

Press release - Regulated Information

Melexis Q4 and FY 2022 results – Full year sales of 836.2 million EUR

Intermediate declaration by the Board of Directors

leper, Belgium – February 1, 2023, 07.00 hrs CET

CONFORM IFRS <i>in k EUR</i>	FY 2022	FY 2021	YOY growth (%)
Sales	836,157	643,786	30%
Gross result	374,679	273,601	37%
<i>Gross Margin</i>	<i>44.8%</i>	<i>42.5%</i>	
EBIT	226,528	148,448	53%
<i>EBIT in %</i>	<i>27.1%</i>	<i>23.1%</i>	
EBITDA	271,695	193,240	41%
<i>EBITDA in %</i>	<i>32.5%</i>	<i>30.0%</i>	
Net result	197,153	131,108	50%
Net result per share (EPS)	4.88	3.25	
CAPEX	39,884	39,088	

Sales for the full year 2022 were 836.2 million EUR, an increase of 30% compared to the previous year.

The EUR/USD exchange rate evolution had a positive impact of 5% on sales compared to 2021.

The gross result was 374.7 million EUR or 44.8% of sales, an increase of 37% compared to 2021. R&D expenses were 10.8% of sales, G&A was at 4.9% of sales and Selling was at 2.0% of sales.

The operating result was 226.5 million EUR or 27.1% of sales, an increase of 53% compared to 148.4 million EUR in 2021.

The net result was 197.2 million EUR or 4.88 EUR per share, an increase of 50% compared to 131.1 million EUR or 3.25 EUR per share in 2021.

CONFORM IFRS	Q4 2022	Q4 2021	YOY growth (%)	Q3 2022	SEQ growth (%)
<i>in k EUR</i>					
Sales	223,874	166,229	35%	219,811	2%
Gross result	99,542	70,639	41%	98,343	1%
Gross Margin	44.5%	42.5%		44.7%	
EBIT	57,862	37,827	53%	61,548	-6%
EBIT in %	25.8%	22.8%		28.0%	
EBITDA	68,543	48,941	40%	72,342	-5%
EBITDA in %	30.6%	29.4%		32.9%	
Net result	52,173	33,296	57%	48,775	7%
Net result per share (EPS)	1.29	0.82		1.21	
CAPEX	13,600	10,086		10,663	

Sales for the fourth quarter of 2022 were 223.9 million EUR, an increase of 35% compared to the same quarter of the previous year and an increase of 2% compared to the previous quarter.

The EUR/USD exchange rate evolution had a positive impact of 5% on sales compared to the same quarter of last year and no impact compared to the previous quarter.

The gross result was 99.5 million EUR or 44.5% of sales, an increase of 41% compared to the same quarter of last year and an increase of 1% compared to the previous quarter.

R&D expenses were 11.4% of sales, G&A was at 4.9% of sales and Selling was at 2.3% of sales. The operating result was 57.9 million EUR or 25.8% of sales, an increase of 53% compared to the same quarter of last year and a decrease of 6% compared to the previous quarter.

The net result was 52.2 million EUR or 1.29 EUR per share, an increase of 57% compared to 33.3 million EUR or 0.82 EUR per share in the fourth quarter of 2021 and an increase of 7% compared to the previous quarter.

Dividend

The Board of Directors approved on January 27th, 2023 to propose to the Annual Shareholders meeting to pay out over the result of 2022 a total dividend of 3.50 EUR gross per share. This amount contains an interim dividend of 1.30 EUR per share which was paid in October 2022 and a final dividend of 2.20 EUR per share which will be payable after approval of the Annual Shareholders meeting. The Melexis shares will start trading ex coupon on May 10, 2023 (opening of the market). The record date is May 11, 2023 (closing of the market) and the dividend will be payable as from May 12, 2023.

Outlook

Melexis expects sales in the first quarter of 2023 to be in the range of 225 to 230 million euro.

For the full year 2023, Melexis expects a sales increase between 11% and 16%, with a gross profit margin around 45% and an operating margin around 26% at the midpoint of the sales guidance, all taking into account a EUR/USD exchange rate of 1.08.

For the full year 2023, Melexis expects CAPEX to be around 70 million EUR.

Business comment – Marc Biron, CEO:

“Landing at a 30% sales increase compared with 2021, despite the continued supply constraints, 2022 was once again a record year for Melexis. Our growth was manifestly driven by electrification as well as a significant increase in body, chassis and safety applications. Demand for automotive products supporting all these applications is still soaring, whereas the limited wafer supply continues to necessitate the allocation of the products available.

In 2022, the outperforming product lines were current sensors, embedded drivers, magnetic position sensors and temperature sensors.

Melexis’ current sensors remain highly sought-after in inverter, on-board charging and DC/DC converter applications. In terms of body applications, the market for embedded drivers supporting thermal

management in electric vehicles has been growing at a fast pace. Increased sensor content in safety applications contributed to the growth of our magnetic position sensors, and our temperature sensors are especially successful in body temperature monitoring applications.

Sales to automotive customers represented 91% of total sales in the fourth quarter of 2022 and 90% of total sales in the full year 2022. The portion of standard products (ASSPs) represented 73% of total sales in the fourth quarter of 2022 and 74% of total sales in the full year 2022.

In 2022, we launched 16 new products. These included an embedded driver for oil pumps, engine cooling fans and positioning actuators for thermal valves which are crucial in electric vehicles; a current sensor that measures voltage, current and temperature for battery monitoring in electric vehicles and a magnetic position sensor offering state-of-the-art sensing for steer-by-wire systems as well as for thermal valves.

As we look to 2023 and beyond, the underlying trends will continue to generate new opportunities that will contribute to our growth. We would like to especially highlight intelligent lighting, DC fast charging, EV heat pump and expanding x-by-wire applications, all supported by our latest-generation sensors and drivers.

Our accelerated investment in R&D aiming to address new applications and, as announced on January 16th, the expansion of our Malaysian facility, doubling its probing capacity, will bolster up the solid long-term demand for Melexis semiconductors.”

The statutory auditor PwC Bedrijfsrevisoren BV has confirmed that the audit, which is substantially complete, has not to date revealed any material misstatement in the draft consolidated accounts, and that the accounting data reported in the press release is consistent, in all material respects, with the draft consolidated accounts from which it has been derived.

Financial Calendar

- Publication Q1 Results 2023: April 26, 2023 (at 7 hrs CET)
- Annual Shareholders Meeting: May 9, 2023
- Dividend pay date: May 12, 2023 (ex coupon on May 10, 2023)
- Publication Q2 Results 2023: August 2, 2023 (at 7 hrs CET)
- Publication Q3 Results 2023: October 25, 2023 (at 7 hrs CET)
- Publication FY 2023 Results: February 7, 2024 (at 7 hrs CET)

The company’s results will be discussed in a conference call and an audiocast on **Wednesday, February 1, 2023 at 10:30 hrs CET**.

To register for the conference call (possibility to ask questions)

The conference call will be in English. You have to register for this conference call in advance. You can register by clicking [here](#) and filling out the requested information. After registration, you will receive the conference call number, a participant user pin, conference pin and instructions on how to join the conference call. For security purposes, all participants must register individually if they wish to join the call.

To register for the audiocast (no possibility to ask questions)

To register for the audiocast, click [here](#).

For more information:

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About Melexis

Combining a passion for technology with truly inspired engineering, Melexis designs, develops and delivers innovative micro-electronic solutions that enable designers to turn ideas into applications that support the best imaginable future. The company's advanced mixed-signal semiconductor sensor and actuator components address the challenges of integrating sensing, driving and communication into next-generation products and systems that improve safety, raise efficiency, support sustainability and enhance comfort. Melexis is headquartered in Belgium and employs approximately 1,800 people in 12 countries. The company is publicly traded on Euronext Brussels (MELE). For more information, visit www.melexis.com.

Disclaimer

Except for those statements that report the Company's historical results, the statements being made are forward looking statements. Actual results could differ materially from those projected in the forward-looking statements. Factors which could cause actual results to differ from expectations include the following: volatility in supply and demand affecting revenues and market prices, price and availability of silicon foundry, assembly and test prices, assembly and test subcontract capacity required to meet financial targets and/or meet backlog requirements, risks and delays associated with bringing up new production capabilities or with deliveries from subcontractors, timing and market acceptance of new products, increased expenses associated with new product acceptance of new products, increased expenses associated with new product introductions of process changes, delays in developing or achieving volume production of new products, which can result in delays or failure to contribute to revenues and profits, ability of the Company to maintain its customer and vendor base and delays in and/or inability in raising additional capital.

Consolidated Income Statement

CONFORM IFRS in k EUR	Quarter ended 31/12/2022	Quarter ended 31/12/2021	Year ended 31/12/2022 audited	Year ended 31/12/2021 audited
Sales	223,874	166,229	836,157	643,786
Cost of sales	-124,331	-95,591	-461,479	-370,185
Gross result	99,542	70,639	374,679	273,601
R&D	-25,545	-20,023	-90,211	-78,388
G&A	-10,932	-8,796	-40,887	-32,053
Selling	-5,203	-3,993	-17,052	-14,711
Other operating result				
Operating result (EBIT)	57,862	37,827	226,528	148,448
Financial result	5,129	1,930	11,851	5,852
Result before taxes	62,991	39,757	238,379	154,300
Income taxes	-10,818	-6,462	-41,226	-23,192
Net result	52,173	33,296	197,153	131,108
Net result per share in EUR	1.29	0.82	4.88	3.25

Consolidated Statement of Financial Position

CONFORM IFRS in k EUR	Year ended 31/12/2022 audited	Year ended 31/12/2021 audited
Current Assets :		
Cash and cash equivalents	85,080	34,950
Current investments	12,501	10,356
A/R Trade	107,547	80,229
A/R from related parties	1,286	5,180
Assets for current tax	1,594	5,976
Other current assets	20,079	10,680
Inventories	179,649	144,490
Total current assets	407,735	291,862
Non-current assets :		
Property, plant and equipment	135,079	132,020
Leased assets	4,168	4,592
Intangible fixed assets	3,049	4,335
Other non-current assets	2,369	3,141
Deferred tax assets	27,832	25,231
Total non current assets	172,498	169,319
Total assets	580,233	461,180

CONFORM IFRS	Year ended 31/12/2022 audited	Year ended 31/12/2021 audited
in k EUR		
Liabilities and shareholders Equity		
Current liabilities :		
Lease liabilities	1,710	1,718
A/P trade	28,728	22,668
Affiliated companies	26,195	19,786
Accrued taxes	1,284	790
Short-term employee benefits accruals	21,104	17,811
Other current liabilities	5,106	4,002
Deferred income	3,953	2,437
Total current liabilities	88,079	69,212
Non current liabilities :		
Lease liabilities	2,539	2,909
Deferred tax liabilities	3,260	4
Other non-current liabilities	4,272	
Total non current liabilities	10,071	2,912
Shareholders' equity :		
Shareholders' capital	565	565
Legal reserve	57	57
Retained earnings	288,089	262,021
Current period's profit	197,153	131,108
Cumulative translation adjustment	-3,780	-4,694
Equity attributable to company owners	482,083	389,056
Total shareholders equity	482,083	389,056
Total liabilities, shareholders' equity and minority interests	580,233	461,180

Consolidated Statements of Cash Flow

CONFORM IFRS (in k EUR)	Quarter ended 31/12/2022	Quarter ended 31/12/2021	Year ended 31/12/2022 audited	Year ended 31/12/2021 audited
Cash flow from operating activities				
Net income	52,173	33,296	197,153	131,108
Adjustments for :				
Operating activities	2,166	8,504	72,080	61,178
Deferred taxes	-3,692	1,018	-2,602	3,260
Capital grants	680	200	2,486	844
Depreciation and amortisation	10,223	10,624	43,324	42,997
Depreciation leased assets	457	490	1,843	1,795
Accrued income tax	2,868	-2,568	36,983	16,817
Unrealized financial result	-5,679	-1,952	1,320	-6,490
Financial result	-2,692	692	-11,273	1,954
Operating profit before working capital changes	54,338	41,800	269,233	192,286
A/R, Trade	-8,596	5,586	-27,324	-15,099
A/R, affiliates	-220	3,775	3,894	-4,807
Other current assets	3,812	7,291	-7,491	-2,099
Other non current assets	329	513	771	1,062
Inventories	-5,302	-14,071	-40,380	-26,700
A/P	1,176	498	6,057	4,285
A/P affiliates	-3,912	4,722	6,410	4,027
Employee benefit liabilities	2,202	1,036	3,293	5,929
Other current liabilities	-782	-575	932	526
Other non current liabilities	4,604	-874	9,043	-565
Interest paid	-25	-22	-112	-112
Income tax paid	-5,733	-1,493	-36,489	-16,501
Cash flow from operating activities	41,891	48,186	187,837	142,232
Cash flow from investing activities				
Purchase of PPE and intangible assets (netted)	-13,600	-10,086	-39,884	-39,088
Interest received	47	1	50	5
Investments/proceeds/ from current investments	316		12,543	245
Cash provided from investing activities	-13,237	-10,085	-27,290	-38,838
Cash flows from financing activities				
Proceeds/Repayment of long-and short-term debt		29		-62,008
Repayment leasings	-445	-1,039	-1,841	-2,784
Impact of exchange results on financing items	4,961	-1,427	-3,519	-4,316
Dividend payment	-52,520	-52,520	-105,040	-88,880
Sale own shares				30,634
Non controlling interests				
Cash provided from financing activities	-48,004	-54,957	-110,401	-127,355
CTA	-30	9	-16	28
Increase/decrease in cash and cash equivalents	-19,380	-16,848	50,130	-23,933
Cash at beginning of the period	104,460	51,799	34,950	58,883
Cash at the end of the period	85,080	34,950	85,080	34,950

Sales per Geography

	Q4 2022	Q4 2021	FY 2022	FY 2021
APAC Asia Pacific	60%	58%	59%	55%
EMEA Europe - Middle-East - Africa	29%	32%	30%	34%
NALA North America - Latin America	11%	10%	11%	11%
TOTAL	100%	100%	100%	100%