



WIKUS Annual review 2022

Dynamic developments in the global economy shaped the 2022 financial year. The WIKUS-Sägenfabrik Wilhelm H. Kullmann GmbH & Co. KG focused on the customer in a volatile environment and set the course for the future – with success.

Spangenberg, January 5, 2023: — WIKUS has a positive outlook on the future: The 2022 financial year was successfully concluded and a good order backlog bodes well for the achievement of the ambitious sales targets for 2023 - despite the global crisis mode and changeable markets. The reasons for these developments: Process optimization, the highest product quality "Made in Germany", and, above all, a customer proximity based on partnership, which is always in the foreground in the development of sawing tools and services. This brings added value for customers who, with WIKUS as a partner at their side, can rely on being well served even in times of crisis.

A look back at 2022: What moved WIKUS in the past 12 months

International growth strategy: More customer proximity on site

In order to meet customer requirements, contact persons are needed on site: WIKUS 2022 therefore strengthened the subsidiaries <u>WIKUS Nordic and WIKUS Canada</u> with strategic new appointments and personnel expansions. There was also a change at <u>WIKUS Austria</u>: The previous Managing Director Harald Bauernfeind, who was instrumental in building up WIKUS Austria, went into well-earned retirement. He is succeeded by Martin Käfer, who already has many years of management experience in sales at WIKUS AT.

The changes at WIKUS Nordic and WIKUS Canada pay off the international sales strategy <u>WIgrow25</u>. Its objectives, in addition to strengthening its customer focus, are to achieve sustainable growth and penetrate potential markets worldwide. For example, the new foundation of the <u>subsidiary WIKUS SIERRAS CINTAS</u> in Querétaro, Mexico, is another milestone on the path to meeting the high demand for WIKUS products successfully and close to the customer. With the new subsidiary in Mexico, which will start operations on February 1, 2023, the globally operating band saw manufacturer will then be represented at a total of eleven locations on three continents. A further start-up is planned in Italy during 2023.

PKSB: Outstanding performance and a new sales position

Eine Neuerung gab es 2022 am Standort Deutschland für die <u>precision circular saw</u> <u>blades</u>, or <u>Präzisions-Kreissägeblätter – PKSB</u>): For the first time, a product line was assigned to a separate sales position. With this strategic step, WIKUS is strengthening its position in this important market. AThis development also pays dividends to the sales strategy <u>WIgrow25</u>, which in addition to new appointments also includes the training and development of specialists and managers throughout the Group and the creation of new positions in production and training at the company headquarters in Spangenberg.

WIKUS can report a particular success for the PKSB product line: <u>KREOS®</u> and <u>MIRUS®</u> achieved excellent results in customer practice and contributed to a maximum increase of efficiency in production. Users needed only one MIRUS® high-performance circular saw blade for 1000 cuts of difficult-to-machine materials, where previously 10 HSS circular saw blades were needed. The benefits for customers include long blade-life, improved costs-per-cut and price-performance ratios, as well as reduced cutting costs and production line downtime.

3D showroom and online catalogs: digital services with added value

Since February 2022, customers have been able to obtain quick, detailed and locationindependent information about the technical properties of the PKSB and the entire WIKUS product portfolio in the virtual <u>3D-Showroom</u>. Quotes can also be requested directly from the application. The online application underscores WIKUS' role as an innovation driver in the field of digital services. The application is also used for training and further education purposes within the <u>WIkademy[®]</u>.

In August 2022, WIKUS expanded its range of digital services once again: customers now have the option of creating <u>individual product catalogs</u> online and can decide for themselves which products they need information on. With individualization and the independence of time and place, both services offer advantages for customers that meet the need for more flexibility in the current business world.

Production and delivery security: WIKUS defies market fluctuations

Especially now, production and delivery security are of utmost importance for customers: two points that WIKUS can ensure – despite volatile market movements, steadily increasing demand and inflation of raw materials on the world markets. With various measures, which include not only an increase in machine and personnel capacities, but also the improvement of manufacturing processes and the reduction of the use of resources, customers in 2022 received not only security, but also quality improvements in the products of WIKUS. For example, the <u>SKALAR® M42 and SELEKTA® GS M42 bimetal band saw blades</u> were already converted to the new inline production process in mid-2022 and given an optimized superfinish. In addition to the efficiency in the production of WIKUS, this also increases the manufacturing quality and thereby the quality of the band saw blades. More products are to follow. Further investments in the expansion of machine capacities and in new manufacturing technology are planned for 2023 to meet rising demand and improve delivery performance.

At the same time, WIKUS is allowing its customers to benefit from declining price effects on the world market: After the price of hot-rolled wide strip steel moved downward, WIKUS reduced its <u>inflation surcharge to 0 %</u> at the end of the year. This had been levied since 2021 in order to be able to compensate for the fluctuating market prices for raw materials and to remain capable of production.

Into the future with energy efficiency and environmental awareness: ISO certifications

Actions like these are not a given, especially in the current market environment with rising energy prices, but WIKUS implemented targeted energy reduction measures at an early stage. For example, electricity quotas were secured for 2023 and the zero-gas strategy was driven forward in order to be able to act independently of gas imports. In 2022, the <u>recertification</u> of the quality and energy management systems took place, confirming WIKUS' continuously excellent energy efficiency as well as outstanding quality in the company.

WIKUS continues to expand these globally recognized standards: <u>ISO certification for</u> <u>environmental management systems</u> is an objective for the second half of 2023. As a globally operating company, WIKUS is thus setting an example for suppliers and partners for holistic, environmentally friendly management in the machining industry and hopes for imitators on the path to a common, successful future.

Wlforum, Partner Conference and AMB: Industry Meeting and Knowledge Exchange

The first industry meeting in Spangenberg in June 2022 focused on what such a future for the machining industry might look like. The <u>Wlforum 2022 and the partner conference</u> were used by a good 150 customers and partners to exchange and share knowledge in person and in discussion rounds with industry experts and WIKUS experts. Whether strategies for resilience in volatile markets, the relevance of the willingness to innovate and change, or more agility: the on-site event used presentations and workshops to show ways in which manufacturing companies can position themselves for the future. In addition, excursions to the innovative manufacturing world and the WIKUS sawing center provided insights into the production of the innovative sawing tools.

WIKUS also focused on customer dialog, service and consulting at its trade show presence during the <u>AMB in Stuttgart</u>: The experts discussed with booth visitors how the right sawing solution can optimize their individual cutting process, increase efficiency and thus boost the overall productivity of their company.

Outlook 2023: Entering the anniversary year with a focus on the customer and optimism for the future

WIKUS will also attend trade fairs worldwide in 2023 and seek personal exchange with customers and partners. Certainly a highlight of the year: the world's leading trade fair for the manufacturing industry, EMO 2023, which will take place in Hannover this year and provide a platform for inspiring discussions. Furthermore, a large number of strategic, future-oriented projects resulting from the corporate strategy are on the agenda. This means that customers can rest assured that at WIKUS they have a

partner who will continue to combine stability and future growth, and who will work with customers to shape the industry and lead it to success. The positive focus on the future will accompany WIKUS into its anniversary year, during which the sawmill will celebrate its 65th anniversary.

WIKUS would like to thank all customers and partners for the many years of cooperation and wishes them a successful start for 2023!

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About WIKUS

WIKUS - TOP QUALITY "MADE IN GERMANY"

WIKUS is one of the world market leaders in metal sawing and Europe's largest band saw blade manufacturers. Customers from steel production/trading, foundries, machine/tool making, aerospace, automotive, construction, energy, and many other industries rely on WIKUS' highly efficient solutions.

With the best input materials, state-of-the-art production procedures, and ongoing quality controls, the WIKUS sawmill from Spangenberg in northern Hesse has been guaranteeing the highest standards in the production of high-tech band saw blades since 1958. At the same time, the family-run company creates considerable product and technology trends in the market thanks to its innovative prowess. In addition to its high-performance product range, WIKUS offers comprehensive service packages tailored to the respective product. Partner companies as well as sales and service companies worldwide offer competent, personal support on site.

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