

# PRESS RELEASE



Ad hoc announcement pursuant to Art. 53 LR: Interroll Annual Report 2023

## Solid performance in a challenging year

- EBIT margin 15.1% (previous year 15.8%)
- Record free cash flow of CHF 91.1 million
- Order intake CHF 519.7 million, -3.9% in local currencies
- Sales CHF 556.3 million, -11.7% in local currencies
- Stable dividend of CHF 32.00 per share proposed

Sant'Antonino, Switzerland, March 15, 2024. Despite challenging market conditions, Interroll achieved good profitability margins in 2023. Sales decreased to CHF 556.3 million (-16.3% year-on-year, -11.7% in local currencies). Order intake amounted to CHF 519.7 million (-9.2% year-on-year, -3.9% in local currencies). The result decreased to CHF 66.3 million (previous year: CHF 82.8 million). The result margin was 11.9% (previous year: 12.5%).

In 2023, we faced a particularly challenging market environment. However, although we experienced a slowdown, we successfully defended our market position, acquired new customers, and generated good profitability margins.

Currency fluctuations had again a negative effect on order intake and sales. The negative effect on order intake was -5.3% (previous year: -3.1%) and on sales -4.6% (previous year: -4.2%).

### Product group development

Consolidated sales for Rollers amounted to CHF 99.1 million (previous year: CHF 126.5 million). Consolidated order intake decreased by -14.9% to CHF 94.4 million (previous year: CHF 110.9 million).

Consolidated sales for the Drives product group amounted to CHF 171.2 million (previous year: CHF 211.8 million). Consolidated order intake decreased by -10.7% to CHF 161.7 million compared to CHF 181.1 million in the previous year.

The Conveyors & Sorters product group generated consolidated sales of CHF 246.5 million, compared to CHF 263.5 million in the previous year. At CHF 211.7 million, order intake was -8.6% below the previous year (CHF 231.7 million).

The product group Pallet Handling suffered in sales but reported an increase in order intake. Consolidated sales decreased by -36.9% to CHF 39.5 million (previous year: CHF 62.6 million) and consolidated order intake increased by 6.1% to CHF 51.9 million (previous year: CHF 48.9 million).

### Heterogenous development in the regions

Net sales in EMEA amounted to CHF 289.7 million, down 24.3% on the previous year (CHF 382.9 million). Order intake decreased by 15.0% to CHF 281.5 million compared to the previous year (CHF 331.1 million).

# PRESS RELEASE



EMEA suffered the most from weaker demand but continues to be the most significant region for Interroll with a share of 52% of total sales.

Sales in the Americas amounted to CHF 192.1 million, 13.3% lower than in the previous year (CHF 221.6 million). There was a 2.0% decline in order intake to CHF 177.3 million (previous year: CHF 181.0 million).

Interroll's sales in the Asia-Pacific region grew by 24.4% to CHF 74.5 million (previous year: CHF 59.9 million). Order intake increased by 0.7% to CHF 60.9 million (previous year: CHF 60.5 million). The region developed very heterogenous, where China suffered from a strong decrease in order intake (-25.3%) and sales (-24.8%), the remaining Asia-Pacific region grew order intake by 20.5% and sales by 66.1%. Invoicing of a major project received in December 2021 in South Korea (press release December 20, 2021) contributed significantly to the growth.

## **Good profitability margins in a challenging market environment**

Earnings before interest, taxes, depreciation and amortization (EBITDA) decreased to CHF 106.3 million (previous year: CHF 129.3 million). The generated EBITDA margin was 19.1% (previous year: 19.5%). Earnings before interest and taxes (EBIT) amounted to CHF 83.9 million (previous year: CHF 105.2 million). The EBIT margin was 15.1% (previous year: 15.8%). The result decreased to CHF 66.3 million (previous year: CHF 82.8 million) and the result margin was 11.9% (previous year: 12.5%).

## **Solid balance sheet and cash flow development**

Total assets amounted to CHF 544.0 million as of December 31, 2023, which was virtually unchanged from December 31, 2022, at CHF 545.9 million. Shareholder equity increased to CHF 410.8 million; the equity ratio increased to 75.5% (end of 2022: 72.2%). Net financial assets increased by 88.1% to CHF 133.2 million (previous year: CHF 70.8 million).

Operating cash flow increased by 58.5% to CHF 113.2 million (previous year: CHF 71.4 million) due to strong net working capital reduction.

Gross investment amounted to CHF 25.1 million (previous year: CHF 32.5 million). This includes ongoing renewal investment in our production facilities, extensions to our SAP system and lease capitalization under IFRS 16. Due to delays, some investments planned for 2023 will not take place until 2024 or 2025, which resulted in a higher operating cash flow and lower gross capital expenditures. The free cash flow in the reporting year reached a new record of CHF 91.1 million (previous year: CHF 49.2 million).

## **Innovation with customer benefit**

During the year, Interroll continued to invest in the future by launching the new High Performance Conveyor Platform (HPP). Designed to be a modular solution, HPP meets the demanding requirements of Courier, Express, Parcel (CEP) service providers. Additionally, we partnered with two leading Autonomous Mobile Robotics (AMR) companies and launched our (AMR) Top Module based on our Light Good Conveyor Platform (LCP). This highlights Interroll's capabilities to successfully introduce its proven solutions into new industries such as robotics with applications in a wide variety of segments including logistics.

# PRESS RELEASE



## Share price performance and dividend proposal

With a closing price of CHF 2,670.00 on December 29, 2023, the Interroll share was 13.6% higher than the year-end price in 2022 (CHF 2,350.00). Interroll therefore significantly outperformed the Swiss indices. The Group's market capitalization exceeded CHF 2.2 billion.

Due to the very strong balance sheet, a stable dividend of CHF 32.00 per share (previous year: CHF 32.00) will be proposed to the Annual General Meeting on May 3, 2024.

## Outlook 2024

We believe that the downturn has bottomed out. We are unable to foresee precisely when the market will rebound, but we are seeing positive signs in the industry. Furthermore, we anticipate a general improvement in market conditions as inflationary pressures are easing in many of our markets and interest rate cuts can therefore be expected over the course of this year. We see that the demand for automation in material flows will increase further due to labor shortages. These factors will encourage overall economic activity and thereby demand for our solutions.

“We have the right product and solution portfolio in place, and with the organizational changes (CTO/COO), we announced last October, our long-term strategy is even more focused on our customers. As we look ahead, we remain committed to combining our proven technologies and innovative expertise with our firm customer-first mindset. With our product portfolio, international presence, pricing power and breathing production facilities, we are ideally positioned to maximize future growth. All these strengths are in place and ready to help extend our advantage as demand returns in our markets,” says Ingo Steinkrüger, CEO of the Interroll Group.

# PRESS RELEASE



## Development of key figures 2019–2023

In millions of CHF, unless otherwise stated	2023	2022	2021	2020	2019
<b>Order intake/sales</b>					
<b>Total order intake</b>	<b>519.7</b>	<b>572.6</b>	<b>788.4</b>	<b>547.8</b>	<b>546.5</b>
Rollers	99.1	126.5	134.6	106.0	110.1
Drives	171.2	211.8	191.6	156.5	172.4
Conveyors & Sorters	246.5	263.5	254.0	221.5	223.2
Pallet Handling	39.5	62.6	59.8	46.6	54.0
<b>Total sales</b>	<b>556.3</b>	<b>664.4</b>	<b>640.1</b>	<b>530.6</b>	<b>559.7</b>
<b>Profitability</b>					
EBITDA	106.3	129.3	122.5	115.4	96.1
in % of sales	19.1	19.5	19.1	21.7	17.1
EBIT	83.9	105.2	99.3	94.1	72.3
in % of sales	15.1	15.8	15.5	17.7	12.9
<b>Result</b>	<b>66.3</b>	<b>82.8</b>	<b>80.6</b>	<b>71.7</b>	<b>56.0</b>
in % of sales	11.9	12.5	12.6	13.5	10.0
<b>Cash flow</b>					
<b>Operating cash flow</b>	<b>113.2</b>	<b>71.4</b>	<b>47.3</b>	<b>122.9</b>	<b>99.6</b>
in % of sales	20.4	10.7	7.4	23.2	17.8
<b>Free cash flow</b>	<b>91.1</b>	<b>49.2</b>	<b>-0.8</b>	<b>74.0</b>	<b>66.9</b>
in % of sales	16.4	7.4	-0.1	13.9	12.0
<b>Total investment</b>	<b>25.1</b>	<b>32.5</b>	<b>51.1</b>	<b>51.3</b>	<b>33.6</b>
<b>Balance sheet (as of December 31)</b>					
Total assets	544.0	545.9	538.5	468.8	435.1
Goodwill	15.1	16.4	16.7	16.4	17.1
Net financial assets	133.2	70.8	46.1	92.2	76.9
<b>Equity</b>	<b>410.8</b>	<b>394.2</b>	<b>345.4</b>	<b>312.0</b>	<b>304.0</b>
Equity ratio (equity as % of assets)	75.5	72.2	64.1	66.5	69.9
Return on equity (in %)	16.5	22.4	24.5	23.3	19.0
<b>Other key figures</b>					
RONA (return on net assets, in %)	22.6	24.5	25.4	30.4	22.6
Average number of employees	2,294	2,500	2,421	2,206	2,284
Sales per employee (in thousand CHF)	243	266	264	241	245
Productivity	2.18	2.22	2.19	2.30	2.09

# PRESS RELEASE



**Contact:**

**Julia Weinhart**

**Head of Communications & Investor Relations**

Interroll (Schweiz) AG

Via Gorelle 3 | 6592 Sant'Antonino | Switzerland

[investor.relatons@interroll.com](mailto:investor.relatons@interroll.com)

[www.interroll.com](http://www.interroll.com)

**Financial calendar 2024**

May 3            Annual General Meeting

August 2        Publication of the *Half-Year Report 2024* and Web Conference (in English)

**Interroll online financial reporting platform**

For the reporting year, online versions of the Interroll financial reports are also available via <https://www.interroll.com/annual-report> are available.

**Interroll shares**

The registered shares of Interroll Holding AG are traded in the Main Standard of the SIX Swiss Exchange under the security number 637289.

**About Interroll**

The Interroll Group is the world's leading provider of material handling solutions. The company was founded in 1959 and has been listed on the SIX Swiss Exchange since 1997. Interroll supplies system integrators and equipment manufacturers with a comprehensive range of platform-based products and services in the categories "Rollers" (conveyor rollers), "Drives" (motors and drives for conveyor systems), "Conveyors & Sorters" (conveyors & sorters) and "Pallet Handling" (pallet conveying and storage). Interroll solutions are used in express and postal services, e-commerce, airports, food & beverage, fashion, automotive and other industries. The company counts leading brands such as Amazon, Bosch, Coca-Cola, DHL, Nestlé, Procter & Gamble, Siemens, Walmart and Zalando among its users. Headquartered in Switzerland, Interroll has a global network of 35 companies with a turnover of CHF 556.3 million and 2,400 employees (average number of employees in 2023).