

Press release - Regulated Information

Melexis Q3 2022 results – Third quarter sales of 219.8 million EUR

Intermediate declaration by the Board of Directors

Ieper, Belgium – October 26th, 2022, 07.00 hrs CET

CONFORM IFRS <i>in k EUR</i>	Q3 2022	Q3 2021	YOY growth (%)	Q2 2022	SEQ growth (%)
Sales	219,811	162,822	35%	208,408	5%
Gross result	98,343	70,601	39%	93,647	5%
<i>Gross Margin</i>	44.7%	43.4%		44.9%	
EBIT	61,548	39,710	55%	57,258	7%
<i>EBIT in %</i>	28.0%	24.4%		27.5%	
EBITDA	72,342	50,332	44%	69,499	4%
<i>EBITDA in %</i>	32.9%	30.9%		33.3%	
Net result	48,775	36,548	33%	47,585	3%
Net result per share (EPS)	1.21	0.90		1.18	
CAPEX	10,663	10,590		9,436	

Sales for the third quarter of 2022 were 219.8 million EUR, an increase of 35% compared to the same quarter of the previous year and an increase of 5% compared to the previous quarter.

The EUR/USD exchange rate evolution had a positive impact of 7% on sales compared to the same quarter of last year and a positive impact of 2% compared to the previous quarter.

The gross result was 98.3 million EUR or 44.7% of sales, an increase of 39% compared to the same quarter of last year and an increase of 5% compared to the previous quarter.

R&D expenses were 10.1% of sales, G&A was at 4.8% of sales and Selling was at 1.9% of sales. The operating result was 61.5 million EUR or 28.0% of sales, an increase of 55% compared to the same quarter of last year and an increase of 7% compared to the previous quarter.

The net result was 48.8 million EUR or 1.21 EUR per share, an increase of 33% compared to 36.5 million EUR or 0.90 EUR per share in the third quarter of 2021 and an increase of 3% compared to the previous quarter.

CONFORM IFRS	9M 2022	9M 2021	YOY growth (%)
<i>in k EUR</i>			
Sales	612,284	477,557	28%
Gross result	275,136	202,962	36%
<i>Gross Margin</i>	44.9%	42.5%	
EBIT	168,666	110,621	52%
<i>EBIT in %</i>	27.5%	23.2%	
EBITDA	203,152	144,299	41%
<i>EBITDA in %</i>	33.2%	30.2%	
Net result	144,980	97,813	48%
Net result per share (EPS)	3.59	2.42	
CAPEX	26,284	29,002	

Sales for the first nine months of 2022 were 612.3 million EUR, an increase of 28% compared to the first nine months of 2021.

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

The gross result was 275.1 million EUR or 44.9% of sales, an increase of 36% compared to the same period last year. R&D expenses were 10.6% of sales, G&A was at 4.9% of sales and Selling was at 1.9% of sales.

The operating result was 168.7 million EUR or 27.5% of sales, an increase of 52% compared to 110.6 million EUR in the same nine months of 2021.

The net result was 145.0 million EUR or 3.59 EUR per share, an increase of 48% compared to 97.8 million EUR or 2.42 EUR per share in the first nine months of 2021.

Outlook

Melexis expects sales in the fourth quarter of 2022 in the range of 220 to 225 million EUR, resulting in a full year sales growth of around 29% to 30%, a gross profit margin of around 45% and an operating margin of around 27%, all taking into account a EUR/USD exchange rate of 1.00 for the remainder of the year.

Business comment – Marc Biron, CEO:

“Sales in the third quarter of 2022 came out at the high end of the guidance, triggering another full-year guidance increase. For an important part of our products, particularly future-oriented and innovative products addressing new car platforms, we are observing a continuous and strong growth, and demand still exceeds supply. For other products, increased capacity and an easing demand for some applications moved us towards a more balanced supply and demand over the last couple of months.

In the third quarter, the outperforming product lines were current sensors and drivers, steadily boosted by the high demand for applications used in electric vehicles. In addition, our ambient lighting products continue to thrive in automotive comfort applications. The adjacent share increased thanks to a temperature sensor integrated in wearables.

Sales to automotive customers represented 89% of total sales in the third quarter of 2022. The portion of standard product (ASSPs) sales represented 74% of total sales in the third quarter of 2022.”

Financial Calendar

- Publication FY 2022 Results: February 1, 2023 (at 7 hrs CET)
- Publication Q1 Results 2023: April 26, 2023 (at 7 hrs CET)
- 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, October 26th, 2022 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 1,700 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		Quarter ended 30/09/2022	Quarter ended 30/09/2021	Nine months ended 30/09/2022	Nine months ended 30/09/2021	Year ended 31/12/2021 audited
in k EUR						
Sales		219,811	162,822	612,284	477,557	643,786
	Cost of sales	-121,468	-92,221	-337,148	-274,595	-370,185
Gross result		98,343	70,601	275,136	202,962	273,601
	R&D	-22,121	-19,550	-64,666	-58,365	-78,388
	G&A	-10,462	-7,752	-29,956	-23,257	-32,053
	Selling	-4,213	-3,590	-11,848	-10,718	-14,711
	Other operating result					
Operating result (EBIT)		61,548	39,710	168,666	110,621	148,448
	Financial result	-3,487	3,013	6,722	3,922	5,852
Result before taxes		58,061	42,723	175,388	114,543	154,300
	Income taxes	-9,286	-6,175	-30,408	-16,731	-23,192
Net result		48,775	36,548	144,980	97,813	131,108
Net result per share in EUR		1.21	0.90	3.59	2.42	3.25

Consolidated Statement of Financial Position

CONFORM IFRS		Nine months ended 30/09/2022	Nine months ended 30/09/2021	Year ended 31/12/2021 audited
in k EUR				
Current Assets :				
	Cash and cash equivalents	104,460	51,799	34,950
	Current investments	12,096	7,273	10,356
	A/R Trade	98,927	85,801	80,229
	A/R from related parties	1,066	8,954	5,180
	Assets for current tax	12,220	12,349	5,976
	Other current assets	13,950	11,745	10,680
	Inventories	175,184	131,319	144,490
Total current assets		417,904	309,241	291,862
Non-current assets :				
	Property, plant and equipment	130,704	131,417	132,020
	Leased assets	4,238	3,746	4,592
	Intangible fixed assets	3,217	4,582	4,335
	Other non-current assets	2,699	3,654	3,141
	Deferred tax assets	24,141	26,249	25,231
Total non current assets		164,999	169,648	169,319
Total assets		582,903	478,888	461,180

CONFORM IFRS in k EUR	Nine months ended 30/09/2022	Nine months ended 30/09/2021	Year ended 31/12/2021 audited
Liabilities and shareholders Equity			
Current liabilities :			
Derivative financial instruments		390	
Lease liabilities	486	412	1,718
A/P trade	27,609	22,147	22,668
Affiliated companies	30,107	15,063	19,786
Accrued taxes	4,149	4,851	790
Short-term employee benefits accruals	18,902	16,774	17,811
Other current liabilities	6,118	4,570	4,002
Deferred income	2,732	2,672	2,437
Total current liabilities	90,103	66,881	69,212
Non current liabilities :			
Lease liabilities	3,827	3,918	2,909
Deferred tax liabilities		253	4
Other non-current liabilities	4,148		
Total non current liabilities	7,975	4,171	2,912
Shareholders' equity :			
Shareholders' capital	565	565	565
Legal reserve	57	57	57
Retained earnings	340,609	314,541	262,021
Current period's profit	144,980	97,813	131,108
Cumulative translation adjustment	-1,386	-5,138	-4,694
Equity attributable to company owners	484,824	407,836	389,056
Total shareholders equity	484,824	407,837	389,056
Total liabilities, shareholders' equity and minority interests	582,903	478,888	461,180

Consolidated Statements of Cash Flow

CONFORM IFRS (in k EUR)	Quarter ended 30/09/2022	Quarter ended 30/09/2021	Nine months ended 30/09/2022	Nine months ended 30/09/2021	Year ended 31/12/2021 audited
Cash flow from operating activities					
Net income	48,775	36,548	144,980	97,813	131,108
Adjustments for :					
Operating activities	26,971	13,769	69,915	52,674	61,178
Deferred taxes	-2,681	1,131	1,090	2,242	3,260
Capital grants	632	293	1,806	644	844
Depreciation and amortisation	10,318	10,180	33,100	32,373	42,997
Depreciation leased assets	475	442	1,386	1,305	1,795
Accrued income tax	12,548	4,116	34,114	19,385	16,817
Unrealized financial result	4,060	-3,200	-5,228	-4,538	-6,490
Financial result	1,619	807	3,645	1,263	1,954
Operating profit before working capital changes	75,747	50,317	214,895	150,486	192,286
A/R, Trade	1,750	-5,115	-18,728	-20,684	-15,099
A/R, affiliates	-7	-8,068	4,114	-8,582	-4,807
Other current assets	2,816	-880	-11,303	-9,389	-2,099
Other non current assets	229	-5	442	549	1,062
Inventories	-8,667	-3,966	-35,078	-12,629	-26,700
A/P	4,144	-940	4,881	3,787	4,285
A/P affiliates	1,787	-279	10,321	-696	4,027
Employee benefit liabilities	4,118	3,446	1,091	4,893	5,929
Other current liabilities	-809	440	1,714	1,101	526
Other non current liabilities	-948	323	4,439	309	-565
Interest paid	-28	-13	-87	-91	-112
Income tax paid	-11,597	-94	-30,756	-15,008	-16,501
Cash flow from operating activities	68,533	35,167	145,946	94,047	142,232
Cash flow from investing activities					
Purchase of PPE and intangible assets (netted)	-10,663	-10,590	-26,284	-29,002	-39,088
Interest received	1	1	3	5	5
Investments/proceeds from current investments	12,227		12,227	245	245
Cash provided from investing activities	1,565	-10,589	-14,053	-28,753	-38,838
Cash flows from financing activities					
Proceeds/Repayment of long-and short-term debt		-30,024		-62,037	-62,008
Repayment leasings	-512	-458	-1,396	-1,745	-2,784
Impact of exchange results on financing items	-4,393	-1,277	-8,480	-2,889	-4,316
Dividend payment			-52,520	-36,360	-88,880
Sale own shares				30,634	30,634
Cash provided from financing activities	-4,905	-31,759	-62,397	-72,398	-127,355
CTA	-3	14	14	19	28
Increase/decrease in cash and cash equivalents	65,191	-7,168	69,510	-7,084	-23,933
Cash at beginning of the period	39,270	58,967	34,950	58,883	58,883
Cash at the end of the period	104,460	51,799	104,460	51,799	34,950

Sales per Geography

	Q3 2022	Q3 2021	9M 2022	9M 2021	FY 2021
APAC Asia Pacific	60%	56%	59%	55%	55%
EMEA Europe - Middle-East - Africa	30%	33%	31%	34%	34%
NALA North America - Latin America	10%	11%	10%	11%	11%
TOTAL	100%	100%	100%	100%	100%