

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

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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. **March 17, 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.  (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 Wholly-Owned Subsidiaries Record Four Consecutive Quarters of Positive Results as the Group Achieves US\$1.41 Billion of Revenues for 2022**

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 : **March 17, 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
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March 17, 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 Wholly-Owned Subsidiaries Record Four Consecutive Quarters of Positive Results as the Group Achieves US\$1.41 Billion of Revenues for 2022

March 17, 2023, Laguna, Philippines — Integrated Micro-Electronics, Inc. (IMI), a leading global technology and electronics manufacturing solutions expert, announced US\$1.41 billion of revenues for the year 2022, an 8% improvement compared to the previous year. Revenues for the quarter were at US\$367 million, a 4.5% quarter-on-quarter improvement, and 12% better than the same period last year. Gross profit for the quarter stands at US\$ 33.3 million for a 9.1% margin. IMI wholly-owned subsidiaries continued to perform, achieving their fourth straight quarter of positive net income with US\$4.1 million in Q4.

Please refer to the attached press release. Thank you!

Very truly yours,


LAURICE S. DELA CRUZ
Chief Finance Officer
and Compliance Officer



IMI Wholly-Owned Subsidiaries Record Four Consecutive Quarters of Positive Results as the Group Achieves US\$1.41 Billion of Revenues for 2022

March 17, 2023, Laguna, Philippines — Integrated Micro-Electronics, Inc. (IMI), a leading global technology and electronics manufacturing solutions expert, announced US\$1.41 billion of revenues for the year 2022, an 8% improvement compared to the previous year. Revenues for the quarter were at US\$367 million, a 4.5% quarter-on-quarter improvement, and 12% better than the same period last year. Gross profit for the quarter stands at US\$ 33.3 million for a 9.1% margin.

Despite the on-going component shortage and supply chain challenges in 2022, IMI wholly-owned subsidiaries continued to perform, achieving their fourth straight quarter of positive net income with US\$4.1 million in Q4. Through proactive steps taken to streamline the supply chain, rationalize global headcount and restructure product pricing, these core businesses ended the year with US\$ 11.5 million of net income. A net of US\$ 2.2 million in one-off gains were booked in the quarter to align the company's accounting for the estimated useful life of manufacturing equipment with the rest of the industry from an average of 7 to 10 years, which is partially offset by some financial provisions.

Via optronics and STI, Ltd. however continued to face stiffer headwinds in their operating environments. Recovery of the supply shortages, particularly for aerospace and defense, continue to be slower compared to other markets. Both subsidiaries are still in discussions with their customers to realign pricing to consider the elevated costs of raw materials, freight, and utilities. The situation was further complicated by the recovery of the Euro and the British Pound against the US Dollar in the fourth quarter of the year which resulted to FX loss impact of US\$5.9 million on their US Dollar assets. Non-wholly-owned subsidiaries incurred US\$6.1 million of loss in Q4 bringing the total to a net loss of US\$18.2 million for the year.

As a result, the Group reported Q4 net loss of US\$ 2.0 million, and total net loss for the year of US\$ 6.8 million.

“As the world moves to normalization after the pandemic, several macro-economic challenges still lingered that significantly affected the financial performance of IMI. Electronic component supply levels struggled to cope with the surge in demand of the automotive market partly driven by increase in electric vehicles (EVs), leading to high raw material prices and inefficient utilization of facilities. The Russia-Ukraine war led to elevated energy prices and further constrained the competitive labor market in Europe. China's firm stance on its zero-covid policy in 2022 hampered operations in the region. Global freight costs have also remained elevated, especially in the first half of the year. Amidst all these challenges, IMI management teams worked tirelessly to ensure that we still delivered our commitments to our manufacturing partners.

We have taken meaningful steps to ensure that we are in the best position to succeed in the coming year and beyond. Our EV projects across the globe continue to ramp up and additional wins continue. Similar to last year, these programs make up a significant portion of the US\$ 352 million of annual revenue potential we secured this year for wholly-owned subsidiaries. Although supply chain shortages continue to affect the industry, the situation is improving and IMI remains focused on driving increased profitability as the market continues to recover. Our streamlined supply chain, which has increased support for a more regionalized structure, ensures a more resilient supply network that is better protected from geo-political issues,” 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-iml.com.

INTEGRATED MICRO-ELECTRONICS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	December 31	
	2022	2021
ASSETS		
Current Assets		
Cash and cash equivalents	\$116,353,696	\$159,787,623
Short-term investments	7,970,469	–
Receivables	291,640,064	279,042,371
Contract assets	67,138,029	52,481,010
Inventories	268,497,252	238,588,862
Other current assets	25,246,196	22,425,433
Total Current Assets	776,845,706	752,325,299
Noncurrent Assets		
Property, plant and equipment	146,108,637	161,967,366
Goodwill	136,247,840	145,433,881
Intangible assets	5,125,423	10,926,579
Right-of-use assets	19,266,348	28,457,787
Financial assets at FVOCI	1,829,432	1,364,733
Deferred tax assets – net	2,148,861	2,933,748
Other noncurrent assets	16,312,146	19,765,291
Total Noncurrent Assets	327,038,687	370,849,385
	\$1,103,884,393	\$1,123,174,684
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and accrued expenses	\$301,774,641	\$289,417,711
Contract liabilities	7,406,803	4,741,058
Loans payable	192,659,599	165,772,031
Current portion of long-term debt	3,048,254	1,805,008
Current portion of lease liabilities	7,067,675	8,418,492
Income tax payable	1,780,773	2,409,845
Other current liabilities	1,035,201	–
Total Current Liabilities	514,772,946	472,564,145
Noncurrent Liabilities		
Noncurrent portion of:		
Long-term debt	147,365,278	149,678,652
Lease liabilities	12,869,991	22,802,307
Net retirement liabilities	7,012,752	10,310,860
Deferred tax liabilities - net	1,105,620	1,058,216
Other noncurrent liabilities	5,473,950	5,047,260
Total Noncurrent Liabilities	173,827,591	188,897,295
Total Liabilities	688,600,537	661,461,440

(Forward)

	December 31	
	2022	2021
EQUITY		
Equity Attributable to Equity Holders of the Parent Company		
Capital stock - common	\$42,719,224	\$42,705,563
Subscribed capital stock	692,454	708,788
Additional paid-in capital	193,797,219	193,830,800
Subscriptions receivable	(2,620,195)	(2,701,935)
Retained earnings	194,803,301	201,560,230
Treasury stock	(1,012,588)	(1,012,588)
Other components of equity	32,794	(554,610)
Cumulative translation adjustment	(43,668,483)	(19,865,348)
Remeasurement losses on defined benefit plans	(7,434,231)	(10,072,232)
	377,309,495	404,598,668
Equity Attributable to Non-controlling Interests in Consolidated Subsidiaries		
	37,974,361	57,114,576
Total Equity	415,283,856	461,713,244
	\$1,103,884,393	\$1,123,174,684

See accompanying Notes to Consolidated Financial Statements.

INTEGRATED MICRO-ELECTRONICS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

	Years Ended December 31		
	2022	2021	2020
REVENUE FROM CONTRACTS WITH CUSTOMERS	\$1,409,016,512	\$1,300,590,198	\$1,135,840,593
COST OF SALES	1,298,608,896	1,209,771,812	1,039,503,708
GROSS PROFIT	110,407,616	90,818,386	96,336,885
OPERATING EXPENSES	(107,750,306)	(108,481,712)	(92,460,393)
OTHERS – Net			
Interest expense and bank charges	(14,655,729)	(10,553,667)	(10,422,633)
Foreign exchange gains (losses) – net	1,916,986	5,398,202	(755,744)
Interest income	667,901	300,539	330,682
Miscellaneous income – net	439,103	8,196,782	5,522,929
	(11,631,739)	3,341,856	(5,324,766)
LOSS BEFORE INCOME TAX	(8,974,429)	(14,321,470)	(1,448,274)
PROVISION FOR (BENEFIT FROM) INCOME TAX			
Current	5,929,924	6,399,874	6,496,089
Deferred	457,999	(1,015,825)	(1,570,668)
	6,387,923	5,384,049	4,925,421
NET LOSS	(\$15,362,352)	(\$19,705,519)	(\$6,373,695)
Net Loss Attributable to:			
Equity holders of the Parent Company	(\$6,756,929)	(\$10,564,571)	(\$3,455,073)
Non-controlling interests	(8,605,423)	(9,140,948)	(2,918,622)
	(\$15,362,352)	(\$19,705,519)	(\$6,373,695)
Loss Per Share			
Basic and diluted	(\$0.003)	(\$0.005)	(\$0.002)