

Press release - Regulated Information

Melexis Q1 2023 results – First quarter sales of 228.6 million EUR

Intermediate declaration by the Board of Directors

leper, Belgium – April 26th, 2023, 07.00 hrs CET

CONFORM IFRS <i>in k EUR</i>	Q1 2023	Q1 2022	YOY change (%)	Q4 2022	SEQ change (%)
Sales	228,602	184,064	+24%	223,874	+2%
Gross result	102,791	83,145	+24%	99,542	+3%
<i>Gross Margin</i>	45.0%	45.2%		44.5%	
EBIT	61,071	49,859	+22%	57,862	+6%
<i>EBIT in %</i>	26.7%	27.1%		25.8%	
EBITDA	72,322	61,312	+18%	68,543	+6%
<i>EBITDA in %</i>	31.6%	33.3%		30.6%	
Net result	50,917	48,620	+5%	52,173	-2%
Net result per share (EPS)	1.26	1.20		1.29	
CAPEX	18,175	6,185		13,600	

Sales for the first quarter of 2023 were 228.6 million EUR, an increase of 24% 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 on sales of 2% compared to the same quarter of last year and a negative impact on sales of 2% compared to the previous quarter.

The gross result was 102.8 million EUR or 45.0% of sales, an increase of 24% compared to the same quarter of last year and an increase of 3% compared to the previous quarter.

R&D expenses were 10.8% of sales, G&A was at 5.3% of sales and Selling was at 2.2% of sales. The operating result was 61.1 million EUR or 26.7% of sales, an increase of 22% compared to the same quarter of last year and an increase of 6% compared to the previous quarter.

The net result was 50.9 million EUR or 1.26 EUR per share, an increase of 5% compared to 48.6 million EUR or 1.20 EUR per share in the first quarter of 2022 and a decrease of 2% compared to the previous quarter.

Outlook

Melexis expects sales in the second quarter of 2023 to be in the range of 233 to 238 million EUR.

For the full year 2023, Melexis expects a sales growth between 11% and 16%, with a gross profit margin of around 45% and an operating margin of around 26% at the midpoint of the sales guidance, all taking into account a EUR/USD exchange rate of 1.09.

Business comment – Marc Biron, CEO:

“In the first quarter of 2023, sales came out at 228.6 million euro, slightly above the mid end of the guidance. During the quarter, supply bottlenecks continued to exist for our portfolio addressing innovative applications linked to electrification, whereas in other areas we experience a healthier supply-demand balance.

As announced in our concurrent press release on April 26th at 7:00 CET, in order to secure increased wafer capacity required to respond to the sustained demand for Melexis semiconductors, a trend that is set to continue, as from the second quarter we are carrying out advance payments for capacity reservation to our main wafer supplier.

In the first quarter of 2023, the outperforming product lines were current sensors, embedded motor drivers and embedded lighting. Electrification and the increased number of body, chassis and safety applications that come with it have been our main growth drivers for a while now and will continue to bring long-term success. For example, sensors and drivers used in thermal management applications to optimize the operational range of the battery are in high demand. Our embedded lighting products also continue to ramp up in new car platforms.

Sales to automotive customers represented 91% of total sales. The portion of standard product (ASSPs) sales represented 77% of total sales in the first quarter of 2023.”

Financial Calendar

- 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, April 26th, 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 1900 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 31/03/2023	Quarter ended 31/03/2022	Year ended 31/12/2022 audited
Sales	228,602	184,064	836,157
Cost of sales	-125,810	-100,919	-461,479
Gross result	102,791	83,145	374,679
R&D	-24,621	-20,407	-90,211
G&A	-12,152	-9,216	-40,887
Selling	-4,947	-3,663	-17,052
Other operating result			
Operating result (EBIT)	61,071	49,859	226,528
Financial result	979	9,708	11,851
Result before taxes	62,049	59,567	238,379
Income taxes	-11,132	-10,947	-41,226
Net result	50,917	48,620	197,153
Net result per share in EUR	1.26	1.20	4.88

Consolidated Statement of Financial Position

CONFORM IFRS in k EUR	Quarter ended 31/03/2023	Quarter ended 31/03/2022	Year ended 31/12/2022 audited
Current Assets :			
Cash and cash equivalents	93,259	57,799	85,080
Current investments	12,271	20,555	12,501
A/R Trade	129,842	94,195	107,547
A/R from related parties	1,252	1,160	1,286
Assets for current tax	12,369	17,115	1,594
Other current assets	19,294	15,709	20,079
Inventories	191,649	158,270	179,649
Total current assets	459,936	364,804	407,735
Non-current assets :			
Property, plant and equipment	144,138	129,114	135,079
Leased assets	3,730	4,492	4,168
Intangible fixed assets	2,847	3,854	3,049
Other non-current assets	2,124	3,085	2,369
Deferred tax assets	28,014	21,965	27,832
Total non current assets	180,852	162,510	172,498
Total assets	640,788	527,314	580,233

CONFORM IFRS in k EUR	Quarter ended 31/03/2023	Quarter ended 31/03/2022	Year ended 31/12/2022 audited
Liabilities and shareholders Equity			
Current liabilities :			
Derivative financial instruments		18	
Lease liabilities	1,253	1,354	1,710
A/P trade	34,483	26,779	28,728
Affiliated companies	26,065	22,851	26,195
Accrued taxes	1,344	1,821	1,284
Short-term employee benefits accruals	26,015	21,550	21,104
Other current liabilities	5,141	5,435	5,106
Deferred income	3,947	2,422	3,953
Total current liabilities	98,249	82,230	88,079
Non current liabilities :			
Lease liabilities	2,577	3,200	2,539
Deferred tax liabilities	3,200		3,260
Other non-current liabilities	4,742	4,000	4,272
Total non current liabilities	10,519	7,200	10,071
Shareholders' equity :			
Shareholders' capital	565	565	565
Legal reserve	57	57	57
Retained earnings	485,242	393,129	288,089
Current period's profit	50,917	48,620	197,153
Cumulative translation adjustment	-4,760	-4,487	-3,780
Equity attributable to company owners	532,020	437,883	482,083
Non controlling interests	0	0	0
Total shareholders equity	532,021	437,883	482,083
Total liabilities, shareholders' equity and minority interests	640,788	527,314	580,233

Consolidated Statements of Cash Flow

In order to enhance the presentation of our cash flow transactions, the following changes have been made as of Q1 2023 (and, accordingly, changes to Q1 2022 and Q4 2022 for comparable data analysis):

- *Income tax expense* was presented as a separate line in cash flow from operating activities;
- *Deferred income* and *other non-current liabilities* were split up and moved to operating profit before working capital changes;
- *Other non-current liabilities* was renamed to *other provisions*;
- *Capital grants* were removed from *other current assets*.

CONFORM IFRS (in k EUR)	Quarter ended 31/03/2023	Quarter ended 31/03/2022	Year ended 31/12/2022 audited
Cash flow from operating activities			
Net income	50,917	48,620	197,153
Adjustments for :			
Operating activities	21,860	17,266	82,227
Depreciation and amortisation	10,770	10,996	43,324
Depreciation leased assets	481	456	1,843
Other provisions	469	4,000	4,272
Deferred income	-6	2	1,515
Unrealized financial result	1,074	-9,601	1,320
Financial result	-2,061	465	-11,273
Income tax expense/income	11,132	10,947	41,226
Operating profit before working capital changes	72,777	65,886	279,380
A/R, Trade	-22,340	-13,968	-27,324
A/R, affiliates	34	4,019	3,894
Other current assets	770	-4,672	-8,613
Other non current assets	245	56	771
Inventories	-13,632	-15,204	-40,380
A/P	5,779	4,113	6,057
A/P affiliates	-130	3,065	6,410
Employee benefit liabilities	4,921	3,739	3,311
Other current liabilities	86	1,436	932
Interest paid	-30	-27	-112
Income tax paid	-22,104	-18,146	-36,489
Cash flow from operating activities	26,377	30,298	187,837
Cash flow from investing activities			
Purchase of PPE and intangible assets (netted)	-18,175	-6,185	-39,884
Interest received	162	1	50
Investments/proceeds/ from current investments	-316		12,543
Cash provided from investing activities	-18,329	-6,184	-27,290
Cash flows from financing activities			
Repayment leasings	-430	-430	-1,841
Impact of exchange results on financing items	697	-822	-3,519
Dividend payment			-105,040
Cash provided from financing activities	268	-1,252	-110,401
CTA	-136	-13	-16
Increase/decrease in cash and cash equivalents	8,179	22,849	50,130
Cash at beginning of the period	85,080	34,950	34,950
Cash at the end of the period	93,259	57,799	85,080

Sales per Geography

	Q1 2023	Q1 2022	FY 2022
APAC Asia Pacific	56%	59%	59%
EMEA Europe - Middle-East - Africa	33%	31%	30%
NALA North America - Latin America	11%	10%	11%
TOTAL	100%	100%	100%