

MEMSCAP

THE POWER OF A SMALL WORLD

MEMSCAP – Q4 2024:

**2024 REVENUE DOWN 10%
AFTER 51% GROWTH IN 2023**

**STRONG PERFORMANCE FROM THE GROUP'S TOP 4
CLIENTS (+13%) OFFSET BY DISRUPTION FROM 3 CLIENTS**

**STRONG VISIBILITY AND SOLID ORDER BACKLOG
IN AEROSPACE FOR 2025**

2024 NET PROFIT: EUR 1,374K (10.9% OF REVENUE)

2024 ADJUSTED EBITDA¹: EUR 2,148K (17.0% OF REVENUE)

**RESILIENT PROFITABILITY MODEL CONFIRMED DESPITE
CHALLENGING ECONOMIC ENVIRONMENT**

**SUCCESSFUL COMPLETION OF TECHNICAL TESTS AND MAJOR
MILESTONES IN THE "ENGINE CONTROL" PROGRAM, SUPPORTING
PROFITABLE GROWTH TARGETS OF THE 4G PLAN FOR 2026**

INVESTOR WEBINAR – TUESDAY, JANUARY 28, 10:00 AM

(Non-audited data)

- Quarterly revenue of EUR 2,759 thousand, bringing the Group's annual sales to EUR 12,660 thousand
- Proven resilient profitability model despite challenging sector conditions
- Quarterly adjusted EBITDA¹ of EUR 369 thousand (13.4% of revenue), resulting in an adjusted EBITDA¹ of EUR 2,148 thousand for FY 2024 (17.0% of revenue)
- Quarterly consolidated net profit of EUR 204 thousand (7.4% of revenue), leading to a net profit of EUR 1,374 thousand for FY 2024 (10.9% of revenue)
- Strong visibility in the aerospace sector for 2025
- Investor webinar: Tuesday, January 28, 10:00 AM
Registration link: <https://app.livestorm.co/euroland-corporate/memscap-webinaire-actionnaires?s=b2cb247c-2eb4-4e18-a70f-7ac75d5a449f>

Grenoble (France) – January 27, 2025 – 06:30 p.m.

MEMSCAP (Euronext Paris: MEMS), leading provider of high-accuracy, high-stability pressure sensor solutions for the aerospace and medical markets using MEMS technology (Micro Electro Mechanical Systems), today announced its earnings for the fourth quarter of 2024 ending December 31, 2024.

Analysis of consolidated revenue

The distribution of consolidated revenue from continuing operations (non-audited) by market segment for the fourth quarter of 2024 and for FY 2024 is as follows:

Market segments / Revenue (In thousands of euros) – Non-audited	Q4 2023 (3 months)	Q4 2023 (%)	Jan.-Dec. 2023 (12 months)	Jan.-Dec. 2023 (%)	Q4 2024 (3 months)	Q4 2024 (%)	Jan.-Dec. 2024 (12 months)	Jan.-Dec. 2024 (%)
Aerospace	2,323	58%	8,801	63%	1,727	63%	8,195	65%
Medical	1,066	27%	3,589	26%	714	26%	3,147	25%
Optical communications	548	14%	1,555	11%	297	11%	1,237	10%
Others (Royalties from licensed trademarks)	36	1%	128	1%	20	1%	81	1%
Total revenue from continuing operations	3,973	100%	14,073	100%	2,759	100%	12,660	100%

(Any apparent discrepancies in totals are due to rounding.)

The fourth quarter of 2024 unfolded in a deteriorated sectoral environment, with the aerospace industry facing significant tensions within supply chains. In the Group's primary market sector (65% of consolidated sales for the 2024 fiscal year), demand remained particularly strong in both civil and military domains. However, supply chains are struggling to meet this demand, with some players experiencing disruptions and delays impacting the entire industry. After a growth-oriented first half, these disruptions nevertheless affected the Group's sales during the second half.

While the Group's major clients remained aligned with stated objectives, achieving significant growth over the fiscal year, these turbulences heavily impacted four smaller clients. Consolidated revenue from continuing operations for the fourth quarter of 2024 amounted to EUR 2,759 thousand (EUR 3,973 thousand for the fourth quarter of 2023).

The Group's 12-month consolidated sales amounted to EUR 12,660 thousand, representing a 10.0% decline compared to fiscal year 2023, despite the previous year's growth reaching +51%, resulting in a particularly demanding base effect.

The aerospace industry is expected to return to a normative situation during the 2025 fiscal year.

Analysis of consolidated income statement

MEMSCAP's consolidated earnings (non-audited) for the fourth quarter of 2024 and for FY 2024 are given within the following table:

In thousands of euros – Non-audited	Q4 2023 (3 months)	Jan.-Dec. 2023 (12 months)	Q4 2024 (3 months)	Jan.-Dec. 2024 (12 months)
Revenue from continuing operations	3,973	14,073	2,759	12,660
Cost of revenue	(2,279)	(8,033)	(1,811)	(7,639)
Gross margin	1,694	6,040	948	5,022
% of revenue	42.6%	42.9%	34.4%	39.7%
Operating expenses*	(876)	(3,563)	(885)	(3,849)
Operating profit / (loss)	818	2,477	64	1,172
Financial profit / (loss)	(132)	(304)	142	226
Income tax expense	16	(33)	(1)	(24)
Net profit / (loss)	702	2,140	204	1,374

* Net of research & development grants.

(Any apparent discrepancies in totals are due to rounding.)

Due to an unfavourable volume effect, the gross margin for the fourth quarter of 2024 stood at EUR 948 thousand, bringing the annual gross margin rate to 39.7% of consolidated revenue compared to 42.9% in the previous fiscal year.

Operating expenses, net of research and development grants, amounted to EUR 885 thousand for the fourth quarter of 2024, resulting in a total annual amount of EUR 3,849 thousand compared to EUR 3,563 thousand for fiscal year 2023.

As a result, the operating profit from continuing operations stood at EUR 64 thousand (2.3% of consolidated revenue) for the fourth quarter of 2024, leading to an operating profit of EUR 1,172 thousand (9.3% of consolidated revenue) for fiscal year 2024, compared to EUR 2,477 thousand (17.6% of consolidated revenue) for fiscal year 2023.

Benefiting from a favourable exchange rate effect, net financial income for the fourth quarter of 2024 amounted to EUR 142 thousand. The financial income for fiscal year 2024 thus showed a net gain of EUR 226 thousand, compared to a net loss of EUR 304 thousand for fiscal year 2023.

The tax expense recognized for fiscal years 2024 and 2023 corresponded to changes in deferred tax assets. This expense had no impact on the Group's cash flow.

The consolidated net profit after tax amounted to EUR 204 thousand (7.4% of consolidated revenue) in the fourth quarter of 2024, bringing the net profit for fiscal year 2024 to EUR 1,374 thousand (10.9% of consolidated revenue), compared to a net profit of EUR 2,140 thousand (15.2% of consolidated revenue) for fiscal year 2023.

MEMSCAP reported an adjusted EBITDA¹ of EUR 369 thousand for the fourth quarter of 2024 (13.4% of consolidated revenue) and EUR 2,148 thousand for fiscal year 2024, representing 17.0% of consolidated revenue (EUR 3,263 thousand for fiscal year 2023, 23.2% of consolidated revenue). It is noted that research and development costs were fully recognized as expenses during this 12-month period and were not capitalized in the Group's balance sheet.

¹ Adjusted EBITDA means operating profit before depreciation, amortisation, and share-based payment charge (IFRS 2) and including foreign exchange gains/losses related to ordinary activities.

Perspectives

Despite a temporarily deteriorated sectoral environment, the fourth quarter and fiscal year 2024 demonstrated the robustness of MEMSCAP's business model, whose foundations ensure a significant and sustainable level of profitability.

Additionally, the Group holds a strong order backlog in the aerospace sector for fiscal year 2025.

The successful validation of technical tests and major milestones in the "Engine Control" development and industrialization program reinforces the profitable growth objectives outlined in the 4G Plan by 2026.

Shareholders and investors video conference - Tuesday, January 28, 2025 at 10:00 a.m.

Thank you for registering and sending your questions in advance using the following link:
<https://memscap.com/fr/visio/>

About MEMSCAP

MEMSCAP is a leading provider MEMS 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.

CONTACTS

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

For more information,
visit our website at:
www.memscap.com

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