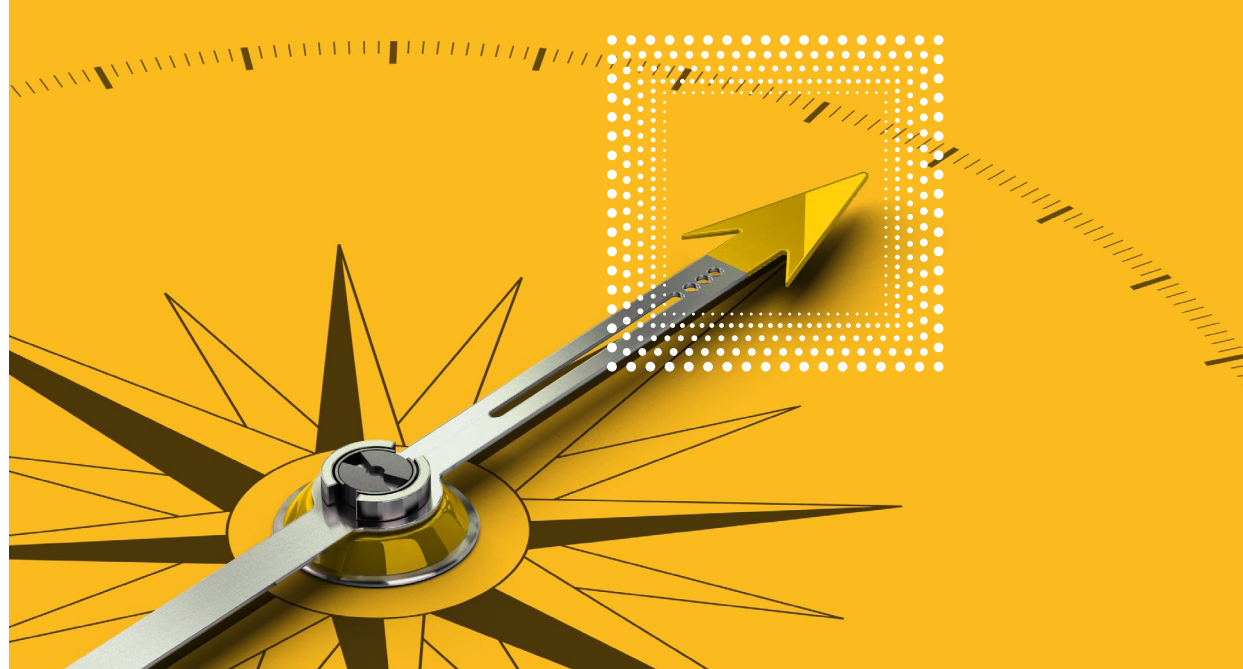




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# COMPANY



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- > Report of the Supervisory Board
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## Letter to the Shareholders

Dear Shareholders,

SUSS MicroTec had a very successful year in 2022. We set new records for sales, order entry and in our earnings figures. Our order entry of around € 446 million shows that our customers believe in the benefits of our solutions, both technologically and in terms of their cost of ownership, i.e. the total cost of a solution from its procurement to its operation. We are proud of this achievement. It also motivates us to continue developing our technologies and remain a strong, reliable partner for our customers now and in the future.

**€ 400 million**

Our sales target for 2025 combined with an EBIT margin of at least 15%.

It should be noted that 2022 was another year of tremendous challenges. However, we are not complaining about external factors that are already beyond our control. We have learned to live with them and incorporate them into our plans and actions. If certain components are unavailable, we have to look for alternatives and develop new supplier relationships. If material costs rise disproportionately, we also have to raise our prices. That is what happened in 2022. The price increases only take effect on our sales and margins with a delay of several months. We have



von links: Oliver Albrecht, Dr. Bernd Schulte und Dr. Thomas Rohe

been seeing positive effects since entering the second half of the year, particularly in the fourth quarter, when we achieved a gross margin of around 40 percent.

This past year also demonstrated that our medium-range goals are attainable. We want to reach sales of € 400 million and an EBIT margin of at least 15 percent in 2025.

We already achieved that target in the fourth quarter, when we generated sales of € 104 million and an EBIT margin in excess of 15 percent. We showed how large economies of scale can be when we move into higher sales regions. However, the fourth quarter of 2022 cannot be extrapolated out to future quarters since our costs will rise as well. That makes it much more important to

continue working to improve our gross margin, which still has room for improvement when compared to the competition. We intend to achieve a gross margin of 37 to 38 percent in the 2023 fiscal year. By 2025, we want to be at 39 to 40 percent. We will hit this mark by, on the one hand, keeping a lid on cost increases – through greater production efficiency resulting from the rigorous application of lean methods to reduce throughput times or through the modularization of component groups. The other tool for lastingly improving our margins is our pricing. We want to talk to our customers more about the value added by our solutions – that is, process consistency, throughput and yield. These factors affect our customers' cost of ownership and thus their willingness to pay a fair price for our solutions.

We are supremely confident in our ability to remain on our growth trajectory. We are aiming for Group sales of € 320 to € 360 million in 2023. The midpoint of this range represents growth of around 14 percent. Our very high order backlog of € 346 million at the end of 2022 tells us exactly how to achieve that target. We expect to convert approximately 60 to 80 percent of the order backlog into sales in the 2023 fiscal year. Plus, we will be taking additional orders in 2023, in our service business and for our components in the Micro-optics division. Our largest risk remains the challenging situation in the procurement markets.

We expect that the market environment will enable SUSS MicroTec to continue growing up to 2025 and beyond. The semiconductor industry might grow 6 to 8 percent per year this decade and break the sound barrier of one trillion US dollars in 2030, according to experts at McKinsey. The demand comes from the automotive industry, particularly for electric vehicles and autonomous driving, from the computing and data storage sector, which has to build additional server capacity for artificial intelligence and cloud services applications, and from the mobile communications industry.

Building these microchips will require additional capacity; the development of that capacity is now being subsidized. The USA, Europe, China and Taiwan launched billion-euro subsidy programs for chip factories in 2022. Every new factory is an opportunity for us. The factory's location does not matter much, given our global positioning. A more important question is: What reference factory is the new factory based on? Are we already part of the functioning process there? If so, our chances are good. Or is a company switching to a new technology or another process? If so, this is an opportunity for us to become a new potential supplier. We have done it before, when the first company switched production of silicon carbide (SiC) chips from 150 to 200 millimeter wafers. We successfully placed our

temporary bonding solution and hope to continue benefiting from the dramatic growth of highly efficient compound semiconductors in the future.

One piece of excellent news is that demand for the solutions that we expect to account for the bulk of our sales in 2025 will also remain strong beyond that date. Today's business is and will remain our solid foundation. At the same time, we are working on promising new products for our current markets. At our Capital Markets Day in early February 2023, we talked specifically about our plans and the potential offered by hybrid bonding and wafer cleaning. The next 18 to 24 months will reveal what specifications our customers can expect from our solutions. Our hybrid bonders are being tested by two of the world's leading semiconductor manufacturers in a head-to-head comparison with rival solutions. This is a fair competition that we want to win technologically.

We want to leverage our cleaning expertise in wafer cleaning – an existing market that we have not yet tapped. We are working on a much more sustainable solution that replaces the current crop of aggressive chemicals. In the process, we intend to simplify the cleaning process and slash costs for the benefit of our customers. We view this as a prime example of how to integrate sustainability into



product development. We also attempt to lower the energy and resource consumption of new equipment. We switched our power supply to 100 percent green electricity in 2022 as part of our SUS(S)tainability program and thus reduced our national Scope 2 emissions to zero. Our progress has increasingly attracted the attention of leading ESG rating agencies. All three international agencies that regularly rate us have improved our score in recent months – by large amounts in some cases.

We also systematically developed our organization and aligned it with future growth in 2022. We intend to use a platform strategy for developing more of our new equipment generations with our new central research and development organization. Put plainly, that means we are now developing wafer handling modules or software across product lines and increasing the commonalities across tools. This approach will help us improve efficiency in product development and production. Another organizational change is the combination of the previously separate Lithography and Bonder divisions into a new Advanced Backend Solutions division. We expect this move will create synergies in management and marketing for our solutions.

**6–8%**

Growth expected by experts for the semiconductor industry until 2030.

We also developed a new vision in 2022 to support and guide what we do every single day: “Leader in enabling innovative advanced backend and photomask solutions.” It is our ambition to be a leader in what we do – for our customers. The vision also means that we will be focusing more on the Advanced Backend Solutions and Photomask Equipment divisions. Regarding our Micro-optics division, i.e. SUSS MicroOptics, we are currently analyzing whether we will still be the right entity to own the division in the future due to the limited synergies with the semiconductor core business.

We look confidently ahead to 2023 and the years beyond. It is up to us to meet our own high expectations. Specifically, we must convert our large order backlog into sales, i.e. build and ship equipment to our customers. We must become more efficient and improve our margin profile. And we must work on our orders for tomorrow and beyond with our solutions and development projects.

We would like to thank our employees for everything they did last year. If it were not for their efforts, we would not be reporting on the records we set in order entry or sales or

on our earnings figures in this annual report. We also thank our shareholders for the trust they have placed in us. We would be thrilled to have you continue to closely follow our growth and development.

Best regards,

**Dr. Bernd Schulte**

Chief Executive Officer (CEO)

**Oliver Albrecht**

Chief Financial Officer (CFO)

**Dr. Thomas Rohe**

Chief Operations Officer (COO)

## Report of the Supervisory Board

In the 2022 fiscal year, the Supervisory Board carried out its duties with due diligence pursuant to the statutory requirements, articles of incorporation, and Company bylaws. The Supervisory Board monitored the work of the Management Board diligently and regularly. On the following pages, the Supervisory Board reports on its activities in the 2022 fiscal year.

Dear readers,  
Dear shareholders,

The 2022 fiscal year was characterized by very high order entry, but for SUSS MicroTec it was also significantly influenced by ongoing supply bottlenecks for a wide range of materials and components, which significantly extended the delivery times for our systems. Other influencing factors included the ongoing pandemic situation and its consequences as well as the negative effects of Russia's war of aggression on Ukraine, the energy crisis, and cost increases due to the recent significantly higher inflation rate. It can be assumed that these factors will also have an impact on at least the first half of 2023. The Company nevertheless managed to achieve a significant increase in

order entry of 32.4 percent to a record level of € 446.2 million. Sales rose by an equally gratifying 13.6 percent to € 299.1 million and also reached a record level. Earnings before interest and taxes (EBIT) improved from € 22.6 million to € 32.8 million. The 2022 fiscal year was therefore another successful one.

The Supervisory Board closely followed the overall economic and political development as well as the market development in the semiconductor market and analyzed the corresponding effects on the Company. In addition, the Supervisory Board was regularly informed by the Management Board about the current course of the business. In addition to the Supervisory Board meetings, the Chair of the Supervisory Board was in close contact with the Management Board and kept informed about the most important business transactions. In addition, the Chair of the Audit Committee was in regular and close consultation with the CFO and with the auditors of the annual financial statements, BDO AG Wirtschaftsprüfungsgesellschaft, headquartered in Hamburg, branch in Munich, and, from the second half of 2022, Baker Tilly GmbH & Co. KG Wirtschaftsprüfungsgesellschaft, headquartered in Düsseldorf, branch in Munich, on topics relating to accounting, the audit of the annual financial statements, the internal control system, and the risk and compliance management system.



Dr. David Dean, Chairman of the Supervisory Board

## Meetings and Main Topics of Discussion

The Supervisory Board conducted regular discussions on the development of the business, financial position, and strategic orientation of SUSS MicroTec and its subsidiaries. The Management Board regularly provided the Supervisory Board with comprehensive information about corporate planning, strategic direction, and the development of order entry, sales, liquidity, and earnings. In addition, the Supervisory Board reviewed the monitoring of the financial reporting process as well as the effectiveness of the internal control system, the risk and compliance management system, and the independence of the auditor. Furthermore, the Supervisory Board discusses the state and development of corporate governance at the Company at least once a year. Compliance with the recommendations of the German Corporate Governance Code was discussed in particular.

The Management Board and Supervisory Board work in close collaboration to keep developing the Company successfully. The Supervisory Board regularly monitored the Management Board during the fiscal year and advised it on various areas of corporate management. The discussions between the Supervisory Board and Management Board, whether virtual or face-to-face, were always

constructive, fruitful and based on trust. The Supervisory Board was involved in all decisions that were of vital importance to the Company. The Management Board coordinated strategic decisions with the Supervisory Board and provided it with regular, prompt, and comprehensive information – in written and verbal form – about corporate planning, business development, and the current position of the Company and the Group, as well as planned changes to legal and organizational structures. The Supervisory Board discussed significant business transactions in detail with the Management Board. The Supervisory Board has given its consent to transactions requiring its approval. It also regularly satisfied itself of the legality, propriety, and expediency of the actions taken by the Management Board. The Supervisory Board was given access to the Company's books and business documents as needed. During the 2022 fiscal year, a total of seventeen meetings were held, five of which were ordinary and twelve of which were extraordinary meetings of the Supervisory Board. The Supervisory Board also met regularly without the Management Board.

The discussions at the Supervisory Board meetings focused on various topics in the fiscal year. In the first half of 2022, the major topics of the meetings of the Supervisory Board were the replacement on the Supervisory Board as well as

the composition of the individual committees and the adoption of a revised Management Board remuneration system. In addition, the 2021 financial reports were reviewed and approved and the outlook and current market development for the 2022 fiscal year were discussed. There was a lively exchange with the auditors on the main points of the 2021 audit. Another key issue in 2022 was the merger of SUSS MicroTec Lithography GmbH with SUSS MicroTec Photomask Equipment GmbH & Co. KG. In addition to regular status updates on the course of business, the development of key performance indicators and the progress of strategic projects, targets, and measures to improve sustainability and sustainability communication, as well as the ongoing development of the corporate governance system, were discussed in detail. The presentation of a business plan for SUSS MicroOptics and the effectiveness of internal auditing were other key topics in the first half of the year. A dividend policy for SUSS MicroTec was also discussed and agreed on as part of the preparations for the Annual General Meeting. A slight adjustment was also made to the Company bylaws of the Supervisory Board.

In the meetings during the second half of the year, the current market development as well as the progress in Operations were an essential part of the deliberations. The Management Board reported in particular on current operational issues, the business situation, developments on the capital market, and discussions with investors. The Supervisory Board received a progress report on strategic issues and discussed these in detail with the Management Board. In addition, Management Board matters, in particular concerning the person of former Chair of the Management Board Dr. Goetz Bendele, the effectiveness of risk management, the audit priorities for 2022, and the reporting of sales revenues, were the main topics in the meetings.

The meetings of the Supervisory Board in 2022 were mainly held on a hybrid basis.

Supervisory Board member	Attendance at meetings (during the term of office)	Of which: Attended in person	Of which: Attended virtually	Attendance
Dr. David Dean	17	7	10	100%
Dr. Myriam Jahn	17	4	13	100%
Dr. Bernd Schulte <sup>1</sup>	12 (of 14)	3	9	86%
Jan Smits	17	5	12	100%
Prof. Dr. Mirja Steinkamp <sup>2</sup>	13 (of 14)	5	8	93%
Dr. Dietmar Meister <sup>3</sup>	1	0	1	100%

1 Supervisory Board mandate suspended since October 17, 2022; Dr. Schulte temporarily took over Dr. Goetz Bendele's mandate as a Management Board member and the Chief Executive Officer on October 17, 2022, after Dr. Bendele temporarily resigned his mandate as a Management Board member and the Chief Executive Officer for personal reasons as of October 17, 2022, and then permanently as of December 15, 2022. After Dr. Bendele's permanent departure, Dr. Schulte will remain a Management Board member and as the Chief Executive Officer of SÜSS MicroTec SE for a transitional period; Dr. Schulte is expected to return to the Supervisory Board of SÜSS MicroTec SE by no later than October 2023.

2 Member of the Supervisory Board since March 4, 2022

3 Member of the Supervisory Board since March 1, 2022

## Committee Meetings

### Personnel Committee

As of December 31, 2022, the Personnel Committee (Nomination Committee and Remuneration Committee) consisted of the Supervisory Board members Dr. David Dean (Chair), Dr. Myriam Jahn, and Jan Smits. This committee deals with matters concerning the Management Board – in particular, preparations for the appointment of Management Board members, the competence profile, the preparation of Management Board service contracts and the remuneration of Management Board members. The committee intensively discussed the succession plan for Supervisory Board member Dr. Dietmar Meister, particularly at the beginning of 2022, and also dealt with Management Board matters, especially the Management Board remuneration system. Other points of focus at the meeting were the preparation of the Shareholders' Meeting and the revision of the Company bylaws for the Supervisory Board. In the second half of the year, the Supervisory Board discussed Dr. Goetz Bendele's wish to take time off for personal reasons and his subsequent decision, in agreement with the Supervisory Board of SÜSS MicroTec SE, not to be re-appointed as a member of the Management Board and Chair of the Management Board of SÜSS MicroTec SE.

### Meetings of the Personnel Committee

Supervisory Board member	Meeting participation	Of which: Attended in person	Of which: Attended virtually	Attendance
Dr. David Dean (Chair)	10	0	10	100%
Dr. Myriam Jahn	10	0	10	100%
Dr. Bernd Schulte <sup>1</sup>	9	0	9	100%
Jan Smits <sup>2</sup>	1	Participation as a guest in a further three meetings before October 17, 2022		

<sup>1</sup> Interruption of Supervisory Board activities (mandate suspended since October 17, 2022)

<sup>2</sup> Member of the Personnel Committee since October 17, 2022



## Audit Committee

As of December 31, 2022, the Audit Committee consisted of the Supervisory Board members Prof. Dr. Steinkamp (Chair), Dr. David Dean, and Jan Smits. The Audit Committee primarily deals with monitoring the financial reporting process, the effectiveness of the internal control system, the risk management system, the internal auditing system, and the compliance management system, as well as the audit of the financial statements, particularly auditor selection and independence as well as the quality of the audit and the additional services provided by the auditor.

In the run-up to the quarterly reports as of March 31, 2022, and September 30, 2022, as well as the interim report as of June 30, 2022, the Audit Committee discussed the reports to be published in detail with the Management Board. The Audit Committee meetings in the first quarter of 2022 focused on discussing and reviewing the annual reports and financial statements of the individual companies and the consolidated financial statements in preparation for the Supervisory Board meeting to adopt the financial statements. The Audit Committee also discussed risk reporting and assessed the effectiveness and suitability of risk

management. In the second quarter, the Audit Committee discussed the effectiveness of the internal audit with the Management Board and decided to have the non-financial statement audited by the Supervisory Board. In the third quarter, the Audit Committee dealt with the 2/2022 forecast, the risk management report, and the Company's compliance management. In addition, the Audit Committee received a status report on cybersecurity. In the fourth quarter, the Audit Committee informed itself about the current status of the declaration of compliance and sustainability reporting and received an update on the further development of the compliance management system. In addition, the 2023 budget planning and the criteria for revenue recognition were discussed, and a report on the status of internal audit and risk management was presented. It also determined the scope of the audit and key audit matters for the 2022 fiscal year. The Audit Committee remained apprised of business development by regularly reviewing management reporting during the year.

### Meetings of the Audit Committee

Supervisory Board member	Meeting participation	Of which: Attended in person	Of which: Attended virtually	Attendance
Prof. Dr. Mirja Steinkamp (Chair) <sup>1</sup>	4	3	1	100%
Dr. Bernd Schulte <sup>2</sup>	1	0	1	100%
Dr. David Dean	5	2	3	100%
Jan Smits	5	0	5	100%
Dr. Dietmar Meister <sup>3</sup>	1	0	1	100%

<sup>1</sup> Member of the Supervisory Board since March 4, 2022 (Chair of the Audit Committee since April 1, 2022)

<sup>2</sup> Member and Chair of the Audit Committee from March 2, 2022, to March 31, 2022

<sup>3</sup> Member of the Supervisory Board and Chair of the Audit Committee until March 1, 2022

## Sustainability Committee

The Sustainability Committee (ESG Committee) is responsible for monitoring and consulting on the Company's environmental and sustainability programs as well as monitoring and consulting on social and governance guidelines.

**Meetings of the Sustainability Committee (ESG Committee)**

Supervisory Board member	Meeting participation	Of which: Attended in person	Of which: Attended virtually	Attendance
Dr. Bernd Schulte <sup>1</sup>	2	1	1	100%
Dr. Myriam Jahn <sup>2</sup>	2	1	1	100%
Jan Smits	2	1	1	100%
Prof. Dr. Mirja Steinkamp <sup>3</sup>	1	–	1	100%

<sup>1</sup> Member and Chair of the ESG Committee until October 16, 2022, interruption of Supervisory Board activities (mandate suspended since October 17, 2022).

<sup>2</sup> Chair of the ESG Committee since October 17, 2022

<sup>3</sup> Member of the ESG Committee since October 17, 2022

The main topics of the two meetings of the ESG Committee in 2022 were first the initial meeting as a constitutive committee meeting, in which the sustainability goals were coordinated and defined. In the second meeting, the committee received a status report on the current sustainability goals, in particular the reduction of CO<sub>2</sub> emissions (Scope 1 and 2). The relevance and content of the SUSS MicroTec Code of Conduct were also discussed.

**Sustainability**

Sustainable corporate governance has also become particularly relevant for SUSS MicroTec in 2022. In the 2022 fiscal year, the Management Board and the Supervisory Board again dealt in detail with this topic and honed and revised the sustainability strategy, because the Management Board and the Supervisory Board are convinced that the Company's success hinges on more than only the achievement of financial factors. Key building blocks for the Company's success include in particular the needs of our employees and customers, environmental concerns, and the issues of human rights and compliance within the

Company and the supply chain. In April 2022, the Company published a comprehensive sustainability report for the 2021 fiscal year for the first time, in addition to the mandatory non-financial statement, and will do the same for the 2022 fiscal year.

**Education and Training of the Supervisory Board**

In the fourth quarter of 2022, an education and training measure for the Supervisory Board took place, initiated by Prof. Dr. Mirja Steinkamp. The training was on legal issues relating to the work of the Supervisory Board, as well as on accounting and auditing issues. It focused on the following topics:

Legal framework:

- Changes due to the German Act on Implementing the Shareholders' Rights Directive (ARUG II)
- New version of the DCGK 2022
- Jurisdiction of the German Federal Fiscal Court on VAT exemption for the remuneration of the Supervisory Board
- Facilitation of Shareholders' Meetings during the COVID-19 pandemic

Accounting and Annual Audit:

- > Audit Opinion and focus of audit
- > Financial Market Integrity Strengthening Act (FISG)
- > Draft of the Corporate Sustainability Reporting Directive (CSRD)
- > German Corporate Governance Code (DCGK 2022)
- > Draft of the Whistleblower Protection Act (HinSchG-E)
- > Act on Corporate Due Diligence Obligations in Supply Chains (LkSG)
- > EU Taxonomy (Regulation (EU) 2020/852 Taxonomy Regulation)
- > Entrepreneurship of Supervisory Board Members
- > European Single Electronic Format (ESEF)

### Corporate Governance and Declaration of Compliance

Over the past fiscal year, the Supervisory Board dealt with the content of the German Corporate Governance Code, which was revised in 2022, and its implementation. The updated declaration of compliance for 2022 was published in December 2022, in which no deviations from the current code were declared. Further information on corporate governance at the Company is published in the corporate governance declaration. An extensive report on the amount

and pattern of remuneration for the Management and Supervisory Board is provided in the Remuneration Report section of the condensed Management Report.

On February 10, 2022, as part of an ordinary Supervisory Board meeting, the Supervisory Board conducted a self-assessment of its efficiency review in accordance with the recommendation of the German Corporate Governance Code (DCGK). No deficits within the meaning of the GCGC were identified. The examination of the efficiency of the Supervisory Board's activities is conducted at regular intervals by all members using questions and checklists. The self-assessment was carried out using a questionnaire and interviews, in accordance with the DSW Guidelines on Efficiency Assessments in Supervisory Boards (DSW – Deutsche Schutzvereinigung für Wertpapierbesitz). The guideline, which contains over 400 questions to choose from, is currently the Supervisory Board's standard reference.

The Company bylaws of the Supervisory Board require an efficiency review and verification of the efficacy of the committees at least once a year as a self-assessment.

The efficiency evaluation covered, in particular:

- > Addressing technological developments more frequently
- > Further discussion on ESG issues and the execution of SUSS MicroTec's own ESG program
- > Improvement of the provision of information by the Management Board to the Supervisory Board
- > Ensuring regular discussions between the Audit Committee and the auditors when the Management Board is absent

In the 2022 reporting year, there continued to be no consultancy agreements or other service or labor contracts between the members of the Supervisory Board and the Company. No conflicts of interest among Management and Supervisory Board members to be immediately disclosed to the Supervisory Board were reported in the 2022 fiscal year.

### Audit of the Separate and Consolidated Annual Financial Statements

Baker Tilly GmbH & Co. KG Wirtschaftsprüfungsgesellschaft headquartered in Düsseldorf, branch office in Munich, audited the separate annual financial statements and management report of SÜSS MicroTec SE as of December 31, 2022, prepared in accordance with the German Commercial

Code (HGB), as well as the consolidated annual financial statements and Group management report as of December 31, 2022, and issued an unqualified audit opinion for both. The consolidated financial statements were prepared in accordance with Section 315 e HGB based on International Financial Reporting Standards (IFRS) as applicable in the EU. The auditor conducted the audit in accordance with the generally accepted German accounting principles promulgated by the Institute of Public Auditors in Germany (IDW).

The audit reports of Baker Tilly GmbH & Co. KG Wirtschaftsprüfungsgesellschaft, headquartered in Düsseldorf, branch office in Munich, were presented to all members of the Supervisory Board and were extensively addressed at the financial statements meeting of the Supervisory Board on March 27, 2023, in the presence of the auditor. The auditor reported on the primary results of the audit and stated that there were no substantive weaknesses in the internal control and risk management systems. In particular, the auditor provided explanations on the net assets, financial position, and results of operations of the Company and the Group and was available to the Supervisory Board in order to provide additional information. The auditor also elaborated on the scope, key findings, and costs of the audit. Testing the recoverability of trade

receivable and the completeness and recoverability of fixed assets are particularly important audit areas (key audit matters). The merger of SUSS MicroTec Lithography GmbH with SUSS MicroTec Photomask Equipment GmbH & Co. KG was also a special topic of examination in the separate financial statements of SÜSS MicroTec SE. In addition, the completeness and the valuation of the provisions as well as the completeness and correctness of the sales revenues and their realization were checked. Other focal points include checking the completeness and plausibility of the information in the IFRS consolidated notes, including the implementation of new standards, as well as the capitalization of development costs.

On March 30, 2023, the Supervisory Board approved the annual financial statements of the Company and the group as well as the condensed management report of SÜSS MicroTec SE combined with the group management report for the 2022 fiscal year by circular resolution. The Supervisory Board had no objections. The Supervisory Board noted the reports of the auditor after conducting a detailed examination with approval.

## Composition of the Management and Supervisory Boards

There were various changes in the Management Board and Supervisory Board of the Company over the past fiscal year. The Chief Executive Officer, Dr. Goetz Bendele, stepped down from the Management Board of SÜSS MicroTec SE temporarily for the period from October 17, 2022, to December 31, 2022. He had taken this time off in accordance with Section 84 (3) of the German Stock Corporation Law (AktG) to care for a seriously ill family member. Since then, his position as Management Board member and Chief Executive Officer of SÜSS MicroTec SE has been suspended. During this period, Dr. Bernd Schulte (Supervisory Board member of SÜSS MicroTec SE) joined the Management Board of SÜSS MicroTec SE and accordingly assumed the position of Chief Executive Officer from October 17, 2022, to December 31, 2022. During this time, his mandate as member of the Supervisory Board of SÜSS MicroTec SE was temporarily suspended. According to a Company announcement dated December 15, 2022, and in agreement with the Supervisory Board of SÜSS MicroTec SE, Dr. Goetz M. Bendele did not seek reappointment as a member of the Management Board and Chair of the Management Board of SÜSS MicroTec SE in December 2022 for personal reasons. Dr. Goetz Bendele thereby left the Company on a lasting basis. The position of Chief

Executive Officer will continue to be held by Dr. Bernd Schulte, who has agreed to take over as Chief Executive Officer until the end of the maximum one-year secondment period. He will return to the Supervisory Board by October 2023 at the latest. After the departure of Dr. Goetz Bendele, the Supervisory Board started a process to fill the third board mandate permanently in 2023.

The Management Board consisted of three people throughout the 2022 fiscal year.

Dr. Dietmar Meister also left the Supervisory Board on March 1, 2022. Prof. Dr. Mirja Steinkamp joined the Supervisory Board on March 4, 2022. The Supervisory Board consists of five members but has been temporarily been reduced to four members since October 17, 2022.

The Supervisory Board would like to thank Dr. Meister for his work during his time as a member of the Supervisory Board of SÜSS MicroTec SE and would like to expressly thank Dr. Bernd Schulte for his readiness to serve and his commitment as Chief Executive Officer for the period from October 17, 2022. In addition, the Supervisory Board wishes Dr. Bendele all the best, both professionally and privately, and thanks him for his valuable work since joining the Company.

## THANKS

This year my special thanks again goes to all our employees, who have been driving the positive development of the Company through their complete commitment during the ongoing pandemic and in dealing with the supply chain situation. We owe the very positive development in order entry, the increase in sales, and the improvement in earnings to the extraordinary dedication of our employees in all areas of the Company. I would like to thank the current Management Board for their dedication and commitment to SÜSS MicroTec during the successful 2022 fiscal year.

Garching, Germany, March 2023

Signed

**Dr. David Dean**

Chair of the Supervisory Board



# Investor Relations

## SUSS MicroTec in the Capital Market

Many capital market participants were looking confidently to the future at the beginning of 2022. After almost two years marked by the COVID-19 pandemic, lockdowns were expected to come to an end so that everything would return to normal. This assumption was partly correct, at least with regard to the COVID-19 lockdowns, but 2022 was still overshadowed by geopolitical crises, a deep disruption of global supply chains – including lockdowns in China – and rapidly rising inflation, to name just a few examples. These factors had a huge impact on stock markets. Many stock indices posted substantial losses. For example, while the DAX, Germany's leading index, was slightly above 16,000 points at the beginning of January 2022, it ended the 2022 stock market year just below 14,000 points, a drop of approximately 13 percent. The story was much the same for supposedly safe investments such as gold and government bonds.

# € 21.80

Analysts' average target share price for SUSS MicroTec as of December 31, 2022.

## The SUSS MicroTec Share

The SUSS MicroTec share and the main benchmark indices trended heavily downward from the start of the year into October 2022. The SUSS MicroTec share fell from its all-year high of € 21.85 on January 3, 2022, to an all-year low of € 9.90 on September 30, 2022. Prices stabilized at just over € 10 over the course of October. It was not until the end of October that positive momentum began to emerge, lasting until the end of 2022 and beyond. The share closed the stock market year on December 30, 2022, at a closing price of € 15.14. This represented a drop of approximately 30 percent compared with the start of 2022. Benchmark indices SDAX (down 29 percent) and Deutsche Börse Prime Technology Performance Index (down 27 percent) fell by similar margins over the same period. The Philadelphia Semiconductor Sector Total Return (PHLX) benchmark index, which is important to the semiconductor industry, lost 36 percent in 2022. The underlying reasons were the tense economic situation worldwide, largely influenced by general supply shortages due to the COVID-19 pandemic, rapidly rising inflation, and Russia's war of aggression against Ukraine.

The average daily trading volume of SUSS MicroTec shares on the German XETRA stock exchange in the 2022 fiscal year amounted to approximately 64 thousand shares (previous year: average daily trading volume of approximately 75 thousand shares).

### An Overview of the SUSS MicroTec Share

ISIN	DE000A1K0235
Reuters code	SMHN
Bloomberg code	SMHN:GR
Stock exchange segment	Prime Standard
Number of issued shares (December 31, 2022)	19,115,538
Description of securities	Registered shares
Designated sponsor	Stifel Europe Bank AG
Initial public offering	05/18/1999
Opening/closing price for the year in € <sup>1</sup>	€ 21.85/€ 15.14
Yearly high in € <sup>1</sup>	21.85 (01/03/2022)
Yearly low in € <sup>1</sup>	9.90 (09/30/2022)

<sup>1</sup> XETRA closing price

## Ownership Information

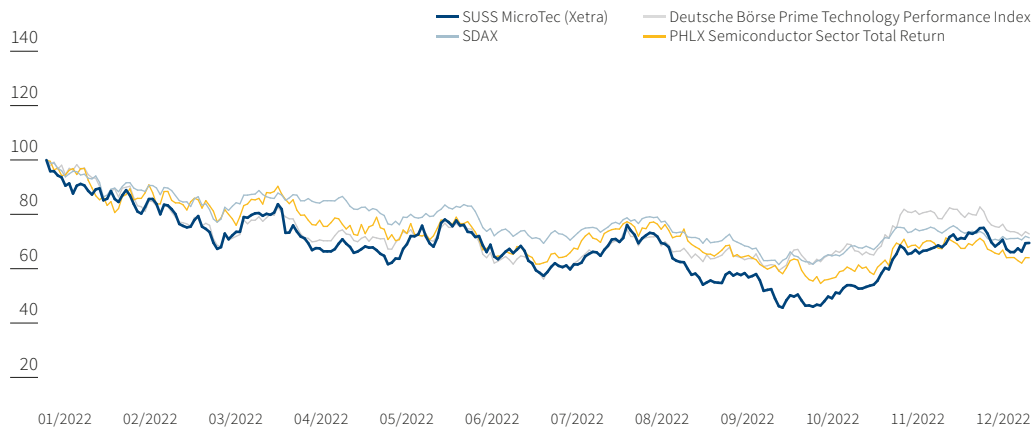
Our ownership structure changed in the 2022 fiscal year as follows: Kempen Oranje (now doing business as Van Lanschot Kempen) increased its reported share of voting rights from 5.00 percent at the end of 2021 to 10.01 percent as of December 31, 2022. In addition, the share of voting rights held by Driehaus Capital increased slightly

to 3.02 percent at the beginning of 2022 but fell back below the 3 percent reporting threshold during the year to a reported 2.97 percent.

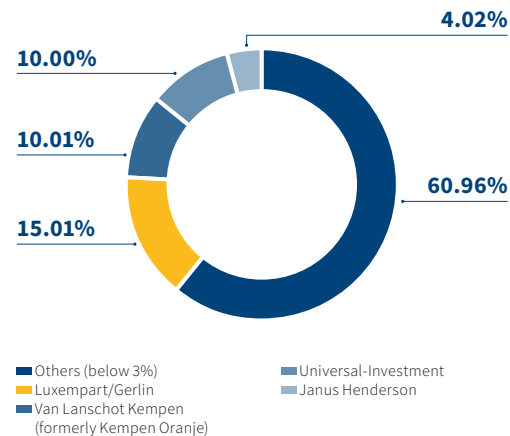
In addition, the voting rights announcements that Luxunion S.A. (parent company of Luxempart Pipe SARL) and Gerlin

N.V. (parent company of Teslin Capital Management BV) jointly hold 15.01 percent of the voting rights remain valid. Luxempart Pipe SARL and Gerlin NV had entered into an acting-in-concert agreement on February 13, 2020, and reported this to the authorities and the Company. That means that free float as of the end of 2022 still amounts to 84.99 percent. The largest shareholders are fund companies, investment companies, and asset managers.

Development of the SUSS MicroTec share from January 3, 2022 til December 31, 2022 (in %)



Ownership Information as of December 31, 2022



## Analyst Recommendations

At the end of 2022, five banks and research firms actively covered the Company. At the end of 2022, three analysts recommended the SUSS MicroTec share as a buy, two analysts recommended it as a sell:

DZ Bank AG	sell
Hauck Aufhäuser	buy
ODDO BHF	sell
Stifel Europe Bank AG	buy (sponsored research)
Warburg Research	buy (sponsored research)

The five analysts' average price target was € 21.80 as of December 31, 2022.

## Investor Relations Activities

Investor relations activities at SUSS MicroTec aim to provide the capital market with relevant information on the valuation of the SUSS MicroTec share. The Company therefore stays in close contact with shareholders and engages in open, continual communications with the capital market. For example, the Chief Executive Officer and Chief Financial Officer met with many investors and analysts in 2022. The Company also offered expert meetings with individuals

such as the Head of R&D. Some investor conferences were still being held virtually due to the pandemic. The Company participated in seven conferences in total during the year, including several that lasted more than one day. There were numerous one-on-one conversations with investors and analysts. Each publication of annual, quarterly, and mid-year figures was followed by conference calls and web conferences with investors and analysts.

## Shareholders' Meeting

The ordinary Shareholders' Meeting of SÜSS MicroTec SE was held on May 31, 2022. The ordinary Shareholders' Meeting was once again held as a virtual Shareholders' Meeting in 2022 without the physical presence of shareholders and their proxies (with the exception of voting rights representatives appointed by the Company). Shareholders had the option of exercising their voting rights in advance, either in absentia or by issuing instructions to a voting rights representative. Shareholders could issue authorizations and instructions to the Company-appointed voting rights representatives by postal mail, email, or electronically using the password-protected internet service for the Shareholders' Meeting on the Company's website. Although shareholders were not physically present, they were able to ask the Company questions in advance and submit video messages that the Company

published on the website and played back during the Shareholders' Meeting. Questions submitted in advance were answered by then Chief Executive Officer Dr. Goetz Bendele during the Shareholders' Meeting. In his speech and review of 2021, Dr. Goetz Bendele gave the meeting participants an overview of the ongoing fiscal year and an account of the past fiscal year.

The Shareholders' Meeting approved the following decisions: In addition to the decision about the discharge of liability for the Management Board and the Supervisory Board, a vote was taken on the appointment of the auditor and on the appropriation of distributable profit. In addition, a resolution was adopted on the remuneration and on the remuneration system for the Supervisory Board Members and the corresponding amendment to the articles of incorporation. Except for the approval of the 2021 Remuneration Report (approval of 72.33 percent), all items on the agenda were approved by majorities that were well above 90 percent. The approval rate for the Management Board remuneration system that was revised in 2022 was 98.35 percent (previous year: 59.99 percent). Detailed voting results can be found on the IR website.

## Dividend

SÜSS MicroTec adopted a dividend policy in 2022. This policy specifies that 20 to 40 percent of the Group's free cash flow shall be distributed as a dividend. Exceptions to this policy are permitted for reasons including general economic or cyclical developments, economic and financial circumstances, and thus the available distributable earnings of SÜSS MicroTec SE, or acquisitions or disposals of assets.

Accordingly, on May 31, 2022, the ordinary Shareholders' Meeting of SÜSS MicroTec SE passed a resolution to distribute a dividend of € 0.16 on the 19,115.538 dividend-bearing no-par-value shares. The distribution amount of € 3.1 million was equal to approximately 20.8 percent of the free cash flow.



## Financial Calendar 2023

- > **May 11, 2023**  
Quarterly Report Q1 2023
- > **May 31, 2023**  
Annual General Meeting 2023, Munich
- > **August 3, 2023**  
Half Year Report 2023
- > **November 9, 2023**  
Nine Months Report 2023



#### > **Basics of the Group**

- > Business Activity, Sales Markets, and Division Structure
- > Legal Structure of the Group
- > Corporate Control
- > Corporate and Division Strategy
- > Employees
- > Research and Development
- > Investment Principles

#### > **Economic Report**

- > Economic Environment
- > Business Development and Situation of the Group
- > Earnings Position
- > Development of the Divisions
- > Development in the Regions
- > Assets and Financial Position
- > The Holding Company – SÜSS MicroTec SE

#### > **Disclosures under Takeover Law in Accordance with Section 289a HGB and Section 315a HGB**

- > **Group Declaration Regarding Corporate Governance in Accordance with Section 289f and Section 315d HGB**
- > **Nonfinancial Group Declaration in Accordance with Section 315b of the German Commercial Code (HGB)**
- > **Remuneration Report**
- > **Opportunities and Risks for the Future Development of the SÜSS MicroTec Group**
- > **Forecast Report**

- > Industry-Specific Conditions
- > Expected Development in the Major Markets
- > Statement on the Projected Development of the Group – Outlook for 2023
- > Forward-Looking Statements



## Basics of the Group

### Business Activity, Sales Markets, and Division Structure

The SUSS MicroTec Group (subsequently SUSS MicroTec) develops, manufactures, and markets systems for the production of microelectronics, microelectromechanical systems, and related applications. Our largest market is the advanced backend of the semiconductor industry. Our lithography systems are mainly used in (advanced) packaging: Here, the chip structures are prepared at the wafer

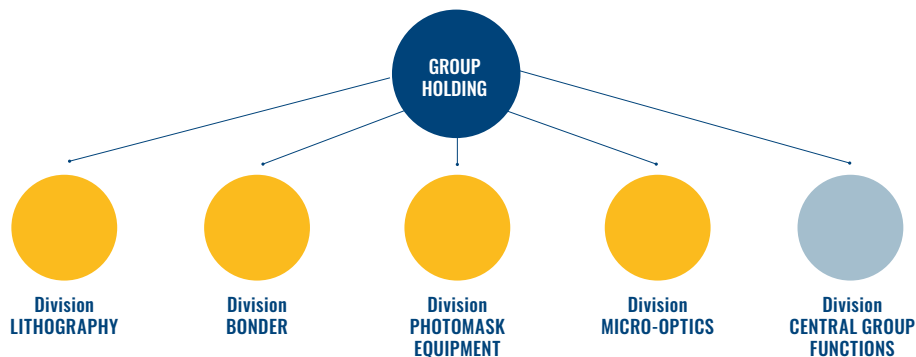
level for contacting with end devices, such as mobile phones or tablets. We are additionally active in wafer-to-wafer bonding, along with die-to-wafer bonding since 2021. The second major target market is the frontend of the value chain in the semiconductor industry. Here, as the undisputed market leader, we offer equipment for the production and cleaning of photolithography masks. Our customers include globally leading and internationally operating photomask producers, microchip manufacturers as well as their foundries that carry out production

according to external manufacturer requirements and do not have their own product and process development. Asia, particularly Taiwan, Korea, and China, has generated the greatest contribution to sales for many years. We manufacture our systems mainly in Sternenfels and Garching (both Germany) and in Hsinchu (Taiwan).

These activities are complemented by our subsidiary SUSS MicroOptics, which produces micro-optical components for sectors such as the telecommunications and automotive industries, as well as for the field of medical technology. The business is managed from Hauterive (Switzerland), where production is also located.

In the 2022 fiscal year, SUSS MicroTec was divided into four revenue-generating divisions: Lithography, Bonder, Photomask Equipment, and Micro-optics. The non-revenue-generating segment “Central Group Functions” includes costs that could not or should not be allocated to the other divisions. In the 2023 fiscal year, we will change the division structure and merge the Lithography and Bonder segments into the newly formed “Advanced Backend Solutions” division.

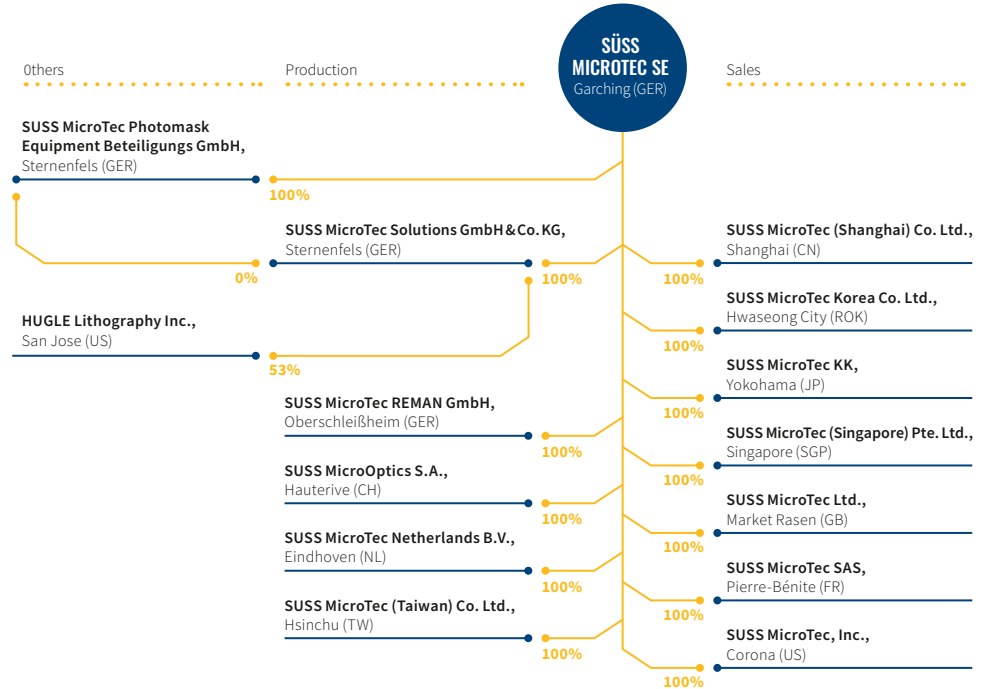
#### Segment Structure



## Legal Structure of the Group

SÜSS MicroTec SE (subsequently “the Company”) came into existence on August 9, 2017, through its entry into the commercial register as part of a transformation in form from SÜSS MicroTec AG based in Garching. The legal structure of the Group remains unchanged, consisting of the proprietary company, SÜSS MicroTec SE, as the management and financial holding company, as well as the subsidiaries holding a majority of the proprietary company. The development and production activities as well as the local sales and service activities for the Group are each organized within the subsidiaries. SÜSS MicroTec has locations in Germany, the United States, the United Kingdom, France, Switzerland, Japan, China, Singapore, South Korea, Taiwan, and the Netherlands.

### Legal Structure of the Group



## Corporate Control

Corporate control is geared particularly toward the sales and the EBIT margin of the individual divisions as well as the Company's free cash flow (the difference between the cash flow from operating activities and the cash flow from investing activities). Free cash flow is particularly relevant at the Group level and is not used for control of the individual divisions. Order entry is also an important key figure, but is not included in the annual forecast because it cannot be predicted with sufficient accuracy due to market and demand fluctuations. For SUSS MicroTec, the aforementioned key figures represent the most significant financial performance indicators. The performance of the divisions is also measured by observing the development of the gross margin (sales less cost of sales) and the divisions' earnings. The presentation of the division earnings now also includes income and expenses from foreign currency translation and asset disposals.

## Corporate and Division Strategy

We occupy specific markets in the industry of semiconductor suppliers. As a solution provider, we support our customers in high-volume manufacturing, in the production of small quantities, and in laboratory applications. Our mission is to develop innovative technologies and process solutions for future-oriented applications in high-growth markets. In doing so, we pursue the goal of equipping our customers' value chain as comprehensively as possible with equipment from SUSS MicroTec. After the delivery and installation of our systems, we remain at our customers' side with our international service organization.

Through our activities, we pursue the goal of always being one of the leading suppliers in the relevant markets through clear positioning. Partnerships with leading institutes and companies in the industry help us to identify key trends and promising technologies at an early stage and to review them with regard to their potential for SUSS MicroTec. The focus here is on organic growth. However, we also examine targeted acquisitions for interesting technologies or sensible additions to the portfolio.

In the following, we describe our market position and the respective strategic thrusts in our divisions.

### Lithography Division

The Lithography division comprises the development, manufacture, and sale of mask aligners, UV projection scanners, and coaters and developers. These product lines are manufactured in Germany at the locations in Garching and Sternenfels, as well as in Hsinchu in Taiwan. The Lithography division was SUSS MicroTec's largest area again in 2022, accounting for 58.8 percent of sales. The main market for our equipment is the backend of semiconductor manufacturing, with a focus on the submarkets of advanced packaging, 3D integration, MEMS, and compound semiconductors.

We hold a leading position among coaters and developers, with around 2,000 units installed in the market. In the important target market of advanced packaging, we share first and second place with an Asian competitor. With our next generation of equipment, we are aiming for higher yield and throughput during operation. In doing so, our goal is

to reduce our customers' cost of ownership, that is, the total cost of purchasing and operating the equipment. Our goal is to grow faster than the overall market. New coating technologies, in particular inkjet processes for cost-optimized process windows, round up our portfolio.

With a market share of around 50 percent, our mask aligners form a strong foundation for our activities in the area of exposure equipment. Our competitive advantage is our above-average quality in optics and alignment. We have been supporting our customers for many years with manual systems in the laboratory and in small batch operations as well as with fully automated equipment for high-volume production. Our UV projection scanners which are used in certain fields of application represent a particularly cost-efficient bridging technology between mask aligners and steppers offered by our competitors. With the combination of mask aligners and UV projection scanners in our portfolio, we anticipate that we will be able to maintain or slightly increase our sales volume in this slightly declining market in the medium term. It should be noted that we do not compete with nanometer resolution exposure technologies such as those used in the frontend of semiconductor manufacturing.

## Bonder Division

The Bonder division comprises the development, production, and sale of bonders. Manufacturing is located at our site in Sternenfels. The markets addressed with the bonders include so-called MEMS applications, that is, microelectromechanical systems, as well as compound semiconductors and 3D integration. We distinguish between temporary bonding and permanent bonding. Both submarkets have diverse technical requirements and a nuanced situation in terms of competition.

In the market for temporary bonding and de-bonding, solutions are used in particular in the 3D integration of memory chips, in CMOS sensors, in MEMS applications, and in silicon carbide power semiconductors. Based on the market estimates available to us, SUSS MicroTec is the leading supplier with a market share of between 30 and 40 percent. In recent years, we have succeeded in having our bonder solutions approved both by the leading 3D memory chip producers and by the first manufacturer to produce silicon carbide semiconductors based on 200mm wafers. We hope to gain further potential for growth in the coming years by addressing new applications.

In the market for permanent bonding, SUSS MicroTec plays the role of a challenger with a market share in the single-digit percentage range. The comparatively low market share is connected to the strategic decision not to offer automated permanent bonders from the mid-2010s. SUSS MicroTec re-entered this submarket a few years ago. It was possible to catch up with the competition again very quickly in terms of technology. This is evidenced by the continuous improvement in order volume. The attractive future market of hybrid bonding also falls under permanent bonding. We are working with the French company SET in this area on an integrated hybrid bonder for die-to-wafer applications, that is, for connecting a wafer to individual chips. We are also developing our own solution for the hybrid bonding of two wafers (wafer-to-wafer). The next step in both cases is successful evaluation by potential customers. Hybrid bonders could make the largest sales contribution to SUSS MicroTec's bonder segment in the medium to long term.

## Photomask Equipment Division

The Photomask Equipment division comprises the development, manufacture, and sale of equipment used in the production or cleaning of photomasks for the semiconductor industry. This business unit is also located at the Sternenfels site. The key target markets are lithography photomask manufacturers and the frontend of the semiconductor industry, where photomask cleaning systems are typically used in close proximity to lithography equipment. Structuring and therefore the actual production of microchips takes place in the frontend. The primary sales markets for the photomask equipment division are Taiwan and China. According to our information, only photomask cleaners from SUSS MicroTec have been qualified for the 5nm technology node so far. Our solutions are also scalable for the next technology nodes. Thanks to our leadership in technology, we are by far the leading supplier according to our own calculations. Our goal is to defend our market-leading position in this growing market. We are also working on transferring our expertise in photomask cleaning to wafer cleaning. For further information, please refer to the Research and Development section of this management report.

## Micro-optics Division

The production and sales of microlenses and highly specialized optics for a variety of industrial applications are housed in the Micro-optics division. These activities are consolidated in SUSS MicroOptics S.A. in Hauterive, Switzerland.

The market and competitive situation essentially depends on the submarkets addressed. We offer molded microlens arrays for the automotive market. These are used to light the area around the car in the form of illuminated carpets. They also enable design-oriented headlights while also ensuring weight reduction and improved energy efficiency. There is high competitive and price pressure despite our leading technological position. We also develop micro-optics for the data and telecommunications industry and optical systems for the semiconductor industry. According to our own estimates, we offer some technological unique selling propositions in this submarket, which – compared to the automotive business – enable significantly more attractive product margins.

## Employees

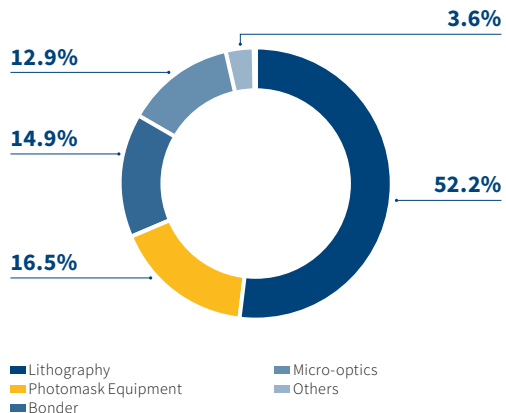
With their experience, skills, and knowledge, our employees represent a significant share of SUSS MicroTec's corporate value. Our business is characterized by internationality, global positioning, and cultural diversity. We have employees in research and development, production, administration, sales, and service all across the globe. They form an important network for the cross-site exchange of knowledge and intercultural cooperation. We work in flat hierarchies with short decision-making processes and enable our employees to play an active role and engage in personal development in accordance with their abilities and preferences. The motivation and flexibility of our employees are important prerequisites for the long-term success of the Company.

At the end of the 2022 fiscal year, 1,252 (previous year: 1,178) people were employed by the SUSS MicroTec Group. As of December 31, 2022, there were 39 trainees (previous year: 36) in commercial and technical areas throughout the Company. We also worked closely with universities and research institutions in 2022 to raise awareness about SUSS MicroTec among talented graduates as early as possible and to recruit new employees. In Germany, the proportion of women in the workforce in the 2022 fiscal year was

around 21 percent (previous year: 22 percent). Worldwide, the share of women was 22 percent.

SUSS MicroTec prepares a separate Nonfinancial Group Declaration that presents issues of the employees as well as the objectives and measures for achieving these objectives. This Nonfinancial Group Declaration report is a part of the Management Report.

**Employees<sup>1</sup> by division 2022 in percent**

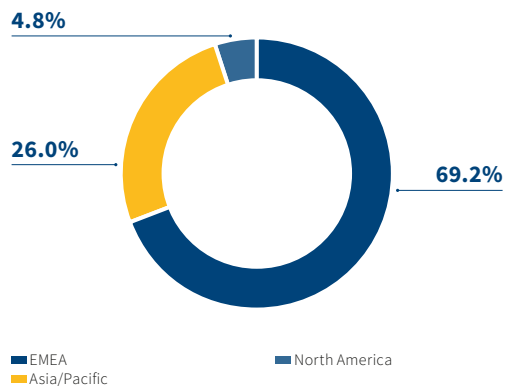


<sup>1</sup> FTE (full-time equivalent)

## Research and Development

Research and development expenditure increased by € 2.9 million to € 25.0 million (previous year: € 22.1 million). The increase roughly corresponded to the growth in sales in the past year, so that the R&D quota was still 8.4 percent (previous year: 8.4 percent). There were notable increases in research and development expenditure in the Lithography, Micro-optics, and Bonder divisions in particular.

**Employees<sup>1</sup> by region 2022 in percent**



<sup>1</sup> FTE (full-time equivalent)

With a view to further strengthening development activities, the organizational structure in the area of research and development was changed. While development projects have so far usually been carried out decentrally by the business units, we established a central organization for research and development with effect from December 1, 2022. The experts deal with software, platforms and systems, modules and system architecture across all divisions. A key objective of this setup is to drive the higher level of modularization for which we are aiming. In concrete terms, this means that a wafer-handling unit, which is needed in a coater just as much as in a bonder, for example, should be developed in such a way that it can be used in both products in the future. Likewise, the different systems should use a uniform software platform in the future. This platform strategy is intended to increase the Company's efficiency. A dedicated project management team ensures that schedules and costs are adhered to in development projects. The R&D organization was recently assigned to the Chief Operations Officer on the Management Board in order to strengthen the interface between product development and production. We continue to use our own application laboratories in Garching and Sternenfels to develop new process solutions with cooperation partners and customers and to continuously improve our equipment.

In the Lithography business unit, a strong focus in the past fiscal year was on the development of a new 300mm machine generation for the coater and developer product line. A first system of the new ACS300 Gen4 has already been installed at an Asian customer site. The new product generation is characterized by the possibility of stacking process modules on top of each other, thereby achieving a higher throughput per cleanroom area and thus improved cost-of-ownership. On the technical side, our inkjet activities focused on the coupling of the high-volume inkjet printer JETx, as well as the ACS200 Gen3. This development was successfully concluded with the completion of the ACS200 Gen3 with coupled inkjet module. The first system was installed at a European customer in 2022; further orders will be served in 2023. As the market leader for mask aligner systems, we continued to work on the technological and technical development of our portfolio in 2022. The development focus of the mask aligner product line concentrated on expanding the functional scope of a cross-product line, modular in-line metrology module for all SUSS MicroTec automated systems. In addition, we focused our activities on the development and product launch of a semi-automatic system for 300mm micro- and

nano-imprint applications (MA12 Gen3) and the development of a UV LED light source for 300mm mask aligners with the aim of achieving reduced energy consumption.

The Bonder business unit is divided into the two sub-areas of permanent and temporary bonding. In the permanent bonder sub-area, work continued on hybrid bonding product innovations. With the further development of the 300mm wafer-to-wafer hybrid bonder, we were able to demonstrate an overlay accuracy of <100nm as part of our cooperation with imec, one of the leading research centers for nano- and microelectronics, headquartered in Belgium, and have already installed a first system of the type XBS300 hybrid bonder at a key customer. We also worked on process development for wafer-to-wafer hybrid bonding in the field of micro-LED manufacturing. A first XBS200 turbine has been prepared for delivery in February 2023. In die-to-wafer bonding, we are working on the development of an integrated bonder with our French cooperation partner SET. Our goal is to install a first integrated XBC300 Gen2 D2W Hybrid Bonder system, including surface preparation, die-to-wafer bonding, and a metrology module, in the first half of 2023 at our application lab in Sternenfels. In the area

of temporary bonding, we are working on mechanical deboning and cleaning of 200mm silicon carbide (SiC) wafers. The first systems, consisting of a bonder, debonder, and cleaner, have already been delivered to a customer in North America. We are also developing a fully automated system for transferring 2D materials to wafer sizes up to 300mm as part of the EU-funded Graphene Flagship 2D-EPL project. Delivery of the machine to a pilot line at imec in Belgium is scheduled for early 2023. Another focus of the bonder activities was the integration and market launch of the innovative ICB technology (Impulse Current Bonding) in cooperation with the Swiss company Sy&Se. ICB enables the permanent bonding of substrates with different expansion coefficients or increased surface roughness and opens up new possibilities, such as when bonding materials for the production of power semiconductors. These include silicon carbide or RF-MEMS (such as LiTaO<sub>3</sub> or LiNbO<sub>3</sub>).

In the Photomask Equipment business unit, SUSS MicroTec is one of the leading suppliers of equipment and technologies for the production and cleaning of photomasks used in front-end lithography in semiconductor manufacturing. Our solution in this context is the first one



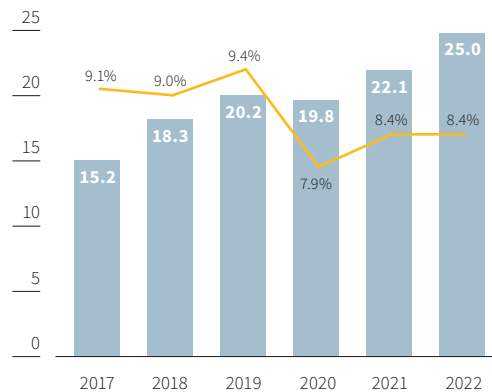
to be qualified for extreme ultraviolet lithography (EUVL) in the 5nm technology node. Further scaling to the next technology nodes is possible. However, the research and development efforts of SUSS MicroTec are not exclusively focused on the improvement and new development of systems, that is, hardware, but are also bringing the first software application based on artificial intelligence onto the market. A so-called Within-Tool-Analysis (WTA) should help to improve the systems in terms of their performance and reliability up to the 3nm node. In the Photomask Equipment division, we are also working on applications for cleaning wafers, initially for MEMS applications. Based on our know-how in photomask cleaning, we have developed a much more sustainable solution compared to today's products. Hazardous chemical substances are replaced by highly effective and less critical solutions. Both the environment and the people using it at our customers are to benefit from this. This solution can also contribute to a considerable reduction in costs.

In the Micro-optics business unit, our development activities have continued to focus on applications in the automotive industry. Here we see great potential in the area of headlights for automobiles. Good illumination of the road and the roadside, especially when driving at night with the headlights on, can help prevent accidents. With the increasing spread of electric cars, these innovative headlights with microlenses also offer significant cost and weight advantages as well as more design flexibility compared to conventional headlight modules. Our solutions are thus met with great interest in the automotive industry. We will continue our efforts in the coming years, focusing on cost efficiency and environmental impact, as well as the development of new technologies and the improvement of existing technologies. Our goal is to continuously adapt our product lines to the latest developments in the market and to satisfy new customer demands. In the process, we intend to consolidate and further expand our market position. At the Hauterive (Switzerland) site, new production and manufacturing systems will be installed in 2022 and 2023 for the production of microlenses for telecoms (data centers), semiconductors, measurement technology, and photonics. In some cases, these investments are replacements for

outdated equipment, and in other cases, the investments represent an increase in production capacity.

At the end of 2022, 230 employees – almost a fifth of the employees of SUSS MicroTec – were employed in the area of research and development (previous year: 214 employees).

**Research and Development Expenditures (R&D)**  
in € million and R&D quote in percentage of sales



## Investment Principles

SÜSS MicroTec SE owns the Company premises at the main production, development, and administration locations in Garching and Sternenfels. SUSS MicroTec Solutions GmbH & Co. KG is also based in Sternenfels. We are constantly investing in the Company buildings at both locations in order to keep them state-of-the-art – also from an energy point of view.

Due to the structure of the Company, investments in technical equipment and machinery are not an essential part of the Company's development, with the exception of the Micro-optics division. The core of our added value comes from the development, design, and construction of systems for the semiconductor industry. This also includes software management, assembly, and alignment of the components as well as the installation of the finished systems at our customers. These activities do not require any capital expenditure-intensive production equipment or machines. However, due to the expected growth of the

Company, additional investment in capacity expansion will be required in the future. In the Micro-optics division, investments in production systems for series production in the mid-single-digit million range are also planned for 2023 to serve the growing business volume.

It is assumed that the usual investments in existing tangible assets will be within the range of approximately three to five percent of annual sales in the long term. Intangible assets were recognized for development costs that satisfy the IFRS requirements for capitalization.

SÜSS MicroTec SE is the owner of the group-wide SAP system, which is used by the German companies, by the US company SUSS MicroTec, Inc., Corona (USA), by SUSS MicroTec (Taiwan) Company Ltd., Hsinchu (Taiwan), and by SUSS MicroTec Netherlands B.V., Eindhoven (Netherlands). We are constantly investing in the digitization of our processes. This includes the further development of the SAP system and the use of other relevant IT systems.

# Economic Report

## Economic Environment

The 2022 fiscal year was significantly influenced by geopolitical tensions caused by Russia's war of aggression in Ukraine. The war resulted in a general fall in demand and, in particular due to increased energy costs, in an increase in inflation. Interest rates also increased significantly in 2022. In addition, disruption to global supply chains due to China's COVID-19 containment measures led to slower global economic growth. The global economy nevertheless grew moderately in 2022. The International Monetary Fund (IMF) estimates that the global economy grew by 3.4 percent in the past fiscal year. In 2021, growth was still a strong 6.2 percent (source: IMF World Economic Outlook, update January 2023).

In the USA, economic growth was around 2.0 percent in 2022 after a 5.9 percent in the previous year. In China, another important sales market for SUSS MicroTec, economic growth in 2022 was around 3.0 percent after 8.4 percent in the previous year (source: IMF World Economic Outlook, update January 2023). In Taiwan, a very

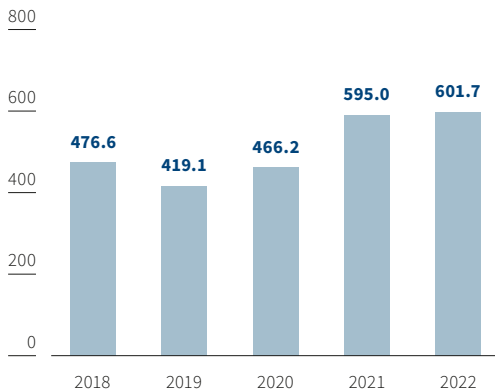
important sales region for many semiconductor suppliers and therefore also for us, economic growth was 3.3 percent after 6.6 percent in 2021 (source: Statista 2023). Outlook, update January 2023). The European economy was in a difficult situation in 2022. Due to the geographical proximity to the war zone in Ukraine and the high dependence on gas imports from Russia, the energy crisis weakened the purchasing power of households and weighed on the processing industry. Nevertheless, the European Union recorded growth in economic output of 3.3 percent in 2022 (source: European Commission, autumn forecast 2022, November 11, 2022).

According to the Leibniz Institute for Economic Research (RWI), the German economy proved to be surprisingly robust at the end of 2022. This was mainly due to private consumption and investment in equipment. However, the German economy was not able to achieve the growth of 2021 of 2.6 percent and only grew by 1.8 percent in the past fiscal year (source: RWI-Leibniz Institute for Economic Research, Essen, "The economic development at the end of 2022"). As a sales market, however, Germany is of rather minor importance, accounting for less than 5 percent of sales.

## Semiconductor Market

The semiconductor market reached another record level in 2022 and exceeded the USD 600 billion mark for the first time. The past year was initially characterized by high demand and a simultaneous shortage of semiconductor elements, especially memory chip components. Over the course of 2022, factors such as increased customer stockpiling with regard to memory elements and the sharp rise in inflation led to a significant decline in demand, especially for consumer electronics. This had a negative impact on the entire semiconductor industry. The market for memory elements corresponds to around a quarter of the entire semiconductor market and recorded a decline of around 10 percent in 2022 compared to the previous year. In contrast, other semiconductor elements were able to increase by around 5.3 percent compared to the previous year and more than compensate for the decline in memory elements. Overall, the market volume of the entire semiconductor market increased slightly from USD 595.0 billion in 2021 to USD 601.7 billion in 2022. This corresponded to growth of 1.1 percent (source: Gartner, January 17, 2023).

**Sales development in the semiconductor market in USD billion**



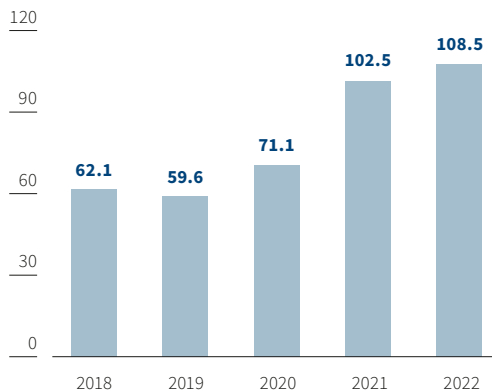
Source: Gartner, January 17, 2023

### Semiconductor Equipment and Wafer Fab Equipment Market

The positive development in the semiconductor industry is also reflected in investments in semiconductor equipment. In 2022, sales of semiconductor equipment also reached a new record. According to the industry association SEMI, the market grew by 5.9 percent year-on-year to USD 108.5 billion in 2022. The construction of many new semiconductor factories has contributed significantly to

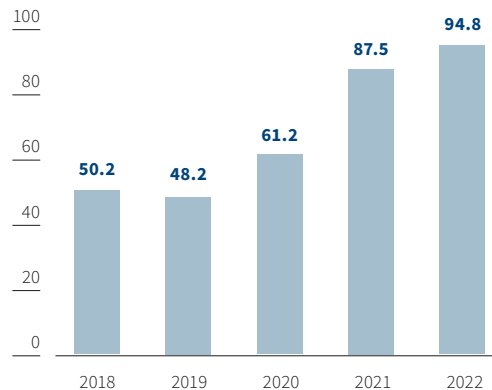
the growth in the equipment sector. In particular, the wafer fab equipment sub-market relevant for SUSS MicroTec developed very well and grew by around 8.3 percent compared to the previous year to USD 94.8 billion. This more than compensated for the approximately 10 percent drop in demand for manufacturing equipment for storage devices. (Source: SEMI, December 13, 2022).

**Sales development of the semiconductor equipment market in USD billion**



Source: SEMI, December 13, 2022

**Sales development of wafer fab equipment market in USD billion**



Source: SEMI, December 13, 2022

## Business Development and Situation of the Group

The Management Board of SÜSS MicroTec SE assesses the overall economic situation of the group as very positive.

Despite the supply bottlenecks for vendor parts during the year, we believe that the 2022 fiscal year was very successful. The company once again posted record order entry and record sales. We have taken another important step towards the medium-term goals of sales of € 400 million and an EBIT margin of at least 15 percent in the 2025 fiscal year.

In the forecast report of the 2021 management report, SÜSS MicroTec announced consolidated sales of € 270 million to € 300 million and an EBIT margin in the range of 8.5 to 10.5 percent for the 2022 fiscal year.

On November 10, 2022, as part of the publication of the Q3 quarterly report, the forecast was set and a sales volume in the lower end of the range of € 270 million to € 300 million and an EBIT margin also at the lower end of the range of 8.5 to 10.5 percent were envisaged for the full year 2022. The main reason for the specification was that the level of sales and thus also the result in the fourth quarter of 2022

was characterized by considerable uncertainty. The development of sales depended on systems still to be delivered and on customer acceptances still outstanding, so that the actual realization of sales as of December 31, 2022, could not be assumed to be certain.

The sales and earnings forecast was again specified as part of the publication of preliminary and unaudited figures on January 9, 2023. Due to a successful final quarter, the Company expected sales in a range of € 295 to € 300 million and an EBIT margin of 8.5 to 10.0 percent for the full year 2022.

Overall, SÜSS MicroTec successfully closed the 2022 fiscal year with record sales of € 299.1 million and was thus at the upper end of the adjusted range of € 295 million to € 300 million. The EBIT margin reached 11.0 percent and was above the adjusted expectation of 8.5 to 10.0 percent. It should be noted that the EBIT included non-operating extraordinary effects from the final liquidation of the American subsidiary SÜSS MicroTec Photonic Systems Inc. in the amount of € 2.2 million and of € 0.9 million (prior year € 1.5 million) from the reversal of impairment losses on materials for UV scanner- and laser systems previously written off. The operating EBIT margin without

this extraordinary effect was 9.9 percent and thus reached the upper end of the adjusted forecast.

For the free cash flow in March 2022, we forecast a value in a range of € -5 million to € +5 million. The free cash flow for 2022 amounted to € 16.0 million as of the reporting date and was thus well above expectations. The reasons for the positive deviation were above all the significantly increased advance payments as a result of the high order entry and the increased net income for the year.

A comparison of the original forecast, the specification of the forecast during the year, and the target achievement are shown in the following table:

Key figures	Initial forecast 2022	Forecast concretization on 11/10/2022	Forecast concretization on 01/09/2023	Current value 2022
Sales	€ 270–€ 300 million	Lower area of € 270–€ 300 million	€ 295–€ 300 million	€ 299.1 million
EBIT margin	8.5–10.5%	Lower end of 8.5–10.5%	8.5–10.0%	11.0% <sup>1</sup>
Free cash flow	–5 to +€ 5 million	Without concretization	Without concretization	€ 16.0 million

<sup>1</sup> EBIT margin included two significant positive non-operating extraordinary effects of € 2.2 million from the liquidation of the US subsidiary SUSS MicroTec Photonic Systems Inc. and from the reversal of impairment losses on materials for UV scanner- and laser systems previously written off. The operating EBIT margin was 9.9 percent.

## Earnings Position

The order entry of SUSS MicroTec increased significantly by 32.4 percent to € 446.2 million in the 2022 fiscal year (previous year: € 337.0 million). For the first time in our company's history, order entry exceeded the € 400 million mark. As of December 31, 2022, this resulted in an order backlog of € 346.4 million, which will also ensure high utilization of production capacities in 2023 and partly in 2024. As of December 31, 2021, the order backlog was € 193.9 million. Sales revenue rose by 13.6 percent over the previous year to € 299.1 million (previous year: € 263.4 million). On an absolute basis, the Lithography division made the greatest contribution to Group growth with an increase in sales of € 20.6 million, followed by the Micro-optics division with

an increase of € 13.5 million. Even stronger growth in sales was prevented by ongoing supply chain bottlenecks in purchased components. This particularly affected the Photomask Equipment division. In this segment, sales fell by € 0.9 million despite very strong order entry. The ratio of newly received orders to realized sales (book-to-bill ratio) was 1.49 after 1.28 in the previous year.

The increase in sales in the past fiscal year also had a positive effect on the earnings situation. Gross profit – that is, sales less cost of sales – rose disproportionately by 16.9 percent to € 110.1 million. The strong fourth quarter, in which we managed to generate sales of € 103.9 million, made a particular contribution to this. The higher sales volume enabled better fixed-cost coverage. A favorable product mix and the price increases implemented in the 2022 fiscal year,

which have had an effect since the second half of the year and especially since the fourth quarter, have additionally supported gross profit. In 2022 as a whole, we succeeded in improving the gross profit margin by one percentage point from 35.8 to 36.8 percent. The gross profit margins of the divisions were between 40.9 percent (Lithography) and 24.8 percent (Micro-optics).

Sales, administration, and development costs increased by a total of 9.9 percent to € 76.8 million in the past fiscal year (previous year: € 69.9 million). The increase was therefore less than proportional to sales. Selling costs rose from € 24.9 million to € 28.5 million and corresponded to an unchanged cost/income ratio of 9.5 percent in relation to sales. The increase in costs was mainly due to higher commissions, increasing application activities, and additional personnel recruitment. Administration costs increased at a disproportionately low rate from € 22.9 million to € 23.3 million. The expense ratio was thus reduced from 8.7 percent to 7.8 percent. In the past fiscal year, we increased our expenditure on research and development from € 22.1 million to € 25.0 million. The expense ratio was therefore unchanged at 8.4 percent. For more information on our development focus, please refer to the Research and Development section in this Management Report.

Other operating income amounted to € 11.8 million in the 2022 fiscal year (previous year: € 4.2 million). The complete liquidation of our American subsidiary SUSS MicroTec Photonic Systems Inc. made a particular contribution to the positive deviation from the previous year's figure. This led to positive special income of € 2.2 million in foreign currency gains. In addition, other operating income included foreign currency gains of € 7.4 million (previous year: € 3.1 million). Other operating expenses amounted to € 12.2 million in 2022 (previous year: € 5.9 million) and mainly included expenses from foreign currency translations in the amount of € 10.1 million (previous year: € 4.5 million) and expenses for other taxes. As in the previous year, the main foreign currency effects resulted from US dollar items and from the reclassification of foreign currency effects from shareholders' equity in the amount of € 0.7 million, which were recognized in profit or loss and related to the liquidation of the American subsidiary SUSS MicroTec Photonic Systems Inc.

The increased gross profit was also the main reason for the improvement in EBIT in the past year. This increased by € 10.2 million or 45.1 percent to € 32.8 million (previous year: € 22.6 million) and corresponded to an EBIT margin of 11.0 percent (previous year: 8.6 percent). Without the

positive extraordinary effect already described in connection with the liquidation of the American subsidiary SUSS MicroTec Photonic Systems Inc. and of € 0.9 million from the reversal of impairment losses on materials for UV scanner- and laser systems previously written off, the EBIT Margin was 9.9 percent. EBIT in the 2021 fiscal year included a positive extraordinary effect of € 1.5 million from the write-up of two UV projection scanners that had previously been written off.

The financial result improved slightly to € -0.3 million in the 2022 fiscal year (previous year: € -0.5 million). Interest income of € 267 thousand (previous year: € 9 thousand) was essentially offset by interest expenses of € -0.6 million (previous year: € -0.5 million). This resulted in earnings before taxes of € 32.5 million (previous year: € 22.1 million).

Income tax expenses increased to € 8.0 million in the fiscal year (previous year: € 6.1 million) due to the improved earnings situation. The tax rate was therefore 24.6 percent (previous year: 27.5 percent).

Based on the positive sales development, improved gross profit margin, and lower tax rate, we achieved earnings after taxes of € 24.5 million in the 2022 fiscal year (previous

year: € 16.0 million). Basic earnings per share were € 1.28 (previous year: € 0.84).

The Management Board and Supervisory Board will propose to the Shareholders' Meeting on May 31, 2023, that a dividend of € 0.20 be distributed to the shareholders, which is € 0.04 higher than in the previous year. The distribution volume would total € 3.8 million (previous year: € 3.1 million) and corresponds to a dividend payout ratio of 23.8 percent (previous year: 20.8 percent) of the free cash flow.

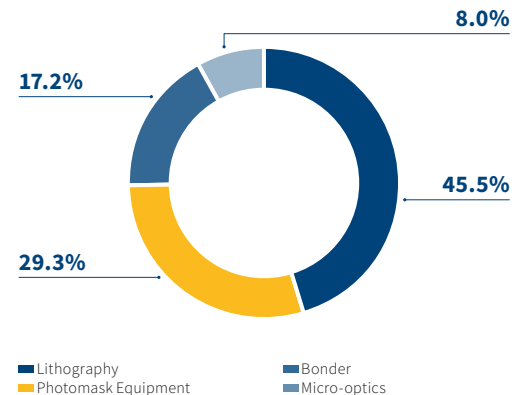


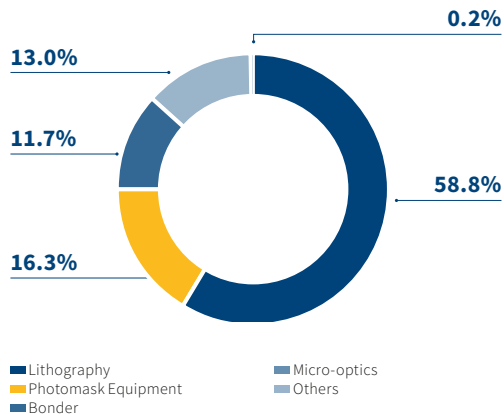
The following key figures resulted for the Group for 2022 and the previous year:

in € million	2022	in % of sales	2021	in % of sales
Order Entry	446.2	N/A	337.0	N/A
Sales	299.1	100.0%	263.4	100.0%
Cost of sales	-189.1	-63.2%	-169.2	-64.2%
Gross profit	110.1	36.8%	94.2	35.8%
Sales/administrative/development expenses	-76.8	-25.7%	-69.9	-26.5%
Other operating expenses/income	-0.5	-0.2%	-1.7	-0.6%
<b>EBIT</b>	<b>32.8</b>	<b>11.0%</b>	<b>22.6</b>	<b>8.6%</b>
EBIT adjusted for extraordinary effects	29.7	9.9%	21.1	8.0%
Financial result	-0.3	-0.1%	-0.5	-0.2%
EBT	32.5	10.9%	22.1	8.4%
Income taxes	-8.0	-2.7%	-6.1	-2.3%
<b>Earnings after taxes</b>	<b>24.5</b>	<b>8.2%</b>	<b>16.0</b>	<b>6.1%</b>

## Development of the Divisions

Order entry by division in percent



**Sales by division in percent<sup>1</sup>**

<sup>1</sup> Total sales include internal sales (sales to other divisions) since 2021.

**Lithography****Lithography Key Figures**

in € million	2022	2021
Order Entry	203.0	183.9
Division external sales	175.7	155.1
Total division sales (incl. internal sales) <sup>1</sup>	175.8	157.2
Gross profit	71.9	56.9
Gross profit margin <sup>1</sup>	40.9%	36.2%
<b>EBIT division earnings<sup>1</sup></b>	<b>30.5</b>	<b>16.0</b>
EBIT margin <sup>1</sup>	17.3%	10.2%
<b>Division earnings EBIT adjusted for extraordinary effects</b>	<b>29.6</b>	<b>14.5</b>
EBIT margin adjusted for extraordinary effects	16.8%	9.2%
Net assets	78.9	54.6
Employees	653	720

<sup>1</sup> Total sales include internal sales (sales to other divisions) since 2021. The gross profit margin and EBIT margin are calculated on the basis of total sales. For further information, we refer to the division reporting.

In the 2022 fiscal year, we succeeded in significantly increasing order entry in the Lithography division by 10.4 percent year-on-year to € 203.0 million. A major reason for the increase was the strong demand for coaters and developers for the processing of 300mm and 200mm wafers, which weakened in the fourth quarter of 2022 compared to the first three quarters. Nevertheless, these systems accounted for around 40 percent of the division's order entry over the year. In addition, new business with mask aligners and bond aligners for laboratory applications, including the MA/BA6 Gen4 and MA/BA8 Gen4, as well as UV projection scanners, has performed very favorably in the fourth quarter as well. We also managed to place our mask aligner MA200 Gen3 with a key customer for the production of silicon carbide semiconductors. From a regional perspective, more than half of the orders came from Asia, particularly from China and Taiwan.

The division sales also developed very positively with growth of 11.8 percent to a value of € 175.8 million (previous year: € 157.2 million). With 58.8 percent, the Lithography division once again made by far the largest contribution to

Group sales. In the fourth quarter in particular, we were able to deliver an above-average volume of equipment and realize this in sales. In the fourth quarter alone, sales to coaters and developers amounted to more than € 36 million. Sales of UV projection scanners reached a value of around € 10 million in the past fiscal year and were spread across a broader customer base.

Gross profit in the Lithography division increased significantly in 2022 by € 15.0 million to € 71.9 million (previous year: € 56.9 million) due to shifts in the product mix with a larger proportion of high-margin mask aligners. Price increases that were implemented in the first half of 2022 also had a positive impact on margin development from the second half of the year and especially from the fourth quarter. The gross profit margin was 40.9 percent (previous year: 36.2 percent) and was also the main reason why the division earnings almost doubled from € 16.0 million to € 30.5 million. The EBIT margin thus reached a value of 17.3 percent (previous year: 10.2 percent). The division invested around € 3 million more in research and development in 2022 than in the previous year. It should be noted that the division EBIT for 2022 included an extraordinary gain of € 0.9 million from the reversal of impairment losses on materials for UV projection scanner- and laser systems that had previously been written down. A comparable

exceptional gain in fiscal 2021, also from the reversal of impairment losses in connection with the UV projection scanners, had amounted to €1.5 million.

Overall, it was possible to significantly exceed the targets in the Lithography division regarding sales, gross profit, and EBIT.

## Bonder

### Bonder Key Figures

in € million	2022	2021
Order Entry	76.6	46.4
Division external sales	35.0	31.3
Total division sales (incl. internal sales) <sup>1</sup>	35.0	31.3
Gross profit	10.5	12.3
Gross profit margin <sup>1</sup>	30.1%	39.2%
<b>EBIT division earnings</b>	<b>-2.0</b>	<b>0.6</b>
EBIT margin <sup>1</sup>	-5.7%	1.8%
Net assets	29.8	27.9
Employees	187	109

<sup>1</sup> Total sales include internal sales (sales to other divisions) since 2021. The gross profit margin and EBIT margin are calculated on the basis of total sales. For further information, we refer to the division reporting.

The Bonder division continued the positive trend in order entry in the 2022 fiscal year. New business has increased significantly due to the high demand for automated bonders for high-volume production. Order entry for the full 2022 year was € 76.6 million after € 46.4 million in the previous year. From a regional perspective, the majority of orders in this division also came from Asia, with significant orders from the North American region being recorded for the first time in 2022. These were essentially production bonders for the manufacture of power semiconductors on 200mm wafers. We see good opportunities for future development in this area. Division sales trended moderately upward, increasing by 11.8 percent to € 35.0 million compared to the previous year (previous year: € 31.3 million). The increase was driven in equal measure by equipment for permanent and temporary bonding. Sales would have been higher were it not for the fact that equipment worth € 5.4 million could not be shipped or finally accepted at the end of the year and will only contribute to sales in 2023.

The gross profit margin was 30.1 percent in the 2022 fiscal year. It was therefore below the previous year's value of 39.2 percent due to increased production costs, longer throughput times, and unplanned overtime due to the limited availability of purchased components. EBIT declined as a consequence of overall lower gross profit, cost

increases in the areas of sales and administration due to the construction, and the value adjustment of an evaluation machine in the amount of €0.6 million. For the year as a whole, it was minus €2.0 million (previous year: €0.6 million). At minus 5.7 percent, the EBIT margin was unsatisfactory after being at least slightly positive at 1.8 percent in the same period of the previous year. We expect sales and earnings in 2023 to improve significantly next year based on a sustained improvement in our orders position for automated bonders and the easing of supply chain issues.

The Bonder division failed to achieve its targets for sales, gross profit, and EBIT. Delivery bottlenecks led to extended lead times, with the result that planned acceptances could not be completed and sales could not be realized in 2022. Deliveries or acceptances of some equipment have consequently been delayed until 2023.

## Photomask Equipment

### Photomask Equipment Key Figures

in € million	2022	2021
Order Entry	130.9	70.8
Division external sales	48.8	49.7
Total division sales (incl. internal sales) <sup>1</sup>	48.8	49.8
Gross profit	16.8	16.2
Gross profit margin <sup>1</sup>	34.4%	32.6%
<b>EBIT division earnings</b>	<b>6.1</b>	<b>6.6</b>
EBIT margin <sup>1</sup>	12.5%	13.3%
Net assets	2.8	16.4
Employees	206	167

<sup>1</sup> Total sales include internal sales (sales to other divisions) since 2021. The gross profit margin and EBIT margin are calculated on the basis of total sales. For further information, we refer to the division reporting.

Order entry in the Photomask Equipment division showed above-average growth in the 2022 fiscal year, increasing from €70.8 million to €130.9 million. Asia was again the most important customer market for this equipment. China's share in 2022 was particularly high because a number

of new manufacturers of lithography photomasks have recently started operations there. Sales momentum in the Photomask Equipment division increased significantly in the second half of the year, as several delayed systems were delivered or final acceptance obtained. This made up for some of the shortfall in sales in the first half of the year. Sales in the fiscal year totaled €48.8 million (previous year: €49.8 million). The book-to-bill ratio, that is, the ratio of order entry to sales, reached a high of 2.68 in 2022. The high order backlog will ensure correspondingly high capacity utilization in 2023 and, if the supply chain situation eases, also a significant increase in sales.

The gross profit margin increased from 32.6 percent to 34.4 percent in 2022 despite the sideways movement in sales. It should be mentioned that the gross profit margin is subject to similar fluctuations as order entry and sales. Business in the Photomask Equipment division is dependent on a small number of large-volume individual orders. The projects have different margin profiles depending on the customer and configuration. In the past fiscal year, the customer base was broadened with newly acquired orders, which, along with the price increases implemented in 2022, should contribute to an improvement in margins

in 2023. Due to the long delivery times in this division, these price increases only have an impact on the sales and earnings development after a delay of several months.

The division earnings in 2022 decreased from € 6.6 million to € 6.1 million, mainly as a result of the adjustment of the intra-Group allocation of sales and administration costs.

Sales and EBIT margin were slightly lower, but within the expected target range.

## Micro-optics

### Micro-optics Key Figures

in € million	2022	2021
Order Entry	35.3	34.2
Division external sales	39.2	25.7
Total division sales (incl. internal sales) <sup>1</sup>	41.0	27.7
Gross profit	10.2	6.6
Gross profit margin <sup>1</sup>	24.8%	23.8%
<b>EBIT division earnings</b>	<b>0.7</b>	<b>-1.7</b>
EBIT margin <sup>1</sup>	1.8%	-6.1%
Net assets	20.3	19.0
Employees	161	144

<sup>1</sup> Total sales include internal sales (sales to other divisions) since 2021. The gross profit margin and EBIT margin are calculated on the basis of total sales. Net assets include an intercompany loan of SMT SE from the Others division. For further information, we refer to the division reporting.

Order entry in the Micro-optics division again developed positively in 2022 and, at € 35.3 million, was slightly up on the previous year's figure of € 34.2 million, partly due to a positive order trend from the medical technology sector. Order entry was spread evenly over all four quarters.

Meanwhile, sales improved at an above-average rate from € 25.7 million to € 39.2 million. The significant increase of 52.5 percent was primarily attributable to orders won and additional production capacity created for applications in the automotive sector.

The modified product mix, with a stronger focus on the automotive business, continued to have a negative impact on the gross profit margin in 2022 due to the highly competitive nature of the industry. The gross profit margin increased slightly from 23.8 percent to 24.8 percent due to initial process optimizations and improvements in yield levels. As a result of the higher sales volume and the improved margin, the Micro-optics division generated positive EBIT of € 0.7 million in 2022. In the previous year, the division earnings were minus € 1.7 million. A further improvement in margins is expected in 2023 as a result of the continued efficiency measures.

Both, the sales target and the EBIT target in the Micro-optics division were achieved in 2022.

## Central Group Functions

The Central Group Functions division represents all other activities as well as costs for central Group functions that generally cannot be attributed to the other divisions. The division recorded negative EBIT of € -2.5 million in 2022 (previous year: € 1.1 million).

The decline in earnings is attributable on the one hand to a commercial agency agreement that expired at the end of 2021, which had a positive effect on earnings of € 1.0 million in 2021. A change was also made in the 2022 fiscal year with regard to the recharging of costs to the revenue-generating divisions. While 100 percent of management, marketing, and insurance allocations were passed on in the previous year, we have reduced the cost pass-through in the 2022 fiscal year. The background to the change was that certain services were provided exclusively for the purposes of SUSS MicroTec SE and did not serve the operating business of the division. Examples include services related to financial reporting and stock exchange listing. This change had a negative impact of € 0.9 million on the segment result. Another effect was an increase in management costs, particularly in connection with the CEO change in the fourth quarter of 2022.

For further information, please refer to the remuneration report, which is part of this management report. The positive extraordinary effect from the complete liquidation of the US subsidiary SUSS MicroTec Photonic Systems Inc. amounting to € 2.2 million was offset by an increase of € 2.7 million in costs in connection with currency translation and hedging.

## Development in the Regions

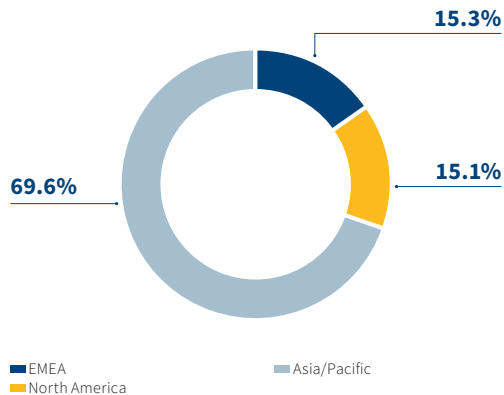
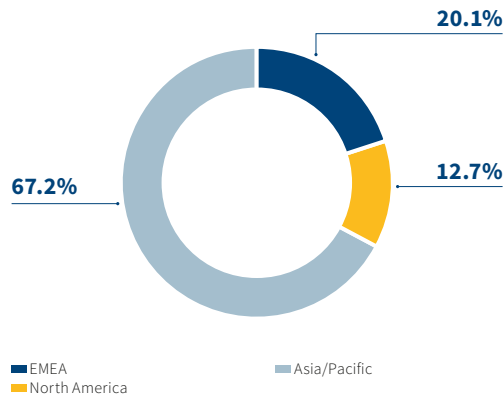
### Order Entry

Asia, EMEA (Europe, Middle East, Africa), and North America are important regions of the world for SUSS MicroTec's business. Fortunately, all regions contributed to the increasing order entry in the past fiscal year. Order entry in Asia rose by a significant 36.6 percent. One of the factors contributing to this was the strong demand for photomask equipment. Order entry in Asia at the end of 2022 was € 310.5 million, which was above the € 300 million mark for the first time. Accounting for approximately 70 percent of the Group's order entry, Asia remains the most important sales region for SUSS MicroTec. Order entry in the EMEA region increased slightly by 0.9 percent from € 67.8 million

to € 68.4 million. Meanwhile, we recorded significant growth of 62.6 percent to € 67.3 million in the North American region. We have succeeded in positioning our equipment there for the manufacturing process of semiconductors made of silicon carbide (SiC).

### Sales

Sales also increased in all three regions, albeit to varying degrees. We achieved the highest relative growth in the North American region. Sales rose there by 23.0 percent from € 30.9 million to € 38.0 million. Most of this growth comes from the Lithography division. In the Asia region, sales increased by 14.9 percent to € 200.9 million. With a 67.1 percent share of sales, Asia once again made by far the largest contribution to Group sales. The EMEA region recorded comparatively moderate growth of 4.5 percent to € 60.3 million.

**Order entry by region in percent****Sales by region in percent**

at the end of the previous year. The increase was mainly due to new leasing obligations.

The cash flow from operating activities amounted to € 23.9 million in the past fiscal year (previous year: € 24.3 million). Positive and negative effects almost canceled each other out in the fiscal year. While the result for the period increased by € 8.5 million to € 24.5 million compared to the previous year, mainly as a result of the positive business development, the changes in working capital reduced liquidity by € 7.5 million. In 2021, the change in working capital increased liquidity by € 3.3 million. The build-up of inventories in particular had a negative effect on the cash flow from operating activities. In order to compensate for delivery bottlenecks on the procurement market and to serve the increased order backlog, inventories of materials and auxiliary materials in particular were deliberately increased. The value of work in progress also increased, as did the amount of finished goods that could not yet be recognized in sales because they had not yet been finally accepted by customers. Overall, the build-up of inventories resulted in an operating cash outflow of € -52.8 million (previous year: € -29.5 million). Meanwhile, the strong increase in cash inflows from customer payments received in the amount of € 44.0 million (previous year: € 7.8 million) ensured a positive cash effect. In addition, the increase in trade payables by the reporting date

**Assets and Financial Position**

The Group's net liquidity – the balance of cash and cash equivalents and financial liabilities – improved in the 2022 fiscal year from EUR 33.8 million in the previous year to € 41.3 million as of December 31, 2022.

Cash and cash equivalents decreased slightly at the end of the reporting year to € 51.4 million (previous year: € 52.1 million). Financial liabilities increased to € 20.0 million as of December 31, 2022, compared with € 18.3 million



of € 2.5 million compared to the previous year had a positive effect on the cash flow from operating activities. The change in other liabilities and provisions, as well as the change in tax assets and tax liabilities, resulted in a positive cash effect totaling € 5.0 million.

The cash flow from investing activities was € -17.8 million (previous year: € -9.6 million). Of this, € 6.6 million (previous year: € 8.5 million) was attributable to investments in tangible assets. Cash outflows of approximately € 3.8 million had been recorded by the end of 2022 for the further expansion of cleanrooms and the purchase of various pieces of technical equipment at SUSS MicroOptics, Hauterive, Switzerland. Further cash outflows of around € 1.1 million related to investments in various technical equipment and demo equipment at the Garching and Sternenfels locations, as well as in operating and office equipment. In addition, we invested a total of € 0.6 million in equipment for the cleanroom and in operating and office equipment at our site in Taiwan. The remaining investments primarily involved operating and office equipment as well as building measures.

Investments in intangible assets amounted to € 1.3 million in the past fiscal year (previous year: € 1.2 million) and relate primarily to acquisition costs for software.

The free cash flow in the 2022 fiscal year thus amounted to € 16.0 million (previous year: € 14.7 million). This key figure is calculated as the difference between the cash flow from operating activities and the cash flow from investing activities, corrected for the effect of the purchase of securities, and represents the free liquid funds available for distributions and debt servicing.

The cash flow from financing activities amounted to minus € 6.8 million in the past fiscal year (previous year: minus € 3.8 million). Due to the good liquidity situation, only the guarantee line under the syndicated loan agreement concluded in 2019 was partially utilized in 2022. In the 2022 fiscal year, repayments of € 1.2 million (previous year: € 0.9 million) were made to IKB for the two KfW promotional loans taken out in 2019 (loan amount: € 10.0 million). In the previous year, repayments totaling € 0.5 million were made for a bank loan that served to finance the property in Garching. This loan was already repaid in full as of June 30, 2021. In addition, repayments of rental and leasing liabilities burdened the cash flow from financing activities

in the amount of € 2.5 million and the dividend paid out for the 2021 fiscal year in the amount of € 3.1 million.

Aside from cash and cash equivalents of € 51.4 million, the Group at the end of the reporting year had a syndicated credit line of € 61.0 million (previous year: € 56.0 million) that can be used for guarantees of up to € 21 million and for cash drawdowns of up to € 40.0 million. In December 2022, the optional debt allowance of € 5 million specified in the syndicated loan agreement was used. An additional contract for a guarantee line was concluded for this amount.

As of the reporting date, the utilization in the form of cash credits amounted to € 0 (previous year: € 0). The utilization in the form of guarantees amounted to € 14.8 million (previous year: € 9.9 million).

By taking out the long-term loans and the syndicated loan agreement, which has a term until October 24, 2026, the Group has sufficient financial leeway overall to finance product developments, planned investments, and other strategic activities in the coming year, according to current estimates.

In addition to goodwill, business properties in Garching and Sternenfels account for the bulk of noncurrent assets.

As of the reporting date, goodwill amounted to € 18.6 million (previous year: € 18.5 million). Part of the goodwill is denominated in US dollars and is therefore subject to currency fluctuations; as of the reporting date, it was valued at USD 2.4 million. The entire amount of goodwill is assigned to the Lithography division.

In addition, noncurrent assets at the reporting date encompassed licenses and patents as well as the SAP system activated at SÜSS MicroTec SE, with a total carrying amount of € 3.0 million (previous year: € 2.7 million). € 1.0 million (previous year: € 1.0 million) was attributable to the Lithography, Bonder, Photomask Equipment, and Micro-optics divisions and € 2.0 million (previous year: € 1.7 million) to the Central Group Functions. In 2019, SUSS MicroTec also acquired right-of-use assets to an applications center and the machines installed there as part of a cooperation agreement with a customer in the USA in the amount of € 2.9 million and with a term of five years. This right-of-use asset was allocated to the Lithography and Bonder divisions. The COVID-19 pandemic, as well as structural changes in the

operator consortium, led to delays in the installation of these systems in the 2020 and 2021 fiscal years. Two of the four systems were then successfully accepted in October and December 2021. The last two systems were accepted in April 2022 and in November 2022. As of December 31, 2021, the carrying amount of the right-of-use assets was EUR 2.9 million.

The two company properties in Garching and Sternenfels account for the bulk of the Group's tangible fixed assets. SUSS MicroTec Solutions GmbH & Co. KG and SÜSS MicroTec SE are based there. As of December 31, 2022, the Company premises – together with the production, storage, and administration buildings – had a residual carrying amount of € 14.3 million (previous year: € 14.9 million).

The remaining tangible assets are of lesser importance for the financial position of the Group, as we – with the exception of SUSS MicroOptics, Hauterive (Switzerland) – are not generally dependent on cost-intensive production equipment.

The carrying amount of tangible assets amounted to € 48.9 million on the reporting date (previous year: € 44.5 million). The increase was mainly due to the year-on-year increase in right-of-use assets according to IFRS 16 in the amount of € 2.8 million.

As of the reporting date, deferred tax assets amounted to € 1.4 million (previous year: € 1.4 million). Deferred tax liabilities of € 10.5 million (previous year: € 9.0 million) were also reported. These were mainly related to temporary differences in the German companies in terms of goodwill, advance payments received from customers, trade receivables, inventories, and contract assets. Differences resulted primarily from differences in revenue recognition between IFRS and tax law. As of December 31, 2022, there was again a surplus of deferred tax liabilities at the German companies.

In addition, deferred tax assets were recognized at SUSS MicroOptics, Hauterive (Switzerland), for temporary differences in the amount of € 0.7 million (previous year: € 0.7 million). Of this amount, € 0.4 million (previous year: € 0.4 million) was related to pension obligations and € 0.3 million (previous year: € 0.3 million) to loss carry-forwards. The German companies and SUSS MicroOptics, Hauterive (Switzerland), were the main companies for which deferred tax items were recognized in the 2022 fiscal year.

Taking into account the consolidated result, there were tax loss carryforwards of € 3.2 million for the German companies as of December 31, 2022 (previous year: € 2.8 million). Deferred tax assets of € 0.9 million (previous year: € 0.8 million) were formed on this basis. As in previous years, no deferred tax assets for loss carryforwards were recognized for the loss carryforwards of the US companies or the subsidiary in Japan and the Netherlands.

Current assets increased by € 69.1 million to € 278.0 million in the year under review. The increase was mainly due to the € 60.0 million increase in inventories and the short-term investment in commercial paper in the amount of € 9.9 million. In addition, trade receivables increased by € 3.5 million to € 19.1 million and contract assets by € 6.1 million to € 37.9 million.

As of the reporting date, inventories amounted to € 150.5 million (previous year: € 99.5 million). The gross value of materials and supplies increased by around € 18.3 million to € 71.7 million. In addition, the gross value of the systems for demonstration purposes increased by € 7.0 million to € 31.3 million. The accumulated value adjustments relating to the demo equipment and the

materials and supplies fell from € 32.4 million to € 31.4 million. In addition, the inventory of work in progress increased by € 13.3 million to € 56.0 million because some machines could not be completed on time at the end of the year. The inventory of finished goods increased by € 2.0 million compared to the previous year.

Trade receivables increased from € 15.6 million in the previous year to € 19.1 million.

The contractual assets relate to claims by SUSS MicroTec for consideration for services from machine deliveries that have been completed but have not yet been invoiced as of the reporting date. At the end of the year, they showed a value of € 37.9 million (previous year: € 31.8 million).

Cash and cash equivalents fell from € 52.1 million to € 51.4 million.

As of the reporting date, other assets increased slightly to € 8.5 million (previous year: € 8.4 million). The item essentially includes sales tax receivables of € 3.8 million not yet collected on the reporting date and advance payments made of € 2.0 million.

Non-current liabilities increased in the 2022 fiscal year from € 29.9 million to € 32.8 million. Financial liabilities, which totaled € 16.2 million as of the reporting date (previous year: € 14.9 million), are reported under noncurrent liabilities. In addition, the noncurrent liabilities included the Group's pension provisions in the amount of € 5.0 million, other provisions in the amount of € 0.8 million, and the deferred tax liabilities of € 10.5 million. Financial debt to banks fell by € 1.2 million, while long-term lease liabilities increased by € 2.6 million. The KfW loan of € 10 million taken out via IKB Deutsche Industriebank AG was repaid as planned in the amount of € 1.2 million (previous year: € 0.9 million).

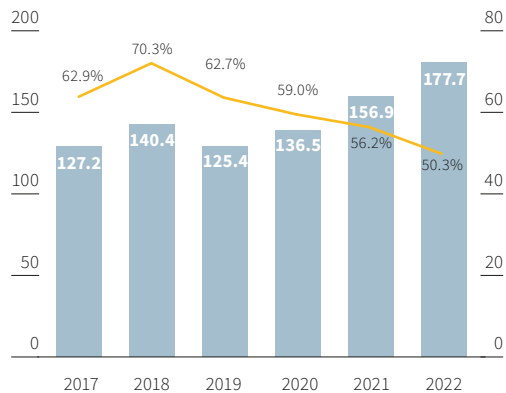
Current liabilities increased in the past fiscal year from € 92.4 million to € 142.6 million. Liabilities to banks were unchanged from the previous year at € 1.2 million. The liabilities recognized as current financial debt from leasing obligations in accordance with IFRS 16 increased from € 2.2 million to € 2.6 million. Customer prepayments included in current liabilities increased significantly and amounted to € 77.9 million at the end of the fiscal year (previous year: € 33.8 million). Trade payables increased to € 27.1 million (previous year: € 24.4 million) based on the reporting

date. Other financial liabilities increased from € 10.6 million to € 12.0 million.

As of the reporting date, current provisions increased from € 5.4 million to € 6.0 million. Tax liabilities increased slightly from € 6.7 million to € 7.0 million and mainly included tax provisions for the German companies.

As of December 31, 2022, the shareholders' equity of the SUSS MicroTec Group increased by 13.3 percent to € 177.7 million. The equity ratio fell compared with the previous year from 56.2 percent to 50.3 percent. The reason for the decline is the increase of € 44.1 million in contractual liabilities.

**Shareholders' equity in € million and equity ratio in percent**



The holding company is also responsible for legal and compliance, corporate marketing, investor relations, insurance management, internal auditing, and IT services. Furthermore, the holding company assumes the financing of strategically important development projects of the operating subsidiaries.

With the exception of the 53.1 percent stake in HUGLE Lithography Inc., San Jose (USA), SÜSS MicroTec SE is the sole shareholder in the companies included in the consolidated financial statements. The holding company has provided loans only to subsidiaries. The earnings position of the holding company as an individual company is not directly dependent on the development of the Company's markets. The holding company refinances itself mainly by allocating the costs of management services, IT system costs and licenses, and insurance to the operating companies, by leasing the buildings at the Garching and Sternenfels sites to subsidiaries, by interest income from loans to subsidiaries, and by profit transfers from existing profit and loss transfer agreements as well as by profit distributions from subsidiaries.

## The Holding Company – SÜSS MicroTec SE

The holding company is responsible for the steering and management of the SUSS MicroTec Group. It takes on tasks such as strategic orientation. This includes the expansion of the product portfolio, acquisitions of other companies and technologies, and financial issues for the entire Group.

**Presentation of the Key Financial Figures of the Holding Company (in € thousand)**

Company	SÜSS MicroTec SE (HGB)			
	2022	2021	Change	in %
Net profit/Net loss	12,198	39,591	-27,393	-
Shareholders' equity	111,870	102,731	9,139	9%
<b>Total assets</b>	<b>179,197</b>	<b>179,550</b>	<b>-353</b>	<b>0%</b>
Equity ratio in %	62%	57%		
Fixed assets	86,744	84,828	1,916	2%
in % of total assets	48%	47%		
Current assets	92,453	94,723	-2,270	-2%
in % of total assets	52%	53%		

Net income for the year is the most important financial performance indicator for the holding company.

### Significant Changes in the Assets and Financial Position

Intangible assets amounted to € 2.0 million as of the reporting date (previous year: € 1.7 million).

As of the reporting date, shares in affiliated companies were reported at € 56.9 million (previous year: € 56.9 million).

Loans to affiliated companies increased by around € 2.0 million and had a carrying amount of € 12.5 million. The increase resulted primarily from a loan granted to SUSS MicroOptics, Hauterive (Switzerland), which was required to finance long-term investments, especially for production facilities.

The loans granted to SUSS MicroOptics, Hauterive (Switzerland) with a nominal value of CHF 6.6 million (previous year: CHF 4.6 million) had a carrying amount of the equivalent of € 6.3 million as of December 31, 2022.

The loan of JPY 775 million (previous year: JPY 775 million) granted to SUSS MicroTec KK, Yokohama (Japan) had a carrying amount of the equivalent of € 1.1 million as of December 31, 2022.

The loan granted to SUSS MicroTec (Taiwan) Company Ltd., Hsinchu (Taiwan), with a nominal value of TWD 85 million (previous year: TWD 85 million) had a carrying amount of the equivalent of € 2.5 million as of December 31, 2022.

The loan granted to SUSS MicroTec Inc., Corona (USA), with a nominal value of USD 3 million (previous year: USD 3 million) had a carrying amount of the equivalent of € 2.6 million as of December 31, 2022.

Current receivables from affiliated companies fell by € 5.4 million to € 39.6 million. This amount includes receivables from profit transfers from SUSS MicroTec REMAN GmbH and the same-phase profit collection from SUSS MicroTec Solutions GmbH & Co. KG. In May 2022, SUSS MicroTec Lithography GmbH was merged with SUSS MicroTec Photomask Equipment GmbH & Co. KG retrospectively as of January 1, 2022, and renamed SUSS MicroTec Solutions GmbH & Co. KG.

In the 2022 fiscal year, the liquidity position of SÜSS MicroTec SE fell by € 7.9 million to € 39.0 million. The main reasons for the decline were the investment made in December 2022 in a short-term commercial paper in the amount of € 9.9 million due on March 21, 2023, and the dividend payment to the shareholders of SÜSS MicroTec SE for the 2021 fiscal year of € 3.1 million.

Liabilities to affiliated companies fell by € 12.1 million to € 52.3 million in the fiscal year. The decrease was mainly due to the reporting date and resulted from the decrease in the cash pool liability to SÜSS MicroTec Solutions GmbH & Co. KG.

Liabilities to banks fell by € 1.2 million in the course of 2022 to a total of € 7.8 million.

On October 24, 2019, SÜSS MicroTec SE signed a syndicated loan agreement with four banks (Deutsche Bank AG, Landesbank Baden-Württemberg, Commerzbank Aktiengesellschaft, and Targo Bank (formerly Crédit Mutuel – BECM Banque Européenne du Crédit Mutuel SAS)) for a total of € 56 million. The syndicated loan agreement has a term of five years and grants SÜSS MicroTec SE a guarantee line of

€ 40 million for cash drawings and a guarantee line of € 16 million. For a partial amount of the credit line of € 24 million, the loan is granted in the form of cash drawings in individual tranches starting from € 0.5 million with terms of one, three, six, or twelve months; the grant is revolving. The remaining amount of € 16 million can be used as a current account line. As of December 31, 2022, the cash credit facility was not utilized, as was the case on the previous year's reporting date. SÜSS MicroTec SE exercised a contractual option to extend the syndicated loan. Overall, the term of the agreement was extended by two years. Accordingly, the agreement ends in October 2026. In December 2022, an additional debt allowance of € 5 million specified in the syndicated loan agreement was used. An additional contract for a guarantee line was concluded for this amount. The entire guarantee line can also be used by the other German companies.

SÜSS MicroTec SE has taken out a KfW loan of € 10 million via IKB Deutsche Industriebank AG, which has a term of ten years and was paid out in two tranches of € 5 million each in April 2019 and August 2019. The loan has a grace period until June 30, 2021. The loan decreased by € 1.2 million to € 7.8 million in the 2022 fiscal year.

Due to the positive annual result, shareholders' equity as of December 31, 2022, increased year-on-year from € 102.7 million to € 111.9 million.

A dividend of € 3.1 million was distributed in the 2022 reporting period for the 2021 fiscal year.

### Significant Events with Influence on the Earnings Position of the Holding Company

In the annual financial statements of SÜSS MicroTec SE under commercial law, there was a net income of € 12.2 million for the 2022 fiscal year (previous year: net income of € 39.6 million).

In 2022, the holding company's sales revenue amounted to € 12.0 million (previous year: € 11.2 million) and essentially comprised the allocations billed to the subsidiaries for management services, marketing, and insurance. Sales revenue also included charges for the Group-wide SAP system, rental income, and license fees. The division reporting shows how the costs of SÜSS MicroTec SE are passed on to the divisions. The reallocation of costs of SÜSS MicroTec SE to the subsidiaries already occurred in full in previous years.

Other operating income mainly includes foreign currency gains of € 1.8 million (previous year: € 1.1 million). The increase compared to the previous year resulted primarily from US dollar positions, in particular the valuation of bank balances.

Other operating expenses included – in addition to ongoing administrative expenses – foreign currency losses of € 3.9 million (previous year: € 0.7 million). The year-on-year increase is mainly due to various foreign currency transactions, particularly US dollar transactions, which were affected by changes in the exchange rate.

In May 2022, SUSS MicroTec Lithography GmbH was merged with SUSS MicroTec Photomask Equipment GmbH & Co. KG retrospectively as of January 1, 2022, and renamed SUSS MicroTec Solutions GmbH & Co. KG. As a result, no income from the profit transfer from the holding company was recognized for SUSS MicroTec Lithography GmbH in the 2022 fiscal year. In the 2021 fiscal year, on the basis of the profit and loss transfer agreement that has been in force since January 1, 2011, there was still income from the profit transfer of € 8.8 million. Instead, in the 2022 fiscal year, investment income of € 15.6 million (previous year: € 10.3 million) was recognized from the same-phase

income from SUSS MicroTec Solutions GmbH & Co. KG (formerly SUSS MicroTec Photomask Equipment GmbH & Co. KG). Furthermore, on the basis of the profit and loss transfer agreement concluded with SUSS MicroTec REMAN GmbH, Oberschleißheim, the holding company recognized income from the profit transfer of € 1.1 million (previous year: € 0.8 million). The item also included a dividend payment from SUSS MicroTec (Taiwan) Company Ltd., Taiwan, in the amount of € 2.0 million, and a dividend payout from SUSS MicroTec Korea Co. Ltd., Korea, in the amount of € 1.2 million.

Income from loans classified as financial assets included interest income for the long-term loans granted to the subsidiaries SUSS MicroOptics, Hauterive (Switzerland), SUSS MicroTec (Taiwan) Company Ltd., Hsinchu (Taiwan), SUSS MicroTec Inc., Corona (USA), and SUSS MicroTec KK, Yokohama (Japan).

Interest expenses remained at the level of the previous year at € 0.5 million (previous year: € 0.5 million.)

An average of 37 (previous year: 34) employees worked at SÜSS MicroTec SE in the 2022 fiscal year.

The short and medium-term development of SÜSS MicroTec SE primarily depends on how the financial and earnings position of important subsidiaries develops. The financial and earnings position of the subsidiaries is critical for the level of the interest-bearing net financing balance of the holding company and the distribution and transfer of profits to the proprietary company. In addition, the result is influenced by foreign currency effects, which essentially result from changes in the USD, CHF, and JPY exchange rates.

Since the subsidiaries generally only have small cash holdings, the development of the Group's net liquidity will also be reflected primarily in SÜSS MicroTec SE as a financial holding company in 2023. Based on the development of the consolidated result in the 2022 fiscal year, we plan to further increase the net income in the 2023 fiscal year. We particularly expect higher profit transfers and dividend distributions by the subsidiaries.



## Disclosures under Take-over Law in Accordance with Section 289a HGB and Section 315a HGB

### (1) Composition of the subscribed capital

As of December 31, 2022, the Company's subscribed capital amounted to € 19,115,538.00 (previous year: € 19,115,538.00). The equity capital is divided into 19,115,538 (previous year: 19,115,538) registered, no-par-value individual shares representing a pro-rata amount of € 1.00 per share. The shares are fully paid in. The same rights and obligations apply to all shares. Each share confers one vote at the Shareholders' Meeting and determines the shareholders' portion of the Company's profits. A shareholder in relation to the Company is only someone who is entered as such in the register of shareholders. Shareholders must provide the Company with the information necessary to be included in the share registry.

### (2) Restrictions affecting voting rights or the transfer of shares

There are no restrictions with regard to voting rights or the transfer of shares, as stipulated by the Articles of Incorporation. We are also not aware of the existence of such agreements between shareholders.

### (3) Participations in capital that exceed 10 percent of the voting rights

On February 13/14, 2020, and February 19, 2020, we received reports from Luxunion S.A. (Leudelange/Luxembourg), Luxempart S.A. (Leudelange/Luxembourg), Teslin Capital Management BV (Maasbergen/Niederlande), and Gerlin NV (Maasbergen/Niederlande), who jointly concluded an acting-in-concert agreement and consequently jointly exercised voting rights in the amount of 13.32 percent. On March 26, 2020, Luxunion S.A. (Luxembourg/Luxembourg), Teslin Capital Management BV (Maasbergen/Niederlande) and Gerlin NV (Maasbergen/Niederlande) announced that their voting rights exceeded the threshold of 15 percent on March 24, 2020, and amounted

to 15.01 percent on that day. As of December 31, 2022, the joint share in the equity capital was still 15.01 percent.

Kempen Oranje Participaties N.V. and Kempen Capital Management N.V. informed us in October 2022 that their joint share of voting rights in SÜSS MicroTec SE had exceeded the 10 percent threshold on October 25, 2022, and has been 10.01 percent since then. As of the reporting date of December 31, 2022, the joint share in the equity capital was still 10.01 percent.

The latest voting rights announcements in accordance with the German Securities Trading Law (WpHG) are published on the website [www.suss.com](https://www.suss.com) in the Investor Relations section.

### (4) Shares with extraordinary rights that grant controlling authority

Shares with extraordinary rights that grant controlling authority do not exist.

## **(5) Type of voting rights control if employees hold shares in the capital and do not exercise their control rights directly**

If SÜSS MicroTec SE issues shares to employees as part of an employee share program, the shares are transferred directly to the employees. The beneficiary employees who hold shares of employee stock may exercise their control rights in the same way as any other shareholder directly in accordance with applicable laws and the Articles of Incorporation. There is currently no stock option program for employees.

## **(6) Statutory provisions and provisions of the Articles of Incorporation relating to the appointment and removal of directors and the amendment of the Articles of Incorporation**

The appointment and dismissal of members of the Management Board are regulated in Articles 39, 46 SE-VO, Section 16 SE Implementation Act, Sections 84 and 85 of the German Stock Corporation Law (AktG), and Section 8 of the Company's Articles of Incorporation. Accordingly, members of the Management Board are appointed by the

Supervisory Board for a maximum of six years. A reappointment or extension of their terms is permitted for a maximum of six years. The Supervisory Board decides on the appointment and dismissal of Management Board members with a simple majority vote. The Management Board consists of a minimum of two persons, whereby the number of Management Board members is determined by the Supervisory Board. The Supervisory Board may appoint a member of the Management Board as the Chairman or Spokesman of the Management Board as well as a Deputy Chairman or Spokesman of the Management Board. If a required member of the Management Board is absent, in urgent cases the member can be legally summoned upon petition by a concerned party. The Supervisory Board may revoke the appointment of a Management Board member and the nomination of the Chairman of the Management Board for good cause.

Changes to the Articles of Incorporation require a resolution by the Shareholders' Meeting. Pursuant to Section 27 (1) of the Articles of Incorporation, such resolutions require a simple majority of the votes cast and a simple majority of the equity capital represented when the resolution is passed unless the law prescribes a larger majority. The authority to make changes that only affect the wording is assigned to the Supervisory Board in accordance with Section 18 (3) of the Articles of Incorporation.

## **(7) Powers of the Management to issue or repurchase shares**

The Management Board is authorized to increase the equity capital of the Company once or several times by up to a total of € 2,500,000.00 by issuing up to 2,500,000 new non-par value registered shares in the period up to June 5, 2023, with the approval of the Supervisory Board against cash or non-cash contributions (approved capital 2018). In the process, the shareholders are granted subscription rights. The new shares can also be taken over by one or more banks determined by the Management Board with the obligation to offer these to shareholders (indirect subscription rights). However, the Management Board is authorized, with the consent of the Supervisory Board, to exclude the shareholders' subscription rights in order to even out fractional amounts;

- if in the case of an increase in capital stock against tangible assets, shares are granted for the purpose of acquiring companies, parts of companies, or investments in companies (including an increase in existing investments), or for the purpose of acquiring receivables against the Company;

- > if an increase in capital stock against cash contributions does not exceed 10 percent of the equity capital and the issue price of the new shares is not significantly lower than the stock market price (Section 186 (3) (4) AktG); when making use of this authorization with the exclusion of subscription rights in accordance with Section 186 (3) (4) AktG, the exclusion of subscription rights based on other authorizations in accordance with Section 186 (3) (4) AktG must be taken into account.

The total number of shares issued under this authorization in exchange for cash and/or non-cash contributions, excluding shareholders' subscription rights, may not account for more than 10 percent of the equity capital at the time this authorization takes effect. Deducted from this limit are shares that

- a) are issued or sold during the term of this authorization with the exclusion of subscription rights in direct or corresponding application of Section 186 (3) (4) AktG and
- b) are or can or must be issued to service bonds with conversion or option rights or conversion or option obligations, provided that the bonds are issued after this

authorization has taken effect with corresponding application of Section 186 (3) (4) AktG to the exclusion of shareholders' subscription rights.

The Management Board is authorized, with the approval of the Supervisory Board, to establish further details regarding the increase in capital stock and its implementation. The Supervisory Board is authorized to adjust the wording of the Articles of Incorporation accordingly following each utilization of approved capital or expiration of the deadline for the utilization of approved capital. The Company is furthermore authorized to acquire treasury shares. The authorization is limited to the acquisition of treasury shares with a calculated share in the equity capital of up to 10 percent. The shares acquired hereunder, together with treasury shares already held by the Company or attributable to it pursuant to Sections 71a ff. AktG, may at no time account for more than 10 percent of the equity capital. The authorization can be exercised by the Company or by third parties acting for the account of the Company in whole or partial amounts, on one or more occasions. The authorization is valid until June 5, 2023. It can also be exercised by Group companies or third parties acting for the account of the Company or a Group company. The acquisition takes place via the stock exchange or by means of a public purchase offer addressed to all shareholders of the Company.

## **(8) Significant agreements of the Company that are subject to a change of control as a result of a takeover bid**

There is a syndicated loan of € 61 million with the consortium consisting of Deutsche Bank AG, Landesbank Baden-Württemberg (LBBW), Commerzbank AG, and Banque Européenne Cr dit Mutuel (today part of Targobank AG). This loan contains a right to extraordinary cancellation if there is a significant change in the Company's circumstances and the parties have not reached a timely agreement regarding maintaining the credit relationship. In the 2021 fiscal year, this agreement was last extended until October 23, 2026.

There are no other significant agreements of S SS MicroTec SE that are subject to a change of control as a result of a takeover bid.

### **(9) Compensation agreement of the Company that has been made with members of the Management Board or employees in the event of a takeover bid**

No special rules exist with regard to the voting rights tied to shares or any control options resulting from this, either through the establishment of special stock categories or through restrictions on voting rights or transfers. There are

no provisions extending beyond the legal regulations regarding the appointment of members of the Management Board or asking them to step down.

## **Group Declaration Regarding Corporate Governance in Accordance with Section 289f and Section 315d HGB**

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On March 7, 2023, the Management Board and Supervisory Board of SÜSS MicroTec SE issued a joint Group declaration regarding corporate governance in accordance with Sections 289f and 315d of the German Commercial Code (HGB) and made it available on the Company's website at [+https://www.suss.com/en/investor-relations/corporate-governance](https://www.suss.com/en/investor-relations/corporate-governance). The Group Declaration on Corporate Governance also includes the report on the Company's corporate governance starting with the 2020 fiscal year.

# Nonfinancial Group Declaration in Accordance with Section 315b of the German Commercial Code (HGB)

## Introduction/Foreword

With the annual Nonfinancial Group Declaration, SÜSS MicroTec SE provides a report on its sustainable actions in the past fiscal year in accordance with Section 315b. In accordance with Section 289c of the German Commercial Code (HGB), the report is geared toward the stipulated aspects of environmental, employee-related and social concerns, respect for human rights and fighting active and passive corruption. In addition to the legal obligation for sustainability reporting, these factors are of great importance for the communication with our stakeholders and integral components of our corporate goals. We are conscious of our responsibility and, as a company, want to actively contribute to the evolution and preservation of society and the environment for current and future generations.

SUSS MicroTec supports internationally recognized human rights and their observance. We respect personal dignity, privacy, and the personal rights of each individual. We prioritize the health and safety of our employees in the workplace. We create a safe and healthy work environment for our entire workforce to protect each individual from physical and psychological harm. Our relationships with customers and business partners are based on integrity, quality, reliability, and competitive pricing. For this reason, any decision-making and selection processes must be based solely on objective considerations. The SUSS MicroTec name is synonymous with innovativeness, technological leadership, transparency, fairness, and customer focus. That is why the promotion of fair competition is consistent with our business policy. We protect our Company's property and expertise by always handling business information responsibly with due confidentiality while protecting the personal information of our employees, clientele, and business partners. Our business model and strategic alignment are described in detail in the Management Report under Business Activity, Corporate Control, and Strategic Orientation.

Some of the activities of the 2022 fiscal year were still affected by the COVID-19 pandemic and the national and regional restrictions introduced as a result. Limited availability of purchased parts and components also extended

our delivery times significantly. In addition, our employees were not able to freely visit customers in Asia in order to install and service systems. The Company nevertheless succeeded in generating sales of €299.1 million in the fiscal year, an increase of 13.6 percent year-on-year. All employees and production that operates without interruption contributed to this economic success.

## Our Stakeholders

Sustainability is becoming an integral component of our corporate philosophy. In addition to our own objectives, we also consider the expectations of external stakeholders. Since we are a listed company, our shareholders represent an important stakeholder group. They need extensive information in order to make their investment decisions. Our suppliers and customers are of existential importance. Close cooperation and regular dialogue are basic prerequisites for individual solutions tailored to specific needs. They are the basis for our business success and the future viability of the Company. We need motivated and dedicated employees to achieve lasting success in our innovative and highly competitive industry. We are constantly seeking new talent to recruit for our Company. In the capital-intensive semiconductor industry, fundamental processes and new products are often developed in partnership with

research institutes or collaboration partners. They are also an important stakeholder group. For this reason, SUSS MicroTec cultivates close relationships with various research institutions, universities, and other companies in the industry. We also count the local communities at our main sites as our stakeholders. All stakeholders have different information needs and expectations in regard to SUSS MicroTec. For this reason, we use various channels to stay in touch with our key stakeholder groups.

## About this Report

Explanations and descriptions of individual aspects in this report are based on the reporting standards of the Global Reporting Initiative (GRI). The contents relate to the reporting period of January 1, 2022, to December 31, 2022. A table at the end of this statement shows how the report's content is classified according to GRI framework requirements.

The nonfinancial disclosures and key figures on our sustainability activities provided in this report were reviewed by the Supervisory Board of SÜSS MicroTec SE.

## Sustainable Governance and Sustainability Strategy

As a global company, we are facing up to the challenges of this age. We want to make a contribution for future generations. We therefore take economic and ecological factors into account in our business decisions. For us, sustainable thinking and action encompasses the careful use of natural resources, respectful interaction with one another, equal opportunities for all employees, and conduct that complies with the law. We are firmly convinced that a consistent path toward sustainability will help the company to tap new growth potential.

In organizational terms, sustainability management falls under the responsibility of the head of the Quality Management department who, being the ESG Manager, reports directly to the Management Board. The ESG Manager function defines the sustainability targets together with the Management Board, the operating departments and the functional areas of the Company. The core sustainability team consists of representatives from human resources, legal, facility management, quality management,

purchasing, sales, and investor relations. The ESG Manager, working with this team, monitors the achievement of targets and the adoption of measures defined within the framework of our focus areas. The core team also initiates new measures and initiatives. The full Management Board has overall responsibility for sustainability. The tremendous relevance of the topic led the Supervisory Board to form a Sustainability Committee as of January 1, 2022, which shareholders approved at the 2022 Shareholders' Meeting by changing the Articles of Incorporation.

## Materiality Analysis

Section 289c (3) HGB requires SUSS MicroTec to identify not only legally required aspects of environmental, employee-related and social concerns, respect for human rights, and combating active and passive corruption, but also material issues that are necessary for understanding the Company's business performance, earnings, and current situation as well as the impact of the Company's business activities on nonfinancial aspects. In order to identify these major topics for SUSS MicroTec, we

regularly conduct a materiality analysis. This serves as a basis for the definition of overarching focus areas that were classified under our individual material topics. These focus areas are subject to regular review by the Management Board and Supervisory Board. In 2022, the Management Board, Supervisory Board, and ESG Team analyzed the previous focus areas in a workshop and updated the focus areas for 2022. During this analysis, it became apparent that “Market & Customers” and “Innovation, Research & Development” remained highly important topics for the Company in the 2022 fiscal year but did not represent separate focus areas of the sustainability strategy. Consequently, the focus areas in 2022 were:

- 1.) Environment & Climate
- 2.) Circular Economy
- 3.) Employees & Culture
- 4.) Responsible Supply Chain
- 5.) Compliance & Social Concerns

This nonfinancial declaration looks at the “Environment & Climate” and “Circular Economy” focus areas together since they are closely related. It also considers the “Responsible Supply Chain” and “Compliance & Social Concerns” focus areas together. These focus areas also overlap in their objectives and measures, making it appropriate to look at them as a single unit.

The legally required aspects of environmental, employee-related and social concerns, respect for human rights and fighting active and passive corruption are considered in the focus areas as follows:

<u>Legally required aspect:</u>	<u>SUSS MicroTec focus area:</u>
Environmental concerns	Environment & Climate
Employee-related concerns	Employees & Culture
Respect for human rights	Compliance & Social Concerns, Responsible Supply Chain, Employees & Culture
Combating corruption and bribery	Compliance & Social Concerns, Responsible Supply Chain, Employees & Culture
Social concerns	Compliance & Social Concerns

## Material Nonfinancial Risks

No material nonfinancial risks that are or will be very likely to have serious negative effects on nonfinancial matters – within the meaning of Sections 289c (2) and (3), 315c HGB – were identified with regard to the business activities or business relationships of SUSS MicroTec after the materiality analysis.

## Focus Area: Environment & Climate and Circular Economy

SUSS MicroTec is a technology company that focuses heavily on the semiconductor industry. Resource efficiency is essential in this innovative and future-oriented market segment. Our environmental and climate protection measures are carried out from two perspectives. First, we improve our products’ energy efficiency and thus our customers’ carbon footprint. Semiconductor companies can use our machines to manufacture ever more powerful and energy-efficient products, ultimately increasing the efficiency of many electronic end-user devices such as cell

phones. We therefore strive to improve our machines' throughput, energy efficiency, and material consumption through innovations and continuous improvements. Our responsibility ranges from development to component purchasing to machine production to the repurchase, re-conditioning, and sale of used machines in keeping with the idea of the circular economy.

Second, we continuously work to make our own production and administration activities more energy-efficient and less resource-intensive. The ISO 14001:2015 certification serves as the framework for our environmental management system. At SUSS MicroTec, we are continuously working on the implementation and further development of our environmental management. The certification of the quality management system to ISO 9001:2015 and ISO 14001:2015 was confirmed by TÜV Süd in February 2023. The certifications cover our two German sites in Garching and Sternenfels.

### Goals

The environmental goal was updated in 2022 and aims to sustainably reduce global carbon emissions (Scope 1 and Scope 2) to zero by 2030. DEKRA Assurance Services GmbH has been verifying the calculation of the global carbon footprint according to GHG Protocol since 2021. The carbon footprint for 2022 has improved significantly over the previous year because the power supply at the German sites was switched – as planned – to 100 percent green electricity, thus reducing Scope 2 emissions in Germany to zero.

#### Greenhouse Gas Emissions Germany (GRI 305-1)

Cause and main sources (in t CO <sub>2</sub> equiv.), Germany only	2022	2021	Target
Scope 1 – direct emissions	1,157	1,286	Carbon neutrality: Reduction of Scope 1 and Scope 2 emissions to zero by 2030
Scope 2 – indirect emissions (market-based method)	0	1,223	
<b>Total</b>	<b>1,157</b>	<b>2,509</b>	

Globally, our absolute greenhouse gas emissions increased, as scope 3 emissions rose compared with the previous year. Scope 1 and Scope 2 emissions, on the other hand, were significantly reduced.

#### Greenhouse Gas Emissions Worldwide (GRI 305-1)

Cause and main sources (in t CO <sub>2</sub> equiv.), worldwide	2022	2021
Scope 1 – direct emissions	1,450	1,668
Scope 2 – indirect emissions (market-based method)	1,237	2,991
Scope 3 – indirect emissions	157,263	132,763
<b>Total</b>	<b>159,950</b>	<b>137,342</b>



## Measures

In our efforts to make our production and administration activities more sustainable, we are constantly implementing targeted measures to improve facilities and building equipment at the Garching and Sternenfels sites.

In 2022, these activities were continued together with the measures to improve energy efficiency. The current light bulbs are being gradually replaced with energy-efficient LED light bulbs at both German sites. The use of usage-dependent smart LED lighting controls is being examined and implemented where appropriate, particularly in production.

In addition, the fan motors in Cleanroom 1 in Sternenfels were replaced with more energy-efficient models, which can result in energy savings of up to 15 percent. The building management system was also expanded so that all control systems can now be controlled efficiently, including direct control if required. Shades were installed to save on energy and costs due to air conditioning. To boost energy and cost efficiency, we regularly invest in our buildings, particularly the cleanrooms and production areas at the production sites. This includes modern electrical and air-conditioning systems, for example.

Power consumption – since 2022 exclusively in the form of green electricity at the German production sites – has increased disproportionately to the increase in sales and the associated intensive use of cleanrooms in 2022. By contrast, gas and heating oil consumption was reduced, in some cases significantly. Our measures to improve the environmental performance already have an impact here. Diesel consumption increased slightly compared with the previous year. Our aim is to keep consumption of individual energy sources stable while increasing sales, or to reduce it by one percent per year. In the case of heating oil and gas consumption, this was achieved in Germany in 2022 in terms of absolute consumption. In Germany, consumption of power and diesel increased compared with the previous year.

Globally, gas and heating oil consumption was significantly reduced. Power and diesel consumption, on the other hand, increased compared with the previous year.

### Energy Consumption by Energy Source, Germany (GRI 302-1)

Consumption data in MWh (Germany)	2022	2021	Target
Power consumption	4,642	4,351	We are pursuing the target of keeping consumption of the individual energy sources stable or reducing it by one percent per year while sales are increasing.
Gas consumption	1,691	1,809	
Heating oil consumption	1,938	2,461	
Diesel consumption	967	803	

**Energy Consumption by Energy Source, Worldwide (GRI 302-1)**

Consumption data in MWh worldwide

	2022	2021
Power consumption	9,838	9,220
Gas consumption	1,783	1,869
Heating oil consumption	2,438	3,461
Diesel consumption	1,130	991

In relation to the significant increase in sales, power, gas and heating oil consumption (Germany and worldwide) improved compared to the previous year. Diesel consumption stabilized globally at the level of 3.8 MWh/€ million sales. In Germany, the consumption figure increased slightly to 3.2 MWh/€ million sales.

**Energy Consumption by Energy Source in MWh per € Million Sales, Worldwide (GRI 302-1)**

Consumption data in MWh/€ million sales (worldwide)

	2022	2021
Power consumption	32.9	35.0
Gas consumption	6.0	7.1
Heating oil consumption	8.2	13.1
Diesel consumption	3.8	3.8

In 2022, we installed four charging stations, each with two charging points, at the Garching site to supplement the two existing e-charging stations in Sternenfels in order to make it more attractive for our employees to switch to electric vehicles. We also purchased three plug-in hybrid vehicles

and three electric vehicles in 2022, which emit significantly less CO<sub>2</sub> than conventional combustion vehicles. The CO<sub>2</sub> emissions of new company vehicles were capped at 150 g/CO<sub>2</sub> per km and vehicle in the fall of 2022.

New investments in building equipment will be assessed in coming years for their economic efficiency and environmental impact based on service life, age, consumption, and payback period. We plan to conduct a new energy audit in 2023 to make a comparison with our situation from the last audit in 2019 and identify which measures have actually led to a lasting improvement in energy efficiency. Energy audits are carried out at all four production sites worldwide.

Various actions were initiated or continued as early as 2021 to improve the energy and resource efficiency of our machines and, ultimately, drive energy and resource efficiency for our customers. For example, in refining our coating systems, we are constantly working to optimize processes to reduce the amount of paint consumed by our customers in production.

Another element in our sustainability strategy is the deliberate promotion of circular economy principles. Back in 2006, we founded SUSS MicroTec ReMan (ReMan stands for

**Energy Consumption by Energy Source in MWh per € Million Sales, Consumptions only Germany (GRI 302-1)**

Consumption data in MWh/€ million sales (Germany)

	2022	2021	Target
Power consumption	15.5	16.5	
Gas consumption	5.7	6.9	
Heating oil consumption	6.5	9.3	
Diesel consumption	3.2	3.0	

We are pursuing the target of keeping consumption of the individual energy sources stable or reducing it by one percent per year while sales are increasing.

remanufacturing), a subsidiary that systematically purchases used SUSS MicroTec systems from customers, professionally overhauls them, and then resells them as used equipment. This way, we ease pressure on the procurement budgets of our customers, extend the life expectancies of used systems, and conserve valuable resources. Last year, SUSS MicroTec ReMan succeeded in taking back 22 machines. They were either resold after a general overhaul or there are plans to resell them after remanufacturing. Systems that have been taken back are also, in rare cases, completely dismantled and disposed of properly. In the 2022 fiscal year, the Company generated sales of € 4.5 million with this business (previous year: € 3.3 million). The sales volume is difficult to plan and largely depends on how many used machines we can buy back that are also worth overhauling.

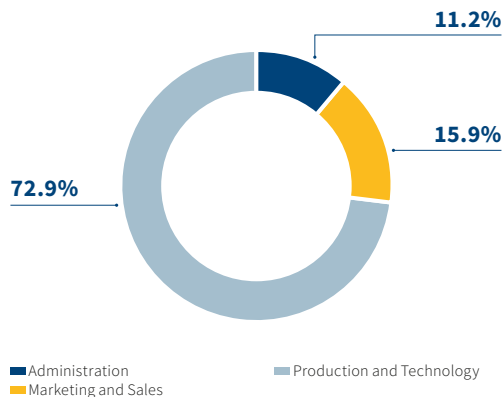
## Focus Area: Employees and Culture

Our employees are key to our business success and make a significant contribution to the value of our Company. We owe our technological capabilities in large part to the commitment and capabilities of our employees. To us as a Company, it is therefore very important that our employees are always highly trained, committed, and motivated. With active HR work and development at all hierarchical levels, we aim to attract and retain the best employees for our company.

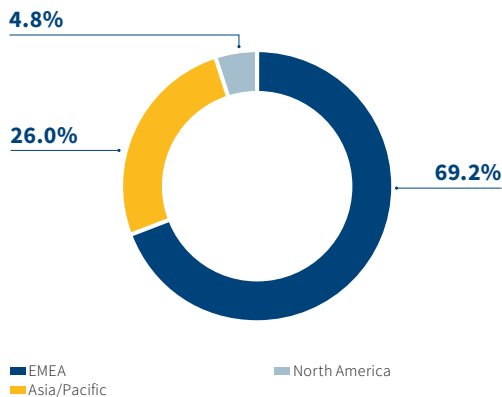
Due to our international presence, we have many employees of different nationalities and cultural backgrounds who work together extremely well. The aim of the diversity concept is to consciously draw on diversity for the commercial success of SUSS MicroTec since diversity in terms of different perspectives, qualifications, and experiences is essential for remaining competitive and achieving sustainable corporate success. Diversity also promotes the understanding at the Company for the many different expectations of international customers. The Company's diversity concept is set out and published in the Corporate Governance Declaration.

### Employees by Areas and Regions (% of the Total Workforce):

Employees by areas



Employees by regions



To meet the increased demand for our products, we have steadily increased the number of our employees over the last few years. The number of employees increased by around 6.3 percent from 1,178 employees (FTE) in 2021 to 1,252 in 2022. Within Germany, the number of people (FTE, excluding students, trainees and temporary staff) rose from

666 in 2021 to 678. The average age of employees in Germany was 42 again in 2022 (previous year: 42). We thus have a healthy mix of experienced employees and talented young people who have started their careers at SUSS MicroTec highly motivated and full of new ideas. After all, we need both ambitious young talent and motivated, seasoned staff if we want to maintain our innovative edge in the fast-moving semiconductor industry. A healthy mix of different age groups, different regional origins, and diverse social backgrounds broadens perspectives, opens new paths, and thus creates room for continuous renewal and improvement. As of December 31, 2022, 1,252 employees worked for SUSS MicroTec worldwide. Within Germany, 39 nations (previous year: 37) are represented, and the proportion of women was approximately 21 percent last year (previous year: 22 percent). In relation to the total global workforce, the proportion of women was 22 percent. The proportion of women in management positions is even higher than the proportion of women in the Company as a whole. Employees in Germany remain with the Company for eight years on average. This figure has not changed from the previous year.

<b>Employees (GRI 405-1)</b>		
<b>Shares of employees each as of Dec. 31 (Germany only)</b>	<b>2022</b>	<b>2021</b>
Share of women on the Management Board	0%	0%
Share of women on the Supervisory Board <sup>1</sup>	50%	20%
Share of women in first management level	36% <sup>2</sup>	37% <sup>2</sup>
Share of women in second management level	25% <sup>2</sup>	20% <sup>2</sup>
Share of women	21%	22%
Share of men	79%	78%
Number of trainees	39	36
<b>Total workforce (FTE, worldwide)</b>	<b>1,252</b>	<b>1,178</b>

1 As of December 31, 2022, the Supervisory Board consisted of only four members

2 With regard to the organizational structure of SUSS MicroTec SE

## Employee Satisfaction

Our employees are a key success factor in achieving our corporate goals. The satisfaction and well-being of our employees are very important to us. Against the background of population trends in Germany and with high

demand for qualified personnel across all industries, the task of finding and training capable employees and retaining them in the long term is becoming increasingly important. The satisfaction of each employee has a direct impact on the fluctuation rate and loyalty to the company.

We use the flattest hierarchies possible when making decisions. All of our employees, regardless of their age, education, gender, or origin, always have an opportunity to get involved and to develop according to their abilities and inclinations.

Most employees at SUSS MicroTec are employed at the two German sites in Garching and Sternenfels and are thus subject to German laws and regulations for work hours, remuneration, and social benefits. More than half of our employees work in production and engineering. We attach particular importance to a safe and attractive work environment in these areas. Working in cleanrooms and handling electricity and chemicals in workplaces such as application laboratories poses particularly high risks to employee health if not done properly, and these risks must be kept to a minimum.

## Objectives and Measures

In order to assess the mood at the Company and give employees ample opportunity to provide feedback to the Company, we defined employee satisfaction as a top HR priority in 2021. In 2022, we began to develop a concept for an employee survey, which we will use in the future to regularly measure employee satisfaction in the company. We also began to develop a program for absence substitution and succession for existing employees. Other employee-related goals are the systematic identification of talent in the Company, which we started this past year. We plan to use this measure to develop a training and development program by the name of the Junior Leadership Program in 2023.

One of our HR objectives is to keep the employee fluctuation rate as low as possible. Employee fluctuation was 10.4 percent in 2022, compared to 7.1 percent in 2021.

The onboarding process for new employees was thoroughly revised in 2020 and is constantly being refined. New colleagues find their way around the Company more quickly and feel warmly accepted. Onboarding is supported by

the appointment of a mentor for new employees. HR processes and procedures continued to be streamlined across the various locations and tirelessly improved and adapted in 2022.

We use the flattest hierarchies possible when making decisions. All of our employees, regardless of their age, education, gender, or origin, always have an opportunity to get involved and to develop according to their abilities and inclinations.

SUSS MicroTec also strives for high standards regarding occupational safety and endeavors to bring the number and severity of workplace accidents (currently excluding commuting accidents) to zero. To protect health and prevent injuries and accidents, training courses and safety briefings are therefore held regularly, in particular to ensure the proper handling of hazardous media. Nevertheless, there were six reportable workplace accidents in Germany in 2022. Overall, the sickness rate at the German sites increased to 6.8 percent in 2022, up from 4.7 percent in the 2021 fiscal year (excluding long-term sickness). The increase was primarily driven by higher rates of colds following the expiration of the COVID-19 measures. Unfortunately, the accident rate did not decrease compared to the previous year.

#### Key Figures for Occupational Health and Safety/Training (GRI 403-1)

Key figures (Germany only)	2022	2021
Number of workplace accidents	6	6
Accident rate	0.9	0.8
Sickness rate	6.8%	4.7%
Turnover rate	10.4%	7.1%
Training expenses	€ 410 thousand	€ 269 thousand
Number of trainings (virtual)	60	52
Total number of trainings	235	172

#### Employee Development

Well thought-out, sustainable personnel development and health-promoting design of workplaces are essential for retaining our employees in the long term and attracting new talent. We have grown rapidly in recent years and continue to pursue an ambitious growth strategy. Being a global supplier to leading semiconductor companies opens up major opportunities for us in many areas such as digital transformation, mobility, energy efficiency, and networking. We can only take advantage of these opportunities if we can attract motivated employees with the appropriate qualifications. We want to further develop and promote our employees by continuously improving our training and

further education measures. At our two production sites in Garching and Sternenfels, we train between 10 and 15 new apprentices in technical and commercial professions every year. In total, 39 apprentices were working for the company as of December 31, 2022 (previous year: 36).

#### Objectives and Measures

We have significantly expanded our university marketing campaign in recent years in order to find new talent. We specifically target universities when recruiting university graduates. SUSS MicroTec works together with the Karlsruhe Institute of Technology (KIT), the universities of applied sciences in Pforzheim and Heilbronn, and the Technical University of Munich and the Munich University of Applied Sciences. In addition to trade shows, we also take part in employer workshops, which were increasingly conducted in person again in 2022. The focus of our cooperation with universities is the technical professions. We offer interested applicants a StudiumPLUS program (training and degree course) for mechatronics engineers at the Pforzheim University of Applied Sciences.

In addition, we have continuously increased our budget for training measures over the past years. In the area of training, the number of classroom training sessions increased again in 2022 from 172 to 235, of which 60 were purely virtual (previous year: 52). The return to classroom training,

coupled with the continuation of online training, resulted in a significant increase in training and development measures. Expenditure rose accordingly from €269 thousand to €410 thousand in 2022. For the future, we intend to further expand the proportion of online training courses, as they can in some cases save business trips. In 2022, we have made appropriate preparations to be able to offer a further microsystems technology training course from the 2023 training year. We will offer two additional training positions at our Garching site in the coming year.

### **Focus Area: Compliance & Social Concerns and Responsible Supply Chain**

SUSS MicroTec is aware of its social responsibility. Our strategic decisions and operational activities affect the environment and individuals, particularly employees, as well as suppliers, customers, and other business partners, in a number of ways. We urge all of our employees, officers, and directors to avoid situations in which their personal or other economic or financial interests could come into conflict with those of the SUSS MicroTec Group.

Even the appearance of a conflict of interest can damage the reputation or interests of SUSS MicroTec and should thus be avoided from the outset. Business ethics and integrity ensure our credibility. The employees of all Group companies are required to obey the laws and regulations of the countries in which they operate. They must demonstrate integrity and fairness in all aspects of their business activities. We expect the same from our partners. There were six potential violations with regard to compliance, human rights, or active or passive corruption in 2022 (previous year: zero). All reports of potential compliance violations were reports from the internal SUSS MicroTec environment. The increase is seen as a positive sign that the compliance management system that was expanded in 2022 is working and that the additional anonymous hotlines are being accepted. Our compliance team examines every report carefully. Actual violations are addressed by taking all necessary measures and appropriate consequences.

### **Compliance and Human Rights**

We are convinced that ethical and economic values are mutually dependent and that participants in the business world must strive to treat each other fairly and act within the framework of established standards. Our principles are set out in our Code of Conduct, which is provided to all employees and can be viewed on our website. The Code is available in five languages (German, English, French, Korean, and Chinese). In addition, our General Terms of Purchase and the Business Partner Code of Conduct implemented in 2022 can be found on our website. Employees are categorically not permitted to offer, promise, or grant unfair advantages in connection with their activities for SUSS MicroTec directly or indirectly. Neither monetary payments nor other benefits may be provided if they are designed to influence decisions and/or to obtain an unfair advantage.

Respect for global human rights is of great importance for SUSS MicroTec and a prerequisite for successful business activities. For this reason, we strictly reject any form of forced or compulsory labor, child labor, modern slavery, and human trafficking.

At SUSS MicroTec, we promote an open corporate culture. We encourage all employees to report concerns or questionable behavior to their senior executive or the Compliance Officer (that is, a “speak-up” culture). Another option, also for third parties (e.g. suppliers), is to use our confidential whistleblowing hotline (by phone or email) or our confidential whistleblowing email address. This is where our Compliance Officer can be reached. We take these reports seriously and investigate any misconduct in detail. Any retaliation against whistleblowers following a good-faith report will not be tolerated and will be investigated and punished as a separate violation. Every new employee around the world receives a welcome email on their first day of work, which includes our Code of Conduct, among other things. This document provides information on our principles of cooperation, our personal mission as part of society, and rules on our business operations.

We value long-term relationships and mutual respect all along our supply chain. This is the only way for us to be successful together and secure our supply chain through targeted supplier management. We strive to work in partnership with suppliers. The supplier’s performance as well as their approach to ethics and the environment are key for working together with us. We usually carry out audits of

our suppliers. However, these audits were limited in the past fiscal year due to COVID-19 protective measures. Initial audits are carried out for potentially critical new suppliers before a possible order is issued and their creditworthiness and compliance are verified.

### **Compliance and Combating Corruption and Bribery**

The Management Board has the overall responsibility for compliance and the compliance management system. The Supervisory Board in turn monitors the efficiency and effectiveness of the system set up by the Management Board. Handling business risks responsibly is one of our principles of good corporate governance. A risk management system has long been a component of corporate management at SUSS MicroTec for recognizing and controlling risks and for fulfilling statutory requirements. One sub-area of risk management, the Company’s early recognition system for going-concern risks, is reviewed regularly by the auditor during the audit of the annual financial statements.

The reputation of the SUSS MicroTec Group in the business world is very important to us and is directly influenced by our own behavior in business. Therefore, it is self-evident that we as an international entity must be cognizant of the current legal and cultural conditions in all the countries in which we operate. Our publicly available Code of Conduct describes how we want to treat our business partners and each other. Values like transparency, honesty, and integrity as well as the personal responsibility of every single one of us are particularly important to us. Accordingly, this Code of Conduct contains minimum standards that apply to the entire workforce of SUSS MicroTec SE and its subsidiaries worldwide. The Company expects the entire workforce, particularly managers, to be good role models and communicate and model the Company principles. One of the purposes of the rules set out in the Code of Conduct is to protect our own employees and at the same time help them act in accordance with the law and our ethical principles in unfamiliar or critical situations.

In addition to our publicly available Code of Conduct, there are internal regulations to support the correct behavior of employees in day-to-day business, such as the financial limits within which gifts or invitations from suppliers or customers may be accepted or made.



## Compliance and Responsible Supply Chain

Our suppliers are responsive, competitively priced, and continually seek opportunities to provide their products or services in a socially and environmentally responsible manner. Other criteria include continuously high quality and effective and efficient management of business processes. This model ensures a beneficial, stable, and long-term business relationship for all parties involved, that is, for the supplier, for SUSS MicroTec, and for our customers.

## Objectives and Measures

Our objectives are, of course, zero tolerance for corruption and bribery, respect for human rights, and prevention of violations of rules and laws. What's important to achieve this is the acceptance of our Code of Conduct by all employees of SUSS MicroTec around the world. This is why all new employees in 2022 received a version of the current Code of Conduct. In addition, the Company has installed a corporate governance system that is being continuously refined. The structure of the system has been set out in a compliance management policy. In this context, a globally valid whistleblower policy has been drawn up in English and German that, if necessary, will be adapted to the requirements then applicable once the German Whistleblower Protection Act (HinSchG) comes into force.

Future violations can be reported anonymously using this whistleblower system. In addition, an annual training concept was implemented in February 2022. It is mandatory throughout the Group. The training courses consist of the Compliance (including adherence to our Code of Conduct) and Anti-Corruption modules. At the end of the year, the training completion rate for all employees who joined the Company before September 30, 2022, was 100 percent in both modules and Group-wide. We have thus achieved our target for 2022. This rate was determined for the first time because the online training program was not rolled out until 2022.

As was announced in the previous year, we drew up and published a Business Partner Code of Conduct in 2022. This Code is available in English and German. Among other things, the Business Partner Code of Conduct focuses on legality and working conditions, particularly compliance with human rights, rejection of child labor and forced labor, environmental protection, prevention of active and passive corruption, and fair competition. Various measures were already initiated in the course of 2021 to address persistent problems in the supply chain. The qualification and auditing of further suppliers as second source as well as regular meetings with important suppliers are not only intended

to meet the continuing high demand for our semiconductor equipment and thus optimize our delivery times, but also to underline the application of our Code of Conduct for Business Partners.

The application of the Code of Conduct for Suppliers was evaluated using a questionnaire and is included in the annual supplier evaluation. We also randomly verify compliance with the standards in audits. Our goal is to ensure that at least 65 percent of our purchasing volume is covered by the application of our Code of Conduct or by confirmation that a comparable supplier's code is being applied. As of December 31, 2022, we covered 36 percent of our purchasing volume following the introduction of the Code of Conduct in October 2022.

A training and continuing education measure for the Supervisory Board took place in 2022. The training was on legal issues relating to the work of the Supervisory Board, as well as on accounting and auditing issues. In 2023, we plan to create a capital market policy that will bring together all of the Company's capital market-related topics in a single document.

## Social Concerns and Political Influence

As a mid-size company, SUSS MicroTec also considers itself to be connected with the communities at its locations. However, no attempts are made to influence politics at the local or higher level. We do not make any donations or offer sponsorships for political parties or party-like organizations or governments domestically or internationally. Accordingly, this aspect is not considered further in this non-financial statement.

We take our responsibility and obligation as a global company seriously. We strive to be perceived as a trustworthy company and to live up to our responsibility to society. We encourage our employees to volunteer their time and make an important contribution to society. It does not matter to us whether these activities have political, social, or community aims.

### Key Figures Overview

ENVIRONMENT KEY FIGURES	2022	2021
<b>Greenhouse Gas Emissions Germany (in t CO<sub>2</sub> equiv.)</b>		
Scope 1 – direct emissions	1,157	1,286
Scope 2 – indirect emissions (market-based method)	0	1,223
<b>Total</b>	<b>1,157</b>	<b>2,509</b>
<b>Greenhouse Gas Emissions Worldwide (in t CO<sub>2</sub> equiv.)</b>		
Scope 1 – direct emissions	1,450	1,668
Scope 2 – indirect emissions (market-based method)	1,237	2,991
Scope 3 – indirect emissions	157,263	132,763
<b>Total</b>	<b>159,950</b>	<b>137,342</b>
<b>Absolute Energy Consumption by Energy Source, Germany</b>		
Power consumption	4,642	4,351
Gas consumption	1,691	1,809
Heating oil consumption	1,938	2,461
Diesel consumption	967	803

### Key Figures Overview

ENVIRONMENT KEY FIGURES	2022	2021
<b>Absolute Energy Consumption by Energy Source, Worldwide</b>		
Power consumption	9,838	9,220
Gas consumption	1,783	1,869
Heating oil consumption	2,438	3,461
Diesel consumption	1,130	991
<b>Relative Energy Consumption by Energy Source, Germany in MWh/€ million sales</b>		
Power consumption	15.5	16.5
Gas consumption	5.7	6.9
Heating oil consumption	6.5	9.3
Diesel consumption	3.2	3.0
<b>Relative Energy Consumption by Energy Source, Worldwide in MWh/€ million sales</b>		
Power consumption	32.9	35.0
Gas consumption	6.0	7.1
Heating oil consumption	8.2	13.1
Diesel consumption	3.8	3.8

**EMPLOYEES KEY FIGURES (GERMANY)**

	2022	2021
Share of women on the Management Board	0%	0%
Share of women on the Supervisory Board	50%	20%
Share of women in first executive management level (with regard to SÜSS MicroTec SE organization)	36%	37%
Share of women in second executive management level (with regard to SÜSS MicroTec SE organization)	25%	20%
Share of women	21%	22%
Share of men	79%	78%
Number of trainees	39	36
<b>Total workforce (FTE, Germany)</b>	<b>678</b>	<b>666</b>
<b>Total workforce (FTE, worldwide)</b>	<b>1,252</b>	<b>1,178</b>
Different nationalities of employees	39	37
Average age	42	42
Average length of employment with the company	8	8
Turnover rate	10.4%	7.1%

**EMPLOYEES KEY FIGURES (GERMANY)**

	2022	2021
<b>Occupational Health and Safety and Training (Germany)</b>		
Number of workplace accidents	6	6
Accident rate	0.9	0.8
Sickness rate	6.8%	4.7%
Training expenses	€ 410 thousand	€ 269 thousand
Number of trainings (virtual)	60	52
<b>Total number of trainings</b>	<b>235</b>	<b>172</b>

**COMPLIANCE KEY FIGURES**

	2022	2021
Number of reported potential compliance violations	6	0
Coverage of purchasing volume by the business partner code of conduct (since 2022)	36%	-

**EU Taxonomy**

An EU-wide classification system went into effect on January 1, 2022: the EU Taxonomy Regulation. It is the first system of its kind that aims to standardize how economic activities are classified for sustainability purposes. The regulation includes a total of six environmental goals. For the 2022 fiscal year, information is required again on the climate change mitigation and adaptation goals.

The six environmental objectives as defined by the Taxonomy Regulation are:

- 1.) Climate change mitigation
- 2.) Climate change adaptation
- 3.) Sustainable use and protection of water and marine resources
- 4.) Transition to a circular economy
- 5.) Pollution prevention and control
- 6.) Protection and restoration of biodiversity and ecosystems

We reported the taxonomy-aligned share of sales, CAPEX, and OPEX for the first time for the 2021 fiscal year. In the previous year, only taxonomy eligibility had to be assessed

in accordance with an EU facilitation option. The following describes how the taxonomy-eligible economic activities for fiscal year 2022 were reviewed with regard to their taxonomy alignment, and how the corresponding taxonomy KPIs were subsequently determined in relation to revenue, capital expenditure, and operating expenditure. Due to the interpretation ambiguities that still exist in the context of the Taxonomy Regulation, the following tables and explanations reflect our interpretation. We have no activities in accordance with Delegated Regulation 2022/1214 relating to nuclear energy and fossil gas.

## Data Collection

Comprehensive data collection was carried out as part of the first-time application of the EU Taxonomy. For this purpose, in addition to the relevant financial indicators of sales, operating expenditure (OPEX), and capital expenditure (CAPEX), data was collected and analyzed from the areas of environmental management and facility management, among others.

The analysis carried out in the previous year regarding taxonomy-eligible economic activities in the areas of “climate protection” and “adaptation to climate change” was updated in the reporting year and validated by various Group representatives. There has been no change from the previous year’s assessment with regard to the taxonomy eligibility of economic activities.

After reviewing all relevant business areas, we came to the conclusion that our revenue-related economic activities are not covered under the first two environmental objectives of climate change mitigation and adaptation within the meaning of the Taxonomy Ordinance and are therefore not taxonomy-eligible and not taxonomy-aligned. Consequently, the share of taxonomy-eligible and taxonomy-aligned economic activities in our total revenue of € 299.1 million in the past fiscal year is 0 percent respectively.

## Sales

## Key Figures EU Taxonomy – Sales 2022

Economic activities	Total Sales	Proportion of sales	Substantial contribution criteria		DSNH criteria (Does Not Significantly Harm)							Taxonomy-aligned proportion of sales year n	Category (enabling activity)	Category (transitional activity)	
			Climate change mitigation	Climate change adoption	Climate change mitigation	Climate change adoption	Water & marine resources	Circular economy	Pollution	Biodiversity & ecosystems	Minimum safeguards				
	in € million	in %	in %	in %	y/n	y/n	y/n	y/n	y/n	y/n	y/n	in %	y/n	y/n	
<b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>															
A.1. Environmentally sustainable activities (Taxonomy-aligned)															
<b>Sales of environmentally sustainable activities (Taxonomy-aligned)</b>	<b>0</b>	<b>0.0</b>	-	-	-	-	-	-	-	-	-	<b>0</b>	<b>0.0%</b>	<b>0.0%</b>	
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)															
<b>Sales of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)</b>	<b>0</b>	<b>0.0</b>										-			
<b>Total (A.1 + A.2)</b>	<b>0</b>	<b>0.0</b>										<b>0</b>	<b>0.0%</b>	<b>0.0%</b>	
<b>B. SALES OF TAXONOMY-NON-ELIGIBLE ACTIVITIES</b>															
Sales of Taxonomy-non-eligible activities (B)	299.1	100.0													
<b>Total (A + B)</b>	<b>299.1</b>	<b>100.0</b>													

We identified several activities related to the environmental goal of “climate change mitigation” as taxonomy-eligible, related to capital and operating expenditure. All activities could be clearly assigned, so that there was no double counting.

For the identified activities in the area of purchased products and services from third parties, the relevant information must always be requested from these business partners and suppliers in order to provide evidence with regard to taxonomy alignment. However, the feedback on the queries regarding compliance with the significant contribution criteria, DNSH criteria, and minimum protection criteria was not comprehensive enough to allow a conclusion of taxonomy alignment for the 2022 fiscal year. For the identified activities in the area of individual

measures, we must have conducted a climate risk analysis for the affected sites, among other things, which has not been done as of today. We are therefore unable to report taxonomy-aligned figures for either CapEx or OpEx for the 2022 fiscal year.

The proportions presented in the following relate to expenditures arising from the acquisition of products from taxonomy-aligned economic activities. The analysis did not identify any expenditures or investments related to the climate change adaptation goal; therefore, all values relate to the climate change mitigation goal and are presented in the following two overviews:

## Operating Expenses

### Key Figures EU Taxonomy – OPEX 2022

Economic activities	Total OPEX	Proportion of opex	Substantial contribution criteria		DSNH criteria (Does Not Significantly Harm)							Taxonomy-aligned proportion of opex year n	Category (enabling activity)	Category (transitional activity)	
			Climate change mitigation	Climate change adoption	Climate change mitigation	Climate change adoption	Water & marine resources	Circular economy	Pollution	Biodiversity & ecosystems	Minimum safeguards				
	in € million	in %	in %	in %	y/n	y/n	y/n	y/n	y/n	y/n	y/n	in %	y/n	y/n	
<b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>															
A.1. Environmentally sustainable activities (Taxonomy-aligned)															
<b>Sales of environmentally sustainable activities (Taxonomy-aligned)</b>	<b>0</b>	<b>0.0</b>	-	-	-	-	-	-	-	-	-	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>0.0%</b>
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)															
> 6.4 Operation of devices for personal mobility	11	0.0													
> 7.2 Renovation of existing buildings	24	0.1													
> 7.3 Installation, maintenance and repair of energy efficient appliances	196	0.7													
> 7.4 Installation, maintenance and repair of Charging stations for electric vehicles	12	0.0													

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**Key Figures EU Taxonomy – OPEX 2022**

Economic activities	Total OPEX	Proportion of opex	Substantial contribution criteria		DSNH criteria (Does Not Significantly Harm)							Taxonomy-aligned proportion of opex year n	Category (enabling activity)	Category (transitional activity)
			Climate change mitigation	Climate change adoption	Climate change mitigation	Climate change adoption	Water & marine resources	Circular economy	Pollution	Biodiversity & ecosystems	Minimum safeguards			
	in € million	in %	in %	in %	y/n	y/n	y/n	y/n	y/n	y/n	y/n	in %	y/n	y/n
> 9.3 Services related to the energy performance of buildings	19	0.1												
<b>OPEX of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)</b>	<b>262</b>	<b>0.9</b>										-		
<b>Total (A.1 + A.2)</b>	<b>262</b>	<b>0.9</b>										<b>0</b>	<b>0.0%</b>	<b>0.0%</b>
B. OPEX of Taxonomy-non-eligible activities														
OPEX of Taxonomy-non-eligible activities (B)	27,906	99.1												
<b>Total (A + B)</b>	<b>28,168</b>	<b>100.0</b>												

The share of taxonomy-eligible operating expenditure in 2022 was 0.93 percent of total operating expenditure.

This operating expenditure corresponds to various activities from the climate delegated act (see table).



## Capital Expenses

### Key Figures EU Taxonomy – CAPEX 2022

Economic activities	Total CAPEX	Proportion of capex	Substantial contribution criteria		DSNH criteria (Does Not Significantly Harm)							Taxonomy-aligned proportion of capex year n	Category (enabling activity)	Category (transitional activity)	
			Climate change mitigation	Climate change adoption	Climate change mitigation	Climate change adoption	Water & marine resources	Circular economy	Pollution	Biodiversity & ecosystems	Minimum safeguards				
	in € million	in %	in %	in %	y/n	y/n	y/n	y/n	y/n	y/n	y/n	in %	y/n	y/n	
<b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>															
A.1. Environmentally sustainable activities (Taxonomy-aligned)															
<b>Sales of environmentally sustainable activities (Taxonomy-aligned)</b>	<b>0</b>	<b>0.0</b>	-	-	-	-	-	-	-	-	-	<b>0</b>	<b>0</b>	<b>0.0%</b>	<b>0.0%</b>
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)															
> 6.3 Passenger transportation in local and Local transport, passenger motor transport	233	1.8													
> 7.3 Installation, maintenance and repair of energy efficient equipment	120	0.9													
> 7.4 Installation, maintenance and repair of Charging stations for electric vehicles	58	0.4													

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**Key Figures EU Taxonomy – CAPEX 2022**

Economic activities			Substantial contribution criteria		DSNH criteria (Does Not Significantly Harm)							Taxonomy-aligned proportion of capex year n in %	Category (enabling activity)	Category (transitional activity)
	Total CAPEX	Proportion of capex	Climate change mitigation	Climate change adoption	Climate change mitigation	Climate change adoption	Water & marine resources	Circular economy	Pollution	Biodiversity & ecosystems	Minimum safeguards			
	in € million	in %	in %	in %	y/n	y/n	y/n	y/n	y/n	y/n	y/n			
> 7.5 Installation, maintenance and repair of devices for the measurement, regulation and control of the overall energy efficiency of buildings.	120	0.9												
> 7.7 Acquisition and ownership of buildings	4,863	37.1												
<b>CAPEX of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)</b>	<b>5,394</b>	<b>41.2</b>										-		
<b>Total (A.1 + A.2)</b>	<b>5,394</b>	<b>41.2</b>										<b>0</b>	<b>0.0%</b>	<b>0.0%</b>
<b>B. CAPEX OF TAXONOMY-NON-ELIGIBLE ACTIVITIES</b>														
CAPEX of Taxonomy-non-eligible activities (B)	7,712	58.8												
<b>Total (A + B)</b>	<b>13,105</b>	<b>100.0</b>												

Additions to property, plant and equipment and leasing expenses (buildings, vehicle fleet, etc.), intangible assets and capitalized research and development costs were used to identify the taxonomy-aligned portion of total CAPEX. Additions and investments in buildings, in particular in the production of cleanrooms, will have a significant impact here. Major expenditure (CapEx) includes building leases in Taiwan that were renewed in 2022. Taxonomy-eligible investments accounted for 41.2 percent of total investments in the Company in the 2022 fiscal year. The share has increased significantly compared with the previous year, as significant amounts from the building leasing business (extension of the lease agreement for the Taiwan building) have been included in accordance with IFRS 16.

## GRI CONTENT INDEX

GRI Disclosure	2021	Page <sup>1</sup>	Explanation
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<b>1.</b>	<b>Organizational profile and strategy</b>		
GRI 102-1	Name of the organization	25	
GRI 102-2	Activities, brands, products and services	24 ff	Management Report; Basics of the Group
GRI 102-3	Location of headquarters	25	Management Report; Basics of the Group
GRI 102-4	Location of operations	25	Management Report; Basics of the Group
GRI 102-5	Ownership and legal form	25	Management Report; Basics of the Group and on Disclosures of Takeover Provisions in Accordance With Section 289a of the German Commercial Code (HGB) and Section 315a HGB
GRI 102-6	Markets served	24 ff	Management Report; Basics of the Group
GRI 102-7	Scale of the organization	56	
GRI 102-8	Information on employees and other workers	62 ff	Number of employees in FTE as of reporting date Dec. 31.
<b>3.</b>	<b>Ethics and integrity</b>		
GRI 102-16	Values, principles, standards, and norms of behavior	66 ff	
<b>4.</b>	<b>Governance</b>		
GRI 102-18	Governance structure	24 f	Management Report; Basics of the Group

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GRI Disclosure	2021	Page <sup>1</sup>	Explanation
<b>5.</b>	<b>Stakeholder engagement</b>		
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<b>6.</b>	<b>Reporting practice</b>		
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GRI 102-52	Reporting cycle	57	
GRI 102-54	Claims of reporting in accordance with the GRI Standards	57	
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GRI 102-56	External assurance	57	Nonfinancial group declaration is verified by the supervisory board of SÜSS MicroTec SE
GRI 103-1	Explanation of the material topics and their boundaries	57 f	
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GRI Disclosure	2021	Page <sup>1</sup>	Explanation
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<b>GRI 400</b>	<b>Social concerns</b>		
GRI 401-1	New employee hires and employee turnover	70	
GRI 403-1	Type and rate of injuries, occupational diseases, lost work days, absenteeism, and number of work-related fatalities	70	Accident rate calculated as follows: (number of reportable occupational accidents * 200,000 hours/actual hours worked) Sickness rate calculated as follows: (sick days x 100)/(number of employees * actual days worked); excluding employees on long-term sick leave
GRI 405-1	Diversity of governance bodies and employees	70	Calculation of 1st and 2nd management level relates to SÜSS MicroTec SE
GRI 412-1	Human rights	66	

1 The page numbers in this table refer to the entire Annual Report.

# Remuneration Report

## Remuneration of the Members of the Management Board and Supervisory Board

The following Remuneration Report pursuant to Section 162 of the German Stock Corporation Law (AktG) presents and explains the remuneration granted and owed to the current and former members of the Management Board and Supervisory Board of SÜSS MicroTec SE (hereinafter also “SÜSS MicroTec” or the “Company”) in fiscal year 2022. The Remuneration Report provides a detailed and individualized explanation of the structure and amount of the individual components of the remuneration of the Management Board and Supervisory Board. The Remuneration Report was prepared jointly by the Management Board and the Supervisory Board and is based on the requirements of the German Stock Corporation Act.

## Remuneration of Management Board Members

### Review of the 2022 Remuneration Year

The Management Board of SÜSS MicroTec SE assesses the overall economic situation of the group as very positive.

The Company once again posted record order entry and sales. Sales increased by 13.6 percent to € 299.1 million. In the course of this growth in sales, the net income for the year improved by 53.1 percent to € 24.5 million. Despite the bottlenecks in the supply of vendor parts during the year, the sales and earnings expectations were met and the EBIT margin was exceeded. The free cash flow for 2022 amounted to € 16.0 million as of the reporting date and was therefore also well above expectations. SÜSS MicroTec has thereby taken an important step closer to the medium-term goals of sales of € 400 million and an EBIT margin of at least 15 percent in the 2025 fiscal year.

After the remuneration system for the members of the Management Board of the Company (“Remuneration System 2021”) resolved by the Supervisory Board on February 28, 2021, and submitted to the Shareholders’ Meeting on June 16, 2021, for approval was approved by a majority of 59.99 percent of the votes cast, the Supervisory Board thoroughly reviewed the Remuneration System 2021 on the basis of critical shareholder comments, revised it where necessary and further developed it in line with the corporate strategy. On March 29, 2022, the Supervisory Board resolved the correspondingly amended remuneration system for the members of the Management Board and submitted it to the Shareholders’ Meeting on May 31, 2022, for approval (“Remuneration System 2022”), which approved

the Remuneration System 2022 with a majority of 98.35 percent of the votes cast. Since then, the Remuneration System 2022 has applied to all new or extended service contracts with members of the Management Board and was already applied in the 2022 fiscal year to the employment contract of Dr. Bernd Schulte (CEO), who has been a member and chairman of the Management Board of the Company since October 17, 2022. In contrast, the Remuneration System 2021 was still decisive for the employment contracts of the other members of the Management Board in office in the 2022 fiscal year. For the current 2023 fiscal year, all Management Board service contracts, with the exception of Oliver Albrecht’s (CFO) employment contract, will be subject to the new Remuneration System 2022.

There were no deviations from the Remuneration System 2021 and the Remuneration System 2022 in the reporting year.

The Shareholders’ Meeting on May 31, 2022, approved the Remuneration Report for the 2021 fiscal year with a majority of 72.33 percent.

On October 14, 2022, in accordance with the statutory “stay on board” regulation pursuant to Section 84 (3) of the German Stock Corporation Law (AktG), the Supervisory Board granted Dr. Goetz Bendele’s wish to suspend his mandate

as a member and his position as Chair of the Management Board of the Company for the period from October 17, 2022, to December 31, 2022. During Dr. Goetz Bendele's time off to care for a seriously ill family member, his position on the Management Board was suspended. For the period of time off, the Supervisory Board appointed its member Dr. Bernd Schulte to the Company's Management Board who took over the position of Chief Executive Officer there. During the period of his secondment to the Management Board, Dr. Bernd Schulte's mandate as a member of the Supervisory Board of the Company will be suspended.

On December 15, 2022, for personal reasons, in agreement with the Company's Supervisory Board, Dr. Goetz Bendele declined reappointment as a member and chair of the Management Board and thus departed from the Company. The secondment of Dr. Bernd Schulte as a member and chair (CEO) of the Company's Management Board has been extended until October 16, 2023, in accordance with the statutory one-year maximum.

### **Procedures for Determining, Implementing, and Reviewing the Management Board Remuneration System**

The remuneration system for the members of the Management Board is determined by the Supervisory Board of the Company in accordance with the statutory requirements and taking into account the recommendations and suggestions of the most current version of the German Corporate Governance Code. The Supervisory Board is supported in this by its Personnel Committee. The Personnel Committee of SÜSS MicroTec is responsible for developing proposals regarding the Management Board remuneration system, which it submits to the Supervisory Board for discussion and resolution. The Supervisory Board and the Personnel Committee may seek external advice if necessary, in particular for issues relating to the formulation of the remuneration system and assessing the appropriateness of the remuneration. When hiring external remuneration consultants, their independence is considered.

The remuneration system resolved by the Supervisory Board will be submitted to the Shareholders' Meeting for approval.

To ensure appropriate, competitive remuneration in line with the market, the Supervisory Board reviews the remuneration system and the remuneration amounts for the Management Board on a regular basis. If necessary, the Supervisory Board will adopt changes. The remuneration system will be resubmitted to the Shareholders' Meeting for approval in case of material changes but at least every four years.

If the Shareholders' Meeting does not approve the remuneration system, the Supervisory Board will present a revised remuneration system for approval no later than at the following ordinary Shareholders' Meeting.

With regard to the avoidance and handling of (potential) conflicts of interest on the Supervisory Board, the general rules of the German Stock Corporation Act (AktG) are also observed and the recommendations of the German Corporate Governance Code, as amended, are taken into account in the process of establishing, implementing and reviewing the remuneration system. Every member of the Supervisory Board shall disclose any conflicts of interest to the Chair of the Supervisory Board without delay. In its report to the Shareholders' Meeting, the Supervisory Board shall provide information on conflicts of interest and how

they are handled. In the event of a conflict of interest, the affected Supervisory Board or committee member shall not take part in the related discussion and voting in the Supervisory Board or Personnel Committee. Material, non-temporary conflicts of interest in the person of a Supervisory Board member will result in the termination of the appointment.

### Applicable Management Board Remuneration Systems in the 2022 Fiscal Year

Two different remuneration systems were relevant for the members of the Management Board of SUSS MicroTec in the 2022 fiscal year: The new Remuneration System 2022 applied to the employment contract of Dr. Bernd Schulte (CEO). The Remuneration System 2021 still applied to the employment contracts of the other Management Board members in office in the 2022 fiscal year, since the relevant employment contracts were concluded or extended during the period of validity of the Remuneration System 2021 (grandfathering).

### Management Board Remuneration System 2022

The new Remuneration System 2022 essentially updates and amends the Remuneration System 2021 by

- > integrating sustainability targets as part of the long-term variable remuneration and significantly increasing the share of variable target remuneration based on sustainability targets by more than double (the ESG share of variable target remuneration exceeds 20 percent overall);
- > implementing share ownership guidelines with share acquisition and retention obligations for the members of the Management Board;

- > eliminating possible special bonuses;
- > determining the maximum remuneration in the form of a specific monetary amount for the individual members of the Management Board; and
- > increasing performance-related remuneration proportionally (with a corresponding reciprocal proportional reduction in basic remuneration) as part of the remuneration structure for Management Board members.

The main changes in the remuneration system for the members of the Management Board are shown in the following comparison:



Remuneration System 2021	Component	Remuneration System 2022
Makes a distinction <b>between incumbent and newly appointed/future Management Board members (relative shares of remuneration components in target total remuneration)</b>		Applies to <b>all</b> Management Board members using a new remuneration structure (relative shares of remuneration components in target total remuneration) through proportionate increase in performance-related remuneration
<b>Incumbent Management Board members:</b>		
Basic remuneration: ~40–60%		Basic remuneration: ~30–40%
Fringe benefits: ~1–5%		Fringe benefits: ~1–5%
Short-term variable remuneration: ~15–30%	Remuneration structure	Short-term variable remuneration: ~25–35%
Long-term variable remuneration: ~20–35%		Long-term variable remuneration: ~30–40%
<b>Newly appointed/future Management Board members:</b>		
Basic remuneration: ~40–50%		
Fringe benefits: ~1–5%		
Short-term variable remuneration: ~20–30%		
Long-term variable remuneration: ~25–35%		
<b>Performance criteria:</b>		<b>Performance criteria</b>
40% sales		35% sales
40% net income for the fiscal year		35% net income for the fiscal year
20% sustainability target (ESG as well as innovation and market)	Short-term variable remuneration (STI)	15% sustainability target (now exclusively ESG criteria)
		15% innovation & market position (now a separate goal apart from ESG)
The sustainability target includes these categories: (i) innovation/research & development, (ii) market/customer, (iii) employees/culture, and (iv) environment/climate, without specifying them in more detail		Sustainability goal categories <b>adjusted according to (ESG) areas of environment, social and corporate governance and ESG aspects specified</b>

Remuneration System 2021	Component	Remuneration System 2022
<b>Performance criteria:</b>		<b>Performance criteria:</b>
1/3 return on capital employed (ROCE)	Long-term variable remuneration (LTI)	25% return on capital employed (ROCE)
1/3 sales growth		25% sales growth
1/3 relative total shareholder return (TSR)		25% relative total shareholder return (TSR)
		25% sustainability target (ESG criteria)
Possibility to pay special bonuses in the <b>event of special circumstances or developments, which may not exceed 1.5 times the basic remuneration</b>	Special bonus	<b>No special bonus</b> New Management Board members may only be granted a sign-on bonus as a (one-time) fringe benefit, e.g., to compensate for forfeited remuneration from their previous employment relationship. The paid-out amount of the sign-on bonus is capped by the maximum remuneration. There is no plan to additionally limit the bonus to, for example, 1.5 times the basic remuneration, which ensures that the Supervisory Board has the necessary flexibility to recruit the best possible candidates.
No share ownership guidelines	Share Ownership Guidelines	<b>Introduction of share ownership guidelines</b> <b>Amount:</b> 100% of gross basic remuneration <b>Build-up phase:</b> annual personal investment of at least 25% of the net amount of the performance-related remuneration paid out (STI and LTI) until the required number of shares is reached
<b>Definition of a specific aggregate amount of money for all members of the Management Board (Management Board as a whole):</b> up to three members of the Management Board: € 5.8 million. four members of the Management Board: € 7.5 million. A specific amount is not defined for individual Management Board members; instead, 2.7 times the target total remuneration; <b>no distinction</b> between Management Board members	Maximum remuneration	<b>Determination of a concrete amount of money for the individual members of the Management Board Distinction</b> between the CEO and other regular members of the Management Board Chief Executive Officer: € 3.0 million Others members of the Management Board: € 2.5 million
In the event of extraordinary developments, temporary <b>deviations from the maximum remuneration are possible</b>	Deviation option under Section 87a (2) of the German Stock Corporation Act (AktG)	<b>No option to deviate from maximum remuneration</b>

A full description of the Remuneration System 2022 is available on the Company's website at <https://www.suss.com/de/investor-relations/corporate-governance>.

In the reporting year, the Remuneration System 2022 was applied to Dr. Bernd Schulte (CEO), who was seconded by the Supervisory Board from among its members to the Management Board of the Company as CEO from October 17, 2022, on the occasion of the hiatus of Dr. Goetz Bendele. During the period of his secondment to the Management Board, Dr. Bernd Schulte's mandate as a member of the Supervisory Board of the Company will be suspended. Due to Dr. Bernd Schulte's period of service of less than three months in the reporting year, his Management Board remuneration in this period was based solely on the non-performance-related remuneration components (basic remuneration, fringe benefits) provided for in the Remuneration System 2022, which correspond to those of the Remuneration System 2021 described below. Taking into account that by law a Supervisory Board member may

only be seconded to the Management Board of the Company for a very limited period of no more than one year, Dr. Bernd Schulte's employment contract provides that he will only receive the short-term variable remuneration regulated in each case in accordance with the Remuneration System 2022 if the employment relationship exists for a period of more than twelve (12) months and long-term variable remuneration only if the employment relationship exists for a period of at least thirty-six (36) months. Accordingly, receipt of variable remuneration would require that Dr. Bernd Schulte will remain in the Company's service as a member of the Management Board beyond the period of his one-year secondment and will therefore not be returning to the Company's Supervisory Board. However, the latter is not planned.

## Management Board Remuneration System 2021

The Remuneration System 2021 was applied in the 2022 fiscal year for the current Management Board members Oliver Albrecht (CFO) and Dr. Thomas Rohe (COO) and for the former Management Board member Dr. Goetz Bendele (CEO).

### Components of the Remuneration System 2021

The Remuneration System 2021 consists of performance-independent and performance-based remuneration components. The remuneration independent of performance consists of basic remuneration and fringe benefits. The remuneration based on performance consists of a short-term and a long-term variable remuneration component. Of these, the short-term variable component (short-term incentive – STI) has a one-year term, while the long-term variable component (long-term incentive – LTI) takes the form of virtual performance shares with a term of four years – consisting of a three-year performance period followed by a one-year lock-up period.

Remuneration Component	Description	
<b>Remuneration independent of performance</b>		
Basic remuneration	> Fixed annual salary (paid in twelve monthly installments)	
Fringe benefits	> Primarily company cars and contributions to insurance	
<b>Remuneration based on performance</b>		
Short-term variable remuneration (STI)	Plan type	> Target bonus > 40% sales
	Performance criteria	> 40% net income for the fiscal year > 20% sustainability target
	Payment cap	> 200% of the target amount
	Duration	> One year
	Long-term variable remuneration (LTI)	Plan type
	Performance criteria	> 1/3 sales increase > 1/3 relative total shareholder return (TSR)
	Payment cap	> 300% of the target amount
	Duration	> Three years and a one-year lock-up period
<b>Other</b>		
Malus and clawback	> Withholding and/or reclaiming of variable remuneration components in the event of a breach of statutory or contractual obligations or obligations arising from the articles of incorporation of the Company or the Company bylaws for the Management Board, or if payment is made based on incorrect data.	
Special bonus	> Possibility to pay special bonuses, which may not exceed 1.5 times the basic remuneration	
Maximum remuneration	> Limit on the total remuneration granted to the Management Board as a whole for one fiscal year of € 5.8 million for up to three Management Board members and € 7.5 million for four Management Board members > Limit of 2.7 times the target total remuneration at the level of individual Management Board members	

The target total remuneration comprises the sum of the remuneration components independent of performance and based on performance. To determine the target total remuneration, the STI and LTI are included with a target achievement of 100 percent. In line with recommendation G.6 of the German Corporate Governance Code, the target remuneration for the long-term variable component exceeds the target remuneration for the short-term variable component. The following table shows the shares of remuneration components in the target total remuneration:

<b>Remuneration Component</b>	<b>Share of the target total remuneration</b>
Basic remuneration	> ~ 40–50%
Fringe benefits	> ~ 1–5%
Short-term variable remuneration (STI)	> ~ 20–30%
Long-term variable remuneration (LTI)	> ~ 25–35%

### Remuneration Independent of Performance

The remuneration independent of performance consists of the basic remuneration and fringe benefits.

### Basic Remuneration

The basic remuneration is a fixed cash payment for the fiscal year based on the duties and responsibilities of the respective Management Board member in particular. It is paid in twelve monthly installments at the end of each month.

### Fringe Benefits

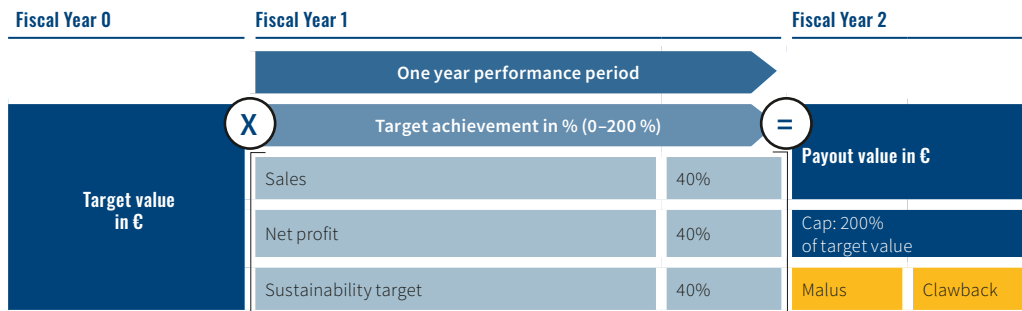
Every Management Board member receives fringe benefits in the form of noncash and other remuneration. These primarily include the provision of a company car that can also be used privately, as well as contributions and subsidies to insurance policies or the assumption of insurance premiums (including the Company’s directors and officers liability insurance (D&O insurance) with a deductible in accordance with Section 93 (2) (3) of the German Stock Corporation Act (AktG), contributions to health and long-term care insurance and accident insurance, which may also provide for a benefit to the heirs of the Management Board Member in the event of death). The Supervisory Board may grant other or additional fringe benefits customary in the market, such as the assumption of relocation costs for new hires. The type, amount, and duration of the noncash benefits may vary according to the personal situation of the Management Board members. Based on the maximum remuneration, a maximum amount for fringe benefits is set for each Management Board member per fiscal year.

### Remuneration based on Performance

The remuneration based on performance consists of a short-term and a long-term variable remuneration component. The short-term variable component has a one-year term, while the long-term variable component is structured as virtual performance shares with a term of four years – a three-year performance period followed by a one-year lock-up period. The formulation of these remuneration components, which are described in detail below, provides incentives for the implementation of the strategy of SUSS MicroTec and for the long-term and sustainable development of the Company.

### Short-term Variable Remuneration (STI)

The goal of short-term variable remuneration is to reward the operational implementation of the business strategy. Two financial targets, sales (40 percent) and net income for the fiscal year (40 percent), and a nonfinancial sustainability target (20 percent) have been defined as key performance criteria in this context.



### Financial Performance Criteria – Sales & Net Income for the Fiscal Year

This part of the STI is measured by the achievement of the two equally weighted financial performance criteria of sales and net income for the fiscal year, which are essential components of the corporate management of SUSS MicroTec.

> **Sales:** Sales are those reported in the audited and approved consolidated financial statements. Sales are a significant indicator in the Company and represent the value of goods and services that the Company has achieved in a fiscal year. In order to remain competitive

in the highly technical and specialized semiconductor industry, it is necessary to focus on sales and corresponding profitable growth since this is the only way to sustainably generate the necessary funds for investments and innovations. The strategy of SUSS MicroTec aims for a long-term increase in sales until 2025 and beyond and can be operationalized by integrating sales as a performance criterion in the STI.

> **Net income for the fiscal year:** Net income for the fiscal year is the net income reported in the audited and approved consolidated financial statements. The net income for the fiscal year is a direct derivative of

sales and costs incurred by the Company in a fiscal year. Positive net income reflects the Company's earning power and therefore ultimately its attractiveness for (potential) equity investors. SUSS MicroTec is aiming for healthy long-term growth so that net income for the fiscal year should also increase steadily in line with sales. The use of net income for the fiscal year in the STI takes this objective into account.

Before the start of a fiscal year, the Supervisory Board sets ambitious targets (including threshold and cap values) for each performance criterion. The target values of the two financial performance criteria are derived from the budget planning approved by the Supervisory Board for the respective fiscal year.

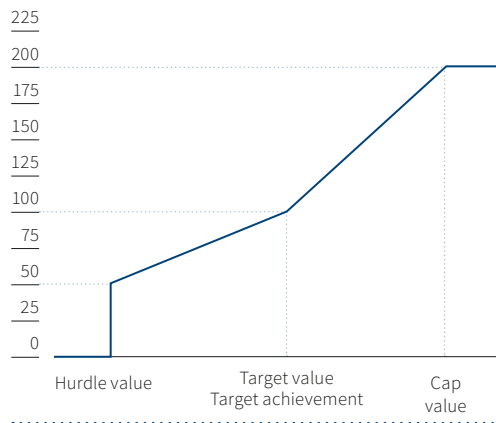
Target achievement for the two financial performance criteria is determined by comparing the actual value achieved in the fiscal year with the target value. Target achievement is converted into a payout factor for each performance criterion using a bonus curve. If the target achievement is lower than the threshold, the payout factor for the performance criterion is 0 percent, meaning total failure to meet the financial targets is possible. If the target is achieved at

the threshold level, the payout factor is 50 percent. If the actual value corresponds to the target value, the payout factor is 100 percent. If the target achievement is equal to or greater than the cap value, the payout factor of the financial performance criterion is 200 percent.

For the sales and net income targets, additional secondary conditions are integrated into the Remuneration System 2021 that are based on break-even sales and break-even net income for the fiscal year. If these “minimum levels” are not reached, the achievement of the corresponding target is 0 percent, regardless of the target achievement determined using a bonus curve.

For the financial targets, the bonus curves are diagrammed as follows:

**Payment factor in percent**



**Nonfinancial Performance Criterion – Sustainability Target**

This part of the STI is measured by the achievement of the nonfinancial sustainability target. This is composed of up to two sustainability targets derived from the sustainability strategy of SUSS MicroTec. The inclusion of sustainability

in the STI reflects the commitment of SUSS MicroTec to accept social and environmental responsibility as a Company. Each year, the Supervisory Board defines up to two equally weighted sustainability targets underlying the assessment at its own discretion, which it selects from the following categories:

**Categories for the Sustainability Target**

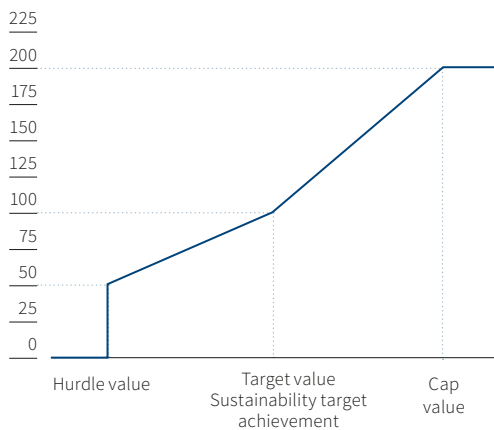
- Innovation/Research & Development
- Market/Customers
- Employees/Culture
- Environment/Climate
- Community/Social Issues

Before the start of a fiscal year, the Supervisory Board sets ambitious targets for each nonfinancial sustainability objective. The targets are based, among other things, on the operationalization of the SUSS MicroTec sustainability strategy. With regard to the targets determined by the Supervisory Board, a distinction must be made between quantitative and qualitative targets.

For each quantitative sustainability target, the Supervisory Board defines a threshold and a cap value in addition to the target value. Target achievement for quantitative sustainability targets is determined by comparing the actual value achieved for the respective sustainability target in the fiscal year with the target value. Target achievement is converted into a payout factor for each performance criterion using a bonus curve. If the target achievement is lower than the threshold, the payout factor for the respective performance criterion is 0 percent, meaning total failure to meet the sustainability targets is possible. If the target is achieved at the threshold level, the payout factor is 50 percent. If the actual value corresponds to the target value, the payout factor is 100 percent. If the target achievement is equal to or greater than the cap value, the payout factor is 200 percent.

For quantitative sustainability targets, the bonus curve is diagrammed as follows:

**Payment factor in percent**

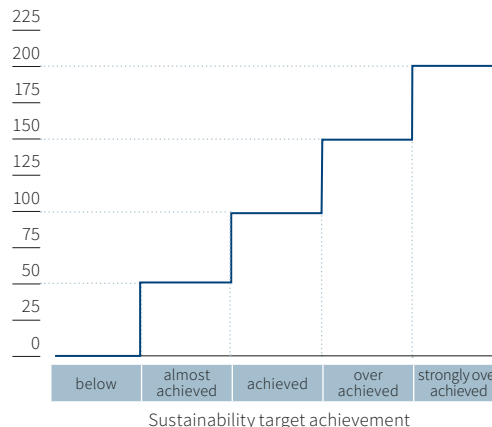


For each qualitative sustainability target, the Supervisory Board assesses target achievement after the end of the fiscal year. In doing so, the Supervisory Board can set target achievement at five levels. The corresponding payout

factor can range from 0 percent, in the case of a missed target, to 200 percent, in the case of significantly exceeding the targets. Total failure to meet the sustainability targets is therefore possible.

The bonus curve for qualitative sustainability targets is diagrammed as follows:

**Payment factor in percent**





The overall target achievement level is calculated by multiplying the payout factors of the performance criteria by their respective weightings and then adding them together. To determine the payout amount, the overall target achievement is multiplied by the STI target amount, with the payout amount capped at 200 percent of the target amount.

A subsequent adjustment of the defined performance criteria or the target values for the performance criteria within the meaning of recommendation G.8 of the German Corporate Governance Code is excluded. The Supervisory Board is able to take into account extraordinary developments to an appropriate extent (G.11 German Corporate Governance Code). If the Supervisory Board makes use of this option, the reasons for an adjustment and its scope will be communicated in the remuneration report for the fiscal year.

The STI is paid out in cash and is due for payment with the next ordinary salary cycle after approval of the consolidated financial statements of SUSS MicroTec.

If the Management Board employment contract begins or ends in the current fiscal year, the target amount is reduced pro rata temporis to the date of the beginning or end.

### Target Values and Target Achievement (STI)

in € million	Weighting in %	Break-even value	Threshold for 0% target achievement	Threshold for 100% target achievement	Threshold for 200% target achievement	Earnings 2022	Target achievement in %
Sales	40%	232.1	262.3	327.9	393.5	299.1	78%
Profit for the year	40%	5.8	18.6	26.5	34.5	24.5	88%
Sustainability target	20%	–	Fallen short	Fully achieved	Significantly exceeded	Exceeded	150%

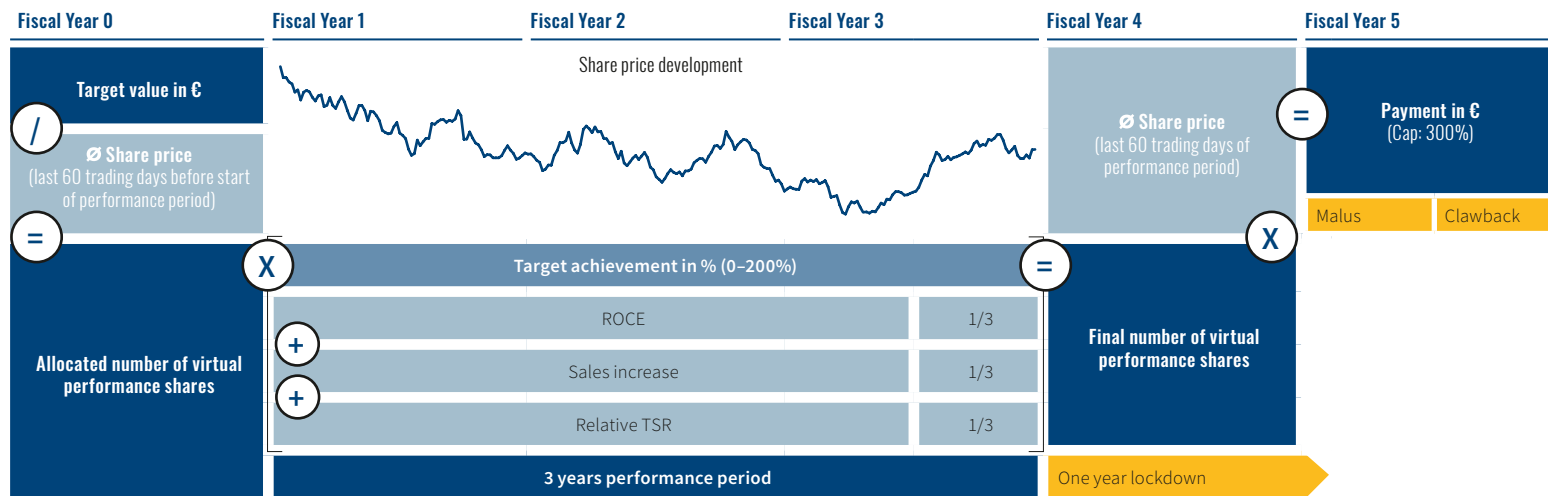
With the exception of Dr. Bernd Schulte, the above target values and achievements for 2022 fiscal year apply to each of the Management Board members in office in the 2022 fiscal year, including Dr. Goetz Bendele, who stepped down from the Management Board on December 15, 2022. Due to Dr. Bernd Schulte's period of service of less than three months in fiscal year 2022 as part of his secondment to the Management Board of the Company by the Supervisory Board, which is limited to one year until October 16, 2023, no variable remuneration components were relevant for his Management Board remuneration in this period. The Supervisory Board set the sustainability target for the 2022 fiscal year on the recommendation of the Sustainability Committee as part of the Remuneration System 2021. These targets include both a significant reduction of indirect (Scope 2) CO<sub>2</sub> emissions at the main

production sites by more than 60 percent compared to the 2021 fiscal year, the roll-out and training of the new compliance manual and code of conduct, and the creation and application of a compliance system for suppliers above a certain sales size.

### Long-term Variable Remuneration (LTI)

The LTI is intended to help promote the sustainable and long-term business development of SUSS MicroTec. In the Remuneration System 2021, this is done with a share-based approach using virtual performance shares (VPS). This capital market-oriented structure for the LTI links the interests of shareholders and Management Board members even more closely. Overall, the incentive is created to increase the value of the Company on a long-term and sustainable basis.

The LTI is granted annually as a tranche in the form of VPS.  
The term of an LTI tranche is four years, comprising a three-year performance period followed by a one-year lock-up period.



The number of conditionally granted VPS is determined by dividing the target amount of the LTI by the average share price of SUSS MicroTec (mean of the closing prices in XETRA trading (or a comparable successor system) of Deutsche Börse AG over the last 60 trading days before the start of the performance period). The number of VPS can increase or decrease depending on the achievement of the two financial performance criteria (return on capital employed [ROCE] and sales growth) as well as a performance criterion based on the development of the share price (relative total shareholder return [TSR] compared to two peer groups). The three LTI performance criteria are equally weighted, with one third each going into the overall target achievement.

#### Financial Performance Criteria – ROCE & Sales Growth

This part of the LTI is measured by the achievement of the two financial performance criteria ROCE and sales growth. Both performance targets promote the implementation of the business strategy of SUSS MicroTec and take into account the LTI's focus on the long-term development of the Company.

➤ **ROCE:** ROCE for the performance period is calculated as the equally weighted average of the actual ROCE values for the individual fiscal years in the performance period. The actual ROCE value for each fiscal year is

calculated as the quotient of earnings before interest and taxes (EBIT) as reported in the audited and approved consolidated financial statements of the Company, the average capital employed based on the Quarterly Reports, and the audited and approved consolidated financial statements in the respective fiscal year. ROCE is an important profitability indicator that describes the return on capital employed. The individual components of ROCE are each strategically important key figures for the Company. The optimization of the individual components leads accordingly to an improvement in the ROCE and therefore to a better use of the capital employed in the Company. The average ROCE within the performance period is decisive for achieving the target.

➤ **Sales growth:** Sales growth refers to the increase in Group sales within the performance period and is measured as the compound annual growth rate (CAGR). In principle, the Company should grow at least as fast as the market volume of the reference markets over the cycle, since otherwise there is a risk of losing market share in the medium and long term. Only through sustainable sales growth can the Company succeed in maintaining its leading market position in the relevant target markets in the long term and generate sustainable positive cash flows and thus funds for investments such as innovations or research and development.

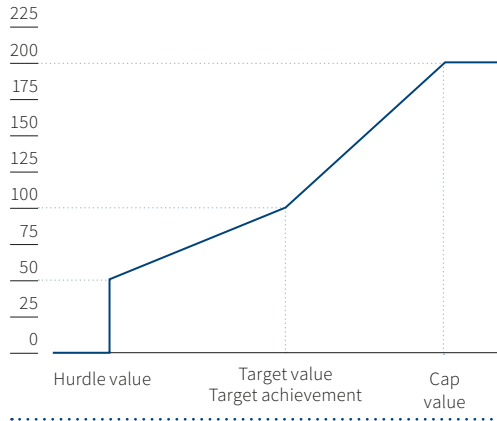
Before the start of a fiscal year, the Supervisory Board sets ambitious targets (including threshold and cap values) for each performance criterion for the respective new tranche. These values remain applicable throughout the three-year performance period of a tranche. The target value to be set by the Supervisory Board is based on the expected return on capital employed according to the business strategy (for the ROCE performance criterion) or on the strategically planned sales growth (for the sales growth performance criterion) so that a high strategic relevance of the performance criteria can be ensured.

The Supervisory Board determines whether the financial performance criteria have been met after approving the consolidated financial statements for the final year of the performance period. Target achievement for the financial performance criteria is determined by comparing the respective actual value achieved during the performance period with the defined target value. Target achievement is converted into a payout factor for each performance criterion using a bonus curve. If the respective target achievement is lower than the threshold, the payout factor for the respective performance criterion is 0 percent, meaning total failure to meet the financial respective targets is possible. If the target is achieved at the threshold level, the payout factor is 50 percent. If the actual value corresponds to the target value, the payout factor is

100 percent. If the target achievement is equal to or greater than the cap value, the payout factor is 200 percent.

For the financial targets, the bonus curves are diagrammed as follows:

**Payment factor in percent**

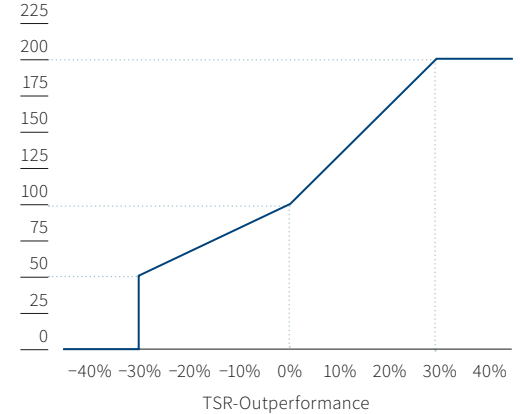


**Share Price-Based Performance Criterion – Relative TSR**

The third performance criterion, relative total shareholder return (TSR), compares the TSR performance of SUSS MicroTec with the TSR performance of two peer groups, the Philadelphia Semiconductor Index as an international sector index, and the DAXsector Technology Index as a German index with a technology focus. The share-based provision of the LTI and the integration of a further share price-based performance criterion strengthen the alignment of interests between the Management Board members and shareholders.

The calculation of target achievement is based on the TSR outperformance for SUSS MicroTec compared to the two benchmark indices. The outperformance corresponds to the difference between the TSR of the SUSS MicroTec share and the TSR of the respective peer group in percentage points. An identical TSR performance from SUSS MicroTec and the respective benchmark index leads to a TRS outperformance of 0 percent and corresponds to a target achievement of 100 percent. The threshold of -30 percent means that the TSR performance of SUSS MicroTec is 30 percent below the index performance and corresponds to a payout of 30 percent. In the case of an outperformance of +30 percent for SUSS MicroTec compared to the benchmark index, the payout is capped at 200 percent. The bonus curve is diagrammed as follows:

**Payment factor in percent**



The payout factors determined based on the TSR outperformance versus the respective benchmark index are taken into account on an equally weighted basis when determining the final payout factor for the relative TSR.

To determine the overall target achievement in the LTI, the calculated payout factors of ROCE, sales growth, and relative TSR are each multiplied by 1/3 and added together, i.e.,

they are included in the overall target achievement with equal weight.

The final number of VPS will be determined after the end of the three-year performance period. For this purpose, the number of VPS conditionally granted at the beginning for the performance period is multiplied by the overall target achievement. The resulting final number of VPS is multiplied in the next step with the average share price of SUSS MicroTec (mean of the closing prices in XETRA trading or a comparable successor system of Deutsche Börse AG over the last 60 trading days before the end of the performance period) to determine the payout amount. The amount thereby designated for payment is not paid out until after a one-year lock-up period so that the total inflow does not occur until four years after allocation at the earliest. The payout amount is capped at 300 percent of the target amount.

The VPS are paid out in cash. The Supervisory Board is entitled to pay out the LTI in full or in part as no-par value shares in SUSS MicroTec instead of a cash payment. A subsequent adjustment of the defined performance criteria or the target values or comparison parameters for the performance criteria within the meaning of Recommendation G.8 of the German Corporate Governance Code is excluded. The Supervisory Board is able to take into account

extraordinary developments to an appropriate extent (G.11 German Corporate Governance Code). If the Supervisory Board makes use of this option, the reasons for an adjustment and its scope will be communicated in the remuneration report for the fiscal year.

**Target Values (LTI) – the Performance Period of the 2021 Tranche ends on December 31, 2023**

	Weighting	Threshold for 0% target achievement	Threshold for 100% target achievement	Threshold for 200% target achievement	Model values tranche 1
<b>1st tranche 2021–2023</b>					
Return on capital employed (ROCE)	1/3	14%	19%	24%	18.40%
Increase in sales	1/3	6.72%	9.60%	12.48%	10.48%
Relative TSR <sup>1</sup>	1/3	-30%	0%	30%	-9.97%

**Target Values (LTI) – the Performance Period of the 2022 Tranche ends on December 31, 2024**

	Weighting	Threshold for 0% target achievement	Threshold for 100% target achievement	Threshold for 200% target achievement	Model values tranche 2
<b>2nd tranche 2022–2024</b>					
Return on capital employed (ROCE)	1/3	14%	19%	24%	21%
Increase in sales	1/3	7.71%	11.01%	14.31%	14.34%
Relative TSR <sup>1</sup>	1/3	-30%	0%	30%	-0.18%

1. The percentage figures relate to TSR outperformance (calculated using the average closing prices of the last 30 trading days in XETRA trading)

With the exception of Dr. Bernd Schulte, the above target values and achievements of the LTI tranches 2021 and 2022 apply to each of the Management Board members in office in the 2022 fiscal year, including Dr. Goetz Bendele, who stepped down from the Management Board on December 15, 2022. Due to Dr. Bernd Schulte's period of service of less than three months in fiscal year 2022 as part of his secondment to the Management Board of the Company by the Supervisory Board, which is limited to one year until October 16, 2023, no variable remuneration components were relevant for his Management Board remuneration in this period.

### Malus and Clawback

The Supervisory Board has the option to withhold (malus) or reclaim (clawback) variable remuneration components in part or in full in the cases listed below.

In the event of at least one serious and culpable breach by the Management Board member of statutory or contractual obligations or obligations arising from the articles of incorporation of the Company or the Company bylaws for the Management Board, the Supervisory Board may, at its due discretion, reduce and retain variable remuneration components that have not yet been paid out or reclaim variable remuneration components that have already been

paid out. An assertion of the clawback right is excluded if the breach of obligation dates back more than ten years.

If variable remuneration components were wrongly paid out to the Management Board member based on incorrect data, the Supervisory Board may, at its due discretion, demand the full or partial return of the difference resulting from the recalculation of the amount of variable remuneration compared to the amount paid out.

The clawback and malus rights shall also exist if the position or employment relationship of the Management Board member has already ended at the time the clawback and/or malus rights are asserted. The Management Board member may not appeal the fact that the reclaimed variable remuneration is no longer available in their assets. Claims by the Company for damages, in particular under Section 93 (2)(1) of the German Stock Corporation Law (AktG), the right of the Company to revoke the appointment pursuant to Section 84 (3) AktG, and the right of the Company to terminate the employment contract without notice (Section 626 (1) of the German Civil Code [BGB]) shall remain unaffected.

In the year under review, no circumstances were identified that would have justified a corresponding withholding or clawback. Accordingly, no use was made of the option to withhold or clawback variable remuneration components.

### Special Bonus

The Supervisory Board has the right to grant a special payment to the Management Board members in the event of special circumstances or developments. For example, in order to recruit qualified candidates for the Management Board, the Supervisory Board may grant Management Board Members appointed for the first time an appropriate sign-on bonus in line with market conditions, e.g., to offset forfeited compensation benefits from previous employment or service agreements. Similarly, a special bonus may be awarded, for example, as a result of significant changes in the corporate structure, e.g., through the acquisition or disposal of significant parts of the Company. The payout amount of special bonuses is limited to 1.5 times the basic remuneration.

In the line with an appropriate and market-driven starting bonus and in order to attract new members to the Management Board, one-time sign-on and retention bonuses were offered to Dr. Goetz M. Bendele and Dr. Thomas Rohe in fiscal year 2021, as described in more detail in the

related Remuneration Report. In accordance with the contract, the first of a total of three annual tranches of 3,500 SÜSS MicroTec SE performance shares was paid out to Dr. Goetz M. Bendele in June 2022, with the amount paid out per performance share being calculated on the basis of the average closing price (arithmetic mean) of the Company's no-par value shares in XETRA trading over the last 60 trading days in the 2021 fiscal year. In accordance with the contract, the second of a total of three equal annual installments of € 20,000.00 each of the retention bonus was paid to Dr. Thomas Rohe in May 2022.

### Maximum Remuneration

In addition to the caps at the level of the individual performance criteria and the variable remuneration components, the Remuneration System 2021 includes a cap on the remuneration amount at the level of the Management Board as a whole and at the level of the individual Management Board members. The total remuneration paid to the Management Board of SÜSS MicroTec as a whole within one year may not exceed a value of up to € 5,800,000 for up to three Management Board Members. If a fourth Management Board member is appointed, the maximum compensation of the Management Board as a whole is € 7,500,000. The total remuneration of the Management Board as a whole consists of the sum of the fixed remuneration, fringe benefits, STI, LTI, and special bonuses paid to all Management Board members. At the level of individual Management Board members, this means that the total annual remuneration is capped at 2.7 times the target total remuneration for the respective year. Prior to payment of the variable Management Board remuneration, compliance with the maximum remuneration is monitored by the Personnel Committee.

### Remuneration of the Management Board Members in the 2022 Fiscal Year

The tables below show the respective target remuneration of the Management Board members in the reporting year for the 2022 fiscal year. This comprises the target remuneration promised for the fiscal year, which is granted if 100 percent of the target is achieved, supplemented by details of the minimum and maximum remuneration achievable on an individual basis. There are no differences in the basic remuneration and fringe benefits.

### Target remuneration of the Management Board members:

#### Dr. Bernd Schulte, Chief Executive Officer (CEO), Entry date: 10/17/2022

Target remuneration	2022 (100%)	2021 (100%)	2022 (Min)	2022 (Max)
Basic remuneration	76,660.71	–	76,660.71	76,660.71
Fringe benefits (fixed) <sup>1</sup>	2,586.67	–	2,586.67	2,586.67
Expenses for retirement benefits	–	–	–	–
<b>Total</b>	<b>79,247.38</b>	<b>–</b>	<b>79,247.38</b>	<b>79,247.38</b>
Short-term variable remuneration (STI)	–	–	–	–
Long-term variable remuneration (LTI): 2021 tranche (performance period 01/01/2021 to 12/31/2023 and lock-up period 01/01/2024 to 12/31/2024)	–	–	–	–
Long-term variable remuneration (LTI): 2022 tranche (performance period 01/01/2022 to 12/31/2024 and lock-up period 01/01/2025 to 12/31/2025)	–	–	–	–
<b>Total remuneration</b>	<b>79,247.38</b>	<b>–</b>	<b>79,247.38</b>	<b>79,247.38</b>

1 Includes: Allowance for optional retirement insurance Company share of legal or private health insurance



**Dr. Goetz M Bendele, Former Chief Executive Officer (CEO), Exit date: 10/16/2022**

Target remuneration	2022 (100%)	2021 (100%)	2022 (Min)	2022 (Max)
Basic remuneration	287,839.29	243,000.00	243,000.00	243,000.00
Fringe benefits (fixed) <sup>1</sup>	21,159.40	19,191.36	19,191.36	19,191.36
Other (sign-on and retention bonus) <sup>2</sup>	47,355.00	76,650.00	–	–
of which investment in SUSS MicroTec shares	–	–	–	–
Expenses for retirement benefits	–	–	–	–
<b>Total</b>	<b>356,353.69</b>	<b>338,841.36</b>	<b>262,191.36</b>	<b>262,191.36</b>
Short-term variable remuneration (STI) <sup>3</sup>	160,335.62	135,000.00	–	320,671.23
Long-term variable remuneration (LTI): 2021 tranche (performance period 01/01/2021 to 12/31/2023 and lock-up period 01/01/2024 to 12/31/2024)	–	162,000.00	–	–
Long-term variable remuneration (LTI): 2022 tranche (performance period 01/01/2022 to 12/31/2024 and lock-up period 01/01/2025 to 12/31/2025)	192,402.74	–	–	577,208.22
Other (sign-on and retention bonus) <sup>2</sup>	52,465.00	–	–	577,208.22
of which investment in SUSS MicroTec shares	–	–	–	–
<b>Total remuneration</b>	<b>709,101.38</b>	<b>635,841.36</b>	<b>262,191.36</b>	<b>1,160,070.81</b>

1 Includes: Allowance for optional retirement insurance Monetary value of private vehicle or car allowance Company share of legal or private health insurance

2 Dr. Goetz M. Bendele receives a sign-on and retention bonus in the form of an allocation of 10,500 performance shares, which are paid out in 3 tranches of 3,500 performance shares each with the variable remuneration, as long as the employment relationship exists for a maximum of 3 years.

3 Because the contract was terminated, the short-term variable remuneration (STI) was determined pro rata temporis. At the time the termination agreement was concluded, the degree of target achievement for the STI 2022 had not yet been determined, which is why the parties agreed on an overall target achievement level of 100 percent for the STI 2022 as a flat rate.

**Oliver Albrecht, Chief Financial Officer (CFO), Entry date: 11/18/2019**

Target remuneration	2022 (100%)	2021 (100%)	2022 (Min)	2022 (Max)
Basic remuneration	300,000.00	300,000.00	300,000.00	300,000.00
Fringe benefits (fixed) <sup>1</sup>	23,400.48	24,435.88	23,400.48	23,400.48
Expenses for retirement benefits	–	–	–	–
<b>Total</b>	<b>323,400.48</b>	<b>324,435.88</b>	<b>323,400.48</b>	<b>323,400.48</b>
Short-term variable remuneration (STI)	97,500.00	97,500.00	–	195,000.00
Long-term variable remuneration (LTI): 2021 tranche (performance period 01/01/2021 to 12/31/2023 and lock-up period 01/01/2024 to 12/31/2024) <sup>2</sup>	–	102,500.00	–	–
Long-term variable remuneration (LTI): 2022 tranche (performance period 01/01/2022 to 12/31/2024 and lock-up period 01/01/2025 to 12/31/2025) <sup>2</sup>	102,500.00	–	–	307,500.00
<b>Total remuneration</b>	<b>523,400.48</b>	<b>524,435.88</b>	<b>323,400.48</b>	<b>825,900.48</b>

1 Includes: Allowance for optional retirement insurance Monetary value of private vehicle or car allowance Company share of legal or private health insurance

2 A lock-up period of three years applies to shares acquired in accordance with the variable remuneration system in force at December 31, 2020 as part of the variable remuneration (after deduction of personal taxes). The new remuneration system applicable from January 1, 2021 does not provide for mandatory investment of the STI bonus in SUSS MicroTec shares.

**Dr. Thomas Rohe, Chief Operations Officer (COO), Entry date: 05/01/2021**

Target remuneration	2022 (100%)	2021 (100%)	2022 (Min)	2022 (Max)
Basic remuneration	202,500.00	135,000.00	135,000.00	135,000.00
Fringe benefits (fixed) <sup>1</sup>	47,331.92	20,178.40	20,178.40	20,178.40
Other (sign-on bonus and retention bonus) <sup>2</sup>	20,000.00	70,000.00	–	–
of which investment in SUSS MicroTec shares	–	50,000.00	–	–
Expenses for retirement benefits	–	–	–	–
<b>Total</b>	<b>269,831.92</b>	<b>225,178.40</b>	<b>155,178.40</b>	<b>155,178.40</b>
Short-term variable remuneration (STI)	112,500.00	75,000.00	–	225,000.00
Long-term variable remuneration (LTI): 2021 tranche (performance period 01/01/2021 to 12/31/2023 and lock-up period 01/01/2024 to 12/31/2024)	–	90,000.00	–	–
Long-term variable remuneration (LTI): 2022 tranche (performance period 01/01/2022 to 12/31/2024 and lock-up period 01/01/2025 to 12/31/2025)	135,000.00	–	–	405,000.00
<b>Total remuneration</b>	<b>517,331.92</b>	<b>390,178.40</b>	<b>155,178.40</b>	<b>785,178.40</b>

1 Includes: Allowance for optional retirement insurance Monetary value of private vehicle or car allowance Company share of legal or private health insurance Allowance for moving and additional living expenses (limited to six months) Allowance for rental costs

2 Dr. Thomas Rohe receives a sign-on bonus of € 20,000 for the term of his employment contract.

**Remuneration granted and owed to members of the Management Board in fiscal year 2022:**

In the interests of transparency and reporting that is as close to the period as possible, remuneration is reported in accordance with a performance-based interpretation. Accordingly, the short-term variable remuneration (STI) for the 2022 fiscal year, for example, is considered to be granted or owed, although it is not due for payment until the 2023 fiscal year. The background to this is that the underlying performance had been provided in full by the end of the 2022 fiscal year.

In the 2022 fiscal year, the current and former members of the Management Board were remunerated as shown in the following tables.

**Remuneration granted and owed**

	Dr. Bernd Schulte Chief Executive Officer (CEO) Entry date: 10/17/2022				Oliver Albrecht Chief Financial Officer (CFO) Entry date: 11/18/2019			
	2022	in %	2021	in %	2022	in %	2021	in %
Basic remuneration	76,660.71	96.7	–	0.0	300,000.00	49.5	300,000.00	57.9
Fringe benefits (fixed)	2,586.67	3.3	–	0.0	23,400.48	3.9	23,435.88	4.5
Expenses for retirement benefits	–	0.0	–	0.0	–	0.0	–	0.0
Other (sign-on bonus)	–	0.0	–	0.0	–	0.0	–	0.0
of which investment in SUSS MicroTec shares	–	0.0	–	0.0	–	0.0	–	0.0
Severance payments	–	0.0	–	0.0	–	0.0	–	0.0
<b>Total</b>	<b>79,247.38</b>	<b>100.0</b>	<b>–</b>	<b>0.0</b>	<b>323,400.48</b>	<b>53.5</b>	<b>323,435.88</b>	<b>62.4</b>
Single-year variable remuneration (STI)	–	0.0	–	0.0	93,600.00	15.5	85,634.25	16.5
of which investment in SUSS MicroTec shares	–	0.0	–	0.0	–	0.0	–	0.0
Multi-year variable remuneration 2020–2021 (LTI)	–	0.0	–	0.0	–	0.0	–	0.0
Long-term variable remuneration (LTI): 2021 tranche (performance period 1/1/2021 to 12/31/2023 and lock-up period 1/1/2024 to 12/31/2024) <sup>1</sup>	–	0.0	–	0.0	86,240.83	14.3	109,300.38	21.1
Long-term variable remuneration (LTI): 2022 tranche (performance period 01/01/2022 to 12/31/2024 and lock-up period 01/01/2024 to 12/31/2024) <sup>1</sup>	–	0.0	–	0.0	101,341.26	16.8	–	0.0
Total remuneration <sup>2</sup>	<b>79,247.38</b>	<b>100.0</b>	<b>–</b>	<b>0.0</b>	<b>604,582.57</b>	<b>100.0</b>	<b>518,370.51</b>	<b>100.0</b>

1 Recognition of the first tranche (2021–2023) and the second tranche (2022–2024) for the LTI under the new remuneration system will not take place until the end of the period. The amount of the provision can be found in Note (24) to the consolidated financial statements.

2 For Oliver Albrecht, the maximum total annual remuneration of € 1,413,276.88 was complied with in the 2022 fiscal year. In addition, with total remuneration for the entire Management Board of € 2,825,256.33 in the 2022 fiscal year, the maximum total remuneration for the entire Management Board of € 5,800,000 (for up to three members of the Management Board) was complied with.

**Remuneration granted and owed**

	Dr. Thomas Rohe Chief Operations Officer (COO) Entry date: 05/01/2021				Dr. Goetz M Bendele Former Chief Executive Officer (CEO) Exit date: 12/31/2022			
	2022	in %	2021	in %	2022	in %	2021	in %
Basic remuneration	202,500.00	34.5	135,000.00	34.9	287,839.29	17.9	243,000.00	38.6
Fringe benefits (fixed)	47,331.92	8.1	20,178.00	5.2	21,159.40	1.3	19,191.00	3.0
Expenses for retirement benefits	–	0.0	–	0.0	–	0.0	–	0.0
Other (sign-on bonus)	20,000.00	3.4	70,000.00	18.1	47,355.00	2.9	76,650.00	12.2
of which investment in SUSS MicroTec shares	–	0.0	50,000.00	12.9	–	0.0	–	0.0
Severance payments	–	0.0	–	0.0	710,000.00	44.2	–	0.0
<b>Total</b>	<b>269,831.92</b>	<b>46.0</b>	<b>225,178.00</b>	<b>58.2</b>	<b>1,066,353.69</b>	<b>66.4</b>	<b>338,841.00</b>	<b>53.8</b>
Single-year variable remuneration (STI)	108,000.00	18.4	65,872.50	17.0	160,335.62	10.0	118,570.00	18.8
Other (sign-on bonus)	–	0.0%	–	0.0%	52,465.00	3.3	0.0%	–
of which investment in SUSS MicroTec shares	–	0.0%	–	0.0%	–	–	0.0%	–
Multi-year variable remuneration 2020–2021 (LTI)	–	0.0	–	0.0	–	3.3	–	0.0
Long-term variable remuneration (LTI): 2021 tranche (performance period 1/1/2021 to 12/31/2023 and lock-up period 1/1/2024 to 12/31/2024) <sup>1</sup>	75,723.66	12.9	95,964.54	24.8	136,302.58	8.5	172,748.52	27.4
Long-term variable remuneration (LTI): 2022 tranche (performance period 01/01/2022 to 12/31/2024 and lock-up period 01/01/2024 to 12/31/2024) <sup>1</sup>	133,473.85	22.7	–	0.0	190,227.67	11.8	–	0.0
<b>Total remuneration<sup>2</sup></b>	<b>587,029.43</b>	<b>100.0</b>	<b>387,015.04</b>	<b>100.0</b>	<b>1,605,684.55</b>	<b>100.0</b>	<b>630,159.52</b>	<b>100.0</b>

1 Recognition of the first tranche (2021–2023) and the second tranche (2022–2024) for the LTI under the new remuneration system will not take place until the end of the period. The amount of the provision can be found in Note (24) to the consolidated financial statements.

2 For Dr. Thomas Rohe, the maximum total annual remuneration (= 2.7 times the target total remuneration in each case) of € 1,053,481.68 was complied with in the 2022 fiscal year. In addition, with total remuneration for the entire Management Board of € 2,825,256.33 in the 2022 fiscal year, the maximum total remuneration for the entire Management Board of € 5,800,000 (for up to three members of the Management Board) was complied with. For Dr. Goetz M. Bendele, the maximum total annual remuneration (= 2.7 times the target total remuneration in each case) of € 1,716,771.67 was complied with in the 2022 fiscal year.

## Pensions

There are no pension obligations for current members or former members of the Management Board.

## Benefits due to Termination of Employment in the 2022 Fiscal Year

An agreement on the early termination of the employment contract was reached with Dr. Goetz Bendele on December 15, 2022, although Dr. Goetz Bendele's employment had already been suspended since October 17, 2022, due to his time off to care for a sick family member. As part of the termination agreement, it was agreed for the short-term variable remuneration for the 2022 fiscal year (STI 2022), which was earned on a pro rata basis up to October 16, 2022, that the overall degree of target achievement of the STI, which had not yet been determined at this point in time, was 100 percent and that half of the STI 2022 would be paid with the regular payment run in January 2023, while the other half of the STI 2022 would continue to be paid with the regular payment run for the calendar month following the approval of the Company's consolidated financial statements for the 2022 fiscal year by the Supervisory Board. The LTI tranches previously granted to Dr. Goetz Bendele (LTI tranche 2021 and LTI tranche 2022) remain in

place and will be paid out regularly in accordance with the plan conditions. Upon conclusion of the termination agreement, the performance shares of the second and third annual tranches of 3,500 performance shares each granted to Dr. Goetz Bendele by way of the sign-on and retention bonus and not yet paid out were vested and will be settled in accordance with the bonus plan conditions. Due to the termination of the employment relationship, to settle claims for remuneration for the remaining term of the employment contract, the Company paid Dr. Goetz Bendele a one-time settlement of € 710,000.00 gross with the regular payment run in January 2023.

## Remuneration of the Supervisory Board Members

The remuneration of the Supervisory Board members is set out in greater detail in Section 20 of the articles of incorporation of the Company. The Supervisory Board members receive fixed annual remuneration of € 45,000.00. The Chairman of the Supervisory Board receives 2.0 times and the Deputy Chairman 1.5 times the remuneration granted in accordance with sentence 1. In addition, each member of

the Audit Committee receives an annual fixed remuneration of € 15,000.00, and each member of the Personnel Committee receives an annual fixed remuneration of € 10,000.00. The Chairs of the committees each receive 2.0 times the aforementioned amounts. If a Supervisory Board member sits on several committees at a time, only the highest-paid committee membership is remunerated in addition to the fixed annual remuneration pursuant to sentence 1. In addition, each Supervisory Board Member receives meeting attendance compensation of € 1,000.00 for participating in meetings of the Supervisory Board and meetings of a committee of which he or she is a member such as face-to-face meetings, telephone or video conferences, or a corresponding connection. Multiple meetings (regardless of whether they are meetings for the Supervisory Board or committees) held on the same day are not remunerated more than once.

In the 2022 fiscal year, the current and former members of the Supervisory Board were remunerated as follows:

**2022**

in €	Fixed remuneration	Meeting attendance remuneration for the Supervisory Board		Committee remuneration	Meeting attendance remuneration for committees		Total remuneration		
		in %	in %		in %	in %			
<b>Supervisory Board</b>									
Dr. David Dean (Chair of the Supervisory Board)	90,000.00	65.7	13,000.00	9.5	20,000.00	14.6	14,000.00	10.2	137,000.00
Dr. Myriam Jahn (Deputy Chair of the Supervisory Board)	67,500.00	67.2	13,000.00	12.9	10,000.00	10.0	10,000.00	10.0	100,500.00
Prof. Dr. Mirja Steinkamp (since 03/04/2022)	37,356.00	50.5	11,000.00	14.9	22,603.00	6.7	3,000.00	4.1	73,959.00
Dr. Dietmar Meister (to 03/01/2022)	7,397.00	51.6	1,000.00	7.0	4,932.00	104.7	1,000.00	7.0	14,329.00
Jan Smits	45,000.00	56.3	13,000.00	16.3	15,000.00	18.8	7,000.00	8.8	80,000.00
Dr. Bernd Schulte (to 10/16/2022)	35,630.00	57.9	8,000.00	13.0	7,918.00	12.9	10,000.00	16.2	61,548.00

**2021**

in €	Fixed remuneration	Meeting attendance remuneration for the Supervisory Board		Committee remuneration	Meeting attendance remuneration for committees		Total remuneration		
		in %	in %		in %	in %			
<b>Supervisory Board</b>									
Dr. David Dean (Chair of the Supervisory Board)	75,000.00	67.6	20,000.00	18.0	10,000.00	9.0	6,000.00	5.4	111,000.00
Dr. Myriam Jahn (Deputy Chair of the Supervisory Board)	58,750.00	67.7	20,000.00	23.1	5,000.00	5.8	3,000.00	3.5	86,750.00
Dr. Dietmar Meister	45,000.00	53.6	20,000.00	23.8	15,000.00	17.9	4,000.00	4.8	84,000.00
Jan Smits	45,000.00	58.8	20,000.00	26.1	7,500.00	9.8	4,000.00	5.2	76,500.00
Dr. Bernd Schulte	45,000.00	61.6	20,000.00	27.4	5,000.00	6.8	3,000.00	4.1	73,000.00

No remuneration was granted or owed to former members of the Supervisory Board in the 2022 fiscal year.

In the 2022 fiscal year, neither members of the Supervisory Board nor persons or companies affiliated with them received any remuneration or benefits for personal services, particularly consultation and placement services.

## Comparative Presentation of Remuneration and Earnings Development

The following comparative presentation shows the annual change in remuneration granted and owed to current and former members of the Management Board and Supervisory Board, the Company's earnings development and employee remuneration on a full-time equivalent basis. The development of the Company's earnings is not only

presented on the basis of the respective net profit or loss for the year (HGB), but also (voluntarily) on the basis of the consolidated net profit for the year (IFRS), as this indicator is used as a performance criterion for the variable remuneration of the Management Board members. With regard to the average remuneration of employees, the wages and salaries as well as the number of employees of all German Group companies in the respective fiscal year are used as a basis.

### Comparative presentation of the remuneration and earnings development

in € thousand	2022	Change vs. PY	2021	Change vs. PY	2020	Change vs. PY	2019	Change vs. PY	2018
<b>Remuneration of the Management Board</b>									
Dr. Bernd Schulte (Entry date: 10/17/2022)	79								
Dr. Goetz M. Bendele (Departure date: 12/31/2022)	1,227	168.5%	457						
Oliver Albrecht (Entry date: 11/18/2019)	418	2.2%	409	-28.5%	572	979.2%	53		
Dr. Thomas Rohe (Entry date: 05/01/2021)	379	30.2%	291						
Dr. Franz Richter (Departure date: 04/30/2021)	0		330	-52.2%	691	24.5%	555	-9.6%	614
Robert Leurs (Departure date: 11/17/2019, entry date: 12/01/2017)							820	60.6%	510
Walter Braun (Departure date: 09/11/2018)									989



**Comparative presentation of the remuneration and earnings development**

in € thousand	2022	Change vs. PY	2021	Change vs. PY	2020	Change vs. PY	2019	Change vs. PY	2018
<b>Remuneration of the Supervisory Board</b>									
Dr. David Dean (since 05/20/2020)	137	23.4%	111	101.8%	55				
Dr. Myriam Jahn (since 05/31/2017)	101	16.1%	87	14.5%	76	24.6%	61	3.4%	59
Dr. Dietmar Meister (until 03/01/2022)	14	-83.3%	84	15.1%	73	102.8%	36		
Jan Smits (since 05/20/2020)	80	3.9%	77	67.4%	46				
Dr. Bernd Schulte (until 10/16/2022)	62	-15.1%	73	386.7%	15				
Prof. Dr. Mirja Steinkamp (since 03/04/2022)	74								
Dr. Stefan Reineck (until 05/20/2020)					35	-53.9%	76	2.7%	74
Jan Teichert (until 04/30/2020)					24	-63.6%	66	3.1%	64
Gerhard Pegam (until 03/25/2020)					16	-73.8%	61	3.4%	59
<b>Earnings development</b>									
Net profit for the year for SÜSS MicroTec SE	12,203	-69%	39,591	5,429.6%	716	-103.9%	-18,536	-18,840%	99
Net profit for the year for the Group	24,529	53.2%	16,015	29.5%	12,363	-176.0%	-16,261	-439.9%	4,784
<b>Average employee remuneration</b>									
German SÜSS MicroTec companies	85.7	19.2%	71.9	0.1%	71.8	6.4%	67.5	-0.4%	67.8

## Other

SUSS MicroTec has taken out directors' and officers' liability insurance (D&O insurance) for the members of the Management Board and Supervisory Board. The premiums for this are paid by the Company. In accordance with the requirements of stock corporation law, a deductible of 10 percent of the loss up to the amount of one and a half times the annual fixed remuneration of the respective Management Board member is provided for the members of the Management Board. Due to the current version of the German Corporate Governance Code, there is no longer a deductible for members of the Supervisory Board. Moreover, the members of the Management Board are included in a group accident insurance policy. The premiums for this are also paid by the Company.

## Opportunities and Risks for the Future Development of the SUSS MicroTec Group

The goal of our opportunity and risk management is to maintain and increase the enterprise value of the SUSS MicroTec Group. Our corporate goals include early and successful detection of opportunities, identification and suitable assessment of risks, and provision of an appropriate response. The diverse opportunities for our Group result from technology leadership in our businesses, our broad spectrum of products and solutions for the semiconductor equipment industry, collaborations with international customers and research institutes, and our global positioning. We define opportunities and risks as follows:

- Opportunities are possible future developments or events that can lead to a forecast or target deviation that is positive for the Group over the short, medium, or long term.

- Risks are possible future developments or events that can lead to a forecast or target deviation that is negative for the Group over the short, medium, or long term.

The analysis and assessment of opportunities and risks for the Group is the subject of continuous deliberations by the Management Board and management. With management that is opportunity oriented as well as risk conscious, the Company's fundamental goal is not to avoid all potential risks. Instead, we constantly aim to achieve a balanced ratio of risk avoidance, risk reduction, and the controlled acceptance of risk. An awareness of risks should not interfere with the ability to identify opportunities and use them to increase the value of the Company and the value it has for its shareholders.

### Opportunities for the Group

The global business activities of SUSS MicroTec in a dynamic market environment constantly open up new opportunities to support and advance our targeted growth. Therefore, the recognition and exploitation of these opportunities are among the main components of our corporate strategy.

### Macroeconomic Opportunities

SUSS MicroTec is represented worldwide with production, sales, and service subsidiaries and also cooperates with many external commercial partners. Our international presence offers us opportunities to acquire new customers worldwide, to enter into new cooperative agreements, and to participate in the growth of industrial markets in the major and emerging economies.

### Strategic Corporate Opportunities

SUSS MicroTec develops and produces equipment and process solutions for micropattern applications for the semiconductor industry – this is an area in which we have over 70 years of experience. The Company's portfolio encompasses a broad range of products and solutions for advanced backend lithography and bonding as well as for photomask production and cleaning in the frontend of semiconductor manufacturing. Micro-optical components complete the portfolio. Whether they're producing memory chips, cameras for mobile phones, or tire pressure sensors, the solutions offered by SUSS MicroTec are used in both everyday and industrial applications. These strengths give us the opportunity to carry out promising development projects and embark on auspicious collaborations. Our goal is to further expand the product range

and refine applications and technologies. We maintain numerous development partnerships with research institutes and industry partners. In particular, cooperation with research institutes offers tremendous potential for SUSS MicroTec because they usually work very closely with our customers and are financed to a significant extent by these customers. One example is imec, a leading international research center for nano- and microelectronics headquartered in Belgium.

New basic technologies are frequently developed in the laboratories of research institutes and then find their way into industry. It is all the more important for a high-tech company like SUSS MicroTec to participate in the development of new technologies and processes from the very beginning. This increases the chances of being able to offer innovative equipment and solutions later for industry on a large scale.

Along with the refinement of its own technologies, SUSS MicroTec fundamentally also sees the opportunity to expand the Company with new businesses and technologies through acquisitions. Acquisition opportunities that present themselves are carefully examined as warranted.

### Sector and Market-Specific Opportunities

Unlimited mobility, autonomous driving, Industry 4.0, and artificial intelligence – none of these forward-looking topics would be conceivable without high-performance chips. The technically demanding production of these chips takes place through several complex processing steps (micro-patterning), for which chip manufacturers require corresponding specialized tools. SUSS MicroTec develops and builds these specialized tools.

The markets in the semiconductor equipment industry served by SUSS MicroTec are undergoing a process of continuous change that is influenced by information and communication technology as well as the rapid developments in the automotive sector. Developments such as the increasing use of assistance systems in cars, autonomous driving, and the changeover to electrical drives are shaping demand for semiconductor components. Electronic and hybrid cars require significantly more semiconductors than conventional cars. Moreover, in addition to the semiconductors required for assistance systems and the functions that are necessary for autonomous driving, a large number of semiconductors are required to provide premium infotainment. Furthermore, the numerous functions of smartphones and tablets are among the primary drivers of

business in the semiconductor equipment industry. The number of different components contained in smartphones and tablets – such as memory chips, sensors for fingerprint and facial recognition, image sensors for cameras – increases the demand by smartphone manufacturers for powerful chips. This in turn leads to greater demand for semiconductor equipment. The digital transformation of the services industry (smart pay, smart logistics, smart services), of machines (e.g. in connection with Industry 4.0), as well as of private households (smart home, smart health) has likewise entailed growing demand for semiconductors and sensors for some years now. Wearable high-tech components such as smartwatches and intelligent clothing are also growth drivers for the semiconductor industry. These trends will likely continue in the coming years.

Our global network of sales employees, product engineers, and commercial partners is focused on fulfilling the sector- and market-specific requirements of our customers worldwide. SUSS MicroTec is represented with its own subsidiaries in the core markets of the semiconductor equipment industry in Taiwan, China, Singapore, South Korea, and Japan. Our philosophy includes maintaining direct contact at all times with our customers via our branch offices, with the goal of immediately recognizing current developments

in the semiconductor markets. As a result, SUSS MicroTec is able to respond quickly to emerging developments and adjust its applications accordingly.

In order to perceive developments in the markets early on, direct and regular contact with partners, customers, and potential new customers is very important to us. We are therefore represented at trade fairs for the semiconductor industry and sponsor international technology forums – including in 2022. We use these platforms regularly to present the latest technologies of our various product lines. The international presence of SUSS MicroTec and the level of recognition raised by attending trade fairs and events help us to “keep our ear close to the market” and to respond quickly to technological progress and new developments. After events such as trade fairs and conferences were increasingly held on virtual platforms or as hybrid events or canceled completely in 2021 due to the COVID-19 pandemic, the focus shifted back to in-person events in 2022. Almost all of SUSS MicroTec trade fairs and conferences were held in person and on site. Examples included the Electronic Components and Technology Conference (ECTC), the IMAPS Device Packaging Conference & Exhibition, the 3D & Systems Summit, and the MEMS & Imaging Sensors Summit. We also took advantage of new technology conferences focusing on printed electronics – including The

Future Of Electronics RESHAPED in Eindhoven and LOPEC in Munich – or R&D and pharmaceutical conferences such as ResearchPharm in Rotterdam to present our technology solutions such as inkjet printing. The Semicon trade shows that SUSS MicroTec regularly attends also benefited from declining COVID-19 case numbers. Previous visitor numbers were even exceeded in some cases at Semicon Taiwan and Semicon Europa in Munich. The LP50 inkjet printer that we had on display also drove visitor traffic to our exhibition stand. Due to the pandemic, we did not attend Semicon China in Shanghai in 2022.

By partnering with industry associations such as SEMI and numerous international research institutes, SUSS MicroTec is able to reach a large audience in the technology sector. In addition, we targeted potential applicants by participating in numerous recruiting and career fairs to drive the Company’s continued growth in staffing terms as well.

## Operational Opportunities

Lithography remains SUSS MicroTec’s largest division and contributed approximately 59 percent to total annual Group sales in the 2022 fiscal year. With the mask aligner, UV scanner, and coater and developer product lines, we have been successfully represented in the market for many years, servicing customers from various sectors and markets. We are by far the world’s leading supplier of mask aligners. We are consistently the number one or number two supplier of coaters and developers for advanced packaging. The consistently high sales volume – which is continuing to rise, particularly for coaters and developers – should ensure steady capacity utilization at the Garching and Sternenfels production sites in the coming years. In the coming years, we intend to progressively expand the UV projection scanner business, which we permanently relocated to Hsinchu (Taiwan) in 2022, and position it as a strong alternative to mask aligners and projection steppers. The customer base has already been significantly expanded. Sales of UV projection scanners could more than double by 2030. The close proximity to our customers in Asia helps us to respond to customer requests. In addition, manufacturing in Taiwan provides cost advantages and thus competitive advantages. We work tirelessly to further develop our solutions in order to consolidate and improve our market position in the lithography segment.

SUSS Microtec had acquired the inkjet printer business of Meyer Burger (Pixdro) B.V. with approximately 30 employees at the Eindhoven site (Netherlands) effective March 31, 2020. In this unit, we produce and sell semi- and fully-automated equipment for inkjet-based coating processes. In 2022, we continued the integration of the inkjet printer business into the product line for coaters and developers. Adding the inkjet printing process to existing spin and spray coating technologies makes SUSS Microtec the only supplier that is currently able to serve customers with all three of these coating processes. The inkjet printing process significantly reduces the consumption of toxic process materials and improves our customers' environmental footprint. Economically, the technology enables our customers to operate existing processes more cost-effectively and establish new process combinations. In the 2022 fiscal year, we increased the order entry and sales of our inkjet machines for laboratory use and for high-volume machines with integrated inkjet modules. We will continue to focus on the benefits of this new technology and are convinced that we will win further customers for SUSS MicroTec coaters and developers and thus continuously increase sales.

The Bonder division is divided into the two sub-areas of permanent and temporary bonding. After a sharp drop in the market for 3D memory chips in 2019 and declining sales in the temporary bonding area, order entry and sales for both temporary and permanent bonding increased significantly year-on-year between 2020 and 2022. We continue to expect significant sales growth and further improvement in division earnings moving forward. We firmly expect to consolidate and expand our market share in the coming years – particularly with our hybrid bonding solutions – and win new customers and orders in both areas. In 2030, our hybrid bonding solutions contributed the largest share of sales in the Bonder division. The growing market for silicon carbide (SiC) semiconductors presents another opportunity for temporary bonding. We successfully placed our temporary bonding and de-bonding solution with the first and so far only company to switch SiC production from 150mm wafers to 200mm wafers. This could drive further growth for SUSS MicroTec if this customer extends the technology to new or additional factories or if other SiC manufacturers also convert their process to 200mm wafers.

In the Photomask Equipment division, most of the sales involve a few individual orders, each of which has a very high order value of several million euros. We have the leading market position in this industry sector and expect to maintain our market share and continue to win profitable orders. We received many orders from China in 2022 and significantly increased order entry to € 131 million. We are successfully broadening the customer base and thus improving the gross profit margin. While sales in the 2022 fiscal year were still significantly impacted by supply shortages and correspondingly long throughput times, the positive orders position will likely be reflected more strongly in sales growth beginning in 2023.

### Financial Opportunities

Significant changes in the currency market can affect the sales and earnings of SUSS MicroTec both positively and negatively. The changes in value of the euro against the US dollar will influence sales and achievable margins in the North American and Asian regions in the future. An appreciation of the euro against the US dollar would have rather negative effects on net income related to foreign currency, while a devaluation would prospectively result in positive effects for SUSS MicroTec since SUSS MicroTec currently has more inflows than outflows in US dollars.

## Employee-Related Opportunities

SUSS MicroTec views itself as a small to medium-sized business. Thanks to our relatively small size, we have flat hierarchies and offer our employees short lines of communication and fast decision-making processes in all respects. In our view, our SME structures together with our international orientation make SUSS MicroTec an attractive employer. The average period of employment of our active employees in Germany is approximately eight years. We will maintain our existing strategy to retain long-term employees. To support our strong growth, we will intensify our efforts to attract qualified employees. While the lack of specialist staff is increasingly noticeable at our Garching and Sternenfels sites, we assume that we will continue to be able to fill all vacant positions with qualified and motivated employees, thanks to remuneration in line with the market, interesting tasks, and attractive workplace conditions.

Our remuneration system also includes variable remuneration for our executives, the amount of which depends on the extent to which targets are achieved. The targets are redefined annually and are based on certain Group parameters (such as EBIT, sales, and order entry), which are reset annually using current budget plans. In addition,

personal targets are agreed upon with the employee. For sales employees, targets related to winning customer orders are usually defined. The personal goals of employees of other departments mostly involve personal services or projects that add value to the respective department. By integrating budget goals into the remuneration system, we establish a financial incentive for our executives to actively contribute to the achievement of the established Company objectives. In this way, we increase the chances of actually achieving our planned sales and earnings. In addition, the definition of personal targets for executives offers us the opportunity to implement strategic projects critical for success in various areas, even if a work effort is required of employees that goes beyond the normal day-to-day business.

As a globally active technology company, SUSS MicroTec needs employees working in the area of research and development to advance targeted new product developments in order to satisfy the needs of our customers. For this purpose, we establish appropriate incentives and reward employee ideas that are used in our products with annual inventor royalties. Our international presence enables us to find and recruit the best-qualified candidates for SUSS MicroTec worldwide.

## Development-Specific Opportunities

In the past fiscal year, we significantly expanded our development activities. We see the greatest opportunities in the Bonder division, especially in hybrid bonding, and in the Micro-optics and Photomask Equipment divisions.

In the Bonder division, we see great potential for our new products in chip-to-wafer hybrid bonding and wafer-to-wafer hybrid bonding. Hybrid bonding is one of the main growth drivers for advanced backend equipment in semiconductor manufacturing and thus also for SUSS MicroTec. In chip-to-wafer bonding, we made good progress in our development partnership with French company SET. In the period from 2020 to 2027, the market for chip-to-wafer hybrid bonding is expected to experience annual growth of 69 percent on average. Through our partnership with SET, we will be in a position to offer our customers a comprehensive package of chip-to-wafer and wafer-to-wafer hybrid bonding solutions and the broadest spectrum of heterogeneous integration applications in the advanced backend area. With our chip-to-wafer bonding solution – a combination of the highly precise chip placement technology of SET with the established expertise of SUSS MicroTec in the areas of surface activation, automation, and metrology – we create added value for

our customers. We can set ourselves apart from the competition in terms of yield, throughput, and smooth integration with our customers' production equipment. We already received initial customer orders in 2022.

The Photomask Equipment division is working hard to transfer photomask cleaning knowledge to the wafer cleaning market, which we have not yet addressed. We are working on a highly sustainable solution and expect to install the corresponding alpha test platform in our application laboratory in early 2023. We are doing this to demonstrate that it is possible to replace the hazardous chemicals currently used to remove organic polymer materials in MEMS manufacturing. This solution may hold tremendous potential for our customers because replacing hazardous chemicals can significantly improve the environmental performance of their products and production processes and significantly reduce costs. The total available market for wafer cleaning in MEMS applications is expected to grow an average of 10 percent annually to USD 350 million by 2030.

In the Micro-optics division, our development activities have continued to focus on applications in the automotive industry. Here we see great potential in the area of headlights for automobiles. With the increasing spread of electric cars, these innovative headlights with microlenses offer significant cost and weight advantages as well as more design flexibility compared to conventional headlight modules. Interest from the automotive industry is correspondingly high. We will continue our efforts in the coming years, focusing on cost efficiency and environmental impact, as well as the development of new technologies and the improvement of existing technologies. Our goal is to continuously adapt our product lines to the latest developments in the market and to satisfy new customer demands. In the process, we intend to consolidate and further expand our market position. At the Hauterive site in Switzerland, new production and manufacturing systems for the production of microlenses for the telecommunications industry (e.g., data centers), semiconductors, measurement technology, and photonics were installed in 2022 and will continue to be installed in 2023. These investments replace older equipment and allow an increase in production capacity to facilitate the scaling-up of the business.

## Risk Management System

The risk management system has long been a component of corporate management for the purpose of recognizing and controlling risks as well as meeting legal requirements.

In addition to short-term and operating risks, risk management at SUSS MicroTec Group also deals with long-term and strategic developments that can have a negative impact on business development. This also includes potential ESG risks, i.e., risks related to environmental and social concerns as well as corporate governance, which are taken into account in the Nonfinancial Group Declaration if they exist.



## Risk Management Organization and Documentation

The organization of risk management is geared toward the functional and hierarchical structure of the Group. Upon introduction of the risk management system, a risk management officer who reports directly to the Management Board every three months was appointed. Newly identified and existing risks are discussed each quarter at the Risk Management Committee meetings.

An external auditor examines the established early risk identification system during the audits of the annual financial statements. He or she reports about this to the Management Board and Supervisory Board.

## Risk Identification

For all Group units subject to reporting, regular workshops will be organized which, in addition to past events, primarily address future developments. Moreover, the workshops serve to ensure that uniform valuation principles are maintained throughout the Group. Within the framework of a structured process, all identified risks are recorded and evaluated quarterly using intranet-based standardized risk

management software. Next, risk reports are prepared in which known risks are subjected to a critical appraisal and new topics are addressed.

Suddenly emerging risks are also required to be immediately reported to the risk management officer of the respective unit or to the Group's central risk management and then to the Management Board.

The risk management officer processes the information and reports to the Management Board. Material risks, trends in risk development, measures and their impact, and current issues are discussed at the meetings of the Risk Management Committee. The results of the overall process are presented to the Audit Committee and the Supervisory Board at least once a year.

The Group's quality management is an important element of early detection. The large production sites are certified in accordance with DIN EN ISO 9001, which confirms reliable, process-oriented, and system-oriented quality management. Clearly structured and unambiguously documented processes within the framework of quality management not only ensure transparency but also have become, for most production clients, a prerequisite for the successful marketing of our equipment and solutions.

## Risk Assessment

Risks are assessed by indicating the maximum estimated amount of damage if no countermeasures are taken. On this basis, the risk value is determined by including a probability of occurrence, with the risks being assessed using a simple distribution or a triangular distribution. For each risk, a countermeasure is defined, which is taken into account in the risk assessment in the software, so that all risks are presented with a net value (taking into account the measure effect). The indication of the risk value pertains to the next 12 or 24 months in each case.

The identified risks are assigned to one of three different risk categories using a risk matrix that takes into account both the possible damage amount and the likelihood of occurrence. Risk categories (level of impact) are reviewed and, if necessary, adjusted to the current economic situation. After the last adjustment, risks starting at a damage amount of € 20 million – as measured by the level of liquidity outflow – are viewed as “a going-concern risk.”

The combination of the likelihood of occurrence and the extent of impact determines which risk categories are regarded as significant from the Group's perspective. In this regard, a distinction is made between low (green category), medium (yellow category), and high (red category) risks.

According to our method of risk assessment, only medium and high risks are classified as significant.

### Risk Management

Depending on the type of risk and the amount of the assessment, measures for avoiding and lessening risk are taken on a tiered basis. In doing so, risk management is always geared toward the principles of opportunity-based handling of risks, as mentioned earlier.

Risks are avoided and countermeasures are organized at the subsidiary level. The parties responsible for risk and the reporting units are obligated to develop and implement strategies for preventing known risks. Should their expertise not suffice for implementing these, they must request assistance from higher management levels.

Global activities in the field of high technology lead to general and current risks for the Company. The Management Board has taken appropriate measures for the purpose of monitoring risks in order to identify developments that may threaten the continued existence of the SUSS MicroTec Group early on.

### Description of the Key Features of the Accounting-related Internal Control and Risk Management System in accordance with Sections 289 (4) and 315 (4) of the German Commercial Code (HGB)

The risk management system for the accounting process aims to minimize the risk of false statements in accounting documents and external reporting. It serves as the first step toward the identification, evaluation, and subsequent restriction and review of known risks in the accounting process that could undermine the compliance of the consolidated financial statements with regulations. The internal control system for the accounting process should ensure

		Likelihood				
		Very low	Low	Medium	High	Very high
		0% to <=5%	<5% to <=10%	<10% to <=25%	<25% to <=50%	<50% to <=100%
Existential	>€ 20million to <=€ 100million	High	High	High	High	High
Critical	>€ 5million to <=€ 20million	High	High	High	High	High
Serious	>€ 2.5million to <=€ 5million	Low	Medium	Medium	High	High
Marginal	>€ 500 thousand to <=€ 2.5 million	Low	Low	Medium	High	High
Negligible	€ 0 to <=€ 500 thousand	Low	Low	Low	Medium	Medium

■ Low   
 ■ Medium   
 ■ High

with sufficient certainty that the consolidated financial statements and the nonfinancial disclosure conform to regulations despite identified risks in financial reporting.

Preparation of the consolidated financial statements is supported by means of uniform, standardized reporting and consolidation software that includes extensive inspection and validation routines. Accordingly, the accounting-related internal control and risk management system envisages preventive checks as well as retrospective detection. For instance, this includes IT-based and manual reviews in the form of regular sampling-based and plausibility checks, various risk, process, and contents-based checks in the Company's divisions, the establishment of functional separations and predefined approval processes, the consistent implementation of the principle of dual control for all key accounting-related processes, and strictly controlled access rules for our IT systems in order to prevent unauthorized access to accounting-related data.

The auditor reviews the suitability of the risk early identification system during the audit at the end of the year. Selected accounting-related internal controls are investigated and their effectiveness is evaluated. In addition, checks of accounting-related aspects of the IT systems in use are carried out.

The management of SÜSS MicroTec SE is responsible for the establishment and effective maintenance of suitable controls over financial reporting. At the end of each fiscal year, management evaluates the suitability and effectiveness of the control system. As of December 31, 2022, management confirmed the effectiveness of internal controls over financial and nonfinancial reporting. Naturally, there are certain limitations to the effectiveness of any control system. Therefore, only reasonable assurance of adequate and functional systems can be provided.

SÜSS MicroTec SE employs its Group-wide accounting manual to ensure the consistent application of accounting principles. The accounting manual is based on IFRS financial reporting standards and is the basis for the accounting process at all Group companies. Transparent and structured guidelines are designed to restrict employee discretion with respect to the recognition and measurement of

assets and liabilities and thus to reduce the risk of inconsistencies in the Group's accounting practices. The subsidiaries are subject to certain mandatory guidelines regarding reporting and the scope of disclosure. The central Finance and Controlling departments monitor compliance with reporting obligations and deadlines.

Accounting at the subsidiaries is done either locally by their own employees or with the support of external accounting firms or tax consulting companies. In the process, various electronic data processing (EDP) systems are used, with most Group companies using an SAP solution. All German companies have been using SAP since 2008. Since 2010, SAP has been used by SUSS MicroTec (Taiwan) Company Ltd., Hsinchu (Taiwan). In 2011, SAP was installed at SUSS MicroTec Inc., Sunnyvale, California (USA). For SUSS MicroTec Netherlands B.V. (formerly Meyer Burger (Pixdro) B.V.), acquired in 2020, the data migration to a new SAP system hosted by SUSS MicroTec took place in the first quarter of 2021. Reporting to the corporate headquarters is carried out with the assistance of Infor PM Application Studio management information software. At the Group level, the Finance and Controlling departments review the accuracy and reliability of the separate financial statements submitted by the subsidiaries. Controls within the framework of

the consolidation process, such as the consolidation of liabilities, expenses, and income, are carried out manually. Possible deficiencies are corrected and reported back to the subsidiaries. The financial systems employed are protected from misuse through appropriate authentication principles and access restrictions. Authorizations are reviewed regularly and updated if necessary.

## Risks for the Group

### Macroeconomic and Geopolitical Risks

As an internationally active Company, SUSS MicroTec distributes its products worldwide. Much of its sales are achieved in Asia, particularly in Taiwan, China, and South Korea. Europe and the USA are also important distribution regions. All of our international business activities typically entail a large number of general market risks that depend on overall economic developments, social and geopolitical factors, and regulatory frameworks. Macroeconomic developments – such as an economic slowdown in individual regions or exchange rate fluctuations – may adversely affect our customers' readiness to invest or result in delays in their purchasing decisions. Likewise, geopolitical tensions between the USA and Europe on one

side and Russia and China on the other have been increasing significantly for some time. The risk of armed conflicts, in which NATO states could also become involved, has increased significantly with the war between Russia and Ukraine which began in February 2022 and the rising tensions between China and Taiwan. This also increases the risk of mutual economic sanctions and significant market and stock market collapses worldwide. Given the significant contributions that China and Taiwan make to our sales, these risks could affect us. Expectations about the immediate economic impact of the war between Russia and Ukraine on SUSS MicroTec are presented in the forecast report.

The proportion of sales generated by Chinese customers further increased in 2022 and will presumably continue to grow in 2023 due to strong demand from Chinese customers. At the same time, there are signs that European companies are continuing to be increasingly affected by the trade war between the USA and China since the USA has issued corresponding trade restrictions and embargo provisions to avoid the transfer of technology to China. SUSS MicroTec is affected to the extent that individual technologically relevant components originating from the USA and replacement parts may not be sold to China.

Should this trade war intensify further, it may result in a corresponding loss in sales to Chinese customers. SUSS MicroTec tries to avoid this risk by qualifying alternative suppliers for the previous US suppliers.

SUSS MicroTec is represented worldwide, has a broad customer network, and offers its customers five different product lines, which can be used in various sectors and industries. Consequently, SUSS MicroTec is fundamentally independent of individual markets and customers. Economic downturns in a region or sector can thus be at least partially offset. The announced and subsidized investment programs in the USA and Europe are helping to further reduce potential dependence on individual markets. Due to the concentration of production at only a few sites and the Company's employees' ability to produce various tool types, SUSS MicroTec is able to react to market circumstances without delay and to adjust its organizational setup and its cost structures within an appropriate period of time in case of significant economic upheaval. Tools such as flextime accounts and reducing the number of temporary employees are available to reduce personnel costs. In addition, the option to reduce working hours exists. In addition, purchasing departments routinely review and adjust procurement quantities.

Political decisions, new legislation, and other regulations in the countries in which SUSS MicroTec operates can also negatively impact our business. This includes tax legislation in respective countries, export restrictions, trade disputes between certain countries, and tightened policies in the areas of product liability, competition law, work safety, and patent and trademark law.

SUSS MicroTec routinely participates in public tenders and counts universities and government research facilities among its worldwide customers. Regulations for participating in public tenders and the criteria for awards differ from country to country and can make it much more difficult to win and fill public orders.

### Risks that May Result from the Further Spread of the COVID-19 Coronavirus

The development of the global economy and society were less impacted by the effects of the COVID-19 pandemic in the 2022 reporting year than in the previous year. However, the COVID-19 protective measures in China had a negative impact on economic conditions in general and on global supply chains in particular. According to the RWI Economic Report for 2022, the global economy lost momentum over the summer. The outlook for the winter half of the year was subdued. Europe was affected by high energy prices, uncertainty about natural gas availability, tighter monetary policy, and the global economic slowdown. China's economy likely suffered from its strict zero-COVID strategy in the fourth quarter again. However, at the start of December, the Chinese government announced extensive easing of its COVID restrictions following popular protests. The specific effects of the easing of restrictions for SUSS MicroTec were difficult to assess at the end of the 2022 fiscal year.

The COVID-19 pandemic had much less impact on SUSS MicroTec's business development in the 2022 fiscal year than in 2021. SUSS MicroTec posted record order entry of € 446.2 million and generated sales growth of 13.6 percent to € 299.1 million despite ongoing supply chain bottlenecks.

Our suppliers are primarily based in Germany. As part of the production ramp-up in Taiwan, we further expand the supplier base worldwide to further reduce the risk of possible supply bottlenecks. Currently, however, there are no significant signs of an easing of the bottlenecks in the supply chain. SUSS MicroTec expects that the supply shortage situation will only be resolved gradually.

Certain countries such as China felt the consequences of the COVID-19 pandemic in 2022. This increased the purchasing risks for the entire Group. However, the liquidity situation of SUSS MicroTec further improved in 2022. This gives SUSS MicroTec a sufficient liquidity buffer to be able to compensate for a temporary decline in sales due to deliveries. Based on today's market assessment, SUSS MicroTec is able to fulfill the financial obligations for the upcoming twelve months to ensure the continued existence of the Company with financial leeway at its disposal while considering the possible measures for saving costs.

Our business activities were affected by the pandemic and the associated uncertainties in different ways, which also had an accounting-related impact. Short- and medium-term impacts of changing market conditions are reflected in particular in risk management and in planning processes.

### Sector and Market-Specific Risks

The difficulty in assessing the short- and medium-term market development is still one of the greatest risks for SUSS MicroTec. The semiconductor industry in particular, which is the Company's major sales market, is characterized by strong market cycles. A significant drop in the entire semiconductor market would lead to correspondingly lower sales for SUSS MicroTec and harm the Company's earnings. As part of our risk management, we try to identify the associated risks early on to adapt the organizational and personnel structure in time for a prolonged period of slow business. In the process, we also try to cover our future capacity requirements via outsourcing.

### Employee-Specific Risks

The Company depends on the expertise of individual employees in individual areas, primarily in research and development and in applications. New developments and the refinement of existing technologies are only possible with a sufficient number of qualified and experienced employees. Moreover, a lack of employees, or a lack of sufficiently qualified employees, in the area of production may

have a negative impact on delivery times and quality. Non-availability of these employees in these areas is a related risk. The intensifying skilled labor shortage in Germany is also noticeable at our Garching and Sternenfels sites. To be able to attract sufficiently qualified and experienced employees, it is crucial for SUSS MicroTec to be a highly attractive employer. In addition, it is necessary to allow for more time to fill vacancies, which may result in shortages within departments and the need for other staff to cover positions.

### Development-Specific Risks

The business model of the SUSS MicroTec Group is based on a strong culture of innovation and technological leadership. As a manufacturer of specialized equipment, SUSS MicroTec delivers customer-specific solutions and conducts its product policies according to the rapidly changing conditions in the semiconductor equipment market. Nevertheless, we see the risk that in individual cases our technical developments could deviate from the preferences of the markets and our customers. In these cases, the danger would exist that the affected customers might

turn away from SUSS MicroTec and purchase alternative technical solutions from our competitors. In the last fiscal year, our employees developed new technologies for all product lines and made a number of detail improvements to existing technologies.

Aside from developing customer-specific solutions, our employees are continuously working on long-term development projects. The goal is to anticipate future market developments so that SUSS MicroTec's products will continue to satisfy the latest technical requirements in the future. The risk exists that individual development projects might not lead to the desired result or that the results do not correspond to market expectations. In these cases, the danger exists that SUSS MicroTec would temporarily not be represented with innovative products in the target market. The affected customers might turn away from SUSS MicroTec and seek alternatives in the market. In the last fiscal year, we focused on projects which, we believe, will be well received by our customers. If this assessment should prove to be incorrect and if new products do not live up to our customers' expectations, SUSS MicroTec would have

allocated financial and human resources in research and development in an unprofitable manner. Accordingly, this would have a negative impact on the result for the affected product line. Overall, however, this risk is not viewed as a going-concern risk for SUSS MicroTec.

There is also the risk that we might not recognize or implement technical innovations in time. In these cases, we see the danger that SUSS MicroTec could lose its market leadership in individual areas and would have to accept long-term sales losses.

We are currently faced with the challenge that the market has changed its expectations regarding the particle removal efficiency of our photomask cleaning systems due to a further decrease in the size of their patterns. Efficient particle removal while maintaining the masks' patterns is a highly challenging task. We are increasingly putting our focus on these challenges in the Photomask Equipment division. Our goal is to maintain our ability to offer our customers mask cleaning systems that satisfy these stringent technological requirements. We are also collaborating with external development partners for this purpose.

At our Taiwanese site, we continued to have a labor shortage in our optical design activities in 2022. The Company has defined appropriate measures to address the labor shortage. They include having new employees trained by experts from the United States. We expect to be able to close the staffing gaps in the 2023 fiscal year.

### Operating Risks

As of December 31, 2022, SUSS MicroTec shows goodwill of approximately € 18.6 million, which is entirely attributable to the Lithography division. The Lithography division produces more than 50 percent of Group sales. The Lithography division is expected to once again generate more than half of total Group sales next year. We therefore see no signs of impairment in the Lithography division based on the current planning.

The mask aligner product line, which belongs to the Lithography division, is one of the high-sale product lines of SUSS MicroTec and has made a significant contribution to Group earnings for several years. We are confident that this product line will continue to make a large contribution to sales and stable margins in the coming years. Nevertheless, the risk exists that the mask aligner would no longer be able to satisfy the technical requirements of customers and could be supplanted by other technologies. However, we currently regard this risk as minimal.

The coater product line, which is also part of the Lithography division, has made a major contribution to Group sales for many years as well. SUSS MicroTec achieved a slighter lower sales volume with these products in 2022 than in the previous year. The decrease was attributable to ongoing problems in the supply chain for important purchased parts. On the other hand, the gross profit margin improved. Our customers' ordering behavior in 2022 has once again demonstrated that we continue to occupy a technologically leading position and can hold our own against Japanese and Chinese competitors in the market for coaters. Nevertheless, we need to use cost-saving measures and efficiency improvements in the areas of construction, assembly, and material purchasing for this product line in order to lower production costs, remain competitive, and achieve an adequate margin in the future in the face of increasing competition from Asia. To pursue this goal and achieve greater customer proximity, SUSS MicroTec further expanded production capacity at its production facility in Taiwan in the last fiscal year. The

inkjet printer business acquired from Meyer Burger in 2020 continued to be integrated more deeply in 2022. While there remain relevant risks to the long-term success of this technology in the photovoltaic and PCB market, we expect a positive business trend in the semiconductor market, which is SUSS MicroTec's core market.

The Lithography division also includes the products of SUSS MicroTec Photonic Systems, our former US subsidiary for UV projection lithography. Shifting the production of the UV scanners to Taiwan requires a transfer of technology to Taiwan and adding of additional personnel, which is associated with corresponding costs and risks. The relocation of the production facilities for the DSC300 model to Taiwan was completed back in 2022; however, the technology transfer will continue until approximately mid-2023. We expect business to perform attractively due to the basic parameters of a contract signed with a major customer and the very positive growth of the customer base in additional regions.

In the 2022 fiscal year, the Bonder division achieved only some of its sales and earnings development targets. The primary obstacles were ongoing delivery problems with critical purchased components. Looking ahead, we assume that the Bonder division will provide constant substantial sales and positive contributions to Group earnings with product lines in the area of permanent and temporary bonding. This assumption is based on double-digit growth in order entry for both bonder product lines. The technical cooperation that has been initiated should support this positive development in the future as well.

A limited number of customers and orders make a significant contribution to sales and earnings development in the Photomask Equipment division. The loss of these customers or orders to a competitor may result in a corresponding decline in sales and earnings. SUSS MicroTec attempts to reduce this risk through technological innovations and a high level of customer satisfaction. In the 2022 fiscal year, we also succeeded in acquiring new customers for our solutions, particularly in China, thus broadening our customer base.

In 2022, the majority of sales in our Micro-optics division was achieved in the automotive segment. In its role as a supplier to the automotive industry, Swiss-based SUSS MicroOptics S.A. is subject to risks that may differ from the prevailing risks of a manufacturer of semiconductor equipment. We have to meet the automotive industry's conditions in order to expand the automotive business further. To do this, we successfully completed the IATF 16949:2016 certification process. In the 2021 and 2022 fiscal years, sales in the automotive segment were generated with optical lenses that are used as part of a design lighting system and increasingly also for headlights. We added capacity at our Hauterive (Switzerland) site in order to be able to fulfill the expected increase in order and sales volumes and to ensure compliance with the automotive customers' requirements regarding supply reliability. We therefore made major investments in production equipment in 2021. Another approximately € 5 million was invested in production and manufacturing equipment in 2022. Investments in the upper single-digit million euro range are again planned for 2023. In the event that the expected high order and sales volumes fail to materialize



as planned – in particular, due to fluctuations in demand from automotive customers – then SUSS MicroTec would have inappropriately allocated these investment resources. At the start of series production for automotive lighting products in the fourth quarter of 2021, significant additional costs were incurred due to quality problems and low yield. The yield and quality of series production improved significantly in 2022, enabling SUSS MicroOptics to generate a profit in the 2022 fiscal year. Further yield increases and cost reductions are targeted in 2023. The future earnings situation depends to a large extent on the success of these measures and the price negotiations that are typically conducted annually in the automotive business. The objective is to generate positive income in 2023.

The current market environment has confronted us with price increases from our suppliers. We try to pass at least some of these cost increases on to our customers through price increases. Our freedom to increase sales prices for our equipment depends on the market positioning of each of our product lines and the intensity of competition in each submarket. In segments where we are not the leading supplier, we may be more limited in the extent to which we can increase our prices and so cannot pass on

cost increases in full. In addition, price increases do not have an immediate effect because the higher prices are not recognized until the equipment is delivered, which is usually several months after the order is placed.

More and more customers have been demanding very short delivery times in recent years. At the same time, customers would not sign firm orders until very late in the process. Global supply shortages have caused this trend to reverse in the past two years. SUSS MicroTec delivery times have increased significantly in some cases since the procurement of vendor parts has proven difficult and time-consuming, forcing us to accept longer delivery times from our suppliers. Exacerbating this situation is a higher-than-average order backlog and an associated high utilization of our production capacity. As a result, some orders may not make it onto the schedule to ship out for another year or more. Orders may thus be lost if a competitor promises to deliver sooner. We are trying to counter this trend by increasing our inventory levels and focusing more energy on procuring parts and signing up new suppliers. These measures have been underway since 2022. However, qualifying new suppliers is time-consuming and may require our customers' approval.

SUSS MicroTec's products are regularly analyzed, checked, and optimized using an extensive risk and quality management system. Nonetheless, due to the growing complexity of the equipment, there is a risk of quality shortcomings only being identified at the commissioning and process qualification stages. The liability risk for SUSS MicroTec may increase given the use of the products in the manufacturing environment of companies with rising demands on product quality. In addition to other types of insurance, SUSS MicroTec also has product liability insurance for the Group. This limits the potential risk. The suitability of these insurance policies, which also protect the Group companies, is reviewed regularly in cooperation with a reputable insurance broker with respect to the covered risks and coverage amounts and modified if necessary. In addition, we also endeavor to include the limitations of liability in contracts with all contractual partners.

SUSS MicroTec continues to depend on just a few key suppliers for individual components. To further reduce this risk, the strategic purchasing area was expanded to develop alternative supply sources together with engineering.

The COVID-19-related supply bottlenecks in general material procurement and for individual specific components led to sales postponements and sales losses in various areas of SUSS MicroTec in 2022. The risk regarding sales development will continue in 2023. However, we expect the supply bottlenecks to gradually improve as China moves away from its zero-COVID policy.

In the event of a disruption in operations due to major fire-related damage, there is a risk for SUSS MicroTec that customers will switch to competitors due to postponed delivery dates or a lack of delivery capability. This may result in lost order entries and a decline in sales. Direct damages to buildings and loss of earnings due to a disruption in operations are covered by corresponding insurance policies. In addition, safety inspections are conducted on a regular basis. The probability of such an event occurring is estimated to be low.

### Information Technology Risks

Similar to the previous year, information technology risks are general IT infrastructure risks, data integrity risks and general access controls. We fundamentally view our IT infrastructure as well constructed and are of the opinion that we have taken adequate precautions to prevent data manipulation, data loss, and data misuse. Furthermore,

we routinely invest in new hardware and software in order to minimize the likelihood that IT systems and software solutions will fail. Using virus scanners and antivirus software programs that are continually updated, we protect our IT systems from unauthorized access and damage. In addition, we concluded a contract with a reputable external partner for security operations centers in 2022 to ensure 24/7 monitoring of our corporate network and data centers, with some support from artificial intelligence (AI). Nevertheless, we cannot rule out the possibility of data manipulation, data loss, or data misuse in individual cases. It is also conceivable that new viruses, ransomware, and trojans that are not detected by our security programs could penetrate our IT systems. The problem is exacerbated by the increasing use of mobile devices, such as notebooks and smartphones, that access our corporate network. It is also made worse by the increasing number of employees working from home. In addition, the link-up between our foreign sites and our central corporate network requires particular security precautions in order to prevent unauthorized external access. In order to minimize the risk of unauthorized access to our corporate network, Group-wide guidelines for mobile device usage have been established. In addition, we regularly train and make our employees aware of potential threats and cyber risks.

## Financial Risks

### Credit Risks

A credit risk is an unexpected loss of cash or earnings. This occurs when a customer is unable to meet its obligations by the due date, or the assets used as collateral lose value. The Company has implemented Group-wide guidelines on the topic of credit assessment. These guidelines set out the specific payment conditions and safeguards to which the Company's individual sales units can agree while taking the customer and country-specific aspects into consideration. Orders from customers located in "risk countries" can, therefore, only be accepted against adequate prepayments, a bank guarantee, or a letter of credit. In the case of customers who are located in the "non-risk countries" and exceed a certain size, a corresponding customer rating is established. These ratings are based on information provided by external credit rating agencies. Depending on the customer's rating, tiered payment conditions and/or safeguards may be necessary to process the order.

Of the gross amount of trade receivables totaling € 21.1 million (previous year: € 15.6 million), € 14.2 million overall was neither overdue nor impaired as of the reporting date (previous year: € 10.3 million). As of December 31, 2022, there were no indications of payment defaults occurring.

The age structure of overdue but not impaired receivables as of the reporting date and that of the previous year are as follows:

**Age structure of past due receivables without value adjustment**

in € thousand	2022	2021
1–30 days	3,329	2,928
31–60 days	834	560
61–90 days	113	1,216
91–180 days	162	485
<b>Past due receivables without value adjustment</b>	<b>4,438</b>	<b>5,189</b>

As of the reporting date, a total of € 2.4 million (previous year: € 94,000) of the gross inventory of receivables was overdue and impaired. The age structure of overdue and impaired receivables as of the reporting date and that of the previous year are shown in the following table:

**Age structure of past due receivables with value adjustment**

in € thousand	2022	2021
181–360 days	2,058	64
361–720 days	367	14
> 720 days	16	16
<b>Past due receivables with value adjustment</b>	<b>2,441</b>	<b>94</b>

Additional information about how value adjustments for trade receivables are determined can be found in the Notes.

**Liquidity Risks**

The liquidity risk of SUSS MicroTec could be reduced compared to the previous year due to high liquidity inflows in the 2022 fiscal year. As of the end of the year, SUSS MicroTec Group held net cash of € 41.3 million (previous year: € 33.8 million). Free cash flow in the last fiscal year totaled € 16.0 million (previous year: € 14.7 million).

The financing of noncurrent assets with matching maturity is ensured with shareholders' equity and by taking out long-term loans, particularly to reduce interest rate risk. There is a loan agreement between SÜSS MicroTec SE and

IKB Deutsche Industriebank AG for two KfW development loans totaling € 10.0 million. These two loans were paid out in April 2019 and August 2019. They have a term of ten years. Both loans are secured by land charges on the Company property in Garching. In the 2022 fiscal year, repayments of € 1.2 million (previous year: € 0.9 million) were made to IKB for the KfW development loans. As of December 31, 2022, € 1.2 million of the loan amount is reported under current financial liabilities and € 6.6 million under noncurrent financial liabilities.

Aside from cash and cash equivalents of € 51.4 million, the current and noncurrent financing needs are sufficiently ensured by way of free lines of credit of the syndicated loan concluded in October 2019 with four banks (Deutsche Bank, LBBW, Commerzbank, and BECAM) of a total of € 56 million. Under this syndicated loan agreement with an original term of five years, with two extension options already drawn for one year each, SÜSS MicroTec SE has been granted a € 40 million credit line for cash drawdowns as well as a guarantee line of € 16 million. As of December 31, 2022, no cash drawdowns were made under this agreement, as was also the case as of the previous year's reporting date. In December 2022, an additional debt allowance of € 5 million specified in the syndicated loan agreement

was used. An additional contract for a guarantee line was concluded for this amount. The entire guarantee line can also be used by the other German companies.

We are currently making use of these available guarantee lines in order to offer down payment guarantees in the operational business. As of December 31, 2022, € 14.8 million of these guarantee lines were being utilized (previous year: € 9.9 million). We anticipate that we will be able to continue to provide all of the necessary down payment guarantees.

The available cash and cash equivalents and the conclusion of the syndicated loan agreement, which provides us with a total credit line of € 40 million for cash drawdowns, will safeguard the baseline financing of the SUSS MicroTec Group for the foreseeable future. The term of the syndicated loan agreement runs until October 2026.

We therefore consider any potential financing risk to be very low. Nonetheless, we aim to keep the Company's ratio of borrowed capital at a low level through corresponding cash flows, also by optimizing its working capital. Further details about the Company's liquidity situation can be found in Note (25).

## Market Price Risks and Currency Risks

In general, significant changes in the currency market can affect the sales and earnings of SUSS MicroTec both positively and negatively. The changes in the value of the euro, particularly against the US dollar, will influence sales and achievable margins in the North American and Asian regions in the future. An appreciation of the euro against the US dollar would have rather negative effects, while a devaluation would prospectively result in positive effects for SUSS MicroTec since SUSS MicroTec currently has more inflows than outflows in dollars.

The exchange rate of the Swiss franc has no noticeable impact on the ordering behavior of our customers in the Lithography, Bonder, and Photomask Equipment divisions. However, the business of SUSS MicroOptics S.A., which is located in Hauterive (Switzerland) and manufactures microlenses, is affected by the exchange rate of the Swiss franc.

SUSS MicroTec conducts business only to a very limited extent in Asian currencies (Taiwanese dollar, Singapore dollar, South Korean won, and Chinese renminbi). However, the Group subsidiaries located in Taiwan, Singapore, South Korea, and China have euro- and US dollar-denominated receivables from customers and other SUSS MicroTec companies. Depending on the size and due date,

significant currency losses can arise for the Group in the valuation of these receivables in the respective country currency.

Market price fluctuations can result in significant cash flow and earnings risks for the Company. Changes in foreign currency and interest rates influence the global operational business as well as investment and financing alternatives

SUSS MicroTec's international orientation exposes it to foreign currency risk within the scope of its normal operating activities. Currency hedging is carried out on the basis of existing foreign currency orders. Incoming and outgoing payment flows, which result particularly from foreign currency orders of materials and supplies, are deducted from the foreign currency amount to be identified and hedged. This applies above all to customers or suppliers in countries using the US dollar that obtain products from SUSS MicroTec companies in the eurozone or sell to them. Potential risks arise from the fluctuation of the currency exchange rates and in the creditworthiness of the contractual partners, which are exclusively German financial institutions with a first-rate credit standing.

As of December 31, 2022, there were no open foreign currency forwards.

The syndicated loan agreement concluded in October 2019 includes a variable interest rate for the drawn-down loan amounts. This variable interest rate corresponds to Euribor plus a margin that depends on the debt ratio. Commitment commission is payable on the portion of the credit line not used. This is likewise variable. SUSS MicroTec is thus subject to a limited interest rate risk. Taking into account the interest rate policy of the European Central Bank and the currently elevated inflation rate, SUSS MicroTec expects an increase in interest rates in the course of 2023.

The concluded KfW development loans bear a fixed interest rate.

## Overall Assessment

No risks that threaten the Company's existence were identified in the Group in the 2022 fiscal year. The continued existence of the Company was not endangered from a material assets and liquidity point of view.

The ten most significant risks for the SUSS MicroTec Group are presented in the following table. The risks are rated according to their likelihood of occurrence and to their potential financial impact (as measured by the level of potential liquidity outflow).

	Likelihood					Impact				
	Very low	Low	Medium	High	Very high	Negligible	Marginal	Serious	Critical	Existential
	0% to <=5%	<5% to <=10%	<10% to <=25%	<25% to <=50%	<50% to <=100%	<=€ 500 thousand	> € 500 thousand to <= € 2.5 million	> € 2.5million to <=€ 5 million	>€ 5 million to <= € 20 million	> € 20 million to <= € 100 million
<b>Development-Specific Risks</b>										
Shortage of skilled workers in the optical design sector in Taiwan					X	X				
<b>Operating Risks</b>										
Risks associated with long lead times for tool parts			X			X				
Risks in connection with product development				X		X				
Dependence on suppliers for key components			X					X		
Risks due to work with hazardous substances				X		X				
Sales losses due to supply deferrals through disruptions in operations caused by fire	X								X	
<b>Macroeconomic and geopolitical risks</b>										
Risks associated with rising energy costs			X			X				
Risks in connection with the procurement crisis				X		X				
<b>Market price risks and currency risks</b>			X				X			

## Forecast Report

The forecast report for the 2023 fiscal year stands under the shadow of the continuing influence of geopolitical tensions caused by Russia's war of aggression on Ukraine. This exposes the global economy to high volatility and a significant increase in inflation, among other things. Interest rates also increased significantly in 2022. In addition, the disruption of global supply chains due to the reimposition of strict COVID-19 lockdowns in China slowed global economic growth in 2022. All statements are subject to the uncertain outcome of the war in Ukraine and the associated potential impact. As a result, the risks and uncertainties associated with this forecast report are considerable.

The International Monetary Fund expects the slow economic growth rate to continue with an increase of 2.9 percent in 2023 and 3.1 percent in 2024. In 2021, the global economy was still growing at a strong rate of 6.2 percent before growth fell to 3.4 percent in 2022 (source: IMF World Economic Outlook, update January 2023). The strongest growth of approximately 5.3 percent is expected once again in emerging countries, particularly in Asia. In China, growth is expected to be 5.2 percent in 2023, up from 3.0 percent in the previous year. The IMF expects growth of 0.7 percent

for the eurozone as a whole for 2023, after 3.5 percent in 2022. For the United States, the IMF anticipates growth of only 1.4 percent (2022: 2.0 percent).

In addition to global economic conditions, the growth of the semiconductor market also affects the development of business for SUSS MicroTec. In the following, we will explore various factors that both the Company and market and industry observers consider to be essential for the future business development of the Company.

## Industry-Specific Conditions

### Semiconductors and Semiconductor Equipment

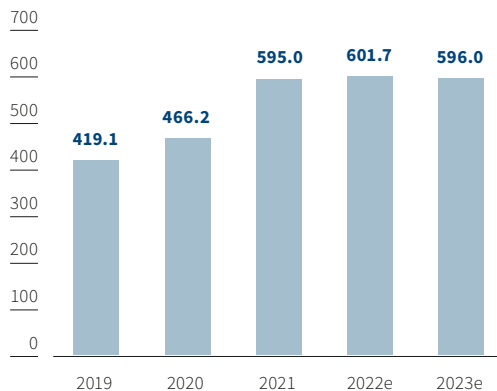
Growth rates for the semiconductor market and for the market for semiconductor equipment may differ from one another. It has to be taken into consideration that the equipment sector may see considerably less growth in the systems segment due to efficiency gains, increases in throughput and yield, and the trend to greater wafer diameters. On the other hand, extremely large subsidy programs to support regional semiconductor markets – such as those passed in 2022 in the USA (Chips and Science Act), Europe (EU Chips Act), and China and Taiwan – can support the

semiconductor equipment market. After all, semiconductor manufacturing equipment is absolutely essential for the targeted expansion and regionalization of chip capacity.

Many industry experts had to update their growth estimates for the semiconductor market several times last year. As recently as November 2022, the industry experts at Gartner were still assuming that the semiconductor market would grow 4.0 percent in 2022. However, in the annual retrospective that they published on January 17, 2023, the estimated growth for 2022 was only 1.1 percent compared to the previous year. That means the market volume of the entire semiconductor market increased from USD 595.0 billion in 2021 to another record level of USD 601.7 billion in 2022. With an expected market volume of USD 596 billion in 2023, the semiconductor market continues to operate at a high level after years of prodigious growth due in large part to the COVID-19 pandemic and the associated push toward digitalization.

The reasons for the lower growth in 2022 and the projected slight decline in 2023 are the deterioration in the global economic situation and rising inflation. These general conditions have reduced and will continue to significantly reduce demand for consumer electronics such as smartphones or PCs. Demand for semiconductor solutions for companies, on the other hand, is proving to be relatively stable.

**Semiconductor market in USD billion**



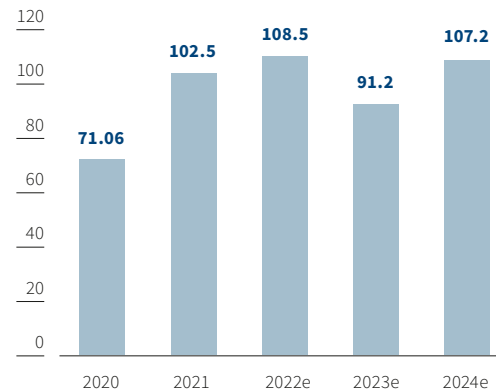
Source: Gartner, January 17, 2023/Gartner, November 28 for 2023e

The semiconductor equipment market expanded in 2022 following significant growth in 2021. According to experts from the SEMI industry association, the market grew 5.9 percent in 2022 to a market volume of around USD 108.5 billion (previous year: USD 102.5 billion). In 2023, this division is expected to decline by a significant 15.9 percent before returning to positive growth of 17.5 percent in 2024 and reaching a volume of USD 107.2 billion (source: SEMI, December 13, 2022). This trend applies to both the frontend and the backend of the semiconductor industry.

As expected, developments in the various divisions will vary. The wafer fab equipment submarket in which SUSS MicroTec operates reached a new record volume of USD 94.8 billion in 2022. After an expected decline of 16.8 percent in 2023, this market is expected to rise to around USD 92.4 billion in 2024. As a result of falling demand for consumer electronics, the demand for memory elements (NAND and DRAM), and thus for the equipment used to manufacture memory elements, is expected to decline significantly in 2023.

From a regional perspective, despite announced subsidies in other regions, the largest investments will be made in China, Taiwan and South Korea.

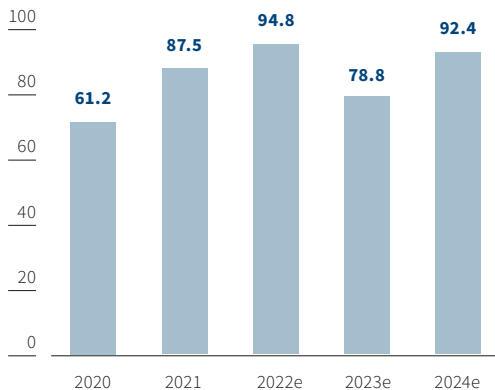
**Semiconductor equipment market in USD billion**



Source: SEMI, December 13, 2022



**Wafer fab equipment market in USD billion**



Source: SEMI, December 13, 2022

## Expected Development in the Major Markets

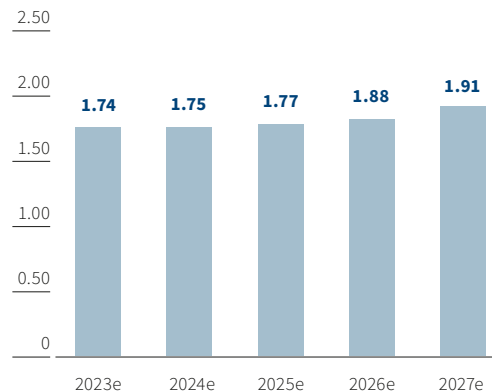
### Advanced Backend

We understand advanced backend to mean the processing of wafers after all frontend processes have been completed, but before they are separated into microchips. This market segment includes various technologies such as wafer-level packaging (WLP), in which the touchdowns

occur while the individual chips are still located on the wafer. The chips are separated only after the packaging process. The packaging process therefore takes place at a highly sensitive moment in the value chain for a wafer. The wafer produced reaches its peak value here, while the precision and reliability of the packaging determine the revenue and the quality level associated with the overall production process. Each packaging process is specifically designed to meet the requirements for gentle processing of the individual parts installed. Special packaging methods include fan-in and fan-out WLP, flip chip bonding, wafer-level chip-scale packaging, and both 2.5D and 3D integration. SUSS MicroTec is particularly active in these fields with its lithographic and bonding solutions.

Industry experts at Yole Développement expect the market for advanced backend lithography applications to grow from approximately USD 1.5 billion in 2021 to approximately USD 1.91 billion in 2027. This corresponds to average annual growth of approximately 5.3 percent (source: Lithography and Bonding Equipment 2022 “Focus on More Than Moore,” Yole Développement 2022). According to Yole, the application areas of power electronics, RF applications, and CMOS image sensors account for more than half of the market volume.

**Advanced backend market for photolithography equipment in USD billion**



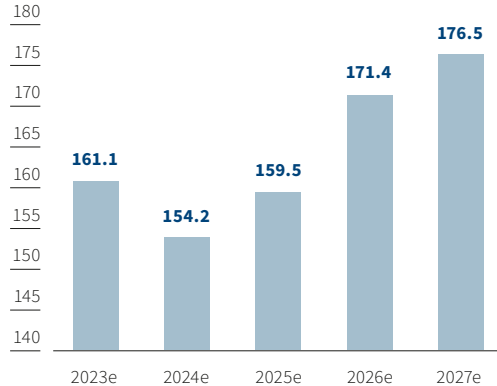
Source: Yole Développement 2022

### Temporary Bonding – 3D-Integration

3D TSV integration is another sub-area of advanced backend technologies. In this process, thinned microchips are stacked on top of each other and connected by through-silicon vias (TSVs). The advantage of this technology is the high degree of packing density and complexity in a very small space. Through 3D TSV integration, it is also possible to integrate various options, such as memory and the

processor, in one package. With its temporary bonders and debonders, SUSS MicroTec offers reliable equipment for the processing of thinned and thus extremely sensitive wafers. Yole Développement expects the equipment sector for temporary bonders to grow at an average rate of approximately 6.6 percent a year from 2021 to 2027 to reach a market volume of approximately USD 176.5 million. In addition to our temporary bonders, permanent bonders are also used to ultimately bond the wafers or microchips together for good.

**Market for temporary bonding equipment in USD million**



Source: Yole Développement 2022

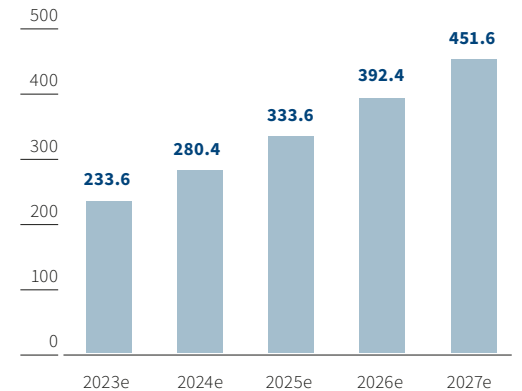
## Permanent Bonding

At a time in which traditional transistor scaling is reaching its limit, 3D packaging and heterogeneous integration are common in the industry in order to further increase the performance and functionality of today’s semiconductor devices. However, the current 2.5D and 3D packaging techniques are limited by the clearances between the individual touchdowns (interconnects) required by the traditional microbump technology. This problem is solved by hybrid bonding. This technique bonds the contact surfaces between two metal pads (usually copper) and the surrounding dielectric materials in a single step. This bump-free bonding approach enables significantly smaller distances (itches) between individual metal contacts and thus a higher density of interconnects, which is the basic prerequisite for future generations of multi-chip solutions.

The scaling of interconnects is driven by a number of fast-growing applications such as power computing, artificial intelligence (e.g., autonomous driving), the 5G cellular standard, a variety of other More-than-Moore devices, and the next generation of CMOS image sensors. For high-performance systems with a high density of interconnects, customers need not only solutions for high-precision chip placement, but also reliable surface activation and a process that ensures particle-free surfaces.

The experts at Yole expect growth for hybrid bonding equipment to reach USD 451.6 million in 2027 due in large part to the many different application areas. This is almost a doubling between 2023 and 2027.

**Market for permanent bonding equipment – hybrid bonding only (W2W and D2W) in USD million**

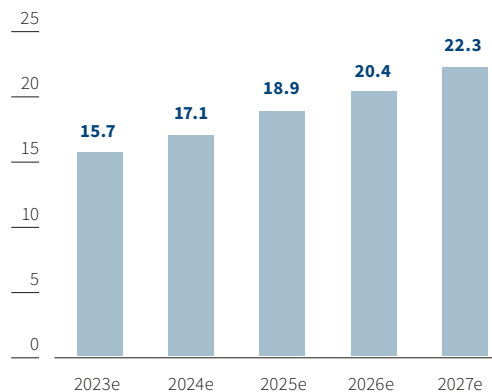


Source: Yole Développement 2022

## Microelectromechanical Systems (MEMS)

Lithography and bonding solutions from SUSS MicroTec are used to manufacture MEMS sensors and actuators. MEMS are part of our day-to-day lives since they are found in cellphones, cars, and many other items we use every day. The outlook for this market remains positive. According to the expectations of the industry experts at Yole Développement, the market volume is expected to increase by an average of around 9 percent annually from 2021 to 2027 to a total volume of approximately USD 22 billion. The consumer electronics sector will account for the largest share of this, with a current market volume of approximately USD 8.2 billion. This sector is expected to increase in market volume to USD 12.3 billion by 2027. Currently, according to the market research institute Yole, consumer electronics accounts for more than 50 percent of the overall sector. In addition, the automotive, industrial application, and medical device sectors will contribute to market growth.

MEMS market in USD billion



Source: Yole Développement 2022

## Statement on the Projected Development of the Group – Outlook for 2023

SUSS MicroTec achieved record order entry of approximately € 446 million in the 2022 fiscal year. The order backlog on December 31, 2022, was approximately € 346 million. Based on this very high order entry and the current order backlog, we are well positioned to continue our profitable growth

trajectory in 2023. We assume that approximately 60 to 80 percent of the order backlog can be converted into sales in the 2023 fiscal year. For the remaining 20 to 40 percent, we expect the equipment to be delivered and sales to be recognized in the 2024 fiscal year.

The general market expectations for the semiconductor industry and the specific investment plans of our main customers raise the general expectation of a slight decline in order volume for the first half of the year. However, the orders position is expected to improve in the second half of the year. For 2023 as a whole, we expect that our products and services will be in high demand with our customers in the markets that are relevant to us. However, we do not expect to repeat the exceptionally high order entry of the 2022 fiscal year. We do not expect to receive orders in connection with the large semiconductor industry subsidy programs in the USA, Europe, China, and Taiwan until subsequent years. Due to the high order backlog and high capacity utilization, we will be unable to deliver and recognize in sales most of the new orders received in the 2023 fiscal year until the 2024 fiscal year. One exception is manual equipment with comparatively short throughput times. In these cases, order entry in the first half of 2023 may still be shipped and recognized in sales in the same year.

In addition to the equipment segment, SUSS MicroTec will also generate sales revenue in the Micro-optics division in 2023. These orders have relatively short throughput times. That is why the order backlog generally only includes the projects for the next three months. The Company also expects further increases in sales from the service business and from upgrades of equipment already installed at customers' sites.

Supply chains remain disrupted in the wake of the COVID-19 pandemic. Some essential components were and are not available in the required amounts. The resulting supply shortages have extended the throughput times of our equipment and created inefficiencies in project execution. The forecast for the 2023 fiscal year is fraught with uncertainty because it is still unclear how long it will take for the supply chain situation to improve in any lasting way. Other uncertainty factors include significant inflation-driven increases in wages and material prices as well as further developments in Russia's war of aggression on Ukraine. We plan to continue countering cost increases by raising the

prices for our equipment in 2023. However, the sales and earnings impact will be delayed since the delivery times are several months. SUSS MicroTec is largely protected from significant increases in energy costs because it has long-term gas and electricity supply contracts for the German sites that run until 2024 and 2025.

If the current supply shortages gradually ease in the 2023 fiscal year and the global economy in general and the semiconductor and semiconductor equipment market in particular do not deteriorate unexpectedly at the same time, we expect sales to range from € 320 million to € 360 million for the full year of 2023. The midpoint of this range would translate into a growth rate of 13.7 percent. We expect earnings before interest and taxes (EBIT) to benefit from higher sales, the associated economies of scale, and the price increases instituted in 2022. It may be adversely affected by further inflation-driven material price increases and planned salary increases averaging 5.2 percent worldwide. Overall, we expect the EBIT margin to range from 10 to 12 percent.

The third key performance indicator in recent years has been free cash flow. This indicator depends on a large number of different factors such as inventories built up as a result of the current supply shortages, making it increasingly difficult to issue a reliable forecast. For this reason, we decided to introduce a new, third metric, gross margin, as a key performance indicator in the 2023 fiscal year and issue a forecast for it. The gross margin is a very important indicator for the semiconductor equipment industry because it describes the extent to which a company is able to translate a leading market position into suitable product margins. It also shows whether a company can compensate for cost increases by raising prices or improving productivity. The gross margin may vary considerably from quarter to quarter because it is significantly influenced by the product mix, that is, the composition of the equipment delivered and recognized in sales, and by the customer mix depending on size, negotiating position, and strategic importance. It should also be noted that price increases will not immediately affect the gross margin since delivery times are generally several months and, currently, may even be

several quarters. It is extremely difficult, if not impossible, to institute retroactive price increases on orders already placed in our industry. Regarding the order backlog as of December 31, 2022, and the product mix of equipment deliveries planned for 2023, we expect the gross margin in the 2023 fiscal year to range from 37 to 38 percent. The midpoint of this range would correspond to an improvement of 0.7 percentage points compared to the gross margin of 36.8 percent in the 2022 fiscal year.

The merger of the formerly independent Lithography and Bonder divisions into the new Advanced Backend Solutions division will change the reporting structure in the future. Starting with the 2023 fiscal year, the revenue-generating divisions will be Advanced Backend Solutions, Photomask Equipment, and Micro-optics. The Advanced Backend Solutions division will contribute by far the largest proportion to Group sales. We expect slight growth in this division due to the significantly improved order situation in the Bonder business. We expect the EBIT margin in the Advanced Backend Solutions division to be roughly the same as in 2022.

The previous Lithography and Bonder divisions will have to be added together to allow comparisons with the previous year. After sales remained stable in the Photomask Equipment division in 2022, we expect significant growth in the mid-double-digit percentage range in the 2023 fiscal year. The basis for the projected growth is the large order entry of € 131 million in the past fiscal year, which corresponded to a book-to-bill ratio of 2.67. The gross and EBIT margins in the Photomask Equipment division are also expected to improve significantly as a result of price increases implemented in the 2022 fiscal year and the much more heterogeneous customer structure in the projects contained in the order backlog. In the Micro-optics division, we expect a slight decline in sales and EBIT in 2023 due to existing contracts with automotive customers.

## Forward-Looking Statements

This report contains information and forecasts that refer to the future developments of the SUSS MicroTec Group and its companies. The forecasts are assessments that the Company has made based on all of the information available to it at the present time. Should the assumptions on which these forecasts are based not occur or the risks – as addressed in the risk report – arise, the actual results may deviate from those currently expected.

Garching, March 30, 2023

signed

**Dr. Bernd Schulte**

Chief Executive Officer (CEO)

**Oliver Albrecht**

Chief Financial Officer (CFO)

**Dr. Thomas Rohe**

Chief Operations Officer (COO)



# CONSOLIDATED FINANCIAL STATEMENTS (IFRS)

- > **Consolidated Statement of Income (IFRS)**
- > **Statement of Comprehensive Income (IFRS)**
- > **Consolidated Balance Sheet (IFRS)**
- > **Consolidated Statement of Cash Flows (IFRS)**
- > **Consolidated Statement of Changes in Shareholders' Equity (IFRS)**
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# Consolidated Statement Of Income (IFRS)

for the period from January 1 to December 31, 2022

in € thousand	Note	01/01/2022– 12/31/2022	01/01/2021– 12/31/2021
Sales	(3)	299,137	263,438
Cost of sales excl. impairment losses on assets Laser/Scanner		-190,015	-170,784
Reversal of impairment losses/special write-downs on assets of the Laser and Scanner product lin		947	1,536
Cost of sales		-189,068	-169,248
<b>Gross profit</b>	<b>(4)</b>	<b>110,069</b>	<b>94,190</b>
Selling costs		-28,461	-24,901
Research and development costs	(10)	-25,008	-22,054
Administration costs		-23,324	-22,935
Other operating income	(5)	11,751	4,171
Other operating expenses	(6)	-12,220	-5,918
Analysis of net income from operations (EBIT):			
EBITDA (Earnings before Interest and Taxes, Depreciation and Amortization)		41,899	29,604
Depreciation and amortization of tangible assets, intangible assets and investments in subsidiaries		-9,092	-7,051
<b>Net income from operations (EBIT)</b>		<b>32,807</b>	<b>22,553</b>

in € thousand	Note	01/01/2022– 12/31/2022	01/01/2021– 12/31/2021
Financial income		267	9
Financial expenses		-565	-466
<b>Financial result</b>		<b>-298</b>	<b>-457</b>
<b>Profit/loss from continuing operations before taxes</b>		<b>32,509</b>	<b>22,096</b>
Income taxes		-7,985	-6,081
<b>Profit/loss from continuing operations</b>		<b>24,524</b>	<b>16,015</b>
Thereof equity holders of SUSS MicroTec		24,524	16,015
<b>Earnings per share (basic)</b>			
Earnings per share in €		1.28	0.84
<b>Earnings per share (diluted)</b>			
Earnings per share in €		1.28	0.84

# Statement Of Comprehensive Income (IFRS)

for the period from January 1 to December 31, 2022

in € thousand	01/01/2022– 12/31/2022	01/01/2021– 12/31/2021
<b>Net profit/loss</b>	<b>24,524</b>	<b>16,015</b>
<b>Items that are not reclassified to profit and loss</b>		
Remeasurements on defined benefit pension plans	725	1,376
Deferred taxes	-197	-342
<b>Other income after tax for items that are not reclassified as an expense or income</b>	<b>528</b>	<b>1,034</b>
<b>Items that will be reclassified to profit and loss in later periods</b>		
Foreign currency adjustment	-1,140	3,323
Cash flow hedges	0	0
Deferred taxes	0	0
<b>Other income after tax for items that will be reclassified to profit and loss in later periods</b>	<b>-1,140</b>	<b>3,323</b>
<b>Total income and expenses recognized in equity</b>	<b>-612</b>	<b>4,357</b>
<b>Total income and expenses reported in the reporting period</b>	<b>23,912</b>	<b>20,372</b>
Thereof equity holders of SÜSS MicroTec SE	23,912	20,372
Thereof non-controlling interests	0	0



# Consolidated Balance Sheet (IFRS)

as at December 31, 2022

## Assets

in € thousand	Note	12/31/2022	12/31/2021
<b>Non-current assets</b>		<b>75,140</b>	<b>70,316</b>
Intangible assets	(11)	5,875	5,557
Goodwill	(12)	18,574	18,449
Tangible assets	(13)	48,869	44,506
Other assets	(14)	417	364
Deferred tax assets	(8)	1,405	1,440
<b>Current assets</b>		<b>278,022</b>	<b>208,850</b>
Inventories	(15)	150,537	99,549
Trade receivables	(16)	19,096	15,605
Contract assets	(17)	37,880	31,820
Other financial assets	(18)	638	1,356
Securities	(18)	9,943	0
Current tax assets	(19)	58	38
Cash and cash equivalents	(20)	51,364	52,075
Other assets	(21)	8,506	8,407
<b>Total assets</b>		<b>353,162</b>	<b>279,166</b>

## Liabilities & shareholders' equity

in € thousand	Note	12/31/2022	12/31/2021
<b>Equity</b>		<b>177,730</b>	<b>156,876</b>
<b>Total equity attributable to shareholders of SÜSS MicroTec SE</b>		<b>177,730</b>	<b>156,876</b>
Subscribed capital	(22)	19,116	19,116
Reserves	(22)	156,450	134,984
Accumulated other comprehensive income	(22)	2,164	2,776
<b>Non-current liabilities</b>		<b>32,807</b>	<b>29,853</b>
Pension plans and similar commitments	(23)	5,032	5,349
Provisions	(24)	776	378
Financial debt	(25)	6,563	7,813
Financial debt from lease obligations	(25)	9,627	7,068
Other liabilities		264	289
Deferred tax liabilities	(8)	10,545	8,956
<b>Current liabilities</b>		<b>142,625</b>	<b>92,437</b>
Provisions	(26)	5,951	5,426
Tax liabilities	(30)	7,024	6,669
Financial debt	(25)	1,226	1,212
Financial debt from lease obligations	(25)	2,588	2,224
Other financial liabilities	(27)	11,989	10,628
Trade payables		27,091	24,444
Contract liabilities	(28)	77,939	33,838
Other liabilities	(29)	8,817	7,996
<b>Total liabilities and shareholders' equity</b>		<b>353,162</b>	<b>279,166</b>

## Consolidated Statement Of Cash Flows (IFRS)

for the period from January 1 to December 31, 2022

in € thousand	01/01/2022– 12/31/2022	01/01/2021– 12/31/2021
<b>Net profit/loss (after taxes)</b>	<b>24,524</b>	<b>16,015</b>
Amortization of intangible assets	1,012	691
Depreciation of tangible assets	8,080	6,360
Profit or loss on disposal of intangible and tangible assets	77	88
Change of reserves on inventories	2,026	4,371
Change of reserves for bad debts	1,873	-828
Non-cash income from the reversal of pension accruals	0	0
Other non-cash effective income and expenses	-1,366	2,418
Change in inventories	-52,809	-29,516
Change in contract assets	-5,910	-1,537
Change in trade receivables	-5,192	3,390
Change in other assets	566	-5,939
Change in pension provisions	-456	-1,215
Change in trade payables	2,495	14,491
Change in contract liabilities	44,006	7,809
Change in other liabilities and other provisions	3,053	1,823
Change of tax assets and tax liabilities	1,959	5,912
<b>Cash flow from operating activities</b>	<b>23,938</b>	<b>24,333</b>

in € thousand	01/01/2022– 12/31/2022	01/01/2021– 12/31/2021
Disbursements for other tangible assets	-6,571	-8,458
Disbursements for intangible assets	-1,326	-1,162
Cash outflows due to investments within short-term commercial paper	-9,943	0
<b>Cash flow from investing activities</b>	<b>-17,840</b>	<b>-9,620</b>
Repayment of bank loans	-1,250	-1,439
Increase of bank loans	0	0
Repayment of leasing liabilities	-2,480	-2,395
Change in other financial debt	14	0
Dividends paid	-3,058	0
<b>Cash flow from financing activities</b>	<b>-6,774</b>	<b>-3,834</b>
Adjustments to funds caused by exchange-rate fluctuations	-35	369
<b>Change in cash and cash equivalents</b>	<b>-711</b>	<b>11,248</b>
Funds at beginning of the year	52,075	40,827
<b>Funds at end of the period</b>	<b>51,364</b>	<b>52,075</b>
Cash flow from operating activities includes:		
Interest paid during the period	262	266
Interest received during period	261	40
Tax paid during the period	2,379	2,716
Tax refunds during the period	0	0

# Consolidated Statement Of Shareholders' Equity (IFRS)

for the period from January 1 to December 31, 2022

in € thousand	Subscribed capital	Additional paid-in capital	Earnings reserve	Retained earnings	Accumulated other comprehensive income				Total equity attributable to shareholders of SÜSS MicroTec SE
					Remeasurements on defined benefit pension plans	Deferred taxes	Foreign currency adjustment	Deferred taxes	
<b>As of January 1, 2021</b>	<b>19,116</b>	<b>55,822</b>	<b>202</b>	<b>62,945</b>	<b>-3,845</b>	<b>1,004</b>	<b>1,260</b>	<b>-</b>	<b>136,504</b>
Net income/loss				16,015					16,015
Total income and expenses recognized in equity					1,376	-342	3,323	-	4,357
Total comprehensive income/loss				16,015	1,376	-342	3,323	-	20,372
<b>As of December 31, 2021</b>	<b>19,116</b>	<b>55,822</b>	<b>202</b>	<b>78,960</b>	<b>-2,469</b>	<b>662</b>	<b>4,583</b>	<b>-</b>	<b>156,876</b>
<b>As of January 1, 2022</b>	<b>19,116</b>	<b>55,822</b>	<b>202</b>	<b>78,960</b>	<b>-2,469</b>	<b>662</b>	<b>4,583</b>	<b>-</b>	<b>156,876</b>
Net income/loss				24,524					24,524
Total income and expenses recognized in equity					725	-197	-1,140	-	-612
Total comprehensive income/loss				24,524	725	-197	-1,140	-	23,912
Dividends paid				-3,058					-3,058
<b>As of December 31, 2022</b>	<b>19,116</b>	<b>55,822</b>	<b>202</b>	<b>100,426</b>	<b>-1,744</b>	<b>465</b>	<b>3,443</b>	<b>-</b>	<b>177,730</b>

# Fixed Assets Movement Schedule

## Fixed Assets Movement Schedule 2022

in € thousand	Acquisition and Manufacturing Costs							Accumulated Depreciation					Net Book Value		
	01/01/2022	Currency difference	Additions	Additions due to business combinations	Reclassifications	Disposals	12/31/2022	01/01/2022	Currency difference	Additions	Reclassifications	Disposals	12/31/2022	12/31/2021	12/31/2022
<b>I. Intangible Assets</b>															
1. Concessions, industrial and similar rights and assets, and licences in such rights and assets	18,119	125	1,326			1,291	18,279	12,946	119	977		1,289	12,753	5,173	5,526
2. Development Costs	29,461	50					29,511	29,461	50				29,511	0	0
3. Other intangible assets	3,615	133				2,353	1,395	3,231	133	35		2,353	1,046	384	349
	<b>51,195</b>	<b>308</b>	<b>1,326</b>	<b>0</b>	<b>0</b>	<b>3,644</b>	<b>49,185</b>	<b>45,638</b>	<b>302</b>	<b>1,012</b>	<b>0</b>	<b>3,642</b>	<b>43,310</b>	<b>5,557</b>	<b>5,875</b>
<b>II. Goodwill</b>	<b>32,862</b>	<b>125</b>					<b>32,987</b>	<b>14,413</b>					<b>14,413</b>	<b>18,449</b>	<b>18,574</b>
<b>III. Tangible Assets</b>															
1. Properties, buildings, fixtures	21,464	22	726			187	22,025	5,994	14	833		187	6,654	15,470	15,371
2. Technical equipment and machinery	33,551	1,342	1,895		1,525	3,611	34,702	18,741	809	3,397	31	3,611	19,367	14,810	15,335

# Fixed Assets Movement Schedule

## Fixed Assets Movement Schedule 2022

Continuation ↓

in € thousand	Acquisition and Manufacturing Costs							Accumulated Depreciation					Net Book Value		
	01/01/2022	Currency difference	Additions	Additions due to business combinations	Reclassifications	Disposals	12/31/2022	01/01/2022	Currency difference	Additions	Reclassifications	Disposals	12/31/2022	12/31/2021	12/31/2022
3. Other equipment, office, and plant furnishings	15,208	-7	1,214		-97	935	15,383	11,460	42	1,277	-31	880	11,868	3,748	3,515
4. Vehicles	388	-1	40			27	400	373	-1	6		22	356	15	44
5. Equipment under construction	1,149	52	2,696		-1,428		2,469							1,149	2,469
6. Capitalized lease assets															
Technical equipment and machinery	308	19					327	308	19				327	0	0
Vehicle fleet	30	-2					28	32	-2				30	-2	-2
7. Right-of-use assets	15,360	219	5,208			1,118	19,669	6,044	25	2,567		1,104	7,532	9,316	12,137
	<b>87,458</b>	<b>1,644</b>	<b>11,779</b>	<b>0</b>	<b>0</b>	<b>5,878</b>	<b>95,003</b>	<b>42,952</b>	<b>906</b>	<b>8,080</b>	<b>0</b>	<b>5,804</b>	<b>46,134</b>	<b>44,506</b>	<b>48,869</b>
IV. Financial Assets															
Other financial assets	2,120						2,120	2,120					2,120	0	0
	<b>2,120</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,120</b>	<b>2,120</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,120</b>	<b>0</b>	<b>0</b>
	<b>173,635</b>	<b>2,077</b>	<b>13,105</b>	<b>0</b>	<b>0</b>	<b>9,522</b>	<b>179,295</b>	<b>105,123</b>	<b>1,208</b>	<b>9,092</b>	<b>0</b>	<b>9,446</b>	<b>105,977</b>	<b>68,512</b>	<b>73,318</b>

# Fixed Assets Movement Schedule

## Fixed Assets Movement Schedule 2021

in € thousand	Acquisition and Manufacturing Costs						Accumulated Depreciation					Net Book Value		
	01/01/2021	Currency difference	Additions	Additions due to business combinations	Reclassifications	Disposals	12/31/2021	01/01/2021	Currency difference	Additions	Disposals	12/31/2021	12/31/2020	12/31/2021
<b>I. Intangible Assets</b>														
1. Concessions, industrial and similar rights and assets, and licences in such rights and assets	23,369	151	1,162			6,563	18,119	18,690	154	665	6,563	12,946	4,679	5,173
2. Development Costs	29,396	65					29,461	29,396	65			29,461	0	0
3. Other intangible assets	3,442	173					3,615	3,032	173	26		3,231	410	384
	<b>56,207</b>	<b>389</b>	<b>1,162</b>	<b>0</b>	<b>0</b>	<b>6,563</b>	<b>51,195</b>	<b>51,118</b>	<b>392</b>	<b>691</b>	<b>6,563</b>	<b>45,638</b>	<b>5,089</b>	<b>5,557</b>
<b>II. Goodwill</b>	<b>32,699</b>	<b>163</b>					<b>32,862</b>	<b>14,413</b>				<b>14,413</b>	<b>18,286</b>	<b>18,449</b>
<b>III. Tangible Assets</b>														
1. Properties, buildings, fixtures	20,788	15	682			21	21,464	5,205	15	795	21	5,994	15,583	15,470
2. Technical equipment and machinery	28,379	1,192	4,384			404	33,551	16,990	817	1,338	404	18,741	11,389	14,810

# Fixed Assets Movement Schedule

## Fixed Assets Movement Schedule 2021

Continuation ↓

in € thousand	Acquisition and Manufacturing Costs						Accumulated Depreciation					Net Book Value		
	01/01/2021	Currency difference	Additions	Additions due to business combinations	Reclassifications	Disposals	12/31/2021	01/01/2021	Currency difference	Additions	Disposals	12/31/2021	12/31/2020	12/31/2021
3. Other equipment, office, and plant furnishings	14,055	225	2,227			1,299	15,208	10,799	109	1,780	1,228	11,460	3,256	3,748
4. Vehicles	382	8				2	388	363	7	5	2	373	19	15
5. Equipment under construction	0	0	1,166			17	1,149							1,149
6. Capitalized lease assets														
Technical equipment and machinery	284	24					308	284	24			308	0	0
Vehicle fleet	31	-1					30	31	1			32	0	-2
7. Right-of-use assets	13,761	735	1,104			240	15,360	3,656	186	2,442	240	6,044	10,105	9,316
	<b>77,680</b>	<b>2,198</b>	<b>9,563</b>	<b>0</b>	<b>0</b>	<b>1,983</b>	<b>87,458</b>	<b>37,328</b>	<b>1,159</b>	<b>6,360</b>	<b>1,895</b>	<b>42,952</b>	<b>40,352</b>	<b>44,506</b>
IV. Financial Assets														
Other financial assets	2,120						2,120	2,120				2,120	0	0
	<b>2,120</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,120</b>	<b>2,120</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,120</b>	<b>0</b>	<b>0</b>
	<b>168,706</b>	<b>2,750</b>	<b>10,725</b>	<b>0</b>	<b>0</b>	<b>8,546</b>	<b>173,635</b>	<b>104,979</b>	<b>1,551</b>	<b>7,051</b>	<b>8,458</b>	<b>105,123</b>	<b>63,727</b>	<b>68,512</b>

## Segment Reporting (IFRS)

Segment reporting is part of the Notes to the consolidated financial statements.

### Segment information by business segment

	Lithography		Bonder		Photomask-Equipment		Micro-optics		Central Group Functions		Consolidation effects		Total	
in € thousand	12M/2022	12M/2021	12M/2022	12M/2021	12M/2022	12M/2021	12M/2022	12M/2021	12M/2022	12M/2021	12M/2022	12M/2021	12M/2022	12M/2021
External Sales	175,719	155,052	35,030	31,307	48,782	49,662	39,171	25,749	435	1,668			299,137	263,438
Internal Sales	128	2,161	–	27	–	154	1,866	1,974	–	–	–1,994	–4,316	–	–
<b>Total Sales</b>	<b>175,847</b>	<b>157,213</b>	<b>35,030</b>	<b>31,334</b>	<b>48,782</b>	<b>49,816</b>	<b>41,037</b>	<b>27,723</b>	<b>435</b>	<b>1,668</b>	<b>–1,994</b>	<b>–4,316</b>	<b>299,137</b>	<b>263,438</b>
Gross profit	71,921	56,914	10,528	12,298	16,780	16,245	10,174	6,593	666	2,140			110,069	94,190
Gross profit margin	40.9%	36.2%	30.1%	39.2%	34.4%	32.6%	24.8%	23.8%	–	–			36.8%	35.8%
Other segment expenses/income (net)	–41,464	–40,907	–12,521	–11,747	–10,680	–9,624	–9,432	–8,288	–3,165	–1,071			–77,262	–71,637
thereof intersegment cost allocation (netted)	–6,227	–6,292	–1,712	–1,304	–2,552	–2,032	–977	–1,364	11,468	10,992			–	–
thereof central services of SMT SE	–6,015	–7,017	–1,712	–1,277	–2,552	–1,566	–1,189	–1,272	11,468	11,132			–	–
<b>Result per segment (EBIT)</b>	<b>30,457</b>	<b>16,007</b>	<b>–1,993</b>	<b>551</b>	<b>6,100</b>	<b>6,621</b>	<b>742</b>	<b>–1,695</b>	<b>–2,499</b>	<b>1,069</b>			<b>32,807</b>	<b>22,553</b>
<b>EBIT margin</b>	<b>17.3%</b>	<b>10.2%</b>	<b>–5.7%</b>	<b>1.8%</b>	<b>12.5%</b>	<b>13.3%</b>	<b>1.8%</b>	<b>–6.1%</b>					<b>11.0%</b>	<b>8.6%</b>

Continuation on the next page ↓



## Segment Reporting (IFRS)

Continuation ↓

### Segment information by business segment

in € thousand	Lithography		Bonder		Photomask-Equipment		Micro-optics		Central Group Functions		Consolidation effects		Total	
	12M/2022	12M/2021	12M/2022	12M/2021	12M/2022	12M/2021	12M/2022	12M/2021	12M/2022	12M/2021	12M/2022	12M/2021	12M/2022	12M/2021
Income before taxes	30,422	15,964	-2,003	537	6,096	6,600	703	-1,734	-2,709	729			32,509	22,096
Significant non-cash items	5,152	-1,677	-2,448	-990	-1,323	-339	-2,198	-520	-3	-4			-820	-3,530
Segment assets	137,008	99,286	47,383	37,452	46,603	31,593	31,449	29,076	25,090	22,530	-6,700	-4,451	280,833	215,486
thereof goodwill	18,574	18,448	-	-	-	-	-	-	-	-			18,574	18,448
Unallocated assets													72,329	63,680
<b>Total assets</b>													<b>353,162</b>	<b>279,166</b>
Segment liabilities	-58,124	-44,685	-17,545	-9,546	-43,846	-15,204	-11,165	-10,027	-2,627	-3,121	6,700	4,451	-126,607	-78,132
Unallocated liabilities													-48,825	-44,158
<b>Total liabilities</b>													<b>-175,427</b>	<b>-122,290</b>
Depreciation and amortization	2,184	3,400	551	329	1,602	783	3,182	1,130	1,573	1,409			9,092	7,051
thereof scheduled	2,184	3,400	551	329	1,602	783	3,182	1,130	1,573	1,409			9,092	7,051
thereof impairment loss	-	-	-	-	-	-	-	-	-	-			-	-
<b>Capital expenditure</b>	<b>1,880</b>	<b>2,717</b>	<b>377</b>	<b>473</b>	<b>555</b>	<b>1,017</b>	<b>3,750</b>	<b>3,911</b>	<b>1,335</b>	<b>1,502</b>			<b>7,897</b>	<b>9,620</b>
Employees as of June 30	653	720	187	109	206	167	161	144	45	38			1,252	1,178

## Segment Reporting (IFRS)

### Segment information by region

in € thousand	Sales		Capital expenditure		Assets (without Goodwill)	
	12M/2022	12M/2021	12M/2022	12M/2021	12M/2022	12M/2021
EMEA	60,257	57,743	7,206	8,247	254,943	180,163
North-America	38,029	30,859	35	182	5,486	4,638
Asia and Pacific	200,851	174,836	656	1,191	16,252	12,237
Consolidation effects	-	-	-	-	-14,422	-
<b>Total</b>	<b>299,137</b>	<b>263,438</b>	<b>7,897</b>	<b>9,620</b>	<b>262,259</b>	<b>197,038</b>

# Notes to the Consolidated Financial Statements According to IFRS

of SÜSS MicroTec SE for the 2022 Fiscal Year

## (1) Description of Business Activity

SÜSS MicroTec SE (the “Company”), domiciled at Schleissheimer Str. 90, Garching, near Munich, Germany, and its subsidiaries constitute an international Group (hereinafter: “the Group”) that develops, manufactures and distributes products using micro-electromechanical systems and microelectronics. Production is spread across the facilities in Garching and Sternenfels in Germany, Hauterive and Neuchâtel in Switzerland and Hsinchu in Taiwan.

The Company’s products are distributed by the production facilities directly and through distribution companies in the USA, France, the United Kingdom, Japan, Singapore, China, and South Korea. In countries in which the Group does not have offices of its own, distribution is organized through trade representatives.

## (2) Summary of Significant Accounting Policies

### A) Basis of Presentation

These consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and Interpretations of the International Financial Reporting Interpretations Committee (IFRIC) approved and published by the International Accounting Standards Board (IASB) which are mandatory in the European Union.

The Company is a Societas Europaea or European company (SE) and is subject to German law. SÜSS MicroTec SE was formed by way of the transformation of SUSS MicroTec AG. The transformation was recognized in the Commercial Register Department B of the District Court of Munich on August 9, 2017. Under the regulations of the German commercial code (Handelsgesetzbuch, HGB), the Company is obligated to prepare consolidated financial statements in accordance with the accounting regulations

of Section 315e HGB as SÜSS MicroTec SE is a capital market-oriented company. The Group Management Report has been prepared in accordance with Section 315 HGB. The income statement has been prepared using the cost of sales method.

The consolidated financial statements were principally prepared on the basis of historical cost, except for certain financial instruments which have been recognized at fair value at the balance sheet date. A corresponding explanation is made as part of the respective accounting and valuation principles. The requirements of the IFRS have been met in full and lead to the presentation of a true and fair view of the net assets, financial position, and results of operations of the SUSS MicroTec Group. The consolidated financial statements have been prepared on a going concern basis.

The consolidated financial statements and the Group Management Report for the year ending on December 31, 2022, will be submitted to and published in the Federal Gazette.

## B) Standards and Interpretations that have been applied for the first time

In the 2022 fiscal year, SÜSS MicroTec SE also applied the following new standards and amendments to existing standards, to the extent applicable, for the first time:

- Amendment to IFRS 3 Business Combinations: Reference to the Conceptual Framework
- Amendment to IAS 16 Tangible Assets: Revenue before Reaching Operational Status
- IAS 37 Provisions, Contingent Liabilities and Contingent Assets: Scope of Costs for Fulfilling Onerous Contracts
- Annual improvements to IFRSs (2018–2020 cycle); improvements to IFRS 1, IFRS 9, IFRS 16 and IAS 41
- Amendments to IFRS 16: COVID-19-related rent concessions beyond June 30, 2021
- Amendments to IFRS (2018–2020 cycle); improvements to IFRS 1, IFRS 9, IFRS 16 and IAS 41

## C) Standards and Interpretations that have not been applied prior to the mandatory applicable date

In addition to the standards presented above, the IASB has issued further standards, interpretations and amendments to standards or interpretations, the application of which is also currently not yet mandatory and the applicability of which still requires adoption into EU law (“Endorsement”):

- Amendment to IFRS 17 “Insurance Contracts” and amendments to IFRS 17 (EU-endorsed, mandatory application from January 1, 2023)
- Amendments to IAS 1 Presentation of Financial Statements: and IFRS Practice Statement 2: Disclosure of Accounting Policies (EU-endorsed, mandatory application from January 1, 2023)
- Amendment to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (EU-endorsed, mandatory application from January 1, 2023)
- Amendment to IAS 12: Deferred Tax Related to Assets and Liabilities arising from a Single Transaction (EU-endorsed, mandatory application from January 1, 2023)
- Amendments to IFRS 17: Initial Application of IFRS 17 and IFRS 9 – Comparative Information (EU-endorsed, mandatory application from January 1, 2023)

- Amendment to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Noncurrent or Current (pending adoption into EU law, mandatory application from January 1, 2024)
- Amendment to IFRS 16 Lease Liabilities for Sale and Leaseback (pending adoption into EU law, mandatory application from January 1, 2024)
- Amendment to IAS 1 Noncurrent Liabilities with Covenants (pending adoption into EU law, mandatory application from January 1, 2024)

SUSS MicroTec does not see any application area for the rules of IFRS 17. The initial application of the aforementioned amended standards and interpretations is not expected to result in any material impact on the consolidated financial statements of SUSS MicroTec.

## D) Significant Accounting Policies

Taking into consideration the quality criteria of the accounting and the applicable IFRS, the consolidated financial statements fulfill the principle of true and fair view and of fair presentation. In preparing the consolidated financial statements according to IFRS, primarily the following accounting policies were applied.

### Goodwill

Under IFRS 3, derivative goodwill is not subject to amortization, but is instead examined once annually for impairment. An examination is also performed if there are triggering events that indicate possible impairment. The recoverability of goodwill is examined at the level of cash-generating units, which are the smallest identifiable group of assets and are monitored for internal management purposes. The Group defines cash-generating units as the operating segments.

Impairment is recognized if the book value of the cash generating unit exceeds the recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized on goodwill are not reversed in subsequent periods.

The recoverable amount is the higher of the value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value.

In the reporting year, SÜSS MicroTec SE computed the recoverable amount of cash-generating units on the basis of the fair value less costs to sell and the value in use. This value is generally based on valuations using discounted cash flow.

### Other Intangible Assets

Purchased and internally generated intangible assets are capitalized pursuant to IAS 38 if it is probable that a future economic benefit will flow from the use of the asset and the costs of the asset can be determined reliably. They are recognized at cost and amortized normally using the straight-line method over their useful life, which is a maximum of ten years.

Development costs in connection with product development are capitalized as cost of sales if the expense can be attributed clearly and if technical feasibility and successful marketing are assured. It must, moreover, be sufficiently probable that the development activity will indeed generate a future economic benefit. The capitalized development performances comprise all costs that are directly attributable to the development process, including overheads relating to development. Capitalized development costs are amortized normally using the straight-line method from the commencement of production over the expected product life cycle, which is generally three to five years.

There are no other intangible assets with an indeterminate useful life in the SÜSS MicroTec Group.

### Tangible Assets

Tangible assets are recognized at cost of sales and impaired on the basis of probable useful life by straight-line depreciation. The depreciation periods for the principal categories of assets are given below:

Buildings, fixtures	10–40 years
Technical equipment and machinery	4–10 years
Other equipment, office, and plant furnishings	3–7 years
Vehicles	5 years

When assets are disposed of, the pertinent historical acquisition costs and accumulated depreciation are derecognized and the difference to the revenue from the sale is recognized as other operating expense or income.

For granted rights of use, the Group recognizes an asset that is disclosed under tangible assets in accordance with IFRS 16. The right of use is measured upon conclusion of the lease agreement at cost, reflecting the present value of the anticipated lease payments. Subsequently, the right of use is depreciated on a straight-line basis from the provision date until the end of the leasing period.

In compliance with the rules of IAS 16, there was no revaluation of tangible assets.

### Impairment of Intangible Assets and Depreciation of Tangible Assets

Intangible assets, including goodwill, and tangible assets are subject to impairment if the book values of the assets would no longer be covered by the sales proceeds that may be expected or by the discounted net cash flow from further use. If it is not possible to determine the realizable amount for individual assets, the cash flow is determined for the next higher grouping of assets for which such a cash flow can be computed. The allocation of goodwill takes place on the basis of the reporting units (divisions).

If the circumstances that led to the impairment cease or decline in value to apply in later periods, revaluations are made. The revaluation is made at a maximum of the amount that would have resulted if the impairment had not been recognized. No revaluation is made on goodwill once it has been written down.

### Inventories

Inventories are measured at cost or, if lower, their net realizable value. The net realizable value is the sales proceeds that can probably be obtained less the costs likely to be incurred prior to sale. Inventory risks arising from decreased marketability and technical risks are accommodated by appropriate value adjustments.

The costs of conversion of work in progress and finished goods include direct material and production costs as well as attributable material and production overhead costs.

For materials and supplies, the acquisition costs are computed on the basis of a weighted average.

If the reasons that led to an value adjustment of the inventories cease to be applicable, a reversal is made.

### Financial Instruments

Financial instruments are contractual relationships which lead to a financial asset for one party and to a financial debt or an equity instrument for the other.

Financial assets are divided into three categories and measured differently.

- Debt instruments that are held for the purpose of collecting contractual cash flows and whose contractual technical characteristics lead to cash flows at fixed times that exclusively represent repayment and interest payments for the outstanding amount of capital: measurement at amortized cost
- Debt instruments that are held for the purpose of collecting contractual cash flows and selling the financial asset and whose contractual technical characteristics lead to cash flows at fixed times that exclusively represent repayment and interest payments for the outstanding amount of capital: measurement at fair value without effect on profit or loss
- Equity instruments and other debt instruments that do not fall under the already specified categories: measurement at fair value in profit or loss

Financial liabilities are measured at fair value in profit or loss if they fall under the definition of “held for trading purposes.” All remaining financial liabilities are measured at amortized cost.

### Receivables, other Financial Assets, and Contract Assets

Trade receivables and contract assets are recognized at the time of the fulfillment of the contractual performance obligations. All other financial assets and liabilities are initially recognized on the trading date on which the Company becomes a contractual party in accordance with the contractual provisions.

Trade receivables without significant financial components are measured upon initial recognition at the transaction price and in the subsequent periods at amortized cost. Contract assets involve claims of the Group for consideration for services that have been completed but not yet invoiced as of the reporting date.

Upon initial recognition, contract assets are measured at 96 percent of the transaction price which is usually attributable to the performance obligation “production and delivery of the machine”. Customer down payments received are subtracted from this amount. Contract assets are reclassified to trade receivables as soon as the performance obligation “installation and initial training at customers”, which usually accounts for 4 percent of the transaction price, has been fulfilled and the rights become unconditional.

All other financial assets are measured upon initial recognition at fair value. Measurement in the subsequent periods – according to the type of financial asset – is either with or without effect on profit or loss. Receivables become due promptly in accordance with customer payment agreements. Provided that down payment agreements with customers exist, receivables are immediately settled by offsetting them with down payments received.

The Group considers financial assets and receivables to be doubtful or unrecoverable if it is unlikely that the debtor can pay the Group for its credit obligation in full or that recourse to the recovery of possibly available collateral is impossible or unsuccessful. In addition, value adjustments are made depending on the age structure of overdue receivables. These impairments are recognized in separate value adjustment accounts.

Appropriate allowances are thus made for trade receivables and financial assets if they are considered doubtful or uncollectible.

### Impairments of Financial Instruments

Financial assets are subject to default risks, which are taken into consideration by providing for a risk provision or, in case of losses that have already been incurred, by recognizing an impairment. The default risk of receivables and contract assets is accounted for by creating individual value adjustments and portfolio-based value adjustments.

Specifically, a risk provision is created for these financial assets in the amount of the expected loss according to uniform Group standards. Actual individual value adjustments for the losses that have occurred are taken from this risk provision. The potential need for a value adjustment is assumed not only if various circumstances exist, such as a payment delay over a certain period of time or a final payment default (e.g., through insolvency), but also for receivables that are not past due.

In order to determine portfolio-based value adjustments, both insignificant receivables and significant individual receivables without any indication of impairment are combined into homogeneous portfolios based on comparable credit risk characteristics and divided into risk classes. In order to determine the impairment amount, average historical default probabilities are considered along with forward-looking parameters of the respective portfolio.

Credit default risks are to be examined for all financial assets that are measured at amortized cost or at fair value without effect on profit or loss (debt instruments) as well as for contract assets in accordance with IFRS 15.

### Securities

A distinction should be made as to whether securities are to be classified as “debt instruments” or as “equity instruments.” According to classification and structure, securities are measured at amortized cost or fair value. Measurement effects that arise from measurement at fair value are recognized in other comprehensive income without effect on profit or loss unless the measurement effects are to be recognized in the financial result without effect on profit or loss.

### Cash and Cash Equivalents

Cash equivalents include all highly liquid financial investments that, at the time of acquisition or investment, have a remaining term of less than three months. Cash and cash equivalents are measured at cost.

### Pension Plans and similar Commitments

Provisions for pension plans and similar commitments are recognized pursuant to IAS 19 “Employee Benefits.”

Defined contribution plans generally do not lead to the formation of provisions since the Company’s obligation is restricted to the payment of contributions to retirement/pension funds. Premium payments to retirement/pension funds are recognized as an expense in the period in which they are accrued.

With defined benefit plans, the Company’s obligation consists of ensuring promised benefits to active and former employees. Defined benefit plans generally do not lead to the formation of pension provisions.

The net liability from defined benefit plans (the cash value of the defined-benefit obligation less the value of plan assets) is calculated based on the projected unit credit method. Future salary increases and other increases in benefits are taken into consideration. The measurement of the pension obligations is on the basis of pension reports using the assets existing to cover these obligations (at the fair value of plan assets). The effects from the remeasurement of the net liability (actuarial gains and losses, income

from plan assets, and changes in the effect of the upper limit on assets) are recognized in full in accumulated other comprehensive income. In case of future changes to the plan, the unrecognized prior service cost is recognized immediately in profit and loss.

### Provisions

Provisions are formed under IAS 37 when there is an obligation to outside parties whose fulfillment they are likely to demand and if the probable amount of the necessary provision can be estimated reliably. The measurement is at the expected settlement amount. Noncurrent provisions are recognized on the basis of corresponding interest rates at their discounted settlement amount as of the reporting date.

### Financial Debt

Financial debt comprises bank borrowings and liabilities from rent and lease agreements. Bank borrowings are allocated to the category “Financial liabilities” and measured at amortized cost. Liabilities that result from rent and lease agreements are measured and recognized in accordance with IFRS 16.



### Other Financial Liabilities

With the exception of derivative financial instruments, other financial liabilities are allocated to the category “Financial liabilities” and measured at amortized cost.

### Trade Payables

Trade payables are allocated to the category “Financial liabilities” and measured at amortized cost.

### Contract Liabilities

Contract liabilities involve customer down payments received for contracts concluded in accordance with IFRS 15. They are measured at amortized cost. Upon settlement of a performance obligation in accordance with IFRS 15, it is subtracted from the associated contract assets or offset with trade receivables.

### Leasing

The Group’s leases include office and production space, IT equipment and vehicles. The term of the lease agreements ranges from three to twelve years. Some have the option to extend the lease agreements after this period. Individual lease agreements provide for additional lease payments based on the change in the local price indexes.

Rights of use are presented separately under property, plant and equipment.

For concluded lease agreements and rights of use granted in this connection, the Group recognizes an asset that is disclosed under tangible assets in accordance with IFRS 16.

The right of use is measured upon conclusion of the lease agreement at cost, reflecting the present value of the anticipated lease payments. Subsequently, the right of use is depreciated on a straight-line basis from the provision date until the end of the leasing period.

The lease liabilities are recognized when the agreement is concluded at the present value of the lease payments that have still not been made as of the provision date. The subsequent measurement of the lease liability is done at its amortized carrying amount using the effective interest method. The lease liability is remeasured if the future lease payments change due to a change in the index or (interest) rate.

The Group has decided not to recognize rights of use and lease liabilities for leases involving assets of negligible value as well as short-term leases. The Group recognizes the lease payments associated with these leases over the term of the leases as an expense. In the 2022 fiscal year, the related leasing expenses amounted to € 697 thousand (previous year: € 397 thousand).

### Sales Recognition

Revenue is recognized in accordance with IFRS 15 if the conditions are met for recognizing them. Using a principles-based, five-step model, an assessment is made regarding in what amount and at what time or over what period revenue is recognized.

For the sale of tools, the following distinct performance obligations are identified, for each of which sales are recognized separately.

- > Production and delivery of the tool
- > Installation of the tool and initial training of the customer on the tool (including the warranty)
- > Training of employees on the tool
- > Warranty that exceeds the legal scope
- > Maintenance and service of the tool
- > Delivery of replacement parts
- > Implementation of upgrades to the tool

For each identified performance obligation, an assessment is made whether the performance of service occurs over time or at a point in time. Sales are recognized if control over the good or service has been transferred to the customer.

For the production and delivery of the tool on the one hand and the installation or initial training on the tool on the other hand, revenue recognition occurs in each case at the point in time when control is transferred to the customer. In this context, the point in time of delivery or the transfer of risk to the customer is crucial for the performance obligation “production and delivery of the tool.” Upon conclusion of “bill and hold” agreements, the transfer of risk occurs when the tool is stored at the customer’s request in a place of their choosing and the risk of accidental destruction is transferred to the customer. For the performance obligation “installation of the tool/initial training of the customer,” a transfer of control occurs at the point in time when the installation has been completed and the tool has been accepted by the customer. 96 percent of the amount of the order normally accrues to the performance obligation “production and delivery of the tool”; 4 percent of the amount of the order is normally allocated to the performance obligation “installation of the tool/initial training of the customer.” Revenue recognition at the point in time of the transfer of control occurs in the corresponding amount.

Revenue from the sale of micro-optics is recognized at a point in time upon delivery.

Sales from services are recognized when the service has been rendered or, in the case of service contracts, proportionately over time. In the case of sales of spare parts, the sales are recognized on delivery.

Within the scope of the terms of payment, SUSS MicroTec shall not grant any cash discount, credit notes or other sales incentives. A general right of return or right to cancel the order free of charge is not provided. As a rule, payment terms for down payments and customer invoices are short-term and contracts do not include a financing component.

### Cost of Sales

The cost of sales comprises the costs of conversion and procurement costs of the products and spare parts sold as well as service expenditures which are allocated to revenue. In addition to the directly allocable materials and manufacturing costs, it also includes overhead costs such as depreciation and amortization of production facilities and in property, plant and equipment as well as value adjustments on inventories.

### Research and Development Costs

Expenses for research and expenses for development work that cannot be capitalized are recognized as expense when incurred.

### Other Operating Expenses and Income

The other operating expenses and income are classified under the operating income and allocated to the appropriate period. This also applies to expenses and income from foreign currency translation as well as income from the fair value measurement of the derivatives (see derivative financial instruments).

### Deferred Taxes

In accordance with IAS 12 "Income Taxes," deferred tax assets and liabilities are formed on all temporary differences between the fiscal measurement bases of the assets and debts and their recognized values in the IFRS consolidated statement of financial position as well as on tax loss carryforwards. The deferred taxes are computed on the basis of tax rates that apply or are expected to apply at the time of realization in light of the present legal situation in the relevant countries. Deferred tax assets on temporary differences or on loss carryforwards are only recognized if it seems sufficiently certain that they can be realized in the near future. Furthermore, deferred liabilities are not recognized if the temporary difference arises from goodwill.

Deferred taxes are measured using tax rates that are expected to be applied to temporary differences as soon as they reverse, namely using tax rates that are valid or have been announced on the reporting date. This also applies to the future expected use of remaining tax loss deductions. As a result, the amount of recognized deferred taxes reflects any possible uncertainty inherent in income taxes.

### Earnings per Share (EPS)

The Company computes earnings per share in accordance with IAS 33 "Earnings Per Share."

The undiluted earnings per share are computed by dividing the net profit by the weighted average of the shares issued.

The diluted earnings per share are computed by dividing the adjusted net profit by the weighted average of the shares issued plus the share equivalents leading to a dilution.

### Derivative Financial Instruments

Derivative financial instruments are accounted for pursuant to IFRS 9. Derivative financial instruments are allocated to assets and liabilities, are recognized at their market values, and are presented under other current financial assets or other current financial liabilities. First-time recognition is on the day of the transaction. Changes in market value are recognized in the income statement or, in case of classification as a cash flow hedge, under accumulated other comprehensive income after deduction of deferred taxes.

### Treatment of Subsidies

Under IAS 20 “Accounting for Government Grants,” public subsidies are only recognized if there is sufficient certainty that the attached conditions will be fulfilled and the subsidies granted. They are recognized in profit and loss, generally in the periods in which the expenses that are to be met by the subsidies are incurred.

Grants relating to investments that can be capitalized are recognized on the liabilities side as other financial liabilities and released proportionately over the useful life of the funded investments.

### Transactions in foreign Currency

Purchases and sales in foreign currency are translated at the daily exchange rate at the time of delivery. Assets and debts in foreign currency are translated to the functional currency at the exchange rate in effect on the reporting date. Foreign currency gains and losses arising from these translations are recognized in profit or loss. Transactions in foreign currencies are accounted for in accordance with IFRIC 22. In the previous year, due to the immateriality of exchange rate changes between the US dollars and the euro, no adjustments were made to sales in accordance with IFRIC 22.

### E) Use of Estimates

The preparation of the consolidated financial statements in accordance with IFRS requires estimates and assumptions that affect the presentation of assets and debts, the disclosures of contingent liabilities at the reporting date, and the presentation of income and expenses. The estimates and respective underlying assumptions are constantly monitored. In individual cases, the actual values may deviate from the assumptions and estimates made.

### Trade Receivables

Value adjustments on doubtful receivables involve considerable estimates and judgments of individual receivables that are based on the creditworthiness of the individual customer and the current development of the economy. The Company bases the determination of impairments on receivables on expected losses. As of December 31, 2022, the total value adjustment to trade receivables was € 1,960 thousand (previous year: € 72 thousand).

The specific value adjustments are determined according to the following principles:

Receivables overdue since	% of value adjustment to be made
= < 180 days	0%
> 180 days and = < 270 days	10%
> 270 days and = < 360 days	25%
> 360 days and = < 720 days	50%
> 720 days	100%

### Impairments

SÜSS MicroTec SE examines the goodwill for possible impairment at least once annually. The determination of the recoverable amount of a cash generating unit that the goodwill is allocated to is associated with estimates by management. The recoverable amount is the higher of the fair value, less costs to sell, and the value in use. The Company generally determines these figures using measurement methods based on discounted cash flows. These discounted cash flows are determined for a period of five years. The basis used here for the immediate future is the cash flow derived from the Group budget (Level 3 of the fair value hierarchy according to IFRS 13). For cash flow forecasts beyond the period of detailed planning, suitable forecasts from the semiconductor sub-supplier industry are used to check the plausibility of our own estimates. On the basis of these forecasts, a growth rate is determined for each year of the period under consideration. For the five-year period, average annual growth of 10.43 percent (previous year: 6.4 percent) is calculated for the Lithography cash generating unit, to which recognized goodwill is allocated. Here, the growth rates used are checked against external market forecasts. At the end of the five-year planning horizon, an annual

sales growth rate of 1.0 percent is assumed for the subsequent years. The forecast net cash flow is discounted using the calculated risk-adjusted interest rate (WACC) of 11.80 percent (previous year: 10.55 percent). The risk-adjusted interest rates used were aligned with external determinations. The premises and the underlying method may have a considerable influence on the values in question and, finally, on the amount of any possible impairment of goodwill.

If it is not possible to determine the recoverable amount for individual assets in the framework of an impairment test for tangible assets or other intangible assets, the cash flow is determined for the next higher group of assets for which such a cash flow can be determined. For tangible or intangible assets, the determination of the recoverable amount is also similarly associated with estimates by management, which has a considerable influence on the values concerned and, in the final analysis, on the amount of any impairment.

### Pension Plans and similar Commitments

Commitments for pensions and associated expenses and income are determined in accordance with actuarial measurements. These measurements are based on key premises, including discount factors, the expected yield from plan assets, salary trends, and life expectancies. The assumed discount factors reflect the interest rates obtained as of the reporting date for high-quality, fixed-interest investments with corresponding terms.

On account of fluctuations in the market and economic situation, the premises applied may deviate from the actual development, with material effects on the obligations for pensions.

### Provisions

The determination of provisions for contractually agreed guarantees and warranty claims is associated to a considerable extent with estimates. Where the Company derives these provisions from historical guarantee and warranty cases, a decline in the sales volume reduces such provisions correspondingly, and vice versa.

### Other Financial Liabilities

Other financial liabilities are capitalized at their settlement amount. They are derecognized when the contract liabilities have been met or rescinded or have expired. Depending on the contents of the contractual agreements, estimates are necessary in order to determine the likely settlement amount.

### Purchase Price Allocation

Upon the acquisition of entities, under IAS 27 (rev. 2008) and IFRS 3 (rev. 2008), the purchase price for the entity acquisition must be made on the identifiable assets, debts and contingent liabilities acquired at purchase. With some exceptions (e.g., tax liabilities, pension obligations and share-based remuneration), assets, debts, and contingent debts must be recognized at fair value. Here, consideration must be given not only to assets in the financial statement but also to intangible assets that have not previously been recognized.

## F) Consolidation

### Consolidation Principles

The consolidated financial statements include SÜSS MicroTec SE and all active companies over which, independent of the level of its participatory investment, the proprietary company can exercise control (i.e., the control principle). Control exists if SÜSS MicroTec SE has the power to participate in positive and negative variable returns of a company and can influence these returns through its power of disposition. In cases where the majority of voting rights are held, it is assumed that it exercises control.

Receivables and liabilities as well as income and expenses incurred between the companies included in the consolidated financial statements as well as intra-Group profits and losses are eliminated. In the course of capital consolidation, the shares of the subsidiaries attributable to the Group are offset against the corresponding equity.

### Translation of Financial Statements in foreign Currency

The reporting currency of the Group is the euro, which is also the functional currency of the proprietary company. All figures are in thousand euros unless otherwise stated.

Statement of financial position items of subsidiaries that use their local currency as their functional currency are (with the exception of equity, which is translated at historical rates) translated at the rate on the reporting date, and the items in the statement of income are translated at average rates. The resulting translation differences are shown as a separate component of equity (i.e., under accumulated other comprehensive income). On disposal of a foreign operational unit, the related cumulative translation differences previously recognized in other comprehensive income and accumulated in a separate component of equity shall be reclassified from equity to profit or loss in the same period in which the gain or loss on the disposal is recognized.

	2022		2021	
	Balance sheet	P&L	Balance sheet	P&L
1 € vs 1 USD	1.068	1.057	1.132	1.185
1 € vs 1 JPY	140.663	137.519	130.299	130.005
1 € vs 1 GBP	0.887	0.853	0.840	0.862
1 € vs 1 CHF	0.985	1.004	1.033	1.080
1 € vs 1 TWD	32.788	31.388	31.436	33.026
1 € vs 1 SGD	1.431	1.454	1.528	1.589
1 € vs 1 CNY	7.378	7.097	7.189	7.640
1 € vs 1 KRW	1,344.507	1,355.153	1,349.444	1,352.439

### Disclosures on the Scope of Consolidation

Compared with the consolidated financial statements as of December 31, 2021, the following changes were made to the scope of consolidation. In May 2022, SUSS MicroTec Lithography GmbH was merged with SUSS MicroTec Photomask Equipment GmbH & Co KG and renamed SUSS MicroTec Solutions GmbH & Co. KG effective retroactively as of January 1, 2022. The merger had no impact on the Group's previous net assets, financial position or results of operations.

SUSS MicroTec Photonic Systems Inc., Corona (USA) – a 100 percent subsidiary of SUSS MicroTec Inc., Corona (USA) – ceased operations of the scanner/laser product lines in December 2019. Since then, the Company's business operations have been suspended. In 2021, it was decided to continue scanner production at the Hsinchu site in Taiwan. SUSS MicroTec Photonic Systems Inc. was liquidated in December 2022 and deconsolidated as of December 31, 2022. As part of the deconsolidation, currency effects amounting to € 2.2 million were reclassified from equity to profit or loss.

There were no other changes in the scope of consolidation in the past fiscal year.

Therefore, the following subsidiaries and associates of SUSS MicroTec SE (ultimate proprietary company) were included in the consolidated financial statements as of December 31, 2022 (figures on capital and net profit or loss of the individual companies according to local law and in local currency as well as in the reporting currency euro). HUGLE Lithography Inc., San Jose, USA, is not included in the scope of consolidation due to its immateriality and the impairment loss recognized in accordance with IFRS 9.

Company/based in	Currency	Subscribed capital local currency	Subscribed capital stated currency <sup>4</sup>	Investment	Share capital local currency	Share capital stated currency <sup>4</sup>	Net profit local currency	Net profit stated currency <sup>4</sup>	Consolidation
SÜSS MicroTec SE, Garching <sup>1</sup>	EUR	19,115,538.00	19,115,538.00	Holding	95,207,075.71	95,207,075.71	-4,465,287.87	-4,465,287.87	Full
SUSS MicroTec Lithography GmbH, Garching <sup>7</sup>	EUR	-	-	100%	-	-	-	-	Full
SUSS MicroTec Solutions GmbH & Co. KG, Sternenfels <sup>2,5</sup>	EUR	4,000,000.00	4,000,000.00	100%	18,726,476.25	18,726,476.25	15,610,353.03	15,610,353.03	Full
SUSS MicroTec Photomask Equipment Beteiligungs-GmbH, Sternenfels, Germany	EUR	25,000.00	25,000.00	100%	17,066.38	17,066.38	1,722.03	1,722.03	Full
SUSS MicroTec Ltd., Market Rasen, United Kingdom	GBP	10,000.00	11,275.86	100%	654,952.89	738,515.97	70,245.02	79,207.33	Full
SUSS MicroTec KK, Yokohama, Japan	JPY	30,000,000.00	213,275.85	100%	-731,814,996.00	-5,202,615.59	-14,168,838.00	-100,729.03	Full
SUSS MicroTec S.A.S., Pierre Bénite, France	EUR	114,750.00	114,750.00	100%	4,031,163.21	4,031,163.21	448,156.89	448,156.89	Full
SUSS MicroOptics S.A., Hauterive, Switzerland	CHF	2,500,000.00	2,537,942.24	100%	17,063,569.00	17,322,540.99	1,164,257.00	1,181,926.81	Full
SUSS MicroTec, Inc., Corona, USA	USD	4,197,000.00	3,931,063.55	100%	15,111,205.35	14,153,707.07	-45,893,935.48	-42,985,936.85	Full
SUSS MicroTec (Taiwan) Company Ltd., Hsinchu, Taiwan	TWD	5,000,000.00	152,497.14	100%	280,122,474.00	8,543,575.26	34,475,757.00	1,051,490.87	Full
SUSS MicroTec Company Ltd., Shanghai, China	CNY	1,655,320.00	224,352.82	100%	91,868,395.36	12,451,328.96	20,635,274.85	2,796,789.85	Full
HUGLE Lithography Inc., San Jose, USA <sup>3</sup>	USD	1,190,442.00	1,115,011.47	53%	-39,579.00	-37,071.14	-800.00	-749.31	-
SUSS MicroTec REMAN GmbH, Oberschleißheim, Germany <sup>2</sup>	EUR	25,564.59	25,564.59	100%	1,258,325.22	1,258,325.22	1,052,453.16	1,052,453.16	Full
SUSS MicroTec (Singapore) Pte Ltd., Singapore	SGD	25,000.00	17,471.52	100%	5,662,999.27	3,957,648.52	100,013.77	69,895.71	Full
SUSS MicroTec Korea Co. Ltd., Hwaseong City, South Korea	KRW	50,000,000.00	37,188.34	100%	2,716,565,587.00	2,020,491.42	-415,408,185.00	-308,966.84	Full
SUSS MicroTec Photonic Systems Inc., Corona, USA <sup>5</sup>	USD	0.00	0.00	100%	0.00	0.00	39,510,813.46	37,007,271.54	Full
SUSS MicroTec Netherlands B.V., Netherlands	EUR	10.00	10.00	100%	-3,148,138.64	-3,148,138.64	-805,137.69	-805,137.69	Full

1 Equity and net income before consideration of the profit and loss transfer agreement of SUSS MicroTec REMAN GmbH and before profit allocation of SUSS MicroTec Solutions GmbH & Co. KG

2 Equity and net income before taking into account the profit and loss transfer agreement with SÜSS MicroTec SE and before the profit allocation to SÜSS MicroTec SE

3 Entity considered at cost due to immateriality

4 Companies in foreign currencies were translated at the exchange rate on December 31, 2022 for better comparability.

5 The company was liquidated on December 22, 2022

6 Previously SUSS MicroTec Photomask Equipment GmbH & Co. KG, Sternenfels, Germany

7 merged with SUSS MicroTec Solutions GmbH & Co. KG, Sternenfels, Germany on May 1, 2022



The closing date of the financial statements of all the companies included is December 31 of the year in question.

Among the domestic subsidiaries within the legal form of a corporation, SUSS MicroTec REMAN GmbH, Oberschleißheim, Germany, fulfills the conditions for exemption pursuant to Section 264 (3) HGB. All exemption rules were applied.

SUSS MicroTec Solutions GmbH & Co. KG, which has the legal form of a partnership, fulfills the conditions for exemption pursuant to Section 264b HGB. All exemption rules were applied.

SÜSS MicroTec SE prepares consolidated financial statements based on the International Financial Reporting Standards (IFRS) in accordance with Section 315e HGB for the largest and smallest group of companies. These consolidated financial statements and the condensed Group Management Report for the 2022 fiscal year will be published in the Federal Gazette.

## Comments on the IFRS Consolidated Statement of Income

The following explanations to the consolidated statement of income relate exclusively to the Group's continuing operations. All figures are in EUR thousand unless otherwise stated.

### (3) Revenue

Revenue was composed as follows:

in € thousand	2022	2021
Machinery and equipment	215,234	192,030
Spare parts and upgrades	28,846	32,240
Services	15,150	12,183
Micro-optics	39,171	25,749
Other sales	736	1,236
<b>Sales</b>	<b>299,137</b>	<b>263,438</b>

Revenue during the 2022 fiscal year is allocated to the divisions as follows:

in € thousand	Lithography	Bonder	Photomask Equipment	Micro-optics	Central Group Functions	2022 Total
Machinery and equipment	146,488	30,353	38,393	0	0	215,234
Spare parts and upgrades	21,999	3,122	3,703	0	22	28,846
Services	7,172	1,555	6,408	0	15	15,150
Micro-optics	0	0	0	39,171	0	39,171
Other sales	60	0	278	0	398	736
<b>Total sales</b>	<b>175,719</b>	<b>35,030</b>	<b>48,782</b>	<b>39,171</b>	<b>435</b>	<b>299,137</b>

The regional distribution of revenue in the 2022 fiscal year was as follows:

in € thousand	Lithography	Bonder	Photomask Equipment	Micro-optics	Central Group Functions	2022 Total
EMEA	34,861	4,232	3,641	17,524	0	60,258
North America	27,263	8,460	1,370	936	0	38,029
Asia-Pacific	113,595	22,338	43,771	20,711	435	200,850
<b>Total sales</b>	<b>175,719</b>	<b>35,030</b>	<b>48,782</b>	<b>39,171</b>	<b>435</b>	<b>299,137</b>

Revenue during the previous year is allocated to the divisions as follows:

in € thousand	Lithography	Bonder	Photomask Equipment	Micro-optics	Central Group Functions	2021 Total
Machinery and equipment	128,580	26,029	37,421	0	0	192,030
Spare parts and upgrades	20,421	4,209	7,231	0	379	32,240
Services	6,049	1,069	5,010	0	55	12,183
Microlenses	0	0	0	25,749	0	25,749
Other sales	2	0	0	0	1,234	1,236
<b>Total sales</b>	<b>155,052</b>	<b>31,307</b>	<b>49,662</b>	<b>25,749</b>	<b>1,668</b>	<b>263,438</b>

The regional distribution of revenue in 2021 was as follows:

in € thousand	Lithography	Bonder	Photomask Equipment	Micro-optics	Central Group Functions	2021 Total
EMEA	31,303	6,488	5,309	14,643	0	57,743
North America	18,327	7,071	4,630	831	0	30,859
Asia-Pacific	105,422	17,748	39,723	10,275	1,668	174,835
<b>Total sales</b>	<b>155,052</b>	<b>31,307</b>	<b>49,662</b>	<b>25,749</b>	<b>1,668</b>	<b>263,438</b>

## Contract Balances

The following table provides information about receivables, contract assets, and liabilities from contracts with customers.

in € thousand	12/31/2022	12/31/2021
Contract Balances		
Trade receivables	19,096	15,605
Contract assets	37,880	31,820
Contract Liabilities	-77,939	-33,838

The contract assets involve claims of the Group for consideration for services from machine orders that have been rendered but not yet invoiced as of the reporting date. The contract assets are reclassified to trade receivables when the rights become unconditional. This occurs as a rule when SUSS MicroTec prepares a final invoice for the customer.

Contract assets developed as follows:

in € thousand	2022	2021
<b>Opening inventory of contract assets as of 01/01</b>	<b>31,820</b>	<b>30,247</b>
Additions	126,696	103,023
Disposals (reclassification to trade receivables)	-120,636	-101,450
<b>Closing inventory of contract assets as of 12/31</b>	<b>37,880</b>	<b>31,820</b>

The contract liabilities involve customer down payments received for the production of tools. Upon delivery or acceptance and associated sales recognition, the contract liabilities are offset against the contract assets or receivables that arise.

Contract liabilities developed as follows:

in € thousand	2022	2021
<b>Opening inventory of contract liabilities as of 01/01</b>	<b>33,838</b>	<b>25,679</b>
Additions	185,624	185,070
Disposals	-141,523	-176,911
<b>Closing inventory of contract liabilities as of 12/31</b>	<b>77,939</b>	<b>33,838</b>

The amount of € 33,838 thousand that was disclosed under contract liabilities as of the previous year's reporting date was largely recognized as sales in the 2022 fiscal year.

The order backlog as of December 31, 2022, amounts to € 346,365 thousand (previous year: € 193,912 thousand). SUSS MicroTec assumes that around 60 to 80 percent of the order backlog will be converted into sales in 2023.

## (4) Cost of Sales

In the 2022 fiscal year, there was a reversal of impairment losses on assets for scanner spare parts and laser spare parts totaling € 947 thousand (previous year: € 1,536 thousand). The upward revaluation of the scanner materials occurred because the components could be used at our production site in Taiwan. Customer orders have been received for laser spare parts. In the previous fiscal years, the assets had initially been completely depreciated. Accordingly, the cost of sales in the 2022 fiscal year decreased by € 947 thousand.

in € thousand	2022	2021
Reversals of impairment losses on inventory reserves	-947	-1,536
<b>Extraordinary effects Scanner/Laser</b>	<b>-947</b>	<b>-1,536</b>

The cost of sales includes impairments on systems for demonstration purposes of € 3,661 thousand (previous year: € 1,721 thousand) and on other inventories of € 3,936 thousand (previous year: € 2,467 thousand). The systems for demonstration purposes are used as development or demonstration machinery and are subject to normal wear and tear, which is accounted for through appropriate value adjustments. The remaining impairments primarily involve materials and supplies. Of the total impairments, € 2,254 thousand (prior year: € 1,976 thousand) was attributable to inventories in the Lithography division and € 2,375 thousand (previous year: € 1,934 thousand) to inventories in the Bonder division. Inventories in the Photomask Equipment division were written down by € 964 thousand (previous year: € 114 thousand), inventories in the Micro-optics division were written down by € 1,999 thousand (previous year: € 162 thousand).

## (5) Other Operating Income

Other operating income was comprised as follows:

in € thousand	2022	2021
Foreign currency gains	10,321	3,084
Company cars	357	307
Income from the reversal of value adjustments for trade receivables	0	209
Income from the reversal of other provisions	273	19
Other grants/reimbursements	382	110
Insurance claims	90	127
Others	328	315
<b>Other operating income</b>	<b>11,751</b>	<b>4,171</b>

The foreign currency gains arose mainly from the reporting date valuation of the US dollar-denominated balance sheet accounts held in foreign currencies. Furthermore, due to the liquidation of SUSS MicroTec Photonic Systems Inc. foreign currency income in the amount of € 2,910 thousand was reclassified from shareholders' equity affecting net income. These resulted from a loan waiver by SÜSS MicroTec SE to SUSS MicroTec Photonic Systems Inc. in the past.

Public research grants amounting to € 223 thousand (previous year: € 0 thousand) were awarded in the past financial year. No future costs are associated with these grants, which relate exclusively to costs incurred in 2020 and 2021.

## (6) Other Operating Expenses

Other operating expenses were comprised as follows:

in € thousand	2022	2021
Foreign currency losses	10,074	4,482
Other taxes	1,255	692
Allowances for value adjustments for doubtful debts and contract assets	216	41
Losses on disposal of assets	30	235
Remaining other operating expenses	17	26
Others	628	442
<b>Other operating expenses</b>	<b>12,220</b>	<b>5,918</b>

The foreign currency losses arose mainly from the reporting date valuation of the US dollar-denominated balance sheet accounts held in foreign currencies. Foreign exchange losses of € 1,656 thousand resulted from forward exchange transactions. Furthermore, due to the liquidation of SUSS MicroTec Photonic Systems Inc. foreign currency expenses of € 708 thousand were reclassified from shareholders' equity affecting net income. These resulted from a loan waiver by SÜSS MicroTec SE to SUSS MicroTec Photonic Systems Inc. in the past.

## (7) Financial Result

The financial result is composed of interest expenses and interest income as well as other financial expenses and other financial income.

Financial income of € 267 thousand (previous year: € 9 thousand) resulted primarily from interest income for money market investments and securities.

The financial expenses were comprised as follows:

in € thousand	2022	2021
Interest for bank loans	288	306
Interest for lease liabilities	149	97
Commissions on bank guarantees	90	62
Other interest and financial expenses	38	1
<b>Financial expenses</b>	<b>565</b>	<b>466</b>

The interest for bank loans contains € 86 thousand (previous year: € 95 thousand) which relate to two loans granted as part of a KfW funding program (loan status on December 31, 2022: € 7,813 thousand). Bank interest in the amount of approximately € 92 thousand (previous year: € 171 thousand) accrues to the provision of the syndicated loan, which includes a credit line of € 40 million (see financial debt to banks).

## (8) Income Taxes

The tax expense and its breakdown into current and deferred taxes were as follows:

in € thousand	2022	2021
Current tax expense	6,435	6,490
Deferred tax income (-)/expense	1,550	-409
thereof on temporary differences	1,792	-1,594
<b>Total expense</b>	<b>7,985</b>	<b>6,081</b>

The table below shows a reconciliation between the tax expense expected in each fiscal year and the tax expense presented.

Expected tax rate	2022	2021
Corporate income tax rate	15.00%	15.00%
Solidarity surcharge	5.50%	5.50%
Trade income tax rate	12.43%	12.43%
<b>Composite tax rate</b>	<b>28.25%</b>	<b>28.25%</b>

in € thousand	2022	2021
<b>Earnings before tax</b>	<b>32,509</b>	<b>22,096</b>
<b>Expected income taxes</b>	<b>9,185</b>	<b>6,242</b>
Different foreign tax rates	-246	-190
Minimum taxation	0	0
Trade income additions and deductions	-5	12
Other non-deductible expenses	355	77
Foreign taxes	-106	-154
Deferred taxes on consolidation measures	-276	1,935
Tax expenses from previous years	-116	-396
Non-activation/value adjustment on deferred taxes	-303	0
Use of value-adjusted loss carryforwards	-375	-1,328
Non-taxable income	-65	-20
Others	-62	-97
<b>Effective income taxes</b>	<b>7,985</b>	<b>6,081</b>

The comparison of the expected and effective income taxes from continuing operations showed a deviation of € 1,200 thousand (previous year: € 161 thousand). Instead of the expected tax expense of € 9,185 thousand, a tax expense of € 7,985 thousand resulted at the Group level in the reporting year.

No tax deferral was recorded on non-distributed profits from subsidiaries. It was decided to forgo a calculation of the possible tax effects because the time and effort would have been disproportionate.

The deferred income and prepaid expenses for deferred taxes were computed as follows:

in € thousand	Assets		Liabilities		Temporary Differences	
	2022	2021	2022	2021	2022	2021
Other liabilities	1,195	249	77	125	-994	203
Pension plans and similar commitments	833	892	0	0	59	221
Trade Receivables	0	0	10,819	8,291	2,528	-326
Customer deposits	0	0	24,909	21,067	3,842	2,549
Noncurrent provisions	166	177	3	204	-190	158
Intangible assets	1,795	1,937	68	652	-442	-2,189
Other current assets	1	0	0	0	-1	-3
Goodwill	0	0	2,064	2,064	0	0
Adjustment item SMT Photomask Equipment	0	0	0	96	-96	-31
Inventories	24,315	20,428	10	10	-3,887	-2,063
Tangible assets	0	89	1,116	204	1,001	-140
Others	65	65	1	29	-28	27
Loss carryforwards	1,556	1,389	0	0	0	0
Offsetting	-28,521	-23,786	-28,521	-23,786	0	0
<b>Total</b>	<b>1,405</b>	<b>1,440</b>	<b>10,546</b>	<b>8,956</b>	<b>1,792</b>	<b>-1,594</b>



The Group has tax loss carryforwards of € 56,334 thousand (previous year: € 44,821 thousand). Of this amount, a total of € 17,469 thousand will have lapsed by December 31, 2031. In the period from 2032 to 2041, a total of € 4,280 thousand will lapse. Loss carryforwards of € 34,585 thousand can be used indefinitely.

Due to the positive business performance of the German companies SÜSS MicroTec SE, SUSS MicroTec Solutions GmbH & Co. KG and SUSS MicroTec Reman GmbH, a large part of the loss carryforwards was used up in 2021. Deferred tax assets on the loss carryforwards of the German companies amounted to € 930 thousand (previous year: € 801 thousand) as of December 31, 2022. In the reporting year, there was an adjustment of deferred tax assets of € 303 thousand. This value reduction mainly results from trade tax loss carryforwards of SÜSS MicroTec SE that cannot be fully offset.

In the 2021 fiscal year, intangible assets in the form of technology and the customer base of the scanner business of SUSS MicroTec Photonic Systems Inc., Corona, USA were sold to SUSS MicroTec Solutions GmbH & Co. KG (formerly SUSS MicroTec Photomask Equipment GmbH & Co. KG). This sale led to the recognition of a deferred tax asset of € 1.9 million for the resulting tax benefit. In the 2022 fiscal year, this resulted in an essentially opposite effect on the deferred taxes due to the ongoing annual depreciation on the intangible assets of € 276 thousand.

The increase in loss carryforwards compared to the previous year essentially resulted from the liquidation of the SUSS MicroTec Photonic System Inc. and the resulting losses from the derecognition of the investment valuation at SUSS MicroTec Inc.

No deferred tax assets were recognized on loss carryforwards of € 50,871 thousand (previous year: € 39,600 thousand) and temporary differences of € 14,411 thousand (previous year: € 29,306 thousand).

According to IAS 12.74 et seq., deferred tax assets and liabilities are offset if the possibility to do so exists according to civil law and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

As of December 31, 2022, deferred tax assets and liabilities of € 27,777 thousand (previous year: € 23,786 thousand) were offset.

## (9) Earnings per Share

The following table shows the calculation of both the basic and diluted earnings per share:

	2022	2021
Net profit or loss accruing to shareholders of SÜSS MicroTec SE (in € thousand)	24,524	16,015
Weighted average number of outstanding shares	19,115,538	19,115,538
<b>Earnings per share in € – basic –</b>	<b>1.28</b>	<b>0.84</b>
<b>Earnings per share in € – diluted –</b>	<b>1.28</b>	<b>0.84</b>

## (10) Additional Disclosures on the IFRS Consolidated Statement of Income

### Expenditures for Research and Development

The research and development expenditures were € 25,008 in the past fiscal year (previous year: € 22,054 thousand). As in the previous year, no depreciation or amortization of capitalized development costs is included in research and development costs, as these were already fully written-down in 2019. There have not been any new capitalizations since then.

Research and development costs include public subsidies received in the amount of € 281 thousand (previous year: € 269 thousand).

## Personnel Expenses

The consolidated statement of income of the SUSS MicroTec Group includes personnel expenses under the various postings as follows:

in € thousand	2022	2021
Wages and salaries	89,419	73,939
Social security expenses and expenses for benefits	10,554	9,273
Pension expenses	5,816	4,464
<b>Personnel expenses</b>	<b>105,789</b>	<b>87,676</b>

The social security charges and expenses for benefits primarily contain the employer's portions of social security insurance and contributions to the employer's liability insurance.

The expenditures for pension provisions include pension expenses from Company pension plans and employer contributions to the statutory retirement insurance.

Of the total personnel costs of € 105,789 thousand (previous year: € 87,676 thousand), € 53,041 thousand (previous year: € 43,552 thousand) related to cost of sales, € 22,680 thousand (previous year: € 17,768 thousand) to research and development costs and € 17,398 thousand (previous year: € 13,728 thousand) to selling expenses and € 12,670 thousand (previous year: € 12,628 thousand) to general and administrative expenses.

## Cost of Materials

The cost of materials in the 2022 fiscal year came to € 161,534 thousand (previous year: € 111,528 thousand).

## Depreciation and Amortization

Depreciation and amortization were composed as follows:

	2022	2021
in € thousand	Planned depreciation and amortization total	Planned depreciation and amortization total
Intangible assets	1.012	691
Tangible Assets	8.080	6.360
<b>Depreciation and amortization</b>	<b>9.092</b>	<b>7.051</b>

During the 2022 fiscal year, concessions and industrial property rights and similar rights as well as licenses to such rights and values as well as other intangible assets were amortized in the amount of € 1,012 thousand (previous year: € 691 thousand).

Apart from the depreciation of tangible assets of € 8,080 thousand (previous year: € 6,360 thousand), no extraordinary write-downs were taken in the 2022 fiscal year.

## Explanations on the Assets Side

The following explanations to the consolidated statement of financial position relate exclusively to the Group's continuing operations in the reporting year. All figures are in EUR thousand unless otherwise stated.

### (11) Intangible Assets

As of the reporting date, patents, licenses, and similar rights of € 5,535 thousand (previous year: € 5,182 thousand) are disclosed under intangible assets. The Group-wide SAP system is included in this amount. In the 2019 fiscal year, right-of-use assets were capitalized in the amount of € 2,920 thousand, which relates to a joint applications center with partner BRIDG in Kissimmee, USA. The right-of-use assets in the amount of € 875 thousand were allocated to the cash-generating Lithography units, and € 2,045 thousand was allocated to Bonders. As part of a cooperation agreement, SUSS MicroTec has sold four machines of the bonder and coater production lines to BRIDG. These four machines – together with other systems for demonstration purposes from SUSS MicroTec – will be installed at BRIDG's applications center at the Kissimmee site in Florida. For five years, SUSS MicroTec has the right to use not only its own systems for demonstration purposes but also the machines sold to BRIDG at this

applications center for research and development as well as for customer demonstrations. These right-of-use assets were measured at € 2,920 thousand and are being amortized over five years from the start of use. Two of the four systems were already successfully accepted in October and December 2021. The last two systems were accepted in April 2022 and in November 2022. As of December 31, 2022, the carrying amount of the right-of-use assets was € 2,898 thousand.

### (12) Goodwill

The goodwill presented as of the reporting date in the amount of € 18,574 thousand (previous year: € 18,449 thousand) is allocated entirely to the Lithography cash-generating unit. A part of goodwill (US\$ 2,366 thousand) is denominated in US dollars and therefore is subject to currency fluctuations.

### (13) Tangible Assets

The breakdown of tangible assets that is combined in the statement of financial position and their development in the reporting year are shown in the fixed assets movement schedule, which is a component part of these Notes.

Since 2019, right-of-use assets for leased and rented assets have been disclosed under tangible assets; the carrying amount totaled € 12,137 thousand as of December 31, 2022 (previous year: € 9,316 thousand).

in € thousand	Right-of-use total	Thereof property, buildings and other fixtures	Thereof other equipment, factory and office equipment
As of 01/01/2022	9,316	8,553	763
Additions to rights-of-use	5,208	4,197	1,011
Disposals to rights-of-use	-1,118	-1,068	-50
Depreciation for the financial year	-2,567	-2,039	-528
Disposal depreciation for wear and tear	1,104	1,065	39
Currency difference	194	144	50
<b>As of 12/31/2022</b>	<b>12,137</b>	<b>10,852</b>	<b>1,285</b>

As of December 31, 2022, real estate with a carrying amount of € 8,616 thousand (previous year: € 8,718 thousand) was encumbered with a land charge as security for a bank loan (see note 25). Following repayment of the loan, this will be carried forward as an owner's land charge.

## (14) Other (Noncurrent) Assets

Other noncurrent assets include security deposits paid for rented office buildings.

in € thousand	2022	2021
Deposits	417	364
<b>Other noncurrent assets</b>	<b>417</b>	<b>364</b>

## (15) Inventories

The inventories can be broken down as follows:

in € thousand	2022	2021
Materials and supplies	71,665	53,370
Work in process	56,029	42,738
Finished goods	22,940	11,587
Systems for demonstration purposes	31,307	24,324
Value adjustments	-31,404	-32,470
<b>Inventory reserves</b>	<b>150,537</b>	<b>99,549</b>

In the 2022 fiscal year, as in 2020 and 2021, there was a further reversal of impairment losses for the scanners and lasers product line totaling € 947 thousand (previous year: € 1,536 thousand). The upward revaluation occurred because the components could be used at our production site in Taiwan or sold to customers. The cost of sales in the 2022 fiscal year decreased accordingly by € 947 thousand. In 2019, the scanner and laser inventory of € 12,270 thousand was completely written down in the course of discontinuing the scanner and laser product lines.

In the valuation of inventories of SUSS MicroOptics S.A., Hauterive, Switzerland, a special write-down on work in progress in the amount of € 886.5 thousand was recognized in fiscal year 2022. In addition, the Group accounting guideline concerning standardized marketability discounts on finished goods was implemented for the first time. For the financial year 2022, this resulted in a write-down of €325 thousand.

Of the total inventories of € 150,537 thousand as of December 31, 2022 (previous year: € 99,549 thousand), € 51,345 thousand (previous year: € 39,100 thousand) are accounted for at net realizable value.

The amount of inventories which were recognized as an expense in the fiscal year totaled approximately € 170,235 thousand (previous year: € 148,052 thousand).

## (16) Trade Receivables

Trade receivables break down as follows:

in € thousand	2022	2021
Receivables from third parties	21,056	15,677
Value adjustments	-1,960	-72
<b>Trade receivables</b>	<b>19,096</b>	<b>15,605</b>

Value adjustments on receivables from contracts with customers were formed on the basis of expected losses as follows in 2022:

in € thousand	Not due	Overdue 1–180 days	Overdue 181–360 days	Overdue 361–720 days	Overdue > 720 days	Total
Receivables from third parties	14,177	4,438	2,058	367	16	21,056
Value adjustments	-14	-26	-1,725	-179	-16	-1,960
<b>Trade receivables</b>	<b>14,163</b>	<b>4,412</b>	<b>333</b>	<b>188</b>	<b>0</b>	<b>19,096</b>

In the previous year, value adjustments on receivables from contracts with customers were presented as follows:

in € thousand	Not due	Overdue 1–180 days	Overdue 181–360 days	Overdue 361–720 days	Overdue > 720 days	Total
Receivables from third parties	10,392	5,191	64	14	16	15,677
Value adjustments	-8	-26	-15	-7	-16	-72
<b>Trade receivables</b>	<b>10,384</b>	<b>5,165</b>	<b>49</b>	<b>7</b>	<b>0</b>	<b>15,605</b>

Of the receivables not due, a percentage of 0.10 percent was value-adjusted.

The following table reproduces the changes in the value adjustments on the stock of trade receivables.

in € thousand	2022	2021
<b>Value adjustments at the beginning of the fiscal year</b>	<b>72</b>	<b>913</b>
Payment receipts and reversals for receivables that had been written off	-11	-882
Additions	1,899	41
<b>Value adjustments at the end of the fiscal year</b>	<b>1,960</b>	<b>72</b>

The Group has inferred from empirical values that a low default risk exists and that it has not increased significantly since initial recognition. In the last reporting year, a customer receivable in the amount of €1,650 thousand was 100 percent impaired due to breach of contract.

Additional information on the determination of value adjustments on trade receivables can be found in the Group Management Report.

## (17) Contract Assets

in € thousand	2022	2021
Contract assets	37,899	31,835
Value adjustments	-19	-15
<b>Contract assets</b>	<b>37,880</b>	<b>31,820</b>

The contract assets of € 37,880 thousand (previous year: € 31,820 thousand) involve claims of the Group for consideration for services from machine orders that have been completed but not yet invoiced as of the reporting date. The contract assets are reclassified to receivables when the rights become unconditional. This occurs as a rule when the Group prepares a final invoice for the customer. It is expected that the recognized contractual obligations will be met within the next twelve months.

## (18) Other Financial Assets

Other financial assets of € 638 thousand (previous year: € 1,356 thousand) mainly include supplier bonuses and subsidies applied for.

## (19) Tax Refund Claims

Current tax assets of € 58 thousand (previous year: € 38 thousand) involve tax prepayments, as in the previous year. Of this amount, approximately € 31 thousand (previous year: € 31 thousand) accrued to companies in Germany.

## (20) Cash and Cash Equivalents

Cash and cash equivalents amounting to € 51,364 thousand (previous year: € 52,075 thousand) relate to cash in hand, checks and deposits with banks, provided they are available within three months from the date of deposit. The year-on-year change is presented in the consolidated statement of cash flows.

## (21) Other (Current) Assets

The following items are presented under other current assets:

in € thousand	2022	2021
Deferred items	1,850	1,902
Prepayments	1,975	2,776
Value-added tax	3,779	3,183
Bidding securities	207	168
Others	696	378
<b>Other current assets</b>	<b>8,506</b>	<b>8,407</b>

Prepaid expenses include prepayments for future expenses, e.g. licenses, maintenance contracts and insurance premiums.

## Explanations on the Equity & Liabilities Side

### (22) Shareholders' Equity

#### Subscribed Capital

The equity capital of SÜSS MicroTec SE remained unchanged at € 19,115,538.00 as of the reporting date (divided into 19,115,538 registered and fully paid-in no-par-value shares each with an imputed face value of € 1.00). We refer here to the presentation of the Consolidated Statement of Changes in Equity.

Each individual share carries one vote. The individual shares are not repayable and cannot be converted. Dividends may only be distributed from the distributable profits as recognized in the financial statements of SÜSS MicroTec SE prepared in accordance with commercial law.

The authorized capital as of the reporting date was € 2,500 thousand (previous year: € 2,500 thousand).

in € thousand	2022	2021
Equity capital	19,116	19,116
Authorized capital	2,500	2,500

#### Reserves

The Group's reserves were composed as follows:

in € thousand	2022	2021
Additional paid-in capital	55,822	55,822
Earnings reserve	202	202
Retained earnings	100,426	78,960
<b>Reserves</b>	<b>156,450</b>	<b>134,984</b>

#### Accumulated other Comprehensive Income

The development of accumulated other comprehensive income was as follows:

in € thousand	2022	2021
Revaluation of defined benefit plans	-2,469	-3,845
Foreign currency adjustment	4,583	1,260
Cash flow hedges	0	0
<b>Tax effects</b>		
Revaluation of defined benefit plans	662	1,004
Cash flow hedges	0	0
<b>Status at the beginning of the period</b>	<b>2,776</b>	<b>-1,581</b>
<b>Pre-tax changes</b>		
Revaluation of defined benefit plans	725	1,376
Foreign currency adjustment	-1,140	3,323
Cash flow hedges	0	0
<b>Tax effects</b>		
Revaluation of defined benefit plans	-197	-342
Cash flow hedges	0	0
<b>Status at the end of the period</b>	<b>2,164</b>	<b>2,776</b>

## Dividend

SÜSS MicroTec SE has declared and paid the following dividends in fiscal years 2021 and 2022:

in € thousand	2022	2021
0.16 € per dividend-bearing share	3,058	0

The dividends always relate to the previous year. For fiscal year 2021, a dividend of € 0.16 per dividend-bearing share was resolved in fiscal year 2022 and therefore paid out in the amount of € 3,058 thousand.

The Management Board and Supervisory Board of SÜSS MicroTec SE will propose a total dividend of € 3,823 thousand for distribution at the Annual Shareholders' Meeting for fiscal year 2022. This corresponds to a dividend of € 0.20 per dividend-bearing share.

## Management of Equity

The shareholders' equity of the SUSS MicroTec Group – comprised of subscribed capital, unappropriated profit and accumulated other comprehensive income – totaled € 177,730 thousand as of December 31, 2022 (previous year: € 156,876 thousand); this corresponded to an equity ratio of 50.3 percent (previous year: 56.2 percent).

With its management of capital, the SUSS MicroTec Group plans to sustainably strengthen the equity basis in order to ensure future growth and increase the company value. However, accounting capital only acts as a passive management criterion, while sales, net income, cash flow-based ratios, ROCE and equity ratio are used as active management parameters.

In order to maintain or adjust the capital structure, the Group can exploit all the options arising from SÜSS MicroTec SE's listing on the stock exchange.

The dividend policy adopted by SUSS MicroTec provides for shareholders to participate in the Company's success through a reliable and appropriate distribution and, at the same time, for the Company to have sufficient financial resources for its operating business and for strategic investments, including any acquisitions, and to maintain an appropriate equity ratio of at least 40 percent. Specifically, SUSS MicroTec's dividend policy stipulates that, as a matter of principle, between 20 percent and 40 percent of the generated consolidated free cash flow is to be distributed as a dividend and the remaining profit is to be retained. This principle may be deviated from, in particular due to a negative overall economic development or insufficient existing distributable earnings of SÜSS MicroTec SE.

## (23) Pension Plans and similar Commitments

The Company grants various benefits arrangements primarily covering old age, death, and invalidity. The plans vary depending on the legal, fiscal, and economic conditions in the various countries. As a rule, the benefits are calculated on the basis of the salaries and length of service of the insured employees.

A distinction is made between a defined benefit system and a defined contribution system. In the case of defined benefit commitments, the obligation of the Group consists in fulfilling the promised benefits to former employees, for which corresponding provisions are set up.

In the case of defined contribution plans, the Group does not enter into any further obligation apart from making contributions to special purpose funds. The contribution payments are charged against income; no provisions are set up.



Pension obligations were composed as follows:

in € thousand	2022	2021
Present value of benefit obligations	19,958	19,962
Fair value of plan assets	-14,926	-14,613
<b>Calculated pension obligation</b>	<b>5,032</b>	<b>5,349</b>

## Defined Benefit Plans

The Group maintains defined benefit pension plans in Germany, Japan, and Switzerland.

The existing pension commitments in Germany comprise claims to old age, invalidity, and surviving dependents' pensions and are linked to annual salary or take the form of fixed commitments. Former members of management are eligible for these benefits. The main actuarial estimates for pension commitments in Germany are shown below:

	2022	2021
Discount rate	3.21%	0.79%
Expected return on plan assets	0.00%	0.00%
Salary increase	0.00%	0.00%
Pension increase	2.00%	2.00%

Salary-related increases have not been included since there are no longer any active claimants waiting under the German plans.

Pension commitments of the subsidiary in Switzerland comprise claims to occupational retirement, survivors' and disability pension plans that result from the Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (BVG). Accordingly, every employer is obligated to conclude a retirement insurance policy for its employees, depending on reaching an age threshold and a minimum annual salary. For this purpose, the employer must establish or join a pension plan entered in the register of occupational pension plans.

SUSS MicroOptics S.A. has concluded pension plan policies for a total of 168 active insured persons (previous year: 152 active insured persons). Two individuals are paid a disability pension. One individual receives a retirement pension (unchanged from the previous year).

The principal actuarial estimates for the benefit plan of SUSS MicroOptics S.A. are shown below:

	2022	2021
Discount rate	2.25%	0.40%
Expected return on plan assets	2.25%	0.50%
Salary increase	1.50%	1.00%
Pension increase	0.00%	0.00%

The subsidiary in Japan has a noncontributory unfunded defined benefit plan, under which certain employees receive a pension payment after leaving the Company. The level of the pension payment is determined by a set computation method providing for a benefit of 80 percent of the monthly salary per year of employment

for each qualifying employee. Every employee qualifies after belonging to the Company for at least three years.

The principal actuarial estimates for pension commitments of the Japanese subsidiary are shown below:

	2022	2021
Discount rate	0.80%	0.20%
Salary increase	0.00%	0.00%
Pension increase	0.00%	0.00%

The present values of defined benefit obligations and the fair values of the plan assets of the Group developed as follows:

in € thousand	2022	2021
<b>Present values as of 01/01</b>	<b>19,962</b>	16,582
Service cost	1,989	1,712
Interest cost	92	40
Pension payments	-452	1,427
Actuarial (-) gain/(+) loss due to changes in financial assumptions	-3,988	-780
Actuarial (-) gain/(+) loss due to changes in demographic assumptions	-242	-897
Actuarial (-) gain/(+) loss due to experience adjustments	1,741	1,237
Foreign exchange fluctuations	856	641
<b>Present values as of 12/31</b>	<b>19,958</b>	<b>19,962</b>

in € thousand	2022	2021
<b>Plan assets as of 01/01</b>	<b>14,612</b>	10,186
Expected return on plan assets	63	24
Fund allocations paid	1,345	3,136
Actuarial (+) gain/(-) loss	-1,811	794
Foreign exchange fluctuations	717	472
<b>Plan assets as of 12/31</b>	<b>14,926</b>	<b>14,612</b>

Of the fund allocations made in the amount of € 1,345 thousand (previous year: € 3,136 thousand), € 822 thousand (previous year: € 658 thousand) were paid by the employees.

The components of plan assets are reinsurance policies for pension obligations in Switzerland. According to the key figures report of the AXA Foundation LLP Suisse romande, the investment portfolio as of December 31, 2022, was comprised as follows:

Debt securities (e.g., bonds)	28.59%
Equity instruments	34.05%
Real estate	24.88%
Alternative investments	10.45%
Liquidity	2.03%

Of the plan asset classes shown, there are market price quotes in an active market for the debt instruments and equity instruments.

With regard to the benefit plan, there are interest rate risks as well as actuarial and biometric risks. As a risk minimization strategy, a professional asset manager undertakes a diversified investment strategy.

In the 2022 fiscal year, payments amounting to € 807 thousand were made to the employer's pension plan as well as payments from beneficiary employees in the amount of € 771 thousand.

Of the present value of the pension obligations, € 18,560 thousand (previous year: € 18,267 thousand) applies to pension claims financed by funds.

The pension expenses break down as follows:

in € thousand	2022	2021
Service cost	1,989	1,712
<b>Personnel expenses component</b>	<b>1,989</b>	<b>1,712</b>
Interest cost	92	40
Actuarial (+) gains/(-) losses	0	0
<b>Interest cost component</b>	<b>92</b>	<b>40</b>

For 2023, the Group expects to make payments totaling € 1,248 thousand (previous year: € 982 thousand) to meet pension obligations.

The weighted average term of the obligations (duration) as of December 31, 2022 is 14.3 years (previous year: 16.6 years).

The following overview shows how the present value of all defined benefit obligations would be affected by changes in the essential actuarial assumptions:

Change in the present value of all defined benefit obligations if ...	2022	2021
interest rate were 50 basis points lower	1,475	1,875
interest rate were 50 basis points higher	-1,301	-1,298
salary increase were 50 basis points lower	-339	-108
salary increase were 50 basis points higher	342	449
rate of pension increase were 0.50% lower	-30	-669
rate of pension increase were 0.50% higher	574	1,098

## Defined Contribution Plans

The Group has set up a defined contribution plan for its employees in the USA. All employees of SUSS MicroTec Inc., Corona, USA, from the age of 21 and with a minimum of 1,000 working hours per year benefit from the plan. All contributions are held in a trust fund. Qualifying employees obtain a non-forfeitable claim to benefits over a period of three to five years.

Both 401(k) plans offer employees the possibility of paying a certain portion of their annual remuneration into the 401(k) plan. The maximum possible amount is determined by the limit set by the American financial authorities, which amounted to US\$ 20,500.00 in 2022. Starting at age 50, employees can pay in an additional US\$ 6,500.00.

The employer also makes contributions to the 401(k) plans. For each US\$ 1.00 the employee pays into the 401(k) plan, the employer contributes US\$ 1.00. The employer participates in the retirement savings plan up to a maximum contribution amount of 4 percent of the employee's salary.

In the 2022 fiscal year, the expenses to the Group for the 401(k) plan came to US\$ 252 thousand (previous year: US\$ 245 thousand). Of this, US\$ 9 thousand were contributions paid for a member of management.

Furthermore, employer contributions were paid into the statutory pension plan in the amount of € 5,577 thousand (previous year: € 4,247 thousand) in the past fiscal year.

## (24) (Noncurrent) Provisions

Noncurrent provisions include share-based payment transactions for the Management Board in the form of virtual shares with cash settlement in the following amounts:

in € thousand	12/31/2022	12/31/2021
<b>Provision for virtual shares (settled in cash)</b>	<b>776</b>	<b>378</b>
thereof tranche 2021–2023	298	378
thereof tranche 2022–2024	425	0
Thereof sign-on and retention bonus (Dr. Bendele)	52	0

Non-current provisions include compensation components from the LTI as well as from Dr. Bendele's sign-on and retention bonus.

Under the new remuneration system introduced in the 2021 fiscal year (LTI 2021), the Company will grant the Management Board members Dr. Bendele, Mr. Albrecht and Dr. Rohe variable remuneration for the 2021 fiscal year (2021–2023 tranche) and for the 2022 fiscal year (2021–2023 tranche), respectively, based on the long-term performance of the Company, the calculation of which is directly linked to the Company's share price.

The Management Board members concerned receive (pro rata temporis) conditional virtual performance shares (VPS) of the Company. Starting on January 1 of the respective grant year, a three-year performance period follows, at the end of which the VPS are converted into final performance shares (virtual shares), taking into account overall target achievement. Immediately after the end of the (respective) performance period, the respective virtual shares are converted into cash remuneration. After a one-year lock-up period following the performance period, the cash remuneration is paid out or the equivalent value is paid out in the form of SUSS MicroTec shares. The term of the tranches therefore amounts to a total of four years, starting from January 1 of the respective year it is granted.

The number of VPS assigned is determined by dividing the target amount of LTI 2021 specified in the respective service contract by the arithmetic mean of the share prices of SUSS MicroTec before the start of the performance period (DAK(A)). The vesting period corresponds to the first performance year (grant year). If the appointment to or removal from the Management Board takes place during the year in which the grant is made, the VPS are allocated pro rata temporis.

### Tranche 2021–2023

Dr. Bendele and Dr. Rohe were appointed to the Management Board effective May 1, 2021, and will receive a pro rata allocation of VPS (eight twelfths). Mr. Albrecht was not appointed to the Management Board during the year.

The arithmetic mean of the share prices of SUSS MicroTec before the beginning of the performance period on January 1, 2021 is determined as the average of the closing prices in XETRA trading of Deutsche Börse AG over the last 60 trading days and amounts to € 17.28. The VPS are calculated based on the respective target amount and the (ASP(E)):

in € thousand	Tranche 2021–2023	
	Target amount	VPS (shares)
Dr. Goetz Bendele	243	9,375
Oliver Albrecht	103	5,932
Dr. Thomas Rohe	135	5,208
<b>Total</b>	<b>481</b>	<b>20,515</b>

### Tranche 2022–2024

Dr. Bendele was a member of the Management Board of SUSS MicroTec until October 16, 2022 and receives a pro rata temporis allocation of VPS (approx. 79 percent). Mr. Albrecht and Dr. Rohe were not appointed to or removed from the Management Board during the year.

The arithmetic mean of the share prices of SUSS MicroTec before the beginning of the performance period on January 1, 2022 is determined as the average of the closing prices in XETRA trading of Deutsche Börse AG over the last 60 trading days and amounts to € 21.91.

in € thousand	Tranche 2022–2024	
	Target amount	VPS (shares)
Dr. Goetz Bendele	243	8,782
Oliver Albrecht	103	4,678
Dr. Thomas Rohe	135	6,162
<b>Total</b>	<b>481</b>	<b>19,621</b>

The number of the final performance shares based on the number of VPS can increase or decrease depending on the achievement of the two financial/non-market performance criteria – return on capital employed (ROCE) and revenue growth – relative to a target, as well as a performance criterion based on the development of the share price – relative total shareholder return (TSR) compared to two peer groups.

- ROCE for the performance period is calculated as the equally weighted average of the actual ROCE values for the individual fiscal years in the performance period. The actual ROCE value for each fiscal year is calculated as the quotient of earnings before interest and taxes (EBIT) as reported in the audited and approved consolidated financial statements of the Company, the average capital employed based on the Quarterly Reports, and the audited and approved consolidated financial statements in the respective fiscal year.

- > Sales growth refers to the increase in Group revenue within the performance period and is measured as the compound annual growth rate (CAGR).
- > The relative total shareholder return (TSR) is determined as the TSR performance of SUSS MicroTec compared to two peer groups: the Philadelphia Semiconductor Index as an international sector index, and the DAXsector Technology Index as a German index with a technology focus (TSR Outperformance).

The Supervisory Board has set target values (including threshold and cap values) for the two financial performance criteria of ROCE and sales growth. The target value set by the Supervisory Board is based on the return on capital employed expected on the basis of the business strategy or on strategically planned sales growth. The target value for the ROCE performance criterion for the 2021–2023 tranche and for the 2022–2024 tranche is 19.00 percent. For the sales growth performance criterion, the Supervisory Board increased the target value from 9.60 percent for the 2021–2023 tranche to 11.01 percent for the 2022–2024 tranche.

The Supervisory Board determines whether both financial performance criteria have been met after approving the consolidated financial statements for the final year of the respective performance period. Target achievement for both financial performance criteria is determined by comparing the respective actual value achieved during the performance period with the defined target value.

For the two non-market performance targets ROCE and revenue growth, an expected (actual) target achievement was derived as part of the evaluation based on the Group’s own strategic planning over the performance period and the provisional actual values. Accordingly, the expected (actual) target achievement for the 2021–2023 tranche is based on the two actual years of the performance period that have already expired and the remaining plan year of the performance period; the expected (actual) target achievement for the 2022–2024 tranche is based on one actual year of the performance period that has already expired and the remaining two plan years of the performance period.

### Tranche 2021–2023

For the performance criteria ROCE and revenue growth, the expected (actual) target achievement is 18.42 percent and 10.48 percent, respectively.

Target achievement is converted into a payout factor of between 0 percent and 200 percent for each of the two performance criteria using a bonus curve, taking into consideration the target, threshold and cap values. The payout factor for the ROCE and for the revenue growth currently expected for the performance period is 94 percent and 131 percent, respectively.

in € thousand	Tranche 2021–2023		
	Threshold value	Target value	Cap value
ROCE			
Target achievement	14.00%	19.00%	24.00%
Payout factor	50.00%	100.00%	200.00%
Increase in sales			
Target achievement	6.72%	9.60%	12.48%
Payout factor	50.00%	100.00%	200.00%

## Tranche 2022–2024

For the performance criteria ROCE and revenue growth, the expected (actual) target achievement is 21.02 percent and 14.34 percent, respectively.

Target achievement is converted into a payout factor of between 0 percent and 200 percent for each of the two performance criteria using a bonus curve, taking into consideration the target, threshold and cap values. The payout factor for the ROCE and for the revenue growth currently expected for the performance period is 140 percent and 200 percent, respectively.

in € thousand	Tranche 2022–2024		
	Threshold value	Target value	Cap value
ROCE			
Target achievement	14.00%	19.00%	24.00%
Payout factor	50.00%	100.00%	200.00%
Increase in sales			
Target achievement	7.71%	11.01%	14.31%
Payout factor	50.00%	100.00%	200.00%

## Transfer of the financial performance criteria target achievement

The calculation of target achievement for the relative TSR is based on SUSS MicroTec's TSR outperformance compared to the two benchmark indices. The TSR outperformance corresponds to the difference between the TSR performance of SUSS MicroTec shares and the TSR performance of the respective index in percentage points.

Target attainment is calculated using a bonus curve that transforms TSR outperformance into a payout factor:

- > An identical TSR performance from SUSS MicroTec and the respective benchmark index then results in a TSR outperformance of 0 percent and corresponds to a target achievement (payout factor) of 100 percent.
- > With a TSR outperformance (or TSR underperformance) of –30 percent points, the payout factor is 30 percent. The –30 percent TSR outperformance (or TSR underperformance) of –30 percent also represents a threshold; below that, the payout factor is 0 percent.
- > With a TSR outperformance of +30 percent points, the payout factor is 200 percent. The +30 percent TSR outperformance represents a cap/ceiling value; above that, the payout factor is also 200 percent.

- > If the TSR outperformance is between –30 percent and 0 percent or between 0 percent and +30 percent, the payout factor is interpolated between the benchmarks.

The TSR outperformance was determined using Monte Carlo simulations (number: 100,000). The simulation takes changes in the SUSS MicroTec share price and changes in the indexes into account. The changes are based on logarithmic growth processes with normal distribution, taking into account a correlation between the share and the respective index. Here, the trend (drift) is also taken into account in the amount of the risk-free interest rate.

Overall, the duration of the simulation for the 2021–2023 tranche is one year. It begins on the reporting date (December 31, 2022) and ends at the expiry of the performance period (December 31, 2023).

The duration of the simulation for the 2022–2024 tranche is two years in total. It begins on the reporting date (December 31, 2022) and ends at the expiry of the performance period (December 31, 2024).

Due to the non-linear relationship between TSR outperformance and payout factor, a payout factor must be determined for each simulation step. The average of all simulations then provides an expected value for the payoff factor.

## Tranche 2021–2023

The following input parameters were included in the individual simulation steps in order to derive the respective payout factors:

in € thousand	Tranche 2021–2023		
	SUSS Micro-Tec shares	DAXsector Technology Index	Philadelphia Semiconductor Index
Closing price as of Dec. 31, 2022 (reporting date) in €	15.14	1,602.32	3,139.71
Closing price on Jan 1, 2021 in €	18.68	1,584.46	3,270.57
Volatility (basis: daily rate of return of the last two years [TSR])	44.79%	34.83%	37.34%
Correlation (basis: daily rate of return of the last two years [TSR])		67.83%	49.97%
Risk-free spot rate (Bundesbank, Svensson; one year, discrete)	1.96%	1.96%	1.96%

The payout factors determined based on the TSR outperformance versus the respective benchmark index are taken into account on an equally weighted basis when determining the final payout factor for the relative TSR. The expected final payout factor at the end of the performance period on December 31, 2023 is 67 percent.

## Tranche 2022–2024

The following input parameters were included in the individual simulation steps in order to derive the respective payout factors:

in € thousand	Tranche 2022–2024		
	SUSS Micro-Tec shares	DAXsector Technology Index	Philadelphia Semiconductor Index
Closing price as of Dec. 31, 2022 (reporting date) in €	15,14	1.602,32	3.139,71
Closing price on Jan 1, 2022 in €	20,81	2.186,00	4.730,58
Volatility (basis: daily rate of return of the last three years [TSR])	52,74%	39,85%	40,66%
Correlation (basis: daily rate of return of the last three years [TSR])		61,04%	46,55%
Risk-free spot rate (Bundesbank, Svensson; two years, discrete)	2,02%	2,02%	2,02%

The payout factors determined based on the TSR outperformance versus the respective benchmark index are taken into account on an equally weighted basis when determining the final payout factor for the relative TSR. The expected final payout factor at the end of the performance period on December 31, 2024 is 99 percent.

## Summary of the Input Parameters

To determine the expected overall target achievement for the 2021–2023 tranche and for the 2022–2024 tranche at the end of the performance period, the calculated expected payout factors of ROCE, sales growth and relative TSR are each multiplied by 1/3 and added together.

## Tranche 2021–2023

	Tranche 2021–2023			
	ROCE	Sales increase	Relative TSR	Overall target achievement
Payout factor	94%	131%	67%	
Weighting	33%	33%	33%	
<b>Weighted payout factor</b>	<b>31%</b>	<b>44%</b>	<b>22%</b>	<b>97%</b>



## Tranche 2022–2024

	Tranche 2022–2024			Overall target achievement
	ROCE	Sales increase	Relative TSR	
Payout factor	140%	200%	99%	
Weighting	33%	33%	33%	
<b>Weighted payout factor</b>	<b>47%</b>	<b>67%</b>	<b>33%</b>	<b>146%</b>

## Expected overall target achievement of LTI

The number of final performance shares will be determined after the end of the three-year performance period. For this purpose, the number of VPS conditionally granted at the beginning for the performance period is multiplied by the overall target achievement. Next, the resulting number of final performance shares is multiplied by SUSS MicroTec's average share price at the end of the performance period (ASP(E)) to determine the payout amount.

The ASP(E) corresponds to the arithmetic mean of the closing prices in XETRA trading of Deutsche Börse AG over the last 60 trading days before the end of the respective performance period. In the course of the valuations, the ASP(E) for both tranches was determined on the basis of the closing price as of December 31, 2022 of € 15.14 used in the simulation model to determine the TSR

outperformance With regard to possible distributions, it was assumed that dividends would be paid out and that the present value of the dividends would correspond to 1 percent of the share price at the measurement date.

As a result, the expected ASP(E) for the 2021–2023 tranche amounts to € 14.99 as of December 31, 2023. For the 2022–2024 tranche, the expected ASP(E) as of December 31, 2024 is € 14.84.

The amount thereby designated for payment is not paid out until after a one-year lock-up period so that the total inflow does not occur until four years after allocation at the earliest. The payout amount is capped at 300 percent of the respective target amount.

Based on the above simulation model, the share price (on average) “drifts” with the base interest rate from the measurement date onward. In this respect, the amount of the provision can be determined in a simplified manner, ignoring the corresponding compounding factors (drift of the share price, determination of ASP(E)) and discounting factors (discounting the amount paid out).

## Tranche 2021–2023

The following table contains a summary of the material results as of the December 31, 2022 reporting date:

in € thousand	Tranche 2021–2023				
	VPS (shares)	Overall target achievement	Final performance shares	ASP(E) in €	Payout = provision
Dr. Goetz Bendele	9,375	97%	9,094	14.99	136
Oliver Albrecht	5,932	97%	5,754	14.99	86
Dr. Thomas Rohe	5,208	97%	5,052	14.99	76
<b>Total</b>	<b>20,515</b>		<b>19,900</b>		<b>298</b>

## Tranche 2022–2024

The following table contains a summary of the material results as of the December 31, 2022 reporting date:

in € thousand	Tranche 2022–2024				
	VPS (shares)	Overall target achievement	Final performance shares	ASP(E) in €	Payout = provision
Dr. Goetz Bendele	8,782	146%	12,821	14.84	190
Oliver Albrecht	4,678	146%	6,830	14.84	101
Dr. Thomas Rohe	6,162	146%	8,996	14.84	133
<b>Total</b>	<b>19,621</b>		<b>28,647</b>		<b>425</b>

## Sign-on and Retention Bonus

Dr. Goetz Bendele was granted a sign-on and retention bonus in the form of 10,500 performance shares in SÜSS MicroTec SE upon commencement of his service in addition to the total direct compensation specified in his employment agreement as part of an accompanying letter dated March 9, 2021.

The allocation is made in three annual installments of 3,500 shares, subject to the continued existence of the employment agreement. At the end of each fiscal year, one tranche is vested and is paid out in the following year. To determine the amount of the payout, the allocated performance shares are valued at ASP(E) of the respective past fiscal year. The ASP(E) corresponds to the arithmetic mean of the closing prices of SÜSS MicroTec SE in XETRA trading of Deutsche Börse AG over the last 60 trading days. Payment is made together with the salary statement for the STI remuneration.

Dr. Bendele was a member of the Management Board of SÜSS MicroTec until October 16, 2022. The employment agreement was suspended between October 16, 2022, and December 31, 2022, and subsequently terminated by mutual consent retroactive to October 16, 2022. In the termination agreement between SÜSS MicroTec and Dr. Bendele, the vesting of the 3,500 performance shares of the third annual tranche that have not yet been paid out was agreed. The payment of the third annual tranche of 3,500 performance shares will be made as of ASP(E) of the 2023 fiscal year with the regular payroll for the calendar month following the approval of the Company's consolidated financial statements for the 2023 fiscal year by the Supervisory Board (i.e., presumably in April 2024).

Accordingly, a provision must be recognized for future salary payments.

The ASP(E) as of December 31, 2023, was determined at € 14.99 in line with the LTI valuation. This results in a provision of € 52 thousand (3,500 x € 14.99) as of December 31, 2023.

## (25) Financial Debt

### Financial Debt to Banks

The maturity structure of bank borrowings as of December 31, 2022 and the previous year's reporting date was as follows:

#### December 31, 2022

in € thousand	Remaining term up to one year	Remaining term of more than one up to five years	Remaining term of more than five years	Total
Loans payable to banks	1,222	5,000	1,563	7,785
Current bank liabilities	4	0	0	4
<b>Total</b>	<b>1,226</b>	<b>5,000</b>	<b>1,563</b>	<b>7,789</b>

#### December 31, 2021

in € thousand	Remaining term up to one year	Remaining term of more than one up to five years	Remaining term of more than five years	Total
Loans payable to banks	1,208	5,000	2,813	9,021
Current bank liabilities	4	0	0	4
<b>Total</b>	<b>1,212</b>	<b>5,000</b>	<b>2,813</b>	<b>9,025</b>

Bank borrowings were comprised as follows:

in € thousand	2022	2021
KfW promotional loan	7,813	9,063
Accrued borrowing costs	-28	-42
<b>Loans payable to banks</b>	<b>7,785</b>	<b>9,021</b>

In 2019, two KfW Development Bank promotional loans were taken out for an amount of € 5,000 thousand each at IKB. These two loans were paid out in April 2019 and August 2019. They feature a term of 10 years and a fixed interest rate of 1.00 percent and had a payment-free grace period until June 30, 2021. Both loans are secured by land charges on the Company property in Garching.

In October 2019, SÜSS MicroTec SE concluded a syndicated loan agreement with four banks (Deutsche Bank, LBBW, Commerzbank, and Targobank (previously BECM)) for a total volume of € 56 million. The syndicated loan agreement features a term of 5 years and grants SÜSS MicroTec SE a credit line of € 40 million as well as a guarantee line of € 16 million. SÜSS MicroTec SE exercised a contractual option twice to extend the syndicated loan. Accordingly, the agreement ends in October 2026.

The interest rates for utilization of the credit line are variable and are comprised of EURIBOR and a margin whose amount depends on the net debt ratio of the SUSS MicroTec Group and the utilization rate of the credit line. Commitment interest amounting to 35 percent of the margin is calculated for the portion of the credit line that was not utilized.

The syndicated loan agreement reserves a special termination right for the lending banks if the equity ratio of the SUSS MicroTec Group falls below 40.0 percent. Additional covenants were not stipulated.

As of December 31, 2022, the credit line under the syndicated loan agreement has not been used (previous year: € 0.00 thousand). In exchange, € 28 thousand in borrowing costs was recognized.

In December 2022, the optional debt allowance of € 5 million specified in the syndicated loan agreement was used. An additional contract for a guarantee line was concluded for this amount.

The guarantee line was utilized in the amount of € 14,832 thousand (previous year: € 9,911 thousand).

The total credit and guarantee lines and their utilization have developed as follows:

in € thousand	2022	2021
Credit and guarantee line	61,000	56,000
Utilization in the form of guarantees	14,832	9,911
<b>Available credit and guarantee lines</b>	<b>46,168</b>	<b>46,089</b>

### Financial Debt from Lease Obligations

With the application of IFRS 16, liabilities are recognized for concluded rent and lease agreements in the amount of the present value of the lease obligations.

The maturity structure of liabilities from lease obligations as of December 31, 2022 was as follows:

### December 31, 2022

in € thousand	Remain- ing term up to one year	Remain- ing term of more than one up to five years	Remain- ing term of more than five years	Total
Liabilities from rent and lease agreements	2,588	7,427	2,200	12,215
<b>Total</b>	<b>2,588</b>	<b>7,427</b>	<b>2,200</b>	<b>12,215</b>

The development of lease liabilities is as follows:

in € thousand	2022
As of 01/01/2022	9,292
Additions 2022	5,208
Repayment	-2,480
Currency difference	195
<b>Financial debt from lease obligations as of 12/31/2022</b>	<b>12,215</b>
thereof noncurrent	9,627
thereof current	2,588

## (26) (Current) Provisions

Current provisions were comprised as follows:

in € thousand	2022	2021
Warranty provisions	3,743	3,554
Provisions for severance payments	710	210
Provisions for follow-up costs	658	834
Other provisions	840	828
<b>Current provisions</b>	<b>5,951</b>	<b>5,426</b>

The warranty provisions were set up in the amount of their probable utilization for statutory and contractually agreed guarantees and warranty claims of customers arising from deliveries of machines.

In connection with the departure of a member of the Management Board, a corresponding provision was recognized on the basis of a contractual obligation to pay a severance payment.

The provisions for follow-up costs were formed for any subsequent deliveries or retrofitting of missing components that are necessary in the course of installing the machine at the customer's site.

The other provisions essentially include further personnel expenses.

Current provisions developed as follows:

in € thousand	As of 01/01/2022	Utilization	Reversal	Additions	As of 12/31/2022
Warranty provisions	3,554	-548	-253	990	3,743
Severance payments	210	-210	0	710	710
Provisions for follow-up costs	834	-431	-19	274	658
Other provisions	828	-527	-138	677	840
<b>Current provisions</b>	<b>5,426</b>	<b>-1,716</b>	<b>-410</b>	<b>2,651</b>	<b>5,951</b>

## (27) Other (Current) Financial Liabilities

Other current financial liabilities break down as follows:

in € thousand	2022	2021
Premiums and commissions	5,619	4,964
External services	3,641	2,985
Subsidies	607	927
Outstanding wage and church tax	818	800
Suppliers with debit balances	641	432
Supervisory Board remuneration	467	229
Others	196	291
<b>Other (current) financial liabilities</b>	<b>11,989</b>	<b>10,628</b>

All liabilities will lead to outflows within one year.

The subsidy of € 607 thousand (previous year: € 927 thousand) relates to a European Union development program for research and development activities. The final check of the appropriate use is carried out by the funding body after the end of the project.

The premiums and commissions include share-based compensation components from the sign-on and retention bonus of Dr. Bendele.

Dr. Goetz Bendele was granted a sign-on and retention bonus in the form of 10,500 performance shares in SÜSS MicroTec SE upon commencement of his service in addition to the total direct compensation specified in his employment agreement as part of an accompanying letter dated March 9, 2021.

The allocation is made in three annual installments of 3,500 shares, subject to the continued existence of the employment agreement. At the end of each fiscal year, one tranche is vested and is paid out in the following year. To determine the amount of the payout, the allocated performance shares are valued at ASP(E) of the respective past fiscal year. The ASP(E) corresponds to the arithmetic mean of the closing prices of SÜSS MicroTec SE in

XETRA trading of Deutsche Börse AG over the last 60 trading days. Payment is made together with the salary statement for the STI remuneration.

Dr. Bendele was a member of the Management Board of SUSS MicroTec until October 16, 2022. The employment agreement was suspended between October 16, 2022, and December 31, 2022, and subsequently terminated by mutual consent retroactive to October 16, 2022. In the termination agreement between SUSS MicroTec and Dr. Bendele, the vesting of the 3,500 performance shares of the second annual tranche that have not yet been paid out was agreed. The payment of the second annual tranche of 3,500 performance shares will be made as of ASP(E) of the 2022 fiscal year with the regular payroll for the calendar month following the approval of the Company's consolidated financial statements for the 2022 fiscal year by the Supervisory Board (i.e., presumably in April 2023).

The ASP(E) of the 2022 fiscal year amounts to € 13.53. Accordingly, another financial liability of € 47 thousand (3,500 x € 13.53) is to be recognized for the future salary payment.

## (28) Contract Liabilities

The contract liabilities of € 77,939 thousand (previous year: € 33,838 thousand) involve customer down payments received for the production of tools. Upon delivery or acceptance and associated sales recognition, the contract liabilities are offset against the contract assets or receivables that arise.

## (29) Other (Current) Liabilities

Other current liabilities break down as follows:

in € thousand	2022	2021
Accrued personnel expenses	4,394	4,457
Liabilities for payments in kind	2,769	2,885
Value-added tax	243	27
Others	1,411	627
<b>Other current liabilities</b>	<b>8,817</b>	<b>7,996</b>

The accrued personnel expenses primarily contain obligations for vacation arrears and credit accounts under the flexible hours scheme.

## (30) Tax Liabilities

The tax liabilities were made up of domestic income taxes of € 6,613 thousand (previous year: € 5,645 thousand) and foreign income taxes of € 411 thousand (previous year: € 1,024 thousand).

## Other disclosures

### (31) Additional Information on Financial Instruments

Under IAS 32, financial instruments generally comprise all economic occurrences performed on a contractual basis that include a claim for cash. They include original financial instruments such as trade receivables and payables as well as financial receivables and liabilities. The financial instruments also comprise derivative instruments that are used to hedge currency and interest rate risks. The estimated market values of the financial instruments do not necessarily represent the values that the Company would realize in an actual transaction under present market conditions. The following section provides a comprehensive overview of the significance of financial instruments for the Company and supplies additional information on statement of financial position items containing financial instruments. Further information on the risk management of financial instruments can be found in the Management Report in the section “Opportunities and Risks for the Future Development of the SUSS MicroTec Group.”

The following table shows the book values of all categories of financial assets and liabilities:

in € thousand	2022	2021
<b>Financial assets</b>		
Cash and Cash Equivalents	51,364	52,075
Receivables and Financial Assets	57,614	48,781
Securities	9,943	0
	<b>118,921</b>	<b>100,856</b>
<b>Financial liabilities</b>		
Financial liabilities	59,084	53,389
	<b>59,084</b>	<b>53,389</b>



The table below presents the market values and the book values of the financial assets and liabilities.

in € thousand	2022		Measurement category according to IFRS 9	Hierarchy level fair value measurement
	Book value	Fair value		
<b>Financial assets</b>				
Cash and cash equivalents	51,364	51,364	at amortized cost	-
Trade receivables	19,096	19,096	at amortized cost	-
Contract assets	37,880	37,880	at amortized cost	-
Other financial assets	638	638	at amortized cost	-
Securities	9,943	9,943	at amortized cost	-
<b>Financial liabilities</b>				
Trade Payables	27,091	27,091	at amortized cost	-
Financial Debt	20,004	21,018		
Bank borrowings	7,789	8,803	at amortized cost	-
Lease liabilities	12,215	12,215	at amortized cost	-
Other Financial Liabilities	11,989	11,989	at amortized cost	-

in € thousand	2021		Measurement category according to IFRS 9	Hierarchy level fair value measurement
	Book value	Fair value		
<b>Financial assets</b>				
Cash and cash equivalents	52,075	52,075	at amortized cost	
Trade receivables	15,605	15,605	at amortized cost	
Contract assets	31,820	31,820	at amortized cost	
Other financial assets	1,356	1,356	at amortized cost/fair value	Fair value level 2
<b>Financial liabilities</b>				
Trade Payables	24,444	24,444	at amortized cost	
Financial Debt	18,317	19,903		
Bank borrowings	9,025	10,611	at amortized cost	
Lease liabilities	9,292	9,292	at amortized cost	
Other Financial Liabilities	10,628	10,628	at amortized cost	

In the previous year, other financial assets of € 638 thousand (previous year: € 1,356 thousand) included € 96 thousand from forward exchange transactions measured at fair value through profit or loss (fair value level 2). In the current financial year, there were no open forward exchange contracts at the reporting date of December 31, 2022.

The securities reported under financial assets relate entirely to bonds, which are current in the amount of € 9,943 thousand (previous year: € 0 thousand).

For the trade receivables, the contract assets, and the other financial assets, the book values represent the individual amount

of maximum credit risk to which the Group is exposed on the reporting date.

The following methods and assumptions apply in determining the market values:

### Cash and cash equivalents

On account of the short-term nature of the investments, the book values correspond to the market values of the instruments.

### Receivables/Trade Payables

On account of the short-term nature of the receivables and payables, the book values correspond approximately to the market values of the instruments.

### Other Financial Assets/Liabilities

Because of the short-term nature of the assets and liabilities, the book values of the other financial assets and liabilities, which are measured at amortized cost, correspond roughly to their market value.

The measurement of other financial assets and liabilities that are measured at market value depends on their category. The fair value of forward currency transactions is determined by the rates

for forward currency transactions. The market value of interest derivatives is determined by discounting the expected future cash flows over the remaining term of the contract on the basis of current market interest rates and the yield curve.

### Securities

Securities were measured at amortized cost due to the business model, as these are held exclusively with the sole intention of collecting related contractual payments from them in accordance with IFRS 9 category 1. The carrying amounts of securities measured at amortized cost approximate fair value due to their short-term nature.

### Bank borrowings

expected outflow of funds (non-observable inputs) at usual market interest rates for debt instruments with comparable conditions and residual terms.

The net gains and losses on financial instruments have developed as follows:

in € thousand	2022	2021
Financial assets measured at amortized cost	1,716	551
Financial liabilities measured at amortized cost	-152	-21

Net gains or losses from loans and receivables contain changes in the value adjustments, foreign currency effects, gains and losses from retirements and receipts of payments for loans and receivables that had been written off.

### Derivative Financial Instruments

Purchasing and sales obligations in foreign currencies arise due to cross-border supply relationships between SUSS MicroTec companies and external customers or suppliers who are not based in the eurozone. This applies above all to customers or suppliers in countries using the US dollar and the Japanese yen that obtain products from SUSS MicroTec companies in the eurozone or sell to them. At the time an order is placed, forward

currency forwards are concluded in order to hedge against currency changes during the period until payment is made. The change in market values is shown under other operating income or other operating expenses. Potential risks arise from the fluctuation of the currency exchange rates and in the creditworthiness of the contractual partners, which are exclusively German financial institutions with a first-rate credit standing.

No open foreign currency forwards exist as of December 31, 2022 (previous year: US\$ 20 million).

The sensitivity to exchange rates is determined by aggregating the foreign currency items of the operating activities and the Group treasury. Foreign currency risks are thus calculated on the basis of a simulation of a 10 percent devaluation of all foreign currencies versus the euro. This simulated devaluation would have led to a reduction in the euro-equivalent value of € 1,841 thousand as of the reporting date (previous year: € 1,154 thousand) and a corresponding decrease in annual income.

The following tables show the composition of the foreign currency exposure and the effects on annual earnings of a ten percent appreciation or depreciation of the euro as of the reporting date and that of the previous year:

in € thousand	2022			
	USD	JPY	CHF	Total
Cash and Cash Equivalents	17,916	367	676	18,959
Trade receivables	2,921	0	22	2,943
Trade Payables	-1,280	308	-670	-1,642
<b>Net exposure</b>	<b>19,557</b>	<b>675</b>	<b>28</b>	<b>20,260</b>
Effect on net income in the event of a 10% appreciation of the euro	-1,778	-61	-3	-1,841
Effect on net income in the event of a 10% depreciation of the euro	2,173	75	3	2,250

in € thousand	2021			
	USD	JPY	CHF	Total
Cash and cash equivalents	13,242	608	25	13,875
Trade receivables	2,018	0	19	2,037
Trade Payables	-1,516	-51	-1,636	-3,203
<b>Net exposure</b>	<b>13,744</b>	<b>557</b>	<b>-1,592</b>	<b>12,709</b>
Effect on net income in the event of a 10% appreciation of the euro	-1,249	-51	145	-1,154
Effect on net income in the event of a 10% depreciation of the euro	1,527	62	-177	1,411

## (31) Leases

The Group leases all premises where the foreign SUSS MicroTec companies are located as well as the premises of SUSS MicroTec REMAN GmbH (Oberschleissheim, Germany). The leased premises are used as offices, warehouses, and production areas. Each of the lease contracts is concluded according to local law and they do not display any uniform structure. Some have agreements for lease increases or lease extension options, for example.

Particularly at sites where major installations have been performed (e.g., cleanrooms for production or applications), lease extension options that the Group can exercise are sought when the lease contracts are finalized. In July 2022, there was an early extension of the lease agreements of SUSS MicroTec (Taiwan) Company Ltd. for the office and commercial space used until the end of July 2029. Furthermore, in the reporting year a lease agreement of SUSS MicroTec Inc, Corona (USA) for office buildings in Williston, Vermont, was extended until February 2026.

In addition, the Group leases Company vehicles in several countries in which it is represented by branches. The term of the lease usually runs for three or four years. .

## (32) Related Parties

IAS 24 requires the disclosure of people that control or are controlled by SÜSS MicroTec SE unless already included in the consolidated financial statements.

Control exists if a shareholder has more than half of the voting shares of SÜSS MicroTec SE or has the possibility, on the strength of the articles of incorporation or contractual agreement, to control the financial and business policies of SÜSS MicroTec SE.

Furthermore, the obligation of disclosure set out in IAS 24 also covers transactions with joint ventures and transactions with persons that exercise a substantial influence on the financial and business policies of SÜSS MicroTec SE, including close family members or intermediate entities. A substantial influence on the financial and business policy of the Group may rest on a shareholding in SÜSS MicroTec SE of 20 percent or more, a seat on the Management Board or Supervisory Board of SÜSS MicroTec SE or another key management position.

With the exception of disclosures on the remuneration of the corporate bodies, the Group was not affected by the disclosure obligations set out under IAS 24 “Related Parties” in the fiscal year. Details on the remuneration of the corporate bodies can be found in the Remuneration Report, which is part of the Management Report.

## (33) Financial Obligations and Contingent Liabilities

Other financial obligations and contingent liabilities were composed as follows:

in € thousand	2022	2021
Commitments	84,777	40,980
<b>Total</b>	<b>84,777</b>	<b>40,980</b>

Purchase contingencies commit the Group to purchase services or materials from third parties.

## (34) Explanations on the Consolidated Statement of Cash Flows

In the consolidated statement of cash flows of the SUSS MicroTec Group, a distinction is made in accordance with IAS 7 (“Statement of Cash Flows”) between payment flows from operating activities and from investing and financing activities.

The item cash and cash equivalents in the statement of cash flows comprises all of the liquid funds shown in the statement of financial position, i.e., cash in hand, checks and deposits with banks,

provided they are available within three months without significant fluctuations in value.

The cash flows from investing and financing activities are computed on the basis of payments. On the other hand, the cash flow from operating activities is derived indirectly from the net result for the year.

Under the indirect computation, effects due to currency translation are eliminated from the relevant changes in statement of financial position items. The changes in the relevant statement of financial position items can, therefore, not be reconciled with the corresponding figures on the basis of the consolidated statement of financial position.

The other non-cash transactions amounting to € 1,366 thousand in the past fiscal year resulted exclusively from currency effects.

The cash flow from financing activities amounted to € -6,774 thousand. At € -1,250 thousand, it included the repayment of two loans taken out under a KFW subsidy program. Repayments of rent and lease obligations in accordance with IFRS 16 amounted to € -2,480 thousand. Furthermore, a dividend payment of € 3,058 thousand was made in the fiscal year, following the decision to pay a dividend of € 0.16 per dividend-bearing share for the fiscal year 2021.

Fair value changes or exchange rate effects were not recognized in cash flow from financing activities either in 2022 or in the previous year.

## (35) Segment Reporting

### Information about the Segments

The activities of the SUSS MicroTec Group are delineated by product line and region in the course of segment reporting in accordance with the rules of IFRS 8 (“Operating Segments”). This analysis is aligned with internal controlling and reporting to the Management Board and takes the different risk and earnings structures of the divisions into consideration.

The activities of the SUSS MicroTec Group are divided into the Lithography, Bonder, Photomask Equipment, and Micro-optics operating divisions. The Central Group Functions division combines further activities of the Group and the non-allocable costs of the Central Group Functions.

In the Lithography division, the SUSS MicroTec Group develops, produces, and sells the mask aligner, developer, and coater product lines as well as the UV projection scanner product line. The development and production activities are conducted in Germany at the locations in Garching and Sternenfels. The development

and production of the UV projection scanner and laser processing tool product lines, which fell within the remit of the American subsidiary SUSS MicroTec Photonic Systems Inc. (Corona, USA), ended in the 2020 fiscal year. After a part of the in-progress and written-off equipment was sold in 2020 and orders for further UV projection scanners were acquired, the Company decided and announced at the beginning of 2021 that the production of the UV projection scanners will be resumed in the course of 2021 at the new production site in Taiwan.

Substantial parts of the distribution organizations in North America and Asia support the Lithography division. Lithography comprises somewhat more than half of the entire business of the Group and is represented in the advanced packaging, MEMS, and compound semiconductor markets.

The Bonder division encompasses the development, production, and distribution of the bonder product line. The activities of this division are concentrated at Sternenfels. Distribution for the Bonder division occurs from Sternenfels itself and worldwide in small units at locations in Europe, the USA, and Asia.

The Photomask Equipment division comprises the development, manufacture, and sale of the HMx, ASx, MaskTrack, and MaskTrack Pro product lines. The development and production of specialized systems for the cleaning and processing of

photomasks for the semiconductor industry are conducted at the Sternenfels site.

The production and sales of microlenses and highly specialized optics for a variety of industrial applications are housed in the Micro-optics division. These activities are bundled in SUSS MicroOptics S.A. in Hauterive, Switzerland.

The Central Group Functions division represents all other activities and costs for central Group functions that generally cannot be attributed to the main divisions. The division recorded negative EBIT of € -2.5 million in 2022 (previous year: € 1.1 million).

The decline in earnings is attributable on the one hand to a commercial agency agreement expiring at the end of 2021, which had still provided a positive earnings effect of € 1.0 million. On the other hand, a change was made in the 2022 fiscal year with regard to the recharging of costs to the revenue-generating divisions. While 100 percent of management, marketing, and insurance allocations were passed on in the previous year, we have reduced the cost pass-through in the 2022 fiscal year. The background to the change was that certain services were provided exclusively for the purposes of SUSS MicroTec SE and did not serve the operating business of the division. Examples include services related to financial reporting and stock exchange listing. In the 2022 fiscal year, costs in the form of management, marketing and insurance

allocations amounting to € 7.2 million (previous year: € 7.4 million) were charged on to the operating divisions. Another effect was increased management costs, especially in connection with the CEO change in the fourth quarter of 2022. The positive special effect from the complete liquidation of the US subsidiary SUSS MicroTec Photonic Systems Inc. in the amount of € 2.2 million was offset by an increase of € 2.7 million in costs in connection with currency translation and hedging.

### Other Comments on Segment Reporting

Division data was collated using the accounting and measurement methods applied in the consolidated financial statements. Due to the division of the Group by product line across companies, there are no material inter-division transactions. One exception is the reallocation of costs by SÜSS MicroTec SE, recorded in the Central Group Functions division, to the other divisions for the performance of certain Group functions such as financing and strategic matters. These charges also contained the expenses incurred by the holding company in connection with the introduction and operation of the SAP system.

In compliance with the requirements of IFRS 8 “Operating Segments,” the segment reporting contains disclosure of the pre-tax result per segment. This enables the sum of the segment results to be reconciled with the overall consolidated result before tax. However, in the view of the Management Board, segment earnings before interest and taxes (EBIT) is the most relevant information to evaluate results compared to other companies in the industry.

During the 2022 fiscal year, sales were recorded with one customer representing a share of more than 10 percent of the Group’s total sales. In the process, sales of approximately € 36.5 million – which are disclosed in the Lithography and Photomask Equipment divisions – accrue to this customer. In the previous year, SUSS MicroTec also generated sales with one customer that represented a share of over 10 percent of the Group’s sales.

Inter-division sales in the past fiscal year amounted to € 2.0 million (previous year: € 4.3 million). The main relationships exist between the Lithography and Micro-optics divisions. Systems from the Lithography division are sold to the Micro-optics division, which are used there as production systems. In addition, the Micro-optics division supplies microlenses to the Lithography division, which are installed in systems there. The other allocations are of a smaller size overall and primarily relate to the sale of spare parts and the allocation of assembly hours, in particular between the Lithography and Photomask Equipment divisions.

As in the previous year, interdivision cost allocations were made in the 2022 fiscal year and are reported separately. The main portion of € 11.5 million (previous year: € 11.1 million) was accounted for by the allocations of the central services of SÜSS MicroTec SE, which are shown separately as a “thereof” note.

The intercompany loans issued, which serve to finance the investments of the Micro-optics division, amounted to € 6.5 million (previous year: € 4.5 million) in the 2022 fiscal year after debt consolidation in the Central Group Functions division under Division receivables and in the Micro-optics division under Division liabilities.

Among the principal non-cash expenses and income are value adjustments on trade receivables, write-downs on inventory reserves, and the addition and reversal of provisions and other liabilities.

Segment assets represent the necessary operational assets of the individual divisions. These comprise the intangible assets (including goodwill), tangible assets, inventory reserves, and trade receivables.

The segment liabilities include the operating debts and provisions of the individual divisions.

The investments relate to additions of both tangible and intangible assets.

For the geographic segment reporting, sales are segmented according to the location of the customers. In the past fiscal year, SUSS MicroTec generated sales of € 35,065 thousand (previous year: € 22,153 thousand) in Germany.

The assets and investments were calculated on the basis of the location of the Group company concerned. The noncurrent assets of the Group are primarily comprised of intangible assets, goodwill, and tangible assets. Of the noncurrent assets, € 40,925 thousand (previous year: € 40,626 thousand) were attributable to companies in Germany; € 32,394 thousand (previous year: € 27,886 thousand) were attributable to foreign companies. In the past fiscal year, the SUSS MicroTec Group undertook investments of € 3,262 thousand (previous year: € 4,713 thousand) in Germany.

## (36) Subsequent Events

Chief Financial Officer Oliver Albrecht will leave the company when his contract expires on April 30, 2023.

## (37) Management Board and Supervisory Board

### Management Board of SÜSS MicroTec SE

#### The Members of the Management Board of SÜSS MicroTec SE in the 2022 fiscal year were:

##### Dr. Bernd Schulte

> Dr. rer. nat. (Physics), Aachen  
Chief Executive Officer since October 17, 2022

##### Areas of responsibility:

Group strategy, management of the business units/product lines and subsidiaries, sales and marketing, service, research and development and patents (until November 30, 2022), human resources

##### Further appointments:

None

##### Dr. Goetz M. Bendele

> Dr. Ing., Hamburg,  
Chief Executive Officer until October 16, 2022 (the employment contract was suspended between October 16, 2022 and December 31, 2022 and terminated retroactive by October 16, 2022)

##### Responsible for the areas:

Group strategy, management of business units/product lines and subsidiaries, sales and marketing, service, research and development, patents, quality management, human resources

##### Other appointments:

None

##### Oliver Albrecht

> Diplom-Kaufmann (Business Administration),  
resident of Ravensburg  
Chief Financial Officer

##### Responsible for the areas:

Finance and accounting, controlling, IT, legal and compliance, tax and insurance, facility management, and investor relations

##### Further appointments:

None



**Dr. Thomas Rohe**

> Dr. Ing., Poing  
Chief Operations Officer

*Responsible for the areas:*

Production, materials management and logistics, environmental protection, occupational safety, quality management, research and development and patents (from December 1, 2022)

*Further appointments:*

None

**Supervisory Board of SÜSS MicroTec SE****The Members of the Supervisory Board in the 2022 fiscal year were:****Dr. David Dean**

resident of Feldafing, Germany, Chair of the Supervisory Board

*Further appointments:*

Supervisory Board or Advisory Board in the following companies:

- > Axiata Group Berhad, Kuala Lumpur, Malaysia
- > PT XL Axiata Tbk, Jakarta, Indonesia
- > Ncell Axiata Limited, Kathmandu, Nepal

**Dr. Myriam Jahn**

Düsseldorf, Cologne, Germany; Deputy Chair of the Supervisory Board, CEO of Possehl Digital GmbH, Lübeck, Germany

*Further appointments:*

Member of the Advisory Board of AUMA Riester GmbH & Co KG, Müllheim, Germany, since 2022

**Dr. Dietmar Meister (until March 1, 2022)**

Hilden, Germany, management consultant

*Further appointments:*

None

**Jan Smits**

Heeze, the Netherlands, management consultant

*Further appointments:*

None

**Dr. Bernd Schulte (until October 16, 2022)**

> Dr. rer.nat.(Physics)  
resident of Aachen

*Further appointments:*

None

**Prof. Dr. Mirja Steinkamp (since March 4, 2022)**

Hamburg, independent tax consultant and auditor

*Further appointments:*

Supervisory Board member in the following companies:

- > Basler AG, Ahrensburg, Germany, Chair of the Audit Committee
- > HOCHTIEF AG, Essen, Germany, Supervisory Board member (member of the Audit Committee)
- > BarthHass GmbH & Co. KG, Nuremberg, Germany, Deputy Chair of the Supervisory Board

**Remuneration of the Management Board and Supervisory Board**

The members of the Management Board received cash remuneration of € 2,825 thousand (previous year: € 1,488 thousand).

The remuneration of the members of the Supervisory Board, including meeting attendance fees and expense allowances, amounted to € 467 thousand (previous year: € 431 thousand).

Individualized information about the remuneration of the Management Board and the Supervisory Board is presented in the Remuneration Report, which is part of the condensed Management Report.

Shares and option holdings (without virtual performance shares)  
held by officers as of year-end:

	2022		2021	
	Shares	Options	Shares	Options
Prof. Dr. Mirja Steinkamp (Since 03/04/2022)	-	0	-	0
Oliver Albrecht	1,350	0	1,350	0
Dr. David Dean	3,250	0	750	0
Dr. Myriam Jahn	1,700	0	-	0
Dr. Dietmar Meister (Until 03/01/2022)	-	0	-	0
Jan Smits	1,000	0	-	0
Dr. Bernd Schulte	11,000	0	8,000	0
Dr. Goetz M. Bendele (Until 10/16/2022)	-	0	-	0
Dr. Thomas Rohe	1,850	0	1,150	0

## (38) Employees

In the 2022 fiscal year, the SUSS MicroTec Group employed an average of 1,205 employees (previous year: 1,108 employees).

As of December 31, 2022, employees were divided among the following functions as follows:

	2022	2021
Administration	115	103
Marketing and Sales	372	358
Production and Technology	765	717
<b>Total</b>	<b>1,252</b>	<b>1,178</b>

## (39) Auditor's Fees

In the current fiscal year, SUSS MicroTec paid a total of € 326 thousand (previous year: € 326 thousand) in fees for the auditor of the consolidated financial statements, Baker Tilly GmbH & Co. KG Wirtschaftsprüfungsgesellschaft (previous year: BDO AG Wirtschaftsprüfungsgesellschaft) in accordance with Section 314 (1) (9) HGB. Of this amount, € 309 thousand relates to audit services, € 15 thousand to other assurance services and € 12 thousand to other services. Of the auditor's fee for the financial statements, € 22 thousand were for the 2021 fiscal year. The fees for auditing services include, among other things, the voluntary HGB annual audits of SUSS MicroTec. Lithography GmbH as well as SUSS MicroTec Photomask Equipment GmbH & Co. KG. The fees for other assurance services were incurred for the audit of the non-financial consolidated statement. The fees for other services mainly comprise supportive consulting in connection with the invitation to tender for the audit of the financial statements for fiscal year 2022.

Network partners of the Group auditor (other members of Baker Tilly Global) accounted for further audit fees of € 102 thousand in the 2022 fiscal year (prior year: BDO AG Wirtschaftsprüfungsgesellschaft € 82 thousand).

## (40) Corporate Governance

In December 2022, the Management Board and Supervisory Board of SÜSS MicroTec SE declared in accordance with Section 161 (1) of the German Stock Corporation Act (AktG) that SÜSS MicroTec SE has complied with all recommendations of the German Corporate Governance Code in the version of December 16, 2019 (published in the official section of the Federal Gazette on March 20, 2020) since issuing the last declaration of compliance in December 2021, with the exception of the recommendations in section G.1. (Remuneration of the Management Board) and in section G.12 (Variable remuneration upon termination of a Management Board contract).

The Management Board and Supervisory Board further declare pursuant to Section 161 (1) AktG that SÜSS MicroTec SE complies with all recommendations of the German Corporate Governance Code in the version of April 28, 2022 (published in the official section of the Federal Gazette on June 27, 2022).

The declarations of compliance have been made permanently available online at [+ https://www.suss.com/en/investor-relations/declaration-of-compliance](https://www.suss.com/en/investor-relations/declaration-of-compliance)

## (41) Approval of the Financial Statements

The Management Board of SÜSS MicroTec SE approved the IFRS consolidated financial statements for forwarding to the Supervisory Board on March 30, 2023.

Garching, March 30, 2023

The Management Board

Signed

**Dr. Bernd Schulte**

Chief Executive Officer (CEO)

Signed

**Oliver Albrecht**

Chief Finance Officer (CFO)

Signed

**Dr. Thomas Rohe**

Chief Operations Officer (COO)

# Responsibility Statement by The Legal Representatives

To the best of our knowledge, and in accordance with the applicable reporting principles, the accounting principles, the consolidated financial statements give a true and fair view of the net assets, financial position the net assets, financial position and results of operations of the Group and that the Group management report, which is combined with the management report of SÜSS MicroTec SE, includes a fair review of the development and performance of the business and the position of the Group. The business results and the situation of the Group are presented in such a way that a true and fair view of the the Group's position and suitably presents the opportunities and risks opportunities and risks of the expected development of the development of the Group are described.

Garching, March 30, 2023

SÜSS MicroTec SE

The Management Board

Signed

**Dr. Bernd Schulte**

Chief Executive Officer  
(CEO)

Signed

**Oliver Albrecht**

Chief Finance Officer  
(CFO)

Signed

**Dr. Thomas Rohe**

Chief Operations  
Officer (COO)

# Audit Certificate of the Independent Auditor

to SUSS MicroTec SE, Garching, Germany

## Certificate Regarding the Audit of the Consolidated Financial Statements and the Group Management Report, which is Combined with the Company Management Report

### Audit opinion

We have audited the consolidated financial statements of SÜSS MicroTec SE and its subsidiaries (the Group), which comprise the consolidated statement of financial position as of December 31, 2022, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, and the consolidated statement of cash flows for the fiscal year from January 1, 2022 to December 31, 2022, and notes to the consolidated financial statements, including a summary of significant accounting policies. We have also audited the group management report of SÜSS MicroTec SE for the fiscal year from January 1, 2022, to December 31, 2022. In accordance with German legal requirements, we have not audited the content of the non-financial

statement and the corporate governance statement contained in the condensed management report.

In our opinion, based on the insights gained in the audit:

- the attached consolidated financial statements comply with IFRS, as applicable in the EU, in all material respects as well as the supplementary regulations under German law according to Section 315e (1) of the German Commercial Code (HGB). In addition, they convey in accordance with these principles an accurate view of the net assets and financial position of the Group as of December 31, 2022, and its results of operations for the fiscal year from January 1, 2022, to December 31, 2022, and
- the attached group management report conveys an overall accurate picture of the condition of the Group. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal regulations, and presents the opportunities and risks of future development accurately. Our audit opinion on the group management report does not cover the content of the above-mentioned non-financial statement and corporate governance statement.

According to Section 322 (3)(1) of the HGB, we declare that our audit has not led to any objections regarding the accuracy

of the consolidated financial statements and the group management report.

### Basis for the Audit Opinion

We have conducted our audit of the consolidated financial statements and the group management report in accordance with Section 317 of the HGB and the EU Auditor Regulation (No. 537/2014; referred to below as “EU-APrVO”), taking into account the generally accepted German accounting principles promulgated by the Institute of Public Auditors in Germany (IDW). Our responsibility according to these regulations and principles is further described in the “Responsibility of the Auditor for the Audit of the Consolidated Financial Statements and Group Management Report” section of our audit certificate. We are independent of the Group companies in accordance with European legal and German commercial and professional legal regulations and have fulfilled our other German professional obligations in accordance with these requirements. In addition, we declare in accordance with Article 10 (2)f of the EU-APrVO that we have not performed any prohibited non-auditing services in accordance with Article 5 (1) of the EU-APrVO. We are of the opinion that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements and the group management report.

## Particularly Important Issues in the Audit of the Consolidated Financial Statements

Particularly important audit issues are those matters that were the most significant in our dutiful judgment in our audit of the consolidated financial statements for the fiscal year from January 1, 2022, to December 31, 2022. These issues were taken into account in connection with our audit of the consolidated financial statements as a whole and in the formation of our audit opinion on them; we do not issue any separate audit opinion on these issues.

In our opinion, the following matters were most significant in our audit:

- Impairment of goodwill
- Impairment of deferred taxes

We have structured our presentation of these key audit matters as follows:

- Situation and problems
- Audit approach and insights
- Reference to further information

In the following, we present the audit matters of particular importance:

### Impairment of goodwill

1. In the consolidated financial statements of SÜSS MicroTec SE, goodwill in the amount of € 18.6 million is reported under the balance sheet item “Goodwill” representing approximately 5.3 percent of total assets. The Company allocates goodwill to the relevant groups of cash-generating units. Goodwill is tested for impairment (“Impairment Test”) by the Company annually at the reporting date or as required. The use values are compared with the carrying amounts of the corresponding group of cash-generating units. These valuations are regularly based on the present value of future cash flows of the cash-generating unit to which the respective goodwill is allocated. The valuations are based on the budgets of the individual cash-generating units, which are based on the financial plans approved by management. Discounting is performed using the weighted average cost of capital of the respective cash-generating unit. The result of this valuation is highly dependent on the estimation of future cash inflows by the legal representatives of the Company and the discount rate used, and is therefore subject to considerable uncertainty, which is why this matter is of particular importance in the context of our audit.

2. To address this risk, we critically assessed management's assumptions and estimates, including the following audit procedures:

- We have traced the methodological approach used to perform the impairment tests and assessed the determination of the weighted average cost of capital.
- We have satisfied ourselves that the future cash inflows underlying the valuations and the discount rates used provide an appropriate overall basis for the impairment tests of the individual cash-generating units.
- Our assessment was based, among other things, on a comparison with general and industry-specific market expectations as well as extensive explanations by management on the key value drivers of the plans and a comparison of this information with the current budgets from the planning approved by the Supervisory Board.
- With the knowledge that even relatively small changes in the discount rate can have a material impact on the amount of the use value determined in this manner, we considered the parameters used in determining the discount rate applied, including the weighted average cost of capital (“WACC”), and followed the Company's calculation scheme.

> We have determined that the respective goodwill and overall the carrying amounts of the relevant groups of cash-generating units are covered by the discounted future cash flows as of the reporting date.

3. The Company's disclosures on goodwill are included in note 12 to the financial statements.

### Impairment of deferred taxes

1. SÜSS MicroTec SE shows deferred tax assets totaling € 1.4 million in its consolidated financial statements under the balance sheet item "Deferred tax assets", which includes deferred tax assets due to tax loss carryforwards in the amount of € 930 million.

Deferred tax assets have been recognized to the extent that it is probable, based on management's assessment, that taxable profit will be available in the foreseeable future against which deductible temporary differences and unused tax losses can be used. For this purpose, forecasts of future tax results are determined, which are derived from the approved planning calculation. Deferred taxes are calculated on the basis of the tax rates applicable in future years to the extent that they have already been enacted by law or the legislative process has been substantially completed. From our point of view, these matters were of

particular importance as they are highly dependent on the assessment and assumptions of the legal representatives and are subject to uncertainty.

2. To address this risk, we critically assessed management's assumptions and estimates, including the following audit procedures:

- > Gaining an understanding of management's conceptualization of the deferred tax accounting process.
- > Assessment of the recognition and valuation of deferred taxes.
- > Assessment of the impairment, to the extent that there were insufficient deferred tax liabilities, on the basis of the tax planning prepared by the legal representatives and assessing the appropriateness of the planning basis used.

Based on our audit procedures, we were able to understand the assumptions made by management regarding the recognition and valuation of deferred taxes and satisfy ourselves as to their appropriateness.

3. The Company's disclosures on deferred taxes are included in note 8 to the financial statements.

### Other information

The legal representatives are responsible for other information. Other information includes:

- > The Group declaration on corporate governance included in the condensed management report 2022,
- > Disclosures on the non-financial Group declaration and declaration of compliance of the condensed management report 2022,
- > The remaining parts of the annual report, with the exception of the audited annual financial statements, the condensed management report, and our audit certificate.
- > Alternative key performance indicators of the SUSS Group.

Our audit opinion on the consolidated financial statements and the group management report, which is combined with the management report of SÜSS MicroTec SE, do not cover the other information. Accordingly, we are issuing neither an audit opinion nor any other form of audit conclusion regarding it.

In connection with our audit, we have the responsibility to read other information and to evaluate whether the other information

- > indicates material discrepancies from the consolidated financial statements, the group management report, which is

combined with the management report of SUSS MicroTec, or the insights we gained during the audit, or whether it  
 > otherwise appears to contain material misrepresentations.

### **Responsibility of the legal representatives and the Supervisory Board for the consolidated financial statements and the group management report, which is combined with the Company management report**

The legal representatives are responsible for the preparation of the consolidated financial statements, which comply with IFRS, as applicable in the EU, as well as the supplementary regulations under German law according to Section 315e (1) of the German Commercial Code (HGB) in all material respects. In addition, they convey in accordance with these principles an accurate view of the net assets, financial position, and results of operations of the Group. Furthermore, the legal representatives are responsible for internal controls that they determine are necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent accounting manipulations and misstatements of assets) or error.

During the preparation of the consolidated financial statements, the legal representatives are responsible for assessing the ability of the Group to continue its corporate activities. Furthermore, they bear responsibility for indicating any issues in connection with the

continuation of corporate activities, provided that they are relevant. In addition, they are responsible for accounting on the basis of the going concern principle, unless there is the intention to liquidate the Group or to discontinue business, or there is no realistic alternative.

The legal representatives are also responsible for the preparation of the group management report, which provides an overall accurate picture of the condition of the Group and is consistent with the consolidated financial statements in all material respects, complies with German legal regulations, and accurately presents the opportunities and risks of future development. Furthermore, the legal representatives are responsible for precautions and measures (systems) that they have deemed to be necessary in order to prepare a group management report in accordance with the applicable German legal provisions and in order to provide sufficient appropriate evidence for the statements in the management report.

The Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and the Group management report, which is combined with the management report of SÜSS MicroTec SE.

### **Auditor's responsibility for the audit of the consolidated financial statements and the group management report, which is combined with the management report of the Company**

Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misrepresentations, whether due to fraud or error, and whether the group management report as a whole provides a suitable view of the Group's position and is consistent, in all material respects, with the consolidated financial statements and the audit findings, complies with German legal requirements, and suitably presents the opportunities and risks of future development, and to issue an auditor's report that includes our audit opinion on the consolidated financial statements and the group management report.

Reasonable assurance is a high degree of assurance, but no guarantee that an audit performed in accordance with Section 317 of the HGB and the EU-APrVO, taking into account the generally accepted German accounting principles promulgated by the Institute of Public Auditors in Germany (IDW), uncovers every material misrepresentation. Misrepresentations may result from fraud or error and are considered material if, individually or collectively, they could reasonably be expected to influence the economic decisions of the addressees taken on the basis of these consolidated financial



statements and the group management report, which is combined with the management report of SÜSS MicroTec SE.

During the audit, we exercise professional judgment and maintain an attitude of professional skepticism. In addition, we do the following:

- Identify and assess the risks of material misrepresentations, due to fraud or error, of the consolidated financial statements and the group management report, which is combined with the management report of SÜSS MicroTec SE, plan and perform audit procedures in response to those risks, and obtain audit evidence that is sufficient and appropriate to serve as a basis for our audit opinion. The risk that material misrepresentations resulting from fraudulent activities will not be uncovered is higher than the risk that material misrepresentations resulting from errors will not be uncovered, as fraudulent activities may involve collusion, forgery, intentional omissions, misleading representations, or the bypassing of internal controls.
- Gain an understanding of internal control relevant to the audit of the consolidated financial statements and of the arrangements and actions relevant to the audit of the group management report, which is combined with the management report of SÜSS MicroTec SE, in order to plan audit procedures that are appropriate under the given circumstances, but not for the purpose of issuing an audit opinion on the effectiveness of these systems.
- Assess the appropriateness of the accounting methods applied by the legal representatives as well as the validity of the estimates presented by the legal representatives and the related information.
- Draw conclusions regarding the appropriateness of the going concern accounting principle applied by the legal representatives as well as, on the basis of the audit evidence obtained, whether a material uncertainty exists in connection with events or circumstances that could cast meaningful doubt on the Group's ability to remain a going concern. If we conclude that a material uncertainty exists, we are obligated to call attention to the related information in the consolidated financial statements and the group management report or, if this information is inappropriate, to modify our respective audit opinion. We draw our conclusions based on the audit evidence obtained by the date of our audit certificate. However, future events or circumstances may prevent the Group from continuing its corporate activities.
- Assess the presentation, the structure, and the contents of the consolidated financial statements as a whole, including both information and whether the consolidated financial statements present the underlying business transactions and events in such a way that the consolidated financial statements convey a picture of the Group's net assets, financial position and results of operations, taking into account IFRS, as applicable in the EU, and supplementary regulations under German law according to Section 315e (1) of the HGB.
- Obtain sufficient appropriate audit evidence for the accounting information of the companies or the business activities within the Group in order to issue audit opinions on the consolidated financial statements and the group management report. We are responsible for directing, monitoring, and executing the audit of the consolidated financial statements. We bear sole responsibility for our audit opinion.
- Assess the consistency of the group management report, which is combined with the management report of SÜSS MicroTec SE, with the consolidated financial statements, its legal compliance with the consolidated financial statements, and the picture it conveys of the Group's condition.

➤ Carry out audit procedures on the forward-looking statements presented by the legal representatives in the group management report, which is combined with the management report of SÜSS MicroTec SE. Based on sufficient appropriate audit evidence, we reproduce in particular the significant assumptions underlying the forward-looking statements of the legal representatives and assess the proper derivation of the forward-looking statements from these assumptions. We do not issue an independent audit opinion on the forward-looking statements and the underlying assumptions. A substantial unavoidable risk exists that future events may deviate significantly from the forward-looking statements.

We discuss with those responsible for oversight the planned scope and scheduling of the audit as well as significant audit findings, including potential flaws in the internal control system that we identify during our audit, among other issues.

We issue a declaration to those responsible for oversight that we have complied with the relevant independence requirements and discuss with them all relationships and other issues that can reasonably be assumed to affect our independence, and, where relevant, the actions taken or safeguards implemented to address the threats to our independence.

Of the issues that we have discussed with those responsible for oversight, we determine those issues that were most meaningful in the audit of the consolidated financial statements for the current reporting period and therefore constitute particularly important audit issues. We describe these issues in the audit certificate unless laws or other legal provisions preclude public disclosure of the issue.

## Other Legal and Statutory Requirements

### Requirements Report on the Audit of the Electronic Reproductions, Prepared for Disclosure Purposes, of the Consolidated Financial Statements and the Group Management Report, which is Combined with the Management Report of the Company, in Accordance with Section 317 (3a) of the German Commercial Code (HGB)

#### Audit opinion

In accordance with Section 317 (3a) of the German Commercial Code (HGB), we have performed an audit with reasonable assurance to determine whether the reproductions of the consolidated financial statements and the group management report, which is combined with the management report of SÜSS MicroTec SE,

contained in the file named: 529900C3KRUTSYDK7N87-2022-12-31-de-5.zip and prepared for the purpose of disclosure (hereinafter also referred to as the "ESEF documents") comply in all material respects with the requirements of Section 328 (1) HGB on the electronic reporting format ("ESEF format"). It therefore does not extend to the information contained in this representation or to other information contained in the aforementioned file.

In our opinion, the representations of the consolidated financial statements and the group management report, which is combined with the management report of SÜSS MicroTec SE, contained in the above-mentioned provided file and prepared for the purpose of disclosure comply in all material respects with the requirements of section 328 (1) HGB for the electronic reporting format. We express no opinion on the information contained in this representation, nor on any other information contained in the aforementioned file beyond this audit opinion and our audit opinions on the accompanying consolidated financial statements and the accompanying group management report, which is combined with the management report of SÜSS MicroTec SE, for the fiscal year from January 1, 2022 to December 31, 2022, contained in the preceding "Report on the audit of the consolidated financial statements and the condensed management report."

### Basis for the audit opinion

We conducted our audit of the representations of the consolidated financial statements and the group management report, which is combined with the management report of SÜSS MicroTec SE, contained in the above-mentioned provided file, in accordance with Section 317 (3a) HGB and IDW Auditing Standard: Audit of Electronic Reproductions of Financial Statements and Management Reports Prepared for the Purposes of Disclosure pursuant to Section 317 (3a) HGB (IDW PS 410). Our responsibility according to these regulations is further described in the section “Responsibility of the auditor for the audit of the ESEF documents.” Our auditing firm applied the IDW’s quality assurance system requirements in accordance with its quality assurance standards. These concern the requirements for quality assurance at auditing firms (IDW QS 1).

### Responsibility of the Legal Representatives and the Supervisory Board for the ESEF documents

The legal representatives of the Company are responsible for creating the ESEF documents including the electronic reproduction of the consolidated financial statements and the group management report, which is combined with the management report of SÜSS MicroTec SE, in accordance with Section 328 (1)(4)(1) HGB and for the certification of the consolidated financial statements in accordance with Section 328 (1)(4)(2) HGB.

In addition, the legal representatives are responsible for the internal controls they consider necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB for the electronic reporting format.

The Supervisory Board is responsible for overseeing the process of preparation of the ESEF documents as part of the financial reporting process.

### Responsibility of the auditor for the audit of the ESEF documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. During the audit, we exercise professional judgment and maintain an attitude of professional skepticism. We also

- identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, plan and carry out audit procedures in response to these risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion.
- obtain an understanding of internal control relevant to auditing the ESEF documents in order to plan audit procedures that are appropriate in the circumstances, but not for the purpose of issuing an audit opinion on the effectiveness of these controls.

- evaluate the technical validity of the ESEF documents; that is, whether the attached file containing the ESEF documents meets the requirements of Delegated Regulation (EU) 2019/815 on the technical specification for this electronic file.
- evaluate whether the ESEF documents enable an XHTML reproduction with content equivalent to the audited consolidated financial statements and the audited group management report, which is combined with the management report of SÜSS MicroTec SE.
- evaluate the technical validity of the ESEF documents; that is, whether the attached file containing the ESEF documents meets the requirements of Delegated Regulation (EU) 2019/815 on the technical specification for this electronic file.

### Other disclosures according to Article 10 EU-APrVO

We were chosen as auditors of the consolidated financial statements by the Shareholders’ Meeting on May 31, 2022. We were commissioned by the Supervisory Board on September 14, 2022. The audit of SÜSS MicroTec SE is an initial audit.

We declare that the audit opinion contained in this audit certificate is consistent with the supplemental report to the Audit Committee according to Article 11 of the EU-APrVO (audit report).

## Other Matters – Use of the Audit Certificate

Our audit certificate should always be read in conjunction with the audited consolidated financial statements and the audited group management report as well as the audited ESEF documents. The consolidated financial statements and the group management report converted into the ESEF format – including the versions to be entered in the companies register – are merely electronic reproductions of the audited consolidated financial statements and the audited group management report and do not replace these documents. In particular, the ESEF certificate and our audit opinion contained therein can only be used in conjunction with the audited ESEF documentation provided in electronic form.

## Responsible Auditor

The auditor Tibor Abel is responsible for the audit.

Munich, March 30, 2023

Baker Tilly GmbH & Co. KG  
Auditing Firm  
(Düsseldorf)

**Dr. Herder**  
Auditor

**Abel**  
Auditor

## Five-Year Overview

in € million	2022	2021	2020	2019	2018
<b>Business Development</b>					
Order entry	446.2	337.0	281.1	219.3	191.0
Order backlog as of December 31	346.4	193.9	120.1	93.2	84.7
Total sales	299.1	263.4	252.1	213.8	203.9
Gross profit	110.1	94.2	83.7	49.7	67.3
Gross profit margin	36.8%	35.8%	33.2%	23.2%	33.0%
Cost of sales	189.1	169.2	168.4	164.1	136.7
Research and development costs	25.0	22.1	19.8	20.2	18.3
EBITDA	41.9	29.5	28.2	-5.2	15.7
EBITDA margin	14.0%	11.2%	11.2%	-2.4%	7.7%
EBIT	32.8	22.6	20.4	-13.8	10.9
EBIT margin	11.0%	8.6%	8.1%	-6.5%	5.3%
Earnings after tax	24.5	16.0	12.4	-16.3	4.8
Earnings per share, basic (in €)	1.28	0.86	0.65	-0.85	0.25

in € million	2022	2021	2020	2019	2018
<b>Balance sheet and cash flow</b>					
Equity	177.7	156.9	136.5	125.4	140.4
Equity ratio	50.3%	55.8%	59.0%	62.7%	70.3%
Return on equity	13.8%	10.2%	9.1%	-13.0%	3.4%
Balance sheet total	353.2	281.2	231.4	199.9	199.6
Net cash	41.3	33.8	20.3	-18.0	28.2
Free Cashflow	16.0	14.7	44.0	-36.9	-5.0
<b>Further key figures</b>					
Investments	7.9	9.6	11.3	6.1	6.9
Investment ratio	2.6%	3.6%	4.5%	2.9%	3.4%
Depreciation	9.1	7.1	7.8	8.6	4.8
Employees as of December 31	1,252	1,178	1,009	937	881

## Imprint

### Published by

SÜSS MicroTec SE

### Edited

Finance: Iris Ofner

Investor Relations: Sven Köpsel, Franka Schielke

### Auditor

Baker Tilly GmbH & Co. KG Wirtschaftsprüfungsgesellschaft

### Design and Typesetting

IR-ONE AG & Co., Hamburg

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