Fiscal year 2021:

**SICK AG achieves positive overall balance and**

**sets a number of records**

Orders received, sales, EBIT and Group result (among others) higher than ever before // Positive net financial position // Product portfolio for digital transformation expanded // Largest sales growth in US and China

Waldkirch, 27 April 2022 – For sensor company SICK with headquarters in Waldkirch, Germany, 2021 was a successful year. In the past fiscal year, for example, the company received orders amounting to EUR 2,321 million and achieved sales of EUR 1,964 million. EBIT amounted to EUR 202 million, up 44% from the previous year. SICK was also able to achieve a positive net financial position of EUR 60 million. In the national economies of the US and China, SICK recorded encouraging sales growth of around 15% and 30% respectively. At the end of 2021, 11,022 people worked in the Group. That means a 5.6% increase in the global number of employees.

Business in 2021 continued to be characterized by the effects of the corona pandemic. Manufacturing companies in particular had to respond to disruptions in supply chains caused by a lack of shipping containers, factory and port closures, low material availability and political and weather-related logistical bottlenecks. Despite the more difficult overall economic situation, SICK achieved a business development that was thoroughly positive. Catch-up effects from the previous year also led to an improvement in the business situation.

After the decline in sales in the 2020 fiscal year, which was a difficult one due to the pandemic, growth in the 2021 fiscal year significantly exceeded the forecast. Sales increased by 16% to EUR 1,964 million (2020: EUR 1,700 million). Orders received also increased by 34% to EUR 2,321 million (2020: EUR 1,726). With a 44% increase in EBIT, its share of sales also rose to 10% (EBIT margin 2020: 8%). The Group result for the year was up compared to the previous year: At EUR 148 million, the company achieved a 46% higher Group result compared with the previous year (2020: EUR 101 million).

“The employees again showed impressive dedication to the company last year, and the results from fiscal year 2021 are an outstanding joint achievement. The past year was characterized by many changes in the world and also at SICK, which presented some challenges. Like our founder, Dr. Erwin Sick, we tackle challenges with courage and confidence; our corporate culture enables dynamic action and the creation of creative solutions. A major highlight from 2021 was our anniversary. In spite of the coronavirus pandemic, we were able to celebrate 75 years of innovation! I look forward to many more years of success in this exciting age of digital transformation,” says Dr. Mats Gökstorp, Chairman of the Executive Board of SICK AG.

**Conditions in the sensor industry**

AMA e.V., the industry association for sensor and measurement technology, reported a 20 percent increase in sales in 2021 compared to the previous year. Despite all adverse conditions, the industry has been recording a steady increase in orders received for the past year and a half. High-tech production will continue to lead growth as the industry adjusts to greater digitalization and automation. This structural change, accelerated among other things by the pandemic, results in increased demand for sensor solutions and thus the growth of this industry. The figures from SICK AG also back up this trend. The broad positioning of the SICK Group really shows its worth here. The development of the orders received in the business fields was positive overall, albeit with varying intensity. This applies in particular to the business field of logistics automation.

**German domestic market and expansion of global markets**

In the German domestic market, sales also reached a new record level of EUR 326 million (2020: EUR 284 million) following a pandemic-related decline in the previous year. The development in the business field of factory automation, which recorded the strongest growth, was particularly welcome. The forecast development was exceeded in all business fields. Like the number of employees worldwide, the number of employees in Germany also increased by 5.6%, resulting in a total of 6,292 employees (2020: 5,961).

Sales gains were also expanded in global markets in 2021. The Europe, Middle East, and Africa (EMEA) region outperformed the previous year with sales growth of 12.5% to reach EUR 677 million (2020: EUR 601 million). This positive development is reflected in nearly all countries in this region.

A greater increase can be seen in North, Central and South America (the Americas). Sales were again characterized by growth in the field of logistics automation in North America and amounted to EUR 450 million in 2021, an increase of 16.2% compared to the previous year (2020: EUR 387 million). High sales growth was achieved in Brazil and the US (+15%). The figures forecast for the fiscal year were also exceeded in this region.

With 19.6% higher sales, the Asia-Pacific region was a positive surprise. Growth clearly exceeded expectations here as well. In the previous year, sales were still at EUR 428 million, while EUR 511 million were achieved last year. Sales development in China was particularly positive at around +30%.

**Software-based Sensor Intelligence**

The always high investment in research and development (R&D) increased from EUR 201 million in 2020 to EUR 210 million in 2021 (+4.6%). In addition to continuous monitoring of market developments, a systematic product development process has been established in the SICK Group that pursues the goal of technology and innovation leadership, taking into account all essential market-related, technical, and economic aspects. The company combines sensor intelligence with industry and application knowledge, thus breaking new ground for sensor-based applications and developing rapidly into a provider of complete software-based solutions. With digital services that rely on deep learning, analysis tools and augmented reality, as well as an emphasis on cloud and AI solutions, SICK is making an important contribution to digital transformation in industry.

One highlight from Innovations 2021 is Condition Monitoring, which is used in various applications. This is a cloud-based application that collects measured values, device parameters and vital values from sensors and analyzers in order to independently draw conclusions from the results. Among other things, this innovation helps to prevent downtime in plants and supports the scheduling of maintenance intervals. Another highlight is the InspectorP61x. It is a compact, powerful and fast-working all-in-one 2D vision sensor with integrated artificial intelligence and Deep Learning capability that enables reliable inline image processing inspections even in confined spaces or when mounted on a robot. The 2D vision sensor is so small that it can be installed exactly where it is needed in a machine, for example to inspect particularly delicate parts.

At the turn of 2021/2022, SICK fully acquired Croatian technology company Mobilisis. In doing so, the sensor expert expanded its global technology leadership for digital localization in Industry 4.0 applications apart from stationary conveyor systems and strengthened its IIoT (Industrial Internet of Things) expertise in a sustainable manner.

**Operational capability was ensured throughout**

For several months, companies have been suffering from the tense supply situation in purchasing markets. SICK has been able to successfully bypass the component bottlenecks in 2021 through flexibility and creativity, meaning all customers have received their deliveries so far, albeit with some delays. This is where SICK benefits from its strategic business relationships. The many years of close cooperation with customers and suppliers have created strong relationships on both sides, which means both sides can now count on understanding and loyalty. Just like the supply bottlenecks, the coronavirus pandemic still harbors risks with regard to operational capability. This is why the corona planning team established in March 2020 has remained in force. This team continuously monitors the situation, evaluates it, and derives any measures necessary to protect employees and the company.

**SICK bears responsibility**

Family-owned SICK has always taken its responsibility seriously. Its economic, ecological, and social responsibility is reflected in the continued high level of R&D activities, the retention and recruitment of qualified employees, its social commitment and high quality standards and ecological sustainability objectives.

In 2021, SICK set a new milestone in retaining personnel: In a new, modern building in the Schlosspark Buchholz near Freiburg, the Sensor Intelligence Academy (SIA) has created a new center for creativity, exchange, and development. Modern educational concepts with hands-on methods and forward-looking media technology make flexible learning at a high level possible for employees, customers, and external parties. SICK was also once again able to defend its position as a strong training company with 373 trainees (2020: 384) in the fields of information technology, electronics, mechatronics, mechanics, and commercial training. The number of employees in the SICK Group increased by 5.6% to 11,022 (2020: 10,433 employees) – a new record for SICK as an employer. Employees have responded well to both home office work and hybrid work models, which is why they will continue to be developed in the future.

We can help protect our own living space with careful handling of resources and the environment. In active support of this goal, SICK has defined 14 fields of action. These resulted in considerable progress towards achieving the sustainability goals in 2021. The company develops product that promote sustainability. SICK supplies sensor solutions that help customers produce sustainably. With the help of sensor technologies, the environment and human health can be protected from harmful influences. These sensor solutions support the energy revolution, for example through hydrogen measurements or more efficient generation of solar and wind energy. With a strategy focused on ecological sustainability, SICK is expanding its environmental protection activities on a global scale.

**Key figures at a glance**

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| SICK Group (IFRS) | 2020 | 2021 | Change in % |
| Orders received (in millions of EUR) | 1,726.4 | 2,320.9 | + 34.4 |
| Sales (in millions of EUR) | 1,700.2 | 1,963.7 | + 15.5 |
| EBIT (in millions of EUR) | 140.6 | 202.3 | + 43.9 |
| Group result (in millions of EUR) | 101.1 | 147.8 | + 46.2 |
| R&D expenditure (in millions of EUR) | 201.1 | 210.3 | + 4.6 |
| Net financial position (in millions of EUR) | -27.9 | 60.2 | -315.8 |
| Employees as of 31 Dec. | 10,433 | 11,022 | + 5.6 |

***Information:*** *All figures in the body text have been rounded up or down. The figures with decimal places can be found in the Annual Report.*

Image: SICK AG\_Bilanzkennzahlen 2021 auf einen Blick.jpg (© SICK AG)

Image caption: Key figures of SICK AG in fiscal year 2021 at a glance.

Image: SICK\_Vorstandsvorsitzender Mats Gökstorp (© SICK AG)

Image caption: Dr. Mats Gökstorp, Chairman of the Executive Board of SICK AG.

Image: SICK\_Vorstandsmitglied Markus Vatter (© SICK AG)

Image caption: Markus Vatter, member of the Executive Board of SICK AG and responsible for Controlling, Finance and IT.

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SICK is one of the world’s leading solutions providers for sensor-based applications in the industrial sector. Founded in 1946 by Dr.-Ing. e. h. Erwin Sick, the company with headquarters in Waldkirch im Breisgau near Freiburg ranks among the technological market leaders. With more than 50 subsidiaries and equity investments as well as numerous agencies, SICK maintains a presence around the globe. SICK has more than 11,000 employees worldwide and a group revenue of around EUR 2 billion (fiscal year 2021). Additional information about SICK is available on the Internet at [www.sick.com](http://www.sick.com/)