



Kardex - Company Presentation 2023

03/2023

Agenda

Introduction to Kardex

Division Kardex Remstar

Division Kardex Mlog

Corporate Ventures

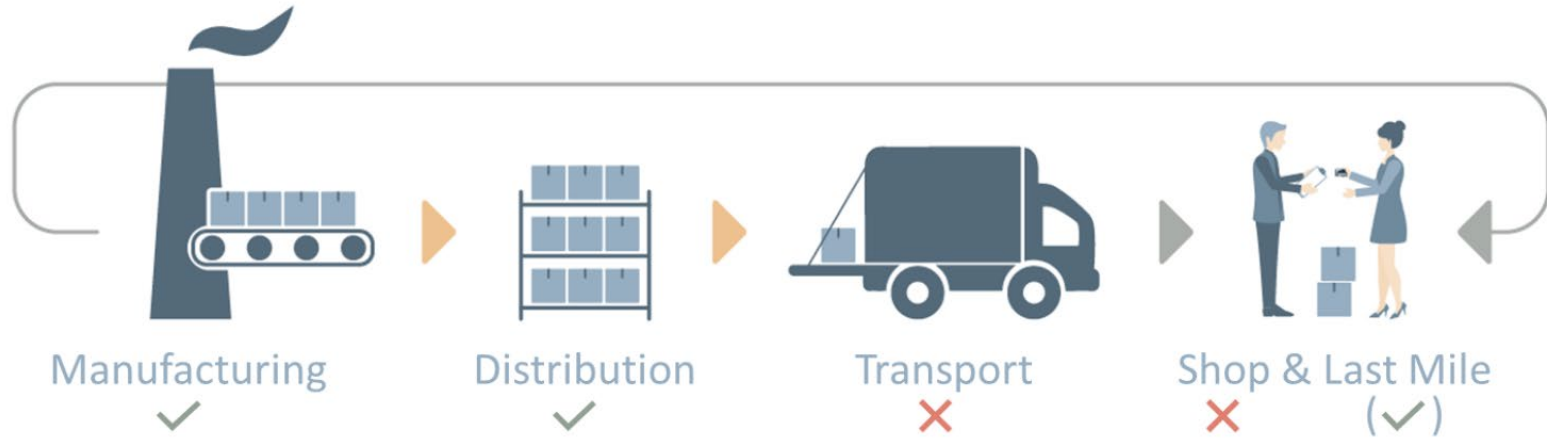
Sustainability

Outlook 2023

Investment Case – Why Kardex

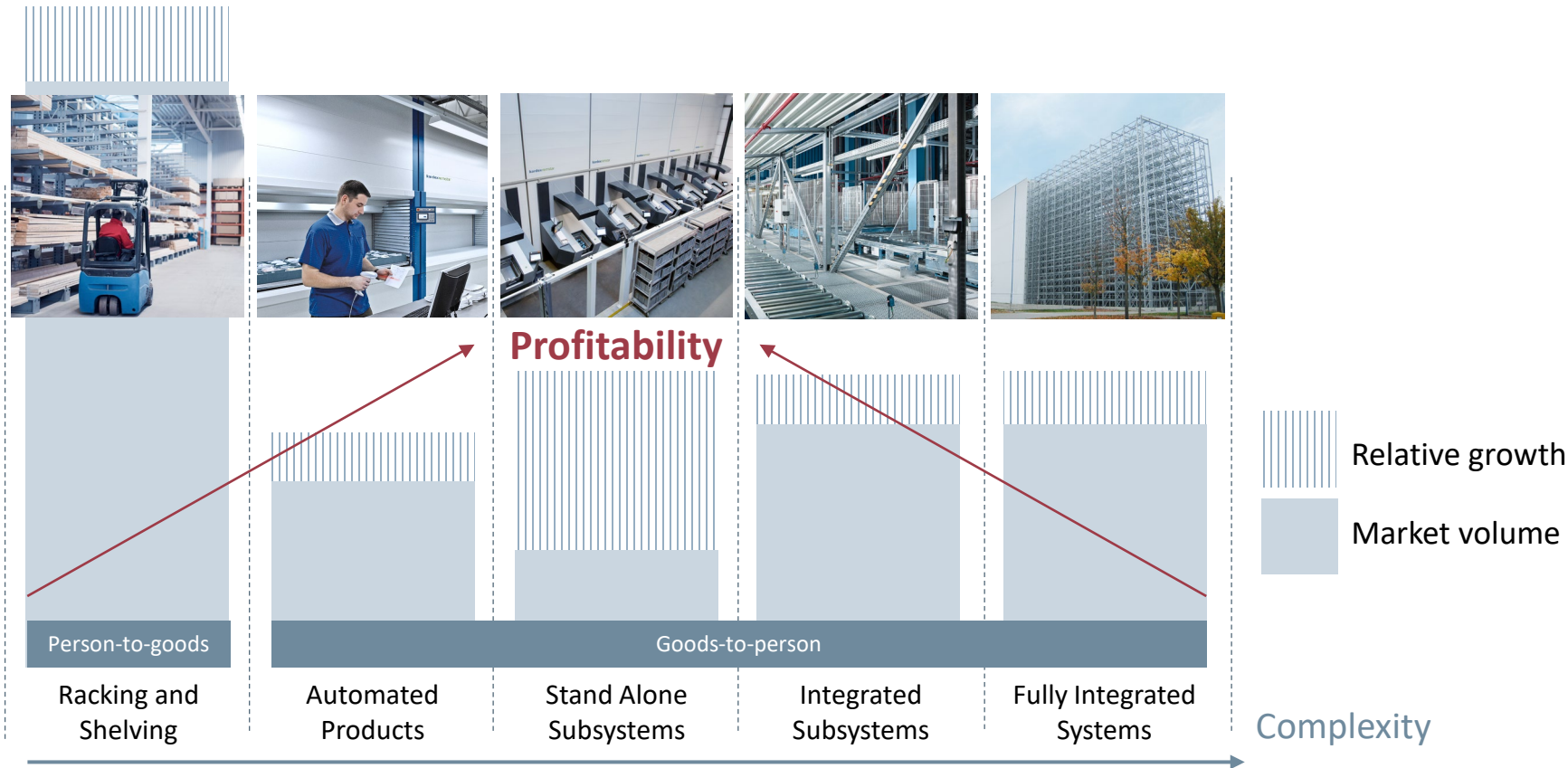
Introduction to Kardex

Market in Brief – Definition of Intralogistics



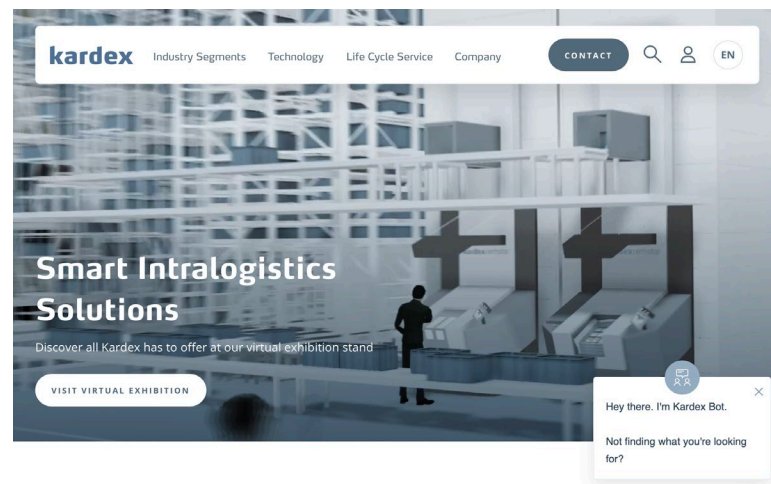
- Intralogistics optimizes the efficiency of supply chains within the boundaries of a manufacturing and/or distribution center
- Intralogistics solutions provider offer a range from purely manual to highly automated solutions
- Over the past decade the Intralogistics definition has been extended to partially 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

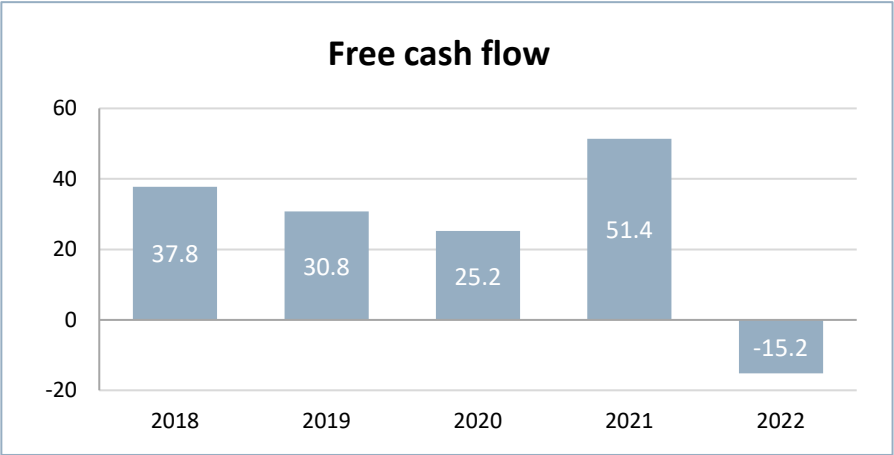
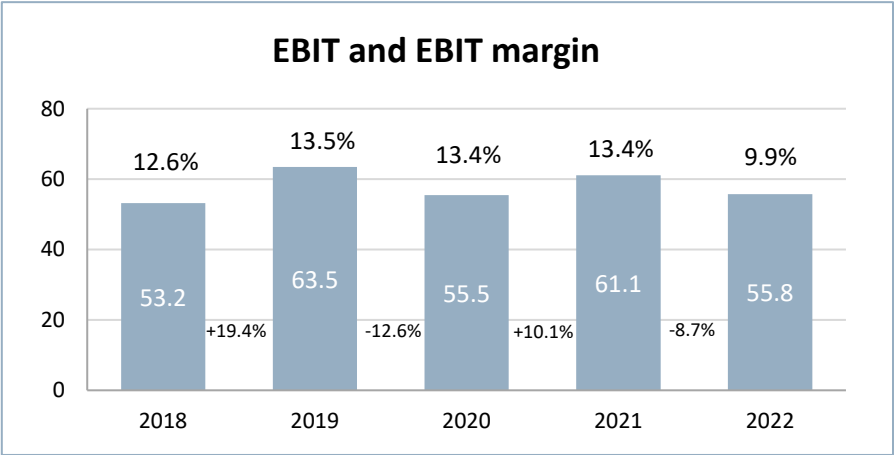
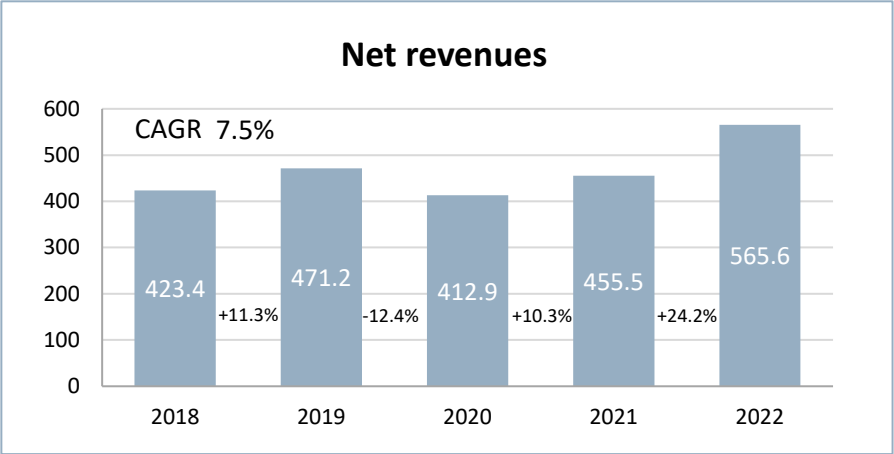
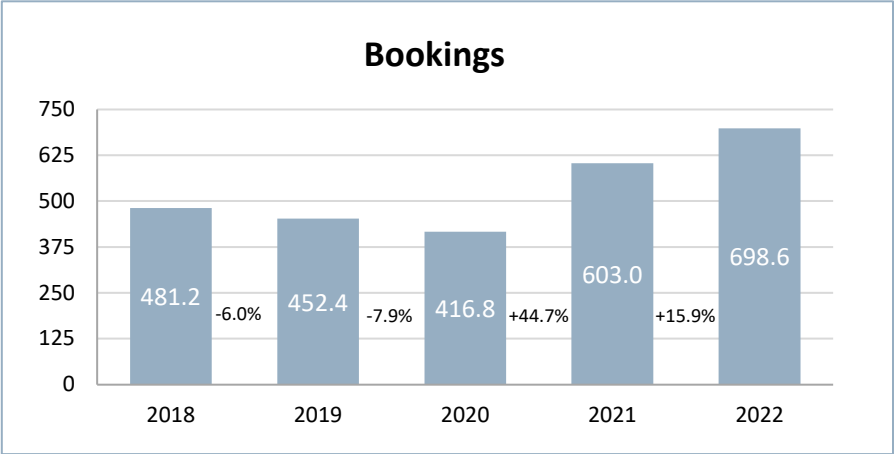


Kardex in brief

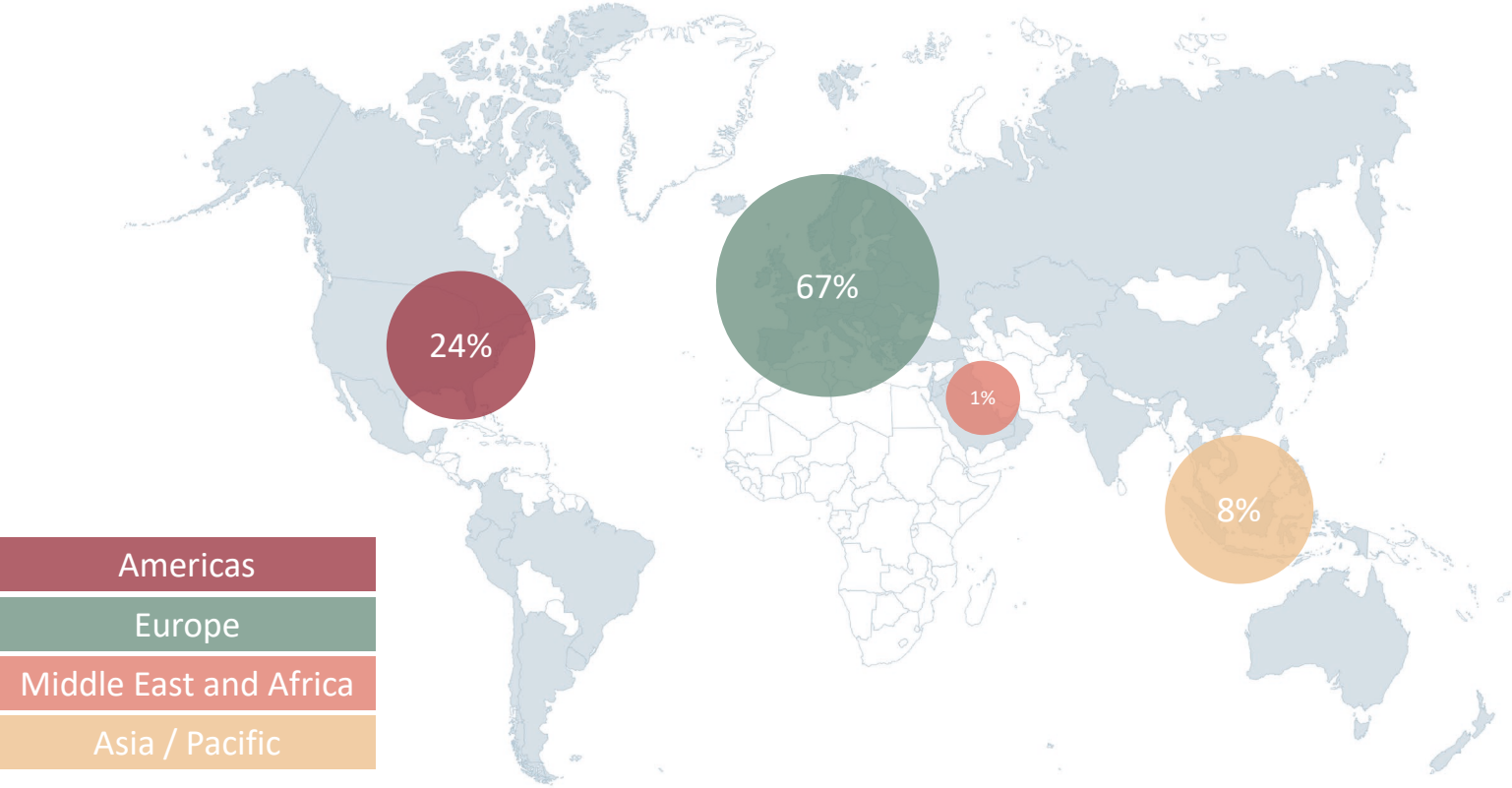
- Kardex provides Intralogistics solutions and services to increase the efficiency in storing and handling of goods and materials
- Kardex consists of 2 Divisions which are both positioned in attractive growth markets
- Well balanced Business Model with New Business and Life Cycle Services (both profitable)
- Key figures FY 2022
 - Net Revenues EUR 565.6 m
 - EBIT EUR 55.8 m
 - EBIT Margin 9.9 %
 - Net Profit EUR 38.6 m
 - Net Profit Margin 6.8 %
- Market Cap (as of End December 2022) CHF 1'175 m



Kardex - Key Figures 2018 - 2022 (in EUR million)

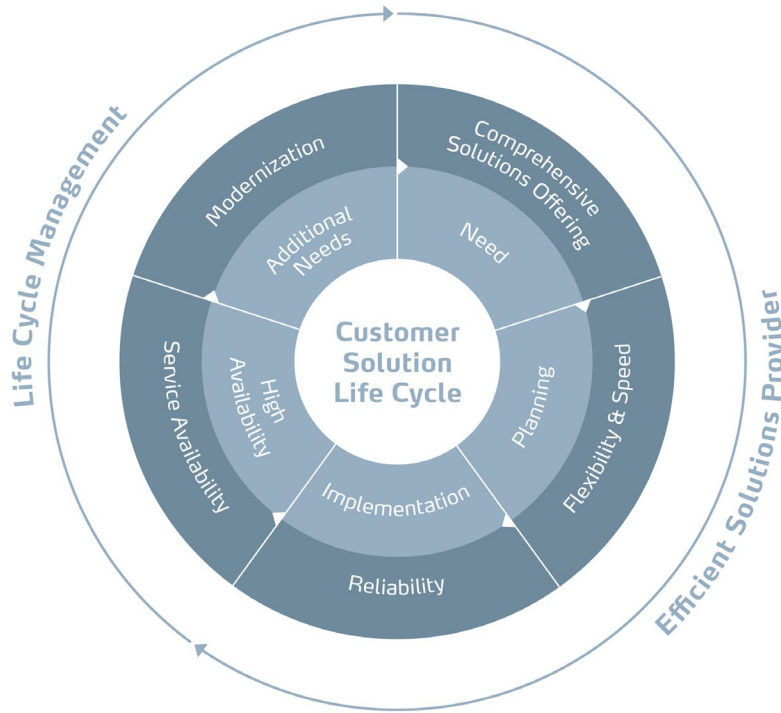


Kardex in brief – Global Footprint 2022



Kardex in brief – Profitable and sustainable Business Model

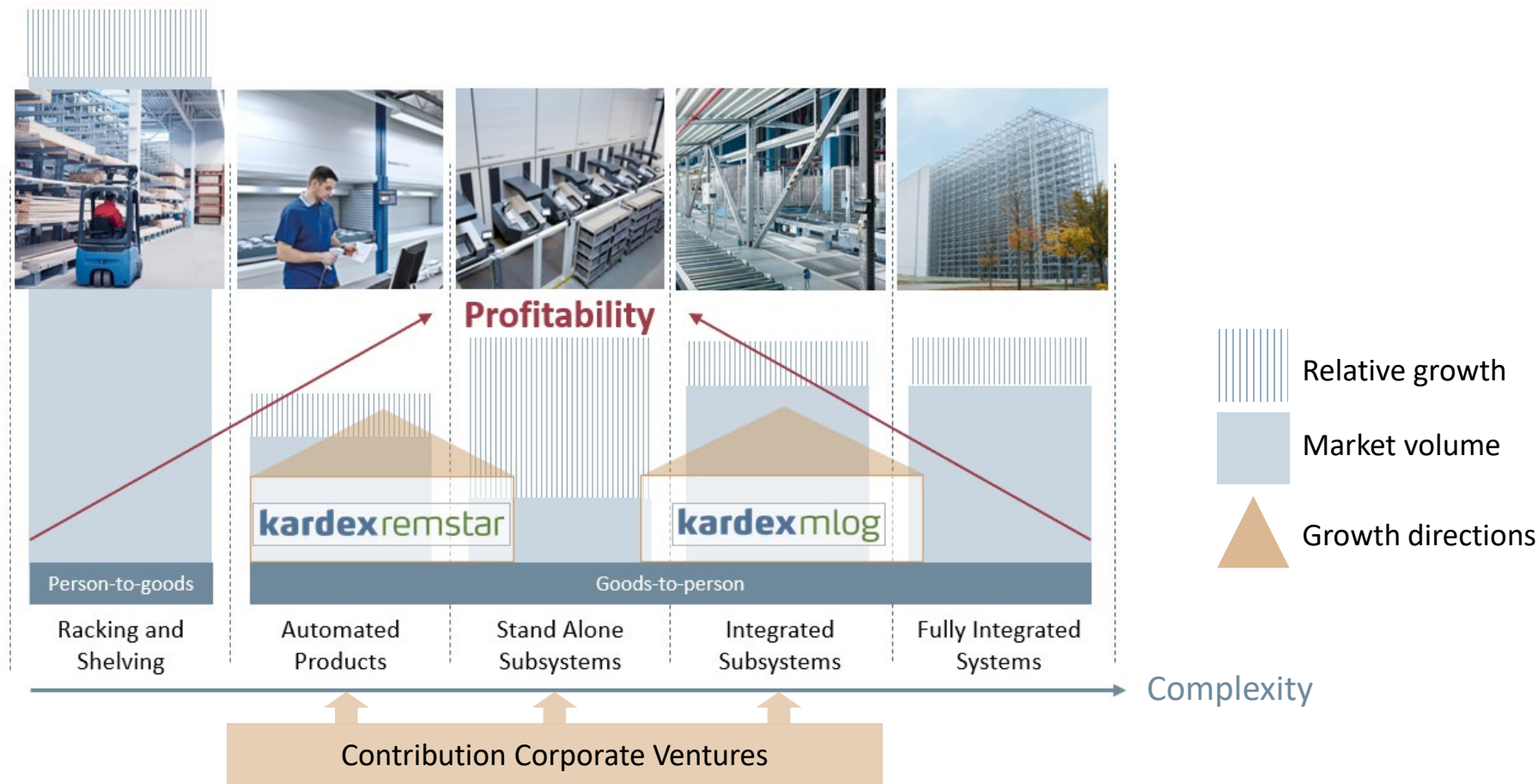
Business Model



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



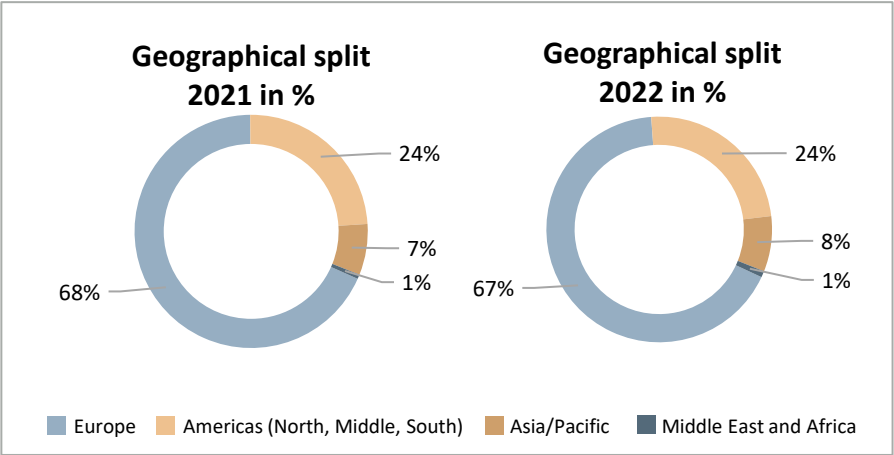
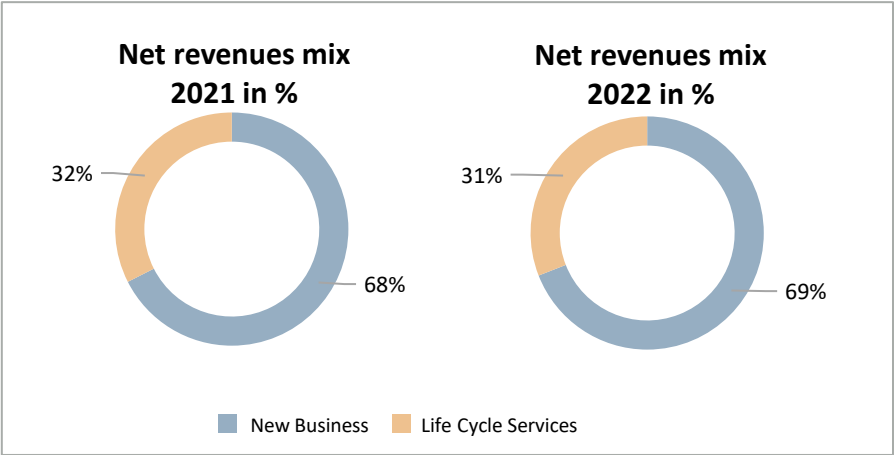
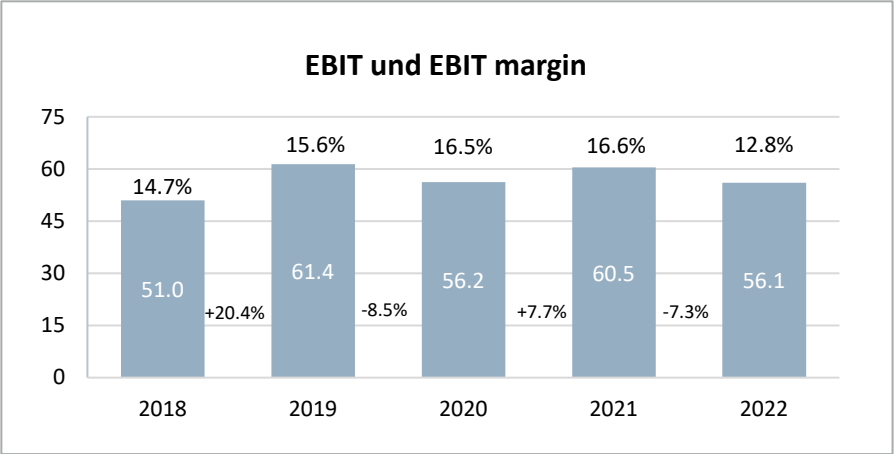
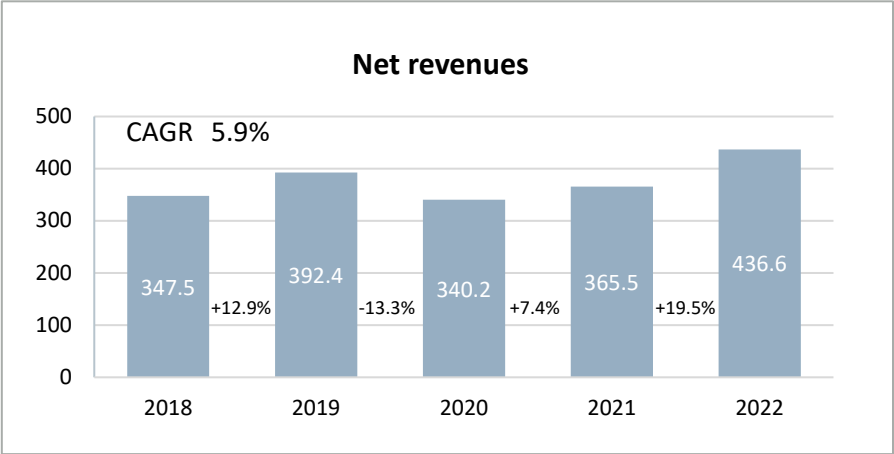
Division Kardex Remstar

Division Kardex Remstar

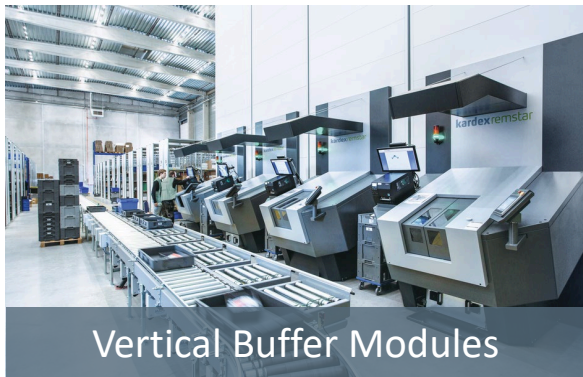


- Global organization providing Sales and Service in over 30 countries
- Automated solutions focusing on order fulfillment and storage/retrieval of single items
- >1'700 FTEs
- 140'000+ installed solutions
- 2 manufacturing sites in Germany and 1 manufacturing site in the US
- Key figures FY 2022
 - Net revenues EUR 436.6 m
 - EBIT EUR 56.1 m
 - EBIT margin 12.8 %
- Global market leader in its niche market - market share estimated at >35%

Division Kardex Remstar - Key Figures 2018 - 2022 (in EUR million)



Division Kardex Remstar – Portfolio



Vertical Buffer Modules



Vertical Lift Modules



Horizontal Carousel Modules



Vertical Carousel Modules



Software Suite



Life Cycle Services

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

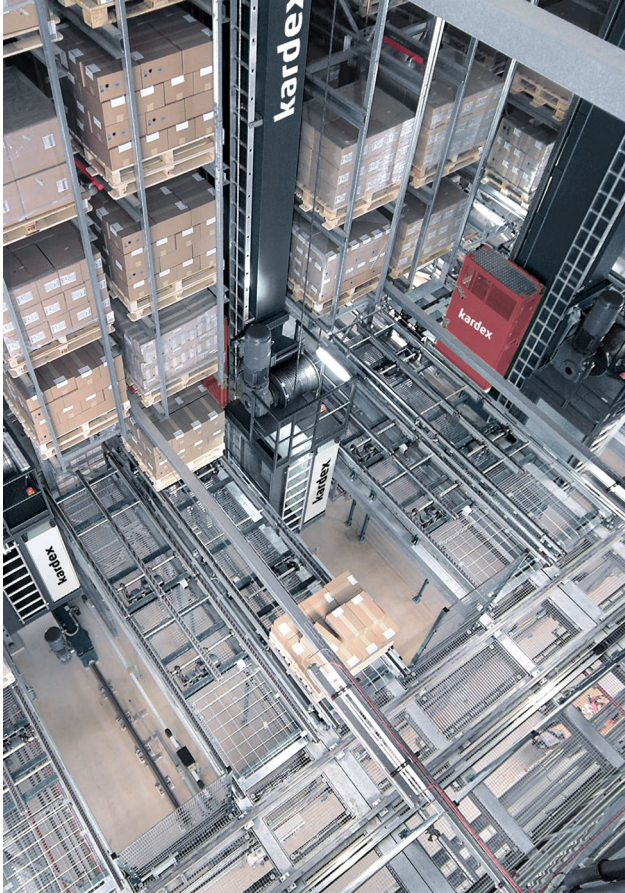
- Order fulfillment solution to address accuracy and efficiency
- Components of the solution:
 - 6 Vertical Buffer Modules
 - Visual Picking Guidance (LED indicators)
 - Power Pick Global Software with sophisticated Batch/Pick algorithms
 - Put-to-light and Put Frames

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

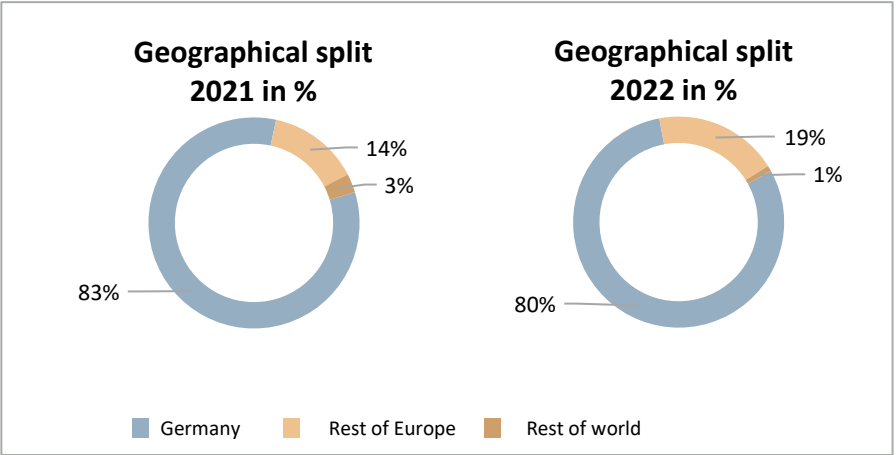
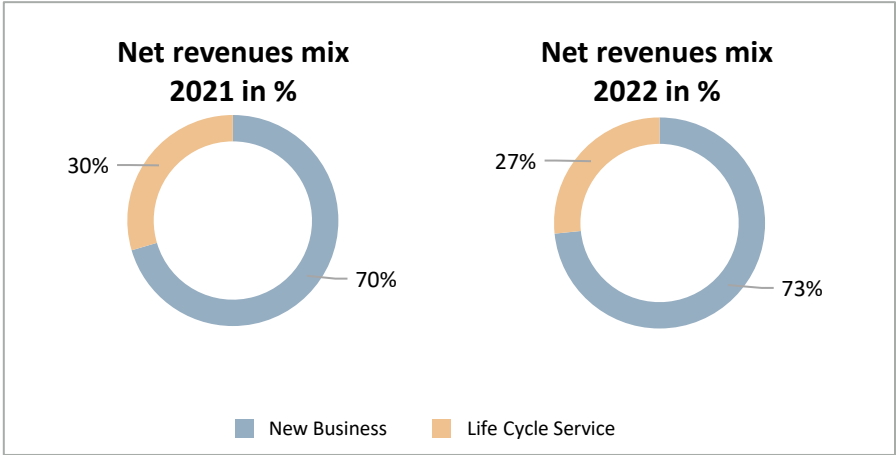
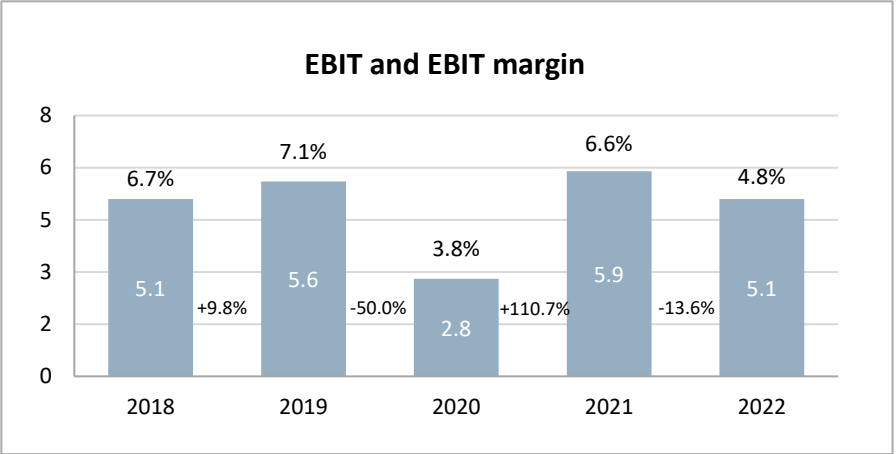
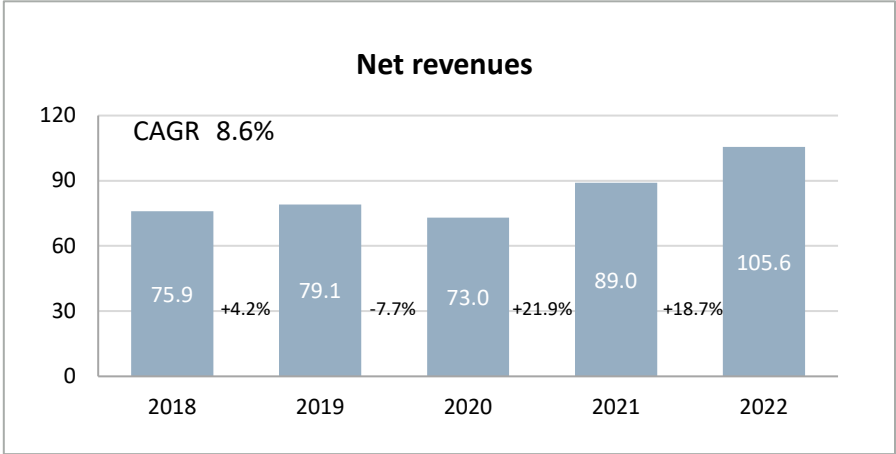
Division Kardex Mlog

Division Kardex Mlog



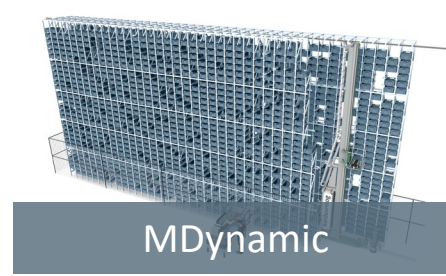
- German based organization with focus on the DACH region
- Automated solutions focusing on storage/retrieval of unit loads (pallets) and bins
- >300 FTEs
- 1'000+ installed solutions worldwide
- 1 manufacturing site in Germany
- Key figures FY 2022
 - Net revenues EUR 105.6 m
 - EBIT EUR 5.1 m
 - EBIT margin 4.8 %
- Strong market position in Germany and across Europe in selected Industry Segments

Division Kardex Mlog - Key Figures 2018 - 2022 (in EUR million)

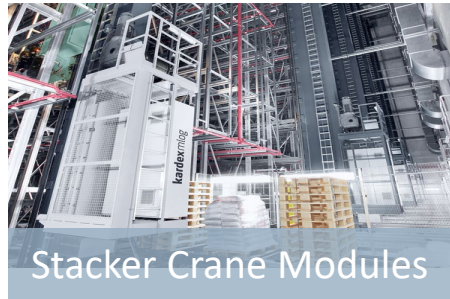


Division Kardex Mlog – Portfolio

Standardized Industry Specific (Stand Alone) Subsystems

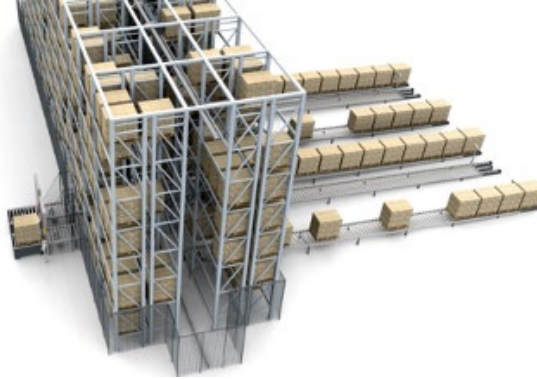


Products



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

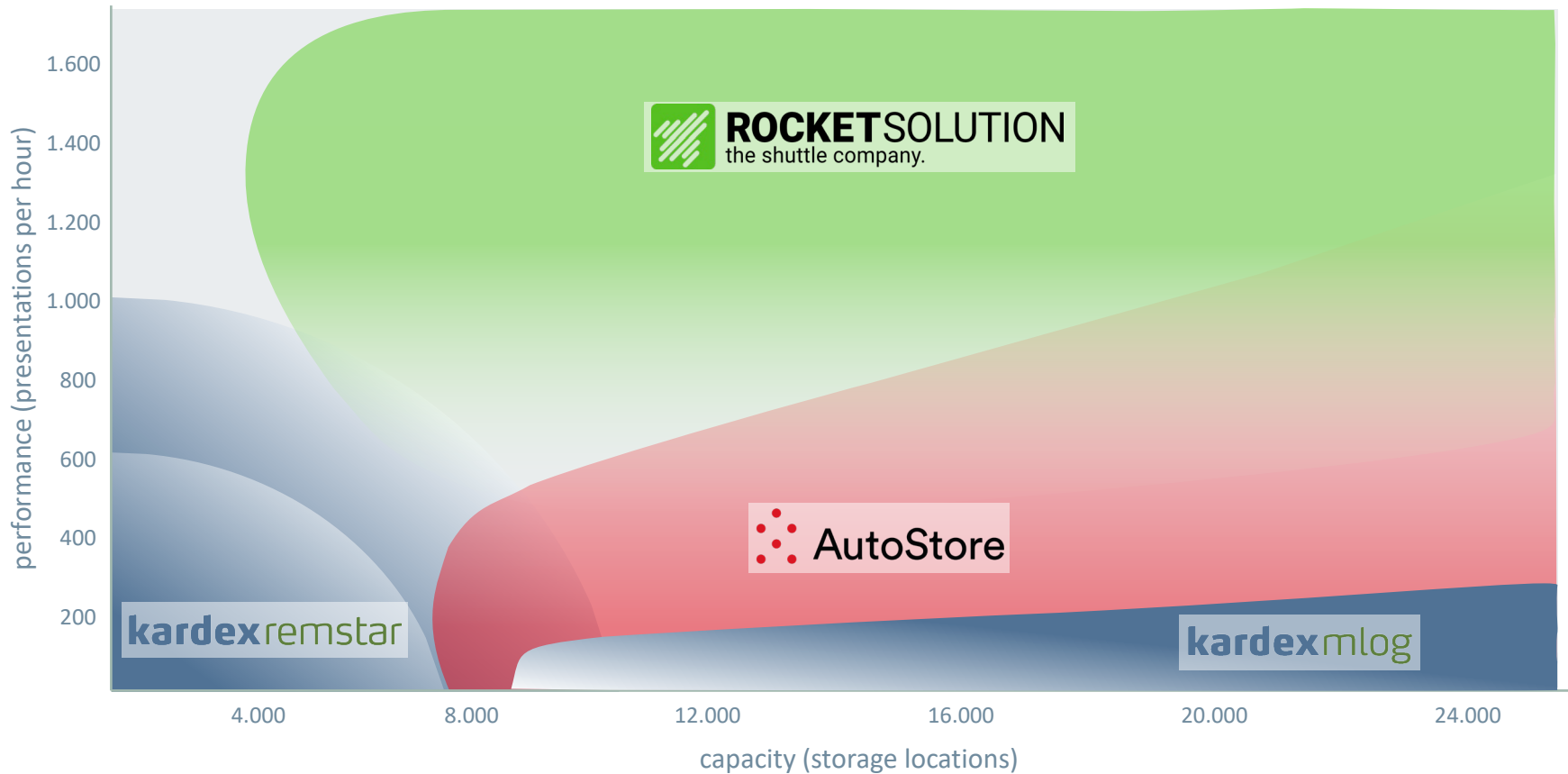
Corporate Ventures

Kardex AutoStore Business - Financial Highlights 2022

in EUR million	2022	2021
Bookings	63.3	18.3
Order backlog	57.9	17.8
Net revenues	23.7	0.5
EBIT	0.0	-1.9
Employees	26	12

- Bookings with strong increase
- Success based on high acceptance of technology and the expertise of the team
- Sales funnel and order backlog well filled also based on good cooperation with the two divisions
- Balanced operating result (EBIT) already in the second year since start

Kardex Positioning in Light Goods Logistics



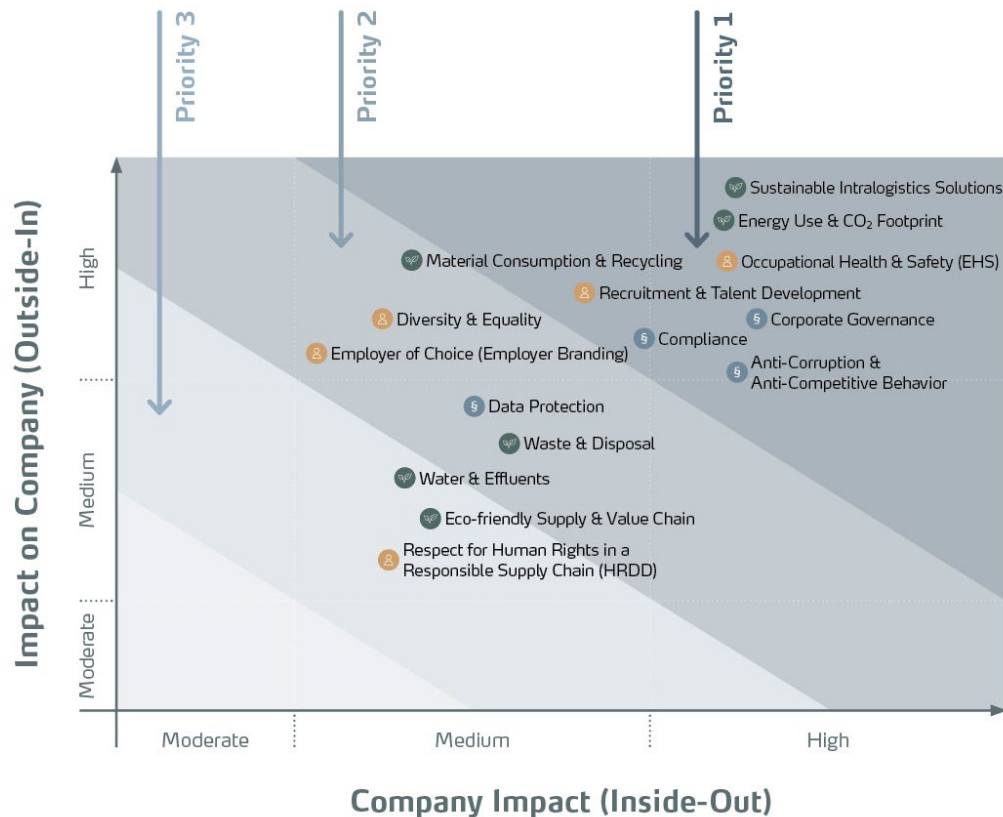
Sustainability Report 2022

ESG Update

ESG Organization

- Integration of sustainability management into the Group by establishing the **ESG Steering Group**, composed of members of the Board of Directors and members of the Group Management.
- The ESG Steering Group follows the concept of the 'double materiality assessment', which focus on two dimensions:
 1. the relevance of Kardex business activities for the economy, environment, and society;
 2. the relevance of external factors for Kardex long-term business success.
- To ensure transparent & standardized sustainability reporting, a comprehensive list of potentially relevant sustainability topics was compiled and analyzed. These topics were evaluated in priority 1, 2, and 3 based upon the relevance of the impact of Kardex business activities on the economy, the environment, and society.

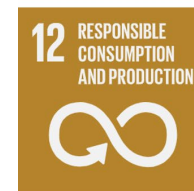
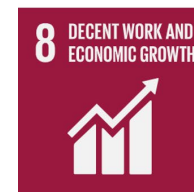
Double materiality matrix



- The materiality assessment served to develop and adjust Kardex strategic sustainability approach in line with the Guiding Principles of
 - the UNGC, and
 - the internationally recognized GRI guidelines
- Based on this material assessment Kardex will intensify its sustainability activities in 2023

ESG Roadmap

- Joined UN Global Compact in 2021
- Establishment of an ESG Steering Group and developing of a double materiality matrix in 2022.
- Supporting sustainability goals of **UN's Agenda 2030**
 - Focus on aspects Kardex can directly impact, supporting SDGs (Sustainable Development Goals) 4, 8, 12, 13
 - Carefully analyzing, documenting, and driving progress in line with guidelines
 - Establish a **Sustainability Strategy** and a first set of qualitative sustainability goals in 2023
- **Develop GRI reporting** based on the Sustainable Development Goals 2023



Outlook

Outlook

- Automation and ergonomics expected to remain megatrends supporting the market potential and business model of Kardex
- Kardex is positive about the future development, despite isolated signs of a slowdown
- High order backlog provides comfortable visibility of 6-9 months
- Supply chain inefficiencies expected to be overcome in the course of the year but sourcing of electronic components remains challenging
- Kardex AutoStore to contribute with positive EBIT from 2023 onwards
- Kardex expected to develop in line with the communicated financial targets

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**

Disclaimer

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