

Media Release

Ad-hoc announcement pursuant to Art. 53 LR

Rieter Holding Ltd.

Klosterstrasse 32

P.O. Box

CH-8406 Winterthur

T +41 52 208 71 71

Fax +41 52 208 70 60

www.rieter.com

Winterthur – January 25, 2023

First information on the financial year 2022

Sales of CHF 1 510.9 Million in Financial Year 2022

- **Sales of CHF 890.3 million in second half-year 2022**
- **EBIT margin of around 2% expected for full year 2022**
- **Order intake of CHF 1 157.3 million in 2022; order backlog of around CHF 1 540 million as of December 31, 2022**
- **Preparations for ITMA 2023 on schedule**
- **Implementation of action plan to increase sales and profitability ongoing**
- **Rieter site sales process on schedule**

In a very challenging economic environment, Rieter succeeded in significantly increasing sales and expects a positive EBIT margin for the 2022 financial year.

For Rieter, in addition to the geopolitical uncertainties, the 2022 financial year was characterized by three main challenges:

Due to the rapid rise in inflation, the exceptionally high order backlog of around CHF 1 840 million at the beginning of 2022 was processed at significantly higher costs. It was only possible to offset these higher costs in part by means of price increases and other remedial measures.

In order to safeguard deliveries, it was necessary to compensate for serious material bottlenecks, particularly in electronic components, which resulted in considerable additional development expenditure.

Major expenses were also incurred in connection with the acquired businesses (Accotex, Temco and Winder).

Sales

The realization of sales from the exceptionally high order backlog developed better than expected. With sales of CHF 1 510.9 million, Rieter achieved an increase of 56% compared with the previous year (2021: CHF 969.2 million). In the second half of 2022, especially in the fourth quarter, the measures introduced to address material

bottlenecks had a positive impact. Consequently, sales increased to CHF 890.3 million compared with the first six months (first half-year 2022: CHF 620.6 million).

EBIT margin

The trend in the EBIT margin was strongly influenced by substantial cost increases, which could only be offset in part through price increases and other remedial measures. In addition, to compensate for material shortages, expenses were incurred in connection with the development of alternative solutions and the acquired businesses.

Rieter succeeded in improving profitability compared with the first half of 2022 due to the higher sales volume and offsetting measures to compensate for increased costs, and expects a positive EBIT margin of around 2% for the full year 2022 (2021: 4.9%).

Order intake

In line with expectations, the order intake of CHF 1 157.3 million in 2022 was below the record year of 2021 (CHF 2 225.7 million). The market situation is characterized by investment restraint due to geopolitical uncertainties, higher financing costs and consumer reticence in important markets.

Order backlog

The company had an order backlog of around CHF 1 540 million at the end of 2022, which thus extends well into 2023 and 2024. In 2022, Rieter recorded order cancellations of less than 10% of the order backlog of CHF 1 840 million at the beginning of the year.

Preparations for ITMA 2023 on schedule

Rieter has continued to boost its innovative capability and, in order to further extend its technology leadership, will present new innovative solutions at ITMA 2023 in Milan.

Action plan to increase sales and profitability

Implementation of the action plan to increase sales and profitability is ongoing. With regard to the profitability of the order backlog, which remains high, the implemented price increases in combination with a favorable trend in costs, particularly in logistics, are having an impact. In addition, progress was made in eliminating material bottlenecks and reducing expenses for the three acquired businesses.

Rieter site sales process

The sales process for the remaining land at the Rieter site in Winterthur (Switzerland) is proceeding according to plan. In total, around 75 000 m² of land will be sold. The Rieter CAMPUS is not part of this transaction.

Results press conference 2023

Rieter will provide further details on the 2022 financial year and an outlook for the 2023 financial year on March 9, 2023. In addition, the full 2022 Annual Report will be published, and a press conference will be held.

Annual General Meeting of April 20, 2023

The next Annual General Meeting of Rieter Holding AG will take place on Thursday, April 20, 2023. Proposals regarding the agenda must be submitted in writing, accompanied by information concerning the relevant motions and evidence of the necessary shareholdings (with a par value of CHF 0.5 million as stipulated by Article 9 of the Articles of Association), by no later than February 17, 2023, to Rieter Holding Ltd., Office of the Company Secretary, Klosterstrasse 32, CH-8406 Winterthur, Switzerland.

Telephone Conference for Media and Investors

The media and investor conference call will be held **today, January 25, 2023, at 9:00 am (CET)**.

Dial-in details

Europe	+41 58 310 50 00
UK	+44 207 107 06 13
USA	+1 631 570 56 13
China	+86 400 120 23 19
India	+91 446 688 60 46

Webcast

<https://media.choruscall.eu/mediaframe/webcast.html?webcastid=jl6aFTwS>

Presentation Material

The media- and investor presentation as well as the media release can be found at: www.rieter.com/media/media-kit/

Forthcoming Dates

- Deadline for proposals regarding the agenda of the Annual General Meeting February 17, 2023
- Results press conference 2023 March 9, 2023
- Annual General Meeting 2023 April 20, 2023
- Semi-Annual Report 2023 July 20, 2023
- Investor Update 2023 October 20, 2023

For further information please contact:

Rieter Holding Ltd.
Investor Relations
Kurt Ledermann
Chief Financial Officer
T +41 52 208 70 15
F +41 52 208 70 60
investor@rieter.com
www.rieter.com

Rieter Management AG
Media Relations
Relindis Wieser
Head Group Communication
T +41 52 208 70 45
F +41 52 208 70 60
media@rieter.com
www.rieter.com

About Rieter

Rieter is the world's leading supplier of systems for manufacturing yarn from staple fibers in spinning mills. Based in Winterthur (Switzerland), the company develops and manufactures machinery, systems and components used to convert natural and man-made fibers and their blends into yarns in the most cost-efficient manner.

Cutting-edge spinning technology from Rieter contributes to sustainability in the textile value chain by minimizing the use of resources. Rieter has been in business for more than 225 years, has 18 production locations in ten countries and employs a global workforce of around 5 630, about 16.4% of whom are based in Switzerland. Rieter is listed on the SIX Swiss Exchange under ticker symbol RIEN.

www.rieter.com.

Disclaimer

All statements in this report which do not refer to historical facts are forecasts which offer no guarantee whatsoever with respect to future performance; they embody risks and uncertainties which include – but are not confined to – future global economic conditions, exchange rates, legal provisions, market conditions, activities by competitors and other factors which are outside the company's control. This text is a translation of the original German text.

Order Intake by Business Group

CHF million (unaudited)	2022	2021	Difference	Difference in local currency
Rieter	1 157.3	2 225.7	-48%	-47%
Machines & Systems	663.9	1 708.6	-61%	-61%
Components	310.1	296.0	5%	8%
After Sales	183.3	221.1	-17%	-16%

Sales by Business Group

CHF million (unaudited)	2022	2021	Difference	Difference in local currency
Rieter	1 510.9	969.2	56%	58%
Machines & Systems	1 034.7	590.3	75%	76%
Components	303.5	231.5	31%	35%
After Sales	172.7	147.4	17%	19%

Sales by Region

CHF million (unaudited)	2022	2021	Difference	Difference in local currency
Rieter	1 510.9	969.2	56%	58%
Asian countries ¹	472.6	318.7	48%	49%
China	168.5	135.3	25%	27%
India	196.8	126.0	56%	59%
Türkiye	266.1	182.3	46%	48%
North and South America	209.2	149.9	40%	39%
Europe	123.3	43.3	185%	201%
Africa	74.4	13.7	443%	443%

¹ without China, India, Türkiye