

**PUBLICATION OF  
RESULTS**

# **FISCAL YEAR 2023**

Vienna, March 7, 2024



**PALFINGER**

**ANDREAS KLAUSER**  
CEO

# 2023 BEST FISCAL YEAR IN THE COMPANY'S HISTORY



**RECORD IN REVENUE, EBIT  
AND CONSOLIDATED NET  
RESULT**



**INFLATION AND HIGH  
INTEREST RATES SLOW DOWN  
ORDER INTAKE IN EMEA**



**HIGH INVENTORY LEVELS,  
IMPROVEMENT IN Q4/2023**



# 2023 WAS AN EVENTFUL YEAR

**PALFINGER**

## Opening of PALFINGER Campus and PALFINGER World in Lengau

With the PALFINGER Campus and PALFINGER World, a state-of-the-art education and training center as well as a leading-edge brand and product experience was presented at the beginning of May.

## NAM with double-digit growth

PALFINGER opened its new regional headquarters including a demonstration and training center in Schaumburg, USA, in June 2023.

## Development partnership with Aker BP

During the partnership, Optilift's innovative technology will be further developed and integrated into offshore crane control systems.

## Strategic partnership with Steyr Automotive

By 2027, 1,700 truck-mounted forklifts will be manufactured annually for the American market by partner Steyr Automotive.

## Changes in the Executive Board

Alexander Susaneck took over the position of COO on July 1 2023.

Maria Koller appointed to the Executive Board as Chief Human Resource Officer (CHRO) in January 2024.



# NUMBER 1 IN THE WORLD



**Global market leader for crane and lifting solutions with revenue of EUR 2.45 billion in 2023**



**Present in all regions with 30 production sites and around 5,000 service centers**



**Around 12,700 employees (excluding contract workers) at the end of 2023**



**Revenue distribution by region 2023:**

60% EMEA

25% NAM

5% LATAM

5% CIS\*

5% APAC

\* The value of all assets in Russia amounts to approx. EUR 140 million



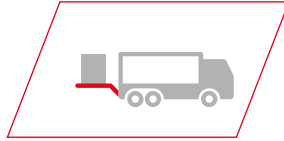
# INNOVATIVE AND POWERFUL PRODUCT PORTFOLIO



LOADER  
CRANES



TIMBER/ RECYCLING



TAIL LIFTS



MARINE  
CRANES



DAVITS



PASSENGER  
SYSTEMS



ACCESS  
PLATFORMS



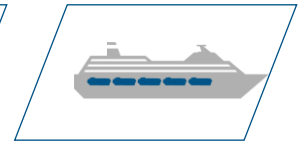
TURNKEY  
SOLUTIONS



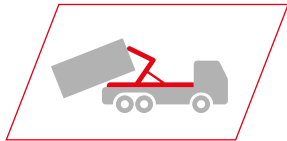
DIGITAL  
SOLUTIONS



OFFSHORE  
CRANES



BOATS



HOOK LIFTS &  
SKIPLOADERS



TRUCK MOUNTED  
FORKLIFTS



RAILWAY  
SYSTEMS



WIND  
CRANE



WINCHES

The right solution for every challenge

# RESILIENCE THROUGH INDUSTRY DIVERSITY



> 40% Construction



> 10% Forestry



> 10% Waste Mgmt & Recycling



> 5% Transport & Logistics



~ 5% Public Sector



~ 5% Rental



~ 5% Offshore | Oil and Gas



< 5% Railway



< 5% Offshore Wind



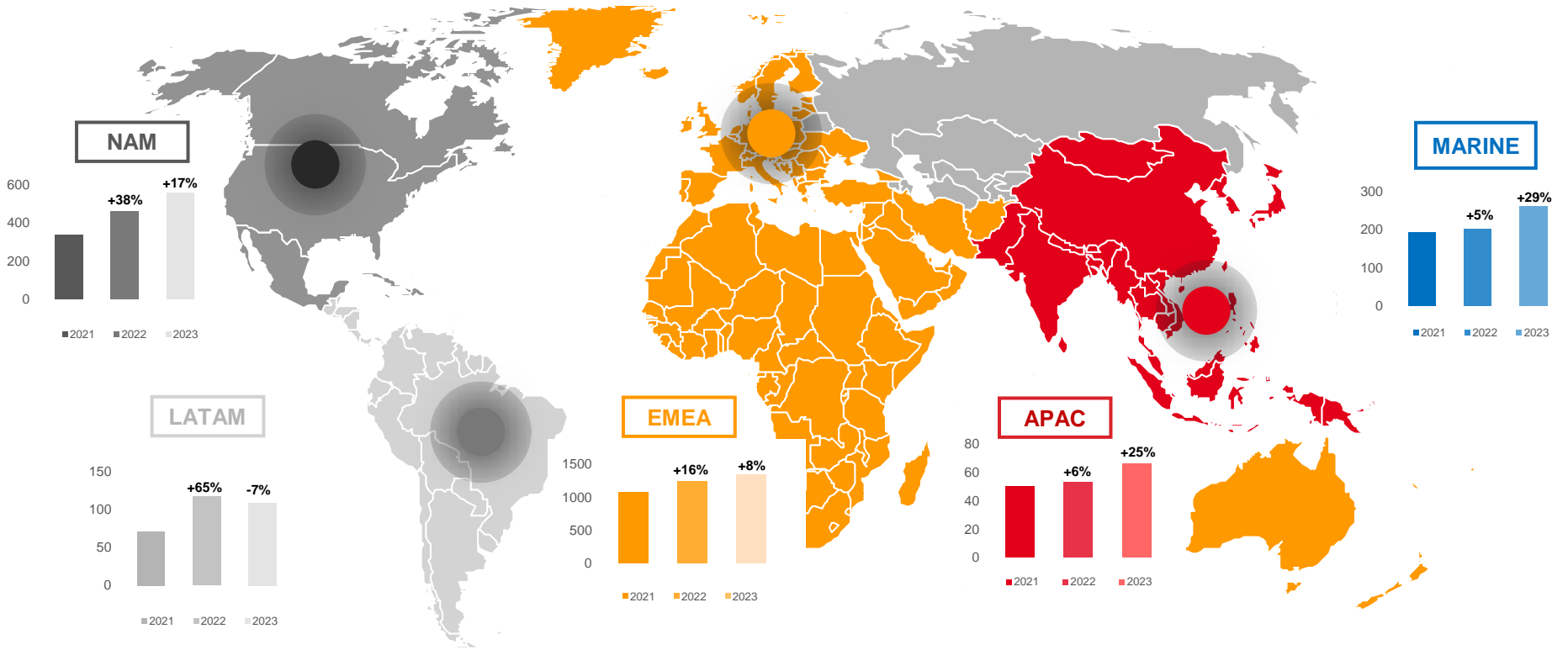
< 5% Aquaculture & Fishing



< 5% Passengers | Cruise



# STRONG REVENUE DEVELOPMENT IN ALL REGIONS





# POSITIVE DEVELOPMENT IN THE MARINE REGION, +40 % ORDER INTAKE IN 2023



**AKER BP**  
electric, remoted operated, offshore  
cranes on unmanned platforms



**CABLE LAYING VESSEL  
CRANES** (Lifeboats & Davits)



**MARINE CRANE WITH BERGEN  
HYDRAULIC**  
Distributor contract signed



**CRUISE ORDER FOR ICON -  
MEYER TURKU** (Boats & Davits)



**CRUISE ORDER FOR EDGE -  
CDA** (Boats & Davits)



**OFFSHORE CRANES FOR SIEMENS  
GAMESA**

# AS A PREMIUM SUPPLIER, PALFINGER PROVIDES PREMIUM SERVICES

- ▣ Globally organized service with **over 300 distributors** and around **5,000 service partners** worldwide.
- ▣ **24-hour spare parts delivery** within Europe. EMEA dealers are supplied by **service hubs** in **Lengau (AT)**, **Bremen (DE)** and **Toulouse (FR)**. Other PALFINGER regions have their own central warehouses.
- ▣ **Smart functions and services** along the entire **customer journey** including the **product configurator**, the **digital crane control system „Smart Control“** and the smart service approaches within **„PALFINGER Connected“**.



**PALFINGER**



# SUSTAINABILITY AS A KEY DRIVER OF STRATEGIC AND OPERATIONAL ACTION



**FOR THE LIVING PLANET WE ALL DEPEND ON**

Fewer emissions



Positive impact on the value chain

Greenhouse gas emissions as CO<sub>2</sub> equivalents (Scope 1 and Scope 2)

31,913 t in CO<sub>2</sub> equivalents

Power from renewable energy sources

75 percent

**FOR ALL THE PEOPLE WE TOUCH**

Safe & healthy on all levels



Qualified & diverse workforce

Accident rate

TRIR 11.55

International employees at headquarters

26.4 percent

**FOR THE FUTURE-FORWARD WAY OF DOING BUSINESS**

Our values obliges



Focus on Governance & Transparency

Number of proven cases of corruption

0 cases



164'' 165  
170'' 170.79  
184'' 184  
170'' 172  
164'' 165



**PALFINGER**

**ALEXANDER  
SUSANEK  
COO**



# BROAD SPECTRUM OF EXPERIENCE FROM PREVIOUS JOBS



## ▪ Chief Operating Officer since 07/2023



- Head of Global Engine Production Network
- Plant Manager Engine Plant, Austria
- Assembly Manager Car Assembly
- Head of Prototyping

2023



2014



- Plant Manager Truck Assembly, Poland
- Several leading functions in headquarters and Munich plant

2014



2005



- Master's in Business Administration
- PhD in Economics and Management
- Master's in Engineering

2005



1994



# MAINTAINING MARKET LEADERSHIP POSITION THROUGH EFFECTIVE PRODUCT DEVELOPMENT



## PLM&E

- 6 product lines
- 3 technology centers
- 700 engineers

## Key topics 2023

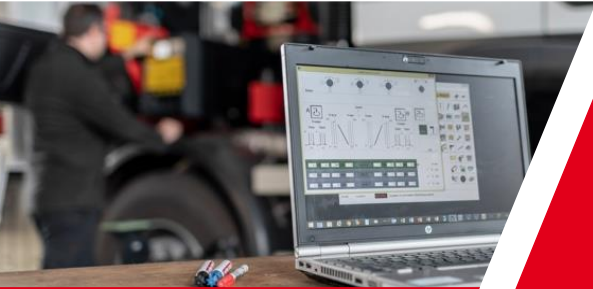
- New TEC-line for Loader Cranes
- Launch Gen3 Timber & Recycling Cranes on-road
- Development partnership with Aker BP

## Challenges 2024

- Further development of the product portfolio
- Reduce time-to-market and complexity
- Improve performance of Access Platforms



# STRATEGIC PARTNERSHIPS WITH SUPPLIERS NEED TO BE INTENSIFIED



## PROCUREMENT

- EUR 1.45 billion purchasing volume
- 7,000 suppliers
- 120 procurement employees

### Key topics 2023

- Cost reductions
- Increase delivery performance
- Strategic partnership with Steyr Automotive

### Challenges 2024

- Expanding supplier base in NAM
- Develop strategic partners
- Optimize supplier portfolio





# OPTIMIZATION OF SUPPLY CHAIN MANAGEMENT IS KEY FOR REDUCING INVENTORIES AND IMPROVING CASH FLOW

**PALFINGER**



## SCM

### Key topics 2023

- Stabilize supply chain after COVID
- Establish SCM organization
- Shut down Krefeld and Harderwijk

### Challenges 2024

- Supply chain and operations planning
- Footprint and Make-or-buy
- Transport and package planning

- Reduce inventories by at least EUR 50 million
- Streamline end-to-end planning processes
- Further develop and optimize production network





# UNCERTAIN MARKET DEVELOPMENTS REQUIRE FLEXIBLE ADJUSTMENTS OF CAPACITY



## OPERATIONS

### Key topics 2023

- Reorganize Löbau plant for access platforms
- Apply the best possible cost structure within the production network
- Optimize assembly lines in several plants

- 30 production sites
- Manufacturing, assembly and installation
- 5,900 employees

### Challenges 2024

- Flexibilization of capacities
- Increase productivity
- Reduce investment levels





**PALFINGER**

**MARIA KOLLER**  
**CHRO**

# BROAD EXPERIENCE AT INTERNATIONAL LEVEL

**PALFINGER**

- Chief Human Resources Officer since January 2024

**PALFINGER**

- Management functions as Vice President HR & Executive Vice President Global HR

**2023**



**2014**



- Several management functions as HR Director; responsible for AT, DE und EMEA
- Professional experience in Austria, Germany, France and England

**2014**



**1995**



Alcatel-Lucent  
Enterprise



- Master's degree in psychology with a focus on business psychology

**1995**



**1990**





# EXPANDING FUTURE POTENTIAL



## HUMAN RESOURCES

### Key topics 2024

- Further development of the GPO
- Diversity as a driver of corporate success
- Process optimization – balance between standards and lean
- Employer branding – values and culture



## LEGAL

### Key topics 2024

- Internationalization – establishment, development and expansion of the plant in Niš, Serbia
- Contract management – international project contracts (Go for Solutions)
- International shareholding management





**FELIX  
STROHBICHLER  
CFO**

**SEGMENT**

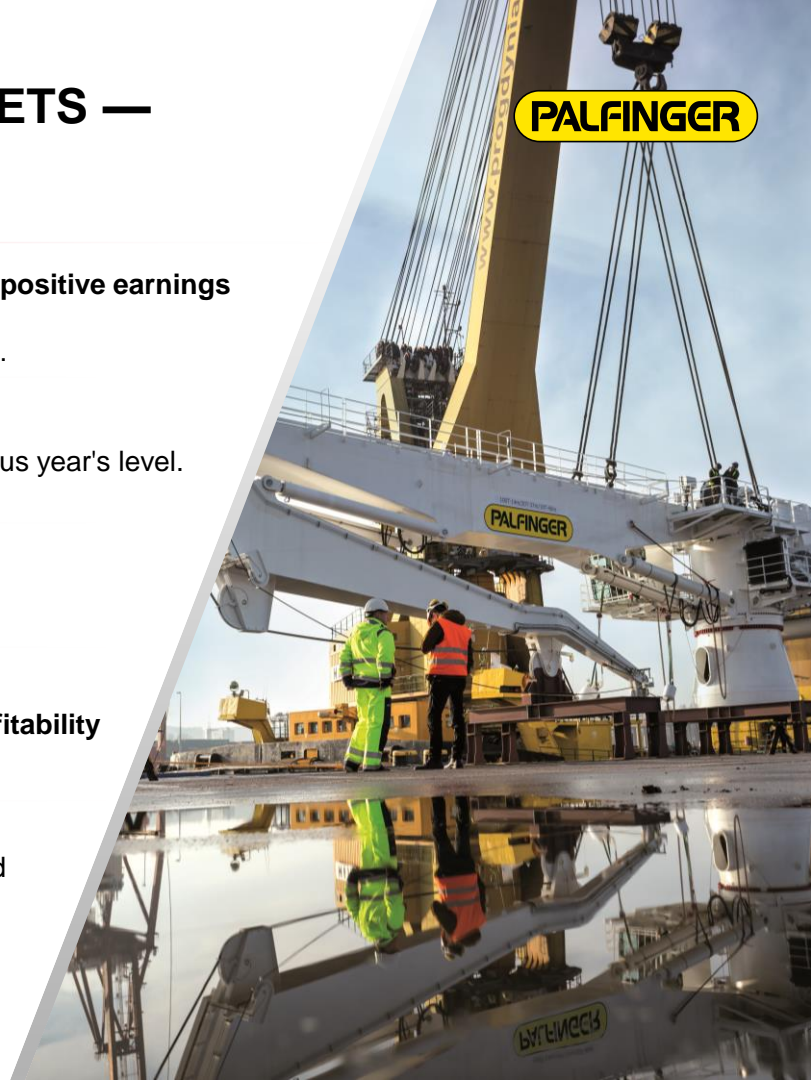
**SALES & SERVICE**



# NAM, APAC AND MARINE AS GROWTH MARKETS — PROFITABILITY INCREASES IN ALL REGIONS

- ❑ **NAM: Growth market with revenue increase of around 17 % and continued positive earnings development.**  
**LATAM: Strengthening market position** despite increasingly difficult environment.
- ❑ **APAC: High order intake for loader cranes, particularly in the future market of India.** Revenue and profitability significantly above the previous year's level. No improvement in China.
- ❑ **MARINE: Significant growth in cruise ship service and offshore business.**  
**Increase in revenue and profitability.**
- ❑ **EMEA: Low order intake** due to macroeconomic developments.  
**Significant increase in revenue across all product lines and improved profitability** due to the fully effective price increases compared to the previous year.
- ❑ **High inventory levels** due to low delivery reliability by truck manufacturers and bottlenecks in the installation network; **reduction of inventories in Q4/2023.**

**PALFINGER**



# RECORD REVENUE DRIVEN BY PRICE INCREASES AND GROWTH MARKETS

in EUR million	2021	2022 <sup>1)</sup>	2023	Δ%
External revenue	1,705.1	1,969.3	<b>2,237.5</b>	+13.6 %
EBITDA	205.1	172.9	<b>232.8</b>	+34.6 %
EBIT	166.5	149.9	<b>207.7</b>	+38.6 %
EBIT margin	9.8 %	7.6 %	<b>9.3 %</b>	–

in EUR million	2021	2022 <sup>1)</sup>	2023	Δ%
Order book	1,254.5	1,530.8	<b>1,215.8</b>	-20.58 %
Share of service business	15.4 %	16.5 %	<b>15.1 %</b>	

<sup>1)</sup> Prior-year figures for 2022 were retroactively adjusted to the new segmentation structure.



A close-up photograph of an industrial robotic arm in a factory setting. The arm is dark and metallic, with a yellow PALFINGER logo on its upper section. It is actively engaged in a task, producing a shower of bright orange sparks. The background is blurred, showing other industrial equipment and lights.

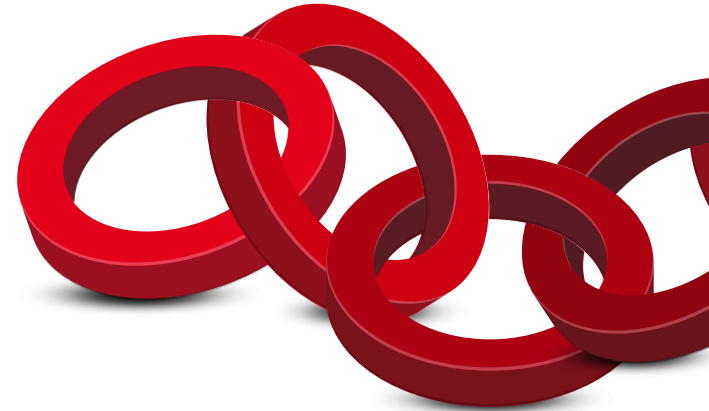
**PALFINGER**

**SEGMENT**

**OPERATIONS**

# GOOD CAPACITY UTILIZATION AT PLANTS DESPITE ECONOMIC SLOWDOWN

- ▣ **Reduced external revenue in manufacturing for third parties** due to the more difficult economic environment
- ▣ Thanks to **improved supply chains** and **increased delivery reliability** **production backlogs** were reduced.
- ▣ **From September 2023, weakening demand in EMEA and LATAM had an impact on production**, which meant that capacities had to be adjusted in the second half of the year in some cases.
- ▣ As a result of improved supply chains, the **focus in 2023** was **on optimizing production processes and increasing productivity**.
- ▣ **Groundbreaking ceremony in Niš in September 2023** for new production plant — attractive wage cost levels and very good employee availability.



# IMPROVED PROFITABILITY BASED ON TRANSFER PRICES



in EUR million	2021	2022 <sup>1)</sup>	2023	Δ%
External revenue	136.4	203.6	155.3	-23.7 %
EBITDA	56.8	85.5	107.5	+25.7 %
EBIT	20.3	45.3	61.8	+36.4 %

<sup>1)</sup> Prior-year figures for 2022 were retroactively adjusted to the new segmentation structure.

# SEGMENT

OTHER NON-REPORTABLE  
SEGMENTS





## PRODUCT LINE TAIL LIFTS WITH NEW SET UP

- Tail lifts product line **spun-off** from the global PALFINGER organization (GPO) due to the **specific market segment requirements** and relatively **low synergies** with the other **product lines**; resulting in a shift of the product line to this segment.
- A **new organizational structure** and a **comprehensive catalog of cost-cutting measures** were **implemented**.
- The change in organization and segmentation **affected the EMEA business** of Tail Lifts in 2023 and the **NAM business from 2024**.
- The second part of this segment is the **Unit Holding**. This serves as a **cost pool for Group administration** and **strategic future projects**. The focus was on digitalization and innovation as well as aligning the organization for further growth.

The PALFINGER logo is displayed in a yellow rounded rectangle with a black border. The word "PALFINGER" is written in bold, black, uppercase letters.

# ONE-OFF EFFECT OF RESEGMENTATION, CURRENCY EFFECTS AND HIGHER HOLDING COSTS IMPACT EBIT

in EUR million	2021	2022 <sup>1)</sup>	2023	Δ%
External revenue	-	53.3	53.0	-0.6 %
EBITDA	-18.2	-28.8	-37.4	-29.9 %
EBIT	-31.8	-44.8	-59.3	-32.4 %

<sup>1)</sup> Prior-year figures for 2022 were retroactively adjusted to the new segmentation structure.

**PALFINGER**

**GROUP**

**PALFINGER**



# BY FAR THE BEST ANNUAL RESULT WITH RECORD DIVIDEND

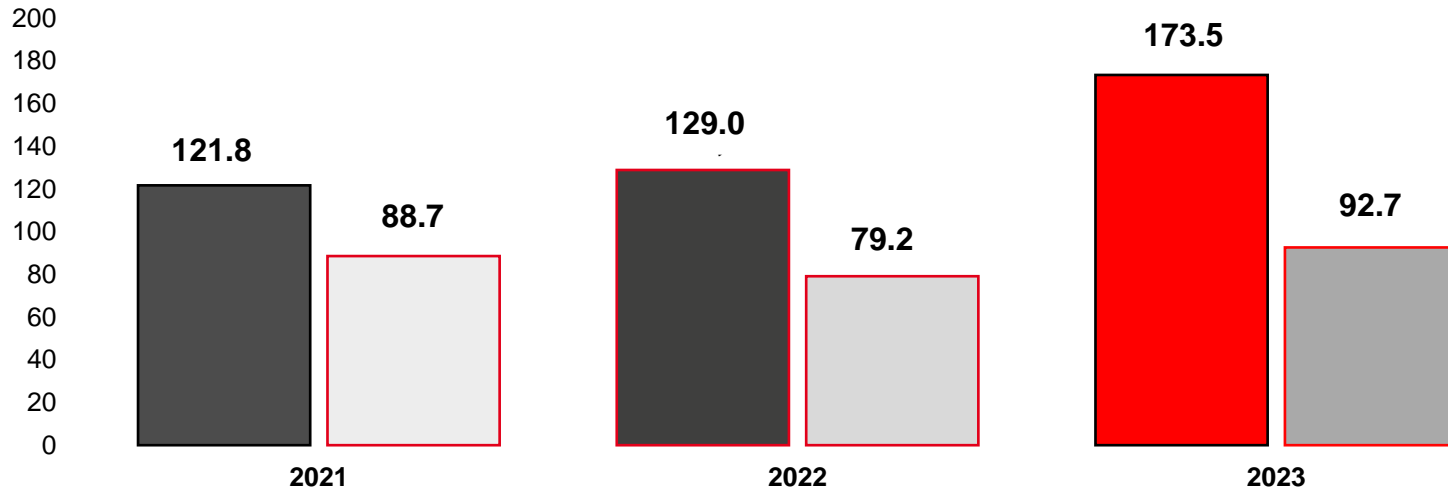


in EUR million	2021	2022	<b>2023</b>	<b>Δ% 2022/23</b>
Revenue	1,841.5	2,226.2	<b>2,445.9</b>	+9.9 %
EBITDA	243.7	229.6	<b>302.9</b>	+31.9 %
EBIT (operating result)	155.0	150.4	<b>210.2</b>	+39.8 %
EBIT margin	8.4 %	6.8 %	<b>8.6 %</b>	–
Consolidated net result	86.6	71.4	<b>107.7</b>	+50.8 %
Dividend/dividend proposal	€ 0.77	€ 0.77	<b>1.05 €<sup>*)</sup></b>	–

<sup>\*)</sup> Proposal to the Annual General Meeting  
In accordance with IFRS, slight rounding differences possible.



# MAJOR PROJECTS DRIVE INVESTMENT LEVELS



■ ■ Net Investments  
□ ■ Depreciation, amortization and impairment

# HIGH INVENTORY LEVELS CONTINUE TO AFFECT NET DEBT – IMPROVEMENT IN Q4/2023

in EUR million

	Dec. 31, 2021	Dec. 31, 2022	<b>31/12/2023</b>
Financial liabilities (FV) <sup>1)</sup>	537.0	685.2	<b>755.6</b>
Avg. interest debt <sup>2)</sup>	1.13 %	2.34 %	<b>3.85 %</b>
Avg. remaining term debt	2.43 years	3.24 years	<b>3.45 years</b>
Net debt	476.6	609.6	<b>668.1</b>

1) Including EUR 56.9 million leasing liabilities according to IFRS 16 (12/2022: EUR 46.7 million)

2) Excluding currency hedging costs.

In accordance with IFRS, slight rounding differences possible.

# NET DEBT/EBITDA RATIO AND ROCE SIGNIFICANTLY IMPROVED

in EUR million	Dec. 31, 2021	Dec. 31, 2022	<b>Dec. 31, 2023</b>
Equity	613.9	674.9	<b>715.5</b>
Equity ratio	36.3 %	34.5 %	<b>34.7 %</b>
Gearing	77.6 %	90.3 %	<b>93.4 %</b>
Net debt/EBITDA	1.96	2.66	<b>2.21</b>
ROCE*	11.2 %	9.4 %	<b>11.5 %</b>

\* ROCE = Ratio of NOPLAT and average capital employed (reporting date of previous year to reporting date of this year)

In accordance with IFRS, slight rounding differences possible.

# CLEARLY POSITIVE FREE CASH FLOW DESPITE HIGH INVESTMENT AND INVENTORY LEVELS

in EUR million

	2021	2022	2023
<b>EBTDA</b>	<b>233.5</b>	<b>212.9</b>	<b>266.0</b>
+/- non-cash income from at-equity companies	-23.9	6.6	-8.6
+/- change in working capital	-90.6	-127.4	-41.1
+/- cash flow from tax payments	-31.6	-46.0	-29.6
<b>Cash flow from operating activities</b>	<b>87.4</b>	<b>46.1</b>	<b>186.7</b>
+/- cash flow from investing activities	-137.4	-85.8	-165.7
<b>Cash flow after changes in working capital and investments</b>	<b>-50.0</b>	<b>-39.7</b>	<b>20.9</b>
+/- cash flow from interest on borrowings adjusted for tax expenditure	7.9	10.2	25.6
<b>Free cash flow</b>	<b>-42.1</b>	<b>-29.4</b>	<b>46.5</b>

In accordance with IFRS, slight rounding differences possible.



A close-up, shallow depth-of-field photograph of a compass rose. The needle is silver with a red tip, and the compass face is white with black markings. The background is a soft, out-of-focus light grey. The right side of the image is partially obscured by a large, semi-transparent red geometric shape that overlaps the compass.

# OUTLOOK 2024

# STABLE REVENUE AND GOOD PROFITABILITY FOR FIRST HALF YEAR 2024 EXPECTED



- Currently **weak economic environment** in **EMEA**, continued **positive development** expected in **NAM** and the **marine sector**.
- Focus on **optimizing working capital**, **strict CapEx management**, **increasing productivity** and targeted **cost reduction**.
- Order backlog gives visibility until the end of Q2/2024.
- For the **first half of the year**, PALFINGER expects a **stable revenue** compared to the previous year and a **good profitability**. There is **very limited visibility for the second half of 2024**.

*\*Experience shows that deviations in earnings figures from the previous year or from analysts' estimates are more pronounced in Q1 or Q2, as individual effects have a stronger percentage effect on the lower base, without this resulting in a deviation from the communicated guidance for the full year.*



# AMBITIOUS FINANCIAL TARGETS FOR 2027 REMAIN UNCHANGED

**#1**

**Market Leader for Crane and Lifting Solutions**

**EUR 3.0 billion\***

Revenue from organic growth

**10%**

EBIT margin

**12%**

ROCE

*\*Target for 2027 independent of business development in Russia*

**PALFINGER**



# Q&A

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