

# Q1 2020

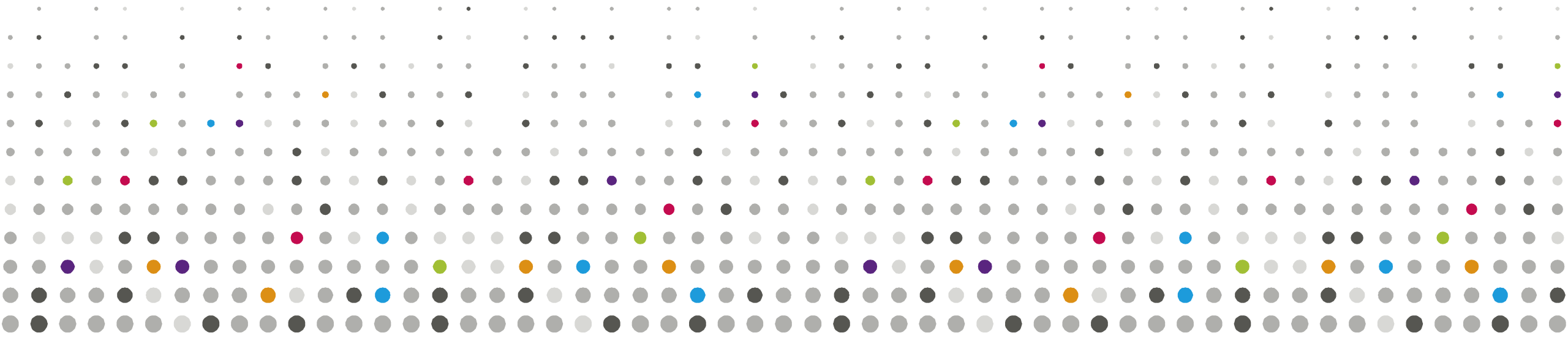
April 23, 2020

Anders Lindqvist

President and CEO

Torbjörn Wingårdh

CFO



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# Q1 Performance

Anders Lindqvist, President & CEO



# MYCRONIC

When passion meets innovation ●

# Agenda

- Q1 Performance
  - COVID-19
  - Outlook
- Organization for future growth
- Financials
- Q&A



# Q1 – stable quarter with strong order intake

- Order intake doubled to SEK 1,432 million
  - 4 SLX and 1 Prexision 800 Evo
  - Strong momentum in China
  - Robust order backlog of SEK 2.9 (1.5) billion
  - 25% order intake growth in Assembly Solutions
- According to plan, no deliveries of mask writers, which fully explains group decrease
  - -33% on net sales to SEK 736 million
  - -86% on EBIT to SEK 55 million
- Assembly Solutions net sales up 8%
  - Strong demand in dispensing in China



# The new SLX Series



*4 system orders in Q1 confirms market interest*

# COVID-19

Marginal  
impact in Q1

Increased  
uncertainty  
for 2020

Robust order  
backlog

Short and  
long-term  
outlook  
remains

Diversified by  
segments,  
products and  
geographies

Strong  
financial  
position and  
liquidity



# Accountability through business divisions



**Pattern  
Generators**

*Acting*



**Assembly Solutions  
High Flex**



**Assembly Solutions  
High Volume**



**Assembly Solutions  
Global  
Technologies**



# Strategic roadmap 2020-24

Drive customer centricity

Increase Assembly Solutions profitability

Secure and expand Pattern Generators

# Long-term performance

## Long-term net sales target

Outlook 2020 **4,100** MSEK

**5,000** MSEK latest by 2023

## Profitability

**>15%** EBIT margin over a business cycle

Assembly Solutions **>10%** FY 2021

Pattern Generators at continued healthy level

## Capital structure

Net debt **<3x** average EBITDA calculated over three years

# Q1 Financials

Torbjörn Wingårdh, CFO

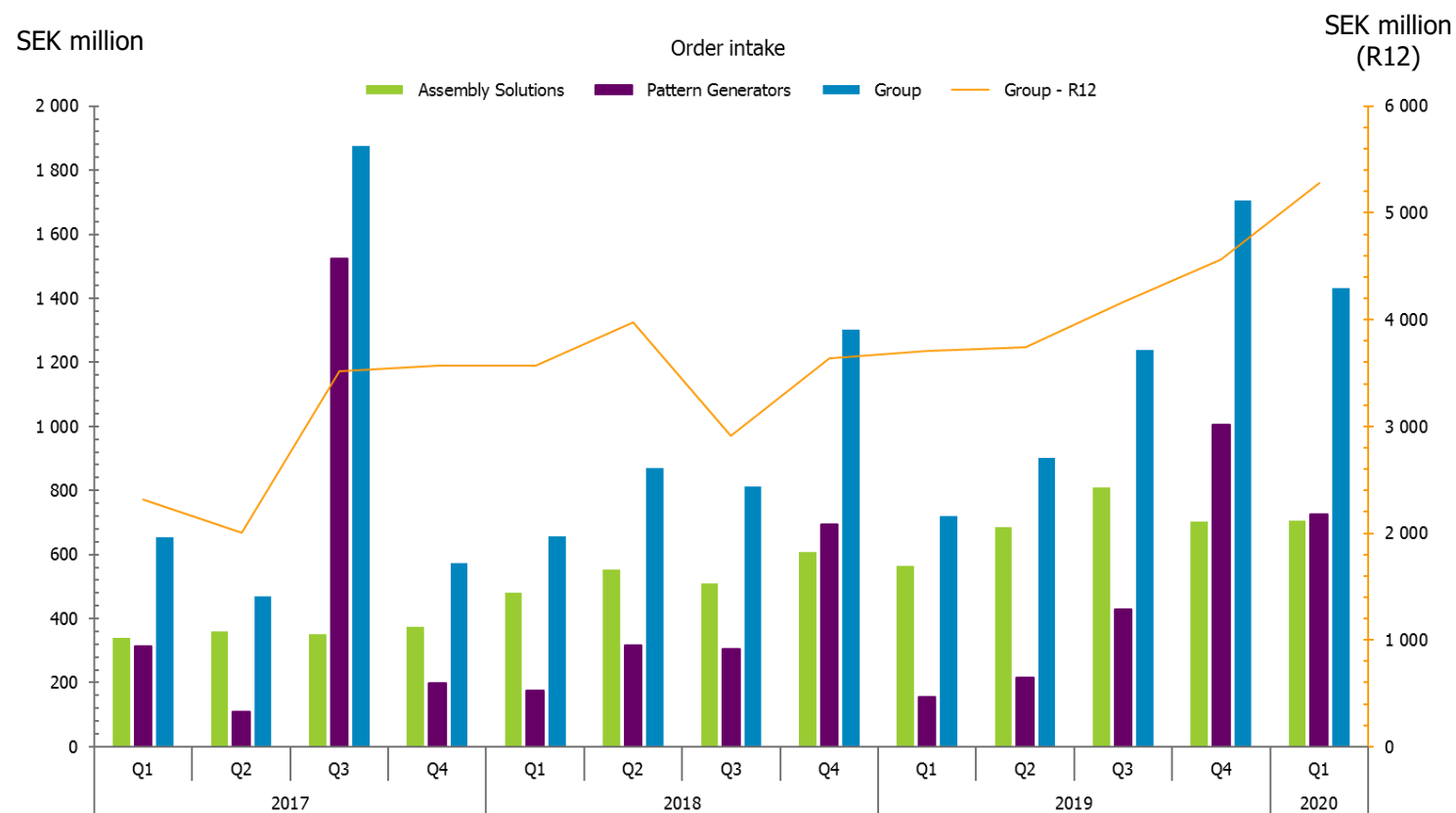


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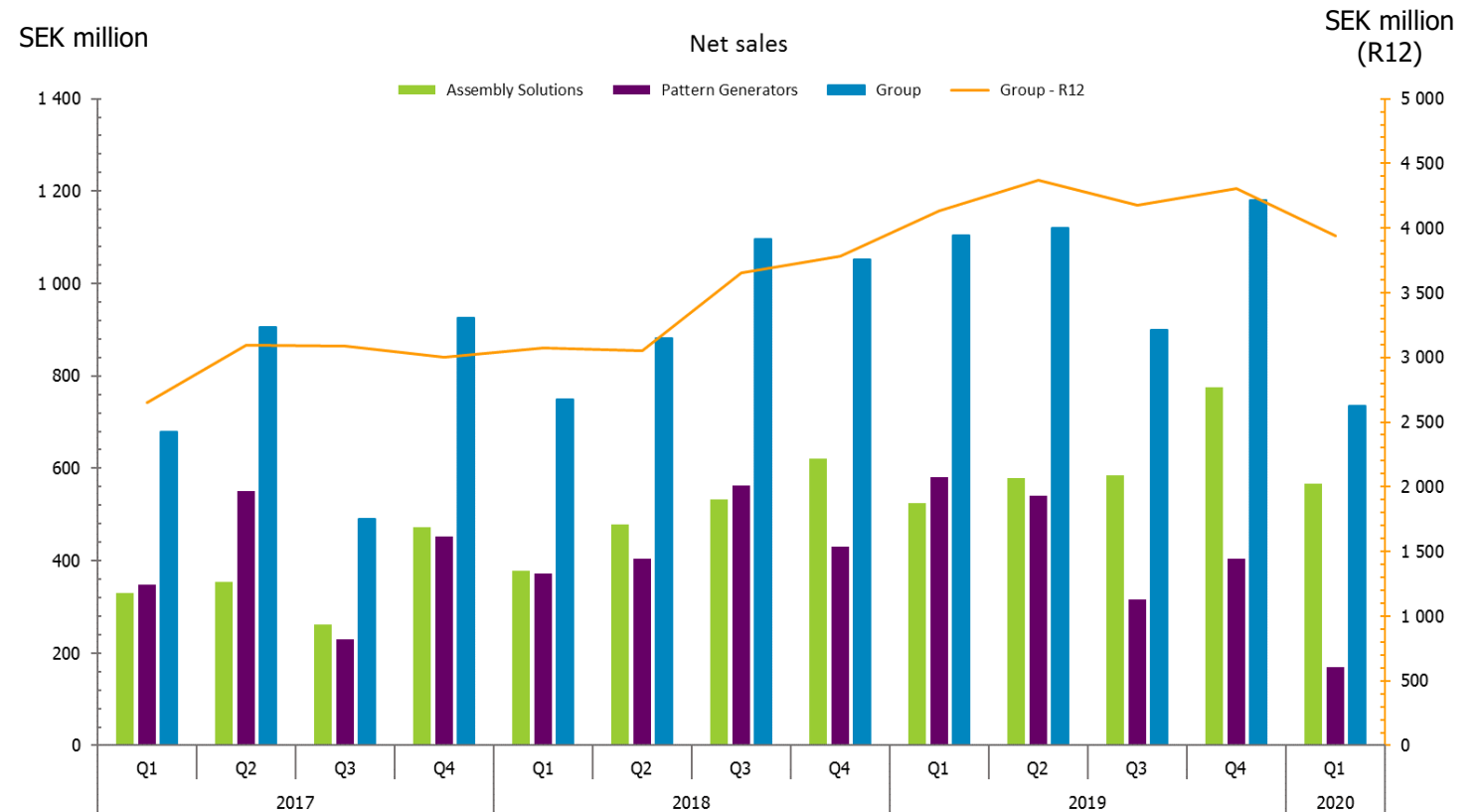
# Strong order intake



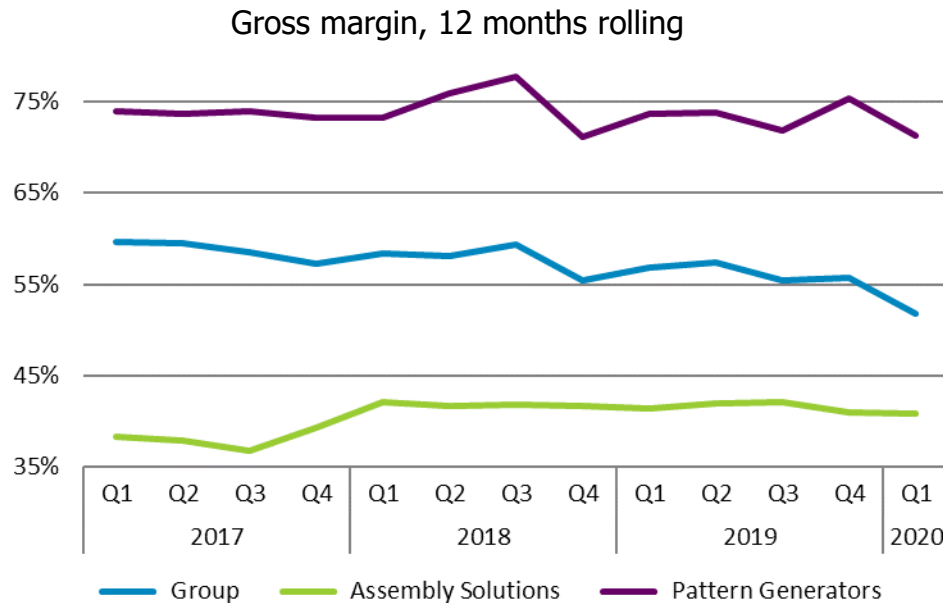
- Group R12 at SEK 5.3 billion
- Q1 order intake increased 99% to SEK 1,432 million
  - Assembly Solutions +25%
  - Pattern Generators +366%
- Backlog at SEK 2,860 (1,525) million
  - Assembly Solutions +71% to SEK 945 (553) million
  - Pattern Generators +97% to SEK 1,915 (972) million

# Net sales decrease due to mask writer delivery plan

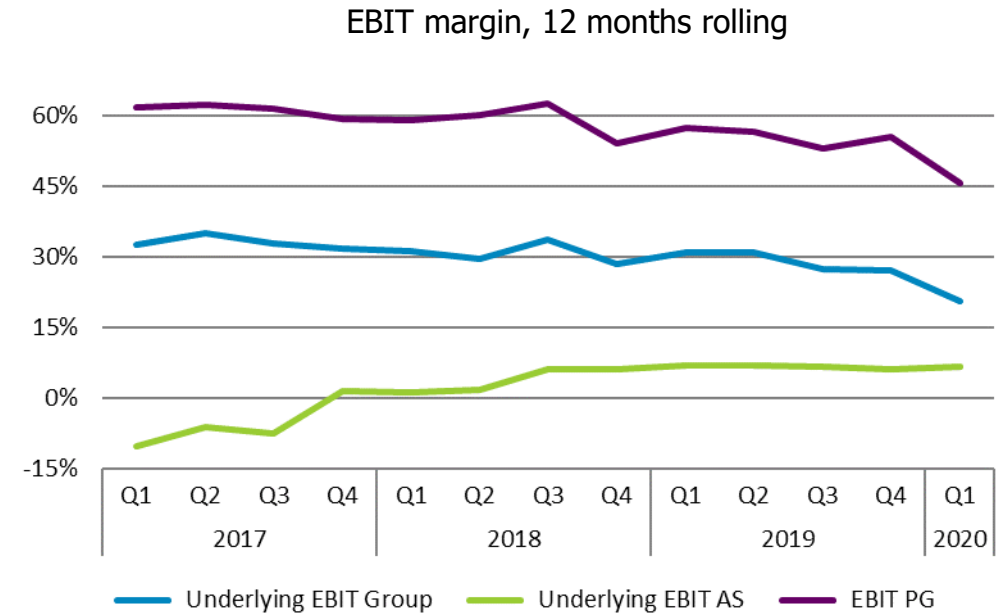
- No Pattern Generator systems delivered versus 2 mask writers and 1 major upgrade in Q1 2019
- Q1 net sales decreased 33% to SEK 736 (1,105) million
  - Assembly Solutions increased 8% to SEK 567 (524) million from good momentum in China
  - Pattern Generators decreased to SEK 169 (581) million due to natural lumpiness
- Positive currency effects of SEK 22 million



# Volume main driver for EBIT decrease



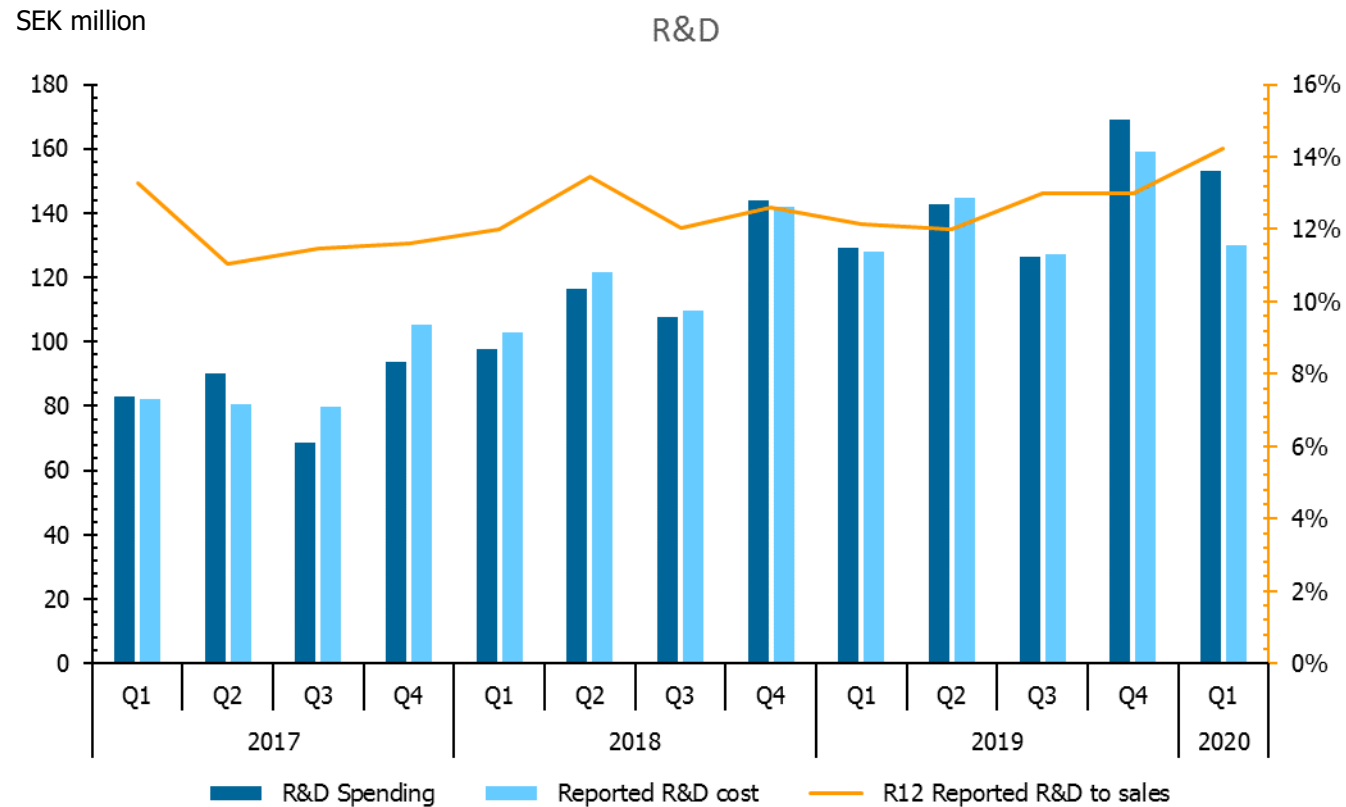
- Q1 gross margin at 45.4% (62.6)
  - Assembly Solutions at 39.7% (40.8)
  - Pattern Generators at 64.6% (82.3). The decrease is according to plan as no system deliveries were made



- Q1 EBIT margin at 7.5% (36.7)
  - Assembly Solutions increase to 3.6% (1.0) including SEK 9 (15) million acquisition related costs
  - Assembly Solutions underlying EBIT margin increase to 5.2% (3.8)
  - Pattern Generators at 21.5% (69.1). The decrease is according to plan as no system deliveries were made



# R&D for innovation and growth



- R&D spending increased SEK 24 million from Q1 2019 primarily driven by Pattern Generators
- Capitalizations of SEK 29 million
- Rolling R&D cost-to-sales ratio at 14.2% (12.1)

# Strong cash position

<b>MSEK</b>	<b>Q1 2020</b>	<b>Q1 2019</b>
Cash flow from operations	-41	368
Change in working capital	326	-300
<b>Cash flow from operations after changes in working capital</b>	<b>285</b>	<b>68</b>
Investing activities	-43	-24
Financing activities	-14	-12
<b>Cash flow for the period</b>	<b>228</b>	<b>32</b>
Cash, opening balance	655	829
Exchange difference	28	12
<b>Cash at end of period</b>	<b>911</b>	<b>873</b>

- Change in working capital mainly explained by advances from customers
- Capitalization of product development equals SEK 29 million
- Strong cash position of SEK 911 million