

LPKF makes a solid start to the 2024 financial year

- Sales and earnings in line with forecast, sales up 26% year-on-year
- LPKF benefits from transformation in the semiconductor market
- Measures to increase profitability underway

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Dr. Klaus Fiedler (CEO)
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Share:
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Garbsen, 25 April 2024 - LPKF Laser & Electronics SE achieved its guidance for the first quarter with revenue of EUR 25.4 million and an adjusted EBIT (earnings before interest and taxes) of EUR -4.3 million. According to the guidance, revenue in the first quarter should be between EUR 23 and 26 million and adjusted EBIT between EUR -6 and -3 million. Compared to the previous year's quarter, revenue has increased by 26% (Q1 23: EUR 20.2 million). At EUR -4.4 million, EBIT was also up 34% on the previous year's figure (Q1 23: EUR -6.6 million).

At EUR 33.2 million, incoming orders after three months were down on the previous year (Q1 23: EUR 39.6 million) and below the Management's expectations. Despite solid demand for the company's solutions, delays in customer projects meant that some orders could not be booked in the first quarter as planned. The order backlog fell from EUR 82.6 million in the previous year's period to EUR 67.3 million. The pipeline of opportunities remains strong and the Management Board is focused on converting these into orders and revenue within this financial year.

During the quarter, LPKF continued to make important progress in various areas. In March, a leading Korean semiconductor manufacturer opted for LIDE (Laser Induced Deep Etching) technology from LPKF and purchased its first system. The company has been working with key global players for several years now to make glass usable for the semiconductor and display industry and expects to make further visible progress in this area over the course of 2024.

As disclosed last month, the company received a major order from the photovoltaic industry with a volume of more than EUR 15 million. As part of this major order, LPKF will supply laser systems for structuring solar modules to equip the new production facilities of a long-standing customer in the first half of 2025. The Management Board believes that the rising global demand for production capacities for thin-film solar modules will continue to have a positive impact on the Solar segment's performance.

The CellShepherd® has been commercially available in the ARRALYZE division since February. With this innovative biotech tool, LPKF aims to revolutionize single cell-based analysis in biomedicine and various life science areas such as personalized medicine. Market interest is high and further progress has already been made with prospective customers.

CEO Klaus Fiedler is convinced that LPKF has outstanding products in all business segments. The primary goal is to market these products faster and more efficiently in order to drive growth. Fiedler emphasizes: "We are aware that we must continuously optimize our cost structures in order to deliver profitable growth. The first operational steps to increase efficiency have already been taken and more will follow." In addition, the Management Board will work closely with an external consultant to identify structural improvement opportunities, which will start to be effective with regard to profitability and working capital in the second half of this year.

In the current second quarter, the Management Board expects consolidated sales of EUR 28 - 33 million and adjusted EBIT* of between EUR -3 and 2 million.

For the 2024 financial year, as previously communicated LPKF expects consolidated revenue of EUR 130 - 140 million and an adjusted EBIT margin* of between 4% and 8%.

In the medium term, as already communicated, LPKF aims to achieve an attractive single-digit growth rate for its core business. In addition to the core business, the new business initiatives in the semiconductor, display and biotechnology markets are expected to contribute a total sales in the low three-digit million euro range in the medium term. Based on the growth in sales and the resulting economies of scale, the Management Board aims to achieve an attractive double-digit EBIT margin for the LPKF Group in the coming years.

The quarterly report is available in German and English at <https://www.lpkf.com/en/investor-relations/publications/financial-reports>

*Adjusted EBIT is EBIT adjusted for restructuring and severance costs and changes in the long-term incentive (LTI) due to fluctuations in the performance factor or the share price. LPKF expects these costs to amount to 0.5 – 1.5% of revenue in the 2024 financial year. Adjusted EBIT is reported in order to be able to compare operating profitability between periods by eliminating special items.

About LPKF

LPKF Laser & Electronics SE is a leading provider of laser-based solutions for the technology industry. LPKF laser systems are of crucial importance to the production of printed circuit boards, microchips, automotive parts, solar modules and a large number of other components. Founded in 1976, the company is headquartered in Garbsen near Hanover and operates worldwide via subsidiaries and representative offices. The shares of LPKF Laser & Electronics SE are traded in the Prime Standard segment of Deutsche Börse (ISIN 0006450000).



Headquarters of LPKF Laser & Electronics SE in Garbsen near Hanover

