

Press release - Regulated Information

Melexis Q4 and FY 2023 results – Full year sales of 964.3 million EUR

Intermediate declaration by the Board of Directors

leper, Belgium – February 7th, 2024, 07.00 hrs CET

CONFORM IFRS <i>in k EUR</i>	FY 2023	FY 2022	YOY growth (%)
Sales	964,298	836,157	+15%
Gross result	440,220	374,679	+17%
<i>Gross Margin</i>	45.7%	44.8%	
EBIT	261,250	226,528	+15%
<i>EBIT in %</i>	27.1%	27.1%	
EBITDA	306,420	271,695	+13%
<i>EBITDA in %</i>	31.8%	32.5%	
Net result	209,463	197,153	+6%
Net result per share (EPS)	5.18	4.88	
CAPEX	94,790	39,884	

Sales for the full year 2023 were 964.3 million EUR, an increase of 15% compared to the previous year.

The EUR/USD exchange rate evolution had a negative impact of 1% on sales compared to 2022.

The gross result was 440.2 million EUR or 45.7 % of sales, an increase of 17% compared to 2022. R&D expenses were 11.1% of sales, G&A was at 5.2% of sales and Selling was at 2.2% of sales.

The operating result was 261.3 million EUR or 27.1% of sales, an increase of 15% compared to 226.5 million EUR in 2022.

The net result was 209.5 million EUR or 5.18 EUR per share, an increase of 6% compared to 197.2 million EUR or 4.88 EUR per share in 2022.

CONFORM IFRS <i>in k EUR</i>	Q4 2023	Q4 2022	YOY growth (%)	Q3 2023	SEQ growth (%)
Sales	250,495	223,874	+12%	248,551	+1%
Gross result	111,669	99,542	+12%	114,492	-2%
<i>Gross Margin</i>	<i>44.6%</i>	<i>44.5%</i>		<i>46.1%</i>	
EBIT	61,540	57,862	+6%	71,136	-13%
<i>EBIT in %</i>	<i>24.6%</i>	<i>25.8%</i>		<i>28.6%</i>	
EBITDA	72,914	68,543	+6%	82,161	-11%
<i>EBITDA in %</i>	<i>29.1%</i>	<i>30.6%</i>		<i>33.1%</i>	
Net result	49,834	52,173	-4%	56,814	-12%
Net result per share (EPS)	1.23	1.29		1.41	
CAPEX	27,668	13,600		28,030	

Sales for the fourth quarter of 2023 were 250.5 million EUR, an increase of 12% compared to the same quarter of the previous year and an increase of 1% compared to the previous quarter.

The EUR/USD exchange rate evolution had a negative impact of 2% on sales compared to the same quarter of last year and a negative impact of 1% on sales compared to the previous quarter.

The gross result was 111.7 million EUR or 44.6% of sales, an increase of 12% compared to the same quarter of last year and a decrease of 2% compared to the previous quarter.

R&D expenses were 11.9% of sales, G&A was at 5.7% of sales and Selling was at 2.4% of sales. The operating result was 61.5 million EUR or 24.6% of sales, an increase of 6% compared to the same quarter of last year and a decrease of 13% compared to the previous quarter.

The net result was 49.8 million EUR or 1.23 EUR per share, a decrease of 4% compared to 52.2 million EUR or 1.29 EUR per share in the fourth quarter of 2022 and a decrease of 12% compared to the previous quarter.

Dividend

The Board of Directors approved on February 5th, 2024 to propose to the Annual Shareholders meeting to pay out over the result of 2023 a total dividend of 3.70 EUR gross per share. This amount contains an interim dividend of 1.30 EUR per share which was paid in October 2023 and a final dividend of 2.40 EUR per share which will be payable after approval of the Annual Shareholders meeting. The Melexis shares will start trading ex coupon on May 15, 2024 (opening of the market). The record date is May 16, 2024 (closing of the market) and the dividend will be payable as from May 17, 2024.

Outlook

Melexis expects sales in the first quarter of 2024 to be in the range of 240 to 245 million euro. For the full year 2024, we expect sales to be around 1 billion euro, with a gross profit margin above 44% and an operating margin above 25%, all taking into account a EUR/USD exchange rate of 1.08.

For the full year 2024, Melexis expects CAPEX to be around 70 million EUR.

Business update

In the fourth quarter of 2023, sales came out at the high end of the guidance at 250.5 million euro. Sales for the full year increased by 15% compared with 2022. Electrification and the growing need for comfort and safety applications are the driving forces behind these results.

The outperforming product lines of 2023 were current sensors, embedded motor drivers and pressure sensors. The magnetic position sensors product line continued to thrive in absolute numbers as well.

Sales to automotive customers represented 91% of total sales in the fourth quarter of 2023 and 90% of total sales in the full year 2023.

Quote from CEO Marc Biron

“We unveiled our strategy for the coming years at our Capital Markets Day in November 2023. In the automotive business, we aim to grow at a 10% CAGR by 2030 with innovative solutions for powertrain, thermal management, battery, e-braking, e-steering, and lighting applications. Beyond automotive, we will expand our presence with four emerging product lines: sustainable world, alternative mobility, robotics, and digital health. We aim for 15% or higher annual sales growth in these areas by 2030.

We believe that our updated strategy will provide us with a competitive advantage in the market. Our people have the talent, the technology, and the creativity to deliver the best products that align with the long-term societal trends and create new business opportunities.

Even if our short-term results are impacted by uncertainties in the market and some inventory corrections, we are confident about our long-term growth objectives. Backed by another solid design win performance in 2023 and our innovation engine delivering impressive and unique products, we look forward to a promising future.”

Quote from CFO Karen van Griensven

“As part of our strategy, we have initiated an organizational update to foster innovation, optimization, and growth in this new era. The operational expenses linked to this strategic project were included in Q4 2023.”

The statutory auditor, PwC Bedrijfsrevisoren BV / Reviseurs d’Entreprises SRL, represented by Griet Helsen, has confirmed that the audit, which is substantially complete, has not to date revealed any material misstatement in the consolidated income statement, the consolidated statement of financial position and the consolidated statements of cash flow, and that the accounting data reported in the press release is consistent, in all material respects, with the consolidated income statement, the consolidated statement of financial position and the consolidated statements of cash flow, from which it has been derived.

Financial Calendar

- Publication Q1 Results 2024: April 24, 2024 (at 7 hrs CET)
- Annual Shareholders Meeting: May 14, 2024
- Dividend pay date: May 17, 2024 (ex coupon on May 15, 2024)
- Publication Q2 Results 2024: July 31, 2024 (at 7 hrs CET)
- Publication Q3 Results 2024: October 30, 2024 (at 7 hrs CET)
- Publication FY 2024 Results: February 5, 2025 (at 7 hrs CET)

The company’s results will be discussed in a conference call and an audiocast on **Wednesday, February 7th, 2024 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:

Investor Relations

Email: investor@melexis.com

About Melexis

Melexis designs, develops, and delivers edge sensor and driver solutions with a heart for people and planet. Its mission is to empower engineers to turn their ideas into applications that support the best imaginable future, one that is safe, comfortable and sustainable.

Melexis specializes in powertrain, thermal management, lighting, e-brake, e-steering and battery solutions for the automotive sector. It also expands its presence in the emerging markets of sustainable world, alternative mobility, robotics, and digital health.

Founded in 1989 in Belgium, Melexis has grown to employ over 2,000 people in 12 countries, delivering cutting-edge technology to customers worldwide.

For more information, visit www.melexis.com or follow Melexis on [LinkedIn](#), and [YouTube](#).

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 31/12/2023	Quarter ended 31/12/2022	Year ended 31/12/2023 audited	Year ended 31/12/2022 audited
Sales	250,495	223,874	964,298	836,157
Cost of sales	-138,827	-124,331	-524,077	-461,479
Gross result	111,669	99,542	440,220	374,679
R&D	-29,767	-25,545	-106,732	-90,211
G&A	-14,307	-10,932	-50,602	-40,887
Selling	-6,054	-5,203	-21,636	-17,052
Other operating result				
Operating result (EBIT)	61,540	57,862	261,250	226,528
Financial result	-2,599	5,129	-8,087	11,851
Result before taxes	58,941	62,991	253,163	238,379
Income taxes	-9,107	-10,818	-43,699	-41,226
Net result	49,834	52,173	209,463	197,153
Net result per share in EUR	1.23	1.29	5.18	4.88

Consolidated Statement of Financial Position

CONFORM IFRS in k EUR	Year ended 31/12/2023 audited	Year ended 31/12/2022 audited
Current Assets :		
Cash and cash equivalents	39,349	85,080
Current investments		12,501
A/R Trade	120,203	107,547
A/R from related parties	3	1,286
Assets for current tax	3,727	1,594
Other current assets	32,429	20,079
Inventories	254,348	179,649
Total current assets	450,060	407,735
Non-current assets :		
Property, plant and equipment	195,884	135,079
Leased assets	3,497	4,168
Intangible fixed assets	2,075	3,049
Other non-current assets	181,233	2,369
Deferred tax assets	33,332	27,832
Total non current assets	416,021	172,498
Total assets	866,081	580,233

CONFORM IFRS in k EUR	Year ended 31/12/2023 audited	Year ended 31/12/2022 audited
Liabilities and shareholders Equity		
Current liabilities :		
Derivative financial instruments	259	
Lease liabilities	1,527	1,710
A/P trade	79,689	28,728
Affiliated companies	342	26,195
Accrued taxes	2,642	1,284
Short-term employee benefits accruals	23,680	21,104
Other current liabilities	12,964	5,106
Deferred income	2,926	3,953
Total current liabilities	124,029	88,079
Non current liabilities :		
LT debt less current portion	184,659	
Lease liabilities	1,990	2,539
Deferred tax liabilities	710	3,260
Other non-current liabilities	3,626	4,272
Total non current liabilities	190,985	10,071
Shareholders' equity :		
Shareholders' capital	565	565
Legal reserve	57	57
Retained earnings	343,842	288,089
Current period's profit	209,463	197,153
Cumulative translation adjustment	-2,860	-3,780
Equity attributable to company owners	551,067	482,083
Non controlling interests	0	0
Total shareholders equity	551,067	482,083
Total liabilities, shareholders' equity and minority interests	866,081	580,233

Consolidated Statements of Cash Flow

CONFORM IFRS (in k EUR)	Quarter ended 31/12/2023	Quarter ended 31/12/2022	Year ended 31/12/2023 audited	Year ended 31/12/2022 audited
Cash flow from operating activities				
Net income	49,834	52,173	209,463	197,153
Adjustments for :				
Operating activities	19,038	14,472	93,540	82,227
Depreciation and amortisation	10,912	10,223	43,332	43,324
Depreciation leased assets	462	457	1,837	1,843
Other provisions	-1,277	124	-646	4,272
Deferred income	-1,863	1,220	-1,027	1,515
Unrealized financial result	-433	-5,679	1,616	1,320
Financial result	2,129	-2,692	4,728	-11,273
Income tax expense/income	9,107	10,818	43,699	41,226
Operating profit before working capital changes	68,872	66,645	303,003	279,380
A/R, Trade	11,838	-8,596	-11,428	-27,324
A/R, affiliates	1,295	-220	1,283	3,894
Other current assets	-11,434	-3,899	-12,121	-8,613
Other non current assets	-5,109	329	-178,864	771
Inventories	-22,555	-5,302	-75,619	-40,380
A/P	47,493	1,176	50,534	6,057
A/P affiliates	-31,818	-3,912	-25,854	6,410
Employee benefit liabilities	1,023	2,210	2,339	3,311
Other current liabilities	-2,258	-782	7,834	932
Cash generated from operations	57,349	47,649	61,106	224,438
Interest paid	-2,422	-25	-5,336	-112
Income tax paid	-16,609	-5,733	-52,760	-36,489
Cash flow from operating activities	38,318	41,891	3,011	187,837
Cash flow from investing activities				
Acquisition of subsidiary, net of cash acquired	-9,409		-9,409	
Purchase of PPE and intangible assets (netted)	-27,668	-13,600	-94,790	-39,884
Interest received	163	47	892	50
Investments/proceeds/ from current investments		316	11,629	12,543
Cash provided from investing activities	-36,914	-13,237	-91,679	-27,290
Cash flows from financing activities				
Proceeds/Repayment of long-and short-term debt	58,108		184,659	
Repayment leasings	-86	-445	-737	-1,841
Impact of exchange results on financing items	2,019	4,961	833	-3,519
Dividend payment	-52,520	-52,520	-141,400	-105,040
Cash provided from financing activities	7,522	-48,004	43,355	-110,401
Effect of exchange rate changes on cash and cash equivalents	-99	-30	-418	-16
Increase/decrease in cash and cash equivalents	8,826	-19,380	-45,731	50,130
Cash at beginning of the period	30,523	104,460	85,080	34,950
Cash at the end of the period	39,349	85,080	39,349	85,080

Sales per Geography

	Q4 2023	Q4 2022	FY 2023	FY 2022
APAC Asia Pacific	60%	60%	58%	59%
EMEA Europe - Middle-East - Africa	31%	29%	31%	30%
NALA North America - Latin America	9%	11%	11%	11%
TOTAL	100%	100%	100%	100%