

29.09.2017 - 08:37 Uhr

EQS-Adhoc: Airopack Technology Group AG: Airopack reports production and sales growth

EQS Group-Ad-hoc: Airopack Technology Group AG / Schlagwort(e):
Halbjahresergebnis
Airopack Technology Group AG: Airopack reports production and sales growth

29.09.2017 / 08:34 CET/CEST

Veröffentlichung einer Ad-hoc-Mitteilung gemäss Art. 53 KR
Für den Inhalt der Mitteilung ist der Emittent verantwortlich.

Ad-hoc release / Press Release

Airopack reports production and sales growth

- Strong production growth in H1 2017 with 89% increase to 18.1 million Airopack dispensers
- Net loss of EUR 19.5 million due to scale-up of organization and production capacity for planned growth
- Substantial progress with multiple new EU and US based global customers
- Annual run rate of 200 million planet friendly aerosols expected end 2018

Baar, 29 September 2017 - Airopack Technology Group AG ("Airopack"), manufacturer of planet friendly aerosols, today announced its results over the first half of 2017. After the opening of the new Waalwijk factory in December 2016, the first half of 2017 was marked by strong growth in production volumes of Airopack dispensers, meeting the highest quality standards in the industry. With the further scale-up of the organization and production capacity, the company is on track towards an annual production and sales run rate of 200 million Airopack dispensers by the end of 2018. In the second half of 2017 the company expects production and sales volumes to continue to grow steadily.

Airopack produces a safe, all-plastic pressurized dispenser powered purely by air that is environmental and planet friendly. It was developed by Airopack Technology Group, which holds the relevant patents and is worldwide the sole producer of this unique dispenser.

Quint Kelders, Chief Executive Officer, said: "Our focus in the first half of 2017 was on a controlled ramp-up of production volumes of Airopack dispensers that meet the highest quality standards in the industry. We invested in a further expansion of our sales, marketing and production organization, to be ready for the planned growth with our expanded team of qualified employees. We made substantial progress in commercial discussions with new customers and passed their qualification tests for both the Airopack dispenser and our state-of-the-art plant in Waalwijk. We are building a solid and balanced sales pipeline to fill the scheduled increase of installed production capacity to 200 million Airopack dispensers annually and are satisfied to have secured the funding for the upscaling."

General

In the first half of 2017, good progress was made with scaling up the organization, production volumes and sales. While still in the middle of its production ramp-up phase, Airopack produced a total of 18.1 million Airopack dispensers in the first half of 2017, reflecting an 89% volume increase over the same period of 2016. Airopack is steadily increasing its monthly production

run-rates.

Due to continued strong customer demand and interest, the company started preparations to increase its production capacity from the initial 80 million to 100 million Airopack dispensers annually, requiring only minor additional investments in moulds expected to be delivered in the last quarter of 2017. A subsequent doubling of installed production capacity is anticipated through a modular expansion to 200 million Airopack dispensers annually over the course of 2018. Customers that have launched new product lines using the Airopack dispensing technology include Procter & Gamble for Gillette Venus shave gel, Edgewell for Bulldog shave gel, Abercrombie & Fitch for room spray, Morning Glory for shave gel, Saint Tropez Brands for sun care and Peritus Brands for clothing spray.

Airosolutions, the Belgian in-house Airopack full-service filling operation and developer and manufacturer of other innovative packaging solutions for personal care customers, successfully launched a new product for Beiersdorf.

At the end of June 2017, Airopack employed 163 people, compared to 93 employees by the end of June 2016.

Financial highlights

	in TEUR	in TEUR
General	HY 2017	HY 2016
Consolidated income statement		
Net sales	11'181	6'024
EBITDA	-10'390	-11'605
EBIT	-17'712	-14'566
Net result	-19'533	-16'226
Net result per share in EUR	-1.06	-1.15
Consolidated cash flow		
	3'814	3'867

Consolidated balance sheet

Cash and cash equivalents	12'157	6'784
Shareholders' equity	-16'336 1)	-15'183
Balance sheet total	98'292	82'669

1) See events after closing date

Sales

Net sales amounted to EUR 11.2 million, an increase of 86% over the first half of 2016. EUR 7.1 million of net sales were achieved by Airopack (ready-to-fill Airopack dispensers) and EUR 4.1 million came from Airesolutions (ready-to-sell-Airopack dispensers and other packaging solutions).

Result development

The effect of the scale-up of the organization and production capacity of Airopack's Waalwijk plant is clearly visible in the results for the first half of 2017. Although good progress has been made with the controlled ramp-up of production volumes in the first half of 2017, the actual production volume of

18.1 million Airopack dispensers was still substantially below the initial installed production capacity of 80 million annually during this ramp-up phase, thereby limiting the sales growth. At the same time, the Airopack management, sales, marketing and quality control organization is already sized to support production and sales growth well beyond 80 million Airopack dispensers annually.

The significant growth of production volume and sales in the first half of 2017 was therefore not yet sufficient to cover the enlarged fixed operating costs, which grew by EUR 3.8 million. EBITDA was slightly better than the same period last year, but still a negative EUR 10.4 million. This includes EUR 2.3 million of exceptional costs, mainly for consultancy services related to the development of production and quality systems.

Increased amortization and depreciation (EUR 7.3 million), financing costs (EUR 4.2 million) and positive income taxes (EUR 2.4 million) resulted in a net loss of EUR 19.5 million in the first half of 2017 against an EUR 16.2 million loss in the same period in 2016. The increase of amortization mainly relates to the goodwill paid with the acquisition of the 50% stake in the Airolux joint venture in May 2016 and the increase of depreciation mainly relates to investments in production equipment for the new facility in Waalwijk.

Outlook

In the first half of 2017 Airopack has made substantial progress with multiple new global key customers in the personal and home care markets in both the EU and the US by passing their stringent qualification tests for both the Airopack dispenser and the Waalwijk facility. Consequently, concrete contract negotiations with these new customers, including timing of market launches, volumes and prices, are now in an advanced stage.

Due to the robust commercial pipeline the Board of Directors approved on 21 June 2017 a plan to increase installed production capacity at the plant in Waalwijk from the initial 80 million Airopack dispensers annually to 200 million. This plan will see a first-step increase in installed production capacity to 100 million Airopack dispensers annually by the end of 2017 and the subsequent doubling of installed production capacity through a modular expansion towards 200 million Airopack dispensers annually over the course of 2018. As previously announced, the funding for this project has been secured with a combination of a capital increase for EUR 12 million, an additional EUR 10 million debt facility provided by funds managed by affiliates of Apollo Global Management, LLC as well as lease and factoring facilities provided by Rabobank and KBC Bank respectively.

Airopack expects production and sales volumes to continue to grow steadily in the second half of 2017. This is expected to result in an ongoing positive evolution of results through better coverage of the fixed production and organizational cost base and improved operational efficiency.

Airopack expects that it will reach EBITDA break-even at a production and sales run rate of 100 million Airopack dispensers annually.

Airopack's Board of Directors and Group Management remain confident that its medium-term goal of a run rate volume of over 700 million Airopack dispensers annually can be achieved, compared to a total aerosol market of 15.48 billion annual units as of the end of 2015*.

Events after closing date

As part of the funding of the expansion plan, a private placement of 1,228,955 registered shares in Airopack Technology Group AG with a nominal value of CHF 5.00 per share has been fully subscribed by investors at an issue price of CHF 10.65 each. The closing of this private placement and listing of the new shares in accordance with the Swiss Reporting Standard of SIX Swiss Exchange have taken place in July 2017.

* Source: Grand View Research, Inc., U.S.A., publication date: May 2016

The 2017 half year report is available for download on the ATG website www.airopackgroup.com under the link - investor relations - reports (<http://www.airopackgroup.com/en/investor-relations/reports>)

For more information:

For investors:

Airopack Technology Group AG
Quint Kelders, CEO / Liebwin van Lil, CFO

Zugerstrasse 76b
CH-6340 Baar
T: +31 416 300 800
E-Mail: quint.kelders@airopackgroup.com
E-Mail: liebwin.vanlil@airopackgroup.com

For media :

Hill + Knowlton Strategies
Frans van der Grint

T: 31 (0) 20 404 4707
E-Mail: frans.vandergrint@hkstrategies.com

Airopack Technology Group AG is a leading developer and supplier of mechanical and pressure-controlled dispensing packaging technologies and systems for manufacturers and suppliers of cosmetics, body care, home care, pharmaceutical and food products. The revolutionary and patented Airopack(R) technology offers a safe, all-plastic pressurized dispenser that is environmentally and planet friendly. Airopack Technology Group holds the patent and is worldwide the sole producer of this unique dispenser.

Airopack Technology Group operates a production facility for Airopack ready-to-fill dispensers in Waalwijk, The Netherlands and a full-service filling operation for ready-to-sell Airopack dispensers in Heist-op-den-Berg, Belgium, that also develops and manufactures other innovative packaging solutions for personal care customers . The Global Research and Development Team and the Airopack Global Management as well as the Customer Service Organisation are also based in Waalwijk, The Netherlands.

The shares of the company are listed on the Swiss Reporting Standard of the SIX Swiss Exchange since 2010. (Ticker: AIRN / ISIN: CH0242606942).

www.airopackgroup.com

Ende der Ad-hoc-Mitteilung-----

Sprache: Deutsch

Unternehmen: Airopack Technology Group AG

Zugerstrasse 76b

6340 Baar

Schweiz

Telefon: +41 417663500

Fax: +41 417663509

E-Mail: liebwin.vanlil@airopackgroup.com

Internet: www.airopackgroup.com

ISIN: CH0242606942

Börsen: SIX Swiss Exchange

Ende der Mitteilung EQS Group News-Service

614351 29.09.2017 CET/CEST

Diese Meldung kann unter <https://www.presseportal.ch/de/pm/100055997/100807463> abgerufen werden.