Presentation results FY 2020
What do we do?

We create innovative micro-electronic solutions for the best imaginable future.
Process flow

1. Idea
2. Chip design
3. Wafer probe
4. Assembly
5. Final test

Customer
SUSTAINABILITY AT HEART
Our environmental policy is based on five principles:

- Quality Zero incidents
- Prevention is better than cure
- Open contacts with all the stakeholders
- Sustainable development
- Minimal environmental impact
Melexis strategy

Focus on **innovation** in automotive and adjacent markets

Leadership in **sensing and driving solutions** to our customers’ advantage

**Organic growth**, selective acquisitions
Common denominator: sensing & driving is everywhere

Automotive

Motorcycles and e-bikes

Industry

Home

Consumer

Healthcare
Melexis supplied > 1.3 billion ICs worldwide in 2020

- Magnetic position sensors
- Inductive position sensors
- Current sensors
- Latch & switch
- Embedded drivers
- Smart drivers
- Pressure sensors
- Tire monitoring sensors
- Temperature sensors
- Optical sensors
- Sensor interfaces
- Embedded lighting
13 chips in every new car

Applications containing Melexis ICs

Disclaimer: Please note this list is not exhaustive and only includes some of the most common applications containing Melexis ICs.
Over 1500 people on 3 continents

Sales & Applications
Belgium – Ieper, Tessenderlo
Greater China – Shanghai, Shenzhen
France – Grasse, Paris
Germany – Erfurt, Dresden
Japan – Yokohama
USA – Nashua, Detroit, San Jose
South Korea – Seoul
Switzerland - Bevaix

Manufacturing
Belgium – Ieper
Bulgaria – Sofia
France – Corbeil-Essonnes
Germany – Erfurt
Malaysia – Kuching

Research & Development
Belgium – Ieper, Tessenderlo
Philippines – Manila
Bulgaria – Sofia
Switzerland - Bevaix
France – Grasse, Paris
Ukraine – Kiev
Germany – Erfurt, Dresden, Düsseldorf
USA – Nashua
Melexis vs Automotive Trends

Melexis enables
edge sensing & edge driving

Melexis engineers small, smart
Sensing and Driving nodes
supporting
in-vehicle edge computing systems
Melexis vs. automotive trends

- **Powertrain systems**
- **Zero emissions**
  - **Electrification**
  - (xHEV & xEV)
- **Zero traffic fatalities**
  - **ADAS**
  - (assisted & autonomous drive)
- **User experience**
  - **Personalization**
  - (customization)

- **Chassis, body & safety systems**
Powertrain Systems

Levels of Electrification
Global vehicle production (million units)

Electrification - Segmentation - Market Split

Source: IHS and Melexis estimates, updated Feb 01, 2021
Powertrain split – 2020 & 2025

Electrification – Segmentation – Market Split

Source: IHS and Melexis estimates, updated Feb 01, 2021
Internal Combustion Engine (ICE + uHEV)

48 Volt Mild Hybrid (mHEV)

Full Hybrid (fHEV) - Plug-In Hybrid (pHEV)

Electrical Vehicle (BEV – FCEV)
## Powertrain Systems

<table>
<thead>
<tr>
<th>Market CAGR</th>
<th>Market (Millions Cars)</th>
<th>Powertrain Systems</th>
<th>TAM for Melexis (Total Available Market - # ICs/car)</th>
</tr>
</thead>
<tbody>
<tr>
<td>-4%</td>
<td>64.6 52.3</td>
<td>Internal Combustion Engine (ICE &amp; uHEV)</td>
<td>#26 #35</td>
</tr>
<tr>
<td>+41%</td>
<td>20.6 3.7</td>
<td>48 Volt Mild Hybrid (mHEV)</td>
<td>#41 #54</td>
</tr>
<tr>
<td>+25%</td>
<td>12 4</td>
<td>Full Hybrid (fHEV) Plug-In Hybrid (pHEV)</td>
<td>#52 #62</td>
</tr>
<tr>
<td>+37%</td>
<td>2.2 10.6</td>
<td>Electrical Vehicle (BEV - FCEV)</td>
<td>#35 #39</td>
</tr>
<tr>
<td>+5%</td>
<td>74.5</td>
<td>Total</td>
<td>Weighted TAM</td>
</tr>
</tbody>
</table>

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Source: IHS and Melexis estimates, updated Feb 01, 2021
Chassis – Body – Safety Systems

Source: IHS and Melexis estimates, updated Feb 01, 2021
Melexis in automotive

Market CAGR

Market (Millions Cars)

Chassis - Body - Safety Systems

Weighted TAM for Melexis (Total Available Market - # ICs/car)

Powertrain

#28 #43

Chassis - Body - Safety

#87 #137

+5%

95.5 74.5

Total Weighted TAM

#115 #180

2020 2025

Source: IHS and Melexis estimates, updated Feb 01, 2021
Tesla Model 3

* Chassis - Body - Safety (25)
* Powertrain (7)
Melexis beyond automotive

Sensors & drivers for similar challenges

- White goods – Focus on CO2
- Motorcycles and e-bikes
- Industry 4.0 – Closed loop control
- Drones
- Health / wellbeing

- Robotics – Focus on autonomy
- Thermal information – People detection
- Environmental imaging
- Industrial position sensing
- Power monitoring & motor control
Evolution financials 2000-2020

Turnover
Q4 2020: 147.4 mln EUR
FY 2020: 507.5 mln EUR

Gross profit margin
Q4 2020: 39.5%
FY 2020: 39.0%

Operating margin
Q4 2020: 17.5%
FY 2020: 14.9%
FY 2020 results at a glance

<table>
<thead>
<tr>
<th>Financial metric</th>
<th>FY 2020 results</th>
<th>FY 2019 results</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>507.5m EUR</td>
<td></td>
<td>+4% Y-o-Y</td>
</tr>
<tr>
<td>Gross margin</td>
<td>39.0%</td>
<td></td>
<td>1% Y-o-Y</td>
</tr>
<tr>
<td>Operating result</td>
<td>14.9%</td>
<td></td>
<td>7% Y-o-Y</td>
</tr>
<tr>
<td>Net result</td>
<td>1.72 EPS</td>
<td></td>
<td>+15% Y-o-Y</td>
</tr>
<tr>
<td>Oper. cash flow (before wcap change)</td>
<td>116.9m EUR</td>
<td>197.8m EUR</td>
<td>-2.3% Y-o-Y</td>
</tr>
<tr>
<td>Net debt</td>
<td>2.9m EUR</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Outlook

Melexis expects sales in the first quarter of 2021 to be in the range of 155 to 160 million euro. For the full year 2021, Melexis expects sales growth between 15% and 20%, with a gross profit margin around 41% and an operating margin around 19% at the midpoint of the sales guidance, all taking into account a EUR/USD exchange rate of 1.21.
## Profit & loss

### FY 2020 versus FY 2019

<table>
<thead>
<tr>
<th>P&amp;L account (in million EUR)</th>
<th>FY 2020</th>
<th>% of Sales</th>
<th>FY 2019</th>
<th>% of Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>507.5</td>
<td>100.0%</td>
<td>486.9</td>
<td>100.0%</td>
</tr>
<tr>
<td>Cost of goods sold</td>
<td>-309.5</td>
<td>-61.0%</td>
<td>-290.6</td>
<td>-59.7%</td>
</tr>
<tr>
<td>Gross margin</td>
<td>198.0</td>
<td>39.0%</td>
<td>196.2</td>
<td>40.3%</td>
</tr>
<tr>
<td>R&amp;D</td>
<td>-77.7</td>
<td>-15.3%</td>
<td>-79.6</td>
<td>-16.3%</td>
</tr>
<tr>
<td>G&amp;A</td>
<td>-30.9</td>
<td>-6.1%</td>
<td>-30.6</td>
<td>-6.3%</td>
</tr>
<tr>
<td>Selling</td>
<td>-13.8</td>
<td>-2.7%</td>
<td>-15.5</td>
<td>-3.2%</td>
</tr>
<tr>
<td>Other operating result</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>EBIT</td>
<td>75.5</td>
<td>14.9%</td>
<td>70.6</td>
<td>14.5%</td>
</tr>
<tr>
<td>Net financial result</td>
<td>0.4</td>
<td>0.1%</td>
<td>-1.4</td>
<td>-0.3%</td>
</tr>
<tr>
<td>Income taxes</td>
<td>-6.6</td>
<td>-1.3%</td>
<td>-9.0</td>
<td>-1.8%</td>
</tr>
<tr>
<td>Net profit</td>
<td>69.3</td>
<td>13.7%</td>
<td>60.3</td>
<td>12.4%</td>
</tr>
<tr>
<td>Earnings per share</td>
<td>1.72</td>
<td></td>
<td>1.49</td>
<td></td>
</tr>
</tbody>
</table>
## Balance Sheet

**Q4 2020 versus Q4 2019 versus Q3 2020**

<table>
<thead>
<tr>
<th>Balance Sheet (in million EUR)</th>
<th>Q4 2020</th>
<th>Q4 2019</th>
<th>Q3 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total assets</strong></td>
<td>433.4</td>
<td>418.6</td>
<td>454.8</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>58.9</td>
<td>38.8</td>
<td>78.8</td>
</tr>
<tr>
<td>Inventory</td>
<td>123.5</td>
<td>128.5</td>
<td>131.6</td>
</tr>
<tr>
<td>A/R Trade</td>
<td>65.1</td>
<td>58.3</td>
<td>63.5</td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
<td>170.0</td>
<td>181.3</td>
<td>167.8</td>
</tr>
<tr>
<td><strong>Shareholders' equity</strong></td>
<td>314.8</td>
<td>299.1</td>
<td>343.4</td>
</tr>
<tr>
<td><strong>Interest bearing debt</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long term</td>
<td>62.0</td>
<td>62.0</td>
<td>62.0</td>
</tr>
<tr>
<td>Short term</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
</tbody>
</table>
FY 2020 cash flow

Free cash flow of 71m EUR in 2020 (68m EUR in 2019)

52m EUR dividend paid to the shareholders of Melexis in 2020
Dividend yield

Based on average share price

Gross dividend per share (EUR)

<table>
<thead>
<tr>
<th>Year</th>
<th>Dividend (EUR)</th>
<th>Capital reduction (EUR)</th>
<th>Yearly dividend return (%)</th>
<th>Average dividend return (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>2000</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>2001</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>2002</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>2003</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>2004</td>
<td>1.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>2005</td>
<td>0.50</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>2006</td>
<td>0.50</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>2007</td>
<td>0.60</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>2008</td>
<td>0.60</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>2009</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>2010</td>
<td>0.30</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>2011</td>
<td>0.60</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>2012</td>
<td>0.65</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>2013</td>
<td>0.70</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>2014</td>
<td>1.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>2015</td>
<td>1.90</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>2016</td>
<td>2.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>2017</td>
<td>2.10</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>2018</td>
<td>2.20</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>2019</td>
<td>1.30</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>2020</td>
<td>2.20</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
</tbody>
</table>

(*) incl. 0.72 cap.decr
(**) 0.90 final dividend payable as from May 14, 2021
Shareholders structure & shareholder return

Shareholder structure on 31 Dec 2020

- Xtrion: 45.57%
- Treasury Shares: 0.86%
- Public: 53.58%

Shareholder Return 2002-2020

Return investment 2002-2020 = 17% per year
Some recent product launches – Sense & Drive

**ALL-IN-ONE FAN- AND PUMP- 1-COIL BLDC DRIVER**
MLX90412

For highest efficiency or lowest acoustic noise on a wide range of fans and pumps up to 35 W

**3D MAGNETIC FIELD SENSOR IC (MAGNETOMETER)**
MLX90395

**DC/BLDC MOTOR COMMUTATION CONTROL**
MLX92214

- Compact application designs
- Enables fast system startup
- Super robust against signal noise

**3-PHASE BLDC FAN & PUMP DRIVER**
MLX80302

Linear position, Rotation, Joystick, Gimbal
Some recent product launches – Sense & Light

- Multi-channel LED driver for high-speed light animations
- MLX90641 thermal sensor array 16 x 12 pixels
- MLX90632 miniature medical grade infrared temperature sensor
- 3D time-of-flight camera QVGA
Melexis Investor Relations

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CFO

Geert Reynders  
Investor Relations

Joren Vanvelk  
Financial Analyst

Valerie Kerfs  
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