

INTERIM REPORT 2021

RoodMicrotec reports a total income of EUR 7.3 million in the first half year of 2021, which is 36% above the total income of the first half year of 2020 and 12% higher than the total income reported for the second half of 2020. The growth is driven by an overall strong delivery level, as well as an exceptional high level of usage of raw materials and consumables for SCM project preparations. In the first half of 2021, we have ordered and received wafers for one of our SCM customers to manage the supply chain during a planned change of an assembly house. About EUR 0.4 million has been realized for these wafers as total income and approximately the same amount has been accounted for in the cost for raw materials and consumables. This results in a higher total income and a higher cost of materials in the first half of 2021 without an impact on the net profit. The parts will be delivered during the coming twelve months where only part of the selling price will be recognized in the total income. The total income will therefore be reduced but the impact on the net profit will be positive.

The profit after taxes for the first half year of 2021 was EUR 0.4 million which is EUR 1.2 million above the first half year of 2020. The lower cost of raw materials together with a good cost control have continued to reduce the overall costs in the first half year of 2021. The cash flow from operating activities for the first half year of 2021 was positive at EUR 0.9 million and the net cash flow was positive at EUR 0.6 million.

During the first half of 2021 the investments in new equipment have been minimal but with the forecasted increase in demand we intend to purchase additional capacity and capability in the second half of the year. The main goal for the first half of 2021 has been to fill the current capacity and to identify new projects and increased capability demands from our customers as well as the general market situation. The demand of the industry in general and the automotive industry in particular is continuously changing and it is therefore very important to have a good view of the customer and market trends in the upcoming years.

The total income in Supply Chain Management and Test Operations both showed an increase of 63% compared to the first half of 2020. The demand from our customers for part deliveries continued to increase during the end of 2020 and into 2021, predominantly due to the general up-swing of the market for electrical cars and industrial automation. Qualification & Failure Analysis decreased with 15% compared to the first half year of 2020 due to the cyclic nature of this business, as well as the project delays arising from the uncertain COVID-19 situation during 2020. The order intake during the first half year of 2021 was maintained at a high level.

The number of employees in the Company is maintained at the same level as in 2020 and thanks to the short-time work option available in Germany during the COVID-19 pandemic, the cost have been kept at a reduced level. This option enabled us to keep our well-motivated and experienced staff in the Company through these difficult times and therefore being well prepared for the coming expected up-swing.

The other operating expenses are also well under control, even though we see increases both in energy costs and costs related to being a listed company. Depreciation and financial costs are in line with the first half year of 2020.

Summary HY1 2021

(x EUR 1,000)	Unaudited HY1 2021	Unaudited HY1 2020
Total income	7,282	5,361
EBITDA	1,317	150
<i>EBITDA in % of total income</i>	<i>18%</i>	<i>3%</i>
EBIT	545	-623
<i>EBIT in % of total income</i>	<i>7%</i>	<i>-12%</i>
Net profit (loss)	437	-742
<i>Net profit (loss) in % of total income</i>	<i>6%</i>	<i>-14%</i>

Highlights HY1 2021

- **RoodMicrotec** has focused on filling the SCM and Test Operations department with more orders to gain back the lost ground from 2020. Many of the existing customers have resumed their demands and some have even increased their need for devices.
- Several new customer projects have been booked. These range from test development and volume production test to a full turn-key ASIC development, including test development, volume production test and qualification for a Swiss customer.
- **RoodMicrotec** has made some minor investments during the first half of 2021 and with the improved cash situation has identified potential new investments to further grow the business, both through increase capacity but also through new capabilities.
- Strong increase in sales in Test Operations and Supply Chain Management thanks to higher demand from our main customers and tight relationships with our suppliers.
- Since April 2019, **RoodMicrotec** is VDA6.2 certified. This extension to the ISO9001:2015 is focused on automotive requirements. In the first half year of 2021, we passed the monitoring audit.
- The cash situation in the Company is continuing to improve giving the possibility to invest for the future during the second half of 2021.
- The profit after tax was EUR 0.4 million in the first half year of 2021 (HY1 2020: net loss of EUR 0.7 million).
- Solvency ratio increased to 29% (HY1 2020: 24%).
- Cash flow from operating activities was EUR 0.9 million (HY1 2020: EUR 0.7 million)
- Net working capital increased to EUR 2.2 million (HY1 2020: EUR 0.6 million)

Martin Sallenhag, RoodMicrotec CEO

“It is very encouraging to see the strong improvement in total income and net profit in the first half year of 2021 which was possible thanks to the dedication of our employees and the good relationships with our customers and suppliers. The global shortage of semiconductor supplies and logistic challenges have not impacted us during the first half year, but we are monitoring it closely to be able to act if necessary.”

Financial Performance Indicators

(x EUR 1,000)	Unaudited HY1 2021	Unaudited HY1 2020	Change
Result			
Total income	7,282	5,361	1,921
EBITDA	1,317	150	1,167
EBIT (operating result)	545	-623	1,168
EBT (profit (loss) before tax)	458	-727	1,185
Net profit (loss)	437	-742	1,179
Net profit (loss) as % of total income	6%	-14%	20%
Net cash flow	637	-204	841
Cash flow from operating activities	895	717	178
Capital, debt & liquidity ratios			
Total assets	14,679	13,622	1,056
Group equity	4,316	3,203	1,113
Net debt	587	1,702	-1,115
Capital (net debt + Group equity)	4,903	4,905	-2
Gearing ratio (net debt / capital)	12%	35%	-23%
Solvency (group equity / total liabilities)	29%	24%	5%
Debt ratio (net debt / EBITDA)	0.2	5.7	-5.5
Net working capital	2,202	575	1,627
Working capital ratio	1.78	1.28	0.50
Assets			
Tangible and intangible fixed assets	8,633	9,418	-785
Investment in (in)tangible fixed assets	228	766	-538
Depreciation of (in)tangible fixed assets	772	773	-1
Data per share (x EUR 1)			
Group equity	0.057	0.043	0.015
Operating results	0.007	-0.008	0.016
Net cash flow	0.008	-0.003	0.011
Net profit (loss)	0.006	-0.010	0.016
Issue of nominal shares			
At end of period (x 1,000)	75,076	74,896	180
Number of FTEs (permanent)			
At end of period	94	97	-3
Average	86	87*	-1
Total income / Average FTE's (permanent)	169	123*	47

* Revised and adjusted for short time work during the COVID-19 pandemic (-10 FTE)

Report of the Board of Management

General

RoodMicrotec's customer base consists of major industrial and automotive companies throughout Europe, where the role of fabless (lacking fabrication capacity) design houses is growing rapidly. These companies help our clients to realize their ideas with high reliability and in a short timeframe. RoodMicrotec brings its clients together with design houses and assists in the physical realization of their projects, which is why we actively build and maintain relationships with the major players in Europe and Asia.

Our focus is on Supply Chain Management (SCM), offering ASIC turnkey solutions for the industrial and automotive markets, where it is vital to collaborate closely with design houses, suppliers, foundries, institutes, customers and other related parties. In this process, in which the partners are to some extent interdependent, RoodMicrotec's SCM ensures that the weakest link is as strong as possible - this is exactly what turnkey solutions are all about.

Moreover, our relationships with suppliers and institutes are also paramount in realizing turnkey projects. RoodMicrotec has excellent cooperation agreements with assembly houses and wafer foundries in Asia as well as in Europe that ensure swift and high-quality supplies for our business. Through institutes, we remain at the forefront of research and technology and have access to innovative resources and ideas in the realization of turnkey projects.

By bringing together these key stakeholders, RoodMicrotec is in a unique position to offer SCM turnkey solutions to the industrial and automotive markets, thus ensuring a successful business venture for all partners involved.

We also continue to promote our other offerings to the market, especially our well renowned Failure Analysis capabilities and our well-equipped laboratory for Qualification & Reliability Investigations. There is also an increase in demand for pure Test Operations with development of SW and HW in combination with testing of devices in our 24/7 test operations floor.

Our strategy to move more into long-term engagements with our customers has shown to be successful, with significant increase in Supply Chain Management.

Developments by operational unit (product -/ service group)

RoodMicrotec total income HY1 2021 vs. HY1 2020

The total income in the first half year of 2021 was EUR 7.3 million which is 36% above the figure for the first half year of 2020. This revenue growth is driven by an overall strong delivery level, as well as a high level of work in progress (EUR 0.4 million) for SCM project preparations. This is done to manage the supply chain during a planned change of an assembly house for a customer, to secure the continued deliveries of these products for the rest of 2021.

(x EUR 1,000)	Unaudited HY1 2021	Unaudited HY1 2020	Change
Test Operations	3,698	2,264	63%
Supply Chain Management	2,001	1,230	63%
Qualification & Failure Analysis	1,583	1,867	-15%
Total	7,282	5,361	36%

Developments

During the first half of 2021, RoodMicrotec has focused on increasing the load in the different departments. This has been successful in the SCM department with increased demand from our customers for devices to be delivered to their end customers. In the Test Operations department we also see a strong increase in demand for tested parts from many of our customers. The demand in the Qualification & Failure Analysis department is still high, but due to delays in the start of some customer projects (COVID-19 impact) the actual total income for this department in the first half of 2021 was lower than the first half of 2020.

We have booked three new large customer projects which include test development, qualification and volume production tests. These projects will kick-off during 2021 and will then ramp up into production during the following years. One turn-key project has been booked for a Swiss customer. This includes design of an ASIC through a design house partner, packaging of the device in Asia, qualification and test development in-house. The volume production for this device will be done in the RoodMicrotec facility in Nördlingen.

The appointment of Cedar Technologies as sales representative for the Nordic countries, Poland, the United Kingdom, and Ireland last year has now generated the first customer contracts. Cedar Technologies will continue to develop new businesses and grow RoodMicrotec's market share in the designated territories.

RoodMicrotec has continued to expand its services in the areas defined in the technology roadmap. High frequency test solutions have been implemented for both wafer test as well as final test in our test operations facility in Nördlingen. In the Qualification & Failure Analysis department, new services have been added to handle high power devices aimed for battery management and control.

The COVID-19 pandemic situation is still influencing the way business is done around the globe. Many face-to-face meetings have been changed to virtual meetings. In the first half of 2021 the business has picked up again and most of the customers are now requiring increased number of devices to be delivered. Both operational locations of RoodMicrotec, Nördlingen and Stuttgart, have been fully operational through the whole pandemic. Some employees have been working from home and we have implemented strict rules for those employees that have been working in our two locations. This has paid off since we have not had any infections and we plan to continue these strict guidelines as long as needed. RoodMicrotec has been able to deliver all projects on time and to the right location, which was greatly appreciated by all our customers. We are now starting to have meetings with our customers to be able to plan for the future growth of the Company with new projects.

Personnel

The number of full-time employees (FTE) in the Company at the end of the period decreased to 97, mainly due to planned retirements. Replacements are done if necessary and in the area where it is needed. The average number of full-time employees during the period was 86 compared to 87 in the first half of 2020. The reduction is due to short time work in Germany during the COVID-19 pandemic where this option enables us to keep our well-motivated and experienced staff in the Company through these difficult times. We have capitalized development expenditures of EUR 93,000 in the first half year of 2021 (HY1 2020: EUR 61,000).

Risk management

The various risks the Company is exposed to are listed in RoodMicrotec's 2020 annual report. We strive to limit the risks, inter alia by periodical and systematic risk reviews of selected aspects. These reviews are conducted approximately eight times a year. If necessary, corrective measures are taken. In view of the negative developments in the financial markets, the management is devoting additional attention to cash management. We also monitor the potential logistic delays in the supply chain regularly to be able to act accordingly to mitigate the risks posed by delayed deliveries. Otherwise, the management does currently not foresee any material changes in its risks in the second half of 2021.

We are ISO9001:2015 certified since April 2016, which is risk management focused.

Notes to the financial results

Total income and result

The Company realized a total income in the first half year of 2021 of EUR 7.3 million, which is EUR 1.9 million higher compared to the first half year of 2020 (HY1 2020: EUR 5.4 million).

The total operating expenses were EUR 6.0 million against EUR 5.2 million in first half year of 2020. The cost for raw material and consumables increased to EUR 1.6 million (HY1 2020: EUR 0.9 million), mainly due to the increase in total income. Personnel expenses were stable at EUR 3.2 million compared to the first half year of 2020. In HY1 2021, capitalized internal hours are deducted from salaries amounting to EUR 93,000. Till end of May 2021 the German entity made use of short-time work, which facility helped to avoid any necessary lay-offs due to temporary lower activity and sales levels during the COVID-19 pandemic and related lockdowns. The average number of employees on a full-time base was reduced from 87, situation as of HY1 2020 to 86. Reduction of 8 FTE's was due to short-time work (HY1 2020: 10 FTE). The other operating expenses were stable at EUR 1.2 million compared to the first half year of 2020.

EBITDA was EUR 1.3 million (HY1 2020: EUR 0.2 million). The increase of EBITDA is mainly the result of a higher total income, which was only partly offset by higher level of cost for raw materials and consumables.

Depreciation and amortization maintained at a stable level of EUR 0.8 million (HY1 2020: EUR 0.8 million).

The financial expenses maintained at the same level of EUR 0.1 million.

The net profit in the first half of 2021 was EUR 0.4 million which is EUR 1.2 million better than in the first half of 2020, predominantly as a result of a higher EBITDA.

Cash flow

In the first half year of 2021, the net cash position improved by EUR 0.6 million (HY1 2020: EUR -0.2 million). Net cash flow from operating activities showed a further improvement and was positive by EUR 0.9 million (HY1 2020: EUR 0.7 million). The net cash flow from investing activities was EUR -0.2 million and kept at a minimum. The net cash flow from financing activities was EUR -0.03 million. End of March 2021 the secured bond loan issued in 2014 and listed at NPEX with a nominal value of EUR 2.5 million and a maturity date June 30, 2021 was fully repaid. End of March 2021, a new loan has been provided to the Company in the amount of EUR 2.6 million with a duration of 36 months. Cash and cash equivalents at the end of the half year 2021 was EUR 2.0 million (June 30, 2020: EUR 0.8 million).

Financial position

Options

Share options were part of the remuneration till 2019 and were granted to the members of the Board of Management. During HY1 2021 all outstanding options were exercised.

Option holder	Balances as at 31-12-2020	Exercised in HY1 2021	Expired/ Cancelled	Balances as at 30-06-2021	Exercise price in EUR
<i>Mr. O.M. Sallenhag</i>					
2018	120,000	120,000	–	–	0.20
<i>Mr. A. Ladega</i>					
2018	60,000	60,000	–	–	0.20
Total	180,000	180,000	–	–	

Secured bond loan

End of March 2021 the secured bond loan issued in 2014 and listed at NPEX with a nominal value of EUR 2.5 million and a maturity date June 30, 2021 was fully repaid and the securities have been released.

Loan

End of March 2021 a group of long-time investors provided a loan in the amount of EUR 2.6 million with a duration of 36 months. RoodMicrotec's management participated in the refinancing with EUR 105,000; Mr. O.M. Sallenhag with EUR 60,000, Mr. A. Ladega with EUR 15,000 and management in Germany with EUR 30,000. The loan has a 4.75% p/a interest that shall be paid quarterly. The loan is unsecured, provided that in the event of a default the Lenders (other than the Management) may require a first ranking right of mortgage on property of RoodMicrotec GmbH in Nördlingen; and a first ranking right of pledge on other fixed assets. The Group granted a total number of 7,485,000 non-listed 5-year warrants to the Lenders (except the Management). Each Warrant shall entitle the relevant Lender or subsequent holder of the Warrants to subscribe for one ordinary share in the capital of the Company at a subscription price of EUR 0.15, to be paid in cash upon exercise. Of the Warrants issued, 1/3 shall be issued on a non-conditional basis with a vesting period of 1 year, 1/3 shall be issued conditional upon the amount of the secured loan that shall be outstanding on the first anniversary of completion and 1/3 shall be issued conditional upon the amount of the secured loan that shall be outstanding on the second anniversary of completion. As no warrants shall be granted to the Management, it shall be entitled to 6.75% p/a interest on the loan.

Events after balance sheet date

No events occurred after the balance sheet date of June 30, 2021 that have a material impact on the financial statements for the half year ended June 30, 2021.

Outlook

RoodMicrotec expects the total income in 2021 to be in the range of EUR 13.2 million to EUR 13.6 million. The profit before tax in 2021 is expected to be in the range of 4% to 5% of the total income. The current situation in the world regarding lead-times for wafers and packaging as well as shipment delays may impact the ability to achieve the expected total income. RoodMicrotec is keeping a close eye on the situation and is doing everything possible to mitigate any impact.

Financial calendar

July 22, 2021	Conference call for press and analysts
October 14, 2021	Trading update quarter 3-2021
January 27, 2022	Publication (preliminary) annual total income 2021

Forward-looking statements

This interim report contains a number of forward-looking statements. These statements are based on current expectations, estimates and prognoses by the Board of Management as well as on the information currently available to the Company. The statements are subject to certain risks and uncertainties which are hard to evaluate, such as the general economic conditions, interest rates, exchange rates and amendments to statutory laws and regulations. The Board of Management of RoodMicrotec cannot guarantee that its expectations will materialize. Furthermore, RoodMicrotec does not accept any obligation to update the statements made in this interim report.

About RoodMicrotec

RoodMicrotec is a leading independent company for semiconductor supply and quality services. With more than 50 years of experience in the semiconductor and electronics industry, RoodMicrotec is well-established as a highly valued partner for many companies worldwide. The Company provides full-turnkey ASIC services for complex microchips that are customized to handle specific applications for individual customers. In cooperation with strong partners, RoodMicrotec manages the entire development and production flow of ASICs in the target volume, ranging from low quantities up to multiple millions per year. The turnkey solution includes project management, wafer test, assembly, final test, qualification, failure analysis and logistics. All services comply with the industrial and quality requirements of the high reliability, aerospace, automotive, healthcare and industrial sectors. RoodMicrotec's headquarter is located in Deventer, Netherlands, with operational units in Nördlingen and Stuttgart, Germany.

For more information visit <https://www.roodmicrotec.com>

Further information

Martin Sallenhag - CEO, Arvid Ladega - CFO

Telephone: +31 570 745623 Email: investor-relations@roodmicrotec.com Web: www.roodmicrotec.com

Consolidated financial statements interim report 2021

	Page
1 Consolidated Statement of Profit or Loss	10
2 Consolidated Statement of Comprehensive Income	10
3 Consolidated Statement of Financial Position	11
4 Consolidated Statement of Changes in Equity	12
5 Consolidated Cash Flow Statement	13
6 Notes to the Consolidated Financial Statements	14
7 Statement from the Board of Management	15

1. Consolidated Statement of Profit or Loss

(x EUR 1,000)	Unaudited HY1 2021	Unaudited HY1 2020	Audited 2020
Net sales	7,076	5,128	11,455
Other income	206	233	419
Total income	7,282	5,361	11,874
Raw materials and consumables	-1,650	-913	-2,287
Personnel expenses	-3,163	-3,144	-6,192
Other expenses, other than depreciation and amortization	-1,152	-1,154	-2,050
Total operating expenses	-5,965	-5,211	-10,529
EBITDA¹	1,317	150	1,345
Depreciation and amortization	-772	-773	-1,544
Result from operating activities (EBIT²)	545	-623	-199
Financial expenses	-87	-104	-170
Profit (loss) before taxes	458	-727	-369
Taxes	-21	-15	104
Net profit (loss)	437	-742	-265

Earnings per share

Basic	0.01	-0.00	-0.00
Diluted	0.01	-0.00	-0.00

2. Consolidated Statement of Comprehensive Income

(x EUR 1,000)	Unaudited HY1 2021	Unaudited HY1 2020	Audited 2020
Net profit (loss)	437	-742	-265
Items that will not be reclassified to profit or loss:			
Remeasurement of defined benefit obligations	-	-	-154
Revaluation of land and buildings	-	-	380
Tax implication	-	-	-62
Total other comprehensive income	-	-	164
Total Comprehensive income	437	-742	-101

¹ EBITDA is a non-gaap measure and defined as Earnings Before Interest, Taxes, Depreciation and Amortization. Interest includes other finance costs.

² EBIT is a non-gaap measure and defined as Earnings Before Interest and Taxes. Interest includes other finance costs.

3. Consolidated Statement of Financial Position

(x EUR 1,000)	Unaudited 30-06-2021	Unaudited 30-06-2020	Audited 31-12-2020
Assets			
Property, plant and equipment	5,769	6,313	6,202
Right-of-use assets	591	822	728
Intangible assets	2,274	2,283	2,247
Deferred tax balances	1,615	1,580	1,636
Non-current assets	10,249	10,998	10,813
Inventories	71	136	69
Contract assets	317	386	563
Trade and other receivables	2,054	1,304	1,541
Cash and cash equivalents	1,988	798	1,351
Current assets	4,430	2,624	3,524
Total assets	14,679	13,622	14,337
Equity and liabilities			
Issued capital	8,258	8,239	8,239
Share premium	20,743	20,709	20,709
Revaluation reserve	1,939	1,751	1,985
Retained earnings	-29,118	-29,990	-29,583
Equity attributable to equity holders of the parent	1,822	709	1,350
Non-controlling interests	2,494	2,494	2,494
Total equity	4,316	3,203	3,844
Loans and borrowings	2,575	–	–
Lease liabilities	335	549	460
Defined benefit obligation	4,901	4,943	4,984
Provisions	63	98	60
Non-current liabilities	7,874	5,590	5,504
Loans and borrowings	–	2,500	2,488
Lease liabilities	261	280	273
Trade and other payables	2,228	2,049	2,228
Current liabilities	2,489	4,829	4,989
Total equity and liabilities	14,679	13,622	14,337

4. Consolidated Statement of Changes in Equity

	Number of shares (x EUR 1,000)	Issued share capital	Share premium	Revaluation reserve	Retained earnings	Equity attributable to parent	Non- controlling interests	Total Equity
Balance at January 1, 2020	74,896	8,239	20,709	1,789	-29,286	1,451	2,494	3,945
Net profit (loss)	-	-	-	-	-742	-742	-	-742
Revaluation of land and buildings	-	-	-	-38	38	-	-	-
Balance at June 30, 2020	74,896	8,239	20,709	1,751	-29,990	709	2,494	3,203
Net profit (loss)	-	-	-	-	477	477	-	-477
Remeasurement of defined benefit obligation	-	-	-	-	-112	-112	-	-112
Revaluation of land and buildings	-	-	-	234	42	276	-	276
Balance at December 31, 2020	74,896	8,239	20,709	1,985	-29,583	1,350	2,494	3,844
Balance at January 1, 2021	74,896	8,239	20,709	1,985	-29,583	1,350	2,494	3,844
Net profit (loss) ³	-	-	-	-	437	437	-	437
Share options exercised	180	19	34	-	-18	35	-	35
Revaluation of land and buildings	-	-	-	-46	46	-	-	-
Balance at June 30, 2021	75,076	8,258	20,743	1,939	-29,118	1,822	2,494	4,316

At June 30, 2021 the authorized share capital comprised 100,000,000 shares (June 30, 2020: 100,000,000). The shares have a nominal value of EUR 0.11 each. At June 30, 2020, 75,076,267 shares were issued (June 30, 2020: 74,896,267).

³ In the half year figures, profits/losses have been accounted for as if added to or deducted from the retained earnings. However, in accordance with a resolution of the AGM, the actual addition to or deduction from the retained earnings is made at year-end.

5. Consolidated Cash Flow Statement

(x EUR 1,000)	Unaudited HY1 2021	Unaudited HY1 2020	Audited 2020
Net profit (loss) for the year	437	-742	-265
Adjustments for:			
- Depreciation	676	678	1,353
- Amortization	96	96	191
- Financial expenses	87	104	170
- Tax expenses	21	15	-104
- Movements in net defined benefit obligations	-83	-77	-190
- Movements in provisions	3	7	-45
	1,237	81	1,110
Changes in working capital:			
- Inventories	-2	-35	32
- Contract assets	246	-23	-200
- Trade and other receivables	-513	526	289
- Trade and other payables	-1	244	438
Cash generated from operating activities	967	793	1,669
Interest paid	-72	-76	-152
Net cash from operating activities	895	717	1,517
Cash flows from investing activities			
Acquisition of property, plant and equipment	-105	-704	-745
Disposals of property, plant and equipment	-	1	-
Investments in intangible assets	-123	-61	-120
Net cash flow from investing activities	-228	-764	-865
Cash flows from financing activities			
Proceeds from issuance of share capital	36	-	-
Proceeds from borrowings	2,600	-	-
Cash outflow loan issuance costs	-27	-	-
Payment of lease liabilities	-139	-157	-303
Repayment of borrowings	-2,500	-	-
Net cash flow from financing activities	-30	-157	-303
Net cash flow	637	-204	349
Cash and cash equivalents less bank overdrafts:			
- at January 1	1,351	1,002	1,002
- at June 30/ December 31	1,988	798	1,351
Net cash flow	637	-204	349

6. Notes to the consolidated interim financial statements

General information

RoodMicrotec N.V. ('the Company') is a public limited liability company with its registered office in Deventer, the Netherlands and publicly listed on the Euronext Amsterdam Stock Exchange since 1986. The consolidated interim financial statements of the Company for the half year ended June 30, 2021 comprises the Company and its subsidiaries (jointly referred to as 'The Group'). The Group includes the wholly owned subsidiaries RoodMicrotec GmbH (Nördlingen, Germany) and RoodMicrotec International B.V. (Zwolle, The Netherlands).

Basis of preparation

These consolidated interim financial statements have been prepared in accordance with IAS 34 (interim financial reporting). They do not include all the information required for full annual financial statements and should therefore be read in conjunction with the consolidated financial statements of the Group as of and for the year ended December 31, 2020 included in the 2020 annual report.

The accounting policies applied in these consolidated interim financial statements are the same as those applied in its consolidated financial statements as of and for the year ended December 31, 2020.

The figures for the 2020 consolidated interim statements have been reclassified in order to enable comparability with the 2021 consolidated interim statement. It concerns a reclassification within the current assets between work in progress to contract assets.

The consolidated interim financial statements and the reconciliations included in this interim report and its enclosures have not been audited nor been reviewed by external auditors.

Segment reporting

The Group does not have separate segments as referred to in IFRS 8 'Operating segments'. IFRS 8 requires the consolidated financial statements to present segment information that is in accordance with the internal information used by management of the Group (chief operating decision maker) to assess performance and allocate resources.

The Group focuses on a single operating segment considering the nature of its services and the type of class of customer for these services. This operating segment consist of three business units, namely: Test Operations, Supply Chain Management and Qualification & Failure Analysis; to help the development of business level strategies. Management uses the consolidated results of operations to come up with informed business decisions.

Consequently, the disclosures for segment information are limited to net sales and non-current assets per country. In accordance to management reporting, net sales for the business units Test Operations, Supply Chain Management and Qualification & Failure Analysis are also disclosed.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate credit facility. Management monitors rolling forecasts of the Group's liquidity reserve and cash and cash equivalents. Furthermore, liquidity planning is one of the major elements in the Group's budget cycle. Due to the Group's working capital ratio and market conditions, management has tight monitoring procedures in place regarding direct cash flows. Both the cash position and sales forecasts are frequently reviewed. Managing the working capital position is important in managing the Group's liquidity risk.

7. Statement from the Board of Management

This statement is based on Article 5:25c, paragraph 2C of the Financial Supervision Act. The statements following this law are obliged as a ruling for the interim financial statements.

Our opinion of the consolidated interim financial statements is that these give a true and fair view of the assets, liabilities, financial position, cash flows and the profit or loss of RoodMicrotec N.V. and the companies included in the consolidation.

The consolidated interim financial statements give a true and fair view of the situation as per the balance sheet date of June 30, 2021 and of the developments during the first half year ended June 30, 2021 of RoodMicrotec N.V. and the group companies for which the financial information is recognized in the consolidated interim financial statements.

Deventer, July 22, 2021

Board of Management

Martin Sallenhag, Chief Executive Officer

Arvid Ladega, Chief Financial Officer

This report is published in English only.