

IQE plc

Cardiff, UK
14 July 2022

Pre-close Trading Update

IQE plc (AIM: IQE, "IQE" or the "Group"), the leading supplier of compound semiconductor wafer products and advanced material solutions to the global semiconductor industry, provides an unaudited pre-close Trading Update for the six months ended 30 June 2022.

Trading for H1 2022 was in line with management expectations. Revenue for the half is expected to be at least £85m (>7% growth) on a reported basis. With a foreign exchange tailwind, this is in line with prior year revenue of £79.5m on a constant currency basis.

The Group's view of the full year remains unchanged with previously issued guidance of low single digit % revenue growth in 2022 (at constant currency), with growth weighted towards H2.

The Group is focussing on executing the strategy of pursuing long term sustained growth through diversification and value creation. Milestones achieved in the first half of 2022 include the signing of a multi-year supply agreement with Lumentum, a strategic partnership agreement with Porotech, the announcement of the world's first commercially available 200mm VCSEL and a commitment to Net Zero and Carbon Neutrality. Further milestones are anticipated for H2 as the business is positioned for growth.

The Group will report full (unaudited) interim results on 6th September 2022.

Americo Lemos, CEO of IQE, commented:

"I am pleased we have met our expectations and commitments for H1 2022. This year is about laying foundations for the healthy growth of the business, with a focus on a market approach while developing relationships with strategic customers to deliver long term growth and value to shareholders. We look forward to continuing with this momentum throughout the rest of the year".

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ABOUT IQE

<http://iqep.com>

IQE is the leading global supplier of advanced compound semiconductor wafers and materials solutions that enable a diverse range of applications across:

- handset devices
- global telecoms infrastructure
- connected devices
- 3D Sensing

As a scaled global epitaxy wafer manufacturer, IQE is uniquely positioned in this market which has high barriers to entry. IQE supplies the whole market and is agnostic to the winners and losers at chip and OEM level. By leveraging the Group's intellectual property portfolio including know-how and patents, it produces epitaxy wafers of superior quality, yield and unit economics.

IQE is headquartered in Cardiff UK, with c. 685 employees across nine manufacturing locations in the UK, US, Taiwan and Singapore, and is listed on the AIM Stock Exchange in London.