

# X-FAB Silicon Foundries SE (XFAB) — Company Analysis

Ticker XFAB (Euronext Paris) · ISIN BE0974310428 · Erfurt, Germany (Belgian-rooted) · report generated 2026-05-28. End-to-end fundamentals, financials, sector & TAM, competitive position, the AI/data-center angle, valuation and risks. Analysis, not investment advice.

## Snapshot

- Ticker: EPA: XFAB
- Price: €13.18 post +38% on 27-May-2026 (intraday €15.88, +76%); 52-wk low ~€4 [S13][S14]
- Market cap: ~€1.72bn (~US\$1.9bn) at €13.18; touched ~€2.06bn intraday — retail-driven spike, no fundamental catalyst [S13][S14]
- Revenue: US\$870.3m FY2025 (+7%); US\$195.6m Q1 2026 (-4% YoY) [S3][S4][S5]
- Growth: FY2025 +7%; Q1 2026 -4% YoY; no full-year 2026 guidance issued [S5]
- Profitability: FY2025 EBITDA US\$196.8m (22.6%); EBIT US\$76.4m (8.8%); Q1 2026 EBITDA margin 17.5% — compressing [S3][S5]
- FCF: FY2025 ~-US\$60m (operating CF \$144m less capex \$204m); 23% capex/sales [S6]
- Net cash / debt: net debt ~US\$273m (cash US\$194m, total debt ~US\$467m, end-2025) [S6]
- Valuation: pre-spike ~1.0–1.2x EV/Sales / ~3.7–5.2x EV/EBITDA; post-spike ~2.5x EV/Sales, ~11x EV/EBITDA; consensus analyst PT €5.29 — i.e. ~60% below current price [S13][S20]
- Currency: USD (reports in USD); listed in EUR
- Geography: global; ~94% auto/industrial/medical mix
- What: specialty analog/mixed-signal foundry — SiC, MEMS, automotive
- Value chain: foundry — wafer fabrication (analog/mixed-signal, SiC)
- End markets: automotive, industrial, medical (DNA sequencing, ultrasound)
- Founded / HQ: 1992 / Erfurt, Germany (Belgian-rooted)
- CEO: Damien Macq (from Feb 2026, ex-Melexis Sense & Light BU, succeeding Rudi De Winter)
- Top competitors: Tower Semiconductor, GlobalFoundries, UMC, TSMC, onsemi (SiC IDM), STMicro (SiC IDM), Wolfspeed (SiC IDM)
- Key customers: Melexis (~45% of FY2023 revenue), Goodix, Lite-On, Micronas (TDK), Sensata, IDT, Knowles Electronics
- Key suppliers: silicon & SiC substrates, equipment (Soitec SmartSiC partner at Lubbock), specialty materials
- Catalyst: FY2026 guidance update; new-CEO strategic refresh; Sarawak cleanroom full ramp by Q4 2026
- Verdict: Profitable specialty foundry levered to SiC/MEMS, but margin-compressing, FCF-negative, no FY26 guidance — retail-driven spike priced at ~60% above consensus PT
- Confidence: 0.45

## Executive summary

X-FAB is a profitable European specialty foundry (contract chip-manufacturer (e.g. TSMC); fabs what others design) for analog/mixed-signal chips with growth engines in silicon carbide (SiC (silicon carbide)) power, MEMS/microsystems, and medical silicon. FY2025 grew 7% to US\$870.3m at a 22.6% EBITDA (earnings before interest, taxes, depreciation & amortisation) margin; MEMS (micro-electromechanical systems) topped US\$100m for the first time, medical hit a record €71m (+26%), SiC rebounded strongly (Q4 +77% YoY (year-on-year), Q1 2026 wide-bandgap +152% YoY, wafer (thin polished disc of semiconductor (silicon, glass, III-V) on which chips are built) shipments nearly tripled) [S3][S4][S5][S8]. Core auto/industrial/medical is 94% of sales [S4]. Damien Macq took over as CEO in February 2026, succeeding long-time CEO Rudi De Winter — a leadership transition to monitor alongside the SiC ramp and capex (capital expenditure) profile [S15].

Three things make the picture more complicated than the headline 22.6% margin: (1) margin trajectory is downward — 27.1% (FY23) -> 23.1% (FY24) -> 22.6% (FY25) -> 17.5% (Q1 26), with no FY26 guidance issued [S1][S2][S3][S5]; (2) free cash flow was -US\$60m in FY2025 on US\$204m of capex (23% of sales) and net debt of US\$273m [S6]; and (3) Melexis is ~45% of revenue [S25][S26], and Q1 2026 automotive revenue was

already -10% YoY [S5]. A Q4 2025 US\$9.3m one-off from a renegotiated SiC raw-wafer long-term agreement and inventory revaluation reset Q4 margins lower than headline would suggest [S3].

On 27-May-2026 the stock spiked +76% intraday to €15.88 (settled +38% at €13.18) on a viral X post framing X-FAB as a photonics/power-semi play — no company news, no analyst upgrade. YTD +141%. Consensus 12-month analyst price target is €5.29 [S13] — i.e. roughly 60% below current spot — making the move retail-driven and reversion-prone.

Verdict: genuinely profitable specialty foundry levered to SiC, MEMS and medical — but margin- and capex-cyclical with limited visibility, and a Melexis-concentration risk into a soft auto cycle.

Confidence: 0.45

## 1. Company overview

Erfurt-based specialty foundry (founded 1992, Belgian heritage via the Melexis/Xtrion shareholder structure); FY2025 revenue US\$870.3m, EBITDA margin 22.6% [S3]. Differentiates on analog/mixed-signal, SiC and MEMS process platforms for safety-critical auto / industrial / medical end-markets — not leading-edge digital. Customer base ~400 companies, FY2024 geography Europe ~67%, Asia ~23% (China ~12.6%), North America ~9.5% [S25]. Listed on Euronext Paris.

## 2. Management & founders

Damien Macq became CEO in February 2026, succeeding long-time CEO Rudi De Winter; Macq was COO since 2023, ex-Melexis (Sense & Light BU (business unit)) [S15]. The Melexis link is structural — historical shared major shareholder Xtrion NV, although per X-FAB's H1 2024 disclosure Xtrion ceased to be a controlling shareholder of Melexis [S27]. Free float ~38–42% [S28]. The leadership transition is the operational watch-item for 2026 alongside the SiC capex profile.

## 3. Business model & products

Pure-play specialty foundry — fabs what others design — focused on analog/mixed-signal CMOS, SiC, MEMS processes for customers that need reliability, traceability, automotive qualifications and long-life process support rather than leading-edge nodes. Production sites: Erfurt (Germany), Itzehoe (Germany), Dresden (Germany), Corbeil-Essonnes (France), Lubbock TX (USA — SiC), Kuching (Sarawak, Malaysia — 180nm BCD-on-SOI). New Sarawak cleanroom inaugurated September 2025; doubles 180nm BCD-on-SOI capacity, lifting site to 40,000 wafer starts/month at full ramp by Q4 2026 (total Sarawak program ~RM3bn / ~US\$600m) [S10][S11]. Lubbock site received a US\$50m CHIPS Act SiC award and runs a Soitec SmartSiC partnership [S12].

## 4. Financial analysis

US\$ m	FY2023	FY2024	FY2025	Q1 2026
Revenue	906.8	816.4 (-10%)	870.3 (+7%)	195.6 (-4% YoY, -12% QoQ) [S1][S2][S3][S5]
EBITDA	245.6	188.9	196.8	34.2
EBITDA margin	27.1%	23.1% (23.5% ex-IFRS (International Financial Reporting Standards) 15)	22.6%	17.5% (18.4% ex-IFRS 15)
EBIT (earnings before interest & taxes (operating profit))	—	—	76.4 (8.8%)	—
Capex	—	—	204.1 (vs \$250m initial plan)	(2026 plan ~\$100m) [S6]
Operating cash flow	—	—	144.1 [S6]	—

Free cash flow	—	—	~-60 (OCF 144 less capex 204) [S6]	—
Cash	—	—	194.3 (+\$20.1m QoQ) [S6]	—
Total debt	—	—	~467 [S6]	—
Net debt	—	—	~273 [S6]	—

FY2025 segment / technology split: Core (auto + industrial + medical) 94% of revenue at US\$814.2m, +7% YoY [S4]. Automotive ~US\$540m+ (Q1 2026 auto US\$121.6m, -10% YoY [S5]). Industrial +19% YoY [S4]. Medical record €71m / ~US\$77m (+26%; Q3 +74%, Q1 2026 US\$19.2m +39%) [S4][S7][S5]. MEMS >US\$100m for the first time, +11% YoY [S8]. SiC full-year only US\$33.8m (-34% off a 2024-Q1 peak), but Q4 +77% YoY; Q1 2026 wide-bandgap +152% YoY, SiC wafer shipments nearly tripled [S3][S9]. Q4-only QoQ SiC revenue +6% despite wafer starts +60% — higher share of customer-supplied substrates (lower pass-through billings) [S3].

Q4 2025 profitability hit by a US\$9.3m one-off — US\$6.0m from renegotiating a long-term SiC raw-wafer agreement, US\$3.3m from inventory revaluation at the lower renegotiated price [S3]. Q2 2026 guide: revenue US\$190–200m, EBITDA margin 17–20%. No full-year 2026 guidance — auto recovery expected H2 2026 [S5].

## 5. Sector & market context

Sub-market	2025 size	CAGR (compound annual growth rate)	Source
Analog/mixed-signal wafer foundry	US\$15.0–15.9bn	~6.5–7.5% to mid-\$20bn by 2033/34	[S16]
Specialty foundry (broader)	US\$11.65bn	~12.8% to US\$38.85bn by 2035	[S16]
SiC power semiconductors	US\$2.7bn (range \$1.8–4.0bn)	mid-to-high teens %	[S17]
MEMS foundry service	~US\$0.85bn	~6–8% to US\$1.3–1.7bn by 2033/34	[S18]
MEMS sensor end-market	US\$18.6bn	~8–10% to US\$29–43bn by 2031/34	[S18]

The strategic question — SiC opportunity for X-FAB: The top 5 IDMs (Infineon, STMicro, onsemi, Wolfspeed, ROHM) hold >90% of global SiC revenue [S17] — STM alone ~32.6% share, onsemi ~25%, Wolfspeed ~11%. X-FAB is a pure-play foundry, not an IDM (integrated device manufacturer), addressing the fabless / second-source sliver — customers who don't want to fab in-house or want a dual-source. With FY2025 SiC at US\$33.8m, X-FAB's share of the US\$2.7bn SiC market is ~1.2%. Realistic addressable opportunity is the merchant-foundry slice (maybe US\$200–400m today). Wolfspeed emerging from Chapter 11 in September 2025 (US\$4.6bn of \$6.7bn debt cut) [S19] reshuffles the field but also signals SiC over-build risk.

## 6. Competitive landscape

Player	Model	Revenue	EV/Sales (enterprise value ÷ sales)	EV/EBITDA (enterprise value ÷ EBITDA)	Notes
X-FAB	Pure-play specialty foundry	US\$870m FY25	pre-spike ~1.0–1.2x [S20]; post-spike ~2.5x	~3.7–5.2x -> ~11x post-spike	EU-rooted; SiC + MEMS + analog

Tower Semiconductor	Specialty foundry (indep. post-Intel)	US\$2.0bn (last FY) [S21]	~17x (post AI-foundry rally)	~50x	Direct rival; thematic premium
GlobalFoundries	Specialty + mainstream	~US\$6.7bn FY24 [S22]	mid-single x	~10x	Larger, more diversified
UMC	Mainstream + specialty	US\$7.5bn FY25 [S23]	2.4x	5.6–5.8x	Asian foundry comp
TSMC	Leading-edge	US\$90bn+	—	—	Different league
onsemi	SiC IDM	~US\$7bn	—	—	Vertically integrated
STMicro	SiC IDM (leader, 32.6% share)	US\$13bn+	—	—	Vertically integrated
Wolfspeed	SiC IDM (post-Ch.11)	US\$807m (FY25e)	—	—	Re-emerged Sep 2025 after 70% debt cut [S19]

The Tower comp is distorted (Intel's US\$5.4bn deal terminated August 2023 over China antitrust; Tower received a US\$350m breakup fee and has since rallied to ~US\$30bn market cap on its own [S21][S24]). Cleaner reference points: UMC (5.6x EBITDA) and GFS (~10x). Pre-spike X-FAB at ~4–5x EBITDA was a clear discount; post-spike at ~11x it has converged with UMC/GFS — not yet a premium, but the move is retail-driven, not earnings-driven.

## 7. Top customers and concentration risk

- Melexis — by far the largest. FY2023 sales to Melexis ~US\$364m, ~45% of X-FAB revenue [S25][S26]. Melexis is an automotive sensor chip designer.
- Other named customers from industry compilations (not all directly disclosed): Goodix, Lite-On, Micronas (TDK), Sensata, IDT, Knowles Electronics [S25].
- Total customer count: >400 [S25].

Melexis concentration is the single biggest specific bear-case risk — see Section 9.

## 8. Growth drivers & catalysts

- SiC wafer shipments nearly tripled YoY in Q1 2026, wide-bandgap +152% — real ramp acceleration [S5][S9].
- MEMS >US\$100m for the first time in FY2025; record medical €71m [S4][S8].
- Sarawak cleanroom full ramp by Q4 2026; +33% wafer-starts capacity [S10][S11].
- CHIPS Act US\$50m award + Soitec SmartSiC partnership at Lubbock [S12].
- New CEO Damien Macq strategic refresh expected during 2026.
- H2 2026 auto recovery flagged by management [S5].

## 9. Headwinds & key risks

- Melexis concentration in a soft auto cycle. ~45% of revenue from one customer in a segment now declining (auto -10% YoY Q1 2026, "limited short-term visibility" per management [S5]). A single LTA (long-term agreement (multi-year supply contract)) renegotiation just hit Q4 2025 with a US\$9.3m one-off [S3]. If Melexis cuts wafer starts or renegotiates pricing again, X-FAB's revenue and margin both reset down.
- SiC scale disadvantage vs vertically-integrated IDMs. STM (32.6% share), onsemi (~25%) and Wolfspeed (~11%, post-bankruptcy clean balance sheet) own >70% of a US\$2.7bn market [S17][S19]. X-FAB's SiC is only US\$33.8m FY25 and the Q4 +77% YoY headline came with a US\$9.3m raw-wafer LTA write-down — pricing power is on the IDM side, and X-FAB has had to absorb substrate-cost

pass-through losses. Wide-bandgap +152% YoY in Q1 2026 [S5] is real but off a low base, in a market structurally over-built post-Wolfspeed restart.

- Capital intensity vs uncertain returns; no FY26 guidance. FY2025 capex US\$204m on revenue US\$870m = ~23% capex/sales [S6]; cumulative ~US\$1.2bn 2023–25 program. Negative free cash flow (~US\$60m FY25) and net debt of ~US\$273m [S6]. EBITDA margin compressed from 27.1% -> 23.1% -> 22.6% -> 17.5% Q1 2026 [S1][S2][S3][S5]. Capex sized for a SiC/180nm BCD ramp that hasn't fully arrived; absence of FY26 guidance plus retail-driven share-price spike create a re-rating risk on any miss.
- Retail-driven price spike priced for perfection. Consensus analyst PT €5.29 vs €13.18 spot [S13]; the YTD +141% rally came largely on a viral X post (May 27, 2026) with no fundamental catalyst. Reversion risk is material.

## 10. Valuation

Metric	Value	Source
Share price (close 27 May 2026)	€13.18 (intraday high €15.88)	[S13][S14]
Shares outstanding	~130.6m	[S28]
Market cap	~€1.72bn (touched ~€2.06bn intraday)	[S14]
Net debt	~US\$273m (cash US\$194m, debt US\$467m)	[S6]
EV (post-spike)	~€1.97bn (~US\$2.2bn)	derived
EV/Sales FY25	~2.5x post-spike (~1.0–1.2x pre-spike [S20])	derived
EV/EBITDA FY25	~11x post-spike (~3.7–5.2x pre-spike [S20])	derived
Analyst consensus 12-mo target	€5.29 (Investing.com) -> ~60% below current	[S13]
Free float	38.2–42.1%	[S28]

Pre-spike X-FAB at ~1x sales was deeply discounted vs all listed foundry peers. Post-spike at ~2.5x sales it has converged to the cheap end of the foundry peer range (UMC ~2.4x, GFS mid-single), still well below Tower's distorted 17x. But the move is retail-driven, not earnings-driven, and consensus targets sit far below.

## 11. Verdict & what to watch

X-FAB is a genuinely profitable European specialty foundry levered to real secular growth (SiC, MEMS, medical) — but the FY2025 results show margin compression, FCF (free cash flow) turning negative, and a missing FY2026 guide. The 27-May retail spike has priced the stock at ~60% above consensus analyst PT without any change in fundamentals. Melexis at ~45% of revenue in a soft auto cycle is the unpriced concentration risk.

Verdict: profitable specialty foundry, but margin-compressing and retail-priced at ~60% above analyst PT — confidence 0.45.

Decision boundaries:

- FY2026 guidance issued with EBITDA margin  $\geq 20\%$  -> more positive (+).
- Sustained SiC ramp without further LTA write-downs (Q2/Q3 2026) -> more positive (+).
- Customer diversification — Melexis share dropping below 35% -> more positive (+).
- Q2 2026 EBITDA margin slipping below 17% -> very negative (-).
- Melexis pricing renegotiation or volume cut -> very negative (-).
- Retail spike reverses 40%+ as flow unwinds -> expected baseline outcome.

Open questions:

- Updated FY26 guidance from new CEO.

- Detailed SiC pricing post-LTA renegotiation.
- Specific Melexis order trajectory through 2026.
- Sarawak utilisation rate at full ramp.

## Customers & suppliers

Customers (top names, mostly inferred from industry compilations): Melexis (~45%), Goodix, Lite-On, Micronas (TDK), Sensata, IDT, Knowles Electronics, plus ~400 others [S25].

Suppliers: silicon and SiC substrates; specialty equipment and materials; Soitec SmartSiC at Lubbock [S12].

## Recent news

- 27-May-2026 — Stock spiked +76% intraday to €15.88, settled €13.18 (+38%) on a viral X post; no company news. YTD +141% [S13][S14].
- 29-Apr-2026 — Q1 2026 results: revenue US\$195.6m, EBITDA margin 17.5%; SiC wafer shipments nearly tripled YoY; auto soft; H2 2026 recovery flagged [S5].
- 6-Feb-2026 — Damien Macq becomes CEO; Rudi De Winter steps down [S15].
- 5-Feb-2026 — FY2025 results: revenue US\$870.3m (+7%), EBITDA US\$196.8m (22.6%); MEMS >US\$100m first time; medical €71m record; SiC Q4 +77% YoY; US\$9.3m one-off SiC LTA renegotiation [S3][S4][S8].
- 30-Oct-2025 — CEO succession announced; Q3 2025: revenue US\$228.6m (+11%), medical US\$21.2m record [S7][S15].
- Sep 2025 — Sarawak cleanroom inaugurated [S10].
- 2025 — Soitec SmartSiC at Lubbock; CHIPS Act US\$50m award [S12].

## Sources

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- [S21] [T3] Tower Semiconductor multiples, CompaniesMarketCap / Multiples.vc, May 2026.
- [S22] [T3] GlobalFoundries FY2025 6-K filings.
- [S23] [T3] UMC valuation, StockAnalysis / Multiples.vc.
- [S24] [T3] Intel-Tower deal termination, CTech / Cognitive Market Research.
- [S25] [T3] X-FAB customers & geography, Wikipedia + MoatMind deep-dive.
- [S26] [T3] Melexis concentration discussion, Silba Deep Dives.

- [S27] [T3] X-FAB H1 2024 Half-Year Report (Xtrion / Melexis disclosure).
- [S28] [T3] X-FAB IPO release / shares-outstanding, Euronext IPO note.

## Appendix — methodology & sources

Generated by AutoLab (thesis mode) on 2026-05-30. The loop iteratively scouts the weakest point, researches it, red-teams it, and integrates the findings; . Headline confidence 0.45.