

Manz AG publishes 2022 half-year report and adjusted full-year forecast

- *Revenue growth by almost 11% year-on-year to EUR 126.7 million*
- *Mobility & Battery Solutions segment benefits from dynamic development of electromobility market with 24.1% increase in revenues*
- *Solid revenue increase in Industry Solutions segment driven by high demand from microchip production customers*
- *Earnings heavily impacted by challenges of the macroeconomic environment, as expected*
- *Adjusted forecast 2022: Revenue growth in the low to mid double-digit percentage range with an EBITDA margin in the low single-digit percentage range and balanced EBIT*

Reutlingen, August 04, 2022 – Manz AG, a global high-tech engineering company with an extensive technology portfolio, recorded an increase in revenues to EUR 126.7 million in the first six months of 2022, compared to EUR 114.4 million in the same period of the previous year. This corresponds to an increase of 10.8% and is mainly attributable to the expansion of business in the Mobility & Battery Solutions segment combined with solid growth in the Industry Solutions segment. However, the increase in revenues was not reflected in earnings, in particular due to a negative special effect of an impairment in the course of a defaulted insolvency claim in the solar sector, as well as the unexpectedly high increase in material costs, interruptions in the supply chains and associated postponements in a major project. Earnings before interest, taxes, depreciation and amortization (EBITDA) amounted to EUR -1.1 million in the first half of 2022 (previous year: EUR 18.1 million), earnings before interest and taxes (EBIT) to EUR -6.9 million (previous year: EUR 12.3 million). The previous year's figures were positively influenced by the sale of shares in Talus Manufacturing Ltd. in the amount of EUR 14.3 million. The non-cash impairment of EUR 23.2 million on a contract asset in the context of the recently terminated negotiations with a Chinese customer on the conclusion of the large-scale solar project CIGSfab will be recognized retrospectively for the fiscal year 2021.

Martin Drasch, CEO of Manz AG, comments: "*Although we had to adjust the forecast for the full year due to the developments in the first half of 2022, the future prospects of Manz AG continue to be positive overall thanks to the good order situation. Our record order backlog of around 300 million euros underscores our strong market positioning. We are also proud of Daimler Truck AG's investment in Manz AG. The cooperation with Daimler Truck underpins our strategic focus and the concept of growth in partnership with industry-leading companies. Today, Manz is clearly one of the innovation drivers in the field of electromobility.*" Order intake as of June 30, 2022, amounted to EUR 196.0 million, compared to EUR 124.2 million as of the previous year's reporting date. The order backlog was EUR 299.3 million, compared to EUR 191.1 million.

In the Mobility & Battery Solutions segment, Manz was able to achieve an increase in both the order backlog and revenues compared to the same period of the previous year. Among other things, the expansion of the cooperation with the British battery cell manufacturer Britishvolt made a significant contribution to this. Revenues rose by 24.1% to EUR 49.7 million (previous year: EUR 40.0 million), while the order backlog increased by 56.1% to EUR 172.5 million (previous year: EUR 110.5 million). Despite the positive developments, the result of this segment was also affected by the global, macroeconomic challenges. As expected, personnel costs also increased due to the establishment of highly specialized technical staff for the further development of battery technology on the one hand, and on the other hand due to additional resources for handling the very strong increase in incoming orders in recent months. Accordingly, segment EBIT fell significantly to EUR -9.0 million in the first half of 2022 (previous year: EUR 2.7 million).

In the Industry Solutions segment, Manz AG recorded a solid increase in revenues in the first half of 2022 to EUR 77.0 million (previous year: EUR 74.3 million) as a result of the ongoing processing of several major projects. The significantly increased cost of materials ratio also burdened earnings here, resulting in a segment EBIT of EUR 2.0 million (previous year: EUR 9.6 million). At the same time, the order backlog increased by 57.3% to EUR 126.9 million (previous year: EUR 80.7 million), reflecting the positive business outlook in this segment. For example, Manz AG was able to convince a leading manufacturer of semiconductors, among others, as well as the new customer Ambient Photonics, which relies on Manz's high-tech equipment for the production of organic solar cells.

As a result of the described business development in the first half of 2022 as well as the ongoing challenges for the global economy, the Managing Board now forecasts revenue growth in the low to mid double-digit percentage range compared to the previous year, an EBITDA margin in the low single-digit percentage range as well as a balanced EBIT for fiscal year 2022. Originally, the Managing Board had expected a significant increase in revenues in the mid double-digit percentage range, an EBITDA margin in the mid to upper positive single-digit percentage range, and an EBIT margin in the low to mid positive single-digit percentage range for fiscal 2022.

Revenues, EBITDA and EBIT H1 2022 year-on-year

in EUR million	H1 2022	H1 2021
Group Revenues	126.7	114.4
Mobility & Battery Solutions	49.7	40.0
Industry Solutions	77.0	74.3
EBITDA Group*	-1.1	18.1
Mobility & Battery Solutions	-6.6	4.6
Industry Solutions	5.5	13.5
EBIT Group*	-6.9	12.3
Mobility & Battery Solutions	-9.0	2.7
Industry Solutions	2.0	9.6

* Previous year's figures were positively influenced by the sale of shares in Talus Manufacturing Ltd. amounting to EUR 14.3 million

The full report for the first six months of 2022 is available for download from today on the company's website www.manz.com in the Investor Relations / Publications section.

Company profile:

Manz AG – engineering tomorrow’s production

Manz AG is a global high-tech engineering company.

Focusing on the automotive industry and electromobility, battery manufacturing, electronics, energy as well as medical technology, Manz develops and builds innovative and efficient production solutions: From customized single machines for laboratory production or pilot and small series production, to standardized modules and systems, to turnkey lines for mass production.

Technologically, Manz's production equipment is based on many years of experience in the fields of automation, laser processing, inspection systems, and wet chemistry.

With currently around 1,400 employees, the Manz Group develops and produces in Germany, Slovakia, Hungary, Italy, China and Taiwan. Sales and service subsidiaries also exist in the USA and India.

Manz AG was founded in 1987 and has been listed on the Frankfurt Stock Exchange since 2006. In fiscal year 2020, the group generated revenues of around 237 million euros.

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