



SOITEC REPORTS FIRST HALF RESULTS OF FISCAL YEAR 2023

- Revenue reached €471m in H1'23, up 26% on a reported basis and up 18% at constant exchange rates and perimeter
- EBITDA¹ margin² reached 35.5% of revenue
- Current operating income increased by 46% to €110m
- Free Cash Flow was positive at €7m while capacity investments increased further
- FY'23 guidance confirmed: revenue growth expected around 20% at constant exchange rates and perimeter and EBITDA¹ margin² expected around 36%

Bernin (Grenoble), France, November 23rd, 2022 – Soitec (Euronext Paris), a world leader in designing and manufacturing innovative semiconductor materials, today announced its results for the first half of fiscal year 2023 (ended on September 30th, 2022). The financial statements³ were approved by the Board of Directors during its meeting today.

Pierre Barnabé, Soitec's CEO, commented: ***“We achieved another strong performance in the first half of our fiscal year 2023, delivering sustained revenue growth across our three end markets and a robust EBITDA margin. This allowed us to generate a positive free cash flow after having further increased our capacity investments in order to fuel our FY26 Strategic***

¹ The EBITDA represents operating income (EBIT) before depreciation, amortization, impairment of non-current assets, non-cash items relating to share-based payments, provisions for impairment of current assets and for contingencies and expenses, and disposals gains and losses. This alternative indicator of performance is a non-IFRS quantitative measure used to measure the company's ability to generate cash from its operating activities. EBITDA is not defined by an IFRS standard and must not be considered an alternative to any other financial indicator.

² EBITDA margin = EBITDA from continuing operations / Revenue.

³ Review procedures were completed and the review report is in the process of being issued.

Plan ambitions. We also maintained a very healthy financial position. Soitec is on track to achieve its full-year guidance.

“The first half of the year has also seen great progress on executing on our strategic initiatives, including the release of our first 200-mm silicon carbide SmartSiC wafer or the decision to extend our Singapore-based 300-mm facility. In Bernin, we are on schedule in preparing the building of our future production facility that will be primarily dedicated to SmartSiC engineered wafers and therefore be instrumental in capturing the silicon carbide opportunity for electric vehicles and industrial applications. We are also very pleased with the launch of manufacturing collaboration between GlobalFoundries and STMicroelectronics further enhancing FD-SOI technology adoption,” added Pierre Barnabé.

Strong revenue growth and robust EBITDA¹ margin²

Consolidated income statement (part 1)

(Euros millions)	H1'23	H1'22	% change
Revenue	471	373	+26%
Gross profit	168	131	+27%
As a % of revenue	35.6%	35.2%	
Net research and development expenses	(29)	(28)	+5%
Selling, general and administrative expenses	(28)	(28)	-0%
Current operating income	110	75	+46%
As a % of revenue	23.4%	20.2%	
EBITDA¹ from continuing operations	167	137	+22%
As a % of revenue	35.5%	36.8%	

Consolidated revenue reached 471 million Euros in H1'23 up 26% on a reported basis compared with 373 million Euros in H1'22. This reflects an 18% growth at constant exchange rates and perimeter combined with a positive currency impact of 9%⁴.

- **Mobile communications** continue to be supported by the ongoing adoption of 5G smartphones and WiFi6, as well as the deployment of 5G infrastructure. Revenue reached 341 million Euros in H1'23 (72% of total revenue), up 23% on a reported basis and up 14% at constant exchange rates and perimeter compared to H1'22. This is mainly reflecting ongoing success in radiofrequency applications materialized by the increase in RF content in every 5G smartphone, higher sales being enabled by the ongoing ramp-up in production at Singapore facility. FD-SOI wafers for front end modules also delivered strong growth

⁴ The scope effect related to the acquisition of NOVASiC, the closing of which took place on December 29, 2021, had no material impact on Soitec's revenue.

while several customers are going through an adoption phase of POI wafers dedicated to RF filters.

- Demand from the automotive industry is increasingly supported by infotainment, autonomous driving and functional safety, as well as by the shift to electric and hybrid engines. **Automotive & Industrial** revenue amounted to 57 million Euros in H1'23 (12% of total revenue), up 72% on a reported basis and up 59% at constant exchange rates and perimeter compared to H1'22. Growth mostly came from FD-SOI wafers dedicated to automotive applications whereas Power-SOI wafers also recorded a significant increase.
- **Smart devices** market is driven by more complex sensors, higher connectivity functionalities and embedded intelligence, leading to more powerful and efficient edge artificial intelligence chips. Smart devices revenue reached 73 million Euros in H1'23 (16% of total revenue), up 17% on a reported basis and up 10% at constant exchange rates and perimeter compared to H1'22. Growth in FD-SOI wafers was very strong, confirming structural demand for Internet of Things (IoT) and Edge Computing devices across consumer and industrial sectors. Soitec also leveraged sustained growth in Photonics-SOI wafers for data transceivers and in Imager-SOI wafers for 3D imaging applications.

Gross profit reached 168 million Euros in H1'23, up 27% from 131 million Euros in H1'22, reflecting a 0.4 points increase in gross margin, from 35.2% of revenue in H1'22 to 35.6% of revenue in H1'23. Soitec achieved a strong operating leverage due to the robust increase in activity as well as from a good industrial performance. This strong performance offsets an unfavorable currency impact, due to hedging, and inflationary cost increases, including, as anticipated, higher bulk material prices within the framework of Soitec's long-term agreements with its suppliers.

Current operating income increased by 46% to 110 million Euros in H1'23, up from 75 million Euros in H1'22. This translates into a strong increase in current operating margin from 20.2% of revenue in H1'22 to 23.4% of revenue in H1'23 thanks to a tight control over SG&A as well as slight increase in net R&D expenses:

- **Net R&D expenses** increased slightly from 28 million Euros in H1'22 to 29 million Euros in H1'23 but they went down as a percentage of revenue, from 7.4% in H1'22 to 6.1% in H1'23. Gross R&D expenses before capitalization increased by 7 million Euros as Soitec continued to invest in innovation and in the expansion of its product portfolio.
- **Selling, general and administrative (SG&A) expenses** were stable compared to H1'22, at 28 million Euros, but they went down as a percentage of revenue, from 7.6% in H1'22 to 6.0% in H1'23. The increase in the number of staff and in salaries was offset by a decline in share-based compensation in line with the lower share price.

The **EBITDA¹ from continuing operations** amounted to 167 million Euros in H1'23, up 22% from 137 million Euros in H1'22, reflecting a slightly lower EBITDA¹ margin², down from 36.8% in H1'22

to 35.5% in H1'23. While its strong operating leverage allowed Soitec to maintain a sustained R&D activity and a very sound profitability, the EBITDA¹ margin² integrates a negative currency impact and inflationary cost increases.

Depreciation and amortization expenses went up from 37 million Euros in H1'22 to 50 million Euros in H1'23 as a result of the increased industrial capacity as well as R&D investments carried out by the Group in previous years.

Consolidated income statement (part 2)

(Euros millions)	H1'23	H1'22	% change
Current operating income	110	75	+46%
Other operating income and expenses	0	9	
Operating income	110	85	+30%
Net financial result	(2)	(5)	
Income tax	(13)	(6)	
Net profit from continuing operations	95	74	+27%
Net profit / (loss) from discontinued operations	0	(0)	
Net profit, Group share	95	74	+28%
Basic earnings per share (in €)	2.72	2.23	+22%
Diluted earnings per share (in €)	2.65	2.14	+24%
Number of shares	35,001,682	33,311,866	
Number of diluted shares	36,951,749	36,680,990	

In H1'23 the amount of **other operating income and expenses** was not material whereas the Group recorded a non-recurring income of 9 million Euros in H1'22 mainly reflecting the full reversal of an impairment loss related to Singapore industrial building which had been recognized in FY'16. Consequently, the **operating income** reached 110 million Euros in H1'23, up 30% compared to 85 million Euros recorded in H1'22.

The **net financial result** was a loss of 2 million Euros in H1'23 compared to a loss of 5 million Euros in H1'22. On the one hand, the Group benefited from a 2 million Euros decrease in net financial expenses mostly related to the conversion of OCEANEs 2023 bonds in October 2021. On the other hand, the Group recorded a net financial income of 4 million Euros in H1'23 compared to a gain of 3 million Euros recorded in H1'22.

Income tax expense amounted to 13 million Euros in H1'23 compared to 6 million Euros in H1'22. The Group continues to benefit from tax loss carryforwards.

The **net profit, Group share** amounted to 95 million Euros in H1'23, up 28% from a net profit of 74 million Euros recorded in H1'22.

Positive Free Cash Flow while capacity investments further increased

Consolidated cash-flows

(Euros millions)	H1'23	H1'22
<i>Continuing operations</i>		
EBITDA ¹	167	137
Change in working capital	(26)	(82)
Tax paid	(15)	3
Net cash generated by operating activities	126	59
Net cash used in investing activities	(120)	(101)
Free Cash Flow	7	(43)
Proceeds from shareholders and other items	0	0
Drawing on credit lines, new loans and debt repayment (including finance leases)	(15)	(10)
Financial expenses	(3)	(2)
Net cash used in financing activities	(17)	(11)
Impact of exchange rate fluctuations	26	1
Net change in cash	15	(53)
<i>Discontinued operations</i>	<i>(0)</i>	<i>(2)</i>
Group net change in cash	15	(54)

The Group was able to generate a 7 million Euros positive **Free Cash Flow** in H1'23 while continuing to invest in capital expenditure to support its expansion and managing the working capital needs. This compares to a 43 million Euros negative Free Cash Flow in H1'22.

The cash outflow from **working capital** amounted to 26 million Euros in H1'23 (82 million Euros in H1'22) as a result of a 39 million Euros increase in inventories, in anticipation of the projected growth expected in H2'23, and a 15 million Euros increase in other receivables. These items were partly offset by a 28 million Euros decrease in trade receivables related to seasonality.

Tax paid amounted to 15 million Euros in H1'23, compared to a tax refund of 3 million Euros in H1'22.

Overall, **net cash generated by operating activities** more than doubled, from 59 million Euros in H1'22 to 126 million Euros in H1'23.

The **net cash used in investing activities** of continuing operations amounted to 120 million Euros in H1'23, up 18% from 101 million Euros in H1'22. Capital expenditure included 15 million Euros in capitalized R&D investments as well as 97 million Euros in tangible assets. In H1'23, Soitec continued to invest in capacity in its Singapore facility, for 300-mm SOI wafer production, refresh and epitaxy.

Net of investments financed through leasing, which accounted for 6 million Euros in H1'23, **total cash out related to investing activities** amounted to 126 million Euros.

Net cash used in financing activities of continuing operations amounted to 17 million Euros in H1'23 essentially reflecting a 15 million Euros net decrease in borrowings. In H1'22, net cash used in financing activities of continuing operations amounted to 11 million Euros.

In total, including a 26 million Euros positive impact of exchange rate fluctuations, **net cash generated by continuing operations** reached 15 million Euros in H1'23 compared to a cash outflow of 53 million Euros in H1'22.

Overall, Soitec further increased its **cash position**, which went up from 728 million Euros on March 31st, 2022, to 743 million Euros on September 30th, 2022.

Sound balance sheet maintained

Thanks to the strong performance achieved in H1'23, Soitec has maintained a strong balance sheet.

Property, plant and equipment increased by a net amount of 86 million Euros in H1'23 as a result of further industrial investments in Bernin and Singapore.

Shareholders' equity increased by 138 million Euros in H1'23 to 1,181 million Euros on September 30th, 2022, mainly thanks to the net profit generated during the period.

Financial debt stood at 630 million Euros on September 30th, 2022. This represents a 44 million Euros increase compared to March 31st, 2022, mainly reflecting a 48 million Euros mark-to-market increase of financial derivatives related to currency hedging, 4 million Euros interests related to OCEANEs 2025 bonds, partially offset by a 9 million Euros repayment of bank loans in Singapore.

Higher financial debt combined with the 15 million Euros increase in cash recorded in H1'23 led to a 29 million Euros decrease in positive **net cash position**⁵, from 142 million Euros on

⁵ The net cash position represents cash and cash equivalents less financial debt, a positive net cash position meaning cash and cash equivalents are higher than financial debt. A net debt position meaning cash and cash equivalents are lower than financial debt.

March 31st, 2022, to 113 million Euros on September 30th, 2022. Excluding the change in the fair value of financial derivatives related to hedging, the Group net cash position increased by 19 million Euros.

FY'23 Outlook confirmed

Soitec still expects FY'23 **revenue growth** to reach around 20% at constant exchange rates and perimeter. Growth will continue to be driven by an increase in sales in each of the Group's three end markets, as Soitec expects to continue benefiting from the 5G deployment, from an increase of the automotive market as well as from sustained market trends for smart devices.

Soitec still expects FY'23 **EBITDA¹ margin²** to reach around 36% notably thanks to a strong operating leverage driven by higher volumes. Soitec expects its industrial performance to remain strong despite higher bulk material and energy prices.

In addition, Soitec expects FY'23 **net cash out related to capital expenditure** to reach around 260 million Euros, essentially reflecting capacity investments to support first acquisitions of SiC tools (150 & 200-mm) in Bernin IV, 300-mm SOI refresh capacity in Bernin IV and further 300-mm SOI capacity increase in its Singapore facility, including both refresh and epitaxy capacity.

Key events of H1'23

CEA, Soitec, GlobalFoundries and STMicroelectronics to advance next generation FD-SOI roadmap for automotive, IoT and mobile applications

On April 8th, 2022, leading semiconductor players CEA, Soitec, GlobalFoundries and STMicroelectronics announced a new collaboration in which they intend to jointly define the industry's next generation roadmap for FD-SOI technology. Semiconductors and FD-SOI innovation are of strategic value to France and the EU as well as to customers globally. FD-SOI offers substantial benefits for designers and customer systems, including lower power consumption as well as easier integration of additional features such as connectivity and security, a key feature for automotive, IoT and mobile applications.

Soitec released its first 200-mm silicon carbide SmartSiC™ wafer

On May 4th, 2022, Soitec announced the release of its first 200-mm silicon carbide SmartSiC™ wafer, from the pilot line at its Substrate Innovation Center. The release enabled Soitec to demonstrate the quality and performance of 200-mm SmartSiC™ engineered substrates and to conduct a first round of key customer validations. The addition of 200-mm is enlarging Soitec's SiC product portfolio beyond 150-mm and accelerate customers' SiC roadmap.

Soitec announced the extension of its Pasir Ris Facility to produce 300mm SOI wafers

On June 8th, 2022, Soitec announced the extension of its Pasir Ris facility in Singapore, with the objective to add a new capacity of 1 million wafers per year. Soitec expects the construction of this extension to start in FY'23, and the fab to enter into operation by the end of FY'25. The robust level of customer demand gives Soitec enough visibility to accelerate the launch of this extension, which was initially planned for FY'26. Combining Bernin and Pasir Ris, Soitec's total 300-mm SOI production capacity will ultimately reach 2.7 million wafers per year. The extension of Pasir Ris is also due to include additional refresh and epitaxy capacities.

STMicroelectronics and GlobalFoundries to advance FD-SOI ecosystem with new 300mm manufacturing facility in France

On July 11th, 2022, STMicroelectronics and GlobalFoundries announced the creation of a new, jointly-operated 300-mm semiconductor manufacturing facility adjacent to ST's existing site in Crolles, France. This new facility will support several technologies, in particular FD-SOI-based technologies, and will cover multiple variants. This includes GF's market leading FDX technology and ST's comprehensive technology roadmap down to 18nm, which are expected to remain in high demand for Automotive, IoT, and Mobile applications for the next few decades. The facility is targeted to ramp at full capacity by 2026, with up to 620,000 wafers per year production at full build-out.

Pierre Barnabé succeeds Paul Boudre as CEO

On July 26th, 2022, Soitec held its Annual Shareholders' Meeting, during which Pierre Barnabé was appointed director of the Company. As planned, he succeeded Paul Boudre as Chief Executive Officer on the same day. Pierre Barnabé joined Soitec on May 1st, 2022, and he has been working closely with Paul Boudre and the Executive Committee during this period to ensure an effective transition.

Post-closing events

Acquisition of the remaining 20% of Dolphin Design

On October 27th, 2022, Soitec exercised its call option to increase its stake in Dolphin Design SAS to 100%, acquiring an additional 20% of the capital from its partner MBDA. Soitec will own 100% of the share capital of Dolphin Design SAS upon closing of the transfer. Since Dolphin Design SAS is already fully consolidated at 100% in Soitec consolidated accounts due to the existence of this option, this acquisition will have no effect on the accounts of the Group.

Sustainability report release

Soitec today released its second sustainability report, stressing both achievements and ambitious targets in support of its 2026 strategic roadmap. Highlights include i) the creation of Soitec's Board of Directors' ESG Committee last September, ii) Soitec becoming the fourth semiconductor

company worldwide to have its greenhouse gas emission reduction targets aligned with the 1.5°C ambition validated by the SBTi, and iii) winning the 2021 SEMI Industry Leader in Diversity and Inclusion award on November 16, 2022 in recognition of its innovative and pioneering policies and achievements.

#

H1'23 results will be commented during an analyst and investor conference call to be held in English on November 24th, 2022, at 8:00am CET.

The live webcast and slide presentation will be available on:

https://channel.royalcast.com/landingpage/soitec/20221124_1/

#

Agenda

Q3'23 revenue is due to be published on January 25th, 2023, after market close.

#

Disclaimer

This document is provided by Soitec (the "Company") for information purposes only.

The Company's business operations and financial position are described in the Company's 2021-2022 Universal Registration Document (which notably includes the 2021-2022 Annual Financial Report) which was filed on June 20, 2022 with the French stock market authority (Autorité des Marchés Financiers, or AMF) under number D.22-0523. The French version of the 2021-2022 Universal Registration Document, together with English courtesy translations for information purposes, are available for consultation on the Company's website (www.soitec.com), in the section Company - Investors - Financial Reports.

Your attention is drawn to the risk factors described in Chapter 2.1 of the Company's 2021-2022 Universal Registration Document.

This document contains summary information and should be read in conjunction with the 2021-2022 Universal Registration Document.

This document contains certain forward-looking statements. These forward-looking statements relate to the Company's future prospects, developments and strategy and are based on analyses of earnings forecasts and estimates of amounts not yet determinable. By their nature, forward-looking statements are subject to a variety of risks and uncertainties as they relate to future events and are dependent on circumstances that may or may not materialize in the future. Forward-looking statements are not a guarantee of the Company's future performance. The occurrence of any of the risks described in Chapter 2.1 of the Universal Registration Document may have an impact on these forward-looking statements. In addition, the future consequences of geopolitical conflicts, in particular the Ukraine / Russia situation, as well as rising inflation, may result in greater impacts than currently anticipated in these forward-looking statements.

The Company's actual financial position, results and cash flows, as well as the trends in the sector in which the Company operates may differ materially from those contained in this document. Furthermore, even if the Company's financial position, results, cash-flows and the developments in the sector in which the Company operates were to conform to the forward-looking statements contained in this document, such elements cannot be construed as a reliable indication of the Company's future results or developments.

The Company does not undertake any obligation to update or make any correction to any forward-looking statement in order to reflect an event or circumstance that may occur after the date of this document. In addition, the occurrence of any of the risks described in Chapter 2.1 of the Universal Registration Document may have an impact on these forward-looking statements.

This document does not constitute or form part of an offer or a solicitation to purchase, subscribe for, or sell the Company's securities in any country whatsoever. This document, or any part thereof, shall not form the basis of, or be relied upon in connection with, any contract, commitment or investment decision.

Notably, this document does not constitute an offer or solicitation to purchase, subscribe for or to sell securities in the United States. Securities may not be offered or sold in the United States absent registration or an exemption from the registration under the U.S. Securities Act of 1933, as amended (the "Securities Act"). The Company's shares have not been and will not be registered under the Securities Act. Neither the Company nor any other person intends to conduct a public offering of the Company's securities in the United States.

#

About Soitec

Soitec (Euronext, Tech 40 Paris) is a world leader in designing and manufacturing innovative semiconductor materials. The company uses its unique technologies to serve the electronics markets. With more than 3,700 patents worldwide, Soitec's strategy is based on disruptive innovation to meet its customers' needs for high performance, energy efficiency and cost competitiveness. Soitec has manufacturing facilities, R&D centers and offices in Europe, the United States and Asia. Fully committed to sustainable development, Soitec adopted in 2021 its corporate purpose to reflect its engagements: *"We are the innovative soil from which smart and energy efficient electronics grow into amazing and sustainable life experiences."*

Soitec, SmartSiC™ and SmartCut™ are registered trademarks of Soitec.

#

For more information, please visit www.soitec.com and follow us on Twitter: @Soitec_EN

Investor Relations:

investors@soitec.com

Media contacts:

Isabelle Laurent
+33 6 42 37 54 17
isabelle.laurent@oprgfinancial.fr

Fabrice Baron
+33 6 14 08 29 81
fabrice.baron@oprgfinancial.fr

#

Soitec is a French joint-stock corporation with a Board of Directors (Société Anonyme à Conseil d'administration) with a share capital of €71,081,214 having its registered office located at Parc Technologique des Fontaines - Chemin des Franques - 38190 Bernin (France), and registered with the Grenoble Trade and Companies Register under number 384 711 909.

#

Consolidated financial statements in appendix include:

- *H1'23 consolidated income statement*
- *Balance sheet at September 30th, 2022*
- *H1'23 consolidated cash-flows*

Consolidated financial statements for H1'23

As previously reported, Soitec's refocus on Electronics operations decided in January 2015 was nearly completed on March 31st, 2016. Consequently, the H1'23 residual income and expenses relating to Solar and Other activities are reported under 'Net result from discontinued operations', below the 'Operating income' line, meaning that down to the line 'Net result after tax from continuing operations', the consolidated income statement fully and exclusively reflects the Electronics activity as well as the Group's corporate functions expenses. This was already the case in H1'22 financial statements.

Consolidated income statement

<i>(Euro millions)</i>	H1'23 <i>(ended Sept. 30, 2022)</i>	H1'22 <i>(ended Sept. 30, 2021)</i>
Revenue	471	373
Cost of sales	(303)	(242)
Gross profit	168	131
Sales and marketing expenses	(8)	(7)
Research and development expenses	(29)	(28)
General and administrative expenses	(20)	(22)
Current operating income	110	75
Other operating income / (expenses)	0	9
Operating income	110	85
Financial income	4	3
Financial expenses	(7)	(8)
Financial income / (expense)	(2)	(5)
Profit before tax	108	80
Income tax	(13)	(6)
Net profit from continuing operations	95	74
Net loss from discontinued operations	0	(0)
Consolidated net profit	95	74
Non-controlling interests	-	-
Net profit, Group share	95	74
Basic earnings per share (in €)	2.72	2.23
Diluted earnings per share (in €)	2.65	2.14
<i>Number of shares</i>	35,001,682	33,311,866
<i>Number of diluted shares</i>	36,951,749	36,680,990

Balance sheet at September 30th, 2022

Assets	Sept. 30, 2022	March 31, 2022
<i>(Euro millions)</i>		
<i>Non-current assets:</i>		
Intangible assets	115	108
Property, plant and equipment	648	562
Non-current financial assets	17	17
Other non-current assets	22	19
Deferred tax assets	73	64
Total non-current assets	875	770
<i>Current assets:</i>		
Inventories	192	143
Trade receivables	279	280
Other current assets	80	62
Current financial assets	4	4
Cash and cash equivalents	743	728
Total current assets	1,298	1,216
Total assets	2,173	1,986

Equity and liabilities	Sept. 30, 2022	March 31, 2022
<i>(Euro millions)</i>		
<i>Equity:</i>		
Share capital	71	70
Share premium	229	230
Reserves and retained earnings	849	747
Other reserves	33	(3)
Equity, Group Share	1,181	1,044
Total equity	1,181	1,044
<i>Non-current liabilities:</i>		
Long-term financial debt	530	518
Provisions and other non-current liabilities	84	79
Total non-current liabilities	614	597
<i>Current liabilities:</i>		
Short-term financial debt	100	68
Trade payables	117	101
Provisions and other current liabilities	160	177
Total current liabilities	377	346
Total equity and liabilities	2,173	1,986

Consolidated cash-flows

<i>(Euro millions)</i>	H1'23	H1'22
	<i>(ended Sept. 30, 2022)</i>	<i>(ended Sept. 30, 2021)</i>
Consolidated net profit	95	74
of which continuing operations	95	74
Depreciation and amortization expense	50	37
Impairment / (depreciation reversals) of assets	-	(10)
Provisions / (reversals of provisions), net	5	(0)
Provisions / (reversal of provisions) for retirement benefit obligations, net	1	1
Income tax	13	6
Financial expense	2	5
Share-based payments	9	11
Other non-cash items	(8)	14
EBITDA²	167	137
of which continuing operations	167	137
<i>Increase / (decrease) in cash relating to:</i>		
Inventories	(39)	(37)
Trade receivables	28	(19)
Other receivables	(15)	(19)
Trade payables	4	7
Other liabilities	(3)	(13)
Income tax paid	(15)	3
Change in working capital and income tax paid	(41)	(79)
of which continuing operations	(41)	(79)
Net cash generated by operating activities	126	58
of which continuing operations	126	59

<i>(Euro millions)</i>	H1'23 <i>(ended Sept. 30, 2022)</i>	H1'22 <i>(ended Sept. 30, 2021)</i>
Net cash generated by operating activities	126	58
<i>of which continuing operations</i>	126	59
Purchases of intangible assets	(20)	(13)
Purchases of property, plant and equipment	(97)	(85)
Acquisition of a subsidiary, net of cash acquired	-	(1)
(Acquisitions) and disposals of financial assets	(3)	(2)
Net cash used in investing activities (1)	(120)	(101)
<i>of which continuing operations (1)</i>	(120)	(101)
Loans and drawdowns on credit lines	10	3
Repayment of borrowings (including leases)	(26)	(13)
Interest paid	(3)	(2)
Financing flows related to discontinued operations	(0)	(2)
Net cash used in financing activities	(17)	(13)
<i>of which continuing operations</i>	(17)	(11)
Effects of exchange rate fluctuations	26	1
Change in net cash	15	(54)
<i>of which continuing operations</i>	15	(53)
<i>Cash at beginning of the period</i>	728	644
<i>Cash at end of the period</i>	743	590

(1) According to IFRS, the cash used in investing activities is calculated net of investments financed through leasing, which accounted for 6 million Euros in H1'23 and 1 million Euros in H1'22. Total cash out related to investing activities therefore amounted to 126 million Euros in H1'23 and 102 million Euros in H1'22.