# Business Report

# Key figures

| in CHF millions, unless stated otherwise | **2024** | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|
| **Order intake/sales** | | | | | |
| Total order intake | 519.5 | 519.7 | 572.6 | 788.4 | 547.8 |
| | | | | | |
| Rollers | 98.6 | 99.1 | 126.5 | 134.6 | 106.0 |
| Drives | 181.6 | 171.2 | 211.8 | 191.6 | 156.5 |
| Conveyors & Sorters | 193.0 | 246.5 | 263.5 | 254.0 | 221.5 |
| Pallet Handling | 53.9 | 39.5 | 62.6 | 59.8 | 46.6 |
| **Total sales** | **527.1** | **556.3** | **664.4** | **640.1** | **530.6** |
| | | | | | |
| **Profitability** | | | | | |
| EBITDA | 100.4 | 106.3 | 129.3 | 122.5 | 115.4 |
| in % of sales | 19.1 | 19.1 | 19.5 | 19.1 | 21.7 |
| EBIT | 77.8 | 83.9 | 105.2 | 99.3 | 94.1 |
| in % of sales | 14.8 | 15.1 | 15.8 | 15.5 | 17.7 |
| **Result** | **62.5** | **66.3** | **82.8** | **80.6** | **71.7** |
| in % of sales | 11.9 | 11.9 | 12.5 | 12.6 | 13.5 |

| in CHF millions, unless stated otherwise | **2024** | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|
| **Cash flow** | | | | | |
| Operating cash flow | 92.0 | 113.2 | 71.4 | 47.3 | 122.9 |
| in % of sales | 17.5 | 20.4 | 10.7 | 7.4 | 23.2 |
| **Free cash flow** | **77.4** | **91.1** | **49.2** | **-0.8** | **74.0** |
| in % of sales | 14.7 | 16.4 | 7.4 | -0.1 | 13.9 |
| **Total investments** | **20.7** | **25.1** | **32.5** | **51.1** | **51.3** |
| | | | | | |
| **Balance sheet (as at 31.12.)** | | | | | |
| Total assets | 591.3 | 544.0 | 545.9 | 538.5 | 468.8 |
| Goodwill | 17.1 | 15.1 | 16.4 | 16.7 | 16.4 |
| Net financial assets | 194.8 | 133.2 | 70.8 | 46.1 | 92.2 |
| **Equity** | **472.2** | **410.8** | **394.2** | **345.4** | **312.0** |
| Equity ratio (equity in % of total assets) | 79.9 | 75.5 | 72.2 | 64.1 | 66.5 |
| Return on equity yield (in %) | 14.2 | 16.5 | 22.4 | 24.5 | 23.3 |
| | | | | | |
| **Other key figures** | | | | | |
| RoNA (return on net assets in %) | 20.2 | 22.6 | 24.5 | 25.4 | 30.4 |
| Average number of employees (FTE) | 2,303 | 2,294 | 2,500 | 2,421 | 2,206 |
| Sales per employee (in CHF thousands) | 229 | 243 | 266 | 264 | 241 |
| Productivity (added value/total personnel expenses) | 2.04 | 2.18 | 2.22 | 2.19 | 2.30 |

Interroll uses alternative performance figures. These alternative performance figures can be found on the Interroll Investor Relations website. (https://investors.interroll.com/financial-information/financial-information/alternative-performance-measures).

# About Interroll

The Interroll Group is the leading global provider of material-handling solutions. The company was founded in 1959 and has been listed on the SIX Swiss Exchange since 1997. Interroll provides system integrators and OEMs with a wide range of platform-based products and services in these categories: Rollers (conveyor rollers), Drives (motors and drives for conveyor systems), Conveyors & Sorters as well as Pallet Handling (flow storage systems). Interroll products and solutions are used in express and postal services, e-commerce, airports, the food & beverage industry, fashion, automotive sectors and many other manufacturing industries. Among the end users are leading brands such as Amazon, Bosch, Coca-Cola, DHL, Nestlé, Procter & Gamble, Siemens, Walmart and Zalando. Headquartered in Switzerland, Interroll has a global network of 36 operating companies with sales of CHF 527.1 million and around 2,300 employees (average number of employees (FTE) in 2024).

www.interroll.com

**28,000 customers around the world**

**36 companies around the world**

**2,300 employees around the world**

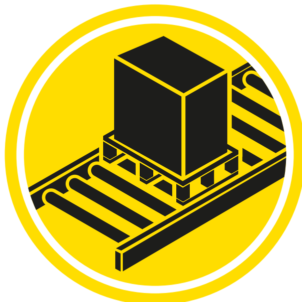
Interroll product groups

**Rollers**

**Drives**

**Conveyors & Sorters**

**Pallet Handling**



# Highlights of the financial year 2024


## Digital transformation

**Digital transformation realized with SAP S/4HANA implementation**

In February, 35 legal entities across more than 20 countries and 6 continents were successfully integrated into SAP S/4HANA in a single day. This "big bang" implementation is marking a significant milestone in our digital transformation journey. Digital transformation is central to our long-term growth strategy, with SAP S/4HANA playing a pivotal role in managing and analyzing the increasing volume of critical operational data and driving efficiency, innovation, and enhanced service delivery globally. By early 2025, an additional two legal entities went live on SAP S/4HANA, bringing the total to 37.

**Interroll & Viastore for Homag: a successful partnership**

Automated material flow is becoming increasingly important in manufacturing logistics. In collaboration with Viastore, Interroll provided advanced conveying technology to help HOMAG, a leader in woodworking production solutions, modernize its logistics infrastructure. This partnership enabled HOMAG to benefit from a seamlessly designed, implemented, and optimized solution.


## Driving innovation and service

**Interroll & Innovation: The new MXVs Small Wheel Vertical Crossbelt Sorter**

The booming rise of e-commerce, rapid urbanization, and growing prosperity in emerging markets are fueling a global surge in demand for smarter, faster goods transportation and sorting. Add to this the labor shortage in industrialized nations, and the call for advanced automation in logistics has never been louder. We launched a game-changing innovation: the MXVs – Small Wheel Vertical Crossbelt Sorter. With a sleek, compact height of just 1,400 mm, this cutting-edge solution is designed to maximize space while ensuring seamless efficiency. Perfect for last-mile delivery, it is our answer to navigating tight spaces and flat destinations with precision.

**Interroll Lifetime Service: retrofitting programs in US and EMEA**

Interroll launched a belt curve retrofit program in the US, and several sorter retrofits were completed in EMEA. These upgrades extend equipment life, improve efficiency, and reduce environmental impact, offering a cost-effective alternative to replacement while minimizing downtime.


## Expanding our footprint

**Enhancing our local presence in India**

Interroll Group finalized the acquisition of Interroll India Pvt. Ltd. in Bengaluru (Bangalore), India in September 2024. Interroll India Pvt. Ltd. acted for more than 10 years as independent agent of the Interroll Group. This acquisition underlines our commitment to India's growing economy and aligns with our strategy to expand in key emerging markets. By integrating their operations, we enhance our local presence and ability to deliver greater value to customers in this vital region.

**Purolator and Interroll Canada partner on Metro West Transportation Hub**

Purolator, a leading Canadian courier and logistics company, excels in parcel delivery, freight services, and supply chain solutions, with a strong presence across Canada. Under the leadership of Sean Gravelle and Gord Hardie from Interroll Canada, a partnership with Purolator has led to significant opportunities, including the Metro West Transportation Hub project in Greater Toronto, supported by Shape Process Automation as the system integrator. This project serves as a model for Purolator's ongoing network upgrades.


## Building partnerships

**Interroll & Ocado: partnership stronger than ever**

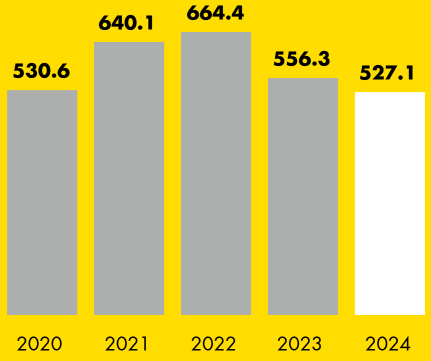
Ocado, a leader in online grocery operations, has renewed its trust in Interroll. Our ability to align with Ocado's requirements, emphasizing on seamless, simple, fast and modular solutions, highlights our shared commitment to deliver innovative and customer-focused solutions. During our collaboration, we highlighted our strategic approach to developing and manufacturing superior products while continuing to invest in electronics and software that simplify our customers' operations. Ocado recognized the value of Interroll's enhanced global footprint, enabled by our strategic decision to split our sales team into product and project sales for better focus and proximity to our customers, strengthening business partnerships.

**Installation of belt curves in major APAC airports**

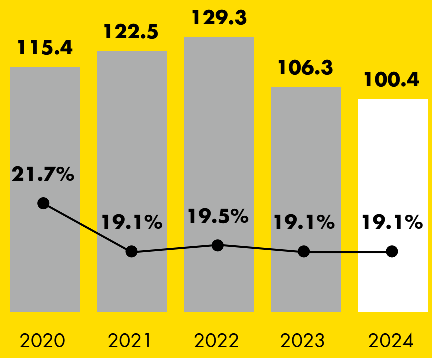
Interroll was able to win various projects for delivering belt curves for airports in China and Southeast Asia. New airports include the ones in Taiwan, China (Guangzhou) and Vietnam: they are now relying on the high quality and robustness of our proven Belt Curve.

# Financial position, earnings and cash flows

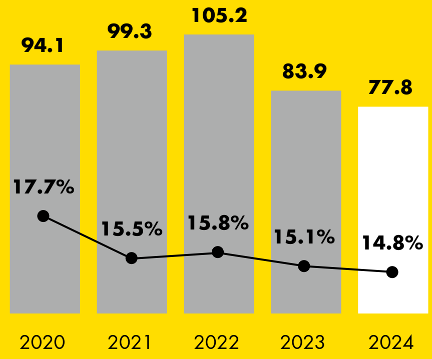
## Sales



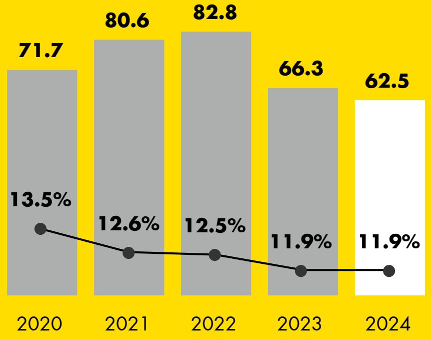

## EBITDA and EBITDA margin



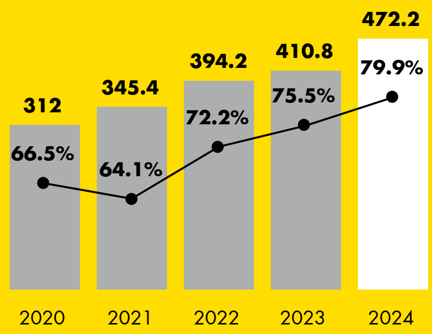

## EBIT and EBIT margin



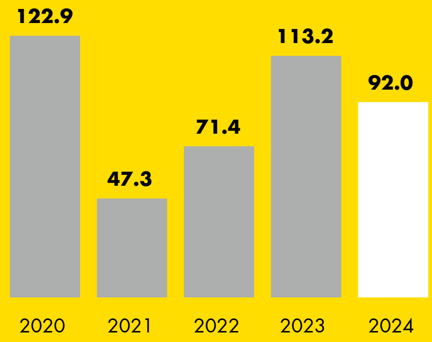

## Result




## Equity and Equity ratio




## Operating cash flow



# Report by the Board of Directors and Group Management

Dear shareholders, customers, employees, and business partners,

Our strategy of focusing more on smaller projects, product sales, and the service business in a challenging macroeconomic environment and amid geopolitical tensions has paid off. As a result, our customer base grew, and sales of products and small solutions increased. Our proactive sales approach in the service business worked in favor of our ambitions with regard to retrofitting, and our newly introduced key account management supported our growth strategy in the airport industry.

2024 was characterized by a particular lack of larger orders in the project business. However, our strategic decision to split our sales team into product and project sales for better focus showed early signs of success. We continuously grew our product business compared to 2023. As a result, our order intake grew by 3.2% in local currency; however, due to the strong Swiss franc, the reported figure remained unchanged.

Both, cost management and pricing, were key to achieving good profitability despite lower sales this year. Our platform strategy and highly flexible production sites, combined with our strong brand and reliable products, helped us to manage our cost and pricing strategy effectively.

2024 was also special as we migrated our entire ERP System (Enterprise Resource Planning) from SAP R3 to SAP S/4Hana without impacting our running business. This global transition was a professional and successful team effort and forms the basis for the next step in our digital strategy.

**Good profitability**
In 2024, sales decreased to CHF 527.1 million (-5.3% year-on-year, -2.4% in local currencies).

Earnings before interest, taxes, depreciation, and amortization (EBITDA) decreased to CHF 100.4 million (previous year: CHF 106.3 million). The EBITDA margin remained at 19.1% (previous year: 19.1%). Earnings before interest and taxes (EBIT) reached CHF 77.8 million (-7.2% below previous year's figure of CHF 83.9 million). The EBIT margin decreased slightly to 14.8% (previous year: 15.1%).

The result decreased by -5.8% to CHF 62.5 million (previous year: CHF 66.3 million). The result margin remained at 11.9% (previous year: 11.9%).

"Fostering loyalty through great customer experiences."

**Ingo Steinkrüger**
Chief Executive Officer

**Paul Zumbühl**
Chairman of the Board of Directors

**Solid balance sheet and cash flow development**
Total assets amounted to CHF 591.3 million as of December 31, 2024, which was higher compared to December 31, 2023, at CHF 544.0 million. Equity increased to CHF 472.2 million (previous year: CHF 410.8 million); the equity ratio increased to 79.9% (end of 2023: 75.5%). The net financial assets increased by 46.2% to CHF 194.8 million (previous year: CHF 133.2 million).

The operating cash flow decreased by 18.7% to CHF 92.0 million (previous year: CHF 113.2 million).

The gross investment amounted to CHF 20.7 million (previous year: CHF 25.1 million). This includes ongoing renewal investment in our production facilities, and lease capitalization under IFRS 16. Due to delays, some investments planned for 2024 will not take place until 2025/26. As a result of the lower operating cash flow and the lower gross capital expenditures, the free cash flow reached CHF 77.4 million in the reporting year (previous year: CHF 91.1 million).

A dividend of CHF 32.00 per share will be proposed to the Annual General Meeting on June 6, 2025 (previous year: CHF 32.00 per share).

**Change in the group management structure**
In October 2023, we announced a new group management structure with the introduction of the position of Chief Technology Officer and Chief Operations Officer. We are now operating according to this structure and our new COO Alp Ayhan Demirel joined the company in September 2024. The position of CTO is held by the CEO ad interim, until the new CTO Dr. Johannes van der Beek joins Interroll on April 1, 2025. We have also introduced Global Platform Managers to ensure global consistency and better alignment between the platforms. This is a necessary step to expand our digital product portfolio and service capabilities in the future.

**Innovation to create customer value**
Our passion for creating customer value drives our innovations. In 2024, we launched our new Small Wheel Vertical Crossbelt Sorter, which is characterized by low noise level, ergonomic heights, and lower energy consumption. This solution is an ideal addition to our sorter platform, as we can now also offer solutions for smaller distribution centers for e-commerce end users. Furthermore, it is another good example of how seriously we take our platform philosophy and our ability to innovate these products.

Speaking of platforms, we have introduced the Final Destination platform for our sorter portfolio. This platform aims for a customization by configuration solution to help our customers find a reliable and proven solution that has a short delivery time.

To enhance our independence and resilience, we have introduced a second MultiControl card with a different chipset while maintaining the same functionalities.

**"Growing Together" with our customers**
In its tenth year of existence, our customer partnership program Rolling On Interroll (ROI) expanded its footprint to fifty countries around the globe. Our motto "Growing Together" continues to inspire the global ROI Community, which comprises approximately 130 companies, all long-standing customers and primarily small and medium-sized system integrators and OEMs. As one of our Asian partners confirms: "The 'Growing Together' motto is something I feel deeply passionate about. It aligns with my values and represents the true spirit of the ROI Community."

This year, selected ROI partners engaged in Interroll's new product development projects, such as the High-Performance Conveyor Platform (HPP) or the Special Hygienic Conveyor (SHC), acting as beta test partners and early adopters of our innovative solutions.

We hosted three dedicated ROI Community events, including the first-ever ROI Latam Summit in Buenos Aires, Argentina, where we welcomed ROI partners from across Latin America (from Mexico to Argentina) and discussed market trends and growth opportunities in the region.

**Digitalization**

After setting up an interdisciplinary team focusing on digitalization to ensure a consistent customer experience, we have now expanded our journey and started to focus on and enable a company wide enterprise architecture. We have simplified the onboarding process for our digital Layouter and integrated further solutions from our product portfolio into the Layouter.

We are continuously working on our digital interface to our customers, through which they can order our products online (customization by configuration) and have improved this process as well as made it available to new customers.

As already mentioned, we implemented SAP S/4Hana on a global scale as a basis for reinforcing our digitalization capabilities.

One major global project is the harmonization and standardization of data. By doing this, we are also promoting global exchange and collaboration under the umbrella of "ONE Interroll", thereby improving our service for customers.

> "We successfully defended our market share and acquired new customers in 2024."

> "Our strategy to focus more on smaller projects, product sales, and the service business in a challenging macroeconomic environment and amid geopolitical tensions has paid off."

**Sustainability**

In 2024, we further strengthened our focus on embedding structured processes and oversight mechanisms for each of our material topics across the group.

The Sustainability Committee of the Board of Directors met three times to review the ESG strategy and key initiatives planned for the next year. Our production sites have made remarkable progress in their EcoVadis assessments for 2024, building on the previous year's results. Spain was our first sales unit to be assessed by EcoVadis and it achieved the highest award straight away with a platinum medal.

Thanks to outstanding teamwork, all twenty entities participating in the EcoVadis assessments for 2024 earned a medal. We got six platinum, seven gold and seven silver medals. In addition, several of our production sites have obtained ISO9001, ISO14001 and ISO45001 certifications, which will continue over the next few years until all our sites are certified.

Looking ahead to 2025, we will focus on implementing of the European Union Corporate Sustainability Reporting Directive (CSRD) for the sustainability reporting of our German business, creating and publishing the first product carbon footprints and developing our transition plan to net zero. The Sustainability Report 2024 will be published on May 16, 2025.

**Outlook**

There are clear indications that the downturn has bottomed out, as our product sales have picked up again in 2024. The signals we currently get from our customers and end users are more positive for Warehouse & Distribution with warehouse extensions (green- and brownfield) and Courier, Express & Parcels (CEP), both driven by e-commerce. The airport business was already growing nicely in 2024, and we expect a continuation of investments.

On the other hand, we still see a challenging macroeconomic environment and geopolitical tensions that may have a certain impact on our business development. Despite declining inflation and a lower interest rate environment, we still see hesitation for investments in bigger projects, but we are well prepared once the market rebounds. The need for increased productivity combined with the labor shortage is a clear indication that the demand for our solutions will grow.

Our customer promise of "Quality, Speed and Simplicity" is our motivation and our values, such as passion for our customers, define our culture. This, combined with our platform strategy, our drive for innovation and our global presence, makes Interroll unique and ideally positioned for future growth.

Sant'Antonino, February 2025

**Paul Zumbühl**
Chairman of the Board
of Directors

**Ingo Steinkrüger**
Chief Executive Officer