

Dierikon, 17 August 2021

Media release

Ad hoc announcement pursuant to Art. 53 LR

2021 half-year results of the Komax Group

Komax is on track for recovery and starts the second half of 2021 with strong order books

The Komax Group saw its market situation gradually improve in the first six months of 2021 on the back of the recovery underway in the automotive industry. This enabled Komax to record a strong order intake of CHF 229.1 million (first half of 2020: CHF 143.8 million). Given that it will take a number of months for many of these orders to be processed, the increase in revenues was less substantial: the total came to CHF 183.3 million (first half of 2020: CHF 145.2 million). Operating result (EBIT) of CHF 14.1 million (first half of 2020: CHF –4.7 million) and Group profit after taxes (EAT) of CHF 8.4 million (first half of 2020: CHF –11.6 million) reflect this recovery as well as the efficacy of the cost-cutting measures implemented in 2020. In the first six months of 2021, Komax reduced its net debt by CHF 8.0 million to CHF 84.4 million, and continues to enjoy a solid financial base. Against the backdrop of strong order books, Komax is confident that the result for the second half of 2021 will show a significant improvement on the first half. This presupposes that the challenges presented by supply chain issues and the coronavirus pandemic can continue to be managed successfully.

After a muted start to the year, the market situation for the Komax Group improved continuously as the first half progressed, resulting in an order intake of CHF 229.1 million. Compared with the previous year, when the closure of many automotive plants for several weeks weighed heavily on the result, the order intake rose by 59.3% (first half of 2020: CHF 143.8 million). Compared with the first half of 2019 (CHF 206.7 million), a more meaningful benchmark, the increase amounted to 10.8%. As significantly more orders were received in the second quarter than in the first three months of the year, many machines had yet to be delivered by the end of the second quarter, and were therefore not booked as revenue. Revenues rose by 26.2% to CHF 183.3 million (first half of 2020: CHF 145.2 million), attributable to organic growth (27.0%) and negative foreign currency effects (–0.8%). The book-to-bill ratio came in at a high 1.25. As forecast at the start of the year, revenues were some 10% lower than in the first six months of 2019 (CHF 203.3 million).

“The recovery has been broad-based, with all regions reporting a sharp rise in revenues in the first half of 2021,” explains Matijas Meyer, CEO Komax Group. Compared with the first half of 2020, Asia saw the strongest increase (+32.4%), but high growth rates were also recorded in Europe (+27.2%), North/South America (+22.8%), and Africa (+19.6%).

Positive EBIT development

In terms of the product mix, there was a slight improvement over the course of the first six months, although the important volume business (crimp-to-crimp machines) remained well below pre-crisis levels. Nonetheless, thanks to the comprehensive cost-cutting measures

implemented in 2020, Komax was able to record an operating profit (EBIT) of CHF 14.1 million (first half of 2020: CHF –4.7 million) and an EBIT margin of 7.7% (first half of 2020: –3.2%). Accordingly, despite a product mix that proved less favorable and revenues that were lower by around CHF 20 million, EBIT was down only around CHF 2 million on the first half of 2019 (CHF 16.4 million).

Group earnings after taxes (EAT) increased to CHF 8.4 million (first half of 2020: CHF –11.6 million, first half of 2019: CHF 10.7 million). This was also facilitated by the financial result, which improved to CHF –2.9 million (first half of 2020: CHF –4.7 million, first half of 2019: CHF –2.2 million) on the back of the better currency situation and lower interest costs.

In order to retain its technological leadership, Komax invested CHF 18.6 million in research and development (first half of 2020: CHF 15.8 million, first half of 2019: CHF 19.7 million), which equates to 10.1% of revenues.

Further reduction of net debt

Komax continues to have a solid financial base. As at 30 June 2021, shareholders' equity totaled CHF 248.7 million (31 December 2020: CHF 236.5 million), while the equity ratio stood at 53.0% (31 December 2020: 52.3%). Free cash flow amounted to CHF 8.8 million (first half of 2020: CHF –2.4 million). "Komax succeeded in reducing net debt by CHF 8.0 million in the first half of 2021, to CHF 84.4 million. The company has reduced its net debt by CHF 21.8 million since the end of 2019, and is benefiting from a lower interest burden as a result," emphasizes Andreas Wolfisberg, CFO Komax Group.

Change to the Executive Committee

Following 14 years at the Komax Group, of which the last three have been as a member of the Executive Committee, Marcus Setterberg has decided to leave Komax at the end of 2021 to take on a new challenge. He is responsible for the test systems business, which Komax operates under the TSK brand. The search for a successor has been initiated. "The Board of Directors and the Executive Committee would like to express their gratitude to Marcus Setterberg for his excellent services over many years, and wish him all the best for the future," says Matijas Meyer.

Outlook

"Given the ongoing uncertainties in connection with the coronavirus pandemic and numerous supply chain challenges, issuing a forecast for the second half of the year is difficult," explains Matijas Meyer. "However, strong order books make us confident that we will be able to achieve a significantly better result in the second half of 2021 than in the first six months of the year." For the year as a whole, Komax is expecting revenues on a par with the 2019 figure (CHF 417.8 million), with an EBIT margin of more than 8% (2019: 5.8%).

Contact

Roger Müller

Vice President Investor Relations / Corporate Communications

Phone +41 41 455 06 16

roger.mueller@komaxgroup.com

Komax is a globally active technology company that focuses on markets in the automation sector. As a leading manufacturer of innovative and high-quality solutions for the wire processing industry, the Komax Group helps its customers implement economical and safe manufacturing processes, especially in the automotive supply sector. The Komax Group employs more than 2000 people worldwide and provides sales and service support via subsidiaries and independent agents in more than 60 countries.

Key figures of the Komax Group

in TCHF	First half 2021	First half 2020	+/- in %
Order intake ¹	229,091	143,810	59.3
Revenues	183,296	145,245	26.2
EBITDA	21,850	2,709	706.6
in % of revenues	11.9	1.9	
Operating result (EBIT)	14,102	-4,687	n.a.
in % of revenues	7.7	-3.2	
Group earnings after taxes (EAT)	8,357	-11,555	n.a.
in % of revenues	4.6	-8.0	
Free cash flow	8,759	-2,396	n.a.
Research and development	18,578	15,788	17.7
in % of revenues	10.1	10.9	
	30.06.2021	31.12.2020	+/- in %
Total assets	469,399	452,089	3.8
Shareholders' equity ²	248,718	236,486	5.2
in % of total assets	53.0	52.3	
Net debt	84,428	92,426	-8.7
Headcount (Number)	2,046	2,095	-2.3

¹ The definitive order intake is CHF 1.6 million lower than communicated on 8 July 2021.

² Equity attributable to shareholders of Komax Holding AG.

Financial calendar

Preliminary information on 2021 financial year	25 January 2022
Annual media and analyst conference on the 2021 financial results	15 March 2022
Annual General Meeting	13 April 2022
Half-year results 2022	17 August 2022

The 2021 half-year report can be found at www.komaxgroup.com.

Komax News Portal

Topics and insights from the world of automated wire processing: <https://newsportal.komaxgroup.com/en>