



Baader Investment Conference – September 20, 2022

Dr. Norbert Klapper, CEO
Kurt Ledermann, CFO

Good Years to Come for Rieter!



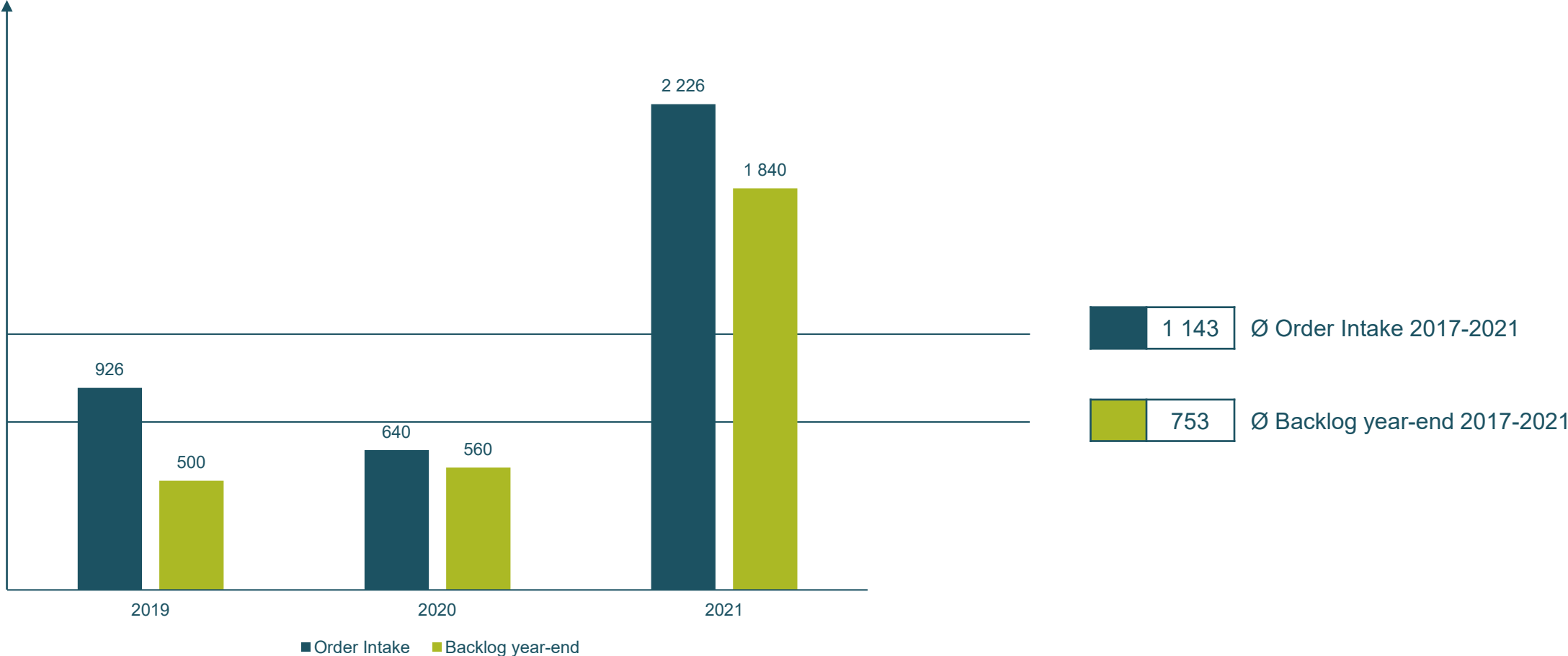
Markets – Technology - System

Taken from Rieter presentation at Investora 2021

Good Years to Come for Rieter?

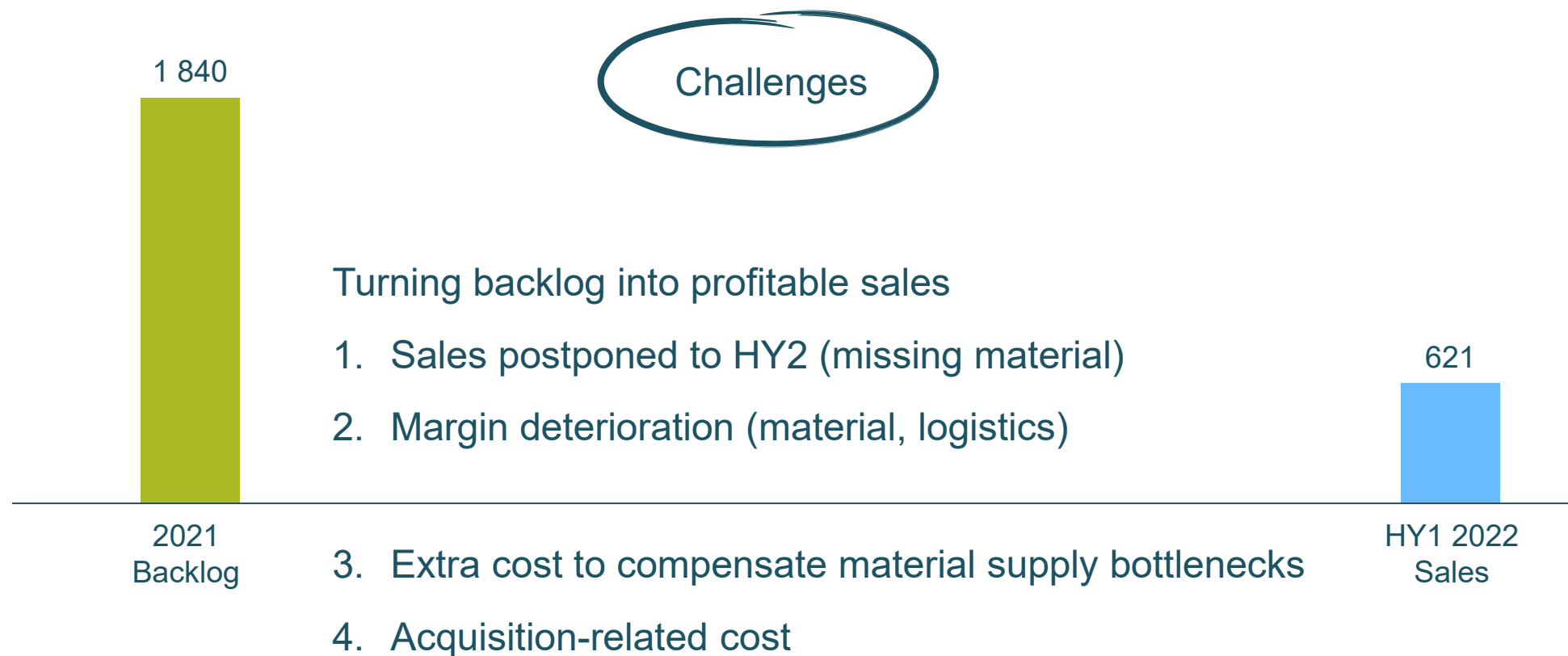


CHF Million



Four Challenges in HY1 2022

CHF Million



Sales Postponed to HY2

CHF million



- Pre-produced deliveries in the three-million digit range had to be postponed due to missing material (Shanghai COVID lockdown)
- Inventory build-up between December 31, 2021 and June 30, 2022 of CHF 141.4 million
- Sales realization to catch up in HY2 2022, actions in place

Margin Deterioration Is a Temporary Issue, Actions in Place

CHF million (Machines & Systems)



¹ Source: finanzen.ch

² Source: Statista

Cost Indicators

- **Aluminum** (cost per ton)¹

April 30, 2021	2 418.7 US\$
April 29, 2022	3 048.9 US\$ (+26%)
August 31, 2022	2 370.0 US\$
- **Container Freight Rate Index** ²

Shanghai/Rotterdam	
April 2021	7 583 US\$
April 2022	10 199 US\$ (+34%)
August 2022	9 092 US\$

Counter Measures

- **Price increases to synchronize price/cost development (20%)**
- **Price Adjustment Clause for delivery times > 1 year**
- **Renegotiations of contracts**
- **Cost savings**

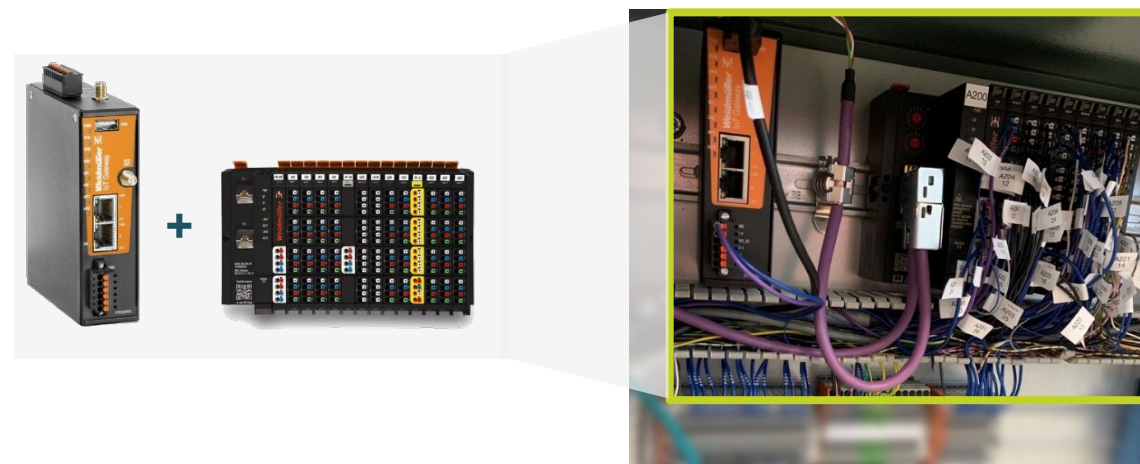
Extra Cost to Compensate Material Supply Bottlenecks – Security of Supply

Today:



- Single supplier (customized hardware, integrated design)
- Customized software

New:



- Multiple suppliers (standard hardware, modular design)
- Standard software

Five Priorities in the Coming Months – Actions in Place

CHF Million



Good Years to Come for Rieter!

Market



- Cost competitiveness/politics drive investments outside China and in China
- Equipment investment for 1 million tons of yarn production ~1 bn CHF

Technology/System



- >80% of global capacity
- USP: System completed by recent acquisition
- USP: Innovations improving attractiveness, e.g. energy consumption, automation, flexibility
- USP: Digitization through ESSENTIAL

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