

## Regulated Information

# X-FAB Fourth Quarter and Full Year 2019 Results

### Intermediate declaration by the Board of Directors

Tessenderlo, Belgium – February 11<sup>th</sup>, 2020, 5.40 pm CET

#### Highlights Q4 2019:

- Revenue was USD 113.4 million, within the guidance of USD 111-118 million, down 17% year-on-year and 13% quarter-on-quarter
- Bookings were 128.2 million, up 5% year-on-year and 6% quarter-on-quarter;
- EBITDA was USD -2.6 million, down 116% year-on-year and down 120% quarter-on-quarter; EBITDA margin of -2.3% was below the 1-7% guidance due to non-recurring factors
- EBIT was USD -21.9 million, down USD 21.0 million year-on-year and down USD 15.8 million quarter-on-quarter
- Net loss was USD -22.4 million, down USD 17.9 million year-on-year and down USD 14.3 million quarter-on-quarter

#### Highlights 2019:

- Revenue of USD 506.4 million, down 14% year-on-year
- Prototyping revenues up 14% year-on-year and medical business up 17% year-on-year
- EBITDA of USD 28.4 million, down 70% year-on-year
- EBIT of USD -43.9 million compared to USD 32.9m last year
- Net profit of USD -49.1 million compared to USD 22.6m last year

#### Outlook:

- Q1 2020 revenue is expected in the range of USD 125-132 million with an EBITDA margin in the range of 6-10%. For the full year 2020, management expects revenue to grow by approximately 10% with an EBITDA margin in the range of 10-15%.
- The guidance for Q1 2020 is based on an average exchange rate of 1.12 USD/Euro.

#### Revenue breakdown per quarter:

| in millions of USD            | Q1 2018      | Q2 2018      | Q3 2018      | Q4 2018      | Q1 2019      | Q2 2019      | Q3 2019      | Q4 2019      | Q4 y-o-y growth |
|-------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-----------------|
| Automotive                    | 68.5         | 79.3         | 76.6         | 59.7         | 64.1         | 62.5         | 60.5         | 56.7         | -5%             |
| Industrial                    | 23.2         | 25.0         | 23.8         | 24.3         | 24.1         | 23.3         | 24.4         | 20.1         | -17%            |
| Medical                       | 4.8          | 5.6          | 6.3          | 7.3          | 6.8          | 6.3          | 8.8          | 6.3          | -13%            |
| <b>Subtotal core business</b> | <b>96.5</b>  | <b>109.8</b> | <b>106.7</b> | <b>91.3</b>  | <b>95.0</b>  | <b>92.1</b>  | <b>93.7</b>  | <b>83.2</b>  | <b>-9%</b>      |
|                               | <b>67.2%</b> | <b>70.6%</b> | <b>70.5%</b> | <b>66.4%</b> | <b>72.5%</b> | <b>70.0%</b> | <b>71.8%</b> | <b>73.3%</b> |                 |
| CCC <sup>1</sup>              | 46.5         | 45.3         | 44.4         | 45.9         | 35.8         | 39.1         | 36.7         | 30.1         | -34%            |
| Others                        | 0.5          | 0.3          | 0.3          | 0.3          | 0.2          | 0.3          | 0.0          | 0.1          |                 |
| <b>Total revenues</b>         | <b>143.5</b> | <b>155.5</b> | <b>151.4</b> | <b>137.4</b> | <b>131.0</b> | <b>131.6</b> | <b>130.5</b> | <b>113.4</b> | <b>-17%</b>     |

<sup>1</sup> Consumer, Communications & Computer



| in millions of USD    | Q1 2018      | Q2 2018      | Q3 2018      | Q4 2018      | Q1 2019      | Q2 2019      | Q3 2019      | Q4 2019      | Q4 y-o-y growth |
|-----------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-----------------|
| CMOS                  | 132.2        | 140.6        | 138.7        | 122.0        | 118.2        | 114.4        | 114.4        | 98.1         | -20%            |
| MEMS                  | 10.5         | 12.7         | 9.5          | 10.4         | 8.1          | 10.7         | 9.5          | 9.9          | -5%             |
| Silicon carbide       | 0.9          | 2.2          | 3.3          | 5.0          | 4.7          | 6.4          | 6.5          | 5.5          | 9%              |
| <b>Total revenues</b> | <b>143.5</b> | <b>155.5</b> | <b>151.4</b> | <b>137.4</b> | <b>131.0</b> | <b>131.6</b> | <b>130.5</b> | <b>113.4</b> | <b>-17%</b>     |

## Business development

X-FAB's fourth quarter revenues came in at USD 113.4 million, within the guidance range of USD 111-118 million. Compared to the same quarter last year, revenues declined 17%, quarter-on-quarter they went down by 13%.

Full year revenues totaled at USD 506.4 million, down 14% compared to the previous year. While prototyping revenues remained strong throughout the year recording a growth of 14%, the decline was mainly caused by the drop in automotive production revenues and the consumer, communications & computer business (CCC).

X-FAB's core business, namely automotive, industrial and medical, recorded quarterly revenues of USD 83.2 million. This is a decline of 9% year-on-year. In 2019, revenues in the core business totaled USD 364.0 million, down 10% compared to 2018.

In the fourth quarter, automotive revenues decreased 5% year-on-year. While automotive prototyping revenues had been trending up in the first three quarters of the year, they recorded a fall of 16% year-on-year in the fourth quarter, which is mainly due to the strong comparable quarter a year ago. Fourth quarter production revenues declined 4% year-on-year. In the total of 2019, X-FAB's automotive business went down 14%, entirely driven by the decrease in production revenues. Prototyping revenues recorded a growth of 4%.

Fourth quarter revenues in the industrial market went down 17% year-on-year. While prototyping revenues recorded a strong growth of 29% year-on-year, production revenues declined by 34% compared to the same quarter last year, mainly caused by inventory corrections at a major industrial customer. In the full year, industrial revenues recorded a reduction of 4% caused by a decline in production revenues amounting to 8%, while prototyping revenues went up 6% compared to the previous year.

In the fourth quarter, X-FAB's medical business decreased by 13% compared to the same quarter last year. The decline was mainly driven by lower volumes after a main customer put production temporarily on hold to manage inventories. Medical prototyping revenues of the fourth quarter continued to grow strongly by 27% year-on-year. The full year closed with a revenue increase of 17% compared to the previous year with prototyping revenues going up by 28% and production revenues by 13%. In 2019, the rising demand for lab-on-a-chip applications was the strongest growth driver for X-FAB's medical business.



Consumer, communications & computer business went down 34% year-on-year in Q4 2019 with a 37% decline of prototyping revenues after the same quarter last year was particularly strong due to a one-off IP sale with a revenue contribution of USD 1 million. CCC production revenues declined 34% year-on-year. For the full year 2019, X-FAB's CCC business decreased by 22%. While production revenues went down 27%, prototyping revenues recorded a growth of 33%, mainly driven by RF applications for the Asian market.

The decline of CCC production revenue is in line with the planned decrease of the legacy business at X-FAB France. The share of the French site's revenues based on X-FAB technologies was at 11% in the fourth quarter and 13% for the full year of 2019.

In the fourth quarter, X-FAB recorded prototyping revenues of USD 17.3 million, down 2% year-on-year. Excluding the proceeds from a one-off IP sale in the fourth quarter of 2018, they went up by 4%. For the full year, X-FAB prototyping revenues came in at USD 66.7 million, up 14% compared to the previous year.

Bookings have been trending upwards during the fourth quarter coming in at a total of USD 128.2 million. This is an increase of 5% year-on-year and 6% quarter-on-quarter.

### **Operations update**

In 2019, all manufacturing sites advanced with their capacity expansion and optimization projects tailored to increase output and productivity. While some of the improvements will only have an effect at higher utilization levels, the site in Kuching, Malaysia, managed to expand its available capacity to 30,000 wafer starts per month, bringing the Group's total capacity up to 100,000 wafer starts per month (8-inch equivalents).

X-FAB's silicon carbide (SiC) business continued to progress well. After adding two new customers in the fourth quarter, the site in Lubbock, Texas, meanwhile serves 20 SiC customers, of which an increasing share is coming from the Asian region. Two of its existing customers moved from prototyping to production closing 2019 with a total of six customers in volume production. The preparations for offering in-house SiC epitaxy are on track. The line successfully started to build customer samples producing very good results. Internal qualification is scheduled to be completed in the first quarter 2020, which is the final milestone to kick off volume production. Epitaxy refers to the process of depositing a thin epitaxial layer on a SiC raw wafer, which is a significant value-add step in the overall process of manufacturing silicon carbide semiconductors. The pipeline for new customers as well as new projects remains strong as X-FAB keeps adding new technologies while enabling customers to significantly reduce their development time. The latter is mainly based on the progress made in developing modular process blocks allowing customers to implement technologies faster. SiC prototyping revenue in the fourth quarter came in at USD 3.7 million, up 55% compared to the same quarter last year, while production revenue declined by 28% year-on-year, mainly due to inventory corrections at a main customer. For the total of 2019, SiC revenues came in at USD 23.2 million, up 104% compared to the previous year.



X-FAB group's capital expenditures in the fourth quarter were at USD 15.6 million, down 33% compared to the same quarter last year. In the full year 2019, capital expenditures totaled USD 79.0 million, down from what was initially planned as some capex projects were deferred or stopped in the context of X-FAB's cost-saving initiative. Main capex projects in 2019 included the expansion of capabilities and capacities for X-FAB's SiC offering, the new office building at the site in Kuching, Malaysia, the expansion of capabilities at X-FAB France as well as of capacities at X-FAB Dresden. Capex spending in 2020 largely depends on how business will develop and what the expectations will be for following years. It may range from USD 60 million up to USD 90 million.

### **Profitability and FX volatility**

Profitability of the fourth quarter was negatively impacted by two extraordinary factors, which fully account for the shortfall of the fourth quarter's EBITDA guidance. A USD 3.7 million accrual was made for potential warranty costs arising from a one-off fab event. The exact amount of warranties to be paid is still in the process of being identified. X-FAB has furthermore terminated the collaboration with a supplier for a fab automation project, which was capitalized; it was written off in the fourth quarter having an impact of USD 2.5 million.

Unfinished and finished goods inventory of the fourth quarter increased by USD 3.4 million, while it had decreased in the previous quarter. This contributed positively to profitability.

In the fourth quarter, other income and expenses significantly dropped compared to the same quarter last year. While the disposal of several smaller assets contributed positively to profitability, the write-off due to the terminated fab automation project had a negative impact.

Full year net financial result improved from USD -7.3 million in the previous year to USD -1.1 million in 2019. Not only did the US-Dollar/Euro exchange rate remain stable throughout 2019, X-FAB has also continued its efforts to increase the share of Euro-denominated sales in order to limit the impact of exchange rate fluctuations on profitability and to have a better natural hedging in place. For the full year of 2019, the share of Euro-denominated sales reached 25%; in the fourth quarter it came in at 26%.

The actual exchange rate for the fourth quarter of 2019 was 1.11 leading to an EBITDA margin of -2.3%. At a constant US-Dollar/Euro exchange rate of 1.14 experienced in the fourth quarter of last year, the EBITDA margin in Q4 2019 would have been at -2.9%.

Financial optimization activities in 2019 furthermore included the conversion of the vast majority of intercompany loans into equity, therefore reducing the amount of taxable interests. This will be fully effective in 2020.



In the fourth quarter, X-FAB continued its cost-saving initiative that was started in early 2019 comprising several measures to lower costs related to staff, travel, electricity and raw materials. Amongst others, X-FAB managed to reduce the Group's total headcount as per year-end by about 260.

### **Management comments & outlook**

Commenting on the development of X-FAB's business, Rudi De Winter, CEO of X-FAB Group, said: "In the fourth quarter, we started to see signs of a recovery. Bookings were trending up and the order behavior of our customers, who had been very cautious before, began to change. Bookings in each of the past two months were the highest since mid-2018. Not only did we see an increase in new orders but also more and more customers requesting fast deliveries, which is pointing towards low inventory levels in the supply chain. I am also particularly pleased with the consistently high prototyping activity throughout the year as we have achieved record revenue levels in the second half, despite the market weakness. With the growth drivers we have in place, such as our SiC business, our unique offering to serve the medical market, or our RF technology to support the transition to 5G, I am confident that we will be able to gradually grow our revenues in 2020."

### **Procedures of the independent auditor**

The statutory auditor, KPMG Bedrijfsrevisoren – Réviseurs d'Entreprises CVBA, represented by Herwig Carmans, has confirmed that the audit procedures, which have been substantially completed, have not revealed any material adjustments which would have to be made to the condensed consolidated financial information as of and for the year ended December 31, 2019, included in the annual announcement of X-FAB Silicon Foundries SE.

### **X-FAB Quarterly Conference Call**

X-FAB's fourth quarter results will be discussed in a live conference call on Tuesday, February 11, 2020 at 6.30 p.m. CET. The conference call will be in English. Please register in advance of the conference using the following link: <http://emea.directeventreg.com/registration/1788814>

Upon registering, you will be provided with participant dial-in numbers, Direct Event passcode and a unique registrant ID. In the 10 minutes prior to the call, you will need to use the conference access information provided in the email received at the point of registering.

The conference call will be available for replay from February 11<sup>th</sup> 11.30 p.m. CET until February 18<sup>th</sup> 11.30 p.m. CET. The replay number will be +44 (0) 3333009785, conference ID 1788814.

The first quarter 2020 results will be communicated on April 30, 2020.



## About X-FAB

X-FAB is the leading analog/mixed-signal and MEMS foundry group manufacturing silicon wafers for automotive, industrial, consumer, medical and other applications. Its customers worldwide benefit from the highest quality standards, manufacturing excellence and innovative solutions by using X-FAB's modular CMOS processes in geometries ranging from 1.0 to 0.13  $\mu\text{m}$ , and its special silicon carbide and MEMS long-lifetime processes. X-FAB's analog-digital integrated circuits (mixed-signal ICs), sensors and micro-electro-mechanical systems (MEMS) are manufactured at six production facilities in Germany, France, Malaysia and the U.S. X-FAB employs about 3,800 people worldwide.

For more information, please visit [www.xfab.com](http://www.xfab.com).

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## Forward-looking information

This press release may include forward-looking statements. Forward-looking statements are statements regarding or based upon our management's current intentions, beliefs or expectations relating to, among other things, X-FAB's future results of operations, financial condition, liquidity, prospects, growth, strategies or developments in the industry in which we operate. By their nature, forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results or future events to differ materially from those expressed or implied thereby. These risks, uncertainties and assumptions could adversely affect the outcome and financial effects of the plans and events described herein.

Forward-looking statements contained in this press release regarding trends or current activities should not be taken as a report that such trends or activities will continue in the future. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless legally required. You should not place undue reliance on any such forward-looking statements, which speak only as of the date of this press release.

The information contained in this press release is subject to change without notice. No re-report or warranty, express or implied, is made as to the fairness, accuracy, reasonableness or completeness of the information contained herein and no reliance should be placed on it.



## Condensed Consolidated Statement of Profit and Loss

| in thousands of USD                                   | Quarter ended<br>31 Dec 2019<br>unaudited | Quarter ended<br>31 Dec 2018<br>unaudited | Quarter ended<br>30 Sep 2019<br>unaudited | Year ended<br>31 Dec 2019<br>unaudited | Year ended<br>31 Dec 2018<br>audited |
|---|---|---|---|--|--------------------------------------|
| Revenue   | 113,390                                   | 137,424                                   | 130,462                                   | 506,417                                | 587,899                              |
| Revenues in USD in %                                  | 73  | 79  | 73  | 75                                     | 81                                   |
| Revenues in EUR in %                                  | 26  | 21  | 27  | 25                                     | 18                                   |
| Cost of sales   | -117,702                                  | -120,305                                  | -118,960                                  | -479,128                               | -483,892                             |
| <b>Gross Profit</b>                                   | <b>-4,312</b>                             | <b>17,119</b>                             | <b>11,503</b>                             | <b>27,290</b>                          | <b>104,007</b>                       |
| <i>Gross Profit margin in %</i>                       | <i>-3.8%</i>                              | <i>12.5%</i>                              | <i>8.8%</i>                               | <i>5.4%</i>                            | <i>17.7%</i>                         |
| Research and development expenses                     | -6,615                                    | -7,830                                    | -8,055                                    | -28,298                                | -31,237                              |
| Selling expenses                                      | -2,064                                    | -2,022                                    | -2,013                                    | -8,080                                 | -8,070                               |
| General and administrative expenses                   | -7,917                                    | -7,797                                    | -7,248                                    | -30,728                                | -31,499                              |
| Rental income and expenses from investment properties | 168                                       | -454                                      | -110                                      | -129                                   | 1,021                                |
| Other income and other expenses                       | -1,145                                    | 121                                       | -199                                      | -3,920                                 | -1,304                               |
| <b>Operating profit</b>                               | <b>-21,886</b>                            | <b>-864</b>                               | <b>-6,122</b>                             | <b>-43,865</b>                         | <b>32,919</b>                        |
| Finance income  | 2,943                                     | 3,978                                     | 3,145                                     | 13,049                                 | 21,296                               |
| Finance costs   | -2,665                                    | -4,763                                    | -3,851                                    | -14,102                                | -28,603                              |
| <b>Net financial result</b>                           | <b>278</b>                                | <b>-784</b>                               | <b>-706</b>                               | <b>-1,053</b>                          | <b>-7,307</b>                        |
| <b>Profit before tax</b>                              | <b>-21,607</b>                            | <b>-1,648</b>                             | <b>-6,828</b>                             | <b>-44,918</b>                         | <b>25,613</b>                        |
| Income tax  | -842                                      | -2,906                                    | -1,361                                    | -4,165                                 | -3,059                               |
| <b>Profit for the period</b>                          | <b>-22,449</b>                            | <b>-4,554</b>                             | <b>-8,189</b>                             | <b>-49,083</b>                         | <b>22,554</b>                        |
| Operating profit (EBIT)                               | -21,886                                   | -864                                      | -6,122                                    | -43,865                                | 32,919                               |
| Depreciation  | 19,330                                    | 16,787                                    | 18,807                                    | 72,286                                 | 61,492                               |
| <b>EBITDA</b>   | <b>-2,555</b>                             | <b>15,924</b>                             | <b>12,685</b>                             | <b>28,421</b>                          | <b>94,412</b>                        |
| <i>EBITDA margin in %</i>                             | <i>-2.3</i>                               | <i>11.6</i>                               | <i>9.7</i>                                | <i>5.6</i>                             | <i>16.1</i>                          |
| <b>Earnings per share at the end of period</b>        | <b>-0.17</b>                              | <b>-0.03</b>                              | <b>-0.06</b>                              | <b>-0.38</b>                           | <b>0.17</b>                          |
| Weighted average number of shares                     | 130,631,921                               | 130,631,921                               | 130,631,921                               | 130,631,921                            | 130,631,921                          |
| EUR/USD average exchange rate                         | <b>1.10710</b>                            | <b>1.14088</b>                            | <b>1.11236</b>                            | <b>1.11976</b>                         | <b>1.18183</b>                       |

Amounts in the financial tables provided in this press release are rounded to the nearest thousand except when otherwise indicated, rounding differences may occur.



## Condensed Consolidated Statement of Financial Position

| in thousands of USD  | Year ended<br>31 Dec 2019<br>unaudited | Year ended<br>31 Dec 2018<br>audited |
|--|--|--------------------------------------|
| <b>ASSETS</b>  |  |                                      |
| <b>Non-current assets</b>  |  |                                      |
| Property, plant, and equipment                                   | 368,754                                | 345,626                              |
| Investment properties  | 9,128                                  | 9,415                                |
| Intangible assets  | 8,363                                  | 9,023                                |
| Non-current investments  | 736                                    | 381                                  |
| Other non-current assets   | 27,568                                 | 20,594                               |
| Deferred tax assets  | 33,378                                 | 34,234                               |
| <b>Total non-current assets</b>                                  | <b>447,928</b>                         | <b>419,272</b>                       |
| <b>Current assets</b>  |  |                                      |
| Inventories  | 154,649                                | 147,150                              |
| Trade and other receivables                                      | 55,636                                 | 71,378                               |
| Other assets   | 34,429                                 | 26,699                               |
| Cash and cash equivalents  | 173,211                                | 242,768                              |
| <b>Total current assets</b>                                      | <b>417,925</b>                         | <b>487,995</b>                       |
| <b>TOTAL ASSETS</b>  | <b>865,853</b>                         | <b>907,268</b>                       |
| <b>EQUITY AND LIABILITIES</b>                                    |  |                                      |
| <b>Equity</b>  |  |                                      |
| Share capital  | 432,745                                | 432,745                              |
| Share premium  | 348,709                                | 348,709                              |
| Retained earnings  | -134,379                               | -84,782                              |
| Cumulative translation adjustment                                | -445                                   | -539                                 |
| Treasury shares  | -770                                   | -770                                 |
| <b>Total equity attributable to equity holders of the parent</b> | <b>645,860</b>                         | <b>695,363</b>                       |
| Non-controlling interests  | 377                                    | 364                                  |
| <b>Total equity</b>  | <b>646,237</b>                         | <b>695,726</b>                       |
| <b>Non-current liabilities</b>                                   |  |                                      |
| Non-current loans and borrowings                                 | 92,347                                 | 72,328                               |
| Other non-current liabilities and provisions                     | 7,407                                  | 7,446                                |
| <b>Total non-current liabilities</b>                             | <b>99,753</b>                          | <b>79,774</b>                        |
| <b>Current liabilities</b>                                       |  |                                      |
| Trade payables   | 38,327                                 | 45,889                               |
| Current loans and borrowings                                     | 26,700                                 | 31,632                               |
| Other current liabilities and provisions                         | 54,835                                 | 54,246                               |
| <b>Total current liabilities</b>                                 | <b>119,863</b>                         | <b>131,767</b>                       |
| <b>TOTAL EQUITY AND LIABILITIES</b>                              | <b>865,853</b>                         | <b>907,268</b>                       |





## Condensed Consolidated Statement of Cash Flow

| in thousands of USD   | Quarter ended<br>31 Dec 2019<br>unaudited | Quarter ended<br>31 Dec 2018<br>unaudited | Quarter ended<br>30 Sep 2019<br>unaudited | Full year ended<br>31 Dec 2019<br>unaudited | Full year ended<br>31 Dec 2018<br>audited |
|---|---|---|---|---|---|
| <b>Income before taxes</b>  | <b>-21,607</b>                            | <b>-1,648</b>                             | <b>-6,828</b>                             | <b>-44,918</b>                              | <b>25,613</b>                             |
| <b>Reconciliation of net income to cash flow arising from operating activities:</b>     | <b>21,283</b>                             | <b>17,188</b>                             | <b>19,154</b>                             | <b>74,076</b>                               | <b>65,979</b>                             |
| Depreciation and amortization, before effect of grants and subsidies                    | 19,330                                    | 16,787                                    | 18,807                                    | 72,286                                      | 61,492                                    |
| Recognized investment grants and subsidies netted with depreciation and amortization    | -1,551                                    | -398                                      | -712                                      | -3,750                                      | -2,820                                    |
| Interest income and expenses (net)  | 358                                       | 254                                       | 382                                       | 1,582                                       | 1,019                                     |
| Loss/(gain) on the sale of plant, property, and equipment (net)                         | 2,195                                     | 171                                       | 0   | 2,202                                       | 900                                       |
| Loss/(gain) on the change in fair value of derivatives (net) and financial assets (net) | 5   | 616                                       | -35                                       | -355  | 4,033                                     |
| Other non-cash transactions (net)   | 944                                       | -242                                      | 713                                       | 2,111                                       | 1,354                                     |
| <b>Changes in working capital:</b>  | <b>7,999</b>                              | <b>-24,144</b>                            | <b>3,510</b>                              | <b>-13,399</b>                              | <b>-41,469</b>                            |
| Decrease/(increase) of trade receivables  | 8,191                                     | -2,350                                    | -763                                      | 16,169                                      | 10,387                                    |
| Decrease/(increase) of other receivables & prepaid expenses                             | -3,402                                    | 9,017                                     | -1,848                                    | -16,342                                     | 7,992                                     |
| Decrease/(increase) of inventories  | -1,623                                    | -16,011                                   | 4,933                                     | -7,498                                      | -41,304                                   |
| (Decrease)/increase of trade payables   | 8,350                                     | -8,321                                    | 2,480                                     | -33   | -18,770                                   |
| (Decrease)/increase of other liabilities  | -3,518                                    | -6,479                                    | -1,293                                    | -5,695                                      | 227                                       |
| <b>Income taxes (paid)/received</b>   | <b>-88</b>                                | <b>-711</b>                               | <b>-157</b>                               | <b>-754</b>                                 | <b>-1,020</b>                             |
| <b>Cash Flow from operating activities</b>  | <b>7,587</b>                              | <b>-9,314</b>                             | <b>15,679</b>                             | <b>15,004</b>                               | <b>49,102</b>                             |
| <b>Cash Flow from investing activities:</b>   |   |   |   |   |   |
| Payments for property, plant, equipment & intangible assets                             | -15,602                                   | -23,327                                   | -18,600                                   | -78,958                                     | -85,102                                   |
| Payments for investments  | 0   | -150                                      | 0   | -350  | -150                                      |
| Acquisition of subsidiary, net of cash acquired   | 0   | 0   | 0   | 0   | 0   |
| Payments for loan investments to related parties  | -8  | -43                                       | -63                                       | -231  | -199                                      |
| Proceeds from loan investments related parties  | 40  | 37  | 44  | 217   | 178                                       |
| Proceeds from sale of property, plant, and equipment                                    | 415                                       | 179                                       | 0   | 454   | 206                                       |
| Interest received   | 689                                       | 903                                       | 672                                       | 2,648                                       | 3,156                                     |
| <b>Cash Flow used in investing activities</b>   | <b>-14,466</b>                            | <b>-22,402</b>                            | <b>-17,947</b>                            | <b>-76,220</b>                              | <b>-81,911</b>                            |

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## Condensed Consolidated Statement of Cash Flow – con't

| in thousands of USD  | Quarter ended<br>31 Dec 2019<br>unaudited | Quarter ended<br>31 Dec 2018<br>unaudited | Quarter ended<br>30 Sep 2019<br>unaudited | Full year ended<br>31 Dec 2019<br>unaudited | Full year ended<br>31 Dec 2018<br>audited |
|--|---|---|---|---|---|
| <b>Cash Flow from (used in) financing activities:</b>        |   |   |   |   |   |
| Proceeds from loans and borrowings                           | 0   | 0   | 24,706                                    | 24,706                                      | 0   |
| Repayment of loans and borrowings                            | -12,754                                   | -9,466                                    | -7,329                                    | -34,667                                     | -34,703                                   |
| Receipts from sale & leaseback arrangements                  | 7   | 0   | 1,181                                     | 1,187                                       | 0   |
| Payments of lease installments                               | -1,399                                    | -618                                      | -1,311                                    | -5,485                                      | -2,561                                    |
| Receipt of government grants and subsidies                   | 3,309                                     | 0   | 6,300                                     | 9,609                                       | 357                                       |
| Interest paid  | -358                                      | -517                                      | -383                                      | -1,551                                      | -2,195                                    |
| Gross proceeds from capital increase                         | 0   | 0   | 0   | 0   | 0   |
| Direct cost related to capital increase                      | 0   | 0   | 0   | 0   | 0   |
| Payment of preference dividend                               | -1,000                                    | -1,000                                    | 0   | -1,000                                      | -1,000                                    |
| Distribution to non-controlling interests                    | 0   | 0   | 0   | -11   | -12                                       |
| <b>Cash Flow from (used in) financing activities</b>         | <b>-12,195</b>                            | <b>-11,602</b>                            | <b>23,162</b>                             | <b>-7,213</b>                               | <b>-40,114</b>                            |
| Effect of changes in foreign currency exchange rates on cash | 3,036                                     | -1,912                                    | -2,877                                    | -1,129                                      | -3,544                                    |
| Increase/(decrease) of cash and cash equivalents             | -19,075                                   | -43,317                                   | 20,895                                    | -68,428                                     | -72,923                                   |
| Cash and cash equivalents at the beginning of the period     | 189,250                                   | 287,998                                   | 171,232                                   | 242,768                                     | 319,235                                   |
| <b>Cash and cash equivalents at the end of the period</b>    | <b>173,211</b>                            | <b>242,768</b>                            | <b>189,250</b>                            | <b>173,211</b>                              | <b>242,768</b>                            |

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