

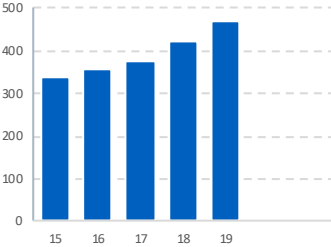
2019

Short Version
Annual Report

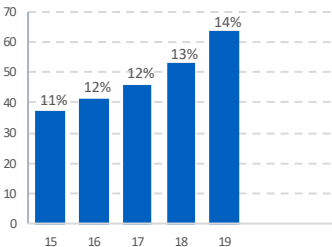
kardexgroup

Kardex Group at a glance

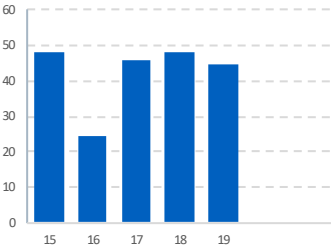
Net revenues
in EUR millions



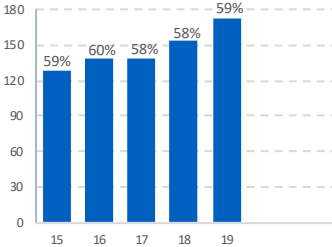
Operating result (EBIT) and EBIT margin
in EUR millions and in %



Net cash flow from operating activities
in EUR millions



Equity and equity ratio
in EUR millions and in %



Highlights and key figures in 2019

High order backlog supports strong revenue growth to EUR 471.2 million

Profitability of both divisions reaches the upper end of the target corridors raised in 2019

Significant investments in the future growth of the Group

Strong earnings growth enables dividend to be increased by around 13% to CHF 4.50 per share

Sound balance sheet offers strategic flexibility in corporate development

Key figures

EUR millions

1.1.-31.12.	2019		2018		+/-%
Bookings	452.4	96.0%	481.2	113.7%	-6.0%
Order backlog (31.12.)	217.8	46.2%	230.1	54.3%	-5.3%
Net revenues	471.2	100.0%	423.4	100.0%	11.3%
Gross Profit	171.3	36.4%	152.2	35.9%	12.5%
OPEX	107.8	22.9%	99.0	23.4%	8.9%
EBITDA	70.2	14.9%	59.0	13.9%	19.0%
Operating result (EBIT)	63.5	13.5%	53.2	12.6%	19.4%
Result for the period (net profit)	44.9	9.5%	38.3	9.0%	17.2%
Net cash flow from operating activities	44.8		48.1		-6.9%
Free cash flow	30.8		37.8		-18.5%
ROCE	51.2%		52.1%		

	31.12.2019		31.12.2018		+/- %
Net working capital	77.3		63.9		21.0%
Net cash	133.6		129.2		3.4%
Equity/Equity ratio	172.0	59.4%	153.3	57.9%	12.2%
Employees (FTE)	1 913		1 807		5.9%

	2019		2018		+/-%
Distribution per share (CHF) ¹	4.50		4.00		12.5%

¹ 2019: Distribution of a dividend as proposed to the Annual General Meeting to be held on 14 April 2020.

About us

The Kardex Group is a global industry partner for intralogistic solutions and a leading supplier of automated storage solutions and materials handling systems. The Group consists of the two entrepreneurially managed divisions, Kardex Remstar and Kardex Mlog.

Kardex Remstar develops, produces and maintains dynamic storage and retrieval systems, and Kardex Mlog offers integrated materials handling systems and automated high bay warehouses.

The two divisions are partners for their customers over the entire lifecycle of a product or solution. This begins with an assessment of customer requirements and continues via the planning, realization and implementation of customer-specific systems through to ensuring a high level of availability and low life cycle costs by means of customer-oriented lifecycle management.

Around 1 900 employees in over 30 countries worldwide work for the companies of the Kardex Group.

Kardex AG has been listed on the SIX Swiss Exchange since 1987. The Kardex Group applies the accounting standards of Swiss GAAP FER.

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Calendar

2020 Annual General Meeting	14 April 2020
2020 Interim Report	30 July 2020
2020 Annual Report	4 March 2021
2021 Annual General Meeting	15 April 2021
2021 Interim Report	29 July 2021

This is a short version of the Kardex AG Annual Report. Please find the full version on www.kardex.com in the investor relations/financial reports section.

Report to the shareholders

Another successful year for Kardex

The Kardex Group looks back on the most successful year in its recent history. The order books remain full, although the high order backlog of the previous year could not quite be maintained. Group revenues again showed double-digit growth and the profitability of both divisions reached new highs at the upper end of the target corridors raised in 2019, despite significant investments in the future. At EUR 63.5 million, the operating result (EBIT) was the highest ever achieved.

The Kardex Group recorded a satisfying bookings level of EUR 452.4 million. Although 6.0% down on the exceptional previous year, they are still around 10% up on 2017. The very high order backlog at the beginning of the year, which led to extended delivery times, was converted into renewed sales growth of 11.3% to EUR 471.2 million despite initial capacity bottlenecks. While new business grew by 12.3%, Life Cycle Service grew by 9.2% and thus achieved a revenue share of 31.9%.

The order backlog at the end of the year was EUR 217.8 million, corresponding to a workload of 5.5 months, which is similar to the good level at the end of 2017. As a result of this encouraging development and significant investments in Kardex's future growth, the number of employees rose by 106 to 1 913 full-time equivalents.

Strong increase in profitability

Gross profit at Group level increased by 12.5% to EUR 171.3 million, with a gross profit margin of 36.4%. This was mainly possible due to the reduction of capacity bottlenecks in the supply chain of Kardex Remstar as well as lower steel prices and good sales pricing. Operating costs rose by 8.9% due to strategic spending on infrastructure, personnel and marketing.

In addition to these effects, further efficiency gains and strict cost management contributed to the Kardex Group's strong operating result. The bottom line was an EBIT of EUR 63.5 million, with an EBIT margin of 13.5% and a further increase of 19.4% over the previous year. After deducting the financial result of minus EUR 3.3 million, this results in a net profit of EUR 44.9 million. This represents a margin of 9.5%, a ROCE of 51.2% and earnings per share of CHF 6.39.

Kardex Remstar achieves excellent result

In a challenging environment with solid investment activity, especially in the USA and parts of Europe, Kardex Remstar achieved the best result in the company's history. Bookings increased by 1.9% to EUR 388.6 million. Growth in the first half of the year was regionally broad-based. New business in the US continued to grow in the second half of the year, whilst at the same time there was a noticeable slow-down in Germany, the UK, Scandinavia and Turkey. Business in China and the Middle East was down on the previous year.

Revenues increased by 12.9% to EUR 392.4 million with a similar revenue mix, benefiting from full order books at the beginning of the year. Despite significant investments in future growth, capabilities and performance, the operating result increased overproportionately again and rose by 20.4% to EUR 61.4 million.

Strict cost management, efficiency improvements and the increase in revenues were the main drivers of EBIT margin of 15.6%.

At the end of the year, the order backlog amounted to EUR 159.8 million, the second highest figure ever achieved. This ensures a good start to the current financial year. The slowdown in order intake carries some uncertainty and may point to a weaker second half of 2020.

Kardex Mlog with higher operating result but lower bookings

Bookings declined in a cautious market environment, but returned to normal towards the end of the year. New business and modernization projects contributed significantly less than in the previous year to the total bookings of EUR 64.0 million, while the share of the service business increased overproportionately.

Due to the record high order backlog at the beginning of the year, the revenue development was less affected by the market environment. Revenues increased by 4.2% to EUR 79.1 million with a slightly higher gross profit margin of 22.8%. Efficiency improvements and a generally high cost discipline led to a further improvement in the operating result, which at EUR 5.6 million was around 10% above the previous year. This corresponds to an EBIT margin of 7.1%, which is at the upper end of the EBIT target corridor of 4-8% that was raised a year ago.

The order backlog at the end of the reporting period amounted to EUR 58.0 million, which corresponds to an average workload of nine months. On this basis and despite a market environment characterized by further uncertainty, Kardex Mlog expects results for 2020 roughly in line with those of the previous year.

Solid balance sheet of the Kardex Group with high equity ratio

The Kardex Group's balance sheet remains extremely robust, with total assets of EUR 289.8 million and a high equity ratio of 59.4% (57.9%) at the end of the period. The company is debt-free and has a net cash position of EUR 133.6 million. At EUR 30.8 million, the free cash flow generated during the financial year 2019 is below the high level of the previous year's period due to significant investments in production capacities in the USA and Germany and lower advance payments from projects.

Increased dividend per share

The very good annual result allows the Board of Directors to propose a distribution of CHF 4.50 per share to the Annual General Meeting of Shareholders on 14 April 2020. This is around 13% more than in the previous year and corresponds to a dividend yield of 2.8%.

As already communicated, the Board of Directors will propose to the Annual General Meeting that Dr. Andreas Häberli and Eugen Elmiger be newly elected to the Board. Andreas Häberli, Chief Technology Officer of the dormakaba Group, will contribute extensive technological know-how, particularly expertise in many areas of digitization. Eugen Elmiger, CEO of the globally active Maxon Motor, will further enhance the Kardex Group's international market and industry knowledge. With the exception of Walter T. Vogel, who is leaving the Board after 14 years, the current members will stand for re-election. We would like to take this opportunity to thank Walter T. Vogel for his many years of commitment and valuable contributions to the Kardex Group.

Outlook

The Kardex Group is entering the new financial year 2020 from a strong position. The targeted investments in people development, supply chain, internal processes and digitization will be implemented as planned. This will further strengthen the company in order to benefit from the medium-term growth opportunities in the dynamic intralogistics market.

Thanks

We would like to thank all our employees for their exceptionally high level of commitment in the past financial year, our customers and partners for their very good cooperation and our shareholders for their trust.



Philipp Buhofer
Chairman of the Board of Directors



Jens Fankhänel
Chief Executive Officer

Division Kardex Remstar

Significant increase in revenues and operating result

Kardex Remstar again achieved outstanding results in 2019. Bookings rose by 1.9% to EUR 388.6 million and revenues increased by 12.9% to EUR 392.4 million, partly due to the high order backlog at the beginning of the year. At the same time, the operating result (EBIT) improved by 20.4% to EUR 61.4 million. In addition, strategic investments were made in production, personnel and IT. Kardex Remstar is well prepared to continue with good results in a challenging market environment in 2020.

Market position maintained in a volatile environment

The market environment was challenging and characterized by solid investment activity, particularly in the USA and parts of Europe. Under these conditions, Kardex Remstar benefited from its strong market position and financial strength and made ongoing investments in its product and service portfolio as well as in people development. Combined with a sales methodology that has been further aligned to customer needs, this led to good demand for Kardex Remstar intralogistics solutions. At EUR 388.6 million, bookings exceeded the already high level of the previous year by 1.9%.

After a regionally broad-based growth in bookings of 7.5% in the first half of the year, demand developed differently in the second half. In the USA, a sustained high level of bookings was recorded, while in Central Europe a noticeable slowdown set in from August onwards. In Germany in particular, dominated by the automotive industry and its suppliers as well as the mechanical engineering sector, negative news affected the investment climate. Uncertainty and a slight weakening of demand were also registered in other countries such as the UK, Austria, the Scandinavian countries and Turkey. In China and the Middle East region, business weakened compared to the previous year.

Revenue development supported by order backlog

At the beginning of the reporting period, the order backlog of EUR 157.1 million was at a new record level after an exceptionally dynamic previous year. This was the foundation for a strong increase in revenues in 2019, despite initial capacity bottlenecks in the organization. Overall, revenues increased by 12.9% to EUR 392.4 million with an almost unchanged revenue mix. New business grew by 13.8% to EUR 273.5 million, while Life Cycle Services revenue rose by 11.8% to EUR 111.7 million, not least because the continuously expanded service products are well received by the market. The life cycle business contributed around 29% to revenues.

At the end of the year, the order backlog was EUR 159.8 million. This corresponds to an average workload of around 5 months, back to the year-end level of 2017, which supports a good start to the financial year 2020.

Increase in capacity

The plant in Bellheim, Germany, was operating at a very high capacity level at the beginning of the year. This has caused additional costs due to the need to outsource value creation. In contrast, capacity utilization at the Neuburg plant has normalized and capacities have been adjusted to the order situation.

From the middle of the year, the investments made in the supply chain started to show a positive effect and delivery times were gradually reduced. In the second part of the year, the decision was made to invest in a new production plant in the USA and the corresponding construction project was launched. Start of production is scheduled for the second half of 2020. This additional production facility will improve the workload distribution between all plants as well as the proximity to the North American sales markets.

In line with the revenues development, the number of employees increased by 6.6% to 1 610 full-time equivalents. Kardex Remstar puts great focus on the continuous training and development of its powerful team and invested accordingly in those areas. The recruitment of qualified personnel in all areas and markets remains a major challenge for the organization.

Significant increase in EBIT margin

The continuous increase of the operating result over the last few years continued seamlessly. The planned higher investments in growth (production, people, marketing) and in securing future performance (production, IT costs) were more than offset by the increase in revenues, lower steel prices, efficiency improvements and good cost management. Compared to the previous year, the operating result (EBIT) therefore increased significantly by 20.4% to EUR 61.4 million with an EBIT margin of 15.6%. Thus the upper end of the increased target corridor of 8-16% over the cycle communicated at the beginning of 2019 was almost reached after just under a year.

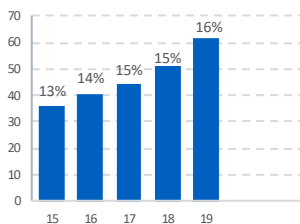
Outlook 2020

The good order backlog forms a solid basis for a good start into 2020, which will, however, be characterized by more volatile markets. Due to the continued growth of the intralogistics market and irrespective of the current market uncertainties, the positive development is expected to continue in the medium term.

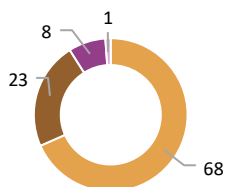
Consolidated key figures for the Kardex Remstar Division

EUR millions	2019		2018		+/-%
Bookings	388.6	99.0%	381.3	109.7%	1.9%
Order backlog (31.12.)	159.8	40.7%	157.1	45.2%	1.7%
Segment net revenues	392.4	100.0%	347.5	100.0%	12.9%
EBITDA	66.8	17.0%	55.7	16.0%	19.9%
Operating result (EBIT)	61.4	15.6%	51.0	14.7%	20.4%
ROCE	45.9%		43.0%		
Employees (FTE on 31.12.)	1 610		1 511		6.6%

Operating result (EBIT) in EUR millions

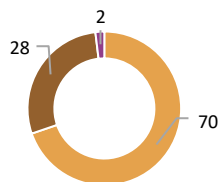


Net revenues by region 2019 financial year in %



- Europe
- Americas (North, Middle, South)
- Asia/Pacific
- Middle East and Africa

Net revenues by business unit 2019 financial year in %



- New Business
- Life Cycle Services
- OEM

Division Kardex Mlog

Increased revenues and confirmed profitability level

In a volatile market environment, Kardex Mlog achieved good results in 2019. Revenues increased by 4.2% to EUR 79.1 million, the gross profit margin rose to 22.8% and the operating result (EBIT) increased by 9.8% to EUR 5.6 million, with an EBIT margin of 7.1%. Bookings in the first three quarters were affected by substantial customer caution, but in the final quarter they exceeded the previous year's figures. Overall, bookings and the resulting order backlog were down on the high prior-year figures by around 36% and 21% respectively. At EUR 58.0 million, the order backlog remained at an acceptable level and thus forms a solid basis for the current financial year.

After the very strong previous year, the market environment in Central Europe did cool down noticeably and bookings developed differently in the course of the year. In the first three quarters, bookings fell short of expectations due to a marked hesitance to approve investments, particularly in Germany, which remains Kardex Mlog's most important market. Customers in the home market as well as in Austria, Poland and the Czech Republic partially reversed this restraint in the last three months of the reporting year. This resulted in high bookings in the last quarter, which was above the previous year's level.

Overall, bookings in the financial year 2019 amounted to EUR 64.0 million, 36.0% less than in the previous year. While there was a significant decline in new business and modernization projects, orders in the service area continued to rise. At the end of the year, the order backlog of EUR 58.0 million was 20.8% lower than at the end of 2018 (EUR 73.2 million). This corresponds to an average workload of almost 9 months. The quality of the order backlog is good with a fair balance between larger and smaller projects.

Continuous revenue development

Net revenues were much less affected by the market environment because due to a very high order backlog from the previous year with project realization periods between 12 and 18 months. As a consequence, revenues rose by 4.2% to EUR 79.1 million. New business (integrated subsystems and products) contributed EUR 40.6 million to revenues, while service business accounted for EUR 38.5 million and a revenue share of 48.7%.

Profitable growth

Gross profit amounted to EUR 18.0 million with a slightly higher margin of 22.8%. Kardex Mlog continued to invest in efficiency programs and process standardization while maintaining a generally high cost discipline. Operating costs increased below average relative to revenue. This resulted in a 9.8% increase in the operating result to EUR 5.6 million and an EBIT margin of 7.1% (6.7%). The EBIT margin target, which had been raised a year ago to a corridor of 4-8% over the cycle, was once again achieved. The number of employees increased slightly by 1.4% to 291 full-time equivalents.

Internationalization further advanced

The first positive results of these measures were registered in the fourth quarter of 2019 with higher bookings outside Germany. This partially compensated for the hesitance to invest in the German market as a result of the weak automotive and mechanical engineering industries.

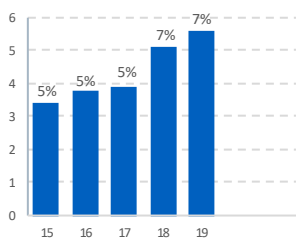
Outlook 2020

The market environment in Kardex Mlog's sales markets continues to be characterized by uncertainty, particularly in Germany, the largest sales market. Marketing and sales will continue to play an important role in the current fiscal year in order to continue the internationalization. Other focus areas will be the sales mix and industry-specific solutions to better leverage the existing customer base.

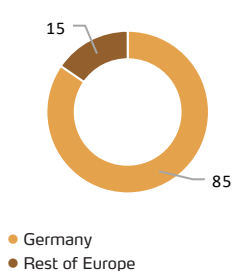
Consolidated key figures for the Kardex Mlog Division

EUR millions	2019		2018		+/-%
Bookings	64.0	80.9%	100.0	131.8%	-36.0%
Order backlog (31.12.)	58.0	73.3%	73.2	96.4%	-20.8%
Segment net revenues	79.1	100.0%	75.9	100.0%	4.2%
EBITDA	6.6	8.3%	5.9	7.8%	11.9%
Operating result (EBIT)	5.6	7.1%	5.1	6.7%	9.8%
ROCE	33.5%		54.8%		
Employees (FTE on 31.12.)	291		287		1.4%

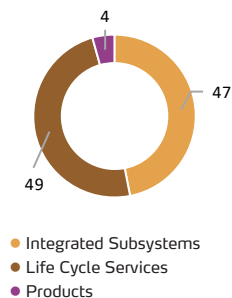
Operating result (EBIT)
in EUR millions



Net revenues by region
2019 financial year in %



Net revenues by business unit
2019 financial year in %



Segment reporting 2019

Income statement

EUR millions	Operating segments					Kardex Group
	Kardex Remstar	Kardex Mlog	Kardex AG (Holding)	Eliminations		
Bookings	388.6	64.0	-	-0.2	452.4	
Net revenues, third party						
- Europe	268.7	79.1	-	-	347.8	
- Americas	88.5	-	-	-	88.5	
- Asia/Pacific	30.5	-	-	-	30.5	
- Middle East and Africa	4.4	-	-	-	4.4	
Total net revenues, third party	392.1	79.1	-	-	471.2	
Net revenues, with other operating segments	0.3	-	-	-0.3	-	
Net revenues¹	392.4	79.1	-	-0.3	471.2	
Cost of goods sold and services provided	-239.1	-61.1	-	0.3	-299.9	
Gross profit	153.3	18.0	-	-	171.3	
Gross profit margin	39.1%	22.8%			36.4%	
Marketing and sales expenses	-51.6	-6.7	-	-	-58.3	
Administrative expenses	-30.2	-4.6	-6.9	3.8	-37.9	
R&D expenses	-10.2	-1.1	-	-	-11.3	
Other operating income	1.2	0.1	3.8	-3.8	1.3	
Other operating expenses	-1.1	-0.1	-0.4	-	-1.6	
Operating result (EBIT)	61.4	5.6	-3.5	-	63.5	
EBIT margin	15.6%	7.1%			13.5%	
Financial result, net					-3.3	
Result for the period before tax					60.2	
Income tax expense					-15.3	
Result for the period (net profit)					44.9	
Net profit margin					9.5%	
Depreciation and amortization	5.4	1.0	0.3	-	6.7	
EBITDA	66.8	6.6	-3.2	-	70.2	
EBITDA margin	17.0%	8.3%			14.9%	

¹ The revenues comprise EUR 321.0 million from New Business and EUR 150.2 million from Life Cycle Services.

Segment reporting 2018

Income statement

EUR millions	Operating segments				
	Kardex Remstar	Kardex Mlog	Kardex AG (Holding)	Eliminations	Kardex Group
Bookings	381.3	100.0	-	-0.1	481.2
Net revenues, third party					
- Europe	247.7	75.2	-	-	322.9
- Americas	68.8	0.7	-	-	69.5
- Asia/Pacific	25.9	-	-	-	25.9
- Middle East and Africa	5.1	-	-	-	5.1
Total net revenues, third party	347.5	75.9	-	-	423.4
Net revenues, with other operating segments	-	-	-	-	-
Net revenues¹	347.5	75.9	-	-	423.4
Cost of goods sold and services provided	-212.4	-58.8	-	-	-271.2
Gross profit	135.1	17.1	-	-	152.2
Gross profit margin	38.9%	22.5%			35.9%
Marketing and sales expenses	-46.3	-6.7	-	-	-53.0
Administrative expenses	-27.1	-4.3	-5.3	2.5	-34.2
R&D expenses	-10.3	-1.1	-	-	-11.4
Other operating income	0.6	0.1	2.5	-2.5	0.7
Other operating expenses	-1.0	-	-0.1	-	-1.1
Operating result (EBIT)	51.0	5.1	-2.9	-	53.2
EBIT margin	14.7%	6.7%			12.6%
Financial result, net					-1.7
Result for the period before tax					51.5
Income tax expense					-13.2
Result for the period (net profit)					38.3
Net profit margin					9.0%
Depreciation and amortization	4.7	0.8	0.3	-	5.8
EBITDA	55.7	5.9	-2.6	-	59.0
EBITDA margin	16.0%	7.8%			13.9%

¹ The revenues comprise EUR 285.95 million from New Business and EUR 137.5 million from Life Cycle Services.

Consolidated balance sheet

EUR millions	31.12.2019	31.12.2018
Property, plant and equipment	41.2	33.0
Intangible assets	4.1	2.6
Financial assets	6.6	6.6
Non-current assets	51.9	42.2
Inventories and work in progress	19.2	15.0
Trade accounts receivable	65.4	62.5
Other receivables	15.4	11.4
Prepaid expenses	4.3	4.6
Cash and cash equivalents	133.6	129.2
Current assets	237.9	222.7
Assets	289.8	264.9
Share capital	2.5	2.5
Capital reserves	31.3	31.2
Retained earnings and translation differences	138.7	120.7
Treasury shares	-1.0	-1.1
Equity before minorities	171.5	153.3
Minority interests	0.5	-
Equity	172.0	153.3
Non-current provisions	20.6	19.4
Non-current liabilities	20.6	19.4
Trade accounts payable	17.3	14.2
Current provisions	6.0	4.9
Accruals	54.7	48.4
Other current liabilities	19.2	24.7
Current liabilities	97.2	92.2
Liabilities	117.8	111.6
Equity and liabilities	289.8	264.9

Consolidated cash flow statement

EUR millions	2019	2018
Result for the period	44.9	38.3
Depreciation and amortization	6.7	5.8
Changes in provisions and pension liabilities	2.1	-1.7
Other non-cash items	-0.5	-1.3
Change in inventories and work in progress	-3.7	-2.0
Change in accounts receivable	-0.2	-1.7
Change in other receivables	-4.2	-0.8
Change in prepaid expenses	0.4	-0.7
Change in accounts payable	-0.2	0.3
Change in accruals	5.4	5.0
Change in other current liabilities	-5.9	6.9
Net cash flow from operating activities	44.8	48.1
Purchase of property, plant and equipment	-11.7	-9.7
Sale of property, plant and equipment	-	0.2
Purchase of intangible assets	-2.3	-0.5
Acquisition of organizations and investment in associated companies	-	-0.3
Net cash flow from investing activities	-14.0	-10.3
Free cash flow	30.8	37.8
Disposal of treasury shares	0.2	0.2
Dividend paid	-27.6	-
Reduction of nominal value	-	-24.1
Net cash flow from financing activities	-27.4	-23.9
Effect of currency translation differences on cash and cash equivalents	1.0	0.4
Net change in cash and cash equivalents	4.4	14.3
Cash and cash equivalents at 1 January	129.2	114.9
Cash and cash equivalents at 31 December	133.6	129.2
Net change in cash and cash equivalents	4.4	14.3

Information on the Kardex share

Share capital and capital structure

	2019	2018	2017	2016	2015
Par value per share (CHF)	0.45	0.45	4.05	7.35	10.35
Total registered shares	7 730 000	7 730 000	7 730 000	7 730 000	7 730 000
Number of treasury shares	11 640	13 195	15 149	16 700	-
Number of dividend-bearing shares	7 718 360	7 716 805	7 714 851	7 713 300	7 730 000
Registered capital (CHF 1 000)	3 479	3 479	31 307	56 816	80 006
Total voting rights	7 718 360	7 716 805	7 714 851	7 713 300	7 730 000

Key stock exchange figures per share

CHF	2019	2018	2017	2016	2015
Share price high	178.40	180.00	120.00	99.90	82.00
Share price low	112.20	106.40	94.20	57.80	40.20
Closing rate	163.00	113.40	119.60	95.25	78.00
Average volume per trading day (no. of shares)	17 167	17 110	14 415	12 596	16 528
Market capitalization - CHF million (31.12.)	1 259.99	876.58	924.51	736.28	602.94

Key figures per share

CHF	2019	2018	2017	2016	2015
Earnings per share (EPS) ¹ - basic	6.39	5.74	4.59	4.34	3.94
Earnings per share (EPS) ¹ - diluted	6.39	5.74	4.59	4.34	3.94
Price earning ratio (closing rate)	25.54	19.80	26.12	21.95	19.79
Dividend ²	4.50	4.00	-	-	-
Reduction of nominal value	-	-	3.60	3.30	3.00
Equity	24.23	22.36	21.17	19.18	18.10

¹ Calculated by the generally accepted method (net result/average number of outstanding shares).

² 2019: Distribution of a dividend as proposed to the Annual General Meeting to be held on 14 April 2020.

The registered shares of Kardex AG are traded by the Swiss Reporting Standard of SIX Swiss Exchange in Zurich, Switzerland. They are contained in the SPI (Swiss Performance Index).
 Stock exchange symbol: KARN; Swiss securities number: 10083728; ISIN number: CH0100837282; Bloomberg: KARN SW Equity; Reuters: KARN.S. Current prices can be seen at www.kardex.com.

Share price performance

Kardex AG (Holding) share

On SIX Swiss Exchange 1 January to 31 December 2019 based on the daily closing price in CHF



The value of the Kardex share increased by 43.7% from CHF 113.40 to CHF 163.00 in 2019. Kardex paid a dividend of CHF 4.00 per share in April 2019. The Total Shareholder Return (TSR) for the year was 47.3%.

Shareholder structure

As at 31 December 2019, there were 2 095 shareholders (1 910) entered in the share register. The following shareholders held 3% or more of the outstanding share capital of Kardex AG at year end:

	31.12.2019	31.12.2018
BURU Holding AG and Philipp Buhofer	23.3%	23.6%
Alantra Partners S.A.	8.1%	8.4%
Invesco Ltd.	5.1%	

Based on the proposal of the Board of Directors to the Annual General Meeting up to 75% of the net profit (based on the consolidated group result) shall be paid out to the shareholders.

Extract of the Corporate Governance Report

Group structure

The Kardex Group is divided into the two divisions or segments Kardex Remstar and Kardex Mlog. The Kardex Group is led by the Board of Directors and the Group Management.

Board of Directors	Functions / Committees
Philipp Buhofer (1959, Swiss citizen) Since 2004	Chairman of the Board
Felix Thöni (1959, Swiss citizen) Since 2011	Vice Chairman of the Board Audit Committee, Compensation and Nomination Committee
Jakob Bleiker (1957, Swiss citizen) Since 2012	Member of the Board Chairman Audit Committee
Ulrich Jakob Looser (1957, Swiss citizen) Since 2012	Member of the Board Audit Committee, Chairman Compensation and Nomination Committee
Walter T. Vogel (1957, Swiss citizen) Since 2006	Member of the Board Compensation and Nomination Committee
Group Management	Functions
Jens Fankhänel (1965, German citizen)	CEO
Thomas Reist (1971, Swiss citizen)	CFO
Urs Siegenthaler (1959, Swiss citizen)	Head of Kardex Remstar Division
Hans-Jürgen Heitzer (1962, German citizen)	Head of Kardex Mlog Division

«one share – one vote»

The 7 730 000 fully paid-up registered shares of Kardex AG have a nominal value of CHF 0.45 (CHF 0.45) each. Each registered share corresponds to one vote at the General Meeting (“one share – one vote” principle) and is eligible for dividends. The right to apply the special rules concerning treasury shares held by the company is reserved, particularly in relation to the exception from the entitlement to dividends.

Registration rules

The registered shares of Kardex AG may be purchased by any legal or natural person. Nominee registrations are permitted. The purchasing of shares is subject to the following limitations on nominee registrations:

The company may refuse registration as a shareholder with voting rights in the share register if upon request the purchaser does not expressly declare that they hold the shares in their own name and for their own account. The Board of Directors is entitled to delete an entry in the share register with retroactive effect from the date of that entry if such entry was based on false information. It may hear the shareholder or beneficiary in question in advance.

In each case, the shareholder or beneficiary in question must be immediately informed of the deletion.

Shareholders' participation rights

On 31 December 2019, there were 2 095 shareholders entered in the share register. A majority of them had their registered office or domicile in Switzerland. There are no voting right restrictions. Furthermore, any shareholder has the right to have his shares represented at the General Meeting by written proxy by an independent voting proxy, another shareholder with voting rights or a third party.

Shareholders representing at least 1% of the shares issued may request in writing that items be added to the agenda, specifying the proposed resolutions. Such items must be submitted to the Board of Directors in writing at least 40 days before the General Meeting.

Duty to make an offer upon change of control

In accordance with § 4 of the company's Articles of Incorporation, a purchaser of Kardex AG shares is only obliged to make a public offer under the terms of article 135 (the opting-up clause) of the Financial Market Infrastructure Act (FMIA) if his holding exceeds 49% of the company's voting stock.

Statutory auditors

PricewaterhouseCoopers AG, Zurich, Switzerland, have been the statutory auditors of Kardex AG since 2014.

Vertical Carousel
Megamat RS
Kardex Remstar

Vertical Buffer
LT 35
Kardex Remstar

Horizontal Carousel
Kardex Remstar

Vertical lift
Shuttle XP
Kardex Remstar

Shuttle Vehicle Minitload
Kardex Mlog

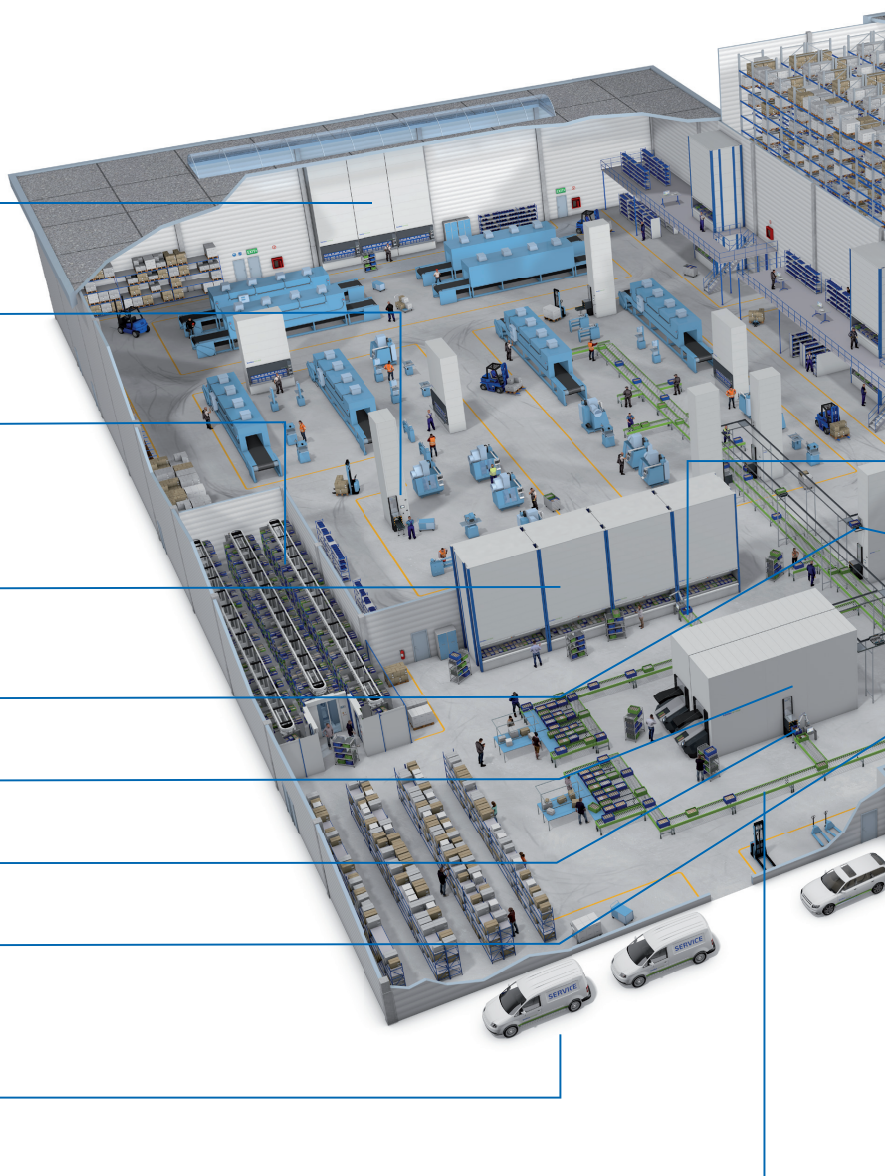
Vertical Buffer
LR 35
Kardex Remstar

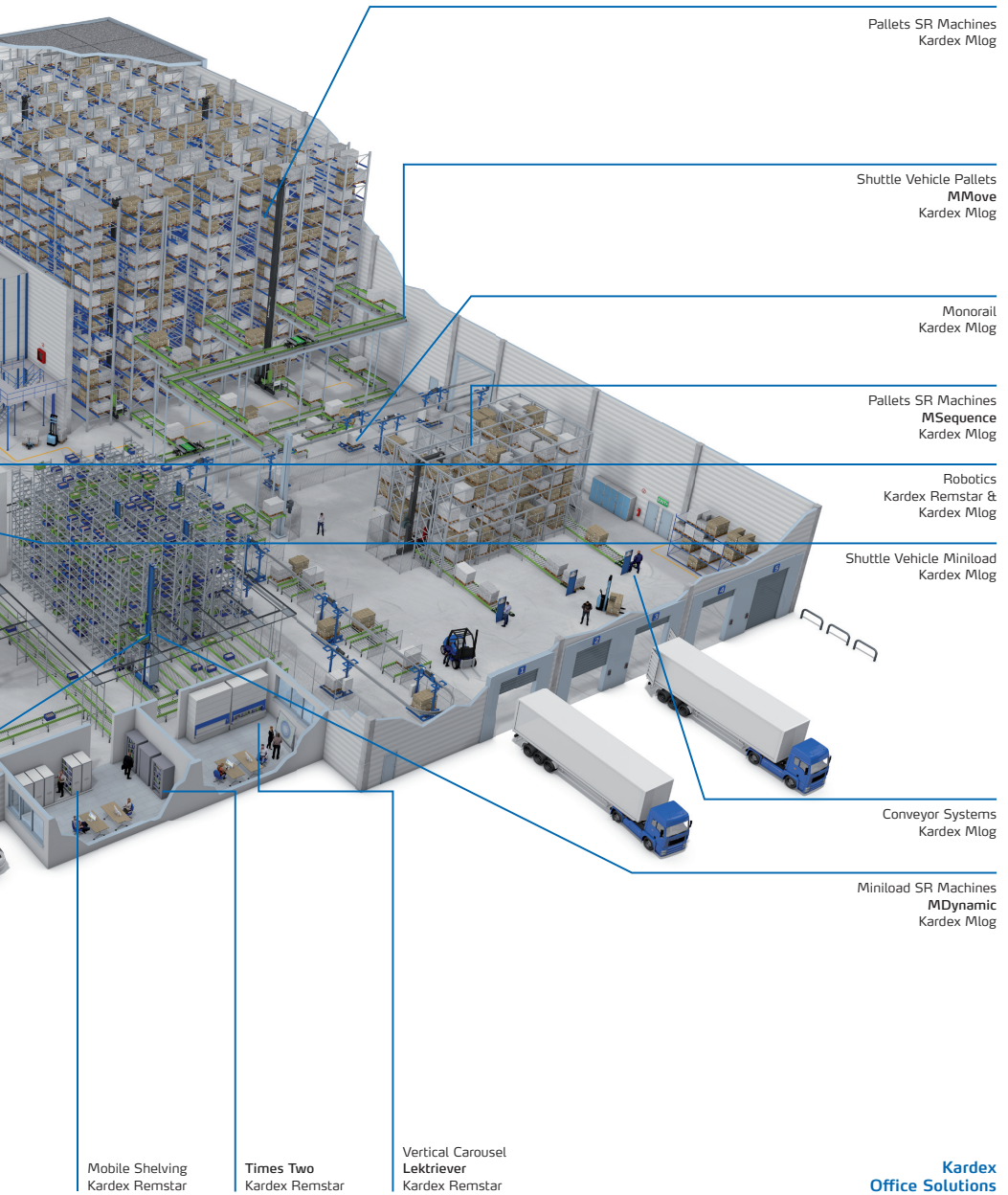
Robotics
Kardex Remstar &
Kardex Mlog

Minitload SR Machines
MDynamic
Kardex Mlog

Life Cycle Service
Kardex Remstar &
Kardex Mlog

Conveyor Systems
Kardex Mlog





Pallets SR Machines
Kardex Mlog

Shuttle Vehicle Pallets
MMove
Kardex Mlog

Monorail
Kardex Mlog

Pallets SR Machines
MSequence
Kardex Mlog

Robotics
Kardex Remstar &
Kardex Mlog

Shuttle Vehicle Miniload
Kardex Mlog

Conveyor Systems
Kardex Mlog

Miniload SR Machines
MDynamic
Kardex Mlog

Mobile Shelving
Kardex Remstar

Times Two
Kardex Remstar

Vertical Carousel
Lektriever
Kardex Remstar

Kardex
Office Solutions

Imprint

The Group publishes this short version of the Annual Report in English and German.

This communication contains statements that constitute “forward-looking statements”. In this communication, such forward-looking statements include, without limitation, statements relating to our financial condition, results of operations and business and certain of our 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’s 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’s past and future filings and reports and in past and future filings, press releases, reports and other information posted on Kardex Group companies’ 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.

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