

# INTERVIEW

**In a challenging market environment, in 2024 the Komax Group consistently pushed ahead with the implementation of its strategy and introduced measures for sustainable cost reductions. The company is well positioned to benefit from the next upturn.**



CEO Matijas Meyer (left) and Chairman of the Board of Directors Beat Kälin.

**Matijas Meyer, the Komax Group suffered a drop in revenues of 16.2% in the 2024 financial year. What happened?**

Matijas Meyer: Toward the end of 2023, it became increasingly apparent that our customers were less willing to invest and that the market was weakening. This trend continued in 2024. There were many different reasons, varying from region to region. A common factor was geopolitical uncertainties, which had a negative impact

on the investment climate. In Europe and North Africa, we also had to contend with the weakening European automotive industry and excess capacity for our customers. The excess capacity dates back to 2022, when we received extraordinary orders amounting to around CHF 100 million following the outbreak of the war in Ukraine. At the time, the automotive industry feared that it would no longer be possible to produce wire harnesses in Ukraine, meaning that additional

production capacities would need to be built up in Eastern Europe and North Africa. Ultimately, these were not needed, as many wire harnesses have continued to be manufactured in Ukraine since then.

**Is this phase of weakness now over?**

Matijas Meyer: We will certainly have overcome the low point in the first half of 2024. Progress has been made since then, even if we are still a long way from our “normal level.” Despite all the challenges, there have also been some positive developments.

**Which ones are you talking about?**

Matijas Meyer: While revenues in Europe and Africa fell by around 30%, we managed to increase revenues slightly in Asia and North/South America. In Asia, the acquisition of a majority stake in Hosver also contributed to this. In the Americas, the positive result is thanks not least to our strong position in the non-automotive markets.

**Let's stay with the non-automotive markets – how have they evolved?**

Matijas Meyer: Very encouraging. We were able to increase revenues in the market segments Industrial & Infrastructure as well as Aerospace & Railway by a good 7% overall. As a result, we have increased the share of our non-automotive revenues from 25% to around 35%. This means we have already exceeded our strategic target of 30%, which we were aiming to achieve by 2030. Of course, we are aware that this high percentage in 2024 is attributable to the weakness of the automotive market rather than the strength of other market segments. But not only that, because with our broad product and service portfolio we offer aircraft manufacturers, for example, various solutions for the entire wire harness production process, which were in good demand during the reporting year.

**Beat Kälin, has the Komax Group also made progress with other strategic targets?**

Beat Kälin: Yes, we are on track. In addition to expanding the non-automotive business, we are focusing in particular on strengthening our market position in Asia and expanding the service business. We have made progress with all these strategic approaches. In 2024, we significantly

increased the number of service contracts and exceeded our service budget. We also achieved important milestones in China.

**What were these milestones?**

Beat Kälin: With the acquisition of a majority stake in Hosver effective 1 July, we have significantly strengthened our position in the growing market for electromobility. Hosver is the clear market leader in China for machines for the processing of high-voltage cables and counts the leading electric vehicle manufacturers and its wire harness manufacturers among customers. Outside Asia, we have already been well positioned for some time with our machines produced in Hungary. However, Hosver does not only play an important role for us in the field of electromobility. With the trend toward autonomous driving, the number of sensors and data wires in vehicles is constantly increasing. Special machines are required to process these data wires, and we have been manufacturing these in Germany for years at Komax SLE. Thanks to its great innovative capacity and the collaboration with Komax SLE, Hosver quickly developed a data wire machine for the Chinese market, which we will be presenting for the first time at productronica in Shanghai at the end of March 2025. This development is important and encouraging, and only part of what we achieved in 2024 in China.

**What other progress was made?**

Beat Kälin: In order to remain competitive, it is crucial for us to develop and produce not only in Europe, but also to a greater extent in China, so that we can respond even more specifically to requirements in Asia and deliver faster. In addition to Hosver, our Schleuniger site in Tianjin is also important to us. Soon, we will be manufacturing another localized product there – a twisting machine of our Sigma series. We will also be demonstrating these to our customers at productronica for the first time. In addition, I would like to mention our minority stake in E-Plus, acquired at the end of 2024. E-Plus is the largest provider of digital smart factory solutions for the wire processing industry in China. I am confident that the exchange and cooperation with this company will help us progress with the digital transformation.



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**Matijas Meyer, CEO**

**Although the Komax Group is basically on track strategically, it postponed its medium-term targets in November. Why is this?**

Beat Kälin: In 2024, we took significant steps in implementing our strategy and as a result we are in a better position than we were a year ago. We cannot influence the general market situation. Instead of an average growth of 6% to 9% per year, we had to accept a considerable decline in revenues in 2024, which we do not expect to be able to make up in 2025. We have therefore postponed our 2028 targets to 2030. However, the trend toward automation in wire processing is continuing and we are confident that our flexibility, innovative strength, and the measures we have introduced will help us benefit considerably when the upturn sets in. For this reason, we are

convinced that we will be able to achieve revenues of CHF 1.0 to 1.2 billion and EBIT of CHF 120 to 160 million in 2030.

**Will the measures introduced also help to achieve a sustained improvement in profitability?**

Matijas Meyer: Yes, definitely. There is no doubt that we have done our homework concerning this in 2024. We have been working intensively on our structures and therefore on our cost basis. This includes reducing our global sales channels from 80 to around 50 and working intensively to streamline our product portfolio and reduce the number of our engineering and production sites. We already completed some measures in 2024 and initiated many that will be implemented by the end of 2025 at the latest. At the beginning of 2024, we had 30 such locations. Various measures have been initiated at ten of these locations. These include, for example, discontinuing production and relocating to another production site and/or closing down the site completely. Unfortunately, these structural optimizations also entail job losses, which I very much regret for the employees affected. All the optimization measures that we have been implementing since 2024 will lead to a reduction in our complexity. Our cost basis will be around CHF 3 million lower from 2025 and as much as CHF 10 million lower from 2026.

**Were these measures already taking effect in 2024?**

Matijas Meyer: Since we had to assume toward the end of 2023 that 2024 would be very challenging, we introduced cost-cutting measures at an early stage. As a result, we realized savings in 2024 of around CHF 20 million, which was crucial in achieving EBIT of CHF 16 million and an EBIT margin of 2.5%. I consider this result to be very respectable, considering that we experienced a 16.2% slump in revenues, which impacted the high-margin volume business in particular. There were also one-off expenses of CHF 11.5 million. Such a result was only possible with the enormous commitment and flexibility of our employees, as well as their understanding of the various measures. I would like to express my sincere thanks to our employees.

**Beat Kälin, why will you not be standing for re-election as Chairman of the Board of Directors at the Annual General Meeting in April 2025?**

Beat Kälin: After ten years in this position, I believe it is the right time to step down as Chairman. However, I will continue to contribute my almost 20 years of experience in automated wire processing as a member of the Board of Directors. It is particularly encouraging that we are able to appoint Andreas Häberli as a successor, whose experience as a long-standing member of the Board makes him ideally suited to this position. In these times of constant change, it is important to ensure stability and continuity. Andreas Häberli provides this and I look forward to continuing to work together.

**What are the priorities in 2025?**

Matijas Meyer: As mentioned, there are numerous measures for structural optimization, which we intend to complete in 2025. As we expect 2025 continue to be a challenging market environment, we will continue to attach great importance to cost efficiency. We will also work consistently on implementing our strategy. This also includes the launch of various new innovative products, which I am looking forward to. The integration of Schleuniger has run smoothly over the last two and a half years and we are growing closer together as a group. We will continue to drive this process forward. And finally, I would like to mention the highlight of the year: Both Komax and Schleuniger are celebrating their 50-year anniversaries, which we will of course be celebrating.

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**Beat Kälin,  
Chairman of the Board of Directors**

