

komax

AUTOMATION – KEY GROWTH DRIVER

ZKB Swiss Equity Conference
Christian Mäder, CFO
8 November 2024

komax

 adaptronic

CIRRIS®

 **Schleuniger**

Di.IT

WUSTEC

About the Komax Group

Market and technology leader

komax

 **Schleuniger**
A KOMAX COMPANY

 **adaptronic**
A KOMAX COMPANY

CIRRIS[®]
A KOMAX COMPANY

 **TECHNOLOGY
HOSVER**
A KOMAX COMPANY

WUSTEC
A KOMAX COMPANY

 **LINTECH**
A KOMAX COMPANY

Di.IT
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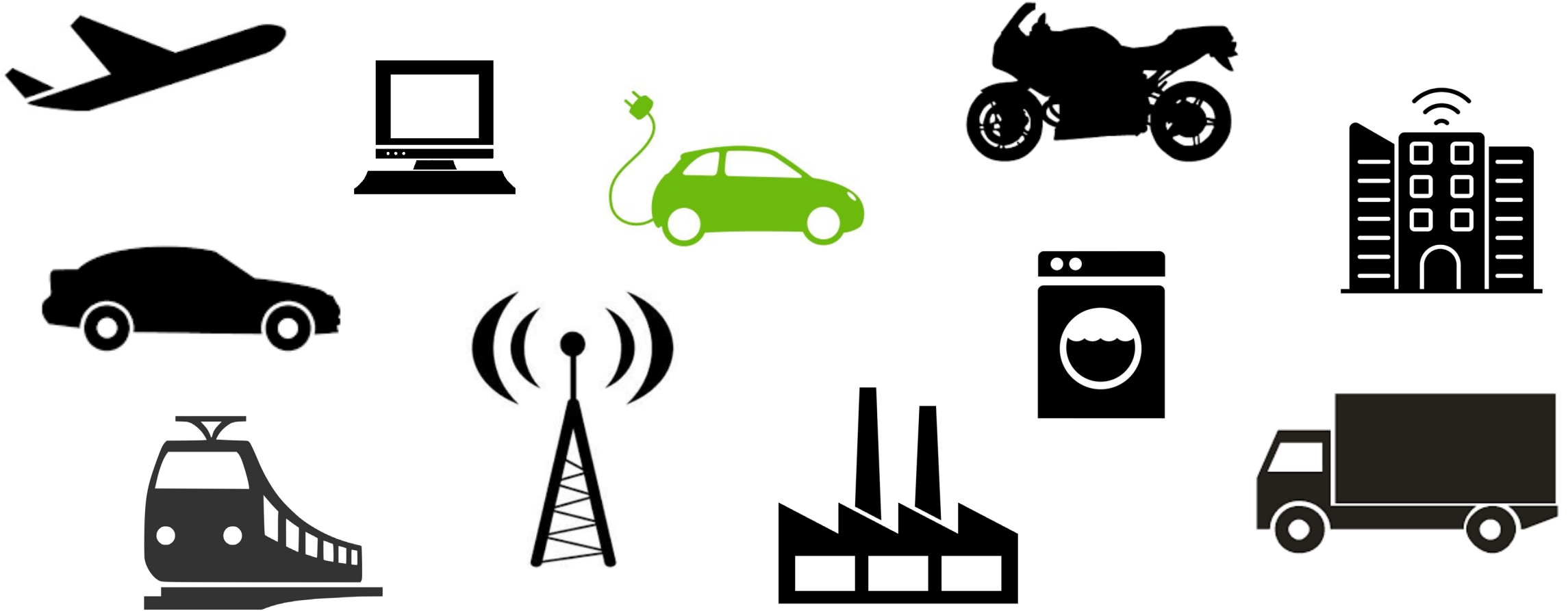
- Founded in 1975
- More than 3400 employees
- High innovative strength
(R&D expenditure 8% – 9% of revenues)
- Present in 60 countries
- More than 50 companies
- Number 1 in the market by a wide margin





What does the Komax Group do?

Wherever electricity is used, wires are required, and wherever wires are installed, areas of application arise for the Komax Group



The broadest product portfolio



Customers of Komax: wire harness manufacturers

Komax



**Wire Harness
Manufacturer**

(e.g., Leoni, Aptiv, Yazaki)



Car Manufacturer





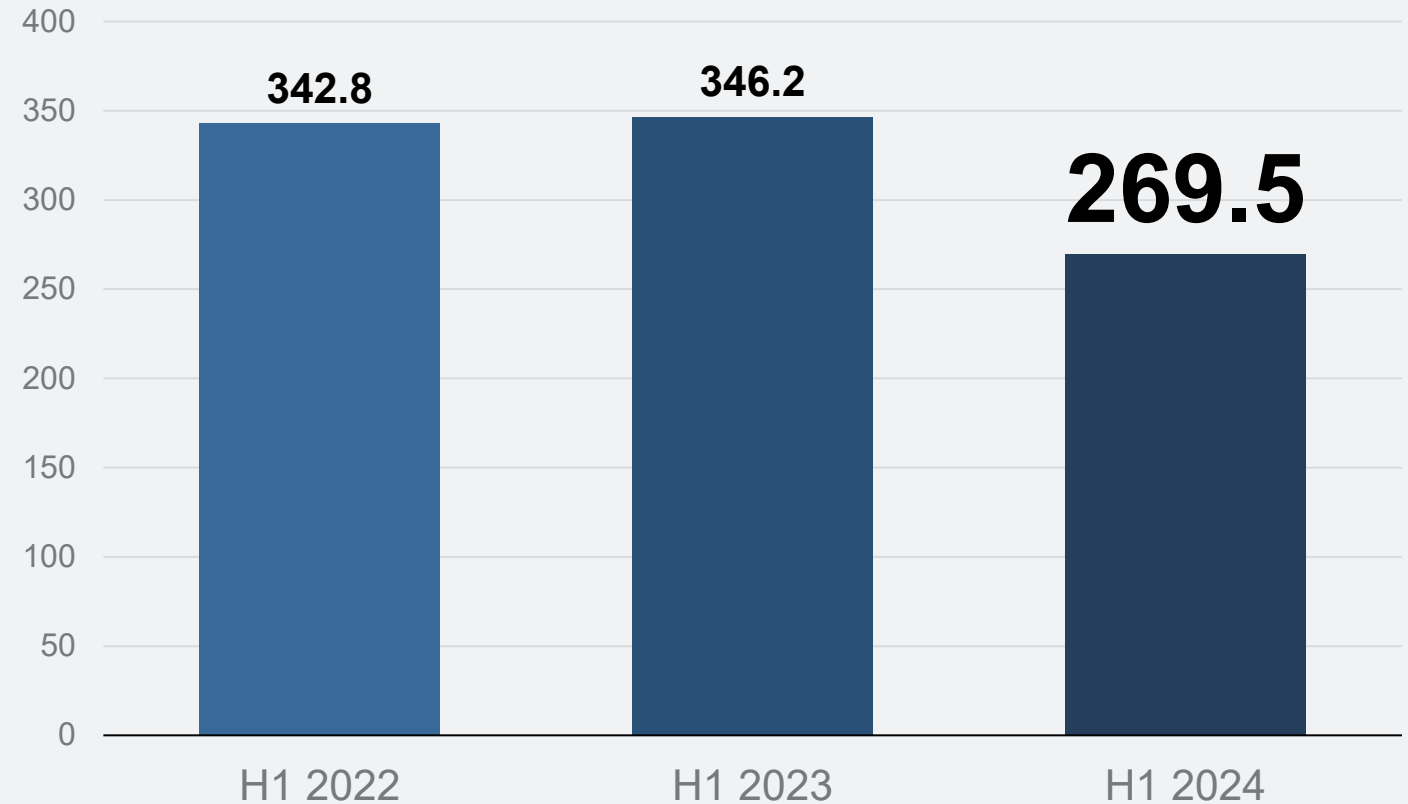
Current market situation

Low order intake

Certain reluctance to invest, especially in Europe and Asia

- Significantly lower order intake compared to previous year (–22.1%)
- Excess capacity in the automotive industry in Europe and Asia and strained economic situation dampening investments
- Solid business in North and South America
- High investment activity in India

Order intake in CHF million



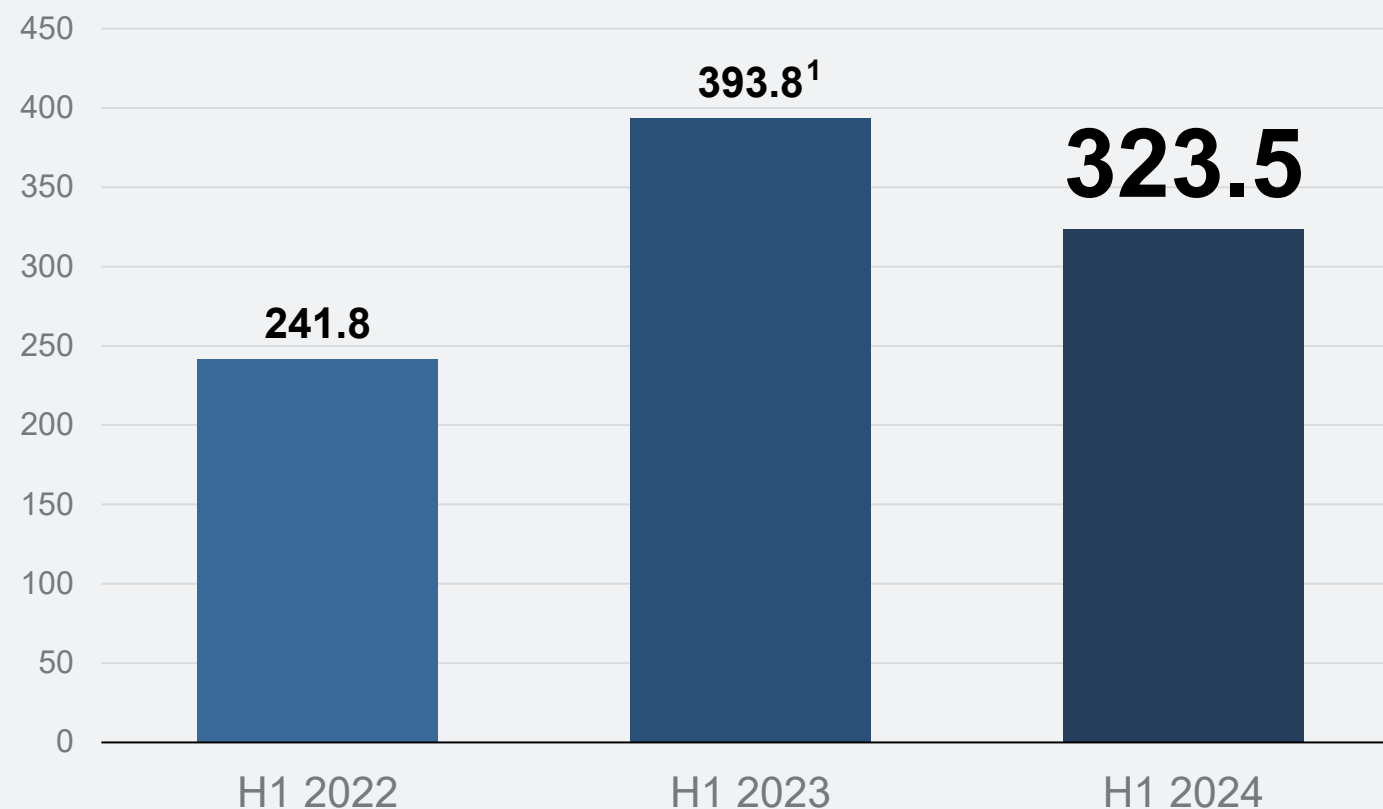
Revenues down by 17.9%

Industrial market segment less affected than Automotive market segment

- Solid order backlog (CHF 208.2 million) as at end-2023 partially compensated for decline in orders in the first half of 2024
- Revenues down in particular due to the lack of volume business
- Factors behind development of revenues
 - Acquisition-related growth: 2.5%
 - Organic development: –18.1%¹
 - Foreign currency impact: –2.3%

¹ Excluding a sale of a building in the first half of 2023.

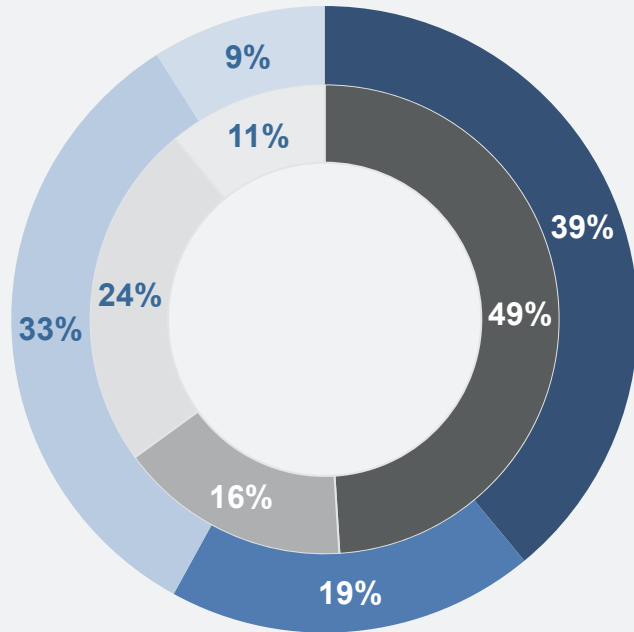
Revenues in CHF million



Development of revenues

Growth in North/South America

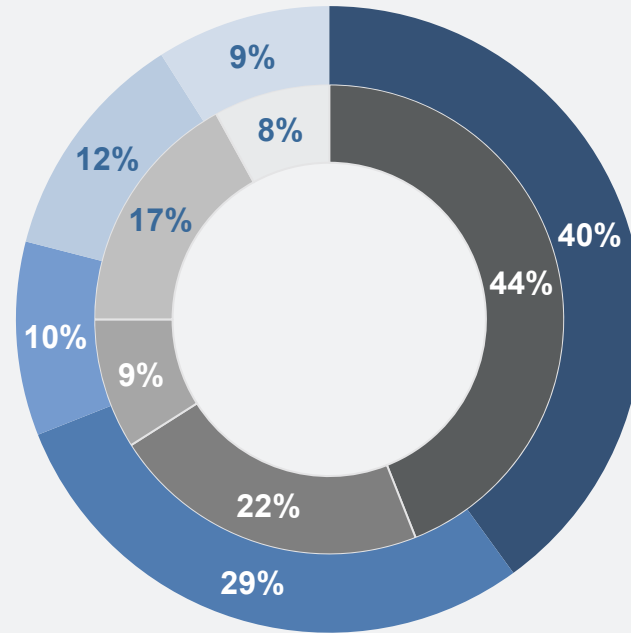
Revenues by region
first half of 2024 and 2023



■ Europe ■ Asia/Pacific
■ North/South America ■ Africa

■ 1H 2024 ■ 1H 2023

Revenues by currency
first half of 2024 and 2023



■ EUR ■ USD ■ CNY
■ CHF ■ Others

Revenues by region
Change from first half of 2023

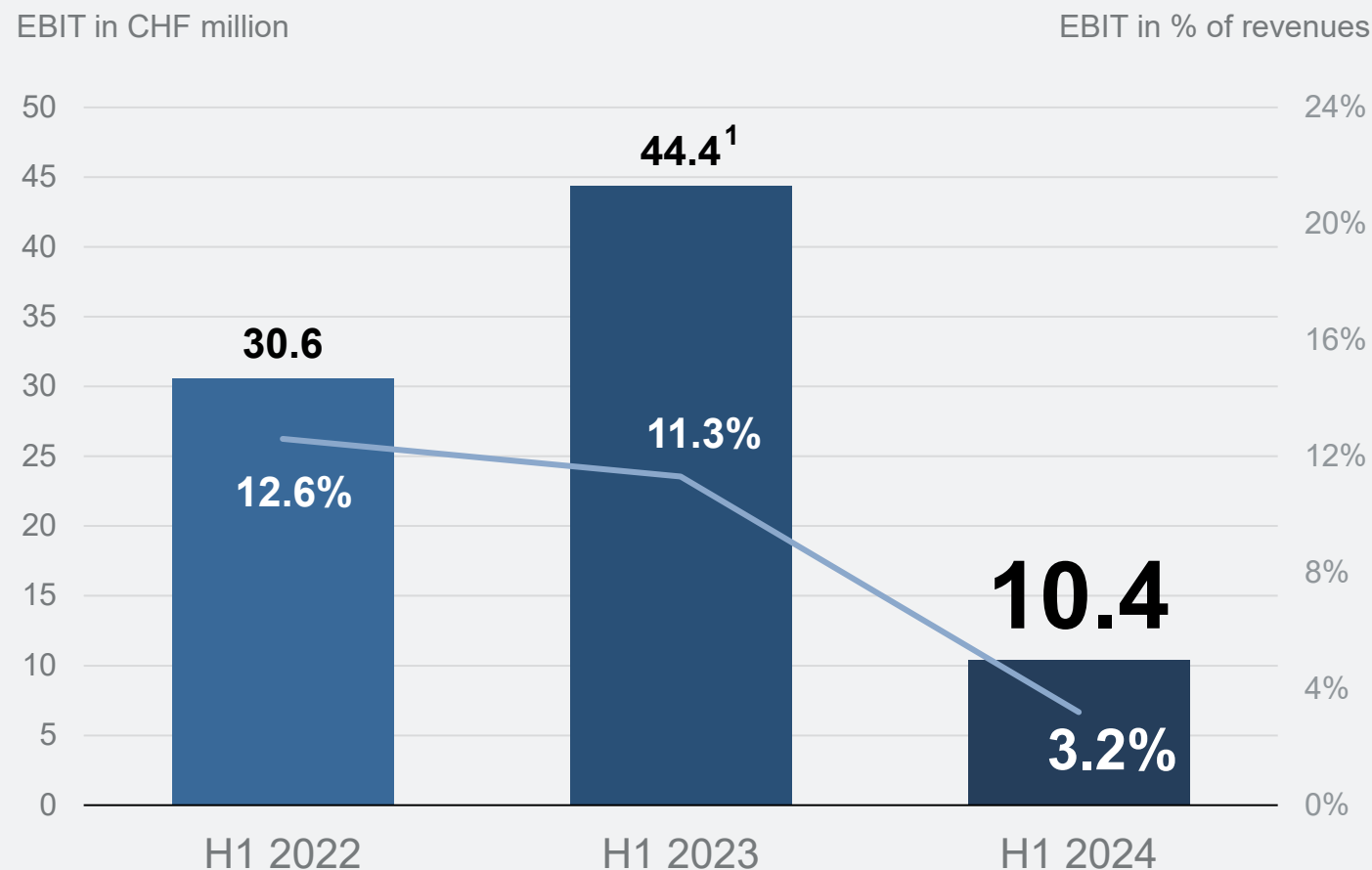


Sharp decline in EBIT

Strict cost management

- Lack of high-margin volume business impacts EBIT disproportionately
- EBIT of CHF 10.4 million contains one-time costs of CHF 3.9 million – mainly due to restructuring
- For the full year 2024, the Komax Group anticipates cost savings of around CHF 20 million, of which around CHF 3 million took effect in the first half of 2024

¹ Excluding a sale of a building in the first half of 2023.



Negative foreign currency impact

Development of foreign currencies impacts EBIT margin

Foreign exchange rates

Currency	Rate as at 30.06.2024	Average rate H1 2024	Rate as at 30.06.2023	Average rate H1 2023
EUR	0.970	0.970	0.990	1.000
USD	0.910	0.890	0.910	0.930
CNY	0.125	0.124	0.125	0.135

Foreign currency impact

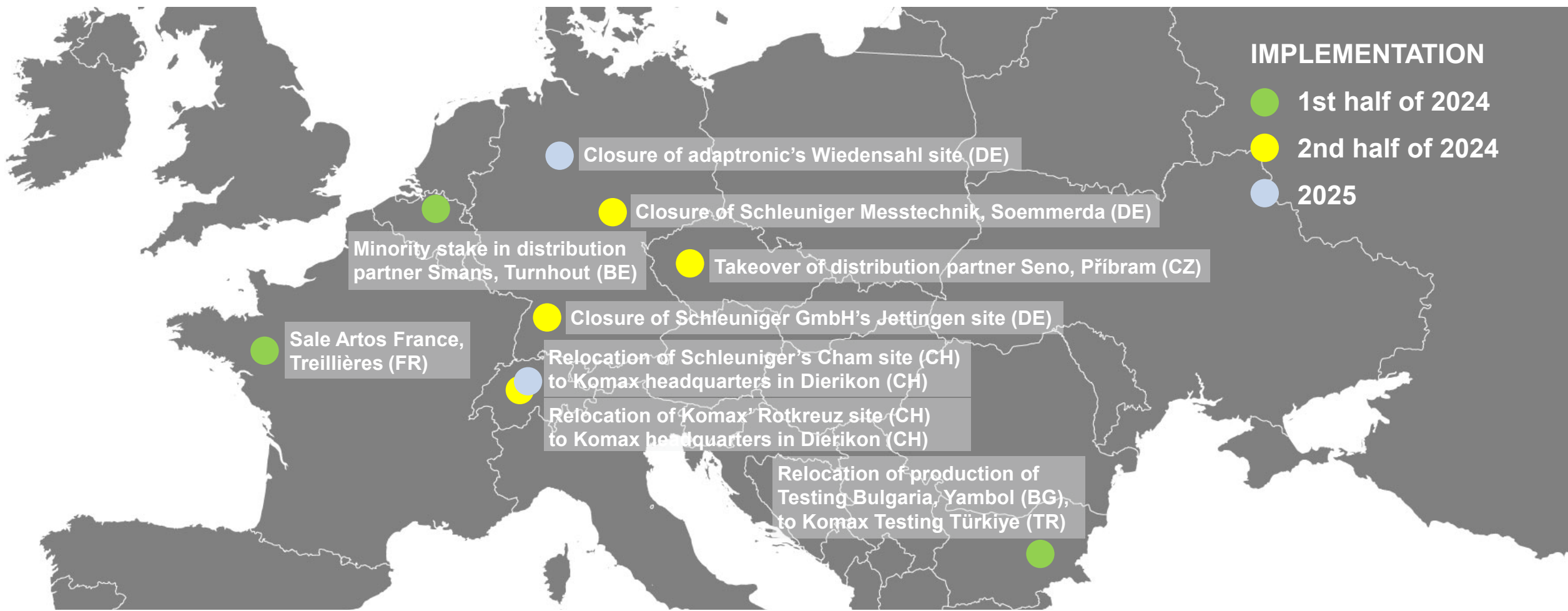
Year	Revenues	Gross profit margin	EBIT margin
H1 2024	-2.3%	-1.6% pts	-0.6% pts
H1 2023	-2.6%	-1.6% pts	-0.6% pts



Priority areas

Consistent structural optimizations in Europe

Numerous measures lead to profitability improvements in the mid-term



Optimization of site structure and product portfolio

Closure of sites in Germany and Bulgaria affects approx. 130 employees



Quality Solutions

- **Closure of Komax Testing Bulgaria in H1 2024**
- Production expansion at Komax Testing Türkiye
- Strengthening the position in the Turkish growth market



Test Automation

- **Closure of Jettingen site in H2 2024**
- Product portfolio in the area of Test Automation abandoned



Quality Tools

- **Closure of Schleuniger Messtechnik in H2 2024**
- Focus on two production sites – one in Europe and one in Asia
- Step-by-step streamlining of product portfolio

Optimization of site structure and product portfolio

Closure of sites in Germany and Bulgaria affects approx. 130 employees



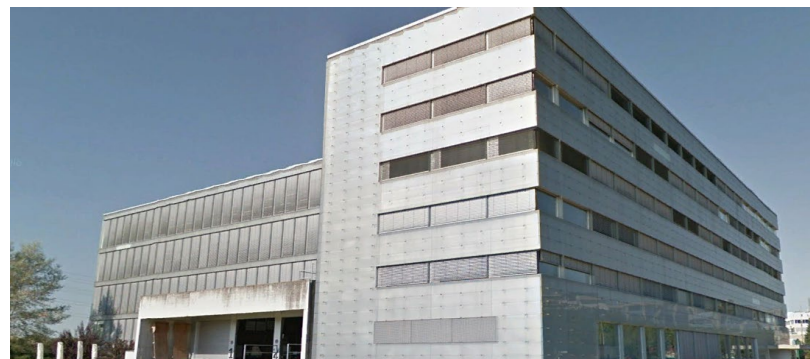
Quality Solutions

- **Closure of Wiedensahl site in H1 2025**
- Product portfolio of hand adapters and special adapters abandoned

Focus in Switzerland on two production sites

Schleuniger in Cham and Komax in Rotkreuz move to the renovated buildings in Dierikon

Termination of rental agreements in Rotkreuz (end of 2024) and Cham (end of 2025) leads to considerable cost savings, facilitates collaboration, and reduces the ecological footprint in Switzerland.



Cham and Rotkreuz sites



Headquarters in Dierikon

Further streamlining of distribution network

Elimination of redundancies in the Benelux and Czech markets

Bundling of parallel distribution channels to increase customer proximity with just one point of contact and ability to react faster to their needs.



SENO

Czech Republic – takeover of Schleuniger distribution partner

- Acquisition of Seno as of beginning of July 2024
- Integration of Seno and its five employees into Komax Czech Republic Trading



smans

Benelux – transfer of Schleuniger product portfolio to Komax distribution partner

- Minority stake (3%) in Smans as of end of June 2024, which is the long-term distribution partner of Komax in Benelux
- In return: transfer of Schleuniger Benelux distribution unit (3 employees) and Schleuniger product portfolio

Eliminating product portfolio overlaps

Implementation of a best-of strategy

Reduction of complexity and cost

- Adjustments in the Cut & Strip und Wire Stripper product portfolio categories

Cut & Strip

- Production stop of Kappa model series at Komax in Dierikon at the end of 2024
- Focus on products, produced by Schleuniger in Thun

Wire Stripper

- Production stop of Mira model series in Japan by mid-2025
 - Focus on products, produced by Schleuniger in Thun
- Lower maintenance and complexity costs thanks to streamlined product portfolio



Temporary and sustainable cost reduction

Numerous cost-reduction measures implemented early-on – with positive impact on EBIT

Structural



Organizational structure

- Closure of sites
- Bundling of know-how
- Optimization of the distribution network
- Merger of Komax- and Schleuniger subsidiaries

Product portfolio

- Eliminating overlaps
- Best-of strategy
- Complexity reduction

Cyclical



Cost management

- Recruitment freeze
- Slight reduction of employees
- Reduction of travel and consulting costs

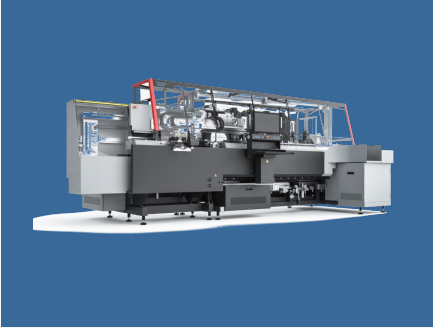
Short-time work

- Komax in Dierikon since 1 May (manufacturing) and 1 July (whole company)
- Schleuniger in Cham since 1 July 2024

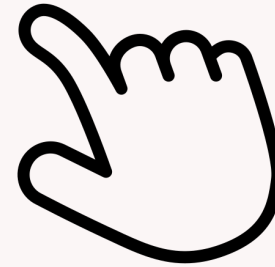


Growth strategy – high automation potential

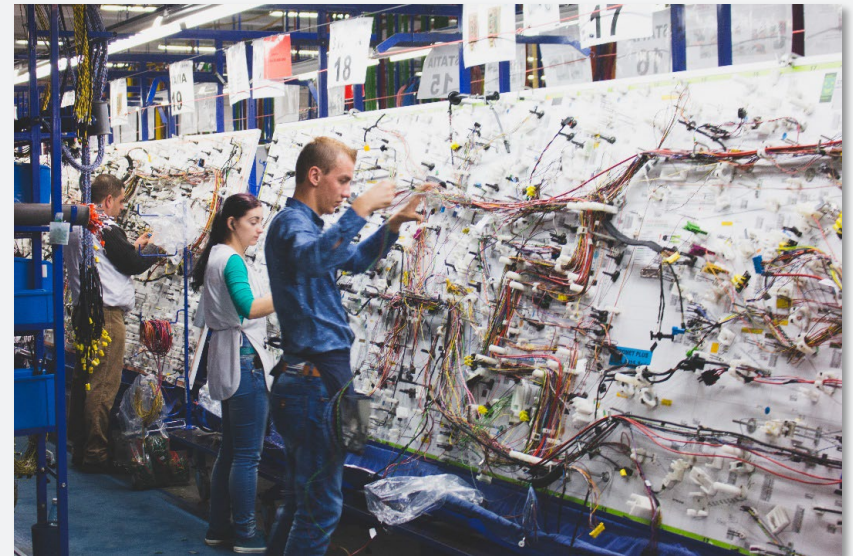
Automated work vs. manual work



20%
automated

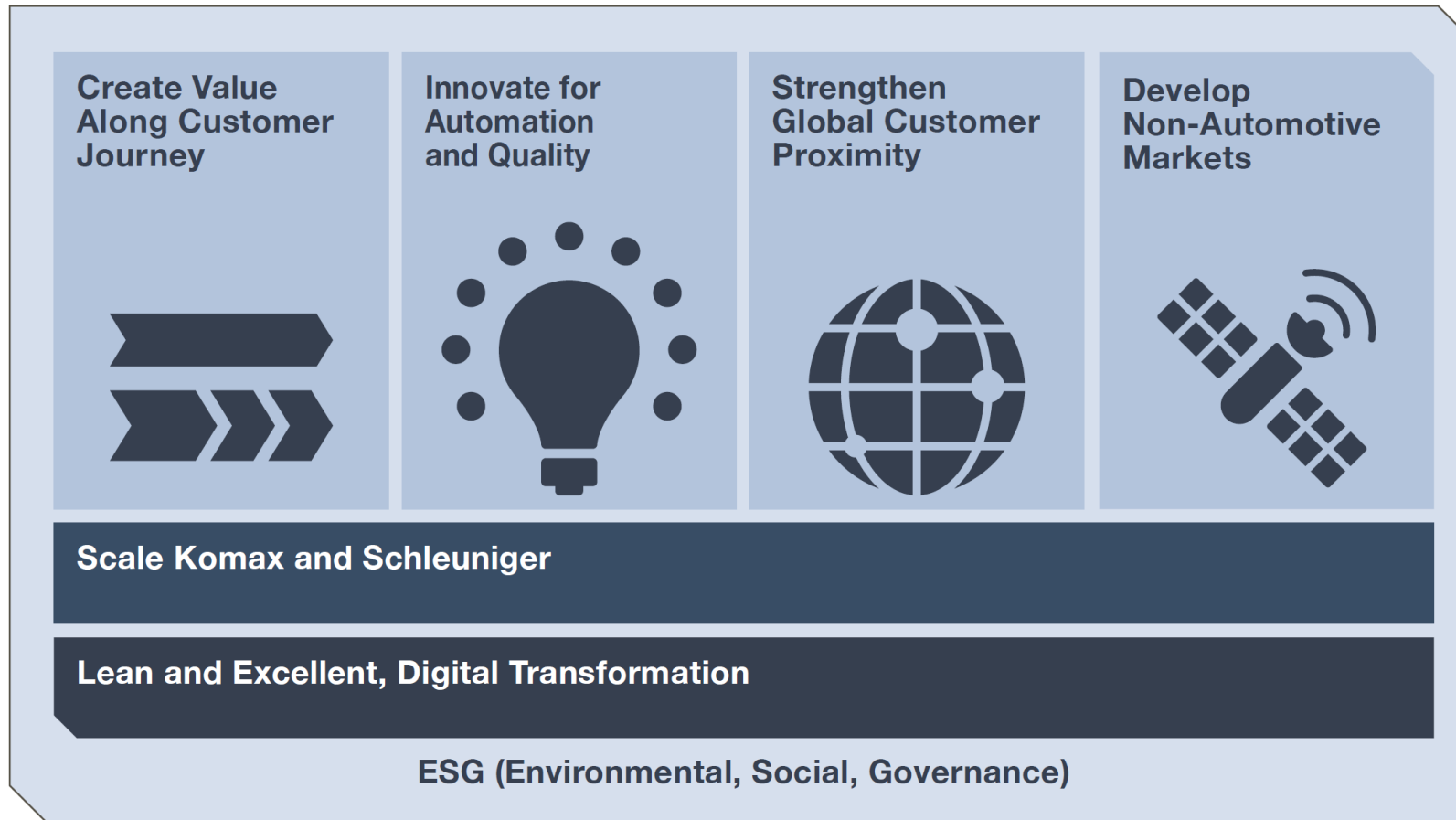


80%
manual



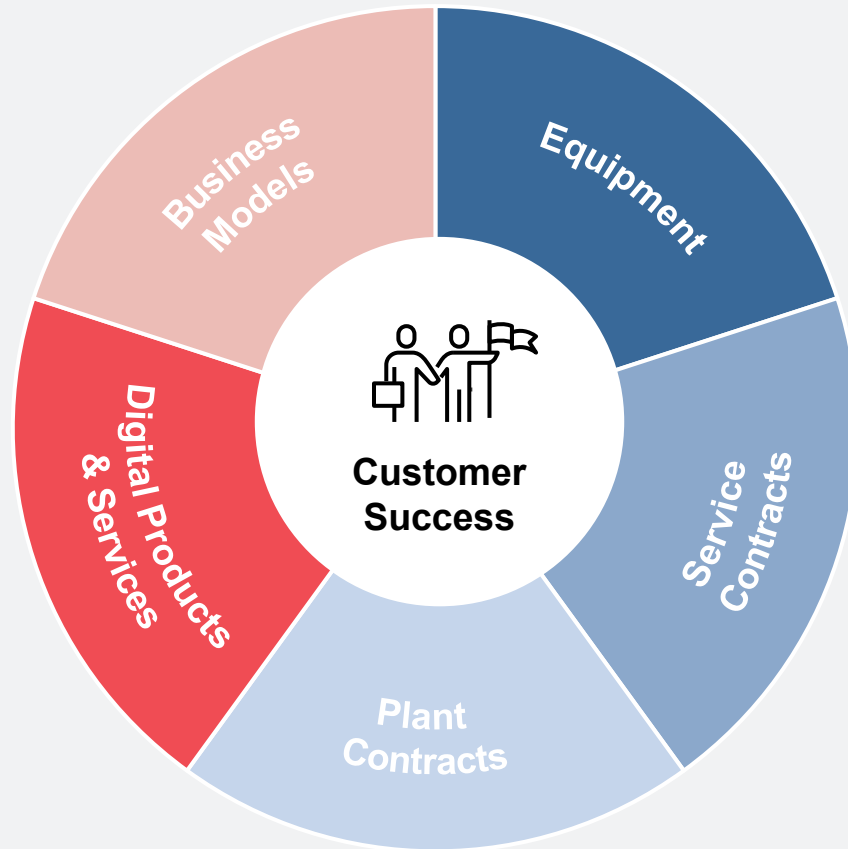
Strategic priorities

Target: achieve above-average profitability and sustainable growth



Create value along customer journey

Significant increase in service business

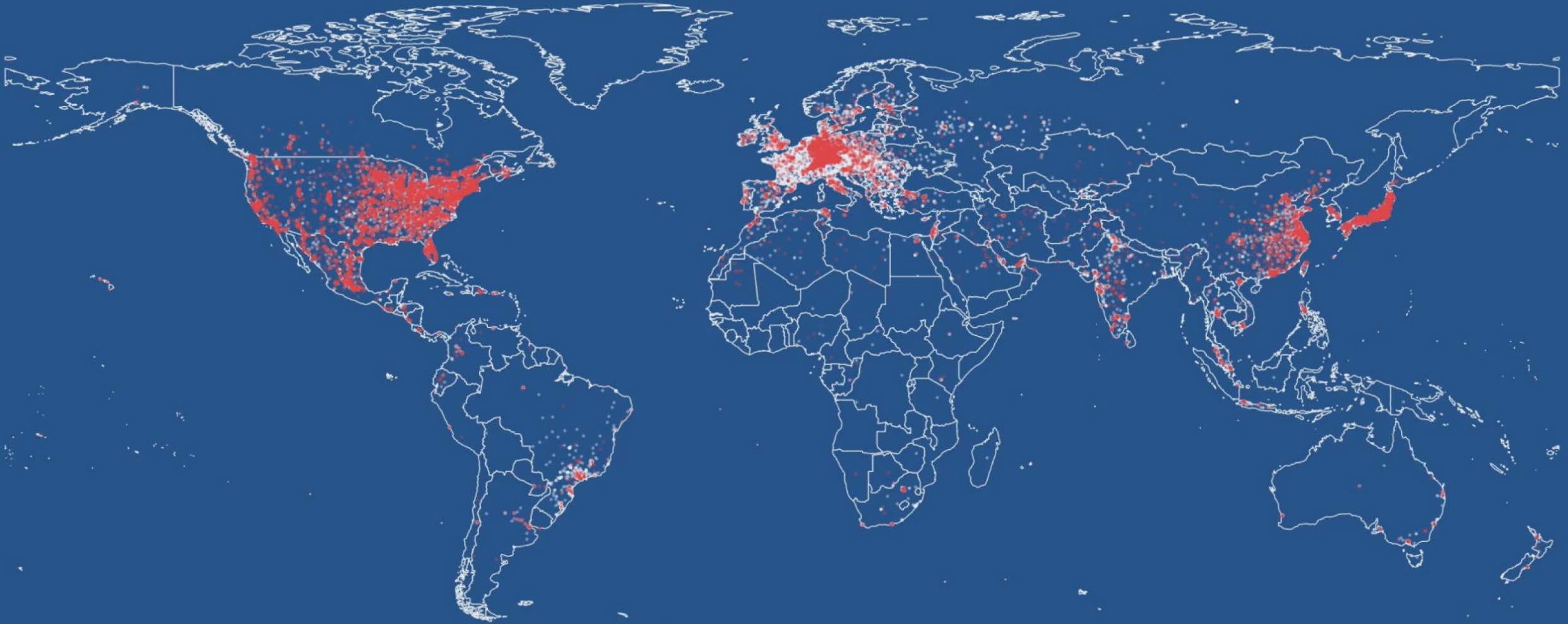


Value Creation Packages

Ensure that customer becomes even more successful than before



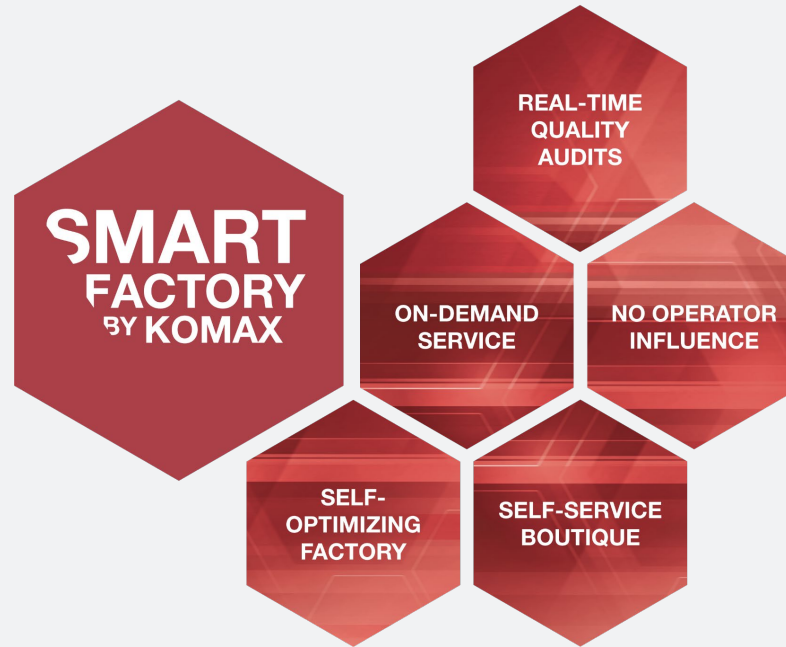
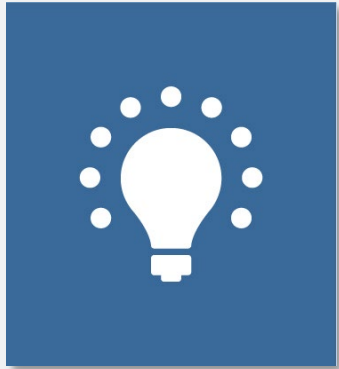
70,000 Komax machines



325,000 Schleuniger machines

Innovate for automation and quality

Investment of 8–9% of revenues in R&D



Higher Automation

Quality Solutions

Platform strategy

Further development of the installed base

upgrade



Alpha 520

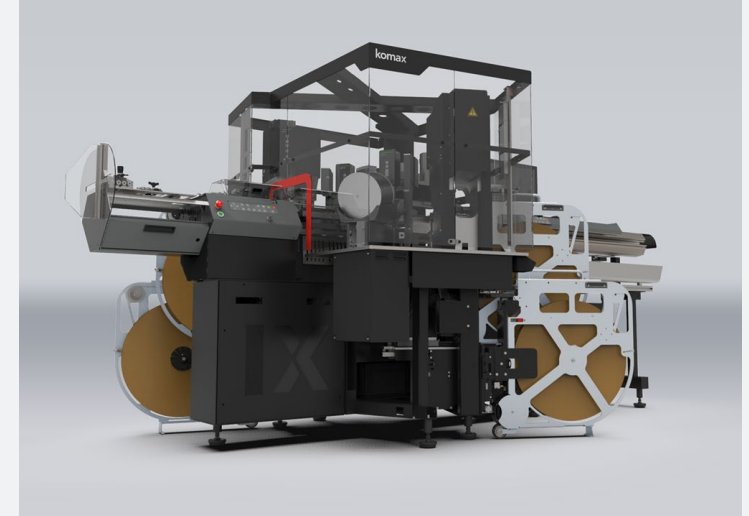
High variance
High flexibility



upgrade



High productivity
Transparency
Suitable for automotive industry
Alpha 550



Highest productivity (+30%)
High flexibility
High variance
Transparency
Suitable for automotive industry

Alpha 650

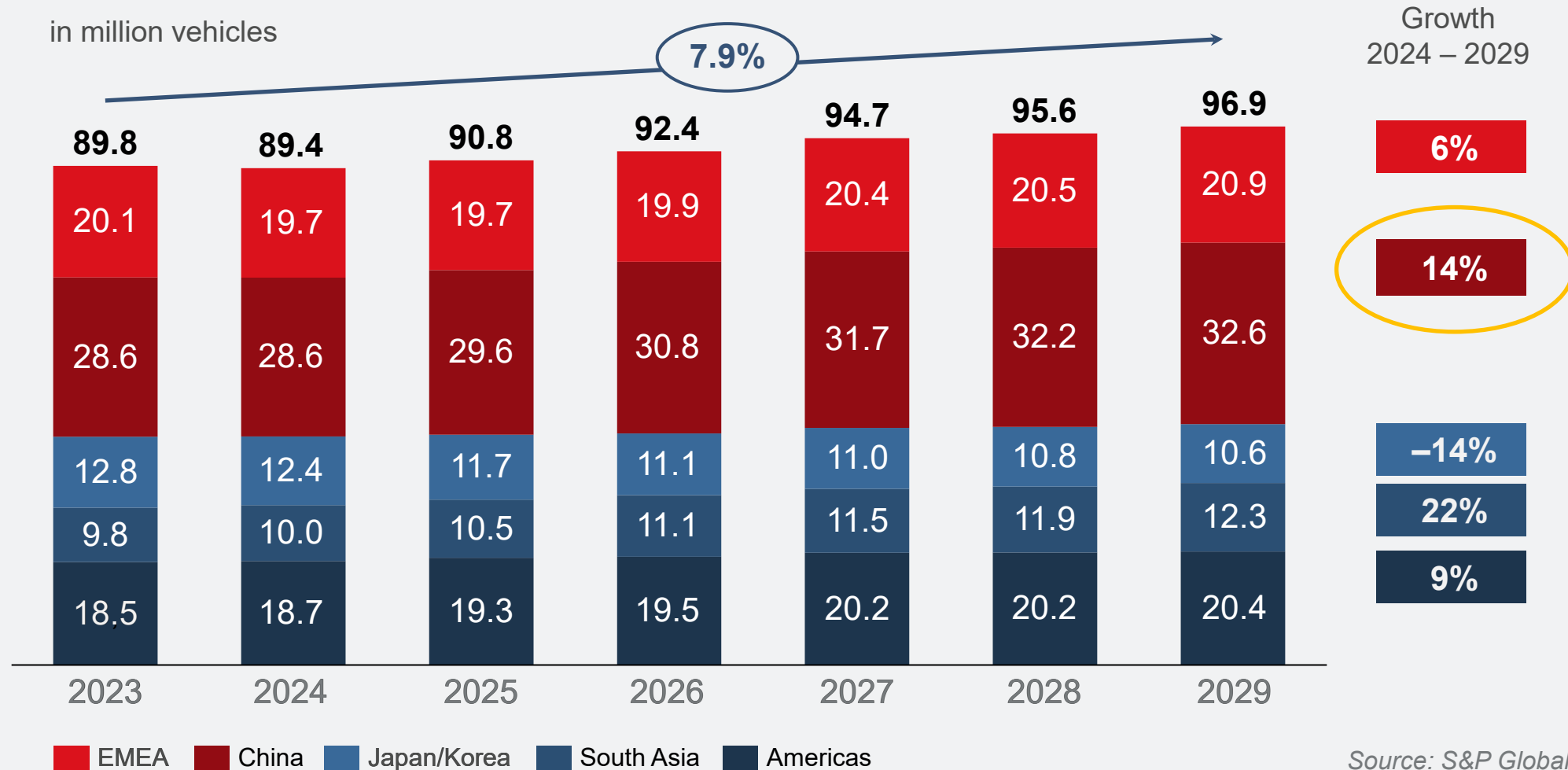
Strengthen global customer proximity

Increase footprint in Asia



Development of global vehicle production

Strong growth in China from 2024 to 2029



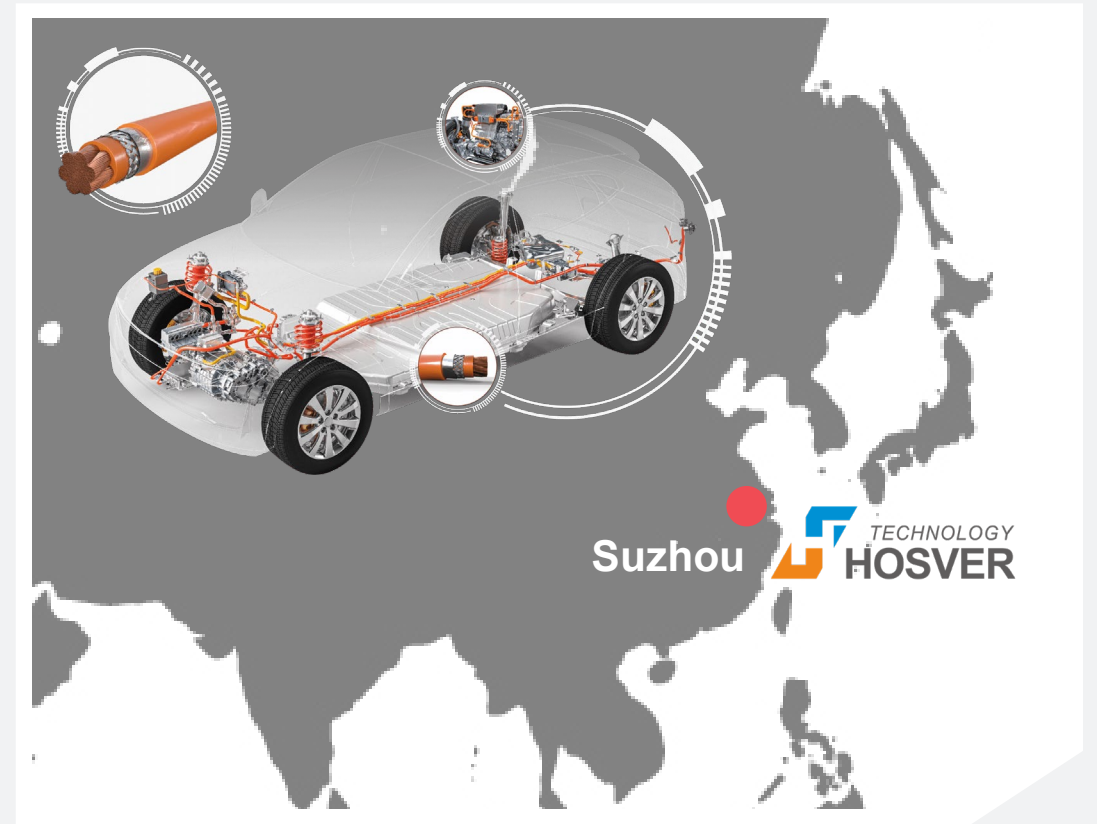
Source: S&P Global Mobility, January 2024

Strengthened market position in China

Majority stake (56%) in Hosver as at beginning of July 2024

Hosver

- Leading manufacturer of machines for processing high-voltage cables for electromobility
- Founded in 2014, approx. 160 employees, production facilities in Suzhou (west of Shanghai)
- Broad engineering know-how
- Excellent contacts to key customers like BYD



Develop non-automotive markets

Focus on two market segments (25% of revenues)



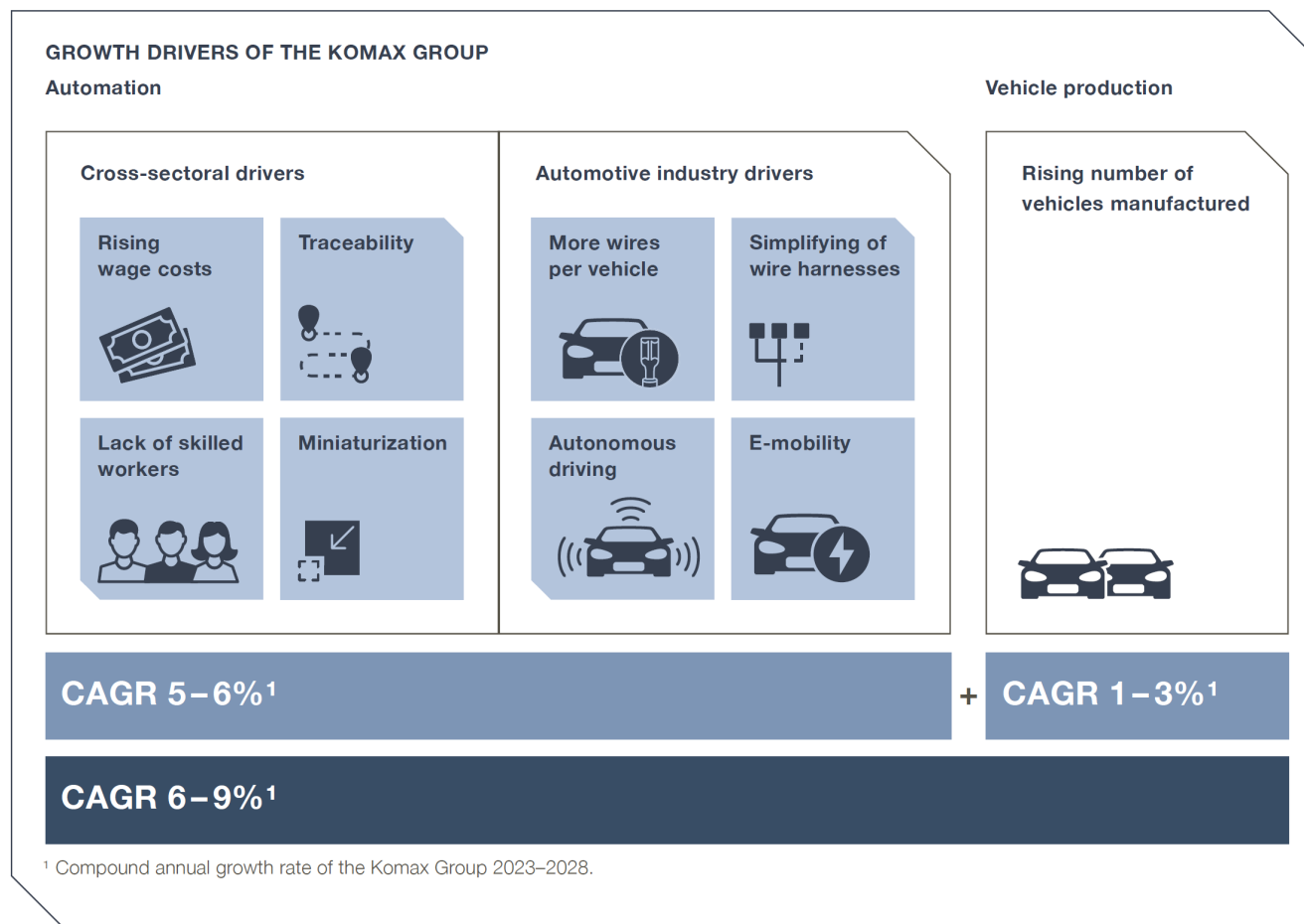
Aerospace & Railway



Industrial & Infrastructure

Growth driver automation

In the current challenging situation, automation continues to be a growth driver



Next financial communication

Financial calendar

Investor Day	22 November 2024
Preliminary information on 2024 financial year	21 January 2025
Annual media and analyst conference on the 2024 financial results	11 March 2025
Annual General Meeting	16 April 2025
Half-year results 2025	12 August 2025

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Note on forward-looking statements

This presentation 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 competitors, negative publicity, and the departure of management-level employees. The forward-looking statements are pure assumptions, made on the basis of information that is currently available.

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