

Interim Report January-September 2023

Third quarter

- Order intake was SEK 1,467 (1,609) million, a decrease of 9 percent
- Net sales increased 5 percent to SEK 1,274 (1,214) million. Based on constant exchange rates, net sales increased 2 percent
- EBIT amounted to SEK 263 (203) million and the EBIT margin was 21 (17) percent
- Earnings per share were SEK 2.10 (1.56)

January-September

- Order intake amounted to SEK 4,832 (4,253) million, an increase of 14 percent
- Net sales increased 3 percent to SEK 3,738 (3,622) million. Based on constant exchange rates, net sales decreased 1 percent
- EBIT amounted to SEK 615 (632) million and the EBIT margin was 16 (17) percent
- Earnings per share were SEK 5.00 (5.03)

"Order intake was good in the third quarter and on an annualized basis above our net sales target for 2023 of SEK 5.5 billion. Due to Pattern Generators having a really strong order intake in the corresponding period the previous year, order intake nevertheless declined 9 percent in the third quarter. Meanwhile, net sales increased and EBIT grew to SEK 263 million, also driven by Pattern Generators. Acquisitions play a key role in Mycronic's profitable growth journey towards net sales of SEK 10 billion, and we constantly assess various potential acquisition candidates within the scope of our business development efforts. One significant project of this nature was terminated in the third quarter without resulting in a transaction. The project was the main reason behind the high business development costs during the first six months", says Anders Lindqvist, President and CEO.

Outlook 2023

The Board of Directors' opinion remains that net sales for 2023 will be at a level of SEK 5.5 billion.

Group summary	Q3		Jan-Sep		Rolling	Jan-Dec
	2023	2022	2023	2022	12 month	2022
Order intake, SEK million	1,467	1,609	4,832	4,253	7,362	6,783
Net Sales, SEK million	1,274	1,214	3,738	3,622	5,235	5,119
Book-to-bill	1.2	1.3	1.3	1.2	1.4	1.3
Order backlog, SEK million	4,669	2,542	4,669	2,542	4,669	3,574
Gross margin, %	48.9%	44.6%	48.0%	44.6%	47.1%	44.7%
EBIT, SEK million	263	203	615	632	877	894
EBIT margin, %	20.6%	16.7%	16.4%	17.5%	16.8%	17.5%
Earnings per share before/after dilution, SEK	2.10	1.56	5.00	5.03	7.56	7.59
Cash Flow, SEK million	118	67	475	153	859	537
Changes in Net Sales						
Total growth, %	5%	23%	3%	8%	6%	10%
Organic growth, %	2%	9%	-1%	-9%	2%	-4%
Growth from acquisitions/divestments, %	0%	1%	0%	8%	-2%	5%
Currency effects, %	3%	13%	5%	9%	6%	9%

CEO comments



Order intake was good in the third quarter and on an annualized basis above our net sales target for 2023 of SEK 5.5 billion. Due to Pattern Generators having a really strong order intake in the corresponding period the previous year, order intake nevertheless declined 9 percent in the third quarter. Meanwhile, net sales increased and EBIT grew to SEK 263 million, also driven by Pattern Generators. Acquisitions play a key role in Mycronic's profitable growth journey towards net sales of SEK 10 billion, and we constantly assess various potential acquisition candidates within the scope of our business development efforts. One significant project of this nature was terminated in the third quarter without resulting in a transaction. The project was the main reason behind the high business development costs during the first six months.

In Pattern Generators, the photomask market for displays held steady at a high level in the third quarter, while the photomask market for semiconductors remained robust. September saw the delivery of the first Prexision system equipped with a solid state laser, which reduces laser energy consumption by up to 99 percent compared with a gas laser. The laser accounts for a majority of the energy consumed by a mask writer equipped with gas laser. In addition, an order was received after the end of the quarter to upgrade from gas lasers to solid state lasers in previously installed mask writers for displays. While these upgrades will not significantly impact Mycronic's net sales moving forward, they represent - along with the solid state lasers in new mask writers - milestones in our contribution to the development of sustainable electronics production.

For High Flex, the market in both Europe and North America remained robust in the third quarter, while demand in China and the rest of Asia was weak. Demand for pick and place systems remained stable at a good level, while demand for

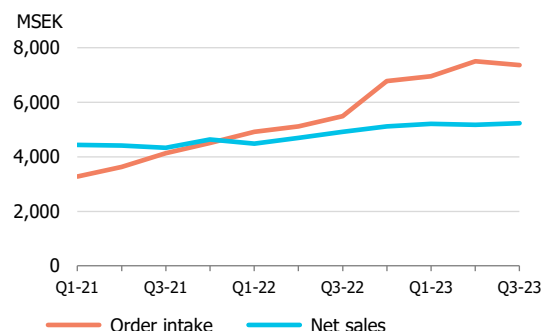
inspection systems kept improving following product enhancements. During the quarter, High Flex took over global responsibility for China-based HC Xin from High Volume. HC Xin provides stencil printers for application of solder paste and shares a common customer base with High Flex. By leveraging the Mycronic brand and the global presence of High Flex, HC Xin will be able to achieve global growth. With a product portfolio that includes both jet printing and stencil printers, the High Flex division can now offer solutions that meet all customer demands related to solder paste dispensing.

The third quarter saw a slight recovery in investments among Chinese mobile phone manufacturers, with a key focus on automating processes to reduce manual labor. The electric vehicle industry remained steady, with High Volume continuing to grow its customer base in this market segment. During the quarter, High Volume took over global responsibility for both the MYSmart dispensing products and the Mexico office from High Flex. This change will enable High Volume to consolidate its position on an international scale.

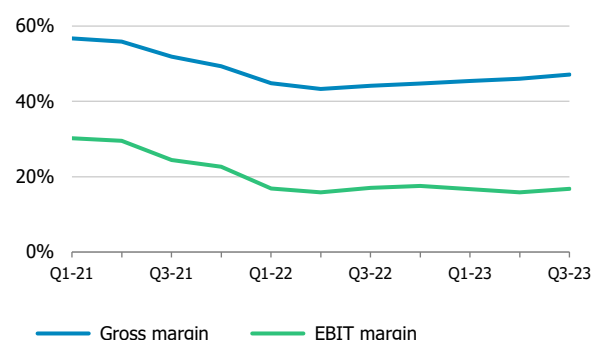
Global Technologies saw sluggish market demand in the third quarter, especially from China, with the exception of AI-related demand. Regarding this division, I am delighted to announce that Magnus Marthinsson, who has been serving as the acting Sr VP of Global Technologies, has been offered and has accepted the permanent position. Magnus will be based in Boston, where he will dedicate his efforts to bolstering the division's profitability and driving growth, through both organic expansion and acquisitions.

Anders Lindqvist, President and CEO

Order intake and net sales, rolling 12 months



Gross and EBIT margin, rolling 12 months



Financial performance

GROUP

	Q3		Jan-Sep		Rolling	Jan-Dec
	2023	2022	2023	2022	12 month	2022
Order intake, SEK million	1,467	1,609	4,832	4,253	7,362	6,783
Order backlog, SEK million	4,669	2,542	4,669	2,542	4,669	3,574
Net Sales, SEK million	1,274	1,214	3,738	3,622	5,235	5,119
Gross profit, SEK million	623	541	1,792	1,615	2,465	2,288
Gross margin, %	48.9%	44.6%	48.0%	44.6%	47.1%	44.7%
EBIT, SEK million	263	203	615	632	877	894
EBIT margin, %	20.6%	16.7%	16.4%	17.5%	16.8%	17.5%
EBITDA, SEK million	331	265	814	811	1,150	1,147

In the third quarter, the company repurchased 115,600 of its own shares for allocation to participants in the latest long-term incentive program, LTIP 2023.

Order intake on an annualized basis was above the net sales target for 2023 of SEK 5.5 billion. Nevertheless, order intake declined 9 percent in the third quarter to SEK 1,467 (1,609), mainly attributable to Pattern Generators having a really strong order intake in the corresponding period the previous year. For the first nine months, order intake rose 14 percent to SEK 4,832 (4,253) million. The Group achieved a new record for its order backlog, totaling SEK 4,669 (2,542) million by the close of the quarter.

Net sales saw a 5 percent increase in the quarter to SEK 1,274 (1,214) million, mainly attributable to Pattern Generators and bolstered by positive currency effects. Net sales for the first nine months of the year rose 3 percent to SEK 3,738 (3,622) million. Currency effects had a positive impact on net sales of SEK 33 million for the quarter and SEK 169 million for the first nine months.

Gross margin increased to 49 (45) percent in the third quarter, driven by a strong gross margin performance in Pattern Generators and a more favorable division mix, with Pattern Generators representing a larger share of the Group's net sales. Gross margin for the first nine months of the year rose to 48 (45) percent.

EBIT for the quarter amounted to SEK 263 (203) million, corresponding to an EBIT margin of 21 (17) percent. EBIT included costs of SEK 15 million linked to business development projects. EBIT for the first nine months of the year amounted to SEK 615 (632) million, corresponding to an EBIT margin of 16 (17) percent. The first nine months of the year included costs of around SEK 110 million linked to business development projects. In addition, the divestment of AEi had a positive impact on EBIT of SEK 25 million

during the first nine months of 2022. Acquisition-related costs totaled SEK 17 (17) million for the quarter and SEK 49 (49) million for the first nine months of the year.

Cash flow and financial position

Cash and cash equivalents at the end of September amounted to SEK 1,745 (906) million. Cash flow for the first nine months of the year totaled SEK 475 (153) million. Cash flow from operating activities amounted to SEK 1,045 (416) million. Working capital decreased and contributed SEK 323 million in positive cash flow during the first nine months of the year, compared with a negative cash flow of SEK 203 million during the same period last year. The decrease in working capital is mainly attributable to an increase in advance payments from customers.

Investing activities generated a negative cash flow of SEK 140 million during the first nine months, compared with a positive cash flow of SEK 104 million in the preceding year due to the divestment of AEi. Investments in property, plant and equipment accounted for SEK 93 (87) million and capitalization of product development for SEK 44 (25) million. Financing activities utilized SEK 431 (366) million, of which SEK 343 (294) million related to dividends to shareholders. At the end of September, Mycronic had a strong net cash position of SEK 1,523 (639) million.

Sustainability

September saw the delivery of the first Prexision system equipped with a solid state laser, which reduces laser energy consumption by up to 99 percent compared with a gas laser. The laser accounts for a majority of the energy consumed by the mask writer. In addition, an order was received after the end of the quarter to upgrade from gas lasers to solid state lasers in previously installed mask writers for displays. Both these events represent milestones in Mycronic's contribution to the development of sustainable electronics production.

PATTERN GENERATORS

	Q3		Jan-Sep		Rolling	Jan-Dec
	2023	2022	2023	2022	12 month	2022
Order intake, SEK million	561	718	2,181	1,276	4,010	3,106
Order backlog, SEK million	3,433	1,106	3,433	1,106	3,433	2,480
Net Sales, SEK million	435	246	1,228	914	1,684	1,369
Gross profit, SEK million	286	154	789	535	1,037	782
Gross margin, %	65.9%	62.5%	64.2%	58.5%	61.6%	57.1%
EBIT, SEK million	203	76	543	311	697	465
EBIT margin, %	46.6%	31.0%	44.2%	34.0%	41.4%	34.0%
EBITDA	217	88	585	343	752	510
R&D expenditures, SEK million	-60	-50	-182	-159	-242	-219
R&D costs, SEK million	-56	-49	-162	-157	-222	-217

The photomask market for displays held steady at a high level in the third quarter, while the photomask market for semiconductors remained robust. September saw the delivery of the first Prexision system equipped with a solid state laser, a milestone in Mycronic's efforts to contribute to sustainable electronics production.

Pattern Generators received orders for three systems in the third quarter: one Prexision 8 Evo and two SLXs. Order intake declined 22 percent compared to the really strong order intake in the corresponding period the previous year, to SEK 561 (718) million. For the first nine months of the year, order intake rose 71 percent to SEK 2,181 (1,276) million.

The order backlog at the end of the quarter was SEK 3,433 (1,106) million and contained 31 systems with planned deliveries as follows:

2023 Q4: 1 Prexision 8 Evo, 1 Prexision Lite 8 Evo, 6 SLXs

2024 Q1: 1 Prexision 800 Evo, 1 Prexision 8 Entry Evo, 4 SLXs

2024 Q2: 1 Prexision 8 Evo, 1 Prexision MMS, 2 SLXs

2024 Q3: 2 Prexision 8 Evo, 2 SLXs

2024 Q4: 1 Prexision 8 Entry Evo, 1 Prexision Lite 8 Evo, 1 FPS10 Evo, 1 SLX

2025 Q1: 2 Prexision 8 Evo, 1 SLX

2025 Q2: 1 Prexision Lite 8 Evo

2025 Q3: 1 Prexision Lite 8 Evo

Compared to the delivery schedule presented in the latest quarterly report, delivery of one SLX was moved from the third to the fourth quarter of 2023.

Pattern Generators delivered one Prexision Lite 8 Evo - the first new display mask writer equipped with a solid state laser - and two SLXs during the quarter, compared with one SLX in the same period last year. Net sales increased 77 percent to SEK 435 (246) million. Net sales for the first nine months of the year increased 34 percent to SEK 1,228 (914) million. Currency effects had a positive impact on net sales of SEK 10 million for the third quarter and SEK 54 million for the first nine months.

Gross margin was 66 (62) percent for the quarter and 64 (59) percent for the first nine months.

EBIT increased to SEK 203 (76) million, corresponding to an EBIT margin of 47 (31) percent. EBIT for the first nine months of the year increased to SEK 543 (311) million, corresponding to an EBIT margin of 44 (34) percent.

R&D costs amounted to SEK 56 (49) million for the quarter and SEK 162 (157) million for the first nine months. Capitalization of development costs amounted to SEK 5 (0) million for the quarter and SEK 20 (2) million for the first nine months.

An order was received after the end of the quarter to upgrade from gas lasers to solid state lasers in previously installed mask writers for displays.

HIGH FLEX

	Q3		Jan-Sep		Rolling	Jan-Dec
	2023	2022*	2023*	2022*	12 month*	2022*
Order intake, SEK million	407	354	1,144	1,090	1,466	1,412
Order backlog, SEK million	239	279	239	279	239	155
Net Sales, SEK million	378	352	1,059	959	1,504	1,405
Gross profit, SEK million	156	141	419	386	604	571
Gross margin, %	41.3%	40.1%	39.6%	40.2%	40.2%	40.6%
EBIT, SEK million	60	45	99	100	160	161
EBIT margin, %	16.0%	12.7%	9.4%	10.5%	10.6%	11.5%
EBITDA	71	56	130	131	211	212
R&D expenditures, SEK million	-49	-48	-159	-148	-216	-205
R&D costs, SEK million	-40	-45	-138	-130	-196	-187

*Restated for comparability, see Note 1.

The market in Europe in particular, as well as in North America, remained robust in the third quarter, while demand in China and the rest of Asia was weak. Demand for pick and place systems remained stable at a good level, while demand for inspection systems kept improving following product enhancements. During the quarter, High Flex took over global responsibility for China-based HC Xin from High Volume. HC Xin provides stencil printers for application of solder paste and shares a common customer base with High Flex. By leveraging the Mycronic brand and the global presence of High Flex, HC Xin will be able to achieve global growth. With a product portfolio that includes both jet printing and stencil printers, the High Flex division can now offer solutions that meet all customer demands related to solder paste dispensing. At the same time, High Volume assumed global responsibility for the MYSmart dispensing products and the Mexico office.

Order intake increased 15 percent during the quarter and amounted to SEK 407 (354) million. For the first nine months of the year, order intake rose 5 percent to SEK

1,144 (1,090) million. At the end of the quarter, the order backlog totaled SEK 239 (279) million.

Net sales rose 7 percent during the third quarter to SEK 378 (352) million. Net sales for the first nine months of the year rose 10 percent to SEK 1,059 (959) million. Net sales were positively impacted by currency effects of SEK 20 million for the quarter and SEK 67 million for the first nine months.

Gross margin was 41 (40) percent for the quarter and 40 (40) percent for the first nine months.

EBIT increased to SEK 60 (45) million, with an EBIT margin of 16 (13) percent. EBIT for the first nine months of the year was SEK 99 (100) million, corresponding to an EBIT margin of 9 (10) percent.

R&D costs amounted to SEK 40 (45) million for the quarter and SEK 138 (130) million for the first nine months. Capitalization of development costs amounted to SEK 11 (4) million for the quarter and SEK 25 (23) million for the first nine months.

HIGH VOLUME

	Q3		Jan-Sep		Rolling	Jan-Dec
	2023	2022*	2023*	2022*	12 month*	2022*
Order intake, SEK million	249	306	825	1,174	1,038	1,387
Order backlog, SEK million	692	858	692	858	692	700
Net Sales, SEK million	244	398	834	1,107	1,206	1,479
Gross profit, SEK million	101	163	363	447	519	603
Gross margin, %	41.5%	41.1%	43.5%	40.4%	43.0%	40.8%
EBIT, SEK million	41	94	142	213	233	303
EBIT margin, %	16.8%	23.7%	17.1%	19.2%	19.3%	20.5%
EBITDA	47	100	161	230	257	326
R&D expenditures, SEK million	-32	-35	-94	-102	-123	-131
R&D costs, SEK million	-33	-37	-98	-106	-128	-136

*Restated for comparability, see Note 1.

The third quarter saw a slight recovery in investments among Chinese mobile phone manufacturers, with a key focus on automating processes to reduce manual labor. The electric vehicle industry remained steady, with High Volume continuing to grow its customer base in this market segment. During the quarter, High Volume took over global responsibility for both the MYSmart dispensing products and the Mexico office from High Flex. This change will enable High Volume to consolidate its position on an international scale. At the same time, High Flex assumed responsibility for China-based HC Xin.

Order intake declined 19 percent during the quarter and totaled SEK 249 (306) million. For the first nine months of the year, order intake declined 30 percent to SEK 825 (1,174) million. At the end of the quarter, the order backlog totaled SEK 692 (858) million.

Net sales decreased 39 percent during the third quarter to SEK 244 (398) million. Net sales for the first nine months of

the year declined 25 percent to SEK 834 (1,107) million. Net sales were negatively impacted by currency effects of SEK 8 million for the quarter and positively by SEK 8 million for the first nine months.

Despite lower net sales, High Volume maintained its gross margin at 41 (41) percent for the third quarter. For the first nine months the gross margin was 44 (40) percent.

High Volume's EBIT decreased to SEK 41 (94) million, corresponding to an EBIT margin of 17 (24) percent. EBIT was positively impacted with SEK 6 million due to reversal of bad debt provisions. EBIT for the first nine months of the year decreased to SEK 142 (213) million, corresponding to an EBIT margin of 17 (19) percent.

R&D costs amounted to SEK 33 (37) million for the quarter and SEK 98 (106) million for the first nine months.

GLOBAL TECHNOLOGIES

	Q3		Jan-Sep		Rolling	Jan-Dec
	2023	2022	2023	2022	12 month	2022
Order intake, SEK million	250	232	684	713	848	877
Order backlog, SEK million	305	298	305	298	305	239
Net Sales, SEK million	216	218	618	642	841	865
Gross profit, SEK million	80	85	221	250	304	333
Gross margin, %	36.9%	38.9%	35.8%	39.0%	36.2%	38.5%
EBIT, SEK million	10	22	22	95	28	101
EBIT margin, %	4.6%	10.0%	3.6%	14.8%	3.3%	11.7%
EBITDA	25	35	66	135	86	156
R&D expenditures, SEK million	-22	-16	-61	-50	-81	-71
R&D costs, SEK million	-29	-23	-81	-69	-109	-97

Global Technologies saw sluggish market demand in the third quarter, especially from China, with the exception of AI-related demand. Acting Sr VP Global Technologies Magnus Marthinsson assumed the position on a permanent basis. He will dedicate his efforts to bolstering the division's profitability and driving growth, through both organic expansion and acquisitions.

Order intake rose 8 percent during the quarter to SEK 250 (232) million, helped by a strong development in die bonding. For the first nine months, order intake declined 4 percent to SEK 684 (713) million, while order intake excluding the divested AEi decreased by 3 percent. At the end of the quarter, the order backlog totaled SEK 305 (298) million.

Net sales declined 1 percent to SEK 216 (218) million. Net sales for the first nine months of the year decreased by 4

percent to SEK 618 (642) million, with a corresponding decline of 10 percent in organic net sales. Currency effects had a positive impact on net sales of SEK 12 million for the quarter and SEK 41 million for the first nine months.

Gross margin was 37 (39) percent for the quarter and 36 (39) percent for the first nine months.

EBIT was SEK 10 (22) million, with an EBIT margin of 5 (10) percent. EBIT for the first nine months of the year declined to SEK 22 (95) million, corresponding to an EBIT margin of 4 (15) percent. The divestment of AEi in February 2022 had a positive impact of SEK 25 million on last year's EBIT.

R&D costs amounted to SEK 29 (23) million for the quarter and SEK 81 (69) million for the first nine months.

Electronics industry

The global electronics industry declined 2.1 percent in 2022 to USD 2,428 billion¹. For full-year 2022, the semiconductor market grew 3.1 percent to the equivalent of USD 573 billion¹.

OUTLOOK

Annual growth for the electronics industry is forecast at 3.7 percent for the period 2022-2027¹. Segments with the strongest expected growth during this five-year period are electronics for data centers, wearable electronics, the automotive industry, defense & aerospace and industrial applications. The electronics industry is forecast to demonstrate a slight decline of 1.0 percent in 2023. The decline mainly takes place in segments linked to consumer electronics, such as personal computers, mobile phones and TVs. In 2023, the semiconductor market is expected to decline 9.8 percent and is forecast to be positive during the 2022-2027 period as a whole, with annual growth of 4.6 percent¹. The display market is estimated to have declined 22.0 percent in 2022 to USD 123 billion², mainly due to lower prices for LCD displays. For 2023, negative growth of 3.6 percent is forecast due to a continued decline in prices for LCD displays, albeit at a slower pace than in 2022, while AMOLED displays will show sustained growth. During the 2022-2027 period, the display market is expected to demonstrate positive growth, with the long-term trend toward a larger share of advanced AMOLED displays expected to continue.

Size/growth	2023F	2022	2021
Electronics industry, percentual change ¹	-1.0%	-2.1%	+12.2%
Semiconductor industry, percentual change ¹	-9.8%	+3.1%	+26.7%
SMT component mounting, percentual change ³	NA	-17.9%	+26.7%
Dispensing, USD million ⁴	NA	930	910
Displays, USD, billion ²	118	123	157
Photomasks for displays, percentual change in value ⁵	+0.8%	+24.4%	+14.0%
Photomasks for semiconductors, percentual change in value ⁶	-0.5%	+18.3%	+16.2%
Display photomask area, thousand sq. meters ⁵	21.0	21.1	18.5

SMT AND DISPENSING MARKET AREA

The global market for SMT equipment has annual sales of approximately USD 5,500 million⁷. The segment SMT robots for component mounting declined 17.9 percent in 2022 to USD 3 062 million. In the first two quarters, the market declined 25.7 percent compared with the same period in 2022. Notably, Japan and Europe reported growth, while North and South America held steady at previous-year

levels³. The dispensing equipment market grew by 2.2 percent in 2022, reaching sales of USD 930 million⁴.

ASSEMBLY AUTOMATION AND TEST MARKET AREA

In die bonding, the market for optical components in data/telecommunication is expected to decrease by 2.7 percent during 2023, to USD 12.4 billion⁸. The market is expected to recover in 2024 and post annual growth of 11.4 percent during the 2023-2028 period, to USD 21.4 billion⁸. In electrical testing, the market for printed circuit boards and substrates is expected to decline by 15.0 percent during 2023, to USD 69.5 billion⁹, and post annual growth of 2.0 percent during the 2022-2027 period to USD 90.4 billion⁹.

PATTERN GENERATORS MARKET AREA

PHOTOMASKS FOR DISPLAYS

In 2022, the market grew 24.4 percent, from USD 710 million to USD 883 million^{5,10}. The positive trend is related to the general increase in demand for photomasks in 2022, since display manufacturers continued to develop new LCD and AMOLED displays at a good pace. The market is also driven by an ongoing shift toward a higher proportion of advanced displays that require more, and more advanced, photomasks. The expectations for 2023 are that the photomask market will grow by 0.8 percent to USD 890 million^{5,10}. The forecast for the total area growth amounts to an average of 1.3 percent per year for 2022-2027⁵. Stronger growth for AMOLED photomasks is expected, with an annual average area growth of 2.8 percent for, 2022-2027⁵, which drives the need for photomasks produced by advanced mask writers.

PHOTOMASKS FOR SEMICONDUCTORS

In 2022, the market showed significant growth of 18.3 percent, from USD 6.1 billion to USD 7.2 billion⁶. The market trend was strong, primarily driven by robust growth for the most advanced photomasks, although the market for mature design nodes addressed by laser-based mask writers was also positive. The expectations for 2023 are for a decline of 0.5 percent to USD 7.2 billion⁶. The decline compared with 2022 is primarily attributable to a temporary slowdown in growth for the most advanced segment. The market value will continue to be primarily driven by the volume trend for the most advanced photomasks, which are mainly produced by E-beam mask writers.

- 1) Prismark, latest forecast August 2023
- 2) Omdia, latest forecast July 2023
- 3) Protec MDC, July 2023
- 4) Prismark, March 2023
- 5) Omdia, July 2023 (annual update)
- 6) TechInsights, April 2023 (annual update)
- 7) Protec MDC, April 2023, Mycronic analysis
- 8) Lightcounting, April 2023
- 9) Prismark, August 2023
- 10) 145 YEN/USD used by Mycronic for conversion

Other

PARENT COMPANY

Mycronic AB is the Group's Parent Company.

The Parent Company's net sales amounted to SEK 1,903 (1,566) million for the first nine months. EBIT amounted to SEK 367 (434) million.

Cash and cash equivalents at the end of September amounted to SEK 844 million, compared with SEK 687 million at the end of 2022.

FINANCIAL INFORMATION

Mycronic AB (publ) is listed on Nasdaq Stockholm, Large Cap. The information in this report is published in accordance with the EU Market Abuse Regulation. The information was submitted for publication through the contact persons stated below on October 19, 2023, at 8:00 a.m. CEST.

Financial reports and press releases are published in Swedish and English and are available at www.mycronic.com.

This report was reviewed by the company's auditor.

PRESENTATION

Mycronic will hold a presentation at 10:00 a.m. CEST on October 19, 2023, with President and CEO Anders Lindqvist

and CFO & Sr VP Corporate Development Pierre Brorsson. The presentation will be [webcast](#).

FINANCIAL CALENDAR

Year-end report 2023	February 8, 2024
Annual and Sustainability Report 2023	April 3, 2024
Interim Report January–March 2024	April 18, 2024
Annual General Meeting 2024	May 8, 2024
Interim Report January–June 2024	July 12, 2024
Interim report January–September 2024	October 24, 2024
Year-end report 2024	February 6, 2025

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Group

Consolidated profit and loss accounts in summary, SEK million	Note	Q3		Jan-Sep		Rolling	Jan-Dec
		2023	2022	2023	2022	12 month	2022
Net sales	5, 6	1,274	1,214	3,738	3,622	5,235	5,119
Cost of goods sold		-650	-672	-1,945	-2,007	-2,770	-2,831
Gross profit		623	541	1,792	1,615	2,465	2,288
Research and development	7	-158	-154	-480	-462	-655	-638
Selling expenses		-130	-157	-496	-445	-662	-611
Administrative expenses		-72	-65	-232	-191	-319	-278
Other income and expenses		-1	37	31	115	49	133
EBIT		263	203	615	632	877	894
Financial income and expenses		5	-2	12	-5	13	-4
Profit/loss before tax		268	201	627	627	891	890
Tax		-64	-50	-141	-138	-157	-154
Net Profit/loss		204	151	486	489	734	737
Earnings per share before/after dilution, SEK		2.10	1.56	5.00	5.03	7.56	7.59
Average number of outstanding shares, thousand		97,581	97,523	97,615	97,597	97,610	97,597
Results attributable to owners of the Parent Company		205	152	488	491	738	741
Results attributable to non-controlling interests		-1	-1	-1	-2	-4	-4
		204	151	486	489	734	737

Consolidated statement of comprehensive income in summary, SEK million	Q3		Jan-Sep		Rolling	Jan-Dec
	2023	2022	2023	2022	12 month	2022
Net Profit/loss	204	151	486	489	734	737
Other comprehensive income						
Items not to be reclassified to profit/loss, after tax						
Actuarial profit/loss from defined benefits to employees	-	-	-	-	0	0
Items to be reclassified to profit/loss, after tax						
Translation differences at translating foreign entities	-34	108	27	303	-42	234
Changes in cash flow hedges	0	-31	-48	-60	43	31
Total comprehensive income	170	228	465	732	734	1,001
Total comprehensive income attributable to owners of the Parent Company	172	228	467	729	740	1,003
Total comprehensive income attributable to non-controlling interests	-1	0	-2	3	-6	-2
	170	228	465	732	734	1,001

Consolidated statements of financial position in summary, SEK million	30 Sep 23	30 Sep 22	31 Dec 22
ASSETS			
Fixed assets			
Intangible assets	2,368	2,440	2,374
Property, plant and equipment	509	506	513
Non-current receivables	65	57	66
Deferred tax assets	183	160	193
Total fixed assets	3,125	3,162	3,145
Current assets			
Inventories	1,732	1,587	1,433
Trade receivables	944	972	1,143
Other current receivables	305	308	346
Cash and cash equivalents	1,745	906	1,274
Total current assets	4,726	3,772	4,195
Total assets	7,851	6,934	7,340
EQUITY AND LIABILITIES			
Equity	4,818	4,428	4,703
Non-current liabilities			
Non-current interest-bearing liabilities	152	195	193
Deferred tax liabilities	324	311	335
Other non-current liabilities	45	51	48
Total non-current liabilities	521	556	575
Current liabilities			
Current interest-bearing liabilities	69	72	77
Trade payables	403	369	310
Other current liabilities	2,040	1,509	1,675
Total current liabilities	2,512	1,950	2,062
Total liabilities	3,033	2,506	2,637
Total equity and liabilities	7,851	6,934	7,340

Consolidated cash flow statements in summary, SEK million	Q3		Jan-Sep		Rolling	Jan-Dec
	2023	2022	2023	2022	12 month	2022
Profit/loss before tax	268	201	627	627	891	890
Adjustments for non-cash items and paid income tax	47	20	95	-8	178	75
Change in working capital	-103	-51	323	-203	413	-113
Cash flow from operating activities	212	170	1,045	416	1,482	853
Cash flow from investing activities	-54	-16	-140	104	-176	67
Cash flow from financing activities	-40	-87	-431	-366	-447	-382
Cash flow for the period	118	67	475	153	859	537
Cash and cash equivalents, opening balance*	1,632	819	1,274	692	906	692
Exchange difference for cash and cash equivalents	-6	20	-4	60	-20	44
Cash and cash equivalents, closing balance	1,745	906	1,745	906	1,745	1,274

*At the beginning of 2022, liquid assets include liquid assets classified as assets held for sale.

Consolidated statement of changes in equity in summary, SEK million	Jan-Sep		Jan-Dec
	2023	2022	2022
Opening balance	4,703	3,997	3,997
Dividend to owners	-343	-294	-294
Swap agreement related to own shares	-	-	5
Repurchase of own shares	-17	-16	-16
Equity-settled share based payments	10	9	9
Total comprehensive income	465	732	1,001
Closing balance	4,818	4,428	4,703
Of which holdings of non-controlling interests	38	44	40

Other key figures *	Jan-Sep		Jan-Dec
	2023	2022	2022
Equity per share, SEK	49.36	45.40	48.17
Return on equity (rolling 12 months), %	15.9%	16.4%	16.9%
Return on capital employed (rolling 12 months), %	18.6%	18.8%	19.6%
Net cash, SEK million	1,523	639	1,004
Average number of employees	2,024	1,987	2,002

*In addition to the performance indicators presented on page 1. See calculations on page 18.

Parent company

Profit/loss accounts in summary, Parent Company, SEK million	Q3		Jan-Sep		Rolling	Jan-Dec
	2023	2022	2023	2022	12 month	2022
Net sales	677	460	1,903	1,566	2,787	2,450
Cost of goods sold	-303	-244	-896	-834	-1,341	-1,279
Gross profit	375	216	1,007	732	1,446	1,171
Other operating expenses	-227	-71	-641	-298	-943	-600
EBIT	147	145	367	434	503	571
Result from financial items	37	9	73	95	86	108
Profit/loss after financial items	185	154	440	529	590	679
Appropriations	-	-	-	-	-24	-24
Profit/loss before tax	185	154	440	529	565	655
Tax	-35	-34	-87	-96	-118	-127
Net Profit/loss	150	121	353	433	448	528

Statement of comprehensive income, Parent Company, SEK million	Q3		Jan-Sep		Rolling	Jan-Dec
	2023	2022	2023	2022	12 month	2022
Net Profit/loss	150	121	353	433	448	528
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	150	121	353	433	448	528

Balance sheets in summary, Parent Company, SEK million	30 Sep 23	30 Sep 22	31 Dec 22
ASSETS			
Fixed assets			
Intangible and tangible assets	159	151	147
Financial assets	3,058	3,023	2,959
Total fixed assets	3,216	3,174	3,106
Current assets			
Inventories	776	601	542
Current receivables	742	565	722
Cash and cash equivalents	844	269	687
Total current assets	2,363	1,435	1,951
TOTAL ASSETS	5,580	4,609	5,057
EQUITY AND LIABILITIES			
Equity	2,722	2,618	2,719
Untaxed reserves	1,300	1,275	1,300
Non-current interest-bearing liabilities	-	-	-
Other non-current liabilities	2	2	2
Total non-current liabilities	2	2	2
Current interest-bearing liabilities	-	-	-
Other current liabilities	1,556	713	1,036
Total current liabilities	1,556	713	1,036
TOTAL EQUITY AND LIABILITIES	5,580	4,609	5,057

Notes

NOTE 1 ACCOUNTING POLICIES

This interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting, along with applicable provisions in the Swedish Annual Accounts Act. The report for the Parent Company has been prepared in accordance with Chapter 9 of the Swedish Annual Accounts Act. For the Group and Parent Company, accounting policies, valuation policies and assumptions were applied in accordance with the latest annual report. The accounting policies of the segments are the same as for the Group, with the exception of IFRS 16 Leases. The segments and the Parent Company recognize lease payments as a cost on a straight-line basis over the term of the lease. The right-of-use asset and the lease liability are thus not reported in the balance sheet.

During the quarter, High Flex took over global responsibility for China-based HC Xin from High Volume, while High Volume took over global responsibility for both the MYSmart dispensing products and the Mexico office from High Flex. Comparative figures for 2022 and the first two quarters of 2023 are restated in this interim report.

The nature of financial assets and liabilities is, in all material respects, the same as on December 31, 2022. The carrying amounts and fair values are deemed to essentially correspond with one another.

NOTE 2 RELATED PARTY TRANSACTIONS

A description of related party transactions can be found in Note 8 of the 2022 Annual Report. The scope and nature of these transactions did not change significantly during the period.

NOTE 3 RISKS AND UNCERTAINTIES

The Group's business is exposed to a number of risks and uncertainties that are both operational and financial in nature, which are in all material aspects the same as presented in the 2022 Annual Report. For example, Mycronic is exposed to country-specific risks such as political decisions or overarching changes to the regulatory framework, both geographically and product-wise.

NOTE 4 EVENTS AFTER THE END OF THE PERIOD

No events took place after the end of the period that had a significant impact on the Group's earnings or financial position.

NOTE 5 REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue by geographical market, SEK million	Q3		Jan-Sep		Rolling 12 month	Jan-Dec
	2023	2022	2023	2022		
EMEA	218	185	643	547	906	810
North and South America	347	212	836	567	1,138	868
Asia	709	817	2,259	2,509	3,191	3,441
	1,274	1,214	3,738	3,622	5,235	5,119
Revenue by type of good/service, SEK million						
System	861	821	2,543	2,516	3,626	3,599
Aftermarket	412	392	1,194	1,106	1,609	1,520
	1,274	1,214	3,738	3,622	5,235	5,119
Timing of revenue recognition, SEK million						
Goods transferred at a point in time	1,001	965	2,957	2,896	4,193	4,132
Services transferred over time	273	249	780	726	1,041	987
	1,274	1,214	3,738	3,622	5,235	5,119

NOTE 6 OPERATING SEGMENT REPORTING

	Q3		Jan-Sep		Rolling	Jan-Dec
SEK million	2023	2022*	2023*	2022*	12 month*	2022*
Net sales by Division						
Pattern Generators	435	246	1,228	914	1,684	1,369
High Flex	378	352	1,059	959	1,504	1,405
High Volume	244	398	834	1,107	1,206	1,479
Global Technologies	216	218	618	642	841	865
	1,274	1,214	3,738	3,622	5,235	5,119
EBIT by Division						
Pattern Generators	203	76	543	311	697	465
High Flex	60	45	99	100	160	161
High Volume	41	94	142	213	233	303
Global Technologies	10	22	22	95	28	101
Group functions etc	-52	-34	-194	-89	-243	-139
Effects from IFRS 16	1	1	3	3	3	3
Group	263	203	615	632	877	894
SEK million						
			30 Sep 23	30 Sep 22*	31 Dec 22*	
Assets by Division						
Capitalized Development Costs						
Pattern Generators			62	60	56	
High Flex			70	62	62	
			133	122	118	
Inventories						
Pattern Generators			562	439	406	
High Flex			401	356	327	
High Volume			475	559	447	
Global Technologies			294	235	254	
			1,732	1,587	1,433	
Trade Receivables						
Pattern Generators			277	215	359	
High Flex			280	294	317	
High Volume			267	307	328	
Global Technologies			120	155	138	
			944	972	1,143	

*Restated for comparability, see Note 1.

NOTE 7 RESEARCH AND DEVELOPMENT COSTS

Research and development costs, SEK million	Q3		Jan-Sep		Rolling	Jan-Dec
	2023	2022*	2023*	2022*	12 month*	2022*
R&D expenditures						
Pattern Generators	-60	-50	-182	-159	-242	-219
High Flex	-49	-48	-159	-148	-216	-205
High Volume	-32	-35	-94	-102	-123	-131
Global Technologies	-22	-16	-61	-50	-81	-71
	-164	-149	-495	-459	-662	-626
Capitalization of Development Costs						
Pattern Generators	5	0	20	2	20	2
High Flex	11	4	25	23	30	28
	16	5	44	25	50	30
Amortization of Acquired Technology						
High Flex	-1	-2	-4	-5	-6	-7
High Volume	-1	-1	-4	-4	-5	-5
Global Technologies	-7	-7	-21	-19	-28	-26
	-10	-10	-29	-28	-39	-38
Impairment of Acquired Technology						
High Flex	-	-	-	-	-4	-4
Reported cost	-158	-154	-480	-462	-655	-638

*Restated for comparability, see Note 1.

NOTE 8 DEFINITIONS AND RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES, ETC.

The European Securities and Markets Authority (ESMA) has issued guidelines regarding alternative performance measures for listed companies.

These relate to financial key figures used by management, to control and evaluate the Group's business, which cannot be directly inferred from the financial statements. Alternative performance measures are also considered to be of interest to external investors and analysts who monitor the company. For definitions of other key ratios, please refer to the Annual Report.

Acquisition-related costs

Acquisition-related costs include expensing of acquired inventories at fair value, amortization and impairment of acquired intangible assets, changes in value and revaluation of contingent considerations and transaction expenses.

Book-to-bill

Order intake in relation to net sales. Indicates future development of net sales.

Capital employed

Balance sheet total less non-interest bearing liabilities. Used to show a company's ability to meet capital needs from operations.

Earnings per share

Net result attributable to the owners of the Parent Company divided by the average number of outstanding shares before and after dilution. Used to show a company's results per share.

EBITDA

Operating result, EBIT, before depreciation and amortization.

Equity per share

Equity on balance day divided by the number of outstanding shares at the end of the period. Used to measure the value of the company per share.

Net cash

Cash and cash equivalents less interest-bearing liabilities.

Order backlog

Remaining orders for goods, valued at the closing date exchange rate. Used to show secured future net sales of goods.

Order intake

Received orders for goods and services, valued at average exchange rates. The order intake also includes revaluation of the order backlog at closing date exchange rates. Used to show orders received.

Organic growth

Change in net sales, excluding increase related to acquisitions and decrease related to divestments, recalculated to the previous year's currency rates as a percentage of the previous year's net sales. Net sales from acquired companies are included in the calculation of organic growth as of the first day of the first month which falls 12 months after the date of acquisition.

Return on capital employed

Earnings before financial expenses as a percentage of average capital employed. Used to show return on capital needed for operations.

Return on equity

Net profit/loss as a percentage of average equity. Used to demonstrate return on shareholder capital over time.

Underlying EBIT and underlying EBIT margin

Underlying EBIT consists of operating result excluding acquisition-related costs and gains/losses from divestments of subsidiaries. The underlying EBIT margin is underlying EBIT as a percentage of net sales. Used to describe how operations are developing and performing excluding acquisition-related costs and gains/losses from divestments.

	Jan-Sep		Rolling	Jan-Dec
Return on equity	2023	2022	12 month	2022
Net profit/loss (rolling 12 months)	734	666	734	737
Average shareholders' equity	4,623	4,073	4,623	4,350
	15.9%	16.4%	15.9%	16.9%
Return on capital employed				
Profit/loss before tax (rolling 12 months)	891	830	891	890
Financial expenses	13	13	13	13
Profit/loss before financial expenses	903	843	903	904
Average balance sheet total	7,392	6,526	7,392	6,738
Average non-interest-bearing liabilities	2,526	2,037	2,526	2,132
Average capital employed	4,867	4,489	4,867	4,607
	18.6%	18.8%	18.6%	19.6%
Book-to-bill				
Order intake	4,832	4,253	7,362	6,783
Net sales	3,738	3,622	5,235	5,119
	1.3	1.2	1.4	1.3
EBITDA				
EBIT	615	632	877	894
Depreciation/Amortization	199	179	273	253
	814	811	1,150	1,147
Underlying EBIT				
EBIT	615	632	877	894
Acquisition-related costs included in:				
Cost of goods sold	-	-	-	-
Operating expenses	49	49	68	67
	49	49	68	67
Gains from divestments of subsidiaries	-	-25	2	-23
	664	655	948	939
Equity per share				
Equity at balance day	4,818	4,428	4,818	4,703
No. of outstanding shares at end of period, thousand	97,597	97,529	97,597	97,631
	49.36	45.40	49.36	48.17
Earnings per share before/after dilution, SEK				
Net Profit/loss attributable to owners of the Parent Company	488	491	738	741
Average no. of outstanding shares before dilution, thousand	97,615	97,597	97,610	97,597
Average no. of outstanding shares after dilution, thousand	97,615	97,613	97,622	97,610
	5.00	5.03	7.56	7.59
Net cash, SEK million				
Cash and cash equivalents	1,745	906	1,745	1,274
Interest-bearing liabilities	-222	-267	-222	-270
	1,523	639	1,523	1,004

Quarterly data	Q3 23	Q2 23*	Q1 23*	Q4 22*	Q3 22*	Q2 22*	Q1 22*	Q4 21
Order intake								
Pattern Generators	561	804	816	1,829	718	176	383	384
High Flex	407	349	387	322	354	360	376	284
High Volume	249	350	226	213	306	446	423	328
Global Technologies	250	246	189	164	232	222	260	245
Internal order intake between divisions	-	-	-	-	-	-	-	-7
	1,467	1,748	1,617	2,529	1,609	1,203	1,441	1,234
Order Backlog								
Pattern Generators	3,433	3,307	2,945	2,480	1,106	635	807	744
High Flex	239	209	207	155	279	278	240	130
High Volume	692	688	584	700	858	950	862	809
Global Technologies	305	272	236	239	298	284	308	291
	4,669	4,475	3,972	3,574	2,542	2,146	2,217	1,975
Net Sales								
Pattern Generators	435	442	351	455	246	348	320	399
High Flex	378	347	334	446	352	322	285	368
High Volume	244	247	342	373	398	357	352	283
Global Technologies	216	209	192	224	218	246	179	252
Internal net sales between divisions	-	-	-	-	-	-	-	-7
	1,274	1,245	1,219	1,497	1,214	1,273	1,135	1,295
Gross Profit								
Pattern Generators	286	283	220	247	154	193	188	224
High Flex	156	132	131	185	141	130	114	152
High Volume	101	108	154	156	163	154	130	91
Global Technologies	80	73	68	83	85	102	64	86
	623	599	570	672	541	578	496	553
Gross Margin								
Pattern Generators	65.9%	64.0%	62.5%	54.4%	62.5%	55.4%	58.8%	56.0%
High Flex	41.3%	38.1%	39.2%	41.5%	40.1%	40.4%	40.1%	41.2%
High Volume	41.5%	43.6%	44.9%	41.9%	41.1%	43.0%	37.0%	32.1%
Global Technologies	36.9%	35.1%	35.5%	37.1%	38.9%	41.5%	35.6%	34.1%
	48.9%	48.1%	46.8%	44.9%	44.6%	45.4%	43.7%	42.7%
R&D expenses								
Pattern Generators	-56	-56	-50	-60	-49	-60	-48	-52
High Flex	-40	-50	-49	-58	-45	-45	-40	-37
High Volume	-33	-28	-37	-30	-37	-36	-33	-26
Global Technologies	-29	-28	-24	-28	-23	-22	-24	-29
Total R&D expenses	-158	-162	-160	-175	-154	-164	-145	-143
Selling expenses	-130	-193	-173	-166	-157	-155	-132	-152
Administrative expenses	-72	-88	-72	-87	-65	-64	-62	-65
Other income/expenses	-1	15	16	18	37	28	49	11
EBIT	263	170	182	262	203	224	206	204
Of which EBIT Pattern Generators	203	191	149	154	76	110	125	146
Of which EBIT High Flex	60	12	26	61	45	36	20	59
Of which EBIT High Volume	41	40	62	90	94	64	54	17
Of which EBIT Global Technologies	10	9	3	6	22	43	31	21
Of which EBIT Group functions etc	-52	-83	-59	-49	-34	-30	-25	-40
EBIT margin	20.6%	13.7%	14.9%	17.5%	16.7%	17.6%	18.1%	15.8%
Equity per share	49.36	47.76	50.02	48.17	45.40	43.16	43.29	40.94
Earnings per share before/after dilution	2.10	1.37	1.52	2.56	1.56	1.79	1.69	1.82
Closing share price	226.00	267.00	254.80	195.80	135.00	143.90	176.00	211.00

*Restated for comparability, see Note 1