



MEMSCAP Q4 2022:

**QUARTERLY REVENUE GROWTH OF MORE THAN 19% REFLECTING THE DYNAMISM OF AVIONICS AND MEDICAL BUSINESSES**

*Quarterly operating profitability of continuing operations of 7%*

*Quarterly EBITDA from continuing operations of 0.4 million euros*

*Quarterly net profit of 1.7 million euros*

*Finalisation of the FABLITE program transforming the profitability profile of MEMSCAP*

*Expected intensification of the growth momentum*

**Grenoble (France) – January 25, 2023 – 07:30 AM.**

MEMSCAP (NYSE Euronext: MEMS), leading provider of high-accuracy, high-stability pressure sensor solutions for the avionics and medical markets using MEMS<sup>1</sup> technology, today announced its earnings for the fourth quarter ending December 31, 2022.

**Analysis of the consolidated income statement**

In accordance with IFRS 5 “Non-current assets held for sale and discontinued operations”, revenue from the US operations was excluded from revenue from continuing operations and included in the consolidated income statement via the loss after tax from discontinued operations. Consolidated revenue for the fourth quarter of 2022 excluding US operations amounted to 2.7 million euros (2.8 million US dollars) compared to 2.3 million euros (2.6 million US dollars) for the fourth quarter of 2021. Including sales from discontinued operations, consolidated revenue amounted to 3.0 million euros (3.1 million US dollars) over the fourth quarter of 2022.

Consolidated revenue distribution by market segment, over the fourth quarter of 2022 and presented in accordance with IFRS 5, is as follows:

Market segments / Revenue (In million euros) – Non-audited	Q1 21 (Restated)	Q2 21 (Restated)	Q3 21 (Restated)	Q4 21 (Restated)	Q4 21 %	Q1 22	Q2 22	Q3 22	Q4 22	Q4 22 %
Aerospace	0.9	1.4	1.4	1.6	71%	1.7	1.8	1.4	1.8	68%
Medical	1.2	0.6	0.6	0.6	27%	0.6	0.4	0.6	0.8	30%
Others	0.0	0.0	0.1	0.0	2%	0.0	0.0	0.1	0.0	1%
<b>Total revenue from continuing operations</b>	<b>2.2</b>	<b>2.0</b>	<b>2.1</b>	<b>2.3</b>	<b>100%</b>	<b>2.3</b>	<b>2.3</b>	<b>2.1</b>	<b>2.7</b>	<b>100%</b>
Revenue from discontinued operations – IFRS 5 (US operations)	0.6	0.6	0.8	0.8	--	0.4	0.7	0.4	0.3	--

(Any apparent discrepancies in totals are due to rounding. In accordance with IFRS 5, items related to the 2021 financial year were restated in order to present comparative information for discontinued operations.)

MEMSCAP’s consolidated earnings for the fourth quarter of 2022, and presented in accordance with IFRS 5, are given within the following table:

In million euros – Non-audited	Q1 21 (Restated)	Q2 21 (Restated)	Q3 21 (Restated)	Q4 21 (Restated)	Q1 22	Q2 22	Q3 22	Q4 22
<b>Revenue from continuing operations</b>	<b>2.2</b>	<b>2.0</b>	<b>2.1</b>	<b>2.3</b>	<b>2.3</b>	<b>2.3</b>	<b>2.1</b>	<b>2.7</b>
Cost of revenue	(1.1)	(1.2)	(1.2)	(1.4)	(1.4)	(1.4)	(1.2)	(1.6)
Gross margin	1.0	0.8	0.9	0.9	0.8	0.9	0.8	1.1
% of revenue	49%	39%	43%	39%	37%	38%	41%	41%
Operating expenses*	(0.8)	(0.7)	(0.8)	(0.8)	(0.8)	(0.9)	(0.8)	(0.9)
<b>Operating profit / (loss)</b>	<b>0.3</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.0</b>	<b>(0.0)</b>	<b>0.0</b>	<b>0.2</b>
Financial profit / (loss)	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	0.2	0.0	(0.1)
Income tax expense	(0.0)	(0.0)	(0.0)	0.0	0.0	(0.0)	(0.0)	(0.0)
<b>Net profit / (loss) from continuing operations</b>	<b>0.3</b>	<b>0.0</b>	<b>0.1</b>	<b>0.1</b>	<b>(0.0)</b>	<b>0.1</b>	<b>0.0</b>	<b>0.1</b>
Profit / (loss) after tax from discontinued operations	(0.4)	(0.1)	(0.2)	(0.2)	(0.4)	(0.3)	(0.1)	1.6
<b>Net profit / (loss)</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.0)</b>	<b>(0.4)</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>1.7</b>

(Any apparent discrepancies in totals are due to rounding. In accordance with IFRS 5, items related to the 2021 financial year were restated in order to present comparative information for discontinued operations.)

\* Net of research & development grants.

\* \* \*



**MEMSCAP**  
The Power of a Small World™



*(In accordance with IFRS 5, items related to the 2021 financial year were restated to present comparative information for discontinued operations related to the Group's US operations.)*

The avionics segment, the Group's largest business, represented 68% of the total revenue from continuing operations in the fourth quarter of 2022. Avionics and medical businesses showed respective growth of +14% and +34% compared to the fourth quarter of 2021.

The Group's gross margin rate stood at 41% of consolidated sales compared to 39% for the fourth quarter of 2021.

The amount of operating expenses at 0.9 million euros for the fourth quarter of 2022 remained in line with the previous quarters.

The Group therefore reported consolidated operating profit from continuing operations at 0.2 million euros the fourth quarter of 2022 compared to a consolidated operating profit at 0.1 million euros for the fourth quarter of 2021. After taking into account the consolidated financial income and the deferred tax expense, the Group posted quarterly net profit from continuing operations at 0.1 million euros for the fourth quarter of 2022, similar amount to the fourth quarter of 2021.

Including the capital gain related to the sale of the foundry business assets (Custom products) of the Group's US subsidiary (FABLITE program), the consolidated quarterly net profit stood at 1.7 million euros compared with break-even net earnings for the fourth quarter of 2021.

EBITDA from continuing operations amounted to +0.4 million euros for the fourth quarter of 2022, thus +1.4 million euros for the financial year 2022. On December 31, 2022, the Group reported available cash at 5.5 million euros including cash investments (Corporate bonds / investment securities) recorded under non-current financial assets for an amount of 1.3 million euros.

\* \* \*

#### **Finalisation of the FABLITE program**

As previously announced, MEMSCAP completed in December 2022 the sale of its assets related to the foundry business (Custom products). These assets, previously held by the Group's US subsidiary, includes the US production plant, teams, equipment, technologies and related customers.

As a part of this deal, MEMSCAP entered in a strategic supply agreement for variable optical attenuators (VOA) with the acquirer of the foundry business and finalised the implementation of its VOA fabless organisation.

Following this new industrial organisation, MEMSCAP retains the design and the distribution of the VOA and fully outsources the manufacturing of these products dedicated to the optical communications market.

\* \* \*

#### **Analysis and perspectives**

The 2022 financial year appears to be a major step in the history of MEMSCAP. The completion of the FABLITE strategic program within planned deadline, deeply transforms the Group's profitability profile.

MEMSCAP is now primarily positioned in the avionics and medical businesses. In parallel, the Group should significantly increase its profitability in the optical communications business thanks to the new fabless organization.

Over the coming financial year, MEMSCAP should benefit from its investments in R&D, the intensification of its marketing activity and the momentum of its high value-added markets and thus, anticipates a growth of its operations.

\* \* \*

#### **FY 2022 financial statements: March 29, 2023.**

##### **About MEMSCAP**

**MEMSCAP** is a leading provider MEMS<sup>1</sup> based pressure sensors, best-in-class in term of precision and stability (very low drift) for two market segments: aerospace and medical.

**MEMSCAP** also provides variable optical attenuators (VOA) for the optical communications market.

**MEMSCAP** became the first listed MEMS company in the world in March 2001.

<sup>1</sup> Micro Electro Mechanical Systems

##### **Contacts**

Yann Cousinet  
Chief Financial Officer  
Ph.: +33 (0) 4 76 92 85 00  
[yann.cousinet@memscap.com](mailto:yann.cousinet@memscap.com)

For more information, visit our website at:  
[www.memscap.com](http://www.memscap.com).

**MEMSCAP** est cotée sur Euronext Paris™  
Compartiment C - Code ISIN : **FR0010298620 - MEMS.**



**MEMS**