

# 2022 HALF-YEAR RESULTS

**komax**

17 August 2022

# 1st half of 2022 in brief

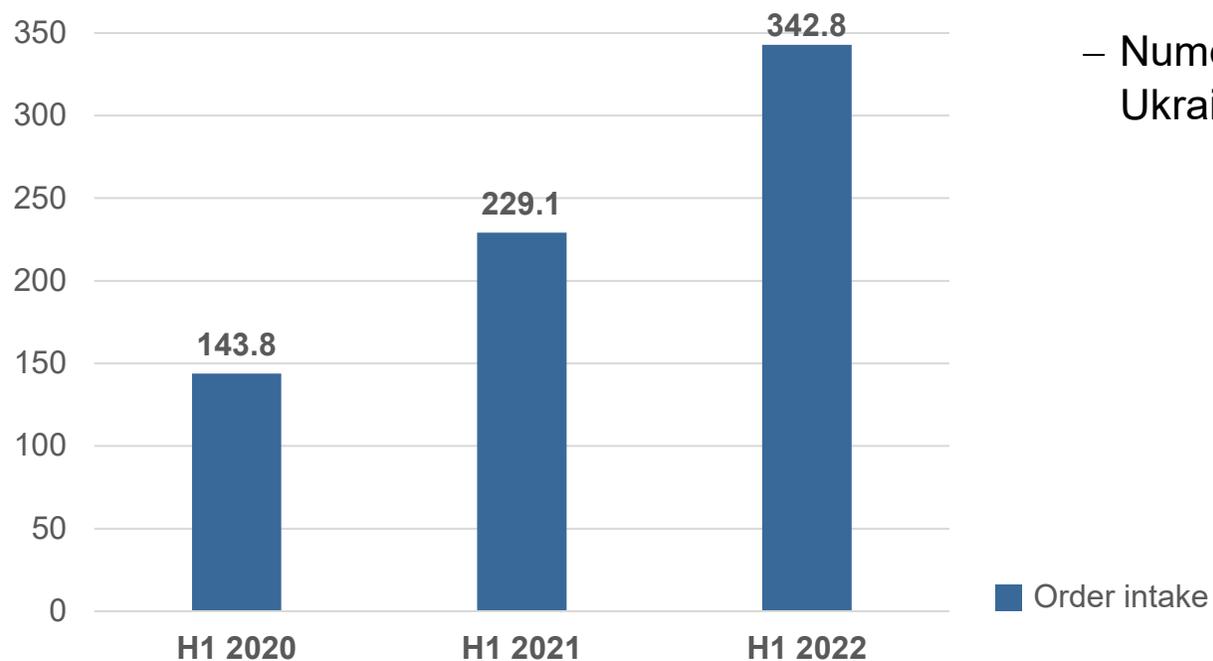
## Successful and historic first six months

- **Order intake at record level**
  - Automation trend and war in Ukraine lead to a high number of orders
  - Very high book-to-bill ratio of 1.42
- **EBIT rises sharply**
  - Strong revenue growth and advantageous product mix lead to high EBIT
- **Supply chain challenges**
  - Material procurement remains a significant challenge and is impacting revenue development
- **Combination of Komax and Schleuniger**
  - Restricted range of activity in the first half of 2022 due to competition situation
  - Focus of next few months will be on analysis work

# Record-high order intake

## Automation trend persists

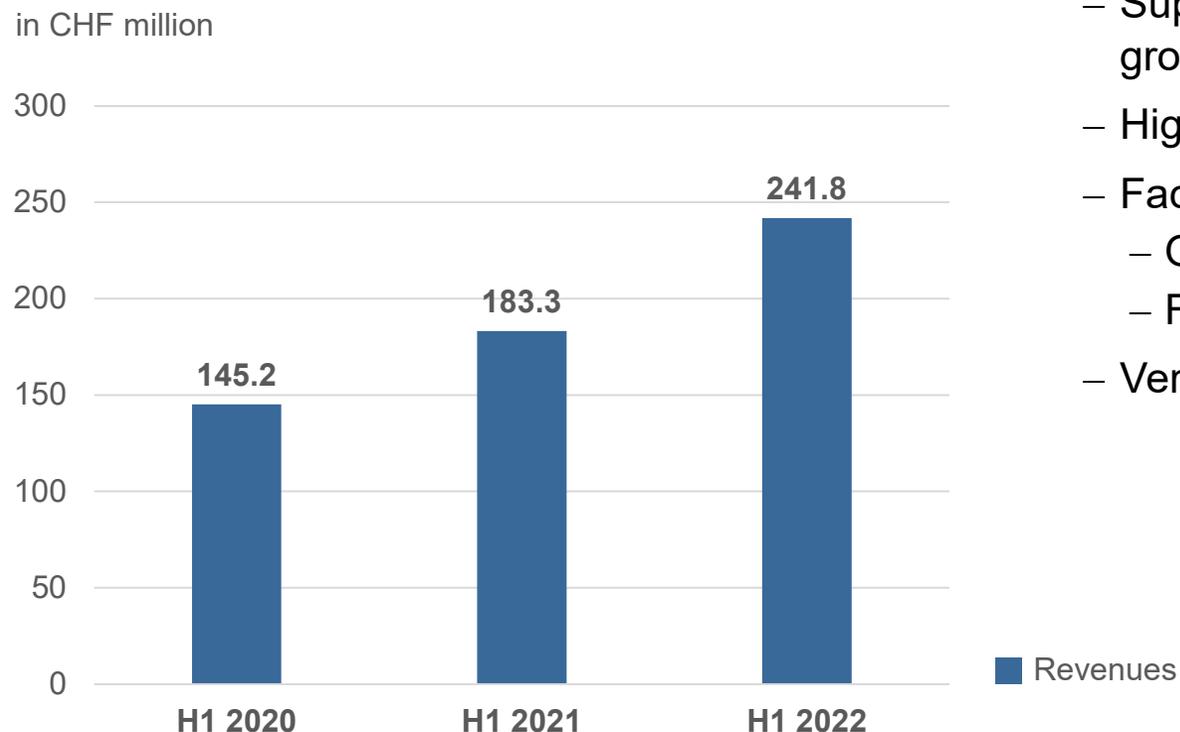
in CHF million



- Order intake increases by 49.6%
- Automation trend clearly evident in both automotive and industrial market segments
- Numerous extraordinary orders due to war in Ukraine

# High revenue growth

## Availability of materials a limiting factor

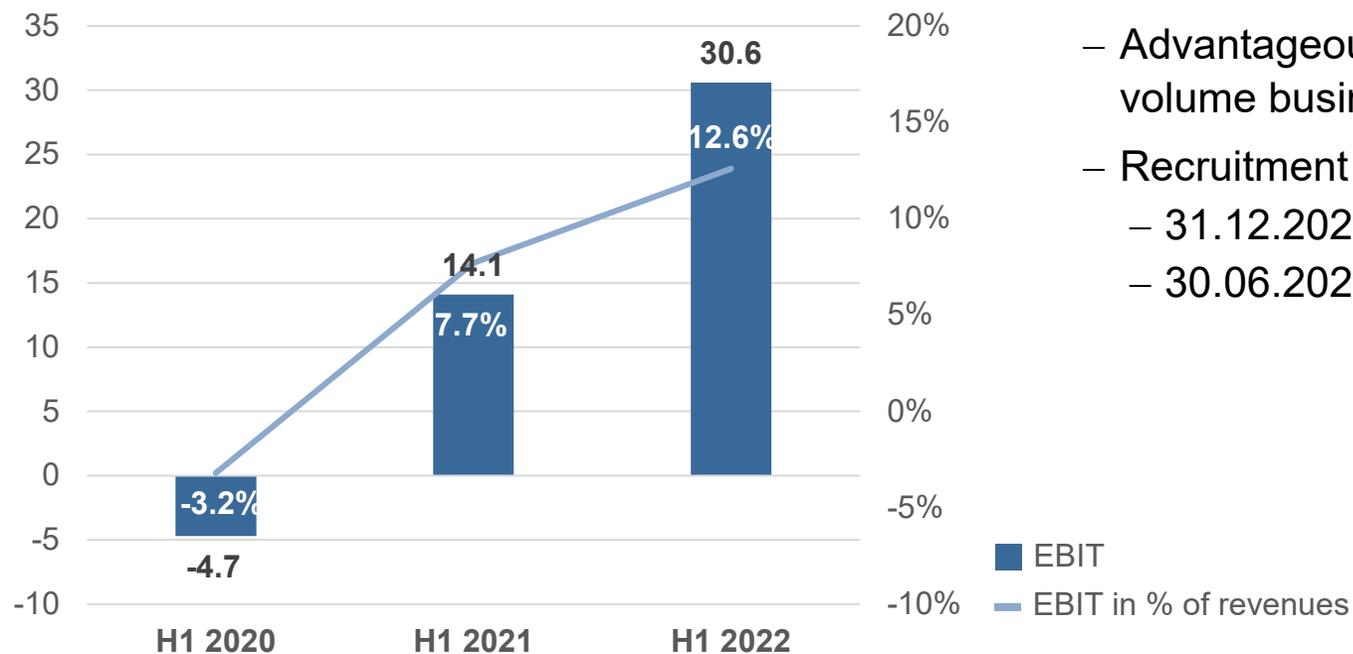


- Revenues up by 31.9%
- Supply chain challenges increase further given growing need for materials
- High flexibility in production is crucial
- Factors behind development of revenues
  - Organic growth: +33.1%
  - Foreign currency impact: –1.2%
- Very high book-to-bill ratio: 1.42 (H1 2021: 1.25)

# Sharp increase in EBIT

## EBIT back to pre-crisis level

in CHF million



- EBIT more than double prior-year figure
- Rising personnel, material, and energy costs, etc. were mostly offset
- Advantageous product mix: high proportion of volume business
- Recruitment of additional personnel
  - 31.12.2021: 2121 employees
  - 30.06.2022: 2235 employees

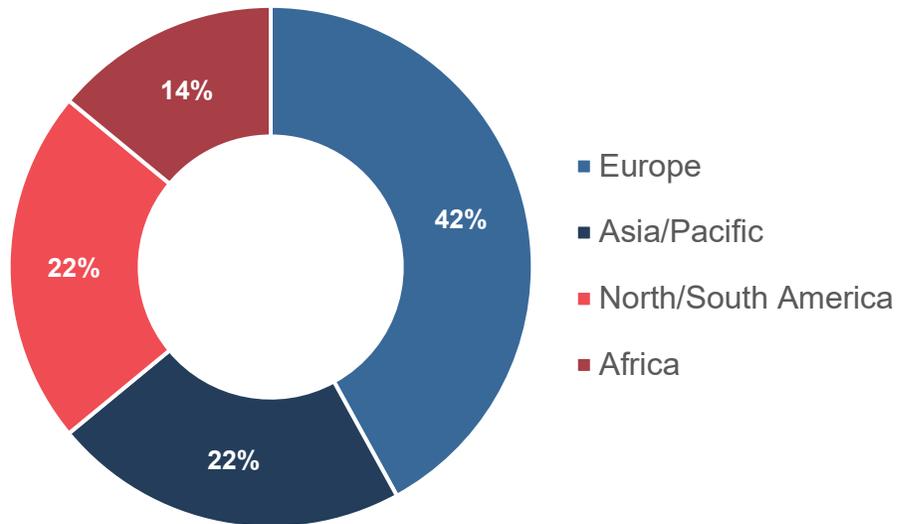
# AGENDA

- 1 Financial performance**
- 2 Strategy and mid-term targets
- 3 Outlook 2022
- 4 Questions

# Revenues increase strongly in all regions

## Strongest growth in Africa which had weakest growth in 2021

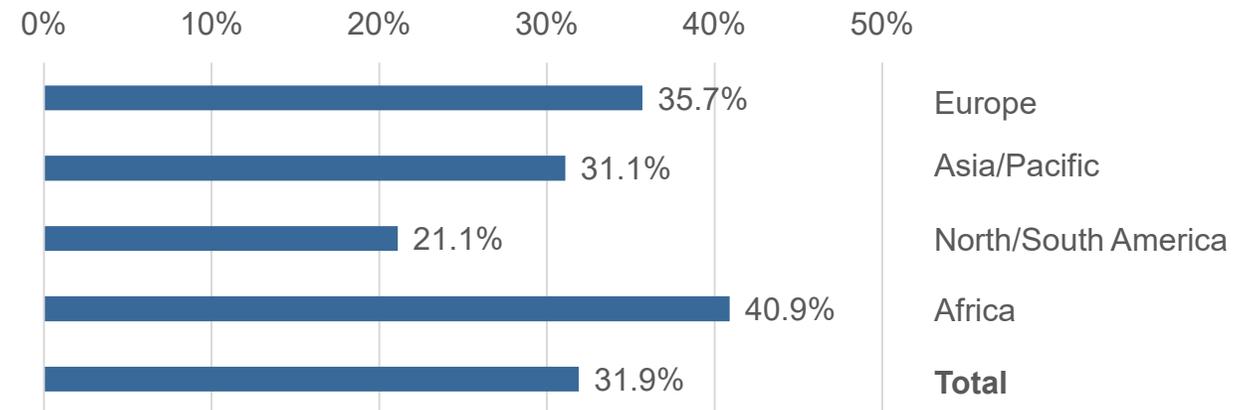
Revenues by region



Revenues by region H1 2021

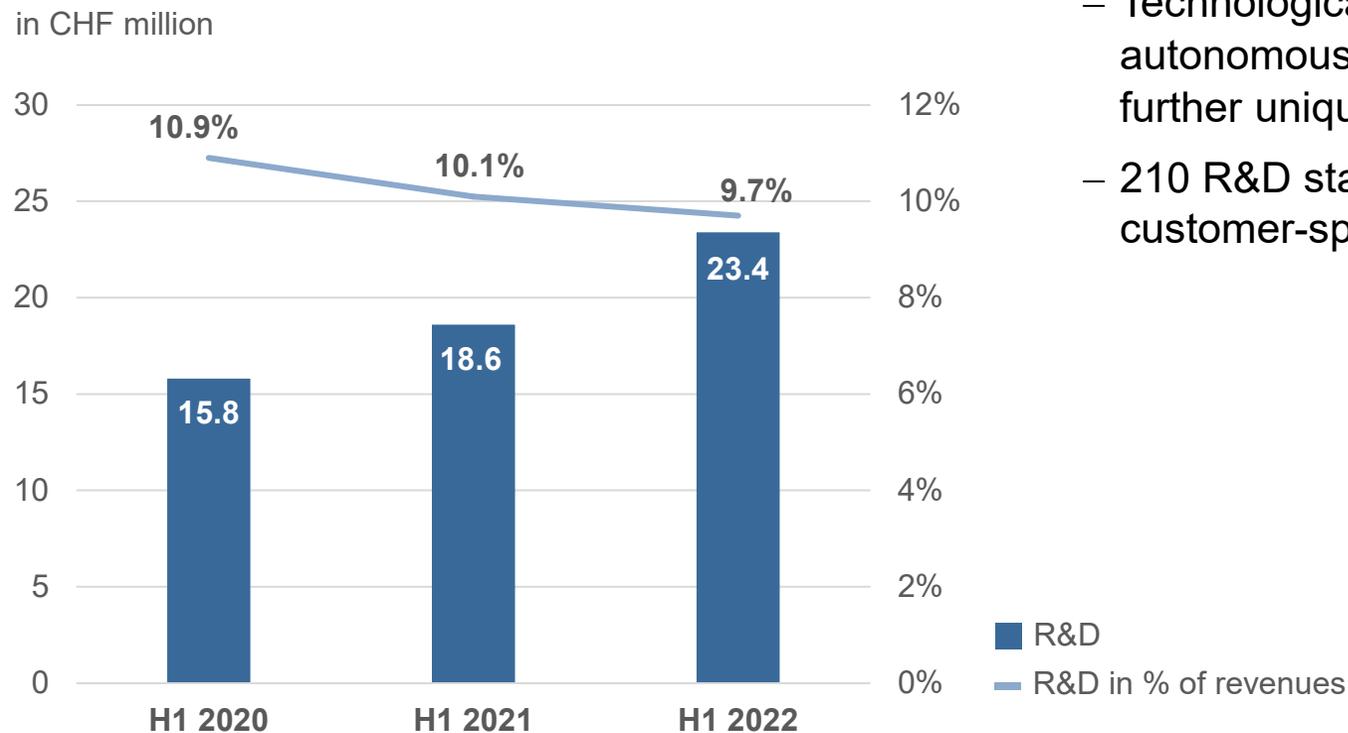
- Europe 41%
- Asia/Pacific 22%
- North/South America 24%
- Africa 13%

Change from first half 2021



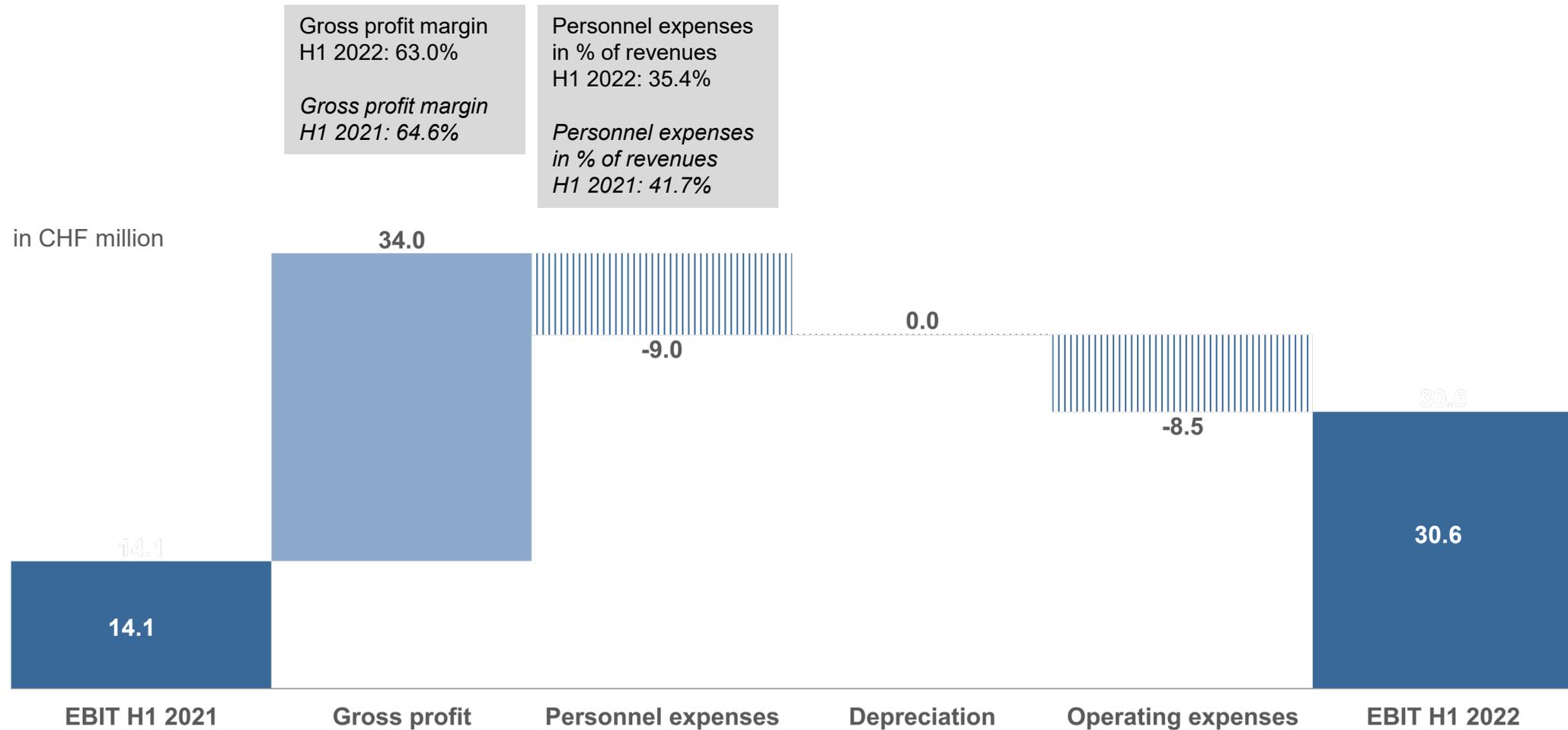
# R&D expenditure remains high

## Investing in a promising future



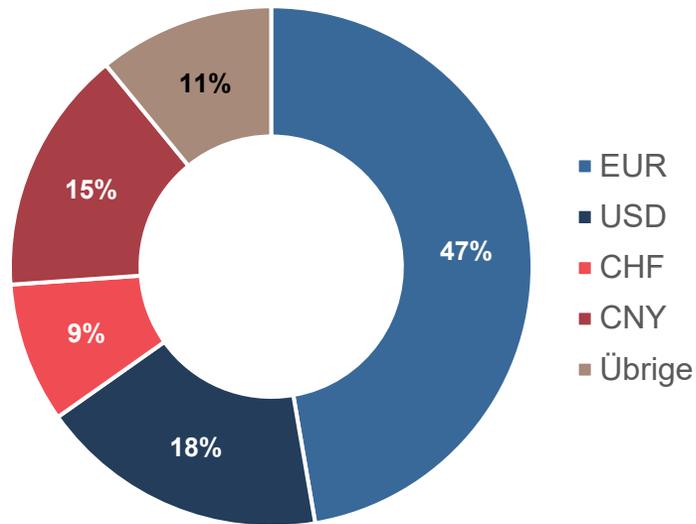
- Planned annual R&D spending: 8%–9%
- Technological shift in automotive industry (e-mobility, autonomous driving, etc.) creating opportunities for further unique selling propositions
- 210 R&D staff; plus 250 engineering staff for customer-specific solutions

# EBIT more than doubled



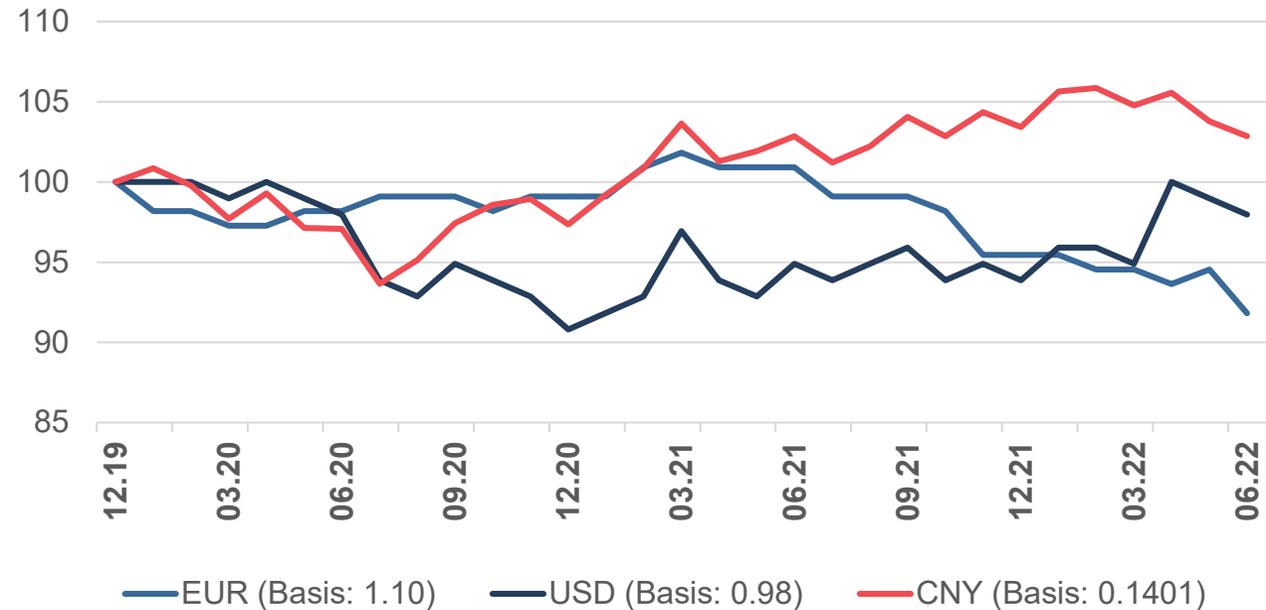
# Negative currency effect

Revenues by currency



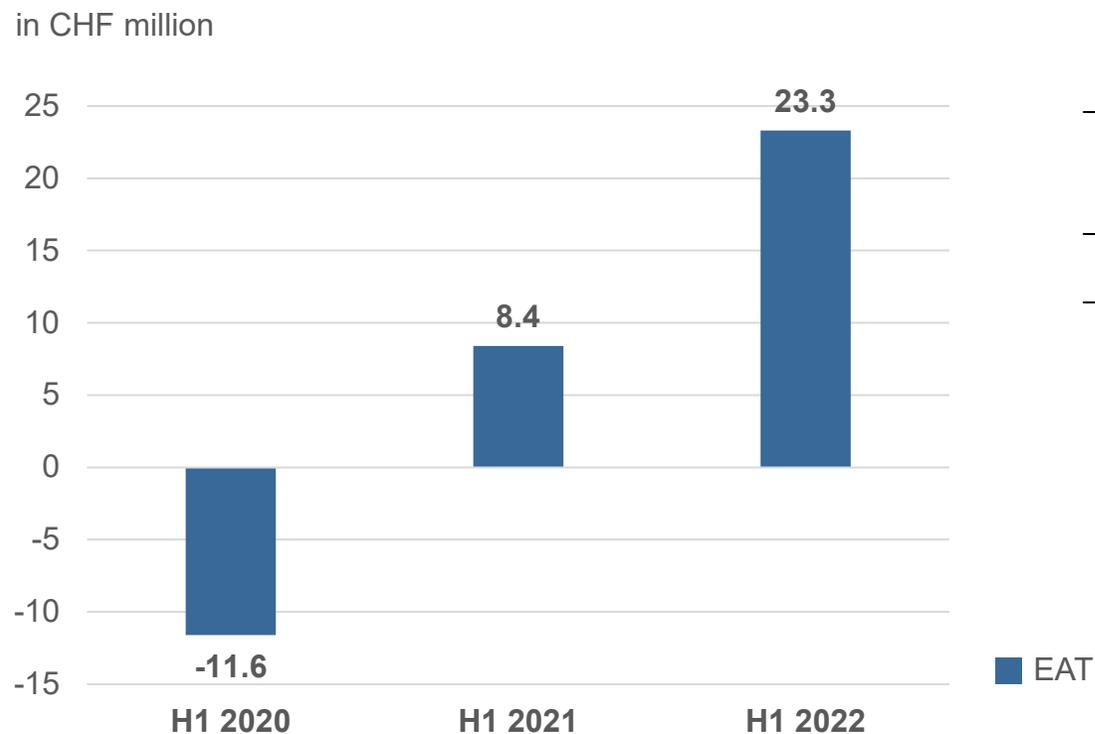
Revenues by currency H1 2021

- EUR 49%
- USD 21%
- CHF 12%
- CNY 10%
- Others 8%



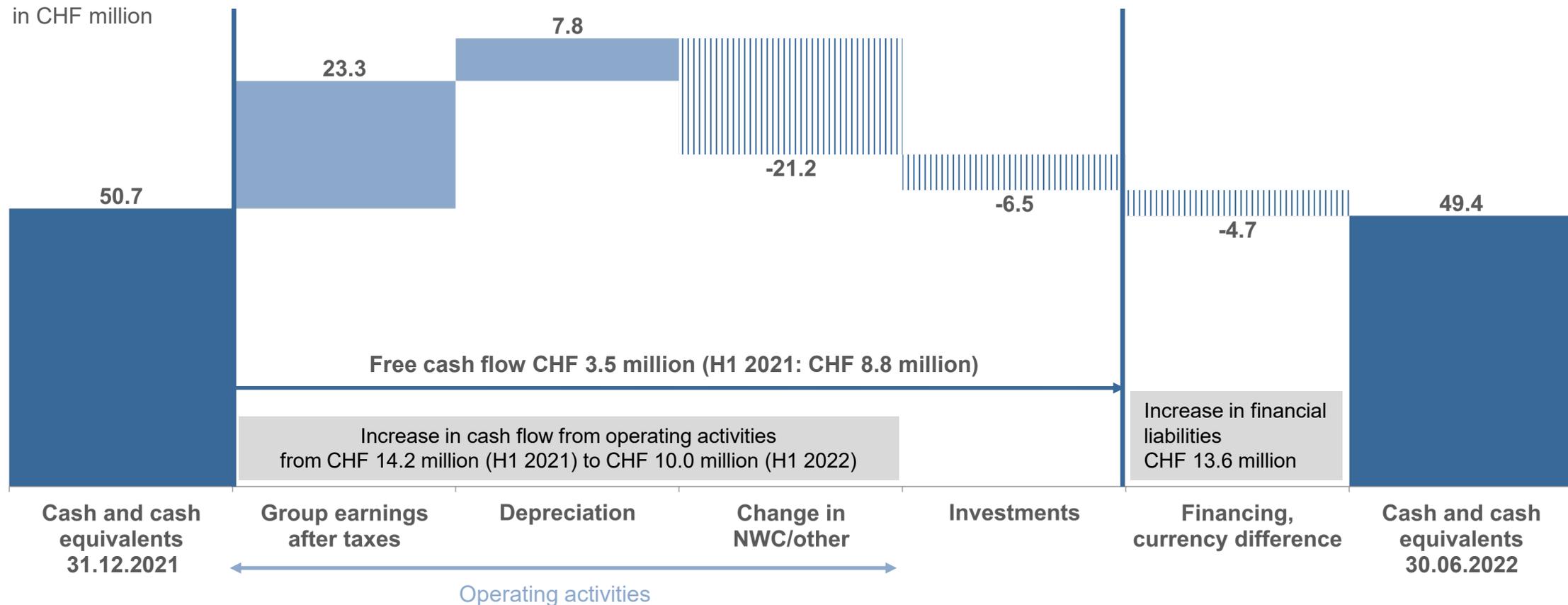
- **Foreign currency impact H1 2022**  
revenues: –1.2%, gross profit margin: –0.6 pts, EBIT margin: –0.4 pts
- **Foreign currency impact H1 2021**  
revenues: –0.8%, gross profit margin: –0.4 pts, EBIT margin: 0.3 pts

# Group earnings after tax (EAT) increase significantly

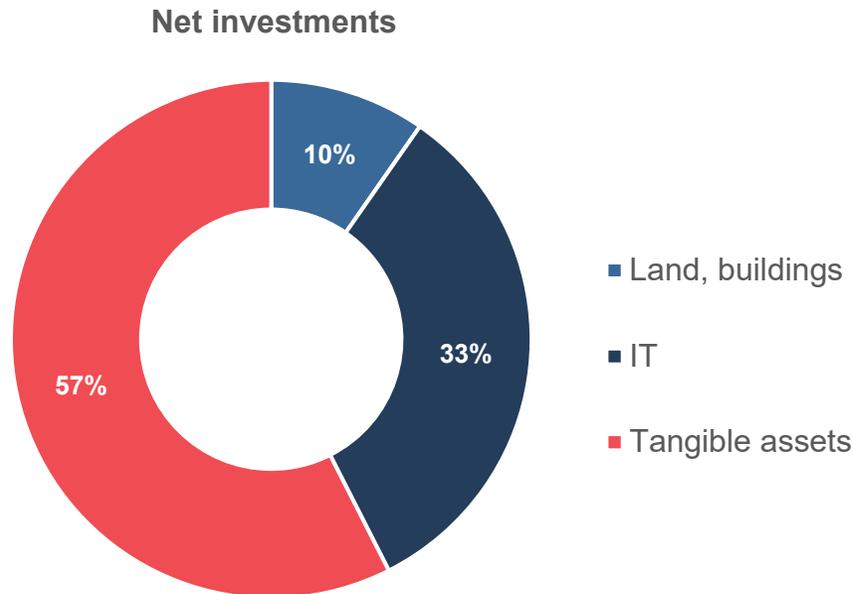


- Sharp decline in interest costs impacts financial result (H1 2022: CHF –2.4 million, H1 2021: CHF –2.9 million) positively
- Basic earnings per share: CHF 6.05 (H1 2021: CHF 2.17)
- Tax rate in % of EBT: 17.3% (H1 2021: 25.2%)
- Tax rate expected over medium term: around 20%

# High order intake and revenue growth influence free cash flow



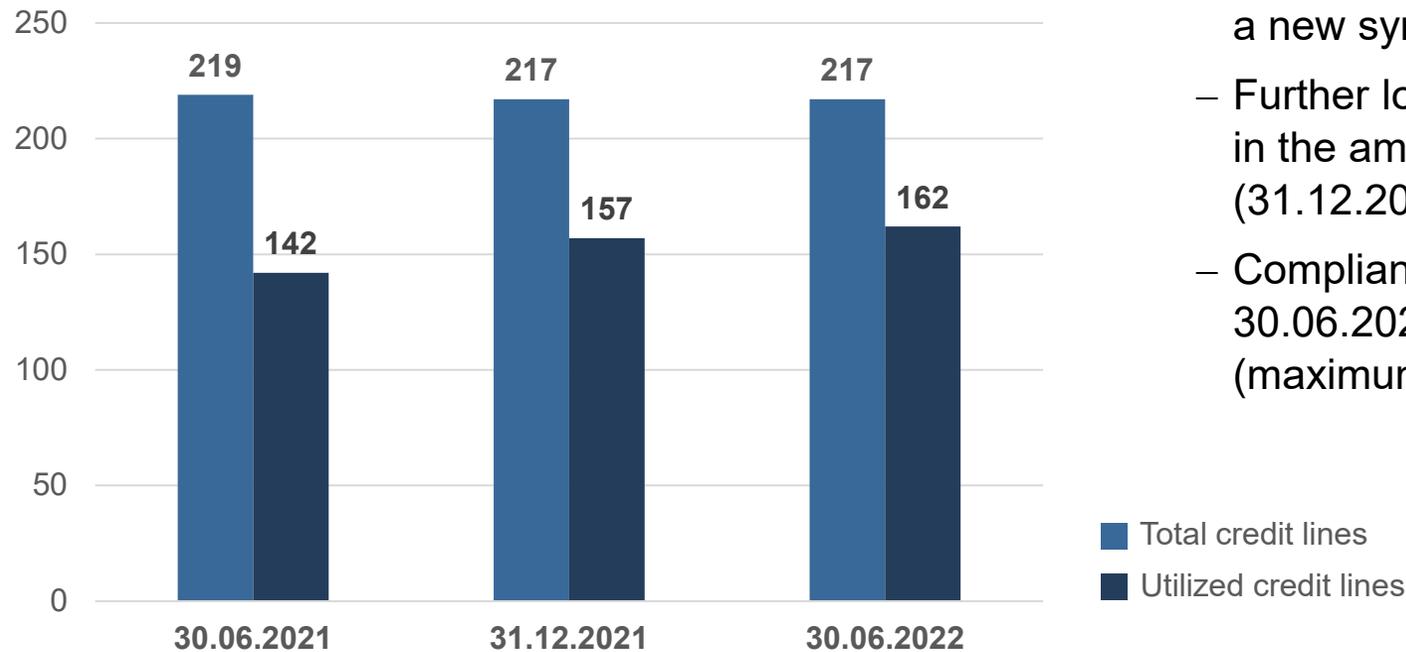
# Investment volume in line with previous year



- Net investments: CHF 5.3 million (H1 2021: CHF 4.5 million)
  - tangible assets: CHF 3.5 million (H1 2021: CHF 3.0 million)
  - intangible assets: CHF 1.8 million (H1 2021: CHF 1.5 million)
- Investment in Group companies: CHF 1.2 million (H1 2021: CHF 0.9 million)
- Planned investment volume going forward (excl acquisition and sale of companies): 3%–4% of revenues annually

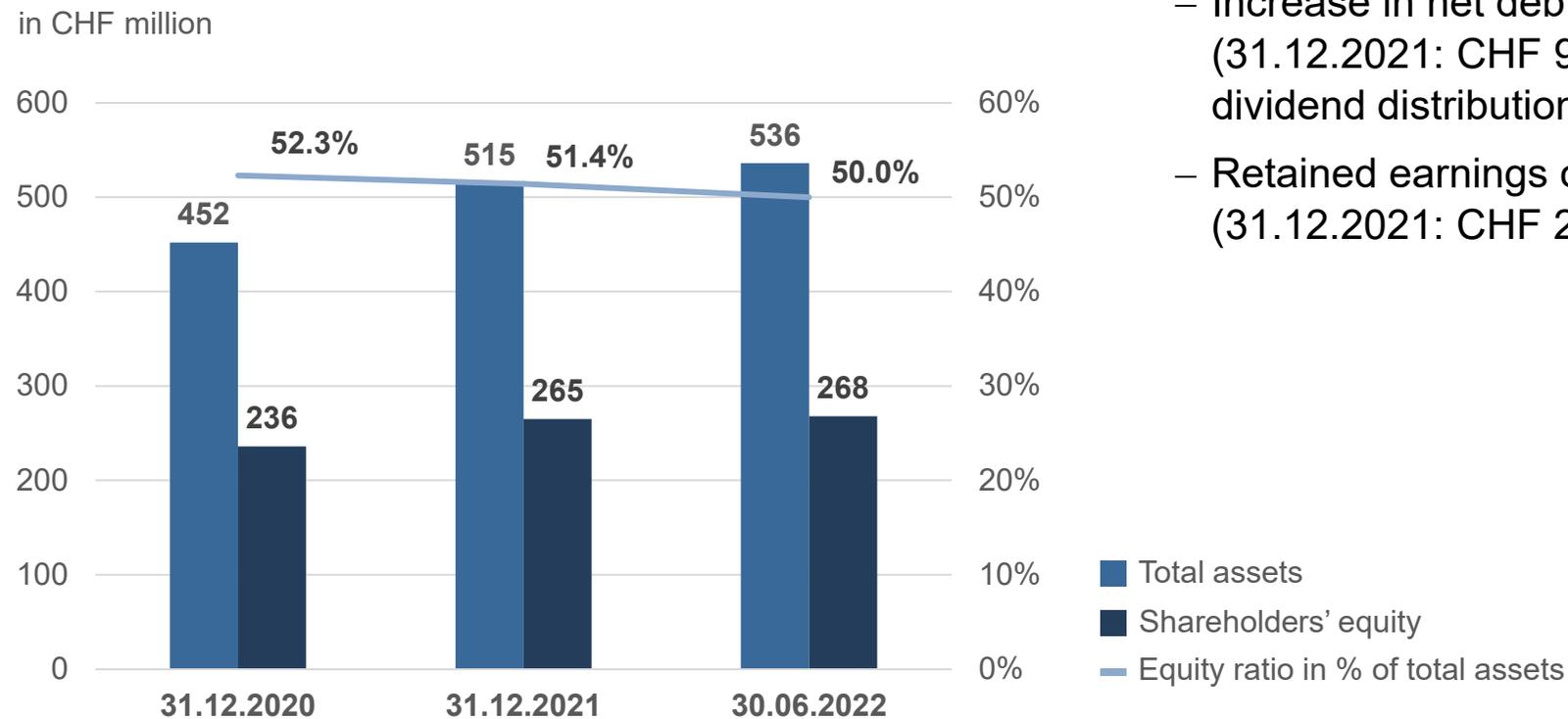
# Credit line gives financial freedom of maneuver

in CHF million



- Syndicated loan facility of CHF 187 million (31.12.2021: CHF 187 million)
- Term runs until January 2023 – negotiations for a new syndicated loan agreement under way
- Further local credit lines for subsidiaries in the amount of CHF 30 million (31.12.2021: CHF 30 million)
- Compliance with financial covenants as at 30.06.2022: net debt / EBITDA = 1.47 (maximum permitted: 3.25)

# Financial base remains strong



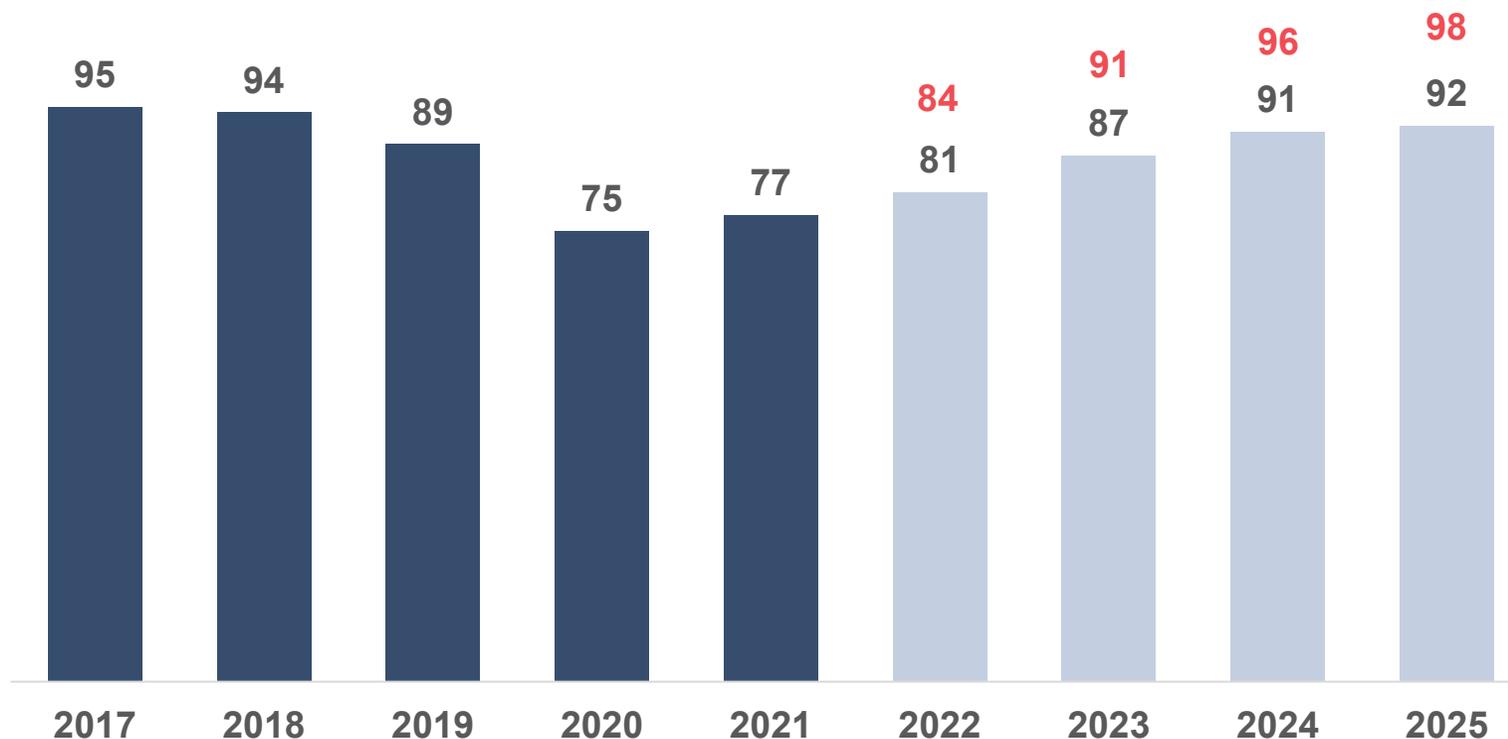
- Equity ratio of 50.0%
- Increase in net debt to CHF 112.7 million (31.12.2021: CHF 98.4 million) due to dividend distribution
- Retained earnings of CHF 246.3 million (31.12.2021: CHF 244.3 million)

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# Economic and geopolitical situation impacts vehicle production

Production of passenger cars and light commercial vehicles  
in million vehicles



Source: IHS Markit, August 2022 and March 2022

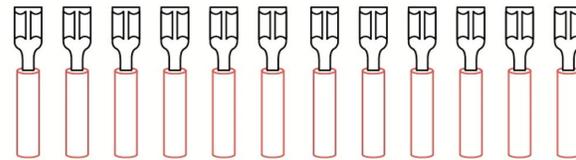
Since March 2022, IHS Markit has reduced its forecast for 2022 to 2025 by 3-6 million produced vehicles annually

- H1 2022: 39 million vehicles
- H1 2021: 39 million vehicles
- H1 2020: 30 million vehicles

# Numerous reasons for the steady rise in level of automation (CAGR: 2%–3%)



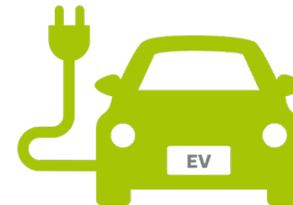
rising wage costs



rising number of wires



autonomous driving



e-mobility



traceability



miniaturization



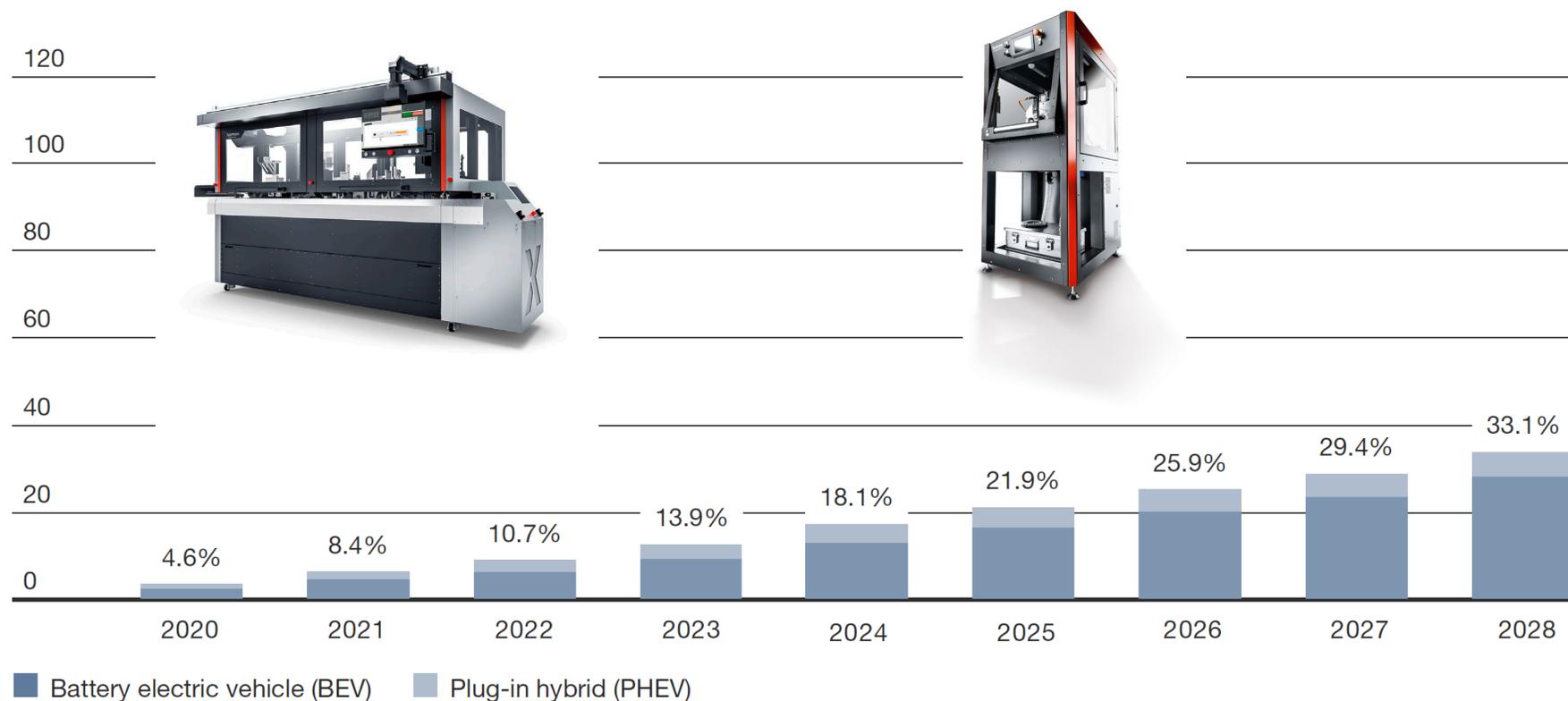
staff availability

# E-mobility: steady rise in demand

Very well positioned with the modular Lambda platform

Proportion of global vehicle production volume accounted for by electric vehicles

in millions



Source: IHS Markit



# SMART FACTORY by KOMAX

Simpler, more convenient, and safer

**komax**



# Mid-term targets up to 2023 (excl Schleuniger)



## REVENUES

CHF  
**450–550**  
million

- Primarily organic growth
- Increase in number of vehicles produced from 2021 (CAGR: 6%–7%)
- Increase in level of automation (CAGR: 2%–3%)

## EBIT

CHF  
**50–80**  
million

- EBIT dependent on product mix
- EBIT strongly influenced by volume business (crimp-to-crimp)
- Low revenues (CHF 450 million) resulting in low EBIT (CHF 50 million)

## PAYOUT

**50%–60%**  
of EAT

- Shareholders benefiting from sustained generation of value
- Attractive dividend policy
- Dividend dependent on business performance; no minimum dividend

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# Combination of Komax and Schleuniger



## Next milestones

**After the last outstanding clearance from a competition authority was received towards the end of July 2022, the combination is now imminent**

### **Tuesday, 30 August 2022**

- Closing
- Implementation of capital increase ⇒ The 1,283,333 newly issued registered shares will be allocated to Metall Zug AG in exchange for 100% of the Schleuniger shares
- Jürg Werner becomes a member of the Board of Directors
- Abolishment of the registration and voting rights restriction (15%) for the shares of Komax Holding AG

### **Wednesday, 31 August 2022**

- Listing of the newly issued 1,283,333 registered shares on SIX Swiss Exchange
- Communication of financial impact of the combination for the 2022 annual results of the Komax Group

# Combination of Komax and Schleuniger



## Next milestones

### From Thursday, 1 September 2022

- Consolidation of Schleuniger Group

### Tuesday, 25 October – Thursday, 27 October 2022

- WirePro Expo in Dierikon: first shared market appearance

### 2022/2023

- Focus on the preservation and strengthening of customer relationships
- Detailed analysis of the status quo
- Elaboration of new target image and associated strategy
- Definition of new mid-term targets

# Outlook

Looking ahead to the second half of 2022, Komax will focus on working through the high order levels and carrying out the initial analysis work in connection with the combination of Komax and Schleuniger, which is scheduled for 30 August 2022.

As the numerous supply chain challenges can be expected to persist over the coming months, Komax is anticipating revenues for the second half of 2022 (excluding Schleuniger) that are in line with the figure for the first six months of the year. Absolute EBIT should also be broadly on a par with the first half of 2022.

Komax is confident that the trend towards automation will continue in the second half of the year, and that demand for Komax solutions will remain at a good level. Accordingly, the book-to-bill ratio can be expected to remain high at the end of 2022.

Komax will communicate the financial impact of the combination between Komax and Schleuniger on the full-year results for 2022 after the closing of the transaction (end of August 2022).

# Contact / Financial calendar



## Contact

Roger Müller  
Industriestrasse 6  
6036 Dierikon  
Switzerland  
Phone +41 41 455 06 16  
roger.mueller@komaxgroup.com

komaxgroup.com

## Financial calendar

Investor Day	28 October 2022
Preliminary information on 2022 financial year	24 January 2023
Annual media and analyst conference on the 2022 financial results	14 March 2023
Annual General Meeting	12 April 2023
Half-year results 2023	17 August 2023

# Disclaimer



This presentation contains forward-looking statements in relation to Komax 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.

QUESTIONS?

**komax**

