



MYCRONIC

Annual and
Sustainability
Report

2024

Mycronic 2024

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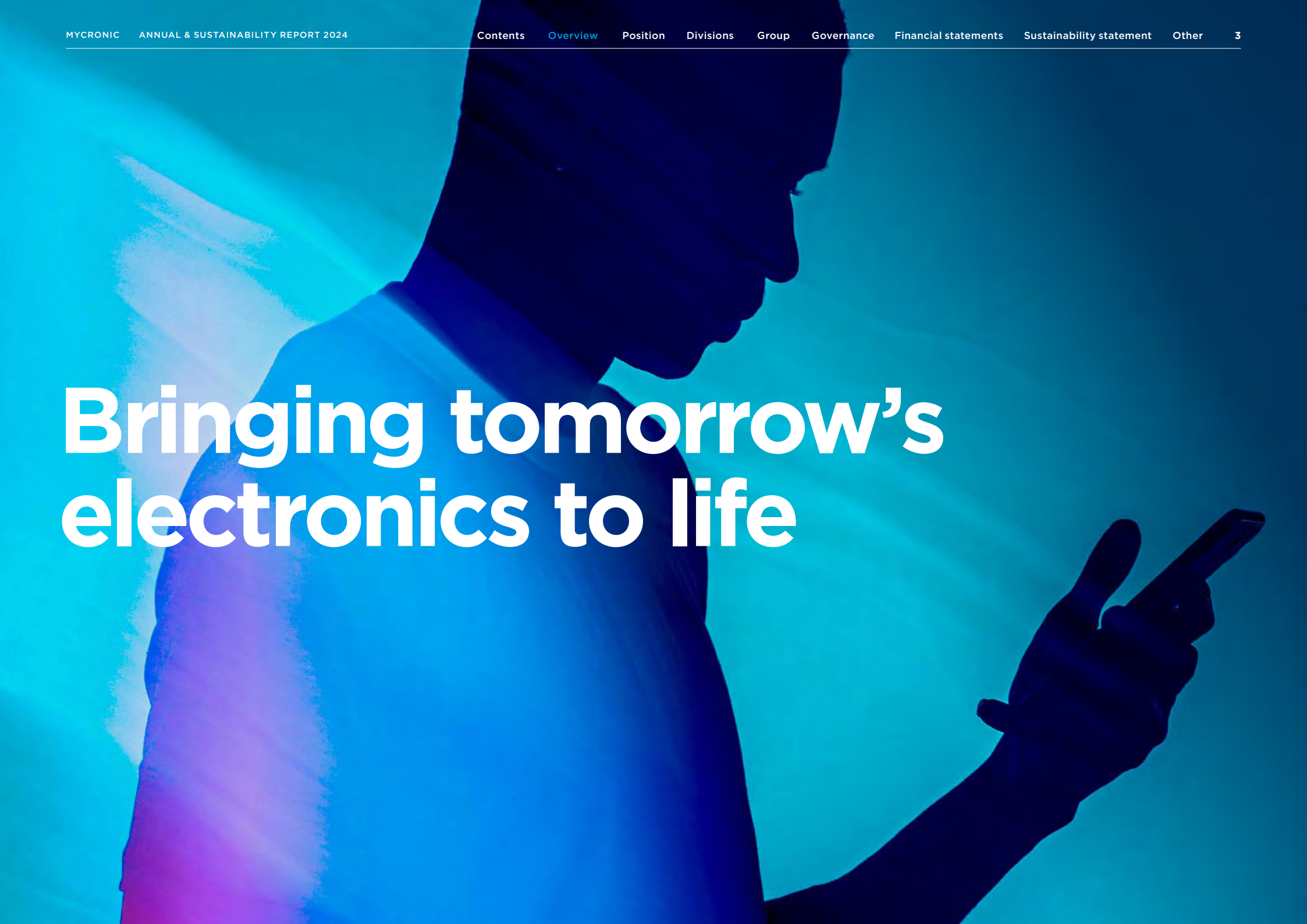
• The audited annual and consolidated accounts can be found on pages 21-92.

The Report of the Directors is a part of the Annual Report and can be found on pages 20-49.

The Corporate Governance Report examined by the auditors can be found on pages 40-45.

• Pages 17-18 and 97-151 in this report constitute Mycronic's statutory sustainability report in accordance with the Swedish Annual Accounts Act.

This report relates to the financial year January 1 - December 31, 2024.



Bringing tomorrow's electronics to life

Mycronic in brief

Global producer of solutions for electronics production

Who

Mycronic is a world-leading developer, manufacturer and marketer of high-tech production solutions for the electronics industry. Our vision is to be the most trusted partner to the creators of tomorrow's electronics, present in major electronics manufacturing hubs in Europe, North America and Asia.

What

We keep our customers at the forefront of the electronics industry. Whether they are manufacturing advanced displays, semiconductors, medical devices or mobile phones, we meet their production requirements for flexibility, precision, sustainability and effectiveness.

Why

We help our customers achieve their goals and bring the next generation of electronics to life – profitably and sustainably. We aspire to play a pivotal role in driving the transition to a more sustainable electronics industry.

Number of employees

>2,200

Share of women in the workforce

20%



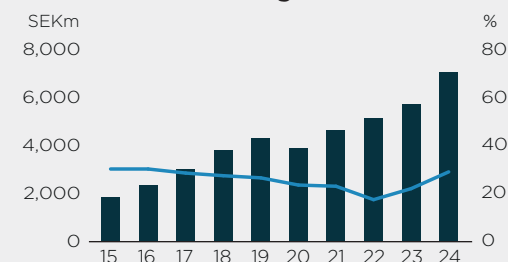
Net sales 2024
SEKm

7,057

EBIT 2024
SEKm

2,021

Net sales and EBIT margin



Mycronic has set two science based climate targets.



Mycronic in brief *continued*

Innovating in the growing global electronics industry

Reasons to invest in Mycronic

1. Leading positions

Mycronic's four divisions each have a leading position in the market segments where they are active.

2. Technological leadership

Mycronic has a culture and history of bringing innovative and leading technological solutions to the market.

3. Growing aftermarket

On a rolling 12-month basis, aftermarket net sales have been increasing in absolute numbers since Q1 2021.

4. Attractive financials

Mycronic delivered record net sales and EBIT, with an attractive cash conversion profile. Net cash of SEK 2.8 billion as of December 31, 2024 and SEK 2.0 billion in unused credit facilities enable further growth, both organically and through acquisitions.

5. Investing for growth

In 2024, R&D expenditures amounted to SEK 793 million, equivalent to 11 percent of net sales, paving the way for future market-leading products and organic growth. In addition, acquisitions are central to Mycronic's growth strategy.

Four divisions



PATTERN GENERATORS

One of the world's foremost suppliers of laser-based mask writers for the manufacture of photo-masks for displays and semiconductors, including metrology systems.

Net sales
SEKm **2,997**

EBIT
SEKm **1,694**



HIGH FLEX

Leading global provider of flexible PCB assembly solutions, including jet printing, stencil printing, 3D inspection, component placement and automated storage solutions.

Net sales
SEKm **1,489**

EBIT
SEKm **156**



HIGH VOLUME

World's largest supplier of dispensing and conformal coating systems for high-volume electronics production.

Net sales
SEKm **1,434**

EBIT
SEKm **223**



GLOBAL TECHNOLOGIES

Leading positions in niche technology segments in the electronics industry.

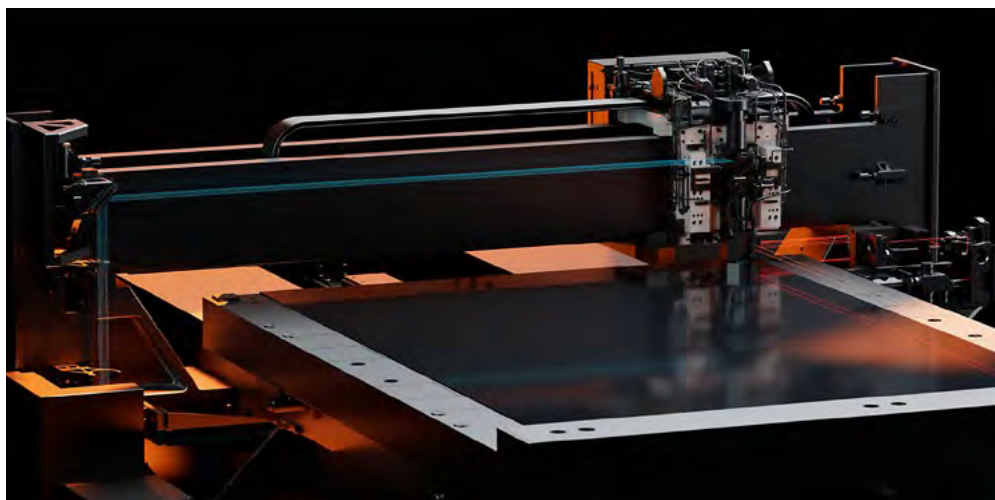
Net sales
SEKm **1,138**

EBIT
SEKm **113**

2024 in brief

Significant events

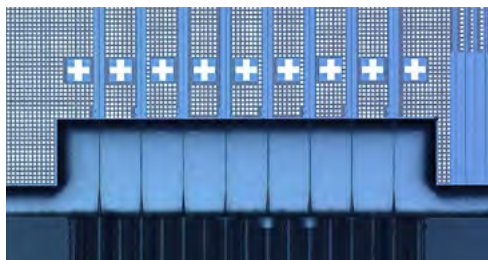
Key milestones included the launch of Mycronic's most advanced mask writer for displays to date and a semiconductor metrology system. Other important events were the acquisitions of Vanguard Automation and Modus High-Tech Electronics and the approval of Mycronic's science-based targets.



Launching the new Precision 8000 Evo and MMX

The Pattern Generators division launched two new products in April 2024. The Precision 8000 Evo is Mycronic's most advanced mask writer for displays to date. It improves the resolution compared to the Precision 800 Evo, while maintaining writing speed. The MMX is a new system for measuring the position of the

written pattern, thereby ensuring the quality of the produced semiconductor photomask. The MMX is based on the SLX mask writer platform and Mycronic's existing Precision-MMS metrology system for display photomasks. The first order for an MMX was received already in May.



Acquisition of Vanguard Automation

The Global Technologies division acquired Vanguard Automation, a company headquartered in Karlsruhe, Germany, which has developed a technology and automated equipment for 3D nanoprinting of photonic interconnects. This has created a third business line in Global Technologies - Photonic Interconnects.



More than 50 years of innovation

Throughout 2024, Mycronic celebrated driving advancements in the global electronics industry for more than 50 years.



Acquisition of Modus High-Tech Electronics

The High Volume division acquired Modus High-Tech Electronics, a Dusseldorf-based provider of automated optical inspection systems for electronics volume production. The company provides solutions for automated optical inspection of coating, soldering, and components within printed circuit board assembly. Modus has also developed solutions for fuel cell inspection.



Illustration by architectural firm DREEM

High Flex moving to new premises

The High Flex division will relocate its main hub for R&D and production to new premises in Kista, Stockholm in the second half of 2025. This will enable continued growth and improved production flows.



Climate targets approved

The Science Based Target initiative approved Mycronic's two science-based greenhouse gas emissions reduction targets, which replace the previously communicated climate target.

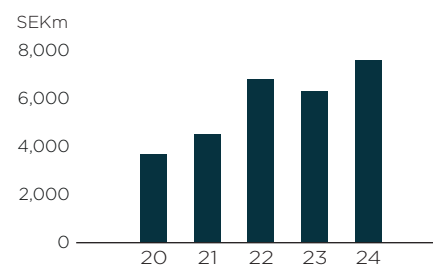
2024 in brief *continued*

Key financials

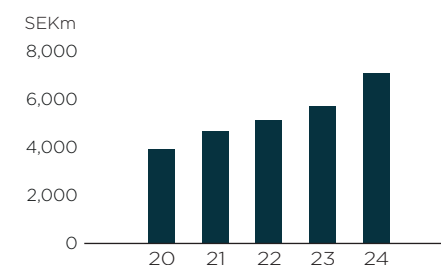
Key financial data

	2024	2023	2022
Order intake, SEKm	7,611	6,280	6,783
Net sales, SEKm	7,057	5,706	5,119
Aftermarket sales, SEKm	1,745	1,629	1,520
Gross profit, SEKm	3,719	2,855	2,288
Gross margin, %	52.7	50.0	44.7
EBIT, SEKm	2,021	1,235	894
EBIT margin, %	28.6	21.6	17.5
Ordinary dividend per share, SEK	5.5	4.5	3.5
Extra dividend per share, SEK	2.0	—	—

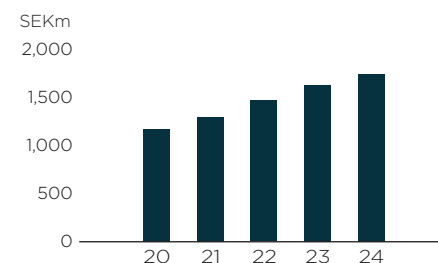
Order intake



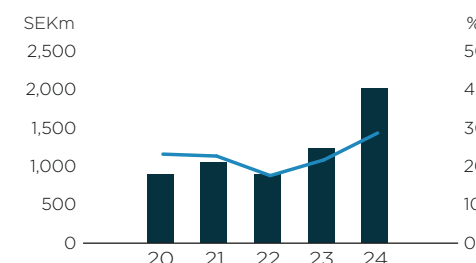
Net sales



Aftermarket sales



EBIT and EBIT margin, %



Change in order intake
SEKm

1,331

Change in net sales
SEKm

1,352

Change in aftermarket sales
SEKm

116

Change in EBIT
SEKm

786

CEO comments

More than 50 years of innovation

In 2024, Mycronic celebrated more than 50 years of innovation. What a suitable milestone year to launch exciting new products, including the most advanced mask writer to date, deliver records in order intake, order backlog, net sales and EBIT, welcome two new companies to Mycronic and get our ambitious science-based targets approved.

In reviewing this year, I am pleased that we achieved records in order intake, order backlog, net sales and EBIT. The latter exceeded SEK 2 billion, which is an important milestone. I also note with satisfaction that all divisions delivered an EBIT margin of at least 10 percent for the full year.

We also saw our investments in R&D result in several new product launches, which will help us grow organically in the coming years. In addition, our M&A activities resulted in two acquisitions during the year - one creating a new business line in the Global Technologies division and the other extending our product offering in the High Volume division.

Pattern Generators

During the year, we launched our most advanced mask writer for displays to date, the Prexision 8000 Evo. It improves the resolution compared to the Prexision 800 Evo, while maintaining writing speed. Another product launch during the year was MMX, a new system for measuring the position of the written pattern, thereby ensuring the quality of the produced semiconductor photomask. The MMX is based on the SLX mask writer platform and Mycronic's existing Prexision MMS metrology system for display photomasks.

Interest in the SLX has remained strong. In addition to continued investments in new semiconductor production capacity, several orders were received during the year in order to replace installed legacy systems.

High Flex

The markets in Europe and the US were characterized by headwinds. Europe was weak due to sluggish economic growth in the major markets Germany, France, and the UK,

while investment decisions in the US were negatively affected during most of the year by the looming elections in November. In this challenging environment, High Flex managed to hold up well. Although net sales were lower than the previous year, the division gained market share in a declining market.

During 2024 DeepReview was launched, a new automatic defect classification system that leverages the power of AI to dramatically reduce false call rates while improving first-pass-yield in 3D Automated Optical Inspection (AOI). The focus on innovation also resulted in the launch of extensions to the MyPro A40 pick-and-place platform, released in 2023.

High Volume

Although the Chinese consumer electronics market remained weak throughout 2024, demand for High Volume's dispensing equipment improved during the year and the division's order intake increased markedly compared to the previous year. High Volume continued with its expansion outside of China, inaugurating a new facility in Guadalajara, Mexico, from which the US market will be served. In Europe, High Volume acquired Modus, a Dusseldorf-based leading provider of solutions for automated optical inspection of coating, soldering, and components within PCB assembly.

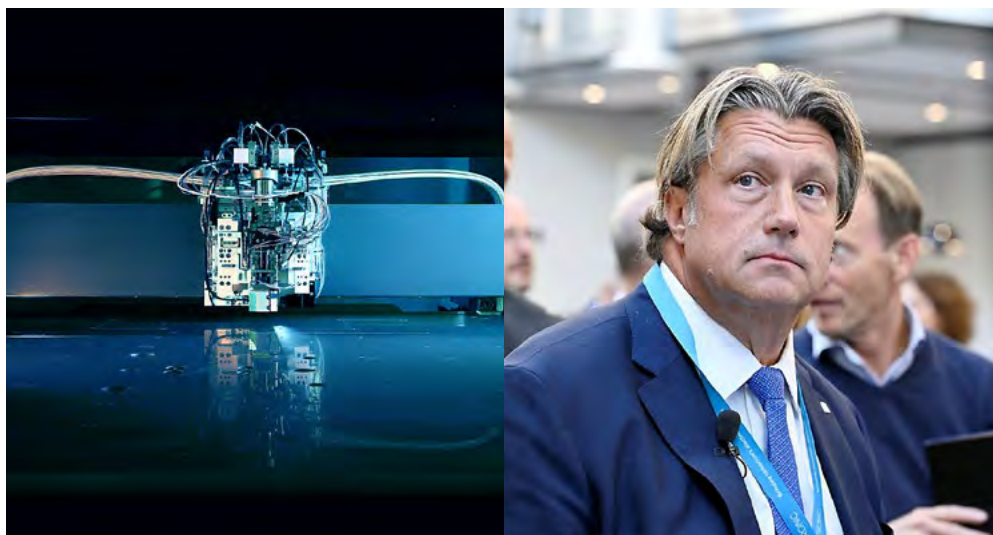
Global Technologies

During 2024, Global Technologies was the division within Mycronic that benefited the most from the AI investment boom. For the PCB Test business line, demand was driven by equipment used for testing high layer count PCBs used in advanced servers for training AI



Video with
Anders

CEO comments *continued*



“We will continue offering innovative and sustainable production solutions to our customers, thereby enabling the future of electronics.”

These PCBs require sophisticated testing and Mycronic has developed a proprietary test technology that is ideal for PCBs serving AI applications. This has enabled the business line to grow significantly faster than the overall PCB market, which was held back by the weakness of the consumer electronics industry. For Die Bonding, the use of high-speed optical transceivers, required to work with high amounts of data transfer resulting from AI, has meant solid demand for Mycronic's fast, ultra-high-precision die bonders.

During the year, a third business line was added through the acquisition of Vanguard Automation, a company headquartered in Karlsruhe, Germany, which has developed a technology and automated equipment for 3D nanoprinting of photonic interconnects. This is a promising new technology which enables faster transmission speeds.

Science-based targets

Mycronic is committed to enabling a clean, responsible, and profitable electronics industry. We support the UN Global Compact,

with its ten principles relating to human rights, labor, environment, and anti-corruption.

We want to do our share in contributing to reaching the aim of the Paris Agreement of limiting global warming to 1.5°C. For this reason we include most of Mycronic's climate impact in our new climate targets, which were approved in May 2024 by the Science Based Targets initiative (SBTi) and replace the previously communicated climate target.

We undertake to reduce absolute greenhouse gas emissions in scope 1 and 2 by 56 percent by 2030, with 2022 as the base year. We are also committed to reducing indirect greenhouse gas emissions from the use of sold products during the same period. The emissions from sold products, included in scope 3, represent the absolute majority of the company's emissions. The target is to reduce these by 52 percent in relation to the company's gross profit, with 2022 as the base year. This will also benefit our customers in terms of energy savings and meeting their own sustainability goals.

People and culture

In addition to our climate targets, we have set ambitious financial targets for 2027-2030. Achieving these targets will depend on our people - the creativity, dedication, and adaptability of our teams will drive innovation and turn our vision into reality. In 2024, we launched a new global leadership program to offer training opportunities that empower our leaders to foster innovation and build a workforce prepared to meet future challenges. The program, involving 325 leaders globally, will continue through 2025.

We also emphasize continuous learning to ensure we have the right competencies to

stay competitive. By investing in our people, we lay the groundwork for sustainable growth and innovation. Attracting, developing, and retaining diverse talent is essential to our long-term success, including addressing the underrepresentation of female engineers in our industry - where we have set Group targets - and creating a more inclusive workplace.

Concluding remarks

It is gratifying that in the year we celebrated more than 50 years of innovation, we reached records in order intake, order backlog, net sales and EBIT. Furthermore, our development work resulted in exciting new product launches. We have also invested in promising and complementary technologies through our M&A activities. Taken together, this means that we will continue offering innovative and sustainable production solutions to our customers, thereby enabling the future of electronics.

Anders Lindqvist

President and CEO

Trends and drivers

Growth drivers in the electronics industry

TRENDS

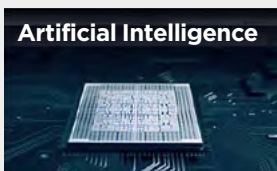
Automation



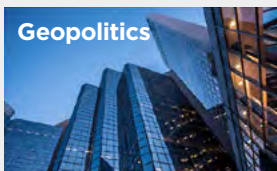
Electrification



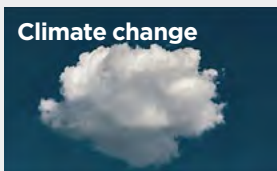
Artificial Intelligence



Geopolitics



Climate change



DRIVERS

Automation continues to be a driver

Automation and robotics in assembly are crucial. All electronics manufacturers want to streamline time-consuming manual processes, enabling higher accuracy and efficiency. Adding to this are rising wages across the world, including the disappearance of many low-cost Asian hubs. In the US and Europe, labor shortages add to the challenge.

Electrification of vehicles and everything else

Regulations, subsidies and incentives to replace fossil fuels are driving an electrification trend. Primarily, the automotive industry is at the forefront of this trend. Electric vehicles (EVs), for example, require roughly 50 percent more electronics than internal combustion engine cars.

AI drives rising demand for computing and communications capacity

Hyperscale data centers and AI are driving demand for computing and telecommunications capacity. In response, semiconductor manufacturers are pushing the boundaries of chip design. Accompanying these initiatives is a need to assemble smaller, faster, and more energy-efficient advanced chips and packages.

Trade tensions lead to bifurcation of supply chains

The electronics industry is a global, interconnected ecosystem. Geopolitics and trade tensions lead to the establishment of local supply chains, where China, the US and European Union are seeking to achieve self-sufficiency and reduce dependency on external suppliers.

Climate in focus

Private and public investments are being poured into making the crucial technological shift to a low carbon society. Laws to limit climate change are becoming more stringent and different stakeholders and EU regulators are mandating more thorough reporting. Many multinationals are aligning their goals with the Science Based Targets initiative (SBTi).

HOW WE MEET THEM

Mycronic develops automated solutions

Mycronic's DNA is all about automation, offering flexible, high-precision production solutions that secure zero defects and high throughput. The aim is to boost total productivity and quality, using both hardware and software.

Mycronic offers tools that support electrification

To optimize high-volume and cost-efficient EV production, Mycronic develops industrial dispensing technologies for the assembly and protection of electronics. Mycronic also continues to develop semiconductor mask writers, which are used to produce semiconductors whose demand is positively impacted by electrification.

Mycronic supports AI development

Mycronic develops high-precision die bonding solutions for the production of components used in high-speed optical transceivers, whose demand is driven by AI applications. Mycronic's PCB Test business line develops testing solutions for bare board PCBs used in advanced servers for training AI models.

Mycronic benefits from regionalization

Mycronic draws strength from a long presence across the US, Europe and Asia. The regionalization of supply chains results in added production facilities driving investments, which is beneficial to Mycronic.

Mycronic's science-based targets approved

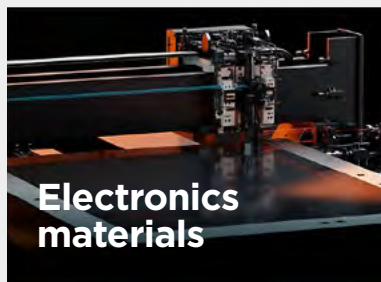
In 2024, the Science Based Target initiative (SBTi) approved Mycronic's two proposed new climate targets. Mycronic includes most of its climate impact in these sustainability targets and they come with roadmaps and action plans.

The electronics industry

A USD 2.4 trillion market

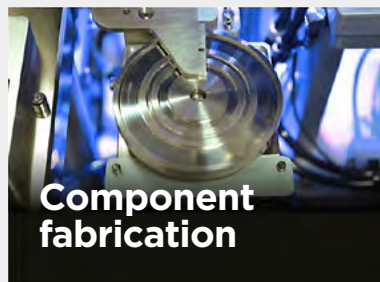
The electronics industry is huge, with multiple opportunities for a producer of electronics production equipment. Mycronic's four divisions are present in different parts of the electronics industry value chain.

PRODUCTION



Photomasks

Photomasks for displays and semiconductors form a part of electronic materials. Hence, in this part of the electronics industry value chain, Mycronic is present through the Pattern Generators division.



Semiconductors

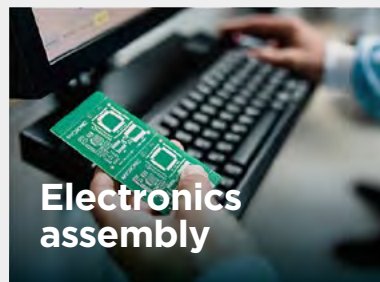
In the semiconductor assembly, packaging and test segment, Mycronic is present through the High Volume division, providing dispensing and plasma cleaning solutions, and the Die Bonding business line in the Global Technologies division.

Interconnects fabrication

The PCB Test business line in the Global Technologies division produces equipment testing bare board PCBs.

Other components fabrication

The High Volume division develops equipment for dispensing and automation related to the electrification trend.



PCB assembly

The High Flex division provides Surface Mount Technology (SMT) equipment, which turns bare board PCBs into populated PCBs. The High Volume division provides equipment that protects PCBs and secures their functionality through gluing, conformal coating and quality inspection solutions.

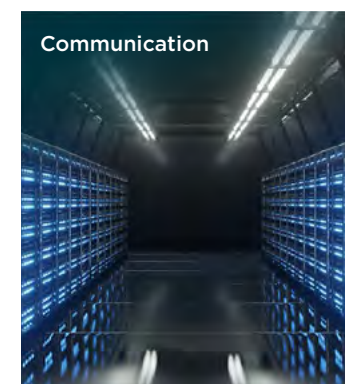
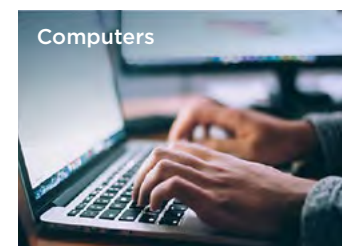
Module assembly

The High Volume division develops equipment for gluing, protecting and isolating electric vehicle (EV) modules. The Global Technologies division is present through the Die Bonding and Photonic Interconnects business lines, providing equipment assembling optical modules used in high-speed optical transceivers and equipment for 3D nanoprinting of photonic interconnects.

Final assembly

The High Volume division develops equipment for assembling consumer electronics, such as smartphones.

END PRODUCTS



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Position

Mycronic is a market-leading solutions provider for electronics production in selected niches, with a high degree of recurring revenue. This approach is designed to realize the company's vision of being the most trusted partner to the creators of tomorrow's electronics – delivering value for employees, customers, shareholders and society.

Purpose, vision, strategy and guiding principles

Bringing tomorrow's electronics to life

Mycronic's purpose and vision set the stage for the successful implementation of the Group's strategy, which in turn is guided by four principles.

Position

Mycronic's purpose of bringing tomorrow's electronics to life, and its vision of being the most trusted partner to the creators of tomorrow's electronics, create the foundation for the Group's strategy. Mycronic's strategy is to be a market-leading solutions provider for electronics production in selected niches, with a high degree of recurring revenue. In addition to this position, Mycronic will use acquisitions as an important component in reaching the Group's net sales target of SEK 10 billion and EBIT target of SEK 2 billion during the period 2027-2030.

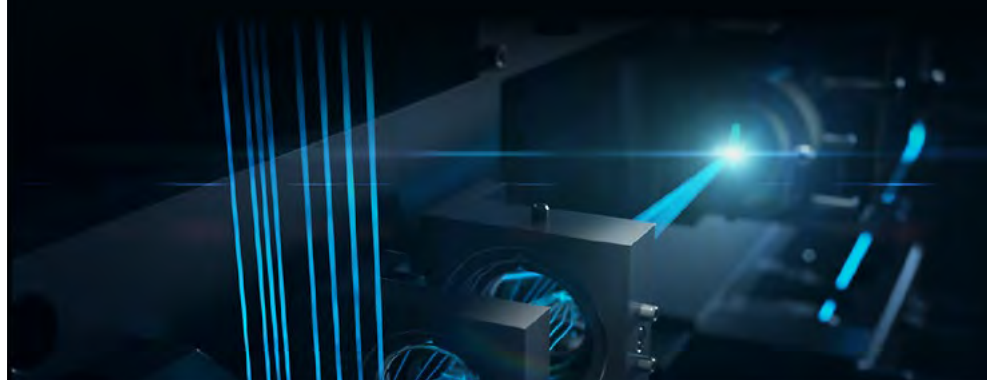
The Group's day-to-day work is guided by the four principles of purposeful innovation, a proactive, customer-centric approach, a long-term sustainability mindset and a dynamic, people-centric culture. These guiding principles will be explained on the following pages.

M&A

Activities are categorized into Group and divisional deals. At the Group level, the focus is larger, financially sound companies in attractive growth niches. Divisional M&A focuses on companies that either complement or extend existing technology or customer offering.

The Global Technologies division leads and hosts acquisitions in new areas with a mid-term potential of up to EUR 100 million in net sales.

PURPOSE	Bringing tomorrow's electronics to life
VISION	To be the most trusted partner to the creators of tomorrow's electronics
STRATEGY	To be a market-leading solutions provider for electronics production in selected niches, with a high degree of recurring revenue
GUIDING PRINCIPLES	• Purposeful innovation • Proactive, customer-centric approach • Long-term sustainability mindset • Dynamic, people-centric culture



Driving value creation

Creating sustainable and profitable growth

Reaching Mycronic's targets means successfully creating value by transforming resources at hand, for the benefit of Mycronic's stakeholders.

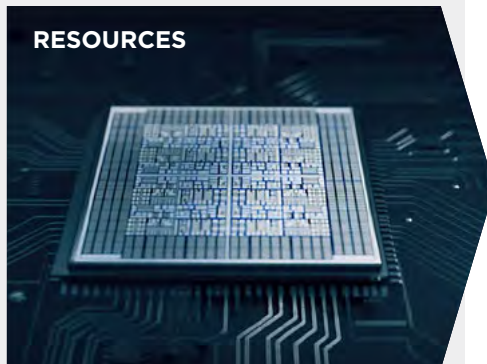
From resources to stakeholders

Starting with resources at hand, such as raw materials and components, talent, intellectual property and financial capital, Mycronic creates value by developing, producing and selling a range of machines for electronics production.

These machines enable our clients, which are in different segments of the electronics industry, to stay at the forefront of electronics production, while at the same time limiting their own climate impact. The machines range from mask writers that produce photomasks for the display and semiconductor industries, surface mount technology (SMT) lines for producing printed circuit boards (PCBs), dispensing and coating systems for producing consumer electronics and electronic components for electric vehicles (EVs), solutions inspecting the quality of these coatings, die bonders for producing components that go into transceivers, enabling the AI development through hyper scale data centers, test equipment for quality assurance of bare board PCBs and new exciting technologies such as 3D nanoprinters of photonic interconnects, enabling the higher data transmission speeds of the future, coupled with lower energy consumption.

This value creation results in positive outcomes for Mycronic's stakeholders, including the company's customers, employees and consultants, suppliers, shareholders and society.

RESOURCES



Raw materials and components

Talent

Intellectual property

Financial capital

VALUE CREATION



Unique, energy efficient laser-based mask writers for manufacturing display photomasks

Modern, productive and reliable mask writers for the semiconductor industry

Most flexible PCB assembly and inspection solutions for high-mix electronics

World's fastest jet printer for efficient application of solder paste and assembly fluids

World's leading dispensing and coating systems and quality inspection of coatings

Industry's fastest ultra-high-precision die bonders for high-volume manufacturing

Leading testing solutions of bare board PCBs

3D nanoprinting of photonic interconnects

STAKEHOLDERS



Customers

- Production process innovation
- Cost- and energy-efficient production

Our people

- An attractive, inclusive and healthy workplace

Shareholders

- Attractive total return, comprising dividend and value growth

Suppliers

- Long-term, mutually beneficial relationships

Society

- Creating interesting employment opportunities
- Promoting diversity, equity and inclusion in the communities where we act
- Reducing our customers' climate impact for the benefit of society

Purposeful innovation

The driver behind organic growth

The majority of Mycronic's growth through 2030 is expected to be organic, driven by innovative products. During 2024 Mycronic established the Inventor Award, for outstanding inventions for which a patent application has been filed.

Looking back over the past 50 years, it is important to acknowledge that Mycronic's existence is rooted in breakthrough innovations. Initially, the invention of a laser-based mask writer set the stage, creating display photomasks faster and more precisely than anything on the market. These mask writers continue to support future innovations in the global display industry.

Transforming electronics production

This was followed by a flexible pick-and-place machine that did the work of several PCB assembly machines – all in a small, standalone unit. Subsequently, jet printing was introduced, a Mycronic invention that upended traditional screen printing by introducing a whole new category for the jetting of solder paste. There were also major developments in die bonding, dispensing and coating. That same spirit of innovation continues to shine brightly today.

Innovation throughout

Mycronic views innovation as a mindset, adapting quickly to new trends or foreseeing market changes, in order to create value for customers. Examples include launching DeepReview in 2024, a new automatic defect classification system that leverages the power of AI to dramatically reduce false call rates while improving firstpass-yield in 3D Automated Optical Inspection (AOI).

Investing in the future

Mycronic places a high priority on R&D. Resources are allocated in a decentralized manner, enabling each division to strategically focus its efforts. Approximately 600 employees

are engaged in R&D with the goal of supporting the creation of electronics that make people's lives better. The results of these R&D efforts are reflected in over 400 patents, securing Mycronic's position as a market leader.

Mycronic Inventor Award

During 2024 the Mycronic Inventor Award was established, acknowledging a remarkable invention by employee inventors, for which a patent application has been filed. The first winning invention was "Cancellation of electrical crosstalk in the acousto-optic modulators", which tackles a complex technical problem with a solution that is both simple and ingenious. The software-based solution is applicable to most mask writers and does not require any additional components, thereby avoiding increased product costs and complexity.

Sustainable innovation for growth

Successful innovation is inseparable from the pursuit of sustainability goals, both internal goals and those of Mycronic's customers. With this in mind, Mycronic integrates sustainable thinking into all development processes.

The best example of this is the introduction of energy-efficient solid state lasers into mask writers for both semiconductors and displays. This has resulted in an up to 99 percent reduction in power consumption from the laser in use, compared to conventional gas lasers.



Mycronic's laser-based mask writers are the industry standard behind billions of TVs, laptops, tablets and smartphones.

Years of experience
in innovation

>50

Number of patents

>400

Share of net sales in
2024 spent on R&D

11%

Proactive, customer-centric approach

Staying close to the customer

Mycronic's decentralized organizational structure, customer-focused R&D, robust aftermarket business, and initiatives to enhance the customer experience, all constitute important elements in building a proactive, customer-centric organization.

Mycronic's success depends on the success of its customers. This means being at their side, actively listening and collaborating, to solve their challenges. The best solutions are found by aligning with customers' needs.

This commitment extends across the entire customer journey – from initial contact and contract signing to aftermarket services. But it also requires a systematic approach, with regular feedback loops to implement continuous improvements.

BRIDGE – a common global approach

In alignment with Mycronic's customer focus, the company works with BRIDGE, a global customer experience program introduced in 2021. It provides a systematic way of working, listening to customers and acting on their feedback and is designed to create a culture of continuous improvement, delivering tangible business value.

BRIDGE is an ongoing initiative aimed at gathering feedback on key steps of the relationship, from a growing number of customers. When understanding what matters most to customers in the key steps of the relationship, Mycronic can take targeted actions for optimal results – refining and allocating resources to meet customers' evolving needs.

R&D close to the customer

A driving force behind Mycronic's customer centricity approach is R&D being decentralized to the divisions. This approach enables faster, more responsive, and effective feedback for refining our existing product range and guiding new developments.

Aftermarket – a stable long-term business

Mycronic's growing aftermarket business ensures close customer proximity, valuable feedback and a long-term business perspective. The aftermarket encompasses service sales, spare parts and accessories to the installed base of systems. Aftermarket sales are of high strategic value and ensure customers get the most out of Mycronic's products.

The aftermarket contributes stable, predictable recurring revenue streams, such as service contracts. This financial stability enables Mycronic to operate with a long-term perspective, bridging potential fluctuations in systems sales. The company aims to continue growing the aftermarket business, ensuring customer satisfaction and sustainable profitability.

Mycronic's aftermarket business aligns with sustainability initiatives, expanding the lifetime of the company's products through regular service and spare parts, and giving first hand insight into systems in production.

Semiconductor industry award

Delighted customers are Mycronic's best ambassadors. A good example of this was the reception of an award in 2024 at the important BACUS industry conference in Monterey, USA, in recognition of the success of the SLX semiconductor mask writer.



Mycronic's global customer experience program provides a structured way of working, listening to customers and acting on feedback.

Customers
worldwide

>5,500

Share of net sales
from aftermarket

25%

Installed systems
in 50+ countries

>35,000

Long-term sustainability mindset

Towards a more sustainable industry

By systematically pursuing a long-term sustainability mindset, we contribute to the sustainable transition of the electronics industry and support the successful implementation of our business strategy.

Electronics have great potential to help society become more sustainable. At the same time, the use and production of electronics involve a range of environmental and social challenges that must be addressed by Mycronic as well as by our customers, suppliers and other business partners.

Industry preparing for challenges ahead

Players in the electronics value chain are adapting to more sustainable business models. This is essential for creating resilience to the environmental, social and economic challenges ahead of us.

The industry needs to find long-term solutions to negative impacts such as the increasing use of energy and resources, e-waste, violations of privacy rights and poor working conditions in various parts of the supply chain.

Our industry is also adapting to the multiplying regulatory requirements created to address some of these challenges. This regulatory drive is mainly steered by the EU and includes, for example, the Corporate Sustainability Reporting Directive (CSRD), the EU Taxonomy, the Corporate Sustainability Due Diligence Directive (CSDDD) and regulations on eco-design of electronic products.

By actively pursuing a long-term sustainability mindset in business and operations, Mycronic contributes to a more sustainable electronics industry, while future-proofing its own business.

Electronics enable progress

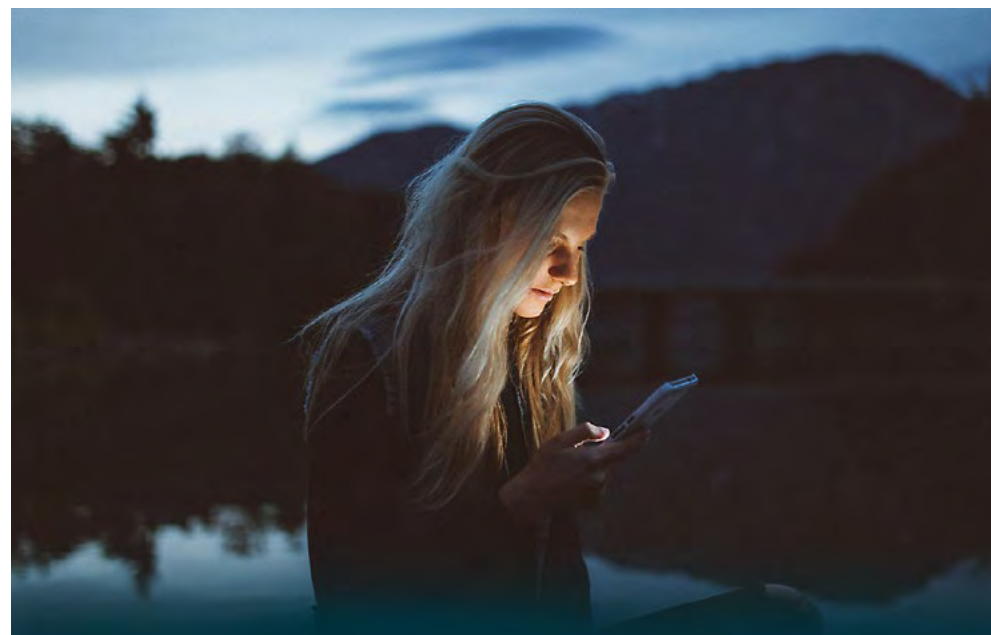
The electronics industry could also help to resolve many of society's challenges. Examples include reductions in GHG emissions or improving access to healthcare through electronics. This offers Mycronic and its customers business opportunities. In addition to the rising requirements and demand for more sustainable electronic products, the competition for talent plays a key role in enabling growth. Mycronic seizes opportunities in these areas by having a strong focus on innovation and diversity.

Mycronic's agenda to 2030

Our sustainability agenda to 2030 mirrors the trends in our industry. We focus our work on three key areas: climate impact from own operations, innovation for sustainability, and future engineers through diversity. These are areas where Mycronic can make its greatest contribution to the transition of the electronics industry, while at the same time achieving its business goals.

In each of these areas, we have defined Group targets to 2030, broken down by our divisions into concrete actions.

Mycronic also works systematically with other topics related to being a responsible employer and business partner, such as respect of human and labor rights, employee health and safety, supply chain due diligence, trade compliance and anti-corruption.



Electronics have potential to support society in becoming more sustainable. This offers business opportunities for Mycronic and its customers.

Share of purchased electricity from renewable sources	Share of EU Taxonomy aligned turnover	Diversity & Inclusion score in employee survey (of max. 5)
87%	10%	4.1

Dynamic, people-centric culture

Our people at the center of what we do

Mycronic works to foster a culture that nurtures new ideas and innovations that enable us to grow and to stay at the forefront of the electronics industry. Our People strategy focuses on engagement, diversity and inclusion, and empowering leadership.

Our employees and leaders are the driving force behind the execution of Mycronic's business strategy. The achievement of our financial and sustainability targets depends on our ability to attract, develop and engage talent.

Inclusion and diversity

Mycronic's strong commitment to diversity, equity and inclusion is vital to our growth. It guides talent acquisition, onboarding, talent development, performance management, leadership and learning practices.

Mycronic has set Group targets for diversity and inclusion. Activities to reach these encompass training and awareness raising for leaders and employees, regular review of people processes to ensure they are inclusive, networking opportunities, and active collaboration with under-represented groups.

Engagement and development

We foster employee engagement and development by cultivating an open and inclusive company culture rooted in trust and collaboration. Creativity, innovation and growth are central aspects of our values. During the annual performance and development reviews, each employee sets individual goals and development plans, which are continuously monitored and reviewed throughout the year. We offer various learning opportunities, such as on-the job experience, social interaction (coaching and mentoring) and formal learning.

Maintaining a safe and healthy work culture is crucial for us as a company and for sustaining engagement. Therefore, we implement a wide range of initiatives across the organization. These include clarifying roles

to reduce stress and promote autonomy, as well as providing training on health and safety. Additionally, we promote physical activities at the workplace to encourage a healthy lifestyle. Through our annual engagement survey, we gather insights into our employees' perspectives on these topics and their overall view of Mycronic as an employer.

Leadership at Mycronic

Mycronic's leadership approach is centered on empowering employees. Our leaders are expected to foster innovation by encouraging new ideas and initiatives. They create an environment of trust and collaboration, communicate in a responsive and transparent manner, and lead by example. Guided by Mycronic's Leadership Principles, our managers play a crucial role in guiding and developing our teams. We are committed to investing in the development of our leadership capabilities across the organization, ensuring that our leaders are well-prepared to drive both individual and collective success.

Attracting new talent

To succeed in the future, we will need younger generations with diverse backgrounds to choose careers in our industry. Recruitment, in particular of engineers, is a challenge in many of our markets. We therefore encourage young people to study engineering through various initiatives, and we actively seek talent among under-represented groups. In this way, we expand the pool of talent from which we can attract the engineers of tomorrow, while contributing to a more diverse and inclusive electronics industry.

Team bonding

50 and moving forward

More than 50 years of innovation can be celebrated in many ways. During the fall, over 400 participants from across Mycronic took part in a festive social-wellness challenge with the aim to encourage 30 minutes of exercise every day, regardless of the type of activity. The challenge was designed to be inclusive, allowing all employees who wished to participate to do so on equal terms.

Team bonding, wellness and engagement for a cause

Mycronic employees averaged 241 minutes of exercise per week, surpassing the World Health Organization's recommendation of 150 minutes for a healthy lifestyle. The challenge saw participants encouraging each other through over 116,000 social media likes, comments, photos and videos. In addition to promoting health and wellness, the challenge also had a charitable aspect. Through their efforts, the Mycronic teams raised more than SEK 140,000 for UNHCR.

"It was a great opportunity to bond with our own team members and also to get to know other colleagues across the Group. This challenge has sparked many conversations at the start of meetings and during coffee breaks, energizing our everyday work life. It has truly brought a positive atmosphere to the team!"

Floriane Durand Riaille

High Flex division, Saint-Egrève, France



Hiking was one of the activities completed by this team from Japan.

Targets 2027-2030

Ambitious goals for tomorrow

Science-based climate targets approved

Mycronic has set ambitious financial and climate targets to be achieved during the period 2027-2030. At the Group level, the aim is to reach net sales of SEK 10 billion, with an EBIT of SEK 2 billion and an EBIT margin above 20 percent along the growth journey. Each of the four divisions shall have a minimum EBIT margin of 10 percent.

Mycronic wants to do its share in contributing to reaching the aim of the Paris Agreement of limiting global warming to 1.5°C. For this reason, most of Mycronic's climate impact is included in the new climate targets, which were approved in 2024 by the Science Based Targets initiative (SBTi) and replace the previously communicated climate target.

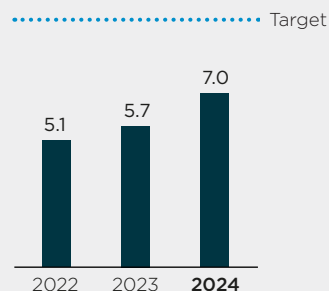
Mycronic undertakes to reduce absolute greenhouse gas (GHG) emissions in scope 1 and 2 by 56 percent by 2030, with 2022 as the base year (in line with SBTi guidelines). Mycronic also commits to reducing indirect GHG emissions from the use of sold products during the same period. The emissions from sold products, included in scope 3, represent the absolute majority of the company's emissions. The target is to reduce these by 52 percent in relation to the company's gross profit, with 2022 as the base year.

GROWTH

Net sales target

SEK 10 bn

Net sales SEK billion



Achievements 2024

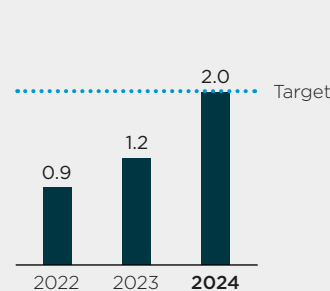
Net sales reached an all-time high level of SEK 7,057 million, with a record order backlog of SEK 4,702 million at the end of 2024.

PROFITABILITY

EBIT target

SEK 2 bn

EBIT SEK billion



Achievements 2024

EBIT amounted to a record SEK 2,021 million, reaching the EBIT financial target and corresponding to an EBIT margin of 29 percent.

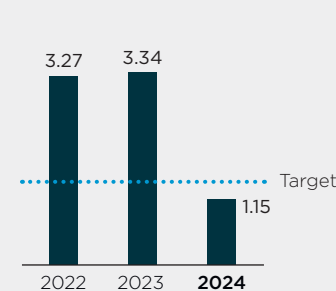
CLIMATE

Science-based targets (with base year 2022)

-56%

Scope 1 and 2 GHG emissions

GHG emissions ktCO₂e



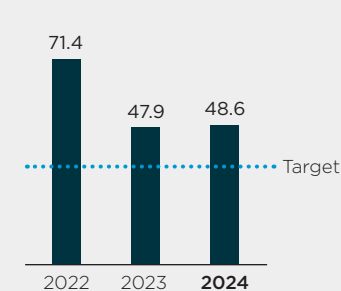
Achievements 2024

Scope 1 and 2 GHG emissions decreased to 1,147 tCO₂e in 2024. This corresponds to a decrease of 65 percent compared to the base year.

-52%

Scope 3 GHG emissions from use of sold products, relative to gross profit

GHG emissions tCO₂e/SEKm gross profit



Achievements 2024

Scope 3 GHG emissions from the use of sold products, relative to gross profit, decreased to 48.6 tCO₂e/SEKm gross profit in 2024. This corresponds to a decrease of 32 percent since the base year.

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Divisions

Mycronic believes in the effectiveness of managing daily operations and decision-making close to customers. For this reason, a decentralized management approach is adopted, in which global operations are organized into four divisions. Giving the divisions autonomy to create value, together with their customers, is key to Mycronic's success.

Overview

How Mycronic is organized

Mycronic operates through four decentralized divisions, which together form the Group's global presence. Local, wholly-owned subsidiaries are supported by a network of agents and distributors spanning more than 50 countries. A substantial part of Mycronic's net sales stems from the aftermarket business.



PATTERN GENERATORS

One of the world's leading suppliers of laser-based mask writers for the manufacture of photomasks for displays and semi-conductors, including metrology systems.



HIGH FLEX

Leading global provider of flexible PCB assembly solutions, including jet printing, stencil printing, 3D inspection, component placement and automated storage solutions.



HIGH VOLUME

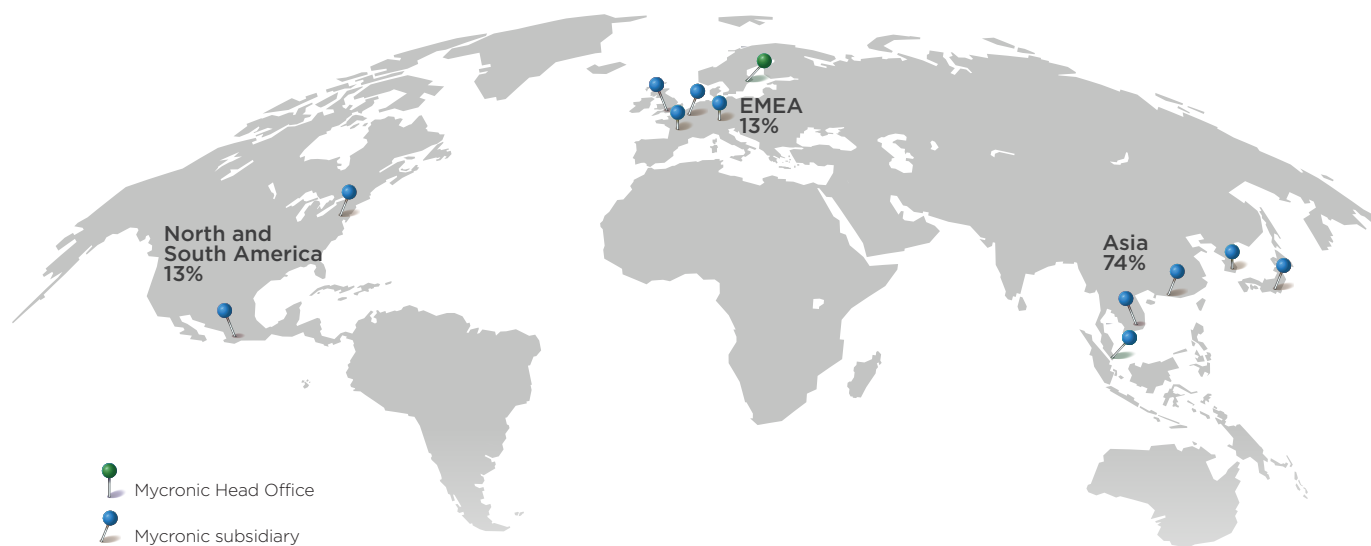
The world's largest supplier of automated dispensing and conformal coating systems for high-volume electronics production.



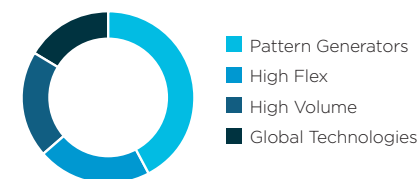
GLOBAL TECHNOLOGIES

Leading positions in niche technology segments in the electronics industry.

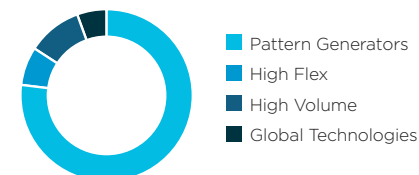
Share of Group net sales per region



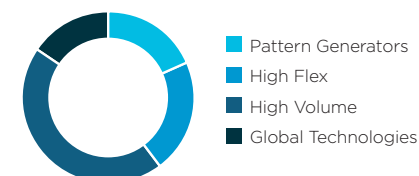
Share of Group net sales



Share of Group EBIT



Share of Group employees



Pattern Generators

Launching the Prexision 8000 Evo

The Pattern Generators division had a strong year with net sales and EBIT reaching record levels. The division also launched two new products: the Prexision 8000 Evo, enabling the displays of the future and the MMX, a metrology system for semiconductor photomasks.

Market position and development

Pattern Generators is a leading supplier of laser-based mask writers and metrology systems for the display and semiconductor industries. These machines are used to produce the photomasks required for manufacturing displays for TVs, mobile phones, tablets, computers and cars as well as for semiconductors used in a wide range of electronics. The customers are merchant mask shops as well as display and semiconductor manufacturers wishing to have in-house production capabilities.

All manufacturers in the display industry use photomasks produced with Mycronic's laser-based mask writers. The majority of semiconductors are also manufactured using photomasks produced by laser-based mask writers, where the division's mask writers support a wide range of chip designs.

During the year, Mycronic launched the Prexision 8000 Evo, its most advanced mask writer for displays to date. It improves the resolution and critical image quality specifications, compared to its predecessor, the Prexision 800 Evo, while maintaining writing speed. Another product launched during the year was MMX, a new system for measuring the position of the written pattern, thereby ensuring the quality of the produced semiconductor photomask. The MMX is based on the SLX, Mycronic's mask writer platform for semiconductors, and Mycronic's existing Prexision-MMS metrology system for display photomasks. The first order for an MMX was received just one month after the launch.

In displays, investments in photomask production continued in order to support rising demand for more complex, high-

resolution screens and also a need to modernize the installed base of mask writers.

Interest in the SLX has remained strong. In addition to continued investments in new semiconductor production capacity, several orders were received during the year in order to replace installed legacy systems. The success of the SLX was also acknowledged at an important photomask industry conference in Monterey, USA, by receiving an industry award, the finest acknowledgement of all in the semiconductor photomask industry.

Key trends and sales drivers

Display manufacturers continued to develop new LCD and OLED displays at a good pace. The market continues to be driven by an ongoing shift toward a higher proportion of advanced displays that require more, and more advanced, photomasks. The market trend for photomasks for semiconductors was mixed, with some segments and regions continuing to perform strongly, such as AI and advanced memory chips, although there were also weaker segments, such as semiconductors for the automotive industry.

The aftermarket constitutes a significant share of the division's sales, providing a stable, recurring source of revenue. The success of the SLX means that aftermarket sales will continue growing, as these machines come out of their initial warranty period and enter into service contracts.

Innovation, climate and people

The division's laser program is playing an important role in achieving Mycronic's climate target, aimed at reducing greenhouse gas emissions from the use of products (scope 3).



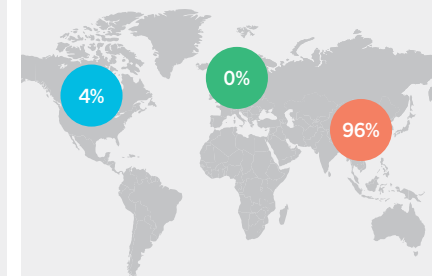
“ Our unique market position, highly skilled workforce, strong service organization and competitive product portfolio resulted in a record year. Growing stable and recurring revenue thanks to the continued success of the SLX mask writer creates a stable platform, while we build for the future with the introduction of the Prexision 8000 Evo and MMX.

Charlott Samuelsson
Senior Vice President, Pattern Generators division

Key Ratios

	2024	2023	2022
Order backlog, SEKm	3,334	3,068	2,480
Net sales, SEKm	2,997	2,106	1,369
of which aftermarket, %	28	36	51
Gross profit, SEKm	2,105	1,389	782
Gross margin, %	70.2	66.0	57.1
EBIT, SEKm	1,694	1,053	465
EBIT margin, %	56.5	50.0	34.0
R&D expenditures, SEKm	332	255	219
Employees	406	351	320

Pattern Generators net sales 2024, per region



Geographical presence
China, South Korea, Japan and USA

Change in net sales compared to 2023

42%

Change in EBIT compared to 2023

61%

Primary competitors

- Applied Materials
- Heidelberg Instruments

Pattern Generators *continued*

The program, which involves replacing gas lasers in customers' mask writers with significantly more energy-efficient solid state lasers, continued during the year and has been very well received by customers.

The launch of the MMX metrology system for semiconductors is a great example of how the division leverages its R&D investments into a technology platform and then shares it between the display and semiconductor operations.

Pattern Generators expanded its workforce with diversity in focus, thereby broadening the recruitment base and leveraging differences in expertise, gender, and cultural backgrounds.

Accomplishments in 2024

Pattern Generators reached record net sales and EBIT during the year. The division added the Prexision 8000 Evo and the MMX to its attractive portfolio of mask writers and metrology systems for display manufacturing and production of semiconductors.

Focus in 2025 and beyond

Thanks to its strong market presence, a highly skilled workforce, strong service organization and competitive product portfolio, Pattern Generators is well positioned for the future.

The division has a growing recurring revenue stream due to a more advanced installed base of display systems and the success of the SLX semiconductor mask writer.

The evolving product portfolio for both displays and semiconductors, designed for energy efficiency and higher productivity, will continue to support growth.

Moving forward, the division's strategic focus involves maintaining close relationships with customers and innovating to meet their future requirements for sustainable and competitive business.

People and innovation Building for the future

In April, at Photomask Japan, a leading industry conference for the display and semiconductor industries, Pattern Generators launched two new products: Prexision 8000 Evo, Mycronic's most advanced mask writer for displays and the MMX, a metrology system for semiconductors.



Innovation is the driver behind Mycronic's organic growth. In 2024, Pattern Generators' R&D efforts resulted in the launch of two new products, adding to the strength of the division's product portfolio.

Diversity for best solutions

Equally important as technology are the people behind it. Having a great team with the right competencies is critical to Mycronic's success. During the year, Pattern Generators continued to expand its capabilities by hiring talented employees.

Diversity in all its aspects was a key focus, as it not only broadens the recruitment base but also enables reaching the best solutions by leveraging collective knowledge, driven by diversity in expertise, gender, and cultural background.

Acquiring and retaining talent is key

Pattern Generators is growing its staff not only to strengthen the organization, but also to seize market opportunities and continue growing within core markets. By aligning capabilities with market

“Innovation and teamwork are at the heart of what we do at Pattern Generators. By expanding our capabilities and fostering diversity, we seize market opportunities and ensure growth in our core markets. Retaining experience while empowering new talent enables us to serve our customers with cutting-edge solutions.”



Mikael Wahlsten
Head of Product Strategy
& Development,
Pattern Generators

demands, the division ensures remaining competitive and well-positioned to address customers' needs.

In addition to building the team, retaining experienced people is equally important. It takes time to fully master a broader system-level understanding, which is crucial for tackling complex challenges. That said, individuals can quickly become experts in more narrowly focused areas, allowing new employees to actively contribute to Pattern Generator's success in supporting its customers.



High Flex

High mix meets high throughput

The High Flex division managed to hold up well, gaining market share in a tough market environment. Two new machine models were introduced, MYPro A40SX and MYPro A40LX, to the next-generation MYPro A40 pick-and-place platform.

Market position and development

Mycronic's High Flex division is a leading global provider of flexible PCB assembly solutions, with a comprehensive full-line offering. Customers are primarily European and US subcontractors. The PCBs they produce are typically more complex and expensive and produced in smaller volumes. The manufacturers tend to switch between different products (PCBs) several times per day, so it is important to have a production line where the changeovers are fast, in order not to lose time switching from production of one PCB to another. Customer sectors are mainly aerospace, defense, medical and industrial electronics.

High Flex offers key solutions for PCB assembly, from complete production lines to individual systems for specific process steps. The flagship solution is the MYPro Line, which integrates advanced solder paste jet printing, stencil printing, pick-and-place, as well as 3D-enabled inspection systems, together with automated material handling solutions and factory-wide software connectivity.

Key trends and sales drivers

The markets in Europe and the US were characterized by headwinds in 2024. Europe was weak due to sluggish economic growth in the major markets such as Germany, France, and the UK, while investment decisions in the US were negatively affected during most of the year by the looming elections in November. In this challenging environment, High Flex managed to hold up well. Although net sales were slightly lower than the previous year, the division gained market share in a declining market. Good continued development came

from the defense, medical and industrial sectors, which were relatively resilient.

High Flex customers are looking for a seamless user experience, with total control over the production process. As a result, the emphasis is on factory-wide connectivity software systems, enhanced by machine learning, AI and easy-to-use graphical user interfaces.

Innovation, climate and people

During 2024 DeepReview was launched, a new automatic defect classification system that leverages the power of AI to dramatically reduce false call rates while improving first-pass-yield in 3D Automated Optical Inspection (AOI). The focus on innovation also resulted in the launch of extensions to the MyPro A40 pick-and-place platform, released in 2023. The energy efficiency of the platform has been improved by approximately 25 percent*, thanks to the higher placement speed, combined with the energy consumption remaining stable.

To reduce the climate impact from the division's own operations, High Flex promotes transport modes with lower emissions, shifting from air to sea where possible.

The innovation achievements were enabled by a highly diverse global group of engineers.

Accomplishments in 2024

In addition to DeepReview, the division introduced two new machine models, MYPro A40SX and MYPro A40LX, to the next-generation MYPro A40 pick-and-place platform, equipped with the all-new MX7 high-speed mounthead technology. These models combine flexibility with high-accuracy placement, the

* Unaudited.



“ We are thrilled to introduce the two new machine models, MYPro A40SX and A40LX, now completing the MYPro A40 series. These additions represent a significant leap forward in our product offering, enabling our customers to achieve even greater flexibility and precision in their production processes.

Clemens Jargon
Senior Vice President,
High Flex division

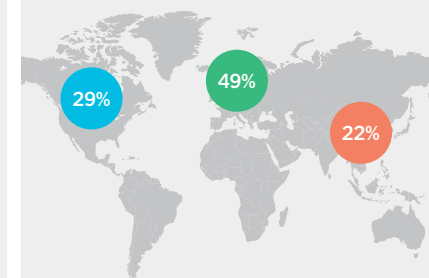


Key Ratios

	2024	2023	2022 ¹
Order backlog, SEKm	102	120	155
Net sales, SEKm	1,489	1,535	1,405
of which aftermarket, %	34	35	33
Gross profit, SEKm	602	640	571
Gross margin, %	40.5	41.7	40.6
EBIT, SEKm	156	195	161
EBIT margin, %	10.5	12.7	11.5
R&D expenditures, SEKm	207	214	205
Employees	470	489	513

¹⁾ Restated for comparability.

High Flex net sales 2024, per region



Geographical presence
Europe, USA and Asia

Change in net sales compared to 2023

-3%

Change in EBIT compared to 2023

-20%

Primary competitors

- ASM
- Fuji
- Yamaha
- Koh Young

High Flex *continued*

industry's fastest changeovers and constitute a benchmark for manufacturers with a highly variable mix of products.

High Flex also introduced the MYPro S20 and S30 stencil printers, a result of assuming global responsibility for the stencil printing portfolio of HC Xin from the High Volume division in 2023.

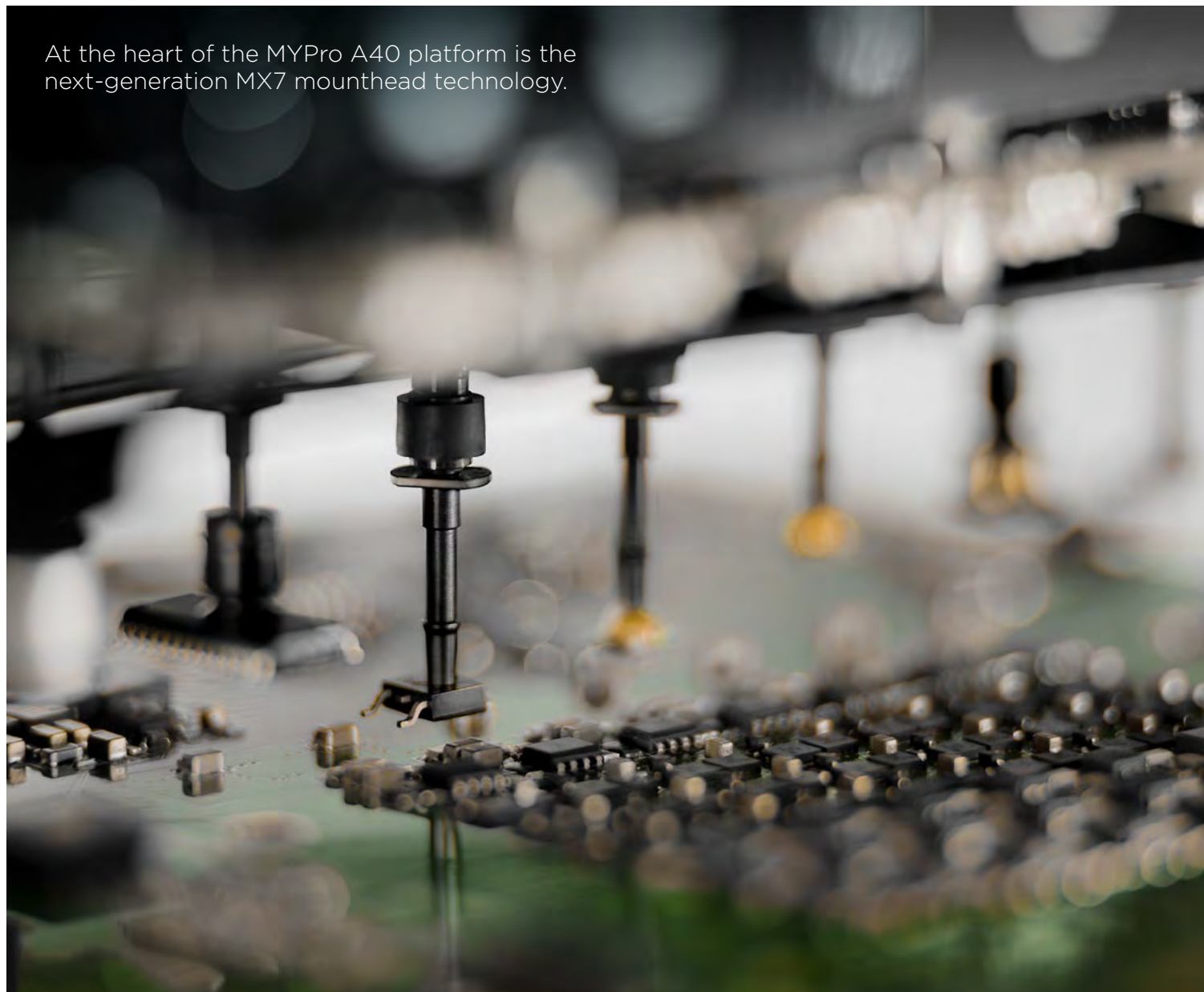
Focus in 2025 and beyond

The increased component placement speed of the new MYPro A40 pick-and-place platform makes High Flex better able to serve the mid-volume segment of electronics manufacturers. The new stencil printers are a good complement to the division's unique jet printing technology for applying solder paste on PCBs.

High Flex will continue to work closely with customers to get more out of their production lines. One focus area is incremental improvements to reduce the energy consumption of products in use.

High Flex will relocate from its current premises in Täby to new premises in Kista, Stockholm in the second half of 2025. This will enable continued development, growth and improved production flows for the division going forward.

At the heart of the MYPro A40 platform is the next-generation MX7 mounthead technology.



High Volume

Rebound and international expansion

The High Volume division experienced a rebound in demand for its products, both in the Chinese domestic market and the markets outside China. The international expansion progressed through the inauguration of a new facility in Mexico, the acquisition of Modus High-Tech Electronics GmbH in Germany, and the opening of a dedicated sales office in Eindhoven, the Netherlands.

Market position and development

The High Volume division is the world's leading developer and manufacturer of automated systems for dispensing and conformal coating for the electronics industry. Being based in Shenzhen secures a strong presence in China and facilitates unique access to high-volume customers. The division's customers include manufacturers of consumer electronics, electric vehicles and semiconductor-related products.

The dispensing of adhesives and conformal coating on PCBs plays an important role in ensuring that end products can withstand vibration, temperature changes, avoid dust and are waterproof. High Volume's automated systems dispense a wide range of adhesives, mounting fluids and coatings in different stages of assembly. They help combine, connect and protect components in the products, enabling them to be smaller, safer and more reliable.

Although the Chinese consumer electronics market remained weak throughout 2024, demand for High Volumes dispensing equipment improved during the year and the division's order intake increased markedly compared to the previous year. During 2024, High Volume continued its expansion outside of China.

Key trends and drivers

The ongoing regionalization of supply chains to spread geographic risks continues. The EU, US and China are all eager to create jobs, secure their own supply chains, and build regional champions. Add to this tariffs, access to advanced semiconductors, AI and sensitive

technologies, and you have an increasingly challenging environment.

In response to these trends, Chinese producers are de-risking their China operations by shifting some of their production abroad, mainly to Southeast Asia and Mexico. High Volume's strategy is to grow its business outside China, mainly by following its Chinese customers as they expand abroad. In general, this duplication of supply chains benefits High Volume, since additional factories leads to investments in new production equipment. The division's establishment during the year of a new facility in Mexico is an example of how High Volume expands outside of China together with its clients.

Innovation, climate and people

To reduce the climate impact from electricity use at the factory in Shenzhen, the division invested in international renewable energy certificates (iRECs). High Volume is actively working to improve diversity and equality by cultivating an open, customer-centric culture. By participating in university career events, local activities aimed at female engineers and through training, the division promotes a strong company culture for its employees globally.



“We are strengthening and diversifying our world-leading position in dispensing and conformal coating systems by expanding globally. The inauguration of a new facility in Mexico, the acquisition of Modus in Germany, and the opening of a dedicated sales office in Eindhoven, the Netherlands, all form part of this strategy.”

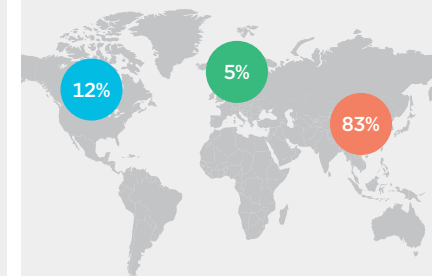
Ivan Li
Senior Vice President, High Volume division

Key Ratios

	2024	2023	2022 ¹
Order backlog, SEKm	752	662	700
Net sales, SEKm	1,434	1,140	1,479
of which aftermarket, %	14	13	9
Gross profit, SEKm	555	482	600
Gross margin, %	38.7	42.3	40.6
EBIT, SEKm	223	173	301
EBIT margin, %	15.6	15.2	20.4
R&D expenditures, SEKm	154	128	131
Employees	985	859	866

1) Restated for comparability.

High Volume net sales 2024, per region



Geographical presence
Asia, North America and Europe

Change in net sales compared to 2023

26%

Change in EBIT compared to 2023

29%

Primary competitors

- Nordson
- PVA
- Anda
- GKG

High Volume *continued*

Accomplishments in 2024

The year was characterized by international expansion. High Volume increased its footprint in North America by inaugurating a new facility in Guadalajara, Mexico. In Europe, the division opened a dedicated sales office in Eindhoven, the Netherlands.

In addition, High Volume expanded its operations in Europe by acquiring Modus, a leading provider of solutions for automated optical inspection of coating, soldering, and components within PCB assembly.

Focus in 2025 and beyond

The division is dedicated to enhancing and broadening the applications of its market-leading dispensing and conformal coating systems in both the Chinese and international markets. This commitment includes broadening the product offering and establishing a global service organization, providing increased service and flexibility for customers worldwide.

High-volume manufacturing of smartphones, consumer electronics and electric vehicles requires the dispensing of adhesives to protect, glue and insulate the electronics.



Acquisition in Germany

Offering optimized solutions

The High Volume division acquired Modus High-Tech Electronics GmbH, a Dusseldorf-based provider of automated optical inspection systems for electronics high volume production.

Mycronic's financial targets include reaching net sales of SEK 10 billion in the period 2027–2030. This growth will primarily be organic, driven by innovation, but it also involves acquisitions. For High Volume, this means acquiring companies that either complement or extend the division's existing technology or customer offering.

Leading player in quality inspection

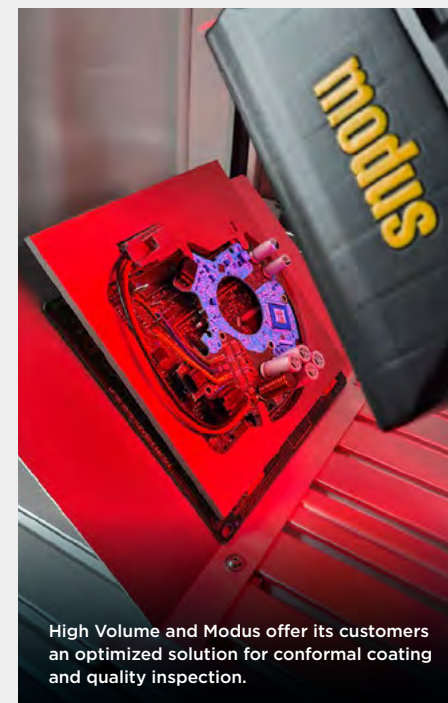
Modus was founded in 1999, has 18 employees and more than 1,650 scanners and 650 camera systems in service. The company provides solutions for automated optical inspection of coating, soldering, and components within PCB assembly. Modus has also developed solutions for fuel cell inspection.

Expanding in the automotive industry

The efforts to reduce climate impact are leading to higher sales of EVs, which contain 50 percent more electronic components than combustion engine cars. This creates a need for dispensing and conformal coating systems to glue and protect the electric components and circuitry. High Volume has successfully grown this part of its business in recent years, whereas Modus has a particularly strong foothold offering its quality inspection systems to the automotive industry.

Complete customer offering

High Volume is a global leader in electronics conformal coating solutions, while Modus' inspection systems form an integral part of conformal coating production lines. Together, the two businesses are able to offer complete and optimized solutions to their respective customer bases, with cross-selling opportunities.



High Volume and Modus offer its customers an optimized solution for conformal coating and quality inspection.

Global Technologies

AI-driven demand and a third business line

Both the PCB Test and Die Bonding business lines were positively impacted by AI-related investments, leading to solid growth in the division's order intake. The acquisition of Vanguard Automation added a third business line to Global Technologies: Photonic Interconnects.

Market position and development

The Global Technologies division acquires and grows advanced electronics technology businesses with a high level of differentiation. The division encourages a decentralized, entrepreneurial culture of problem-solving together with customers, supported by the expertise and resources of a strong global owner. The focus is on electronics niches favored by long-term trends in the electronics industry, with growth delivered organically and via acquisitions.

The PCB Test business line involve the manufacturing of electrical testing equipment for PCBs. Two different technologies, Flying Probe Test and Grid Test, check that all the circuitry in PCBs is working according to the design specifications, with zero defects.

The Die Bonding business line offers die bonding, high-precision dispensing and active alignment systems, with data and telecommunications being the largest customer sector. Die bonding is a crucial process for micro-electronics and optoelectronics applications.

During the year, a third business line was added through the acquisition of Vanguard Automation, a company headquartered in Karlsruhe, Germany, which has developed a technology and automated equipment for 3D nanoprinting of photonic interconnects. This is a promising new technology which enables faster transmission speeds.

Key trends and drivers

During 2024, Global Technologies was the division within Mycronic that benefited the most from the AI investment boom. For the PCB Test business line, demand was driven by equipment used for testing high layer count PCBs used in advanced servers for training AI

models. These PCBs require sophisticated testing and Mycronic has developed a proprietary back-drill test technology that is ideal for such PCBs. This has enabled the business line to grow significantly faster than the overall PCB market, which was held back by the weakness of the consumer electronics industry. For Die Bonding, the use of high-speed optical transceivers, required to work with high amounts of data transfer resulting from AI, has meant solid demand for Mycronic's fast, ultra-high-precision die bonders.

Innovation, climate and people

Global Technologies works with reducing electricity and air consumption of its systems.

In Germany, the building of PCB Test's new solar-powered 4,000 m² three-story facility has progressed according to plan. Inauguration took place in early 2025. The building is designed to foster better collaboration between departments and contributes to reducing the company's carbon footprint. The Photonic Interconnect site, also located in Germany, runs on solar cells as well.

In the US, the division's production facility has started sourcing electricity from renewable sources.

Global Technologies continues to promote diversity by hiring a mix of nationalities and working to increase its share of female engineers.



“ We have two business lines benefitting from the AI investment boom: PCB Test and Die Bonding. Our latest business line addition, Photonic Interconnects, also has the potential to benefit from megatrends such as AI, cloud computing and augmented reality.

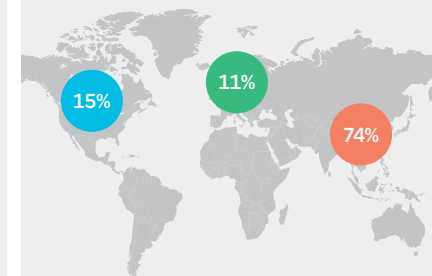
Magnus Marthinsson

Senior Vice President, Global Technologies division

Key Ratios

	2024	2023	2022
Order backlog, SEKm	514	297	239
Net sales, SEKm	1,138	928	865
of which aftermarket, %	17	20	25
Gross profit, SEKm	455	343	333
Gross margin, %	40.0	37.0	38.5
EBIT, SEKm	113	59	101
EBIT margin, %	10.0	6.3	11.7
R&D expenditures, SEKm	101	82	71
Employees	334	300	317

Global Technologies net sales 2024, per region



Geographical presence
Asia, USA and Europe

Change in net sales compared to 2023

23%

Change in EBIT compared to 2023

93%

Primary competitors

PCB Test

- Hioki
- Microcraft
- Nidec

Die Bonding

- ASMPT
- Besi

Global Technologies *continued*

Accomplishments in 2024

The PCB Test business line had a strong order intake development, benefiting largely from its lead in testing multi-layer PCBs used in advanced servers for training AI models.

The Die Bonding business line launched a product for active alignment of optical components that will address additional steps in customers' production processes. Die Bonding now offers its customers three product lines: die bonding, high-precision dispensing and active alignment.

The Photonic Interconnects business line was successfully integrated into Global Technologies, strengthening the base from which to spread its novel technology.

Focus in 2025 and beyond

PCB Test will inaugurate its newly built solar-powered manufacturing facility in Germany. This will expand its production capacity, which is currently a bottleneck. The business line will further seek to maintain its lead in testing advanced PCBs.

Die Bonding will further seek to explore the opportunities arising from demand for high-speed optical transceivers driven by AI applications which require accurate manufacturing.

The Photonic Interconnects business line will seek to expand its customer base from research institutions at universities to include commercial customers.

Third business line

Photonic Interconnects

With the acquisition of Vanguard Automation, a company headquartered in Karlsruhe, Germany, Mycronic ventures into the technology of photonic interconnects.

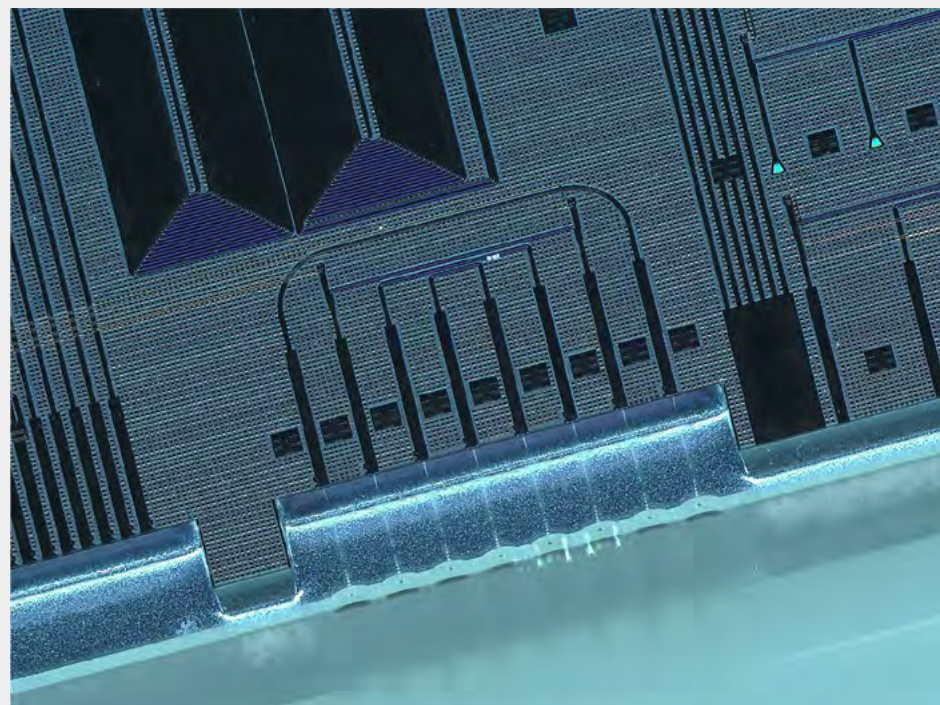
Vanguard Automation has developed a technology and automated equipment for 3D nanoprining of photonic interconnects, thereby creating a third business line within the division.

Future synergies

Vanguard Automation's area of expertise is adjacent to and complementing that of Die Bonding and the company's technology enables future collaborative development with the Die Bonding business line. With this acquisition, Global Technologies can offer a wider range of die bonding and optical packaging solutions to its customers.

Stronger base

Joining the Mycronic Group marks a pivotal milestone for Vanguard Automation in its mission to deploy 3D nanoprining solutions in volume production for cutting-edge photonic devices. Forming part of Global Technologies strengthens Vanguard's base from which to spread its novel technology.



Riding the megatrends

Megatrends such as AI, cloud computing and augmented reality are boosting demand for computational power, leading to larger, more energy-intensive data centers. Vanguard Automation's unique solutions will help speed up photonic interconnects and cut energy consumption at the same time.

From research to commercial customers

Going forward, this new business line will focus its efforts on increasingly moving its customer base from universities and research institutions to repeat commercial customers.

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Group

Mycronic is listed on Nasdaq Stockholm, Large Cap and is included in the OMX Stockholm Benchmark Index, OMXSB, comprising a selection of the largest and most traded securities listed on Nasdaq Stockholm.

Investment case

Five reasons to invest in Mycronic

Through its focus on innovation and organic growth, together with an active acquisition strategy and healthy profit contributions from all divisions, Mycronic is well positioned to continue its growth journey.

1. Leading positions

Mycronic has four divisions, with clear divisional strategies.

Pattern Generators is the global number one mask writer producer in selected segments.

High Flex is the number one solutions provider for PCB assembly in the high mix-low volume segment.

High Volume is the number one high volume solutions provider for electronics production with dispensing at its core.

Global Technologies develops technology and market-leading businesses in attractive electronics niches.

Market position worldwide

#1

2. Technological leadership

Mycronic has a culture and history of bringing innovative and leading technological solutions to the market.

R&D is decentralized to the divisions since they are best placed to decide which R&D investments are most suitable for their respective markets.

Years of innovation experience

>50

Patents worldwide

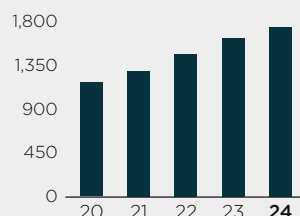
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3. Growing aftermarket

Mycronic has a large and growing aftermarket business, accounting for 25 percent of net sales in 2024.

On a rolling 12-month basis, aftermarket net sales have been increasing in absolute numbers since Q1 2021, providing a solid and stable revenue base and cushioning against swings in equipment sales.

Aftermarket sales SEKm



4. Attractive financials

Mycronic delivered record net sales and EBIT, with all four divisions contributing to Group EBIT.

The company also has an attractive cash conversion profile, with a large share of EBIT turning into operating cash flow.

Finally, Mycronic has a strong balance sheet, with a net cash position of SEK 2.8 billion on December 31, 2024, together with unused credit facilities of SEK 2 billion.

Net cash position on December 31, 2024

2.8bn SEK

5. Investing for growth

In 2024, R&D expenditures amounted to SEK 793 million, equivalent to 11 percent of net sales and paving the way for future market-leading products and organic growth.

In addition, acquisitions form a central part of Mycronic's growth strategy. The company's strong financial position provides a solid foundation for future growth through M&A activities.

Share of net sales spent on R&D

11%

Share and ownership

The Mycronic share

Mycronic AB (publ), with corporate identification no. 556351-2374 is listed on Nasdaq Stockholm, Large Cap.

The share

Mycronic was listed on Nasdaq Stockholm in March 2000 and included in the OMX Benchmark Index (OMXSB) in 2022. OMXSB comprises a selection of the largest and most actively traded securities listed on Nasdaq Stockholm. The share capital amounts to SEK 98 million, with a total of 97,916,509 shares. All shares are of the same class with equal voting rights and the same share of capital and earnings. The quote value is SEK 1 per share.

In 2024, the total turnover of Mycronic shares on Nasdaq Stockholm amounted to 40.1 (32.8) million shares, corresponding to 41 (33) percent of the total number of shares. Nasdaq Stockholm accounted for 33 percent of total trading in Mycronic shares in 2024, down from 43 percent in 2023. The Chicago

Board Options Exchange (CBOE) accounted for 50 percent, while the London Stock Exchange (LSE) accounted for 12 percent of the total trading volume.

Shareholders

At year-end, Mycronic had 17,822 (14,678) shareholders. The largest shareholder, Bure Equity, owned 23.1 percent at the close of 2024. No other shareholder owned more than 10 percent of the company's shares. The ten largest owners collectively held 65 (67) percent of the total number of shares. Board members and executive management held a total of 0.2 (0.4) percent. At the end of 2024, Swedish ownership was 75 (77) percent.

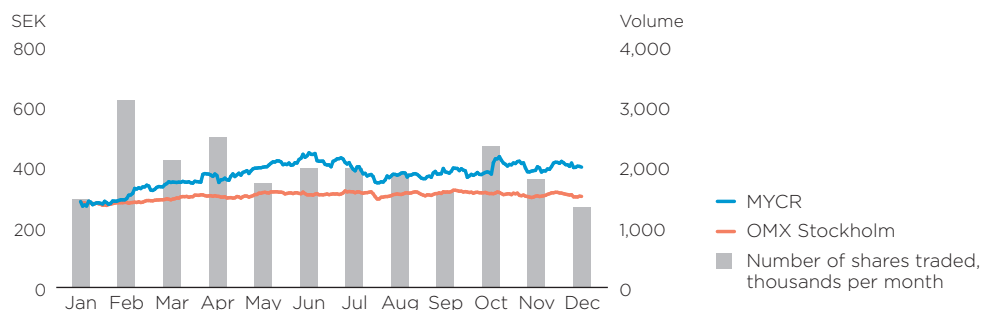
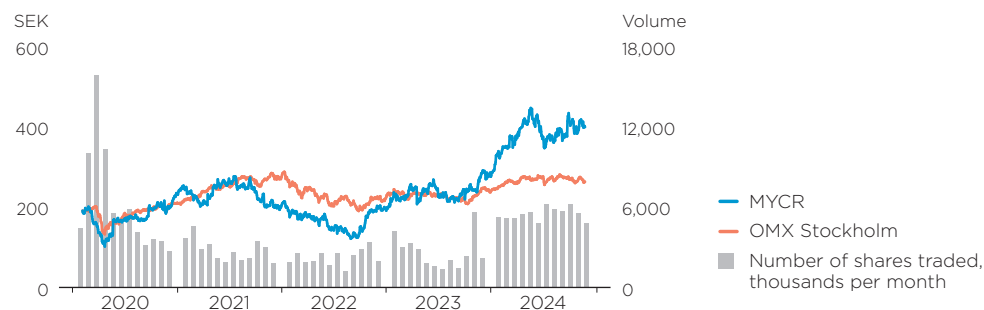
Price development

Mycronic's market capitalization increased 39 percent in 2024 to SEK 39,108 million, from SEK 28,141 million at year-end 2023. The highest closing price was recorded on June 17 at SEK 447.2 and the lowest closing price on January 3 at SEK 269.6. OMX Stockholm increased 6 percent during the year and OMX Stockholm Technology decreased 4 percent.

Dividend and proposal on share buy-back

For 2024, in line with the dividend policy, the Board of Directors proposes to the Annual General Meeting an ordinary dividend of SEK 5.50 (4.50) per share, totaling SEK 538.5 (440.6) million. The Board of Directors further proposes an extra dividend of SEK 2.00 (–) per share, totaling SEK 195.8 (–) million. The ordinary dividend corresponds to 32 (44)

percent of net profit after tax and the extra dividend to 12 (–) percent of net profit after tax. The Board of Directors intends to propose to the 2024 Annual General Meeting a renewed authorization for the Board of Directors to buy back shares in Mycronic. According to the proposal, the number of shares that may be bought back will be limited to a maximum of 5 percent of shares outstanding in Mycronic. During 2024, Mycronic repurchased 56,214 of its own shares for delivery to participants in the LTIP 2024 long-term incentive program. In total, Mycronic directly owns 326,714 of its own shares, with a quote value of SEK 326,714, amounting to 0.3 percent of the company's share capital. Mycronic has paid SEK 74 million for these shares.

Share price development 2024**Share price development 2020–2024**

Share and ownership *continued*

Ownership structure December 31, 2024

Holding by size	Number of shareholders	Number of shares	%
1-500	15,307	1,487,647	1.5
501-1,000	1,182	940,350	1.0
1,001-5,000	1,006	2,241,082	2.3
5,001-10,000	105	757,957	0.8
10,001-50,000	116	2,376,279	2.4
50,001-100,000	42	2,965,587	3.0
100,001-	64	82,068,558	83.8
Anonymous	-	5,079,049	5.2
Total	17,822	97,916,509	100.0

Largest shareholders December 31, 2024

Shareholder	Number of shares	Holding, %
Bure Equity	22,617,163	23.10
SEB Investment Management	8,844,675	9.03
Fourth Swedish National Pension Fund	7,791,205	7.96
Swedbank Robur Fonder	7,029,296	7.18
Handelsbanken Fonder	5,372,928	5.49
Lannebo Kapitalförvaltning	3,749,486	3.83
Vanguard	2,884,563	2.95
Clients Fonder	2,372,007	2.42
Norges Bank Investment Management	1,754,892	1.79
BlackRock	1,424,255	1.45
The 10 largest shareholders	63,840,470	65.20
Others	34,076,039	34.80
Total	97,916,509	100.00

Share capital development

Year	Increase in number of shares	Total number of shares	Share capital, SEK thousand
1989	16,000	16,000	1,600
1990	3,300	19,300	1,930
1994	1,801	21,101	2,110
1997	11,979,399	12,000,500	12,001
1998	2,000,083	14,000,583	14,001
2000	5,100,000	19,100,583	19,101
2001	102,000	19,202,583	19,203
2002	12,700	19,215,283	19,215
2003	19,951,333	39,166,616	39,167
2009	26,111,057	65,277,673	65,278
2010	32,638,836	97,916,509	97,917

Total yield ten years



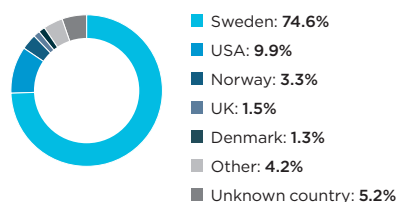
Mycronic total yield, including dividends, has outpaced the Stockholm OMX SGI index, including dividends, and has increased 1,939 percent over ten years.

— Mycronic total yield
— OMX SGI

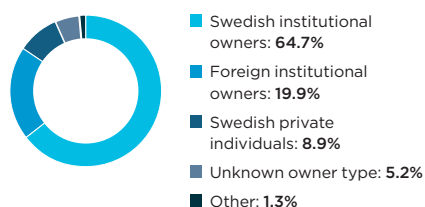
Analysts that follow Mycronic

Company	Analyst
Carnegie	Mikael Laséen
Handelsbanken	Fredrik Lithell, Daniel Djurberg
Nordea	Anders Åkerblom
SEB	Ina Djupsund

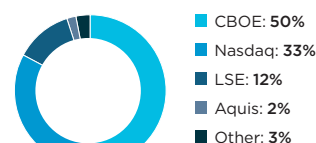
Ownership structure by geography



Ownership structure by category



Trading per marketplace



Proposal on appropriation of profit

At the Annual General Meeting's disposal are the following amounts in SEK:

Share premium reserve	257,090,047
Retained earnings	2,532,647,666
Profit for the year	1,215,346,408
Total	4,005,084,122

The Board of Directors proposes that the retained earnings and non-restricted equity be managed as follows:

Ordinary dividend	538,540,800
Extra dividend	195,833,018
Carried forward to new account	3,270,710,304
Total	4,005,084,122

Proposal on dividend

The Board of Directors proposes to the Annual General Meeting an ordinary dividend of SEK 5.50 (4.50) per share, totaling SEK 538.5 (440.6) million. The dividend corresponds to 32 percent of the Group's net profit after tax. The Board of Directors further proposes an extra dividend of SEK 2.00 (-) per share, totaling SEK 195.8 (-) million. The extra dividend corresponds to 12 (-) percent of the Group's net profit after tax.

Approval and adoption

The Annual Report and consolidated financial statements were approved for publication on March 20, 2025. The consolidated profit and loss accounts and statement of financial position as well as the profit and loss accounts and balance sheet of the Parent Company will be put before the Annual General Meeting for adoption on May 7, 2025.

Remuneration

Approved guidelines for remuneration

For guidelines for remuneration to members of the executive management resolved on by the 2024 AGM, refer to Note 14.

Remuneration guidelines 2025

The following guidelines for remuneration to members of the executive management (the "Guidelines") are applicable to remuneration agreed, and amendments to remuneration already agreed, after the adoption of the Guidelines by the 2025 AGM. The Guidelines encompass remuneration to the Board of Directors, the Chief Executive Officer and members of the executive management, however, these Guidelines do not apply to any remuneration decided or approved by the AGM.

The Board of Directors shall be entitled to temporarily depart from these Guidelines, in whole or in part, if special reasons justify doing so in an individual case and such deviation is necessary in order to meet the company's long-term interests or to ensure the company's financial viability. If such a departure occurs, it must be reported in the remuneration report before the next AGM. These Guidelines pertain to the period starting from the 2025 AGM. Any issue regarding departure from the Guidelines shall be prepared by the Remuneration Committee and decided by the Board of Directors.

The Guidelines' promotion of the company's business strategy, long-term interest and sustainability

Mycronic's strategy is to be a market-leading solutions provider within defined niches of the electronics industry. We create value by focusing on innovations that help drive the transition to a more sustainable electronics industry. This strategy will allow us to achieve

our vision of being the most trusted partner to the creators of tomorrow's electronics – delivering value for employees, customers, shareholders and society.

The Board of Directors considers that it is critical for the successful implementation of the company's business strategy and safeguarding of its long-term interests, that the company is able to recruit and retain members of the executive management with the competence and capacity to achieve specified goals. To this end, the company must offer competitive remuneration to motivate the executive management. Short-term variable pay covered by these Guidelines shall be based on criteria that aim at promoting the company's business strategy and long-term interests, including its sustainability, and where the fulfillment of the criteria is determined by the method set out below.

Forms of remuneration, etc.

The remuneration and other terms of employment for members of the executive management shall be based on market terms. Total remuneration consists of base salary and variable pay, pension and other benefits. In addition, the General Meeting may, regardless of these Guidelines, resolve on, inter alia, share-related or share-price related remuneration. Such pay is therefore excluded in the calculation of the total remuneration and the relative proportion of the remuneration components.

Fixed remuneration

In establishing the base salary for the CEO and members of the executive management, the scope and complexity of the position in question, as well as the individual's perfor-

mance is taken into account. The executive managements' salaries are, like the other components of remuneration, subject to annual review by the Remuneration Committee, with the support of external salary statistics to ensure that the salaries remain competitive. The base salary constitutes a maximum of 65 percent of total remuneration in the event of a maximum outcome of short-term variable pay.

Short-term variable remuneration

The short-term variable pay covered by these Guidelines shall aim at promoting the company's business strategy and long-term interests, including its sustainability. The short-term variable pay shall be dependent upon either the company's and/or the individual's fulfillment of criteria set annually or with another periodicity. In that way the short-term variable pay is clearly related to the company's development and/or the work contributions and performance of the individual. The criteria can be financial or non-financial, qualitative or quantitative, and shall be based on factors which support the company's business strategy and long-term interests. Examples of financial criteria that may be applied are order intake, cost control and EBIT. Examples of non-financial criteria that may be applied are diversity, reduced carbon footprint, reduced energy consumption and increased use of environmentally friendly and sustainable materials. In 2024 there was a gender diversity metric, defined as share of women among new hires during the year, included in the short-term variable remuneration. The gender diversity metric had a 20 percent weighting in the short-term variable pay. Short-term variable pay may also

be awarded in extraordinary circumstances, provided that such extraordinary arrangements are applied on an individual basis only, either for the purpose of recruiting or retaining members of the executive management, or as remuneration for extraordinary performance beyond the individual's ordinary tasks. The outcome is prepared by the Remuneration Committee and approved by the Board of Directors in connection with the end of the qualification period or after or in connection with an extraordinary circumstance or event. The remuneration is thereafter paid out. The short-term variable pay can amount to a maximum of 120 percent of base salary and 55 percent of total remuneration. Variable pay shall not be pensionable, unless otherwise provided by mandatory law or obligations in applicable collective bargaining agreements. The company has no contractual right to recover the remuneration.

Long-term variable remuneration

Members of the executive management can be offered incentive programs, which mainly should be share-related or share-price-related. An incentive program is intended to improve the participants' commitment to the company's development and shall be introduced on market-based terms.

Resolutions on share-related or share-price-related incentive programs must be passed at a General Meeting and are therefore not covered by these Guidelines.

The LTIP 2024, which was approved at Mycronic's 2024 AGM, included a CO₂e target related to the reduction of Mycronic's scope 1 and 2 greenhouse emissions. The CO₂e target had a 25 percent weighting in the LTIP. More info can be found in the 2024 AGM notice.

Remuneration *continued*

Other long-term remuneration

There are already existing agreements on long-term variable pay linked to continued employment for certain members of the executive management.

Benefits

Pension

Members of the executive management employed in Sweden after 2012 are covered by the contribution-defined plan under ITP1. Members of the executive management employed prior to 1 January 2022 have a supplementary contribution-defined pension plan in addition to the ITP plan. The retirement age for members of the executive management employed in Sweden is 65 years. For members of the executive management employed outside of Sweden, locally competitive pension plans and retirement ages are applied.

Other benefits

Other benefits e.g. car benefits and health care plans are established based on them being competitive in the local market.

Pension and other benefits constitute a maximum of 40 percent of total remuneration in the event of a maximum outcome of short-term variable pay.

Expat arrangements etc.

Members of the executive management who are required to relocate (expatriates) and/or commute internationally to execute the requirements of their role, may receive additional benefits and/or allowances to the extent reasonable in light of the special circumstances associated with such international relocation and/or commuting arrangements. Such additional benefits and/or allowances shall be decided by the CEO provided that the benefits and/or allowances is in accordance with the company's policy regarding international relocation and/or commuting as adopted by the Board of

Directors from time to time. The aforementioned benefits and/or allowances may include (but is not limited to) commuting or relocation costs, cost of living adjustments, housing, home travel or education allowance, tax and social security equalization assistance.

Additional arrangements

In addition, it may on a case-by-case basis be proposed by the Remuneration Committee and approved by the Board of Directors to compensate an individual for remuneration forfeited from a previous employer during recruitment. The Remuneration Committee and the Board of Directors will consider on a case-by-case basis if all or some of the remuneration, including incentives forfeited need to be "bought-out".

If there is a buy-out of forfeited incentives, this will take into account relevant factors including the form they were granted (cash vs. shares), performance conditions attached to these awards and the time they would have vested/paid. Generally, buy-out awards will be made on a comparable basis to those forfeited.

In the event of an internal candidate being promoted to the executive management, legacy terms and conditions may be honored, including pension and benefits entitlements and any outstanding incentive awards. If a member of the executive management is appointed following a merger or acquisition with/of another company, legacy terms and conditions may be honored.

Special adjustments

Regarding employment contracts governed by rules other than those applying in Sweden, appropriate adjustments may be made in order to comply with such mandatory rules or local practices in the individual's country of employment, taking into account, to the extent possible, the overall purpose of these Guidelines.

Notice of termination and severance pay

The employment or contractual agreements of members of the executive management shall be valid until further notice or for a specified period of time.

For the CEO, in the event of termination by the company, a twelve months' notice period and twelve months' severance pay apply.

For members of the executive management employed in Sweden, the mutual notice period is a maximum of six months. Upon termination by the company, six months' severance pay also applies. During the notice period, the current employment contract runs with associated benefits. In cases where severance pay would be paid, no other benefits will be paid after the expiry of the notice period. For members of the executive management who are locally employed outside of Sweden, employment or contractual agreements shall comply with mandatory rules applicable in the relevant jurisdiction or local practices in the individual's country of employment, entailing that e.g. other term of the employment (or term of contract as the case may be), other notice periods and other agreements on severance pay may be applicable in the individual case.

Salary and terms of employment

In preparing the Board of Directors' proposal for these Guidelines, the salaries and terms of employment for the company's other employees have been taken into account. Information about the executive management's total remuneration, components of their remuneration, as well as increases in remuneration and rates of increase over time have been obtained and have constituted a part of the Remuneration Committee's and the Board of Directors' decision basis in their evaluation of the fairness of these Guidelines and the limitations arising from them.

The resolution process

The Board of Directors shall prepare a proposal for new Guidelines when there is a need for significant changes to the Guidelines, however at least every four years. The Board of Directors' proposal is prepared by the Remuneration Committee. The Chairman of the Board of Directors may also be Chairman of the Remuneration Committee. In order to manage conflicts of interest, other members of the Remuneration Committee who are elected by the AGM must be independent in relation to the company and the members of the executive management.

The Remuneration Committee shall, inter alia, monitor and evaluate the application of these Guidelines resolved by the AGM. When the Remuneration Committee has prepared the proposal, it is submitted to the Board of Directors for decision. The CEO or other members of the executive management shall not be present while the Board of Directors addresses issues related to remuneration and passes resolutions about them, insofar as they are affected by the issues.

If the General Meeting resolves not to adopt Guidelines when there is a proposal for such, the Board of Directors shall submit a new proposal no later than at the next AGM. In such cases, remuneration shall be paid in accordance with the current Guidelines or, if no Guidelines exist, in accordance with the company's practice.

External advisors are used in the preparation of these matters when deemed necessary.

Review of the Guidelines

The guidelines were reviewed ahead of the Annual General Meeting in 2025, and the review has resulted in certain minor editorial changes. The aforementioned changes are not expected to entail any significant change in the remuneration paid in accordance with the current guidelines.

Remuneration *continued*

Long-term incentive program (LTIP)

The Board of Directors proposes that the AGM resolves to introduce a long-term incentive program for 2025 (LTIP 2025).

LTIP addresses members of the executive management and other key employees as a means of increasing and strengthening opportunities to recruit, retain and motivate employees, and to encourage personal, long-term ownership in Mycronic.

Each participant is entitled, after the end of a qualification period, subject to the employee still being employed throughout the qualification period until allotment, and depending on the fulfillment of specific performance requirements linked to Mycronic, to receive an allotment of shares in Mycronic, referred to as performance shares.

The allotment of performance shares will be free of charge. The allotment within LTIP 2025 will take place during a limited time period following the 2028 AGM. The period up until this time constitutes the qualification period.

In addition, allotment requires the fulfillment of performance requirements linked to Mycronic's earnings per share and CO₂e.



Risks

Risk and business continuity management

Mycronic has established a framework for enterprise risk and business continuity management. It supports us in managing risks and disruptions and provides us with crucial input for shaping the organization's strategy.

Mycronic has implemented a Business continuity and risk management policy. It describes the key principles for effective risk management and ensuring continuity, as well as a coordinated method to handle incidents and disruptions. The risk management process adheres to the ISO 31000 guidelines, which are a comprehensive and internationally recognized standard for effective risk management.

Enterprise Risk Management (ERM) and Business Continuity Management (BCM) are two adjacent processes that contribute to Mycronic's business resiliency.

Enterprise Risk Management (ERM)

The ERM process is carried out with a bottom-up approach, which is well aligned with the decentralized structure of Mycronic. The framework establishes a structured and consistent approach to risk management within the Group. Through clear roles, responsibilities and process management, a transparent risk overview is achieved.

The management of risks at Mycronic is embedded in business processes, controls, and approvals on different levels of the organization. Certain cross-functional risks are centrally coordinated and locally managed, such as risks related to information security, IT security, corporate governance, integrity, and anti-corruption. Operational, environmental, labor, health and safety, supply chain (e.g. conflict minerals) and human rights risks are managed within the respective division or functional area.

Each year, Mycronic conducts a workshop with all divisions and Group functions. This workshop includes summarizing emerging

risks and identifying risks that have been changed or eliminated. As a support, data from related business processes is collected and analyzed alongside with global risk reports and inputs from the Group.

Risks are evaluated based on two key factors: Risk Impact and Risk Factor. The former measures potential consequences upon realization of the risk. The latter measures how effectively a specific risk is currently managed, with already implemented risk management measures (this essentially represents the residual risk). This concept aims to pinpoint gaps in risk management and to enable a more customized approach based on risk perception and collective workshop experience. The prioritization of risks is based on their placement on a Risk Matrix.

The outcome of the ERM process is reviewed and approved by the executive management and is then communicated to the Board of Directors. The outcome from this process is an important input to the strategy process at Group and divisional levels.

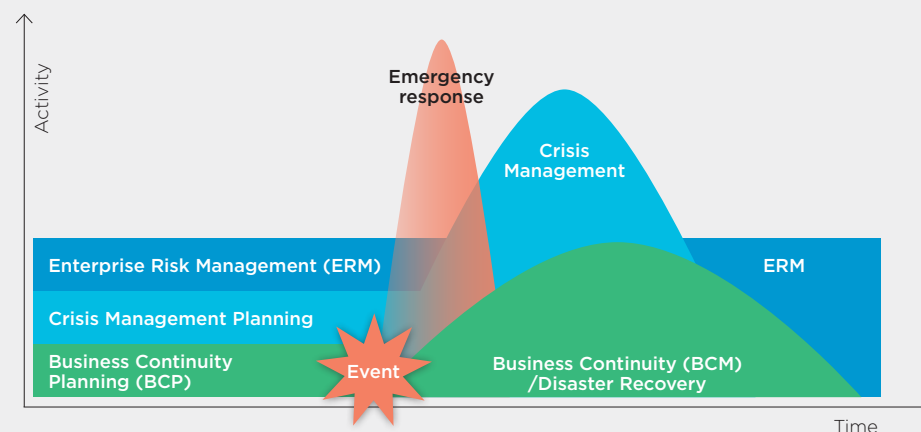
Business Continuity Management (BCM)

Business Continuity Management includes emergency response, crisis management and Business Continuity Planning (BCP).

To further strengthen Mycronic's business resilience, a common BCP approach and methodology, based on ISO 22301, has been established. The process aims to provide a systematic and pragmatic approach to BCP as well as to ensure uniformity across Mycronic Group.

Critical dependencies and scenarios related to loss of site, critical suppliers and IT systems have been defined for all divisions. Based on

RELATIONSHIP BETWEEN ERM AND BCM PROCESSES



The enterprise risk management (ERM) process and procedures for business continuity management (BCM) together ensure Mycronic's ability to manage risks, respond to and recover effectively from disruptions, and to minimize any harm to people, the environment, and our business.

the results from this review, a business impact analysis was conducted and BCP targets and strategies were established.

In 2024, the Group initiated a review of sustainability risks, which was conducted during ERM workshops across all divisions. Progress was also made in addressing key BCP dependencies by identifying and implementing actions to achieve BCP strategies. Additionally, other critical dependencies, particularly those related to suppliers, were identified.

Business impact analyses were conducted, strategies were developed, and the implementation of mitigating actions was initiated.

In summary, risk awareness has increased through continuous improvements in the ERM process, combined with the quantification of critical dependencies and concrete actions through a more systematic BCP process.

Risks *continued*

Mycronic Group risk overview

Mycronic is an international group with operational presence in Europe, Asia and

North America, and therefore encounters diverse risks across multiple domains. Mycronic's main risks are described in the

table below, which is a compilation of the 2024 risk review. For detailed information on financial risks see Note 34.

RISK	TREND	EXAMPLE OF RISK MITIGATION ACTIVITIES
Compliance Failure to adhere to external regulations and internal governance standards, encompassing product and trade compliance, environmental regulations, CSRD, GDPR, anti-corruption and anti-bribery laws, labor and human rights.		• Continuous monitoring and implementation of action plans. • Regular reviews of Codes of Conduct, policies, and other governance documents. Inclusion of these in contracts when relevant. • Whistleblower system and trade compliance processes. Self-assessments and regular reviews of compliance by the Mycronic Group Ethics and Compliance Board. • Business ethics e-training for the whole organization.
Cyber and information security The risk of compromising business information through events like cyber-attacks and intellectual property threats.		• Cybersecurity Program covering all parts of the NIST Cybersecurity Framework (Govern, Identify, Protect, Detect, Respond and Recover). • Awareness training, monitoring, penetration testing, and recovery planning and testing.
Emergency situation/local crisis Local emergencies such as fire, theft, and loss of key site.		• Site security procedures. Preventive maintenance and fire-protection measures. • Business continuity planning, along with a dedicated crisis management team and associated procedures.
Financial Currency, liquidity, and other financial risks.		• Financial policies and key processes to effectively mitigate currency risks. • Solid balance sheet with net cash and credit facilities of SEK 2 billion. • Hedging of equipment orders for the Pattern Generators division, in order to manage foreign exchange exposure.
Geopolitical/global or regional crisis Macro or micro-economic challenges such as wars, trade wars, political instability, climate change, pandemics, natural disasters, terrorism, and disruptions in financial markets.		• Trade compliance rules and trends monitored and considered for strategic actions. • Sales and services carried out in the respective region. Establishment of local operations to better serve specific local needs and minimizing impact of trade wars. • Double materiality assessment conducted, including assessment of climate-related risks. Group goals and action plans to address climate change. Monitoring of customer preferences. • Business continuity planning addressing risks affecting main production facilities and critical suppliers.
Human resources The risk of not being an attractive employer, leading to poor employee attraction, retention, and development. Health and safety risks.		• Enhancements of the employer brand and critical employee processes, such as onboarding, learning and development, performance management, leadership, diversity and inclusion, and total rewards. • Strong safety culture and continuous development of approaches to ensure health and safety.
Market Market decline, end-order cancellation and increasing competition.		• Diversification into other segments, strategic acquisitions, and refining of the go-to-market, sales, and service models. • Development of new products. • Monitoring of clients' financial situations and down payments on high-risk orders.
Supply chain Dependency on single/sole source suppliers. Material shortages, particularly related to the current market situation.		• Monitoring and proactive tracking of order and delivery status. Safety stocks. • Strengthening of supplier evaluation procedures, escalation process and business continuity planning.

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Governance

Corporate governance ensures that the Mycronic Group is managed as efficiently as possible through a clear division of responsibilities in addition to clear regulations and transparent processes.

Corporate Governance Report

The objective of corporate governance is to ensure that the Mycronic Group is managed as efficiently as possible in order to create shareholder value. This is achieved through a clear division of responsibilities between the General Meeting, the Board of Directors and the executive management, as well as through clear regulations and transparent processes.

Framework for corporate governance

Corporate governance is based on external governing documents such as the Swedish Companies Act, the Annual Accounts Act, Nasdaq Nordic's Main Market Rule Book and the Swedish Code of Corporate Governance (the Code), as well as internal governance systems. In 2024, Mycronic complied with the Code in all respects.

Our purpose, guiding principles, vision and Code of Conduct form the basis for internal governance systems. Internal regulations include the Articles of Association, the rules of procedure for the Board of Directors (the Board), the Board policy for the CEO and several other policy documents that are updated annually. Examples of steering documents include the Code of Conduct, the Financial policy and the approval and signing policy.

Shareholders

Mycronic is a Swedish public limited liability company registered in Täby. The share is listed on Nasdaq Stockholm, Large Cap. Share capital amounts to SEK 97,916,509 spread over 97,916,509 shares. Each share carries one vote.

At the end of 2024, Mycronic had 17,822 (14,678) shareholders. Bure Equity was the largest shareholder with 23.1 percent of capital and votes at the end of the year. More information on Mycronic's share and shareholders can be found on pages 32–33.

The General Meeting

The General Meeting is the company's highest decision making body. All shareholders have the right to participate in the General Meeting and to exercise their voting rights relative to their shareholdings. Rules regarding the

General Meeting can be found in the Swedish Companies Act and the Articles of Association. Notice to attend the Annual General Meeting (AGM) shall be made four to six weeks prior to the AGM through an announcement in Post och Inrikes Tidningar and in a press release published on the company website. Issuance of the notice shall be announced in Svenska Dagbladet. Shareholders who wish to participate in the meeting must submit an application in accordance with information in the official notification.

2024 AGM

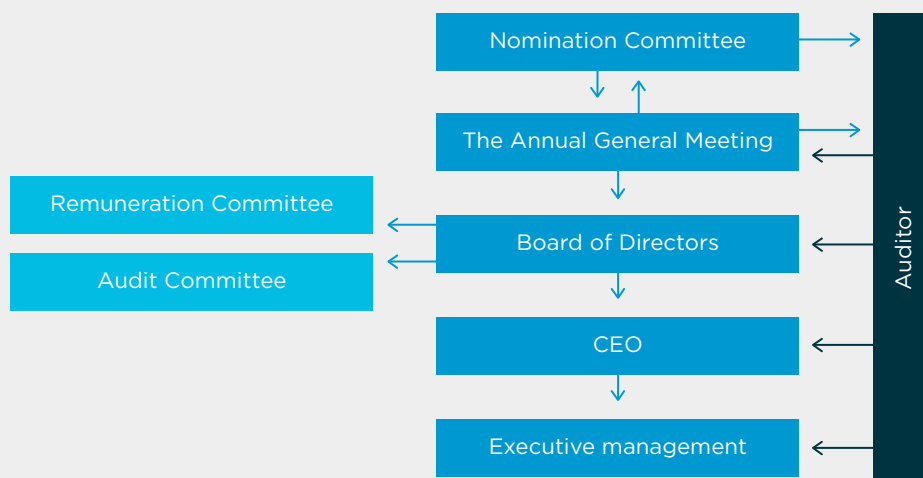
The AGM was held at the company's premises at Nytorpsvägen 9 in Täby on May 8, 2024. The AGM was attended by shareholders representing 79.6 percent of the share capital and votes.

The AGM made decisions in accordance with the Board's and the Nomination Committee's proposals on:

- Chairman of the meeting.
- Adoption of the income statement and the balance sheet as well as the consolidated income statement and consolidated balance sheet.
- Disposal of earnings through a dividend of SEK 4.50 per share.
- Discharge from liability for the board members and the CEO.
- That the number of board members elected by the general meeting shall be seven with no deputy board members.
- That one registered public auditing firm shall be elected.
- That board fees shall be paid with a total of SEK 3,715,000 to be distributed with SEK 925,000 to the Chairman and with SEK

CORPORATE GOVERNANCE AT MYCRONIC

In order to govern the Mycronic Group in an efficient manner, governance, management and control has been distributed between the AGM, the Board, the CEO and executive management, with committees and collaborative bodies within specific areas. Control is exercised by the external auditor and through internal control activities.



370,000 to each of the other board members elected by the General Meeting. In addition, SEK 150,000 shall be allocated as fee to the Audit Committee Chairman, SEK 85,000 to each of the other members of the Audit Committee, as well as SEK 110,000 to the Remuneration Committee Chairman and SEK 70,000 to each of the other members of the Remuneration Committee.

- That fees to the auditor shall be paid on an ongoing basis as invoices are approved.
- The re-election of Anna Belfrage, Katarina Bonde, Staffan Dahlström, Arun Bansal, Bo Risberg and Patrik Tigerschiöld as members of the Board. The election of Jens Hinrichsen as new member of the Board. Patrik Tigerschiöld was re-elected as Chairman of the Board. In addition to the members elected by the general meeting,

Corporate governance report *continued*

- the employee organizations Unionen and Akademikerna have appointed one employee representative each.
- The election of the auditing firm Ernst & Young AB as auditor with authorized public accountant Anna Svanberg as auditor-in-charge.
 - The approval of the Board's remuneration report according to Chapter 8, Section 53 a of the Swedish Companies Act.
 - The adoption of guidelines for remuneration to members of the executive management.
 - The adoption of principles for appointing the Nomination Committee.
 - An authorization for the Board of Directors to decide on issue of new shares. The issue price shall be established on marketable grounds and the number of issued shares may not exceed ten percent of the number of shares outstanding as of the date of the notification to attend the 2024 AGM.
 - An authorization for the Board of Directors to decide on acquisition of the company's own shares. Acquisition of own shares may only be made by a maximum of so many shares that, at any given time, the company's own holdings do not exceed five percent of the total number of shares outstanding in Mycronic AB.
 - Approval of the terms and conditions for the long-term incentive program LTIP 2024 and approval to implement hedging measures pertaining to LTIP 2024 by transfer of the company's own shares.

Shareholder representation at the most recent AGMs



Information on the AGM including all proposals and minutes can be found at www.mycronic.com.

2025 AGM
The AGM will be held at the company's premises at Nytorpsvägen 9 in Täby on May 7, 2025.

Nomination Committee
The Nomination Committee represents the shareholders. Its task, ahead of the AGM, is to produce proposals regarding election of the Chairman of the meeting; decisions on the number of board members; election of and decisions on fees to board members, the Chairman of the Board and auditor; election of and decisions on fees to members pertaining to other special committees or councils that the AGM may resolve on appointing; and proposals for principles on appointing a Nomination Committee for resolution by the AGM.

In accordance with the resolution by the AGM, the Nomination Committee consists of four persons: representatives from the three largest known owners as of August 31 and the Chairman of the Board. The composition of the Nomination Committee is published at the latest six months prior to the AGM. The Nomination Committee's proposals are presented in the notice to the AGM and on Mycronic's website.

The annual evaluation of the Board's work is presented to the Nomination Committee and form the basis for its work in proposing board members. The Nomination Committee bases its work on the requirements of the Swedish Companies Act and the Code, as well as company-specific requirements. In its work, the Nomination Committee applies section 4.1 of the Code as the diversity policy. The intention is to have an appropriate board composition, which shall be characterized by versatility and breadth including age, gender, education, background and experience. The

Board of Directors is presented on pages 46–47. Additional information is available in the Nomination Committee's reasoned statement regarding its proposal to the 2025 AGM.

The Nomination Committee for the 2025 AGM consists of Henrik Blomquist (Bure Equity), Patrik Jönsson (SEB Funds), Thomas Ehlin (Fourth Swedish National Pension Fund) and Patrik Tigerschiöld (Chairman of the Board).

Nomination Committee

Name	Representing	Holdings %, Aug 31, 2024
Henrik Blomquist	Bure Equity	23.1
Patrik Jönsson	SEB Funds	9.0
Thomas Ehlin	Fourth Swedish National Pension Fund	7.9
Patrik Tigerschiöld	Chairman of the Board of Mycronic AB	

Board of Directors

The Board of Directors (the Board) has overall responsibility for the company's organization and management. The Board monitors operations, ensures a suitable organization, and establishes guidelines for internal control. The Board establishes strategies and goals and makes decisions on major investments. The CEO is appointed by the Board and is responsible for ongoing administration.

The responsibilities of the Board are governed by the Swedish Companies Act and in the rules of procedure. Division of labor between the Board and the CEO is established through written instructions.

The Board consists of seven members appointed by the AGM, and two employee representatives appointed by Unionen and Akademikerna.

Board activities

The Board works according to the rules of procedure, which shall ensure that the Board is well-informed and that all Board-related issues are addressed. The rules of procedure, which are established annually, describe the division of responsibilities between the Board and its committees, and between the Board and the CEO. The Board takes decisions on strategy and budget, confirms financial reports and the annual and sustainability report and significant policies including the approval and signing policy, appoints the CEO and evaluates the CEO's work, establishes regulations for internal control and monitors the effectiveness of internal control, decides on major investments and agreements, appoints the Audit and Remuneration Committees and evaluates the work of the Board. The Board monitors compliance with approved guidelines on remuneration to executive management, and proposes guidelines for remuneration for consideration by the AGM.

During 2024 Boardclic evaluated the work of the Board using surveys, the evaluation was further followed by a focused session during a board meeting.

The Chairman of the Board leads the work of the Board and also represents the company on ownership issues. Board meetings are prepared by the Chairman of the Board, together with the CEO. The CEO and the company's CFO, who is responsible for recording the minutes of board meetings, attend. In addition, other employees attend as necessary in relation to individual cases. Materials are distributed prior to each meeting. Some issues are prepared in committees.

Recurring items at board meetings are reviews of the business situation and financial reporting. Board committees report on their activities and raise issues for decision.

The Board held eleven meetings in 2024.

Corporate governance report *continued*

Board committees

The committees' tasks and rules of procedure are established by the Board in written instructions. The main task of the committees is to prepare matters that are presented to the Board for decision-making.

Remuneration Committee

The Remuneration Committee is appointed by the Board and consists of three board members. The Committee is tasked with proposing the CEO's salary, other remuneration, succession planning and terms of employment. The Committee also proposes guidelines for remuneration to the executive

management and proposals for incentive programs. The Remuneration Committee shall also monitor and evaluate the application of the guidelines for remuneration to members of the executive management that the general meeting has adopted.

Since the 2024 AGM, the Remuneration Committee has consisted of Patrik Tigerschiöld (Chairman), Arun Bansal and Bo Risberg. The Remuneration Committee held three meetings in 2024.

Audit Committee

The Audit Committee is appointed by the Board and consists of three board members.

The Committee is tasked with ensuring the quality of financial and sustainability reporting, monitoring the effectiveness of the internal control including risk management with respect to financial reporting and the annual sustainability report, as well as evaluating performed internal audit work. This comprises reviews of significant accounting and valuation issues. The Audit Committee evaluates the external auditing and assists the Nomination Committee with proposals for the election of the auditor. Employees do not participate during parts of certain meetings between the Audit Committee and the external auditor.

Since the 2024 AGM, the Audit Committee has consisted of Anna Belfrage (Chairman), Katarina Bonde and Staffan Dahlström. In 2024, the Audit Committee held five meetings.

Evaluation of Board performance

The Board's work is evaluated annually. The evaluation is done by external evaluation or self-assessment. The objective is to develop, set targets for, and measure the work of the Board, but also to provide the Nomination Committee a basis for the task of preparing proposals on board appointments to the upcoming AGM. The Chairman of the Board is responsible for the evaluation.

CEO and executive management

The executive management consists of seven persons, including the CEO, see pages 48–49.

The CEO leads the work of the executive management, which meets once a month. Issues addressed include financial performance, risk management, business development, leadership and talent acquisition and other strategic issues. The CEO is responsible for keeping the Board informed of the company's development. Two global business leader meetings were organized in 2024 to strengthen unified communication and control throughout the Group. In addition to the executive management, there are several collaborative bodies that prepare and coordinate strategic and operational issues.

External audit

The auditor is appointed by the AGM to review the company's annual financial statements and the consolidated accounts, as well as the Board's and CEO's administration. Audits are conducted in accordance with International Standards on Auditing and generally accepted auditing practices in Sweden. The executive management is briefed on audit results continuously. The auditor meets with the Audit Committee on an ongoing basis and with the entire Board

BOARD ACTIVITY IN 2024

During 2024, the Board held 11 meetings, of which one was the statutory meeting and two per capsulam, and all meetings offered the opportunity to participate digitally.

Fourth quarter

- Budget for 2025 established
- Interim report Jan–Sept
- Review of M&A
- Review of sustainability
- Review of cybersecurity
- Review of remuneration to executive management
- Evaluation of the Board

Third quarter

- Interim report January–June



First quarter

- Interim report for the fourth quarter and full-year 2023, proposal on dividend
- 2023 Annual Report adopted
- Succession and talent management review

Second quarter

- Statutory meeting with decisions on signing authority, policies, etc. directly after the AGM
- Strategy seminar, with adjacent Board meeting
- Interim report January–March
- Enterprise Risk Management review
- Review of sustainability

Corporate governance report *continued*

annually. The auditor submits the Auditor's report to shareholders at the AGM. In 2024, the auditor performed, in addition to the audit, a summary review of the third quarter report. Fees to the auditor are paid on an ongoing basis as invoices are approved. Refer to Note 9 for information on auditor remuneration.

External financial reporting

In accordance with the established communication policy, Mycronic continuously reports information on the company's performance and financial position through interim reports, the Annual and Sustainability report and press releases in conjunction with significant events.

In conjunction with interim reports, presentations are held for financial analysts, institutional investors, and the media. Company management and the Director Investor Relations meet analysts and institutional investors at other external and internal arrangements. Representatives from Mycronic also participate at events arranged by, for example, investment banks and the Swedish Shareholders' Association. Financial reports, press

releases and other relevant information are presented on the company's website. Mycronic observes a 30-day silent period before publication of financial reports, during which the company does not communicate with the financial market by means other than public press releases.

Insiders

In accordance with the EU's Market Abuse Regulation (MAR), Mycronic is obligated to maintain a register of persons discharging managerial responsibilities and parties closely related to them. This group consists of Board members and executive management. These persons are obliged to report all transactions in Mycronic securities to the Swedish Financial Supervisory Authority (Sw. Finansinspektionen) and to the company. The company is also required to maintain a temporary insider register (log book) of persons who have access to non-public information for a limited period in connection with particular events. This might be the Board, employees or contractors. The details of the application of the provisions above are outlined in the Market Abuse Regulation.

Internal control of financial reporting

Internal control is comprised of processes and methods that limit risks for material misstatement in the financial statements, and provide a reasonable assurance of the reliability and accuracy of the financial reporting. Internal control is maintained by the Board, management and employees. Mycronic has chosen to describe its work with internal control based on COSO's components: the control environment, risk assessment, control activities, information and communication, and monitoring.

Control environment

The control environment consists of a suitable organization, decision making procedures, authorization and responsibilities, as expressed in policies and guidelines. Common values provide consensus with the intention of strengthening internal control. Mycronic's Code of Conduct describes the approach that employees are expected to maintain in matters relating to business ethics and social issues. Examples of steering documents include the rules of procedure for the Board and its committees, terms of reference issued

by the Board to the CEO, the approval and signing policy, Code of Conduct, and insider and communication policies. Ensuring processes include a high degree of internal control is the responsibility of the respective department manager. Process descriptions and steering documents are gathered in a digital management system.

The Group's finance and controller organization, centrally and at the level of each unit, plays an important role in the reliability of financial information and is responsible for ensuring that complete, accurate financial reporting is completed on time.

Risk assessment

Included in risk assessment is the identification and evaluation of the risk for material misstatements in accounting and reporting and the risks of irregularities and fraud. When assessing risks that affect internal control as it relates to financial reporting, the evaluation is based on likelihood and impact. Risks are linked to processes. Critical processes are evaluated with respect to their efficiency and risk. Critical processes include product development, sourcing, manufacturing, sales, salary and support processes such as financial closing and IT.

Control activities

Control activities should prevent, reveal and resolve deviations. There are controls at all levels within the company and across all departments. Control activities may be automated by being built into IT systems, such as authorization structures. They may also be manual, such as double checks for disbursements and reconciliations in connection with financial closings. Recurring analysis of results complement daily controls. A financial handbook ensures uniformity of financial reporting within the Group. A group-wide system is used for financial reporting. Mycronic continuously develops its work aimed at standardizing a number of key

Attendance at meetings in 2024 and remuneration to Board members elected by the Annual General Meeting

Name	Elected	Independent ¹	Holdings	Attendance			Remuneration		
				Board of Directors	Audit Committee	Remuneration Committee	Board	Audit Committee	Remuneration Committee
Patrik Tigerschiöld, Chairman	2009	No	100,000	11/11		3/3	925,000		110,000
Katarina Bonde	2010	Yes	2,000	9/11	5/5		370,000	85,000	
Anna Belfrage	2018	Yes	—	11/11	5/5		370,000	150,000	
Staffan Dahlström	2019	Yes	17,000	10/11	5/5		370,000	85,000	
Arun Bansal	2020	Yes	—	11/11		3/3	370,000		70,000
Bo Risberg	2022	Yes	10,000	11/11		2/2	370,000		70,000
Jens Hinrichsen	2024	Yes	—	5/7			370,000		

1) According to the Swedish Code of Corporate Governance, in relation to the company's largest shareholders.

Corporate governance report *continued*

controls within critical processes. These controls comprise unified Group-wide tools for internal control and governance. Control requirements are important aids for the Board to manage and evaluate information from management and assume responsibility in relation to the risks identified.

Information and communication

The Board and executive management have established channels for communication to ensure that financial reporting is complete and accurate. Internal communication channels include quality systems and analysis tools as well as the intranet. One way to educate staff on Group-wide rules is through e-learning, which can be linked to tests after completion of the training. Each month, financial information is compiled and distributed to board members and executive management. External communication is carried out in accordance with the established communication policy. Financial reporting is published in accordance with applicable regulations. The Board approves the Group's Annual and Sustainability report and year-end report and issues quarterly reports. For the first and third quarters, the Board has instructed the CEO to issue the quarterly reports.

Monitoring

Mycronic's evaluation of internal control occurs through self-assessment. Self-assessment entails employee involvement, which increases understanding of the importance of internal control. Self-assessment of critical processes is complemented by external evaluation or statements of opinion. Evaluation of internal control follows a plan approved by the Audit Committee.

Mycronic continuously develops its overall procedure in which the effectiveness of key controls is monitored for each reporting unit. The results are followed up and compiled at Group level and presented to the Audit

Committee on a quarterly basis, which in turn reports the results to the Board.

Representatives of the central finance and controller department regularly visit the subsidiaries to review and evaluate internal controls. In 2024, a site visit was conducted at Mycronic (Shanghai) Co., Ltd. in China, as well as reviews using a digital solution. The visit was carried out together with representatives from Ernst & Young. Focus areas in the

reviews included revenue recognition, trade receivables, inventories and authorization procedures. Experiences are continuously shared among representatives from the Group's finance departments.

The Audit Committee monitors the internal control work and has ongoing contact with the external auditor. This contributes to the Board's collective insight into internal control regarding financial reporting.

Mycronic has no internal audit function, as it is the Board's opinion that the company's internal organization and processes for monitoring fulfill this function in a satisfactory manner. Internal audits on selected topics are, however, conducted regularly, either with internal resources or, if so required, through a third party.



Board of Directors and auditor



Patrik Tigerschiöld

Chairman of the Board since 2012 and board member since 2009

Born: 1964

Dependent board member

Education: MSc Business and Economics

Other board assignments: Chairman of the Board of Bure Equity AB, Yubico AB, Cavotec SA and the Center for Business and Policy Studies (SNS). Member of the Royal Academy of Engineering Sciences

Previous positions: CEO of Bure Equity AB 2010–2013, CEO of Skanditek Industrieförvaltning 1999–2010, and CEO of SEB Allemansfonder AB 1995–1999

Committee in Mycronic: Chairman of the Remuneration Committee

Shareholding in Mycronic¹: 100,000



Arun Bansal

Board member since 2020

Born: 1968

Independent board member

CEO of Adani Airports Holdings Limited

Education: Bachelor of Engineering (Electronics) from University of Jiwaji, India. Postgraduate Diploma in Marketing from Indira Gandhi National Open University, India

Previous positions: Deputy CEO & President of Europe and Latin America and senior international positions at Ericsson since 1995

Committee in Mycronic: Member of the Remuneration Committee

Shareholding in Mycronic¹: —



Anna Belfrage

Board member since 2018

Born: 1962

Independent board member

Education: M Sc Business and Economics

Other board assignments: Chairman of the Board of Cint AB, NOTE AB and Silex AB. Board member of Ellevio AB, Elopak ASA and Deep Ocean Group AS

Previous positions: CFO Södra Skogsägarna ekonomisk förening 2017–2019, Acting CEO Beijer Electronics Group 2014–2015, CFO Beijer Electronics Group 2011–2014, CFO ABS Group (a division of the Cardo Group) 2004–2010, various roles and positions at Dresser Wayne AB, Obducat AB, Åkerlund & Rausing AB, and auditor at Price Waterhouse 1986–1994

Committee in Mycronic: Chairman of the Audit Committee

Shareholding in Mycronic¹: —



Katarina Bonde

Board member since 2010

Born: 1958

Independent board member

Education: MSc Engineering Physics

Other board assignments: Chairman of the Board of Stillfront Group AB, Mentimeter AB and Zimpler AB. Board member of Viaplay Group AB

Previous positions: CEO of UniSite Software Inc 2000–2003, CEO of Captura International 1997–2000, Marketing Director Dun & Bradstreet Software Inc 1996–1997, Vice President at Timeline Inc 1994–1995, and CEO of Programator Industri AB 1989–1992

Committee in Mycronic: Member of the Audit Committee

Shareholding in Mycronic¹: 2,000



Staffan Dahlström

Board member since 2019

Born: 1967

Independent board member

CEO of HMS Networks AB since 2009

Education: Data Engineer, MBA

Other board assignments: Board member of Clavister AB

Previous positions: Co-founder HMS Networks since 1989

Committee in Mycronic: Member of the Audit Committee

Shareholding in Mycronic¹: 17,000

¹) Shareholding as of December 31, 2024.

Board of Directors and auditor *continued*

EMPLOYEE REPRESENTATIVES

AUDITOR



Jens Hinrichsen

Board member since 2024

Born: 1967

Independent board member

Executive Vice President and General Manager of Advanced Analog at NXP Semiconductors

Education: MSc Mechanical Engineering and Business, Technical University Berlin, Germany

Other board assignments: Vice Chairman of the Board of Datang NXP Semiconductors, China

Previous positions: 30 years' experience from the semiconductor industry, starting with various positions at Philips Semiconductors in Europe and Asia, followed by senior positions at NXP Semiconductors in North America and Europe

Committee in Mycronic: —

Shareholding in Mycronic¹: —



Bo Risberg

Board member since 2022

Born: 1956

Independent board member

Education: BSc Mechanical Engineering, Queen's University, Canada and MBA, IMD, Switzerland

Other board assignments: Board member of Stäubli International AG

Previous positions: 14 years at Hilti Corporation, of which 6 years as COO and 7 years as CEO. In addition, 14 years' experience from various roles within ABB

Committee in Mycronic: Member of the Remuneration Committee

Shareholding in Mycronic¹: 10,000



Jörgen Lundberg

Board member since 2019

Employee representative appointed by Akademikerna

Born: 1964

Director, Development Center Pattern Generators – Product Strategy & Development

Education: MSc Mechanical Engineering

Shareholding in Mycronic¹: —



Sahar Raouf

Board member since 2022

Employee representative appointed by Unionen

Born: 1979

Senior software developer

Education: BSc mathematics and computer engineering

Shareholding in Mycronic¹: —

Anna Svanberg

Auditor-in-Charge, Ernst & Young

Born: 1976

Authorized Public Accountant and member of FAR

Other assignments: Hemnet and Addnode

1) Shareholding as of December 31, 2024.

Executive management



Anders Lindqvist

PRESIDENT AND CEO

Employed since 2019

Born: 1967

Education: Mechanical engineer and university-level studies in marketing

Previous positions: President and CEO of Piab Group AB 2013–2019, Divisions Director for Atlas Copco 2007–2013, President of Atlas Copco China 2006–2007, President of Atlas Copco Nordic 2004–2006

Board assignments: Board member of Gunnebo Holding AB, NCAB and Munters AB

Shareholding in Mycronic¹: 20,803



Pierre Brorsson

CFO AND SR VP CORPORATE DEVELOPMENT

Employed since 2021

Born: 1972

Education: MSc Business and Economics

Previous positions: CFO Ramirent, senior positions as Financial Manager and VP Business Development at Atlas Copco

Board assignments: Board member of ProTrain Group

Shareholding in Mycronic¹: 921



Lena Båvegård

SR VP GLOBAL FUNCTIONS

Employed since 2018

Born: 1967

Education: MSc Electrical Engineering

Previous positions: Various senior positions in Transmode and Infinera, most recently as Sr Director, Corporate Quality & Sustainability and various senior positions in Q-Med and Ericsson

Board assignments: Board alternate of SIQ and Chairman of the Board of SIQ Intres-tentföreningen Kvalitetsutveckling

Shareholding in Mycronic¹: 5,922



Clemens Jargon

SR VP HIGH FLEX

Employed since 2015

Born: 1965

Education: Master's degree in Mechanical Engineering, discipline: Aerospace engineering

Previous positions: Various senior positions in telecommunications and the semiconductor industry, as well as in the market for renewable energy, at companies such as Q-Cells, Infineon, Siemens and T-Mobile

Shareholding in Mycronic¹: 1,291

1) Shareholding as of December 31, 2024.

Executive management *continued*



Johanna Jarl

SR VP PEOPLE & CULTURE

Employed since 2022

Born: 1981

Education: MSc Business and Economics

Previous positions: Vice President & Head of HR Infrastructure Division at AFRY, Director Strategy & Integration SSAB Europe Division and management consultant in Talent & Organization at Accenture

Shareholding in Mycronic¹: —



Magnus Marthinsson

SR VP GLOBAL TECHNOLOGIES

Employed since 2004

Born: 1968

Education: MSc Electrical Engineering

Previous positions: Head of global after-market sales, head of global customer support within the Mycronic Group and various management roles in the development organizations of Zarlink, Ericsson and Allgon

Shareholding in Mycronic¹: 17,494



Charlott Samuelsson

SR VP PATTERN GENERATORS

Employed since 1996

Born: 1963

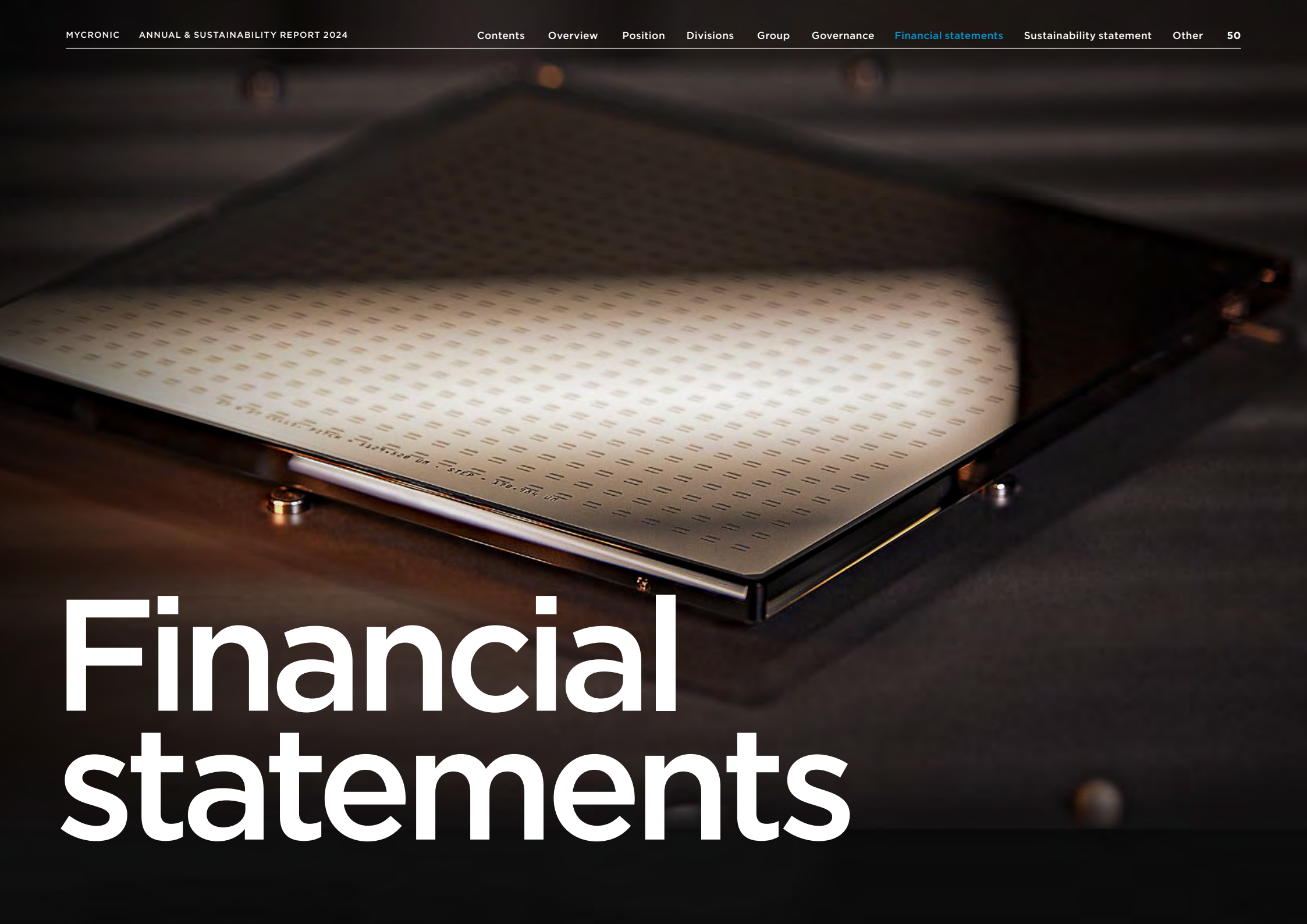
Education: MSc Engineering Physics

Previous positions: Head of global after-market, Head of system and application development and Head of operational development in the Mycronic Group

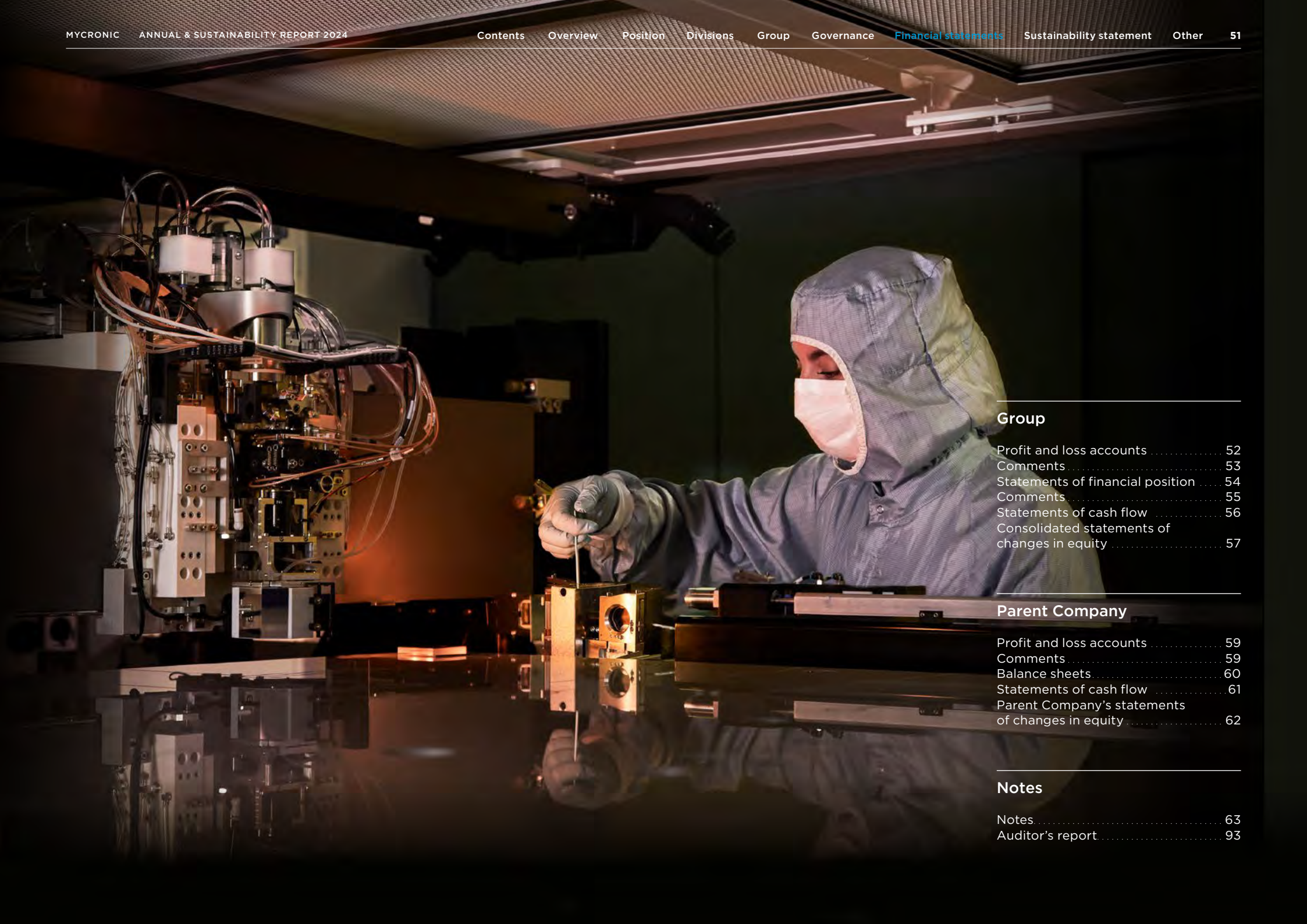
Board assignments: Board member of Invisio AB

Shareholding in Mycronic¹: 20,817

¹) Shareholding as of December 31, 2024.



Financial statements



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Parent Company

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Group

Profit and loss accounts

SEK million	Notes	2024	2023
Net sales	6, 7	7,057	5,706
Cost of goods sold	12	-3,338	-2,850
Gross profit		3,719	2,855
Research and Development	11, 12	-747	-653
Selling expenses	12	-628	-658
Administrative expenses	9, 12	-361	-338
Other operating income	10	55	61
Other operating expenses	10, 12	-18	-33
EBIT		2,021	1,235
Financial income		78	40
Financial expenses		-15	-13
Net financial items	15	63	27
Profit before tax		2,084	1,262
Tax	18	-396	-266
Profit for the year		1,688	996
Earnings per share before dilution, SEK	17	17.25	10.22
Earnings per share after dilution, SEK	17	17.24	10.22
Profit attributable to owners of the Parent Company		1,683	998
Profit attributable to non-controlling interests		5	-2
		1,688	996

Statements of comprehensive income

SEK million	Notes	2024	2023
Profit for the year		1,688	996
Other comprehensive income			
Items not to be reclassified to profit and loss			
Actuarial profit/loss from defined benefits to employees	29	-3	-5
Tax relating to actuarial results	18	0	1
Total of items not to be reclassified to profit and loss		-2	-4
Items to be reclassified to profit and loss			
Translation differences upon translating foreign entities	34	208	-134
Tax relating to translation differences	18, 34	-19	8
The year's changes in fair value on cash flow hedges	35	-166	52
Cash flow hedges transferred to profit and loss	34	-15	22
Tax relating to cash flow hedges	18	37	-15
Total of items to be reclassified to profit and loss		46	-67
Total other comprehensive income		43	-71
Total comprehensive income for the year		1,731	925
Total comprehensive income attributable to owners of the Parent Company		1,724	929
Total comprehensive income attributable to non-controlling interests		7	-4
		1,731	925

Group

Profit and loss accounts *continued*

Comments on financial performance

The Group's operating segments correspond to its four divisions. All financial information, such as profit and loss and balance sheet items, includes acquired companies as of the respective dates of acquisition.

Net sales

Group net sales increased 24 percent to SEK 7,057 (5,706) million. Organic growth was 25 percent.

Net sales comprised delivery of 22 (18) systems in the Pattern Generators division, of which 14 (14) SLX systems.

Of net sales for the year, the Pattern Generators division accounted for SEK 2,997 (2,106) million, High Flex for SEK 1,489 (1,535) million, High Volume for SEK 1,434 (1,140) million and Global Technologies for SEK 1,138 (928) million.

Aftermarket sales constituted 25 (29) percent of the Group's net sales.

Gross profit and gross margin

Consolidated gross profit amounted to SEK 3,719 (2,855) million. Gross margin increased to 53 (50) percent, primarily driven by a strong performance in Pattern Generators.

Research and development

Research and development expenses in 2024 amounted to SEK 747 (653) million. SEK 84 (63) million was capitalized in the balance

sheet, of which the Pattern Generators division accounted for SEK 45 (27) million, the High Flex division for SEK 36 (36) million and the High Volume division for SEK 4 (-) million.

The product program is continuously being modernized through maintenance and minor development initiatives. The Group also continued to execute its product development strategy, which resulted in several product launches in 2024. Mycronic's patent strategy protects its investments in unique technology. At year-end, the Group held more than 400 patents.

Sales and administration

Expenses for sales and administration amounted to SEK 989 (995) million in 2024.

EBIT

Consolidated EBIT for 2024 amounted to SEK 2,021 (1,235) million, corresponding to an EBIT margin of 29 (22) percent. Acquisition-related costs amounted to SEK 74 (63) million, and are primarily attributable to amortization of acquired intangible assets and transaction costs.

EBIT for the Pattern Generators division increased to SEK 1,694 (1,053) million, corresponding to an EBIT margin of 57 (50) percent.

EBIT for the High Flex division amounted to SEK 156 (195) million. The EBIT margin was 11 (13) percent.

EBIT for the High Volume division increased to SEK 223 (173) million, corresponding to an EBIT margin of 16 (15) percent.

EBIT for the Global Technologies division increased to SEK 113 (59) million. The Photonic Interconnects business line, which was added through the acquisition of Vanguard Automation in April 2024, had a negative impact on EBIT of SEK 31 million. The EBIT margin amounted to 10 (6) percent.

Costs for Group-wide functions of SEK 176 (248) million were charged to EBIT.

Taxation

Consolidated profit before tax for 2024 totaled SEK 2,084 (1,262) million. Consolidated tax expenses amounted to SEK 396 (266) million, corresponding to an effective tax rate of 19 (21) percent in relation to profit before tax.

Profit for the year and earnings per share

Consolidated profit after tax for full-year 2024 amounted to SEK 1,688 (996) million, of which SEK 1,683 (998) million is attributable to the Parent Company's owners. This corresponds to earnings per share before dilution of SEK 17.25 (10.22) and after dilution of SEK 17.24 (10.22).

Group

Statements of financial position

SEK million	Notes	Dec 31, 2024	Dec 31, 2023
ASSETS			
Intangible assets	19	2,686	2,292
Property, plant and equipment	20	373	288
Right-of-use assets	21	201	207
Other non-current assets	6, 25, 35	59	58
Deferred tax assets	18	214	175
Total non-current assets		3,533	3,021
Inventories	26	2,056	1,602
Tax receivables		30	40
Trade receivables	6, 27, 35	1,507	1,270
Prepaid expenses and accrued income	28	144	88
Other receivables	35	128	180
Cash and cash equivalents	34, 35	3,014	2,140
Total current assets		6,879	5,319
TOTAL ASSETS		10,412	8,340

SEK million	Notes	Dec 31, 2024	Dec 31, 2023
EQUITY AND LIABILITIES			
Equity			
Share capital		98	98
Other contributed capital		1,392	1,372
Reserves		333	290
Retained earnings including profit/loss for the year		4,709	3,487
Equity attributable to owners of the Parent Company		6,532	5,247
Holdings of non-controlling interests		43	36
Total equity		6,575	5,282
Liabilities			
Non-current interest-bearing liabilities	35	133	150
Non-current provisions	29	44	43
Deferred tax liabilities	18	405	359
Other non-current liabilities	23, 35	51	—
Total non-current liabilities		632	551
Current interest-bearing liabilities	35	87	78
Advance payments from customers	6	1,253	1,039
Trade payables	35	557	388
Tax liabilities		264	88
Other liabilities		202	122
Accrued expenses and deferred income	6, 30	756	718
Current provisions	31	86	74
Total current liabilities		3,205	2,507
Total liabilities		3,837	3,058
TOTAL EQUITY AND LIABILITIES		10,412	8,340

Group

Statements of financial position *continued*

Comments on financial position

Assets

The Group's total assets at year-end 2024 amounted to SEK 10,412 million, compared with SEK 8,340 million at the end of 2023.

Non-current assets amounted to SEK 3,533 (3,021) million. Intangible assets amounted to SEK 2,686 (2,292) million, of which SEK 2,451 (2,116) million consisted of acquisition-related assets in the form of goodwill, customer relationships, technology and brands. The value of goodwill and brands with indefinite useful life is tested annually for impairment.

Capitalized development expenditure amounted to SEK 177 (140) million. During 2024, development projects were capitalized in the amount of SEK 84 (63) million. Amortization of previously capitalized development amounted to SEK 48 (42) million. Each development project is assessed individually to determine whether the criteria for capital-

ization in the statement of financial position have been met.

Property, plant and equipment increased to SEK 373 (288) million. Investments in property, plant and equipment totaled SEK 126 (103) million during the year. Right-of-use assets amounted to SEK 201 (207) million.

During 2024, inventories increased from SEK 1,602 million to SEK 2,056 million, and trade receivables from SEK 1,270 million to SEK 1,507 million.

Cash and cash equivalents at the end of the year amounted to SEK 3,014 (2,140) million.

Liabilities

Current non-interest bearing liabilities amounted to SEK 3,119 (2,429) million. During 2024, trade payables increased from SEK 388 million to SEK 557 million, and advance payments from customers from SEK 1,039 million to SEK 1,253 million. The Group strives to the greatest

extent possible to receive advance payments from customers in connection with orders, especially for sales of mask writers.

At year-end, the Group had interest-bearing liabilities amounting to SEK 219 (227) million. Net cash amounted to SEK 2,795 (1,912) million. Interest-bearing liabilities consist primarily of lease liabilities at the end of 2024.

Equity

Consolidated equity of December 31, 2024, was SEK 6,575 (5,282) million. The number of outstanding shares at year-end was 97,589,795.

The equity/assets ratio was 63 (63) percent. At year-end, Mycronic's market capitalization was SEK 39,108 (28,141) million.

Group

Statements of cash flow

SEK million	Notes	2024	2023
Operating activities			
Profit before tax		2,084	1,262
<i>Adjustments for non-cash items and paid income tax</i>			
Depreciation/amortization and impairment of assets	19, 20, 21	266	264
Gains/losses from sale of non-current assets		0	0
Unrealized foreign exchange differences		-29	80
Provisions for employee benefits		-3	-6
Other provisions		10	1
Write-down of inventories		41	36
Revaluation of contingent considerations		5	—
Other non-cash items		25	21
Income tax paid		-201	-188
Cash flow from operating activities before changes in working capital		2,198	1,471
<i>Cash flow from changes in working capital</i>			
Inventories		-433	-235
Trade receivables		-145	-210
Other receivables		-92	74
Trade payables		147	94
Other liabilities		199	415
Cash flow from operating activities		1,874	1,608
Investing activities			
Investments in subsidiaries	23	-258	-6
Investments in intangible assets	19	-112	-89
Investments in property, plant and equipment	20	-126	-103
Sale of property, plant and equipment		0	1
Increase in other non-current assets	25	-8	-2
Decrease in other non-current assets	25	3	4
Cash flow from investing activities		-500	-195

SEK million	Notes	2024	2023
Financing activities			
Dividends paid to Parent Company shareholders		-441	-343
Swap contract for own shares		—	9
Repurchase of own shares		-19	-26
Borrowings	35	3	—
Repayment of loans and lease liabilities	35	-95	-88
Cash flow from financing activities		-552	-447
Cash flow for the year		822	966
Cash and cash equivalents at beginning of year		2,140	1,274
Exchange rate differences in cash and cash equivalents		53	-100
Cash and cash equivalents at end of year		3,014	2,140
Interest received and paid			
Interest received		78	40
Interest paid		-15	-13
		63	27

Comments on cash flow and investments

Consolidated cash and cash equivalents at the end of the year amounted to SEK 3,014 (2,140) million. Cash flow for the year amounted to SEK 822 (966) million.

Cash flow from operating activities amounted to SEK 1,874 (1,608) million. Working capital increased during the year, yielding a cash flow effect of SEK -324 (138) million, driven primarily by higher inventory.

Investing activities generated a cash flow of SEK -500 (-195) million during the year, where

the acquisitions of Vanguard Automation and Modus High-Tech Electronics accounted for SEK -258 million, investments in property, plant and equipment for SEK -126 (-103) million and capitalization of product development for SEK -84 (-63) million.

The year's financing activities generated a cash flow of SEK -552 (-447) million, of which SEK -441 (-343) million was related to dividends to shareholders. At the end of the year, Mycronic had a strong net cash position of SEK 2,795 (1,912) million.

Group

Consolidated statements of changes in equity

The share capital consists of 97,916,509 (97,916,509) shares. The shares are of the same class, and each share carries one vote.

SEK million	Share capital	Other contributed capital	Reserves		Retained earnings	Total	Holdings of non-controlling interests	Total equity
			Hedge reserve	Translation reserve				
Opening equity, January 1, 2024	98	1,372	77	213	3,487	5,247	36	5,282
Profit for the year					1,683	1,683	5	1,688
Other comprehensive income								
Items not to be reclassified to profit and loss								
Actuarial profit/loss from defined benefits to employees					-3	-3		-3
Tax relating to actuarial results					0	0		0
Items to be reclassified to profit and loss								
Translation differences for the period at translation of foreign entities				206		206	2	208
Tax relating to translation differences				-19		-19		-19
The year's changes in fair value on cash flow hedges			-166			-166		-166
Cash flow hedges transferred to profit and loss			-15			-15		-15
Tax attributable to hedge accounting			37			37		37
Total other comprehensive income	—	—	-144	187	-2	41	2	43
Total comprehensive income for the year			-144	187	1,681	1,724	7	1,731
Transactions with owners, etc.								
Dividends paid					-441	-441		-441
Swap contract for own shares					-19	-19		-19
Repurchase of own shares		20				20		20
Total transactions with owners	—	20	—	—	-459	-439	—	-439
Closing equity, December 31, 2024	98	1,392	-67	400	4,709	6,532	43	6,575

Group

Consolidated statements of changes in equity *continued*

SEK million	Share capital	Other contributed capital	Reserves		Retained earnings	Total	Holdings of non-controlling interests	Total equity
			Hedge reserve	Translation reserve				
Opening equity, January 1, 2023	98	1,358	18	336	2,853	4,663	40	4,703
Profit for the year					998	998	-2	996
Other comprehensive income								
Items not to be reclassified to profit and loss								
Actuarial profit/loss from defined benefits to employees					-5	-5		-5
Tax relating to actuarial results					1	1		1
Items to be reclassified to profit and loss								
Translation differences for the period at translation of foreign entities				-132		-132	-2	-134
Tax relating to translation differences				8		8		8
The year's changes in fair value on cash flow hedges			52			52		52
Cash flow hedges transferred to profit and loss			22			22		22
Tax attributable to hedge accounting			-15			-15		-15
Total other comprehensive income	—	—	59	-124	-4	-69	-2	-71
Total comprehensive income for the year			59	-124	994	929	-4	925
Transactions with owners, etc.								
Dividends paid					-343	-343		-343
Swap contract for own shares					9	9		9
Repurchase of own shares					-26	-26		-26
Share-based remuneration		14				14		14
Total transactions with owners	—	14	—	—	-360	-346	—	-346
Closing equity, December 31, 2023	98	1,372	77	213	3,487	5,247	36	5,282

Parent Company

Profit and loss accounts

SEK million	Notes	2024	2023
Net sales	6, 7	4,062	3,195
Cost of goods sold		-1,590	-1,423
Gross profit		2,472	1,773
Research and Development	11	-504	-425
Selling expenses		-206	-262
Administrative expenses		-254	-248
Other operating income	10	97	10
Other operating expenses	10	-6	-80
EBIT		1,600	767
<i>Profit from financial investments</i>			
Interest income and similar items	15	233	433
Interest expenses and similar items	15	-15	-13
Profit after financial items		1,818	1,187
Appropriations	16	-296	-74
Profit before tax		1,521	1,113
Tax	18	-306	-160
Profit for the year		1,215	953

Comments on Parent Company

Mycronic AB is the Group's Parent Company. At year-end 2024, there were 460 (413) persons employed by the Parent Company.

The Parent Company's net sales amounted to SEK 4,062 (3,195) million. Net sales comprised delivery of 22 (18) systems in the Pattern Generators division, of which 14 (14) SLX systems.

Gross profit amounted to SEK 2,472 (1,773) million, corresponding to a gross margin of 61 (55) percent.

Research and development expenses increased from SEK 425 million to SEK 504 million. Expenses for sales and administration amounted to SEK 459 (511) million.

EBIT increased to SEK 1,600 (767) million.

Cash and cash equivalents at the end of the year amounted to SEK 2,084 million, compared with SEK 1,371 million at the end of 2023.

Statements of comprehensive income

SEK million	Notes	2024	2023
Profit for the year		1,215	953
Other comprehensive income		—	—
Total comprehensive income for the year		1,215	953

Parent Company

Balance sheets

SEK million	Notes	Dec 31, 2024	Dec 31, 2023
ASSETS			
Non-current assets			
Intangible assets	19	97	73
Tangible assets	20	151	143
<i>Financial assets</i>			
Participations in Group companies	22	1,994	1,818
Non-current receivables from Group companies	24	1,419	1,216
Other non-current assets	25	12	14
Deferred tax assets	18	8	7
Total financial assets		3,433	3,056
Total non-current assets		3,681	3,272
Current assets			
Inventories	26	917	752
<i>Current receivables</i>			
Trade receivables		359	511
Receivables from Group companies		421	358
Other receivables		53	34
Prepaid expenses and accrued income	28	108	51
Total current receivables		942	954
Cash and cash equivalents		2,084	1,371
Total current assets		3,943	3,077
TOTAL ASSETS		7,624	6,349

SEK million	Notes	Dec 31, 2024	Dec 31, 2023
EQUITY AND LIABILITIES			
Equity			
<i>Restricted equity</i>			
Share capital		98	98
Statutory reserve		0	0
		98	98
<i>Non-restricted equity</i>			
Share premium reserve		257	237
Retained earnings		2,533	2,039
Profit for the year		1,215	953
		4,005	3,229
Total equity		4,103	3,327
Untaxed reserves	16	1,670	1,374
<i>Provisions</i>			
Non-current provisions	29	3	2
Current provisions	31	19	14
Total provisions		22	16
<i>Non-current liabilities</i>		—	—
<i>Current liabilities</i>			
Advance payments from customers		944	837
Trade payables		177	180
Liabilities to Group companies		194	258
Current tax liability		188	23
Other liabilities		31	46
Accrued expenses and deferred income	30	294	290
Total current liabilities		1,829	1,633
Total liabilities		1,829	1,633
TOTAL EQUITY AND LIABILITIES		7,624	6,349

Parent Company

Statements of cash flow

SEK million	Notes	2024	2023
Operating activities			
Profit after financial items		1,818	1,187
<i>Adjustments for non-cash items and paid income tax</i>			
Depreciation/amortization and impairment of assets	19, 20	56	48
Gains/losses from sale of non-current assets		—	—
Unrealized foreign exchange differences		-131	128
Provisions		6	1
Write-down of inventories		21	24
Share-based remuneration		15	10
Interests not received/paid		1	1
Other non-cash items		—	2
Paid income tax		-130	-125
Cash flow from operating activities before changes in working capital		1,655	1,276
<i>Changes in working capital</i>			
Inventories		-204	-237
Trade receivables		166	-217
Other receivables		-114	-73
Trade payables		-5	64
Other liabilities		31	527
Cash flow from operating activities		1,529	1,341

SEK million	Notes	2024	2023
Investing activities			
Investments in subsidiaries	22	-2	-2
Investments in intangible assets	19	-40	-66
Investments in tangible assets	20	-30	-47
Increase in other non-current assets	24, 25	-293	-183
Decrease in other non-current assets	24, 25	8	0
Cash flow from investing activities		-356	-297
Financing activities			
Dividends paid to Parent Company shareholders		-441	-343
Swap contract for own shares		—	9
Repurchase of own shares		-19	-26
Cash flow from financing activities		-460	-360
Cash flow for the year		713	684
Cash and cash equivalents at beginning of year		1,371	687
Cash and cash equivalents at end of year		2,084	1,371
<i>Additional information</i>			
Interest received and paid			
Interest received		117	69
Interest paid		-14	-12
		103	57

Parent Company

Statements of changes in equity

The share capital consists of 97,916,509 (97,916,509) shares. The shares are of the same class, and each share carries one vote.

SEK million	Restricted equity		Non-restricted equity		Total equity
	Share capital	Statutory reserve	Share premium reserve	Retained earnings including profit/loss for the year	
Equity, January 1, 2023	98	0	223	2,398	2,719
Profit for the year				953	953
Total comprehensive income for the year				953	953
Transactions with owners, etc.					
Dividends to shareholders				-343	-343
Swap contract for own shares				9	9
Repurchase of own shares				-26	-26
Share-based remuneration			14		14
Closing equity, December 31, 2023	98	0	237	2,992	3,327
Profit for the year				1,215	1,215
Total comprehensive income for the year				1,215	1,215
Transactions with owners, etc.					
Dividends to shareholders				-441	-441
Repurchase of own shares				-19	-19
Share-based remuneration			20		20
Closing equity, December 31, 2024	98	0	257	3,748	4,103

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Note 1 Accounting policies, general information

Mycronic AB (publ), corporate identification no. 556351-2374, and its subsidiaries, together comprising the Group, are engaged in the development, manufacture and sales of advanced production equipment to the electronics industry. Sales are generated almost exclusively outside Sweden.

Subsidiaries are located in China, France, Germany, Japan, Mexico, the Netherlands, Singapore, South Korea, United Kingdom, the USA and Vietnam. In addition, there are a large number of distributors and agents around the world.

The Parent Company Mycronic AB, with registered office in Täby and address Nytorpsvägen 9, PO Box 3141, 183 03 Täby, Sweden, is listed on Nasdaq, Stockholm, in the category Large Cap.

The Annual and Sustainability Report has been prepared in accordance with IFRS® Accounting Standards issued by the International Accounting Standards Board (IASB) as endorsed by the EU. Furthermore, the Swedish Financial Reporting Board's recommendation RFR 1, Supplementary Accounting Rules for Groups, has been applied.

Pages 17-18 and 97-151 of the Annual and Sustainability report constitute Mycronic AB's Statutory Sustainability Report, in accordance with the Swedish Annual Accounts Act. The report covers the entire Group and refers to the financial year January 1 – December 31 2024.

The Annual and Sustainability Report was signed by the Board on March 20, 2025 and will be presented to the Annual General Meeting for adoption on May 7, 2025.

New and forthcoming accounting standards

None of the new standards, revised standards and interpretations of existing standards that shall be applied as of the financial year beginning on January 1, 2024 have any material impact on the Group's or Parent Company's financial statements.

New or revised standards or interpretations published by IASB that have not yet entered into force have not been applied early in the preparation of the Group's and Parent Company's financial statements. From January 1, 2027, IFRS 18 Presentation and disclosures in Financial Statements will be applicable. IFRS 18 replaces IAS 1 Presentation of Financial Statements. Mycronic is currently

evaluating the potential effects of the standard. Other new or revised standards or interpretations not yet entered into force, are not expected to have any material impact on the Group's or the Parent Company's financial statements.

Basis of valuation

The assets and liabilities are stated at cost, unless otherwise specified. The functional currency of the Parent Company is Swedish kronor (SEK).

SEK is also the reporting currency of the Parent Company and the Group. This means that the financial statements are presented in SEK. All amounts are stated in SEK million unless otherwise specified.

Accounting estimates and classifications

The preparation of financial statements in accordance with IFRS Accounting Standards requires the company's management to make certain accounting judgments, estimates and assumptions that affect how accounting policies are applied and the reported amounts of assets, liabilities, revenues and expenses. The actual results may differ from these estimates and assessments.

The estimates and assumptions are reviewed regularly. Adjustments to estimates are reported for the period in which they occur if the change only affected this period or in the period that the change is made and future periods if the change affects both the current and future periods.

Assessments made by the company management in terms of applying IFRS Accounting Standards that significantly impact financial statements and completed estimates and that can result in major adjustments to the financial reports for the subsequent year are described in more detail in Note 4.

Non-current assets and liabilities essentially consist of amounts that are expected to be recovered or settled later than twelve months from the closing date. Current assets and liabilities essentially consist of amounts that are expected to be recovered or settled within twelve months from the closing date. Any deviations from these principles for recovery or payment will be described in notes associated with the relevant balance sheet item.

Note 2 Accounting policies for the Group

Consolidated reporting

Subsidiaries are companies where the Parent Company has a controlling influence. When preparing the consolidated financial statements the purchase method of accounting is used, whereby the acquisition of a subsidiary is regarded as a transaction in which the Group indirectly acquires the subsidiary's assets and assumes its liabilities and contingent liabilities. The Group's cost of acquisition is determined through a purchase price allocation in connection with the acquisition. When contingent considerations are revalued at fair value, the revaluation is recognized in operating profit.

Foreign currency translation

Functional currency

Items included in the financial statements of the Group companies are measured using the currency of the primary economic environments in which the company operates. The functional currencies are CNY, EUR, GBP, HKD, JPY, KRW, MXN, SEK, SGD, TWD, USD and VND.

Transactions

Transactions in foreign currency are translated to the functional currency at the exchange rate in effect on the transaction date.

Sales transactions in foreign currency within the Pattern Generators division are translated at the spot rate with the exception of sales of spare parts and service contracts for which an approximate exchange rate for the month is used.

Sales transactions in foreign currency from sales within other divisions are reported at an approximate exchange rate for the month. When a contract sale is hedged, the cumulative gain or loss on the hedging instrument, normally a forward exchange contract, is recognized against net sales when the hedged sales transaction is recognized in the profit and loss account.

Monetary assets and liabilities in foreign currency are translated to the functional currency at the closing day rate. Exchange rate gains/losses arising on translation are recognized in the profit and loss account for the year. Non-monetary assets and liabilities carried at cost are translated

at the exchange rate that applied on the transaction date. Non-monetary assets and liabilities carried at fair value are translated to the functional currency at the rate of exchange prevailing on the date when the fair value was determined. Forward exchange contracts are used to protect assets and liabilities from foreign exchange risk.

A financial hedge is reflected in the accounts, in that both the underlying asset/liability and the hedging instrument are translated at the closing day exchange rate, while changes in the exchange rates are recognized through the profit and loss account. Value fluctuations concerning operating assets and liabilities are recognized in the profit and loss account under other operating income/expenses.

Foreign operations translation

Assets and liabilities in foreign Group companies are translated from that company's functional currency to SEK at the closing day exchange rate. Revenue and expenses in the respective Group company's profit and loss account are translated to SEK at the average rate of exchange that is a reasonable approximation of actual rates on the respective transaction dates. All exchange differences arising from the translation of foreign operations are recognized in other comprehensive income and are accumulated in a separate translation reserve within consolidated equity.

Exchange differences of long-term loans in foreign currency that form part of the Parent Company's net investment in foreign operations are deferred to a translation reserve in other comprehensive income together with the related tax effects.

When a foreign operation is disposed, the cumulative exchange differences relating to that foreign operation are realized through a reclassification from the translation reserve to the year's consolidated profit and loss.

Reporting of operating segments

A segment is an identified part of the Group that engages in business activities from which it may earn revenues and incur expenses and for which discrete financial information is available. The Group has four segments which correspond to its four divisions Pattern Generators, High Flex, High Volume and Global Technologies. The divisions operating results are reviewed regularly by the entity's chief operating decision maker, the CEO,

to make decisions how the resources should be allocated to the segments and to assess its performance. See also Note 7.

Intangible assets

Capitalized costs for business systems

Expenditures for business systems are recognized as intangible assets at cost with a deduction for accumulated amortization. The investment in a business system includes costs incurred for adaptation and implementation of a fully integrated business system and consists of both internally generated and externally acquired assets. Capitalized costs for business systems are amortized straight-line over the expected useful life of the asset, which is three years. Amortization is initiated when the business system is ready for use. Costs for maintenance of the business system are expensed as they are incurred.

Capitalized development expenditure

Mycronic develops high-tech products on the cutting edge of technology. Several different types of development projects need to be conducted in order to achieve a few commercial products.

Costs related to research undertaken with the prospect of gaining new scientific or technical knowledge in the Group's operations are expensed as they are incurred. Development projects, where knowledge and understanding gained from research and practical experience are directed towards developing new products or processes, are recognized as intangible assets in the statement of financial position when they meet the criteria for capitalization. Development costs may be capitalized if the company can demonstrate the technical and commercial feasibility of completing the product or process, the intention and ability to complete the development and use or sell the asset. It must also be probable that future economic benefits related to the asset will flow to the company and the asset cost can be reliably measured. The carrying amount includes all directly attributable costs, such as those for materials and services as well as compensation to employees.

Other development costs are expensed in the profit and loss account for the period in which they arise.

Individual assessment is made of all ongoing research and development projects to determine which costs for the respective project are

capitalizable and to look for any indications of impairment.

Amortization of capitalized development expenditure is started when the development project in question is completed, normally when it begins generating revenue, and is carried out on a straight-line basis over the expected useful life of the asset, which is five years. Amortization of capitalized development costs is included in the acquisition cost of inventories, which by extension impacts the cost of goods sold in the Group.

Goodwill and other intangible assets

Goodwill is carried at cost, according to what was determined at the acquisition date less accumulated impairment losses. Goodwill is allocated to cash-generating units and is annually tested for impairment.

Other intangible assets consist of brand, technology and customer relationships, and are carried at cost less accumulated amortization and possible impairment losses. Goodwill and other intangible assets are attributable to business combinations. See also Note 19.

Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and possible write-downs. The acquisition costs include the acquisition price as well as charges for transportation to the site and preparation efforts in order to use the equipment according to the intended purpose of the acquisition.

The Group's property, plant and equipment is mainly Machinery and equipment and Improvements to leased property. The item Equipment includes self-produced equipment used primarily for research and development as well as test and training equipment. The acquisition cost of self-produced, non-current assets includes expenses for materials, employee benefits and salaries and other production costs that are considered to be directly attributable to the assets.

Property, plant and equipment are depreciated on a straight-line basis over their expected useful life starting from when they are accessible for use. See also Note 20.

Leases

A majority of all Group leases are recognized in the statement of financial position. At the inception of a contract an assessment is made whether

Note 2 *continued*

the contract is or contains a lease. Right-of-use assets and lease liabilities are recognized in the statement of financial position starting on the commencement date of the lease. Mycronic applies the practical exemptions regarding leases where the underlying asset has a low value and for leases with a lease term of less than twelve months. These leases are not included in amounts recognized in the statement of financial position. Material leases currently primarily comprise rented premises, but also vehicles and office equipment.

At the commencement date of a lease, the lease liability is measured at the present value of the lease payments that are not paid at that date. The lease payments are discounted using Mycronic's incremental borrowing rate if the interest rate implicit in the lease cannot be readily determined. The incremental borrowing rate is based on country-specific information, the lease term and the currency. Lease payments included in the measurement of the lease liability comprise payments for the right to use the underlying asset during the lease term and include fixed payments, variable lease payments as a result of index or interest and payments for the possibility of an extension or the exercise price for an option to buy the underlying asset if Mycronic has reasonable assurance that it will utilize one of these possibilities. For subsequent measurement of the lease liability amortized cost is applied by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made, and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

At the commencement date the right-of-use asset is measured at cost, which includes the amount the lease liability was originally measured at, any initial direct costs, and an estimate of any restoring costs. Mycronic applies a cost method for subsequent measurement of the right-of-use asset, which includes deductions for accumulated depreciation and any accumulated impairment losses adjusted for any remeasurement of the lease liability. The right-of-use assets are depreciated from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. See also Note 21.

The lease liability is presented as current or non-current interest-bearing liabilities, respectively, in the consolidated statement of financial position.

Impairment of non-financial assets

If there is an indication of impairment, the asset's recoverable value is calculated as below. For goodwill and other intangible assets with indefinite useful lives and intangible assets that are not ready for use, the recoverable value is calculated annually. If it is not possible to establish an independent cash flow for an individual asset, and its fair value less the sales costs cannot be used, the assets are grouped during impairment testing at the lowest level of which an independent cash flow can be identified, a so-called cash-generating unit.

An impairment is recognized when the carrying amount of an asset or cash-generating unit (group of units) exceeds the recoverable value. An impairment is recognized as a cost in the profit and loss account for the year. When the need for impairment has been identified for a cash-generating unit (group of units) the impairment amount is firstly distributed to goodwill. Then the remaining assets in the unit (group of units) are impaired proportionally. The recoverable value is the highest of fair value less selling costs and the value in use. In measuring the value in use, future cash flows are discounted using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Financial instruments

The Group's financial instruments recognized in the statement of financial position include cash and cash equivalents, trade receivables and derivatives as assets. Financial liabilities include trade payables, loans payable, lease liabilities, contingent considerations and derivatives.

Recognition and derecognition from the statement of financial position

A financial asset or liability is recognized in the statement of financial position when the company initially becomes party to the contractual provisions of the instrument. Financial assets are recognized when the company has performed and there is a contractual obligation for the counterparty to pay. Trade receivables are recorded in the statement of financial position when an invoice has been sent. Financial liabilities are recognized when the counterparty has performed and there is a contractual obligation to pay. Trade payables are recorded when an invoice has been received.

A financial asset is derecognized from the statement of financial position when the company's

rights under the agreement are realized, expire or the company has relinquished control of the asset.

A financial liability is derecognized from the statement of financial position when the obligation specified in the agreement is fulfilled or otherwise extinguished.

A financial asset and a financial liability are set off and netted in the statement of financial position only when a legal right of set off exists and there is an intent and ability to set off and net these items or to simultaneously realize the asset and settle the liability.

Acquisitions and sales of financial assets are recognized on the trade date, the date on which the company commits to acquire or sell the asset.

Classification and valuation of financial assets

The Group's assets in the form of the debt instruments trade receivables and cash and cash equivalents are classified at amortized cost. Financial assets classified at amortized cost are measured initially at fair value with the addition of transaction costs. Trade receivables are recognized initially at the invoiced value. Following initial recognition, the assets are measured in accordance with the effective interest method. Assets classified at amortized cost are held in accordance with the business model to collect contractual cash flows that are solely the payment of the principal and interest on the principal outstanding. Assets are subject to a loss allowance for expected credit losses.

Derivative instruments are classified at fair value in profit and loss, except where hedge accounting is applied when they are measured at fair value through other comprehensive income, see also below. Fair value is determined according to the description in Note 35.

Classification and valuation of financial liabilities

Financial liabilities are classified at amortized cost with the exception of derivatives and contingent considerations. Financial liabilities classified at amortized cost are measured initially at fair value including transaction costs. After initial recognition, these are measured at amortized cost according to the effective interest method.

Derivative instruments are classified at fair value in profit and loss, except where hedge accounting is applied when they are measured at fair value through other comprehensive income, see also below. Contingent considerations related

to business combinations are recognized at fair value in profit and loss. Upon valuation of contingent considerations, level 3 in the valuation hierarchy is applied.

Reporting of derivative instruments and hedges

Derivative instruments consist of forward exchange contracts that are used to reduce transaction exposure in foreign currencies. Derivative instruments are not used for speculative purposes. All derivative instruments are measured at fair value in the statement of financial position.

Derivatives that are used to hedge probable future inflows from sales in foreign currency, and which meet the requirements for hedge accounting, are reported according to the rules for hedge accounting for cash flow hedges. The Group applies hedge accounting in accordance with IFRS 9. This means that the effective portion of fair value changes on derivative instruments is recognized in the hedge reserve in other comprehensive income. The profit and loss attributable to the ineffective portion is recognized immediately in the profit and loss account under other operating income/expenses. The fair value of derivatives is measured through current market prices of currency and interest rates on the closing date.

Amounts accumulated in other comprehensive income are transferred to net sales in the profit and loss account in the periods when the hedged item is reflected in profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gains/ losses recognized in other comprehensive income are immediately transferred to the profit and loss account among other operating income/expenses.

The Group applies hedge accounting of net investments in foreign operations in some cases. The exchange rate effects on hedging instrument debt in foreign currency is recognized in other comprehensive income, insofar as the hedge is effective. With this, exchange rate changes on the debt meet exchange rate differences from net investments in foreign operations as presented in other comprehensive income, and the amount accumulates in the translation reserve. The exchange rate effects remain in the translation reserve until such time as the net investment is divested, when the accumulated amount in the reserve is reclassified to profit and loss.

When hedge transactions are entered into, the relationship between the hedge instrument and

Note 2 *continued*

the hedged risk is formally documented, including the company's risk management objective and strategy for undertaking the hedge. The Group also documents its assessment, both at the inception of a hedge and at each reporting date, on the effectiveness of the hedge instrument used in the hedge transaction in offsetting changes in cash flows or value. Changes in the hedge reserve and translation reserve are reported in other comprehensive income. See also Note 35.

Impairment of financial instruments

The Group's financial assets and contract assets, except for those classified at fair value in profit and loss, are subject to impairment for expected credit losses. Impairment for expected credit losses according to IFRS 9 is forward-looking and a loss allowance is made when there exists an exposure for credit risk, normally at initial recognition. Expected credit losses are reflected in the present value of all deficits in cash flow relating to default either for the next twelve months or for the anticipated remaining term of the financial instrument, depending on the type of asset and on the credit deterioration since initial recognition. The expected credit losses reflect an objective, probability-weighted outcome that takes into account a number of scenarios based on reasonable and verifiable forecasts. The valuation of expected credit losses reflects any collateral and other credit enhancements in the form of guarantees.

The simplified approach applies for trade receivables and contract assets. In the simplified approach a loss allowance is recognized for the receivable or asset's anticipated remaining time to maturity. See also Note 27.

The financial assets are recognized in the statement of financial position at amortized cost, meaning net of gross value and loss allowance. Changes to the loss allowance are recognized in the profit and loss account.

Inventories

Inventories are valued at the lowest of acquisition cost or net realizable value. Net realizable value is the estimated selling price less the estimated costs for completion and selling costs in operating activities. Inventories are carried out at cost calculated on a first-in, first-out basis and include all costs arising from the purchase of the inventory assets and costs incurred in bringing the goods to their existing location and condition. For manufactured goods and work in progress, the cost includes a

reasonable share of indirect costs based on normal capacity, corresponding to expected production the next coming twelve months. Deductions are made for internal profit arising from intra-group sales.

Taxation

Income tax consists of current tax and deferred tax. Income tax is reported in the profit and loss account for the year, except when underlying transactions were reported in other comprehensive income or in equity, whereby related tax effects are reported in other comprehensive income or in equity.

The valuation of deferred tax is based on how underlying assets or liabilities are expected to be recognized or paid. Deferred tax assets for deductible temporary differences and tax loss carry-forwards are only recognized to the extent that they are expected to be used. The value of deferred tax assets is reduced when it is no longer expected to be used. See also Note 18.

Employee benefits***Pension commitments and other postemployment benefits***

Pension commitments are classified either as defined contribution or defined benefit pension plans. Pension commitments in the Group are mainly fulfilled through payment of premiums according to a defined contribution pension plan. A defined contribution pension plan is classified as the plans where a company's obligation is limited to the charges the company has undertaken to pay. In such cases, the size of the employee's pension is dependent on the charges paid by the company to the plan or to an insurance company and the capital return offered by the charges. Consequently, the employee carries the actuarial risk (that the compensation may be lower than expected) and the investment risk (that the invested assets will be insufficient to offer the expected compensation). The company's obligations regarding charges to defined contribution plans are charged to the profit and loss account for the period in which the employees render the related service to the company.

In the Japanese, South Korean, French and Taiwanese subsidiaries, there are defined benefit commitments to employees for benefits after the end of employment. When employment ceases, through termination or retirement, the accumulated amount of benefit is paid out immediately. The

commitment is valued in the Group in accordance with IAS 19. Defined benefit pension plans set forth an amount for the pension benefit that an employee will receive at retirement depending on factors such as age, period of service and salary. The liability on the balance sheet for defined benefit pension plans is the present value of the defined benefit commitment at the end of the reporting period less the fair value of the plan assets.

The defined benefit pension commitment is calculated annually by independent actuaries with the application of the projected unit credit method. Revaluation of defined benefit net liability is recognized in other comprehensive income. Other costs are recognized in operating profit. See also Note 29.

Termination benefits

An expense is recognized on the termination of employees only when the company is demonstrably committed, without realistic possibility of withdrawal, by a detailed, formal plan to terminate an employee or group of employees before the normal retirement date. When termination benefits are provided as a result of an offer made to encourage voluntary redundancy, the expense is recognized if it is probable that the offer will be accepted and the number of employees who will accept the offer can be reliably estimated.

Short-term employee benefits

For short-term employee benefits, the undiscounted amount of benefits expected to be paid in respect of service rendered in a period are recognized in that period. A provision for the expected cost of profit sharing and bonus payments is recognized when the Group has a legal or informal obligation to make such payments in respect of service rendered by employees and a reliable estimate of the expected cost can be made.

Long-term incentive programs

Certain key staff, including executive management, in the Group receive remuneration in the form of share-based remuneration (LTIP), through which employees provide services in exchange for shares in Mycronic (share-based remuneration that is settled with equity instruments).

The cost of share-based remuneration is the fair value at the time of allocation, which is calculated using accepted measurement models. This cost is recognized as personnel costs together with a corresponding increase in equity during the

period when the service, and where applicable, the performance conditions are met (the vesting period). The accumulated cost recognized for share-based remuneration at each reporting date until final vesting reflects the achieved percentage of the vesting period and the Group's best estimate of the number of equity instruments that will ultimately be vested. The impact on profit/loss for a period represents the change in the accumulated cost for the period.

Service- and non-market-related vesting conditions are not considered when determining the fair value on the allotment date, but the probability that the conditions will be met is part of the Group's best estimate of the number of equity instruments that will ultimately be vested. Any market-related vesting conditions are reflected in the fair value on the allotment date.

No cost is recognized for equity instruments that are not vested due to failure to comply with service and/or performance conditions that are not market-related. See also Note 14.

Provisions***Warranties***

A provision for warranties is recognized when the underlying products or services are sold. The provision is based on historical data regarding warranties and an overall review of potential outcomes in relation to the probabilities of such outcomes. See also Note 31.

Restructuring

A provision for restructuring is recognized when there is an established, detailed and formal restructuring plan, and the restructuring has either been started or has been made public. No provisions are made for future operating costs.

Revenue recognition

The Group's net sales consist of revenue arising from the sale of goods (systems and system upgrades, spare parts and accessories) and services. Sales are denominated mainly in USD, EUR and CNY.

Revenue is recognized when a promised product or service is transferred to the customer, i.e., when the client has obtained control over it, which can happen over time or at a point in time. Revenue shall consist of the amount that the company expects to receive in exchange for the delivered goods or services. Revenue is reported net of any discounts.

Note 2 *continued*

Revenue related to sale of services, primarily linked to service agreements, is recognized upon provision of the service. Service agreements that are invoiced in advance are progressively recognized over the term of the agreement. Service contracts that are invoiced in arrears are reported as income over the course of the agreement. Costs for the provision of service are expensed as incurred. See also Note 6.

Financial income and expenses

Financial income consist of interest income on loan- and trade receivables. Financial expenses consist mainly of interest expenses. Interest income and interest expenses are accounted for in profit or loss account of the year by applying the effective interest method. See also Note 15.

Operating expenses

The Group's expenses mainly refer to materials and supplies, personnel costs and other external expenses, primarily consisting of consulting fees. An assessment is made of costs incurred but not invoiced by suppliers for work performed during the financial year, and a corresponding provision is recognized in accrued expenses in the statement of financial position. Costs related to research are expensed as incurred. Costs for development projects that meet the criteria for capitalization are reported as intangible assets. The amortization of capitalized development costs is included in the acquisition cost of inventories, which by extension impacts the cost of goods sold in the Group. See also Note 12.

Earnings per share

Earnings per share are calculated on consolidated profit for the year attributable to the Parent Company's owners and the weighted average number of outstanding shares during the year. When calculating earnings per share after dilution, the weighted average number of outstanding shares is adjusted for the dilution effect from the share-based incentive programs. See also Note 17.

Note 3 Accounting policies of the Parent Company

The annual report of the Parent Company is presented in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Financial Reporting Board's recommendation RFR 2, Accounting for Legal Entities (January 2018). The Swedish Financial Reporting Board's statements for listed enterprises are also applied. RFR 2 means that in the report for the legal entity, the Parent Company shall apply all EU-approved IFRS Accounting Standards and statements as far as possible within the framework of the Annual Accounts Act, the law of safeguarding pension commitments and with respect to the connection between accounting and taxation. The recommendation indicates which exceptions and additions to IFRS Accounting Standards that shall be made.

The differences between the Group's and the Parent Company's accounting policies are shown below. The accounting policies for the Parent Company shown below have been consistently applied to all periods presented in the Parent Company's financial statements.

Changes in accounting policies

Unless otherwise specified below, the Parent Company's accounting policies in 2024 have been modified in accordance with what is specified above for the Group.

Classification and disposition

A profit and loss account, a statement of comprehensive income and a statement of cash flow are reported for the Parent Company and the Group. The Parent Company is using the title of balance sheet for the statement that in the Group is titled as statement of financial position. The profit and loss account and balance sheet for the Parent Company are presented according to the Swedish Annual Accounts Act structure, while the statement of comprehensive income, report of changes in equity and statement of cash flow are based on IAS 1 Presentation of Financial Statements and IAS 7 Consolidated Cash Flow Statements.

Development expenses

All costs, for both research and development, are expensed as incurred.

Taxation

In the Parent Company, untaxed reserves are reported in the balance sheet without being split into equity and deferred tax liability, unlike the Group reporting. Correspondingly, there is no split between appropriations and deferred tax costs in the profit and loss account in the Parent Company.

Group contribution

Group contributions, received and submitted, are reported as appropriations in the Parent Company.

Leases

The Parent Company utilizes the exemption set out in RFR 2 Accounting for Legal Entities and recognizes lease payments as a cost on a straight-line basis over the period of the lease. The right-of-use asset and the lease liability are thus not reported in the balance sheet. The property leasing charge, consisting of a fixed portion and an interest portion, is recognized as a lease expense in the profit and loss account. Variable charges are expensed in the period in which they are incurred.

Subsidiaries

In the Parent Company, participation in Group companies are accounted for according to the cost method. This means that transaction expenses and contingent considerations are included in the carrying amount of holding in subsidiaries. Transaction expenses are recognized in the consolidated financial statements directly in profit and loss when these arise.

The Parent Company recognizes the full amount of dividends received from subsidiaries as revenue in profit and loss for the year.

Exchange rate differences on long-term loans that form part of the Parent Company's net investments in foreign operations are recognized in profit and loss.

Financial instruments and hedge accounting

In view of the connection between accounting and taxation, the rules on financial instruments and hedge accounting in IFRS 9 are not applied by the Parent Company as a legal entity.

In the Parent Company, financial non-current assets are valued at cost, less any impairment and financial current assets at the lower of cost and net realizable value. In connection with impairment and recognition according to the lower of cost or net realizable value, impairment of the debt instrument is applied for expected credit losses in accordance with IFRS 9.

When hedging receivables and liabilities in foreign currency using forward contracts, the spot exchange rate is used on the day when the currency is hedged to value the hedged receivable or liability. The difference between the forward contract rate and the spot rate at the time of entering into the contract (forward premium) is allocated over the life of the forward contract. Allocated forward premiums are reported as other operating income and other operating expenses, respectively.

Note 4 Critical accounting estimates and assumptions

The executive management and the Audit Committee discuss the development, selection and information regarding the Group's critical accounting policies and estimates, as well as the application of these policies and estimates.

Critical estimates when applying the Group's accounting policies

The preparation of financial statements to conform with IFRS Accounting Standards requires the management to make certain assumptions that affect the application of the company's accounting policies. When preparing the financial statements, the executive management is also required to make certain estimates and assumptions about the future that affect the reported amounts of assets and liabilities on the closing date. Revenues and expenses are also affected by the estimates. The actual results may differ from these estimates. The key assumptions and estimates are specified below.

Capitalized development expenditure

Development projects, where knowledge and understanding gained from research and practical experience are directed towards developing new products or processes, are recognized as intangible assets in the statement of financial position when they meet the criteria for capitalization. The carrying amount includes all directly attributable costs, such as those for materials and services as well as compensation to employees. Individual assessment is made of major ongoing research and development projects to determine whether these criteria have been met.

Because it may be difficult to distinguish between research and development projects, this judgement can be affected by individual interpretations.

Evaluating impairment requirements for intangible assets

Assets with an indefinite useful life, meaning goodwill and brands, are not amortized but are tested

annually, or as required, for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairment losses are recognized in the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the highest of an asset's fair value less selling costs and the value in use. During impairment testing, assets are grouped at the lowest level with separate identifiable cash flows (cash-generating units). The value in use is based on cash flow forecasts, built on the executive management's and the Board's business plan for the coming five years, for the cash-generating unit to which the values belong. These assessments can have a large impact on the Group's reported values of intangible assets.

Inventories

Inventories are valued at the lowest of acquisition cost or net realizable value. For manufactured goods and work in progress, the acquisition cost includes a fair share of indirect costs based on normal production capacity. Incorrect assumptions in the company's inventory accounting model give an incorrect cost allocation which affects the book value of inventories and the reported cost of goods sold.

Acquisitions and valuations of contingent considerations

In connection with business combinations, acquired assets, liabilities and contingent considerations are valued at fair value. Contingent considerations are subsequently valued at fair value at each reporting period. The valuation model is based on assumptions about future financial performance of the acquired company. These estimates have a major impact on the valuation of acquired assets and liabilities as well as reported values of contingent considerations.

Note 5 Capital management and proposal on appropriation of profit

The Board supervises the Group's capital structure and financial management, approves matters related to acquisitions, investments and financing and monitors the Group's exposure to financial risks. Mycronic has set financial and climate targets to be achieved during the period 2027–2030:

Growth

Net sales shall reach SEK 10 billion.

Profitability

EBIT shall exceed SEK 2 billion. The EBIT margin for individual divisions shall exceed 10 percent.

Sustainability

Mycronic undertakes to reduce absolute GHG emissions in scope 1 and 2 by 56 percent by 2030, with 2022 as the base year. Mycronic also commits to reducing indirect GHG emissions from the use of sold products during the same period. The emissions from sold products, included in scope 3, represent the absolute majority of the company's emissions. The target is to reduce these by 52 percent in relation to the company's gross profit, with 2022 as the base year.

Mycronic's dividend policy

The objective of the company is to provide both good returns and value growth. Between 30 and 50 percent of net profit will be distributed to the shareholders, provided the company has a net debt lower than 3 times EBITDA after stipulated dividend. In each case, account shall be taken of the company's financial position, profitability trends, growth potential and future investment needs.

At the Annual General Meeting's disposal are the following amounts in SEK:

Share premium reserve	257,090,047
Retained earnings	2,532,647,666
Profit for the year	1,215,346,408
Total	4,005,084,122

The Board of Directors proposes that the retained earnings and non-restricted equity be managed as follows:

Ordinary dividend	538,540,800
Extra dividend	195,833,018
Carried forward to new account	3,270,710,304
	4,005,084,122

Proposal on dividend

The Board of Directors proposes to the Annual General Meeting an ordinary dividend of SEK 5.50 (4.50) per share, totaling SEK 538.5 (440.6) million. The dividend corresponds to 32 percent of the Group's net profit after tax.

The Board of Directors further proposes an extra dividend of SEK 2.00 (-) per share, totaling SEK 195.8 (-) million. The extra dividend corresponds to 12 (-) percent of net profit after tax.

Note 6 Revenue from contracts with customers

2024	Pattern Generators	High Flex	High Volume	Global Technologies	Inter-division sales	Group
Geographical market						
EMEA	—	727	78	126	—	931
North and South America	125	427	172	174	—	899
Asia	2,871	334	1,184	838	—	5,228
Total	2,997	1,489	1,434	1,138	—	7,057
Type of good/service						
System	2,157	976	1,238	942	—	5,312
Aftermarket	840	513	196	196	—	1,745
Total	2,997	1,489	1,434	1,138	—	7,057
Timing of revenue recognition						
Goods transferred at a point in time	2,091	1,314	1,397	1,087	—	5,890
Service transferred over time	906	174	37	51	—	1,168
Total	2,997	1,489	1,434	1,138	—	7,057

2023	Pattern Generators	High Flex ¹	High Volume ¹	Global Technologies	Inter-division sales ¹	Group
Geographical market						
EMEA	—	768	54	97	—	919
North and South America	324	486	152	200	—	1,162
Asia	1,782	281	934	631	-3	3,625
Total	2,106	1,535	1,140	928	-3	5,706
Type of good/service						
System	1,357	993	991	739	-3	4,077
Aftermarket	749	542	149	189	—	1,629
Total	2,106	1,535	1,140	928	-3	5,706
Timing of revenue recognition						
Goods transferred at a point in time	1,280	1,365	1,127	874	-3	4,643
Service transferred over time	826	169	13	55	—	1,063
Total	2,106	1,535	1,140	928	-3	5,706

1) Restated for comparability, see Note 7.

The distribution of Revenue from contracts with customers by division, geographical markets, type of good or service and timing of revenue recognition is summarized in the table to the left.

Revenue from aftermarket sales consists primarily of service revenue from all divisions, upgrades from the Pattern Generators division and spare parts and accessories from the High Flex, High Volume and Global Technologies divisions.

Information about trade receivables, contract assets and contract liabilities from contracts with customers are summarized in the table below.

Contract balances	Group		Parent Company	
	2024	2023	2024	2023
Non-current trade receivables	4	9	1	3
Trade receivables, see Note 27	1,507	1,270	359	511
Contract assets	71	34	48	8
Contract liabilities	-1,398	-1,203	-1,048	-974
Total	184	109	-640	-453

Contract assets mainly pertain to the Group's right to reimbursement for work performed but not invoiced that is linked to system sales in the Pattern Generators and Global Technologies divisions. Contract assets are transferred to trade receivables when the Group issues an invoice to the customer, which normally takes place when the terms for the installation are met.

Contract liabilities mainly consist of advance payments on orders received, unmet performance obligations related to system sales in the Pattern Generators division, and prepaid service revenue in all divisions. Of the SEK 1,203 million recognized as contract liabilities on the opening date, SEK 972 million was recognized as revenue as of December 31, 2024.

In the Pattern Generators division, payment is normally made for system orders when the order is confirmed and in conjunction with shipping, and a smaller portion is paid after installation is approved. Payments for upgrades are normally received after installation is approved. Service contracts are paid monthly or quarterly in arrears.

In the High Flex, High Volume and Global Technologies divisions, payment is normally made for system orders when the order is confirmed and after shipping, and a smaller portion is paid after installation is approved. Payments for spare parts and accessories normally take place after delivery. See Note 34 for average credit periods. Service contracts are normally paid in advance, annually or quarterly.

Note 6 *continued***Performance obligations***High Flex, High Volume and Global Technologies*

System sales in the High Flex, High Volume and Global Technologies divisions are normally divided into two separate performance obligations: system and installation. The system portion is recognized as income at a point in time while the installation is recognized over time. Aftermarket sales include goods, such as spare parts and accessories, which are recognized as income at a point in time and service revenue that is recognized over time.

Pattern Generators

System sales in the Pattern Generators division are divided into three separate performance obligations: system, installation and service-type warranty. The system portion is recognized as income at a point in time while the installation and warranty are recognized over time. Aftermarket sales mainly comprise revenue from service contracts that are recognized as income over time and upgrades that are normally recognized at a point in time.

In the Pattern Generators division, combined agreements exist where two or more agreements are signed at the same time, or almost at the same time, with the same customer and when other criteria for recognizing the agreements as combined are satisfied. These combined agreements can include performance obligations such as system, installation, service-type warranty and upgrades.

Remaining performance obligations

Remaining performance obligations as per December 31, 2024 amounted to SEK 4,702 million, including advances and deferred income recognized as contract liabilities. The remaining performance obligations include 29 mask writers, of which 22 with planned delivery in 2025.

Note 7 Segment reporting

The Group has four segments, which correspond to its four divisions. The Pattern Generators division develops, manufactures and markets mask writers and measuring machines for production of photomasks for displays and semiconductors. Service agreements are a central part of the division's offering. The High Flex division develops, manufactures and markets surface mount technology (SMT) and inspection equipment, focusing on markets for flexible manufacture, primarily in Europe and the USA. The High Volume division develops, manufactures and markets equipment for dispensing and conformal coating of circuit boards with a focus on high-volume markets in Asia. The Global Technologies division's offering comprises die

bonding systems, equipment for 3D nanoprinting of photonic interconnects as well as equipment for electrical testing of bare board PCBs and substrates.

The accounting principles of the segments are the same as for the Group, with the exception of IFRS 16 Leases. The segments recognize lease payments as a cost on a straight-line basis over the period of the lease.

Net sales per geographical market are determined using the domicile of the customer. Consolidated net sales consist of revenue from sales of goods and services. Services mainly consist of service contracts, which normally include spare parts.

NET SALES AND PROFIT/LOSS BEFORE TAX

2024	Pattern Generators	High Flex	High Volume	Global Technologies	Group-wide	Effects of IFRS 16	Eliminations	Group
Revenue from external customers	2,997	1,489	1,434	1,138	—	—	—	7,057
Internal revenue	—	—	—	—	—	—	—	—
Total revenue	2,997	1,489	1,434	1,138	—	—	—	7,057
<i>of which 0 customers represent more than 10 percent of the Group's total sales</i>								
Gross profit	2,105	602	555	455	-3	5	-1	3,719
Gross margin, %	70	40	39	40	—	—	—	53
Operating expenses and EBIT								
R&D expenditure	-332	-207	-154	-101	—	0	—	-793
Capitalized development expenditure	45	36	4	—	—	—	—	84
Amortization and impairment of acquired technology	—	-5	0	-32	—	—	—	-37
Selling expenses	-81	-232	-151	-132	-33	1	—	-628
Administrative expenses	-35	-61	-56	-73	-140	2	1	-361
Other income and expenses	-8	22	26	-3	0	—	—	38
Financial income and expenses	—	—	—	—	69	-6	—	63
Profit before tax	1,694	156	223	113	-107	2	1	2,084
Assets								
Capitalized development expenditure	91	82	4	—			—	177
Inventories	661	425	684	288			-1	2,056
Trade receivables	411	400	448	248			—	1,507
Investments								
Capitalized development expenditure	45	36	4	—			—	84
Depreciation/amortization and impairment of non-current assets								
Depreciaton/amortization for the year	-62	-45	-10	-64	-2	-83	1	-266

Note 7 *continued*NET SALES AND PROFIT/LOSS BEFORE TAX *continued*

2023	Pattern Generators	High Flex ¹	High Volume ¹	Global Technologies	Group- wide	Effects of IFRS 16	Elimina- tions ¹	Group
Revenue from external customers	2,106	1,532	1,140	928	—	—	—	5,706
Internal revenue	—	3	—	—	—	—	-3	0
Total revenue	2,106	1,535	1,140	928	—	—	-3	5,706
<i>of which 0 customers represent more than 10 percent of the Group's total sales</i>								
Gross profit	1,389	640	482	343	0	2	-1	2,855
Gross margin, %	66	42	42	37	—	—	—	50
Operating expenses and EBIT								
R&D expenditure	-255	-214	-128	-82	—	0	—	-679
Capitalized development expenditure	27	36	—	—	—	—	—	63
Amortization and impairment of acquired technology	—	-6	-4	-28	—	—	—	-38
Selling expenses	-67	-203	-163	-105	-120	1	0	-658
Administrative expenses	-35	-59	-50	-61	-134	1	0	-338
Other income and expenses	-5	0	36	-8	6	—	0	28
Financial income and expenses	—	—	—	—	33	-6	—	27
Profit before tax	1,053	195	173	59	-215	-2	0	1,262
Assets								
Capitalized development expenditure	65	75	—	—	—	—	—	140
Inventories	519	392	457	235	—	—	-2	1,602
Trade receivables	571	328	243	129	—	—	—	1,270
Investments								
Capitalized development expenditure	27	36	—	—	—	—	—	63
Depreciation/amortization and impairment of non-current assets								
Depreciation/amortization for the year	-57	-43	-22	-58	-4	-81	1	-264

- 1) In the third quarter of 2023, the High Flex division took over the global responsibility for China-based HC Xin from the High Volume division, while High Volume took over the global responsibility for the MYSmart dispensing products as well as the Mexico office from High Flex. Comparative figures are restated for comparability.

NET SALES PER GEOGRAPHICAL MARKET

	Group		Parent Company	
	2024	2023	2024	2023
Sweden	55	31	54	31
Rest of Europe	804	848	536	571
USA	783	1,015	369	659
Other Americas	116	147	11	20
China	2,932	2,447	1,131	1,010
South Korea	846	453	806	392
Rest of Asia	1,450	725	1,105	481
Other countries	71	40	51	31
Total	7,057	5,706	4,062	3,195
of which, system sales	5,312	4,077	2,904	2,106
of which, aftermarket sales	1,745	1,629	1,105	1,044
of which, group-wide services	—	—	53	46
	7,057	5,706	4,062	3,195

NON-CURRENT ASSETS PER GEOGRAPHICAL MARKET

	Group		Parent Company	
	2024	2023	2024	2023
Sweden	453	410	248	216
Germany	1,256	865		
Rest of Europe	73	104		
USA	548	522		
Other Americas	7	5		
China	888	852		
Rest of Asia	35	29		
Total	3,260	2,788	248	216

Note 8 Transactions with related parties

Intra-Group transactions

Of the Parent Company's purchases during the year, SEK 499 (452) million, was attributable to Group companies. Of the year's net sales, SEK 1,207 (1,351) million was attributable to Group companies. All transactions are conducted on market terms.

Transactions with persons in senior positions

Except what is described in Note 14 "Employees, personnel costs and remuneration to the executive management", no transactions have taken place with related persons.

Note 9 Fees for auditing and non-auditing services

	Group		Parent Company	
	2024	2023	2024	2023
<i>Fees and compensation, auditing, etc:</i>				
Auditing assignments, EY	15.9	14.0	8.7	7.3
Auditing assignments, other	0.8	0.6	—	—
Audit-related services, EY	1.0	1.3	1.0	1.3
Tax consulting, EY	1.2	1.2	—	—
Other assignments, EY	0.5	2.1	0.5	2.1
	19.3	19.0	10.1	10.6

Auditing assignments refer to the auditing of the consolidated financial statements, the accounts and the administration of the Board of Directors and the CEO, other tasks that befall on the company's auditor and advice or other assistance prompted by observations from such audits or the performance of such tasks. Other assignments mainly pertain to services related to sustainability reporting. The 2024 Annual General Meeting re-elected Ernst & Young (EY) as auditor.

Note 10 Other operating income/expenses

	Group		Parent Company	
	2024	2023	2024	2023
Other operating income				
Exchange rate gains	6	—	83	—
Other	49	61	14	10
	55	61	97	10
Other operating expenses				
Exchange rate losses	—	-16	—	-80
Other	-18	-17	-6	—
	-18	-33	-6	-80
of which, exchange rate differences on derivatives recognized in the profit and loss account at fair value	-43	15	-69	-14

Other operating income, excluding exchange rate gains, mainly refers to government grants.

Note 11 Research and development expenses

	Group		Parent Company	
	2024	2023 ¹	2024	2023
<i>R&D expenditure</i>				
Pattern Generators	332	255		
High Flex	207	214		
High Volume	154	128		
Global Technologies	101	82		
	793	679	504	425
<i>Capitalized development</i>				
Pattern Generators	-45	-27		
High Flex	-36	-36		
High Volume	-4	—		
	-84	-63	—	—
<i>Amortization of acquired technology</i>				
High Flex	5	6		
High Volume	0	4		
Global Technologies	32	28		
	37	38	—	—
Reported cost	747	653	504	425

1) Restated for comparability, see Note 7.

Note 12 Operating expenses

Functionalized expenses allocated by type of cost.

Group 2024	Cost of goods sold	Research and Development	Selling expenses	Administrative expenses	Other operating expenses	Total
Material costs	1,955	2	1	0	—	1,957
Personnel costs	777	466	323	262	—	1,828
Depreciation/amortization and impairment of non-current assets	127	72	40	27	—	266
Other external costs	479	207	264	73	18	1,040
	3,338	747	628	361	18	5,092
Group 2023						
Material costs	1,640	3	1	0	—	1,644
Personnel costs	683	406	284	229	—	1,603
Depreciation/amortization and impairment of non-current assets	129	60	47	28	—	264
Other external costs	398	184	325	81	33	1,021
	2,850	653	658	338	33	4,532

Note 13 Depreciation/amortization by function

Group 2024	Customer relationships	Brands	Business systems	Development expenses/Technology	Property, plant and equipment	Right-of-use assets	Total
Cost of goods sold	—	—	2	48	28	49	127
Research and Development	—	—	4	37	26	5	72
Selling expenses	18	1	0	—	11	11	40
Administrative expenses	—	—	0	—	9	18	27
	18	1	6	85	73	83	266
Group 2023							
Cost of goods sold	—	—	2	42	40	45	129
Research and Development	—	—	1	38	16	5	60
Selling expenses	25	0	0	—	8	14	47
Administrative expenses	—	—	1	—	10	17	28
	25	0	4	79	74	81	264

Parent Company 2024	Business systems	Development expenses/Technology	Tangible assets	Total
Cost of goods sold	2	—	16	19
Research and Development	3	11	20	34
Selling expenses	0	—	3	3
Administrative expenses	0	—	1	2
	6	11	40	56

Parent Company 2023

Cost of goods sold	2	—	28	30
Research and Development	1	4	10	15
Selling expenses	0	—	0	1
Administrative expenses	1	—	2	3
	4	4	41	48

Note 14 Employees, personnel costs and remuneration to the executive management

The Chairman and the members of the Board are remunerated according to the AGM decision. Members of the Board that are appointed by unions do not receive remuneration. No fees are paid to the Boards of the subsidiaries. Guidelines for remuneration to the CEO and members of the executive management are established by the AGM. The proposal of remuneration guidelines is prepared by the Remuneration Committee of the Board. The Board thereafter resolves on the proposal, which is presented at the AGM.

Reported remuneration refers to the CEO and the six members who constituted the executive management in 2024. The executive management changed during the year with Senior VP High Volume, Ivan Li, leaving executive management. The total remuneration for the CEO and members of the executive management consists of base salary, variable pay, pension and other benefits. Short-term variable pay may total a maximum of 120 percent of base salary, after fulfilment of performance targets. For 2024, short-term variable pay could amount to a maximum of SEK 17.4 million excluding social security expenses. Long-term variable pay may consist of share or share price-based remuneration and other remuneration linked to continued employment.

At the AGMs in 2021, 2022, 2023 and 2024, decisions were taken on free-of-charge, performance-based, share-based remuneration ("LTIP") that addresses members of the executive management and other key employees as a mean of increasing and strengthening opportunities to recruit, retain and motivate employees, and to encourage personal, long-term ownership in Mycronic. Provided the participant is employed by Mycronic throughout the vesting period until allotment, the participant has the right after the end of the vesting period to receive an allotment of shares in Mycronic, referred to as performance shares. The number of shares awarded is dependent on the fulfilment

of specific performance requirements linked to Mycronic's earnings per share and, as from the 2024 plan, a CO₂e target. For active programs, the maximum number of shares awarded for a single participant amounts to 14,704.

Any allocation of performance shares within each respective program will be made during a limited period of time after the AGM that takes place following the expiration of each program's three-year qualification period. The accompanying table shows the maximum number of shares that can be transferred free of charge to participants if the established performance criteria are fully met. In 2024, costs, excluding social security expenses, related to performance shares were recognized in an amount of SEK 20 (12) million and SEK 15 (11) million in the Group and Parent Company, respectively.

Pension and health insurance benefits are premium-based. The contractual retirement age is 65 years for members of the executive management employed in Sweden. For members in the executive management employed outside of Sweden, locally competitive pension plans and retirement ages are applied. Other benefits may include, for example, car benefits and health care insurance.

For the CEO, the notice period is twelve months in the event of termination by the company, with twelve months' severance pay. During the notice period, base salary and associated benefits apply. For members of the executive management employed in Sweden, the mutual notice period is a maximum of six months. Upon termination by the company, six months' severance pay applies. During the notice period, the current employment contract runs with associated benefits. For other members of the executive management who are locally employed outside of Sweden, employment or contractual agreements shall comply with mandatory rules applicable in the relevant jurisdiction or local practice.

SHARE-BASED REMUNERATION

	LTIP 2024	LTIP 2023	LTIP 2022	LTIP 2021
Performance period	2024- 2027	2023- 2026	2022- 2025	2021- 2024
Expiration date	2027- 07-01	2026- 07-01	2025- 07-01	2024- 07-01
Share price on allotment day	408.60	267.00	143.90	258.20
Allocated performance share rights	97,214	97,700	113,900	94,600
Outstanding January 1, 2024	—	96,600	112,500	79,700
Granted	97,214	—	—	—
Transferred	—	—	—	-48,535
Forfeited	—	-1,100	-2,800	-31,165
Outstanding December 31, 2024	97,214	95,500	109,700	0
Remaining exercise period in months	30	18	6	0
Outstanding January 1, 2023	—	—	112,500	81,900
Granted	—	97,700	—	—
Transferred	—	—	—	—
Forfeited	—	-1,100	—	-2,200
Outstanding December 31, 2023	—	96,600	112,500	79,700
Remaining exercise period in months	—	30	18	6

Forfeited share rights refer to participants who are no longer employed by Mycronic as well as performance conditions that have not been met.

TOTAL REMUNERATION

	Group		Parent Company	
	2024	2023	2024	2023
Salaries and remuneration				
Board and executive management	48	46	43	34
Other employees	1,359	1,178	330	291
Total salaries and remuneration	1,407	1,224	373	325
Social security expenses	252	224	128	108
Pension expenses	121	111	56	51
Total expenses	1,780	1,559	558	484

The reported remuneration to employees includes variable pay for the Group of SEK 215 (166) million excluding social security expenses, of which SEK 64 (43) million refer to the Parent Company.

Note 14 *continued*

REMUNERATION TO THE BOARD

	2024			2023		
	Board fees	Commit-tee fees	Total	Board fees	Commit-tee fees	Total
Patrik Tigerschiöld, Chairman of the Board and Chairman of the Remuneration Committee	0.9	0.1	1.0	0.9	0.1	1.0
Anna Belfrage, Chairman of the Audit Committee	0.4	0.2	0.5	0.4	0.1	0.5
Katarina Bonde	0.4	0.1	0.5	0.4	0.1	0.4
Robert Larsson	—	—	—	0.4	0.1	0.4
Staffan Dahlström	0.4	0.1	0.5	0.4	0.1	0.4
Arun Bansal	0.4	0.1	0.4	0.4	0.1	0.4
Bo Risberg	0.4	0.1	0.4	0.4	—	0.4
Jens Hinrichsen	0.4	—	0.4	—	—	—
Total remuneration to the Board	3.1	0.6	3.7	3.0	0.5	3.5

REMUNERATION TO EXECUTIVE MANAGEMENT

	2024	Base salary	Other remuneration	Short-term variable pay	Long-term variable pay	Pension expenses	Other benefits	Total
Anders Lindqvist, CEO		7.0	0.3	8.1	2.1	2.5	0.0	19.9
Other executive management (6 persons)		14.3	0.6	8.6	3.5	3.6	0.2	30.8
Total remuneration		21.3	0.8	16.6	5.6	6.1	0.2	50.7
	2023	Base salary	Other remuneration	Short-term variable pay	Long-term variable pay	Pension expenses	Other benefits	Total
Anders Lindqvist, CEO		6.7	0.2	6.3	1.4	2.4	0.0	17.1
Other executive management (7 persons)		18.4	0.4	7.1	1.9	3.4	0.2	31.4
Total remuneration		25.2	0.6	13.4	3.3	5.8	0.2	48.6

Reported remuneration refers to members of the executive management.

Base salary

During 2024, the base salary for the CEO amounted to SEK 584 thousand per month.

Other remuneration

Other remuneration mainly consists of holiday pay and car allowance.

Short-term variable pay

The short-term variable pay for the CEO during the year amounted to SEK 8.1 million, and for other members of the executive management to SEK 8.6 million and refers to short-term variable pay earned in 2024 to be paid in 2025. Paid short-term variable pay amounted to SEK 6.3 million for CEO and SEK 5.6 million for other members of the executive management. The outcome for 2024 reached 96 percent of maximum amount.

Long-term variable pay

Long-term variable pay, SEK 5.6 million, refers to share-based remuneration (LTIP) transferred to executive management in 2024. The expensed amount during the year amounted to SEK 6.1 (4.3) million, of which CEO SEK 2.1 (1.6) million.

Pension expenses

Pension benefits are premium-based. The pension premium for the CEO is limited to 35 percent of base salary.

Other benefits

Other benefits consist of car benefits and health insurance.

PERCENTAGE OF WOMEN

% (average)	Group		Parent Company	
	2024	2023	2024	2023
Board of Directors	29	29	29	29
Executive management	43	38	43	38

The Board and the executive management of the Parent Company consisted of 16 (17) people during the year and were 16 (17) people at the end of the year. The proportion of women in the Parent Company's Board is based on the members who are elected by the AGM.

AVERAGE NUMBER OF EMPLOYEES

	2024		2023	
	Total	of which women	Total	of which women
<i>Parent Company</i>				
Sweden	452	117	409	103
Total in Parent Company	452	117	409	103
China	1,151	184	1,106	173
France	59	12	59	12
Germany	155	35	132	27
Japan	79	13	80	8
Mexico	14	1	7	1
Netherlands	15	3	14	2
Singapore	6	1	6	1
South Korea	54	8	49	7
United Kingdom	16	4	14	4
USA	153	22	147	29
Vietnam	5	1	4	1
Total in subsidiaries	1,707	284	1,618	265
Total in Group	2,158	401	2,027	369

Note 15 Net financial items

	Group		Parent Company	
	2024	2023	2024	2023
Interest income from Group companies	—	—	53	43
Other interest income (loans and trade receivables)	78	40	64	26
Total interest income in accordance with effective interest method¹	78	40	117	69
Dividend from Group companies	—	—	116	364
Financial income/Interest income and similar profit/loss items	78	40	233	433
Interest expenses to Group companies	—	—	-7	-5
Interest expenses	-15	-13	-8	-13
Total interest expenses in accordance with effective interest method	-15	-13	-15	-13
Financial net/Profit/loss from financial investments	63	27	218	421

1) Financial instruments classified at amortized cost.

Note 16 Appropriations and untaxed reserves

Appropriations	2024	2023
Changes in tax allocation reserve	-259	-60
Changes in depreciation exceeding plan	-37	-14
	-296	-74
Untaxed reserves		
Allocation reserve	1,593	1,334
Accumulated additional depreciation	77	40
	1,670	1,374
Allocation reserves that fall due within		
one year	264	235
one to five years	835	835
later than five years	494	264
	1,593	1,334

Note 17 Earnings per share

	Group	
Amount in SEK	2024	2023
Earnings per share before dilution	17.25	10.22
Earnings per share after dilution	17.24	10.22

The calculation of earnings per share is based on profits and number of shares detailed below.

	Group	
	2024	2023
Profit attributable to the owners of the Parent Company, SEK million	1,683	998
Basic weighted average number of shares outstanding, thousands	97,590	97,610
Effect of share-based remuneration, number of shares thousands	54	25
Diluted weighted average number of shares outstanding, thousands	97,645	97,636

Note 18 Income tax

	Group		Parent Company	
	2024	2023	2024	2023
<i>Current tax</i>				
The year's tax expense	-364	-251	-307	-161
	-364	-251	-307	-161
<i>Deferred tax</i>				
Deferred tax on temporary differences	-33	-15	1	1
	-33	-15	1	1
Total reported tax	-396	-266	-306	-160

RECONCILIATION OF EFFECTIVE TAX

	Group		Parent Company	
	2024	2023	2024	2023
Profit before tax	2,084	1,262	1,521	1,113
Tax according to tax rate in the Parent Company 20.6 (20.6)%	-429	-260	-313	-229
Effect of different tax rates in foreign subsidiaries	8	3	—	—
<i>Tax effect of:</i>				
- non-deductible/non-taxable items	25	17	18	73
- withholding tax on dividends	—	-18	—	—
<i>Adjustments from prior years:</i>				
- current tax	3	-1	-1	3
- deferred tax	27	4	—	—
Utilization/increase of loss carryforwards for which deferred tax is not recognized	-9	-2	—	—
Other	-20	-10	-10	-7
Reported effective tax	-396	-266	-306	-160

Note 18 *continued*

TAX ITEMS RECOGNIZED IN OTHER COMPREHENSIVE INCOME

	Group		Parent Company	
	2024	2023	2024	2023
Actuarial profit/loss from defined benefits to employees	0	1	—	—
Cash flow hedges	37	-15	—	—
Translation differences on foreign currency loans treated as net investments in subsidiaries	-19	8	—	—
	19	-6	—	—

RECOGNIZED DEFERRED TAX ASSETS AND LIABILITIES

Group	2024		2023	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Property, plant and equipment	3	-1	2	-2
Right-of-use assets	—	-47	—	-47
Intangible assets	11	-76	10	-78
Derivatives used as hedging instruments	—	-21	—	-26
Trade receivables	7	—	9	—
Inventories	92	-1	68	—
Untaxed reserves	—	-347	—	-290
Provisions	23	—	18	—
Accrued expenses and deferred income	46	—	35	—
Lease liabilities	52	—	51	—
Other liabilities	5	—	6	—
Other	33	0	26	0
Loss carryforwards	32	—	32	—
Tax assets/liabilities	303	-494	258	-442
Set-off	-89	89	-83	83
Net tax assets/liabilities	214	-405	175	-359

Parent Company	2024		2023	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Trade receivables	0	—	0	—
Provisions	6	—	5	—
Accrued expenses and deferred income	1	—	2	—
Tax assets/liabilities	8	—	7	—

Set-off of tax assets and tax liabilities is carried out within the same tax entity. The Group's deferred tax liabilities net amounted to SEK 191 (183) million. Of the change for the year of SEK 9 (41) million, SEK 33 (15) million was recognized in the profit and loss account and SEK -24 (26) million was recognized in other comprehensive income. Tax assets regarding loss carryforwards are only recognized to the

extent that they are probable to be used. At the end of the year, the Group's accumulated loss carryforwards amounted to SEK 688 million. Tax assets were recognized at an amount of SEK 32 million, corresponding to loss carryforwards of SEK 124 million. Loss carryforwards refer to subsidiaries in France, the USA, China and South Korea and can be utilized without a time limit.

Note 19 Intangible assets

Group	Business systems		Development expenses		Technology		Customer relationships		Brands		Goodwill		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<i>Accumulated cost</i>														
Opening balance at January 1	64	34	1,076	1,013	347	347	200	200	107	108	1,803	1,866	3,596	3,568
Investments during the year	28	26	84	63	—	—	—	—	—	—	—	—	112	89
Investments through business combinations	0	—	—	—	55	—	14	—	6	—	204	—	279	—
Reclassifications	—	4	—	—	—	—	—	—	—	—	—	—	—	4
Historical cost sold/scrapped assets	0	0	—	—	—	—	—	—	—	—	—	—	0	0
Exchange rate differences for the year	0	0	1	0	6	-1	2	0	5	-2	99	-63	113	-66
Closing balance, accumulated cost at December 31	92	64	1,161	1,076	408	347	216	200	118	107	2,105	1,803	4,100	3,596
<i>Accumulated amortization and impairment</i>														
Opening balance at January 1	-27	-23	-936	-895	-179	-141	-140	-115	-21	-20	—	—	-1,303	-1,194
Amortization sold/scrapped assets	0	0	—	—	—	—	—	—	—	—	—	—	0	0
Amortization and impairment for the year	-6	-4	-48	-42	-37	-38	-18	-25	-1	0	—	—	-110	-109
Closing balance, accumulated amortization and impairment at December 31	-33	-27	-984	-936	-216	-179	-158	-140	-22	-21	—	—	-1,413	-1,303
Closing balance, residual value according to plan at December 31	59	37	177	140	191	168	58	59	96	86	2,105	1,803	2,686	2,292

Parent Company	Business systems		Technology		Total	
	2024	2023	2024	2023	2024	2023
<i>Accumulated cost</i>						
Opening balance at January 1	57	27	56	17	114	44
Investments during the year	27	26	13	40	40	66
Reclassifications	—	4	—	—	—	4
Closing balance, accumulated cost at December 31	84	57	69	56	153	114
<i>Accumulated amortization</i>						
Opening balance at January 1	-23	-19	-17	-13	-40	-33
Amortization for the year	-6	-4	-11	-4	-16	-8
Closing balance, accumulated amortization at December 31	-29	-23	-28	-17	-56	-40
Closing balance, residual value according to plan at December 31	56	34	41	39	97	73

Each development project is assessed individually to determine whether the criteria for capitalization in the statement of financial position have been met. Capitalized expenditure consists of internally produced assets. The estimated useful life is five years. In 2024, development projects were capitalized in the amount of SEK 84 (63) million.

Other intangible assets mainly refer to business combinations.

In April and in October 2024, intangible assets in the form of technology, customer relationships, brand and goodwill were added through the acquisitions of Vanguard Automation and Modus, see Note 23. Technology, customer relationships and brands have estimated useful lives of seven years.

In November 2021, intangible assets in the form of technology, customer relationships, brand and goodwill were added through the acquisition of HC Xin. Technology, customer relationships and brand have estimated useful lives of seven years.

In June 2021, intangible assets in the form of technology, customer relationships, brand and goodwill were added through the acquisition of atg L&M. The estimated useful lives of technology and customer relationships are ten and seven years, respectively.

In connection with the acquisition of MRSI in 2018, intangible assets were identified in the form of technology, customer relationships, brand and goodwill. Technology and customer relationships have estimated useful lives of seven years.

Note 19 *continued*

Information about depreciation/amortization by function is provided in Note 13. The carrying amount of intangible assets with indefinite useful lives, excluding goodwill, is SEK 89 (84) million and refers to brands. Useful life has been defined as indefinite where the time period, during which an asset is deemed to contribute to economic benefits, cannot be determined.

Impairment testing of intangible assets

The carrying amount of goodwill and brands with indefinite lives are annually assessed through impairment testing of the cash-generating unit based on the unit's value in use. The cash-generating units referred to are division High Flex, division High Volume, division Global Technologies excluding atg L&M and Vanguard as well as atg L&M and Vanguard.

The value in use is based on cash flow forecasts, built on the executive management's and Board's business plan for the coming five years. The business plan, which is updated annually, is based on internal and external sources and includes measures to achieve Mycronic's financial and sustainability goals. After the business plan period, the expected growth rate is 2 percent.

The most important assumptions in the five-year business plan relate to growth rates, operating margins and discount rates. Since the calculated recoverable value exceeds the carrying amount, no indication of impairment has been reported.

Based on the current business plan, atg L&M show some sensitivity to changes in significant assumptions. The recoverable value of atg L&M would equal the carrying amount if the pre-tax discount rate increased by 2.5 percentage points, if the growth rate in rela-

tion to the business plan decreased by 4.6 percentage points, or if operating margin decreased by 4.2 percentage points. For other cash-generating units, no reasonable changes to important assumptions are expected to result in impairment.

Cash-generating units	Goodwill		Brands		Discount rate before tax, %		Discount rate after tax, %	
	2024	2023	2024	2023	2024	2023	2024	2023
High Flex	395	373	—	—	12.9	13.6	10.6	11.1
High Volume	585	503	51	48	12.0	13.1	10.6	11.5
Global Technologies excl. atg L&M and Vanguard Automation	252	230	13	12	15.6	15.3	12.1	11.8
atg L&M	718	697	26	25	12.4	13.2	9.5	10.1
Vanguard Automation	155	—	—	—	16.3	—	12.8	—
	2,105	1,803	89	84				

Note 20 Property, plant and equipment

Group	Buildings and land		Improvements to leased property		Machinery and equipment		Construction in progress		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<i>Accumulated cost</i>										
Opening balance at January 1	4	4	91	86	599	546	41	10	735	646
Investments during the year	—	0	3	7	25	16	98	80	126	103
Investments through business combinations	—	—	1	—	8	—	—	—	9	—
Reclassifications to machinery and equipment	—	—	—	—	43	48	-43	-48	0	0
Reclassifications to/from inventory	—	—	—	—	—	—	18	3	18	3
Reclassifications other	—	—	0	0	-8	0	—	-2	-8	-2
Historical cost sold/scrapped equipment	—	—	0	0	-18	-8	—	—	-18	-8
Exchange rate differences for the year	0	0	3	-2	2	-3	2	-1	8	-6
Closing balance, accumulated cost at December 31	5	4	98	91	651	599	116	41	870	735
<i>Accumulated depreciation and impairment</i>										
Opening balance at January 1	—	—	-38	-27	-409	-353	—	—	-447	-381
Depreciation sold/scrapped equipment	—	—	0	0	17	7	—	—	17	8
Reclassifications other	—	—	0	—	5	—	—	—	5	—
Depreciation for the year	—	—	-11	-11	-62	-63	—	—	-73	-74
Closing balance, accumulated depreciation and impairment at December 31	—	—	-49	-38	-448	-409	—	—	-497	-447
Closing balance, residual value according to plan at December 31	5	4	49	53	203	190	116	41	373	288

Note 20 *continued*

Parent Company	Machinery and equipment		Construction in progress		Total	
	2024	2023	2024	2023	2024	2023
<i>Accumulated cost</i>						
Opening balance at January 1	390	343	8	9	399	351
Investments during the year	—	—	30	47	30	47
Reclassifications to machinery and equipment	42	48	-42	-48	0	0
Reclassifications to/from inventory	—	—	18	3	18	3
Reclassifications other	—	—	0	-2	0	-2
Historical cost sold/scrapped equipment	-9	-1	—	—	-9	-1
Closing balance, accumulated cost at December 31	423	390	15	8	438	399
<i>Accumulated depreciation and impairment</i>						
Opening balance at January 1	-256	-215	—	—	-256	-215
Depreciation sold/scrapped equipment	9	1	—	—	9	1
Depreciation for the year	-40	-41	—	—	-40	-41
Closing balance, accumulated depreciation and impairment at December 31	-287	-256	—	—	-287	-256
Closing balance, residual value according to plan at December 31	136	134	15	8	151	143

Property, plant and equipment are depreciated on a straight-line basis over their expected useful life. Depreciation is started when the assets are available for use, as follows:

Permanent equipment	5-10 years
Machinery and equipment	3-7 years
Computers	3 years

Note 21 Leases

Right-of-use assets are presented separately in the following table.

RIGHT-OF-USE ASSETS

Group	Rented premises		Other		Total	
	2024	2023	2024	2023	2024	2023
<i>Accumulated cost</i>						
Opening balance at January 1	415	414	25	23	440	437
Add-ons during the year	48	37	9	9	57	46
Add-ons through business combinations	9	—	2	—	11	—
Deductions during the year	-22	-23	-6	-5	-28	-28
Exchange rate differences for the year	18	-14	1	-1	19	-14
Closing balance, accumulated cost at December 31	468	415	31	25	499	440
<i>Accumulated depreciation and impairment</i>						
Opening balance at January 1	-222	-180	-11	-10	-233	-189
Deductions during the year	22	22	6	5	27	28
Depreciation for the year	-75	-74	-8	-7	-83	-81
Exchange rate differences for the year	-9	9	0	0	-9	10
Closing balance, accumulated depreciation and impairment at December 31	-284	-222	-14	-11	-299	-233
Closing balance, residual value according to plan at December 31	184	193	17	14	201	207

Parent Company	2024	2023
Expensed lease charges for the year	21	21
of which, variable fees	—	—
<i>Future payments under lease contracts (nominal)</i>		
Within one year	24	20
Between one and five years	82	29
Later than five years	14	—
Total	120	48

Mycronic's material leases currently primarily comprise rented premises, but also vehicles and office equipment. Rented premises are presented as one class of underlying assets, and vehicles and office equipment are presented under Other, as they are not considered material individually. Rental premises have remaining lease terms for up to ten years. Leases where the underlying asset has low value and the contract for the lease period is less than twelve months are not included in the statement of financial position. The value of these lease contracts amounts to SEK 6 (8) million. This year's add-ons consist primarily of new premises in Germany and the USA, and the extension of rental contracts in Japan. As per December 31, 2024, there are lease commitments for lease contracts that will start in 2025 amounting to approximately SEK 90 million. The total cash flow for lease contracts for the year 2024 amounted to SEK -95 (-81) million. Interest expenses for lease liabilities amounted to SEK 6 (6) million. Variable lease payments are not significant.

Note 22 Participation in Group companies

Parent Company	2024	2023
Opening balance, historical cost	1,866	1,270
Acquisitions	2	2
Share-based incentive programs	6	3
Shareholder contribution	168	590
Closing balance, accumulated cost	2,041	1,866
Opening balance, impairment	-47	-47
Closing balance, accumulated impairment	-47	-47
Closing balance, carrying amount	1,994	1,818

HOLDINGS OF SHARES AND PARTICIPATIONS IN GROUP COMPANIES

Directly owned subsidiaries	Corp. ID no.	Domicile	No. of shares	% of capital	Carrying amount
Mycronic Technologies Corp.	0124-01-009633	Japan	200	100	6
Mycronic Co, Ltd.	80271004	Taiwan	1,600,000	100	4
Mycronic Co, Ltd.	134111-0136974	South Korea	810	100	15
Mycronic (Shanghai) Co., Ltd.	91310000560190439Y	China	—	100	6
Mycronic S.A.S.	333 906 139 000 55	France	10,000	100	9
Mycronic Ltd.	2524693	United Kingdom	24,000	100	6
Mycronic Inc.	04-3219080	USA	10,000	100	45
Mycronic Pte Ltd.	199601416W	Singapore	1,000	100	1
Mycronic BV	809388315	Netherlands	180	100	8
Mycronic GmbH	HRB 53381	Germany	4	100	30
Micronic Mydata AB	556963-0360	Stockholm	50,000	100	0
Mydata Automation AB	556963-0329	Stockholm	50,000	100	0
RoyoTech Digitalelektronik GmbH	HRB 92792	Germany	5	100	77
Kognitec Holding GmbH	HRB 744218	Germany	4	100	762
Shenzhen Axxon Automation Co, Ltd.	91440300682020147E	China	—	100	783
VIT S.A.S.	451 028 567	France	1,309,638	100	31
Mycronic Assembly Solutions Co., Ltd.	2 290 001 052 547	Japan	1,000	100	10
Test Solutions (Suzhou) Co., Ltd.	91320594739577860M	China	—	100	190
MRSI Automation (Shenzhen) Co., Ltd.	91440300MA5H432H37	China	—	100	5
Mycronic, S. de R.L. de C.V.	N-2022088617	Mexico	1	100	4
Mycronic Axxon Korea Co., Ltd.	134111-0674445	South Korea	5,000	100	2
					1,994

Indirectly owned Group companies

MRSI Systems, LLC	USA	100
Shenzhen Axxon Piezoelectric Technology Co., Ltd.	China	100
atg Luther & Maelzer GmbH	Germany	100
atg Luther & Maelzer Asia Ltd.	Taiwan	100
Shenzhen Axxon Automation Co. Ltd.	Vietnam	100
Shenzhen Huan Cheng Xin Precision Manufacture Co., Ltd	China	70
Axxon (Hong Kong) Automation, Co., Ltd.	China	100
Axxon Europe B.V.	Netherlands	100
Vanguard Automation GmbH	Germany	100
Vanguard Photonics GmbH	Germany	100
Modus High-Tech Electronics GmbH	Germany	100

Note 23 Business combinations

2024	Vanguard Automation	Modus
Acquisition price		
Cash paid for the acquisitions	179	89
Deferred considerations for the acquisitions	46	—
Total	225	89
Acquired assets and liabilities at fair value		
Intangible assets	57	19
Property, plant and equipment	12	3
Inventories	8	25
Current receivables	16	4
Cash and cash equivalents	9	1
Non-current liabilities	-22	-8
Current liabilities	-11	-4
Total	69	41
Goodwill	156	48
Changes in consolidated cash and cash equivalents as of the acquisitions		
Cash paid for the acquisitions	179	89
Cash and cash equivalents in acquired subsidiaries	-9	-1
Total	170	88

Acquisitions completed in 2024

Vanguard Automation

At the beginning of April 2024, Mycronic acquired 100 percent of the shares in Vanguard Automation, a company headquartered in Karlsruhe, Germany, which has developed a technology and automated equipment for 3D microfabrication of optical interconnects. Following this acquisition, Mycronic can provide a broader offering of die bonding and optical packaging solutions to its customers. Vanguard Automation forms a new business line within the Global Technologies division. In 2023, Vanguard Automation's net sales amounted to EUR 5.2 million. The company has 26 employees.

The purchase consideration amounts to EUR 18 million, corresponding to SEK 207 million, on a cash and debt-free basis. Under certain conditions, based on parameters such as sales and earnings, an additional purchase consideration of a maximum of EUR 8 million will be disbursed in 2026. The purchase price allocation was finalized in the fourth quarter without any material changes. In the purchase price allocation, intangible assets in the form of technology, customer relationships, brand and goodwill were identified. Goodwill

amounts to SEK 156 million and is primarily attributable to the complementing nature of Vanguard Automation's and MRSL's offerings that cater to the photonics industry. The acquisition price is adjusted for contingent considerations, which are deemed to correspond to fair value. As of December 31, 2024 a contingent consideration has been recorded of EUR 4 million, an equivalent of SEK 51 million. The contingent consideration is recorded as Other non-current liabilities in the consolidated statements of financial position. Transaction costs related to the acquisition amounted to SEK 8 million and are reported as selling expenses in EBIT.

The company was consolidated in the Mycronic Group as of April 1, 2024. Vanguard Automation's operations contributed SEK 34 million to consolidated net sales in 2024 whereas EBIT was negatively impacted by SEK 31 million.

Modus High-Tech Electronics

In the middle of October 2024, 100 percent of the shares in Modus High-Tech Electronics GmbH was acquired, a Düsseldorf-based provider of automated optical inspection systems for electronics volume production. Following the transaction, Modus became part of Mycronic's High Volume division. Modus has 18 employees and net sales amounted to EUR 4 million in 2023.

The acquisition price amounts to EUR 8 million, corresponding to SEK 89 million. Work to assign values to acquired assets and liabilities is ongoing and the purchase price allocation is therefore still preliminary as of December 31, 2024. In the preliminary purchase price allocation, intangible assets in the form of technology, customer relationships, brand and goodwill were identified. Goodwill amounts to SEK 48 million and is primarily attributable to Modus' complementary technology in relation to High Volume, as well as anticipated synergies through the integration. Transaction costs related to the acquisition amounted to SEK 3 million and are reported as selling expenses in EBIT.

The company was consolidated in the Mycronic Group as of October 16, 2024. Modus contributed SEK 9 million to consolidated net sales in 2024 whereas EBIT was negatively impacted by SEK 4 million.

Note 24 Non-current receivables from Group companies

Parent Company	2024	2023
Opening balance, carrying amount	1,216	1,711
Additions	212	95
Deductions	-10	-590
Closing balance, carrying amount	1,419	1,216

The Parent Company applies similar impairment as the Group for expected credit losses for current and non-current receivables from Group companies. No material increase in credit risk is deemed to exist on the closing date for any receivable from Group companies. The assessment is that expected credit losses are not material and no provision has therefore been recognized.

Note 25 Other non-current assets

	Group		Parent Company	
	2024	2023	2024	2023
Opening balance, carrying amount	58	66	14	19
Additions	10	1	—	—
Deductions	-8	-10	-2	-5
Closing balance, carrying amount	59	58	12	14

Assets mainly refer to deposits regarding lease of premises, non-current trade receivables, pension insurance premiums for employees and shares in business partners. Added items 2024 primarily relate to deposits regarding lease of premises. Deducted items 2024 primarily consist of reduced non-current trade receivables.

Note 26 Inventories

	Group		Parent Company	
	2024	2023	2024	2023
Components	732	594	476	406
Finished goods	811	668	111	108
Products in progress	514	340	331	239
	2,056	1,602	917	752

Write-down of inventories amounted to SEK 41 (36) million in the Group and SEK 21 (24) million in the Parent Company.

Note 27 Trade receivables

Group	2024			2023		
	Gross	Impairment	Loss given default, %	Gross	Impairment	Loss given default, %
Trade receivables not due	1,191	8	0.7	1,024	5	0.5
Trade receivables, overdue 1–30 days	137	2	1.7	148	3	1.9
Trade receivables, overdue >30–90 days	123	6	4.8	66	3	4.0
Trade receivables, overdue >90–180 days	59	6	10.0	22	2	10.4
Trade receivables, overdue >180–360 days	28	11	40.0	31	12	40.0
Trade receivables, overdue >360 days	15	13	86.5	30	26	85.9
	1,553	46	2.9	1,321	51	3.9

Trade receivables overdue amount to 23 (22) percent of total gross trade receivables. In the High Flex, High Volume and Global Technologies divisions, sales are conducted to a large number of customers in several countries where payment terms differ from the company's standard terms. Part of the company's sales are conducted via distributors, which can also contribute to longer payment processes. Historically, credit losses are very limited. The company judges that the risk of credit losses in excess of the provisions already made is low. The maximum credit risk exposure refers to the carrying amount of trade receivables.

The Group applies the simplified approach for recognizing expected credit losses. This means a provision for expected credit losses is made for the remaining time to maturity, which is expected to be less than one year for all of the receivables above. The Group makes a provision for expected credit losses based on individual assessments concerning receivables in the Pattern Generators division, where known information about the counterparty and forward-looking information is taken into account. The High Flex, High Volume and Global Technologies divisions apply an impairment model based on historical percentage loss combined with forward-looking information and individual assessments. Changes to the provision for expected credit losses are recognized as selling expenses in EBIT.

Any credit enhancements in the form of credit insurance and letters of credit are taken into account in impairment. Mycronic writes down a receivable when there is no longer an expectation of payment and when active measures to receive payment are completed.

Five customers represent 17 (31) percent of trade receivables outstanding. For further information on the concentration and customer risk in trade receivables outstanding, see Note 34.

PROVISION FOR EXPECTED CREDIT LOSSES

Group	2024	2023
Opening balance, carrying amount	51	47
Additions	9	10
Utilized during the year	–5	0
Unutilized during the year	–9	–5
Closing balance, carrying amount	46	51

Note 28 Prepaid expenses and accrued income

	Group		Parent Company	
	2024	2023	2024	2023
Contract assets	71	34	48	8
Other prepaid expenses	73	55	60	43
	144	88	108	51

Note 29 Non-current provisions

Group	2024	2023
Post employment benefits	32	33
Other non-current provisions	12	10
Closing balance, carrying amount	44	43

Post employment benefits

In the Japanese and South Korean subsidiaries, provisions are made for long-term employee benefits. On certain conditions, a lump-sum payment is made to employees when their employment is terminated, either due to retirement or when the employee leaves the company for some other reason. The French and Taiwanese subsidiaries also have small obligations regarding post employment benefits. In South Korea and Taiwan, payments are made to plan assets after decision by the employer. Other pension obligations are unfunded. Defined benefit obligations expose the Group for risks related to, for example, discount rates and salary increases. Plan assets mainly consist of cash and cash equivalents and are affected by changes in market values.

PENSION EXPENSES

Group	2024	2023
<i>Amounts recognized in profit and loss account</i>		
Current service cost	6.9	6.3
Net interest	-0.2	-1.3
Expenses, defined benefit plans	6.7	5.0
<i>Amounts recognized in other comprehensive income</i>		
Remeasurement of pension obligations	1.0	4.4
Remeasurement of plan assets	1.6	1.0
Expenses, defined benefit plans	2.6	5.3
Total pension expenses, defined benefit plans	9.3	10.4

Group	2024	2023
<i>Amounts recognized in statement of financial position</i>		
Present value of defined benefit obligation, funded plans	36.3	31.7
Fair value of plan assets	37.1	33.4
Net assets, funded plan	0.8	1.7
Present value of defined benefit obligation, unfunded plans	31.6	32.1
Net liability recognized in statement of financial position	31.6	32.7
Net assets recognized in statement of financial position	0.8	2.3

Group	2024	2023
<i>Change in present value of defined benefit obligation</i>		
Opening balance, defined benefit obligation	63.9	83.9
Current service cost	6.9	6.3
Interest expenses	1.2	1.2
Remeasurement of pension obligations		
- demographic assumptions	-0.3	-0.1
- financial assumptions	0.9	0.9
- experience adjustments	0.4	3.5
Pension payments	-3.4	-26.5
Exchange rate difference	-1.7	-5.5
Closing balance, defined benefit obligation	67.9	63.9

Group	2024	2023
<i>Change in fair value of plan assets</i>		
Opening balance, plan assets	33.4	49.9
Interest income	1.4	2.5
Return excluding interest income	-1.6	-1.0
Employer's contribution	6.4	4.9
Pension payments from plan assets	-1.3	-20.4
Exchange rate difference	-1.2	-2.6
Closing balance, plan assets	37.1	33.4

The sensitivity analysis is based on changes in a single actuarial assumption, while other assumptions remain unchanged. This method shows the obligation's sensitivity to a single assumption. This is a simplified method since the assumptions are usually correlated. Weighted duration for the defined benefit obligations are estimated to nine years.

The discount rate is determined for each currency with reference to the market interest rate at the end of the report period, which is aligned with the average weighted duration of the pension liability. When determining the market interest rate, first-class corporate bonds are used.

Forecast employer pension plan payments for next year amount to SEK 5.7 million. Additional amounts can be paid to plan assets after decision of the employer. In the South Korean pension plan there is a minimum funding requirement that may result in additional contributions to plan assets compared with expected contribution.

Significant actuarial assumptions	Japan		South Korea	
	2024	2023	2024	2023
Discount rate, %	1.4	1.1	3.6	4.5
Future salary increases, %	2.6	2.6	4.5	4.5

Sensitivity analysis	Change in assumption	Change in value, SEK million
Assumption		
Discount rate, %	-0.50/+0.50	+2.3/-2.1
Future salary increases, %	-0.50/+0.50	-2.4/+2.5

Information on Alecta pension commitments

For some 30 employees in Sweden, the ITP 2 plan's defined benefit pension commitments for retirement and family pension are secured through an insurance in Alecta. According to a statement from the Swedish Financial Reporting Board, UFR 10 Reporting of the ITP 2 pension plan financed through insurance in Alecta, this is a defined benefit plan that comprises several employers. For the 2024 financial year, the company has not had access to information to be able to report its proportional share of the plan's obligations, plan assets and costs, making it impossible to report the plan as a defined benefit plan. The ITP 2 pension plan secured through insurance in Alecta is therefore reported as a defined contribution plan. The premium for the defined benefit retirement and family pension is individually calculated and depends on salary, previously vested pension and expected remaining period of service. Anticipated fees in 2025 for ITP 2 insurance taken out with Alecta amount to SEK 2 million. In 2024, the costs for premium based pension amounted to SEK 109 (101) million.

Note 29 *continued*

OTHER NON-CURRENT PROVISIONS

Group	2024	2023
Opening balance, carrying amount	10	12
The year's provision	1	0
Utilized during the year	0	-2
Closing balance, carrying amount	12	10

Note 30 Accrued expenses and deferred income

	Group		Parent Company	
	2024	2023	2024	2023
Salaries and social expenses	477	431	109	77
Commissions	25	33	7	5
Deferred income	144	171	105	144
Other accrued expenses	109	83	73	64
	756	718	294	290

Salaries and social expenses include, among other things, variable salaries.

Note 31 Current provisions

	Group		Parent Company	
	2024	2023	2024	2023
Opening balance, carrying amount	74	86	14	13
The year's provision	79	66	11	6
Utilized during the year	-18	-27	-6	-6
Unutilized during the year	-48	-52	—	—
Closing balance, carrying amount	86	74	19	14

Current provisions mainly consist of warranty provisions. A provision for warranties is recognized when the underlying products are sold. The provision is based on historical data regarding warranties and an overall review of potential outcomes in relation to the probabilities of such outcomes.

Note 32 Pledged assets

	Group		Parent Company	
	2024	2023	2024	2023
Collateral provided for liability items in the balance sheet				
<i>Credit institutions</i>				
Chattel mortgages	—	—	—	—
Other	3	3	—	—
	3	3	—	—

Note 33 Contingent liabilities

	Group		Parent Company	
	2024	2023	2024	2023
Commitment for billing by credit insurance through EKN	2	1	2	1
Parent Company guarantee	—	—	176	186
Other	6	—	—	—
	8	1	178	187
Of which, falling due:				
within one year	1	1	28	26
between one and five years	7	1	111	101
later than five years	—	—	38	60
	8	1	178	187

The Parent Company guarantees are attributable to subsidiaries in the USA, of which the largest portion refers to a rental guarantee.

Note 34 Financial risks

Financial risks arise due to fluctuations in Mycronic's earnings and cash flow as a consequence of changes in exchange rates and interest rates, credit risks and financing risks. The single largest financial risk is exchange rate fluctuations. Financial risks are managed in accordance with the financial policy established by the Board.

Foreign exchange risk - transaction exposure

Transaction exposure is the risk that changes in exchange rates for sales and sourcing in foreign currencies will affect consolidated earnings and the value of assets and liabilities.

Mycronic's sales are done almost exclusively in foreign currency. A large part of the Group's expenses are incurred in SEK. Sales within the High Flex division occur primarily in USD and EUR. All sales within the Pattern Generators division occur in foreign currency, primarily USD and KRW. Changes in exchange rates have a greater impact on income than on expenses. Mycronic has significant net currency exposure; see the following table. Currency hedging is undertaken in accordance with the established financial policy.

For sales of mask writers the company uses forward exchange contracts to hedge contracted cash flows, which consist of orders received. As the delivery date approaches, the lowest hedged portion of the respective contracted inflows increases, in accordance with the financial policy. Forecast inflows not covered by underlying orders are not hedged. Hedge accounting is used within the Pattern Generators division.

For sales of surface mount technology equipment, forward exchange contracts corresponding to at least 50 percent of the order backlog in EUR and USD are used. Hedge accounting is not used within the High Flex division.

For sales of dispensing and conformal coating systems within the High Volume division, forward exchange contracts corresponding to approximately 50 percent of the order backlog in USD are used. Hedge accounting is not used within the High Volume division.

Effects from transaction exposure

If sales for 2024 within the Pattern Generators division were translated at the average exchange rates for 2023, without considering forward exchange contracts, revenues would have been SEK 66 million higher. The majority derive from the appreciation of the SEK in 2024, against all currencies except GBP and SGD. Sales were positively affected by forward exchange contracts in the amount of SEK 15 million, while EBIT was negatively affected by SEK 16 million as a result of forward exchange contracts.

If sales for 2024 were translated at the average exchange rates for 2023, revenues would have been SEK 7 million higher for the High Flex division, SEK 20 million higher for the High Volume division and SEK 8 million higher for the Global Technologies division. EBIT for the High Flex division was negatively impacted by forward exchange contracts in an amount of SEK 7 million.

Note 34 *continued*

Based on 2024 sales volumes and expenses, without consideration of forward exchange contracts, the effect on consolidated EBIT of a 10-percent change in the exchange rate of the most significant currencies compared to SEK would be about SEK 295 (247) million. Equity would be affected in the same amount after tax.

Foreign exchange risk – translation exposure

Translation exposure is the risk Mycronic is exposed to when translating the financial statements of subsidiaries to SEK.

Effects from translation exposure

Translation of the balance sheets of foreign subsidiaries to SEK generated a positive translation difference of SEK 190 (-126) million after deductions for tax. A change of 10 percent against those currencies where Mycronic has net investments in foreign subsidiaries would affect the Group's equity by SEK 388 (321) million after tax, without consideration of hedge accounting.

The impact on the Group's profit before tax due to changes in fair value of monetary assets and liabilities, including forward exchange contracts, in connection with a change of 10 percent in USD, EUR and CNY as of the closing date amounts to approximately SEK 79 million, of which USD accounts for SEK 47 million. Equity is impacted by about SEK 106 million before tax. See table to the right.

Interest risks

Interest risk refers to the risk for changes in interest rate levels affecting consolidated earnings.

Mycronic's interest risk is limited. Investments in interest-bearing financial instruments or bank accounts with fixed interest are done in accordance with liquidity plans, meaning that investments, which may not exceed six months, are held to maturity. During 2024, investments were made in interest-bearing financial instruments.

Credit risks

Credit risk is partly tied to sales and partly to liquidity management. For sales, there is a risk that customers do not fulfill their payment obligations. For liquidity management, there is a risk that the counterparty will not be able to fulfill its obligations.

Exposure to credit risks

Sales in the Pattern Generators division are conducted to a limited number of customers, which concentrates the credit risk. Customers are, however, major manufacturers of photomasks where the mask writers comprise a small portion of the equipment in a production facility. Customers are well-known and have good credit worthiness historically. In order to reduce customer credit risk, Mycronic strives to obtain advances from customers to the highest degree possible. Especially in business transactions with new customers or within new geographic areas, the credit risk is managed through Mycronic requiring letters of credit or other collateral. Sales in other divisions are spread over a large number of customers and exposure to credit risk linked to individual customers is therefore limited. Credit risk is

managed through credit control. Credit limits are established and monitored.

Credit exposure in trade receivables at year-end was SEK 1,507 (1,270) million. The average credit period was 30 (49) days for the Pattern Generators division, 70 (65) days for High Flex, 89 (94) days for High Volume and 53 (50) days for the Global Technologies division. For information on the aging structure of trade receivables and provisions for expected credit losses, see Note 27.

Mycronic's maximum financial credit exposure consists of the fair values of financial assets, see Note 35. At year-end 2024, the total financial credit exposure, excluding trade receivables, was SEK 3,016 (2,250) million, of which SEK 3,014 (2,140) million was cash and cash equivalents. Cash and cash equivalents consisted only of bank balances, as was the case one year earlier. Cash and cash equivalents are to be invested in banks or other interest-bearing financial instruments with credit ratings of at least A1/P1/K1. For cash and cash equivalents and other financial instruments, Mycronic applies a rating-based method combined with other known information and forward-looking factors. No material increase in credit risk is deemed to exist on the balance-sheet date for any receivable or asset. Such assessment is based on whether payment is 30 days or more past due or if the rating changes materially, resulting in a rating below investment grade. In cases where the amount is not considered immaterial, a provision is recognized for expected credit losses even for these financial instruments.

Liquidity risks

Liquidity risk refers to the risk that the company may not be able to meet its payment obligations on the settlement date. Mycronic's net cash at the end of 2024 was SEK 2,795 (1,912) million. Investments of excess liquidity are done in such a way that the Group assumes no significant liquidity risk. This means that excess liquidity is placed in bank deposits or in other interest-bearing instruments where it is possible to liquidate on short notice. Liquidity is monitored continuously. Liquidity forecasts are compiled monthly in order to provide a basis for decisions on possible investments.

EXPOSURE PER CURRENCY

Currency	% of revenue	% of expenses	Average rate 2024	Average rate 2023	Closing rate 2024	Closing rate 2023
USD	55	19	10.5665	10.6128	10.9982	10.0416
CNY	20	30	1.4682	1.4982	1.5067	1.4133
EUR	13	18	11.4307	11.4765	11.4865	11.0960
KRW (100)	5	3	0.7750	0.8120	0.7460	0.7740
JPY (100)	3	4	6.9824	7.5590	6.9800	7.0980
GBP	2	0	13.5051	13.1979	13.8475	12.7680
SEK	2	24	1.0000	1.0000	1.0000	1.0000
MXN	0	2	0.5796	0.5992	0.5397	0.5926

LIQUIDITY RESERVE

	2024	2023
Unutilized credit line	2,016	2,006
Cash and cash equivalents	3,014	2,140
Total	5,030	4,145

TRANSLATION EXPOSURE SENSITIVITY

	2024	2023
<i>Profit before tax</i>		
USD exchange rate +10%	47	36
EUR exchange rate +10%	22	19
CNY exchange rate +10%	10	4
	79	59
<i>Equity before tax</i>		
USD exchange rate +10%	-138	-131
EUR exchange rate +10%	22	19
CNY exchange rate +10%	10	4
	-106	-108

Note 35 Financial assets and liabilities

The table to the right presents the Group's financial assets and liabilities, stated at book and fair value and classified in accordance with IFRS 9 categories.

Risk management

A description of the Group's financial risks and risk management is provided according to IFRS 7 in Note 34.

Fair value and carrying amount

IFRS 13 Fair Value Measurement includes a valuation hierarchy regarding data to be used in the valuation. This valuation hierarchy is divided into three levels:

- Level 1: According to quoted prices in active markets for identical instruments.
- Level 2: Based on inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.
- Level 3: Based on inputs that are not observable in market data.

The Group's maximum credit risk in financial assets consists of the net amount in the table to the right. At year-end, the balance sheet item Cash and cash equivalents consisted solely of bank balances, as it did in the preceding year. Unutilized credit facilities amount to SEK 2,016 (2,006) million of which the committed part amounts to SEK 2,000 million. According to Mycronic's financial covenants for the committed revolving credit facility, the ratio between the Group's net debt and twelve-month rolling EBITDA must be 3.5 or lower and the Group's twelve-month rolling EBITDA in relation to the Group's net financing costs must not be lower than 4.

CONTINGENT CONSIDERATIONS

Group	2024	2023
Opening balance, carrying amount	—	6
Estimated liabilities related to acquisitions	46	—
Settled liabilities	—	-6
Changes in value reported in profit and loss	5	—
Exchange rate differences recognized in other comprehensive income	0	0
Closing balance, carrying amount	51	0

The balance sheet item consist of contingent considerations from the acquisition of Vanguard Automation. As per December 31, 2024, the fair value of contingent considerations was estimated to SEK 51 million.

FINANCIAL ASSETS AND LIABILITIES PER VALUATION CATEGORY

Group 2024	Valuation hierarchy	Financial assets/ liabilities measured at fair value in com- prehensive income, hedge accounting	Financial assets/ liabilities measured at fair value in profit and loss	Financial assets/ liabilities measured at amortized cost	Total carrying amount	Total fair value
<i>Financial assets</i>						
Non-current trade receivables				4	4	4
Trade receivables				1,507	1,507	1,507
Forward exchange contracts	2	—	2		2	2
Cash and cash equivalents				3,014	3,014	3,014
Total financial assets		—	2	4,525	4,528	4,528
<i>Financial liabilities</i>						
Contingent considerations	3		51		51	51
Lease liabilities				215	215	215
Bank loan				4	4	4
Trade payables				557	557	557
Forward exchange contracts	2	76	7		83	83
Total financial liabilities		76	57	776	910	910
Recognized loss (change in value)			-43			
Group 2023						
<i>Financial assets</i>						
Non-current trade receivables				9	9	9
Trade receivables				1,270	1,270	1,270
Forward exchange contracts	2	95	15		110	110
Cash and cash equivalents				2,140	2,140	2,140
Total financial assets		95	15	3,418	3,529	3,529
<i>Financial liabilities</i>						
Lease liabilities				227	227	227
Trade payables				388	388	388
Forward exchange contracts	2	—	4		4	4
Total financial liabilities		—	4	616	620	620
Recognized gain (change in value)			15			

Note 35 *continued*

FINANCIAL LIABILITIES, MATURITY STRUCTURE (FUTURE NON-DISCOUNTED CASH FLOWS)

Group, December 31, 2024	Amount in SEK	Within 3 months	3 months -1 year	1-5 years	>5 years
Contingent considerations	60	—	—	60	—
Lease liabilities	225	24	61	120	19
Bank loan	4	4	—	—	—
Trade payables	557	511	45	1	—
Forward exchange contracts	109	30	45	35	—
	956	570	151	216	19

Group, December 31, 2023	Amount in SEK	Within 3 months	3 months -1 year	1-5 years	>5 years
Lease liabilities	235	21	57	133	24
Trade payables	388	367	21	—	—
Forward exchange contracts	4	4	—	—	—
	627	393	78	133	24

ANALYSIS OF LIABILITIES IN FINANCING ACTIVITIES

Group	Opening balance at January 1, 2024	Cash flow	Addition/ deduction lease contracts	Exchange rate effects for the year	Other	Closing balance at December 31, 2024
Current interest-bearing loan	—	3	—	0	1	4
Current lease liabilities	78	-95	—	2	98	82
Non-current lease liabilities	150	—	68	8	-92	133
	227	-92	68	10	7	219

The category Other mainly consists of reclassifications from non-current to current liabilities.

Hedging instruments

The Group's holdings of forward exchange contracts at December 31, 2024, can be broken down into the following underlying amounts and maturities. The forward exchange contracts fall due at a time when the secured cash flows are expected to affect earnings. The tables show the nominal amounts of the forward exchange contracts in SEK million.

Group 2024	Maturity			Total
	within 3 months	3 months -1 year	1-3 years	
Hedging instruments - hedge accounting applied				
Forward exchange contracts - cash flow hedge of currency risk, transaction exposure (contract sale)				
Sold USD, bought SEK, nominal amounts	430	800	514	1 745
Average hedged forward contract rate, USD/SEK	10.3882	10.4047	10.3125	10.3721
Hedging instruments - non-hedge accounting				
Forward exchange contracts - hedge of currency risk, transaction exposure (contract sale)				
Sold EUR, bought SEK, nominal amounts	125	—	—	125
Average hedged forward contract rate, EUR/SEK	11.4722	—	—	11.4722
Sold GBP, bought SEK, nominal amounts	1	—	—	1
Average hedged forward contract rate, GBP/SEK	13.3644	—	—	13.3644
Sold JPY, bought SEK, nominal amounts	0	—	—	0
Average hedged forward contract rate, JPY/SEK	0.0702	—	—	0.0702
Sold USD, bought SEK, nominal amounts	407	30	—	437
Average hedged forward contract rate, USD/SEK	10.6561	10.5131	—	10.6356
Sold USD, bought CNY, nominal amount in SEK	22	—	—	22
Average hedged forward contract rate, USD/CNY	7.2035	—	—	7.2035

Note 35 *continued*

Group 2023	Maturity			Total
	within 3 months	3 months -1 year	1-3 years	
Hedging instruments – hedge accounting applied				
Forward exchange contracts – cash flow hedge of currency risk, transaction exposure (contract sale)				
Sold USD, bought SEK, nominal amounts	378	905	473	1,755
Average hedged forward contract rate, USD/SEK	10.5950	10.5410	10.5085	10.5406
Hedging instruments – non-hedge accounting				
Forward exchange contracts – hedge of currency risk, transaction exposure (contract sale)				
Sold EUR, bought SEK, nominal amounts	-138	2	—	-136
Average hedged forward contract rate, EUR/SEK	11.4244	11.3066	—	11.4087
Sold GBP, bought SEK, nominal amounts	9	3	—	12
Average hedged forward contract rate, GBP/SEK	13.1636	12.8493	—	13.1113
Sold JPY, bought SEK, nominal amounts	1	—	—	1
Average hedged forward contract rate, JPY/SEK	0.0724	—	—	0.0724
Sold USD, bought SEK, nominal amounts	336	28	—	363
Average hedged forward contract rate, USD/SEK	10.3921	10.1388	—	10.3474

EFFECTS OF HEDGE ACCOUNTING ON FINANCIAL POSITION AND EARNINGS

2024	Hedging instruments identified in hedging relationship as of December 31, 2024			Period - change in fair value for measurement of ineffectiveness	
	Nominal amount	Recognized value asset (+) liability (-)	Balance sheet item	Hedging instruments	Hedged item
<i>Cash flow hedge of currency risk, transaction exposure (contract sale)</i>					
Forward exchange contracts, Sold USD, bought SEK	—	—	Other receivables	—	—
Forward exchange contracts, Sold USD, bought SEK	168	-76	Other liabilities	—	—
Total Forward Exchange Contracts, USD	168	-76		-166	166
Total		-76		-166	166

2023	Hedging instruments identified in hedging relationship as of December 31, 2023			Period - change in fair value for measurement of ineffectiveness	
	Nominal amount	Recognized value asset (+) liability (-)	Balance sheet item	Hedging instruments	Hedged item
<i>Cash flow hedge of currency risk, transaction exposure (contract sale)</i>					
Forward exchange contracts, Sold USD, bought SEK	167	95	Other receivables	—	—
Forward exchange contracts, Sold USD, bought SEK	—	—	Other liabilities	—	—
Total Forward Exchange Contracts, USD	167	95		52	-52
Total		95		52	-52

Hedge accounting

The Group applies hedge accounting in accordance with IFRS 9 for forward exchange contracts used to currency hedge future cash flows in the Pattern Generators division and for debt in foreign currency used to hedge currency risk in net investments in foreign operations. As per closing day there is no hedge accounting for debt in foreign currency.

When entering into the hedge transaction, the relationship between the hedging instrument and the hedged item is documented, as is the objective of risk management and the strategy. The Group determines the hedge ratio between hedging instruments and the hedge item based on the hedge ratios in place in the actual hedges. The hedge ratio is 1:1 for all hedges.

Hedges are designed such that they are expected to be effective, meaning there is an expectation of a financial link in that the hedging instrument counteracts changes to fair value or cash flow for currency risk in the hedged item. The financial link is preferably determined through a qualitative analysis of critical terms in the hedging relationship. If changes in circumstances influence the hedging relationship so that critical terms no longer match, the Group uses quantitative methods to assess its effectiveness. Sources of hedge ineffectiveness pertaining to the hedge of net investments in foreign operations include the risk that the volume of the hedging instrument exceeds the net investment. Sources of hedge ineffectiveness pertaining to cash flow hedge of currency risk in future sales includes the impact of the parties' credit risk in measuring forward exchange contracts and imperfectly matching cash flows between hedge instruments and hedged cash flows.

Note 36 Reconciliation alternative performance measures

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 financial definitions, see page 155.

	2024	2023
Return on equity		
Profit for the year	1,688	996
Average equity	5,928	4,993
	28.5%	20.0%
Return on capital employed		
Profit before tax	2,084	1,262
Financial expenses	15	13
<i>Profit before financial expenses</i>	2,099	1,275
Average balance sheet total	9,376	7,840
Average non-interest-bearing liabilities	3,224	2,599
<i>Average capital employed</i>	6,152	5,241
	34.1%	24.3%
Capital turnover rate		
Net sales	7,057	5,706
Average balance sheet total	9,376	7,840
Average non-interest-bearing liabilities	3,224	2,599
<i>Average capital employed</i>	6,152	5,241
	1.1	1.1
Book-to-bill		
Order intake	7,611	6,280
Net sales	7,057	5,706

	2024	2023
EBITDA	1.1	1.1
EBIT	2,021	1,235
Depreciation/Amortization	266	264
	2,287	1,499
Underlying EBIT		
EBIT	2,021	1,235
<i>Acquisition-related costs</i>		
Cost of goods sold	2	—
Operating expenses	72	63
	74	63
	2,095	1,298
Equity per share		
Equity at balance day	6,575	5,282
Number of outstanding shares at year-end, thousands	97,590	97,597
	67.37	54.12
Earnings per share		
Profit/loss for the year attributable to owners of the Parent Company	1,683	998
Average number of outstanding shares before dilution, thousands	97,590	97,610
	17.25	10.22
Average number of outstanding shares after dilution, thousands	97,645	97,636
	17.24	10.22
Net cash		
Cash and cash equivalents	3,014	2,140
Interest-bearing liabilities	-219	-227
	2,795	1,912

Note 37 Events after year-end

On March 13, 2025, Mycronic acquired 100 percent of the shares in Hprobe, a company headquartered in Grenoble, France, which has developed a unique technology for high-speed magnetic testing of Magnetoresistive Random Access Memories

(MRAMs) and magnetic sensors. Hprobe, founded in 2017, has 14 employees and net sales amounted to EUR 4 million in 2023. Hprobe will form a new business line within the Global Technologies division.

Statement of assurance

The Board of Directors and the CEO give their assurance that the Annual Report has been prepared in accordance with generally accepted accounting standards in Sweden and that the consolidated financial statements have been prepared in accordance with Regulation (EC) No. 1606/2002 of the

European Parliament and of the Council of July 19, 2002, on the application of international accounting standards.
The Annual Report and consolidated financial statements give a true and fair view of the financial position and performance of the Group and the Parent Company.

The report of the Directors for the Parent Company and the Group gives a true and fair view of the business activities, financial position and results of the Parent Company and the Group and describes the significant risks and uncertainties to which the Parent Company and the Group companies are exposed.

The content of this Annual Report was decided on March 20, 2025

Täby, March 20, 2025

Patrik Tigerschiöld
Chairman of the Board

Arun Bansal
Board member

Anna Belfrage
Board member

Katarina Bonde
Board member

Staffan Dahlström
Board member

Jens Hinrichsen
Board member

Bo Risberg
Board member

Jörgen Lundberg
Board member
Appointed by Akademikerna

Sahar Raouf
Board member
Appointed by Unionen

Anders Lindqvist
CEO

Our Auditor's Report was submitted on March 21, 2025
Ernst & Young AB

Anna Svanberg
Authorized Public Accountant

Auditor's report

To the general meeting of the shareholders of Mycronic AB (publ), corporate identity number 556351-2374

This is a translation from the Swedish original

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

Opinions

We have audited the annual accounts and consolidated accounts of Mycronic AB (publ) except for the corporate governance statement on pages 40–45 for the year 2024. The annual accounts and consolidated accounts of the company are included on pages 21–92 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2024 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 40–45. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our

responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

VALUATION OF FINISHED GOODS AND PRODUCTS IN PROGRESS

Description

As of December 31, 2024, Inventory of finished goods and products in progress amount to 1 325 MSEK. A detailed specification of the composition of the inventory is presented in note 26 of the annual report. Inventories are valued at the lowest of acquisition cost or net realizable value. For finished goods and work in progress, the acquisition cost includes a fair share of indirect costs based on normal production capacity. Incorrect assumptions in the company's inventory accounting model give an incorrect cost allocation which affects the book value of inventory, and the reported cost of goods sold. The allocation of costs is affected by management's estimates and thus, we have considered valuation of finished goods and products in progress as a key audit matter. A presentation of the applied accounting principles on valuation of finished goods and products in progress is described in the section of accounting principles in note 2 of the annual report. The significant estimates and assumptions associated with the valuation of inventory of finished goods and products in progress is described in note 4.

How our audit addressed this key audit matter

In our audit, we have evaluated the company's accounting procedures for determining the acquisition cost of finished goods and products in progress and evaluated whether applied accounting principles are in accordance with current regulations.

Further, we have also examined calculations, tested a sample for pricing of materials, components and processing costs as well as assessed the reasonableness of used prices and assumptions, including normal production capacity, when distributing indirect production costs. We have tested a sample of costs allocated to inventory of finished goods and products in progress.

We have examined the disclosures presented in the annual report.

Auditor's report *continued.*

This is a translation from the Swedish original

VALUATION OF GOODWILL

Description

Goodwill amounts to 2 105 MSEK in the statement of financial position as of December 31, 2024. A presentation of the applied accounting principles of goodwill is described in the section of accounting principles in note 2 of the annual report and critical accounting estimates and assumptions in note 4 in the annual report. Goodwill is tested annually or as required for impairment. Impairment losses are recognized in the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the highest of an asset's fair value less selling costs and the value in use. During impairment testing, assets are grouped at the lowest level with separate identifiable cash flow (cash-generating units). The value in use is based on cash flow forecasts, built on the executive management's and the Board's business plan for the coming five years, for the cash-generating unit to which the values belong. These assessments can have a large impact on the Group's reported values of Goodwill.

Note 19 describes significant assumptions used in the calculation of the value in use. As the value in use is dependent upon these assumptions, we have assessed valuation of goodwill as a key audit matter.

How our audit addressed this key audit matter

In the audit for the financial year, we have evaluated the company's process for conducting impairment tests. Based on established criteria, we have examined how the company identifies cash-generating units. We have evaluated the valuation methods and calculation models used. We have assessed the reasonableness of assumptions, conducted sensitivity analysis, and compared historical outcomes to evaluate the reliability of previous forecasts. The reasonableness of the discount rate and long-term growth used for each unit has been evaluated through comparisons with other companies in the same industry.

We have examined the information disclosed in the annual report.

Other information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-20 and 97-160. The other information also includes the remuneration report and were obtained before the date of this auditor's report. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as

applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of

Auditor's report *continued.*

This is a translation from the Swedish original

expressing an opinion on the effectiveness of the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or related safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on the audit of the administration and the proposed appropriations of the company's profit or loss

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Mycronic AB (publ) for the year 2024 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated (loss be dealt with) in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the *Auditor's Responsibilities* section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so

that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional skepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed

Auditor's report *continued.*

This is a translation from the Swedish original

are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

The auditor's examination of the ESEF report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for Mycronic AB (publ) for the financial year 2024.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 *Examination of the ESEF report*. Our responsibility under this recommendation is described in more detail in the *Auditors' responsibility* section. We are independent of Mycronic AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies ISQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or other Assurance or Related Services Engagements* which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with professional ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 40–45 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's standard RevR 16 *The auditor's examination of the corporate governance statement*. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with

International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

Ernst & Young AB, Hamngatan 26, 111 47, Stockholm was appointed auditor of Mycronic AB (publ) by the general meeting of the shareholders on May 8, 2024 and has been the company's auditor since the May 6, 2013.

Stockholm 21 March, 2025
Ernst & Young AB

Anna Svanberg

Authorized Public Accountant

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Sustainability statement

Mycronic is firmly committed to contributing to a clean, responsible and profitable electronics industry. Our agenda focuses on three key areas where we have the greatest potential to drive real change and achieve our growth objectives. Through product innovation, Mycronic enables its customers to achieve their sustainability ambitions. We foster diversity and inclusion among our people and in the communities where we are present, and work to reduce greenhouse gas emissions.

About the 2024 sustainability statement

This sustainability statement presents environmental, social and governance (ESG) impacts, risks and opportunities related to Mycronic's activities, and how these are taken into consideration in the company's business strategy and operations.

BASIS FOR PREPARATION

The sustainability statement is part of Mycronic's Annual Report. Pages 17-18 and 97-151 of the Annual Report constitute Mycronic's statutory Sustainability report in accordance with the Swedish Annual Accounts Act. Mycronic reports sustainability performance on an annual basis. This report refers to the period January 1 to December 31, 2024, which corresponds to Mycronic's fiscal year. The report is published on April 1, 2025.

The sustainability statement has been prepared on a consolidated basis. The scope of consolidation is the same as for the financial statements, with a few exceptions:

- Newly acquired companies become fully integrated into the sustainability statement in the reporting year following the year of acquisition, which allows the acquired company to report sustainability data for a full year. The two companies acquired by Mycronic in the fiscal year 2024 – Vanguard Automation and Modus High-Tech Electronics – have therefore not been included in the scope of this sustainability statement, except for some employee KPIs. Both are small companies with minor expected impact on Mycronic's sustainability performance.
- Any other potential exception in boundary or scope is described in conjunction with reported data.

Disclosures in this statement focus on the environmental, social and governance topics that are material for Mycronic because of related impacts, risks and opportunities. The materiality of a topic is determined through the process of a double materiality assessment. The materiality assessment covers

Mycronic's own activities as well as activities in its upstream and downstream value chain that are plausibly impacted by Mycronic's activities through direct and indirect business relationships. Disclosures in this sustainability statement about policies, targets, actions and metrics cover Mycronic's own activities. In some cases, these also cover the upstream and downstream value chain. When this is the case, it is clearly indicated.

Preparing for the CSRD

In accordance with Swedish law, Mycronic intends to publish its first sustainability statement in compliance with the CSRD in April 2026, covering the fiscal year 2025. To prepare for the new requirements, this year's report has been strongly inspired by the CSRD's European Sustainability Reporting Standards (ESRS). This means that the sustainability statement for 2024 follows the structure of the ESRS and has been prepared with reference to the ESRS, but it is not yet in full compliance with all requirements of the CSRD.

Disclosures under specific circumstances

Some disclosures required by the ESRS have been integrated in parts other than the sustainability statement when the information is deemed more relevant to those other parts of the report. These cases are listed in the Disclosure requirements index. Other potential specific circumstances are described in connection to the relevant data point(s). This could include time horizons, value chain estimation, sources of estimation and outcome uncertainty, changes in sustainability information or previous reporting errors.

External assurance and certifications

Mycronic follows Swedish law with regard to external assurance of the sustainability report and the report therefore does not yet comply with the assurance requirements of the CSRD.

In addition to the external auditor's opinion on the statutory sustainability report (see page 152), a limited assurance has been performed of the GHG emissions data (prepared in accordance with the GHG Protocol) that are part of Mycronic's science-

based targets, i.e. scope 1, scope 2 and scope 3 "use of sold products" (see page 153).

Mycronic has externally certified environmental and quality management systems in place. Mycronic's sites in Sweden (Mycronic AB) and China (Shenzhen Axxon Automation Co., Ltd) are certified to ISO 9001 (Quality) and ISO 14001 (Environment) standards. In addition, Mycronic South Korea's occupational health and safety management system is certified to ISO 45001.



Mycronic intends to report under the EU Corporate Sustainability Directive (CSRD) for FY2025.

Foundations of our work

Mycronic strives to accelerate the transition to a sustainable electronics industry. The company has formulated a strategy in which three sustainability topics play a key role in helping to bring tomorrow's electronics to life.

Mycronic is committed to contributing to a clean, responsible and profitable electronics industry. To achieve this, sustainability is incorporated into Mycronic's business model and strategy (see pages 12–19) and established plans address our material environmental, social and governance (ESG) impacts, risks and opportunities.

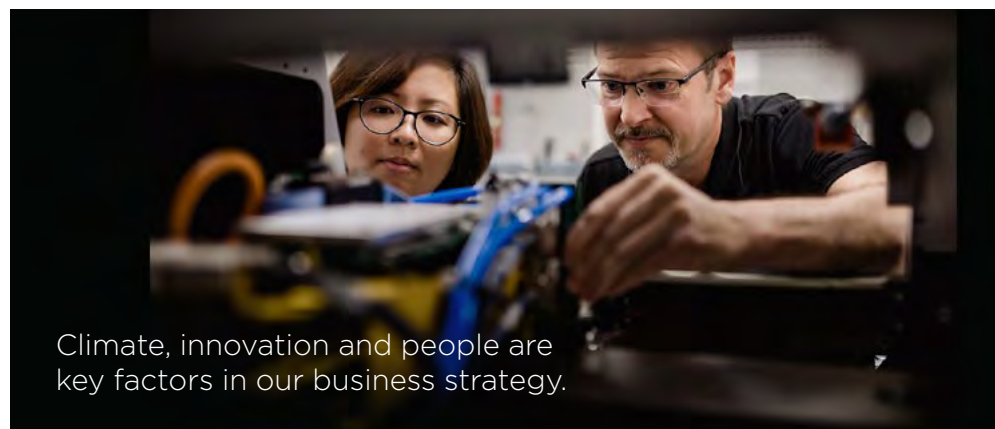
ALIGNMENT WITH INTERNATIONAL STANDARDS

Mycronic's commitment to sustainability is grounded in international standards and goals. All our work on sustainability is guided by the UN Global Compact, to which Mycronic is a signatory, and its ten principles on human rights, labor, the environment, and anti-corruption. Mycronic's sustainability initiatives also incorporate the UN Sustainable Development Goals (SDGs) and we actively contribute to the goals where we have the greatest potential to drive positive change.

Mycronic supports the ambitions of the Paris Climate Agreement and is committed to doing its part to reach the goals. Mycronic has set targets aligned with the internationally recognized Science Based Targets initiative and has a road map in place to decrease climate impact.

OUR GOALS TO 2030

Mycronic helps accelerate the transition to a sustainable electronics industry by focusing on areas where it has the greatest potential to drive change. Three key areas have been identified where we see that Mycronic can make its greatest contribution, while at the same time supporting the achievement of Mycronic's business goals. In each area, we have defined Group goals for 2030, broken down by our divisions into concrete targets and actions. In 2024, Mycronic's science-based climate targets were approved, replacing the previously communicated climate goal.



Climate, innovation and people are key factors in our business strategy.

OUR KEY AREAS

Climate impact

We focus on minimizing our climate impact with the aim of enabling growth without jeopardizing the future of the planet. Our roadmap includes initiatives to reduce emissions from our facilities and from our products.

Group targets

Reduce absolute scope 1 and 2 greenhouse gas (GHG) emissions by 56 percent, from the 2022 base year. Reduce scope 3 GHG emissions from the use of sold products by 52 percent per SEK gross profit, from the 2022 base year.

Innovation for sustainability

Innovation is at the core of our growth strategy and our customers' interest in energy and material efficient production equipment is increasing. Our roadmap includes incremental development, research in new technologies, and collaboration with clients and academic partners.

Group targets

Reduce scope 3 GHG emissions from the use of sold products by 52 percent per SEK gross profit, from the 2022 base year.

Future engineers through diversity

A diverse and inclusive workplace helps us to stay competitive now and in the future. Recruitment of engineers is a challenge in our industry. We therefore actively encourage youth to pursue engineering studies, search for talent among under-represented groups, and develop our people, with diversity, equity and inclusion top of mind.

Group targets

Increase the share of women both in the total workforce and in management positions to 25 percent. Reach a score for diversity and inclusion in the annual engagement survey of 4.3 (of 5).

Alignment with international standards



Foundations of our work *continued*

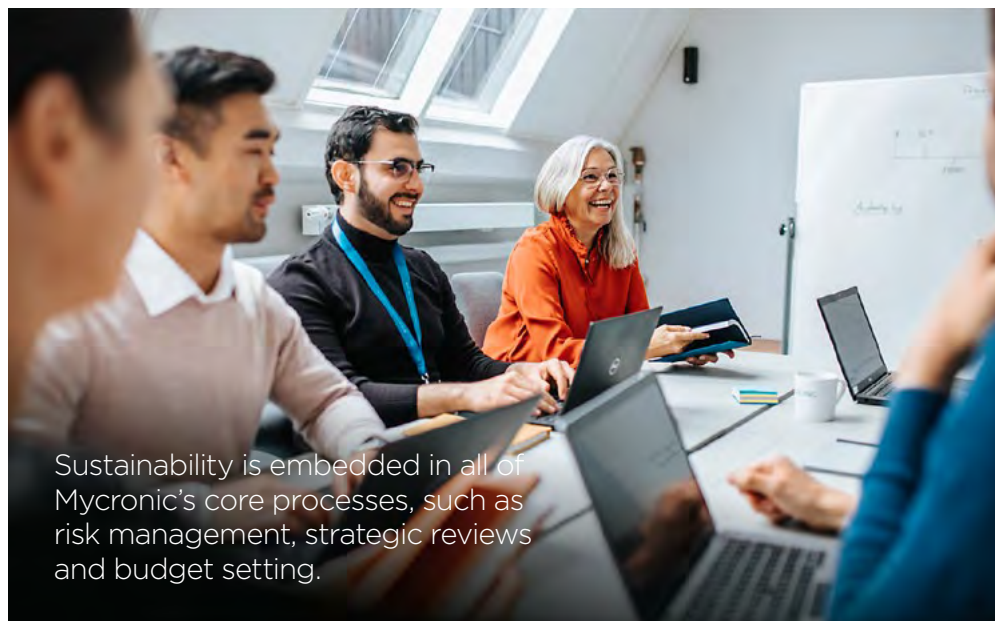
In addition to the three key areas, Mycronic works with other ESG topics. Matters related to being a responsible employer and business partner are important to us, such as the respect of human and labor rights, employee health and safety, supply chain due diligence, and anti-corruption. Each, for Mycronic, material ESG topic is addressed through policy, rules and guidelines. Key areas are also addressed through dedicated Group targets and action plans.

PROGRESS ON OUR SUSTAINABILITY AGENDA

We have laid the foundation for achieving our ambitions for 2030. Sustainability is embedded

in all core processes, such as risk management systems, strategic reviews and budget processes. Targets are set for our key areas and we have roadmaps in place designed to bring us forward step by step.

New regulatory requirements, in particular the Corporate Sustainability Reporting Directive (CSRD), have required extensive preparatory work in 2023 and 2024. The organization is well prepared and is closely monitoring potential changes and upcoming regulations, such as the EU Corporate Sustainability Due Diligence Directive (CSDDD).



Sustainability is embedded in all of Mycronic's core processes, such as risk management, strategic reviews and budget setting.

MAIN INITIATIVES 2023-2025

Key area Innovation for sustainability

- Set science-based target to reduce emissions from product use
- Continue to fund innovative projects through the Sustainable Innovation Fund
- Develop solid-state lasers (SSL) for use in display mask writers
- Align relevant products to the requirements of the EU taxonomy

Key area Climate Impact from own operations

- Set science-based target to reduce emissions from our own operations
- Improve the energy efficiency of sites and assess options to supply electricity from renewable sources
- Optimize logistics to reduce emissions from transportation
- Test and implement options to replace air by sea transport
- Raise awareness on how to travel smarter

Key area Future engineers through diversity

- Establish new measurable Group diversity and inclusion targets and new action plans
- Drive Group women's network
- Continue to drive diversity and inclusion initiatives at local sites
- Continue to drive targeted local community engagement activities

Compliance and other material areas

- Prepare for CSRD
- Implement the EU Taxonomy as it grows in scope
- Further strengthen Group due diligence processes in our supply chain

PROGRESS 2024

- Target approved by the Science Based Targets initiative
- Five projects supported by the Sustainable Innovation Fund
- All new mask writer models now integrate SSL, including display writers
- Several mask writer models aligned with the EU Taxonomy

- Target approved by the Science Based Targets initiative
- More than 15 sites now purchase electricity from renewable sources
- Collaboration with freight forwarders continued
- Sea transports used or tested in several countries
- Pilot project to introduce carbon budgets for business travel continued

- Group targets implemented
- Two global digital networking events organized
- Diversity and inclusion initiatives at all main sites
- Six sites actively involved in local community activities

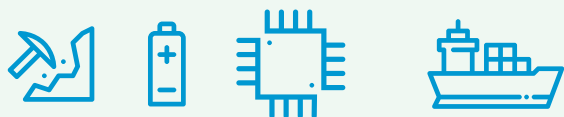
- Sustainability statement strongly inspired by ESRS standard
- EU Taxonomy reporting requirements fully implemented
- Internal audits on supply chain management completed

Our impact through the value chain

Mycronic always strives to act responsibly and address challenges throughout its value chain. We have the greatest scope to exert influence within our own operations, in product development, manufacturing and sales. This is achieved, for example, by investing in sustainable innovation, promoting diversity and equality, and by creating stable business relationships built on clearly stated values and transparency. Mycronic's sustainability impacts in the various parts of its value chain are illustrated below.

MATERIAL SUSTAINABILITY IMPACTS IN MYCRONIC'S VALUE CHAIN

UPSTREAM



Sourcing of raw materials and components

ABILITY TO INFLUENCE
MEDIUM

Upstream distribution

ABILITY TO INFLUENCE
MEDIUM

MATERIAL IMPACTS

Workers in the value chain

- Working conditions, equal treatment and opportunities, and other work-related rights in the supply chain

Climate change

- Climate change adaptation, mitigation and energy

Pollution

- Substances of concern

Circular economy

- Use of resources (inflows)

Business conduct

- Corporate culture, whistleblowing and anti-corruption

MAIN STAKEHOLDERS

- Suppliers
- Workers in the supply chain

OWN OPERATIONS



Product development

ABILITY TO INFLUENCE
HIGH

Manufacturing

ABILITY TO INFLUENCE
HIGH

Sales

ABILITY TO INFLUENCE
HIGH

MATERIAL IMPACTS

Own workforce

- Working conditions
- Equal treatment and opportunities

Climate change

- Climate change adaptation, mitigation and energy

Pollution

- Substances of concern

Circular economy

- Use of resources (inflows and outflows)
- Waste

Business conduct

- Corporate culture, whistleblowing and anti-corruption

MAIN STAKEHOLDERS

- Employees
- Investors
- Local communities

DOWNSTREAM



Downstream distribution

ABILITY TO INFLUENCE
MEDIUM

Use of products

ABILITY TO INFLUENCE
MEDIUM

End-of-life management

ABILITY TO INFLUENCE
MEDIUM

MATERIAL IMPACTS

Workers in the value chain

- Health and safety at customers

Climate change

- Climate change adaptation, mitigation and energy

Pollution

- Substances of concern

Circular economy

- Use of resources (outflows)
- Waste (end-of-life products)

Business conduct

- Corporate culture, whistleblowing and anti-corruption

MAIN STAKEHOLDERS

- Customers
- Workers at customers' sites

Mycronic’s stakeholders

Mycronic continuously engages with stakeholders to ensure that their interests and expectations are considered in its sustainability strategy, processes and activities.

Mycronic uses a multitude of channels for information exchange with stakeholders. Targeted stakeholder dialogue on sustainability is one of several tools used. These dialogues are held at least every three years, to deepen the understanding of key stakeholders’ expectations regarding our work with sustainability, and to identify risks and opportunities at an early stage. Insights from the dialogues inform Mycronic’s double materiality assessment (DMA). The dialogues are held with key stakeholders and results are presented to executive management and the Board of Directors.

Our most recent formalized stakeholder dialogues were held in 2024. The results from the dialogues confirmed that Mycronic’s strategy and work with sustainability align with our stakeholders’ expectations. While the priorities naturally differ to some extent between the stakeholder groups, all the groups highlighted the following priority topics for Mycronic to address:

- Circular economy and use of resources
- Product energy use
- Working conditions of our employees
- Health and safety of our employees
- Supply chain conditions (working conditions, human and labor rights)

IDENTIFYING STAKEHOLDERS

A stakeholder is defined as a person, group of persons or other entity, which is affected by the organization and its results or has an interest in the organization. Both internal and external stakeholders are considered. Key stakeholders are defined through a process aiming to identify those stakeholders with whom Mycronic wishes to engage. To be considered a key stakeholder, with whom

Mycronic should conduct formal stakeholder dialogues, the statements below must be true:

- The stakeholder has needs and expectations on Mycronic,
- The stakeholder has a fundamental impact on Mycronic’s performance, or Mycronic has a fundamental impact on the stakeholder. It can relate to business performance, environmental issues, working conditions and business ethics.
- Mycronic can easily identify the purpose of the engagement and the type of output the company can expect from a dialogue with the stakeholder.

The key stakeholders for Mycronic are currently investors, employees, customers and suppliers. The table to the right describes Mycronic’s current key stakeholders, how our engagement is organized and the most important sustainability topic per area (environment, employees and business ethics) according to the stakeholder group.

OTHER STAKEHOLDERS

Mycronic acknowledges that other stakeholders than those listed may have legitimate expectations on Mycronic’s activities and conduct. These stakeholders could be value chain workers, local communities, students and even the flora and fauna surrounding us. Information and feedback from these stakeholders are gathered during the DMA process, mainly through consultation of written material from relevant organizations. Their views and expectations are taken into account in the assessment as well as in the work to establish Mycronic’s strategy, policies, targets, actions and metrics.

STAKEHOLDER	TYPE OF ENGAGEMENT	TOP ESG TOPICS HIGHLIGHTED IN THE FORMAL SUSTAINABILITY DIALOGUE
Customers	Formal sustainability dialogue • Survey	Environment • Product energy use
	Dialogues in other forums • Regular customer support • Customer questionnaires • Studies and benchmarks • Industry collaborations	Employees (at Mycronic) • Training and development Business ethics • Product safety
Investors	Formal sustainability dialogue • Face-to-face meetings	Environment • Circular economy and use of resources
	Dialogues in other forums • Investor questionnaires • Quarterly report presentations with Q&As • Capital markets days	Employees (at Mycronic) • Diversity and inclusion Business ethics • Supply chain conditions
Employees	Formal sustainability dialogue • Survey	Environment • Circular economy and use of resources
	Dialogues in other forums • Employee representation • Employee-elected board members • Performance and development dialogues • Employee survey	Employees (at Mycronic) • Health and safety Business ethics • Supply chain conditions
Suppliers	Formal sustainability dialogue • Survey	Environment • Circular economy and use of resources
	Dialogues in other forums • Regular supplier contacts • Supplier due diligence incl. self-assessment and audits • Industry collaborations	Employees (at Mycronic) • Health and safety Business Ethics • Supply chain conditions

Double materiality assessment

The double materiality assessment lays the foundation for Mycronic’s continued work with sustainability. In this assessment, we identify financial and non-financial sustainability-related impacts for Mycronic and our stakeholders, as well as risks and opportunities deriving from these impacts. Mycronic’s materiality assessment was updated in 2024 to ensure future compliance with the CSRD.

PROCESS AND METHODOLOGY

The purpose of the double materiality assessment (DMA) is to identify material sustainability topics for Mycronic. Mycronic has screened its activities and assets to identify its actual impacts, risks and opportunities related to environmental, social and governance topics. The DMA process is led by the Group sustainability function and involves different functions throughout the company, each providing topic-specific guidance, expertise and feedback. The key results of the assessment, including the list of material topics, are validated by the executive management team and the Board of Directors.

Important *internal* sources for the assessment include annually reported sustainability data; climate scenario analysis; information collected from employees through our stakeholder dialogues; relevant financial data; as well as results from the Enterprise Risk Management (ERM) and the Business Continuity Planning (BCP) reviews. *External* sources include feedback from investors, customers and suppliers through Mycronic’s stakeholder dialogues; reports and information from industry initiatives, NGOs and trade unions; and guidelines from European or other relevant authorities.

The complete DMA process is carried out at least every three years. All other years, a minor review is conducted and the results are updated if relevant.

The methodology used for the DMA complies with the requirements outlined in the ESRS. The double materiality concept implies that each topic is assessed from two perspectives: impact materiality (“inside-out” perspective) and financial materiality (“outside-in” perspective). A sustainability matter

can be material from the impact perspective or the financial perspective or both. Both negative and positive impact is assessed. The assessment covers all of Mycronic’s activities, countries of operation and business relationships. This includes own activities as well as activities in the upstream and downstream value chain that are plausibly impacted by Mycronic’s activities through direct and indirect business relationships.

The scales, scoring and materiality thresholds used for the assessment have, as far as possible, been aligned with Mycronic’s ERM

methodology (see page 38). This facilitates the internal understanding of the assessment and enables a smooth translation of results between the DMA and the ERM processes.

The results from the DMA are used to fine-tune Mycronic’s strategy and ways of working.

MYCRONIC’S MATERIAL SUSTAINABILITY IMPACTS, RISKS AND OPPORTUNITIES

Mycronic addresses and reports on all sustainability topics identified as material for the company. The 2024 update of the

materiality assessment did not lead to major changes of the topics considered material. The titles and structure of the sustainability topics were adapted to align with ESRS formulations but overall, Mycronic continues to work with its strategy and addresses the same sustainability areas as in previous years. We focus in particular on our three key areas.

MYCRONIC’S MATERIAL SUSTAINABILITY (ESG) TOPICS			
Topic	Sub-topic	Impact materiality	Financial materiality
Climate change	Climate change adaption, mitigation and energy		
Pollution	Substances of concern		
Resource use and circular economy	Use of resources (inflows and outflows)		
	Waste		
Own workforce	Working conditions		
	Equal treatment and opportunities		
Workers in the value chain	Working conditions, equal treatment and opportunities, and other work-related rights in the supply chain		
	Health and safety at customers		
Business conduct	Corporate culture, whistleblowing and anti-corruption		
Positive impact Negative impact			

Double materiality assessment *continued*

MYCRONIC'S MATERIAL SUSTAINABILITY (ESG) TOPICS

Topic	Sub-topic	Impacts	Risks	Opportunities
ENVIRONMENT				
Climate change	Climate change adaption, mitigation and energy	This topic addresses Mycronic's direct and indirect impact on the climate and covers greenhouse gas emissions from the GHG Protocol's scope 1 to 3. Mycronic's currently most significant source of emissions is from the use of sold products, followed by emissions from transports, purchased materials, and business travel. We expect the distribution of impact between the various sources of emissions to be overall stable over a ten-year time horizon. Mycronic recognizes that it has the responsibility to limit climate change effects of its activities throughout its value chain, with an emphasis on effects stemming from own operations, direct suppliers (upstream value chain) and from customers when they use our products (downstream value chain).	The transitional dimension of climate risk is currently most relevant for Mycronic. Transitional climate risks are about adjustment towards a lower-carbon and more environmentally sustainable economy. The physical dimension of the climate risk is perceived more of a long-term risk for Mycronic. Physical climate risks include tangible effects of a changing climate, such as extreme weather events, flooding or water shortage causing damage to infrastructure and supply chains. Our exposure to climate risks will differ depending on the location of our sites. None of our sites are however situated in a current high risk area.	As multinationals in the electronics industry are aligning their climate goals with the Paris Agreement, they will be looking to suppliers for help in securing more climate-friendly solutions. Opportunities for Mycronic vary between the divisions, both in terms of client interest and in terms of possibilities to reduce the energy consumption of products. Opportunities are seen on the medium to long term and are also expected to arise from new markets or from near-shoring trends. Climate risks and opportunities are further described in Mycronic's Climate Scenario Analysis (see page 107).
Pollution	Substances of concern	Mycronic uses small amounts of chemicals and hazardous substances in the manufacturing process and in products. The company has the responsibility to avoid any harm that the utilization of such substances can cause to the environment or to health, in our operations or in our downstream value chain. Mycronic's aim is always to phase out hazardous substances and materials, but when this is not yet possible, their use and impact must be limited and controlled. Our upstream (supply chain) responsibility is mainly to have due diligence processes in place.	Mycronic's risk exposure in this area is related mainly to compliance to regulation on substances of concern, such as ROHS, REACH and any other future requirements.	
Circular economy and resource use	Resource use	This topic addresses impact from Mycronic's use of materials (purchased goods and services), including eco-design, circularity and end-of-life management of our products. Mycronic's products contain a large number of different materials and components. The company's main responsibility in this area is to limit the use of finite resources through reuse, eco-design and circularity of products. To do so, we will need to collaborate with actors in our upstream and downstream value chain and in particular with our direct suppliers and customers.	Mycronic's risk exposures in this area are potential supply chain disruptions and higher material prices, caused by the physical or geo-political effects of climate change, or the decreasing availability of natural resources and materials.	Mycronic sees long-term opportunities in this area, as we expect rising demand for products with a decreased environmental impact throughout their life cycle and a stronger focus on circular sourcing. Mycronic could seize opportunities to gain market shares by developing the following: • products with longer useful lives, including making it possible to repair and change parts, • products that reduce customers' generation of hazardous and non-hazardous waste during their manufacturing process, • circular offers, such as a service offer that provides customers with the capability to satisfy their needs without owning physical products.
	Waste	Mycronic's production processes do not generate large volumes of waste. Mycronic's waste flows and related impacts are relatively small compared to high-volume manufacturing companies in the electronics industry. We nevertheless have a responsibility to work towards reducing our generation of waste, especially as we expect the company to grow.	Mycronic's risk exposure in this area is mainly related to compliance with local laws on waste management as well as on costs for waste management.	

Double materiality assessment *continued*

Topic	Sub-topic	Impacts	Risks	Opportunities
SOCIAL				
Own workforce	Working conditions of employees	Mycronic has operations in 12 countries with more than 2,200 employees in total, representing many nationalities. A large majority of our employees have completed a higher education at university or the like. Very few (estimated to be less than 1%) have only completed compulsory schooling. Working conditions are strictly regulated in Mycronic's countries of operation. The company operates in an industry with skills shortage. Mycronic is responsible for respecting international fundamental principles and rights at work, local legislation, and, more generally, for ensuring good standards of its employees' working conditions. This includes high standards adopted by Mycronic with regard to health and safety, secure employment, wages, working time, freedom of association and social dialogue. By adopting and promoting high standards of working conditions throughout its operations, Mycronic will contribute to its employees' physical, mental and financial well-being. Moreover, Mycronic may contribute to improve the local standards for working conditions in the company's areas of operation.	The risks for Mycronic within this topic (which covers health and safety, secure employment, wages, working time, freedom of association and social dialogue) are mainly people-related. These are related to attracting and retaining employees, employee turnover, sickness leave and absences, and, more generally, motivation at work. In case of systematic deficient employment practices, there are risks for conflicts with labor unions leading to, for example, strikes and operational slowdowns. Mycronic also faces legal risks, should we not comply with legislation in this area.	Maintaining high standards of employee working conditions may ultimately lead to talent retention, reduced staff turnover and better organizational performance, which are all important factors for the financial success of the company. This may also improve the employer brand, which in turn helps to attract new talents to the company.
	Equal treatment and opportunities	A diverse and inclusive workplace will inspire a corporate culture where everyone feels valued, which in turn is important for employees' health and wellbeing. Training and learning on the job, regardless of position, gender or other attributes, are essential for continuous development and our employees' ability to find a meaningful and rewarding occupation. Employees are protected by law from discriminatory practices. Mycronic is responsible for preventing discrimination, for ensuring and cultivating a diverse, equitable and inclusive workplace, and for providing training and development opportunities to its employees.	In this topic, human capital risks are at stake for Mycronic, related to attracting and retaining employees, internal cohesion, employee turnover, and, more generally, motivation at work. Mycronic also faces legal risks, should we not comply with legislation in this area.	A diverse and competent workforce is an important asset for Mycronic, crucial to the company's value creation, profitability and growth. By nurturing diversity, equality and inclusion, and by providing training and development opportunities, Mycronic is more likely to attract and keep talents and to stay competitive now and in the future. In addition, by actively promoting engineering and our industry among groups that have previously not turned to engineering studies (such as girls and women), Mycronic has the opportunity to support individuals in these groups, and also broaden the company's future recruitment base.

Double materiality assessment *continued*

Topic	Sub-topic	Impacts	Risks	Opportunities
SOCIAL, continued				
Workers in the value chain	Working conditions, equal treatment and opportunities, and other work-related rights in the supply chain	There are a number of social challenges in the electronic industry's supply chain. Mycronic's upstream responsibility in this regard is mainly to have due diligence processes in place to ensure that suppliers and their suppliers have proper safeguards in place to respect human and labor rights and working conditions. Risks for negative or adverse social impacts are generally indirect and appear several steps away in Mycronic's value chain. Breaches are more common the further we go in our upstream value chain, where breaches of internationally recognized standards and principles (such as the ILO Declaration on Fundamental Principles and Rights at Work, and the UN Guiding Principles on Business and Human Rights) are most commonly reported in the extractive industries of metals and minerals in countries at risk. Such breaches can include involvement in conflict minerals, child and forced labor, breaches of freedom of association, recurrent accidents, unhealthy work environment, discrimination practices and harassment, and so on. In addition, workers in the manufacturing of electronic components sometimes experience job insecurity, low wages, excessive working hours and insufficient rest. Particularly vulnerable workers are those living in poverty in risk countries, even more so if they are migrant workers.	In this area, Mycronic's risk exposure is currently mainly related to reputational risks. There are international and national standards for companies regarding supply chain due diligence including, for example, the UN Guiding Principles on Business and Human Rights and laws about conflict minerals. However, actual legal consequences for companies in case of breaches in the supply chain remain rare. Regulation is expected to become stricter, for example with the upcoming EU Sustainability Due Diligence Directive, which may lead to legal risks becoming material in the coming five to ten years.	
	Health and safety at customers	Mycronic's responsibility with regard to health and safety downstream in our value chain relates to our products. Our products must be safe and the user, usually employees at our customer sites, must have necessary information regarding how to use the products safely.		
GOVERNANCE				
Business conduct	Corporate culture, whistleblowing and anti-corruption	Business ethics and a sound corporate culture, including anti-corruption, anti-bribery and the protection of whistleblowers, are important topics for any company. Rules of conduct for employees and business partners should be promoted and followed up. Mycronic does not operate in a particularly high-risk industry as regards corruption. However, as all companies, and in particularly as a company with operations all over the world, Mycronic has a responsibility for preventing corruption and bribery in its activities. Mycronic is also responsible for ensuring and protecting whistleblowers who report suspicious breaches to laws, the Code of Conduct, or other policies. Upstream and downstream in the value chain, Mycronic is responsible for preventing corruption in all direct relationships with suppliers and customers. Further away in the value chain, Mycronic's responsibility is above all to have due diligence processes in place.	Risks in this area are mainly legal, in cases of corruption and bribery. A culture where corruption practices are common will also negatively affect the company culture and internal cohesion. Finally, reputational risks are at stake.	

Double materiality assessment *continued*

Climate scenario analysis

Mycronic has conducted a climate scenario analysis (CSA) to strengthen its understanding of how physical and transitional climate related risks and opportunities might impact Mycronic's business, both in its own operations and along the upstream and downstream value chain, over time.

The insights gathered in this exercise are used to inform strategic and risk management decision-making, mainly by integrating relevant parts of the analysis into Mycronic's Enterprise Risk Management (ERM) assessment and the double materiality assessment (DMA).

Methodology

The methodology for the CSA has been developed in accordance with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations and aligned as much as possible with Mycronic's ERM methodology. We have assessed the extent to which Mycronic's business activities may be exposed and sensitive to the identified climate-related hazards, taking into consideration the magnitude of financial effects; the likelihood (with the current mitigation actions and resources in place); as well as the duration of the hazards.

The climate scenario analysis focuses on material risks and opportunities for our business (outside-in perspective). Mycronic's impact on climate change (inside-out perspective) is measured through our GHG data reporting process and is analyzed in the DMA.

Two scenarios that describe two plausible futures were used for the climate scenario analysis. Both are based on IPCC Sixth Assessment projections: SSP 1 (RCP 1.9-2.6) "the Green Road" in which the world meets the Paris Agreement's goal to limit global warming to 1.5 °C, and SSP 3 (RCP 7.0) "The Rocky Road" in which average temperatures rise by 3.6-4 °C. Mycronic's climate-related risks and opportunities were assessed for both scenarios, in the short (1-2 years),

medium (3-5 years) and long (6 to 10 years) term. The definition of the time horizons are the same as in the DMA.

The preparation phase included collecting relevant information from both internal sources, such as the ERM, sustainability report, and GHG emissions data – and from external sources, including the Intergovernmental Panel on Climate Change (IPCC), TCFD, and the International Energy Agency (IEA). Climate projections for the geographical areas in which Mycronic has production sites were prepared and used in the analysis.

The analysis was made by a working group comprising people from different divisions and functions and with different expertise (within operations, legal, finance, sustainability, strategy, quality, and sourcing). The results were presented to relevant parts of the organization and integrated into the ERM and the DMA.

Results of the analysis

Based on the results of the analysis, Mycronic's short term climate change-related risks are assessed as low. In the medium and long term, trade disruption is seen as a material transitional climate risk, in particular in the Rocky Road scenario. Trade disruption, when related to climate change, may be due to geopolitical consequences of climate change (such as closed borders, barriers to trade or transfer of technology and capital) or to increasingly difficult climate conditions that affect the market. Naturally, trade disruption may also originate from other, non climate-related events. In any case, Mycronic strives to mitigate this risk in several ways, for example through market and client spread.

Procurement risks are also considered material in both scenarios in the medium and long term, either because of physical risks leading to supply chain disruption or due to the transitional risks of price increases. These risks are mitigated, for example, by avoiding dependency on a single or sole source suppliers (also see pages 38-39).

Potential opportunities have been identified in both scenarios in the medium and long term, and mainly relate to new market opportunities and nearshoring. In the former case, we see potential for new markets to arise, driven by the need for electronics to support electrification and the transition to a sustainable future. In the latter case, we see opportunities to respond to rising needs in different parts of the world as governments and customers begin to build regional markets for important electronics due to, for example, trade barriers or closed markets. Mycronic intends to seize these opportunities as they arise through close monitoring of the market and through investments.

Resilience analysis

Mycronic's resilience to climate change is assessed from different angles through our

climate scenario analysis, ERM and BCP processes, and the DMA. In these processes, Mycronic's management of specific physical or transitional climate risks is part of the assessment. Overall, the results from these various assessments indicate that Mycronic's strategy and business model are sufficiently resilient in relation to climate change, at a minimum for the years during which Mycronic has established financial and climate targets and a climate action plan. Since the ERM process and the BCP focus on the period covered by our current business strategy, our assurance of resilience is somewhat more uncertain for the time horizon beyond 2030. The above-mentioned processes are updated annually and will continue to feed the resilience analysis.

GREEN ROAD (RCP 1.9-2.6)

	Category	Time horizon
Top climate risks		
Trade disruption	Transitional	Medium
Price increase on materials	Transitional	Medium and long
Top climate opportunities		
New markets	Transitional	Medium and long
Demand for energy and resource-efficient products	Transitional	Medium and long

ROCKY ROAD (RCP 7.0)

	Category	Time horizon
Top climate risks		
Trade disruption	Transitional	Medium and long
Supply chain disruption	Physical	Medium and long
Top climate opportunities		
Nearshoring	Transitional	Medium and long
New markets	Transitional	Medium and long

Roles and responsibilities for sustainability governance

The Board of Directors and executive management ensure that Mycronic's policies, sustainability targets and actions are aligned with the company's vision and strategy. Initiatives are mainly managed by our divisions, in line with Mycronic's decentralized management structure.

ROLES OF THE BOARD OF DIRECTORS, ITS COMMITTEES AND EXECUTIVE MANAGEMENT

The Board of Directors is responsible for identifying how environmental, social and governance issues impact risks and business opportunities for Mycronic. The Board establishes the overall goals and strategy of the company, including those related to sustainability. The Board is also accountable for the Annual and Sustainability report. In 2024, in addition to the annually recurring tasks, the Board adopted Mycronic's new science-based climate targets, reviewed and adopted the double materiality assessment, and followed up Mycronic's work to ensure future compliance with the CSRD.

The Audit Committee of the Board ensures the Board fulfills its supervisory responsibilities regarding sustainability risk management. It monitors sustainability reporting and ensures compliance with the Swedish Annual Accounts Act and other potential requirements (read more about the Audit Committee's responsibilities on page 43). Sustainability is discussed at Audit Committee meetings at least twice a year.

The ultimate responsibility for implementing the strategy and for ensuring effective day-to-day governance of sustainability lies with the CEO and the executive management team. The Group's sustainability strategy, with its targets and a roadmap to 2030, lays the foundation for our work. Progress on the implementation of the strategy and its targets is presented to the Board at least twice a year.

DRIVING THE SUSTAINABILITY AGENDA

The Group's sustainability function reports to the Senior Vice President Global Functions,

who is part of executive management. The sustainability function is responsible for preparing Mycronic's sustainability strategy and for driving the sustainability agenda at Group level. Other responsibilities include organizing the double materiality assessment (DMA), the Climate Scenario Analysis (CSA) and stakeholder dialogue processes, preparing the Sustainability statement, and supporting the divisions.

On a divisional level, each head of a division is responsible for setting targets, driving actions and reporting results for their respective organization. This is in line with the Group's decentralized management approach.

As a means to build knowledge and share expertise on different sustainability topics, designated members of executive management (the CFO, Sr VP Global Functions and Sr VP People and Culture) have been tasked with leading working groups focusing on responsible business, environmental impact, and social responsibility. The Sustainability Manager leads the working group for sustainable innovation. These groups consist of field experts and representatives from each division. The working groups ensure that divisions collaborate, report on progress, and contribute to sharing best practices.

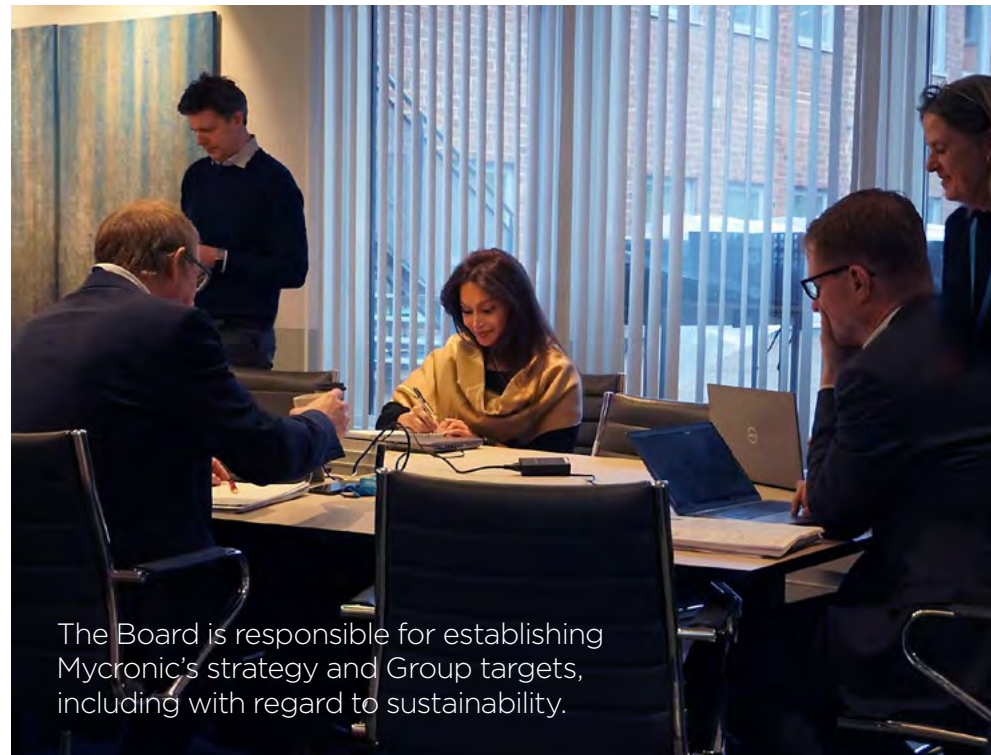
Mycronic uses a variety of communication channels to raise awareness among employees about its sustainability goals and initiatives. Yearly goals and action plans are communicated to employees. Group management also regularly communicates about sustainability initiatives and progress. For example, the CEO's presentation during quarterly Group staff meetings has sustainability as a standing topic. Throughout the year, articles and videos related to sustainabil-

ity, from various parts of the organization, are published on Mycronic's intranet and website.

SKILLS AND EXPERTISE IN SUSTAINABILITY AMONG THE BOARD AND EXECUTIVE MANAGEMENT

A majority of Mycronic's Board members work with or supervise sustainability in other organizations, either as executive managers

or as Board members. For example, one member (also part of the Audit Committee) chairs the Board of a company in the financial sector, in which she is also part of its anti-corruption and anti-money laundering committee. Two trade union representatives, with knowledge in labor related topics, sit on Mycronic's Board.



The Board is responsible for establishing Mycronic's strategy and Group targets, including with regard to sustainability.

Roles and responsibilities of sustainability governance *continued*

All three members of the Audit Committee have completed dedicated sustainability training for Board members, covering topics such as strategy, resilience, risks and opportunities. In 2024, the Audit Committee also participated in a dedicated session about CSRD controls requirements.

In 2022, all Board members and the CEO completed a self-assessment of their understanding of Mycronic's key impacts, strategy and work on sustainability. In 2023, the Board attended a half-day training in CSRD compliance.

The executive management team has insights into the sustainability impacts, risks and opportunities relevant for Mycronic. The Senior Vice President Global Functions, who is responsible for the sustainability function, has a background as a quality and sustainability manager.

SUSTAINABILITY-RELATED PERFORMANCE IN INCENTIVE SCHEMES

Sustainability-related performance in incentive schemes is described in the Remuneration Report on pages 35–37.

STATEMENT ON DUE DILIGENCE

Mycronic's due diligence policies, processes and actions are discussed in different sections of this report. These are listed in the table to the right.

RISK MANAGEMENT & INTERNAL CONTROLS FOR SUSTAINABILITY REPORTING

The Audit Committee monitors that Mycronic implements routines and processes to ensure compliance with all sustainability reporting requirements. Sustainability reporting is addressed at a minimum of two Audit Committee meetings per year.

Depending on the topic, the Group's sustainability, HR or, in some cases, other functions are responsible for establishing internal control processes that, based on

the identified risks, ensure sufficient checks and controls of sustainability reporting. Each division is responsible for collecting, reporting and identifying sustainability reporting-related risks, as well as performing reasonable quality checks of the sustainability data for all its sites and activities. The minimum requirements for quality controls include establishing cross-checks of the data (four-eyes principle) and storing and maintaining supporting documents readily available. Additional controls have been established for environmental disclosures, for which a quality verification of the data reported by each site is performed by an external climate consulting organization within the software used by Mycronic to report and calculate GHG emissions.

Depending on the topic, the Group's sustainability, HR or, in some cases, other functions are responsible for consolidating sustainability data, identifying sustainability reporting-related risks, and performing quality verification on the Group level.

Data quality is the main risk identified with regard to sustainability reporting, in particular when the data comes from external sources for which Mycronic cannot verify the accuracy. Indeed, parts of the sustainability data still involve a high degree of probability for errors and omissions due to a lack of standardization, knowledge and availability of raw data. To address and mitigate this risk, Mycronic:

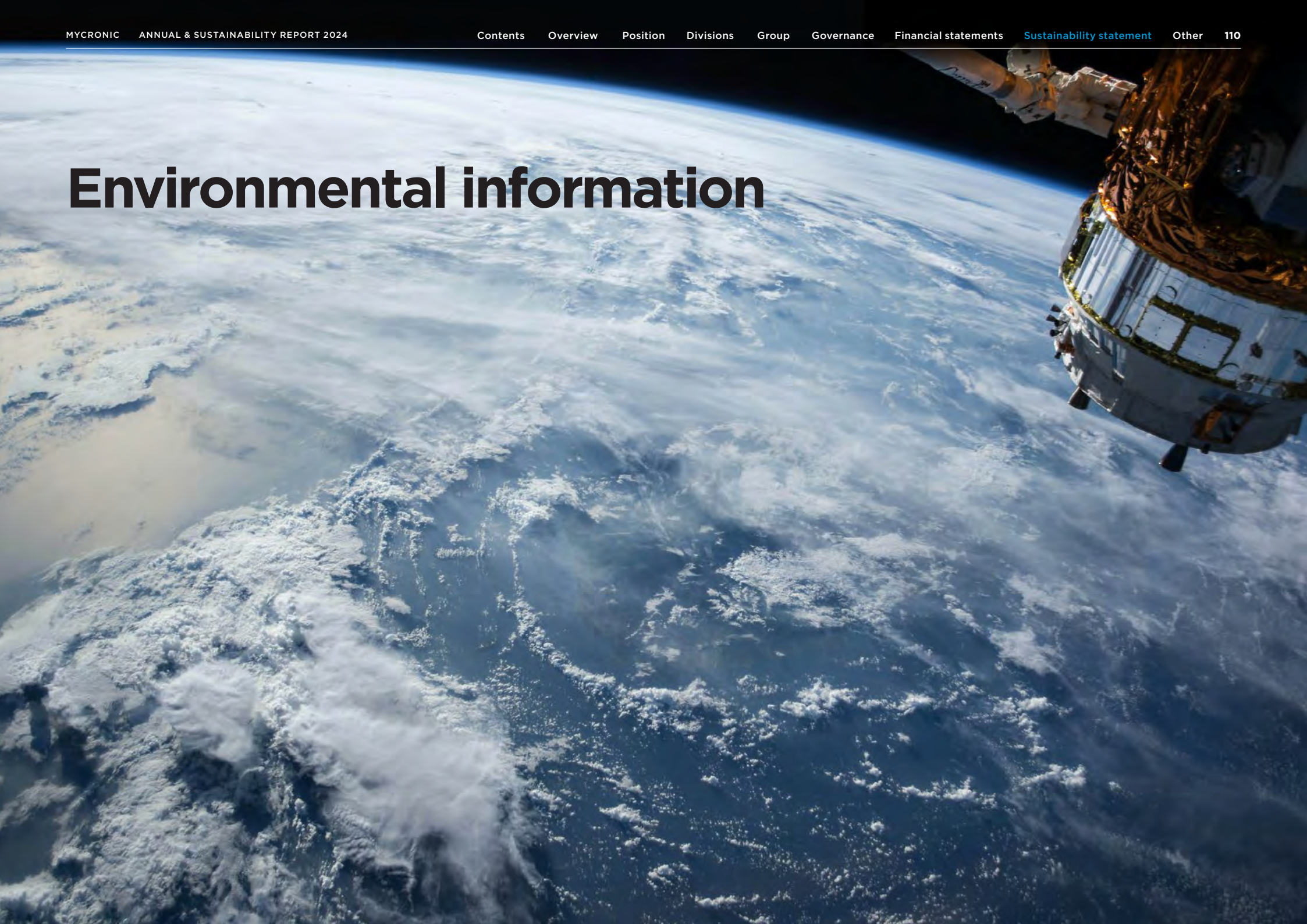
- continuously monitors its sustainability reporting processes and controls and, based on materiality, optimizes these;
- holds dialogues with its external partners to improve the data provided;
- reports transparently about omissions, estimates and rectification of previous errors.



The members of the Audit Committee have training and experience in sustainability strategy, resilience, risks and opportunities.

CORE ELEMENTS OF DUE DILIGENCE	SECTION IN THE SUSTAINABILITY STATEMENT AND IN OTHER PARTS OF THE REPORT	PAGE
a) Embedding due diligence in governance, strategy and business model	• Position: <i>Value chain, Sustainability mindset, People centric culture</i> • Group: <i>Risks</i> • General information: <i>Sustainability governance</i>	14, 17–18 38–39 108–109
b) Engaging with affected stakeholders	• General information: <i>Stakeholders</i>	102
c) Identifying and assessing negative impacts on people and the environment	• General information: <i>Double materiality assessment</i>	103–107
d) Taking actions to address those negative impacts	• Environment: <i>Climate change, Pollution, Resource use and circular economy</i> • Social: <i>Own workforce, Workers in the value chain</i> • Governance: <i>Business conduct</i>	118–121, 128–130 134–136, 141–142 144–146
e) Tracking the effectiveness of these efforts	• Environment: <i>Climate change, Pollution, Resource use and circular economy</i> • Social: <i>Own workforce, Workers in the value chain</i> • Governance: <i>Business conduct</i>	121–127, 128, 131–132 136–140, 142 146

Environmental information



EU Taxonomy Regulation disclosures for 2024

The EU Taxonomy is a classification system created to identify environmentally sustainable economic activities. In this chapter, information is provided on how the economic activities in the EU Taxonomy apply to Mycronic's operations.

CONTEXTUAL INFORMATION, SCOPE, AND LIMITATIONS

Mycronic is subject to the EU Taxonomy regulation. During the reporting period, Mycronic has conducted a group-wide screening to identify its eligible and aligned activities, covering all six environmental objectives in the EU Taxonomy regulation. The newly acquired companies Vanguard Automation and Modus High-Tech Electronics were not included in the screening and are hence excluded from the numerator of the EU Taxonomy KPIs. For all activities, turnover from sales through distributors are included in the scope. To our knowledge, Mycronic has no direct or indirect customers in the fossil fuel industry. No turnover to specific customer segments has therefore been excluded.

Mycronic has applied a cautionary approach in its assessment of eligible and aligned activities. This means that Mycronic excludes activities for which there are substantial uncertainties in the interpretation of the EU Taxonomy Regulation. In 2024, Mycronic re-evaluated the eligibility for some

of its economic activities following new guidelines from the European Commission, as well as new best practice. Mycronic will continue to re-evaluate its activities related to both eligibility and alignment moving forward as the EU Taxonomy matures.

DESCRIPTION OF MYCRONIC'S EU TAXONOMY ACTIVITIES

The table below lists the activities identified by Mycronic as being eligible for the EU Taxonomy. Several products and technologies covered by the activities "CCM 3.6 Manufacture of low carbon technologies" and "CE 4.1 Provision of IT/OT data-driven solutions" are also considered to be aligned. For the remaining activities, we have not yet assessed alignment, or we do not fulfill the alignment criteria. Mycronic will continue the process of assessing alignment going forward.

CCM 3.6 Manufacture of other low carbon technologies

Mycronic considers all mask writer products with solid-state lasers, the solid-state laser

technology itself and one of its dispenser systems, to be eligible under the EU Taxonomy "CCM 3.6 Manufacture of low carbon technologies". A large share of Mycronic's mask writer products is also considered to be aligned in accordance with the EU Taxonomy technical screening criteria.

Mycronic's view is that its mask writers with solid-state lasers, as well as the updated dispenser system, have the potential to substantially contribute to reduced GHG emissions for the customer compared to alternative technology currently used in the market:

- Mycronic's mask writers with solid-state lasers are estimated to consume around 70 percent less electricity during use, compared to similar products that use gas laser technology. The installed base of mask writers on the global market is predominantly run on gas lasers. The solid-state laser technology enables a significantly reduced energy consumption from the use phase, thereby reducing related GHG emissions.

- A major redesign of the said dispenser system has resulted in a significant reduction of energy consumption during use. Measurements comparing the updated version with the previous model show a 35 percent reduction in electricity consumption when using the product. Mycronic considers this a substantial reduction leading to GHG emission savings for the customer. This dispenser system has no direct competitors, and its energy performance was consequently compared to a previous version currently in use on the global market.

Assessment of technical screening criteria for 3.6 Manufacture of other low carbon technologies

A large share of Mycronic's mask writer products is considered to be aligned in accordance with the EU Taxonomy technical screening criteria. As described above, the mask writer products with solid-state laser technology reduce GHG emissions significantly, and the technology is considered to be the best performing on the market. The reductions in GHG emissions have been calculated in a Life Cycle Assessment (LCA) of one of the relevant mask writer products. The LCA was made in accordance with ISO 14040 and 14044 and was verified by an independent third party (DNV) in 2023. In the table on page 114, Mycronic describes the main points of its alignment with the "Do no significant harm (DNSH)" and "Minimum safeguards" criteria.

Taxonomy-eligible economic activities	Aligned	Turnover	CAPEX	OPEX
CCM 3.6 Manufacture of other low carbon technologies	X	X	X	X
CCM 7.1 Construction of new buildings			X	
CCM 7.6 Installation, maintenance and repair of renewable energy technologies			X	
CE 1.2 Manufacture of electrical and electronic equipment		X	X	X
CE 3.1 Construction of new buildings			X	
CE 4.1 Provision of IT/OT data-driven solutions	X	X		X
CE 5.1 Repair, refurbishment and remanufacturing		X		
CE 5.2 Sale of spare parts		X		

EU Taxonomy Regulation disclosures for 2024 *continued*

CCM 7.1 Construction of new buildings, CCM 7.6 Installation, maintenance and repair of renewable energy technologies and CE 3.1 Construction of new buildings

In 2024, Mycronic invested in the construction of a new production facility for its test business in Germany. Related costs are considered eligible under the EU Taxonomy “CCM 7.1 Construction of new buildings” and “CE 3.1 Construction of new buildings”. Solar panels and heat pumps are being installed in this new building. These are considered eligible under “CCM 7.6 Installation, maintenance and repair of renewable energy technologies”.

CE 1.2 Manufacture of electrical and electronic equipment

Mycronic is a developer, manufacturer, and marketer of high-tech production solutions for the electronics industry. The product offering includes mask writers, PCB assembly solutions, dispensing and conformal coating systems, die bonding and electrical testing of PCBs. We consider all systems that we sell as eligible under the EU Taxonomy “CE 1.2 Manufacture of electrical and electronic equipment”.

CE 4.1 Provision of IT/OT data-driven solutions

Mycronic considers three of its software products built for the purpose of remote monitoring and predictive maintenance to be eligible under the EU Taxonomy “CE 4.1 Provision of IT/OT data-driven solutions”. Two of these are also considered aligned. The three eligible software products help to increase clients’ production efficiency by monitoring manufacturing and detecting errors – without the need for an on-site visit by a Mycronic technician. Two of the products are used within the die bonding business and are intended to “(i) remotely collect, process, transfer, and store data from equipment, products or infrastructure during their use or operation”. The third software, used within

PCB assembly, fulfills the description “(ii) analyzing the data and generating insights about the operational performance and condition of the equipment, product or infrastructure” (Environmental Delegated Act, Annex II, p 67).

Assessment of technical screening criteria for CE 4.1 Provision of IT/OT data-driven solutions

The software products used within die bonding, as described above, are also considered to be aligned in accordance with the EU Taxonomy technical screening criteria. As remote monitoring software they meet the second criteria for “Substantial contribution to the transition to a circular economy” by fulfilling “(a) alerting the user to abnormal sensor values, and assessing the status of the product, equipment, or infrastructure, detecting wear and tear or electrical issues, and drawing conclusions about the exact nature of abnormal operating conditions by means of advanced analytical methods”, as well as “(b) predicting the expected remaining lifetime of a product, equipment, or infrastructure, and recommending measures to extend the remaining lifetime”. Since the products assessed are software and not a physical product, we conclude that criterion eight for “Substantial contribution to the transition to a circular economy” is not applicable. In the table on page 114, Mycronic describes the main points of its alignment with the “Do no significant harm (DNSH)” and “Minimum safeguards” criteria.

CE 5.1 Repair, refurbishment and remanufacturing and CE 5.2 Sale of spare parts

As part of our business to develop, manufacture and market high-tech production solutions for the electronics industry, all divisions offer aftermarket services for products, such as maintenance service and replacement of spare parts. Relevant service activities related to the products covered by

“CE 1.2 Manufacture of electrical and electronic equipment” are eligible to “CE 5.1 Repair, refurbishment and remanufacturing” and “CE 5.2 Sale of spare parts”.

Mycronic also provide upgrades, both for software and machine parts. The High Flex division offers a buy-back program under which equipment is renovated and upgraded for resale. We consider service, upgrades, and refurbishment of our products to be eligible under “CE 5.1 Repair, refurbishment and remanufacturing”, and provision of spare parts to be eligible under “CE 5.2 Sale of spare parts”.

Key elements of change during reporting period

Within the activity “CCM 3.6 Manufacture of other low carbon technologies” our proportion of turnover from aligned products have increased from 2 percent to 10 percent. This is a result of more mask writer products fulfilling the “DNSH” criteria.

This reporting is also the first where both eligibility and alignment shall be assessed for the circular economy objective. Following this, some of our products have been assessed as aligned within the activity “CE 4.1 Provision of IT/OT data-driven solutions”.

Activity “CCM 7.1 Construction of new buildings”, “CE 3.1 Construction of new buildings” and “CE 7.6 Installation, maintenance and repair of renewable energy technologies” were new activities for the year as a result of Mycronic’s construction of a new production facility in Germany.

“CE 1.2 Manufacture of electrical and electronic equipment”, “CE 5.1 Repair, refurbishment and remanufacturing” and “CE 5.2 Sale of spare parts” were new activities for the year following a clarification from the EU Commission on the interpretation of the description of the activity.

Independent Critical Review Statement

The full version of Mycronic’s Life Cycle Assessment Report was reviewed by DNV. The review concluded in an Independent Critical Review Statement. In this statement DNV added the following conclusion:

“Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the LCA methodology for Selected Information within /the mask writer/* LCA report is not fairly stated and has not been prepared, in all material respects, in accordance with the requirements of ISO 14040:2006 and ISO 14044:2006.”

* The name of the product has been excluded for publication in this report.

EU Taxonomy Regulation disclosures for 2024 *continued*

DEFINITION OF THE FINANCIAL KPIS

Turnover

Turnover related to eligible or aligned activities, as a percentage of Group net sales.

OpEx

Non-capitalized R&D expenses reported as operational expenditures, related to eligible or aligned activities, as a percentage of consolidated R&D expenses. Other taxonomy-related operational expenditures are not significant.

CapEx

Capitalized expenditures related to eligible or aligned activities, as a percentage of additions to tangible and intangible assets, including from business combinations, as well as add-ons of IFRS 16 leases.

The detailed scope (to the right) describes financial data included in each Taxonomy activity, per KPI. Taxonomy-aligned turnover, CapEx and OpEx refer to the same type of financial data as the eligible turnover, CapEx, OpEx, but include only aligned Mycronic activities.

DETAILED SCOPE OF THE FINANCIAL KPIS

Turnover

- Activity "CCM 3.6 Manufacture of other low carbon technologies" includes net sales from mask writers and one type of dispenser system. Installation and warranty are included in the net sales for these products. In addition, services (including spare parts) are included in the net sales for mask writers.
- Activity "CE 1.2 Manufacture of electrical and electronic equipment" covers net sales from all Mycronic systems, including sales from the complete system sold as well as aftermarket sales. To avoid double counting in the table for turnover on page 115, the following is excluded from the eligible turnover in "CE 1.2 Manufacture of electrical and electronic equipment": a) net sales from systems and software that are included either in activity "CCM 3.6 Manufacture of other low carbon technologies" or "CE 4.1 Provision of IT/OT data-driven solutions"; b) net sales from service and spare parts that are included either in "CE 5.1 Repair, refurbishment and remanufacturing" or "CE 5.2 Sale of spare parts".
- Activity "CE 4.1 Provision of IT/OT data-driven solutions" includes net sales from the related software products.
- Activity "CE 5.1 Repair, refurbishment and remanufacturing" includes aftermarket net sales such as service. To avoid double counting in the table for turnover, net sales from service for mask writers are excluded in "CE 5.1 Repair, refurbishment and remanufacturing", since this is reported under "CCM 3.6 Manufacture of other low carbon technologies".
- Activity "CE 5.2 Sale of spare parts" includes net sales from spare parts excluding consumables. To avoid double counting in the table for turnover, net sales from spare parts for mask writers are excluded in "CE 5.2 Sale of spare parts", since this is reported under "CCM 3.6 Manufacture of other low carbon technologies".
- For activities "CCM 7.1 Construction of new buildings", "CE 7.6 Installation, maintenance and repair of renewable energy technologies" and "CE 3.1 Construction of new buildings" there are no related turnover.

The turnover from Taxonomy-eligible activities corresponds to 97% of the total turnover.

The turnover from Taxonomy-aligned activities corresponds to 10% of the total turnover.

OpEx

- Activity "CE 1.2 Manufacture of electrical and electronic equipment" includes non-capitalized R&D expenses related to all Mycronic's systems within the same scope as for reported turnover.
- Activity "CCM 3.6 Manufacture of other low carbon technologies" includes non-capitalized R&D expenses to related systems within this activity.
- Activity "CE 4.1 Provision of IT/OT data-driven solutions" includes non-capitalized R&D costs to related software within this activity.
- There are no related OpEx for activities "CCM 7.1 Construction of new buildings", "CE 7.6 Installation, maintenance and repair of renewable energy technologies", "CE 3.1 Construction of new buildings", "CE 5.1 Repair, refurbishment and remanufacturing" and "CE 5.2 Sale of spare parts".

The OpEx from Taxonomy-eligible activities corresponds to 74% of the total OpEx.

The OpEx from Taxonomy-aligned activities corresponds to 3% of the total OpEx.

CapEx

- Activity "CE 1.2 Manufacture of electrical and electronic equipment" includes all capitalized R&D expenses related to all Mycronic's systems within the same scope as for reported turnover.
- Activity "CCM 3.6 Manufacture of other low carbon technologies" includes all capitalized R&D expenses to related systems and technology within this activity.
- Activity "CE 4.1 Provision of IT/OT data-driven solutions" includes all capitalized R&D expenses to related software products.
- The activities "CCM 7.1 Construction of new buildings", "CCM 7.6 Installation, maintenance and repair of renewable energy technologies" and "CE 3.1 Construction of new buildings" are related to the purchase of output from taxonomy-eligible economic activities. The total CapEx for these activities corresponded to 92 SEKm in 2024, and the activities were all realized during the period.
- There are no related CapEx for activities "CE 4.1 Provision of IT/OT data-driven solutions", "CE 5.1 Repair, refurbishment and remanufacturing" and "CE 5.2 Sale of spare parts".

The CapEx from Taxonomy-eligible activities corresponds to 30% of the total CapEx.

The CapEx from Taxonomy-aligned activities corresponds to 3% of the total CapEx.

EU Taxonomy Regulation disclosures for 2024continued

DO NO SIGNIFICANT HARM (DNSH)

Climate change adaption

Mycronic has performed a scenario analysis to assess its climate risks, in accordance with the technical screening criteria for the EU Taxonomy activity “CCM 3.6 Manufacture of low carbon technologies” and activity “CE 4.1 Provision of IT/OT data-driven solutions”. The climate scenario analysis was executed for the Representative Concentration Pathway 7.0 (SSP3) and 1,9-2,6 (SSP1), with the aim of assessing risks and opportunities in different temperature outcomes.

Sustainable use and protection of water and marine resources

Mycronic does not utilize water in a way that can risk “environmental degradation related to preserving water quality and avoiding water stress”, as described in Appendix B in both the EU Taxonomy Climate Delegated Act, Annex I and the Environmental Delegated Act, Annex II, as well as in accordance with the EU Water Framework Directive (2000/60/EC).

Water consumption is monitored twice a year and related impacts have been assessed as non-material in Mycronic's double materiality assessment. Mycronic uses and wastes only small amounts of water, mainly from bathrooms and canteens. Water is not used in Mycronic's production processes and Mycronic does not have manufacturing sites or substantial presence in regions facing high water stress. Our products do not consume any significant volumes of water while in use. A limited number of products use small amounts of cooling water in closed systems.

Transition to a circular economy

The technical screening criteria for EU Taxonomy activity “3.6 Manufacture of low carbon technologies” require companies to assess the availability of and, where feasible, adopt techniques that support the transition to a circular economy.

Mycronic's Quality and Environmental policy incorporates circular economy. More specifically, our policy states that products should be designed “for increased energy and resource efficiency throughout their lifecycles”, as well as “avoiding hazardous substances”.

All our mask writers are designed to have a high durability and serviceability. The products have a long lifespan, making service and replacements of parts a necessity. At their end-of-life, Mycronic offers to buy back the mask writers, and if so, will reuse some parts, while others will be recycled or disposed of in a controlled way.

MINIMUM SAFEGUARD CRITERIA

Mycronic is committed to conducting business in accordance with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the declaration on Fundamental Principles and Rights at Work of the International Labour Organisation (ILO), the eight fundamental conventions of the ILO and the International Bill of Human Rights, in line with EU Taxonomy minimum safeguard criteria.

Our mask writers are manufactured on our Swedish site where local waste management regulation prioritizes recycling over disposal. Within our production we actively work to minimize the production of waste and to use materials efficiently.

Mycronic has the data and a traceability for substances of concern throughout the products' life cycle.

Pollution prevention and control

The technical screening criteria for EU Taxonomy activity “CCM 3.6 Manufacture of low carbon technologies” require that the business activity does not lead to the manufacture, placing on the market or use of listed chemicals from different EU regulations and directives listed in Appendix C to the EU Taxonomy Climate Delegated Act, Annex I (p 193). Products aligned to the EU Taxonomy are compliant to the criteria listed in this Appendix.

Mycronic commits to compliance with the relevant regulations and directives. The company requires that all chemicals used in its products and operations are controlled to minimize negative effects on the environment and human health. This includes processes for the identification, evaluation, and elimination of chemicals containing substances hazardous to the environment and human health (i.e., substances on the REACH Candidate list; Carcinogenic, mutagenic and reprotoxic substances; allergy inducing substances; and other substances banned by legislation).

For EU Taxonomy activity “CE 4.1 Provision of IT/OT data-driven solutions”, Mycronic has assessed that the criteria for “Pollution prevention and control” are not applicable for software products.

Protection and restoration of biodiversity and ecosystem

The technical screening criteria for EU Taxonomy activity “3.6 Manufacture of low carbon technologies” require companies to complete an Environmental Impact Assessment (EIA) in accordance with the EU Environmental Impact Assessment Directive (2011/92/EU). A specific assessment shall be conducted for sites located in or near biodiversity-sensitive areas a specific assessment.

None of Mycronic's sites run environmentally hazardous activities requiring permits according to The Swedish Environmental code, chapter 9 and/or 11 or other national sector specific legislation. Therefore, Mycronic is not under the obligation to conduct an EIA or screening in accordance with the EU Environmental Impact Assessment Directive. In addition, Mycronic does not have manufacturing sites or substantial presence in biodiversity-sensitive areas.

Mycronic's commitments to human and labor rights, anti-corruption, taxation, fair competition, and other topics covered by the abovementioned standards are described in the Code of Conduct. In addition, as a signatory to the UN Global Compact, Mycronic commits to its ten principles relating to human rights, labor, environment, and anti-corruption. Suppliers shall sign Mycronic's supplier Code of Conduct. More information can be found in the dedicated chapters of Mycronic's Sustainability statement.

NUCLEAR AND FOSSIL GAS RELATED ACTIVITIES

Nuclear energy related activities		YES/NO
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
Fossil gas related activities		
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

EU Taxonomy Regulation disclosures for 2024 *continued*

Proportion of Turnover from products or services associated with Taxonomy-aligned economic activities

Economic Activities	Year 2024			Substantial contribution criteria						DNSH criteria (Do No Significant Harm)						Minimum Safeguards				Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, year N-1	Category enabling activity	Category transitional activity
	Code	Turnover	Proportion of Turnover, year N	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, year N-1	Category enabling activity	Category transitional activity			
	(a)	SEKm	%	Y; N; N/EL; EL (b)	Y; N; N/EL; EL (b)	Y; N; N/EL; EL (b)	Y; N; N/EL; EL (b)	Y; N; N/EL; EL (b)	Y; N; N/EL; EL (b)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T			
A. Taxonomy-eligible activities																						
A.1. Environmentally sustainable activities (Taxonomy-aligned)																						
Manufacture of other low carbon technologies	CCM3.6	725	10%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	2%	E				
Provision of IT/OT data-driven solutions	CE4.1	0	0%	N/EL	N/EL	N/EL	N/EL	Y	N/EL	Y	Y	Y	Y	Y	Y	Y	—	E				
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		726	10%	10%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	2%					
of which Enabling		726	10%	10%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	2%	E				
of which Transitional		0	0%	0%						Y	Y	Y	Y	Y	Y	Y	0%		T			
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																						
Manufacture of other low carbon technologies	CCM3.6	770	11%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								18%					
Manufacture of electrical and electronic equipment	CE1.2	3,980	56%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								—					
Provision of IT/OT data-driven solutions	CE4.1	2	0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0%					
Repair, refurbishment and remanufacturing	CE5.1	1,079	15%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								—					
Sale of spare parts	CE5.2	280	4%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								—					
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		6,112	87%	11%	0%	0%	0%	76%	0%								18%					
A. Turnover of Taxonomy-eligible activities (A.1 + A.2)		6,837	97%	21%	0%	0%	0%	76%	0%								20%					
B. Taxonomy non-eligible activities																						
Turnover of Taxonomy-non-eligible activities		220	3%																			
TOTAL (A + B)		7,057	100%																			

Proportion of turnover/total turnover

Taxonomy-aligned per objective

Taxonomy-eligible per objective

Climate Change Mitigation (CCM)	10%	21%
Climate Change Adaptation (CCA)	0%	0%
Water and Marine Resources (WTR)	0%	0%
Circular Economy (CE)	0%	76%
Pollution Prevention and Control (PPC)	0%	0%
Biodiversity and ecosystems (BIO)	0%	0%

(a) The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible, as well as the section number of the activity in the relevant EU Taxonomy Annex covering the objective.

(b) Y - Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective.
 N - No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective.
 EL - Eligible, Taxonomy-eligible activity for the relevant objective.
 N/EL - Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective.

EU Taxonomy Regulation disclosures for 2024 *continued*

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities

Economic Activities	Year 2024			Substantial contribution criteria						DNSH criteria (Do No Significant Harm)						Minimum Safeguards				Proportion of Taxonomy aligned (A.1.) or eligible (A.1.) or OpEx, year N-1	Category enabling activity	Category transitional activity
	Code	OpEx	Proportion of OpEx, year N	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Proportion of Taxonomy aligned (A.1.) or eligible (A.1.) or OpEx, year N-1	Category enabling activity	Category transitional activity			
	(a)	SEKm	%	Y; N; N/EL; EL (b)	Y; N; N/EL; EL (b)	Y; N; N/EL; EL (b)	Y; N; N/EL; EL (b)	Y; N; N/EL; EL (b)	Y; N; N/EL; EL (b)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T			
A. Taxonomy eligible activities																						
A.1. Environmentally sustainable activities (Taxonomy-aligned)																						
Manufacture of other low carbon technologies	CCM3.6	21	3%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	3%	E				
Provision of IT/OT data-driven solutions	CE4.1	0	0%	N/EL	N/EL	N/EL	N/EL	Y	N/EL	Y	Y	Y	Y	Y	Y	Y	—	E				
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		21	3%	3%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	3%					
of which Enabling		21	3%	3%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	3%	E				
of which Transitional		0	0%	0%						Y	Y	Y	Y	Y	Y	Y	0%		T			
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																						
Manufacture of other low carbon technologies	CCM3.6	3	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								4%					
Manufacture of electrical and electronic equipment	CE1.2	532	71%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								—					
Provision of IT/OT data-driven solutions	CE4.1	0	0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0%					
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		535	72%	0%	0%	0%	0%	71%	0%								4%					
A. OpEx of Taxonomy eligible activities (A.1 + A.2)		555	74%	3%	0%	0%	0%	71%	0%								8%					
B. Taxonomy non-eligible activities																						
OpEx of Taxonomy-non-eligible activities		192	26%																			
TOTAL (A + B)		747	100%																			

(a) The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible, as well as the section number of the activity in the relevant EU Taxonomy Annex covering the objective.

(b) Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective.

N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective.

EL – Eligible, Taxonomy-eligible activity for the relevant objective.

N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective.

Proportion of OpEx/Total OpEx

Taxonomy-aligned per objective

Taxonomy-eligible per objective

Climate Change Mitigation (CCM)	3%	3%
Climate Change Adaptation (CCA)	0%	0%
Water and Marine Resources (WTR)	0%	0%
Circular Economy (CE)	0%	71%
Pollution Prevention and Control (PPC)	0%	0%
Biodiversity and ecosystems (BIO)	0%	0%

EU Taxonomy Regulation disclosures for 2024 *continued*

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities

Economic Activities	Year 2024			Substantial contribution criteria						DNSH criteria (Do No Significant Harm)						Minimum Safeguards				Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx year N-1	Category enabling activity	Category transitional activity
	Code	CapEx	Proportion of CapEx, year N	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx year N-1	Category enabling activity	Category transitional activity			
	(a)	SEKm	%	Y; N; N/EL; EL (b)	Y; N; N/EL; EL (b)	Y; N; N/EL; EL (b)	Y; N; N/EL; EL (b)	Y; N; N/EL; EL (b)	Y; N; N/EL; EL (b)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T			
A. Taxonomy eligible activities																						
A.1. Environmentally sustainable activities (Taxonomy-aligned)																						
Manufacture of other low carbon technologies	CCM3.6	19	3%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	11%	E				
Provision of IT/OT data-driven solutions	CE4.1	—	0%	N/EL	N/EL	N/EL	N/EL	Y	N/EL	Y	Y	Y	Y	Y	Y	Y	—	E				
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		19	3%	3%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	11%					
of which Enabling		19	3%	3%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	11%	E				
of which Transitional		0	0%	0%						Y	Y	Y	Y	Y	Y	Y	0%		T			
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																						
Construction of new buildings	CCM7.1, CE3.1	88	15%	EL	N/EL	N/EL	N/EL	EL	N/EL								—					
Installation, maintenance and repair of renewable energy technologies	CCM7.6	3	1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								—					
Manufacture of electrical and electronic equipment	CE1.2	65	11%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								—					
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		156	26%	15%	0%	0%	0%	11%	0%								0%					
A. CapEx of Taxonomy eligible activities (A.1 + A.2)		176	30%	19%	0%	0%	0%	11%	0%								11%					
B. Taxonomy non-eligible activities																						
CapEx of Taxonomy-non-eligible activities		419	70%																			
TOTAL (A + B)		594	100%																			

Proportion of CapEx/Total CapEx

	Taxonomy-aligned per objective	Taxonomy-eligible per objective
Climate Change Mitigation (CCM)	3%	19%
Climate Change Adaptation (CCA)	0%	0%
Water and Marine Resources (WTR)	0%	0%
Circular Economy (CE)	0%	11%
Pollution Prevention and Control (PPC)	0%	0%
Biodiversity and ecosystems (BIO)	0%	0%

(a) The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible, as well as the section number of the activity in the relevant EU Taxonomy Annex covering the objective.

(b) Y - Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective.
 N - No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective.
 EL - Eligible, Taxonomy-eligible activity for the relevant objective.
 N/EL - Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective.

Climate change

To achieve the goals of the Paris Climate Agreement, global greenhouse gas (GHG) emissions must be halved by 2030 and reduced to zero by 2050. Mycronic wants to contribute to making this a reality by working to reduce the climate impact of its operations, and developing products that help its customers to reduce their climate impact.

The shift towards a greener economy creates business opportunities for the electronics industry, which has considerable potential to help society achieve the changes needed. At the same time, as the electronics industry grows, its own impact on the climate increases. Mycronic invests in creating more efficient products from a climate and environmental perspective, to help customers on their journey towards more sustainable electronics manufacturing. This also helps to reduce Mycronic's carbon footprint, since approximately 80 percent of Mycronic's total GHG emissions (scope 1–3) are attributable to our customers' use of our products.

CLIMATE IMPACT IN OUR STRATEGY

Making the transition to a net-zero economy will require that all actors of society prepare for significant changes. To ensure business resilience in this area, Mycronic's management considers climate impact in its strategies, while preparing for changing customer needs and new legislation.

Climate impact is considered in all Mycronic's key processes, such as risk management, strategy reviews and budget processes. These strategic measures will ensure that actions to reduce our climate impact become an integral part of our business activities going forward.

Mycronic's climate strategy is aligned with the overall business strategy and developed around our two near-term science-based emission reduction targets. The targets are rooted in scientific rigor and align with the Paris Agreement's aim of limiting global warming to 1.5 degrees Celsius above pre-industrial levels. The divisions have set climate targets in accordance with the Group

strategy and are responsible for implementing actions to reach the targets. Mycronic's science-based targets are explained in more detail under "Metrics and targets" on page 121.

Mycronic has identified core actions for each target. This includes, for example, reducing energy consumption at our sites, sourcing renewable electricity and maximizing product energy efficiency.

INVESTMENT IN CLIMATE ACTIONS

To support the implementation, climate initiatives are considered in the budget process.

In 2024, a significant part of Mycronic's Group capital expenditure is related to a new production site in Germany. Once finalized, the site is expected to be approximately 60 percent more energy efficient compared to the current site, partly thanks to solar cells. This investment contributes to reducing GHG emissions from scope 1 and 2. The dedicated capital expenditure is presented in the EU Taxonomy chapter on page 117.

R&D expenditures are significant for Mycronic, equivalent to 11 percent of net sales. Sustainable thinking is integrated in all product development processes, with one of the objectives being to reduce emissions from the use of our products, which is Mycronic's biggest source of scope 3 emissions. Our work in this area has resulted in both eligible and aligned activities under the EU Taxonomy. Related capital expenditure, operating expenditure and turnover are described under the EU Taxonomy chapter on pages 111–117.

Mycronic considers climate impact in its strategy and prepares for changing customer needs and new legislation.

Projects supported by Mycronic's Sustainable Innovation Fund in 2024

5

Share of purchased electricity from renewable sources

87%

Climate change *continued*

APPROVAL OF OUR CLIMATE STRATEGY

Mycronic's climate strategy, which encompasses its science-based targets, action plans and dedicated investments, constitutes Mycronic's transition plan towards climate change mitigation.

The Board of Directors and executive management ensure that Mycronic's policies, sustainability targets and actions are aligned with the company's vision and strategy. They have approved Mycronic's climate strategy, science-based targets, as well as its budget.

To our understanding, Mycronic has no locked-in GHG emissions from key assets or products that may jeopardize the achievement of GHG emission reduction targets or drive transition risk.

Mycronic is not involved in activities related to controversial industries and does not derive revenues from fossil fuels. Mycronic is therefore not excluded from Paris-aligned Benchmarks.

IMPACTS, RISKS AND OPPORTUNITIES

The material impacts, risks, and opportunities related to climate change are described in our double materiality assessment on pages 103-106 and in our climate scenario analysis on page 107.

POLICIES

Environmental management at Mycronic is based on Mycronic's Codes of Conduct, Quality and Environmental Policy, Group instructions and established goals.

Mycronic's Codes of Conduct address climate change mitigation and energy efficiency. In the Group Code of Conduct, Mycronic commits to reducing emissions, using energy, materials and natural resources efficiently, and to minimizing waste and residual products. In Mycronic's Supplier and Distributor Codes of Conduct, we require similar commitments from our partners.

Mycronic's Quality and Environmental Policy describes in further detail our commit-

ment (including climate change mitigation, energy efficiency and renewable energy deployment), how it relates to Mycronic's vision, as well as our ways of working.

The Mycronic Group Travel Policy sets out the main principles for sustainable business travel within Mycronic.

Group policies are available on Mycronic's website. Read more about their scope, signing and accountability for implementation in the chapter "Business conduct" on page 144.

ACTIONS

The implementation of our climate strategy is ongoing. In 2024, climate change was a specific topic during the strategy process where actions were quantified on both a Group and divisional level to ensure that these are in line with the reduction needed for climate target fulfillment.

Mycronic addresses scope 1 and 2 emissions with the following actions, in priority order:

1. Reduce energy consumption at our sites

At our sites, we continuously focus efforts on reducing energy consumption from manufacturing processes, heating, lighting, and air-conditioning systems. Several sites have conducted an energy review or audit and implemented actions to reduce energy consumption.

2. Source electricity from own solar cells or purchase renewable energy

Mycronic prioritizes generating or purchasing renewable energy for its sites. During the year, several of the Group's facilities in the US, Japan, and South Korea started purchasing renewable electricity from their electricity providers. We are also working on replacing non-renewable fuels, such as gas and oil used in facilities, with renewable alternatives, whenever feasible.

Collaboration

Speeding up efforts with the Semiconductor Climate Consortium

Mycronic is one of the founding members of the Semiconductor Climate Consortium (SCC). The SCC aims to speed up efforts in the semiconductor industry's value chain to reduce greenhouse gas (GHG) emissions in line with the Paris Agreement and its 1.5°C target.

Member companies work together to find common ways to cut emissions in the industry and agree on key assumptions for evaluating scope 1, 2 and 3 GHG emissions according to the GHG Protocol. They develop tools for reporting and baselining, and build the case for change with stakeholders.

In 2024, Mycronic was active in the working group focused on reducing scope 2 emissions through energy efficiency improvements and by improving access to renewable electricity sources. Mycronic also participated in the group working on developing an industry standard for reporting emissions from the use of sold products (scope 3).



"The SCC is a great place for companies in the semiconductor value chain to collectively tackle climate change challenges. By sharing knowledge and aligning our efforts, we're finding ways to reduce impact, improve transparency, and set common standards."

Faraz Khavari, Senior Engineer in Process Metrology & Test, Participant in scope 2 working group in SCC



Climate change *continued*

3. Switch to electric cars

Mycronic has a small fleet of company owned cars, mostly used by service technicians or sales personnel. Mycronic strives to replace fossil fuel-driven cars with electric vehicles or other alternatives with a lower environmental impact. During the year, High Flex Sweden replaced some company cars to electrical cars. Several Mycronic sites have installed charging stations for electric vehicles. The production site in Täby, Sweden doubled the number of charging stations during 2024, and the new sites in Germany and Sweden will install charging stations in 2025.

4. Purchase international renewable energy certificates (IRECs)

When there are no options to generate electricity from own solar cells or purchase renewable electricity from local electricity providers, Mycronic may choose to purchase IRECs. For 2024, IRECs were purchased for the majority of the sites in China, covering 94 percent of Mycronic's Chinese sites' total electricity consumption.

Mycronic addresses significant scope 3 emissions with the following actions, per source of emissions:

Actions related to emissions from the use of sold products

A large majority – 81 percent – of Mycronic's carbon footprint is attributable to customers' use of our products. Reducing the climate impact of products therefore plays a significant role in Mycronic's product innovation plans. We focus on technical innovation to maximize product energy efficiency.

We also investigate new business models that minimize carbon emissions, and partner with customers and industry associations to minimize energy consumption and transition towards renewable energy sources.

The Pattern Generators division initiated an exchange program in 2023 through which

already installed mask writers are retrofit with solid-state lasers (consuming up to 99 percent less energy than traditional gas lasers). The program has been well-received by customers and continued to be deployed during 2024. With a significant amount of mask writers currently on the market – which are likely to remain in use for many years to come – Pattern Generator's exchange program will play an important role in Mycronic's efforts to decrease our clients' and our own carbon footprint.

In the past few years, Mycronic has released several products with significantly improved energy efficiency compared to the previous version. For example, High Volume's updated version of the MYD dispenser improved energy efficiency per placed dot by up to 25 percent, and Global Technologies High Precision Dispenser reduced energy consumption during use by 35 percent. The results of our actions can be seen under "Metrics and targets".

Actions related to emissions from transport and distribution

Emissions caused by the transport of Mycronic products and equipment are primarily due to air freight. Consequently, we are working to change the mode of transportation to sea and rail freight. We are also working to transport less, shorten distances and to reduce the weight of goods. Current actions include site consolidation, end assembly at local sites and partnering with suppliers and customers to drive change. When air freight is necessary, the divisions sometimes purchase sustainable aviation fuel (SAF). SAF is an alternative fuel that reduces emissions from air transport.

Actions related to emissions from business travel

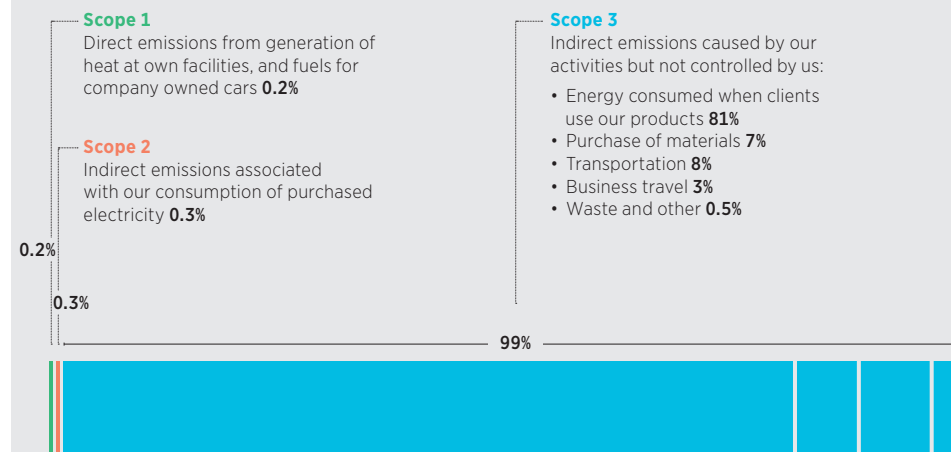
Mycronic seeks to reduce business travel by air whenever possible, replacing flights with digital alternatives for meetings and site visits. In recent years, we have developed software that

Mycronic strives to replace fossil fuel-driven cars with electric vehicles or other alternatives with a lower environmental impact.



MYCRONIC'S CARBON FOOTPRINT

Share of total emissions by cause and scope



Climate change *continued*

enables our service technicians to diagnose problems remotely and we have introduced remote service solutions for a number of our products. Other measures to reduce business travel include opening local sales and service offices that reduce reliance on long-haul flights.

Mycronic has decided to continue one more year with its pilot project in which a “travel emissions budget” has been set. The aim is to limit the amount of emissions employees cause from business travel. We will evaluate the project again in 2025 and, based on its results, decide on its implementation.

METRICS AND TARGETS

Mycronic has set two science-based near term GHG emission targets (SBTs) from a base year of 2022 until 2030. Mycronic has committed to reducing its absolute scope 1 and 2 (market-based) GHG emissions by 56 percent. This includes emissions from our own facilities and company owned cars. Mycronic has also set a relative target to reduce scope 3 GHG emissions by 52 percent per SEK value added. This target covers GHG emissions from the use of sold products, emissions that arise from electricity usage when Mycronic machines are run at customers' sites. For this relative target, gross profit (SEK) is the denominator.

The climate targets have been verified by the Science Based Targets initiative and are in line with the Paris Agreement's aim of limiting global warming to 1.5 degrees Celsius above pre-industrial levels. The precise formulation of the targets can be found on page 124.

The targets cover the Group and are fully consistent with the GHG inventory presented on page 123, where methodology and data coverage are described.

Observations for 2024

Science-based target for scope 1 and 2

This is the first year Mycronic is presenting progress on its science-based targets. For our scope 1 and 2 target we see substantial

progress, with a 65 percent decrease from the base year. This is mainly the result of several sites purchasing renewable electricity. We increased our share of purchased renewable electricity from 47 percent in 2022 to 87 percent in 2024.

Science-based target for scope 3

Mycronic also sees progress on our relative scope 3 target, with a 32 percent decrease since the base year. With an increased number of sold products, the absolute emissions from the use of sold products have increased by 11 percent since our base year. However, the denominator of our target, gross profit, has increased more than our emissions, resulting in a decrease of emissions relative to gross profit.

Whilst Mycronic still has a lot of work to do to achieve the target, we are starting to see the effects of energy efficiency improvements for some products, where the emissions from use of sold products have not increased in the same pace as the number of products sold.

Purchased goods and services

The increase in emissions from 2023 correlates with the increase in weight reported under “Materials used to manufacture Mycronic's products during the reporting period”, which in turn is due to an increased number of sold products in 2024 compared to 2023. Mycronic is working on detailing and improving data quality to ensure more precise calculations within this category.

Transportation and distribution

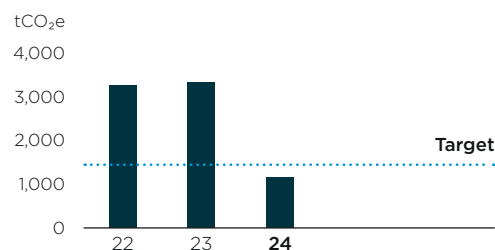
Transportation emissions have increased over the last two years. This is a result of increased sales, as well as a shift in transportation mode, where more products have been transported by air freight and less with ocean freight compared to previous years. Mycronic therefore needs to look over its actions to ensure that these are enough to reduce emissions in the future. Air freight emissions

“In 2024, all divisions began to purchase wind power for their Chinese facilities through international renewable energy certificates. Along with other measures, this led to reductions in our scope 2 emissions by 77 percent during the year.”

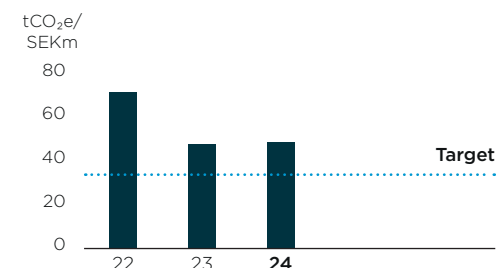
Kristina Svanteson
Sustainability Manager

Science-based climate targets	Target year 2030	2024	2023	Base year 2022	Change, base year to 2024, %
Scope 1 & 2, tCO ₂ e	1,441	1,147	3,340	3,274	-65
Scope 3 - Use of sold products, tCO ₂ e/SEKm value added	34.2	48.6	47.9	71.4	-32

Scope 1 & 2



Scope 3 - Use of sold products



Climate change *continued*

have also increased because the emission factor for aviation provided by DESNZ, increased significantly in 2023 and remained on the same level in 2024.

Calculating emissions from transport is complicated and complex. Mycronic continues to improve data quality in this area and will recalculate and restate data for previous years if necessary.

Business travel

Emissions from business travel have decreased slightly compared to last year despite high sales requiring travel to install products. However, emission levels remain higher compared to 2022, when travel was still affected by the Covid pandemic in some countries. The increase since 2022 is also a result of the significant increase of the emission factor for aviation provided by DESNZ in 2023 and that remains the same for 2024.

Since 2022, Mycronic has increased train travel, but the largest share of our traveled distance is still by airplane.

Mycronic is starting to see the effects of actions taken to improve the energy efficiency of products.



Climate change *continued*

TOTAL EMISSIONS

Group, tCO ₂ e	Retrospective			
	Base year, 2022 ¹	Comparative, 2023	2024	Change, 2023 to 2024, %
Scope 1 GHG emissions				
Gross scope 1 GHG emissions	534	486	497	2
Percentage of scope 1 GHG emissions from regulated emissions trading schemes,%	0	0	0	—
Scope 2 GHG emissions				
Gross location-based scope 2 GHG emissions	2,721	2,876	3,010	5
Gross market-based scope 2 GHG emissions	2,741	2,854	651	-77
Significant scope 3 GHG emissions				
Total gross indirect (scope 3) GHG emissions		168,527	221,383	31
1. Purchased goods and services		11,551	15,055	30
2. Capital goods		N/A	N/A	—
3. Fuel and energy-related activities (not included in scope 1 or scope 2)		1,054	1,102	5
4. Upstream transportation and distribution		7,166	11,345	58
5. Waste generated in operations		0.02	0.01	-25
6. Business travel		5,662	5,582	-1
7. Employee commuting		N/A	N/A	—
8. Upstream leased assets		N/A	N/A	—
9. Downstream transportation		6,473	7,407	14
10. Processing of sold products		N/A	N/A	—
11. Use of sold products	163,249	136,618	180,890	32
12. End-of-life treatment of sold products		2.0	1.1	-47
13. Downstream leased assets		N/A	N/A	—
14. Franchises		N/A	N/A	—
15. Investments		N/A	N/A	—
Total GHG emissions (location-based)		171,888	224,890	31
Total GHG emissions (market-based)		171,867	222,531	29

GHG INTENSITY BASED ON NET REVENUE

GHG intensity per net revenue, tCO ₂ eq/SEKm	2024	2023	Change, 2023 to 2024, %
Total GHG emissions (location-based) per net sales	31.9	30.1	6
Total GHG emissions (market-based) per net sales	31.5	30.1	5

1) Base year data is only presented for the categories included in Mycronic's science-based targets (Scope 1, scope 2 and scope 3 category 11), for which the base year is 2022. Mycronic has not set Group targets on other scope 3 categories, hence no base year has been set for these categories.

General methodology for GHG emissions accounting, scope 1-3

Mycronic reports greenhouse gas emissions in accordance with the recommendations of the Greenhouse Gas Protocol Corporate Standard (GHG Protocol), including all seven required greenhouse gases: CO₂, CH₄, N₂O, HFCs, PFCs, SF₆ and NF₃. To calculate emissions, Mycronic uses a carbon emissions calculation tool (Our Impacts) from an external provider, who also provides the emission factors. The emission factors used for 2024 are presented on page 126.

We use the operational control consolidation approach and the market-based method as our main scope 2 accounting method.

The global warming potential (GWP, AR5) rates used are: 1 for CO₂ and for CO₂e, 28 for CH₄, 265 for N₂O and 0 for biogenic CO₂. Biogenic CO₂ emissions are calculated and reported separate from scope 1-3.

A limited assurance review has been performed by EY of the data reported for the GHG emissions in scope 1, scope 2 and scope 3 "use of sold products" for 2024. See page 153.

Climate change *continued*

Emissions

Precise formulation of Mycronic's science-based targets

Mycronic commits to reduce absolute scope 1 and 2 GHG emissions 56 percent by 2030 from a 2022 base year*. Mycronic also commits to reduce scope 3 GHG emissions from use of sold products 52 percent per SEK value added within the same timeframe*.

*The target boundary includes land-related emissions and removals from bioenergy feedstocks

Value added = gross profit

Data coverage and methodology: scope 1 and 2

Scope 1 and 2 data for 2024 covers the whole Group, excluding companies acquired during 2024, as well as a one small office in Germany for which data is not yet available.

Scope 1 consists of emissions from fuel usage at facilities and from the use of company owned cars. Refrigerant leakage is currently not measured and therefore excluded.

Scope 2 consists of emissions from purchased electricity within the organization, including electricity usage in facilities and electricity used for company owned cars.

By the end of 2024, 87 percent of the electricity Mycronic purchases came from renewable energy sources. Purchased renewable energy is only disclosed as such, when specifically reported by a unit and supported by certificates or other evidence. The electricity bought in Sweden and Japan comes from hydro power. In the UK, the electricity is generated from a mix of hydro, wind, and solar energy. In the US, the electricity is generated from biomass, and in South Korea it is generated from solar energy. For some of the Chinese sites, IRECs have been purchased for 2024, based on wind power generated in China. The IRECs are valid under

the IREC standard and statement of proof for the quantity and unique redemption for Mycronic has been verified.

Data coverage and methodology: scope 3

Data for 2024 covers the whole Group, excluding companies acquired during 2024.

Scope 3 categories included in the reporting are based on the results of a screening. Mycronic has chosen to report on the most significant categories based on size of emissions and materiality.

Category 1. Purchased goods and services:

This category includes emissions from purchased materials that are used to produce Mycronic's primary products, as well as emissions from water supply, see "Water" on page 132.

Emissions from purchased goods are based on weights reported under "Materials used to manufacture Mycronic's products during the reporting period", on page 131, together with Life Cycle Assessments of Mycronic products. Emissions from the material are applied to relevant product groups and extrapolated based on the weight of products.

The methodology was updated for 2024 and 2023 in accordance with the GHG protocol and the ESRS.

Category 3. Fuel and energy related activities:

This category consists of emissions from upstream emissions arising from scope 1 and 2 activities. See "Data coverage and methodology: scope 1 and 2".

Category 4. Upstream transportation and distribution and Category 9. Downstream transportation and distribution:

Data for transportation is mostly based on the distance-based method, where weight and

distances are either estimated (based on sold products), or come from reports from expeditors and third-party delivery firms. Some expeditors provide emissions data, which is included in the reporting only when the expeditor could verify well-to-wheel (WtW) calculations.

Data covers primarily outbound (sold units) deliveries to clients. A Radiative Forcing Index (RFI) of 2 has been added to flight transport. All transportation is calculated as well-to-wheel (WtW).

Mycronic has purchased Sustainable Aviation Fuel (SAF) for some transports during 2023 and 2024. Emissions reduced through SAF from these transports have been deducted from the emissions category "upstream transportation and distribution". The amount of deducted emissions is based on information provided by the transport carrier's SAF certificate. The certificates have been verified by a third party on request of the transport companies. In 2023, 50 tonnes CO₂e were deducted based on the SAF certificates. In 2024, 131 tonnes CO₂e were deducted.

Four of the smaller sales and service sites that reported for the first time in 2024 were not able to obtain transportation data and were excluded due to their limited number of transports.

Data regarding inbound transportation is not available for the Chinese sites.

Category 5. Waste generated in operations:

Emissions for this category are based on the data collected for "Waste". For information about the data coverage and methodology for data within this category, see "Waste from operations" on page 132.

Category 6. Business travel:

Business travel includes air flights, travel by employee owned cars and train travel for business travel done by Mycronic employees. It also includes taxi travel for the production sites located in China. Data is collected from travel agency reports and internal accounting. A Radiative Forcing Index (RFI) of 2 has been added to flight travel.

Mycronic has chosen to exclude emissions from rental cars, hotel stay and similar temporary living arrangement.

Category 11. Use of sold products:

We calculate emissions from the use of our sold products based on a lifetime electricity consumption (kWh) at our customer sites. The products' power consumption is based on direct measurements and estimates. The expected lifetime is estimated based on experience from previous and current products. More information regarding data coverage and methodology can be found under "Energy consumption from the use of Mycronic's sold products" on page 127.

Emission factors are applied to the countries where the products are used. Our customers are present mainly in Asia, North America and Europe, with a majority in Asia. The electricity mix within these countries affects the emissions significantly.

Category 12. End-of-life treatment of sold products:

For product end-of-life disposal, we assume that all materials that can be recycled have been recycled when disposed. To calculate amounts, we have used information about product content, combined with information provided by the waste disposal contractor. Waste from end-of-life treatment from sold products only includes data from production done in Sweden. Data is unavailable for the other regions.

Climate change *continued*

The methodology was updated for 2024 in accordance with the GHG protocol. Historical years have not been updated due to the insignificant amount of emissions and are therefore not comparable.

GHG emissions outside of scope 1-3

Biogenic CO₂ emissions were 40 tonnes in 2024, compared to 25 tonnes in 2023.

Biogenic emissions have increased over the year as an effect of the continuation of usage of HVO for the Swedish site and purchased HVO for some of the road freights.

Other disclosures related to emissions

- Mycronic's emissions divided by GHG for 2024 were in tonnes 164,877 CO₂, 2 CH₄ and 2 N₂O. The remaining emissions were only reported as CO₂e due to the emission factors applied that do not separate the different GHGs.
- Net revenue to calculate GHG intensity can be found in the financial statements on page 52.
- Mycronic does not have any GHG removals or GHG mitigation projects financed through carbon credits.
- Mycronic does not apply an internal carbon pricing scheme.
- Mycronic is not subject to any regulated emission trading schemes.

Restatements to emissions data

Emission data for 2023 and 2022 have been restated as a result of an increased reporting scope, minor corrections and updated estimates.

The following restatements were made for both 2022 and 2023:

- Additional sales and service sites have been included in the reporting. This increased scope of sites affected data in scope 1 and 2, as well as in scope 3 categories "Fuel and energy related activities", "Upstream and downstream transportation and distribution" and "Business travel".
- Emissions from the scope 3 category "Use of sold products" were restated as a result of improved data quality and updated estimates for two divisions, related to power consumption and number of hours in use. This is the most significant restatement, resulting in a decrease of 12,273 tonnes CO₂e for 2022 and a decrease of 14,376 tonnes CO₂e for 2023 within this category.
- A Radiative Forcing Index (RFI) of 2 was added to the small share of reported direct emissions from air freight, affecting emissions in scope 3 from "Upstream and downstream transportation".
- Road transport for the Chinese production sites were updated due to minor changes of emission factors used for both "Upstream and downstream transportation".
- Scope 3 emissions from the category "Purchased goods and services" were restated as a result of a methodology update in accordance with the GHG protocol and the ESRS.

The following additional restatements were made for 2022:

- Scope 3 emissions from the category "Downstream transportation" were restated to include an increased scope of sites reporting this category since 2023.

The following additional restatements were made for 2023:

- Scope 1 emissions were restated due to a correction related to company owned cars for the Swedish site.
- Scope 2 emissions were restated after a correction was made to include renewable electricity for one site in Japan.
- The above-mentioned updates to scope 1 and 2 emissions for 2023 also affected the scope 3 category "fuel and energy related activities"
- Scope 3 emissions from the category "upstream and downstream transportation" were restated for both Chinese production sites. For HC Xin activity data for the full year of 2023 was used as an estimate for 2022 instead of the previous estimate based on the emissions from the first half year of 2023. For HV some of the transports were re-categorized from downstream to upstream.
- For the Swedish production site, the transport emissions from one of the smaller transport carriers, which was excluded 2023, has been added to 2023 in this year's reporting. In addition, 50 tonnes CO₂e were deducted based on SAF certificates.
- Scope 3 emissions from the category "business travel" were restated for one of the sites in China based on activity data for the full year of 2023 instead of the previous estimate based on the emissions from the first half year of 2023.

For 2022, the total restated scope amounted to 8,790 tonnes CO₂e, corresponding to an increase of 151 tonnes CO₂e for scope 1 and 2 and a decrease of 8,941 tonnes CO₂e for scope 3.

For 2023, the total restated scope amounted to 17,101 tonnes CO₂e, corresponding to an increase of 5 tonnes CO₂e for scope 1 and 2 and a decrease of 17,106 tonnes CO₂e for scope 3.

Climate change *continued*

Sources of emission factors used

Scope 1

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Scope 2

- United Nations (2024). UN Statistics Division – 2021 Energy Balance Visualizations. <https://unstats.un.org/unsd/energystats/dataPortal/> #IPCC (2019). Revised IPCC Guidelines for National Greenhouse Gas Inventories: Reference Manual. Intergovernmental Panel on Climate Change. Cambridge University Press, Cambridge. (No refinement from 2006)
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Scope 3

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- Naturvårdsverket (2020) National reporting on emissions from landfilled waste 2020: <https://www.naturvardsverket.se/data-och-statistik/klimat/vaxthusgaser-utslapp-fran-avfall/> and on volumes landfilled 2020: <http://www.statistikdatabasen.scb.se/sq/94696>
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Climate change *continued*

Energy

Energy consumption and mix within the organization

Energy consumption within the organization includes energy used in facilities for electricity, heating and cooking (consisting of electricity, natural gas, LPG and biofuel), as well as fuel/electricity used for company owned cars. The calculation is based on the consumption of gas, electricity and fuels, and driven kilometers for company cars. Conversion factors from DESNZ are used to convert gas, fuels, and kilometers to kWh.

Data coverage and methodology

Data for 2024 covers the whole Group, excluding companies acquired during 2024,

as well as one small office in Germany where data is not available.

We have assumed that all fuel used in company owned cars come from non-renewable sources, until more detailed information becomes available.

Restatements

Historical years have been restated to include a larger scope of sites not included in previous reporting. A correction has also been made related to company owned cars for the Swedish site, and to include renewable electricity for one site in Japan.

ENERGY CONSUMPTION AND MIX WITHIN THE ORGANIZATION

Energy consumption and mix, MWh	2024	2023
(1) Fuel consumption from coal and coal products	—	—
(2) Fuel consumption from crude oil and petroleum products	1,577	1,634
(3) Fuel consumption from natural gas	615	427
(4) Fuel consumption from other fossil sources	—	—
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	756	3,470
(6) Total fossil energy consumption – calculated as the sum of lines 1 to 5	2,948	5,531
Share of fossil sources in total energy consumption, %	24	45
(7) Consumption from nuclear sources	210	555
Share of consumption from nuclear sources in total energy consumption, %	2	5
(8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biological origin, biogas, renewable hydrogen, etc.)	32	65
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	9,343	6,142
(10) The consumption of self-generated non-fuel renewable energy	—	—
(11) Total renewable energy consumption – calculated as the sum of lines 8 to 10	9,375	6,208
Share of renewable sources in total energy consumption, %	75	50
Total energy consumption – calculated as the sum of lines 6, 7 and 11	12,533	12,294

Energy intensity based on net revenue

According to the ESRS definition, Mycronic operates in the high climate impact sector “manufacturing”. Energy intensity is

calculated as the total energy consumption per net sales. Net sales can be found in the financial statement on page 52.

ENERGY INTENSITY

Energy intensity per net revenue, MWh/SEKm	2024	2023	Change, 2023 to 2024, %
Total energy consumption per net sales	1.78	2.15	-18

Energy consumption from the use of Mycronic's sold products

Mycronic reports energy consumption from the use of sold products as an additional metric since this is closely related to the core of our business and accounts for our largest emission category. The increase from 2023 to 2024 is a result of increased sales.

Data coverage and methodology

Data for 2024 covers the whole Group, excluding companies acquired during 2024. Indirect energy used at the customer site is not included, such as electricity needed for clean room, pressured air, and cooling.

The energy consumption from the use of sold products is calculated based on the lifetime energy consumption of Mycronic products during use at the customer site, for products sold during the reporting year. It is therefore closely correlated to yearly sales of our products. Since the energy consumption during use differs significantly between our product lines, both the number and type of products sold will affect the result.

For each type of product, we collect data regarding:

- Number of products sold during the reporting year
- Estimated expected lifetime, expressed in total number of hours in use (both stand-by and full operation),
- Power consumption, based on estimates and direct measurements
- Country where the product is being used by the customer

Mycronic's products have a long lifetime. The majority are used for around 15 years and are used during multiple shifts or even 24 hours a day at the customer's site. As a result, the electricity consumption within this category is high compared to, for example, Mycronic's energy consumption within the organization.

Restatements

Data for historical years is restated for two divisions as a result of improved data quality and updated estimates related to power consumption and number of hours in use.

ENERGY CONSUMPTION FROM THE USE OF MYCRONIC'S SOLD PRODUCTS

Energy consumption from the use of sold products, MWh	2024	2023
Total	243,551	188,839

Pollution

Substances of concern is a material topic for Mycronic, mostly due to substances present in electronic components that Mycronic purchases for assembly. We also handle small quantities of chemical products within our own manufacturing activities.

Chemicals and substances of concern are present in Mycronic products, in parts of the electronic components Mycronic purchases for assembly. Mycronic also manages small amounts of chemical products, such as adhesives and fats, necessary in the manufacturing process. Some contain substances of concern. Finally, Mycronic distributes consumables needed for the usage of our products, such as solder paste and fats, which in some cases contain substances of concern.

IMPACTS, RISKS AND OPPORTUNITIES

The material impacts, risks, and opportunities related to pollution are described in our double materiality assessment on pages 103-106. For Mycronic, only the sub-topics “substances of concern” and “substances of very high concern” are considered material within this area.

POLICIES

Mycronic applies a precautionary approach to reduce or avoid negative impacts on the environment. Substances of concern encompass chemicals and other substances posing environmental or health risks. Mycronic commits to comply with applicable rules and regulations. Mycronic’s Codes of Conduct and Group instructions guide our management of substances of concern.

Mycronic’s Group Code of Conduct contains a commitment to avoid, or otherwise minimize and responsibly manage, the use of substances of concern. It also outlines our commitments regarding risk evaluations, information and training, provision of protection equipment, as well as incident reporting and follow-up.

Mycronic’s Codes of Conduct for suppliers and distributors include similar requirements, although with a stronger focus on legal compliance and safe management, and a lesser focus on substituting, minimizing, and phasing out substances of concern. In addition to the Codes of Conduct, contractual agreements with suppliers and distributors often include specific product compliance requirements related to substances of concern (such as compliance to REACH and RoHS). The Codes of Conduct are available on Mycronic’s website.

Read more about the scope, signing and accountability for implementation of the Codes of Conduct in the chapter “Business conduct” on page 144.

ACTIONS

Mycronic has processes in place to minimize risk when using chemicals and other substances. Hazardous substances are only used if there are no other relevant alternatives. If a harmful substance must be used, motivation must be provided and approval by the relevant local authority received. Mycronic requires that all chemicals used in products and operations are controlled to minimize negative effects on the environment and human health. Such controls include, but are not limited to:

- process for the introduction of new chemicals, including risk assessments and evaluation of compliance with legal requirements,
- correct labeling, use, storage, delivery, and transportation,
- instructions to prevent misuse,
- availability of personal protection equipment and spill containment apparatus,

- mandatory training of employees,
- processes for the identification, evaluation, and elimination of chemicals containing hazardous substances (i.e., substances on the REACH Candidate list, CMR substances, allergy-inducing substances, and substances banned by legislation).

Within the Swedish operations, an independent external partner regularly performs risk assessments and audits of chemicals.

These actions are continuous and are budgeted for annually. As a part of our significant investments in R&D (see page 31) we innovate to help our customers reduce production waste and minimize the use of harmful substances, such as solder paste containing lead.

METRICS AND TARGETS

Mycronic has not set, and is currently not planning to set, any time-bound Group targets related to substances of concern. We are actively working to phase out and limit the use of chemicals containing hazardous substances to comply with REACH and RoHS Directives and to prepare for other future regulations. The divisions may choose to set their own targets to reduce or phase out substances of concern.

Substances of concern and substances of very high concern

The table shows the total amount of substances of concern (SoC) and very high concern (SVHC) that are used in Mycronic’s operations and that are sold as finished products.

Data coverage and methodology

Data covers the whole Group, excluding companies acquired during 2024 and our production site in Germany.

Approximately half of the weight of SVHC in sold products consists of solder paste containing lead. The amount of SVHC in sold products manufactured at our Chinese production sites only covers sales to markets regulated by the REACH regulation and the RoHS Directive. The Swedish production sites only report content of chemical products in their sold products.

Since this is the first year that Mycronic reports data on chemicals in accordance with the ESRS, only data for 2024 is presented. Mycronic is actively working on improving the quality and scope of the data.

TOTAL WEIGHT OF SUBSTANCES OF CONCERN	
Kilograms	2024
SoC procured for usage in own operations	1,928
SVHC procured for usage in own operations,	1,026
SoC in sold products	83
SVHC in sold products	1,074

Resource use and circular economy

Mycronic products are designed to be used for decades. During their lifetime, Mycronic offers maintenance, spare parts, repairs and upgrades. Our efforts also include end-of-life management, such as proper disposal, take-back programs, and reuse of products.

IMPACTS, RISKS AND OPPORTUNITIES

The material impacts, risks, and opportunities related to resource use and circular economy are described in our double materiality assessment on pages 103–106.

POLICIES

Circular economy and resource usage is covered in Mycronic's Codes of Conduct, as well as in the Group Quality and Environmental policy.

Mycronic's Group Code of Conduct states that materials and natural resources shall be used efficiently, and that waste and residual products shall be minimized. The Code promotes sustainable and responsible sourcing, stating that environmental responsibility and ownership shall be an integral part of business processes throughout the value chain, and that due diligence shall be exercised.

Mycronic's Codes of Conduct for suppliers and distributors include similar requirements,

although with a stronger focus on legal compliance, and a lesser focus on introducing circular economy principles. Suppliers are also required to exercise due diligence in respect to the sourcing and extraction of raw materials, relating to sustainable sourcing.

Mycronic's Group Quality and Environmental Policy states that Mycronic shall use resources efficiently, reduce waste, source materials responsibly and integrate circular economy principles as part of achieving our vision and dedication to protecting the global environment. By integrating circular economy principles, the policy addresses transitioning away from virgin resources and using more recycled and renewable resources.

Group policies are available on Mycronic's website. Read more about their scope, signing and accountability for implementation in the chapter "Business conduct" on page 144.

ACTIONS

Mycronic has several ongoing actions to promote a more circular economy and to reduce the company's environmental impact from materials.

Sustainable thinking is part of all R&D development processes, which include topics such as circularity, choice of materials, and responsible product waste disposal. For example, the Global Technologies division has re-designed some of its dispenser systems to enable a significant reduction in the number of PCBs needed, which saves both material and energy consumption.

Circularity is particularly relevant in the design process of the products. Mycronic designs parts and products for prolonged life, ease of repair, upgrade, extendibility, ease of disassembly, recycling, and reuse.

A significant portion of Mycronic's offering is service contracts, which include maintenance service and replacement of spare parts.

Through an increased focus on maintenance, we extend the useful life of our equipment.

We also provide upgrades for our products, both related to software and machine parts. One example is our Pattern Generators division that initiated an exchange program to retrofit installed mask writers with solid-state

lasers. The solid-state laser not only reduces energy consumption of the laser by up to 99 percent compared to the gas laser originally in the mask writer, but also has a longer lifespan and is more robust.

Several of our divisions offer digital solutions that help customers to reduce material wastage and control production efficiency by identifying potential production errors.



"I just recently met a customer with a machine we introduced in 1999, and 23 years later it could still run the latest software. Maybe we had to change out a camera module, but this is still a much longer lifespan than almost any other machine in the industry."

Robert Helleday, Head of Research and Development at Mycronic High Flex Division

Numbers of refurbished systems in 2024

16

Share of recycled waste 2024

47%

Resource use and circular economy *continued*

Products, as well as spare parts, can be taken back for upgrades and refurbishment to be sold again. For example, the High Flex division has a buy-back program under which equipment is renovated and upgraded for resale.

Waste management

Waste from electronics and electronic equipment is one of the fastest-growing waste streams globally. Several substances classified as hazardous are found in electronics and can become a problem for health and the environment, mainly when they become waste. The amount of waste from Mycronic's operations and products is comparatively small because of the relatively small number of products manufactured.

For products covered by the Waste from Electrical and Electronic Equipment (WEEE) Directive, Mycronic will arrange the responsible disposal of the products by professional recycling and take-back schemes. Some divisions also organize the collection, treatment, recycling, and recovery of products for products outside of the WEE directive. All products have a disassembly manual, including instructions for safe disassembly of electrical and electronic parts as well as an indication of location of hazardous substances.

Related to waste from Mycronic's own operations, our divisions are working continuously to increase recycling. In Sweden, we collaborate with an external partner to reuse or recycle IT waste. In 2024, this resulted in savings of 31,424 kg CO₂e. Finally, several sites have invested in waste compactors that have reduced the need for waste removal from the site, thereby reducing emissions from transport.

All actions described in this chapter are continuous and are budgeted for annually. Mycronic invests a significant amount in R&D (see page 31), where sustainability, including circular thinking, is integrated into all processes.

E-waste

Wearable and biodegradable electronics



Over 14 million tonnes of e-waste is produced every year in the EU, according to Eurostat. Less than 40 percent of this e-waste is collected. Mycronic is developing assembly processes for wearable electronics within an EU funded partner project.

Mycronic takes part in different research projects linked to sustainability. One is the EU-financed project PERSIMMON in which Mycronic participates together with universities and corporate partners from six different countries. The project aims to develop sustainable, wearable technology for continuous health and sports monitoring. By integrating innovative sensor materials, biodegradable

biopolymers, and advanced manufacturing techniques, PERSIMMON develops smart patches that monitor essential health data with minimal environmental impact.

Mycronic participates in creating the smart patch, as well as quantifying sustainability improvements by performing a Life Cycle Analysis of the device, the assembly process and the use case.

Resource use and circular economy *continued*

METRICS AND TARGETS

Mycronic has not set, and is currently not planning to set, any time-bound Group targets related to circular economy, resource use or waste generation. Circularity is an important topic for the divisions that continuously work to minimize material usage and reduce environmental impact from resource usage. Several of the divisions have therefore set internal targets to reduce material usage in their products.

Mycronic follows up progress in these matters by measuring total weight of materials and waste, and related GHG emissions. Emissions from materials and waste are presented in the Climate Change chapter, page 123.

Resource inflows

Resource inflows are mainly related to the materials and components purchased for assembling our products. Mycronic's products contain many materials with different degrees of environmental impact, including metals, rock (primarily diabase), plastic, glass, batteries, and several types of electronic components. Metals used in our products include stainless steel, aluminum, and titanium. Some of our electronic components may contain rare earths elements, such as neodymium. The weight of materials used to manufacture Mycronic products is presented in the table below.

Other than materials and components for our products, we also purchase equipment used in our own operations, for example R&D equipment and office supplies such as IT

hardware. Only limited amounts of production equipment are used by Mycronic since our manufacturing consists of assembly, mostly by hand. Water is not used in Mycronic's production processes, but is nevertheless reported under "Water" on page 132.

Data coverage and methodology

Data covers the whole Group, excluding companies acquired during 2024. "Total weight of products and materials" in the table below shows the weight of main materials, including packaging, which are used to manufacture Mycronic's primary products.

It is estimated that the weight of purchased materials is similar to the weight of outgoing products since production waste is minimal. The final machine weight is either based on direct measurements or estimates. For 2023, one site's "weight of products" has been estimated based on 2024's weight per product and extrapolated based on number of sold products for 2023.

For half of the production sites, packaging material has been excluded due to data unavailability. Packaging material is a small share of the total weight, but in the future Mycronic hopes to include all packaging material as well.

The weight of "reused or recycled components, products, materials" in the table below consists of the division High Flex's refurbished products. Mycronic does not have information regarding recycled materials purchased for assembly in other products.



Mycronic offers digital solutions that monitor manufacturing at the customer's factory. This helps to increase production efficiency and detect errors, which in turn reduces waste and the use of materials.

MATERIALS USED TO MANUFACTURE MYCRONIC'S PRODUCTS DURING THE REPORTING PERIOD

Resource inflows, tonnes	2024	2023
Total weight of products and materials	4,360	3,412
Total weight of reused or recycled components, products, materials	32	28
Percentage of reused or recycled components, products, materials, %	0.7	0.8

Resource use and circular economy *continued*

Resource outflows

Resource outflows are mainly related to our sold products, with a minor part coming from waste from our operations.

Products and materials

Mycronic's different product offerings are presented in the "Divisions" chapter on pages 20–29. The main materials used to pack our products are wood, paper/cardboard, and plastic.

Mycronic's products have a long lifetime. The majority are used for at least 15 years and are used during multiple shifts or even 24 hours a day at the customer's site. This is a result of durable products, combined with maintenance, repairability and the possibility to replace and upgrade parts. Currently, there is no industry average to compare durability.

Waste from operations

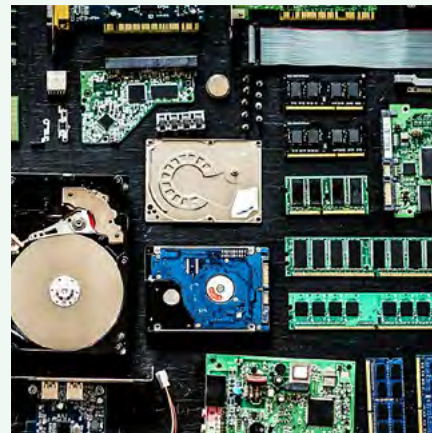
Waste from our production sites consists of a mix of waste from both manufacturing and office work, such as electronics, paper, cardboard, wood, plastics, glass, batteries, aluminum, mixed metals, chemicals and aerosols.

The disclosures related to waste cover waste from Mycronic's own operations. 47 percent of Mycronic's total waste is sent for recycling. Most remaining waste is incinerated with energy recovery. A limited amount of waste goes to landfill. Sourcing departments are responsible for ensuring that third parties chosen to provide waste management services respect legal obligations. The amount of waste in weight (kg) generated in operations is categorized into landfill, hazardous, recycled, and incinerated waste treatment.

Data coverage and methodology

Data covers the whole Group, excluding companies acquired during 2024, as well as the following exceptions:

- Data for hazardous waste only covers Swedish operations, being currently unavailable for units outside Sweden.
- The Chinese production sites only report on waste for recycling, and not incinerated and/or landfilled waste.
- Waste generated at sales offices are not included. These are assumed to be negligible compared to waste from production sites.



Waste

TOTAL WASTE FROM OPERATIONS

Tonnes	2024	2023
Non-hazardous and hazardous waste	246	198

NON-HAZARDOUS WASTE FROM OPERATIONS

Tonnes	2024	2023
Recycling	115	81
Incineration, incl energy recovery	76	59
Landfill	27	32
Total	219	172

HAZARDOUS WASTE FROM OPERATIONS

Tonnes	2024	2023
Incineration, without energy recovery	27	26



Water (non-material)

Water and effluents are not material topics for Mycronic. Mycronic has nevertheless chosen to publish water consumption data since 2021, to respond to stakeholder requests. Water is not used in Mycronic's production processes, and we do not have manufacturing sites or substantial presence in regions facing high water stress. The consumption relates to bathrooms and canteens. Data covers water consumption from all Mycronic production sites, except one new part of the Swedish site. It does not include sales and service offices.

WATER CONSUMPTION

Cubic meters	2024	2023
Total	14,826	16,710

Social information

A photograph of three people in a modern office setting. On the left, a woman with blonde hair and glasses, wearing a red top, is looking towards the right. In the center, a man with dark hair and a beard, wearing a grey sweater over a white collared shirt, is pointing his right index finger towards a large screen. On the right, another man with dark hair and a beard, wearing a blue sweater over a white collared shirt, is also pointing his right index finger towards the same screen. The screen displays a large, abstract graphic with a blue and white color scheme. The background shows a large window with a view of a city street and trees.

Own workforce

Mycronic's employees are crucial to the company's value creation and growth. Mycronic offers an attractive, inclusive, and healthy workplace.

Mycronic has operations in 12 countries with more than 2,200 employees in total, representing many nationalities. Embracing that diversity and cultivating an inclusive and collaborative culture is key to creating a thriving workplace and driving innovation and growth.

IMPACTS, RISKS AND OPPORTUNITIES

The material impacts, risks and opportunities related to our own workforce are described in our double materiality assessment on pages 103–106.

POLICIES

Mycronic commits to diversity, equity, fair working conditions and freedom of association for employees, including the right to join trade union associations. To promote a collaborative, healthy and inclusive work environment, our work is guided by our Group Code of Conduct; Health and Safety Policy; Diversity, Equity and Inclusion Policy; Remuneration Policy; and Whistleblowing Policy. Updates of our Group policies are communicated to employees once a year.

Mycronic's Code of Conduct is based on the ten principles of the UN Global Compact and supports internationally recognized standards including the Universal Declaration of Human Rights and the ILO Declaration on Fundamental Principles and Rights at work. Our commitment to human rights is described in the Code of Conduct and we do not accept the use of any kind of child labor or involuntary or forced labor, whether in the form of indentured labor, bonded labor, or other forms. The Code of Conduct also emphasizes Mycronic's commitments in relation to health and safety, secure employment, wages,

working time, freedom of association, collective bargaining and social dialogue.

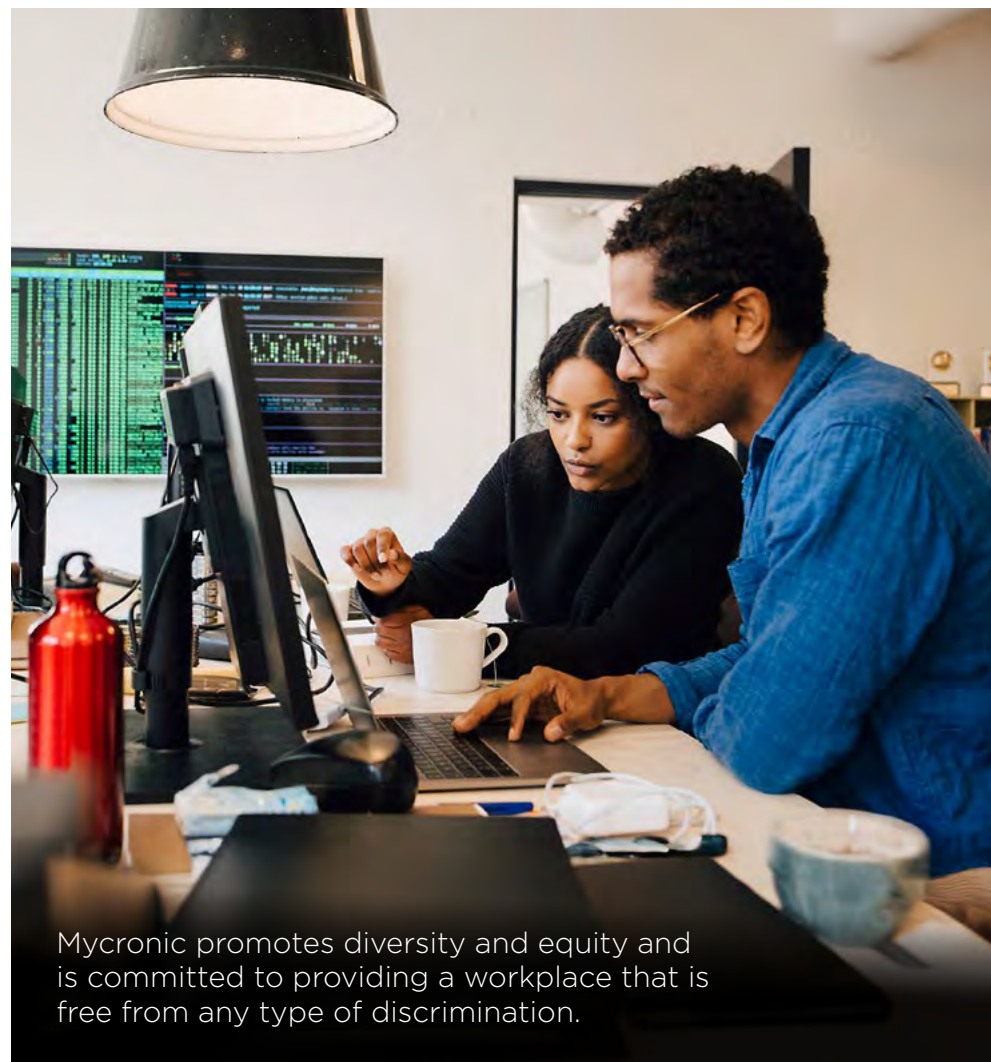
Mycronic ensures market-competitive wages across all its operations by adhering to a Remuneration Policy. The policy is designed to attract, motivate and retain talent by offering base salaries, complemented by variable pay and benefits, aligned with local market standards. The purpose of the policy is to ensure equal remuneration for equal work and performance.

The objective of the Health and Safety policy is to ensure and sustain a safe and secure workplace in all our operations around the world.

Mycronic's Diversity, Equity, and Inclusion policy outlines core principles about fostering a workplace that is free from discrimination due to ethnicity or national origin, culture, religious or political beliefs, gender, sexual identity or orientation, family status, pregnancies, age, disabilities, union membership or employee representation, professional background, or other characteristics or factors protected by local law. Group targets have been set to further promote diversity, equity, and inclusion (see page 136).

The management of each division, country, and site is responsible for meeting the expectations in these different policies. Mycronic expects every employee to follow the policies and to report any incidents to the closest manager, local HR or Health and Safety organization, local employee representatives, or by using Mycronic's whistleblowing system.

Policies are available on Mycronic's website. Read more about ownership, signing and accountability for implementation in the chapter "Business conduct" on page 144.



Mycronic promotes diversity and equity and is committed to providing a workplace that is free from any type of discrimination.

Own workforce *continued*

ACTIONS

Working conditions of our employees

Mycronic has well-defined processes in place to ensure high standards of working conditions throughout the Group.

Health and safety, secure employment, wages, working time, engagement and dialogue with our employees are strictly regulated in our countries of operation and Mycronic also has its own policies and requirements in these areas. Compliance with labor laws and to Mycronic's policies are followed up through self-assessments and through internal audits. In the past two years, Mycronic conducted internal audits of its main sites in the areas of health and safety, labor law and working conditions. Progress is also monitored through our annual employee survey and by encouraging employees to report incidents.

All permanent employees undergo an annual salary review. This process helps identify and address necessary adjustments, promoting fairness and adequacy in wages globally.

Mycronic provides social protection for most life events across 12 countries, including sickness, unemployment, injury and disability, parental leave, and retirement. While coverage is strong overall, gaps remain in specific areas. Social protection refers to financial support during significant life events that might otherwise cause a loss of income. This protection may come from either public programs or company-provided benefits.

Sickness protection is universal except in South Korea, while unemployment benefits are absent in Mexico, Singapore and the United Kingdom. Parental leave is widely available but missing in Mexico and Shanghai. All countries provide protection for employment injury and disability, as well as retirement. Employees in all countries are entitled to family-related leave, either through social policies or collective bargaining agreements.

Health and safety

Mycronic's work in occupational health and safety focuses on reducing and preventing physical, ergonomic and psychosocial risks. In all countries, health and safety are addressed through Mycronic's policies and requirements as well as local laws and regulations.

Mycronic continually trains employees to reduce and prevent health and safety risks at all its sites. All employees receive health and safety instructions and participate in exercises regarding how to act in the event of a fire or accident.

Incidents and injuries are reported at all sites and are also monitored at Group level. All incidents are followed up locally and corrective measures are implemented as necessary. Internal safety inspections are also conducted regularly throughout the Group.

In South Korea, our local site is certified to ISO-45001. In Sweden, an occupational health and safety management system is in place and employee representatives are members of the Health and Safety Committee. In 2024, the Swedish site implemented new, mandatory health and safety awareness training for all its employees. In the US, a local Safety Committee has been established. In China, a specific role responsible for health and safety was established in 2024, designated to ensure that practices and processes lead to a positive impact.

Equal treatment and opportunities

Mycronic strives to build teams that reflect a diverse range of backgrounds, experiences and perspectives.

Diversity and inclusion

To support its commitment, the company works with inclusive, competence-based recruitment processes that ensure fairness and openness. Additionally, training is provided on preventing harassment and discrimination, and on how to foster a

workplace culture where everyone feels valued, respected and empowered to contribute at their best.

As part of Mycronic's commitment to promoting diversity, Mycronic is a member of the European network Diversity Charter, the world's largest platform for advancing diversity and inclusion.

In 2024, Mycronic dedicated a month to diversity and inclusion, focusing on gender perspectives and cultural awareness through targeted training.

Mycronic strongly believes that leaders play a key role in fostering an inclusive work

environment. To support this, a new leadership program for all managers at Mycronic was launched in 2024, incorporating a strong focus on diversity and inclusion, among other essential leadership principles. Throughout the year, Mycronic also introduced new guiding materials for managers on recruitment, with a specific focus on competency-based recruitment.

All employees undertake mandatory training to promote diversity and avoid discrimination.

Gender equality is a key aspect of diversity for Mycronic. Activities are conducted to

Mycronic has well-defined processes in place to ensure high standards of working conditions throughout the Group.



Employees with performance and development dialogues

94%

Women's average salary as a percentage of men's

99.7%

Own workforcecontinued

attract more women to Mycronic and to build a stronger sense of belonging among the women already working here. We have an internal women’s network that meets at least twice a year for seminars and exchanging of experience. The network aims to build pride and enable women at Mycronic to network worldwide.

Promoting careers in engineering

To actively promote the recruitment of women, Mycronic participates in the Female Digital Engineer program in Sweden. The program provides female students with opportunities to network with innovative companies and gain valuable insights into engineering careers. Additionally, Mycronic participates in Teknicsprånget in Sweden, which aims to inspire young people to pursue careers in engineering and technology. Through this program, Mycronic offers internships to about 10 high school graduates annually, of which at least half are young women. One of our sites in China holds a competition for students in industrial computing. At least one-third of participants must be women or from minority groups, and the winner receives a college scholarship.

Training and development

Training and learning on the job are essential for our employees’ continuous development and for Mycronic to stay on the cutting edge of technological development. Mycronic therefore works in a structured way with knowledge-sharing and technology transfers within and across functions in all divisions. Learning and growth opportunities are offered both globally, for example via our common learning portal, and locally, with different career paths and development opportunities depending on each employee’s needs and aspirations. In our annual Performance and Development process that starts off the year, all employees set goals and plan development activities together with their manager.

Engaging with our employees

Engagement with employees takes place in different ways in our operating countries and divisions.

In the annual engagement survey, all Mycronic employees answer questions on aspects such as diversity and inclusion, training and development, workload, health and wellbeing, engagement, and relations to colleagues and managers. Results are presented and discussed in smaller teams for relevant action. All employees also have access to common tools for reporting incidents and complaints. Employees are encouraged to report complaints or other issues to their manager, manager’s manager, or HR. Employees can also report any breach to Mycronic’s Code of Conduct through the independent whistleblowing system or raise concerns with their labor union or employee representatives.

Mycronic maintains an ongoing dialogue with employee representatives and collaborates in Sweden with elected union representatives. The local labor union club meets weekly with HR and relevant employer representatives to discuss current matters. In addition, consultation meetings are held four times per year, with the CEO also participating.

Safety committee meetings are held four times per year and include participants from Facility, HR, and QEHS, as well as representatives from the safety organization (safety delegates). Specialists or managers participate as needed.

Dialogue in Japan takes place through the Employees’ Health and Safety Committee or, at least once a year, through two employee representatives who act as representatives of all non-managerial employees.

In South Korea, quarterly meetings of the Employee Management Council are conducted whereby employees can raise concerns through members of the Grievance Management Committee.

In China, employees in the High Volume division can report misconduct related to company interests or employee rights through hotlines, company councils and a specific email. To handle complaints, there is also dialogue with the labor union. Union representatives are from the various departments, and they participate in organizational decision-making on behalf of employees.

In France, engagement with employees takes place through a Works Council with three employee representatives. These are not unionized, but elected by the employees. Meetings are held monthly and are the primary mechanism to raise complaints or concerns. Concerns are managed directly through the Works Council in collaboration with the Managing Director.

The Global Technologies division has eight sites located across the US, Germany, China and Taiwan. At each site, employee engagement is ensured through on-site and remote HR support as well as regular visits by leadership. Two sites in Germany have Works Councils which negotiate on behalf of employees and have a voice in company decisions.

METRICS AND TARGETS

Mycronic has set three Group targets associated with our People strategy to 2030 (see table below). Our aim is to increase diversity in the company including improving the gender balance. We also want to build and ensure an inclusive culture in all parts of our organization and to ensure a high employee engagement.

	TARGETS TO 2030	ACHIEVEMENTS IN 2024
Gender balance	Increase the diversity in the company, including improving the gender balance to 25% woman and 25% female managers in the workforce.	The share of women in the workforce increased to 20% (18), while the share of female managers decreased to 18% (19).
Diversity and inclusion	Build and ensure an inclusive culture in all parts of our organization. Achieve a 4.3 diversity and inclusion score from annual engagement survey. Max is 5.	The “Diversity and inclusion” score remained stable at 4.1. This topic, together with “Meaningfulness and Participation”, remains the highest rated in the survey.
Engagement	Ensure a high employee engagement. Achieve a 4.2 overall engagement score from annual engagement survey. Maximum is 5.	The overall engagement score remained at 3.9.
Each division sets divisional targets and action plans to enable these targets.		

Own workforce *continued*

Characteristics of the undertaking's employees

EMPLOYEES

Data coverage and methodology

Data covers all operations.

Data was compiled through Mycronic's global Human Capital Management (HCM) system.

We use a headcount methodology that counts the total number of individual employees within our organization at the end of the reporting period. Our headcount figures exclude contingent workers, thesis workers, and student workers, as they do not fall under our internal definition of an employee.

Temporary employees are defined as those who are hired for a specific period, which includes fixed-term employees and project workers. Gender data is based on the legal gender of the employee as recorded in our internal systems.

Full-time employees are defined as those who work a standard work week. Part-time employees are those who work less than full-time. Non-guaranteed workers are those who do not have a set number of weekly working hours.

Countries with a headcount exceeding 50 employees are displayed in the table. "Others" include Mexico, the Netherlands, Singapore, Taiwan, the United Kingdom and Vietnam.

EMPLOYEE TURNOVER

Data coverage and methodology

Data covers all operations.

Employee data is compiled through the HCM system, on December 31, 2024.

Voluntary turnover rate includes terminations due to employee resignations, retirement or death. Involuntary turnover includes employees who leave involuntarily or due to reduction in force. Mycronic uses the following formula for its turnover rate:

Turnover rate = (Number of employees who leave the company / average number of employees) * 100.

Only permanent employees are included in the figures, excluding contingent, student, thesis and temporary workers. During the reporting period, Mycronic counts the total headcount at both the start and the end of the year to determine the average number of employees.

EMPLOYEES BY REGION

Number of employees, headcount ¹	2024			2023		
	Total	Women	Men	Total	Women	Men
China	1,154	187	967	1,090	170	920
Sweden	460	120	340	415	104	311
Germany	198	55	143	143	37	106
USA	145	23	122	146	24	122
Japan	76	12	64	78	8	70
South Korea	60	9	51	49	7	42
France	59	12	47	60	12	48
Others	89	19	70	64	14	50
Total	2,241	437	1,804	2,045	376	1,669

NUMBER OF EMPLOYEES

Number of employees, headcount ²	2024			2023		
	Total	Women	Men	Total	Women	Men
Total employees	2,241	437	1,804	2,045	376	1,669
Permanent employees	2,228	435	1,793	2,039	375	1,664
Temporary employees	13	2	11	6	1	5
Non-guaranteed hours employees	10	7	3	8	5	3
Full-time employees	2,165	396	1,769	1,979	342	1,637
Part-time employees	66	34	32	58	29	29

EMPLOYEES BY BUSINESS DIVISION

Number of employees, headcount	2024					2023				
	Corporate Office	Global Technologies	High Flex	High Volume	Pattern Generators	Corporate Office	Global Technologies	High Flex	High Volume	Pattern Generators
Total employees	46	334	470	985	406	46	300	489	859	351
Female employees	27	75	103	154	78	26	65	99	126	60
Male employees	19	259	367	831	328	20	235	390	733	291
Share of global workforce, %	2	15	21	44	18	2	15	24	42	17
Share of women in the Division's workforce, %	59	23	22	16	19	57	22	20	15	17

Employee turnover ³	2024	2023
Employees who have left the company, number	297	332
Total turnover, %	13.8	16.3
Voluntary turnover, %	12.7	15.0

1) Headcount distribution for "Others" in 2024: Mexico (17), Netherlands (15), Singapore (10), Taiwan (24), United Kingdom (18), Vietnam (5).

2) Headcount figures reported for 2023 have not been adjusted to account for acquisitions made in 2024.

3) The turnover figures for 2023 have not been adjusted to reflect acquisitions.

Own workforce *continued*

Characteristics of the undertaking's non-employees

Contingent workers are defined as self-employed individuals or agency-supplied workers who are not included on the legal employer's payroll. Unlike regular employees, these workers are typically compensated on a project or contractual basis and do not receive the same payroll benefits. They are engaged under contractual agreements that specify project deliverables, timelines, and compensation.

This report includes only those consultants and contingent workers who are registered in Mycronic's HR system to gain access to the company's internal environment and Active Directory (AD). Thesis workers and student workers are excluded from this reporting.

As of December 31, 2024, a total of 326 contingent workers were engaged. Of these, 249 were based in Sweden, while the remaining 77 were distributed across other countries.

Collective bargaining coverage and social dialogue

In 2024, all employees in Sweden (Mycronic AB) and the subsidiaries in France (Saint-Egrève and Mycronic S.A.S), which together comprise 24 percent of Mycronic's employees, are covered by collective bargaining agreements.

In China, the subsidiary Axxon (within division High Volume) has a voluntary agreement with the authorities, which is reviewed every three years. Through the agreement, the company agrees to follow basic requirements from the government for example, to ensure benefits, healthy working environment, minimum wage, at least one day

rest per week, and the respect of working hours. The company also agrees to establish a local labor union, whose participants are chosen by a mix of voting and the company deciding.

In Germany, our labor agreements, negotiated between the works council and management, apply to all employees in Wertheim and Wunstorf. These are not classified as collective bargaining agreements as per ESRS standards, due to their non-union nature and the focus on company-specific policies rather than broader labor issues typically addressed in traditional collective bargaining.

Coverage Rate, %	Collective Bargaining Coverage		Social dialogue
	Employees – EEA (for countries with >50 empl.)	Employees – Non-EEA (estimate for regions with >50 empl.)	Workplace representation – EEA only (for countries with >50 empl.)
0-19%	Germany	Asia, Americas	
20-39%			
40-59%			Germany
60-79%			
80-100%	Sweden, France		Sweden, France

Diversity of governance bodies and employees

Data coverage and methodology

Data covers all operations.

Data for the Board of Directors aligns with Mycronic's financial reporting practices and therefore excludes employee representatives.

Employee data is compiled through the global HCM system, on December 31, 2024.

Definition used for Managers = Individuals with direct personnel responsibility over at least one employee.

EMPLOYEES BY AGE AND GENDER¹

Number of employees, headcount	2024			2023		
	Total	Women	Men	Total	Women	Men
< 30 years	507	91	416	440	68	372
30-50 years	1,226	247	979	1,138	218	920
> 50 years	508	99	409	467	90	377
Total	2,241	437	1,804	2,045	376	1,669
Total, %	100	19,5	80,5	100	18,4	81,6

GOVERNANCE BODIES AND EMPLOYEES BY GENDER¹

	2024		2023	
	Women	Men	Women	Men
Employees, %	19.5	80.5	18.4	81.6
Managers, %	17.9	82.1	19.2	80.8
Group Management, %	42.9	57.1	37.5	62.5
Board of directors, %	28.6	71.4	28.6	71.4
Employees, number	437	1,804	376	1,669
Managers, number	61	280	58	244
Group Management, number	3	4	3	5
Board of directors, number	2	5	2	5

1) Headcount figures reported for 2023 have not been adjusted to account for acquisitions made in 2024.

Own workforcecontinued

Persons with disabilities

Due to legal restrictions, Mycronic is unable to record or retain information in our systems about employees with disabilities.

Training and skills development metrics

Data coverage and methodology

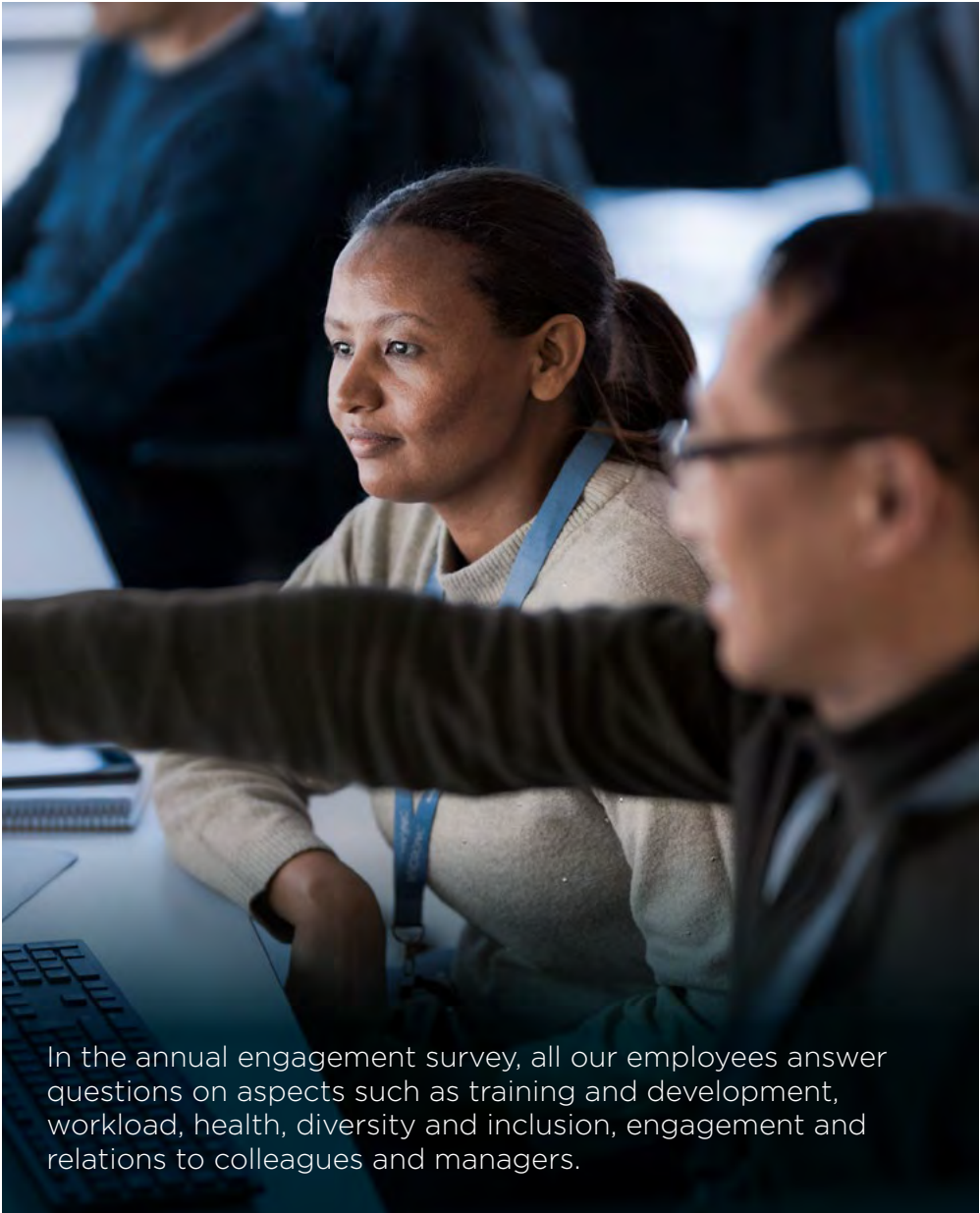
Data for 2024 includes all permanent employees across Mycronic's operations, with the exception of employees at companies acquired during 2024, and employees at atg L&M, HC Xin, and Test Solutions Co., Ltd. For Axxon, it includes all employees eligible for salary review in 2024.

Performance and Growth data divided per employee category is not available. Additionally, Mycronic cannot report the average number of training hours per employee or by gender due to system limitations in tracking this data.

"My Performance and Growth" is the name of Mycronic's process for managing employee performance and development. This process involves evaluating each employee's annual performance and setting new development goals for the following year. The data for this report has been extracted from Mycronic's global HCM system. It focuses on the performance reviews conducted for the calendar year 2023, which were finalized in during the first quarter of 2024. The FY2024 process was still ongoing at the finalization of this report.

MY PERFORMANCE AND GROWTH

Employees receiving regular performance and career development reviews	2024			2023		
	Total	Women	Men	Total	Women	Men
Total employees, %	94	89	95	91	87	92



In the annual engagement survey, all our employees answer questions on aspects such as training and development, workload, health, diversity and inclusion, engagement and relations to colleagues and managers.

Own workforce *continued*

Health and safety metrics

In 2024, 11 work-related accidents were recorded. These incidents included a range of workplace injuries, from minor cases such as cuts and bruises to more serious occurrences requiring medical attention. Most of the incidents were related to tasks performed during machine installation or maintenance at customer sites.

Compared to the previous year, when 17 incidents were recorded, the number of reported incidents has decreased.

Data coverage and methodology

Data covers all operations with the exception for companies acquired in 2024. Data for 2024 includes only employees, excluding contingent workers/consultants. Working hours have been reported by each company and have been calculated from payroll systems, time reporting or estimations based on standardized workdays.

Number of work-related injuries and ill health includes incidents resulting in any of the following:

- Loss of consciousness, days away from work, restricted work or transfer to another job,

- Medical treatment beyond first aid,
- Significant injury diagnosed by a physician or other licensed healthcare professional, even if it does not result in death, days away from work, restricted work or job transfer, medical treatment beyond first aid, or loss of consciousness.

Work-related ill health can include acute, recurring, and chronic health problems caused or aggravated by work conditions or practices. These include musculoskeletal disorders, skin and respiratory diseases, malignant cancers, diseases caused by physical agents and mental illnesses.

- Total number of recordable work-related accidents: The total count of all work-related injuries or ill health accidents,
- Rate of recordable work-related accidents: Calculated as (total number of recordable work-related accidents / total number of hours worked) X 200,000 hours worked,
- Fatalities: Deaths resulting directly from work-related activities or exposure.

Work related injuries	2024	2023
Work-related injuries, number	10	17
Work-related ill health, number	1	-
Total recordable work-related accidents ¹⁾	11	17
Rate of recordable work-related accidents	0,5	0,8
Days lost from work-related injuries, accidents and ill health	67	-
Workrelated fatalities	0	0
Hours worked	4,493,911	4,138,854

1) The definition of the total count of all work-related injuries or ill health accidents has been updated in 2024 to include both work-related injuries and cases of work-related ill health, in line with the ESRS.

Work-life balance metrics

Mycronic is unable to report the percentage of employees who took family-related leave, as this data is not currently tracked in our systems.

Compensation metrics (pay gap and total compensation)

For 2024, the gender pay gap analysis shows that the average salary for women is 99.7 percent of men's average salary. This represents a slight decrease compared to 101.6 percent reported in 2023.

The compensation ratio in 2024 is 17.6.

Data coverage and methodology

The calculation of the average salary of women as a percentage of men's is based on the full-time annual salaries of 2,210 employees whose salaries were recorded in the HR system as of December 31, 2024. This dataset includes regular, temporary, Group

management, CEO, and executive team employees globally, across all countries where Mycronic operates.

The salaries were converted to SEK using the exchange rate on that date. Only base salaries were included in the analysis, excluding additional salary supplements, bonuses, or other variable allowances. The data has not been adjusted or weighted.

The compensation ratio is calculated as the highest salary divided by the median salary (excluding the highest salary).

Incidents, complaints and severe human rights impacts

Any discrimination case, such as those based on the categories listed in our Code of Conduct, in our Diversity and Inclusion Policy, or in ILO instruments, can be reported to the closest manager, the manager's manager, local HR or through the whistleblower system.

One discrimination incident, categorized as indirect discrimination, was reported within the Mycronic Group in 2024. Measures were taken to effectively resolve the situation, and it is no longer subject to action. Data covers all operations.

Workers in the value chain

Employees in our supply chain or at our customers' sites may be directly or indirectly impacted by Mycronic's activities. Mycronic has due diligence processes aiming to ensure that suppliers and suppliers' suppliers have proper safeguards in place regarding workers' rights and working conditions. Mycronic also ensures that its products are safe to use for its customers' employees.

Value chain workers that may be impacted by Mycronic's activities are either employees in the supply chain or at our customers' sites. In the first case, Mycronic's responsibility is to have due diligence processes in place to ensure that suppliers and suppliers' suppliers have proper safeguards in place regarding respect of human and labor rights and working conditions. In the latter case, Mycronic's responsibility concerns ensuring that our products are safe and that the user, i.e. relevant employees at customer sites, receives necessary information about how to use the products safely.

IMPACTS, RISKS AND OPPORTUNITIES

Social impacts, risks and opportunities linked to Mycronic's value chain are described in the double materiality assessment on pages 103-106.

POLICIES

Mycronic's Code of Conduct and Supplier Code of Conduct are based on the ten principles of the UN Global Compact and support internationally recognized standards including the Universal Declaration of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work. In the Group Code of Conduct, Mycronic commits to responsible sourcing and to ensuring and promoting human rights in all business relationships, including in dealings with suppliers, subcontractors, and other business partners. The Code of Conduct also includes a specific commitment with regard to sourcing and extraction of raw materials from conflict affected and high-risk areas (conflict minerals). The Code of Conduct is supplemented

with internal requirements related to supply chain management and due diligence.

Mycronic has established a Supplier Code of Conduct, which suppliers sign as part of their contractual agreements with us. Mycronic monitors the number of signed Codes twice a year. The Supplier Code of Conduct outlines Mycronic's expectations on the supplier related to the environment, human rights (including, for example, child labor, forced labor and human trafficking), labor rights, health and safety, business ethics and supply chain due diligence in the supplier's own supply chain.

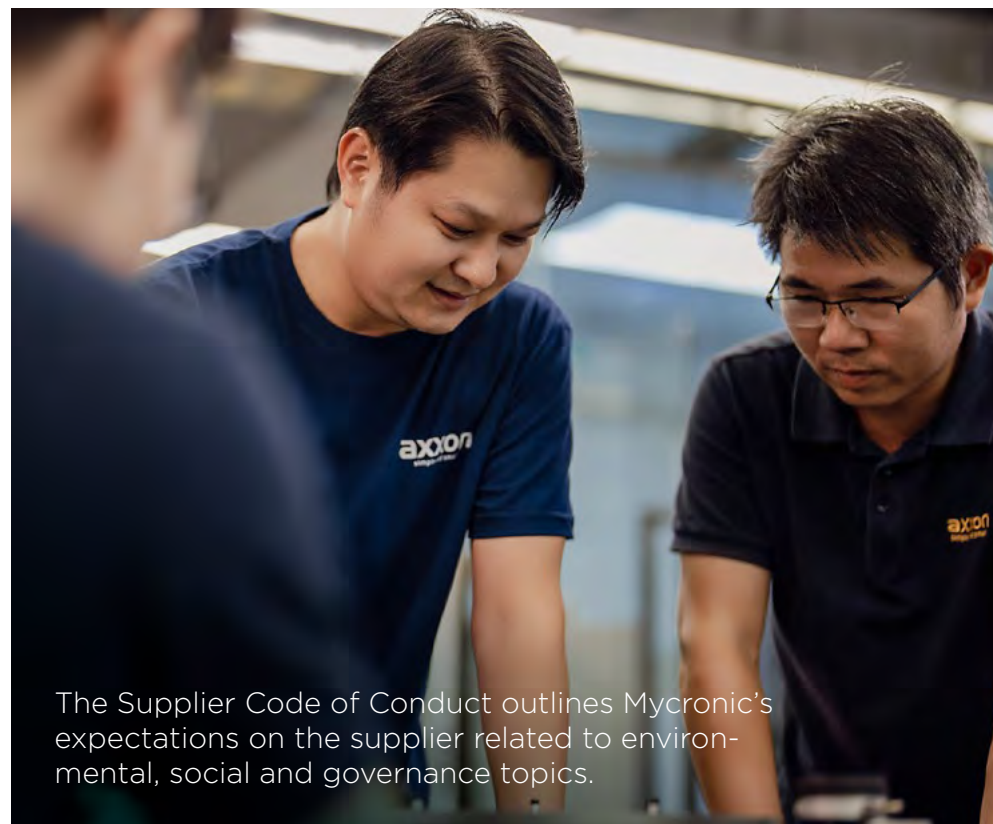
Mycronic commits to high standards of quality and safety of our products in the Group Quality and Environmental policy. All Mycronic policies can be accessed on the corporate website. Read more about the scope, signing and accountability for implementation of policies in the chapter "Business conduct" on page 144.

ACTIONS

Workers in Mycronic's supply chain

Mycronic has more than 1,200 suppliers globally. Most of them are located in the same geographical area as the company's sites. Suppliers will in turn have suppliers in different geographical areas. The further we go in the supply chain, the larger the geographical spread.

Mycronic's objective is always to source materials, goods and services responsibly. Supply chain due diligence at Mycronic includes policy and guidelines, risk and impact monitoring, self-assessments and audits, as well as channels for reporting concerns.



The Supplier Code of Conduct outlines Mycronic's expectations on the supplier related to environmental, social and governance topics.

Number of suppliers globally

>1,200

Procurement budget spent on local suppliers

80%

Workers in the value chain *continued*

Self-assessments, audits and reporting concerns

All our divisions identify risk suppliers, which are suppliers whose failure to supply goods or services could have a significant impact on Mycronic. This could be either in terms of our ability to meet requirements (customer, legal, regulatory or business requirements), or in terms of negative consequences for our business model, reputation or ability to achieve objectives. These risk suppliers are in focus when selecting the suppliers for which self-assessments and audits are performed. Mycronic's divisions use different methods and tools for selecting and evaluating their suppliers, such as self-assessments and audits that cover product quality, environmental and social elements.

In Sweden, the supplier evaluation consists of a self-assessment and/or is part of an on-site audit, and covers issues related to, for example, GHG emissions, water and electricity use, waste recycling, human rights, health and safety, and diversity.

In our Chinese purchasing organization, new suppliers are assessed on their compliance with the Responsible Alliance Code of Conduct, which includes social and environmental criteria.

Suppliers and their employees may report any wrongdoing or breach of Mycronic's Supplier Code of Conduct through an independent whistleblowing system, which is available in several languages on a dedicated website (accessible through a direct link on Mycronic's website). Mycronic's Supplier Code of Conduct stipulates that the supplier is required to let its employees raise their concerns about any of the compliance requirements outlined in the Code and that all workers who speak out about an issue shall be protected from retaliation.

Reporting and follow up of breaches

Issues identified in the supply chain are monitored, addressed, and followed up.

Whistleblowing cases are followed up on the Group level through an established process (see page 146). The purchasing organization in the respective division is responsible for setting up processes to address concerns identified through self-assessments and audits. The divisions monitor and report the number of deviations identified and on the subsequent human actions taken. Mycronic has not been confronted with a situation where it needed to provide remedy in relation to an actual negative impact on supply chain workers. Should any such situation occur in the future, it will be addressed on an ad-hoc basis. Mycronic is not aware of any reported severe human rights issues or incidents connected to the company's upstream or downstream value chain.

Engagement with workers in the value chain

Mycronic has not adopted a dedicated process to actively engage with workers in the value chain directly or through proxies. Instead, impact and risk assessments are based on written information from e.g. international organizations and labor unions. Information gathered from these sources will inform decisions and activities aimed at managing the actual and potential impacts on value chain workers. Mycronic does not assess to which extent its supply chain workers are aware of Mycronic's whistleblowing system. Through its Supplier Code of Conduct Mycronic requires suppliers to have due diligence processes in place that are similar to those implemented by Mycronic.

Conflict minerals

Mycronic strives to ensure that the sourcing of minerals and metals does not, directly or indirectly, finance or benefit armed groups or cause or contribute to human rights violations. As part of Mycronic's commitment to responsible sourcing, due diligence shall be exercised with respect to the sourcing of raw materials from conflict-affected and high risk

areas, including tin, tantalum, tungsten and gold, used in products. The due diligence shall be consistent with relevant parts of the OECD Due Diligence Guidance or equivalent processes. Mycronic uses a reporting tool from the Responsible Minerals Initiative to assess suppliers and require suppliers to have similar conflict minerals due diligence practices in place.

Health and safety at customers (product safety)

Some of the workers at our customer sites handle Mycronic's products. Mycronic is responsible for ensuring that all its products are safe and that users receive necessary information about how to use these safely.

The responsibility for product safety lies within each Division at Mycronic. All the divisions have processes in place to ensure product safety compliance. In Mycronic's countries of operation, legislation is generally strict in this area and specific quality and

safety certification is often required for import and/or export of Mycronic's products. In Europe, the EU Directive 2006/42/EC on machinery lays down health and safety requirements for the design and construction of machinery placed on the European market. Similar legal requirements are in place in North America and in Asia. The Divisions' processes ensure that product safety is a priority from the design to the end of life of a product. Should an incident nevertheless occur at the client's premises, Mycronic will duly investigate its cause and implement corrective measures.

METRICS AND TARGETS

Mycronic has not set any time-bound and outcome-oriented targets related to value chain workers. Mycronic however monitors several supplier-related metrics. These cover suppliers of direct materials and are presented in the tables on this page. Product safety metrics are not consolidated on Group level.

SHARE OF SUPPLIERS PER REGION

Region	By nr of suppliers	By spend
Europe, %	52	48
Asia, %	33	41
North America, %	15	11

SUPPLIER ASSESSMENTS AND AUDITS COVERING SOCIAL, BUSINESS ETHICS AND ENVIRONMENTAL CRITERIA

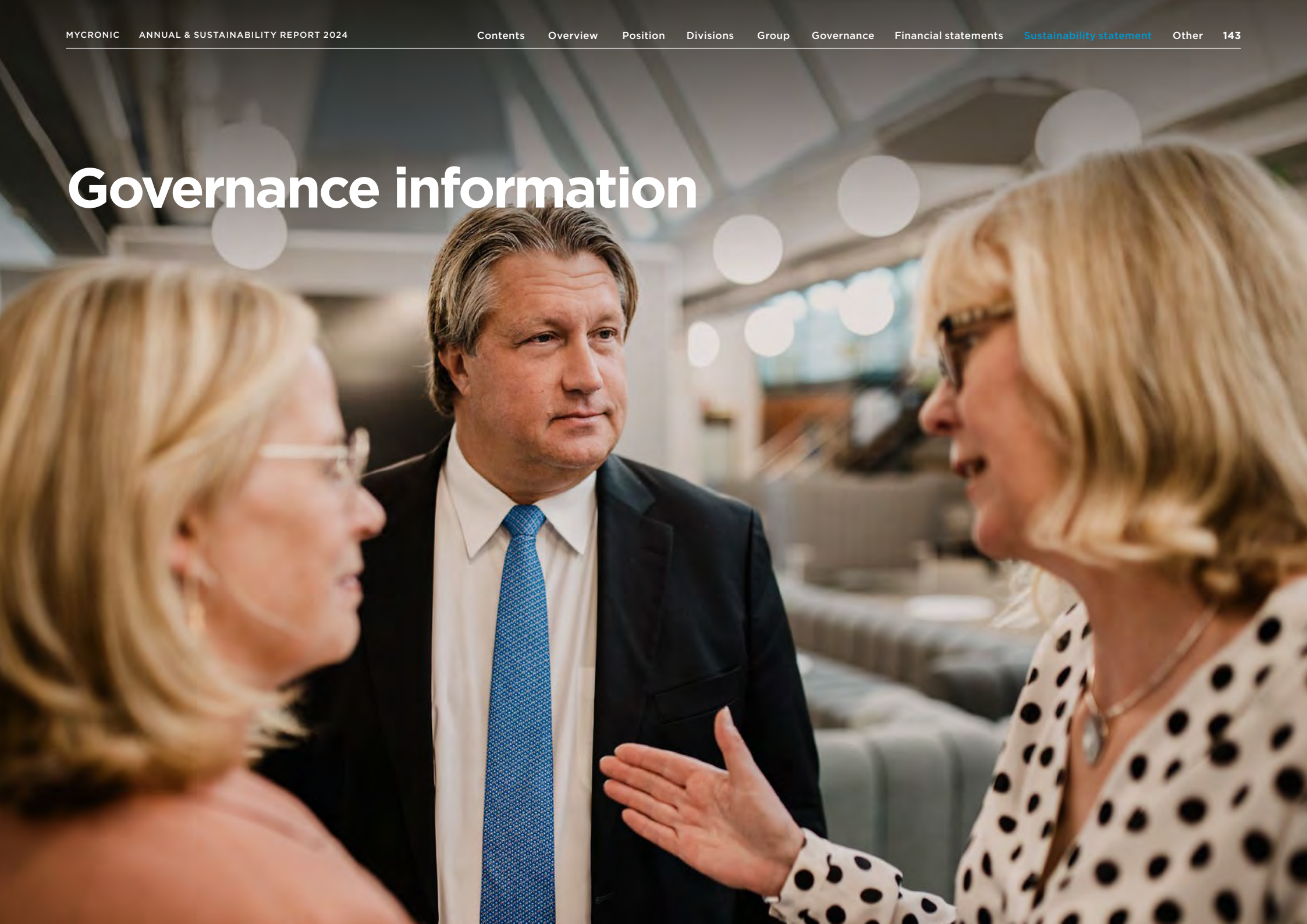
	Suppliers, number	Deviations, number	Corrective actions, %
Self-assessments	3 ¹	1	100
Audits	13 ²	5	100

1) of which 1 did not cover environmental criteria. 2) of which 2 did not cover environmental criteria.

SHARE OF SUPPLIERS HAVING SIGNED THE SUPPLIER CODE OF CONDUCT (SCOC)

Suppliers having signed the SCOC, %	49
Critical suppliers having signed the SCOC, %	90

Governance information



Business conduct

Conducting business responsibly, in accordance with applicable laws and regulations, is a requirement for the long-term prosperity of any business.

Mycronic is committed to acting ethically, respecting human and labor rights, taking responsibility for the environment, and complying with applicable rules and regulations.

GOVERNANCE

The role and expertise of Mycronic's administrative, management and supervisory bodies in the governance of sustainability topics, including business conduct topics, are described in "Roles and responsibilities of sustainability governance" on page 108.

IMPACTS, RISKS AND OPPORTUNITIES

The material impacts, risks and opportunities related to business conduct are described in our double materiality assessment on pages 103–106.

POLICIES

Mycronic's Group Policies and Guiding Principles form the basis for how we conduct business, and convey a strong message to our employees and external stakeholders. These apply in all Mycronic's operations worldwide and are easily accessible for our employees on the intranet, in Mycronic's main languages (Swedish, English, Chinese, German, French, Japanese and Korean). Our Guiding Principles and main Group Policies are available for external stakeholders on Mycronic's website. Group Policies are reviewed once a year and any updates are communicated to the employees.

Three of the Group Policies – the Group Code of Conduct, the Anti-Corruption Policy and the Acceptable use of IT instruction – are deemed to be of particular importance and all employees are therefore required to read and sign them on a yearly basis. Signing is followed up systematically and managers are

responsible for ensuring that their employees and consultants at all times are informed, understand and adhere to the policies.

Approvals, deployment and monitoring of policies

Changes made to Mycronic's Code of Conduct, Financial Policy and Insider Policy, require approval by the Board of Directors. All other policies are approved by the CEO. The Board is also informed about changes in the Approval and Signing Policy, and the Communication Policy.

To ensure the integration and implementation across business and operational areas, the CEO has appointed governance area owners, responsible for policy development and deployment. A Policy Framework has been established that describes the different approval rights and delegated responsibilities. The following governance area owners are responsible for development and deployment of policies relevant for the Sustainability Statement:

- CFO: Codes of Conduct, Anti-Corruption Policy, Whistleblowing Policy;
- Sr VP Global Functions: Quality and Environmental Policy, Business Continuity and Risk Management Policy;
- Sr VP People & Culture: Diversity and Inclusion Policy, Health and Safety Policy, Travel Policy.

Mycronic monitors compliance to the Group policies in different ways depending on the policy and the topic. Examples are regular follow up of related KPIs, self-assessments and internal audits. Mycronic's Ethics and Compliance Board (ECB) is responsible for monitoring and following up on compliance with the Group Policies on a Group level.

Mycronic's Codes of Conduct

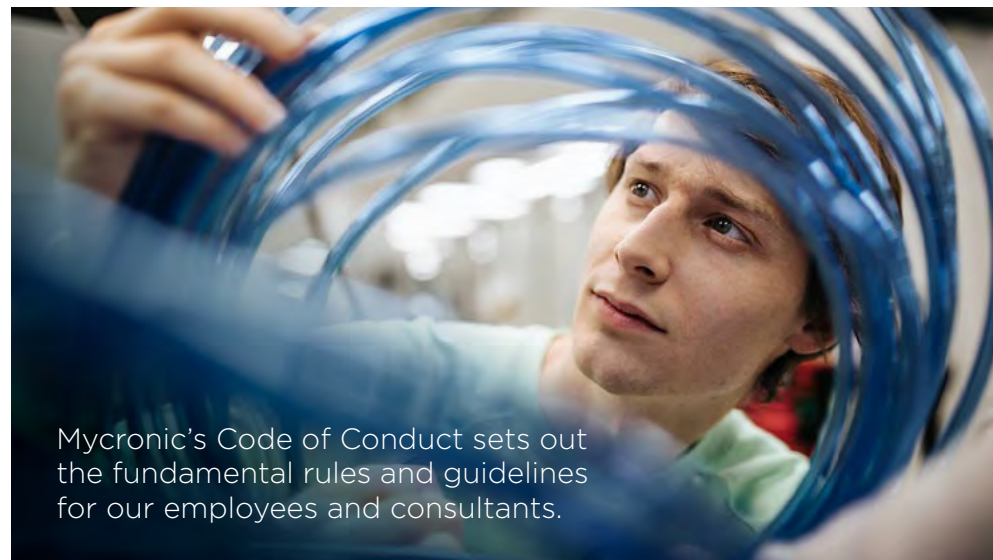
Mycronic has established four Codes of Conduct.

The Group Code of Conduct sets out the fundamental rules and guidelines for our employees and consultants. It is based on the ten principles of the UN Global Compact and is an important foundation and tool for the trust of our customers, employees, shareholders, business partners and society. The Code of Conduct outlines the high ethical standards and integrity that we hold ourselves to when conducting business. The purpose of the Code of Conduct is also to protect human rights, promote fair employment conditions, ensure safe working conditions and a responsible environmental management. The Code of Conduct may stipulate a higher

standard than required by national laws or regulations.

The Supplier Code of Conduct outlines Mycronic's requirements on suppliers with regard to environmental, social and governance factors, including business ethics. Mycronic asks its suppliers to sign the Supplier Code of Conduct as part of the contractual agreement (read more about this policy in the "Workers in the value chain" chapter). Mycronic has also developed a Supplier Code of Conduct for service providers and non-critical suppliers.

The Distributor Code of Conduct outlines Mycronic's requirements on distributors. Similar to Mycronic's other Codes of Conduct, the Distributor Code of Conduct addresses environmental, social and governance matters, including business ethics.



Mycronic's Code of Conduct sets out the fundamental rules and guidelines for our employees and consultants.

Business conduct *continued*

Anti-corruption and whistleblowing policies

Mycronic's Anti-Corruption Policy establishes key principles for understanding and conducting business in compliance with anti-corruption laws and regulations and stipulates zero tolerance for all forms of corruption.

Mycronic's Whistleblowing Policy outlines how to report breaches of the Codes of Conduct or suspected violations of law. It describes what may be reported, who may be reported and how confidentiality and anonymity is safeguarded.

ACTIONS

Establishing a sound corporate culture

Mycronic works proactively in the field of corporate culture and business ethics. To ensure that Mycronic's employees have knowledge of our Policies and Guiding Principles, the global onboarding program for new employees include information about Group Policies as well as about business ethics in general. Employees are also required to annually read and sign some of the Codes and are informed about updates once a year.

Mycronic has established an Ethics and Compliance Board (ECB), which prepares guidelines on ethics, monitors compliance with policies, and outlines how issues should be followed up. The ECB meets at least quarterly and is led by the Group CFO. It includes the General Counsel, Senior Vice President Global Functions, and Senior Vice President People & Culture.

Awareness raising and trainings that foster a sound corporate culture are conducted. These cover a broad number of topics, including business ethics, diversity and inclusion, IT security, health and safety, and more. Through Mycronic's annual employee survey, we receive feedback from our employees on our work in, for example, inclusion and diversity, health and well-being, company culture, and environmental matters.

Corruption prevention

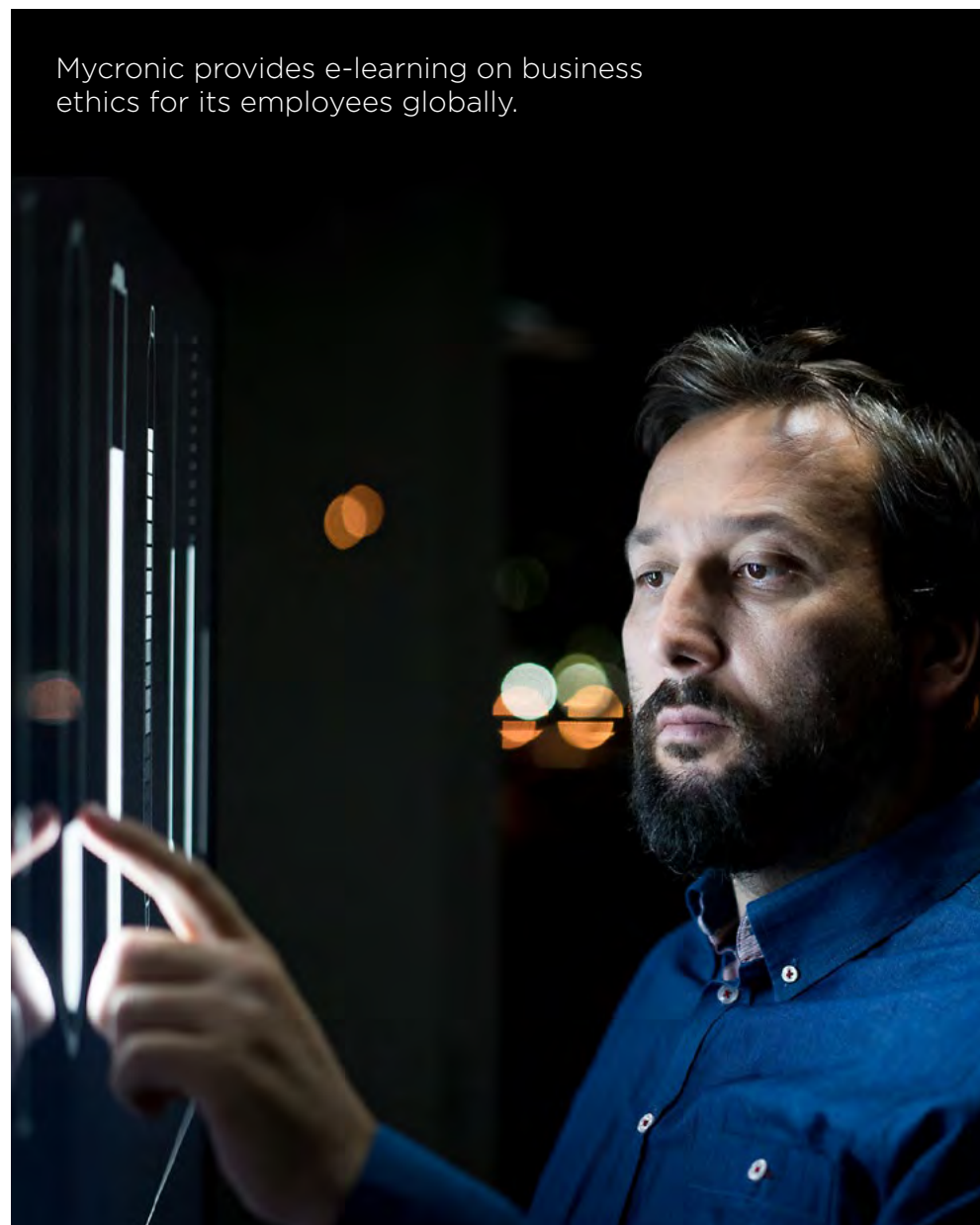
To safeguard against corruption, the company provides e-learning to its employees, regardless of the function. The functions identified as high risk for corruption and bribery are employees involved in purchasing and sales. During 2024, Mycronic continued to provide the e-learning on business ethics and compliance to all newly hired employees as well as the employees who had not completed all trainings in 2023. The eleven e-learning segments focused on different themes, for example fraud, bribery, business ethics, conflicts of interest, and gifts and gratuities. The aim is to raise awareness and for all Mycronic employees, including executive management teams, to complete the training.

Third parties may pose a risk to corruption. To identify and prevent such risks, Mycronic may carry out risk assessments and appropriate reviews of high-risk third parties.

Mycronic provides e-learning on business ethics for its employees globally.

Share of employees trained in business ethics

75%



Business conduct *continued*

Whistleblowing system and grievance mechanisms

Mycronic is characterized by an open corporate culture where all employees shall feel comfortable expressing their views freely if they have experienced suspicious or serious improprieties committed by a person in a leading or key position within the Group. All employees are expected to report any observed or suspected violations of law or violations to the Mycronic Codes of Conduct to their nearest manager, their manager's manager, or HR. In countries where our employees are unionized, employees may also turn to their local trade union representatives to report and address irregularities.

A serious wrongdoing by a person in a leading or key position within Mycronic, such as a violation of the Code of Conduct, other Group policies (e.g. the Anti-Corruption policy), economic crimes, or a violation related to the health and safety of individuals, may be reported confidentially and anonymously via Mycronic's whistleblowing system, which is managed by an independent external partner. Employees, distributors, and suppliers can all use the whistleblowing system. In addition, Mycronic requires distributors and suppliers to have their own whistleblowing function in place. Anyone who submits a report in good faith in the whistleblowing system can report confidentially and anonymously and shall be free from retaliation and discrimination. Any reported case is thoroughly investigated by Mycronic, and if needed with the assistance of external experts and lawyers. Mycronic's General Counsel reports all relevant incoming cases to the ECB. If the case involves, for example, confirmed corruption or financial crime, the Audit Committee is informed. Any person who is reported in the case will not be involved in the investigation of the matter. Corrective measures are taken if a violation can be confirmed.

METRICS AND TARGETS

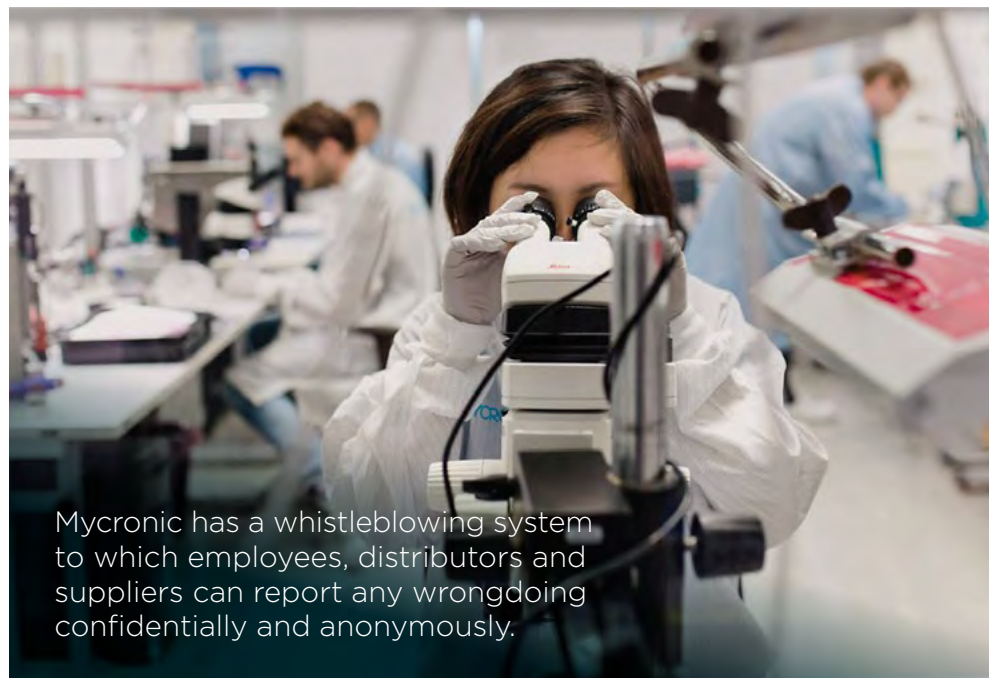
Data coverage and methodology

For business conduct trainings, data covers all Mycronic's employees, with the exemption of employees in the newly acquired company Modus High-Tech Electronics.

For reported incidents, data covers all operations, except the newly acquired companies Vanguard Automation and Modus High-Tech Electronics.

The completion rate measures the proportion of all employees who successfully completed all mandatory business conduct trainings before the due date. The mandatory trainings include 11 e-learning.

Eligible participants are active employees, excluding those with a future due date for their training or that have trainings that have not yet started.



Mycronic has a whistleblowing system to which employees, distributors and suppliers can report any wrongdoing confidentially and anonymously.

BUSINESS CONDUCT TRAINING

	2024
Completion rate for e-learning on business ethics and compliance for all types of employees (incl. corruption topics such as bribery, fraud, conflicts of interest), %	75

REPORTED INCIDENTS

Number	2024	Action taken
Cases reported to the whistleblowing system	1	After investigation with the assistance of external advisers, no wrongdoing was identified.
Confirmed incidents of corruption and the action taken (incl., for example, bribery, fraud, conflicts of interest)	0	-
Amount of fines for violation of anti-corruption and anti-bribery laws (incl., for example, bribery, fraud, conflicts of interest)	0	-

Disclosure requirements index

CROSS-CUTTING STANDARDS

ESRS 2	General disclosures	Section	Page	Additional information
BP-1	General basis for preparation of sustainability	SUS: General information	98	
BP-2	Disclosure in relation to specific circumstances	SUS: General information SUS: Disclosure requirements index	98–99 147–149	
GOV-1	The role of the administrative, management and supervisory bodies	GOV: Corporate governance report GOV: Board of directors, Executive management SUS: General information SUS: Social information	41–43 46–49 108–109 138	Incorporation by reference
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	GOV: Corporate governance report SUS: General information SUS: General information	42–43 103 108–109	Incorporation by reference
GOV-3	Integration of sustainability-related performance in incentive schemes	GROUP: Remuneration	35–37	Incorporation by reference
GOV-4	Statement on due diligence	SUS: General information	109	
GOV-5	Risk management and internal controls over sustainability reporting	GOV: Corporate governance report SUS: General information	43–45 109	Incorporation by reference
SBM-1	Strategy, business model and value chain	POSITION DIVISIONS SUS: General information	13–19 20–29 99–101	Incorporation by reference
SBM-2	Interests and views of stakeholders	SUS: General information	102	
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	SUS: General information	103–107	
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	SUS: General information	103	
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	SUS: General information SUS: Disclosure requirements index SUS: Datapoints from other EU leg.	103–107 147–149 150–151	

ENVIRONMENTAL STANDARDS

ESRS E1	Climate change	Section	Page	Additional information
ESRS 2, GOV-3	Integration of sustainability-related performance in incentive schemes	GROUP: Remuneration	35–37	Incorporation by reference
E1-1	Transition plan for climate change mitigation	SUS: Environmental information	118–119	
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	SUS: General information	103–107	
ESRS 2, IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	SUS: General information	103–107	
E1-2	Policies related to climate change mitigation and adaptation	SUS: Environmental information	119	
E1-3	Actions and resources in relation to climate change policies	SUS: Environmental information	119–121	
E1-4	Targets related to climate change mitigation and adaptation	SUS: Environmental information	121	
E1-5	Energy consumption and mix	SUS: Environmental information	127	
E1-6	Gross scope 1, 2, 3 and Total GHG emissions	SUS: Environmental information	123–126	
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	SUS: Environmental information	125	
E1-8	Internal carbon pricing	SUS: Environmental information	125	

SUS = Sustainability statement

GOV = Governance

Disclosure requirements index *continued*

ESRS E2	Pollution	Section	Page	Additional information
ESRS 2, IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	SUS: General information	103–107	
E2-1	Policies related to pollution	SUS: Environmental information	128	
E2-2	Actions and resources related to pollution	SUS: Environmental information	128	
E2-3	Targets related to pollution	SUS: Environmental information	128	
E2-5	Substances of concern and substances of very high concern	SUS: Environmental information	128	
ESRS E5	Resource use and circular economy	Section	Page	Additional information
ESRS 2, IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	SUS: General information	103–107	
E5-1	Policies related to resource use and circular economy	SUS: Environmental information	129	
E5-2	Actions and resources related to resource use and circular economy	SUS: Environmental information	129–130	
E5-3	Targets related to resource use and circular economy	SUS: Environmental information	131	
E5-4	Resource inflows	SUS: Environmental information	131	
E5-5	Resource outflows	SUS: Environmental information	132	

SOCIAL STANDARDS

ESRS S1	Own workforce	Section	Page	Additional information
ESRS 2, SBM-2	Interests and views of stakeholders	SUS: General information SUS: Social information	102 136	
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	SUS: General information	103–107	
S1-1	Policies related to own workforce	SUS: Social information	134	
S1-2	Processes for engaging with own workers and workers' representatives about impacts	SUS: Social information	135–136	
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	SUS: Social information	136	
S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	SUS: Social information	135–136	
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	SUS: Social information	136	
S1-6	Characteristics of the undertaking's employees	SUS: Social information	137	
S1-7	Characteristics of non-employee workers in the undertaking's own value chain	SUS: Social information	138	
S1-8	Collective bargaining coverage and social dialogue	SUS: Social information	138	
S1-9	Diversity metrics	SUS: Social information	138	
S1-10	Adequate wages	SUS: Social information	135	
S1-11	Social protection	SUS: Social information	135	
S1-12	Persons with disabilities	SUS: Social information	139	
S1-13	Training and skills development metrics	SUS: Social information	139	
S1-14	Health and safety metrics	SUS: Social information	140	
S1-15	Work-life balance metrics	SUS: Social information	140	
S1-16	Compensation metrics (pay gap and total compensation)	SUS: Social information	140	
S1-17	Incidents, complaints and severe human rights impacts	SUS: Social information	140	

Disclosure requirements index *continued*

ESRS S2	Workers in the value chain	Section	Page	Additional information
ESRS 2, SBM-2	Interests and views of stakeholders	SUS: General information SUS: Social information	102 142	
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	SUS: General information	103–107	
S2-1	Policies related to value chain workers	SUS: Social information	141	
S2-2	Processes for engaging with value chain workers about impacts	SUS: Social information	142	
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	SUS: Social information	142	
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action	SUS: Social information	141–142	
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	SUS: Social information	142	

GOVERNANCE STANDARDS

ESRS G1	Business conduct	Section	Page	Additional information
ESRS 2, GOV-1	The role of the administrative, management and supervisory bodies	GOV: Board of directors, Executive management SUS: General information	46–49 108–109	Incorporation by reference
ESRS 2, IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	SUS: General information	103–107	
G1-1	Corporate culture and business conduct policies and corporate culture	SUS: Governance information	144–145	
G1-3	Prevention and detection of corruption and bribery	SUS: Governance information	145	
G1-4	Confirmed incidents of corruption or bribery	SUS: Governance information	146	

Data points that derive from other EU legislation

Disclosure Requirement and Related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Section	Page
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	x		x		SUS: Social information	138
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			x		GOV: Board of directors	46–47
ESRS 2 GOV-4 Statement on due diligence paragraph 30	x				SUS: General information	109
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	x	x	x			Not material
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	x		x			Not material
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	x		x			Not material
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			x			Not material
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				x	SUS: Environmental information	118–122
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		x	x		SUS: Environmental information	119
ESRS E1-4 GHG emission reduction targets paragraph 34	x	x	x		SUS: Environmental information	121
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	x				SUS: Environmental information	127
ESRS E1-5 Energy consumption and mix paragraph 37	x				SUS: Environmental information	127
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	x				SUS: Environmental information	127
ESRS E1-6 Gross scope 1, 2, 3 and Total GHG emissions paragraph 44	x	x	x		SUS: Environmental information	123
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	x	x	x		SUS: Environmental information	123, 125
ESRS E1-7 GHG removals and carbon credits paragraph 56				x	SUS: Environmental information	125
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			x			Phased-in
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a)		x				Phased-in
ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c)						
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		x				Phased-in
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69			x			Phased-in
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	x					Not material
ESRS E3-1 Water and marine resources paragraph 9	x					Not material
ESRS E3-1 Dedicated policy paragraph 13	x					Not material
ESRS E3-1 Sustainable oceans and seas paragraph 14	x					Not material
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	x					Not material
ESRS E3-4 Total water consumption in m ³ per net revenue on own operations paragraph 29	x					Not material
ESRS 2 – IRO 1 – E4 paragraph 16 (a) i	x					Not material
ESRS 2 – IRO 1 – E4 paragraph 16 (b)	x					Not material
ESRS 2 – IRO 1 – E4 paragraph 16 (c)	x					Not material
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	x					Not material
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	x					Not material
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	x					Not material

Data points that derive from other EU legislation *continued*

Disclosure Requirement and Related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Section	Page
ESRS E5-5 Non-recycled waste paragraph 37 (d)	x				SUS: Environmental information	132
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	x				SUS: Environmental information	132
ESRS 2 – SBM3 – S1 Risk of incidents of forced labor paragraph 14 (f)	x					Not material
ESRS 2 – SBM3 – S1 Risk of incidents of child labor paragraph 14 (g)	x					Not material
ESRS S1-1 Human rights policy commitments paragraph 20	x				SUS: Social information	134
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			x		SUS: Social information	134
ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 22	x				SUS: Social information	134
ESRS S1-1 Workplace accident prevention policy or management system paragraph 23	x				SUS: Social information	134
ESRS S1-3 Grievance/complaints handling mechanisms paragraph 32 (c)	x				SUS: Social information	136
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	x		x		SUS: Social information	140
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	x				SUS: Social information	140
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	x		x		SUS: Social information	140
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	x				SUS: Social information	140
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	x				SUS: Social information	140
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	x		x		SUS: Social information	140
ESRS 2-SBM3-S2 Significant risk of child labor or forced labor in the value chain paragraph 11 (b)	x				SUS: General information	106
ESRS S2-1 Human rights policy commitments paragraph 17	x				SUS: Social information	141
ESRS S2-1 Policies related to value chain workers paragraph 18	x				SUS: Social information	141
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	x		x		SUS: Social information	141
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			x		SUS: Social information	141-142
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	x				SUS: Social information	142
ESRS S3-1 Human rights policy commitments paragraph 16	x					Not material
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	x		x			Not material
ESRS S3-4 Human rights issues and incidents paragraph 36	x					Not material
ESRS S4-1 Policies related to consumers and end-users paragraph 16	x					Not material
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	x		x			Not material
ESRS S4-4 Human rights issues and incidents paragraph 35	x					Not material
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	x				SUS: Governance information	144-145
ESRS G1-1 Protection of whistle- blowers paragraph 10 (d)	x				SUS: Governance information	144-145
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	x		x		SUS: Governance information	146
ESRS G1-4 Standards of anti- corruption and anti- bribery paragraph 24 (b)	x				SUS: Governance information	145

Auditor's opinion on the statutory sustainability statement

To the general meeting of the shareholders of Mycronic AB (publ), corporate identity number 556351-2374

This is a translation of the Swedish original

ENGAGEMENT AND RESPONSIBILITY

It is the Board of Directors who is responsible for the statutory sustainability statement for the year 2024 on pages 17-18 and 97-151 and that it has been prepared in accordance with the Annual Accounts Act in accordance with the old version in force before 1 July 2024.

THE SCOPE OF THE AUDIT

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 *The auditor's opinion regarding the statutory sustainability statement*. This means that our examination of the statutory sustainability statement is different and

substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

OPINIONS

A statutory sustainability statement has been prepared.

Stockholm, March 21, 2025
Ernst & Young AB

Anna Svanberg
Authorized Public Accountant

Independent practitioner's assurance report on Mycronic AB (publ)'s Greenhouse Gas emissions

To Mycronic AB (publ), corporate identity number: 556351-2374

This is a translation of the Swedish original

SCOPE

We have been engaged by Mycronic AB (publ) to perform a 'limited assurance engagement,' as defined by International Standards on Assurance Engagements, here after referred to as the engagement, to report on the accompanying GHG statement of Mycronic AB (publ) for the year ended 31 December 2024, comprising its scope 1 GHG emissions (ton CO₂e), scope 2 GHG emissions (ton CO₂e), and scope 3 - Use of Sold Products GHG emissions (ton CO₂e) that are part of its science-based targets on page 123 of the 2024 Annual and Sustainability Report.

CRITERIA APPLIED BY MYCRONIC AB (PUBL)

In preparing its above specified emissions data, Mycronic AB (publ) applied the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard, published by the World Resources Institute and the World Business Council for Sustainable Development, as described on page 98.

MYCRONIC AB (PUBL)'S RESPONSIBILITIES

Mycronic AB (publ)'s management is responsible for selecting the Criteria, and for presenting above specified emissions data in accordance with that criterion, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the GHG statement, such that it is free from material misstatement, whether due to fraud or error.

EY'S RESPONSIBILITIES

Our responsibility is to express a conclusion on the presentation of the above specified emissions data based on the evidence we have obtained.

Our engagement was conducted in accordance with the International Standard for Assurance Engagements on Greenhouse Gas Statements ('ISAE 3410'), and the terms of reference for this engagement as agreed with Mycronic AB (publ) on the 11th of September 2024. Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the above specified emissions data in order for it to be in accordance with the criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error. We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

OUR INDEPENDENCE AND QUALITY MANAGEMENT

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and have the required competencies and experience to conduct this assurance review.

EY also applies International Standard on Quality Management 1, which requires that we design, implement and operate a system of quality management including policies or

procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

DESCRIPTION OF PROCEDURES PERFORMED

Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

The Green House Gas quantification process is subject to scientific uncertainty, which arises because of incomplete scientific knowledge about the measurement of GHGs. Additionally, GHG procedures are subject to estimation (or

measurement) uncertainty resulting from the measurement and calculation processes used to quantify emissions within the bounds of existing scientific knowledge.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the greenhouse gas emissions and related information and applying analytical and other relevant procedures.

Our procedures included but were not limited to:

- Conducting interviews with Mycronic AB (publ) personnel on the business and reporting process
- Conducting interviews with Mycronic AB (publ) personnel on the process for collecting, collating and reporting the GHG data during the reporting period
- Assessing whether the Criteria defined by management has been applied
- Undertaking analytical review procedures to assess the reasonableness of the data

We also performed such other procedures as we considered necessary in the circumstances.

CONCLUSION

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made on the above specified emissions data for the year ended 31 December 2024 in order for it to be in accordance with the Criteria.

Stockholm, March 21, 2025
Ernst & Young AB

Anna Svanberg
Authorized Public Accountant

Otti Alestalo
Specialist member in FAR

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Other

Financial definitions

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 costs.

Book-to-bill

Order intake in relation to net sales. Used to show future development of net sales.

Capital employed

Balance sheet total less non-interest bearing liabilities. Used to show the ability to meet capital needs from operations.

Capital turnover rate

Net sales divided by average capital employed. Used to show how much capital operations use.

Cash flow from financing activities

Payments of dividends, increase and amortization of loans, etc.

Cash flow from investing activities

Net investments in subsidiaries and other business combinations, property, plant and equipment, capitalized development and other intangible assets, and financial non-current assets.

Cash flow from operating activities

Profit after financial items adjusted for non-cash items, income tax paid and changes in working capital.

Earnings per share

Net profit/loss attributable to the owners of the Parent Company divided by the average number of outstanding shares before and after dilution. Used to show the company's earnings per share.

EBIT

Profit from operations, before financial items and tax.

EBIT margin

Operating result, EBIT, as a percentage of net sales. Used to show profitability from operations.

EBITDA

Operating result, EBIT, before depreciation and amortization.

Equity per share

Equity divided by the number of outstanding shares at the end of the year. Used to measure the value of the company per share.

Equity/assets ratio

Equity as a percentage of total assets. Used to show how much of assets are financed by equity.

Gross margin

Gross profit as a percentage of net sales. Used to show profitability from sale of goods and services.

Gross profit

Net sales less cost of goods sold. Used to show profitability from sale of goods and services.

Net cash

Cash and cash equivalents less interest-bearing liabilities.

Order backlog

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

Order intake

Orders received 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 preceding year's exchange rates as a percentage of the preceding 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.

P/E ratio per share

Share price at December 31 divided by earnings per share.

R&D costs

Costs attributable to research and development activities including costs of personnel engaged in research and development. Reduced by capitalized development costs.

Return on capital employed

Profit 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 show return on shareholders 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.

Working capital

Current assets less current liabilities. Used to show short-term capital needs for operations.

Sustainability definitions

CO₂e, Carbon dioxide equivalent

A term for describing different greenhouse gases in a common unit. For any type of greenhouse gas, CO₂e signifies the amount of carbon dioxide (CO₂) that would have the equivalent global warming impact.

Climate scenario analysis (CSA)

Tool in which an organization looks into the potential impact of future events (scenarios) to assess financial risks and opportunities arising from climate change.

Corporate Sustainability Reporting Directive (CSRD)

EU directive outlining how companies under its scope must report on their environmental, social, and governance performance. It replaces its predecessor, the Non-Financial Reporting Directive (NFRD).

Double materiality assessment (DMA)

Assessment to identify an organization's material sustainability impacts, risks and opportunities. Double materiality acknowledges risks and opportunities from both financial and non-financial perspectives.

Enterprise Risk Management (ERM)

Process supporting risk-based decision making by actively assessing and evaluating major risks on a cross-functional basis.

European Sustainability Reporting Standards (ESRS)

Standards that companies need to use to report sustainability according to CSRD. Provide the framework for companies to report on environmental, social, and governance topics.

Greenhouse Gas (GHG) Protocol

A set of global standardized frameworks to measure and report greenhouse gas emissions from private and public sector operations and value chains.

Radiative Forcing Index (RFI)

A measure of the importance of aircraft-induced climate change other than that from the release of fossil carbon alone.

Science-based targets

Defined pathway for companies to reduce greenhouse gas emissions. Targets are considered science-based if they are in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement – limiting global warming to 1.5°C above pre-industrial levels. Science-based targets come from the Science Based Targets initiative.

Scope 1-3

The GHG Protocol's categorization of the different kinds of greenhouse gas emissions a company creates in its own operations and in its wider value chain. Scope 1 includes direct emissions from a company's own activities. Scope 2 includes indirect emissions related to purchased energy. Scope 3 includes indirect emissions that are the result of activities and assets in the value chain that are not directly owned or controlled by the company.

Sustainability stakeholder dialogues

Formal dialogues with a company's main stakeholders on the topic of sustainability.

Well-to-wheel (WtW)

All greenhouse gas emissions from the production, transportation, transformation and distribution of the fuel combusted by a vehicle.

Ten-year overview

SEK million	2024	2023	2022	2021	2020	2019	2018	2017 ¹	2016	2015
Order intake	7,611	6,280	6,783	4,506	3,687	4,567	3,642	3,567	2,455	2,179
Order backlog	4,702	4,149	3,574	1,975	1,969	2,154	1,904	1,963	1,342	1,066
Profit and Loss Accounts										
Net sales	7,057	5,706	5,119	4,635	3,882	4,307	3,781	3,000	2,319	1,815
Gross profit	3,719	2,855	2,288	2,284	2,080	2,399	2,098	1,716	1,410	1,076
EBITDA	2,287	1,499	1,147	1,254	1,112	1,307	1,094	919	724	566
EBIT	2,021	1,235	894	1,049	898	1,124	1,020	844	691	540
Profit/loss before tax	2,084	1,262	890	1,046	890	1,122	1,011	836	689	540
Tax	-396	-266	-154	-219	-187	-263	-219	-212	-163	-98
Profit/loss for the year	1,688	996	737	827	703	859	792	623	526	442
Balance Sheet										
Non-current assets	3,533	3,021	3,145	2,926	1,886	1,960	1,592	1,192	1,225	242
Inventories	2,056	1,602	1,433	1,363	1,181	1,109	868	589	575	276
Other current assets	1,808	1,578	1,488	978	949	1,075	910	651	747	327
Cash and cash equivalents	3,014	2,140	1,274	683	1,303	655	829	813	209	898
Assets held for sale	—	—	—	186	—	—	—	—	—	—
Total assets	10,412	8,340	7,340	6,136	5,319	4,800	4,199	3,244	2,755	1,742
Equity	6,575	5,282	4,703	3,997	3,378	2,978	2,379	1,780	1,412	1,268
Interest-bearing liabilities	219	227	270	243	264	318	1	13	11	—
Other liabilities	3,618	2,831	2,367	1,870	1,678	1,504	1,819	1,452	1,333	474
Liabilities directly associated with assets held for sale	—	—	—	26	—	—	—	—	—	—
Total equity and liabilities	10,412	8,340	7,340	6,136	5,319	4,800	4,199	3,244	2,755	1,742
Capital employed	6,794	5,509	4,973	4,240	3,641	3,296	2,380	1,793	1,422	1,268
Net cash	2,795	1,912	1,004	440	1,039	337	827	800	198	898
Cash flow										
Cash flow from operating activities	1,874	1,608	853	998	1,126	545	702	984	462	661
Cash flow from investing activities	-500	-195	67	-1,223	-150	-399	-440	-181	-768	-37
Cash flow from financing activities	-552	-447	-382	-437	-288	-326	-258	-194	-392	-392
Cash flow for the year	822	966	537	-662	689	-180	4	609	-699	233

1) Restated for comparability.

Ten-year overview *continued*

SEK million	2024	2023	2022	2021	2020	2019	2018	2017 ¹	2016	2015
Key ratios										
Book-to-bill	1.1	1.1	1.3	1.0	0.9	1.1	1.0	1.2	1.1	1.2
Gross margin, %	52.7	50.0	44.7	49.3	53.6	55.7	55.5	57.2	60.8	59.3
EBIT margin, %	28.6	21.6	17.5	22.6	23.1	26.1	27.0	28.1	29.8	29.8
Underlying EBIT margin, %	29.7	22.7	18.3	24.7	25.1	27.1	28.5	31.7	31.7	—
Equity/assets ratio, %	63.1	63.3	64.1	65.1	63.5	62.1	56.7	54.9	51.2	72.8
Return on equity, %	28.5	20.0	16.9	22.4	22.1	32.1	38.1	39.1	39.3	35.8
Return on capital employed, %	34.1	24.3	19.6	26.9	26.1	39.9	49.0	52.6	51.4	43.7
Capital turnover, multiple	1.1	1.1	1.1	1.2	1.1	1.5	1.8	1.9	1.7	1.5
Research and development, R&D										
R&D costs	747	653	638	548	514	559	476	348	348	267
R&D costs/net sales, %	10.6	11.4	12.5	11.8	13.2	13.0	12.6	11.6	15.0	14.7
Data per share										
Number of outstanding shares at year-end, million	97.6	97.6	97.6	97.6	97.7	97.8	97.9	97.9	97.9	97.9
Average number of outstanding shares before dilution, millions	97.6	97.6	97.6	97.6	97.7	97.9	97.9	97.9	97.9	97.9
Average number of outstanding shares after dilution, millions	97.6	97.6	97.6	97.7	97.8	97.9	97.9	97.9	97.9	97.9
Share price at December 31, SEK	399.40	287.40	195.80	211.00	245.40	185.10	118.10	85.00	98.00	82.25
Proposed dividend per share	5.50	4.50	3.50	3.00	3.00	2.00	3.00	2.50	2.00	1.50
Proposed extra dividend	2.00	—	—	—	—	—	—	—	—	2.50
Earnings per share (average number of shares before dilution)	17.25	10.22	7.59	8.48	7.10	8.74	8.09	6.37	5.38	4.52
Earnings per share (average number of shares after dilution)	17.24	10.22	7.59	8.48	7.10	8.74	8.09	6.37	5.38	4.52
Equity per share (number of shares at year-end)	67.37	54.12	48.17	40.94	34.58	30.46	24.30	18.18	14.42	12.95
P/E ratio (calculated using average number of shares)	23	28	26	25	35	21	15	13	18	18

1) Restated for comparability.

Shareholder information

Financial reporting financial year 2025

- Interim Report January–March, April 25, 2025
- Interim Report January–June, July 11, 2025
- Interim Report January–September, October 23, 2025
- Year-end Report 2025, February 5, 2026

Financial information

The 2024 Annual and Sustainability Report is published on the website and through a press release on April 1, 2025.

Financial reports and press releases are available on the website. Through a subscription service on the investor pages of the website, it is possible to register to obtain reports and press releases.

Distribution of the Annual and Sustainability Report 2024

A printed Annual and Sustainability Report is distributed to those who request it. The Annual and Sustainability Report is also available at Mycronic's website, www.mycronic.com.

Annual General Meeting 2025

The Annual General Meeting of Mycronic will be held on Wednesday, May 7, 2025, at 5:00 p.m. at the company's premises at Nytorpsvägen 9 in Täby. The entrance will open at 4:00 p.m.

Exercise of the right to vote

Shareholders who wish to exercise their voting rights at the Annual General Meeting must be recorded in the share register kept by Euroclear Sweden AB on Monday, April 28, 2025 and notify their intention to participate to the company.

For shareholders who have their shares nominee-registered through a bank or other nominee, the following applies in order to be

entitled to participate in the meeting. In addition to registering, such shareholders must re-register their shares in their own name so that the shareholder is registered in the share register kept by Euroclear Sweden AB as of the record date on Monday, April 28, 2025. Such re-registration may be temporary (so-called voting rights registration). Shareholders who wish to register their shares in their own name must, in accordance with the respective nominee's procedures, request that the nominee make such registration. Registration of voting rights requested by shareholders at such a time that the registration has been made by the nominee no later than Wednesday, April 30, 2025 will be taken into account in the preparation of the share register.

Notification of physical participation or participation through a representative

Anyone wishing to attend the meeting physically or through a representative must no later than 12:00 p.m. on Wednesday, April 30, 2025, notify the company in one of the following ways;

- On the website www.mycronic.com
- By telephone +46 8 518 01 551
- By mail to Computershare AB, "Mycronic's Annual General Meeting", P.O. Box 5267, 102 46 Stockholm, Sweden
- By e-mail to proxy@computershare.se

The notification shall state name, personal ID number or corporate registration number, address and telephone number, number of shares held and names of any advisors (maximum two).

Anyone who does not wish to attend in person or exercise their voting right by postal vote may exercise their right at the meeting

by proxy with a written, signed and dated power of attorney. If the power of attorney has been issued by a legal entity, a copy of the registration certificate or equivalent authorization document for the legal entity must be attached.

To facilitate access to the meeting, proxies, registration certificates and other authorization documents should be sent to the company at the address Computershare AB, "Mycronic's Annual General Meeting", P.O. Box 5267, 102 46 Stockholm, Sweden no later than Wednesday, April 30, 2025.

Please note that notification of participation in the meeting must be made even if the shareholder wishes to exercise his or her voting rights at the meeting through a proxy. A submitted power of attorney does not apply as notification to the meeting.

Instructions for postal voting

Shareholders who wish to exercise their voting right by postal voting must use the postal voting form and follow the instructions available on the company's website www.mycronic.com. Postal voting forms can also be provided by post to shareholders who request it by phone +46 8 518 01 551, weekdays at 9.00 a.m.–16.00 p.m.

Completed and signed postal voting forms can be sent either by post to Computershare AB, "Mycronic's Annual General Meeting", P.O. Box 5267, 102 46 Stockholm, Sweden or by e-mail to proxy@computershare.se. The completed form must be received by Computershare no later than Wednesday, April 30, 2025.

Shareholders who are natural persons can also cast a postal vote electronically through verification with BankID via the company's website www.mycronic.com. Such electronic

votes must be cast no later than Wednesday, April 30, 2025.

The shareholder may not provide the postal vote with special instructions or conditions. If this happens, the entire postal vote is invalid. Further instructions and conditions can be found in the postal voting form.

If a shareholder submits its postal vote by proxy, a written and dated power of attorney signed by the shareholder must be attached to the postal voting form. Proxy forms are available on the company's website www.mycronic.com. If the shareholder is a legal entity, a registration certificate or other authorization document must be attached to the form.

Anyone wishing to revoke a postal vote and instead exercise their right to vote by attending the meeting physically or by proxy must notify the secretariat of the meeting before the meeting opens.

Contacts

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