

COVER SHEET

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I	N	C	.																										

(Company's Full Name)

N	O	R	T	H		S	C	I	E	N	C	E		A	V	E	.			L	A	G	U	N	A				
T	E	C	H	N	O	P	A	R	K	,		B	I	N	A	N	,			L	A	G	U	N	A				

(Business Address: No. Street City / Town / Province)

Laurice S. Dela Cruz

Contact Person

7756-6840

Company Telephone Number

1	2
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Month

3	1
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Day

Fiscal Year

SEC FORM 17-C

FORM TYPE

0	4
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Month

1	5
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Day

Annual Meeting

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Secondary License Type, if Applicable

C	F	D
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Dept. Requiring this Doc.

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Amended Articles Number/Section

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Total No. Of Stockholders

Total Amount of Borrowings

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Domestic

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Foreign

To be accomplished by SEC Personnel concerned

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File Number

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Document I.D.

Cashier

STAMPS

Remarks = pls. Use black ink for scanning purposes

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATIONS CODE (SRC) AND SRC RULE 17(a)-1(b)(3) THEREUNDER

1. May 2, 2023
Date of Report (Date of earliest event reported)
2. 94419
SEC Identification Number
3. 000-409-747-000
BIR Tax Identification Number
4. INTEGRATED MICRO-ELECTRONICS, INC.
Exact Name of registrant as specified in its charter
5. PHILIPPINES
Province, country or other jurisdiction of incorporation
6. [REDACTED] (SEC Use Only)
Industry Classification Code
7. North Science Avenue, Laguna Technopark-Special Processing Zone, Binan, Laguna
Address of principal office
- 4024
Postal code
8. (632) 7756-6840
Registrant's telephone number, including area code
9. Not Applicable
Former name or former address, if changed since last report
10. Securities registered pursuant to Sections 4 and 8 of the SRC

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
<u>COMMON (net of Treasury Shares)</u>	<u>2,217,293,215</u>

Indicate the item numbers reported herein : Please refer to attached letter

Re: **Press Release: IMI Reports US\$ 347 Million of Revenues for the First Quarter of 2023**

Pursuant to the requirements of the Securities Regulations Code, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

INTEGRATED MICRO-ELECTRONICS, INC.

Registrant

Date : May 2, 2023

ALEXIS BRIAN B. JALIJALI

Investor Relations Officer

Signature and Title*

* Print name and title of the signing officer under the signature.



Integrated Micro-Electronics, Inc.
North Science Avenue,
Special Export Processing Zone
Laguna Technopark
Binan Laguna 4024
Philippines

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Tel +63 49 544 0312
www.global-imi.com

May 2, 2023

Securities and Exchange Commission
Philippine International Convention Center
Vicente Sotto St., Pasay City 1700

Attention: Atty. Rachel Esther J. Gumpang-Remalante
Corporate Governance & Finance Department

Philippine Stock Exchange
Philippine Stock Exchange Plaza
Ayala Triangle, Ayala Avenue, Makati City

Attention: Ms. Janet A. Encarnacion
Head, Disclosure Department

Subject: IMI Reports US\$ 347 Million of Revenues for the First Quarter of 2023

May 2, 2023, Laguna, Philippines — Integrated Micro-Electronics, Inc. (IMI) posts US\$347 million of revenues for the first quarter of 2023, 4% better than the same period of the previous year. Gross margin improved from 6.5% to 8.5%, with the company posting US\$ 29.4 million of gross profit for the quarter. Net loss for the quarter also narrowed from US\$ 2 million last year to US\$ 749 thousand in 2023.

Please refer to the attached press release. Thank you!

Very truly yours,


LAURICE S. DELA CRUZ
Chief Finance Officer
and Compliance Officer



IMI Reports US\$ 347 Million of Revenues for the First Quarter of 2023

May 2, 2023, Laguna, Philippines — Integrated Micro-Electronics, Inc. (IMI) posts US\$347 million of revenues for the first quarter of 2023, 4% better than the same period of the previous year. Gross margin improved from 6.5% to 8.5%, with the company posting US\$ 29.4 million of gross profit for the quarter. Net loss for the quarter also narrowed from US\$ 2 million last year to US\$ 749 thousand in 2023.

With the manufacturing industry still feeling the effects of the component shortage, albeit with some modest improvements in lead times and purchase price variance, IMI wholly-owned subsidiaries continue to lead the company's financial rebound with 7% of year-on-year revenue growth and US\$2.6 million of net income in Q1. This was mainly driven by a 76 bps improvement of gross margins, as selling prices are now better aligned with the realities of operating costs in the manufacturing environment. Overhead cost metrics are further helped by topline growth as we see better utilization of IMI manufacturing facilities. Meanwhile, VIA Optronics and STI Limited continue to face significant headwinds in their market segments but still manage to reduce their net loss from US\$ 5.3 million in 2022 to US\$ 3.4 million in 2023.

"By adjusting our selling prices in collaboration with our customer partners, as well as continued cost reduction initiatives, we are gradually improving the financial performance of the company. Our management teams implemented programs that significantly reduced labor and overhead costs in our operating sites while further driving manufacturing efficiency. We continue to address the issues related to elevated raw material costs and competitive labor markets, as we remain vigilant of other uncertainties in the industry.

We will be launching the production of multiple Electric Vehicle-related projects over the next two years and we continue to look for opportunities to secure market share in the EV space through our robust sales pipeline. We believe that our partnership with Zero Motorcycles, a market leader in electric motorcycles based in California, will solidify our position as a partner of choice in this emerging technology," said IMI president Jerome Tan.

About IMI

Integrated Micro-Electronics, Inc. (IMI), the manufacturing arm of AC Industrial Technology Holdings, Inc., a wholly-owned subsidiary of Ayala Corporation, is among the leading global technology and manufacturing solutions expert in the world. IMI ranks 22nd in the list of top EMS providers in the world, and 8th in the automotive EMS market based on 2021 revenues as per New Venture Research.

IMI specializes in highly reliable and quality electronics for long product life cycle segments such as automotive, industrial electronics and more recently, the aerospace market.

From its 20 manufacturing plants across ten countries, IMI provides engineering, manufacturing, and support and fulfillment capabilities to diverse industries globally.

For more information, visit www.global-imi.com.

INTEGRATED MICRO-ELECTRONICS, INC. AND SUBSIDIARIES**INTERIM CONSOLIDATED BALANCE SHEET****AS OF MARCH 31, 2023****(With Comparative Audited Figures as of December 31, 2022)****(In thousands)**

	Mar 31, 2023 (Unaudited)	Dec 31, 2022 (Audited)
ASSETS		
Current Assets		
Cash and cash equivalents	\$119,745	\$115,825
Short-term investments	8,511	8,500
Receivables – net	314,489	291,640
Contract assets	68,885	67,138
Inventories	279,426	268,497
Other current assets	25,033	25,246
Total Current Assets	816,089	776,846
Noncurrent Assets		
Property, plant and equipment - net	146,970	146,109
Goodwill	138,687	136,248
Intangible assets - net	4,623	5,125
Right-of-use assets	23,568	19,266
Deferred tax assets	2,156	2,149
Financial assets at FVOCI	1,974	1,829
Other noncurrent assets	16,041	16,312
Total Noncurrent Assets	334,019	327,038
	\$1,150,108	\$1,103,884
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and accrued expenses	\$317,641	\$301,775
Contract liabilities	7,558	7,407
Loans payable	206,865	192,659
Current portion of long-term debt	6,406	3,048
Current portion of lease liabilities	8,365	7,068
Income tax payable	2,524	1,781
Other current liabilities	1,035	1,035
Total Current Liabilities	550,394	514,773
Noncurrent Liabilities		
Noncurrent portion of:		
Long-term debt	142,261	147,365
Lease liabilities	15,726	12,870
Net retirement liabilities	6,952	7,013
Deferred tax liabilities	1,079	1,106
Other noncurrent liabilities	5,679	5,474
Total Noncurrent Liabilities	171,697	173,828
Total Liabilities	722,091	688,601

(Forward)

	Mar 31, 2023 (Unaudited)	Dec 31, 2022 (Audited)
EQUITY		
Equity Attributable to Equity Holders of the Parent Company		
Capital stock - common	\$42,719	\$42,719
Subscribed capital stock	692	692
Additional paid-in capital	193,797	193,797
Subscriptions receivable	(2,615)	(2,620)
Unappropriated retained earnings	194,054	194,803
Treasury stock	(1,013)	(1,013)
Other components of equity	127	33
Cumulative translation adjustment	(32,953)	(43,668)
Remeasurement losses on defined benefit plans	(7,434)	(7,434)
	387,374	377,309
Equity Attributable to Non-controlling Interests in Consolidated Subsidiaries		
	40,643	37,974
Total Equity	428,017	415,283
	\$1,150,108	\$1,103,884

INTEGRATED MICRO-ELECTRONICS, INC. AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF INCOME
FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022
(In thousands, except Earnings per Share)

	Unaudited 2023 Jan to Mar	Unaudited 2022 Jan to Mar
REVENUES FROM CONTRACTS WITH CUSTOMERS	\$346,827	\$333,952
COST OF SALES	317,451	312,303
GROSS PROFIT	29,376	21,649
OPERATING EXPENSES	(25,559)	(24,096)
OTHERS - Net		
Interest and bank charges	(4,937)	(3,268)
Foreign exchange gains	(82)	1,291
Interest income	131	110
Miscellaneous income (expense) - net	742	1,350
LOSS BEFORE INCOME TAX	(329)	(2,964)
PROVISION FOR INCOME TAX	(1,619)	(1,420)
NET INCOME (LOSS)	(\$1,948)	(\$4,384)
Loss Attributable to:		
Equity holders of the Parent Company	(\$749)	(\$1,969)
Non-controlling interests	(1,199)	(2,415)
	(\$1,948)	(\$4,384)
Loss Per Share:		
Basic and diluted	(\$0.003)	(\$0.001)

INTEGRATED MICRO-ELECTRONICS, INC. AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022
(In thousands)

	Unaudited 2023 Jan to Mar	Unaudited 2022 Jan to Mar
NET LOSS FOR THE PERIOD	(\$1,948)	(\$4,384)
OTHER COMPREHENSIVE INCOME (LOSS)		
<i>Other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods:</i>		
Exchange differences arising from translation of foreign operations	14,582	(6,609)
<i>Other comprehensive income (loss) not to be reclassified into profit or loss in subsequent periods:</i>		
Fair value changes on financial assets at FVOCI – net of tax	94	193
	14,676	(6,416)
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD	\$12,728	(\$10,800)
Total Comprehensive Loss Attributable to:		
Equity holders of the Parent Company	\$10,059	(\$10,103)
Non-controlling interests	2,669	(697)
	\$12,728	(\$10,800)

INTEGRATED MICRO-ELECTRONICS, INC. AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND 2022
(In thousands)

	Attributable to Equity Holders of the Parent Company											
							Other Comprehensive Income (Loss)					
	Capital Stock- Common	Subscribed Capital Stock	Additional Paid-in Capital	Subscriptions Receivable	Retained Earnings	Treasury Stock	Other Components of Equity	Cumulative Translation Adjustment	Remeasurement losses on defined benefit plans	Attributable to Equity Holders of the Parent Company	Attributable to Non-controlling Interests	Total
Balances at January 1, 2023	\$42,719	\$692	\$193,797	(\$2,620)	\$194,803	(\$1,013)	\$33	(\$43,668)	(\$7,434)	\$377,309	\$37,974	\$415,283
Collection from subscriptions	—	—	—	5	—	—	—	—	—	5	—	5
	42,719	692	193,797	(2,615)	194,803	(1,013)	33	(43,668)	(7,434)	377,314	37,974	\$415,288
Net loss	—	—	—	—	(749)	—	—	—	—	(749)	(1,199)	(1,948)
Other comprehensive income	—	—	—	—	—	—	94	10,715	—	10,809	3,868	14,676
Total comprehensive income (loss)	—	—	—	—	(749)	—	94	10,715	—	10,060	2,669	12,729
Balances at March 31, 2023	\$42,719	\$692	\$193,797	(\$2,615)	\$194,054	(\$1,013)	\$127	(\$32,953)	(\$7,434)	\$387,374	\$40,643	\$428,017

	Attributable to Equity Holders of the Parent Company											
	Capital Stock- Common	Subscribed Capital Stock	Additional Paid-in Capital	Subscriptions Receivable	Retained Earnings	Treasury Stock	Other Comprehensive Income (Loss)			Attributable to Equity Holders of the Parent Company	Attributable to Non-controlling Interests	Total
							Other Components of Equity	Cumulative Translation Adjustment	Remeasurement losses on defined benefit plans			
Balances at January 1, 2022	\$42,706	\$709	\$193,831	(\$2,702)	\$201,560	(\$1,013)	(\$555)	(\$19,865)	(\$10,072)	\$404,599	\$57,114	\$461,713
Issued shares during the year	4	(4)	—	—	—	—	—	—	—	—	—	—
Collection from subscriptions	—	—	—	27	—	—	—	—	—	27	—	27
Forfeitures during the year	—	(3)	(36)	39	—	—	—	—	—	—	—	—
	42,710	702	193,795	(2,636)	201,560	(1,013)	(555)	(19,865)	(10,072)	404,626	57,114	461,740
Net loss	—	—	—	—	(1,969)	—	—	—	—	(1,969)	(2,414)	(4,383)
Other comprehensive income (loss)	—	—	—	—	—	—	193	(8,327)	—	(8,134)	1,717	(6,417)
Total comprehensive income (loss)	—	—	—	—	(1,969)	—	193	(8,327)	—	(10,103)	(697)	(10,800)
Balances at March 31, 2022	\$42,710	\$702	\$193,795	(\$2,636)	\$199,591	(\$1,013)	(\$362)	(\$28,192)	(\$10,072)	\$394,523	\$56,417	\$450,940

	Attributable to Equity Holders of the Parent Company											
	Capital Stock- Common	Subscribed Capital Stock	Additional Paid-in Capital	Subscriptions Receivable	Retained Earnings	Treasury Stock	Other Comprehensive Income (Loss)			Attributable to Equity Holders of the Parent Company	Attributable to Non-controlling Interests	Total
							Other Components of Equity	Cumulative Translation Adjustment	Remeasurement losses on defined benefit plans			
Balances at January 1, 2022	\$42,705	\$709	\$193,831	(\$2,702)	\$201,560	(\$1,013)	(\$555)	(\$19,865)	(\$10,072)	\$404,598	\$57,114	\$461,712
Issued shares during the year	14	(14)	—	—	—	—	—	—	—	—	—	—
Collection from subscriptions	—	—	—	45	—	—	—	—	—	45	—	45
Forfeitures during the year	—	(3)	(34)	37	—	—	—	—	—	—	—	—
	42,719	\$692	193,797	(2,620)	201,560	(1,013)	(555)	(19,865)	(10,072)	404,643	57,114	461,757
Net loss	—	—	—	—	(6,757)	—	—	—	—	(6,757)	(8,605)	(15,362)
Other comprehensive income (loss)	—	—	—	—	—	—	588	(23,803)	2,638	(20,577)	(10,535)	(31,112)
Total comprehensive income (loss)	—	—	—	—	(6,757)	—	588	(23,803)	2,638	(27,334)	(19,140)	(46,474)
Balances at December 31, 2022	\$42,719	\$692	\$193,797	(\$2,620)	\$194,803	(\$1,013)	\$33	(\$43,668)	(\$7,434)	\$377,309	\$37,974	\$415,283

INTEGRATED MICRO-ELECTRONICS, INC. AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Three months ended March 31	
	2023 (Unaudited)	2022 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before income tax	(\$329)	(\$2,964)
Adjustments for:		
Depreciation of property, plant and equipment	6,542	10,210
Interest expense	4,826	3,161
Amortization of right-of-use assets	2,316	2,500
Unrealized foreign exchange losses (gains)	1,509	(1,502)
Amortization of intangible assets	829	1,402
Gain on insurance claims	(10)	(407)
Interest income	(131)	(110)
Gains on sale of property, plant and equipment	(13)	(94)
Mark-to-market gain on derivatives	—	46
Operating income before working capital changes	15,539	12,242
Changes in operating assets and liabilities:		
Decrease (increase) in:		
Loans and receivables	(18,465)	(197)
Contract asset	(880)	2,480
Inventories	(9,137)	(33,079)
Other current assets	812	2,226
Increase (decrease) in:		
Accounts payable and accrued expenses	19,318	12,039
Contract liabilities	58	(409)
Retirement liabilities	(108)	(709)
Net cash provided by (used in) operations	7,137	(5,407)
Income tax paid	(900)	(1,495)
Interest paid	(4,780)	(3,155)
Interest received	131	110
Net cash provided by (used in) operating activities	1,588	(9,947)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of:		
Property, plant and equipment	(5,893)	(3,239)
Intangible assets	(30)	(132)
Proceeds from sale of property, plant and equipment	44	115
Decrease in other noncurrent assets	914	162
Net cash used in investing activities	(4,965)	(3,094)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of loans	(3,901)	(1,301)
Availment of loans	15,618	14,084
Payments of lease liabilities	(2,813)	(3,505)
Refund on subscriptions	5	27
Increase (decrease) in other noncurrent liabilities	(305)	33
Net cash provided by financing activities	8,604	9,338
NET FOREIGN EXCHANGE DIFFERENCE IN CASH AND CASH EQUIVALENTS	(1,295)	1,197
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	3,932	(2,506)
CASH AND CASH EQUIVALENTS AT JANUARY 1	124,324	159,788
CASH AND CASH EQUIVALENTS AT MARCH 31	\$128,256	\$157,282