



Second quarter 2021

Important information

This presentation includes forward-looking statements including, but not limited to, statements relating to operational and financial performance, market conditions, and or similar matters. All forward-looking statements are based on our beliefs and assumptions based on information available at the time the assumption was made. Although the expectations described in these statements are assumed to be reasonable, there is no guarantee that such forward-looking statements will materialize or are accurate. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Mycronic undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law or stock exchange regulations. Mycronic will not be liable for any loss or damage of any kind arising from the use of this information.

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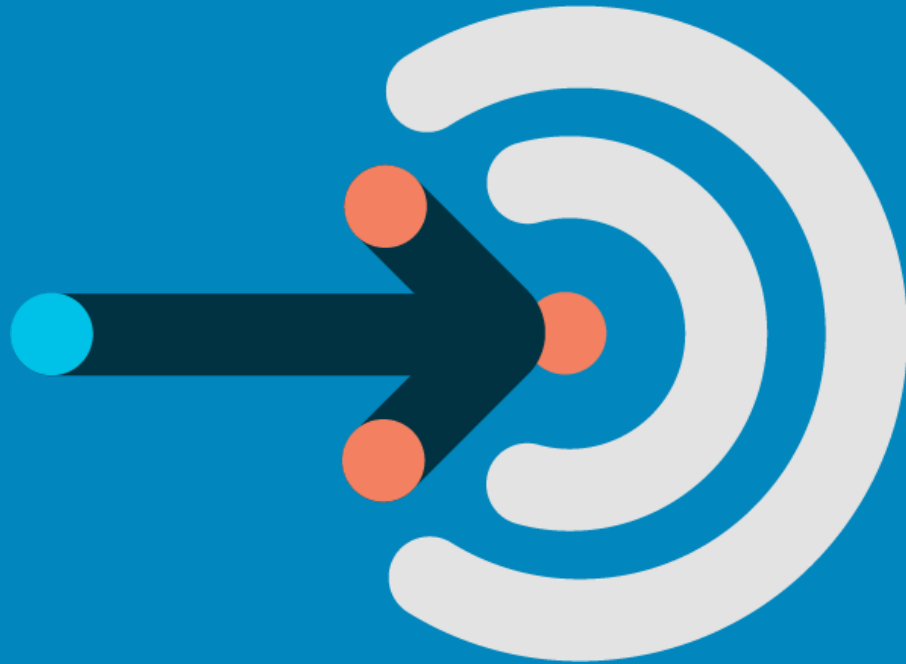
CEO & President

Anders Lindqvist

Agenda

- Q2 in short
- Divisional development
- 2030 sustainability strategy
- Financial details
- Acquisition of atg Luther & Maelzer
- Q&A
- *Appendix – Market update*






Q2 in short

- **Acquisition** of atg Luther & Maelzer
- **Order intake** increased 54% to SEK 1,002 (651) million
 - Improvements in all four divisions
- **Net sales** decreased 2% to SEK 1,064 (1,086) million
 - Less favorable product mix
 - Negative currency effects of SEK 83 million
- **EBIT** decreased 14% to SEK 241 (281) million
 - Improved EBIT in High Flex, High Volume and Global Technologies
- **EBIT margin** lower at 23 (26)%
 - 13% EBIT margin in former Assembly Solutions
- **Order backlog** at SEK 1,774 (2,425) million
 - Contained 9 mask writers on June 30
 - Includes SEK 130 million backlog pertaining to atg L&M



Decentralized divisions

Close to customers, short decision-making paths



Share of Group's net sales

37%

Net sales
SEK 389 M

Order intake
SEK 209 M

EBIT
SEK 174 M

EBIT margin
45%

Pattern Generators

Solid order intake

- Continued favorable, long-term market trend
 - Last year negatively impacted by weaker market for photomasks for displays
 - Performance should be viewed from a long-term perspective
- Improved order intake
 - 89% increase on previous year to 209 (111) million
 - Additional Prexision Lite 8 Evo and FPS 6100 Evo orders after the quarter
- Backlog of SEK 617 (1,522) million
 - 11 systems including two orders in July
- Net sales, gross margin and EBIT lower due to less favorable product mix
 - Four systems delivered vs three systems in Q2 2020

Assembly Solutions High Flex

Improvements across the line

- Positive market climate
 - Strong demand from consumers
 - High demand for electronics
- Order intake increased 63%
 - Major order in Europe
- Net sales increased 6%
- EBIT at SEK 11 (-15) million
 - Improvement mainly explained by a negative currency result of SEK 22 million in Q2 2020.
- Increased backlog at SEK 150 (81) million

Share of Group's net sales

25%

Net sales

SEK 262 M

Order intake

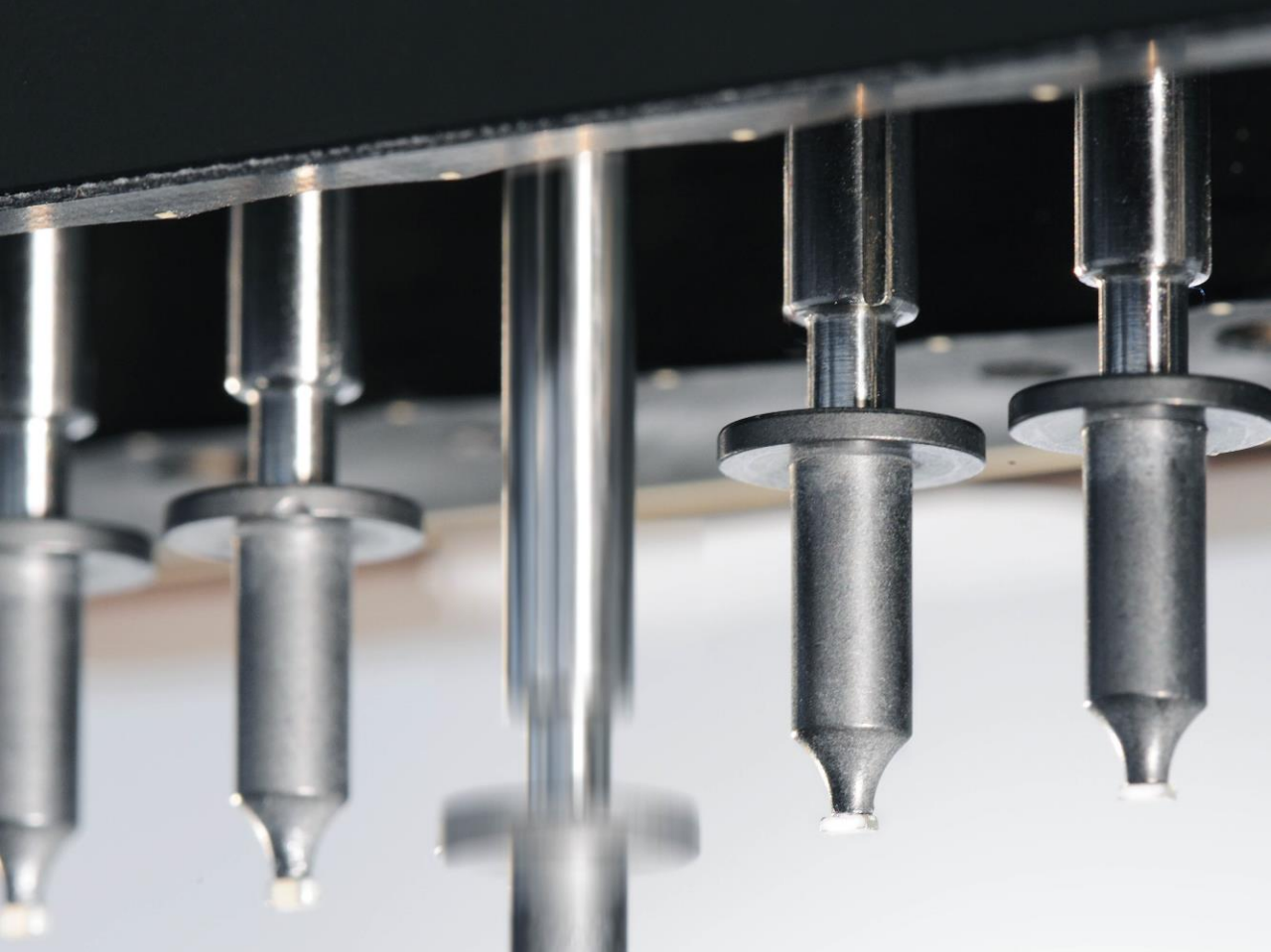
SEK 279 M

EBIT

SEK 11 M

EBIT margin

4%





Assembly Solutions High Volume Strong position

- Positive market drivers
 - Chinese production moves back to China
 - Investments in automation
- Strong position in the Chinese market
- Order intake increased 21%
- Net sales growth of 40% to SEK 315 million
- Improved gross margin to 53 (43)%
- EBIT increased 64%, with a 30% EBIT-margin

Share of Group's net
sales

30%

Net sales

SEK 315 M

Order intake

SEK 381 M

EBIT

SEK 94 M

EBIT margin

30%

Global Technologies

Positive order intake

- Acquisition of atg L&M on June 25
- Camera modules to automotive industry demonstrated increased activity in the US, Europe and China
 - Chinese market however characterized by intense local competition
- New customer wins in die bonding and major order in China
- Order intake increased 94%
- Lower net sales but stable gross margin at 38%
- EBIT at SEK 7 (-2) million and 6 (-2)% margin
 - Cost saving initiatives contributed to the improvement
- Backlog of SEK 249 million includes SEK 130 million pertaining to atg L&M

Share of Group's net sales

10%

Net sales

SEK 107 M

Order intake

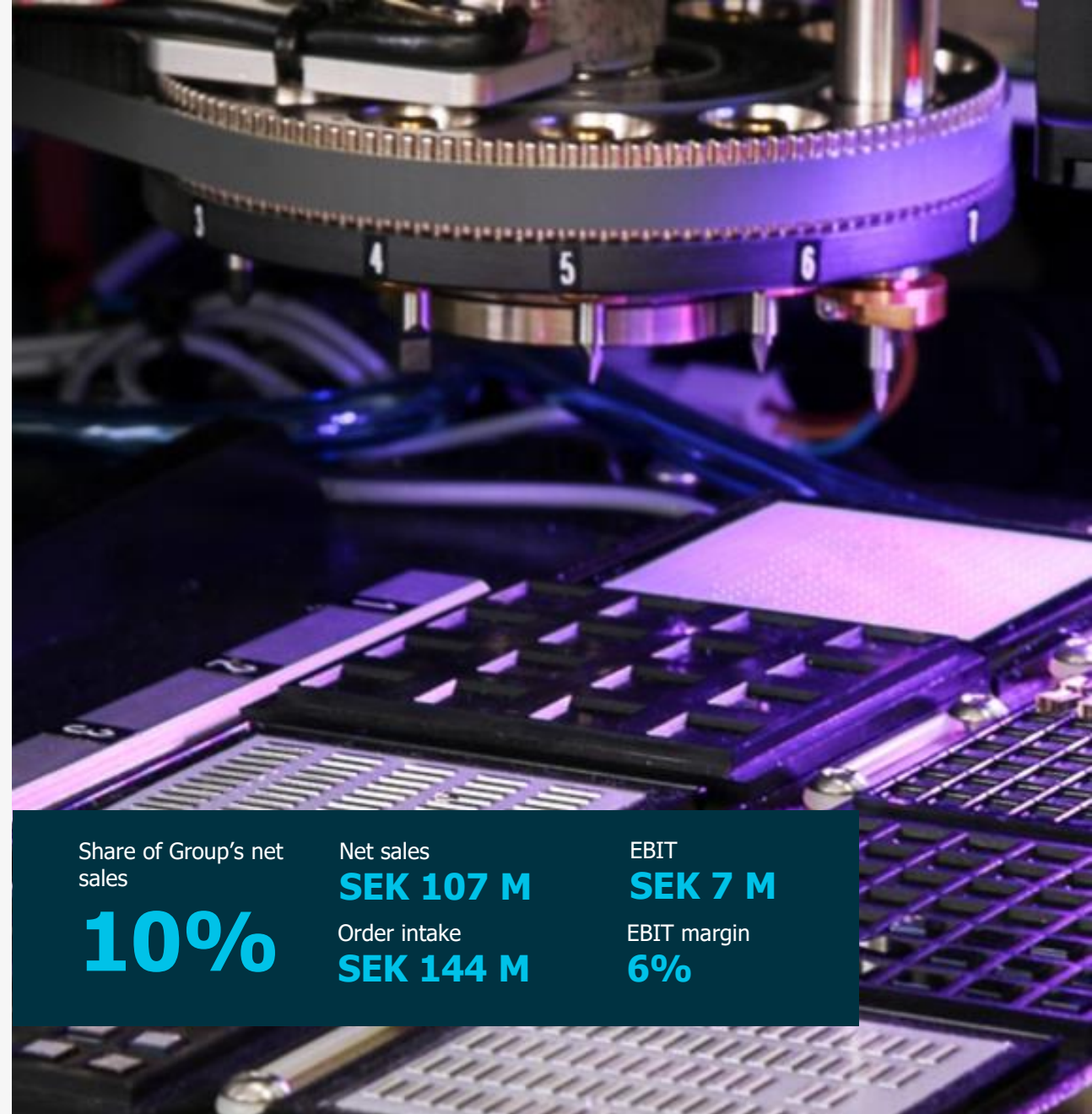
SEK 144 M

EBIT

SEK 7 M

EBIT margin

6%



Outlook revised

Mainly attributable to higher volumes and the acquisition of atg L&M

Outlook 2021

SEK 4.5 bn

at prevailing
exchange rates

Profitability

>15%

over a business
cycle

Profitability
2021

>10%

in former
Assembly
Solutions

Net debt

<3x EBITDA

Growth

SEK 5 bn

latest by 2023

An aerial photograph of a city skyline at sunset. The sun is low on the left, casting a warm orange glow over the scene. In the foreground, a multi-lane highway with a curved interchange is visible, with several cars driving. The middle ground shows a dense urban area with various buildings, including a large parking lot and a building with a sign that says "Outdoor World". The background features a prominent skyline with several tall skyscrapers, including a very tall, thin one that stands out. The sky is filled with soft, wispy clouds.

Sustainability Strategy

Three strategic goals at the core of Mycronic's 2030 Sustainability Strategy

Innovation for sustainability

Enable our customers to achieve their sustainability ambitions, through product innovation

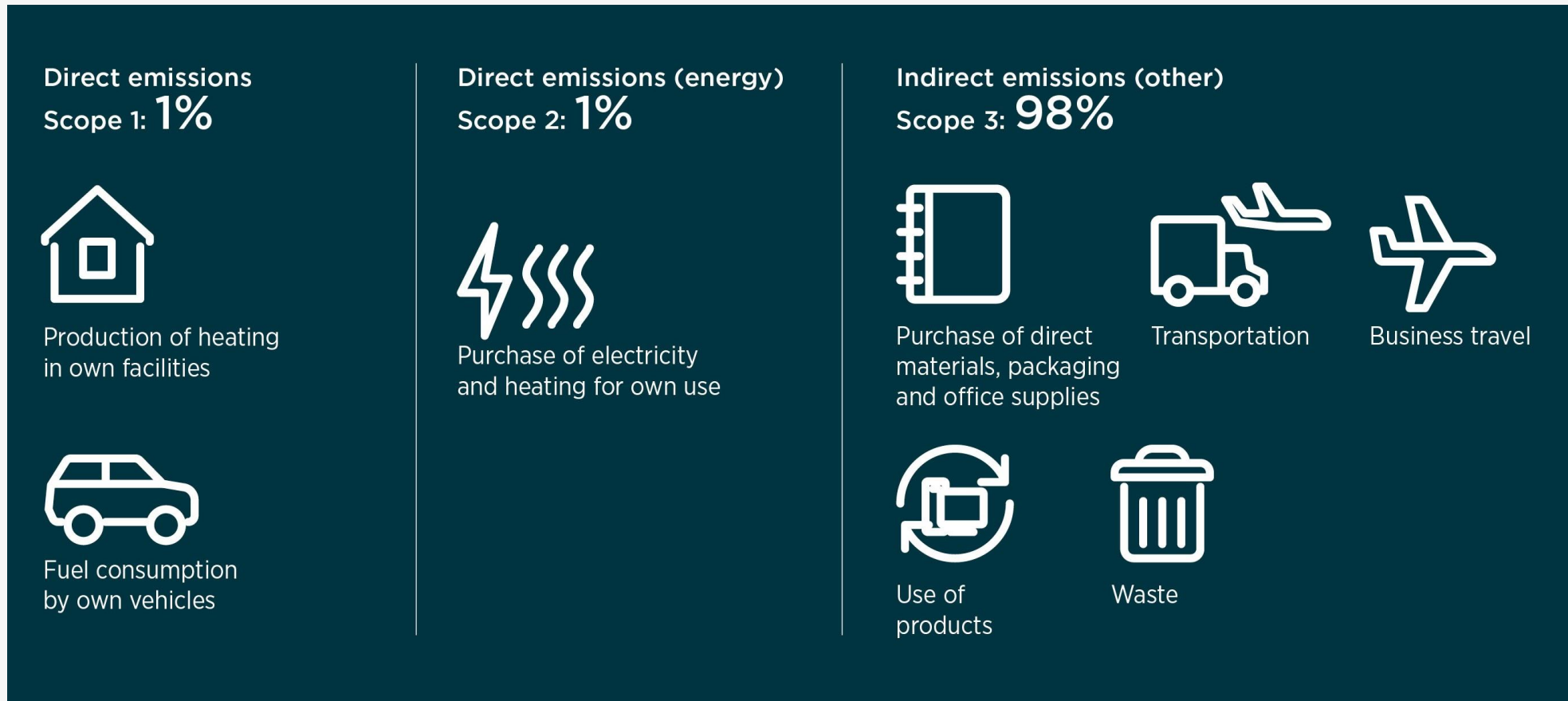
Future engineers through diversity

Foster diversity, equality and inclusiveness in the communities where we act

Environmental footprint

Cut own CO2 emissions 50% by 2030

80% of Mycronic's total carbon dioxide emissions stem from customers' use of our products



Reducing carbon emissions from mask writers

The challenge

- Mask writers are used 24 hours a day and their lasers consume significant amounts of energy. Customers' use of our mask writers account for Mycronic's single largest source of CO₂ emissions (Scope 3).

Our solution

- Mycronic has developed a new mask writer, the SLX, which uses Solid State Laser (SSL) technology. This technology saves up to 99% of the energy used for the laser!
- Our ambition is to enable the use of this technology in all our mask writers in the future.

Innovation for
sustainability

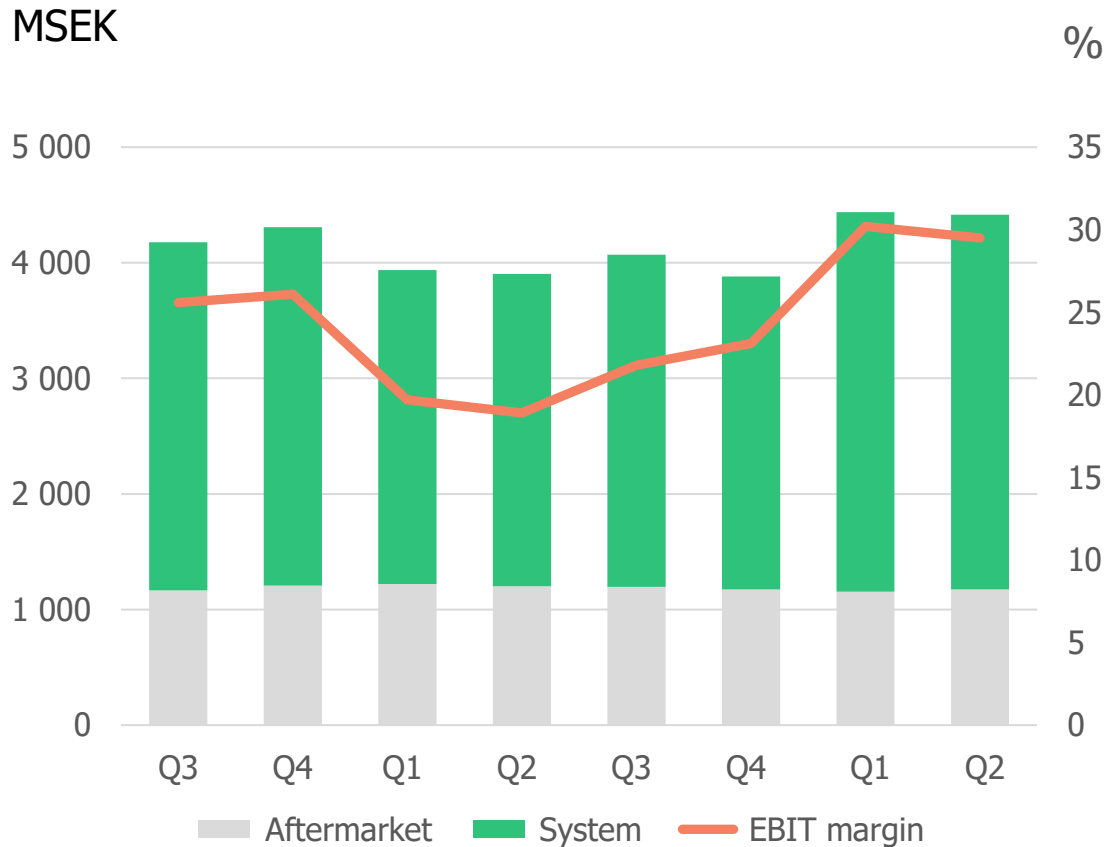




CFO

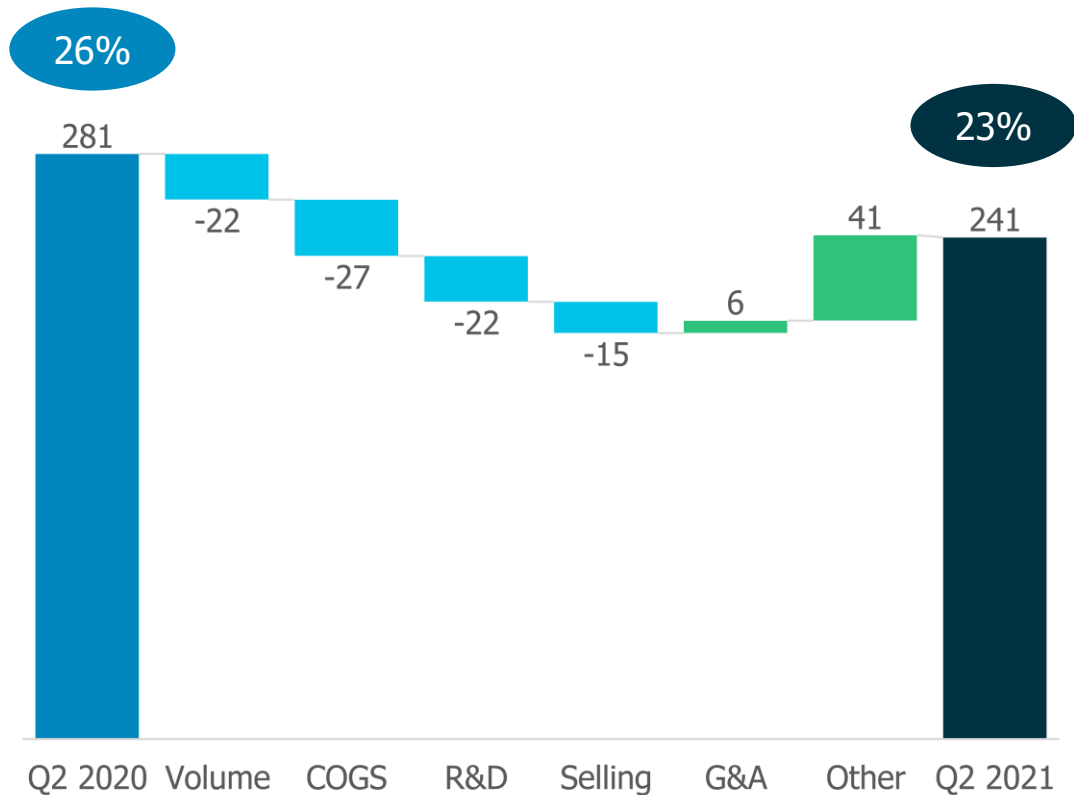
Torbjörn Wingårdh

Net sales and EBIT margin rolling 12 months



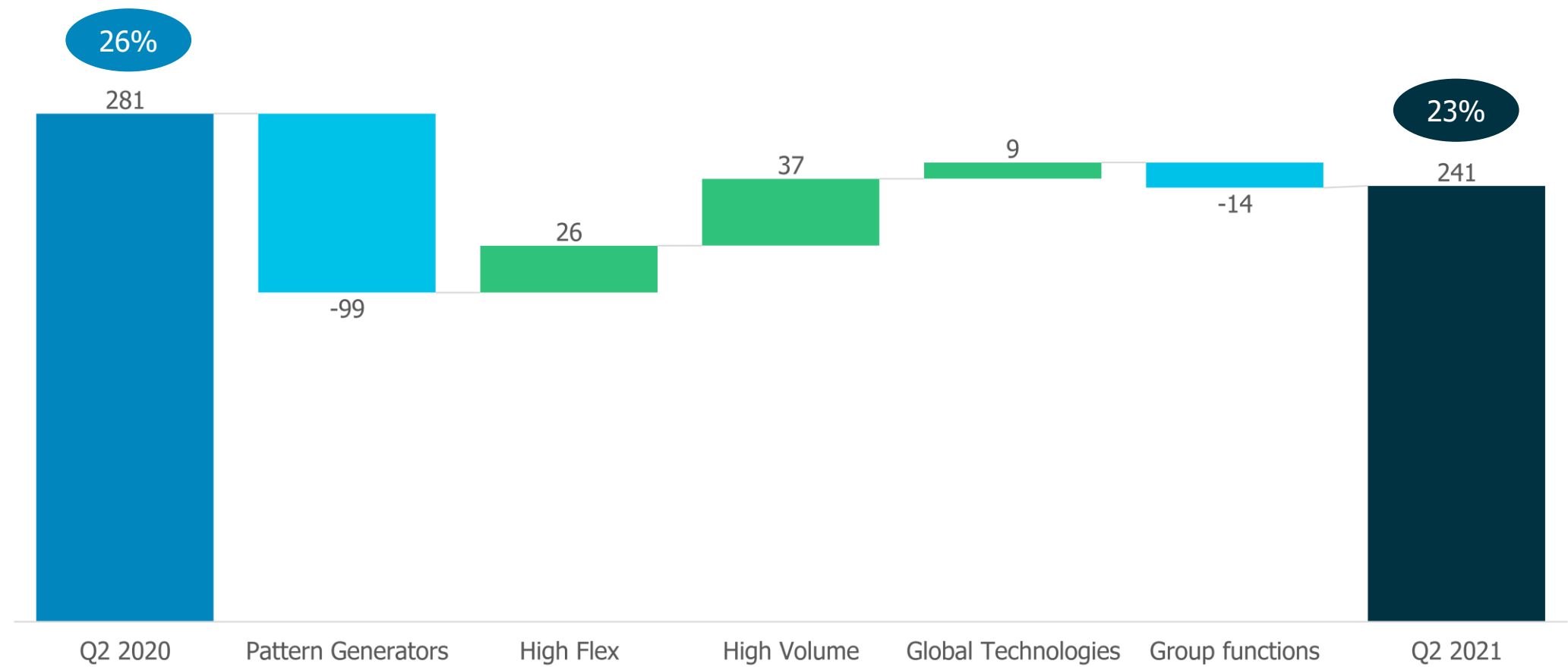
- Net sales R12 amounted to SEK 4,414 million
- Improved EBIT in High Flex, High Volume and Global Technologies could not fully offset less favorable product mix in Pattern Generators
- Q2 EBIT margin at 23% and 29% R12
- Aftermarket constitutes a stable base of recurring revenue

Lower EBIT in Q2

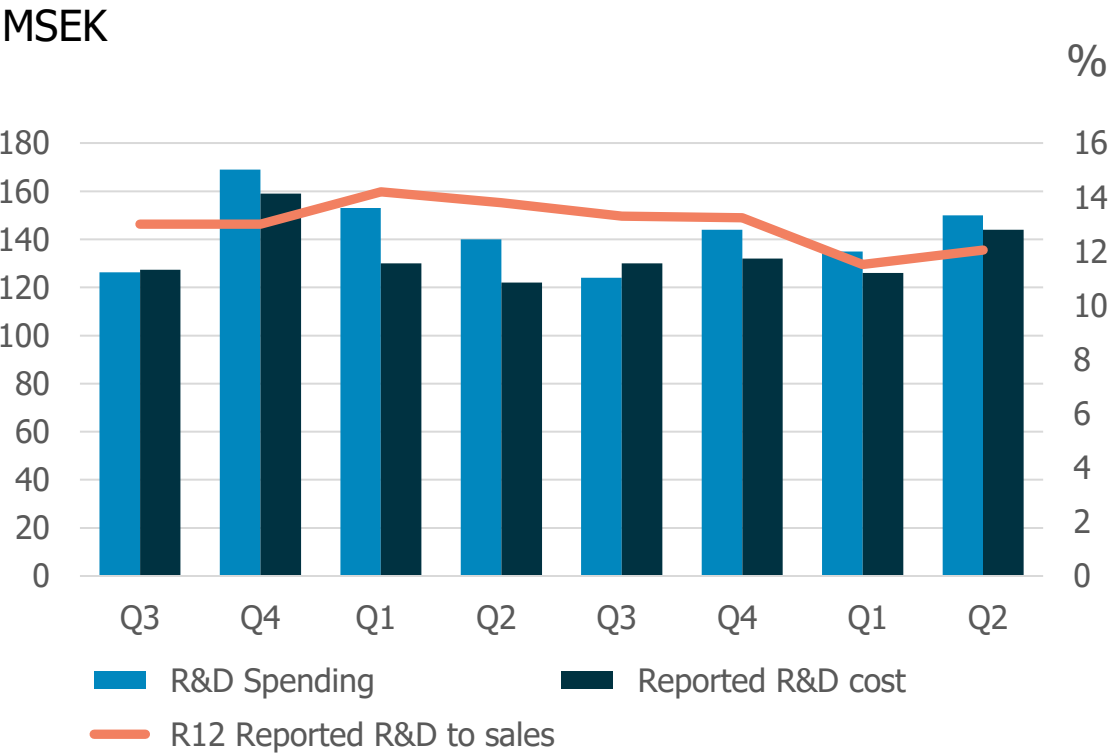


- Negative volume effects from Pattern Generators and Global Technologies
 - High Flex and High Volume contributed positively
- COGS impacted by product mix
- Increase in R&D expenditures coupled with lower capitalization behind increased R&D costs
- Selling costs affected by M&A activities
- Currency results positively affected other income and expenses

Divisional EBIT contribution



R&D for innovation and growth



- R&D spending increased SEK 10 million from Q2 2020
- Capitalization of SEK 10 million and amortization of SEK 4 million
- Rolling R&D cost-to-sales ratio at 12.0%

Major impact on cash flow from acquisition

MSK	YTD 2021	YTD 2020
Cash flow from operations before change in working capital	651	269
Change in working capital	31	-2
Cash flow from operations	682	267
Investing activities	-1,071	-97
Financing activities	83	163
Cash flow for the period	-306	333
Cash, opening balance	1,303	655
Exchange difference	22	-5
Cash at end of period	1,019	984

- Acquisition of atg L&M impacted investing activities with SEK 1,030 million
- Financing activities include:
 - SEK +455 million utilization of credit facilities
 - SEK -294 million dividend payment
 - SEK -39 million acquisition of non-controlling interest in Axxon Piezoelectric Technology Co, Ltd
- Net cash amounted to SEK 313 million on June 30



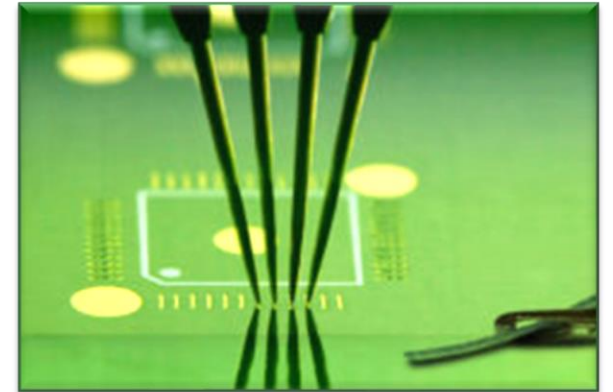
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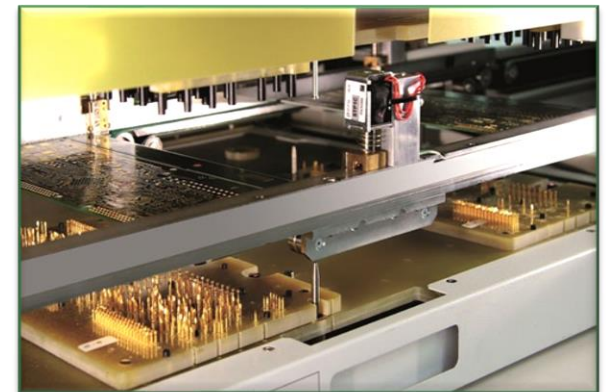


- atg L&M produces and sells flying probe test systems and universal grid test systems for PCBs and substrates
- atg L&M has 190 employees, HQ is in Wertheim, Germany

Flying probe test



Grid test



atg L&M **test solutions**

Flying Probe PCB test



Test of PCBs in low- to mid-volumes

Flying Probe substrate test



Testing down to 10 µm pad sizes

Universal Grid PCB test



Testing of PCBs in high volume production

atg L&M **fit with Mycronic**

atg L&M a good fit with Mycronic

- Good DNA and cultural fit with Mycronic
- High flex – high precision niche position
- Stable, well established, leading position in flying probe tests
- Solid aftermarket business
- Strong profitability

Mycronic a good owner of atg L&M

- Focused owner allowing atg L&M to focus on its business
- Strong global presence for atg L&M to leverage
- Strong China presence for atg L&M to leverage
- Strong financials to allow for further expansion

Final remark

- Mycronic has a strong position for sustainable profitable growth:
 - Customer-centric, scalable and decentralized organization
 - Competitive product portfolio
 - Combination of organic and acquisition-driven growth
 - Dynamic, innovative and responsible culture





Q&A

APPENDIX

Q2 2021 Market update

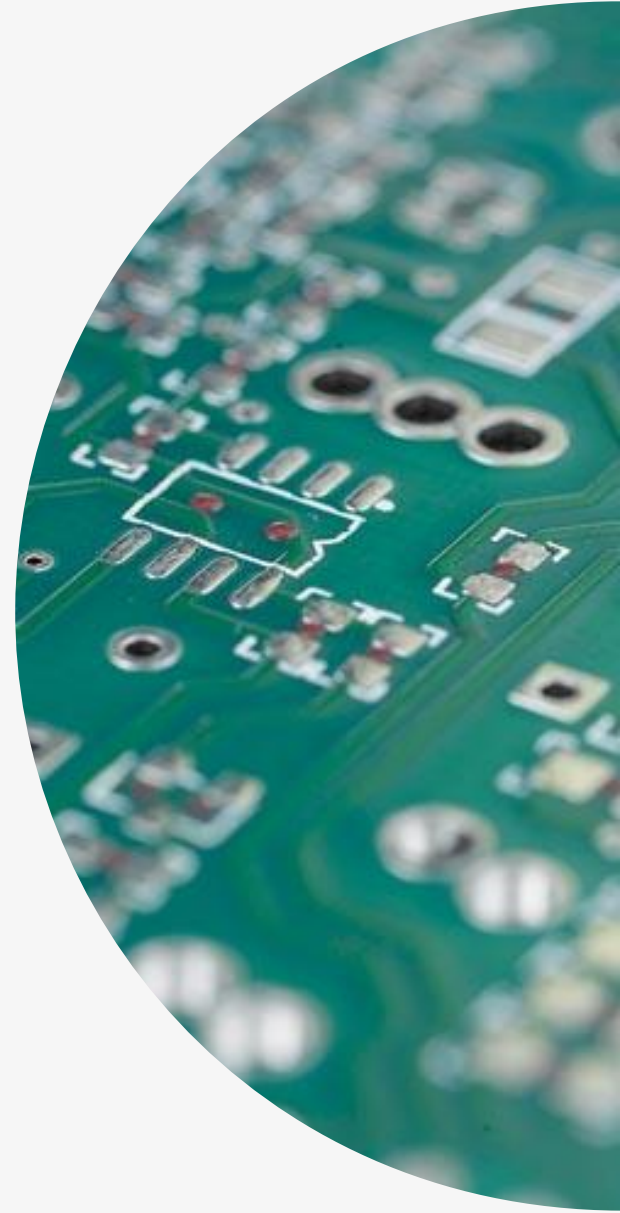
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Outcome 2020

Market summary and updates

- Global electronics at +1.2% to 2,198 BnUSD¹⁾
- Semiconductors +6.5% to 439 BnUSD¹⁾
- SMT assembly equipment +7.2% to 2,945 MUSD²⁾
- Dispensing equipment -8.8% to 730 MUSD³⁾
- Camera modules -8.6% to 171 million units⁴⁾
- Display market +13.7% to 124 BnUSD⁵⁾
- Display photomasks -10.6% to 821 MUSD⁶⁾

Source: 1) Prismark June 2021, 2) Protec MDC January 2021, 3) Prismark April 2021, 4) IHS Markit April 2021, 5) Omdia June 2021 6) Omdia June 2021, 100Yen/USD used as conversion rate





Forecasts 2021

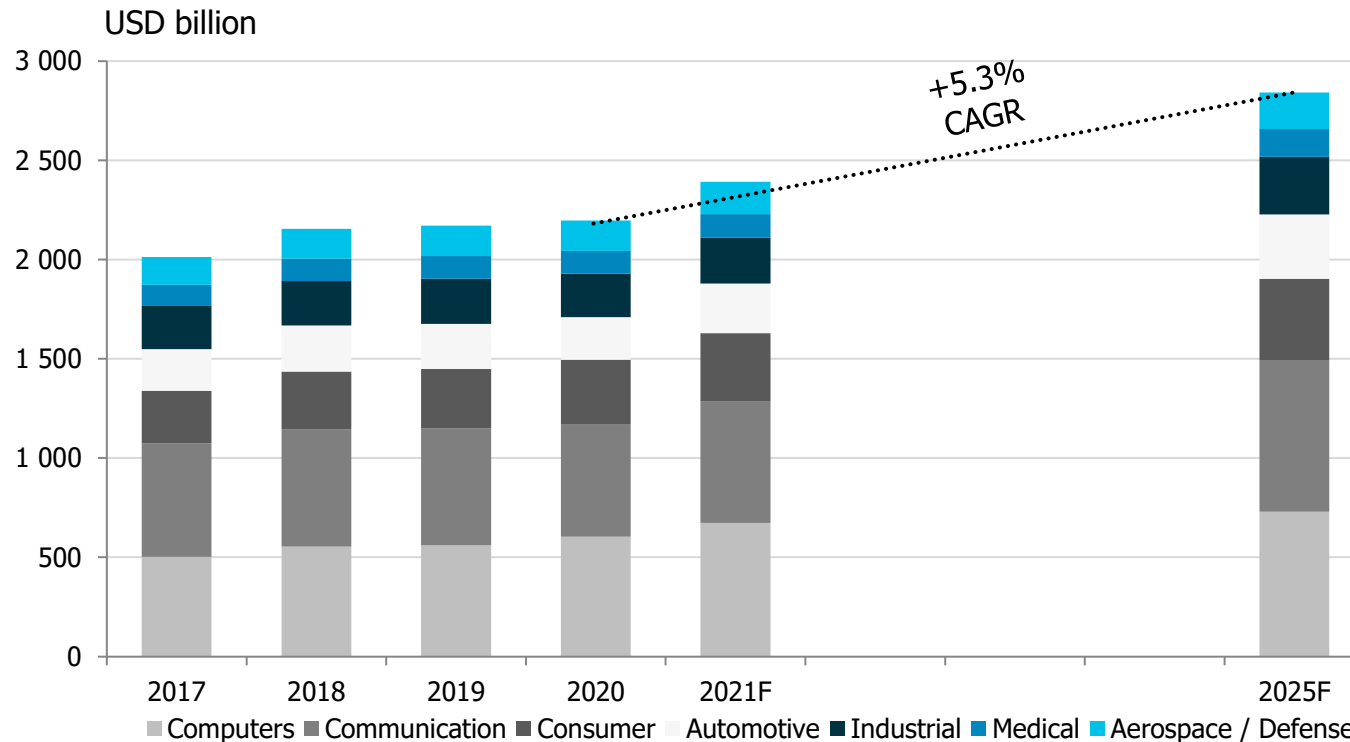
Market summary and updates

- Global electronics industry growth forecast +8.8%, to reach 2,392 BnUSD¹⁾
 - Long term forecast 2020 to 2025 indicates a CAGR of +5.3%
- Semiconductor industry growth forecast +16.2% and to reach 510 BnUSD¹⁾
 - Forecast 2021 to 2025 indicates a CAGR of +4.8%¹⁾
- Camera modules forecast to 210 million units²⁾
 - +10.0% CAGR 2019 to 2025 to 333 million units
- Displays +29.7% to 161 BnUSD³⁾
- Display photomasks +4.5% to 858 MUSD^{4, 5)}
- SMT market: not available
- Dispensing: not available

Source: 1) Prismark June 2021, 2) IHS Markit April 2021, 3) Omdia April 2021, 4) Omdia FPD large-area photomask research June 2021. Information is not an endorsement of Mycronic. Any reliance on these results is at the third party's own risk. 5) 100YEN per USD used for conversion from JPY to USD

Electronics industry systems

Yearly development by industry segment

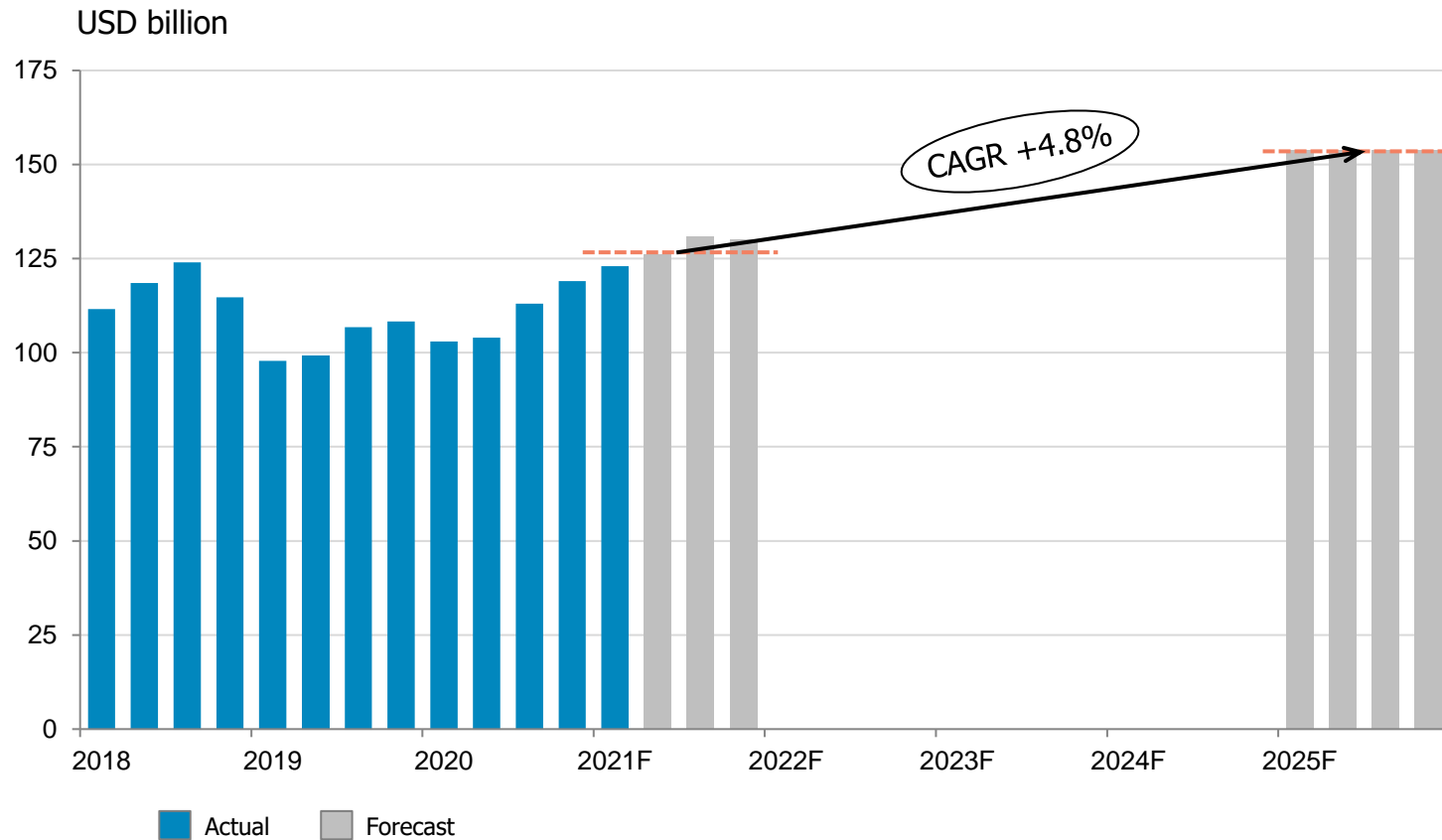


- Growth of +1.2% in 2020 to 2,198 BnUSD
- Forecast growth of +8.8% in 2021 to 2,392 BnUSD with expected growth in segments
 - Automotive +16.8%
 - Computers +11.4%
 - Communication +7.9%
- +5.3% CAGR expected for 2020-2025, with strongest development in
 - Automotive +8.6%
 - Communication +6.1%
 - Industrial +5.9%

Source: Prismark, June 2021

Semiconductors

Quarterly development



- +6.5% growth in 2020 to 439 BnUSD
- +16.2% growth forecast in 2021 to 510 BnUSD
- 2021 to 2025 CAGR forecast at +4.8% growth to 615 BnUSD

Source: Prismark, June 2021

Assembly solutions

Market update

SMT equipment*

- 2020 full year 2,945 MUS\$D, a positive development of 7.2% compared to 2019. A strong development on the Chinese market, whereas markets in Americas, Europe and Japan declined¹⁾
- Positive world market development YTD Q1 2021 compared to 2020. Markets in Japan and Europe declined

Dispensing*

- 2020 market estimated at 730 MUS\$D²⁾, a decline of 8.8% compared to 2019.
- Mycronic second largest supplier of dispensing equipment addressing the major part of the total market

Assembly automation

- Camera modules to 171 million units in 2020³⁾
- +10.0% CAGR 2019-2025 to reach 333 million camera module units

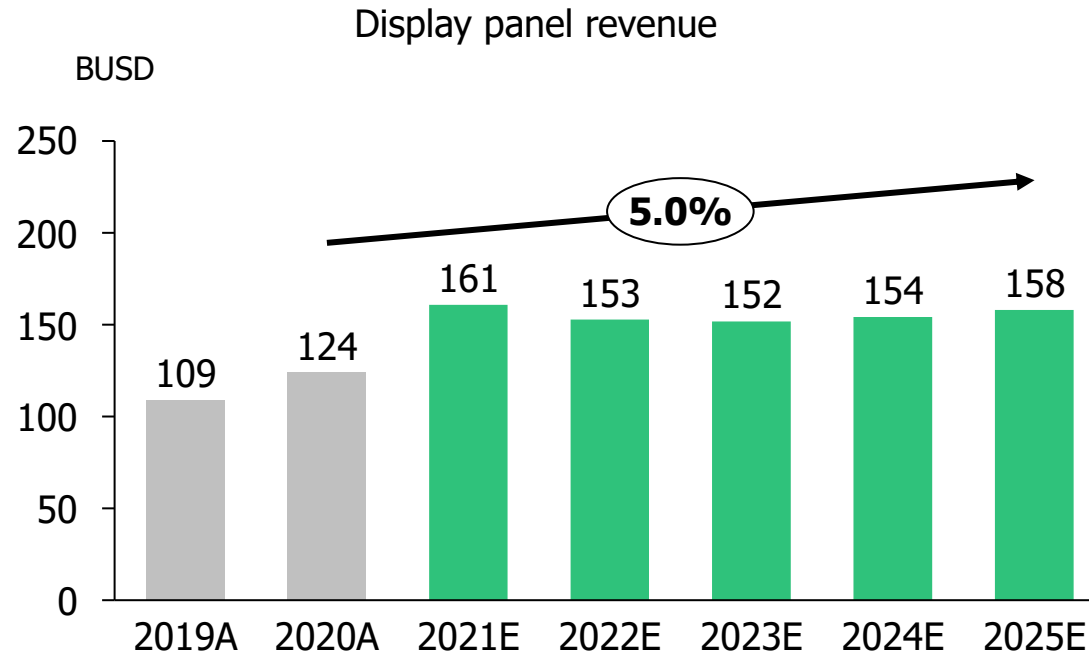
** No forecast available*

Source: 1) PROTEC MDC April 2021, 2) Prismark April 2021, 3) IHS Markit April 2021

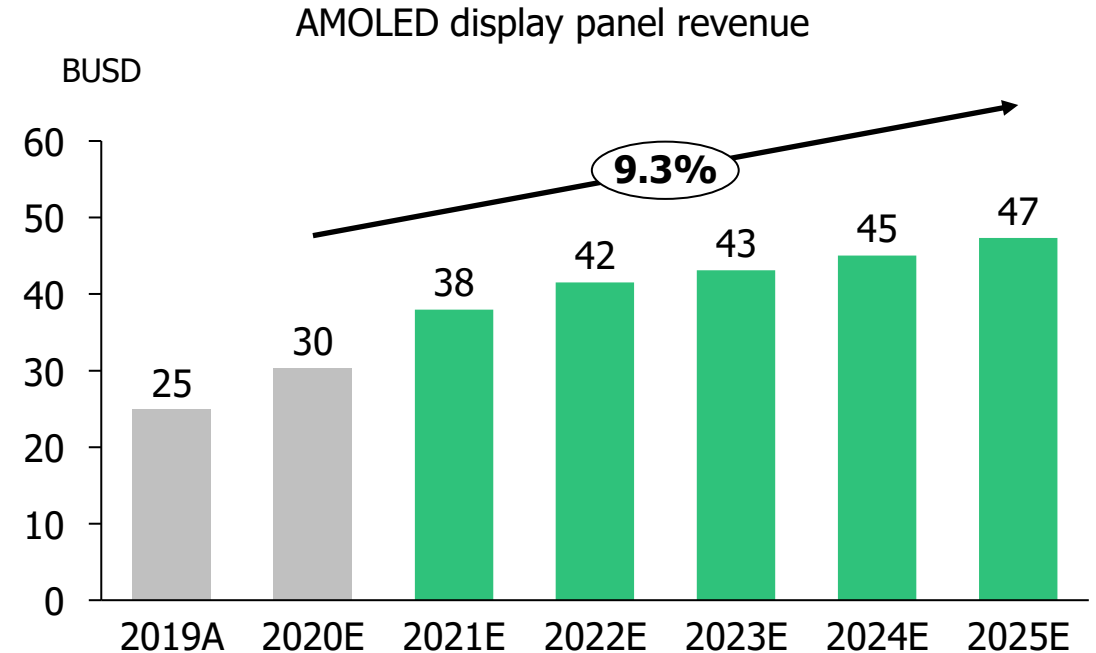


Pattern Generators

Display panel market



- Display market showed positive growth of 13.7% in 2020 and forecast to show positive growth also 2021 of 29.7%
 - Shortage on displays drove prices up during H2 2020, especially for LCD
 - Situation forecast to continue during 2021 with strong price development of LCD panels



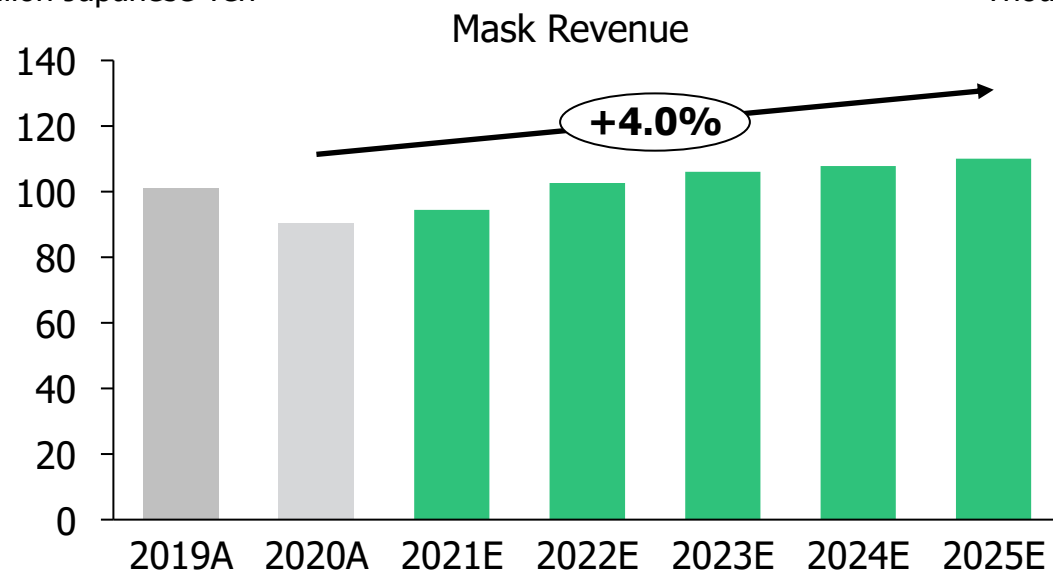
- Shift towards AMOLED continues
 - Technology shift ongoing from LCD to AMOLED for mobile displays but now also in TV and IT segment
 - AMOLED ratio goes from 24% of total display revenue 2020 to 30% of total display revenue 2025

Source: Omdia, Display Long-Term Demand Forecast Tracker, June 2021. Information is not an endorsement of Mycronic. Any reliance on these results is at the third party's own risk.

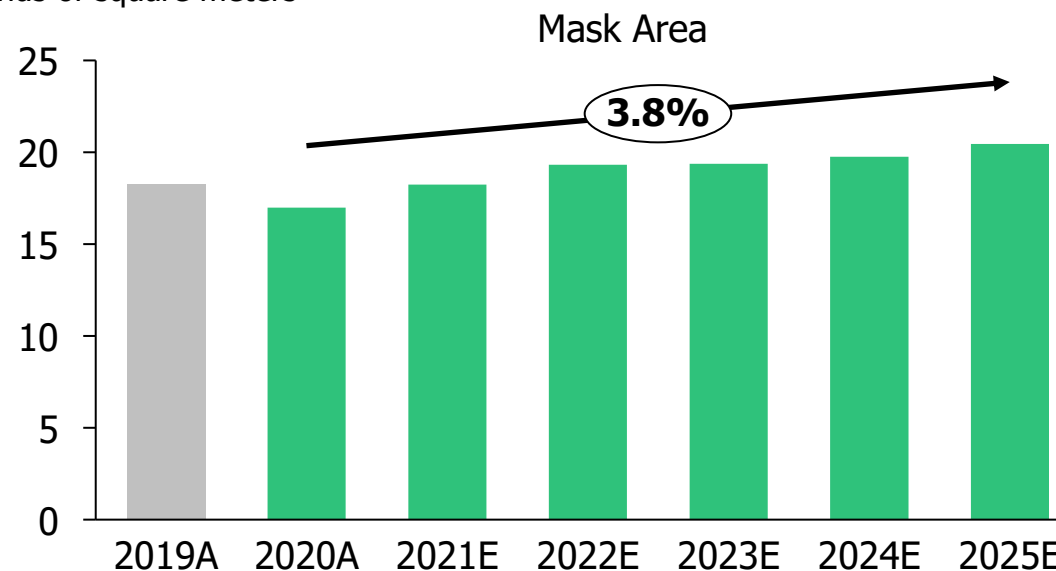
Pattern Generators

Positive photomask market

Billion Japanese Yen



Thousands of square meters



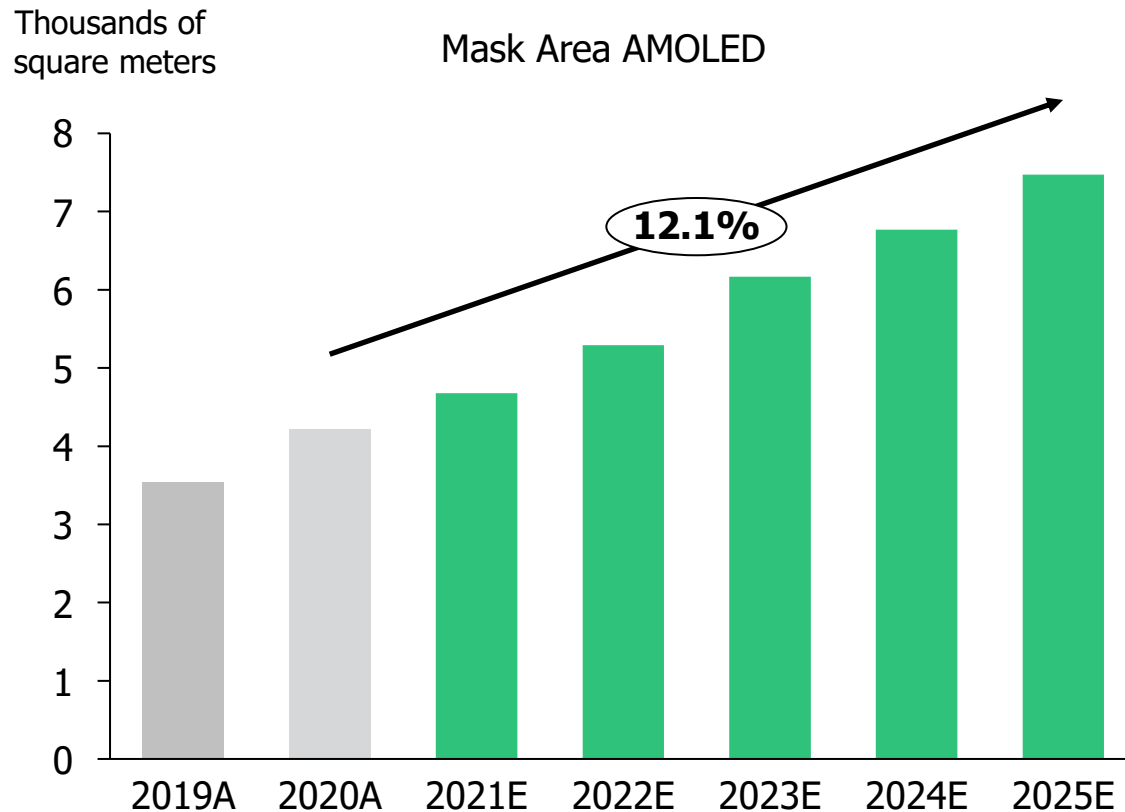
- Display mask market forecast positive after a weak 2020
 - Market development during 2020 was weak with a decline of 10.6%. The strong display market turned focus on production of existing models instead of launching new models
 - The market is forecast to recover 2021-2022 and then continue to grow. Area growth and transition to more advanced AMOLED masks are partly offset by expected lower prices on G10 masks

- Long-term area growth forecast remains positive after a weak 2020
 - Area development under 2020 was weak with negative growth of 6.9%. The strong display market turned focus on production of existing models instead of launching new models
 - Positive growth 2020-2025 of 3.8% CAGR, strongest growth seen in segment of complex and high value masks due to AMOLED transition and transition to displays with higher quality

Source: Omdia, Technology Group, FPD large-area photomask research, June 2021. Information is not an endorsement of Mycronic. Any reliance on these results is at the third party's own risk.

Pattern Generators

Strong growth of photomasks for AMOLED displays



- Technology shift from LCD to AMOLED for mobile displays drives demand for AMOLED photomasks
 - Share of AMOLED photomasks will grow from 25% 2020 to 37% 2025 in relation to the total photomask area
- Photomasks for AMOLED are typically more complex than for LCD
 - More complex circuit design in each pixel
 - Requires a higher image quality and tighter specs
- Expected to drive need for P80 and P800 capacity

Source: Omdia, Technology Group, FPD large-area photomask research, June 2021. Information is not an endorsement of Mycronic. Any reliance on these results is at the third party's own risk.

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