

FINANCIAL REPORT

1 FINANCIAL STATEMENTS OF INTERROLL HOLDING AG

1.1 Balance sheet

in CHF thousands	see notes*	31.12.2023	31.12.2022
ASSETS			
Cash and cash equivalents		24,290	187
Accounts receivable from subsidiaries		4	4,377
Other receivables from third parties		631	1,770
Loans to subsidiaries		172	203
Total current assets		25,097	6,537
Investments		119,050	115,248
Loans to subsidiaries	3.3	-	4,010
Total non-current assets		119,050	119,258
Total assets		144,147	125,795
EQUITY AND LIABILITIES			
Trade and other accounts payable from subsidiaries		665	2,015
Trade and other accounts payable from third parties		71	63
Loans from subsidiaries	3.4	20,712	29,791
Accrued expenses		4,421	4,409
Total current liabilities		25,869	36,278
Total non-current liabilities		-	-
Share capital	3.5	854	854
Legal reserve			
- Share premium		8	8
- Other legal reserves		5,209	5,209
- Available earnings		179,455	157,475
Treasury shares	3.1	-67,248	-74,029
Total shareholder's equity		118,278	89,517
Total liabilities and equity		144,147	125,795

* See notes to the financial statements.

1.2 Income statement

in CHF thousands	2023	2022
Investment income	44,635	18,411
Royalty income	5,350	6,380
Other operating income	580	742
Financial income	4,153	4,106
Total income	54,719	29,639
Administration expenses	-989	-831
Personnel expenses	-1,694	-2,099
Other operating expenses	-2,074	-1,912
Financial expenses	-973	-6,191
Total expenses	-5,730	-11,033
Result before income taxes	48,988	18,606
Direct taxes	-729	-123
Result	48,259	18,483

1.3 Statement of changes in equity

in CHF thousands	Share capital	Reserves from capital contrib.	Legal reserve	Available earnings	Own shares	Total
As of 1.1.2022	854	8	5,209	164,393	-78,207	92,257
Result 2022				18,483		18,483
Dividend payment, net				-25,401		-25,401
Change of balance for treasury shares					4,178	4,178
Per 31.12.2022	854	8	5,209	157,475	-74,029	89,517
Result 2023				48,259		48,259
Dividend payment, net				-26,280		-26,280
Change of balance for treasury shares					6,781	6,781
Per 31.12.2023	854	8	5,209	179,455	-67,248	118,278

NOTES TO THE FINANCIAL STATEMENTS

2 GENERAL INFORMATION ON THE FINANCIAL STATEMENTS

2.1 Accounting policies

Accounting law

The 2023 financial statements were prepared according to the provisions of Swiss law on Accounting and Financial Reporting (32nd title, Swiss Code of Obligations).

Current/non-current distinction

Current assets are assets expected to be realized or consumed in the normal course of the company's operating cycle or assets held for trading purposes. All other assets are classified as non-current assets.

Current liabilities are liabilities expected to be settled by use of cash generated in the normal course of the company's operating cycle or liabilities due within one year from the reporting date. All other liabilities are classified as non-current liabilities.

Foreign currency translation

Transactions in foreign currencies are recorded using exchange rates prevailing at the time of the transaction. Gains or losses arising upon settlement of these transactions are included in the current year's income under financial income and financial expenses, respectively. Monetary assets and liabilities denominated in foreign currencies as at December 31 are translated using the exchange rates prevailing at the balance sheet date. Any gains or losses resulting from this translation are also included in the current year's income, except for realized gains, which are deferred.

Forgoing a cash flow statement and additional disclosures in the notes

As Interroll Holding AG has prepared its consolidated financial statements in accordance with a recognized accounting standard (IFRS), it has decided to forgo presenting additional information on interest-bearing liabilities and audit fees in the notes as well as a cash flow statement in accordance with the law.

2.2 Valuation principles

Cash and cash equivalents, accounts receivable and payable

Cash and cash equivalents are stated at nominal value. Accounts receivable are stated at nominal value less any valuation adjustment for credit risks. Accounts payable are stated at nominal value. Accounts receivable from Group companies arise from services provided by Interroll Holding AG and related invoiced interest and royalties. These services are recognized on an accrual basis.

Treasury shares

Treasury shares are stated at acquisition price. In case of sales a potential difference between sales price and acquisition price is accounted in the P&L statement.

Loans

Non-current loans receivable are stated at nominal value less any valuation adjustments deemed necessary to reflect the credit risk. Noncurrent loans payable are stated at nominal value.

Investments

Investments are stated at cost less any valuation adjustments deemed necessary to recognize a decline other than temporary in value (impairment).

Accrued expenses

Accrued expenses primarily relate to interest due on loans payable stated at nominal value and to accruals for the remuneration of the Board of Directors.

3 OTHER STATUTORY DISCLOSURES

3.1 Treasury shares

Shares sold, acquired and held in the periods under review

In the year under review, the company sold 2,800 own shares (previous year: 1,670 shares were sold). In the year under review, the company did not acquire any shares (previous year: 0 shares). At year-end 2023, the company held 29,918 own shares at the book value of CHF 67.2 million (previous year: 32,935 own shares at a book value of CHF 74.0 million).

Allocation of treasury shares to employees

217 shares (previous year: 189) at a carrying value of CHF 0.7 million (previous year: CHF 0.5 million) were attributed to employees.

3.2 Investments

An overview on the material either directly or indirectly held investments can be found in the notes to the consolidated statements of the Interroll Group (see "8.4 – Scope of consolidation").

3.3 Loans to subsidiaries

The interest rates used were the following:

	Lowest	Highest
In the year 2023	0.20%	0.50%
In the year 2022	0.20%	0.50%

The loans due to Group companies are normally redeemable with a notification period of three months. As of year-end, the total outstanding group loans amounted to CHF 0.2 million (previous year: CHF 4.0 million). During the year under review no valuation allowance has been accounted for (previous year: CHF 0.0 million).

3.4 Loans from subsidiaries

The following interest rates were used:

	Lowest	Highest
In the year 2023	1.50%	7.00%
In the year 2022	0.00%	7.11%

Loans due from subsidiaries are normally redeemable with a notice period of three months. As at year-end 2023, no Group loans were due.

3.5 Equity capital

Composition of the share capital

The share capital consists of 854,000 fully paid-in registered shares with a par value of CHF 1.00 each (previous year: CHF 1.00). Each share entitles to equal dividend and voting rights.

Significant shareholders (at least 3% of the share capital)

The following table shows the number of shares held by the most significant shareholders as well as their participation in percent.

Shareholder / shareholder group	31.12.2023		31.12.2022	
	Number of shares	Interest in %	Number of shares	Interest in %
Ghisalberti family	69,004	8.08	71,004	8.31
D. Specht and family	42,100	4.93	52,000	6.09
Groupama Asset Management	–	–	43,726	5.12
Stiftung Erlebnispark Fördertechnik GmbH	34,275	4.01	34,275	4.01
Interroll Holding AG	29,918	3.50	32,935	3.86
Credit Suisse Funds AG	33,033	3.87	26,242	3.07
Premier Portfolio Managers Limited	–	–	25,695	3.01
BlackRock, Inc., New York	25,858	3.03	–	–
EGS Beteiligungen AG, Zürich	32,993	3.86	–	–
Various other shareholders	586,819	68.72	568,123	66.53
Total	854,000	100.00	854,000	100.00

3.6 Contingent liabilities

Interroll Holding AG has issued a guarantee for an existing shared credit facility in the amount of CHF 58.5 million (previous year: CHF 42 million) in favor of Interroll (Schweiz) AG. As at year-end 2023 no credit facility was used (previous year: CHF 0.0 million).

In addition, Interroll Holding AG issued letters of continuing financial support in favor of the following Group companies:

Country	Company
Germany	Interroll Automation GmbH, Sinsheim (DE)
France	Interroll S.A.S., La Roche-sur-Yon (FR)
Switzerland	Interroll (Schweiz) AG, Sant'Antonino (CH)

Interroll Holding AG carries joint liability in respect of the federal tax authorities for value added tax debts of all Swiss subsidiaries. Interroll Holding Ltd also granted advance payment guarantees of CHF 2.6 million, in favor of customers from its subsidiaries.

4 OTHER DISCLOSURES ACCORDING TO SWISS LAW

4.1 Full-time positions

There are no full-time employees at Interroll Holding AG.

4.2 Remuneration of and shares held by the Board of Directors and Group Management

The remuneration of the members of the Board of Directors and Group Management and the shares and options held by the members of the Board of Directors at year-end are disclosed in the remuneration report in accordance with VegüV and Art. 734ff, Swiss Code of Obligations (see remuneration report, pages 25 to 35).

4.3 Shares and options held by the Group Management

Shares and options owned by the members of Group Management and their related parties were the following:

	Shares as at 31.12.	
	2023	2022
Ingo Steinkrüger	43	12
Heinz Hösli	35	21
Maurizio Catino	46	21
Jens Karolyi	104	127
Richard Keely	95	170
Dr. Ben Xia	883	809
Total	1,325	1,252

Note: As per 31.12.2022 Mr. Jens Strüwing held 92 shares (who left Group Management as of 30.09.2023).

5 PROPOSAL FOR THE APPROPRIATION OF AVAILABLE EARNINGS

Appropriation of available earnings

The Board of Directors proposes to the Annual General Meeting to appropriate the available earnings as per end of the year under review as follows:

in CHF thousands	2023	2022
Result	48,259	18,483
Available earnings carried forward from previous year	131,195	138,992
	179,453	157,475
Distribution of a dividend of	27,328	26,280
To be carried forward	152,125	131,195
	179,453	157,475

Proposed dividend payment

The Board of Directors proposes to the Annual General Meeting to pay a dividend of CHF 32.00 per share. Treasury shares are not entitled to a dividend. A maximum total of CHF 27.3 million would be distributed. In the previous year, a dividend in the amount of CHF 32.00 per share or a maximum of CHF 27.3 million was approved. If this year's dividend proposal is approved, the respective payment will be processed in the second quarter of 2024.



REPORT OF THE STATUTORY AUDITOR TO THE GENERAL MEETING OF INTERROLL HOLDING AG SANT'ANTONINO

Report on the audit of the financial statements

Opinion

We have audited the financial statements of INTERROLL HOLDING AG (the Company), which comprise the balance sheet as at 31 December 2023, the income statement and the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

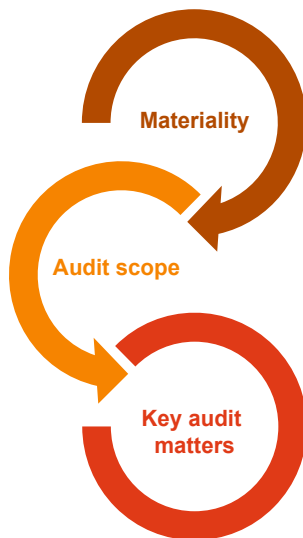
In our opinion, the financial statements (pages 90 to 96) comply with Swiss law and the Company's articles of incorporation.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit approach



Overall materiality: CHF 800,000

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which the Company operates.

As key audit matter the following area of focus has been identified:
Impairment testing of investments

Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

Overall materiality	CHF 800,000
Benchmark applied	Total assets
Rationale for the materiality benchmark applied	We chose total assets as the benchmark because the company primarily holds equity investments in subsidiaries.

We agreed with the Audit Committee that we would report to them misstatements above CHF 108,000 identified during our audit as well as any misstatements below that amount which, in our view, warranted reporting for qualitative reasons.

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment testing of investments

Key audit matter	How our audit addressed the key audit matter
<p>We consider impairment testing of investments to be a key audit matter because of their significance on the balance sheet. Investments in subsidiaries amount to CHF 119.05 million (82.6% of total assets).</p> <p>Please refer to the note “Investments” in “General information on the financial statements” in the notes to the financial statements of INTERROLL HOLDING AG.</p>	<p>Management carried out impairment tests on all investments in subsidiaries. We performed the following audit procedures:</p> <p>Firstly, we discussed with management whether any indications of impairment were identified in relation to an investment.</p> <p>Subsequently, for a sample of selected investments, we verified the factors used to calculate potential impairment and reperformed the calculation.</p> <p>Management assessed individually the recoverability of investments, except where the standalone financial statements prepared in accordance with IFRS or an impairment test showed that these were confirmed by positive equity.</p> <p>We discussed in detail with Management their assessment and reperformed it, and we checked the outlook based on the budget approved by the Board of Directors for plausibility. Based on the audit procedures described above, we addressed the risk of an incorrect valuation of the investments in subsidiaries. We have no findings to report.</p>

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the consolidated financial statements, the remuneration report and our auditor’s reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on EXPERT-suisse's website: <http://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.

Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the financial statements.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG



Gerhard Siegrist
Licensed audit expert
Auditor in charge



Regina Spälti
Licensed audit expert

Zurich, 14 March, 2024

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