

## Dear Shareholders,

The Mikron Group can look back on a successful 2023 with an increase in net sales of 20% and an improvement of EBIT from CHF 26.4 million to CHF 35.3 million (+34%).

All three Mikron Group divisions were able to capitalize on the strong demand from their key target markets.

Following the significant investments made in recent years, the **Mikron Automation** business segment is well positioned, with major customers from the pharmaceutical and medical technology industries. The sites in Boudry (Switzerland) and Denver (USA) were fully utilized throughout 2023 and are geared towards further growth. At the same time, the prospects for our location in China are also favorable, where we moved into a new, larger facility towards the end of 2023 to support the execution of orders in the coming years.

After a period of repositioning, **Mikron Machining** was able to increase sales again, and to close the year with a high order backlog and again an improved result. The pressure on our customers to reduce consumption and use new materials speaks in favor of Mikron's machining solutions. The division succeeded in winning new long-term projects, and in identifying new applications for its machining solutions. Thanks to the broad range of industries and applications that we cover with energy-saving and resource-efficient solutions, we are able to maintain sales at a good level.

The **Mikron Tool division** was able to maintain last year's high sales level despite a negative currency impact. With new innovations including the world's smallest milling cutter and high demand overall for its high-performance cutting tools, the division once again operated highly profitably and saw constant growth in the pharmaceutical and medical technology industries. With strategic vision and a strong desire to innovate, the new management team under Elio Lupica is working to further expand Mikron Tool's strong market. The decline in demand from the automotive market and the continuing weakness of the Chinese market, which is only recovering slowly, was compensated for by growth in difficult-to-machine materials such as titanium and in the USA in general.

The past year has shown that the Mikron Group has become resilient enough to withstand structural changes and a wide range of negative influences. The increasing protectionism, the energy supply crisis, the disruption of supply chains, and stricter regulations did not have a major negative impact on our results.

During the reporting year, we also reached further milestones in the consistent digitalization of our services for the benefit of our customers around the world. Our service solutions for the integrated networking and control of digital machine interfaces are at a comparatively high level, and their functionality is being continuously expanded and developed. Nevertheless, there is still huge potential for further digitalization in the service sector – we are just at the beginning of a comprehensive development.



Paul Zumbühl, Chairman of the Board of Directors and Marc Desrayaud, Chief Executive Officer

Inflation and the economic and social impact of geopolitical tensions will continue to shape the current financial year. Despite these challenging conditions, we are encouraged by the continued strength of demand and high order backlog. Mikron's financial position remains solid and offers scope for investment. The positive market situation in our niche segments will allow us to keep investing in strategic projects moving forward. We are consistently focusing our offering on suitable applications and industries, as well as on long-term relationships with key customers.

As a leading technology company, we are aware of our responsibility towards people and the environment. For many years, Mikron has cultivated a broad-based culture of sustainability. This year, for the first time, our commitment to sustainability is being reported in detail as an integral part of the Annual Report.

At the heart of our strategy are further innovations, a continued strong focus on services, and the strengthening of our culture to continuously improve our speed, agility, and sustainability. Mikron is financially strong, flexible, and resilient. We work hard to make Mikron more efficient, modern, and attractive to our existing and future employees. We remain determined to create adding value on a sustainable basis for our customers and for our company.

In November 2023, Javier Perez Freije, CFO of the Mikron Group, decided to leave the Group in April 2024 to take up a new professional challenge. We regret this decision and thank Javier Perez Freije for his great commitment to the Mikron Group over the past six years. We wish him all the best for the future. At the same time, we are delighted to welcome Philippe Wirth as CFO of Mikron, who will take up his post on April 1, 2024. His expertise in finance for industrial companies and his experience in business processes and enterprise resource planning (ERP) will be an asset to Mikron.

We would like to thank our employees for their dedication, our customers for their trust, and you, our valued shareholders, for your loyalty and commitment.

A handwritten signature in blue ink, appearing to read 'P. Zumbühl'.

Paul Zumbühl,  
Chairman of the Board of Directors

A handwritten signature in blue ink, appearing to read 'M. Desrayaud'.

Marc Desrayaud,  
Chief Executive Officer