



CONFERENCE CALL

LPKF LASER & ELECTRONICS AG | 28 JULY 2022

KLAUS FIEDLER – CEO / CHRISTIAN WITT - CFO

LPKF
Laser & Electronics
Vittron 5000

»» KEY FACTS H1/2022

FUNDAMENTAL GROWTH FACTORS ARE GOOD, MARKET UNCERTAINTY REMAINS



»» Market Situation & Business Development

- Electronic Manufacturing Market slow due to component shortage
- Strong demand in Prototyping, Battery Packs and Medical
- China lockdown slowed down regional order intake and sales
- Good market response to new product launches (Tensor Systems, Prototyping)
- LIDE now in operation for low volume applications, development projects with high volume customers on track
- ARRALYZE test phase with three beta customers in H2/2022

»» Global Supply Chain

- Ukraine war: no direct impact yet, but global economic slowdown will affect our markets
- Shortage in key components causes delays, but no disruption
- Further increase in working capital to ensure delivery security
- China's zero-COVID policy repeatedly causes closures of critical infrastructure

»» Outlook

- In average mid to high single-digit growth in core business
- Significant contribution to growth from LIDE and ARRALYZE business
- Attractive double-digit EBIT margin expected
- Upgrade ESG rating from MSCI from BBB to A
- More details on strategy at end of September 2022



BASED ON 6 MONTHS REPORT 2022

FINANCIALS

KEY GROUP FIGURES

6 MONTHS 2022



in Mio. EUR	6 Months 2022	6 Months 2021	Δ%
Revenue	55,5	36,4	52,5
EBIT	1,7	-5,9	128,8
EBIT margin (%)	3,1	-16,2	
Incoming orders	47,9	51,7	-7,4
Earnings per Share (EUR)	0,05	-0,17	129,4
Free Cashflow	-14,8	-8,3	-79,3
	<u>As of 06/30/2022</u>	<u>As of 06/30/2021</u>	
Orders on hand	54,9	53,6	2,4
Employees (total number)	740	716	3,4

SALES, PROFIT, AND OUTLOOK

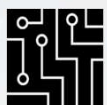
- Revenue increase of 52.5% YoY
- Gross Margins per Product healthy but overall % lower due to Product Mix (Solar)
- Improved EBIT due to higher volume covering higher fixed cost (a.o. LIDE/ ARRALYZE) compared to previous year
- Solid Order book for current year, 45 million of the current order on hand with planned delivery in 2022 to fulfil 2022 guidance
- Positive outlook 2022 and beyond
- Uncertainty from economical and political environment

REVENUE AND EBIT BY SEGMENT

6 MONTHS 2022



in EUR million	Revenue			EBIT		
	6 Months 2022	6 Months 2021	Δ%	6 Months 2022	6 Months 2021	Δ%
Electronics	13.7	14.4	-4.9	-1.8	-1.0	-80.0
Development	12.5	9.6	30.2	1.3	0.0	>100
Welding	9.6	9.3	3.2	-1.1	-1.3	15.4
Solar	19.7	3.1	535.5	3.3	-3.6	191.7
Gesamt	55.5	36.4	52.5	1.7	-5.9	128.8



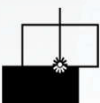
ELECTRONICS

Market headwinds (demand) due to uncertainty & semi shortage. First LIDE equipment in serial production, further deliveries in H2/2022. Good demand for tensor technology.



DEVELOPMENT

Re-design of components on customer side increases demand for prototyping equipment. ARRALYZE test phase with three beta customers in H2/2022



WELDING

Strong order pipeline and sales funnel with broadened customer and application base. Clearly profitable in 2022 with positive outlook beyond from 4+4 strategy.



SOLAR

Delivery of delayed China equipment completed in Q2, another strong H2 is expected based on execution of OB. LTP will be launched in Q3.

» FREE CASHFLOW

AS PER 30 JUNE 2022



in Mio. EUR	6 Months 2022	6 Months 2021
Net Working Capital	36.9	22.9
Δ Net Working Capital	-17.2	-2.4
Net cash used in / generated by operating activities	-10.7	-4.0
Net cash used in investing activities	-4.1	-4.2
Free cashflow	-14.8	-8.3
Net cash position as per 03/31/2022	-2.7	4.5

» FREE CASH FLOW

- Higher inventory due to increased uncertainty and to secure delivery capability for the coming months
- Receivables temporarily higher due to longer DSO in China Solar orders
- Working capital will improve but needs will remain higher than normal for the time being (supply chain uncertainties)

» FOR FY 2022, LPKF ANTICIPATES:

GROUP SALES
110 to 130 MIO. EUR

EBIT-Margin
2 % to 7 %

» FOR Q3 2022, LPKF ANTICIPATES:

GROUP SALES
25 to 30 MIO. EUR

EBIT
-2.5 to +2.0 Mio. EUR

NON FINANCIAL REPORTING

ESG IS AN INTEGRAL PART OF OUR STRATEGY



OUR VALUE FROM AND COMMITMENT TO SUSTAINABILITY

AFFORDABLE & CLEAN ENERGY	DECENT WORK & ECONOMIC GROWTH
INDUSTRY, INNOVATION & INFRASTRUCTURE	RESPONSIBLE CONSUMPTION

New sustainability website live:
<https://www.lpkf.com/en/company/esg>

CURRENT ESG-RATINGS

	Update	Actual	Previous
	May-22	BBB ↑	A
	Oct-21	C- ↑	D+
	Oct-21	11.0	n/a
	Jan-22	62 ↑	54





»» Q & A



 THANK YOU!



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