

Press Release

March 23, 2021

Schweizer Electronic AG: Preliminary consolidated figures for the 2020 financial year

- **Sales increase in 2nd half-year 2020 compared with 1st by 17 percent**
- **EBITDA in line with expectations**
- **Sales increase of at least 20 percent in 2021**

Schramberg, 23 March 2021 – Based on preliminary figures, the SCHWEIZER Group achieved consolidated sales of EUR 98.3 million in the 2020 financial year, exceeding the projected sales of between EUR 87 and 93 million (previous year: EUR 120.7 million). Earnings before interest, taxes and depreciation (EBITDA) of EUR -9.5 million (previous year: EUR +0.1 million) with an EBITDA ratio of -9.7 percent (previous year: +0.1 percent) were in line with the expectations for 2020 that had been specified in July 2020.

Development of sales

With sales of EUR 29.3 million in the fourth quarter of 2020, the development of sales has recovered significantly in comparison to the previous quarters of the year. Particularly characteristic of this positive development is the increased demand from automotive customers during the months of September to November.

The decline in total annual sales of -18.6 percent affected both sales from in-house production at -18.0 percent, as well as sales from the production of our Asian partners WUS and Meiko, with a decline of -19.9 percent. As a result, the sales share of merchandise remained unchanged at almost 31 percent. The share of sales in the non-automotive sector developed positively, rising to 26.5 percent (2019: 23.8 percent), which can be attributed in particular to an increase in sales with customers from the sectors communications, consumer and computing.

Operating margin and operating result

Gross profit on sales amounted to EUR +0.4 million (previous year: EUR +12.6 million). The gross margin fell from +10.5 percent in the previous year to +0.4 percent. The main reasons for the decline were, on the one hand, the production costs of EUR 15.8 million for the newly built plant in Jintan (China), which were included in the cost of sales for the first time, and the negative gross earnings contribution generated by the new plant as a result of the ramp-up phase. On the other hand, the main reason for the lower gross profit is the decline in business volume due to the coronavirus pandemic.

Press Release

March 23, 2021

In order to counteract the reduced business volume and margin income, extensive cost-cutting measures were implemented in personnel and material costs of production and administration to compensate for underutilisation and to reduce the fixed cost threshold of the Schramberg plant. The cost-cutting measures that had already been implemented in the previous year were intensified in 2020.

Special expenses from the restructuring and a bad debt loss of EUR 2.9 million and the start-up losses of the new plant in Jintan (China) of EUR 8.3 million impacted upon EBITDA (earnings before interest, taxes and depreciation) in 2020. EBITDA amounted to EUR -9.5 million in 2020 (2019: EUR +0.1 million), which corresponds to an EBITDA ratio of -9.7 percent (previous year: +0.1 percent). Adjusted for these factors affecting earnings, EBITDA amounted to EUR +1.7 million which corresponds to an EBITDA ratio of +1.7 percent.

Outlook

For 2021, the Executive Board expects a significant recovery of business figures, whereby the dynamics of SCHWEIZER's recovery will largely depend on two factors, in addition to the further development of the coronavirus pandemic:

First and foremost is the continued positive development of the new plant in Jintan (China) and the technology qualifications and important certifications planned for 2021. The further development of the new plant in China will enable SCHWEIZER to become more international and broaden its customer base.

The second important factor for the development of the company will be the stability of supply chains in the global context. A sustained shortage of components can lead to a limitation in both customer demand and supplier offers.

Based on forecasts for the development of the global economy, the PCB market and SCHWEIZER's new structure of a German-Chinese PCB group, the Executive Board expects sales growth of between 20 and 30 percent in 2021 and a significant improvement in the EBITDA ratio to 0 to -6 percent in terms of sales.

The final and audited figures for the 2020 financial year as well as a detailed forecast for the current financial year will be published on 23 April 2021.

Preliminary key figures compared to the previous year

in EUR million	2020	2019
Order book	109.2	126.7

Press Release

March 23, 2021

Revenues	98.3	120.7
EBITDA	-9.5	0.1
EBITDA ratio (%)	-9.7	0.1
EBIT	-18.5	-6.5
EBIT ratio (%)	-18.8	-5.4
Annual result	-17.9	-5.6
Equity ratio (%)	17.5	24.1

About SCHWEIZER

Schweizer Electronic AG offers the latest, cutting-edge technology and consultancy expertise in the PCB industry. Thanks to its state-of-the-art production facilities in Schramberg, Germany and Jintan, China as well as close partnerships with other technology leaders, SCHWEIZER provides individual PCB & Embedding solutions. SCHWEIZER's innovative PCB technologies are used in the most demanding applications, for example, in the Automotive, Aviation, Industry & Medical and Communications & Computing sectors, and are characterised by their extremely high quality and energy-saving and environmentally-friendly features.

The company was founded by Christoph Schweizer in 1849 and is listed at the Stuttgart and Frankfurt Stock Exchanges (ticker symbol „SCE“, „ISIN DE 000515623“).

For further information please contact:

Elisabeth Trik
Schweizer Electronic AG
Einsteinstraße 10
78713 Schramberg
Phone: +49 7422 / 512-302
E-mail: elisabeth.trik@schweizer.ag
Please visit our website: www.schweizer.ag