



Regulated Information

X-FAB Fourth Quarter and Full Year 2024 Results

Intermediate declaration by the Board of Directors

Tessenderlo-Ham, Belgium – February 6, 2025, 05.40 p.m. CET

Highlights Q4 2024:

- › Revenue was USD 188.8 million, down 21% year-on-year (YoY) and down 9% quarter-on-quarter (QoQ)
- › Excluding the impact from revenue recognized over time (IFRS 15), revenue was USD 196.8 million, within the guided range of USD 195-205 million
- › EBITDA at USD 39.8 million, down 33% YoY and down 21% QoQ
- › EBITDA margin of 21.1%; excluding IFRS 15 impact, EBITDA margin was 22.8%, compared to the guidance of 22-25%
- › EBIT was USD 10.6 million, down 70% YoY and 58% QoQ

Highlights 2024:

- › Revenue was USD 816.4 million, down 10% YoY; excluding IFRS 15 impact, revenue was USD 822.3 million within the guidance range
- › Core business – automotive, industrial, and medical – was USD 763.4 million*, down 6% YoY and representing a share of 93%* of total revenues
- › EBITDA at USD 188.9 million, down 23% YoY
- › EBITDA margin of 23.1%, excluding the IFRS 15 impact in Q4 2024, EBITDA margin was 23.5%, within the guided range of 23.4-24%
- › EBIT was USD 85.5 million, down 46% YoY

Outlook:

- › Q1 2025 revenue is expected to come in within a range of USD 195-205 million with an EBITDA margin in the range of 22-25%.
- › The guidance is based on an average exchange rate of 1.04 USD/Euro and does not take into account the impact of IFRS 15.
- › FY 2025 revenue is expected to come in within a range of USD 820-870 million with an EBITDA margin in the range of 24-27%.

*excluding impact from revenue recognized over time according to IFRS 15



Revenue breakdown per quarter:

in millions of USD	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q4 y-o-y growth
Automotive	120.9	131.1	135.3	151.8	135.6	142.4	146.0	128.6	-15%
Industrial	46.9	51.3	53.7	54.3	52.6	34.4	31.5	36.1	-34%
Medical	17.6	16.2	17.0	16.4	14.5	13.2	12.1	16.5	0%
Subtotal core business	185.4	198.7	206.1	222.5	202.6	190.1	189.6	181.2	-19%
	89.1%	90.8%	92.2%	92.8%	92.6%	93.7%	92.9%	92.1%	
CCC ¹	22.5	20.0	17.2	17.2	16.0	12.6	14.2	15.1	-12%
Others	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.5	
Revenue*	208.1	218.9	223.5	239.8	218.7	202.8	204.0	196.8	-18%
Impact from revenue recognized over time	0	8.3	10.4	-2.0	-2.6	2.3	2.4	-8.0	
Total revenue	208.1	227.1	233.8	237.7	216.2	205.1	206.4	188.8	-21%

¹Consumer, Communications & Computer

in millions of USD	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q4 y-o-y growth
CMOS	172.8	180.7	180.5	188.4	168.3	166.2	175.0	170.8	-9%
Microsystems	22.2	20.8	24.4	27.9	24.1	25.1	21.6	20.2	-28%
Silicon carbide	13.2	17.3	18.6	23.5	26.3	11.6	7.4	5.8	-75%
Revenue*	208.1	218.9	223.5	239.8	218.7	202.8	204.0	196.8	-18%
Impact from revenue recognized over time	0	8.3	10.4	-2.0	-2.6	2.3	2.4	-8.0	
Total revenue	208.1	227.1	233.8	237.7	216.2	205.1	206.4	188.8	-21%

Business development

In the fourth quarter of 2024, X-FAB recorded revenues of USD 188.8 million, down 21% year-on-year and 9% quarter-on-quarter. Excluding the impact from revenue recognized over time in the amount of USD -8.0 million, quarterly revenue was USD 196.8 million, which is in line with the guidance of USD 195-205 million.

Full-year revenues came in at USD 816.4 million, down 10% year-on-year. Revenue recognized over time had a negative effect of USD -5.9 million on the full year. Excluding this impact, 2024 revenue totaled USD 822.3 million, which compares to a guidance of USD 822-832 million.

In the fourth quarter, revenues in X-FAB's core markets – automotive, industrial, and medical – came in at USD 181.2 million*, down 19% year-on-year, representing a share of 92%* of total revenue. In the full year of 2024, core market revenue was at USD 763.4 million*, which is a decline of 6% compared to the previous year and a share of 93%* of total revenue.

*excluding impact from revenue recognized over time according to IFRS 15



Bookings in the fourth quarter amounted to USD 138.8 million, down 38% year-on-year. In the full year, bookings came in at USD 875.7 million, a 1% decline over 2023. The backlog at the end of the quarter was USD 414.0 million, compared to USD 481.4 million at the end of the previous quarter.

In the fourth quarter, X-FAB recorded several positive trends, but these have not been material enough to compensate for the effects of ongoing destocking, in particular in the automotive market.

Automotive revenues in the fourth quarter amounted to USD 128.6 million*, down 15% year-on-year and 12% quarter-on-quarter. The decrease is due to inventory adjustments in the automotive supply chain following the build-up of high inventories in response to the chip shortage. On the other hand, a high level of prototyping activity and a number of new product launches in the fourth quarter, including an application for battery monitoring systems for electric vehicles, will contribute positively to X-FAB's automotive business going forward.

X-FAB's industrial business recorded quarterly revenue of USD 36.1 million*, down 34% year-on-year and up 15% compared to the previous quarter. Industrial CMOS revenue started to recover in the fourth quarter. Inventory adjustments in the industrial end market, which began as early as 2023, are slowly coming to an end. The industrial business also benefited from strong demand for X-FAB's end-of-life CMOS technologies, while silicon carbide (SiC) revenue, primarily sold to the industrial end market, reached its low point.

Fourth quarter revenue in the medical end market was at USD 16.5 million*, flat year-on-year and up 36% quarter-on-quarter, reaching its highest level in 2024. Medical bookings continue to be above average with strong growth coming from applications for personal medical devices, such as contactless temperature sensors, pacemakers, and hearing aids.

Fourth quarter sales by technology also reflect the impact from inventory adjustments. CMOS revenue in the fourth quarter amounted to USD 170.8 million*, down 9% year-on-year and 2% quarter-on-quarter. The decline is mainly driven by a drop in demand for 350nm CMOS technologies, whereas X-FAB's popular 180nm CMOS technologies continued to be fully utilized in the fourth quarter. X-FAB's CMOS revenue will also benefit from the strong uptick in orders following X-FAB's announcement of the termination of selected 150mm CMOS technologies by the end of 2026.

SiC revenue in the fourth quarter came in at USD 5.8 million*, down 75% year-on-year and down 22% quarter-on-quarter. SiC order intake, on the other hand, recorded a 72% increase over the previous quarter. X-FAB believes to have passed the bottom of the current down cycle in the second half of 2024 and expects a gradual recovery of its SiC business in 2025.

X-FAB's microsystems business, mainly delivering into the automotive and medical end market, recorded revenue of USD 20.2 million*, down 28% year-on-year and 7% quarter-on-quarter, whereas bookings almost doubled quarter-on-quarter.

**excluding impact from revenue recognized over time according to IFRS 15*



Quarterly prototyping revenue totaled USD 23.6 million*, down 14% year-on-year and flat sequentially. Strong traction is coming from the SiC market in response to X-FAB's recently announced next-generation SiC process platform enabling substantial efficiency gains. There is also a high level of interest in X-FAB's advanced wafer-scale assembly technologies. These contribute to various medical and industrial applications and will be one of the growth drivers in the coming years.

In the full year of 2025, X-FAB expects to generate revenue in the range of USD 820-870 million. The guidance takes into account the uncertainty related to the current destocking cycle, which is at different stages depending on the end market. While the industrial and medical markets are already showing signs of recovery, inventory corrections in the automotive supply chain, to which X-FAB has the highest exposure, only started in the second half of last year and should continue well into 2025.

The structural growth drivers for X-FAB's sustainable business success remain valid. X-FAB's comprehensive set of technologies enables viable solutions for megatrends such as the "electrification of everything" to mitigate climate change and the digitization of medicine with the increasing use of semiconductor technology for advances in the prevention, diagnosis, treatment, and monitoring of diseases as the population ages. This drives long-term growth for the world-leading products enabled by X-FAB.

Prototyping and production revenue* per quarter and end market:

in millions of USD	Revenue	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
Automotive	Prototyping	10.0	6.7	7.6	9.3	8.9
	Production	141.8	128.9	134.8	136.7	119.7
Industrial	Prototyping	10.5	10.7	8.9	8.2	9.6
	Production	43.8	41.9	25.5	23.3	26.5
Medical	Prototyping	3.3	2.7	2.0	3.0	2.3
	Production	13.1	11.8	11.2	9.1	14.2
CCC	Prototyping	3.5	3.1	2.5	3.0	2.6
	Production	13.7	12.9	10.2	11.3	12.6

Operations update

In the fourth quarter, X-FAB's capacity expansion program continued as planned, primarily focused on the expansion of the 180nm CMOS technologies. In 2024, this business has been constrained by available capacity. The additional capacity being installed at the sites in Malaysia and France is critical to support X-FAB's CMOS and microsystems customers.

During the fourth quarter, the majority of the tools for the newly built clean room in Malaysia were delivered and are currently being installed and qualified. All of the equipment related to the capacity expansion at X-FAB France has been delivered in 2024, completing this part of the investment program.

**excluding impact from revenue recognized over time according to IFRS 15*



In the fourth quarter, capital expenditures came in at USD 132.9 million. Capital expenditures for the full year were at USD 509.6 million, well below the previously announced USD 550 million.

With the completion of the expansion program in the first half of 2025, X-FAB will significantly reduce its capital expenditures, and despite the postponement of equipment deliveries from 2024 to the current year, X-FAB reiterates that total spending in 2025 will not exceed USD 250 million.

Financial update

Fourth quarter EBITDA was USD 39.8 million with an EBITDA margin of 21.1%. Excluding the impact from revenues recognized over time, the EBITDA margin for the fourth quarter would have been 22.8%. In the full year of 2024, X-FAB recorded an EBITDA of USD 188.9 million with an EBITDA margin of 23.1%. Excluding the IFRS 15 impact on fourth quarter revenue in the amount of USD -8.0 million, the full-year EBITDA margin would have been 23.5%.

Profitability is not affected by exchange rate fluctuations as X-FAB's business is naturally hedged. At a constant USD/Euro exchange rate of 1.08 as experienced in the previous year's quarter, the EBITDA margin would have been 0.1 percentage points lower.

In the fourth quarter, X-FAB reported a net loss of USD -7.3 million, primarily attributable to a non-cash deferred tax asset adjustment in the amount of USD -16.5 million.

Cash and cash equivalents at the end of the third quarter amounted to USD 215.8 million, down 32% against the previous quarter.

Following the completion of X-FAB's capacity expansion projects, capital expenditures will decrease significantly to a normalized capex ratio of 10-15% of revenue from the second half of 2025 onwards. X-FAB will then revert to positive free cash flow generation and aims to achieve a sustainable balance between debt reduction, capital return and further growth.

Management comments

Rudi De Winter, CEO of X-FAB Group, said: "Despite the current market challenges, I am very pleased with the high level of interest in our specialty technologies. Our recently announced next-generation silicon carbide platform is gaining strong market traction, and X-FAB's microsystems and systems integration expertise is also generating a lot of customer interest. While 2025 will be a transition year due to continued destocking, it will also mark the completion of our capacity expansion, allowing us to better support the increased production demand for our 180nm technologies."



X-FAB Quarterly Conference Call

X-FAB's fourth quarter results will be discussed in a live conference call/audiocast on Thursday, February 6, 2025, at 6.30 p.m. CET. The conference call will be in English.

Please [register here](#) for the audiocast (listen only).

Please [register here](#) for the conference call (listen and ask questions).

The first quarter 2025 results will be communicated on April 24, 2025.

About X-FAB

X-FAB is a global foundry group providing a comprehensive set of specialty technologies and design IP to enable its customers to develop world-leading semiconductor products that are manufactured at X-FAB's six wafer fabs located in Malaysia, Germany, France, and the United States. With its expertise in analog/mixed-signal technologies, microsystems/MEMS and silicon carbide (SiC), X-FAB is the development and manufacturing partner for its customers, primarily serving the automotive, industrial and medical end markets. X-FAB has approximately 4,500 employees and has been listed on Euronext Paris since April 2017 (XFAB). For more information, please visit www.xfab.com.

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Forward-looking information

This press release may include forward-looking statements. Forward-looking statements are statements regarding or based upon our management's current intentions, beliefs or expectations relating to, among other things, X-FAB's future results of operations, financial condition, liquidity, prospects, growth, strategies, or developments in the industry in which we operate. By their nature, forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results or future events to differ materially from those expressed or implied thereby. These risks, uncertainties and assumptions could adversely affect the outcome and financial effects of the plans and events described herein.

Forward-looking statements contained in this press release regarding trends or current activities should not be taken as a report that such trends or activities will continue in the future. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless legally required. You should not place undue reliance on any such forward-looking statements, which speak only as of the date of this press release.

The information contained in this press release is subject to change without notice. No re-report or warranty, express or implied, is made as to the fairness, accuracy, reasonableness, or completeness of the information contained herein and no reliance should be placed on it.

Condensed consolidated statement of profit and loss

in thousands of USD	Quarter ended 31 Dec 2024 unaudited	Quarter ended 31 Dec 2023 unaudited	Quarter ended 30 Sep 2024 unaudited	Year ended 31 Dec 2024 unaudited	Year ended 31 Dec 2023 audited
Revenue*	196,761	239,750	203,982	822,301	890,181
Impact from revenue recognized over time	-7,998	-2,017	2,384	-5,919	16,605
Total revenue	188,762	237,733	206,366	816,383	906,786
Revenues in USD in %	61	57	56	59	56
Revenues in EUR in %	39	43	44	41	44
Cost of sales	-152,250	-174,183	-155,162	-633,434	-648,734
Gross profit	36,513	63,551	51,204	182,949	258,052
<i>Gross profit margin in %</i>	<i>19.3</i>	<i>26.7</i>	<i>24.8</i>	<i>22.4</i>	<i>28.5</i>
Research and development expenses	-14,205	-12,581	-13,087	-49,785	-47,191
Selling expenses	-2,213	-2,157	-2,177	-9,070	-8,463
General and administrative expenses	-11,511	-13,113	-11,369	-47,351	-47,157
Rental income and expenses from investment properties	409	-532	534	2,770	2,906
Other income and other expenses	1,575	392	-147	6,030	-472
Operating profit	10,567	35,559	24,957	85,542	157,674
Finance income	11,262	10,451	12,191	36,006	34,658
Finance costs	-12,243	-10,172	-10,945	-38,260	-37,149
Net financial result	-981	280	1,246	-2,254	-2,490
Profit before tax	9,585	35,839	26,204	83,288	155,184
Income tax	-16,891	2,964	-254	-21,763	6,711
Profit for the period	-7,306	38,803	25,950	61,525	161,895
Operating profit (EBIT)	10,567	35,559	24,957	85,542	157,674
Depreciation	29,248	24,048	25,345	103,386	87,939
EBITDA	39,815	59,607	50,302	188,928	245,614
<i>EBITDA margin in %</i>	<i>21.1</i>	<i>25.1</i>	<i>24.4</i>	<i>23.1</i>	<i>27.1</i>
Earnings per share	-0.06	0.30	0.20	0.47	1.24
Weighted average number of shares	130,631,921	130,631,921	130,631,921	130,631,921	130,631,921
EUR/USD average exchange rate	1.06821	1.07570	1.09825	1.08232	1.08138

Amounts in the financial tables provided in this press release are rounded to the nearest thousand except when otherwise indicated, rounding differences may occur.

*excluding impact from revenue recognized over time in accordance with IFRS 15

Condensed consolidated statement of financial position

in thousands of USD	Year ended 31 Dec 2024 unaudited	Year ended 31 Dec 2023 audited
ASSETS		
Non-current assets		
Property, plant, and equipment	1,135,345	734,488
Investment properties	7,412	7,171
Intangible assets	6,319	5,627
Other non-current assets	42	58
Deferred tax assets	66,725	83,772
Total non-current assets	1,215,843	831,116
Current assets		
Inventories	281,765	269,227
Contract assets	18,092	24,010
Trade and other receivables	89,385	123,101
Other assets	78,528	50,659
Cash and cash equivalents	215,837	405,701
Total current assets	683,607	872,698
TOTAL ASSETS	1,899,450	1,703,814
EQUITY AND LIABILITIES		
Equity		
Share capital	432,745	432,745
Share premium	348,709	348,709
Retained earnings	241,648	180,159
Cumulative translation adjustment	462	-301
Treasury shares	-770	-770
Total equity	1,022,794	960,542
Non-current liabilities		
Non-current loans and borrowings	369,616	235,318
Other non-current liabilities and provisions	4,257	4,024
Total non-current liabilities	373,873	239,342
Current liabilities		
Trade payables	67,658	90,681
Current loans and borrowings	44,517	25,659
Other current liabilities and provisions	390,608	387,590
Total current liabilities	502,783	503,930
TOTAL EQUITY AND LIABILITIES	1,899,450	1,703,814

Condensed consolidated statement of cash flows

in thousands of USD	Quarter ended 31 Dec 2024 unaudited	Quarter ended 31 Dec 2023 unaudited	Quarter ended 30 Sep 2024 unaudited	Year ended 31 Dec 2024 unaudited	Year ended 31 Dec 2023 audited
Income before taxes	9,585	35,839	26,204	83,288	155,184
Reconciliation of income before taxes to cash flow arising from operating activities:	31,455	16,227	21,988	106,147	88,948
Depreciation and amortization, before effect of grants and subsidies	29,248	24,048	25,345	103,386	87,939
Amortization of investment grants and subsidies	-1,514	-730	-924	-3,735	-2,972
Interest income and expenses (net)	2,564	607	2,308	5,525	2,600
Loss/(gain) on the sale of plant, property, and equipment (net)	53	-199	-312	-4,030	-3,373
Loss/(gain) on the change in fair value of derivatives and financial assets (net)	0	0	1,144	1,144	0
Other non-cash transactions (net)	1,104	-7,498	-5,573	3,858	4,754
Changes in working capital:	-27,694	70,615	29,732	8,726	172,490
Decrease/(increase) of trade receivables	1,915	-496	17,693	38,071	-39,774
Decrease/(increase) of other receivables and other assets	-23,779	5,371	1,361	-3,588	4,855
Decrease/(increase) of inventories	2,380	-8,266	-6,559	-9,733	-52,504
Decrease/(increase) of contract assets	7,998	2,017	-2,384	5,919	-24,010
(Decrease)/increase of trade payables	9,800	16,823	-3,323	-8,098	16,634
(Decrease)/increase of other liabilities	-26,009	55,166	22,944	-13,845	267,289
Income taxes (paid)/received	-359	-3,275	914	-2,113	-6,658
Net cash from operating activities	12,987	119,405	78,838	196,048	409,964
Cash flow from investing activities:					
Payments for property, plant, equipment and intangible assets	-132,903	-100,432	-149,775	-509,551	-337,789
Acquisition of subsidiary, net of cash acquired	0	0	0	-1,634	0
Payments for loan investments to related parties	0	-39	0	0	-276
Proceeds from loan investments related parties	0	47	0	0	252
Proceeds from sale of property, plant, and equipment	-99	235	312	4,024	3,733
Interest received	1,972	3,748	2,644	11,032	10,457
Net cash used in investing activities	-131,030	-96,442	-146,820	-496,129	-323,623



Condensed consolidated statement of cash flows – con't

in thousands of USD	Quarter ended 31 Dec 2024 unaudited	Quarter ended 31 Dec 2023 unaudited	Quarter ended 30 Sep 2024 unaudited	Year ended 31 Dec 2024 unaudited	Year ended 31 Dec 2023 audited
Cash flow from (used in) financing activities:					
Proceeds from loans and borrowings	38,134	105,640	78,634	209,669	205,784
Repayment of loans and borrowings	-3,898	-112,939	-20,582	-124,237	-241,806
Receipts of sale and leaseback arrangements	1,350	0	32,766	60,584	0
Payments of lease installments	-3,193	-1,197	-5,080	-12,502	-5,512
Interest paid	-3,749	-7,170	-4,834	-17,214	-11,630
Cash flow from (used in) financing activities	28,644	-15,666	80,903	116,299	-53,164
Effect of changes in foreign currency exchange rates on cash balances	-10,681	7,129	12,941	-6,082	3,099
Increase/(decrease) of cash and cash equivalents	-89,399	7,298	12,921	-183,782	33,177
Cash and cash equivalents at the beginning of the period	315,917	391,274	290,054	405,701	369,425
Cash and cash equivalents at the end of the period	215,837	405,701	315,917	215,837	405,701

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