

Press Release

July 28, 2020

Schweizer Electronic AG: Preliminary results for the first half of 2020 and adjustment of the forecast for the current financial year

- **Decline in sales still within rather pessimistic expectations**
- **EBITDA ratio -12.4 per cent below expectations**
- **2020 forecast adjusted downwards**

Schramberg, 28 July 2020 – Due to the effects of the COVID-19 pandemic, preliminary figures show that SCHWEIZER's business performance in the first half of 2020 was significantly weaker than in the previous year. According to preliminary figures, the SCHWEIZER Group achieved consolidated sales of EUR 45.4 million in the first half of 2020 (1st HY 2019: EUR 60.2 million). This corresponds to a decrease of -24.7 per cent. EBITDA (earnings before interest, taxes and depreciation) amounted to EUR -5.6 million in the first half of the year (1st HY 2019: EUR +1.0 million). The EBITDA ratio is therefore -12.4 per cent (1st HY 2019: +1.7 per cent). EBIT (earnings before interest and taxes) amounted to EUR -9.5 million according to preliminary figures (2019: EUR -2.3 million). This includes non-recurring effects, in particular from the restructuring of EUR 1.1 million.

Production started at the new plant in China in April. From this, we expect clearly positive stimuli from 2021. Nevertheless, the plant has not yet contributed positively to Group net income during the start-up phase.

Findings about the expected course of the current financial year have now stabilised, so we have decided to limit our current forecast to one scenario (previously: rather optimistic and rather pessimistic scenario). On this basis, we expect a decline in Group sales in a range from -23 per cent to -28 per cent (previously in the rather pessimistic scenario -20 per cent to -25 per cent). This corresponds to sales of around EUR 87 million to EUR 93 million.

Furthermore, we expect an EBITDA ratio between -8 per cent and -12 per cent (previously in the rather pessimistic scenario -4 per cent to -8 per cent) for the current financial year. This corresponds to an EBITDA of around EUR -7 million to EUR -11 million.

Management is planning to extensively expand the cost-saving measures introduced in 2019 in the area of material and personnel costs at the Schramberg site. This primarily involves further staff reduction, adjustment of investment plans and further measures in the area of material costs. Start-up in China will take place in accordance with capacity utilization.

The final figures for the first half of 2020 will be announced on 7 August 2020 at <https://www.schweizer.ag/de/investorrelations/finanzberichte.html>.

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About Schweizer

Schweizer Electronic AG stands for state-of-the-art technology and consultancy competence. SCHWEIZER's premium printed circuit boards and innovative solutions and services for automotive, solar, industry and aviation electronics address key challenges in the areas of Power Electronics, Embedding and System Cost Reduction. Its products are distinguished for their superior quality and their energy-saving and environmentally-friendly features. Together with its partners WUS Printed Circuit (Kunshan) Co., Ltd., Meiko Electronics Co. Ltd. and Elekonta Marek GmbH & Co. KG the company offers in its division electronics cost- and production-optimised solutions for small, medium and large series. Together with its partner Infineon Technologies AG, SCHWEIZER plans to jointly tap the chip embedding market in future.

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“).

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