

Half-Year Report 2023

# GROWING TOGETHER



**komax**

# KEY FIGURES

**405** million  
revenues in CHF  
(First half 2022: 242 million)

**55** million  
EBIT in CHF  
(First half 2022: 31 million)

**40.7** group earnings after  
taxes (EAT) in CHF million  
(First half 2022: 23.3 million)

**7.93** basic earnings  
per share in CHF  
(First half 2022: 6.05)

**53.9%** equity ratio  
(31.12.2022: 53.2%)

**9.6%** of revenues invested in  
research and development  
(First half 2022: 9.7%)

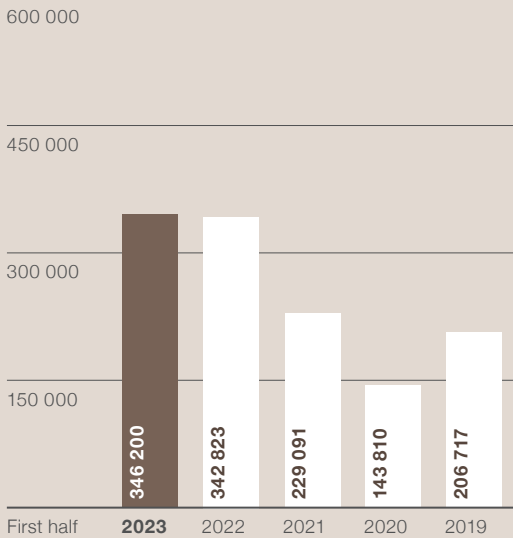
**3 412** employees as at 30.06.  
(30.06.2022:  
2 235 employees)

**39.5** free cash flow  
in CHF million  
(First half 2022: 3.5 million)

# KEY FIGURES FIVE-YEAR OVERVIEW

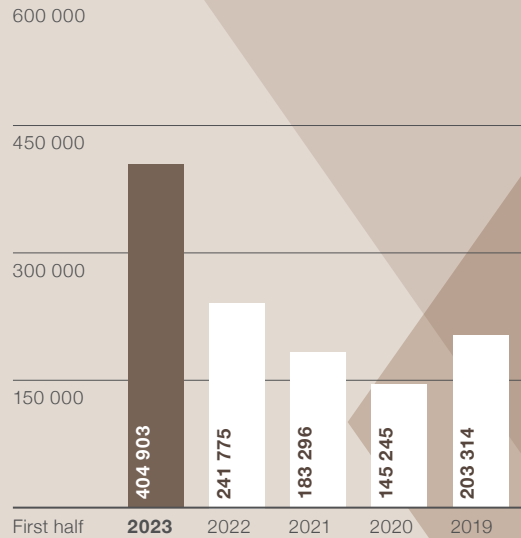
## Order intake

in TCHF



## Revenues

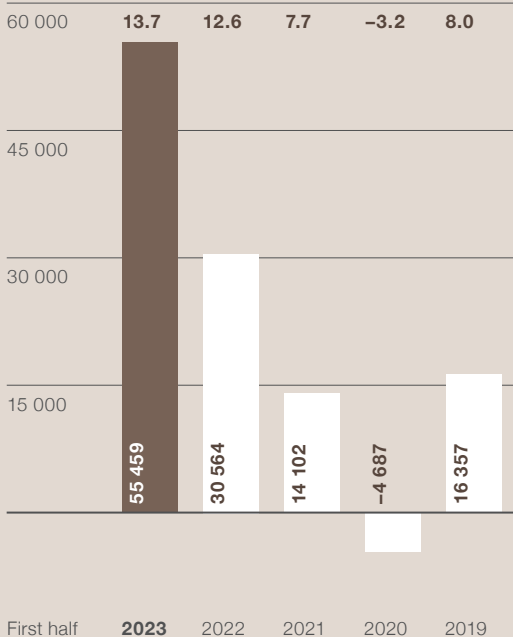
in TCHF



## Operating result (EBIT)

in TCHF

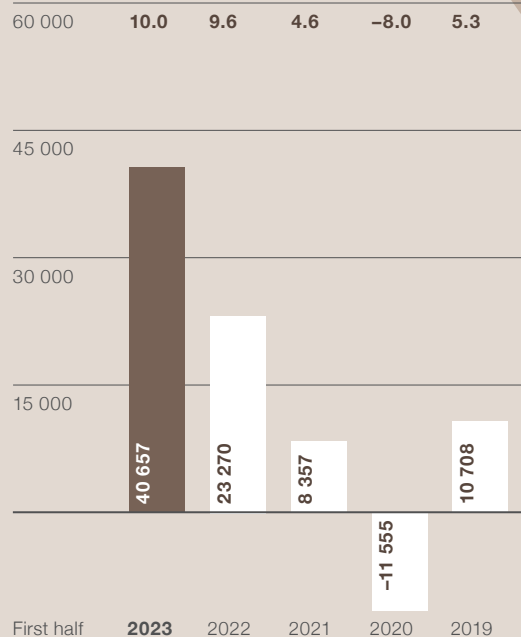
EBIT in % of revenues



## Group earnings after taxes (EAT)

in TCHF

EAT in % of revenues



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# DEAR SHAREHOLDER

Following a successful 2022 financial year, the Komax Group kicked off 2023 with a record-high order backlog. With the reliability of its supply chains having been improved through considerable efforts, the Komax Group was able to process this order backlog continuously in the first half of 2023, bringing it back down to a level commensurate with previous years. Overall demand for solutions for the automation of wire processing was healthy in the first six months of the year, despite business activities in China lagging well behind expectations. The resulting order intake amounted to CHF 346.2 million, which represented an increase of 1.0% on the previous year (CHF 342.8 million). Due to the war in Ukraine, the Komax Group recorded an extraordinarily high order intake in the first half of 2022. The fact that this figure was then surpassed a year later, despite no repetition of the extraordinary demand situation in connection with the war in Ukraine, was a consequence of the combination with Schleuniger. The Schleuniger Group was consolidated with effect from 1 September 2022, and its activities therefore fed through into the Komax Group's results for a full reporting period for the first time in the first half of 2023.

#### **Integration of Schleuniger proceeding well**

The integration of the Schleuniger Group into the Komax Group is proceeding as planned, and

numerous teams are already collaborating successfully. A key focus of the integration process at the moment is the optimization of the global distribution and service network. Among other things, this process also resulted in the sale of Komax Portugal to Estanflux on 1 July 2023. Estanflux has been representing Komax in Spain for many decades now, and has recently also been the distribution partner for Schleuniger. This company now covers the entire Iberian Peninsula.

#### **Volatile markets**

The Komax Group's markets experienced varying developments in the first six months of the year, and have been rather more volatile than usual. In Europe and the Americas, customers remained keen to invest in automation. Although rising interest rates and the muted economic outlook have led to the investment decision-making process being drawn out in some cases, the trend towards automation remains clearly apparent. This is true not just in the automotive market segment, but also in the less volatile industrial market segment in particular. In Asia/Pacific, especially China, customers proved much more reticent about investing in automation solutions than they had been in the previous year, which explains why this region recorded a significantly weaker result.

### Gratifying organic revenue growth

As a consequence of the economic situation in China, the Komax Group booked just 15.9% of its revenues in the Asia/Pacific region, a sharp decline from the prior-year figure of 21.9%. At 49.3%, Europe continues to account for by far the largest proportion of revenues (prior year: 42.6%), followed by North/South America with 24.1% (prior year: 21.7%) and Africa (primarily Morocco and Tunisia) with 10.7% (prior year: 13.8%). Overall, revenues rose by a striking 67.5% to CHF 404.9 million (prior year: CHF 241.8 million). Of this figure, organic growth accounted for 11.2% and acquisition growth 54.2%. The foreign currency influence was clearly negative at -2.6%.

### Development of EBIT influenced by various factors

As a result of the strong growth in revenues and the sale of the building in Rotkreuz, Switzerland, which was completed in January 2023, the Komax Group saw its operating result (EBIT) increase by 81.5% to CHF 55.5 million (prior year: CHF 30.6 million). The EBIT margin increased from 12.6% to 13.7%. Excluding the building sale, which increased both revenues and EBIT by CHF 11.1 million, the EBIT margin would have come in at 11.3%. Compared to the first semester of the prior year, the product mix in the first half of 2023 was less advantageous, while foreign currency developments reduced the EBIT margin by a further 0.6 percentage points. Group earnings after taxes (EAT) came in at CHF 40.7 million (prior year: CHF 23.3 million), with the building sale having contributed CHF 9.7 million.

### Very high free cash flow

The Komax Group's financial base remains extremely strong. As at 30 June 2023, shareholders' equity amounted to CHF 414.4 million (31 December 2022: CHF 416.6 million). The equity ratio rose to 53.9% (31 December 2022: 53.2%). Free cash flow also developed very positively, coming in at CHF 39.5 million (prior year: CHF 3.5 million). Net debt decreased to CHF 101.3 million in the first half of the year (31 December 2022: CHF 105.5 million), thereby enabling the Komax Group to further strengthen its financial stability.

### Outlook

Looking ahead to the remainder of 2023, the Komax Group is confident of being able to deliver on its March forecast for the full 2023 financial year. In other words, it continues to predict revenues amounting to around CHF 770 million in total and an EBIT margin of around 11% (excluding the sale of the Rotkreuz building). The company is aware that the market environment is very challenging at the moment and that selling capital goods requires considerable effort. Nonetheless, as the fundamental trend towards higher automation in wire processing remains intact and the Komax Group is expecting the market situation in China to improve somewhat in the second half of 2023, the Group is expecting to deliver on its ambitious financial guidance.

Intensive work is currently underway on the finalization of the Komax Group's new strategy and the setting of financial targets for 2028, which will be published on 28 September 2023. In addition, Christian Mäder – who is set to replace Andreas Wolfisberg as CFO of the Komax Group from 1 October 2023 – joined the company at the start of August. Andreas Wolfisberg will start his well-earned retirement at the end of 2023 after 32 years with the Komax Group. We would like to take this opportunity to thank him for his outstanding work and dedication, and to wish him all the best for the future.

Yours sincerely,



**Dr. Beat Kälin**  
Chairman of the  
Board of Directors



**Matijas Meyer**  
CEO

17 August 2023

## CONSOLIDATED INCOME STATEMENT

in TCHF	First half 2023	%	First half 2022	%
Net sales	389 603		238 087	
Other operating income	15 300		3 688	
<b>Revenues</b>	<b>404 903</b>	<b>100.0</b>	<b>241 775</b>	<b>100.0</b>
Change in inventory of unfinished and finished goods	1 811		3 602	
Cost of materials	-150 644		-93 059	
<b>Gross profit</b>	<b>256 070</b>	<b>63.2</b>	<b>152 318</b>	<b>63.0</b>
Personnel expenses	-142 359		-85 489	
Depreciation on property, plant, and equipment	-6 726		-5 779	
Depreciation on intangible assets	-3 152		-1 975	
Other operating expenses	-48 374		-28 511	
<b>Operating profit (EBIT)</b>	<b>55 459</b>	<b>13.7</b>	<b>30 564</b>	<b>12.6</b>
Financial result	-4 439		-2 442	
<b>Group earnings before taxes (EBT)</b>	<b>51 020</b>	<b>12.6</b>	<b>28 122</b>	<b>11.6</b>
Income taxes	-10 363		-4 852	
<b>Group earnings after taxes (EAT)</b>	<b>40 657</b>	<b>10.0</b>	<b>23 270</b>	<b>9.6</b>
Of which attributable to:				
– Shareholders of Komax Holding AG	40 657		23 270	
– Non-controlling interest	0		0	
Basic earnings per share (in CHF)	7.93		6.05	
Diluted earnings per share (in CHF)	7.90		6.03	

## CONSOLIDATED BALANCE SHEET

in TCHF	30.06.2023	%	31.12.2022	%
<b>Assets</b>				
Cash and cash equivalents	84 992		82 735	
Securities	12		12	
Trade receivables	164 964		182 752	
Other receivables	22 076		25 899	
Inventories	221 696		204 743	
Accrued income and prepaid expenses	13 799		10 055	
Assets held for sale	0		16 686	
<b>Total current assets</b>	<b>507 539</b>	<b>65.9</b>	<b>522 882</b>	<b>66.7</b>
Property, plant, and equipment	221 916		218 696	
Intangible assets	19 484		19 760	
Deferred tax assets	19 076		20 612	
Other non-current receivables	1 568		1 556	
<b>Total non-current assets</b>	<b>262 044</b>	<b>34.1</b>	<b>260 624</b>	<b>33.3</b>
<b>Total assets</b>	<b>769 583</b>	<b>100.0</b>	<b>783 506</b>	<b>100.0</b>
<b>Liabilities</b>				
Current financial liabilities	1 237		12 382	
Trade payables	35 782		35 017	
Other payables	70 609		82 442	
Current provisions	5 415		5 207	
Accrued expenses and deferred income	48 814		46 413	
<b>Total current liabilities</b>	<b>161 857</b>	<b>21.0</b>	<b>181 461</b>	<b>23.1</b>
Non-current financial liabilities	185 057		175 877	
Other non-current liabilities	2 165		2 117	
Deferred tax liabilities	6 070		7 462	
<b>Total non-current liabilities</b>	<b>193 292</b>	<b>25.1</b>	<b>185 456</b>	<b>23.7</b>
<b>Total liabilities</b>	<b>355 149</b>	<b>46.1</b>	<b>366 917</b>	<b>46.8</b>
Share capital	513		513	
Capital surplus	334 475		348 591	
Treasury shares	-2 835		-1 015	
Retained earnings	82 281		68 500	
<b>Equity attributable to shareholders of Komax Holding AG</b>	<b>414 434</b>	<b>53.9</b>	<b>416 589</b>	<b>53.2</b>
<b>Total liabilities and shareholders' equity</b>	<b>769 583</b>	<b>100.0</b>	<b>783 506</b>	<b>100.0</b>



## CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY

in TCHF	Share capital	Premium	Treasury shares	Goodwill offset	Currency differences	Other retained earnings	Total retained earnings	Sharehol- ders' equity of Komax Holding AG
<b>Balance as at 1 January 2022</b>	<b>385</b>	<b>22 113</b>	<b>-1 888</b>	-90 619	-19 510	354 423	<b>244 294</b>	<b>264 904</b>
Group earnings after taxes						23 270	23 270	23 270
Dividend paid						-17 303	-17 303	-17 303
Share-based payments			873			250	250	1 123
Goodwill offset with shareholders' equity				-538			-538	-538
Currency translation differences recorded in the reporting period					-3 663		-3 663	-3 663
<b>Balance as at 30 June 2022</b>	<b>385</b>	<b>22 113</b>	<b>-1 015</b>	-91 157	-23 173	360 640	<b>246 310</b>	<b>267 793</b>
<b>Balance as at 1 January 2023</b>	<b>513</b>	<b>348 591</b>	<b>-1 015</b>	-290 646	-30 833	389 979	<b>68 500</b>	<b>416 589</b>
Group earnings after taxes						40 657	40 657	40 657
Distribution out of reserves from capital contributions		-14 116					0	-14 116
Dividend paid						-14 116	-14 116	-14 116
Purchase of treasury shares			-3 917				0	-3 917
Share-based payments			2 097			-1 066	-1 066	1 031
Goodwill offset with shareholders' equity				-7 201			-7 201	-7 201
Currency translation differences recorded in the reporting period					-4 493		-4 493	-4 493
<b>Balance as at 30 June 2023</b>	<b>513</b>	<b>334 475</b>	<b>-2 835</b>	-297 847	-35 326	415 454	<b>82 281</b>	<b>414 434</b>

## CONSOLIDATED CASH FLOW STATEMENT

in TCHF	First half 2023	First half 2022
<b>Cash flow from operating activities</b>		
Group earnings after taxes	40 657	23 270
Adjustment for non-cash items		
– Taxes	10 363	4 852
– Depreciation and impairment of property, plant, and equipment	6 726	5 779
– Depreciation and impairment of intangible assets	3 152	1 975
– Profit (-) / loss (+) from sale of non-current assets	-11 474	-102
– Expense for share-based payments	1 031	1 123
– Net financial result	4 439	2 442
Interest received and other financial income	591	405
Interest paid and other financial expenses	-3 794	-2 393
Taxes paid	-8 853	-2 794
Increase (+) / decrease (-) in provisions	220	-133
Increase (-) / decrease (+) in trade receivables	15 782	-15 711
Increase (-) / decrease (+) in inventories	-19 190	-15 864
Increase (+) / decrease (-) in trade payables	1 226	3 694
Increase (-) / decrease (+) in other net current assets	-15 366	3 411
<b>Total cash flow from operating activities</b>	<b>25 510</b>	<b>9 954</b>
<b>Cash flow from investing activities</b>		
Investments in property, plant, and equipment	-9 851	-3 706
Sale of property, plant, and equipment	28 729	256
Investments in intangible assets	-3 461	-1 796
Sale of intangible assets	685	0
Investments in Group companies and participations <sup>1</sup>	-2 123	-1 234
<b>Total cash flow from investing activities</b>	<b>13 979</b>	<b>-6 480</b>
Free cash flow <sup>2</sup>	39 489	3 474
<b>Cash flow from financing activities</b>		
Payments for current financial liabilities	-11 788	0
Payments for non-current financial liabilities	-2 746	-420
Proceeds from current financial liabilities	581	14 000
Proceeds from non-current financial liabilities	10 389	0
Distribution out of reserves from capital contributions	-14 116	0
Dividend paid	-14 116	-17 303
Purchase of treasury shares	-3 917	0
<b>Total cash flow from financing activities</b>	<b>-35 713</b>	<b>-3 723</b>
Effect of currency translations on cash and cash equivalents	-1 519	-1 001
<b>Increase (+) / decrease (-) in funds</b>	<b>2 257</b>	<b>-1 250</b>
Cash and cash equivalents at 1 January	82 735	50 671
Cash and cash equivalents at 30 June	84 992	49 421

<sup>1</sup> Less cash and cash equivalents acquired.

<sup>2</sup> No Swiss GAAP FER defined key figure, see note 1.

# CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 1 Corporate accounting policies

The present consolidated financial statements comprise the unaudited consolidated half-year financial statements of Komax Holding AG, which is domiciled in Switzerland, and its subsidiaries for the reporting period ended 30 June 2023.

The consolidated half-year and full-year financial statements have been drawn up in accordance with the existing guidelines of Swiss GAAP FER (Swiss Accounting and Reporting Recommendations). Furthermore, the provisions of the Swiss company law have been complied with.

The consolidated half-year financial statements have been drawn up in accordance with Swiss GAAP FER 31 "Complementary Recommendation for Listed Companies." As the consolidated half-year financial statements do not contain all the information set out in the consolidated annual financial statements, they should be read in conjunction with the consolidated financial statements as at 31 December 2022.

Preparation of the consolidated half-year financial statements requires the Board of Directors and the Executive Committee to make estimates and assumptions that have an effect on the stated income, expenses, assets, and liabilities, as well as the disclosure of contingent liabilities. If, at a later point in time, the estimates and assumptions made by management in good faith at the time of the interim financial statements are found to differ from actual conditions, the original estimates and assumptions are revised accordingly in the reporting period in which conditions changed. In the consolidated half-year financial statements, management has not made any new assumptions or estimates compared with the consolidated financial statements as at 31 December 2022.

The Komax Group operates in business sectors where sales are not subject to any material seasonal or cyclical fluctuations over the course of the financial year.

Income taxes are calculated based on the best estimate of the expected weighted average tax rate for the financial year as a whole.

By stating its free cash flow in the cash flow statement, the Komax Group is reporting an item that is not in conformity with Swiss GAAP FER, but is nonetheless a key figure for the Komax Group, as well as being widely used and recognized in the financial sector. This key figure is an amalgamation of cash flow from operating activities and cash flow from investing activities. In the income statement, the Komax Group discloses the revenues as an additional subtotal that is not defined under Swiss GAAP FER. This subtotal includes the net sales as well as other operating income and is used for the calculation of important key figures. As gross profit is an important key figure for the Komax Group, the corresponding interim total is reported separately in the income statement. Gross profit comprises revenues (net sales and other operating income) minus the cost of materials and changes in inventory of unfinished and finished goods.

## 2 Scope of consolidation

The consolidated half-year financial statements include the separate financial statements of Komax Holding AG, Dierikon, Switzerland, and all subsidiaries where Komax Holding AG directly or indirectly holds more than 50% of the voting power or otherwise exercises control over the entity's financial and operating policies. These companies are fully consolidated. Associated companies in which the Komax Group holds at least 20% of votes, but in which it has a stake of less than 50% or on which it exerts a key influence in other ways, are recognized by the equity method.

The Komax Group acquired the company WUSTEC at the beginning of 2023. WUSTEC has been consolidated within the Komax Group with effect from 1 January 2023.

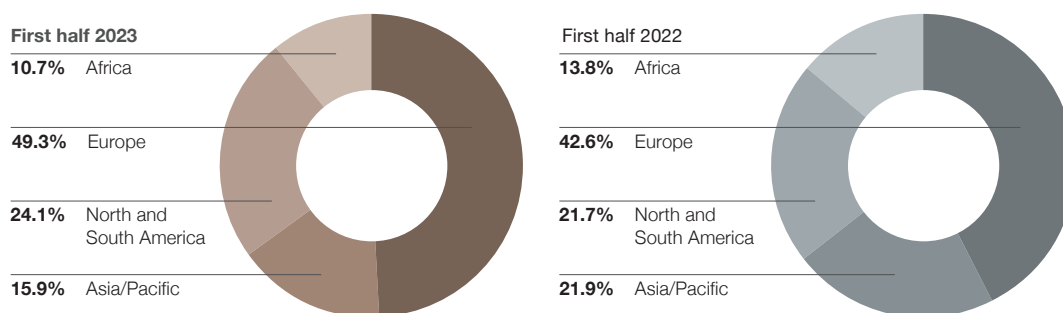
In the first half of 2023, there were no other changes in the scope of consolidation. The subsidiaries are listed on pages 133 and 134 of the 2022 Annual Report.

## 3 Notes to the consolidated financial statements

Below, we provide a number of supplementary notes to the information already set out in the shareholders' letter.

### 3.1 Income statement

The percentage breakdown of revenues by region is as follows:



For further notes on revenue development and profitability, we refer you again to the shareholders' letter.

The Komax Group sold the building at its production site in Rotkreuz in January 2023. The resulting profit of CHF 11.1 million was booked to other operating income and increased operating profit (EBIT) accordingly. The impact on Group earnings after taxes (EAT) amounts to CHF 9.7 million.

The tax rate for the first half of 2023 is 20.3% (previous year: 17.3%).

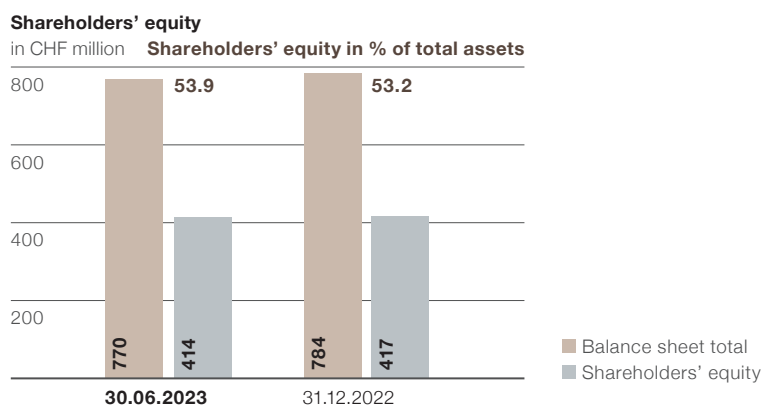
### 3.2 Balance sheet

Compared with 31 December 2022, total assets decreased by CHF 13.9 million to CHF 769.6 million. The sale of the building in Rotkreuz reduced current assets by CHF 16.7 million compared with 31 December 2022.

Other payables decreased by CHF 11.8 million compared with 31 December 2022, this being attributable to lower advance payments received from customers compared with 31 December 2022.

As at 30 June 2023, net debt amounted to CHF 101.3 million, a figure CHF 4.2 million lower than as at 31 December 2022.

The equity ratio increased from 53.2% as at 31 December 2022 to 53.9% as at 30 June 2023.



### 3.3 Statement of shareholders' equity

Shareholders' equity decreased by CHF 2.2 million in comparison to 31 December 2022. Group earnings after taxes increased shareholders' equity by CHF 40.7 million (previous year: CHF 23.3 million). The distribution from capital contribution reserves and a dividend distribution amounting to CHF 28.2 million in total (previous year: CHF 17.3 million) reduced shareholders' equity accordingly. The offsetting of goodwill changed shareholders' equity by a further CHF –7.2 million (previous year: CHF –0.5 million). The offsetting amount comprises the goodwill for the acquisition of WUSTEC and the adjustments to goodwill arising from the quasi-merger with the Schleuniger Group from 2022 in the course of the final purchase price allocations. The impact of currency translation differences was negative in the amount of CHF –4.5 million (first half of 2022: CHF –3.7 million), as various exchange rates were lower on the reference date than on 31 December 2022.

### 3.4 Cash flow statement

As a result of positive Group earnings after taxes in particular, cash flow from operating activities increased to CHF 25.5 million (previous year: CHF 10.0 million). A negative influence on cash flow from operating activities was the increase in other net current assets by CHF 15.4 million, which was essentially the result of lower advance payments received compared with the period ending 31 December 2022. After investments in property, plant, and equipment, intangible assets, and participations, free cash flow worked out positive, amounting to CHF 39.5 million (previous year: CHF 3.5 million). The impact of currency translation differences on cash and cash equivalents was negative at CHF –1.5 million (previous year: CHF –1.0 million). As at 30 June 2023, cash and cash equivalents amounted to CHF 85.0 million, an increase of CHF 2.3 million on the figure recorded as at 31 December 2022.

## 4 Segment information

The Komax Group is a global technology company that focuses on markets in the automation sector. As a manufacturer of innovative and high-quality solutions for the wire processing industry, the Komax Group helps its customers implement economical and safe manufacturing processes, especially in the automotive supply sector. All Group companies are active in wire processing, have a uniform client base, and are centrally managed. The Board of Directors and the Executive Committee, which make the key strategic and operating decisions, manage the Komax Group primarily on the basis of the financial statements of the individual companies, the Management Information System, and the consolidated financial statements. Due to the commercial similarity and interconnections of the Group companies, the Komax Group presents its business in amalgamated form as a single segment, in accordance with Swiss GAAP FER 31.

## 5 Acquisitions

The Komax Group acquired WUSTEC at the beginning of January 2023. This company has been providing its customers with services in automated wire prefabrication for over 20 years. WUSTEC is headquartered in Germany's Black Forest region and has 30 employees. It is currently focused on building a digital platform that enables the procurement of prefabricated wire sets.

In connection with the founding of Komax Testing India Pvt. Ltd., the Komax Group acquired the testing systems production business of its Indian customer Dhoot Transmission Pvt. Ltd. in the previous year's period by means of an asset deal.

## 6 Exchange rates

The most important half-year and average exchange rates for the Komax Group were as follows:

Currency	Rate on 30.06.2023	Average rate in first half 2023	Rate on 30.06.2022	Average rate in first half 2022
USD	0.910	0.930	0.960	0.940
EUR	0.990	1.000	1.010	1.050
CNY	0.125	0.135	0.144	0.147

## 7 Events after the balance sheet date

The Komax Group sold its subsidiary Komax Portugal to Estanflux, a long-standing representative agent of Komax, effective 1 July 2023. This has the effect of strengthening this proven distribution partner, as Estanflux will now cover the entire Iberian Peninsula (Spain and Portugal) and thus ensure that the customers receive even more flexible and focused support in these two markets.

No other significant events occurred between the balance sheet date and the approval of the consolidated financial statements by the Board of Directors on 16 August 2023 that might adversely affect the information content of the 2023 half-year financial statements or which would require disclosure.

## 8 Information for shareholders

Komax Holding AG registered shares are listed on SIX Swiss Exchange. Security number: 1070215; Bloomberg: KOMN SW; Thomson Reuters: KOMN.S.

	30.06.2023	31.12.2022
Share capital (in TCHF)	513	513
No. of shares (in units)	5 133 333	5 133 333
Market capitalization as at reference date (in TCHF)	1 190 933	1 321 833
Closing price as at reference date (in CHF)	232.00	257.50

## Financial calendar

Investor Day	28 September 2023
Preliminary information on 2023 financial year	23 January 2024
Annual media and analyst conference on the 2023 financial results	12 March 2024
Annual General Meeting	17 April 2024
Half-year results 2024	13 August 2024

## Forward-looking statements

The Half-Year Report contains forward-looking statements in relation to the Komax Group which are based on current assumptions and expectations. Unforeseeable events and developments could cause actual results to differ materially from those anticipated. Examples include changes in the economic and legal environment, the outcome of legal disputes, exchange rate fluctuations, unexpected market behavior on the part of our competitors, negative publicity, and the departure of members of management. The forward-looking statements are pure assumptions, made on the basis of information that is currently available.

This Half-Year Report is available in English and German. The original German version is binding.

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