Melexis

INNOVATION WITH HEART

# HALF-YEAR REPORT 2025

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# Comments on the condensed consolidated interim financial statement prepared according to IFRS standards as adopted by the EU

## 1.1 Selected financial figures

The tables below set out the components of Melexis' operating income and operating expenses, as well as the key elements of the condensed consolidated interim statement of financial position.

### Condensed consolidated interim income statement

| | Half year ended 30/06/2025 | Half year ended 30/06/2024 |
|---|---|---|
| **Total sales** | **409,837,028** | **487,543,382** |
| Cost of sales | (251,554,941) | (271,993,481) |
| **Gross margin** | **158,282,088** | **215,549,901** |
| Research and development expenses | (57,236,377) | (53,459,769) |
| General and administrative expenses | (26,772,945) | (24,517,398) |
| Selling expenses | (9,639,148) | (9,485,556) |
| **Operating result (EBIT)** | **64,633,618** | **128,087,179** |
| Financial result (net) | 7,913,130 | (4,730,295) |
| **Result before taxes** | **72,546,747** | **123,356,884** |
| Income taxes | (10,143,896) | (21,341,451) |
| **Net result of the period** | **62,402,851** | **102,015,433** |
| Net profit of the Group | 62,402,851 | 102,015,433 |
| Attributable to owners of the parent | 62,402,851 | 102,015,433 |

### Condensed consolidated interim statement of financial position

| | Half year ended 30/06/2025 | Year ended 31/12/2024 |
|---|---|---|
| Current assets | 556,955,555 | 472,592,906 |
| Non-current assets | 371,162,391 | 421,662,382 |
| Current liabilities | 99,616,944 | 104,209,927 |
| Non-current liabilities | 320,195,178 | 222,544,016 |
| Equity | 508,305,824 | 567,501,344 |

## 1.2 Exchange rates

Since the introduction of the euro on 1 January 1999, and in accordance with Belgian law, Melexis NV keeps its books and prepares its consolidated financial statements in euro. The functional currency of its subsidiaries is as follows:

| | |
|---|---|
| **Melexis Inc.** | USD |
| **Melexis GmbH** | EUR |
| **Melexis Bulgaria EOOD** | BGN |
| **Melexis Ukraine** | UAH |
| **Melexis Technologies SA** | CHF |
| **Melexis NV/BO France** | EUR |
| **Melefin NV** | EUR |
| **Melexis Technologies NV** | EUR |
| **Melexis NV/BO Philippines** | PHP |
| **K.K. Melexis Japan Technical Research Center** | JPY |
| **Melexis Electronic Technology (Shanghai) Co., Ltd** | CNY |
| **Melexis (Malaysia) Sdn. Bhd.** | MYR |
| **Melexis Technologies NV/BO Malaysia** | MYR |
| **Melexis Dresden GmbH** | EUR |
| **Melexis France SAS** | EUR |
| **Melexis Korea Yuhan Hoesa** | KRW |
| **Xpeqt NV** | EUR |
| **Xpeqt EOOD** | BGN |
| **Melexis NV/BO Taiwan** | TWD |

Assets and liabilities of Melexis Inc., Melexis Technologies SA, Melexis Ukraine, Melexis Bulgaria EOOD, Melexis NV/BO Philippines, Melexis Electronic Technology (Shanghai) Co., Ltd, Melexis Technologies NV/BO Malaysia, Melexis (Malaysia) Sdn. Bhd., Melexis Korea Yuhan Hoesa, K.K. Melexis Japan Technical Research Center, Xpeqt EOOD and Melexis NV/BO Taiwan are translated at exchange rates at the end of the reporting period. Revenues and expenses are translated at the average exchange rate during the period. Equity components have been translated at historical exchange rates. Gains or losses resulting from this translation are reflected in the component 'cumulative translation adjustment' (CTA) in the statement of financial position.

## 1.3 Result of operations

The following discussion and analysis of the financial condition and results of operations should be read in conjunction with the company's financial statements of prior years.

### Revenues

Total sales amounted to EUR 409,837,028, a decrease of 16% compared to the first half year of 2024. Sales to automotive customers represented 88% of sales in the first half of 2025.

The decrease in total sales is mainly driven by magnetic position sensors, sensor interfaces and a negative EUR/USD evolution. The outperforming product lines were smart motor drivers and inductive position sensors.

### Cost of sales

Cost of sales consists of materials (raw material and semi-finished parts), subcontracting, labor, depreciation and other direct production expenses. Cost of sales decreased from EUR 271,993,481 in the first half year of 2024 to EUR 251,554,941 in the first half year of 2025, mainly due to lower sales, while also unfavorably impacted by an inventory revaluation because of the EUR/USD evolution, and higher direct costs. As a result the cost of sales as a percentage of sales was 61% in the first half year of 2025, compared to 56% in the first half year of 2024.

### Gross margin

The gross margin, expressed as a percentage of sales, decreased from 44% in the first half year of 2024 to 39% in the first half year of 2025.

### Research and development expenses

Research and development expenses amounted to EUR 57,236,377 in the first half year of 2025, representing 14% of sales, compared to 11% in the first half year of 2024. The main research and development activities focused on embedded motor drivers, magnetic position sensors, current sensors, embedded lighting, temperature sensors and pressure sensors.

### General, administrative and selling expenses

General, administrative and selling expenses consist mainly of salaries and salary related expenses, depreciation charges and external services & fees. The general, administrative and selling expenses increased by 7% compared to the first half year of 2024, mainly as a result of higher depreciation charges for new offices and buildings.

### Financial result

The net financial result amounted to EUR 7,913,130 profit in the first half of 2025 compared to EUR 4,730,295 loss in the first half of 2024. The (net) interest result changed from a loss of EUR 5,059,105.9 in the first half year of 2024 to a loss of EUR 4,956,278.6 in the first half of 2025 as the increase in debt was compensated by lower interest rates. The net exchange results (both realized and unrealized) in the first half year of 2025 amounted to a gain of EUR 12,985,437, compared to a gain of EUR 429,872 in the first half year of 2024.

### Net income

There was a decrease in net income from EUR 102,015,433 in the first half of 2024 to EUR 62,402,851 in the first half of 2025, mainly due to a decrease of sales and gross margin.

## 1.4 Liquidity, working capital and capital resources

Cash and cash deposits amounted to EUR 33,911,567 as of 30 June 2025, in comparison to EUR 32,681,024 as of 31 December 2024.

In the first half year of 2025, operating cash flow before working capital changes amounted to EUR 101,485,731 compared to EUR 150,973,069 in the first half year of 2024. Net operating cash flow including working capital changes amounted to EUR 34,785,715, compared to EUR 78,907,177 in the first half year of 2024. The decrease in net operating cash flow was mainly impacted by a decrease of the net income.

The cash flow from investing activities was negative for an amount of EUR -13,326,777, mainly as a result of investments in fixed assets.

The cash flow from financing activities amounted to EUR -19,709,301, mainly due to the dividend payment and the acquisition of treasury shares, partially compensated by proceeds of long-term debt.

## 1.5 Risk factors

Melexis, as any company, is continuously confronted with a number of market and competition risks or more specific risks related to the company (including but not limited to currency fluctuations, inflation, interest rates, customer concentration, dependence on key personnel, product liability, IP or litigation). More information on risk factors can be found in the annual report 2024.

Melexis believes that the most noteworthy risks that the company is facing for the coming half year would be the volatility in supply and demand, geopolitical tensions and intense competition within the automotive market and geopolitical uncertainty around US tariffs which has no significant direct impact on Melexis' operations. Melexis also identified risks related to climate change which can be found in a separate chapter about climate change (note 2.6.5.X).

## 1.6 Events after the balance sheet date

There are no events after the balance sheet date that have a material impact on the condensed consolidated interim financial statements per 30 June 2025.

## 1.7 Statement of the board of directors

The Board of Directors of Melexis certifies, on behalf and for the account of the company, that, to their knowledge,

a. the condensed consolidated interim financial statements which have been prepared in accordance with International Financial Reporting Standards give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the entities included in the consolidation as a whole and

b. the comments on the consolidated accounts include a fair review of the development and performance of the business and the position of the company and the entities included in the consolidation as a whole, together with a description of the principal risks and uncertainties they face.

# Unaudited condensed consolidated interim financial statement

## 2.1 Condensed consolidated interim statement of financial position

| | | Note | Half year ended 30/06/2025 | Year ended 31/12/2024 |
|---|---|---|---|---|
| **Assets** | | | | |
| Current assets | Cash and cash equivalents | 2.6.5 A | 33,911,567 | 32,681,024 |
| | Current investments, derivatives | 2.6.5 B | 300,250 | — |
| | Accounts receivable - trade | 2.6.5 C | 104,819,775 | 102,246,479 |
| | Assets for current tax | 2.6.5 E | 31,245,267 | 18,889,415 |
| | Inventories | 2.6.5 F | 287,169,573 | 262,815,232 |
| | Other current assets | 2.6.5 G | 99,509,123 | 55,960,756 |
| **Total current assets** | | | **556,955,555** | **472,592,906** |
| Non-current assets | Deferred tax assets | 2.6.5 I | 37,799,521 | 36,985,308 |
| | Other non-current assets | 2.6.5 H | 121,369,381 | 163,581,332 |
| | Property, plant and equipment | 2.6.5 J | 202,976,900 | 211,119,501 |
| | Intangible assets | 2.6.5 K | 1,383,901 | 1,175,079 |
| | Leased assets | 2.6.5 L | 7,632,688 | 8,801,161 |
| **Total non-current assets** | | | **371,162,391** | **421,662,382** |
| **Total assets** | | | **928,117,946** | **894,255,288** |

| | | Note | Half year ended 30/06/2025 | Year ended 31/12/2024 |
|---|---|---|---|---|
| **Liabilities** | | | | |
| Current liabilities | Derivative financial instruments | 2.6.5 B | — | 228,348 |
| | Current portion of long-term debt | 2.6.5 S | 5,293,784 | 5,796,846 |
| | Lease liabilities | 2.6.5 L | 2,024,065 | 2,143,011 |
| | Accounts payable - trade | 2.6.5 M | 59,073,993 | 63,202,611 |
| | Short-term employee benefits accruals | 2.6.5 N | 20,720,514 | 18,222,489 |
| | Accrued taxes | 2.6.5 O | 4,864,863 | 3,219,819 |
| | Other current liabilities | 2.6.5 P | 4,567,919 | 9,320,419 |
| | Deferred income | 2.6.5 Q | 3,071,806 | 2,076,383 |
| **Total current liabilities** | | | **99,616,944** | **104,209,927** |
| Non-current liabilities | Long-term debt less current portion | 2.6.5 S | 308,686,854 | 207,525,218 |
| | Lease liabilities | 2.6.5 L | 5,715,609 | 6,714,403 |
| | Other non-current liabilities | 2.6.5 R | 3,474,468 | 4,567,028 |
| | Deferred tax liabilities | 2.6.5 I | 2,318,247 | 3,737,367 |
| **Total non-current liabilities** | | | **320,195,178** | **222,544,016** |
| Equity: | Shareholders' capital | | 564,814 | 564,814 |
| | Reserve treasury shares | | (27,720,279) | (4,410,107) |
| | Legal reserve | | 56,520 | 56,520 |
| | Retained earnings | | 541,032,524 | 574,606,096 |
| | Cumulative translation adjustment | | (5,628,165) | (3,316,388) |
| **Equity attributable to company owners** | | | **508,305,414** | **567,500,934** |
| | Non-controlling interest | | 410 | 410 |
| **Total equity** | | | **508,305,824** | **567,501,344** |
| **Total equity and liabilities** | | | 928,117,946 | 894,255,288 |

The accompanying notes to this interim statement of financial position form an integral part of these condensed consolidated interim financial statements.

## 2.2 Condensed consolidated interim income statement

| | Half year ended 30/06/2025 | Half year ended 30/06/2024 |
|---|---|---|
| **Total revenue** | **409,837,028** | **487,543,382** |
| Cost of sales | (251,554,941) | (271,993,481) |
| **Gross margin** | **158,282,088** | **215,549,901** |
| Research and development expenses | (57,236,377) | (53,459,769) |
| General and administrative expenses | (26,772,945) | (24,517,398) |
| Selling expenses | (9,639,148) | (9,485,556) |
| **Income from operations (EBIT)** | **64,633,618** | **128,087,179** |
| Financial income | 13,404,994 | 2,973,777 |
| Financial charges | (5,491,864) | (7,704,072) |
| **Profit or loss before tax** | **72,546,747** | **123,356,884** |
| Income tax | (10,143,896) | (21,341,451) |
| **Net profit or loss for the period** | **62,402,851** | **102,015,433** |
| Earnings per share attributable to the ordinary equity holders of the parent | | |
| Earnings per share non-diluted | 1.5 | 2.5 |
| Earnings per share diluted | 1.5 | 2.5 |

The accompanying notes to this condensed consolidated interim income statement form an integral part of these condensed consolidated interim financial statements.

## 2.3 Condensed consolidated interim statement of comprehensive income

| | | Half year ended 30/06/2025 | Half year ended 30/06/2024 |
|---|---|---|---|
| Net result | | 62,402,851 | 102,015,432 |
| **Other comprehensive income** | | | |
| **Recyclable items of profit or loss** | | | |
| Cumulative translation adjustment | | (2,311,777) | (2,000,946) |
| **Non-recyclable items of profit or loss** | | | |
| Remeasurement of post-employment benefit obligation, after tax | 2.6.5 R | — | (535,500) |
| Total other comprehensive income/(loss) for the period | | (2,311,777) | (2,536,446) |
| **Total comprehensive income/(loss) for the period** | | **60,091,074** | **99,478,987** |
| **Total comprehensive income attributable to:** | | | |
| Owners of the parent | | 60,091,074 | 99,478,987 |
| non-controlling interests | | | |

The amounts included in other comprehensive income are net of tax effects.

## 2.4 Condensed consolidated interim statement of changes in equity

| in EUR | Number of shares | Share capital | Legal reserve | Retained earnings | Reserve treasury shares | CTA | Non-controlling interest | Total equity |
|---|---|---|---|---|---|---|---|---|
| **31 December 2023** | **40,400,000** | **564,814** | **56,520** | **553,305,064** | | **(2,859,562)** | **410** | **551,067,246** |
| Net income | | — | — | 102,015,432 | | — | — | 102,015,432 |
| Other comprehensive income | | — | — | (535,500) | | (2,000,946) | — | (2,536,446) |
| Dividends | | — | — | (96,960,000) | | — | — | (96,960,000) |
| **30 June 2024** | **40,400,000** | **564,814** | **56,520** | **557,824,997** | | **(4,860,507)** | **410** | **553,586,233** |
| Net income | | | | 69,430,890 | | | | 69,430,890 |
| Other comprehensive income | | | | (129,791) | | 1,544,119 | | 1,414,329 |
| Reserve treasury shares | | | | | (4,410,107) | | | (4,410,107) |
| Dividends | | | | (52,520,000) | | | | (52,520,000) |
| **31 December 2024** | **40,400,000** | **564,814** | **56,520** | **574,606,096** | **(4,410,107)** | **(3,316,388)** | **410** | **567,501,344** |
| Net income | | | | 62,402,851 | | | | 62,402,851 |
| Other comprehensive income | | | | — | | (2,311,777) | | (2,311,777) |
| Reserve treasury shares | | | | | (23,310,171) | | | (23,310,171) |
| Dividends | | | | (95,976,422) | | | | (95,976,422) |
| **30 June 2025** | **40,400,000** | **564,814** | **56,520** | **541,032,524** | **(27,720,279)** | **(5,628,165)** | **410** | **508,305,824** |

In December 2024, Melexis initiated a share buy-back program of its outstanding common stock for up to 850 thousand shares for an amount of EUR 50 million. The bought back shares are held as treasury shares for a total amount of EUR 27.7 million or 480,782 shares per 30 June 2025.

## 2.5 Condensed consolidated interim statement of cash flows

| Indirect method in EUR | Note | Half year ended 30/06/2025 | Half year ended 30/06/2024 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Net profit | | 62,402,851 | 102,015,433 |
| **Adjustments for operating activities** | | | |
| Other provisions | | (1,092,560) | 139,172 |
| Deferred income | | 995,422 | 1,491,588 |
| Depreciation and amortization | | 25,577,169 | 22,538,756 |
| Depreciation leased assets | | 1,132,013 | 1,044,804 |
| Financial result | | 2,326,940 | 2,401,865 |
| Income tax expense/income | | 10,143,896 | 21,341,451 |
| **Operating cash flow before working capital changes** | | **101,485,731** | **150,973,069** |
| Accounts receivable, net | | (3,041,376) | 708,664 |
| Other current assets | | (43,548,367) | 7,659,608 |
| Other non-current assets | | 42,211,951 | (11,629,117) |
| Accounts payable | | (4,128,617) | (17,746,275) |
| Short-term employee benefit accruals | | 2,477,754 | (8,461,520) |
| Other current liabilities | | (4,752,501) | (3,915,639) |
| Inventories | | (28,087,628) | (6,218,411) |
| **Cash generated from operations** | | **62,616,947** | **111,370,380** |
| Interest paid | | (4,861,921) | (5,020,316) |
| Income tax paid | | (22,969,311) | (27,442,887) |
| **Net cash from operating activities** | | **34,785,715** | **78,907,177** |

| Indirect method in EUR | Note | Half year ended 30/06/2025 | Half year ended 30/06/2024 |
|---|---|---|---|
| **Cash flows from investing activities** | | | |
| Purchase of property, plant and equipment | 2.6.5 J | (12,785,902) | (27,127,609) |
| Purchase of intangible assets | | (656,121) | – |
| Interest received | | 115,246 | 188,025 |
| Investments, proceeds, from current investments | | | – |
| **Net cash used in investing activities** | | **(13,326,777)** | **(26,939,584)** |
| **Cash flows from financing activities** | | | |
| Repayment leasings | | (1,081,282) | (960,962) |
| Proceeds of long-term debts | | 100,658,574 | 45,159,416 |
| Dividend payment | | (95,976,422) | (96,960,000) |
| Acquisition treasury shares | | (23,310,171) | |
| **Net cash used in financing activities** | | **(19,709,301)** | **(52,761,546)** |
| Effect of exchange rate changes on cash | | (519,095) | (3,960) |
| (Decrease) increase in cash | | 1,230,543 | (797,912) |
| **Cash at beginning of the period** | | **32,681,024** | **39,348,841** |
| **Cash at end of the period** | | **33,911,567** | **38,550,929** |

The accompanying notes to this interim statement of cash flows form an integral part of the condensed consolidated interim financial statements.

For the current reporting period, impact of exchange results on financing items has been reclassified from financing cash flow to operating cash flow to better reflect the nature of these transactions. As a result, the impact of exchange results on financing items, unrealized financial result, and financial result have been combined into a single financial result line item. For comparative purposes, this reclassification has been applied retrospectively to both, 2025 and 2024 cash flow statements.

## 2.6 Notes to the condensed consolidated interim financial statements

### 2.6.1 Company information

Melexis is a limited liability company incorporated under Belgian law. The company has been operating since 1988. The company designs, develops, tests and markets advanced integrated semiconductor devices mainly for the automotive industry. The company sells its products to a wide customer base in the automotive industry in Europe, Asia and North America.

The Melexis Group of companies employed, on average (in FTE) 1,951 people at the end of June in 2024 and 1,942 at the end of June in 2025.

The registered office address of the company is located at Rozendaalstraat 12, 8900 Ieper, Belgium. The company is listed on Euronext.

The consolidated statements were authorized for issue by the Board of Directors subsequent to their meeting held on 18 August 2025 in Tessenderlo.

### 2.6.2 Statement of compliance

The condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standard (IFRS) IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board ('IASB') and as adopted by the European Union. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the company for the year ended 31 December 2024. Melexis has not applied early any new IFRS requirements that are not yet effective in 2025.

### 2.6.3 Summary of significant accounting policies

The accounting policies applied, computation and presentation are consistent with those applied in the annual consolidated financial statements ended 31 December 2024, except as described below.

During the current financial year, the company has adopted all the new and revised Standards and Interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB, that are relevant to its operations and effective as per 30 June 2025. The Group has not applied new IFRS requirements that are not yet effective as per 30 June 2025.

The following new standard and amendments to standards are mandatory for the first time for the financial year beginning 1 January 2025 and have been endorsed by the European Union:

1. Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability' (effective 1 January 2025). IAS 21 previously did not cover how to determine exchange rates in case there is long-term lack of exchangeability and the spot rate to be applied by the company is not observable. The narrow scope amendments add specific requirements on:

- Determining when a currency is exchangeable into another and when it is not;
- Determining the exchange rate to apply in case a currency is not exchangeable;
- Additional disclosures to provide when a currency is not exchangeable.

The following Standards and amendments have been issued, but are not mandatory for the first time for the financial year beginning 1 January 2025 and have not been endorsed by the European Union:

1. Amendments to IFRS 9 and to IFRS 7: the Classification and Measurement of Financial Instruments (effective on 1 January 2026). On 30 May 2024, the IASB issued amendments to IFRS 9 and IFRS 7 to:

- Clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- Clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- Add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement environment, social and governance (ESG) targets); and
- Update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The following Standards and amendments have been issued, but are not mandatory for the first time for the financial year beginning 1 January 2025 and have not been endorsed by the European Union:

1. Amendments to IFRS 9 and to IFRS 7: Contracts Referencing Nature-dependent Electricity Amendments to IFRS 9 and IFRS 7 (effective on 1 January 2026). On 18 December 2024, the IASB issued amendments to IFRS 9 and IFRS 7:

- clarify the application of the 'own-use' requirements;
- permit hedge accounting if these contracts are used as hedging instruments; and
- new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

2 IFRS 18 Presentation and Disclosure in Financial Statements (effective on 1 January 2027). The IASB has issued IFRS 18, the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'.

IFRS 18 will apply for reporting periods beginning on or after 1 January 2027 and also applies to comparative information. The changes in presentation and disclosure required by IFRS 18 might require system and process changes.

3 IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective on 1 January 2027). The International Accounting Standard Board (IASB) has issued a new IFRS Accounting Standard for subsidiaries. IFRS 19 'Subsidiaries without Public Accountability: Disclosures' permits eligible subsidiaries to use IFRS Accounting Standards with reduced disclosures. Applying IFRS 19 will reduce the costs of preparing subsidiaries' financial statements while maintaining the usefulness of the information for users of their financial statements.

4 Annual improvements Volume 11 (effective 1 January 2026). The amended Standards are:

- IFRS 1 First-time Adoption of International Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash Flows.

The following standard is mandatory since the financial year beginning 1 January 2016 (however not yet subjected to EU endorsement). The European Commission has decided not to launch the endorsement process of this interim standard but to wait for the final standard:

1 IFRS 14, 'Regulatory deferral accounts' (effective 1 January 2016). It concerns an interim standard on the accounting for certain balances that arise from rate–regulated activities. IFRS 14 is only applicable to entities that apply IFRS 1 as first-time adopters of IFRS. It permits such entities, on adoption of IFRS, to continue to apply their previous GAAP accounting policies for the recognition, measurement, impairment and derecognition of regulatory deferral accounts. The interim standard also provides guidance on selecting and changing accounting policies (on first–time adoption or subsequently) and on presentation and disclosure.

At any time, management aims at providing a fair representation of the financial statements to its stakeholders according to IFRS legislation. In case of changes in IFRS legislation that materially impact, but are not yet adopted by Melexis, management ensures timely disclosure of the impact on Melexis' financial statements. Except for potential presentation and disclosures in financial statements required by the new concepts in IFRS 18 as from 2027, there is no impact.

The Group elected not to adopt early the new Standards, Interpretations and Amendments, which have been issued but are not yet effective as per 30 June 2025.

### 2.6.4 Changes in Group's organization

There have been no changes in the Group structure in the first half of 2025.

## 2.6.5 Notes

### A Cash and cash equivalents

| | Half year ended 30/06/2025 | Year ended 31/12/2024 |
|---|---|---|
| Cash at bank and in hand | 33,911,567 | 32,681,024 |
| **Total** | **33,911,567** | **32,681,024** |

### B Derivatives

#### Notional amounts

The following table presents the evolution of the aggregate notional amounts of the Group's outstanding derivative financial instruments:

| | | Half year ended 30/06/2025 | Year ended 31/12/2024 |
|---|---|---|---|
| Outstanding FX hedge contracts, not exceeding 1 year | USD | 100,000,000 | 50,000,000 |

FX hedge contracts are entered into in order to hedge (part of) the outstanding balance sheet exposure in foreign currency (USD).

#### Fair value

The fair value of derivatives is based upon mark to market valuations. All derivative financial instruments are measured at fair value derived from level 2 input criteria. For FX swaps, this is calculated using the forward rate of the appropriate currency pair on 30 June.

The following table presents an overview of the fair value of outstanding derivatives, classified as an asset under current investments, derivatives:

| Assets in EUR | Half year ended 30/06/2025 | Year ended 31/12/2024 |
|---|---|---|
| Outstanding FX hedge contracts - level 2 | 300,250 | – |
| **Total, classified under current investment** | **300,250** | **–** |

The following table presents an overview of the fair value of outstanding derivatives, classified as a liability under derivative financial instruments:

| Liabilities in EUR | Half year ended 30/06/2025 | Year ended 31/12/2024 |
|---|---|---|
| Outstanding FX hedge contracts - level 2 | – | 228,348 |
| **Total, classified under derivative financial instruments** | **–** | **228,348** |

As of 30 June 2025, there were no outstanding derivatives for which hedge accounting was applied as defined under IFRS 9. As a result, no changes in the fair value of hedging instruments were recognized in a hedging reserve.

The advance payments, as disclosed in note 2.6.5.U, are not accounted for under IFRS 9 as the settlement will be in wafers and not in cash or another financial instrument.

### C Trade receivables

Trade receivables are measured at fair value and are subsequently measured at amortized cost, less allowance for credit losses. Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.

| | Half year ended 30/06/2025 | Year ended 31/12/2024 |
|---|---|---|
| Trade accounts receivable | 105,343,637 | 102,302,262 |
| Credit loss allowance | (523,862) | (55,783) |
| **Total** | **104,819,775** | **102,246,479** |

As of 30 June 2025, trade receivables of EUR 9,260,339 were past due.

The aging analysis of these receivables, is as follows:

| | Half year ended 30/06/2025 | Year ended 31/12/2024 |
|---|---|---|
| Not due | 95,559,436 | 88,192,682 |
| <30 days | 7,195,893 | 11,604,083 |
| >30 <60 days | 1,606,195 | 1,443,052 |
| >60 days | 458,251 | 1,006,662 |
| **Total** | **104,819,775** | **102,246,479** |

In the following aging analysis, the distinction is made between the receivables for which an allowance for doubtful accounts is made and the receivables for which no allowance for doubtful accounts is needed:

| 30/6/2025 | Credit loss allowance | No allowance for credit losses | Total receivables |
|---|---|---|---|
| Not due | (204,124) | 95,763,560 | 95,559,437 |
| <30 days | (13,770) | 7,209,663 | 7,195,893 |
| >30 <60 days | (250,186) | 1,856,381 | 1,606,195 |
| >60 days | (55,783) | 514,033 | 458,251 |
| **Total** | **(523,862)** | **105,343,637** | **104,819,775** |

The credit control department reviews on a regular basis the outstanding balances of customers. When there is a significant increase in the credit risk of a customer, an allowance for doubtful accounts is made. The analysis of the increased credit risk is performed according to the credit loss model of IFRS 9. The output of the analysis did not result in additional material amounts to be accounted for.

Melexis uses an early warning system to detect potential bad debtors. In this system, the most recent available financial information of the customer (with focus on credit ratios) is combined with an analysis of their (future) order and payment behavior. The analysis is done on a weekly basis and thoroughly investigated by the credit control team. In the first half year of 2025, an additional impairment of EUR 468,080 was taken into account.

As per 30 June 2025, EUR 4,248 of the trade accounts receivables are related parties, compared to EUR 6,886 per 30 June 2024 (see note 2.6.5.D).

## D Related parties

### Shareholder structure and identification of major related parties

Melexis NV is the parent company of the Melexis Group that includes following entities and branches which have been consolidated:

| | |
|---|---|
| **Melexis Inc.** | US entity |
| **Melexis GmbH** | German entity |
| **Melexis Bulgaria EOOD** | Bulgarian entity |
| **Melexis Ukraine** | Ukrainian entity |
| **Melexis Technologies SA** | Swiss entity |
| **Melexis NV/BO France** | French branch |
| **Melefin NV** | Belgian entity |
| **Melexis Technologies NV** | Belgian entity |
| **Melexis NV/BO Philippines** | Philippine branch |
| **K.K. Melexis Japan Technical Research Center** | Japanese entity |
| **Melexis Electronic Technology (Shanghai) Co., Ltd** | Chinese entity |
| **Melexis (Malaysia) Sdn. Bhd.** | Malaysian entity |
| **Melexis Technologies NV/BO Malaysia** | Malaysian branch |
| **Melexis Dresden GmbH** | German entity |
| **Melexis France SAS** | French entity |
| **Melexis Korea Yuhan Hoesa** | South Korean entity |
| **Xpeqt NV** | Belgian entity |
| **Xpeqt EOOD** | Bulgarian entity |
| **Melexis NV/BO Taiwan** | Taiwan branch |

- Sensinnovat BV owns 25% + 1 share of the outstanding Melexis shares. The shares of Sensinnovat BV are controlled by Mr. Rudi De Winter and Ms. Françoise Chombar. Ms. Chombar is a director at Melexis NV.
- Elex NV owns 25% of the outstanding Melexis shares. Mr. Roland Duchâtelet is a member of Elex NV's key management personnel. Mr. Duchâtelet is a director at Melexis NV.

- Elex NV owns 99.9% of the outstanding shares of Fremach International NV.
- Fremach International NV has significant influence over WorkNomads AD.

### Outstanding balances on 30 June 2025

#### Receivables

| | Half year ended 30/06/2025 | Year ended 31/12/2024 |
|---|---|---|
| Elex NV | 358 | 1,997 |
| Fremach Group | – | 999 |
| Sensinnovat | 3,890 | 3,890 |
| **Total** | **4,248** | **6,886** |

#### Payables

| | Half year ended 30/06/2025 | Year ended 31/12/2024 |
|---|---|---|
| Elex NV | 4,825 | 70,802 |
| Worknomads EAD | 32,206 | 81,382 |
| Sensinnovat | | (10,314) |
| **Total** | **37,031** | **141,870** |

### Transactions during the year

In the course of the year, following transactions have taken place:

#### Sales/purchases of goods and equipment

| in EUR | Half year ended 30/06/2025 | Half year ended 30/06/2024 |
|---|---|---|
| **Sales to** | | |
| Fremach Group (mainly integrated circuits or ICs) | – | 5,858 |
| in EUR | Half year ended 30/06/2025 | Half year ended 30/06/2024 |
| **Purchases from** | | |
| Sensinnovat | 1,504 | 66,000 |
| Xtrion NV (mainly IT infrastructure) | 51,233 | 127,224 |
| Elex | 92,230 | |

#### Sales/purchases of services

| in EUR | Half year ended 30/06/2025 | Half year ended 30/06/2024 |
|---|---|---|
| **Sales to** | | |
| Elex NV | 1,434 | 955 |
| Sensinnovat | 19,290 | 19,290 |
| in EUR | Half year ended 30/06/2025 | Half year ended 30/06/2024 |
| **Purchases from** | | |
| Xtrion NV (mainly IT and related support) | – | 620,958 |
| Elex Group (mainly support services) | 33,680 | 314,842 |
| Worknomads EAD (R&D Services) | 224,830 | 100,211 |
| Sensinnovat BV | 1,933 | 91,272 |

## E Assets for current tax

Assets for current tax increased from EUR 18,889,415 to EUR 31,245,267, which is mainly due to increased prepaid taxes and overpaid foreign income taxes.

## F Inventories

Inventory is written off when no sales are expected or when the goods contain defects. As per 30 June 2025, EUR 3,733,287 of additional inventory was written off. EUR 3,505,572 of the inventory written off during the previous year was reversed as the business conditions to write-off these inventory items became redundant or the estimated sales value increased due to a change in business conditions.

Inventories increased from EUR 262,815,232 to EUR 287,169,573 in the first half year of 2025, an increase of 9% compared to December 2024.

## G Other current assets

| | Half year ended 30/06/2025 | Year ended 31/12/2024 |
|---|---|---|
| Other receivables | 92,863,514 | 51,465,415 |
| Prepaid expenses | 6,645,610 | 4,495,342 |
| **Total** | **99,509,123** | **55,960,756** |

The other receivables mainly relate to the short-term portion of the repayment of X-FAB prepayments (refer to note 2.6.5.H) and VAT.

Prepaid expenses are expenses paid in advance for the whole year, for example insurance fees, license fees, etc. These increase at the beginning of the year and decrease towards the end.

The increase in other current assets from EUR 55,960,756 per end December 2024 to EUR 99,509,123 per end of June 2025 is mainly because of the short-term portion of the repayments of X-FAB, which are scheduled to start in Q3 2025.

## H Other non-current assets

| | Half year ended 30/06/2025 | Year ended 31/12/2024 |
|---|---|---|
| X-FAB Group | 121,369,381 | 163,581,332 |
| **Total** | **121,369,381** | **163,581,332** |

The 2023 mismatch between supply and demand related to automotive semiconductors has led market participants to establish new ways of contracting aimed at the long-term relationship between suppliers and their customers. During these years, in line with developments within the sector, Melexis and its subsidiaries have also concluded various long-term agreements (LTAs) with different suppliers. The most important goal of the LTAs was to secure volumes and more predictable prices.

Given that the LTA with our main supplier X-FAB requires significant capacity expansions on their part, Melexis Technologies agreed, in line with market practices, to prepay a part of the committed wafers. For more details about this transaction, we refer to note 2.6.5.U.

No triggering event occurred that would give rise to any indication for impairment of these non-current assets.

## I Components of deferred tax assets and liabilities

Components of deferred tax assets are as follows:

| | 1 January 2025 | Charged to income statement | Charged to equity | 30 June 2025 |
|---|---|---|---|---|
| Tax amortization charges | 32,138,460 | 1,455,327 | — | 33,593,787 |
| Tax losses carried forward | 1,606,000 | (324,030) | — | 1,281,970 |
| Asset on leases | 1,813,007 | | | 1,813,007 |
| Fair value adjustments hedge accounting | 57,087 | (57,087) | — | — |
| IAS 19 | 221,764 | | | 221,764 |
| Miscellaneous | 1,148,990 | (259,997) | | 888,993 |
| **Total** | **36,985,308** | **814,213** | | **37,799,521** |

Components of deferred tax liabilities are as follows:

| | 1 January 2025 | Charged to income statement | Charged to equity | 30 June 2025 |
|---|---|---|---|---|
| Fair value adjustments financial instruments | — | (75,063) | — | (75,063) |
| Liability on leases | (1,813,007) | | | (1,813,007) |
| Other | (1,924,360) | 1,494,183 | — | (430,177) |
| **Total** | **(3,737,367)** | **1,419,120** | **—** | **(2,318,247)** |

## J Property, plant and equipment

| in EUR | Land and buildings | Machinery and equipment | Furniture and vehicles | Fixed assets under construction | 30/6/2025 | 30/6/2024 |
|---|---|---|---|---|---|---|
| **Cost** | | | | | | |
| Balance 31 December 2024 | 132,874,840 | 408,451,020 | 38,077,388 | 12,766,226 | 592,169,474 | 555,968,492 |
| Additions of the year | 1,195,022 | 6,875,453 | 2,371,045 | 5,095,819 | 15,537,339 | 27,018,408 |
| Retirements (-) | (37,600) | (3,506,792) | (487,600) | 830,390 | (3,201,602) | (7,528,596) |
| Transfers | 677,092 | 9,674,895 | 486,593 | (10,838,580) | — | — |
| CTA | (2,568,395) | (1,597,903) | (223,283) | | (4,389,581) | (882,017) |
| **End of the period** | **132,140,959** | **419,896,673** | **40,224,143** | **7,853,855** | **600,115,630** | **574,576,287** |
| **Accumulated depreciation** | | | | | | |
| Balance 31 December 2024 | 35,509,456 | 321,139,875 | 24,400,642 | — | 381,049,973 | 360,084,547 |
| Additions of the year | 2,898,296 | 15,789,746 | 2,553,822 | | 21,241,864 | 18,217,641 |
| Retirements (-) | (35,984) | (3,026,846) | (378,467) | | (3,441,297) | (7,295,435) |
| CTA | (117,602) | (1,403,145) | (191,063) | | (1,711,810) | (1,218,435) |
| **End of the period** | **38,254,166** | **332,499,630** | **26,384,934** | **—** | **397,138,730** | **369,788,318** |
| **Net book value 30 June 2025** | **93,886,793** | **87,397,043** | **13,839,209** | **7,853,855** | **202,976,900** | **—** |
| **Net book value 31 December 2024** | **97,365,384** | **87,311,145** | **13,676,746** | **12,766,226** | **211,119,501** | **—** |

Additions of the year mainly relate to the purchase of testing equipment.

Retirements: no material amount of compensation from third parties has been included in the consolidated statement of comprehensive income. The retirements are mainly linked to items with zero net book value which are not in use anymore by the company.

There are currently no restrictions in title for any of our PPE assets nor are they pledged as security for liabilities. The purchase commitments related to PPE assets are disclosed in note 2.6.5.U.

## K Intangible assets

Intangible assets mainly consist of software license fees and amount to EUR 1,383,901 per 30 June 2025.

## L Leased assets and liabilities

This note provides information for leased assets where Melexis is a lessee.' The balance sheet shows the following amounts related to leased assets:

| in EUR | Land and building | Furniture and vehicles | Half year ended 30/06/2025 |
|---|---|---|---|
| **Leased assets** | | | |
| Balance year ended 31 December 2024 | 10,956,061 | 842,770 | 11,798,831 |
| Additions of the year | 118,320 | 49,251 | 167,571 |
| Retirements ( - ) | (54,741) | (62,674) | (117,415) |
| CTA | (306,321) | — | (306,321) |
| **End of the period** | **10,713,319** | **829,347** | **11,542,666** |
| **Accumulated depreciation** | | | |
| Balance year ended 31 December 2024 | 2,468,195 | 529,472 | 2,997,667 |
| Additions of the period | 1,081,824 | 45,814 | 1,127,638 |
| Retirements ( - ) | (32,836) | (59,822) | (92,658) |
| CTA | (122,670) | — | (122,670) |
| **End of the period** | **3,394,513** | **515,464** | **3,909,977** |
| **Net book value** | **7,318,806** | **313,883** | **7,632,689** |

The additions are mainly related to the renewal of rented building contracts.

The balance sheet shows the following amounts related to lease liabilities:

| 30/6/2025 | Current liabilities | Non-current liabilities | Total |
|---|---|---|---|
| Beginning of the period | 2,143,011 | 6,714,403 | 8,857,415 |
| **End of the period** | **2,024,065** | **5,715,609** | **7,739,674** |

The table below shows the duration of the outstanding lease contracts:

| 30/6/2025 | Land and building | Furniture and vehicles | Total |
|---|---|---|---|
| < 1 year | 1,866,964 | 157,100 | 2,024,065 |
| > 1 year < 5 years | 5,622,922 | 92,687 | 5,715,609 |
| **TOTAL** | **7,489,886** | **249,787** | **7,739,674** |

The statement of profit and loss shows the following amounts relating to leases:

| 30/6/2025 | Total |
|---|---|
| Depreciation charges leased buildings | 1,034,096 |
| Depreciation charges leased vehicles | 97,917 |
| Interest expense (included in finance cost) | 103,410 |
| Expenses related to short-term leases or low-value assets (included in admin expenses) | 467,936 |

## M Accounts payable

Trade payables are non-interest bearing and are mainly  settled on a 30-day terms. All payables are payable within 1 year.

In the first half year of 2025, trade accounts payable decreased from EUR 63,202,611 to EUR 59,073,993, a decrease of 7% compared to December 2024 due to a timing effect and decrease in total cost of sales.

As per 30 June 2025, EUR 37,031 of the trade accounts payables are related parties, compared to EUR 141,870 per 31 December 2024 (see note 2.6.5.D).

## N Short-term employee benefits accruals

In the first half year of 2025, short-term employee benefits accrual increased from EUR 18,222,489 to EUR 20,720,514, an increase of 14% compared to December 2024,which is mainly due to a reorganization accrual.

## O Accrued taxes

In the first half year of 2025, accrued taxes increased from EUR 3,219,819 to EUR 4,864,863. Accrued taxes mainly consist of income taxes.

## P Other current liabilities

Other current liabilities comprise the following:

| | Half year ended 30/06/2025 | Year ended 31/12/2024 |
|---|---|---|
| Accrued real estate withholding tax | 202,500 | 135,000 |
| Accrued financial services | 551,050 | 824,227 |
| Accrued design services | 730,198 | 1,731,803 |
| Accrued management services | 525,976 | 131,527 |
| Accrued HR services | 572,601 | 368,066 |
| Accrued transport services | 90,000 | 90,000 |
| Accrued insurances | 100,898 | 134,154 |
| Accrued IT services | 262,000 | 302,000 |
| Accrued licenses and royalties | 404,421 | 275,182 |
| Accrued other employee costs | 147,000 | 379,822 |
| Accrued utilities | 422,324 | 413,328 |
| Accrued interests | 126,665 | 1,638,389 |
| Other | 432,287 | 2,896,922 |
| **Total** | **4,567,919** | **9,320,419** |

The decrease in 'Other' mainly relates to outstanding cost related to the construction of the new building in Malaysia in 2024 which is not applicable  in 2025.

## Q Deferred income

The deferred income mainly relates to shipments that were not delivered to the customer or that were prepared and not picked up before the half-year end. As this performance obligation was not met, revenue was not recognized at half-year end but will be recognized when the shipment will be delivered to the customer. The performance obligation was met shortly after half-year and revenue was recognized in July. A deferred income  is recognized in case a payment for a customer is due before a related performance obligation is satisfied.

## R Other non-current liabilities

| | Half year ended 30/06/2025 | Year ended 31/12/2024 |
|---|---|---|
| Warranty provision | 2,489,000 | 3,571,000 |
| Employee benefit obligations | 887,054 | 887,054 |
| Other | 98,414 | 108,974 |
| **Total** | **3,474,468** | **4,567,028** |

### Warranty provision

Melexis set up a warranty provision in accordance with the legal Melexis terms of sales and which is based on a reliable estimate of historical data. The estimation covers Melexis' experience of past claim rates and knowledge of current claims together with an assessment of rectification costs. The estimated period of usage of the underlying expenses is set at 1-2 years.

### Employee benefit obligations

Melexis' employee benefit plans consist of defined contribution plans providing retirement, disability and surviving dependent's benefits with main contract in Belgium.

In Belgium, Melexis' defined contribution plans, while funded through group insurance contracts, must adhere to Belgian regulations guaranteeing a minimum 1.75% return on contributions. This rate, tied to a risk-free rate of 10-year government bond, places the investment risk until the legal minimum rates applicable, on the employer. This structure classifies the plans as defined benefit plans under IAS19. Under IAS 19, companies must recognize a liability for employee benefits earned but not yet paid, such as pensions. These future obligations are measured on a discounted basis to reflect their present value. A qualified actuary has determined the present value of the defined benefit obligations and the fair value of the plan assets.

The Projected Unit Credit (PUC) method was used to estimate the defined benefit obligations, the defined benefit cost and the re-measurements of the net liability. There are 3 defined benefit plans in Melexis Belgium for which we show below the aggregated view as these do not differ materially from characteristics, regulatory environment, reporting segment or funding arrangement. In accordance with IAS 19 the disclosure is in the form of a weighted average

As per 30 June 2025, the net defined benefit liability for Belgium amounts to EUR 887,054.

### Financial impact

Melexis performed an external update assessment of the net defined benefit liabiilty per 30 June 2025 which revealed no material changes to the figures reported per 31 December 2024. For completeness, the tables and numbers reported per 31 December 2024 are repeated below.

| in EUR | Half year ended 30/06/2025 |
|---|---|
| **Change in defined benefit obligation** | |
| Defined benefit obligation at end of prior year | 9,722,354 |
| Current service cost | 1,215,646 |
| Interest expense | 346,596 |
| Cash flows | |
| Benefit payments from plan assets | (175,692) |
| Participant contributions | 366,106 |
| Administrative expenses included in the DBO | (21,823) |
| Taxes included in the DBO | (160,481) |
| Remeasurements | |
| Effect of changes in demographic assumptions | — |
| Effect of changes in financial assumptions | (81,180) |
| Effect of experience adjustments | 229,084 |
| **Defined benefit obligation at end of year** | **11,440,610** |

| in EUR | Half year ended 30/06/2025 |
|---|---|
| **Change in fair value of plan assets** | |
| Fair value of plan assets at end of prior year | 9,008,196 |
| Interest income | 305,852 |
| Cash flows | |
| Total employer contributions | 1,249,264 |
| Participant contributions | 366,106 |
| Benefit payments from plan assets | (175,692) |
| Administrative expenses paid from plan assets | (21,823) |
| Taxes paid from plan assets | (160,481) |
| Remeasurements | |
| Return on plan assets (excluding interest income) | (17,866) |
| Fair value of plan assets at end of year | 10,553,556 |
| **Net defined benefit liability** | **887,054** |

## Components of defined benefit cost

| in EUR | Half year ended 30/06/2025 |
|---|---|
| Service cost | 1,215,646 |
| **Net interest cost** | |
| Interest expense on DBO | 346,596 |
| Interest income on plan assets | (305,852) |
| Total net interest cost | 40,744 |
| **Defined benefit cost included in P&L** | **1,256,390** |
| **Remeasurements (recognized in OCI)** | |
| Effect of changes in demographic assumptions | 110,304 |
| Effect of changes in financial assumptions | 374,011 |
| Effect of experience adjustments | 61,613 |
| Return on plan assets (excluding interest income) | 134,054 |
| **Total remeasurements included in OCI** | **679,982** |
| Total defined benefit cost recognized in P&L and OCI | 1,936,372 |

The following payments are to be expected benefit payments from the plan assets:

| Expected cashflow for following year in EUR | in EUR |
|---|---|
| Expected employer contributions | 1,300,484 |
| **Expected total benefit payments** | |
| Year 1 | 234,343 |
| Year 2 | 253,850 |
| Year 3 | 193,593 |
| Year 4 | 194,085 |
| Year 5 | 194,452 |
| Next 5 years | 1,813,449 |

The fair value of the plan assets are fully invested in insurance policies with guaranteed interest rates as provided by the insurer.

## Assumptions

The principal assumptions used in determining the IAS 19 pension obligation for Melexis were as follows:

| in EUR | Half year ended 30/06/2025 |
|---|---|
| Discount rate | 3.7 % |
| Inflation rate | 2.1 % |
| Salary increases | 4.1 % |
| Retirement age | following legal retirement age |

## Sensitivity Analysis

The below table summarizes the sensitivity analysis performed for significant assumptions as per 30 June 2025. The figures show the impact on the defined benefit obligation.

| in EUR | Present value defined benefit obligation | Change in defined benefit obligation | impact on defined benefit obligation |
|---|---|---|---|
| Discount rate -25 basis points | 11,679,475 | 238,866 | 2.1 % |
| Discount rate +25 basis points | 11,249,005 | (191,604) | (1.7)% |
| Salary increase rate -25 basis points | 11,331,550 | (109,059) | (1.0)% |
| Salary increase rate +25 basis points | 11,565,273 | 124,664 | 1.1 % |

The sensitivity analysis presented above, demonstrate the potential impact on the defined benefit obligation if key assumptions were to change at the end of the reporting period. Each analysis focuses on the effect of a single significant assumption, while holding all others constant. These results may not be representative to fully reflect real-world changes, as it's unlikely that assumptions would shift independently in practice.

The weighted average duration of the defined benefit obligation at the end of the reporting period at a discount rate - 25 basis points is 8.58 years and at a discount rate + 25 basis points is 7.01 years.

The impact on the defined benefit obligation for changes in inflation rate is considered to be immaterial.

## S Long and short-term debt

| | Half year ended 30/06/2025 | Year ended 31/12/2024 |
|---|---|---|
| Unsecured loans | | |
| Unsecured loan (in EUR) at floating interest rate, maturing in 2027 | 40,000,000 | 30,000,000 |
| Unsecured loan (in EUR) at floating interest rate, maturing in 2028 | 18,000,000 | 28,000,000 |
| Unsecured loan (in EUR) at floating interest rate, maturing in 2030 | 90,000,000 | — |
| Unsecured loan (in MYR) at floating interest rate, maturing in 2030 | 37,980,638 | 40,360,662 |
| Unsecured loan (in EUR) at floating interest rate, maturing in 2032 | 128,000,000 | 6,000,000 |
| Unsecured loan (in USD) at floating interest rate, maturing in 2032 | — | 41,582,443 |
| Unsecured loan (in USD) at floating interest rate, maturing in 2032 | — | 67,378,959 |
| **Total debt** | **313,980,638** | **213,322,064** |
| Current maturities | 5,293,784 | 5,796,846 |
| **Long-term portion of debt** | **308,686,854** | **207,525,218** |

Melexis consolidated needs to comply with the following financial covenants at all times:

- Net debt/EBITDA ratio ≤ 3.5
- Tangible net worth/total assets ≥ 30%

As per 30 June 2025, Melexis is respecting all its financial covenants and expects that this will remain the case in the future. There are no major differences between the fair value and carrying amount of the debt, since the interest payable on those borrowings is close to current market rates.

## T Operating segments

### Operating segments

Melexis products and production processes that are regularly evaluated have only one operating segment: the development and sale of integrated circuits. As a result, regular financial reporting towards the CODM (Chief Operating Decision Maker, at Melexis this is CEO + CFO) is done in one segment and the full R&D resource allocation is done on project level by one corporate team.

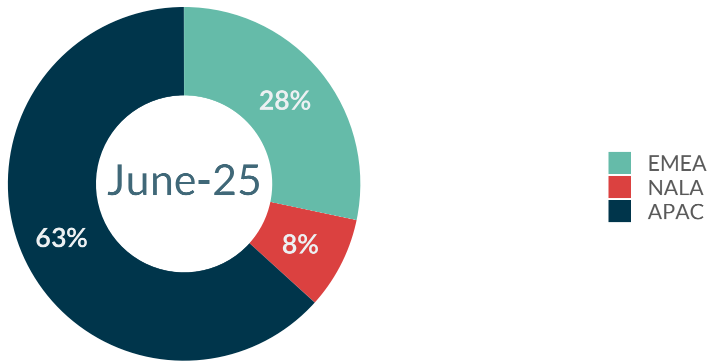
### Information about transactions with major customers

The following table summarizes sales by customer for the 10 most important customers, as % of total sales. It consists of the sales to the end customer and not to the subcontractors or distributors. All of these customers were included in the analysis of credit risk performed according to the credit loss model of IFRS 9. The output of this analysis did not result in material amounts to be accounted for.

| | Half year ended 30/06/2025 | Half year ended 30/06/2024 | Year ended 31/12/2024 |
|---|---|---|---|
| Customer A | 14 | 13 | 13 |
| Customer B | 7 | 6 | 6 |
| Customer C | 5 | 6 | 6 |
| Customer D | 5 | 4 | 5 |
| Customer E | 3 | 3 | 2 |
| Customer F | 2 | 3 | 2 |
| Customer G | 2 | 2 | 2 |
| Customer H | 2 | 2 | 2 |
| Customer I | 2 | 2 | 2 |
| Customer J | 2 | 2 | 2 |
| **TOTAL** | **44** | **43** | **42** |

### Information about geographical areas

The Melexis Group's activities are conducted in EMEA (Europe, Middle East and Africa), APAC (Asia Pacific) and NALA (North and Latin America).




The origin of all revenue is in Belgium, as the invoicing entity is located in Belgium.

The following table summarizes sales by destination, determined by the customer's billing address:

| | Half year ended 30/06/2025 | Half year ended 30/06/2024 |
|---|---|---|
| **Europe, Middle East and Africa (EMEA)** | **115,976,925** | **153,672,810** |
| Germany | 38,337,346 | 61,049,943 |
| France | 11,859,224 | 13,083,641 |
| United Kingdom | 2,000,443 | 980,831 |
| Poland | 2,829,500 | 4,535,063 |
| Switzerland | 11,038,115 | 12,017,857 |
| Serbia | 3,172,283 | 3,086,108 |
| Czech Republic | 4,371,096 | 5,371,934 |
| Austria | 3,448,584 | 8,089,476 |
| The Netherlands | 43,448 | 12,042 |
| Romania | 7,453,673 | 11,024,939 |
| Bulgaria | 2,456,826 | 1,994,571 |
| Spain | 1,325,533 | 1,527,398 |
| Lithuania | 8,714,952 | 6,479,035 |
| Hungary | 4,049,281 | 3,647,289 |
| Italy | 4,698,669 | 8,466,529 |
| Other | 10,177,952 | 12,306,154 |
| **North and Latin America (NALA)** | **34,467,811** | **46,102,597** |
| United States | 16,833,438 | 24,585,023 |
| Canada | 6,641,373 | 8,865,901 |
| Mexico | 10,990,734 | 12,650,450 |
| Other | 2,266 | 1,223 |
| **Asia Pacific (APAC)** | **259,392,292** | **287,767,975** |
| Japan | 30,321,038 | 37,861,219 |
| China* | 123,913,412 | 131,119,620 |
| Thailand | 32,650,544 | 39,329,575 |
| South Korea | 31,612,839 | 36,531,868 |
| Philippines | 9,920,326 | 12,780,005 |
| India | 8,195,239 | 9,826,731 |
| Singapore | 15,272,247 | 11,992,446 |
| Other | 7,506,647 | 8,326,511 |
| **Total** | **409,837,028** | **487,543,382** |

** China contains mainland China, Hong Kong and Taiwan*

## U Commitments and estimated liabilities

### Purchase commitments

On 30 June 2025 the Group had purchase commitments for tangible fixed assets amounting to EUR 11,939,078, mainly related to test equipment for production sites. As of 31 December 2024, the amount was EUR 13,684,587.

The 2023 mismatch between supply and demand related to automotive semiconductors has led market participants to establish new ways of contracting aimed at the long-term relationship between suppliers and their customers. In line with these developments within the sector, Melexis and its subsidiaries have also concluded various long-term agreements (LTAs) with different suppliers. The most important goal of the LTAs is to secure volumes and more predictable prices. Given that the LTA with our main supplier X-FAB requires significant capacity expansions on their part, Melexis Technologies agreed, in line with market practices, to prepay a part of the committed wafers for an amount of EUR 189.2 million. The settlement of this prepayment will be done through wafer sales. For the impact on the balance sheet, we refer to note 2.6.5.H. There is no impact on the profit and loss accounts.

These advance payments are not accounted for under IFRS 9 as the settlement will be in wafers and not in cash or another financial instrument. Hence the advance payment is accounted for as a non-financial asset and no interest revenue on the prepayment is recognized. The operational advance payment towards X-FAB in the framework of the LTA has no interest component, which is in line with market practices.

To mitigate the risk of supplier LTAs, Melexis also engaged in LTAs (2023-2025) with its main customers. These contracts do not contain financial components giving rise to material rights nor any material variable considerations to be taken into account.

## V Litigation

The company is currently not involved in any significant litigation.

## W Financial instruments

### Financial risk management

Melexis operates internationally, which could give an exposure to market risks from changes in interest and foreign exchange rates. Melexis can use derivative financial instruments to manage the foreign exchange risk, interest risk and inflation risk.

Risk management policies have been defined on Group level and are carried out by the local companies of the Group.

#### (1) Credit risks

Credit risk arises from the possibility that customers may not be able to settle obligations to the company within the normal terms of trade. To manage the risk, the company periodically assesses the financial viability of customers. The Group has no significant concentration of credit risk with any single counterparty or group of counterparties having similar characteristics.

#### (2) Interest rate risk

On 30 June 2025, the Group does not use derivatives to manage interest rate risks of the outstanding bank debt.

#### (3) Liquidity risk

Liquidity risk arises from the possibility that the Group is unable to meet its financial obligations upon maturity, due to the inability to convert assets into cash without incurring a loss. To prevent this, the Group keeps a significant cash reserve in combination with multiple unused committed credit lines.

#### (4) Foreign exchange risk

The currency risk of the Group occurs due to the fact that the Group operates and has sales in USD. The Group uses derivative contracts to manage foreign exchange risk. The table with outstanding derivatives per 30 June is taken up in note 2.6.5 B.

### Fair value of financial instruments

The fair value of foreign exchange contracts is determined using forward exchange market rates at the balance sheet date. For all of these instruments, the fair values are confirmed to the Group by the financial institutions through which the Group has entered into these contracts.

The Group's principal financial instruments not carried at fair value are cash and cash equivalents, trade receivables, other current assets, other non-current assets, trade and other payables, bank overdrafts and long-term borrowings.

The carrying amount of cash and cash equivalents and of bank overdrafts approximates their fair value due to the short-term maturity of these financial instruments. The fair value of current investments is calculated by reference to the market value on the stock exchange on which the shares are listed.

The fair value of the long-term loans is based on the current rates available for debt with the same maturity profile and approximates their carrying amounts.

The operational advance payment towards X-FAB in the framework of the LTA (see note 2.6.5.U) has no interest component which is in line with market practices.

Management believes that the exposure to interest rate risk of financial assets and liabilities as of 30 June 2025 was minimal since their deviation from their respective fair values was not significant.

## X Climate change

Earth's systems and processes have been influenced by human activity. Climate change, resource scarcity, environmental pollution – these are just some of the issues that humanity faces. To address this global problem, the Paris Agreement set a goal to limit the increase in global average temperature to below 2°C above pre-industrial levels and to attempt to limit the increase to 1.5°C. Melexis is committed to environmental sustainability, both in our products and in the way they are produced. We strive to minimize our environmental impact by analyzing and reducing our carbon footprint and increasing efficient use of natural resources on all our sites.

On a product level, Melexis contributes to the electrification trend in the automotive industry, which is seen as one of the most important strategies for reducing CO2 emissions.

We identified two main climate-related risks. The first one is the higher occurrence of natural hazards, such as floods and fires. What makes this risk significant is the fact that Melexis sites are geographically spread across 19 locations from the US to Japan, thus across various climatic zones. The second high-priority risk is increased investments by players in the semiconductor industry to ensure compliance with new regulations to reduce the environmental impact. The production of wafers for instance is energy and water intensive. Moreover, the environmental footprint of transportation of ICs is high, given the global nature of the semiconductor supply chain. Therefore, regulation in view of climate change could put pressure on the industry and lead to substantial increases in the cost of doing business. To address this risk, Melexis measures its greenhouse gas (GHG) emissions, covering all scopes 1, 2 and 3 in accordance with the GHG Protocol. Based on these measures, we are setting carbon targets and are searching for ways to reduce our footprint.

In 2025, expenses related to climate change were not material. There is no substantial impact of climate change considerations on the financial judgments and estimates made in this annual report.

For more information, we refer to our 2024 integrated report in line with the Corporate Sustainability Reporting Directive (CSRD).

## Y Global minimum tax

Melexis group is within the scope of the OECD Pillar Two model rules (Global Anti Base-Erosion Model rules or "GloBE"). Pillar Two legislation was enacted in Belgium, the jurisdiction in which Melexis NV is incorporated, and came into effect from 1 January 2024. Under the new legislation, the group is liable to pay a top- up tax for the negative difference between their GloBE effective tax rate per jurisdiction and the 15% minimum rate. An assessment has been made to verify which jurisdictions qualify for the Transitional Safe Harbors set forth by Pillar Two legislation. Based on the assessment made, any top-up taxes relate to the Group's operations in Bulgaria and Switzerland where the statutory tax rate is below 15%. All other jurisdictions qualify for the transitional safe harbors. Based on half year calculations, the group has booked a total of around EUR 1 million as expected top up taxes.

The Group has applied a temporary mandatory relief from deferred tax accounting for the impact of the top-up tax and accounts for it as a current tax when it is incurred.


The consolidated interim financial statements were approved and authorized for issue by the Board of Directors on 18 August 2025 and were signed on its behalf by Marc Biron.

Marc Biron

Managing Director, Chief Executive Officer (CEO)

# Shareholder information

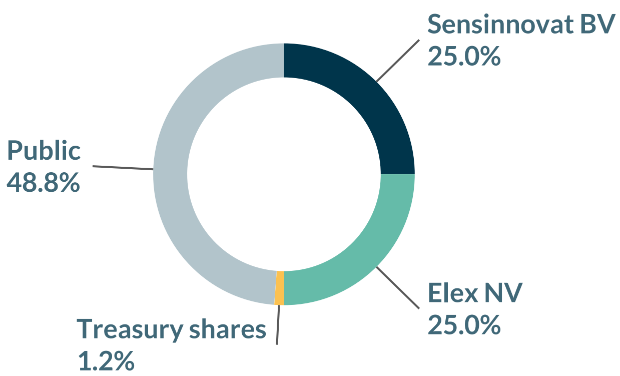
## The Melexis share

| Listing | Euronext |
|---|---|
| **Reuters ticker** | MLXS.BR |
| **Bloomberg ticker** | MELE BB |

## Shareholder structure

Situation on 30 June 2025

| Company | Number of shares | Participation rate |
|---|---|---|
| Sensinnovat BV | 10,100,001 | 25.0 % |
| Elex NV | 10,100,000 | 25.0 % |
| Treasury shares | 480,782 | 1.2 % |
| Public | 19,719,217 | 48.8 % |
| Total | 40,400,000 | 100.0 % |




## Contact info

**Investor Relations**
investor@melexis.com
Rozendaalstraat 12, B-8900 Ieper, Belgium
www.melexis.com/en/investors

## Financial calendar 2025

**16 October 2025 (ex coupon 14 October 2025)**
Dividend pay date

**29 October 2025**
Announcement of Q3 results

**4 February 2026**
Announcement of full-year results

## DIVIDEND POLICY

Taking into account the current and future cash flow situation and if no rewarding investment opportunities can be found, Melexis NV intends to pay out regular (interim) dividends, in order to maximize the return on equity for its shareholders.

Gross (interim) dividend per share out of distributable reserves:

| Gross (interim) dividend per share out of distributable reserves: | |
|---|---|
| **2018** | EUR 1.30 interim dividend |
| | EUR 0.90 final dividend |
| **2019** | EUR 1.30 interim dividend |
| **2020** | EUR 1.30 interim dividend |
| | EUR 0.90 final dividend |
| **2021** | EUR 1.30 interim dividend |
| | EUR 1.30 final dividend |
| **2022** | EUR 1.30 interim dividend |
| | EUR 2.20 final dividend |
| **2023** | EUR 1.30 interim dividend |
| | EUR 2.40 final dividend |
| **2024** | EUR 1.30 interim dividend |
| | EUR 2.40 final dividend |
| **2025** | EUR 1.30 interim dividend |

The Board of Directors decided to pay out an interim dividend of 1.30 EUR gross per share. The Melexis shares will start trading ex coupon on October 14, 2025 (opening of the market). The record date is October 15, 2025 (closing of the market) and the dividend will be payable as from October 16, 2025.

# Statutory auditor’s review report on the condensed consolidated interim financial statements of Melexis NV for the six-month period ending 30 June 2025

To the Board of Directors
MELEXIS NV

**Statutory auditor's report on review of consolidated condensed financial statement for the period ended 30 June 2025**

**Introduction**

We have reviewed the accompanying condensed consolidated interim statement of financial position of Melexis NV and its subsidiaries (the "Group") as of 30 June 2025 and the related condensed consolidated interim statement of profit and loss, condensed consolidated interim statement of comprehensive income, condensed consolidated interim statement of changes in equity and condensed consolidated interim statement of cash flows for the six-month period then ended, and the explanatory notes (the "condensed consolidated interim financial information"). This condensed consolidated interim financial information is characterised by condensed consolidated interim statement of financial position total assets of EUR 928.117.946 and the condensed consolidated interim statement of profit and loss shows a profit for the six-month period of EUR 62.402.851.

The board of directors is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, as adopted by the European Union.

Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

**Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34, as adopted by the European Union.

Diegem, 20 August 2025

The statutory auditor
PwC Bedrijfsrevisoren BV
Represented by

Signed by:
0B9CEA06F9DE46B...
Griet Helsen
Bedrijfsrevisor

*Acting on behalf of Griet Helsen BV

# Glossary

### Earnings per share
Profit attributable to equity holders of Melexis divided by the weighted average number of ordinary shares

### Earnings per share diluted
Profit attributable to equity holders of Melexis divided by the fully diluted weighted average number of ordinary shares

### Revenue
Product sales + revenues from research and development

### EBIT (Earnings before interests and taxes)
Turnover/Sales - cost of sales - research and development expenses - general and administrative expenses - selling expenses - other operating expenses

### EBITDA (Earnings before interests and taxes + depreciation, amortization and impairment)
EBIT + depreciation, amortization and impairment (including inventory write-offs)

Section 2.2 and 2.5: 64,633,618 + 25,577,169 + 1,132,013 = 91,342,800

### Shareholders' equity
Shareholders' capital + retained earnings (inclusive current year's result) +/- reserves (reserve treasury shares, revaluation reserve hedge, revaluation reserve fair value, legal reserve) +/- cumulative translation adjustment

### Net indebtedness
Current portion of long-term debt + long-term debt less current portion + bank loans and overdrafts - current investments - cash and cash equivalents + total liabilities linked to leased assets and liabilities (note 2.6.5 L)

Section 2.1: 5,293,784 + 308,686,854 + 0 - 300,250 - 33,911,567 + 7,739,674 = 287,508,495

### Working capital
(Total current assets - cash and cash equivalents - current investments) - (current liabilities - bank loans and overdrafts - current portion of long-term debt - derivative financial instruments + lease liabilities)

Section 2.1: (556,955,555 - 33,911,567 - 300,250) - (99,616,944 - 5,293,784 - 0 + 2,024,065) = 426,396,513

### Net cash from operating activities
Net result +/- adjustments for operating activities +/- changes in working capital

### Capital expenditure (CAPEX)
Investments in property, plant and equipment

### ROE (Return on equity)
Net income/Shareholders' equity

### Liquidity
Current assets/current liabilities

### Solvency
Shareholders' equity/total assets

### Tangible net worth
Total assets - liabilities - intangible assets.