

**DMG MORI**

AKTIENGESELLSCHAFT

› EMPLOYEES

› GLOBE

› FIRST QUALITY

› TECHNOLOGY EXCELLENCE

› DIGITIZATION

› SUSTAINABILITY

› AUTOMATION

› SERVICE EXCELLENCE

› DMQP

› ADDITIVE MANUFACTURING

*dynamic.*

**E>X<X>CELLENCE**

# 121<sup>ST</sup> ANNUAL GENERAL MEETING

Speech of the CEO Christian Thönes

12 May 2023 // Check against delivery.

Dear Ladies and Gentlemen,

I am very pleased to personally welcome you to the 121<sup>st</sup> Annual General Meeting of DMG MORI AKTIENGESELLSCHAFT. I am pleased to finally see you in person again after three digital Annual General Meetings – that is important to us. A warm welcome – also on behalf of my colleagues on the Executive Board.

Today, we look back together at 2022 – a year with TOP performance for DMG MORI AG. At the same time, 2022 was a year of major geopolitical challenges with worldwide supply and material shortages, high raw material, energy and transport costs, rising interest and inflation rates, but also the ongoing corona pandemic and above all the Russian war in Ukraine. It is important to emphasize:

Peace and freedom always take precedence over business interests, because they are the basic prerequisite for security.

Even before the EU sanctions were enacted on 26 February 2022, DMG MORI AG therefore immediately and holistically stopped all activities on the Russian market. All sales, service and training activities as well as production in Ulyanovsk were suspended promptly. This also includes all deliveries of machines, spare parts, components and services to Russia.

**DMG MORI**  
AKTIENGESELLSCHAFT

**121<sup>ST</sup> ANNUAL  
GENERAL MEETING**  
12 May 2023 | Town Hall Bielefeld

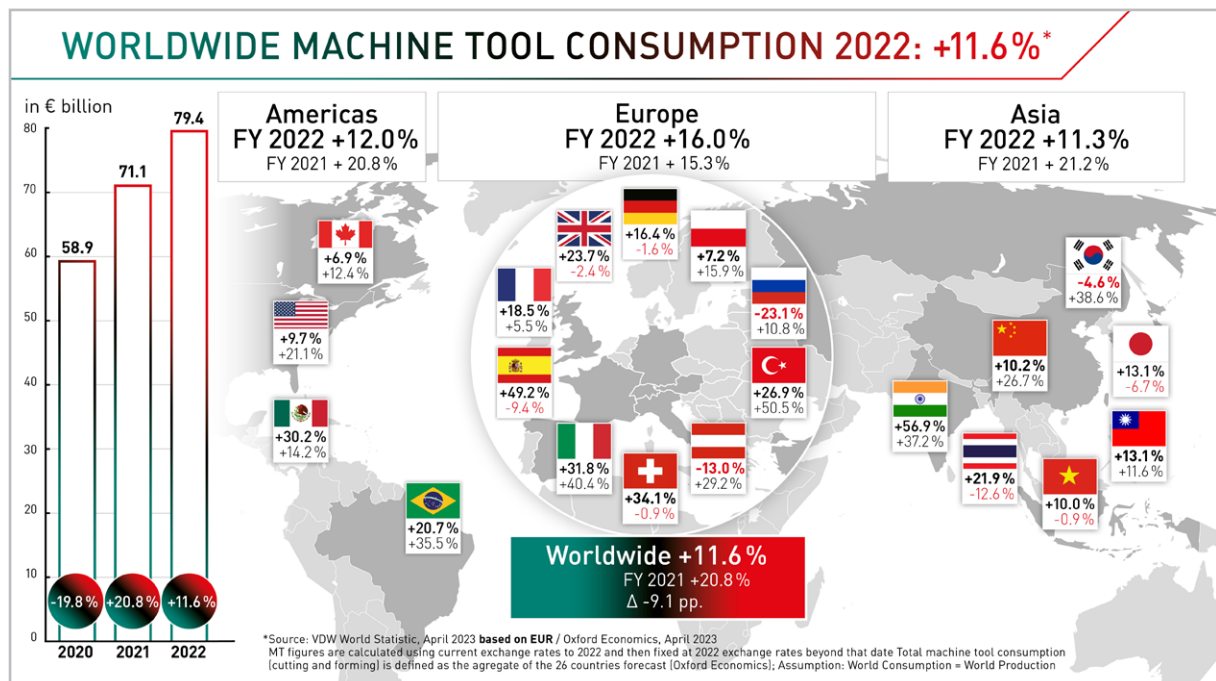
> DIGITIZATION  
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> EMPLOYEES

*dynamic.*  
**E>XCELLENCE**

We faced the challenges of the past financial year together. As a strong team. Once again, we demonstrated financial strength and stability as well as flexibility and innovative power.

Therefore, first of all – also on behalf of the Supervisory Board and the entire Executive Board – a heartfelt thank you to our great employees for their outstanding commitment.

As part of the “Global One Company” with clearly organized sales and service structures worldwide, we manage the home market Germany, Austria and Switzerland (DACH) as well as the EMEA region (Europe, Middle East, Africa) and the market China. Through the mother company DMG MORI COMPANY LIMITED, we are also close to our customers in Japan, North and South America as well as India and other parts of Asia. Together, we have a global footprint with 16 production plants and 113 sales and service locations worldwide. Every day, over 12,000 employees work for our more than 100,000 customers from 57 industries in 88 countries.



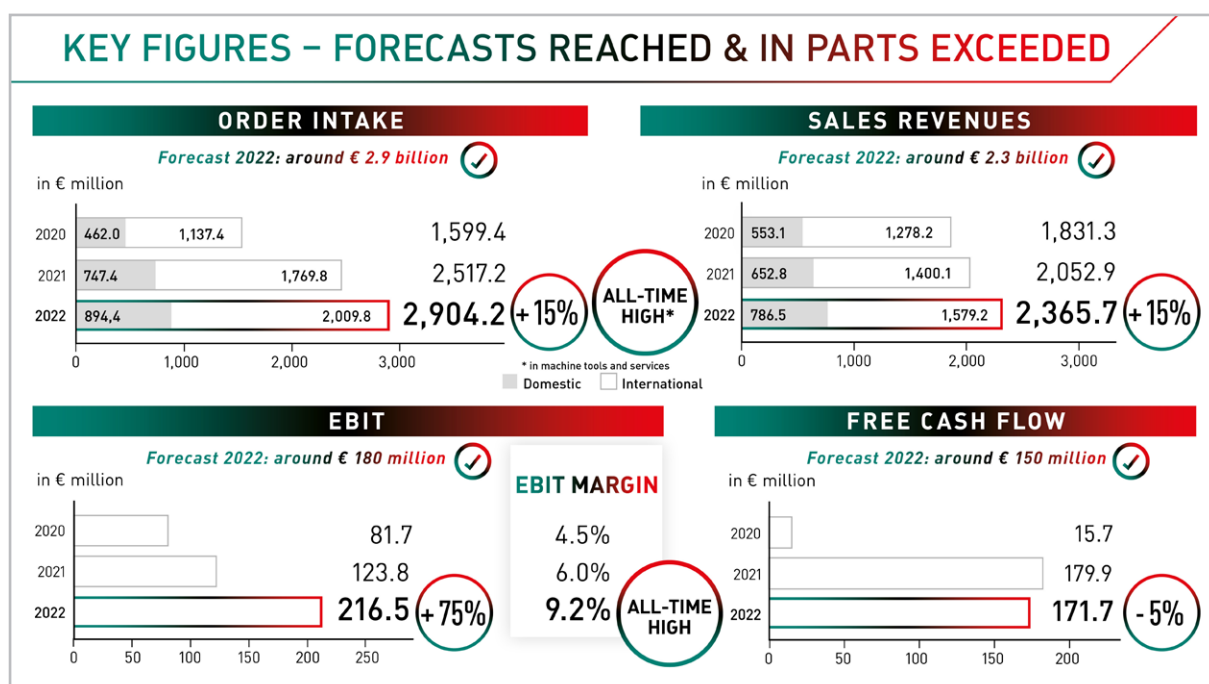
Now to the development of the industry and in detail to our key figures:

In 2022, the global market for machine tools was characterized by numerous exogenous factors, but due to the good development in the first half of the year was again above the high pre-corona level 2019 for the first time (+8.2%; € 73.4 billion). According to preliminary data from the German Machine Tool Builders' Association (VDW) and the British economic research institute Oxford Economics, global consumption in 2022 increased by altogether +11.6% to € 79.4 billion (2021: € 71.1 billion).

DMG MORI AG was able to reinforce and partly further expand its market position worldwide under again more difficult conditions and achieve a very successful financial year 2022.

**Thanks to the consistent implementation of our strategic focus on automation, digitization and sustainability, we were able to reach and in some parts exceed the forecasts that were increased during the course of the year.**

**Order intake** in our core business with machine tools and services rose by +15% to an **all-time high** of € 2,904.2 million (previous year: € 2,516.7 million). Both the new machine business and the service business contributed to this positive development. New machine business



performed well at +15% and reflects increased demand for our integrated and sustainable automation and digitization solutions. Service business also grew by +15% and reached a **new record level**.

**Sales revenues** increased by +15% to € 2,365.7 million despite the continued difficult materials and logistics situation (previous year: € 2,052.9 million).

**Order backlog** grew to € 1,613.4 million as of 31 December 2022 due to the good development of order intake (31 Dec. 2021: € 1,208.9 million). This results in an average calculated production range of around eight months for “Machine Tools” – a good basis for the current financial year.

**Results of operations** also developed successfully despite difficult market and general conditions. The sustainable optimization of our cost structure and stringent implementation of our efficiency improvement measures paid off:

- **EBITDA** improved by +56% to € 297.8 million (previous year: € 190.8 million).
- **EBIT** rose by +75% to € 216.5 million (previous year: € 123.8 million).
- **EBIT margin** also marked an all-time high at 9.2% (previous year: 6.0%).
- **EBT** increased by +78% to € 216.2 million (previous year: € 121.6 million).
- **EAT** grew by +79% to € 153.4 million (previous year: € 85.6 million).
- **Free cash flow** amounted to € 171.7 million, was thus below the record level of the previous year (-5%; € 179.9 million), but slightly above the pre-corona level 2019 (€ 168.8 million).

**Balance sheet total** increased to € 2,826.5 million as of 31 December 2022 (previous year: € 2,556.0 million).

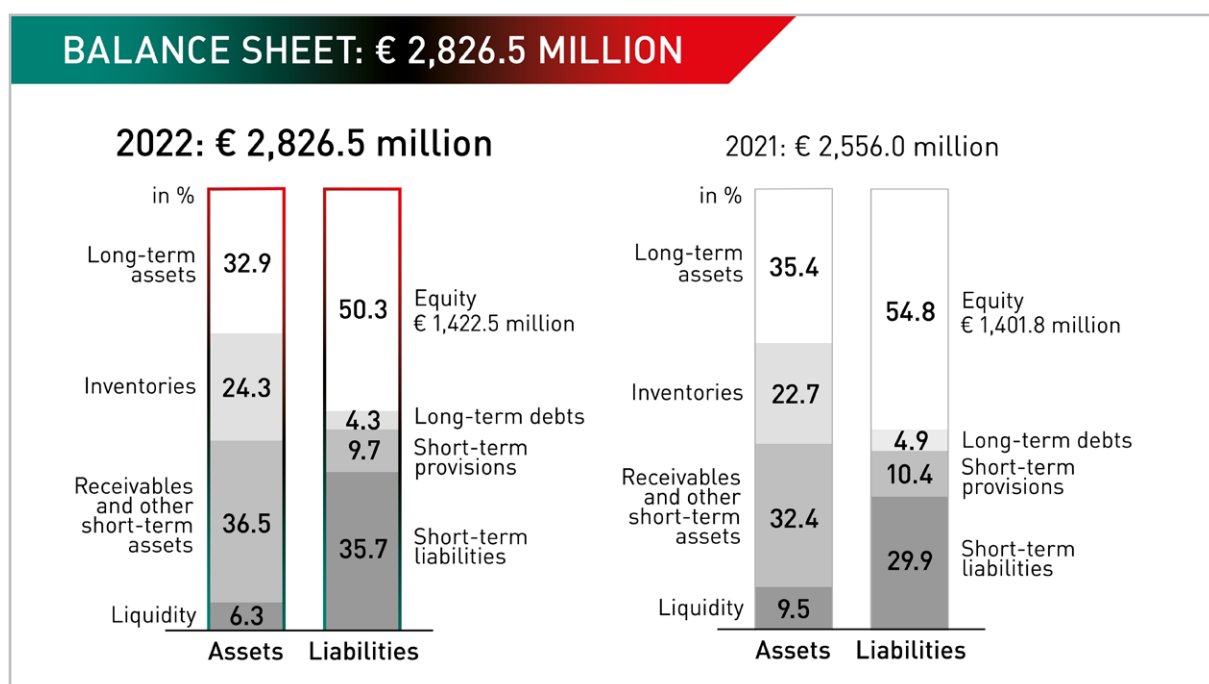
**Net working capital** amounted to € 292.6 million (previous year: € 301.6 million).

Advance payments received rose to € 433.6 million on significantly higher order intake (previous year: € 348.8 million).

Inventories grew to € 686.3 million (previous year: € 579.1 million). Raw materials and supplies increased to € 368.7 million to secure the supply of materials (previous year: € 279.0 million). Cash and cash equivalents amounted to € 177.4 million (previous year: € 241.9 million). DMG MORI AG has sufficient financial resources.

**Equity** grew by +1.5% to € 1,422.5 million (previous year: € 1,401.8 million). **Equity ratio** was 50.3% due to the increase in the balance sheet total (previous year: 54.8%).

The DMG MORI AG **share** started the stock market year 2022 at a price of € 42.20 (3 Jan. 2022). It closed with € 41.90 as of 30 December 2022. In the course of the year, the share developed stably in a volatile stock market environment and proved to be a solid investment. Our share is currently quoted at € 43.00 (9 May 2023).



**Market capitalization** amounted to € 3.30 billion on 30 December 2022.

**Earnings per share** amounted to € 1.84 (previous year: € 1.07). Due to the domination and profit transfer agreement, DMG MORI AKTIENGESELLSCHAFT has not paid a dividend since the financial year 2016. Instead, DMG MORI Europe Holding GmbH has undertaken to pay a compensation ("**guaranteed dividend**") of € 1.17 gross per share to the outside shareholders for each full financial year.

Dear Ladies and Gentlemen, our success in the financial year 2022 shows that we have made the right decisions in recent years. Our strategic fit and focus on the customers' shopfloor are a perfect match. The combination of machines, technologies, users, automation and digitization enables a high degree of process integration for resource-saving and efficient production. Our innovative solutions make a decisive contribution to the benefit of humans and the environment. And global challenges make resilience and sustainability mandatory in all areas!

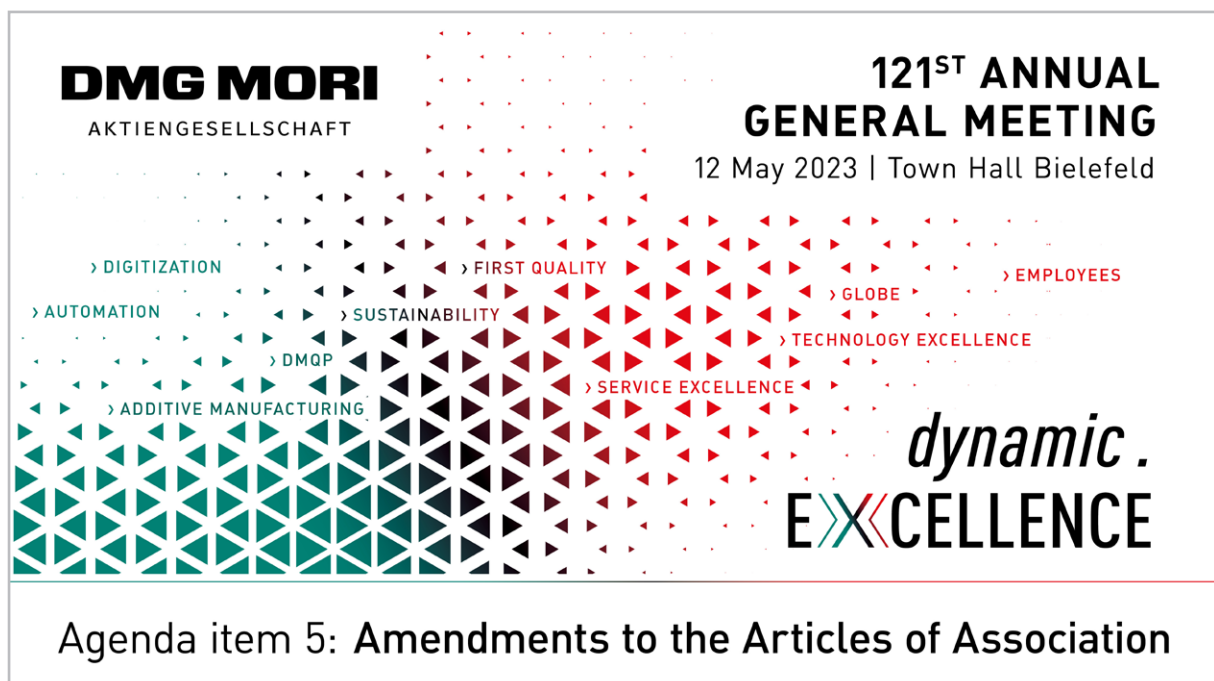


Let me turn to the separate financial statements of  
**DMG MORI AKTIENGESELLSCHAFT:**

DMG MORI AKTIENGESELLSCHAFT has management and holding functions. Earnings depend essentially on income from domestic subsidiaries. Under the domination and profit transfer agreement, the earnings after tax of € 146.5 million are transferred to DMG MORI Europe Holding GmbH (previous year: € 29.3 million). My dear shareholders, you will find further details on the financial year 2022 in the Annual Report. Explanatory notes in accordance with section 289 para. 4 and para. 5 and in accordance with section 315 para. 4 of the German Commercial Code (HGB) have been set out for you by the Executive Board in the combined business and group business report. All reports are of course generally accessible on the internet.

Besides, our financial reports are again completely digital this year. Following our basic understanding of holistic sustainability and digitization, we are offering interactive e-papers as well as digital highlights as HTML version.

At this point, a note on **agenda item 5** of today's Annual General Meeting: This concerns the authorization to decide flexibly on the format of the Annual General Meeting in the future. The past three years have shown



The banner features a complex geometric pattern of triangles in teal, black, and red. On the left, the DMG MORI logo is displayed above the text 'AKTIENGESELLSCHAFT'. On the right, the text '121<sup>ST</sup> ANNUAL GENERAL MEETING' is prominently shown, followed by '12 May 2023 | Town Hall Bielefeld'. Below this, several key areas are listed with red arrowheads: '> DIGITIZATION', '> AUTOMATION', '> ADDITIVE MANUFACTURING', '> DMQP', '> SUSTAINABILITY', '> FIRST QUALITY', '> SERVICE EXCELLENCE', '> GLOBE', '> TECHNOLOGY EXCELLENCE', and '> EMPLOYEES'. The slogan 'dynamic. EXCELLENCE' is positioned at the bottom right of the banner.

**DMG MORI**  
AKTIENGESELLSCHAFT

**121<sup>ST</sup> ANNUAL  
GENERAL MEETING**  
12 May 2023 | Town Hall Bielefeld

> DIGITIZATION  
> AUTOMATION  
> ADDITIVE MANUFACTURING  
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> GLOBE  
> TECHNOLOGY EXCELLENCE  
> EMPLOYEES

*dynamic.*  
**EXCELLENCE**

**Agenda item 5: Amendments to the Articles of Association**



that it may be necessary to hold the meeting virtually for the protection of the health and the safety of shareholders. The Executive Board and Supervisory Board therefore consider it reasonable to include a corresponding authorization as a precautionary measure. The same applies to the possibility of virtual attendance by Supervisory Board members at our Annual General Meetings. In both cases, this is a precautionary resolution.

Dear shareholders, personal exchange with you is important to us. The Annual General Meeting is an important platform for interaction and opinion-forming – and for us also a sign of respect for our owners. For this reason, today's Annual General Meeting is also held physically.

## Innovations

Dear Ladies and Gentlemen, future success requires courage and change. DMG MORI has become even more innovative, digital and resilient in 2022. Here applies: the machine is and remains our core! End-to-end automation and digitization solutions extend our core business with machine tools. Our future architecture for networked solutions and maximum process integration combined with holistic sustainability – from raw material to recycling – is unique.

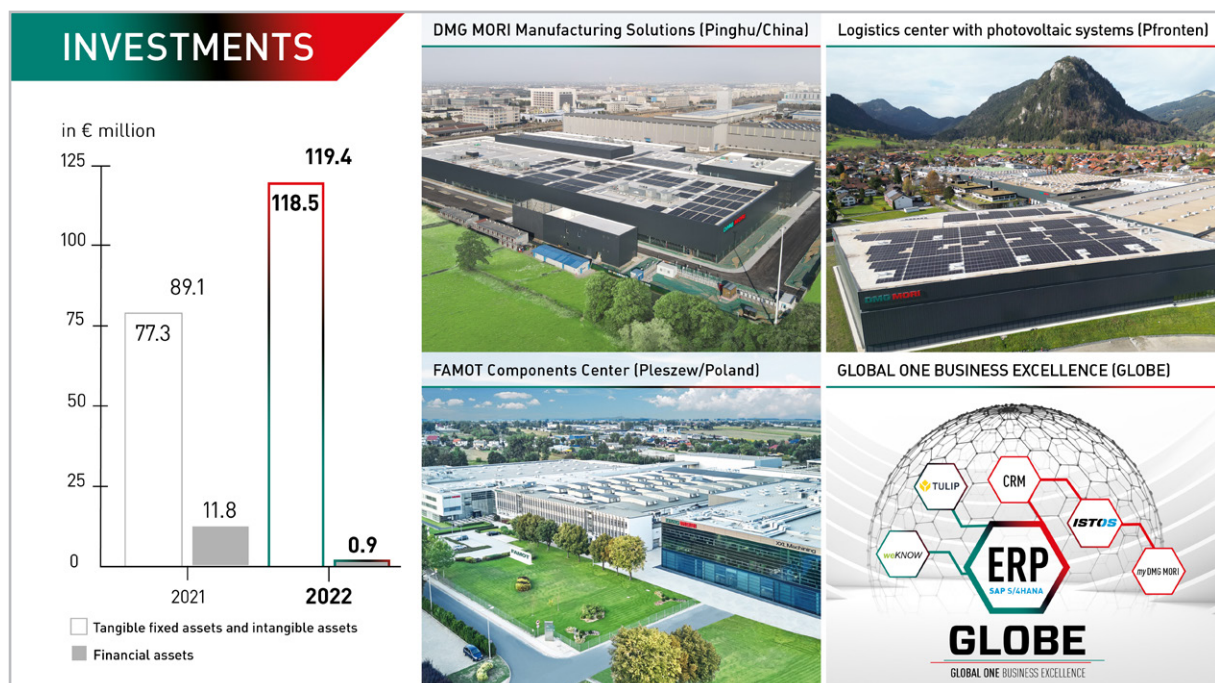
### 23 INNOVATIONS INCL. 3 WORLD PREMIERES IN 2022

|   |  |
|---|--|
| <div style="background-color: #e91e63; color: white; padding: 2px; font-weight: bold;">3 MACHINES</div> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;"> <p style="font-size: 8px; color: gray;">04. Promotion, May</p>  <p style="font-size: 8px; color: gray;">NTX 500</p> </div> <div style="text-align: center;"> <p style="font-size: 8px; color: gray;">September</p>  <p style="font-size: 8px; color: gray;">DMU/C 85 H monoBLOCK</p> </div> <div style="text-align: center;"> <p style="font-size: 8px; color: gray;">September</p>  <p style="font-size: 8px; color: gray;">LASERTEC 100/160 PowerDrill</p> </div> </div>  | <div style="background-color: #e91e63; color: white; padding: 2px; font-weight: bold;">4 DIGITIZATION</div> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%; text-align: center;"> <p style="font-size: 8px; color: gray;">04. Promotion, May</p>  <p style="font-size: 8px; color: gray;">DIGITAL TWIN</p> <ul style="list-style-type: none"> <li>• worldwide accessibility of sensor data</li> </ul> </div> <div style="width: 45%; text-align: center;"> <p style="font-size: 8px; color: gray;">December</p>  <p style="font-size: 8px; color: gray;">DMG MORI CELL CONTROLLER LPS 4</p> <ul style="list-style-type: none"> <li>• Unified Cell Controller</li> <li>• Multi Cell Controller</li> </ul> </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="width: 45%; text-align: center;"> <p style="font-size: 8px; color: gray;">04. Promotion, May</p>  <p style="font-size: 8px; color: gray;">DMG MORI TOOLING</p> <ul style="list-style-type: none"> <li>• PLUG-IN TOOL CAM</li> </ul> </div> <div style="width: 45%; text-align: center;"> <p style="font-size: 8px; color: gray;">December</p>  <p style="font-size: 8px; color: gray;">Production Planning &amp; Control</p> <ul style="list-style-type: none"> <li>• Cell Controller Interface</li> <li>• Machine status integration</li> </ul> <p style="font-size: 8px; color: gray;"><b>ISTOS</b></p> </div> </div> |
| <div style="background-color: #e91e63; color: white; padding: 2px; font-weight: bold;">6 AUTOMATION</div> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;"> <p style="font-size: 8px; color: gray;">04. Promotion, May</p>  <p style="font-size: 8px; color: gray;">MATRIS Light</p> </div> <div style="text-align: center;"> <p style="font-size: 8px; color: gray;">04. Promotion, May</p>  <p style="font-size: 8px; color: gray;">Robo2Go Max</p> </div> <div style="text-align: center;"> <p style="font-size: 8px; color: gray;">04. Promotion, May</p>  <p style="font-size: 8px; color: gray;">PH 50</p> </div> <div style="text-align: center;"> <p style="font-size: 8px; color: gray;">04. Promotion, May</p>  <p style="font-size: 8px; color: gray;">PH Cell 2000</p> </div> </div> | <div style="background-color: #e91e63; color: white; padding: 2px; font-weight: bold;">8 TECHNOLOGY CYCLES</div> <div style="display: flex; justify-content: space-between; font-size: 8px; color: gray;"> <div style="width: 15%;"> <p>01</p>  <p>In-Machine Tool Balancing</p> </div> <div style="width: 15%;"> <p>02</p>  <p>ULTRASONIC IntoolSENSOR</p> </div> <div style="width: 15%;"> <p>02</p>  <p>Tool Balance Assistant</p> </div> <div style="width: 15%;"> <p>02</p>  <p>LJAW</p> </div> <div style="width: 15%;"> <p>02</p>  <p>cCLAMP</p> </div> <div style="width: 15%;"> <p>03</p>  <p>Profile Dressing</p> </div> <div style="width: 15%;"> <p>03</p>  <p>Polygon / Oval Milling</p> </div> <div style="width: 15%;"> <p>03</p>  <p>Chip Breaking</p> </div> </div>  |
| <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;"> <p style="font-size: 8px; color: gray;">04. Promotion, May</p>  <p style="font-size: 8px; color: gray;">PH Cell Twin</p> </div> <div style="text-align: center;"> <p style="font-size: 8px; color: gray;">November</p>  <p style="font-size: 8px; color: gray;">CTS (Wheel Type)</p> </div> </div>   | <div style="background-color: #e91e63; color: white; padding: 2px; font-weight: bold;">2 DMG MORI COMPONENTS</div> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;"> <p style="font-size: 8px; color: gray;">APRIL</p> <p style="font-size: 8px; color: gray;">compactMASTER 40I250</p>  </div> <div style="text-align: center;"> <p style="font-size: 8px; color: gray;">JUNE</p> <p style="font-size: 8px; color: gray;">turnMASTER 12 inch C</p>  </div> </div>  |

We are keeping our **research and development** budget stable at a high level. Expenses increased to € 77.0 million (previous year: € 72.9 million). Together with DMG MORI COMPANY LIMITED, we presented 23 innovations in the reporting year – thereof 3 world premieres, 6 automation solutions and 12 digital innovations including 8 technology cycles as well as 2 DMG MORI Components.

We innovate, develop new business areas and invest in our production plants. In 2022, **investments** in property, plant and equipment and intangible assets amounted to € 118.5 million as planned (previous year: € 77.3 million). Here are four key topics:

1. In China, we are building our new production plant **DMG MORI Manufacturing Solutions** in Pinghu near Shanghai. Made in China for China: The highly automated and fully digitized, approximately 41,000 m<sup>2</sup> production plant has been under construction since December 2021 and will be opened this year.
2. At DECKEL MAHO in Pfronten, we completed and commissioned the **state-of-the-art, automated logistics center**. On an area of 8,400 m<sup>2</sup>, we now centrally bundle four logistics warehouses that were previously located externally. Innovative transport and automation solutions



enable efficient, ready-to-assemble material provision with shorter transport routes and less packaging. 14,000 rack meters with automated and fully digitized processes enable a sustainably optimized material supply in less than 60 minutes after order.

3. In Pleszew (Poland), we started construction of the around 5,200 m<sup>2</sup> **FAMOT Components Center** to further secure components and assemblies for our European production sites. We also plan to complete this in 2023.
4. We also invested further in our **GLOBE project** – GLOBE stands for **Global One Business Excellence**. We reached a key milestone for the group-wide introduction of an ERP system based on SAP S/4HANA in 2022 with the GO-Live of the two production plants GILDEMEISTER Drehmaschinen and DMG MORI Additive. The rollout of further plants is already being planned.

Investments in financial assets amounted to € 0.9 million (previous year: € 11.8 million). The changes against the previous year are mainly due to the capital increase of TULIP Interfaces Inc. in which the DMG MORI AG participated in July 2021. In 2022, investments thus totaled € 119.4 million (previous year: € 89.1 million).

## *dynamic* . EXCELLENCE

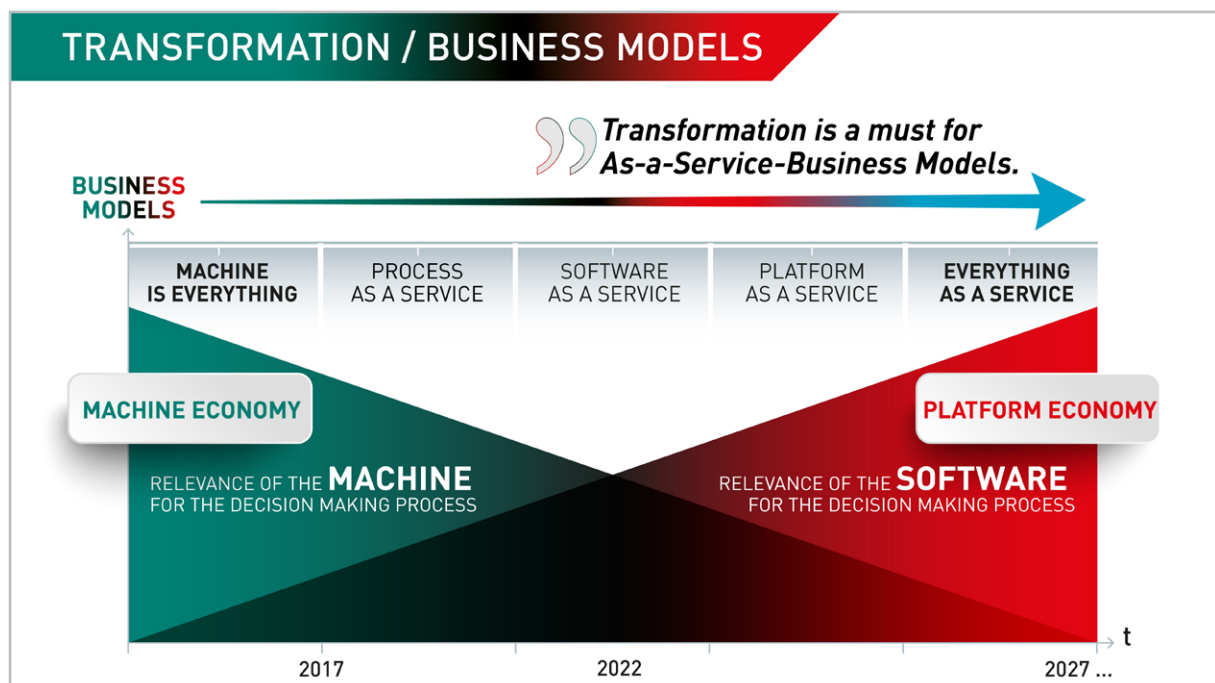
- > Automation
- > Digitization
- > Additive Manufacturing
- > DMQP
- > Sustainability
- > First Quality
- > Service Excellence
- > Technology Excellence
- > GLOBE
- > Employees

Dynamically advance future fields –  
optimize expertise to excellence!

**Empowerment & Execution!**

Dear Ladies and Gentlemen, DMG MORI AG has been focusing five important future fields since 2017, which continue to be up-to-date and firmly anchored in our corporate strategy. The consistent implementation also in the coming years reflects the continuity and stability at DMG MORI AG. True to our strategy “**dynamic . Excellence**”, we are actively advancing our strategic fit of automation, digitization and sustainability as well as additive manufacturing and the DMG MORI Qualified Products (DMQP). At the same time, we are optimizing these five further, strategically important pillars for excellence: First Quality, Service Excellence, Technology Excellence, GLOBE and our highly valued employees.

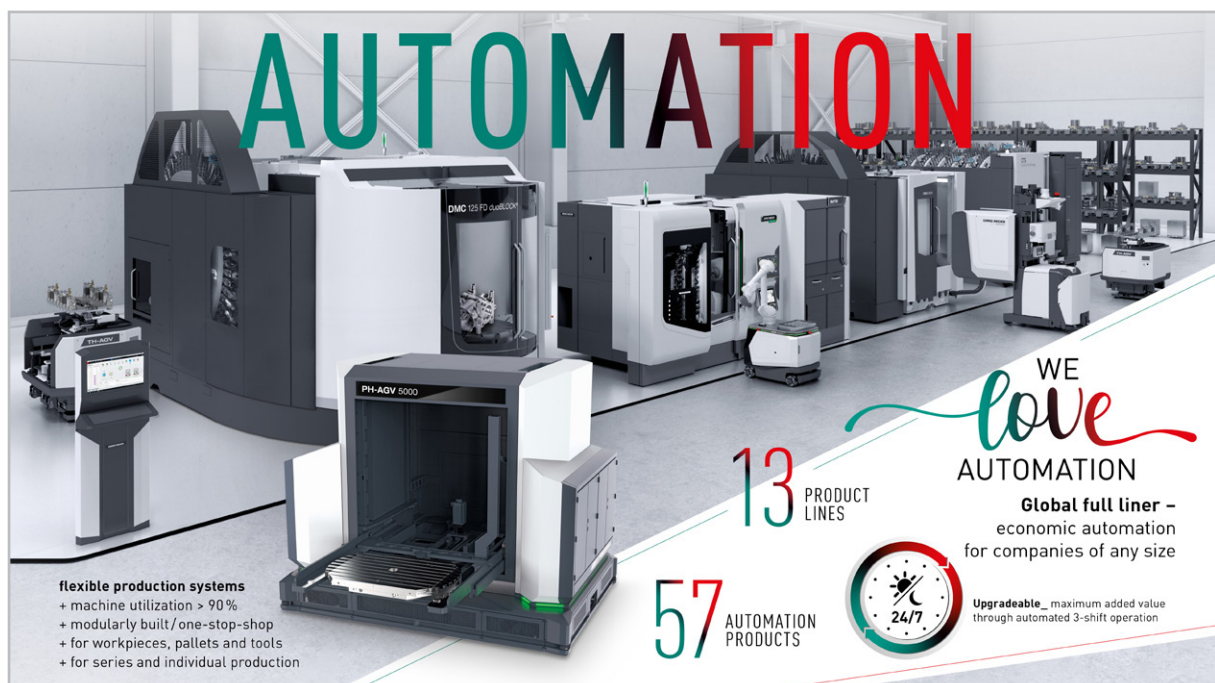
We are consistently developing further into a holistic, sustainable solution provider in the manufacturing environment. Transformation means holistic change – also in terms of strategic orientation. It is no longer enough to focus only on machine advantages, features and benefits. The machine remains the core and now forms the basis for end-to-end, platform-based business models.



Today's success factor is a high degree of process integration – so the integration of technologies, automation, digitization and sustainability. We focus on the shopfloor and thus precisely on what our customers need holistically and across all processes. Above all, we have to think and act “outside-in” instead of “inside-out”.

## Future fields

**Automation** is the key to greater efficiency, higher productivity, even faster amortization – and thus to greater competitiveness and sustainability. In addition to our broad machine portfolio with 157 machines, DMG MORI is also a full liner in automation. Our innovative and comprehensive automation portfolio with 57 products in 13 product lines includes machine-specific, universal and scalable solutions up to the DMG MORI CELL CONTROLLER LPS 4 for workpiece, pallet and tool management.



**AUTOMATION**

**flexible production systems**  
+ machine utilization > 90 %  
+ modularly built/ one-stop-shop  
+ for workpieces, pallets and tools  
+ for series and individual production

**13** PRODUCT LINES

**57** AUTOMATION PRODUCTS

**WE love AUTOMATION**  
Global full liner – economic automation for companies of any size

**Upgradeable\_** maximum added value through automated 3-shift operation

24/7

**Digitization** enables continuous collection, evaluation and analysis of data directly from the process and thus accelerates economical and sustainable production. The basic prerequisite for this is connectivity as well as additionally 4 important digitization initiatives:

- **DMG MORI Connectivity** is the solution for connectivity on the entire shopfloor – including third-party machines. In compliance with the highest IT security and testing standards, we create secure, standardized interfaces for easy digitization of new and existing DMG MORI machines as well as third-party machines.
- **my DMG MORI** is our digital face. With over 140,000 networked machines, more than 75% of our customers already use this portal. 80% of all service inquiries are made online. Thanks to direct contact, high transparency via Track & Trace and central access to all information, our service experts can respond up to 70% earlier and resolve inquiries over 20% faster. New since April 2023 is also the direct entry via single-sign-on to the DMG MORI STORE, the central, digital point-of-sale for Software- and Equipment-as-a-Service offers.

**DIGITIZATION**  
my DMG MORI

**CONNECTIVITY**  
by DMG MORI

**ISTOS** **TULIP**

1. PLANNING 2. PREPARATION 3. PRODUCTION 4. MONITORING 5. SERVICE

**CELOS**  
27 CELOS apps & 63 technology cycles

**PAYZRR**  
by DMG MORI  
PAY WITH ZERO RISK  
SOFTWARE-AS-A-SERVICE  
EQUIPMENT-AS-A-SERVICE

We empower our customers -  
in manufacturing and digitization!

## PLATFORM STRATEGY

**> 150 MACHINES**

**my DMG MORI**

**CELOS X**

IDEA DESIGN QUOTING PROCESSING SELECTION ASSEMBLY QUALITY

PLANNING PREPARATION PRODUCTION MONITORING SERVICE

**DMG MORI CONNECTIVITY**

**57 AUTOMATION SOLUTIONS**

**ISTOS** **TULIP** SaaS / EaaS

**PAYZR** by DMG MORI

- **CELOS X** is DMG MORI's digital brand core – and is once again becoming a significant unique selling point. Launched in 2013 as a central app-based operating and control interface, we are now consistently developing CELOS further into an open platform for the manufacturing industry. The effort required for data integration is low, while the benefits of downstream data analysis for our customers are high.

## CELOS X – PLATFORM-BASED END-TO-END SHOPFLOOR SOLUTIONS

**CONNECTIVITY** by DMG MORI

**CELOS X**

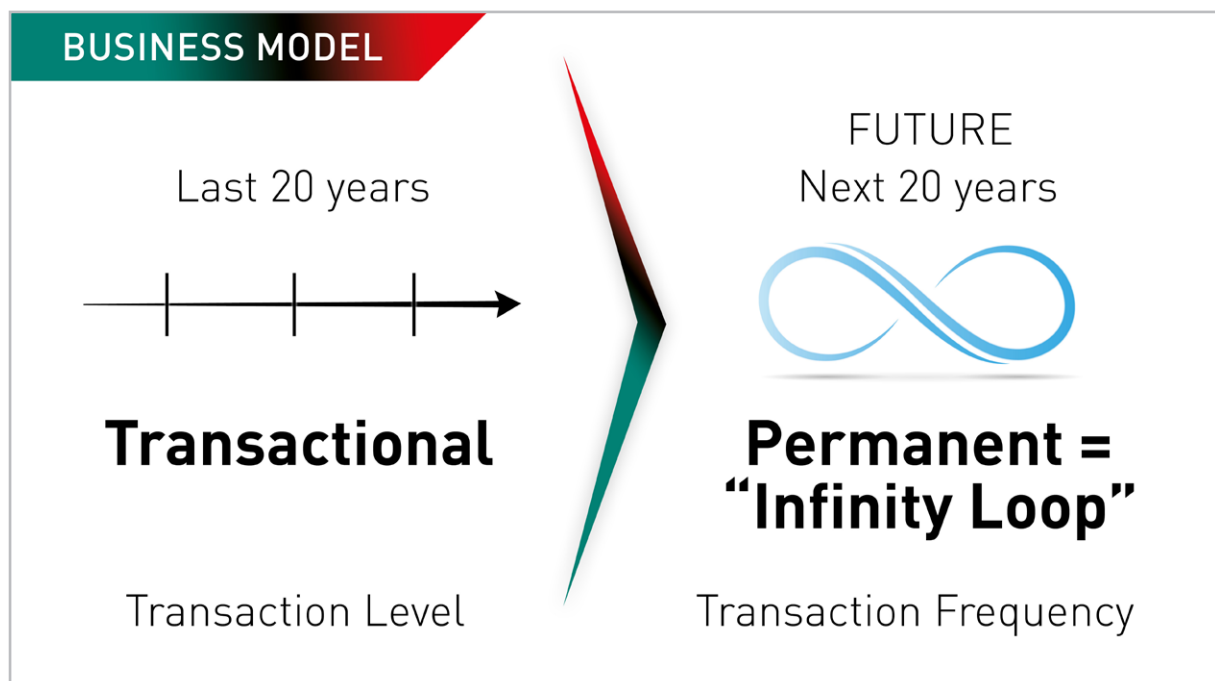
**CELOS Xchange** **CELOS Xperience**

Updates Over-The-Air

With CELOS X, we are following in the footsteps of Apple and Tesla and transferring digital added value to mechanical engineering. We are experiencing a technological quantum shift.

The scalable infrastructure of CELOS X is the basis for platform-centric end-to-end shopfloor solutions for the networked manufacturing of the future – with two pillars: **CELOS Xperience** organizes machine and shopfloor tasks as continuous app-based workflows. A total of 30 apps are available for easier operation, extended spindle hours and improved energy efficiency. **CELOS Xchange** provides a data hub to securely store, analyze and exchange manufacturing data in global production chains. Customers benefit from a scalable, networked infrastructure for the entire shopfloor – including third-party machines. By the way, over-the-air updates ensure that CELOS X always remains up to date throughout the entire lifecycle of our machines. Find out more at EMO Hanover (18-23 Sept. 2023).

In the past, the product was at the center – today, our high-tech machines form the end-to-end platform for holistic process integration. In the future, it will be a matter of permanent, high-frequency exchange. Away from the “One Big Shot” to the “Infinity Loop” with a high level of interaction with our customers. DMG MORI is also a pioneer here and has already achieved a lot.





- A highly innovative and completely digital business model is **PAYZR** – **PAY** with **Zero Risk** – for Equipment-as-a-Service and Software-as-a-Service. Abo & All-In instead of investment and purchase. Through subscription, our customers benefit from fast innovation cycles without risk – with maximum planning security, cost and price transparency as well as full flexibility. With the Equipment-as-a-Service offer, we are particularly winning new customers and young companies, who are using a high-tech machine for the first time via PAYZR: As of today, we have already placed 46 machines with a new customer rate of over 60%. In the Software-as-a-Service division, new contracts were signed with over 220 customers. In total, around 400 customers are actively using PAYZR, which are thus generating reliable, recurring revenue. Furthermore, digital offers from ISTOS and TULIP round off the digitization along the entire value chain of our customers.

All digital solutions are naturally also used in the digitization of our own value creation and make an important contribution to efficient, resource-saving production at DMG MORI. In addition, we first test our digitization products internally before presenting the solutions externally. In this way, we also optimize the implementation phase and quality at the customer's site – so that the machine runs well right from the start. First Time Right!

**EVERYTHING-AS-A-SERVICE**

**PAYZR** by DMG MORI

PAY WITH ZERO RISK  
SOFTWARE-AS-A-SERVICE  
EQUIPMENT-AS-A-SERVICE

"SUBSCRIPTION & ALL-IN" instead of investment and purchase.

**10 ADDED VALUES!**

|                             |                               |
|-----------------------------|-------------------------------|
| ✓ Transport                 | ✓ Machine insurance           |
| ✓ Packaging                 | ✓ Revenue loss insurance      |
| ✓ Setup & commissioning     | ✓ Freedom of use              |
| ✓ Training                  | ✓ Flexibility                 |
| ✓ Maintenance & Spare parts | ✓ Price and cost transparency |

NEW M1/M2  
CLX 450 TC  
NEW T1/T2  
YOUR PROFIT  
SECURE CONNECTIVITY

**Sustainability** and technology leadership form a symbiosis at DMG MORI, which we actively live. DMG MORI AG is globally one of the most sustainable industrial companies. In 2022, we received the Platinum Medal in the Sustainability Rating from the internationally renowned assessment institute EcoVadis, placing us among the “**TOP 1%**” of over 35,000 evaluated companies worldwide.

We are focusing on three major areas for 100% green machines with the DMG MORI GREEN ECONOMY:

1. **GREENMACHINE** – the resource-saving produced machine
2. **GREENMODE** – the resource-efficient machine operation at our customers
3. **GREENTECH** – new technologies, parts and applications for green innovations.

Both our **Company Carbon Footprint** and our **Product Carbon Footprint** are balanced. This means: Our emissions in scope 1, 2 and 3 upstream are zero via the climate triple “Avoid – Reduce – Compensate”. This includes direct and indirect emissions from our own value creation as well as further indirect emissions along the supply chain. We avoid

**SUSTAINABILITY**

**DMG MORI GREEN ECONOMY**  
100 % green machines

**DMG MORI GREEN MACHINE** **DMG MORI GREEN MODE** **DMG MORI GREEN TECH**

*Our emissions in scope 1, 2 and 3 upstream are zero via the climate triple “Avoid – Reduce – Compensate”.*

**TCFD**  
TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

**SCIENCE BASED TARGETS**  
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

**PLATINUM 2022**  
**ecovadis**  
Sustainability Rating

**TOP 1 % of over 35,000 companies!**

and reduce emissions wherever possible. We compensate unavoidable emissions with CO<sub>2</sub> certificates. All machines are produced resource-saving as **GREENMACHINE**.

With **GREENMODE**, we are also consistently increasing the energy and resource efficiency of our machines by up to 40% compared to the previous model (scope 3 downstream). For this, DMG MORI AG was the first machine tool manufacturer in Germany to receive the worldwide valid Energy and Media Efficiency (EME) certificate from TÜV SÜD Industrie Service GmbH.

Our future field **Additive Manufacturing** is without alternative and of high strategic importance. As a full liner for additive manufacturing processes, DMG MORI is the only manufacturer to cover the entire process chain – from design through additive manufacturing with the technologies of laser buildup welding with a powder nozzle and laser melting in the powder bed to post-production cutting. We realigned this important future field in the reporting year to make even better use of our “global footprint”. We are following our motto “in the markets for the markets” and strengthening our resilience through increased regionalization. A first milestone of our new global production strategy will be the market launch of the Lasertec 30 SLM 3<sup>rd</sup> Generation at Formnext nm November 2023.

**GREENMODE ENERGY EFFICIENCY**

**13 MEASURES**

1. brake energy recovery
2. LED lights
3. frequency controlled pumps
4. highly efficient chillers
5. zeroSLUDGE coolant tank
6. adaptive coolant flow
7. zeroFOG mist collector
8. Advanced Auto-Shutdown
9. minimized air demand
10. AI chip removal
11. adaptive feed control
12. Advanced Energy Monitoring
13. Business Benefit Optimizer

**DMG MORI GREEN MODE**

**TÜV SÜD**  
Standard EN61517  
tested 2023

**UP TO 40% ENERGY SAVING**

**GREEN MODE**

The infographic features a large image of a DMG MORI machine in GREEN MODE, with a control panel and a screen. The machine is white and green, with 'GREEN MODE' written on its side. The background is a light green gradient.

# ADDITIVE MANUFACTURING

Global full liner  
with end-to-end solutions

NEW  
blue laser for  
highly reflective  
materials, e.g.  
copper

+ hybrid Additive Manufacturing –  
building, repairing and coating  
+ ADDITIVE INTELLIGENCE  
consulting & training

90%  
TIME  
SAVINGS

70%  
WEIGHT  
SAVING

POWDER NOZZLE  
LASERTEC 125 *DED hybrid*

POWDER BED  
LASERTEC 30 DUAL *SLM*

Combination of generative  
and cutting machining.



The **DMG MORI Qualified Products** – DMQPs in short – are developing dynamically: In 2022, we were able to offer our customers worldwide more than 5,000 DMQP products in 100,000 technology variations from over 120 technology partners. Everything from a single source – everything for the perfect synergy of machine, components, peripherals and accessories – everything AI-based, online and intuitively configurable. As one-stop-shop!

# QUALIFIED PRODUCTS

DMG MORI

One-stop-shop:  
perfectly matching  
peripherals and accessories

>120  
DMQP TECHNOLOGY  
PARTNERS

100,000  
TECHNOLOGY-  
VARIATIONS

DMQP  
DMG MORI QUALIFIED PRODUCTS

DMU 50

Qualified Products  
+ customizable online  
+ with AI to the optimal  
technology solution  
+ up to 30% price advantage with  
the DMQP bonus program

5,000  
DMQP PRODUCTS

DMG MORI Configurator for an  
individual machine solution. Intuitive,  
comprehensive and perfectly  
customizable with DMQP products.



We are dynamically advancing these 5 future fields. We are also optimizing the following 5 strategically important pillars for excellence:

“**First Quality**” means for us that the quality of our products and processes is our top priority. Our goal is a 100% satisfied customer! In recent years, we have been able to achieve significant improvements along the entire value chain with our “First Quality” strategy. For example, through: a dynamic 100-hour quality test before delivery release, the improvement of product quality and production efficiency through PDCA cycles or the global bundling of expert knowledge in the DMG MORI weKNOW portal.

**Service excellence** is a high priority at DMG MORI. Every day, over 1,500 experts work to further optimize this high-margin pillar of our business and to offer our customers the best possible service. 80% of all customer inquiries are made digitally via our online customer portal my DMG MORI – with upward tendency. This enables targeted, direct and digital interaction with our service experts and creates transparency: service inquiries can thus be resolved over 20% faster on average. New since April 2023 is also the direct entry via single-sign-on to the DMG MORI STORE, the central, digital point-of-sale for Software- and Equipment-as-a-Service offers.

The graphic features a background of interlocking metal gears. The text 'FIRST QUALITY' is prominently displayed at the top, with 'FIRST' in teal and 'QUALITY' in red. Below this, '100 % satisfied customers' is written in white. A circular seal on the right contains the number '1' and the words 'DMG MORI' and 'FIRST QUALITY'. On the left, '100 hrs. tested' is written in white. In the center, '36 MONTH quality guarantee' is written in white. At the bottom right, a text box states: 'Without compromises – highest quality for 100 % customer satisfaction' followed by '+ 100 hours quality check' and '+ 36 months warranty for all MASTER spindles'.

# SERVICE EXCELLENCE

Digital progress & technical competence

>140,000 MACHINES

REGISTRATION IN <3 MIN.

myDMG MORI CUSTOMER PORTAL

>30,000 CUSTOMERS

FASTER SERVICE, NO WAITING LOOP. EVERYTHING AT A GLANCE

**FULL SERVICE**

+ digital, direct access to service experts  
+ end-to-end-communication – simple and fast

New and replacement spindles\_ 96% warehouse availability and spindle repair: the cost-effective alternative for all spindles (also for third-party products)

Full service\_ 3 years all-round carefree package including crash insurance

We bundle our know-how in 17 **Technology Excellence Centers**. Over 800 application engineers are involved in our customers' development processes at an early stage.

# TECHNOLOGY EXCELLENCE

Process integration completed – success through turnkey projects

+ full-service provider – machine, automation and technology  
+ end-to-end turnkey projects: from the first idea to commissioning  
+ operative strength in the support of production ramp-ups

17 TECHNOLOGY EXCELLENCE CENTER

10,000 TURNKEY PROJECTS

800 APPLICATION ENGINEERS

AEROSPACE

CELOS X

AUTOMOTIVE

DIE & MOLD

MEDICAL

SEMICONDUCTOR

Process integration\_ the key to success in the manufacturing industry are complete solutions that are individually customized and perfectly aligned to the customer's needs.

# DMG MORI

AKTIENGESELLSCHAFT

**GLOBE – Global One Business Excellence** – stands for the implementation of the ERP-system based on SAP S/4HANA. The foundation for the rollout of further production sites was laid with the introduction at the Bielefeld site. With this business and IT transformation project, DMG MORI AG is creating an efficient and resilient organizational structure to ensure standardized systems. Integrated processes are another success factor for the future.

Dear shareholders, **DMG MORI AG's success is a strong team effort.** The commitment and complete competence of our employees in a year of further high stress is unique and makes us proud. Mindset and motivation simply fit excellently at DMG MORI. We have improved the positive corporate culture even further. The basis for this are our **TOP values: Trust, Openness and Passion.** Above all, this makes us an attractive employer and is also the basis for our vision-mission statement: **We want to be the world's most attractive machine tool manufacturer with digitized and sustainable products! We empower our customers – in manufacturing and digitization!**



As of 31 December 2022, the group had 6,833 **employees**, including 237 trainees (previous year: 6,821 employees, including 225 trainees). Personnel expenses amounted to € 566.3 million (previous year: € 522.7 million). The personnel ratio improved to 23.6% (previous year: 25.1%).

The training quota in our German production plants was nearly 10% and thus once again above the industry average. DMG MORI AG is committed to an attractive, international and state-of-the-art training right from the start – the foundation for sustainable success.

DMG MORI AG was among the TOP 1% of a total of 160,000 evaluated companies in Germany as “**Leading Employer 2022**”. We live a diversity culture with variety and equal opportunities and are committed to flexible and innovative working environments as well as modern training and personnel development.





## Forecast for the financial year 2023

2023 remains challenging. The high level of geopolitical uncertainties is increasingly part of daily business. The worldwide market for machine tools continues to be characterized by major global challenges and restraint in capital goods. At the beginning of the year, the industry recorded heavy losses of -24%. DMG MORI AG is nevertheless confident for the current financial year. And there are good reasons for this:

1. We have a strong foundation and great employees
2. We have a large number of innovations in the pipeline for EMO Hanover.
3. We believe in stable partnerships and have a resilient supply chain.
4. We have an order backlog of over € 1.7 billion and thus a good basis.



## On the 1<sup>st</sup> quarter of 2023 in detail:

DMG MORI AG had a good start: Orders for almost all sectors increased positively. Demand from the more than 6,000 international trade visitors was also high at the traditional Open House in Pfronten. Furthermore, DMG MORI AG recorded over 2,000 qualified offers as well as new technology partnerships.

In the first three months, **order intake** reached € 787.4 million. The order intake was thus -9% below the all-time high of the previous year (€ 861.6 million), but developed notably better than the industry. Compared to the immediately preceding quarter, orders rose significantly by +40% (Q4 2022: € 564.1 million).

**Sales revenues** grew to € 586.2 million despite the continued difficult materials and logistics situation and were +4% higher than the previous year (€ 561.0 million). The export ratio was 63% (previous year: 68%).

As of 31 March 2022, **order backlog** amounted to € 1,785.5 million (31 Dec. 2022: € 1,613.4 million). This results in a calculated production range of around 8 months on average – a good basis for the current financial year.

### 1<sup>ST</sup> QUARTER 2023: GOOD START TO THE YEAR

Order intake  
**€ 787.4 million**

Sales revenues  
**€ 586.2 million**

EBIT  
**€ 44.2 million**

EBIT margin  
**7.5 %**

Free cash flow  
**€ 33.3 million**

**Results of operations** developed as planned in an ongoing difficult environment with further increases in global prices for materials, energy and personnel. The sustainable optimization of our cost structure and consistent implementation of our efficiency improvement measures made a positive contribution: **EBIT** reached € 44.2 million (-21%; previous year: € 55.9 million). The **EBIT margin** was 7.5% (previous year: 10.0%).

The **financial position** also developed as planned: **free cash flow** totaled € 33.3 million (-40%; previous year: € 55.4 million).

After the good development in the first quarter and the successful start in Pfronten, we thus confirm our forecasts for the full year: Order intake is expected to reach around € 2.45 billion. We estimate sales revenues of around € 2.35 billion. We assume EBIT of around € 170 million. Free cash flow is to be around € 80 million.

**You see: DMG MORI AG is strategically well positioned, has a high degree of resilience and deals quickly and agilely with global changes.** Our strong, long-standing network with customers, partners and suppliers, our broad product portfolio, our high level of diversification and speed of innovation as well as, above all, our highly qualified employees – all this is the backbone of our success



See for yourself: our traditional open house is currently taking place in Bielefeld. A shuttle service is available to take you to our headquarters after today's Annual General Meeting. Experience 21 high-tech machines – 7 of them with automation – live in action, digital innovations, technology integration and certified sustainability with DMG MORI **GREENMODE**.

The current financial year is centered on the EMO – the world's biggest machine tool show from 18 to 23 September. We will be the largest exhibitor on 10,000 m<sup>2</sup> and have a high number of innovations in the pipeline as well as new, sustainable technology, automation and digitization solutions. DMG MORI presents a firework of innovations – all with a high degree of process integration for resource-saving, efficient production.

A special highlight is CELOS X, the platform-based end-to-end shopfloor solution for the networked manufacturing of the future with a data-centric, scalable architecture. With this we make our customers fit for the future.

With our high-precision, sustainable machine tools and holistic technologies, we make a decisive contribution to a greener future. Our manufacturing solutions are produced in a resource-saving way, are high-quality, durable, recyclable and maximally efficient. Every day, we work



on automated and digitized manufacturing solutions for competitive production – starting from batch size 1, individually tailored to the needs of our customers.

Sustainability is becoming increasingly important as an innovation and investment motive. The trend towards resource-saving production processes is benefiting DMG MORI. The only thing that counts here is added value for our customers – that is what everything is aimed at. The early and stable strategic focus on automation, digitization and sustainability since 2017 was and is exactly right.

With our great team and the unique combination of dynamic and excellence at DMG MORI, we will also be successful in 2023!

Dear owners, thank you very much for your attention!

Christian Thönes  
CEO

12<sup>th</sup> May 2023



**WORLD BIGGEST MACHINE TOOL SHOW**

+ 130,000 visitors + DMG MORI in Hall 2 >10,000 m<sup>2</sup> + Automation, Digitization, Sustainability

**EMO 2023 // 18<sup>th</sup>–23<sup>rd</sup> SEPT. 2023**

**EMO**  
HANNOVER  
18-23/09/2023

## Forward-looking statements:

This release contains forward-looking statements, which are based on current estimates of the management regarding future developments. Such statements are based on the management's current expectations and specific assumptions. They are subject to risks, uncertainties and other factors, as well as to the effects of the Russian war in the Ukraine or the corona pandemic, that could cause the actual circumstances including the results of operations, financial position and net worth of DMG MORI AKTIENGESELLSCHAFT to differ materially from or be more negative than those expressly or implicitly assumed or described in these statements. The business activities of DMG MORI AKTIENGESELLSCHAFT are subject to a range of risks and uncertainties, which may likewise render a forward-looking statement, estimate or forecast inaccurate. Should one of these factors of uncertainty or other unforeseeable event occur or should the assumptions on which these statements are based prove incorrect, the actual results may differ materially from the results expressed, expected, anticipated, intended, planned, aimed at, estimated, projected or implied in these statements. Forward-looking statements must not be understood as a guarantee or assurance of the future developments or events contained therein.

\* \* \*

There are two companies using the name "DMG MORI": DMG MORI AKTIENGESELLSCHAFT with registered office in Bielefeld, Germany, and DMG MORI COMPANY LIMITED with registered office in Tokyo, Japan. DMG MORI AKTIENGESELLSCHAFT is an affiliated company of DMG MORI COMPANY LIMITED. This release refers exclusively to DMG MORI AKTIENGESELLSCHAFT. If reference is made in this release to "DMG MORI", this refers exclusively to DMG MORI AKTIENGESELLSCHAFT and its controlled companies within the meaning of Section 17 of the German Stock Corporation Act (Aktiengesetz – AktG). If reference is made to "Global One Company", this refers to the joint activities of DMG MORI COMPANY LIMITED and DMG MORI AKTIENGESELLSCHAFT including all subsidiary companies.



**DMG MORI**  
AKTIENGESELLSCHAFT

**121<sup>ST</sup> ANNUAL  
GENERAL MEETING**  
12 May 2023 | Town Hall Bielefeld

> DIGITIZATION  
> AUTOMATION  
> ADDITIVE MANUFACTURING  
> DMQP  
> SUSTAINABILITY  
> FIRST QUALITY  
> SERVICE EXCELLENCE  
> GLOBE  
> TECHNOLOGY EXCELLENCE  
> EMPLOYEES

*dynamic.*  
**E>XCELLENCE**