

COVER SHEET

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(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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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. **November 7, 2022**
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.  (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
COMMON (net of Treasury Shares)	2,217,293,215

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

Re: **Press Release: IMI Announces 2022 Q3 Earnings**

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 : **November 7, 2022**


LAURICE S. DELA CRUZ

Chief Finance Officer
and Compliance 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

Tel +63 2 7756 6840; +63 2 7756 6940
Tel +63 49 544 0312
www.global-imi.com

November 7, 2022

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 Announces 2022 Q3 Earnings

November 7, 2022, Laguna, Philippines — Integrated Micro-Electronics, Inc. (IMI) posted consolidated revenues of US\$1.04 billion in the first nine months of 2022, a seven percent growth compared to the same period last year. Revenues for the quarter were at US\$351 million, with a gross profit of US\$28.5 million for an 8.1% margin, an improvement compared to the 7.1% margin in the first half of 2022. Although challenges in supply chain headwinds have only begun to improve, price adjustment and operating efficiency initiatives by the company have shown better operating results, ending the quarter with a group net income of US\$806 thousand.

Please refer to the attached press release. Thank you!

Very truly yours,


LAURICE S. DELA CRUZ
Chief Finance Officer
and Compliance Officer



IMI Announces 2022 Q3 Earnings

November 7, 2022, Laguna, Philippines — Integrated Micro-Electronics, Inc. (IMI) posted consolidated revenues of US\$1.04 billion in the first nine months of 2022, a seven percent growth compared to the same period last year. Revenues for the quarter were at US\$351 million, with a gross profit of US\$28.5 million for an 8.1% margin, an improvement compared to the 7.1% margin in the first half of 2022. Although challenges in supply chain headwinds have only begun to improve, price adjustment and operating efficiency initiatives by the company have shown better operating results, ending the quarter with a group net income of US\$806 thousand.

IMI has executed various cost recovery programs that aim to recoup lost profits due to the increased raw material cost from the extended component shortage of the past two years. Despite continuing challenges from the weak Euro and Renminbi, and inflationary pressure in labor and energy markets, core businesses ushered improvements in financial performance, with wholly-owned subsidiaries achieving US\$ 3.8 million of net income in Q3. VIA Optronics and STI Limited margins, on the other hand, have improved against the previous quarters at a slower pace as they continue to face challenging competitive landscapes; these non-wholly-owned subsidiaries ended the quarter with a combined net loss of US\$ 3 million.

“Revenue growth is being driven by the automotive and industrial segments, improving 13% and 16% respectively in the first nine months of 2022 compared to last year. The company remains focused on the successful ramp-up of recent key wins in the electric vehicle space that are expected to help drive the company’s growth moving forward,” 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 SEPTEMBER 30, 2022****(With Comparative Audited Figures as of December 31, 2021)****(In thousands)**

	Sep 30, 2022 (Unaudited)	Dec 31, 2021 (Audited)
ASSETS		
Current Assets		
Cash and cash equivalents	\$124,168	\$159,788
Receivables – net	281,734	279,042
Contract assets	56,032	52,481
Inventories	268,398	238,589
Other current assets	21,511	22,425
Total Current Assets	751,843	752,325
Noncurrent Assets		
Property, plant and equipment - net	137,131	161,967
Goodwill	129,210	145,434
Intangible assets - net	7,898	10,927
Right-of-use assets	19,891	28,458
Deferred tax assets	3,482	2,934
Financial assets at FVOCI	1,624	1,365
Other noncurrent assets	16,776	19,765
Total Noncurrent Assets	316,012	370,850
	\$1,067,855	\$1,123,175
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and accrued expenses	\$299,495	\$289,418
Contract liabilities	4,370	4,741
Loans payable	185,245	165,772
Current portion of long-term debt	2,794	1,805
Current portion of lease liabilities	3,472	8,418
Income tax payable	2,103	2,410
Total Current Liabilities	497,479	472,564
Noncurrent Liabilities		
Noncurrent portion of:		
Long-term debt	148,219	149,679
Lease liabilities	17,131	22,802
Net retirement liabilities	7,590	10,311
Deferred tax liabilities	1,262	1,058
Other noncurrent liabilities	4,238	5,047
Total Noncurrent Liabilities	178,440	188,897
Total Liabilities	675,919	661,461

(Forward)

	Sep 30, 2022 (Unaudited)	Dec 31, 2021 (Audited)
EQUITY		
Equity Attributable to Equity Holders of the Parent Company		
Capital stock - common	\$42,719	\$42,706
Subscribed capital stock	693	709
Additional paid-in capital	193,797	193,831
Subscriptions receivable	(2,621)	(2,702)
Unappropriated retained earnings	196,852	201,560
Treasury stock	(1,013)	(1,013)
Other components of equity	(89)	(555)
Cumulative translation adjustment	(67,261)	(19,865)
Remeasurement losses on defined benefit plans	(10,072)	(10,072)
	353,005	404,599
Equity Attributable to Non-controlling Interests in Consolidated Subsidiaries		
	38,931	57,114
Total Equity	391,936	461,713
	\$1,067,855	\$1,123,175

INTEGRATED MICRO-ELECTRONICS, INC. AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF INCOME
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022 AND 2021
(In thousands, except Earnings per Share)

	2022 (Unaudited)		2021 (Unaudited)	
	Jul to Sep	Jan to Sep	Jul to Sep	Jan to Sep
REVENUES FROM CONTRACTS WITH CUSTOMERS	\$351,243	\$1,042,100	\$326,407	\$972,970
COST OF SALES	322,772	965,021	308,148	904,768
GROSS PROFIT	28,471	77,079	18,259	68,202
OPERATING EXPENSES	(25,718)	(81,380)	(26,435)	(76,156)
OTHERS - Net				
Interest and bank charges	(4,352)	(10,824)	(2,770)	(7,343)
Foreign exchange gains/(losses)	1,768	6,695	1,619	2,061
Interest income	105	294	211	279
Miscellaneous income – net	873	2,015	2,473	5,989
LOSS BEFORE INCOME TAX	1,147	(6,121)	(6,643)	(6,968)
PROVISION FOR INCOME TAX	(1,300)	(3,847)	(2,217)	(5,489)
NET LOSS	(\$153)	(\$9,968)	(\$8,860)	(\$12,457)
Net Income (Loss) Attributable to:				
Equity holders of the Parent Company	\$806	(\$4,708)	(\$6,237)	(\$5,322)
Non-controlling interests	(959)	(5,260)	(2,623)	(7,135)
	(\$153)	(\$9,968)	(\$8,860)	(\$12,457)
Earnings (Loss) Per Share:				
Basic and diluted		(\$0.0021)		(\$0.0024)

INTEGRATED MICRO-ELECTRONICS, INC. AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022 AND 2021
(In thousands)

	2022 (Unaudited)		2021 (Unaudited)	
	Jul to Sep	Jan to Sep	Jul to Sep	Jan to Sep
NET LOSS FOR THE PERIOD	(\$153)	(\$9,968)	(\$8,860)	(\$12,457)
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	(24,473)	(60,319)	(8,495)	(15,328)
<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	173	465	5	324
	(24,300)	(59,854)	(8,490)	(15,004)
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	(\$24,453)	(\$69,822)	(\$17,350)	(\$27,461)
Total Comprehensive Income (Loss) Attributable to:				
Equity holders of the Parent Company	(\$19,250)	(\$51,639)	(\$15,792)	(\$20,218)
Non-controlling interests	(5,203)	(18,183)	(1,558)	(7,243)
	(\$24,453)	(\$69,822)	(\$17,350)	(\$27,461)

INTEGRATED MICRO-ELECTRONICS, INC. AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022 AND 2021
(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, 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	13	(13)	—	—	—	—	—	—	—	—	—	—
Collection from subscriptions	—	—	—	45	—	—	—	—	—	45	—	45
Forfeitures during the year	—	(3)	(34)	36	—	—	—	—	—	—	—	—
	42,719	693	193,797	(2,621)	201,560	(1,013)	(555)	(19,865)	(10,072)	404,644	57,114	461,758
Net loss	—	—	—	—	(4,708)	—	—	—	—	(4,708)	(5,260)	(9,968)
Other comprehensive income (loss)	—	—	—	—	—	—	465	(47,396)	—	(46,931)	(12,923)	(59,854)
Total comprehensive income (loss)	—	—	—	—	(4,708)	—	466	(47,396)	—	(51,639)	(18,183)	(69,822)
Balances at September 30, 2022	\$42,719	\$693	\$193,797	(\$2,621)	\$196,852	(\$1,013)	(\$89)	(\$67,261)	(\$10,072)	\$353,005	\$38,931	\$391,936

	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, 2021	\$42,675	\$745	\$193,870	(\$2,889)	\$215,794	(\$1,013)	(\$875)	\$9,138	(\$9,750)	\$447,695	\$133,168	\$580,863
Issued shares during the year	31	(31)	-	-	-	-	-	-	-	-	-	-
Redemption of preferred shares	-	-	-	-	-	-	-	-	-	-	(70,000)	(70,000)
Refund on subscriptions	-	-	-	40	-	-	-	-	-	40	-	40
Forfeitures during the year	-	(5)	(39)	44	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	(3,669)	-	-	-	-	(3,669)	-	(3,669)
	42,706	709	193,831	(2,805)	212,125	(1,013)	(875)	9,138	(9,750)	444,066	63,168	507,234
Net income (loss)	-	-	-	-	(5,322)	-	-	-	-	(5,322)	(7,135)	(12,457)
Other comprehensive income (loss)	-	-	-	-	-	-	324	(15,220)	-	(14,896)	(108)	(15,004)
Total comprehensive income (loss)	-	-	-	-	(5,322)	-	324	(15,220)	-	(20,218)	(7,243)	(27,461)
Balances at September 30, 2021	\$42,706	\$709	\$193,831	(\$2,805)	\$206,803	(\$1,013)	(\$551)	(\$6,082)	(\$9,750)	\$423,848	\$55,925	\$479,773

	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 (Note 15)	Total
Balances at January 1, 2021	\$42,675	\$745	\$193,870	(\$2,889)	\$215,794	(\$1,013)	(\$875)	\$9,138	(\$9,750)	\$447,695	\$133,168	\$580,863
Issued shares during the year	31	(31)	-	-	-	-	-	-	-	-	-	-
Redemption of preferred shares	-	-	-	-	-	-	-	-	-	-	(70,000)	(70,000)
Collection from subscriptions	-	-	-	143	-	-	-	-	-	143	-	143
Forfeitures during the year	-	(5)	(39)	44	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	(3,669)	-	-	-	-	(3,669)	-	(3,669)
	42,706	709	193,831	(2,702)	212,125	(1,013)	(875)	9,138	(9,750)	444,169	63,168	507,337
Net loss	-	-	-	-	(10,565)	-	-	-	-	(10,565)	(9,141)	(19,706)
Other comprehensive income (loss)	-	-	-	-	-	-	320	(29,003)	(322)	(29,005)	3,087	(25,918)
Total comprehensive income (loss)	-	-	-	-	(10,565)	-	320	(29,003)	(322)	(39,570)	(6,054)	(45,624)
Balances at December 31, 2021	\$42,706	\$709	\$193,831	(\$2,702)	\$201,560	(\$1,013)	(\$555)	(\$19,865)	(\$10,072)	\$404,599	\$57,114	\$461,713

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

	Nine months ended September 30	
	2022	2021
	(Unaudited)	(Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before income tax	(\$6,121)	(\$6,968)
Adjustments for:		
Depreciation of property, plant and equipment	28,944	30,499
Interest expense	10,505	6,912
Amortization of right-of-use assets	6,888	8,008
Amortization of intangible assets	3,713	5,823
Interest income	(294)	(279)
Unrealized foreign exchange gains	(12,505)	(3,127)
Gains on sale of property, plant and equipment	(191)	(231)
Mark-to-market losses (gains) on put options	—	(1,628)
Mark-to-market gain on derivatives	43	(161)
(Reversal of impairment) impairment losses on noncurrent assets	—	(2,303)
Gain on insurance claims	(408)	(431)
Operating income before working capital changes	30,574	36,114
Changes in operating assets and liabilities:		
Decrease (increase) in:		
Loans and receivables	(19,583)	285
Contract asset	(8,337)	(3,115)
Inventories	(38,598)	(82,076)
Other current assets	(1,068)	(3,073)
Increase (decrease) in:		
Accounts payable and accrued expenses	5,136	24,731
Contract liabilities	(68)	4,160
Retirement liabilities	(2,550)	(1,585)
Net cash provided by (used in) operations	(34,494)	(24,559)
Income tax paid	(10,000)	(5,821)
Interest paid	(4,226)	(5,562)
Interest received	294	279
Net cash provided by (used in) operating activities	(48,426)	(35,663)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of:		
Property, plant and equipment	(15,463)	(23,905)
Intangible assets	(480)	(392)
Proceeds from sale of property, plant and equipment	559	1,762
Acquisition by a subsidiary through business combination, net of cash acquired	—	(3,018)
Decrease (increase) in other noncurrent assets	(970)	1,061
Net cash used in investing activities	(16,354)	(24,492)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of loans	(16,880)	(67,219)
Availment of loans	42,727	131,089
Payments of lease liabilities	(8,778)	(9,109)
Dividends paid to preference shareholders of a subsidiary	—	(3,669)
Redemption of preferred shares	—	(70,000)
Collection on subscriptions	45	40
Increase (decrease) in other noncurrent liabilities	1,690	98
Net cash provided by (used in) financing activities	18,804	(18,770)
NET FOREIGN EXCHANGE DIFFERENCE IN CASH AND CASH EQUIVALENTS	10,356	2,664
NET DECREASE IN CASH AND CASH EQUIVALENTS	(35,620)	(76,261)
CASH AND CASH EQUIVALENTS AT JANUARY 1	159,788	244,356
CASH AND CASH EQUIVALENTS AT SEPTEMBER 30	\$124,168	\$168,095