

## Mycronic acquires Shenzhen Axxon Automation Co.,Ltd

Täby, 1 August, 2016 – Mycronic AB (publ), has signed an agreement to acquire 75 percent of Shenzhen Axxon Automation Co.,Ltd (Axxon) for a cash consideration of approximately SEK 430 million. The acquisition will be financed through own funds. As part of the agreement Mycronic will acquire the remaining shares of the company in two steps – an additional 5 percent will be acquired within this year and the last 20 percent after three years. The purchase price for the last part after three years will be set based on parameters such as growth and earnings, which may include changes compared to the current valuation.

Axxon develops, manufactures, and sells dispensing equipment for the electronics industry and has obtained a leading position in the SMT market in China in a short time. China represents approximately 40 percent of the global dispensing market, a market worth several hundred million US dollars. The company's head office is located in Shenzhen, China and has currently approximately 240 employees. Axxon has obtained this position through a strategy to develop mainstream products, combined with fast response time to customer and market requirements. This has enabled Axxon to operate with high growth and good margins. In 2015 net sales increased over 100 percent to approximately SEK 150 million with an EBIT margin exceeding 20 percent.

Mycronic's strategy for growth includes organic growth as well as acquisitions to reach sustainable net sales above SEK 2 billion. This deal is part of the growth strategy.

A key strategy for Mycronic's business area SMT is to leverage the company's leading position in solder paste jetting technology and to further expand into the general dispensing market. Axxon's market and technology position, combined with Mycronic's position and technology from forty years of innovation and global market presence, is highly complementary and synergetic. The combined businesses will create one of the leading dispensing equipment companies globally.

"With the acquisition of Axxon we are taking the next step in our strategy for our SMT business. Overnight we are creating a leading dispensing business globally. Axxon's technology is complimentary to ours. We see great value in Axxon's market position in the important SMT market in China, but we also see value in the know-how represented by the people in Axxon.", says Lena Olving, President and CEO of Mycronic.

"Axxon is very pleased to join Mycronic, we admire Mycronic's advanced technology. Axxon has enjoyed rapid growth in recent years, and has become a leader in the dispensing equipment industry in China with a high-value customer base in the smart phone and other mobile devices industry. It has a market driven, talented management team and solid technical strength. I believe that under the leadership of Mycronic, Axxon will soon become a global leading brand of dispensing equipment.", says Chen Long, Chairman of Axxon.

Mr Chen is the successful entrepreneur who founded Shenzhen Axxon Automation Co.,Ltd in 2008. Previous to that, Mr Chen has many years' experience within several industries and founded his first company in 1996. Mr Chen remains as shareholder in Axxon.

The acquisition is expected to be finalized by the end of September 2016 following regulatory approvals.

## INVITATION TO CONFERENCE CALL

With reference to today's press release, Mycronic holds a conference call today 1 August, 2016 at CET 11 am. Lena Olving, CEO and Per Ekstedt, CFO is then available for questions.

To join the conference call, dial:

SE +46 (0)8 503 365 94

Std int +44 (0) 2031 808080

Conference code: 3070469006

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### About Mycronic AB

Mycronic AB is a Swedish high-tech company engaged in the development, manufacture and marketing of production equipment for the electronics industry. Mycronic headquarters are located in Täby, north of Stockholm and the Group has subsidiaries in China, France, Germany, Japan, Singapore, South Korea, the Netherlands, United Kingdom and the United States. For more information see our web site at: [www.mycronic.com](http://www.mycronic.com)

Mycronic AB (publ) is listed on NASDAQ Stockholm, Mid Cap: MYCR.

*The information is of the type that Mycronic is required to disclose in accordance with the EU Market Abuse Regulation and the Swedish Securities Act. The information was submitted for publication, through the contact person stated above, on 1 August, 2016, at 8.30 am.*

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