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maxon boosts research investments despite sales decline

The strong Swiss franc, the difficult economy, and the late effects of the Covid-19 pandemic are reflected in the maxon Group's 2023 results; sales amounted to CHF 664.4 million last year. Important pillars are the industrial automation business areas with CHF 286 million and medical technology with almost CHF 200 million. A highlight in the past fiscal year was the Indian moon mission, in which maxon motors were used.

The maxon Group's 2023 sales decreased to CHF 664.4 million (from 2022: CHF 707.7 million, -6.1 percent). One of the main reasons for this decline was currency losses, which cost maxon more than CHF 35 million. In the EMEA region (Europe, Middle East, and Africa), maxon recorded a 14 percent decline in sales in Switzerland. However, maxon also achieved record sales, for example in Germany with 108.5 million euros. In the Americas, sales fell to 216.7 million US dollars and in the Asia-Pacific region, the weak yen led to a 16 percent decline in trading income in Japan. In other Asian countries, maxon was able to significantly increase sales in local currency. Cash flow amounted to CHF 101 million in 2023.

In addition to the currency losses, the economic situation also weighed on the annual result. The combination of a strong franc, higher energy prices, inflation and interest rate hikes was clearly noticeable for maxon. On the other hand, maxon's customers also struggled with these effects, which had a corresponding impact on ordering behavior. maxon is also feeling the after-effects of the Covid-19 pandemic. During the pandemic, maxon products were in high demand, especially in the MedTech sector: maxon drives were used in ventilators and corona test facilities, for example. This market has now completely collapsed. Since maxon's customers had well-stocked inventories, this led to fewer orders in 2023.

Spending on research increased

Despite the decline in sales, maxon continues to invest heavily in research and development: in 2023, investments totaled CHF 53.6 million, which corresponds to 8.1 percent of sales (previous year: CHF 51.5 million or 7.3 percent of sales). This corresponds to an increase of CHF 2.1 million. A further CHF 33.6 million was invested in machinery and equipment to further increase our competitiveness.

The number of employees (full-time equivalent) decreased from 3163 in 2022 to 3049 in 2023.

Even with this difficult start, maxon's management is satisfied with the present results. Eugen Elmiger, CEO of maxon Group, comments on the results as follows: "Despite the challenging economic environment and the

decline in sales, maxon remains determined to invest in the future. Our increased investment in research and development underlines our commitment to driving innovation and strengthening our market position." Dr. Karl-Walter Braun, main shareholder, and Chairman of the Board of Directors of the maxon Group, says of the result: "The average growth of the last 5 years is still around plus 4 percent per year. A great achievement in these crisis years!"

Indian moon mission was a highlight

The maxon Group can look back on several highlights for the past fiscal year. These include the successful landing of the Indian lunar mission Chandrayaan-3 in August 2023, whose lunar rover was equipped with drive systems from maxon. maxon is also still on site for NASA's space mission to Mars: The Mars helicopter Ingenuity is powered by maxon motors – and flew much longer than originally planned. Finally, maxon was able to open new factories at its production sites in Cheonan, Korea and Bournemouth, UK.

Prospects

After a challenging year, maxon is looking to the future with confidence, and the economic environment is slowly brightening again. At many companies supplied by maxon, inventories have been reduced, which is leading to reorders. In addition, interesting new system projects from well-known customers are pending, which are now entering the execution phase and have already led to the first orders.

Further information

maxon CEO Eugen Elmiger will be available to provide further information on the annual results on Wednesday, June 26, between 9 am and 2 pm (Swiss time). Contact can be made via the maxon media office on +41 41 662 94 72 or by e-mail: media@maxongroup.com

About maxon: The Swiss Specialist for Quality Drives

maxon is a leading supplier of precision electric motors and drive systems, developing drive solutions tailored to the needs of customers in the medical, industrial automation, aerospace, mobility, and robotics sectors. Founded in 1961, the Swiss company is owned by the Braun family and is headquartered in Sachseln (OW). The maxon Group employs around 3300 people at nine production sites worldwide and is represented in over 40 countries.