

Dierikon, 18 June 2024

Media release

Ad hoc announcement pursuant to Art. 53 LR

Komax Group mastering challenging market situation

The Komax Group currently finds itself in a market environment shaped by uncertainties and excess capacity in some places, which is why its customers are investing less and postponing projects. As a consequence, it is witnessing a significant decline in its revenues. The Komax Group already started to reduce costs at the end of 2023 and continues to focus intensively on optimizing the structures that arose through the combination with Schleuniger. It expects to see a slight improvement in the market situation in the second half of 2024.

With the automotive industry beset by a number of uncertainties, the Komax Group has been facing a subdued order intake since the end of 2023. In Europe and Asia in particular, customers are showing a certain reluctance when it comes to taking investment decisions, given excess capacities and the strained economic situation. One exception here is the market development in India, which has been very positive this year to date. Although the Komax Group is seeing signs that the overall situation will improve slightly in the second half of 2024, visibility in terms of how business will develop is still low.

The Komax Group entered fiscal 2024 with a solid order backlog (CHF 208.2 million). Over the first few months of the year, this allowed it to absorb some of the drop in order activity, but this is now no longer possible. Order intake and revenues were both down 20% on the previous year in the first five months of 2024. The Komax Group anticipates that the decline in revenues will remain at this level for full-year 2024. Revenues amounted to CHF 752.0 million in 2023.

This decline in revenues is due in large part to lower levels of volume business, which accounts for a disproportionately large share of operating profit (EBIT). Customers continue to have low levels of automation, leaving plenty of potential for the Komax Group to increase these levels. This is why the decline in orders for products that play a part in this increase of automation is noticeably smaller. Even though various projects have been pushed back this year, customers remain willing to invest in such products. Overall, the Komax Group expects EBIT to be modestly positive for fiscal 2024.

Cost reduction and structural optimizations

In order to align with the volatile market situation, the Komax Group started to bring down costs early on. This is achieved, for example, by reducing its headcount – by not replacing staff when they leave and through minor active downsizing measures. In addition, it has continued to streamline its product portfolio and optimize its distribution and organizational structures. Part of this involved the discontinuation of production at Komax Testing Bulgaria at the end of April 2024, alongside the ongoing closure process at the site in Jettingen, Germany.

As well as optimizing structures, the Komax Group is focusing on strengthening its position in the growing Chinese market. Consequently, it will acquire a 56% stake in the Chinese firm

Hosver effective 1 July 2024. Hosver is the leading manufacturer in China of machines for processing high-voltage cables, which are required in vehicles with electric drive systems.

The Komax Group is convinced that, with the measures it has undertaken, it will emerge strengthened from the current phase of weakness. To help it get through this phase, short-time working was introduced for production staff in Dierikon, Switzerland, in May 2024. Subject to approval from the cantonal authorities, this will be extended to the entire site as of 1 July 2024 and the site in Cham, Switzerland, will likewise introduce short-time working.

Financial calendar

Half-year results 2024

13 August 2024

Investor Day

22 November 2024

Preliminary information on 2024 financial year

21 January 2025

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Komax is a globally active technology company that focuses on markets in the automation sector. As a leading manufacturer of innovative and high-quality solutions for the wire processing industry, the Komax Group helps its customers implement economical and safe manufacturing processes, especially in the automotive supply sector. The Komax Group employs more than 3400 people worldwide and provides sales and service support via subsidiaries and independent agents in more than 60 countries.

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