



# Kardex - Company Presentation 2022

04/2022

# Agenda

Introduction to Kardex

Division Kardex Remstar

Division Kardex Mlog

Corporate Ventures

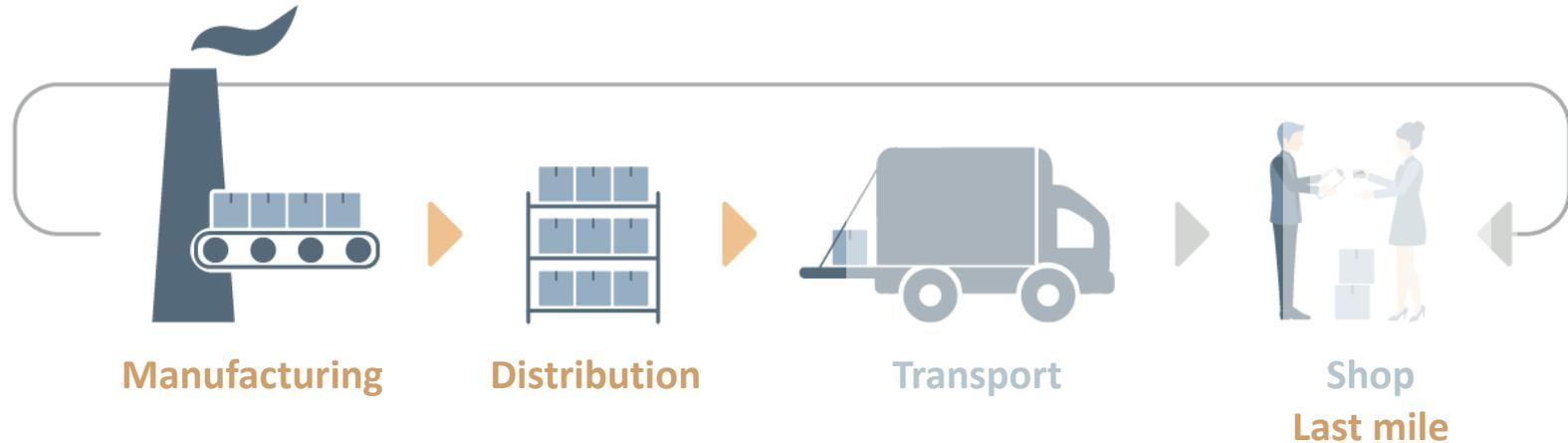
Sustainability

Outlook 2022

Investment Case – Why Kardex

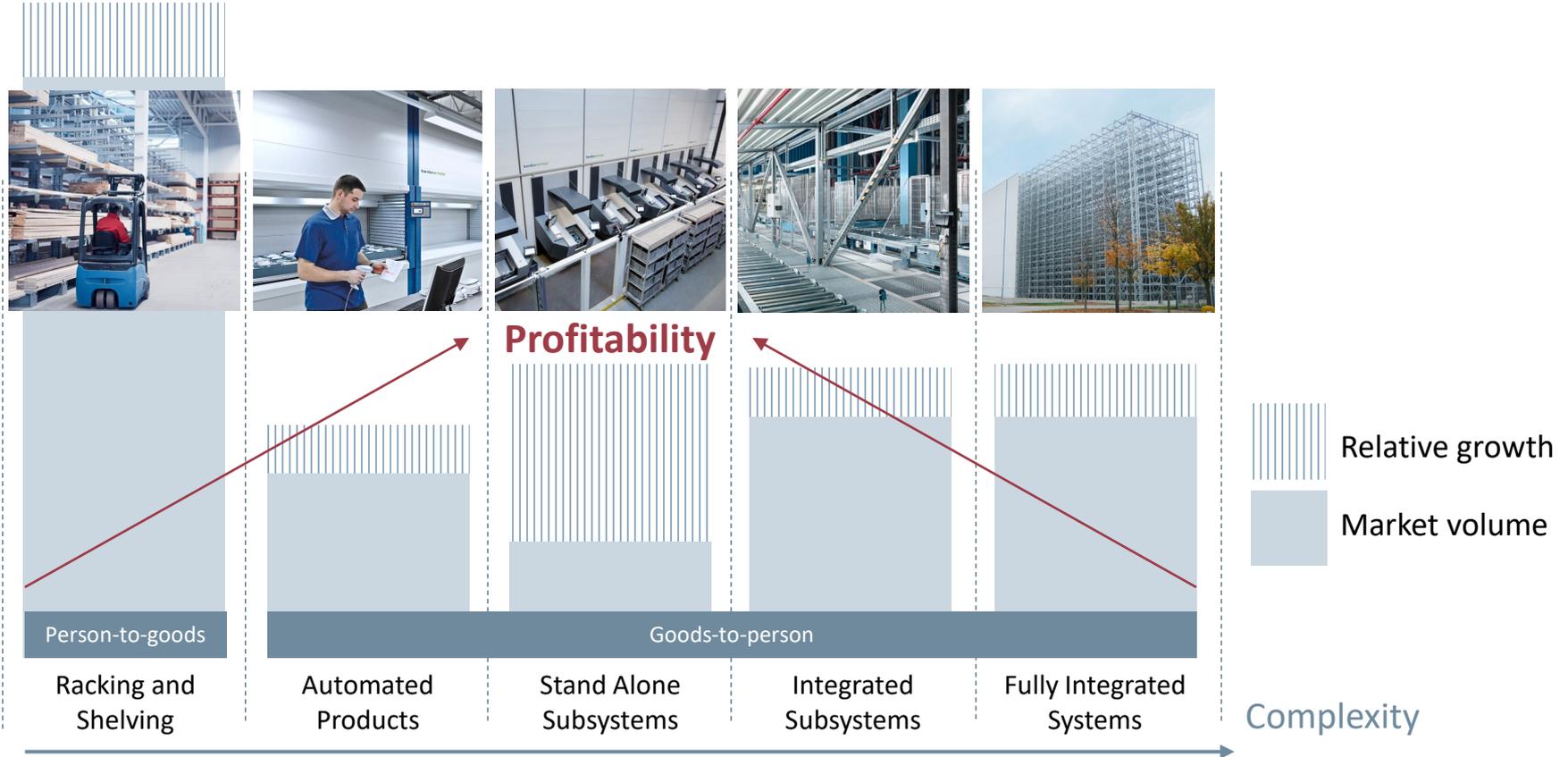
# Introduction to Kardex

# Market in Brief – Definition of Intralogistics



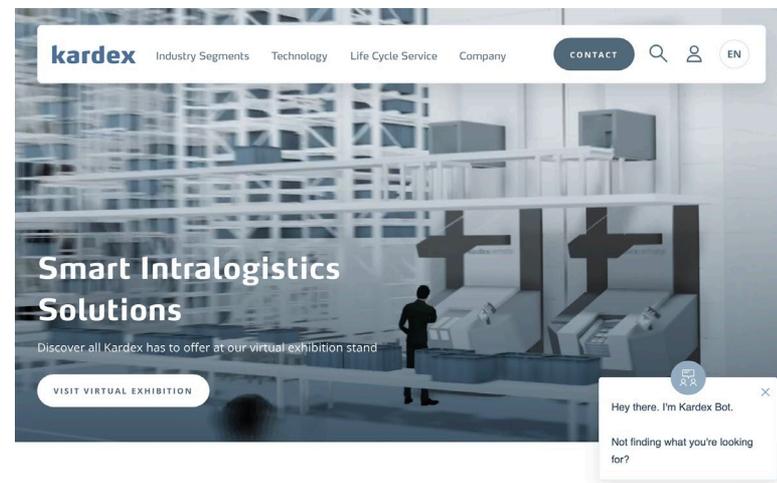
- Intralogistics optimizes the efficiency of supply chains within the boundaries of a manufacturing and/or distribution center
- Intralogistics solutions provider offer a range from purely manual to highly automated solutions
- Over the past decade the Intralogistics definition has been extended to partially cover the B2C interface (Last mile)
- Within the extended Intralogistics Market, Kardex focuses on [Automated Material Handling Solutions](#) for items, bins and pallets

# Market in brief – Growth and Profitability of Intralogistics segments



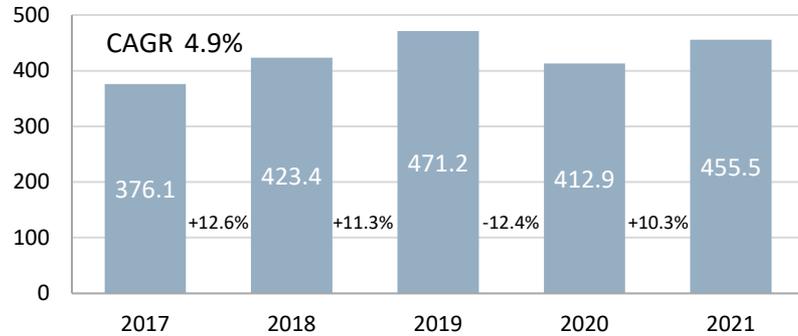
# Kardex in brief

- Kardex provides Intralogistics solutions and services to increase the efficiency in storing and handling of goods and materials
- Kardex consists of 2 Divisions which are both positioned in attractive growth markets
- Well balanced Business Model with New Business and Life Cycle Services (both profitable)
- Key figures FY 2021
  - Net Revenues EUR 455.5 m
  - EBIT EUR 61.1 m
  - EBIT Margin 13.4 %
  - Net Profit EUR 43.7 m
  - Net Profit Margin 9.6 %
- Market Cap (as of End December 2021) CHF 2'319 m

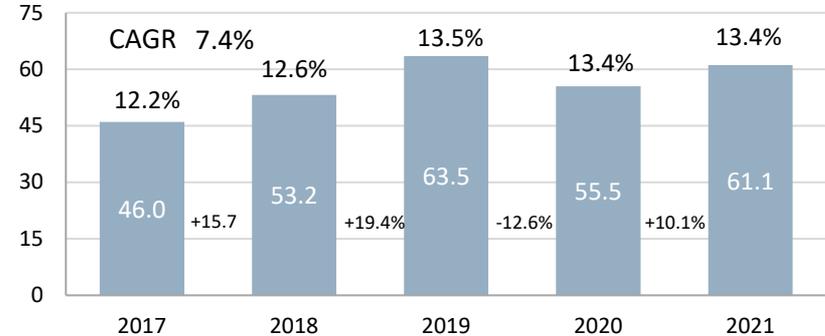


# Kardex in brief - Key Figures 2017–2021 (in EUR million)

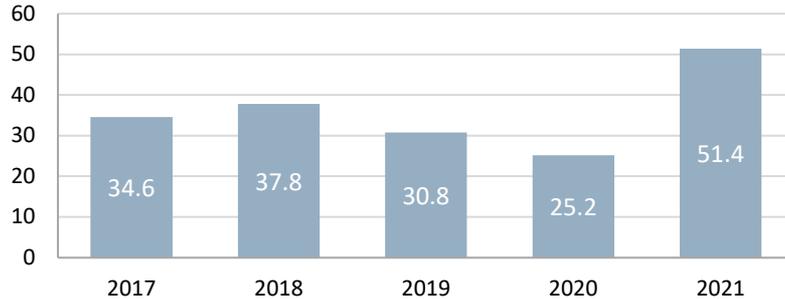
## Net revenues



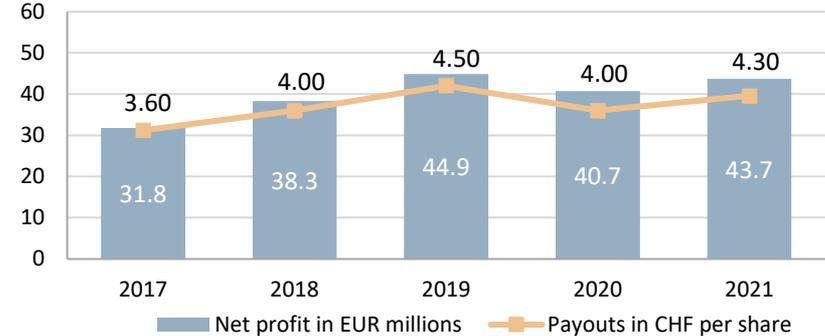
## Operating result (EBIT) and EBIT margin



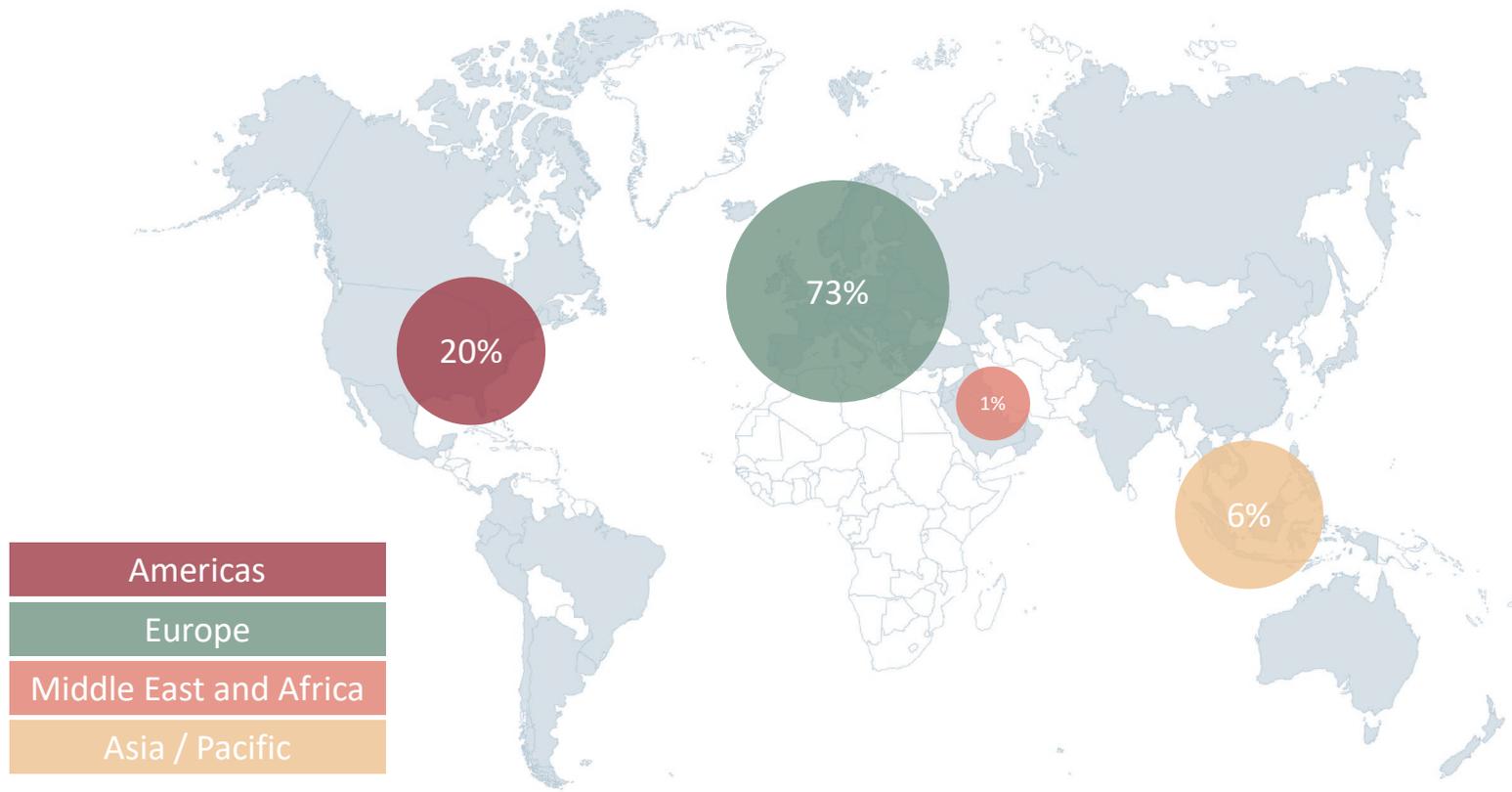
## Free cash flow



## Net profit and Payouts

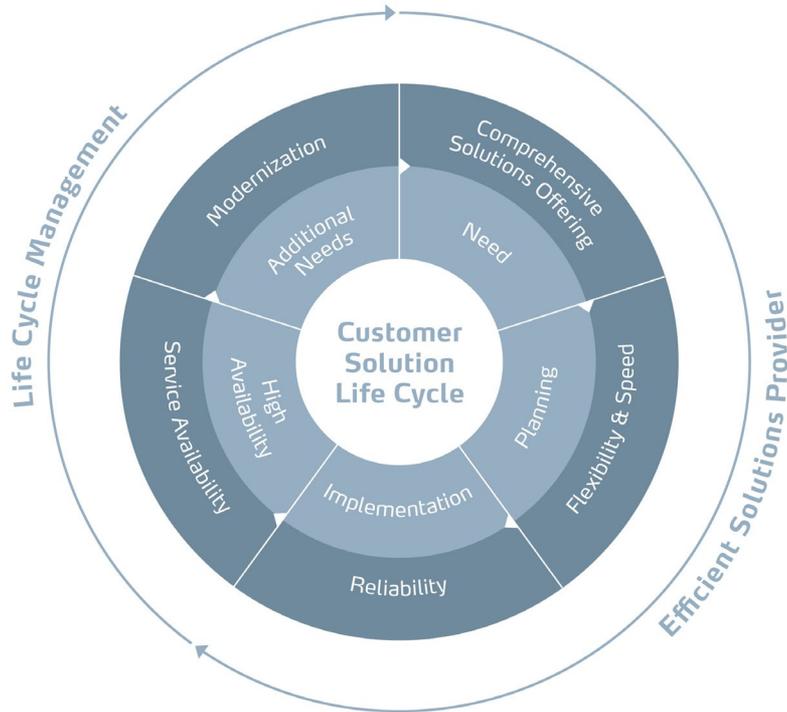


# Kardex in brief – Global Footprint 2021



# Kardex in brief – Profitable and sustainable Business Model

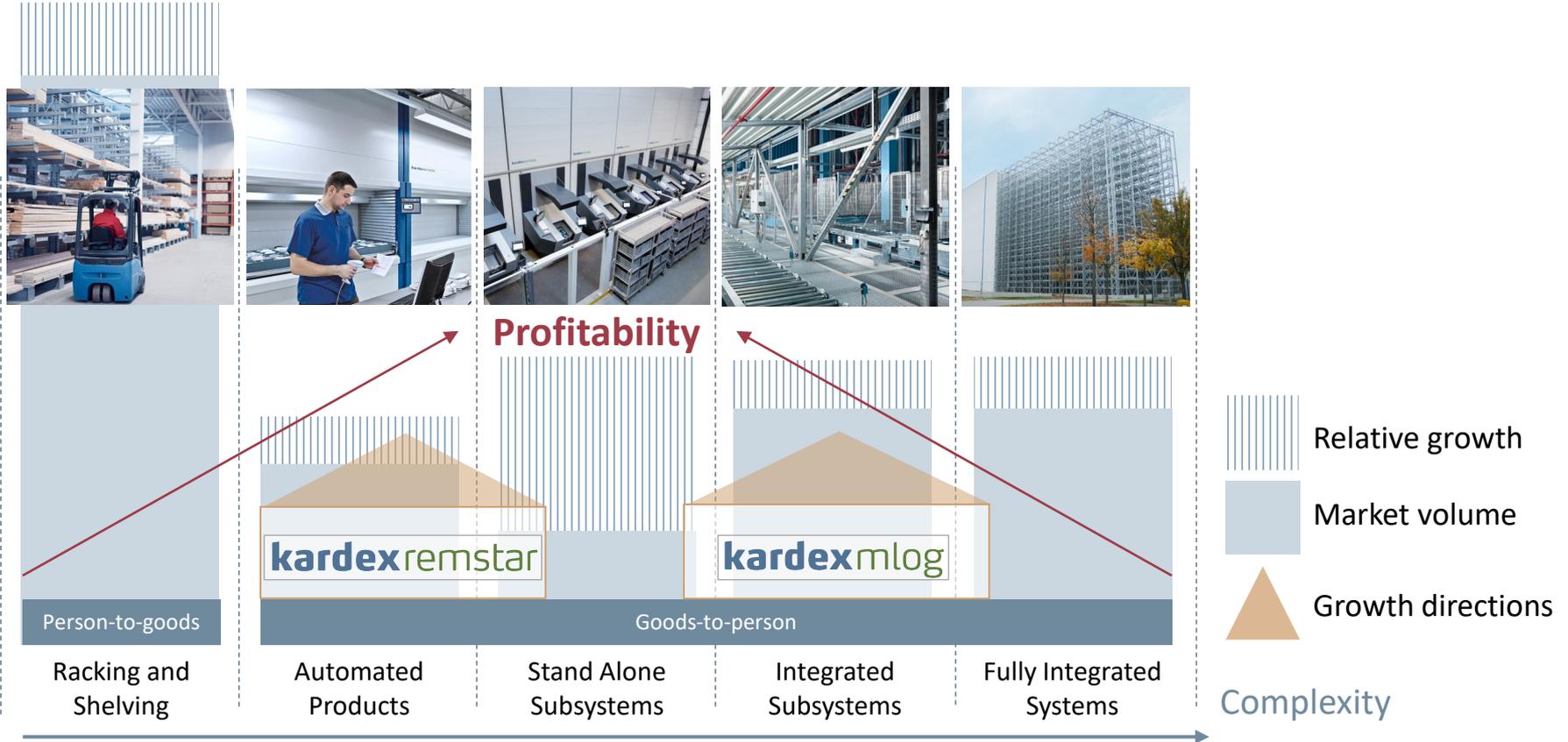
## Business Model



## Market Information

- More than 140'000 installed Kardex Remstar machines worldwide with a lot of potential for repeat business
- Kardex Mlog with more than 1'000 systems with approx. 2'500 stacker cranes and a lot of modernization potential
- Intralogistics solutions typically with very good financial returns
- The installed base allows Kardex to target approx. 30% net revenues share for its Life Cycle Services Business
- Life Cycle Services as strong backbone for the entire Business Model

# Kardex in brief – Positioning of Divisions to drive Profitable Growth



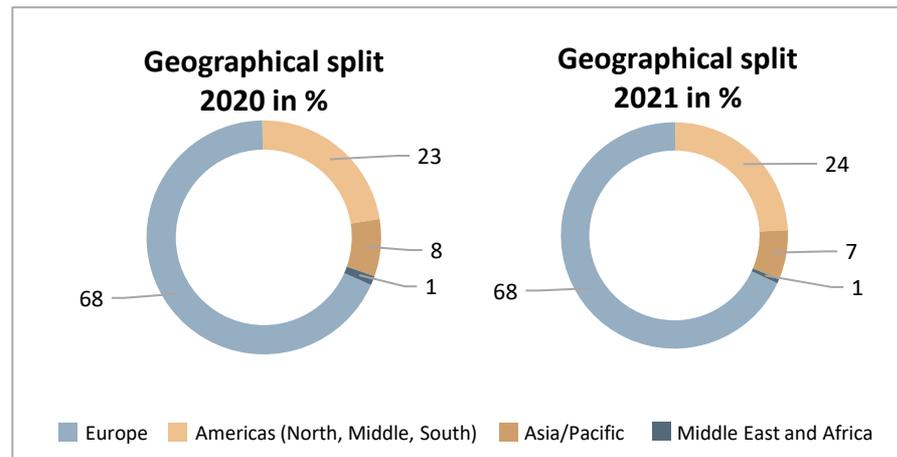
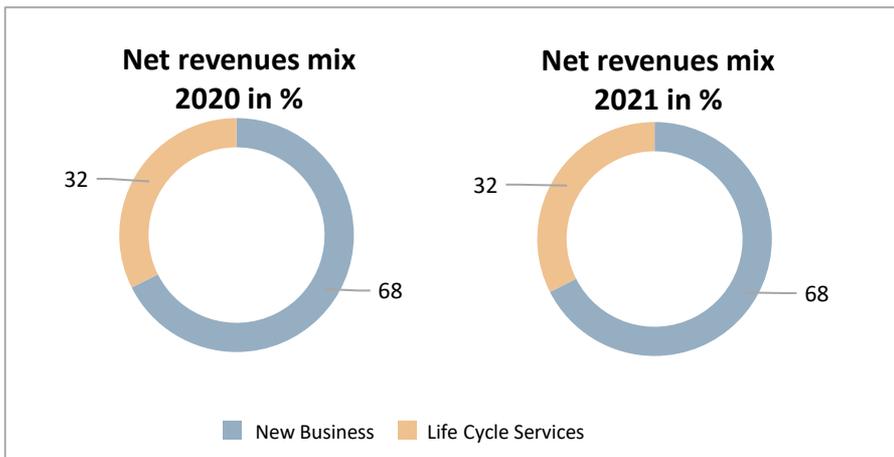
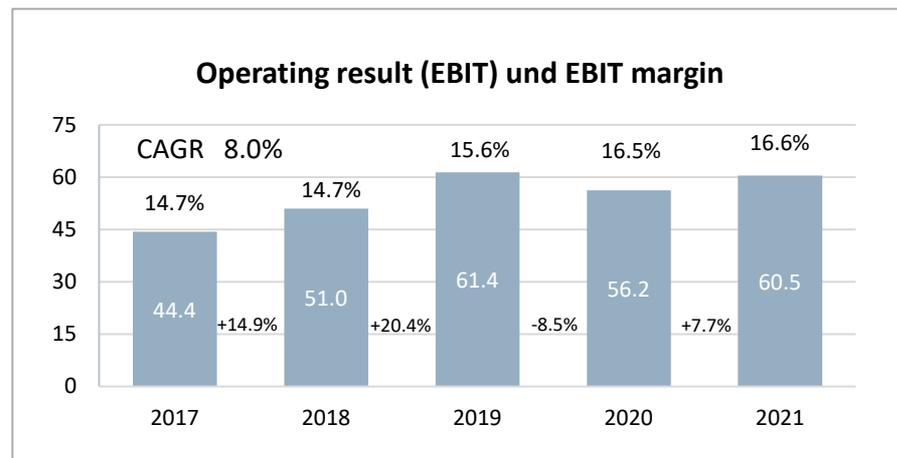
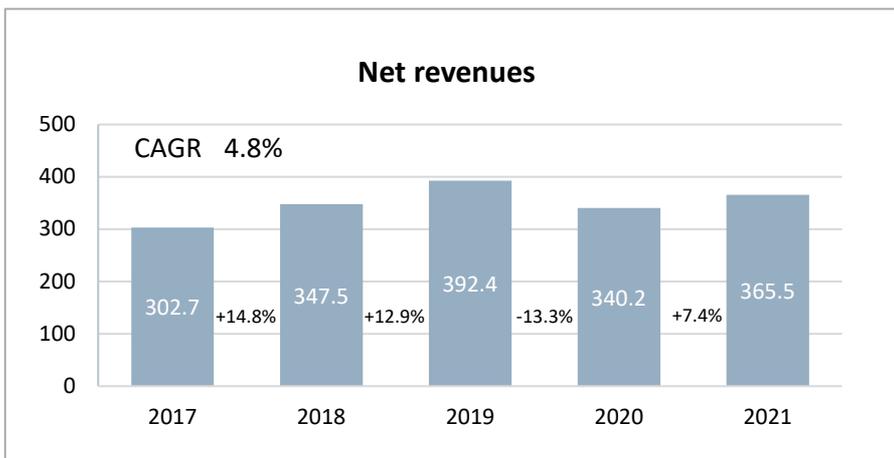
## Division Kardex Remstar

# Division Kardex Remstar



- Global organization providing Sales and Service in over 30 countries
- Automated solutions focusing on order fulfillment and storage/retrieval of single items
- >1'600 FTEs
- 140'000+ installed solutions
- 2 manufacturing sites in Germany and 1 manufacturing site in the US
- Key figures FY 2021
  - Net revenues EUR 365.5 m
  - EBIT EUR 60.5 m
  - EBIT margin 16.6 %
- Global market leader in its niche market - market share estimated at >35%

# Division Kardex Remstar – Key Figures 2017 to 2021 (in EUR million)



# Division Kardex Remstar – Portfolio



Focus on automated solutions for order fulfillment and storage/retrieval of single items

# Division Kardex Remstar – Case Study



## Customer Wildkamp

- Technical Wholesaler, located in the Netherlands
- Challenges/Pains:
  - Increased complexity due to growth of articles (with more than 100'000 different SKUs)
  - Delivery to 46 own stores & customers directly
  - Limited space and lack of picking accuracy
  - In-time availability & delivery

## Solution

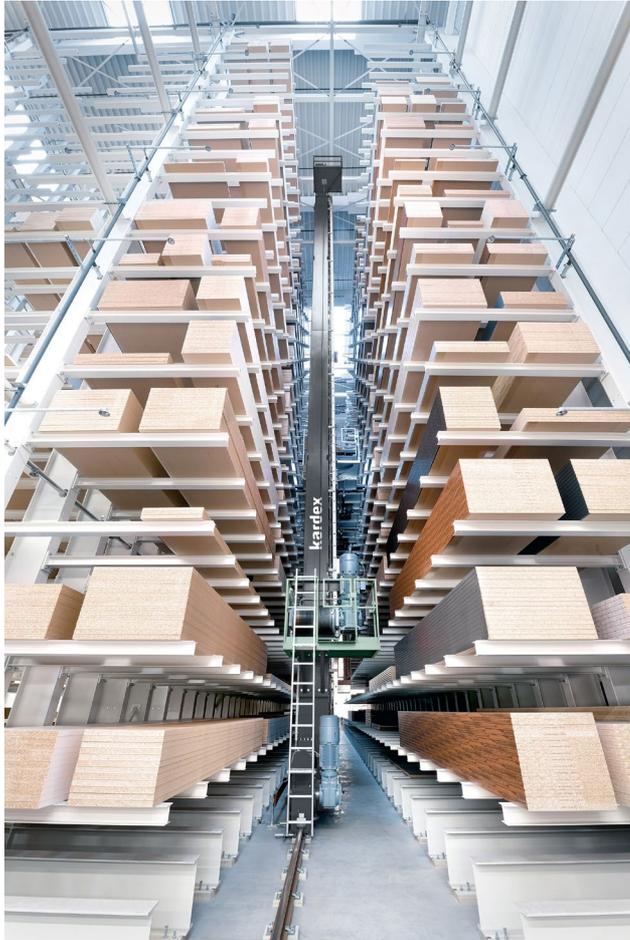
- Order fulfillment solution to address accuracy and efficiency
- Components of the solution:
  - 6 Vertical Buffer Modules
  - Visual Picking Guidance (LED indicators)
  - Power Pick Global Software with sophisticated Batch/Pick algorithms
  - Put-to-light and Put Frames

## Benefits

- Flexible and future-proof Intralogistics solution
- Main gains:
  - Picking speed almost tripled
  - Picker travel time drastically reduced (by approx. 80%)
  - Staff reduction by more than 50%
  - Significant reduction of the storage area footprint
  - Extended use-of-life for the existing warehouse by 4-5 years

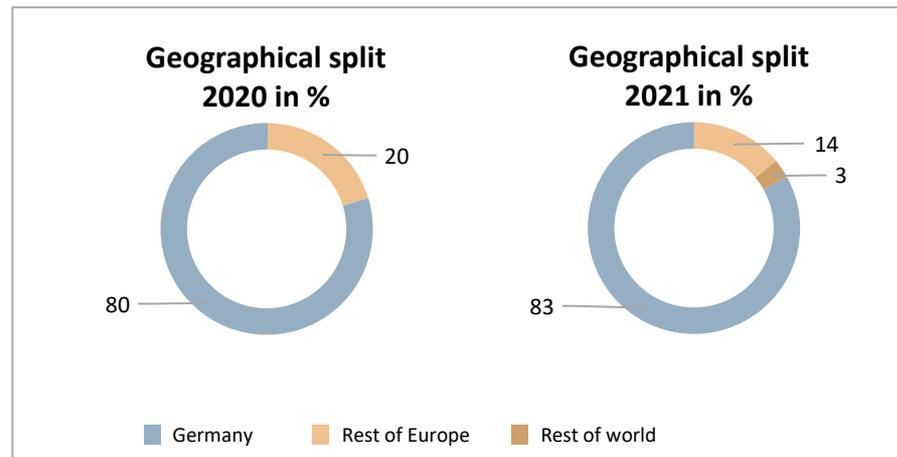
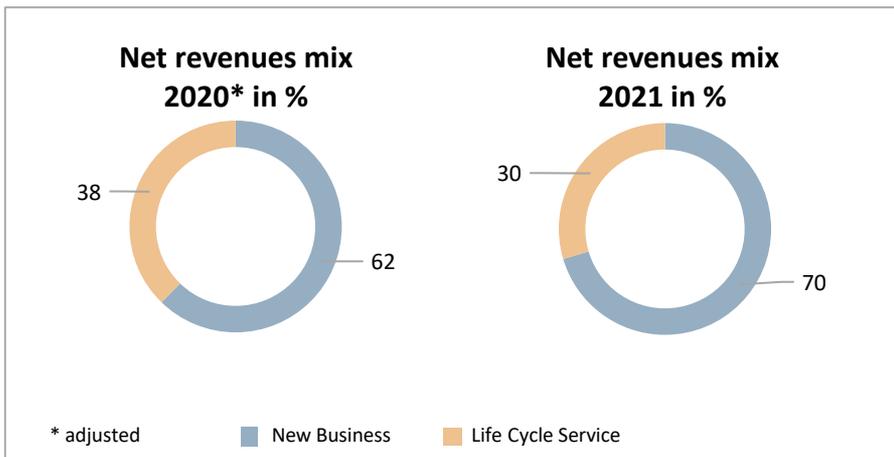
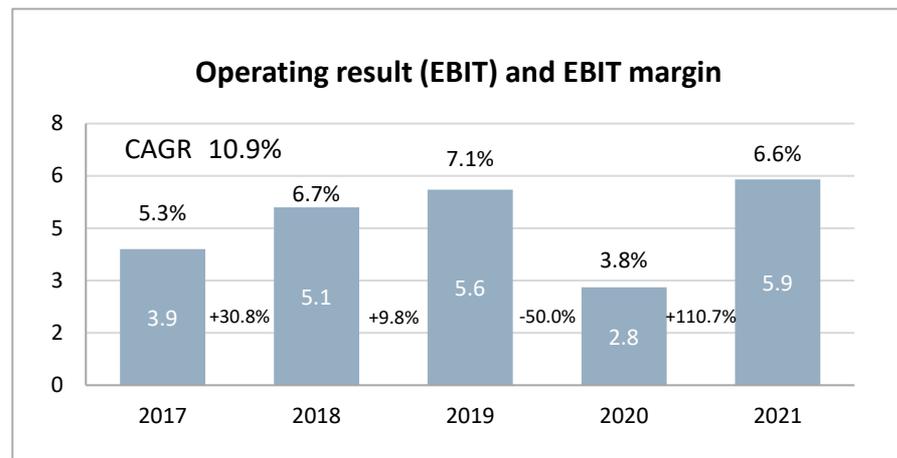
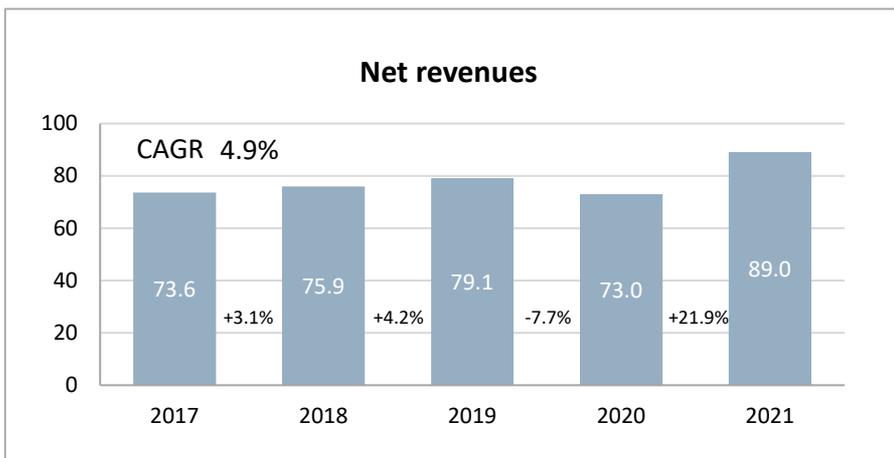
## Division Kardex Mlog

# Division Kardex Mlog



- German based organization with focus on the DACH region
- Automated solutions focusing on storage/retrieval of unit loads (pallets) and bins
- >300 FTEs
- 1'000+ installed solutions worldwide
- 1 manufacturing site in Germany
- Key figures FY 2021
  - Net revenues EUR 89.0 m
  - EBIT EUR 5.9 m
  - EBIT margin 6.6 %
- Strong market position in Germany and across Europe in selected Industry Segments

# Division Kardex Mlog – Key Figures 2017 to 2021 (in EUR million)

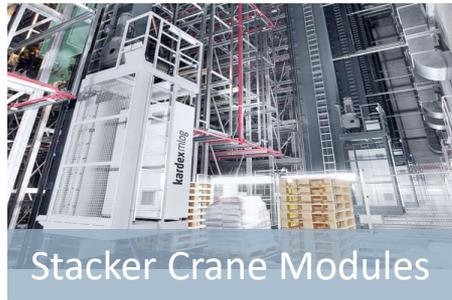


# Division Kardex Mlog – Portfolio

## Standardized Industry Specific (Stand Alone) Subsystems

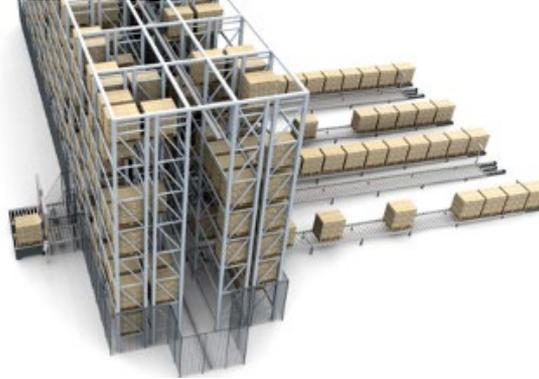


## Products



Focus on automated solutions for storage/retrieval of unit loads (pallets) and bins

# Kardex Mlog Division – Case Study



## Customer

- Industry segment “Beverage”, solution for dispatch area
- Challenges/Pains
  - In-transparency in staging areas leading to truck loading errors
  - Lack of floor space with conventional lane storage
  - Traffic congestion in staging/loading areas with high risk for accidents
  - Last minute changes to truck loading sequences causing double or triple handling

## Solution

- Automated storage/retrieval/sorting buffer for pallets with separated staging lanes
- Components of the solution
  - Stacker crane buffer (based on MSequence Variant Speed, 50 double cycles, pallet load 1’000 kg)
  - Double-deep pallet storage with close to 200 positions
  - Pallet check gates and gravity conveyors for staging
  - Visual forklift guidance system

## Benefits

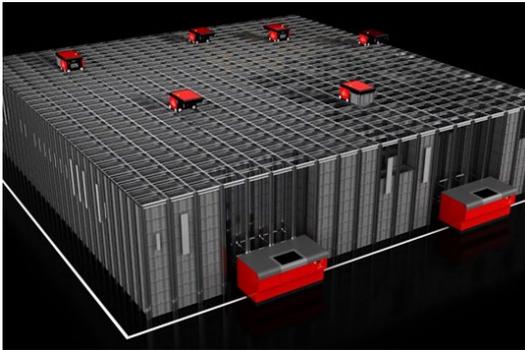
- Future-proof and flexible Intralogistics solution with high performance
- Main targeted gains
  - FTE reduction in dispatch area (by approx. 60%)
  - Shortening of truck loading times
  - Savings in handling equipment and floor space (by approx. 60%)
  - Reduction of manual handling errors to about 2%
  - Significantly lower risk of accidents
  - ROI of 3 to 4 years

## Corporate Ventures

# Corporate Ventures support image of Kardex as Solution Provider

- Bookings of EUR 30 million achieved, whereas EUR 19.1 million shown in consolidated result
- Ramp-up cost of Corporate Ventures of EUR 3 million impact EBIT 2021

AutoStore Business  
consolidated



Robomotive B.V.  
consolidated



Rocket Solution GmbH  
non-consolidated



## Sustainability

# ESG @ Kardex



## Environment

- Solutions of Kardex
  - Reduce energy consumption and footprint of our customers
  - Ensure ergonomic handling of goods
  - Are longtime investments
- Own Supply Chain complies with common standards
  - Energy management system (ISO 50001:2018)
  - Quality management system (ISO 9001:2000)

## Social

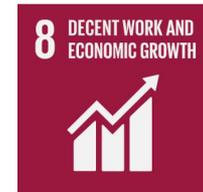
- Corporate Culture
  - Guiding Principles including the Core Values (Respect, Team Spirit, Reliability and Passion)
  - Brand Promise
- Continuous People Development
  - Dual career model
  - Talent management
  - Kardex Leadership Framework
  - Kardex Academy
  - Global Culture Committee

## Governance

- Kardex Code of Conduct
  - Applicable to all employees and business partners
  - Mandatory training / zero tolerance
  - Basis for open criticism / whistleblowing
- Best Practice Corporate Governance
- “one share - one vote” principle
- Attractive dividend policy
  - Pay-out of up to 75% of the operational Net Profit

# ESG Roadmap

- Joined UN Global Compact in 2021
- Supporting sustainability goals of UN's Agenda 2030
- Focus on aspects Kardex can directly impact, supporting SDGs 4, 8, 12, 13
- Carefully analyzing, documenting and driving progress in line with guidelines
- Kardex goes electric and replaces company car fleet with electric cars
- Establish Sustainability Strategy and a first set of sustainability goals in 2022
- Develop GRI reporting in 2022



## Outlook

## Outlook

- General market condition with positive outlook will support bookings development
- Based on the strong starting backlog, both divisions expect increased net revenues
- Global supply chain shortages remain a significant risk factor for top and bottom line
- New activities will be developed further as a key strategic element for Kardex' portfolio expansion
- Strategic investments in supply chain, technology and digitalization continue as planned
- Despite the current challenges, Kardex positioned well to benefit from global intralogistics automation trends

## Investment Case – Why Kardex

## Kardex Investment Case

- Intralogistics with **robust and high global growth expectation** above GDP
- Logistics cost as a major cost element for Kardex' customers lead to a **constantly increasing acceptance of automation**
- Installed base and **Life Cycle Management as backbone** for a sustainable Business Model
- **High profitability** of both Divisions as a result of their strong market positions
- **Very solid balance** sheet with no interest-bearing debt or goodwill
- Substantial **free cash flow generation**
- **Attractive dividend** policy
- Kardex' solutions and services **support sustainability** efforts of its customers
- Expansion of portfolio will contribute to Kardex image as **total solution provider**

# Share Price development



## Disclaimer

This communication contains statements that constitute “forward-looking statements”. In this communication, such forward-looking statements may include statements on the financial situation, earnings situation and business results of Kardex as well as certain strategic plans and objectives. Because these forward-looking statements are subject to risks and uncertainties, actual future results may differ materially from those expressed in or implied by the statements. Many of these risks and uncertainties relate to factors which are beyond Kardex’ ability to control or estimate precisely, such as future market conditions, currency fluctuations, the behavior of other market participants, the actions of governmental regulators and other risk factors detailed in Kardex’ past and future filings and reports and in past and future filings, press releases, reports and other information posted on Kardex’ websites. Readers are cautioned not to put undue reliance on forward-looking statements, which speak only of the date of this communication. Kardex disclaims any intention or obligation to update and revise any forward-looking statements, whether as a result of new information, future events or otherwise.