



Ad hoc announcement pursuant to Art. 53 LR: *Interroll Annual Report 2022*

Record Sales and EBIT; Order intake below previous year

- Strong result in a challenging year
- Sales exceed previous year's level
- Order intake down 27.4%
- Result increases by 2.7% to CHF 82.8 million.
- Dividend increase of CHF 1.00 to CHF 32.00/share (previous year: CHF 31.00/share) proposed

Sant'Antonino, Switzerland, March 17, 2023. Interroll was able to grow in a very challenging financial year 2022: sales increased to CHF 664.4 million (+3.8% year-on-year, +8.0% in local currencies). Order intake amounts to CHF 572.6 million (-27.4% year-on-year, -24.3% in local currencies). The result increased by 2.7% to CHF 82.8 million (previous year: CHF 80.6 million). In principle, the Group is cautiously optimistic about 2023, but further economic development harbors uncertainties as global markets have not yet stabilized.

Currency fluctuations had a greater effect in the reporting year. In local currencies, sales increased by +8.0% and order intake decreased by -24.3%.

Development of the product groups

In 2022, sales developed positively compared to the previous year with the exception of the "Rollers" product group, while order intake for all product groups was below previous year.

Consolidated sales in the product group "Rollers" amounted to CHF 126.5 million, 6.0% below the previous year's level of CHF 134.6 million. Consolidated order intake decreased by 29.0% to CHF 110.9 million and was thus significantly below the previous year's level of CHF 156.2 million.

Consolidated sales of the "Drives" product group amounted to CHF 211.8 million in the 2022 financial year, up 10.5% on the prior-year period (CHF 191.6 million). Consolidated order intake decreased by 26.0% to CHF 181.1 million compared to CHF 244.8 million in the previous year.

The "Conveyors & Sorters" product group generated consolidated sales of CHF 263.5 million within the 2022 financial year, up 3.7% on the previous year (CHF 254.0 million). At CHF 231.7 million, order intake was 26.6% below the level of the prior-year period (CHF 315.8 million).

In the year under review, Interroll recorded an increase in consolidated sales of 4.7% to CHF 62.6 million (previous year: CHF 59.8 million) in the "Pallet Handling" product group. Consolidated order intake fell by 31.6% to CHF 48.9 million (previous year: CHF 71.5 million).

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Different developments in the regions

Net sales in the region **EMEA (Europe, Middle East, Africa)** amounted to CHF 382.9 million, 14.5% above the previous year (CHF 334.4 million). Order intake decreased by 20.5% compared to the previous year (CHF 416.7 million) and reached CHF 331.1 million. Project postponements and the destocking of our customers in the product business, due to greatly reduced delivery times resulting from the normalization of supply chains, contributed equally to the decline in order intake.

With a 58% share of Interroll's total sales, EMEA remains the most economically significant region within the Group. The demands placed on suppliers in internal logistics are high. In addition to close customer relationships, industry knowledge and technical solution expertise, they require innovative and sustainable responses to increasing complexity and new market trends. Capacity expansion at the Baal and Wermelskirchen (Germany) sites is planned for 2023/24. This will provide sufficient capacity for Interroll's future growth in the EMEA region.

Sales in the **Americas** amounted to CHF 221.6 million, 4.1% higher than in the previous year (CHF 212.8 million). The 30.8% decline in order intake to CHF 181.0 million (previous year: CHF 261.5 million) was due to a general economic slowdown and the absence of major orders in the e-commerce sector, where overinvestment occurred during the Covid crisis.

Interroll's sales in the **Asia-Pacific** region fell by 35.5% to CHF 59.9 million (previous year: CHF 92.9 million). Order intake fell even more sharply by 45.1% to CHF 60.5 million (previous year: CHF 110.2 million). As in previous years, China was the most important market for Interroll in the region. The region suffered greatly from the zero-covid strategy in China and the absence of major orders, especially from the e-commerce sector where there had been overinvestment in previous years. The new plant in Suzhou (China) was commissioned on schedule in the second half of 2022. This has once again significantly increased production capacity for the Asia-Pacific region.

Record results

Earnings before interest, taxes, depreciation and amortization (EBITDA) increased again to CHF 129.3 million (previous year: CHF 122.5 million). The EBITDA margin rose to 19.5% (previous year: 19.1%). Earnings before interest and taxes (EBIT) reached CHF 105.2 million (+5.9% above the previous year's figure of CHF 99.3 million). The EBIT margin increased to 15.8% (previous year: 15.5%). The result increased by 2.7% to CHF 82.8 million (previous year: CHF 80.6 million).

Solid balance sheet and cash flow development

Total assets grew to CHF 545.9 million as of December 31, 2022, 1.4% above the previous year 2021 (CHF 538.5 million). Shareholders' equity increased to CHF 394.2 million, the equity ratio was 72.2% (end of 2021: 64.1%). Net financial assets increased by 53.6% to CHF 70.8 million (previous year: CHF 46.1 million). Operating cash flow increased by 51.0% to CHF 71.4 million (previous year: CHF 47.3 million) as a result of the record result and due to the inventory reduction. Gross investments amounted to CHF 32.5 million (previous year: CHF 51.1 million). These include, among other things, the completion of the Suzhou plant in

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China, which went into operation in the third quarter of 2022, as well as ongoing renewal investments in our production facilities, extensions to our SAP system, and the lease capitalization under IFRS 16. Due to delays some investments planned for 2022 will not take place until 2023. As a result of the higher operating cash flow and the lower gross capital expenditures, the free cash flow reached CHF 49.2 million in the reporting year (previous year: CHF -0.8 million).

Innovation

In 2022, the company has also consistently continued its course of innovation. With the Light Conveyor Platform (LCP), for example, the range was expanded to include a platform-based material flow solution that significantly increases the productivity of automated manufacturing processes in particular. This solution enables material to be fed to and discharged from production cells, assembly and packaging stations both efficiently and flexibly. In addition, a new technology platform has been launched that meets high hygienic requirements and is aimed primarily at dynamically developing sectors such as the food and pharmaceutical industries. The new Modular Hygienic Platform (MHP) made flexible modular solutions based on the principles of Hygienic Product Design of the international European Hygienic Engineering & Design Group (EHEDG) available on the market for the first time. This makes it possible to significantly improve food safety and shelf life - while at the same time achieving high energy and operational efficiency.

Development of Interroll share price and again increased dividend proposal

With a closing price of CHF 2,350.00 on December 30, 2022, the Interroll share was 42.8% below the year-end price in 2021 (CHF 4,105.00). The Interroll share, which had far outperformed the Swiss indices over many years, thus significantly underperformed the Swiss indices in 2022. The Group's market capitalization exceeded CHF 1.9 billion. A dividend of CHF 32.00 per share will be proposed to the Annual General Meeting on May 12, 2023 (+3.2%; previous year: CHF 31.00 per share).

Outlook 2023

The fundamental market drivers are intact and we are monitoring further developments in the supply chains. In principle, we are cautiously optimistic, but further economic development harbors uncertainties as global markets have not yet stabilized. In the medium term, we are convinced that market demand for Interroll solutions will remain strong. We are ideally positioned for this, as our most important capacity expansions have largely been completed. In addition, Interroll plans to expand its technology platforms to further strengthen its strong market position in courier, express and postal (CEP) services.

"Business development in 2022 has shown that our long-term strategy, our course of strict cost discipline and financial strength, and our concept of "breathing" production sites have proven their worth, especially in uncertain times. In 2023, we will consistently pursue our innovation course, which is geared towards adding value for our customers," explains Ingo Steinkrüger, CEO of the Interroll Group. "Our innovative strength as a provider of high-performance technology platforms and our production capacities create the best conditions for us and our customers to seize the business opportunities that arise in the market."

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Development of key figures 2018–2022

In millions of CHF, unless otherwise stated	2022	2021	2020	2019	2018
Order intake/sales					
Total order intake	572.6	788.4	547.8	546.5	592.6
Rollers	126.5	134.6	106.0	110.1	108.0
Drives	211.8	191.6	156.5	172.4	170.9
Conveyors & Sorters	263.5	254.0	221.5	223.2	220.5
Pallet Handling	62.6	59.8	46.6	54.0	60.5
Total sales	664.4	640.1	530.6	559.7	559.9
Profitability					
EBITDA	129.3	122.5	115.4	96.1	93.2
in % of sales	19.5	19.1	21.7	17.1	16.6
EBIT	105.2	99.3	94.1	72.3	69.4
in % of sales	15.8	15.5	17.7	12.9	12.4
Result	82.8	80.6	71.7	56.0	51.8
in % of sales	12.5	12.6	13.5	10.0	9.3
Cash flow					
Operating cash flow	71.4	47.3	122.9	99.6	67.4
in % of sales	10.7	7.4	23.2	17.8	12.0
Free cash flow	49.2	-0.8	74.0	66.9	40.9
in % of sales	7.4	-0.1	13.9	12.0	7.3
Total investment	32.5	51.1	51.3	33.6	28.6
Balance sheet (as of December 31)					
Total assets	545.9	538.5	468.8	435.1	417.6
Goodwill	16.4	16.7	16.4	17.1	17.3
Net financial assets	70.8	46.1	92.2	76.9	52.0
Equity	394.2	345.4	312.0	304.0	284.8
Equity ratio (equity as % of assets)	72.2	64.1	66.5	69.9	68.2
Return on equity (in %)	22.4	24.5	23.3	19.0	19.0
Other key figures					
RONA (return on net assets, in %)	24.5	25.4	30.4	22.6	20.9
Average number of employees	2,500	2,421	2,206	2,284	2,198
Sales per employee (in thousand CHF)	266	264	241	245	255
Productivity	2.22	2.19	2.30	2.09	2.17

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Financial calendar 2023

May 12 Annual General Meeting

August 2 Publication of the *Half-Year Report 2023* 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 664.4 CHF million and 2,500 employees (average number of employees in 2022).