

Ad hoc announcement pursuant to Art. 53 LR:

Annual Report 2022

Mikron Group posts strong results in both business segments

Biel, March 10, 2023, 7.00 a.m. – The Mikron Group significantly improved its earnings situation in the past financial year. Both business segments succeeded in increasing annual net sales and achieving strong results. High demand in all key markets, the continued good performance of the Automation and Tool divisions and higher sales in the Machining division were the key factors in this gratifying development. The Group's net sales rose from CHF 289.5 million to CHF 309.4 million (+6.9%) and order intake from CHF 305.7 million to CHF 408.0 million (+33.5%). The Group's EBIT for 2022 amounts to CHF 26.4 million (2021: CHF 17.6 million, +50.0%), and the profit for the year is CHF 24.2 million (2021: CHF 17.0 million, +42.4%).

All three divisions of the Mikron Group performed well in the 2022 financial year and achieved some important development targets. At Mikron Automation, the expanded plant in Boudry is now fully operational, with completely reorganized manufacturing processes and material flows. The Mikron Machining division succeeded in improving its result due to higher sales and the completed consolidation of all activities into one building in Agno, while the Mikron Tool division realized several new product developments for applications in the pharmaceutical and medical technology industries and opened the extension to the production building in Agno.

To cope with increasing inflation, all three divisions analyzed prices regularly and implemented all the necessary price adjustments. Thanks to pro-active discussions with suppliers, as well as solutions found with customers, the raw material and energy price increases did not significantly impact Mikron's profitability. Due to the high down payments from customers, the exchange rate impact with a stronger Swiss franc and weaker euro remained limited for Mikron in the year under review.

Order intake and net sales

The Mikron Group reported order intake of CHF 408.0 million in 2022, representing an increase of 33.5% compared with the prior year (CHF 305.7 million). Posting annual net sales of CHF 309.4 million, the Mikron Group exceeded the prior year result of CHF 289.5 million by 6.9%. Europe remains Mikron's most important market, with 49% (including Switzerland) of total net sales in 2022 (2021: 50% including Switzerland). Accounting for a share of 30%, North America remains in second place (previous year: 33%). The strongest market segment by far remains the pharmaceutical and medtech sector at 55% (previous year: 56%). The automotive industry contributed 12% (prior year: 11%) to total net sales.

Order backlog and capacity utilization

At CHF 270.7 million, the Mikron Group's order backlog at the end of 2022 was 53.2% higher than the prior-year figure (CHF 176.7 million). As some of these orders are long-term projects, a significant portion of the order backlog from the end of 2022 will not impact the Mikron Group's sales until 2024. Capacity utilization was high in all three divisions throughout the year.

Profitability

In the 2022 financial year, the Mikron Group succeeded in significantly improving its EBIT and profit. Compared with the previous year, Mikron increased its EBIT from CHF 17.6 million to CHF 26.4 million (+50.0%). The Group thus achieved an EBIT margin for 2022 of 8.5% (2021: 6.1%). The Group improved its annual profit from CHF 17.0 million to CHF 24.2 million (+42.4%). Profit per share for 2022 came to CHF 1.47 (prior year: CHF 1.04).

Distribution to shareholders

At the General Meeting on 26 April 2023, the Board of Directors of the Mikron Group will propose a distribution to the shareholders of CHF 0.40 (prior year: CHF 0.24) per share.

Outlook

Despite this favorable starting position with a high order backlog at the end of 2022, concrete forecasts remain difficult. The global economic situation continues to be fragile. Supply bottlenecks and sharply rising prices will continue to keep Mikron busy. In addition, there is the war in Ukraine with its effects that are difficult to assess. Finally, the Covid pandemic is not yet over in all parts of the world. In recent months, the Mikron Group has demonstrated its resilience and coped well with global crises. This gives the Group confidence: consistent in the pursuit of our goals, flexible in their implementation – Mikron will continue to follow the chosen path. For the 2023 financial year, the Group expects to achieve again a similar EBIT margin as for 2022.

Brief profile of the Mikron Group

The Mikron Group develops, produces and markets highly precise, productive and adaptable automation solutions, machining systems and cutting tools. Rooted in the Swiss culture of innovation, Mikron is a global partner to companies in the pharmaceutical, medtech, consumer goods, automotive, and general engineering industries. The Mikron Group enables its customers to increase quality and industrial productivity. The Group has over 100 years of experience, state-of-the-art technologies, and a global service. The two business segments Mikron Automation and Mikron Machining Solutions are based in Switzerland (Boudry and Agno). Additional production sites are located in the USA, Germany, Singapore, China and Lithuania. Mikron Holding AG shares are traded on SIX Swiss Exchange (MIKN). The Mikron Group employs a total workforce of around 1,400.

Publication of annual results for 2022

The annual results will be published at the same time as this ad hoc announcement in the form of the 2022 Annual Report: www.mikron.com/reports. Online report, see: <https://report.mikron.com>.

Download ad hoc announcement pursuant to Art. 53 LR:

www.mikron.com/news

Key figures for the Mikron Group

	2022	2021	+/-
CHF million ¹⁾			
Order intake²⁾	408.0	305.7	33.5%
- Machining Solutions	169.0	135.4	24.8%
- Automation	239.0	170.5	40.2%
Net sales	309.4	289.5	6.9%
- Machining Solutions	125.7	112.9	11.3%
- Automation	183.8	176.7	4.0%
Order backlog²⁾	270.7	176.7	53.2%
- Machining Solutions	101.8	61.1	66.6%
- Automation	168.8	115.6	46.0%
Number of employees²⁾	1,414	1,327	6.6%
- Machining Solutions	558	542	3.0%
- Automation	832	780	6.7%
EBIT²⁾	26.4	17.6	50.0%
- Machining Solutions	9.3	2.5	272.0%
- Automation	17.5	15.8	10.8%
Profit for the year	24.2	17.0	42.4%
Operating cash flow	27.6	50.7	-45.6%
Balance sheet total	345.9	300.0	15.3%
Equity ratio	53.8%	55.0%	-1.2%

¹⁾ except number of employees and %

²⁾ Alternative performance measure, see Annual Report 2022, pages 107 to 109, or www.mikron.com/apm

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Investor Relations Calendar

April 26, 2023, 04.00 p.m.	Annual General Meeting 2023
July 20, 2023, 07.00 a.m.	Ad hoc announcement pursuant to Art. 53 LR, semi-annual results 2023

Except for the historical information contained herein, the statements in this ad hoc announcement are forward-looking statements that involve risks and uncertainties.

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