



Inventing success together

24

Presentation of Annual Report 2024
St. Margrethen | March 7, 2025

Today's speakers

Welcome!

Jens Breu, Chief Executive Officer



Volker Dostmann, Chief Financial Officer



Agenda

01	Positioning	Jens Breu
02	Key takeaways	Jens Breu
03	Segment development	Jens Breu
04	Key financials	Volker Dostmann
05	Outlook 2025	Volker Dostmann
06	Q&A	All

Positioning

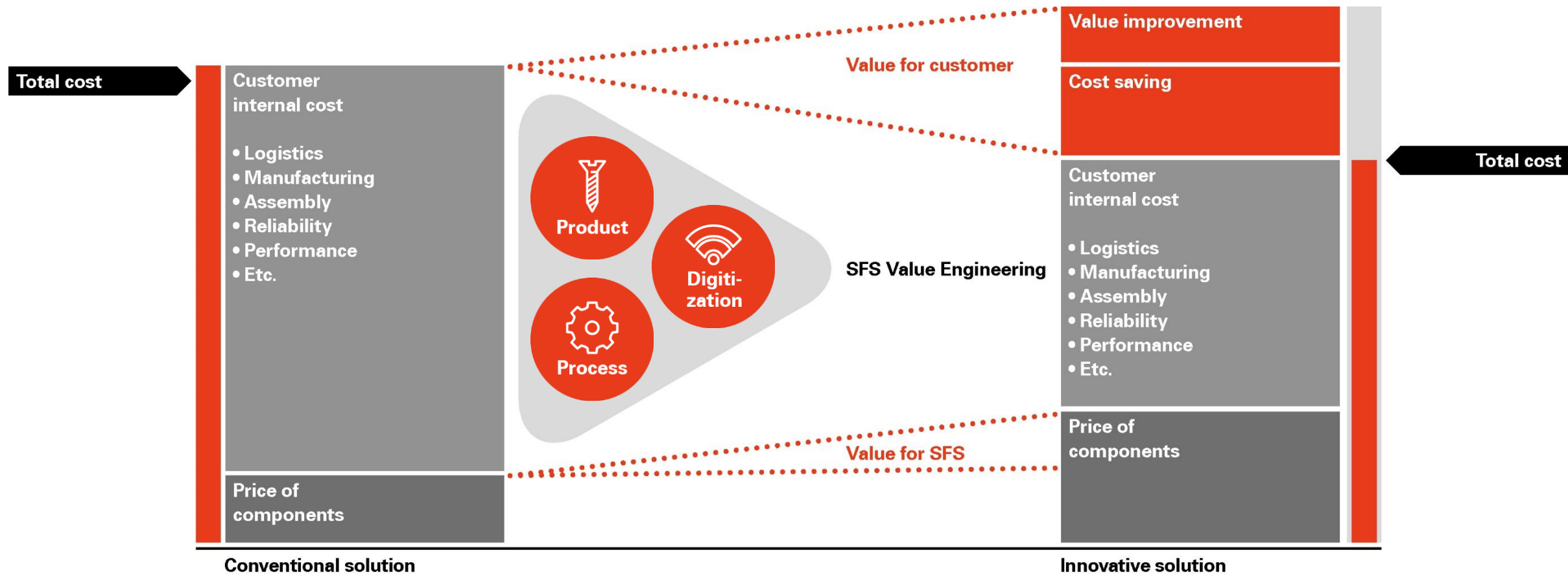
Mission critical products for selected end markets

We are by your side – 24/7



SFS value proposition

Inventing success together



Value Engineering

Three business models for specific end markets

Engineering Partner

Automotive

Electronics

Medical &
Industrial
Specials



Solution Provider

Construction



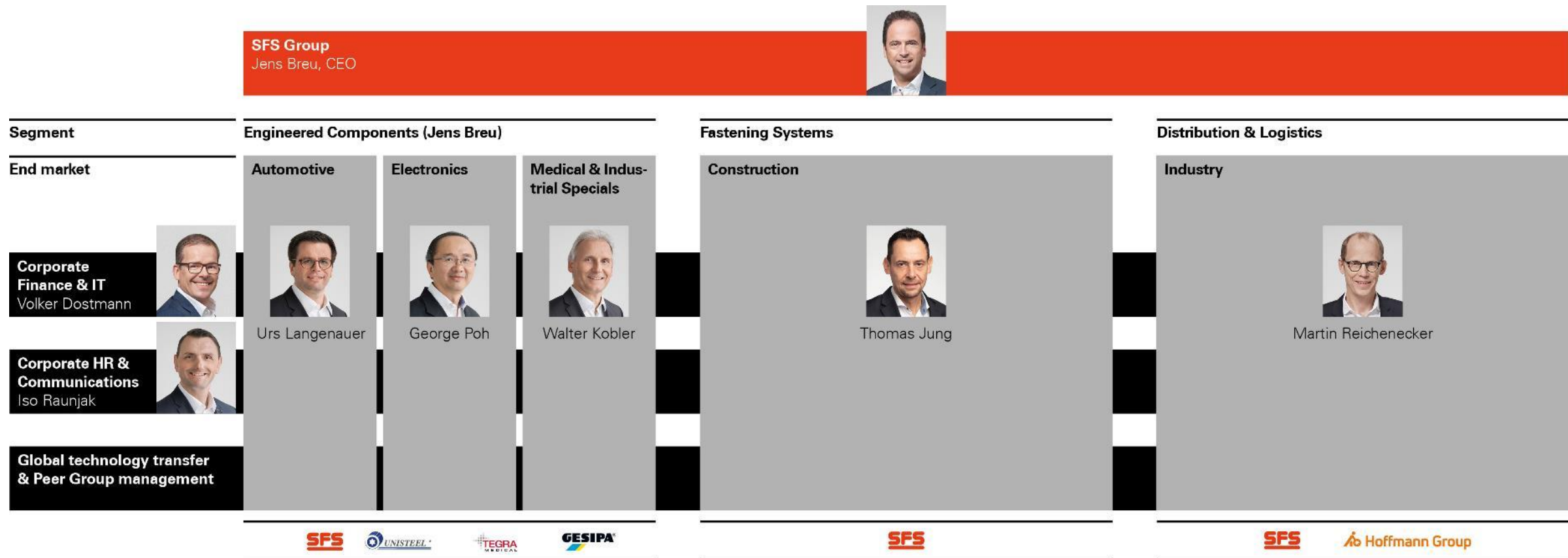
System Supplier

Industry



Organizational structure

Clear focus on end markets, high level of autonomy



Key takeaways

2024 at a glance

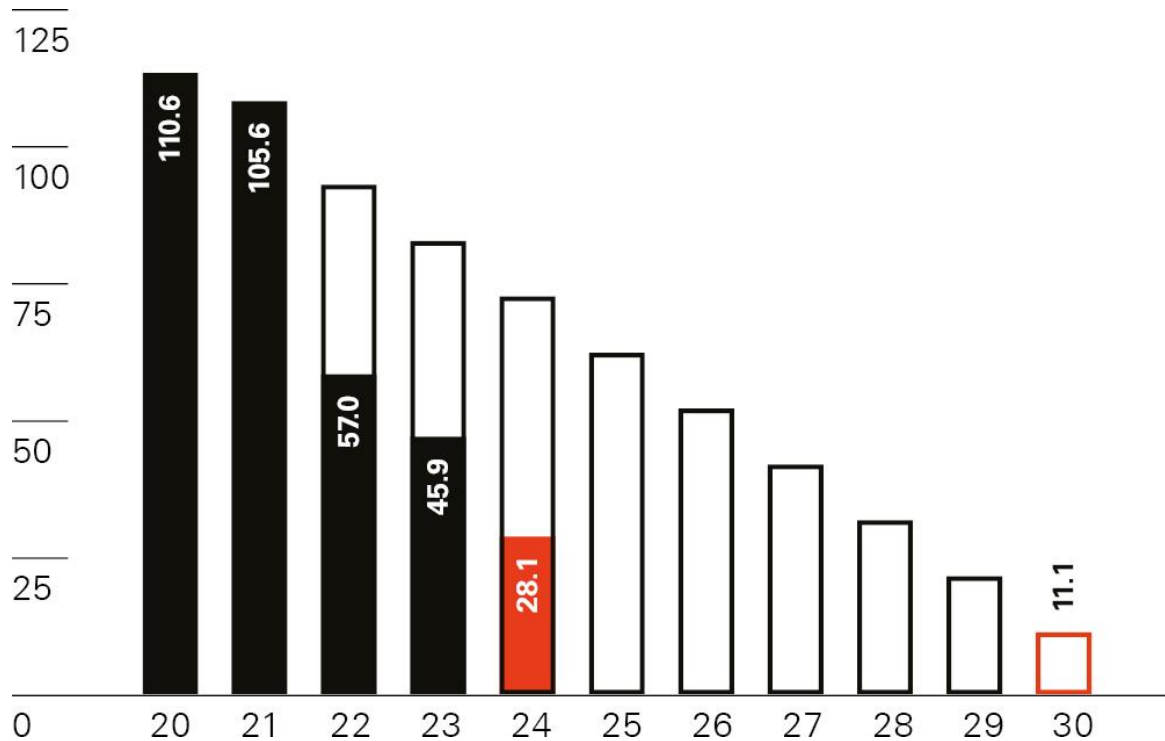
Stable positioning

- Despite challenging economic environment, SFS achieved good results and met most of its targets set
- Third-party sales of CHF 3,039.0 million generated (–1.7% vs. PY)
 - Organic sales growth of +0.1% demonstrates successful market positioning
 - Persistently strong negative currency effects of –1.9%
- Operating profit (EBIT) of CHF 350.2 million (PY 358.6 million) significantly impacted by mix effects, lower capacity utilization in Fastening Systems and Distribution & Logistics segments, elevated cost base due to inflation and ongoing appreciation of CHF.
Solid EBIT margin of 11.6% (PY 11.7%) in light of economic environment
- EPS of CHF 6.21 (PY CHF 6.84) burdened by economic environment, currency- and tax effects
- With CHF 148.9 million (PY CHF 174.0 million) in growth-related investments, substantial reduction in CAPEX could be achieved while continuously ramping-up key projects
- SAP migration to S/4 HANA completed successfully and to a high quality standard
- Further organizational changes to strengthen customer focus initiated

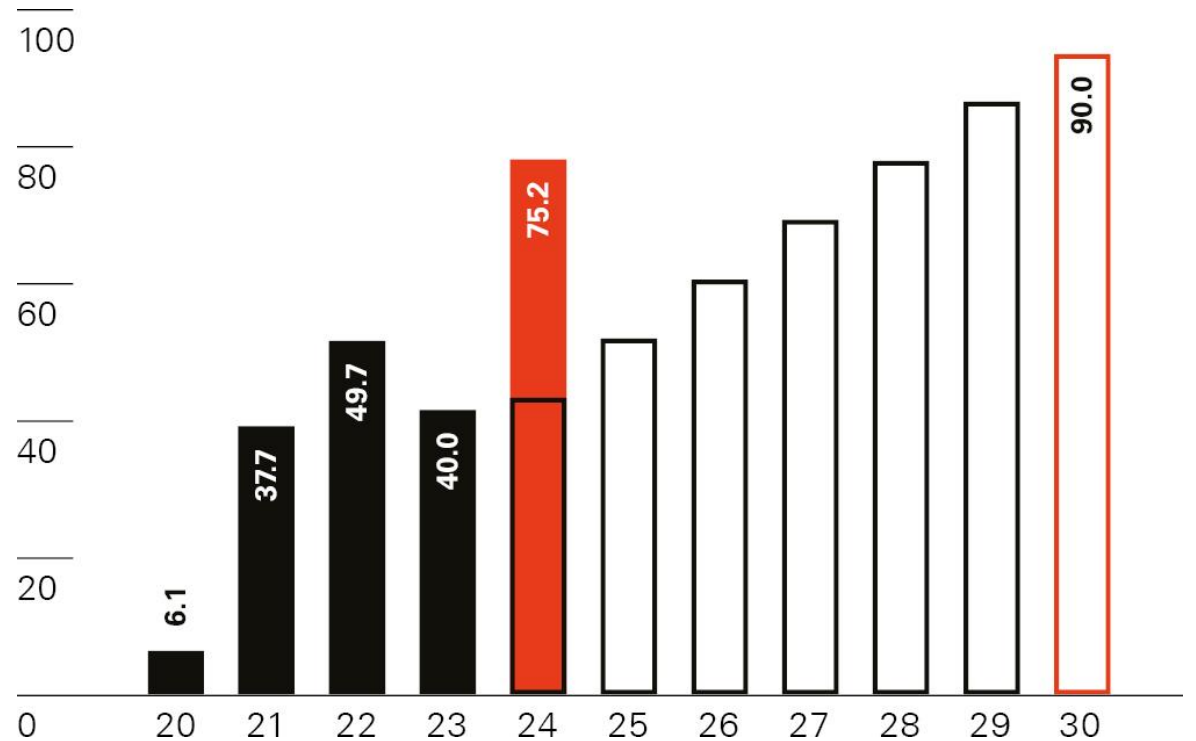
Key takeaways | Environment

On track to achieve targets

Emissions reduction (Scope 1+2) by -74.6% vs. 2020
CO₂ emissions in metric tons/million value-added francs



Interim target for renewable electricity already met
Share of renewable electricity in total electricity demand in %



Key takeaways | Social

Dual education secured, accident rate slightly higher

Training and development targets successfully confirmed

Number of employees in education and training programs in %

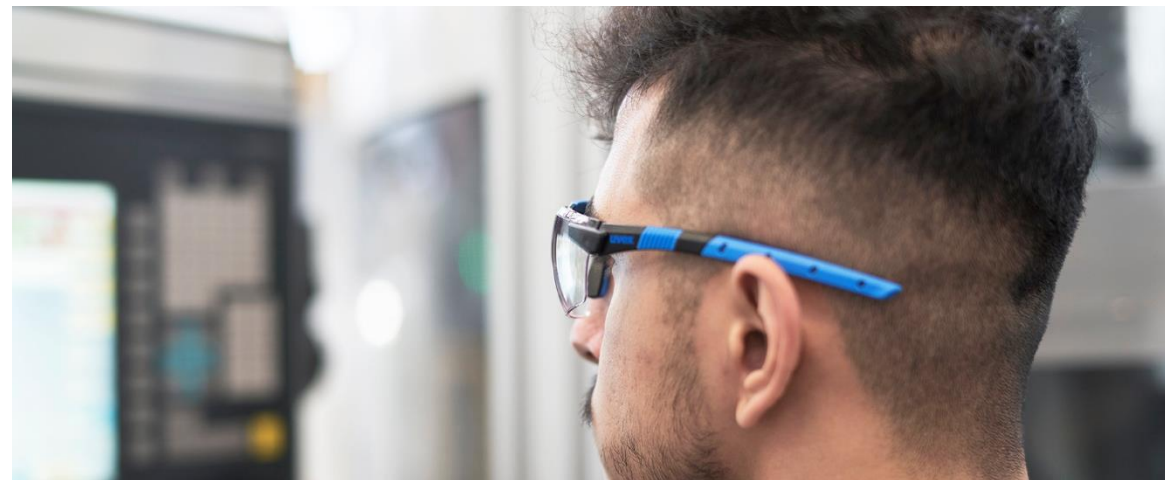
6.3



Slight increase in accident rate

Number of accidents per million hours worked

4.1



Segment development

Headlines Engineered Components (EC) segment

Positive financial development

- Good organic growth and distinct rebound in profitability
- Development in 2H slightly below expectations mainly due to developments in European automotive end market
- Strong recovery in demand for Nearline HDD for data centers
- Ramp-up of major strategic product groups in Automotive and Electronics continuously ongoing
- Investments in capacity expansion projects in Automotive (CH), Electronics (CN), Medical & Industrial Specials (CR) largely concluded
- Good positioning and growth potential based on existing ramp-up projects and new initiatives

Key figures Engineered Components				
in CHF million	2024	+/-%	2023 restated ¹	2023 reported
Third-party sales	1,115.4	1.6	1,097.5	987.7
Organic growth		3.7		
Net sales	1,124.9	2.0	1,102.8	989.2
EBITDA	236.2	16.0	203.6	179.4
in % of net sales	21.0		18.5	18.1
Operating profit (EBIT)	155.2	25.5	123.7	104.2
in % of net sales	13.8		11.2	10.5
Operating profit (EBIT) adjusted	155.2	25.5	123.7	104.2
in % of net sales	13.8		11.2	10.5
Average capital employed	923.8	3.0	897.2	824.9
Investments	106.1	-16.5	127.1	124.6
ROCE in % ²	16.8		13.8	12.6
CO ₂ emissions in metric tons/million value-added francs (Scope 1+2)	38.9	-53.0	82.7	87.5
Share of renewable electricity in %	76.4		28.8	26.7
Employees (FTE)	7,394	5.0	7,045	6,529
Accident rate in quantity/million hours	3.0	0.0	3.0	2.9

¹The previous year's figures were adjusted to the new segment composition for better comparability.

²EBIT adjusted in % of average capital employed

Headlines Fastening Systems (FS) segment

Market access further expanded

- Challenging market environment only improving in Q4, resulting in organic sales decline vs. PY
- Despite market conditions, segment's EBIT margin expectation was met
- Market access in Europe and NA expanded:
 - Acquisition of Etanco (Spain, May 1)
 - Acquisition of EPRO (Slovenia, October 1)
 - Acquisition of PFS (USA, November 1)
- Manufacturing capacity expansion in Exeter (USA) started
- Important new products successfully launched
- As of January 1, 2025, Construction division disbanded and transferred to FS segment

Key figures Fastening Systems

in CHF million	2024	+/-%	2023 restated ¹	2023 reported
Third-party sales	480.6	-4.9	505.5	615.3
Organic growth		-3.8		
Net sales	488.5	-5.2	515.3	626.3
EBITDA	80.6	-4.6	84.5	108.7
in % of net sales	16.5		16.4	17.4
Operating profit (EBIT)	68.8	-6.5	73.6	93.1
in % of net sales	14.1		14.3	14.9
Operating profit (EBIT) adjusted	68.8	-6.5	73.6	93.1
in % of net sales	14.1		14.3	14.9
Average capital employed	228.9	-4.8	240.5	312.8
Investments	18.5	-2.6	19.0	21.5
ROCE in % ²	30.1		30.6	29.8
CO ₂ emissions in metric tons/million value-added francs (Scope 1+2)	48.4	23.5	39.2	35.5
Share of renewable electricity in %	63.6		76.5	77.4
Employees (FTE)	2,046	5.8	1,934	2,450
Accident rate in quantity/million hours	7.1	-20.2	8.9	8.0

¹The previous year's figures were adjusted to the new segment composition for better comparability.

²EBIT adjusted in % of average capital employed

Headlines Distribution & Logistics (D&L) segment

Strategic position strengthened

- Restraint market momentum throughout entire financial year partially offset by onboarding of European distribution partner's warehouse
- Solid profitability thanks to prudent cost management and extensive range of products and services
- Ongoing drive for innovation, high focus on market introduction of digital solutions
- The two divisions of the segment have been merged into the Distribution & Logistics segment as of January 1, 2025, under the leadership of Martin Reichenecker
- Onboarding of two additional European distribution partners planned beginning of 2025

Key figures Distribution & Logistics

in CHF million	2024	+/-%	2023
Third-party sales	1,443.0	-3.0	1,487.8
Organic growth		-1.4	
Net sales	1,437.1	-2.8	1,477.8
EBITDA	159.0	-17.9	193.7
in % of net sales	11.1		13.1
Operating profit (EBIT)	128.7	-21.5	164.0
in % of net sales	9.0		11.1
Operating profit (EBIT) adjusted	128.7	-21.5	164.0
in % of net sales	9.0		11.1
Average capital employed	638.3	3.6	616.3
Investments	15.4	-24.5	20.4
ROCE in % ¹	20.2		26.6
CO ₂ emissions in metric tons/million value-added francs (Scope 1+2)	8.5	13.3	7.5
Share of renewable electricity in %	93.7		90.0
Employees (FTE)	3,769	-0.5	3,789
Accident rate in quantity/million hours	5.5	37.5	4.0

¹EBIT adjusted in % of average capital employed

Key financials

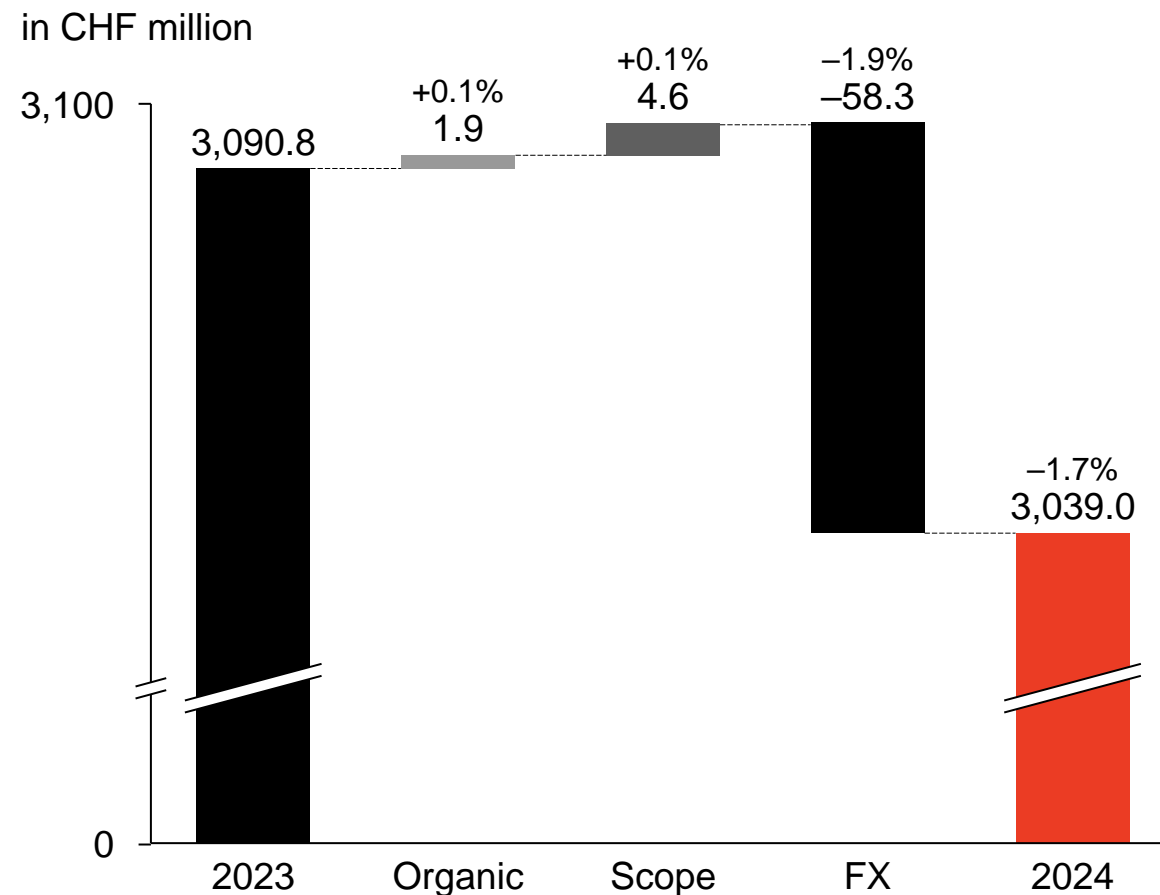
Sales bridge

Slight organic growth, negative FX effects ongoing

Organic growth	2024 ¹ CHF million	2024 ¹ %
EC segment	41	3.7
FS segment	-19	-3.8
D&L segment	-20	-1.4

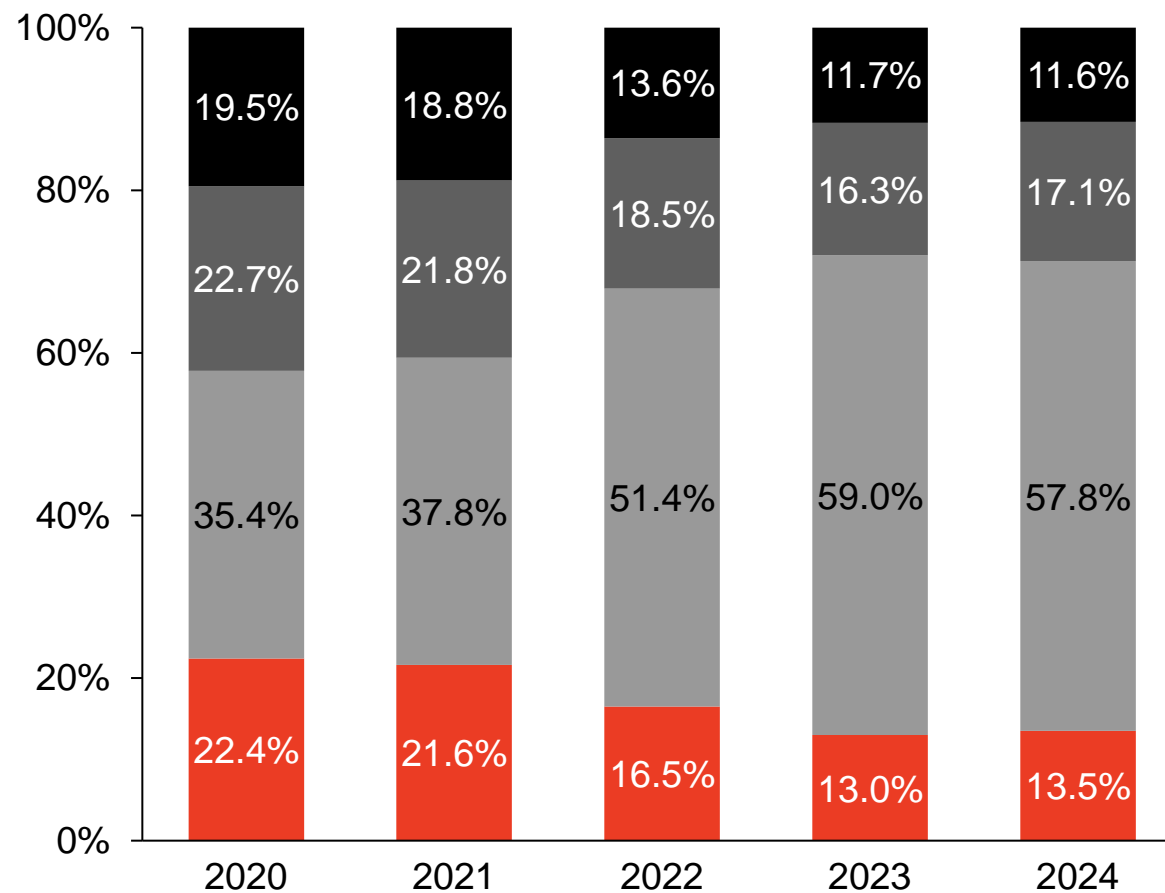
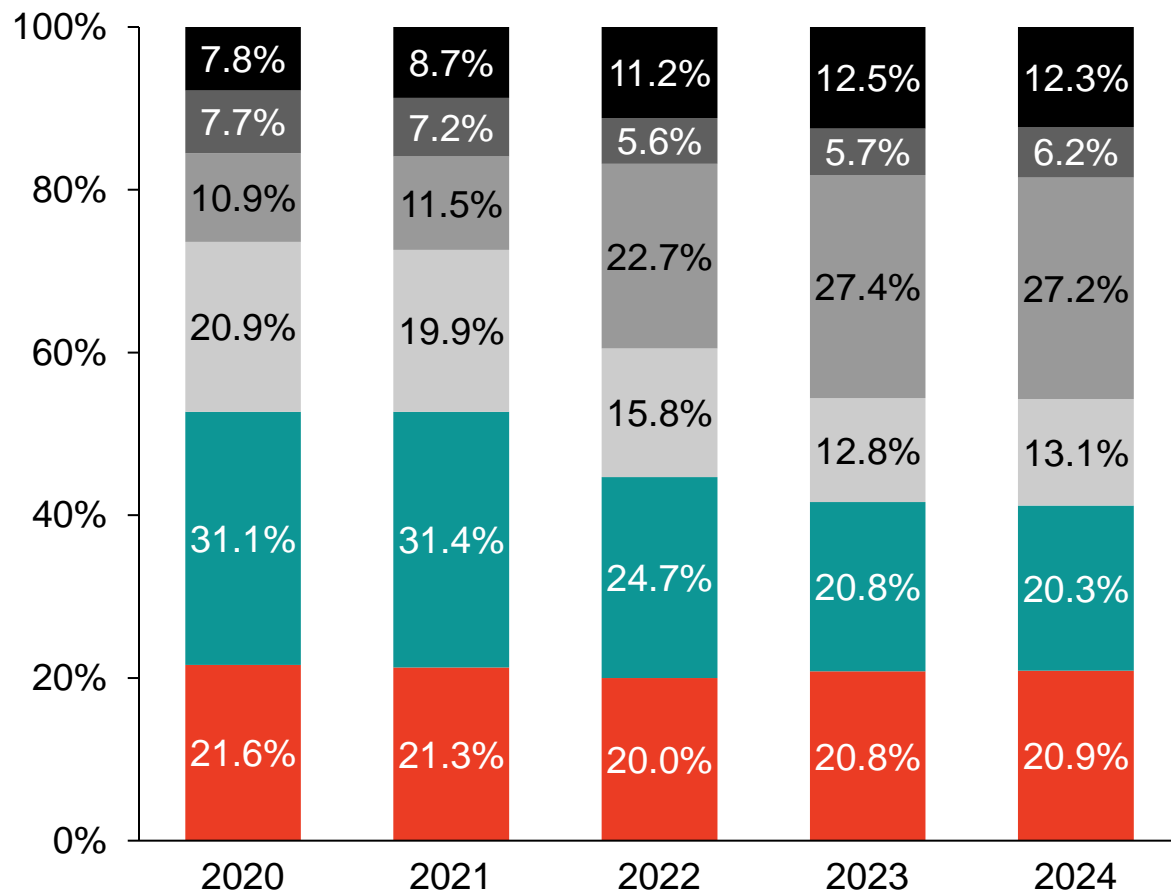
- EC segment positive development
- Slow-down in market demand in FS and D&L segments
- FX effects continuously negative

FX rate	ØYTD 2024	ØYTD 2023
EUR/CHF	0.953	0.972
USD/CHF	0.881	0.899



Sales breakdown

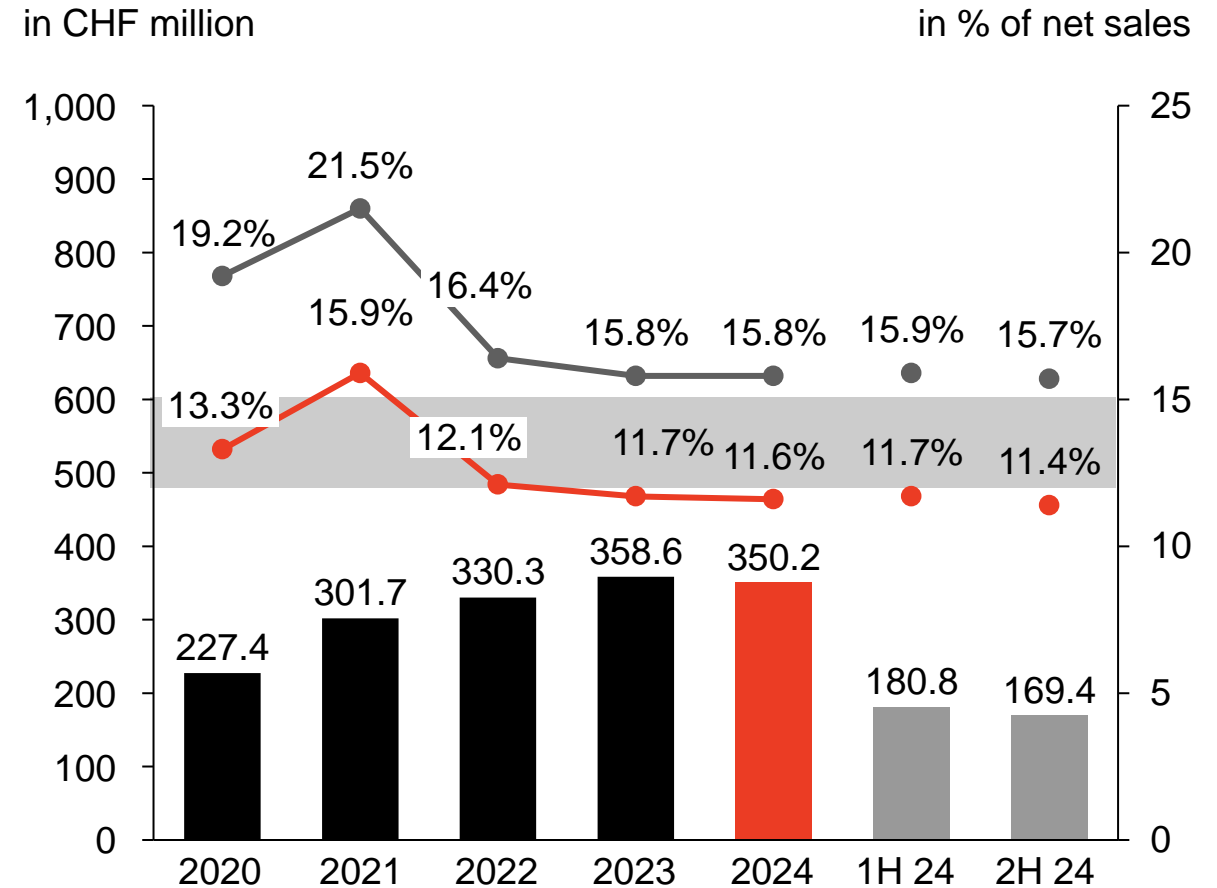
Industrial & Europe exposure visible



Operating profitability

EBIT margin at previous year level

- Development in 2H slightly below expectations:
 - Weakening of automotive industry in Europe
 - Improvement construction industry only in Q4
- Soft demand and lower capacity utilization impacting profitability of FS and D&L segments
- Contribution margin improved
- OPEX increase mainly due to higher PEX, impacting profitability negatively

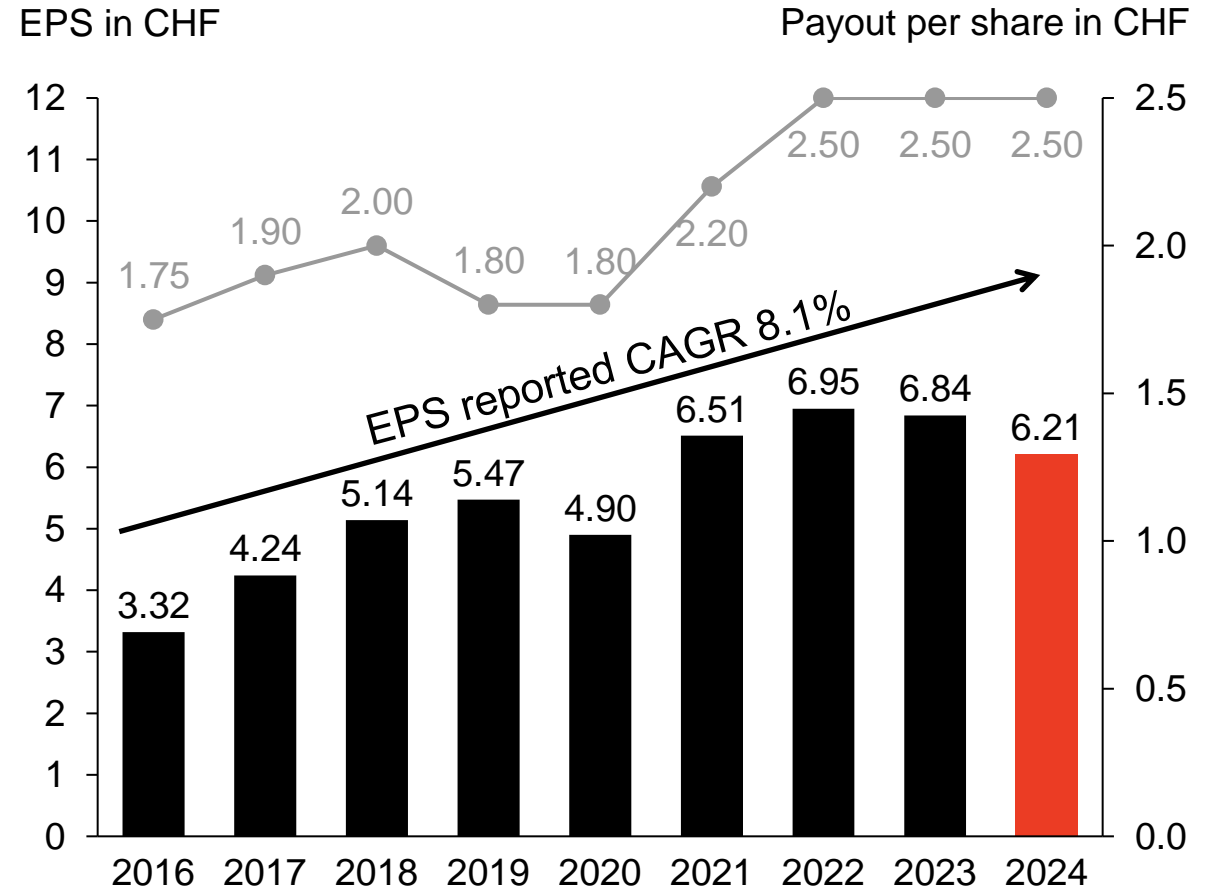


Earnings per share (EPS)

EPS decrease mainly due to financial result

EPS negatively impacted

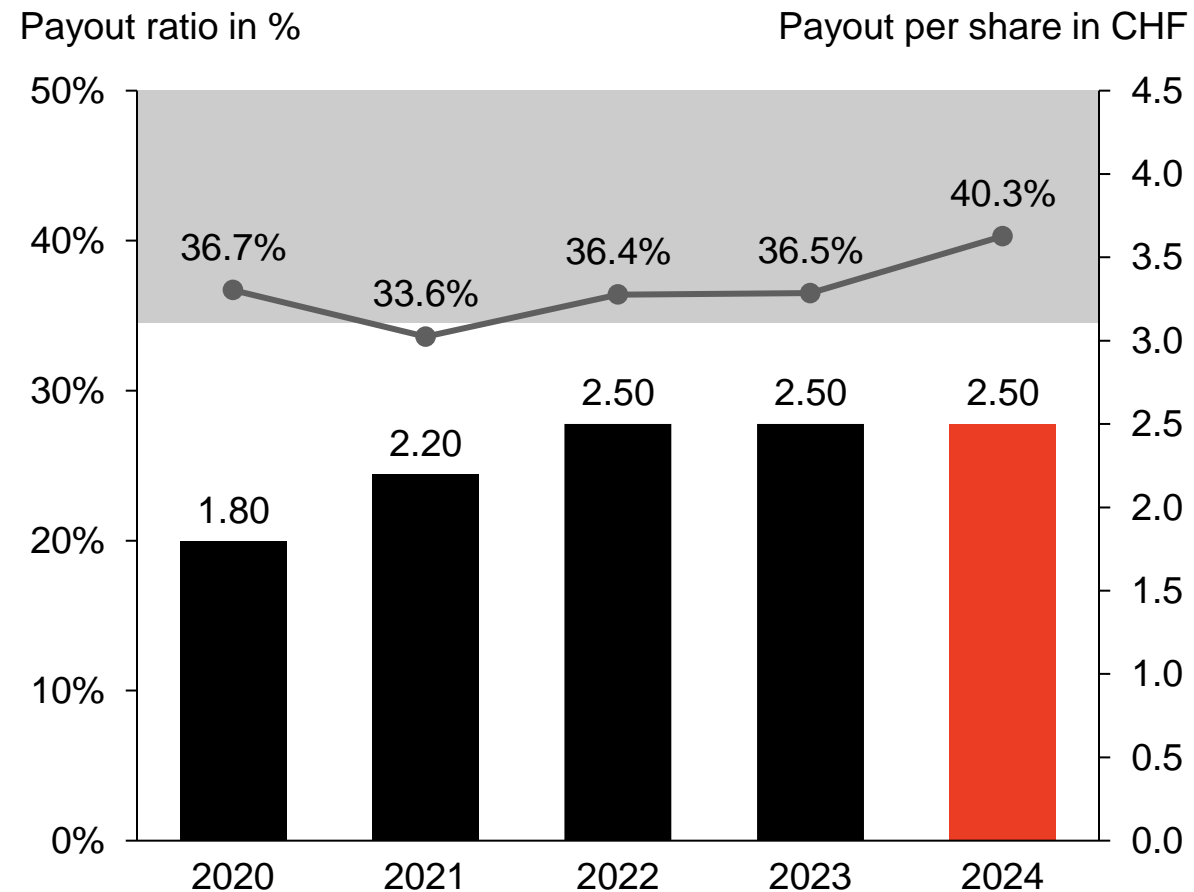
- CHF –8.4 million lower nominal EBIT
 - Impact –0.22 on EPS
- CHF –18.4 million negative financial income whereof
 - “unrealized FX revaluation”
 - CHF –6.4 million from EUR loan
 - CHF –3.5 million from USD equity loan amortization
 - Impact –0.47 on EPS
- Tax result negatively impacted by write-off of deferred tax asset of CHF –2.8 million
 - Impact –0.07 on EPS
- Adverse impacts (see above)
 - Impact –0.76 on EPS



Payout ratio

CHF 2.50 dividend payout

- BoD will propose a payout per share CHF 2.50
 - Thereof CHF 1.25 from retained earnings
 - Thereof CHF 1.25 from capital reserves
- Dividend yield ~2.0% (at share price CHF 125.6)



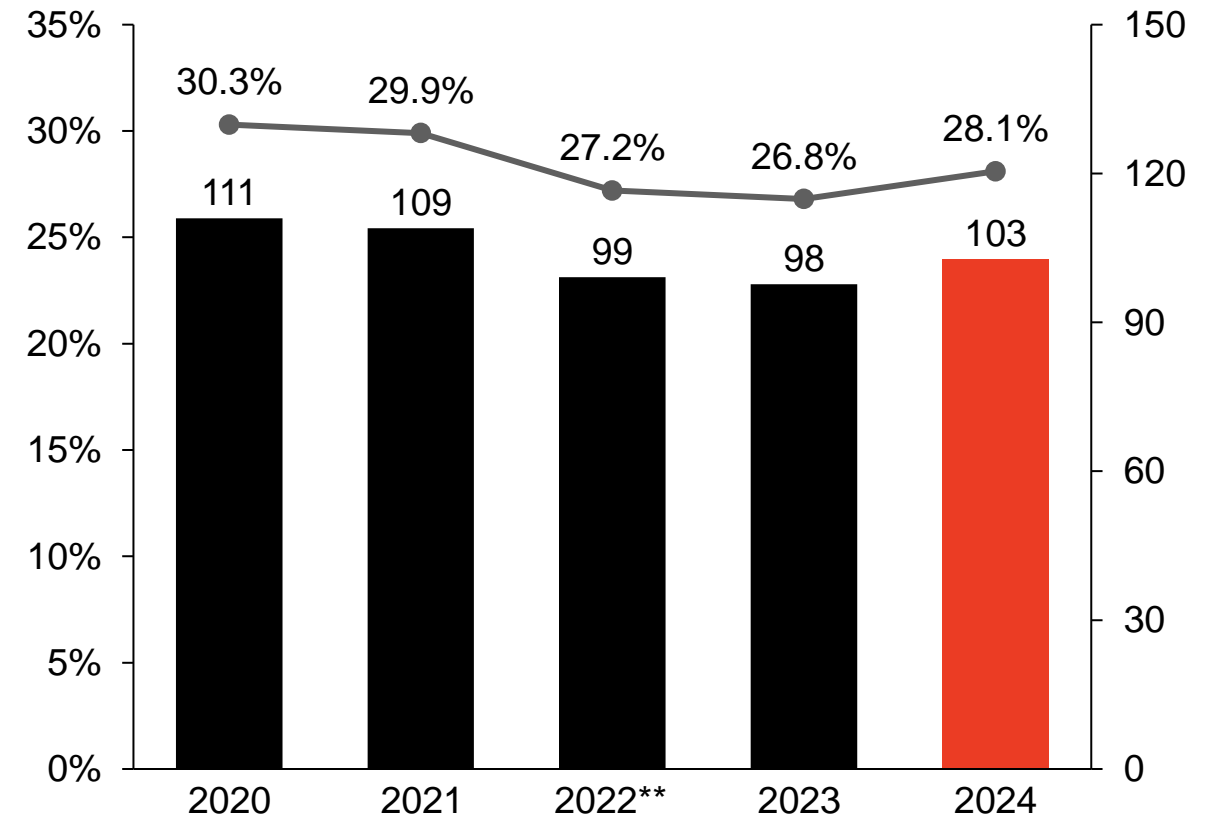
Net working capital

Priority on maintaining delivery reliability

- Excluding FX impacts, NWC simplified remains at previous year's level

NWC simplified* in % of net sales

C2C simplified in days

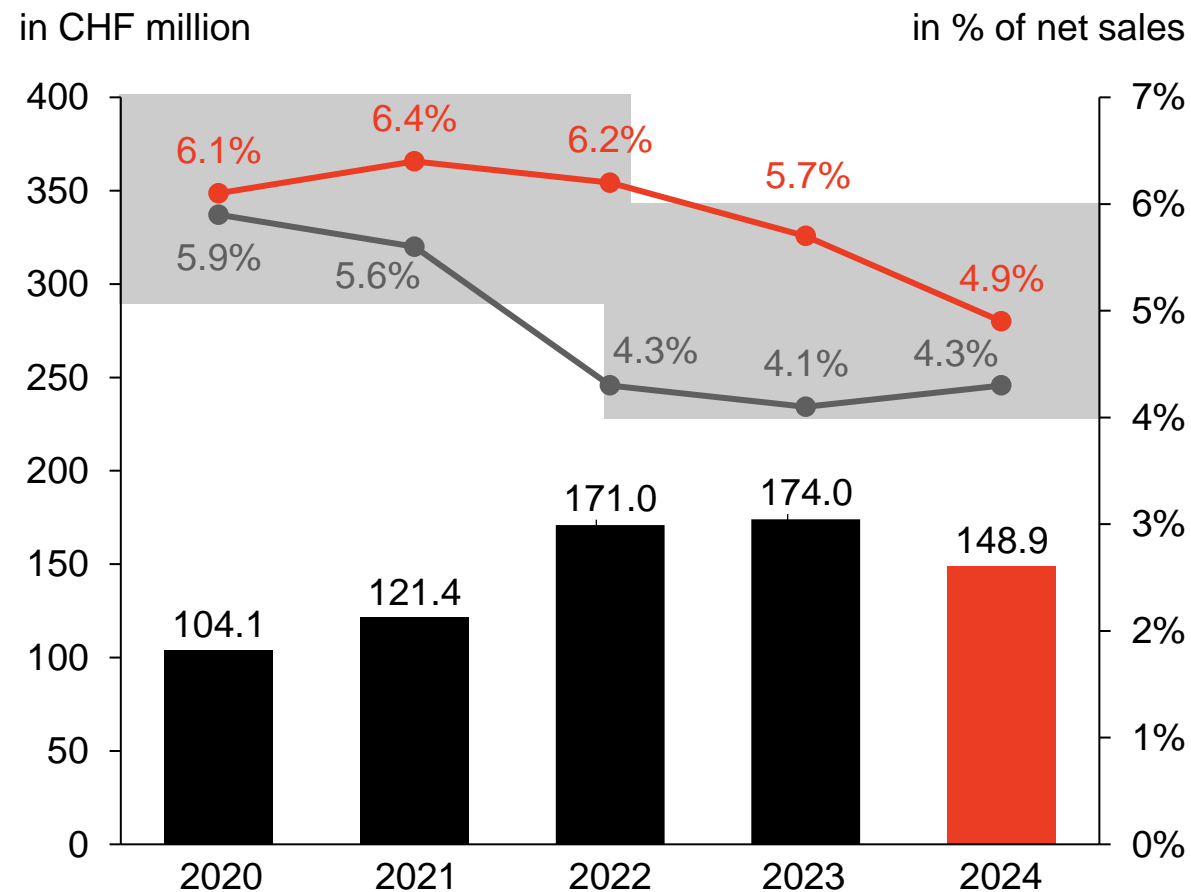


Capital expenditure

Substantial decrease

CAPEX spending by segment	2024 %	2023 %
EC	71	72
FS	12	12
D&L	10	12

- CAPEX well within target range of 4–6% of net sales
- Substantial reduction in growth-related expenditure due to completion of several expansion projects
- Key projects including:
 - Equipment for new production facility in Heerbrugg (Switzerland)
 - Expansion in Nantong (China)
 - Important ERP (S/4HANA) migration



Implementation SAP S/4HANA

Project successfully mastered

Business/IT workload

83,776 hrs
= 43 person-years

Global operations

2,300 users
20 countries
40 plants
29 warehouses

Major business interruptions

0

SAP roles built & assigned

1,330 built
15,509 assigned
(36,500 total)

Migrated data sets

1bn data sets
> 1m materials
> 2.7m part lists

Helpdesk resources back to normal

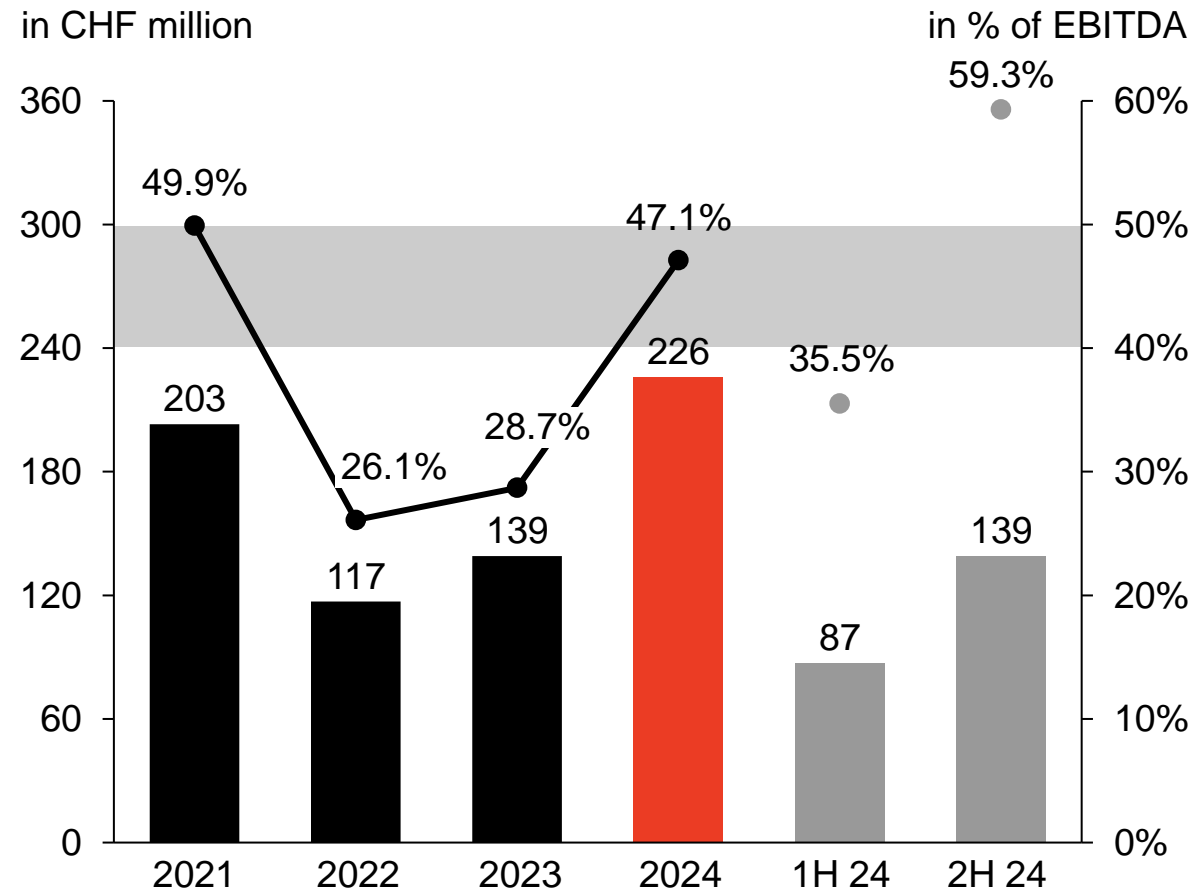
4 days after
Go-live

Operating free cash flow (OFCF)

Recovery to 2021 level

in CHF million	2024	2023
CF before changes in NWC	378	395
Changes in NWC	-3	-82
Cash flow from operations	375	313
CAPEX	-149	-174
Operating free cash flow	226	139

- Lower CAPEX leading to higher OFCF
- PY cash conversion rate negatively impacted by termination of factoring at Hoffmann
- Cash conversion (OFCF/EBITDA) reported rate at 47.1%
- OFCF/Net income conversion 93.1%

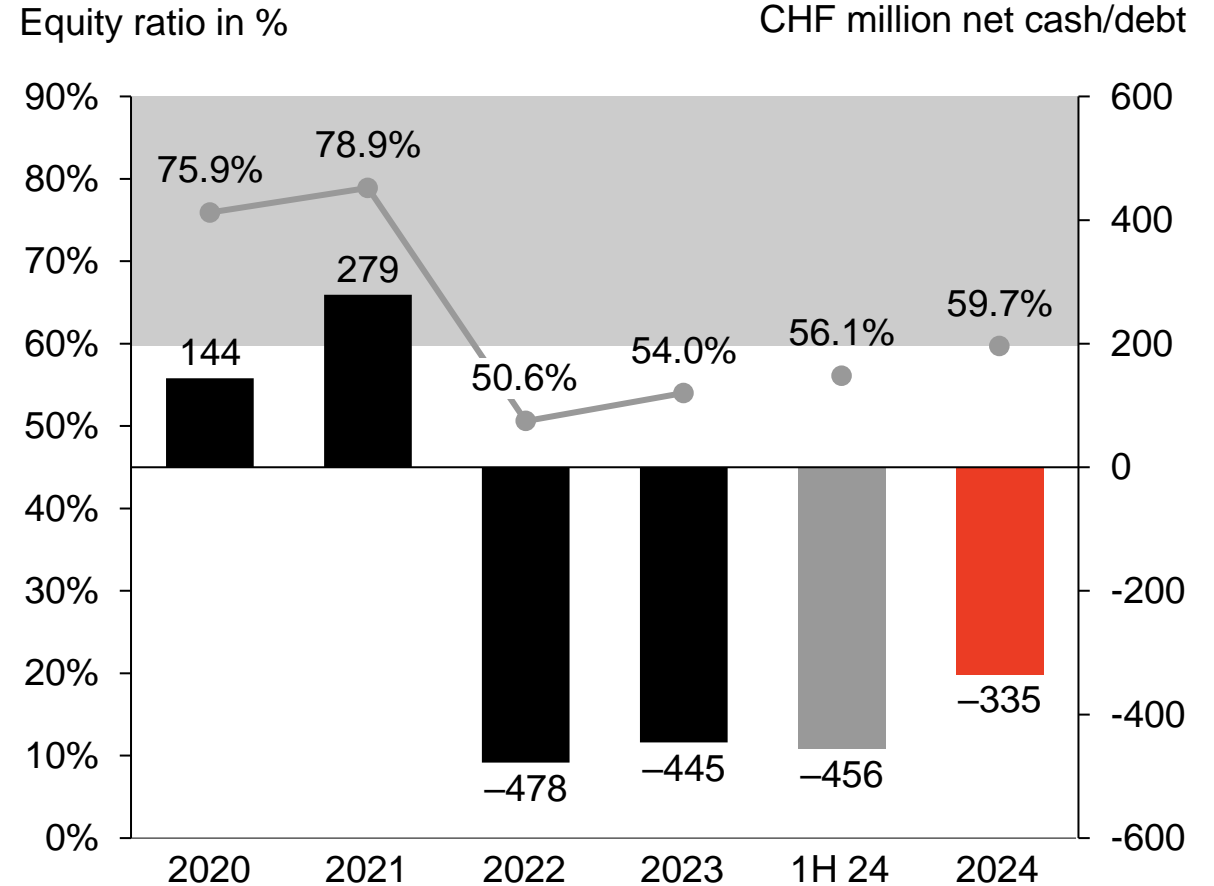


Balance sheet ratios

Equity ratio increasing according to plan

- Important factors for net debt development:
 - Improved generation of operating free cash flow
 - Dividend payment in first half-year
- Bond maturity is 2025/2027 (CHF 250 million/CHF 150 million)
- Unused credit lines grant financial flexibility going forward
- Cross currency swap on CHF bond to EUR with negative effect on equity in 2024

in CHF million	2024	2023
Market value CCS	47.2	50.3



Return on capital

Impacted by profitability

- Bridge ROCE to ROIC
 - Impact from goodwill and net cash: **-7.6%**
 - Impact from tax effects: **-3.4%**

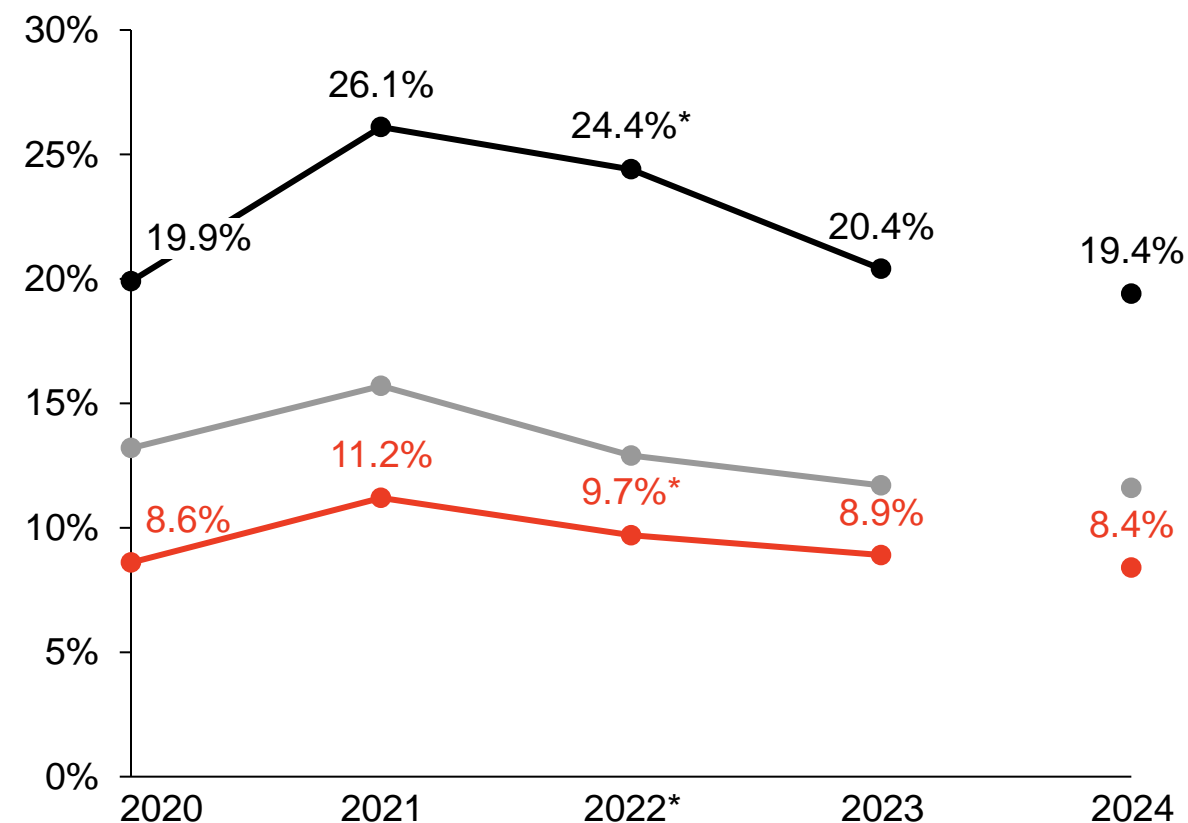
$$\text{ROCE} = \frac{\text{Adjusted EBIT}}{\text{Ø Capital Employed (CE)}}$$

Ø CE = Working capital less cash plus tangible and intangible assets less def. tax and provisions

$$\text{ROIC} = \frac{\text{Adjusted EBIT} - \text{Tax Rate } 17.5\%}{\text{Invested Capital (IC)}}$$

IC = Equity before goodwill offset less net cash/plus net debt

in % of net sales

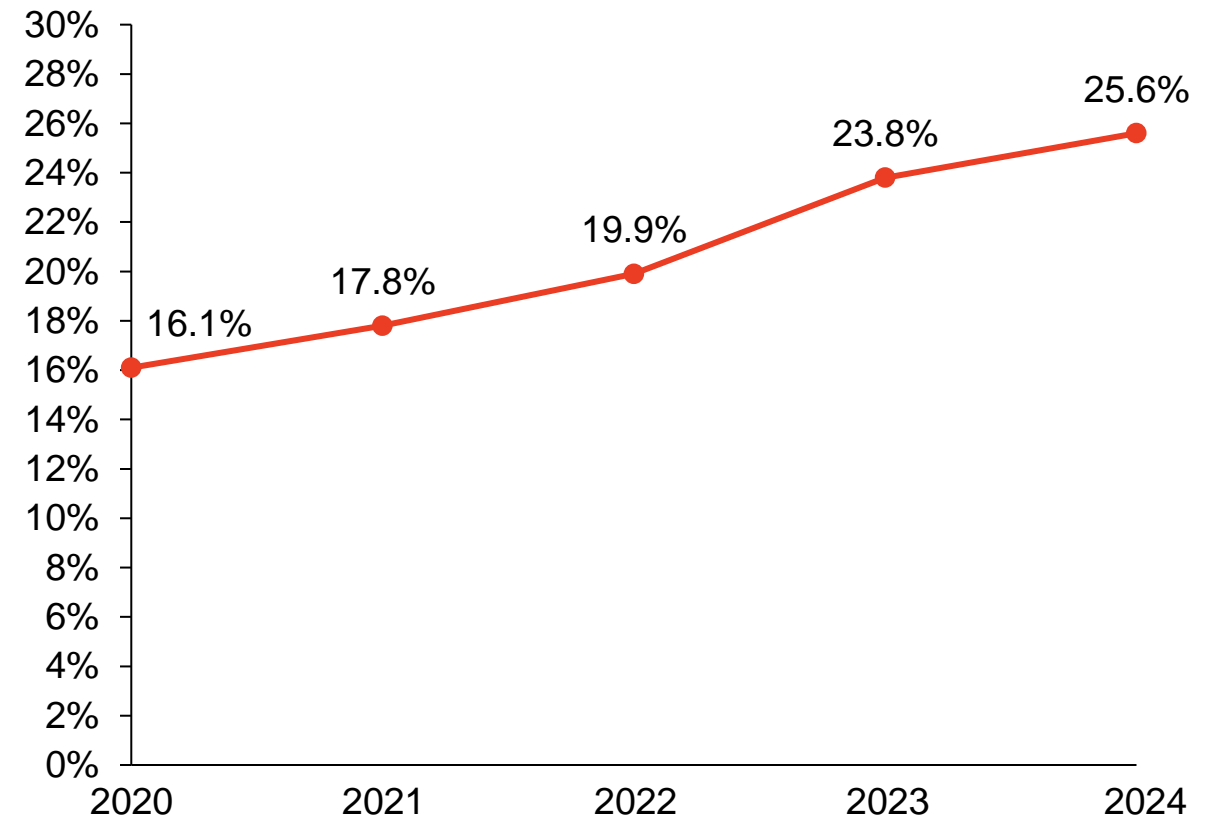


Effective tax rate

Increase in volatile environment

- One-time effect impairment of DTA in Turkey (CHF 2.8 million), ETR +0.83 pp
- Final loss offset in USA 2023
- Local effects

Effective tax rate in %



KPI summary

In challenging environment

in CHF million		2024	%	2023	%	+/- PY
Third-party sales		3,039.0		3,090.8		
Net sales		3,031.1		3,073.0		
EBITDA	Margin	479.8	15.8	486.0	15.8	+0 bps
EBIT	Margin	350.2	11.6	358.6	11.7	-10 bps
EBIT adj.	Margin adj.	350.2	11.6	358.6	11.7	-10 bps
Net income	Ratio	242.7	8.0	268.5	8.7	-70 bps
Equity	Ratio	1,559.2	59.7	1,375.7	54.0	+570 bps
Net cash (+)/debt (-)		-335.1		-445.3		
CAPEX	% net sales	148.9	4.9	174.0	5.7	-80 bps
Operating FCF	Conversion rate	226.1	47.1	139.4	28.7	+1,840 bps
ROCE		19.4%		20.4%		-100 bps

Outlook 2025

Guidance 2025

EBIT margin around previous year level

	Mid-term guidance	2024A (CHF)
Gross sales SFS development	+3–6%*	3,039.0 million
*(in local currencies, incl. scope effects)		
EBIT margin	12–15%	11.6%

Guidance reflects challenging geopolitical and economic environment, paired with low visibility.

Strategic priorities

Focusing on our main strengths and chances

Strategy execution

- Foster high team motivation to capitalize on opportunities and lay the foundation for future growth
- Conduct disciplined reviews and execute strategic options meticulously

Mega-trends

- Understand and monitor megatrends, anticipate changes and adapt strategies to remain competitive
- Focus on application areas with strong underlying growth drivers based on global megatrends

“Local-for-local”

- Ensure balanced emphasis on different regions, end markets, and distribution channels
- Maintain close customer relationships to enable value proposition
- Achieve superior supply reliability

Focus on technology

- Integrate progress in AI, Machine Learning, IoT and automation into daily operations
- Update standardized processes, systems and equipment to mitigate risks and continuously enhance flexibility

Solid financing

- Emphasize strict cost discipline in response to challenging market conditions
- Maintain good profitability and a robust balance sheet
- Achieve continued increase in equity ratio

Q&A

Agenda

IR Events 2025

32nd Annual General Meeting

Wednesday, April 30, 2025

Publication of Half-Year Report 2025

Thursday, July 17, 2025

IR Contact: investor.relations@sfs.com

Inventing success together