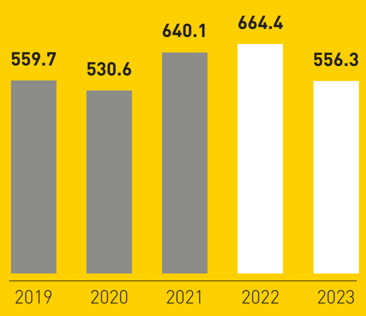
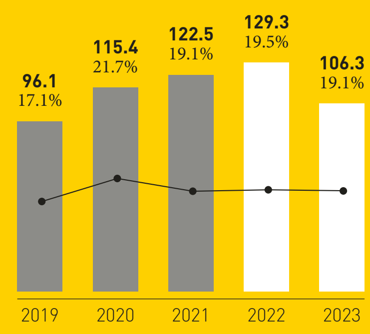
FINANCIAL POSITION, EARNINGS AND CASH FLOWS

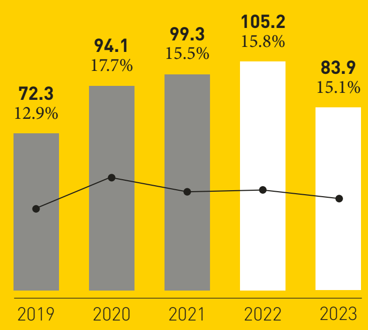
SALES



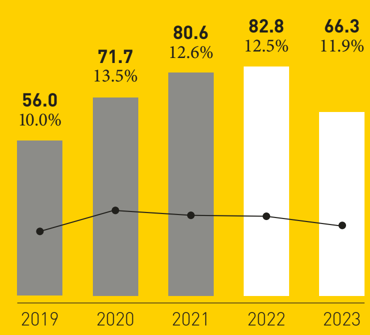
EBITDA AND EBITDA MARGIN



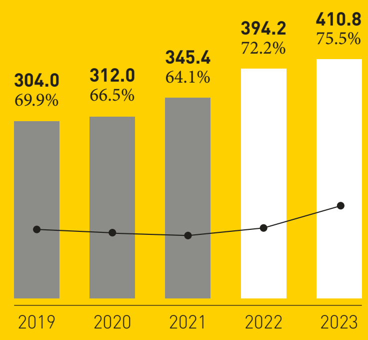
EBIT AND EBIT MARGIN



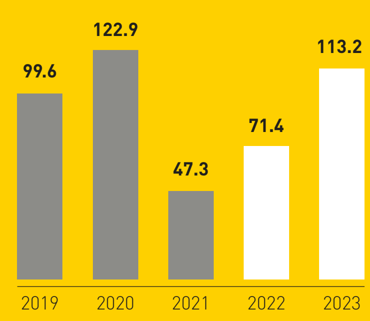
RESULT



EQUITY AND EQUITY RATIO



OPERATING CASH FLOW



All amounts in CHF millions

GOOD PERFORMANCE IN A CHALLENGING YEAR

2023 was characterized by a very challenging macro-economic situation and increased geo-political tensions. Inflation rates decreased, but key interest rates remained at their highest level since the global financial crisis 2008/2009. In addition, the strong Swiss franc also had a considerable negative impact on order intake and sales. Against this challenging backdrop, Interroll was able to adapt quickly to the new situation. We were able to limit impact on profitability by maintaining attractive price points for our products, achieving better purchasing conditions and managing our costs.

Sales decreased to CHF 556.3 million (-16.3% year-on-year, -11.7% in local currencies). Order intake was CHF 519.7 million (-9.2% year-on-year, -3.9% in local currencies). A comparison with the record sales of 2022 is not very meaningful. In 2022, many projects, for which orders were received in 2021, were realized and also the reduction of the backlog of the product orders supported the record sales in 2022. In contrast to 2022, we started 2023 with a very low order backlog, then the first months of 2023 with strong order intake, mainly driven by several larger orders in the US, followed by weak demand, especially in Europe, as customers reduced their inventories before placing new orders. In the second half year, the general downturn became more pronounced. Due to the nature of the seasonality of our project business, the second half year saw increased sales as usual. The completion of the US projects won in the first months of 2023 contributed in particular to this.

As we look ahead to 2024 and beyond, all our market drivers are in place, we have the right product and solution portfolio at hand. With the management changes we announced last October, our long-term strategy is even more focused on our customers, and we are ready to meet demand as it returns.

GOOD PROFITABILITY

Earnings before interest, taxes, depreciation and amortization (EBITDA) decreased to CHF 106.3 million (previous year: CHF 129.3 million). EBITDA margin declined to 19.1% (previous year: 19.5%). Earnings before interest and taxes (EBIT) reached CHF 83.9 million (-20.2% below previous year's figure of CHF 105.2 million). EBIT margin decreased to 15.1% (previous year: 15.8%).

The result decreased by -19.9% to CHF 66.3 million (previous year: CHF 82.8 million). Result margin reached 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. Equity increased to CHF 410.8 million; the equity ratio was 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).

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 investment that had been planned for 2023 will not take place until 2024/25.

As a result of the higher operating cash flow and the lower gross capital expenditures, free cash flow reached CHF 91.1 million in the reporting year (previous year: CHF 49.2 million).