



Value Engineering Specialist

Baader Swiss Equities Conference 2024



Agenda

Positioning of SFS

Key takeaways 1H 2023

IR agenda 2024

Positioning of SFS

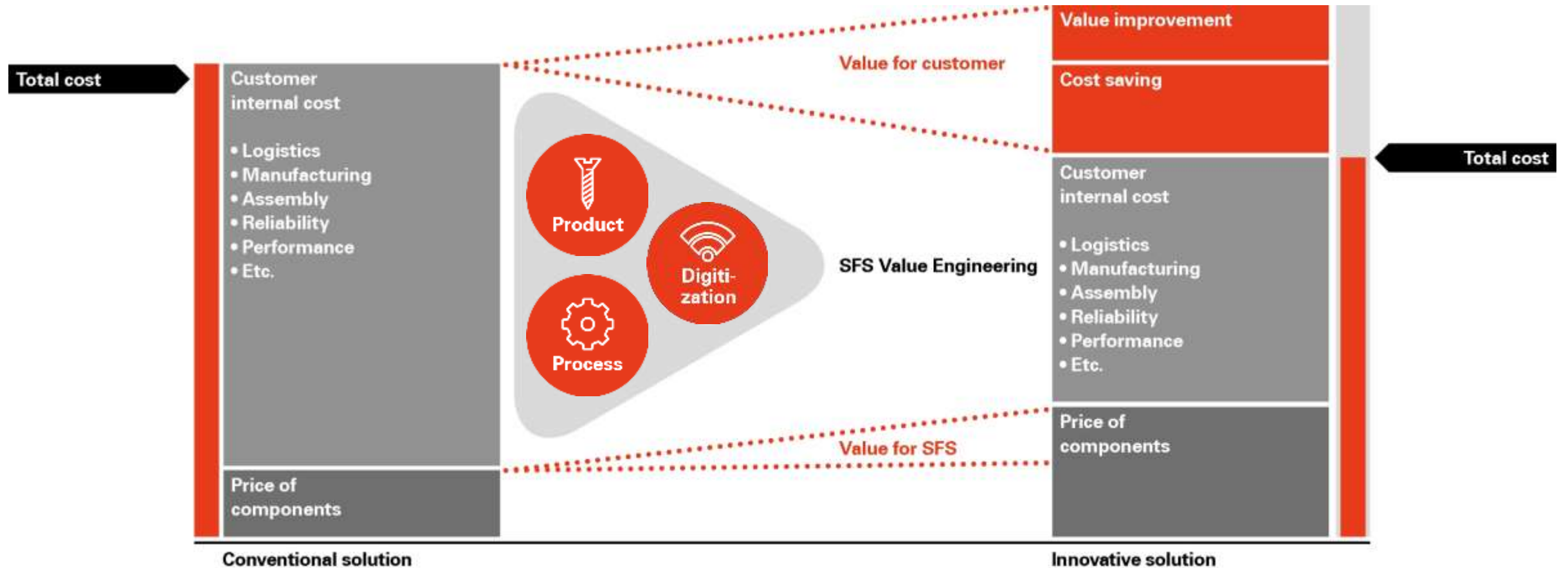
Mission critical products for selected end markets

We are by your side – 24/7



SFS value proposition

Inventing success together



SFS value engineering

Synergies in tooling based technologies

Engineered Components

Engineering Partner

Development and industrialization of tooling-based, customized precision components and assemblies



SFS

GESIPA

TEGRA
MEDICAL

UNISTEEL

Fastening Systems

Solution Provider

Development and distribution of application-specific tools and fasteners



SFS

Distribution & Logistics

System Partner

Development and trade of tools, fasteners and work equipment



SFS

Hoffmann Group

SFS

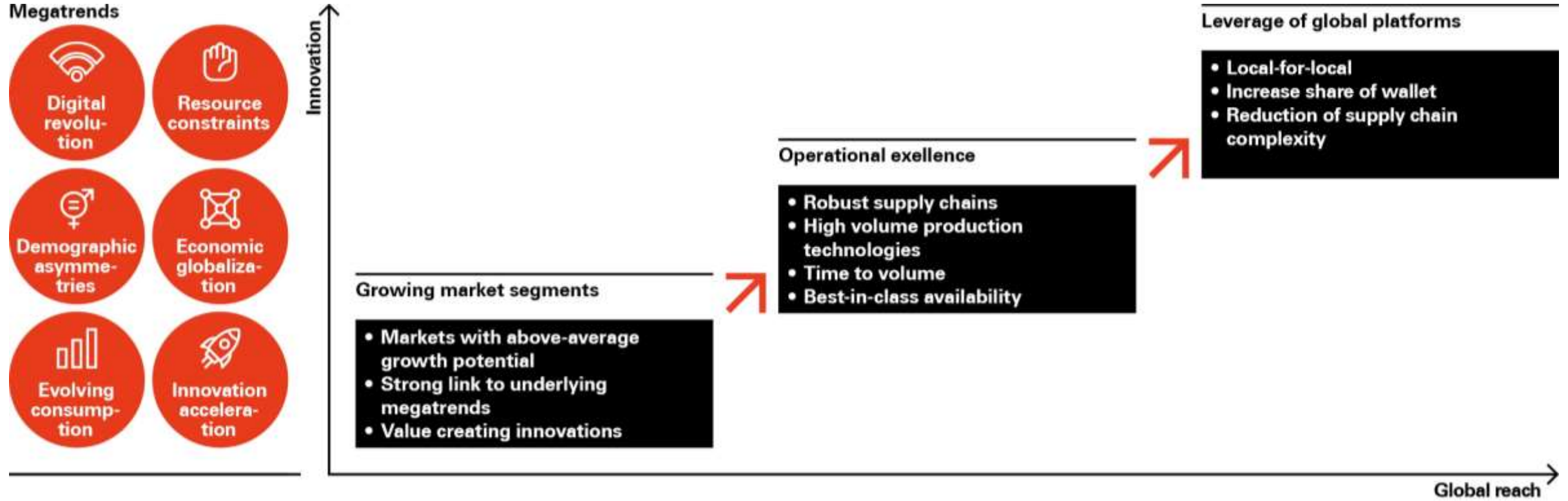
Organizational structure

Clear focus on end markets, high level of autonomy



Our focused business activities

Sustainable growth through the cycle



Global sales & manufacturing platform

Customer proximity supported by local presence

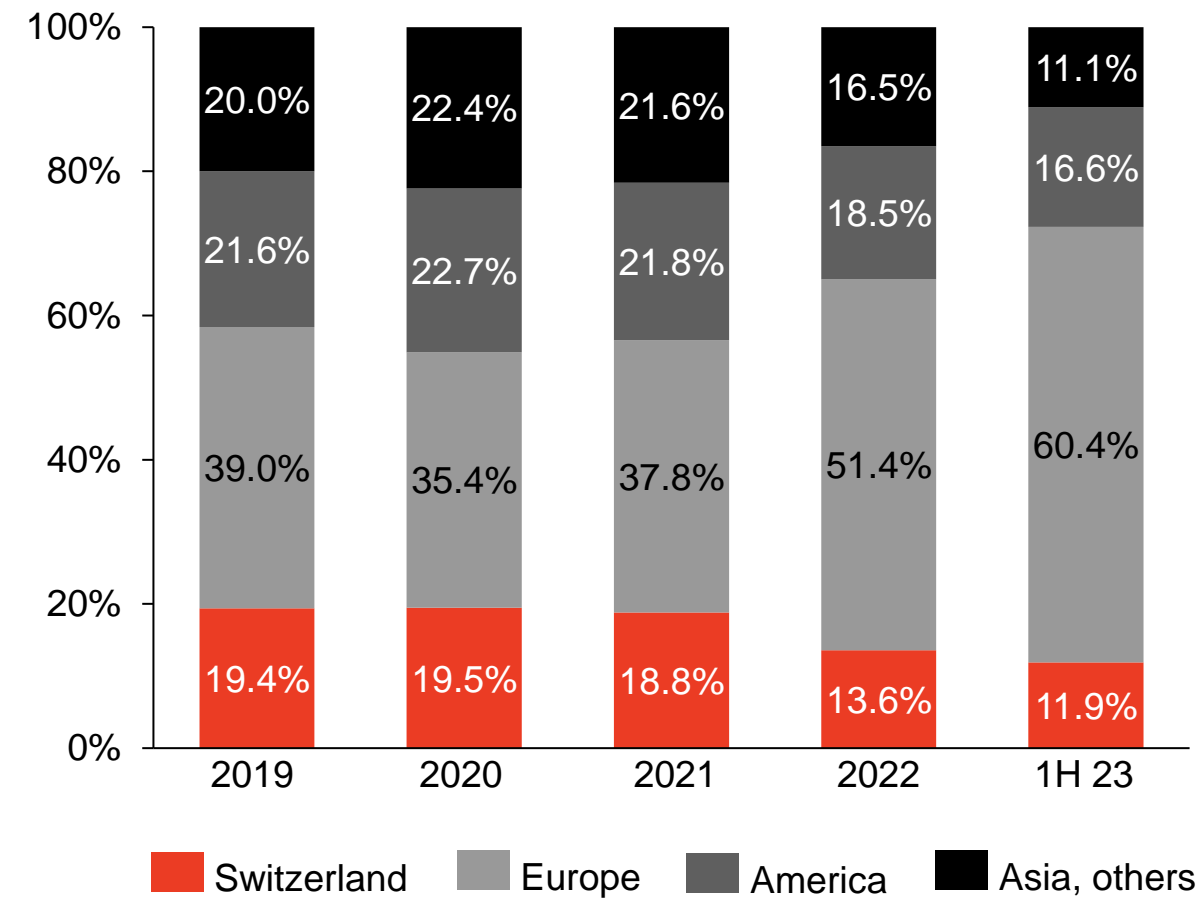
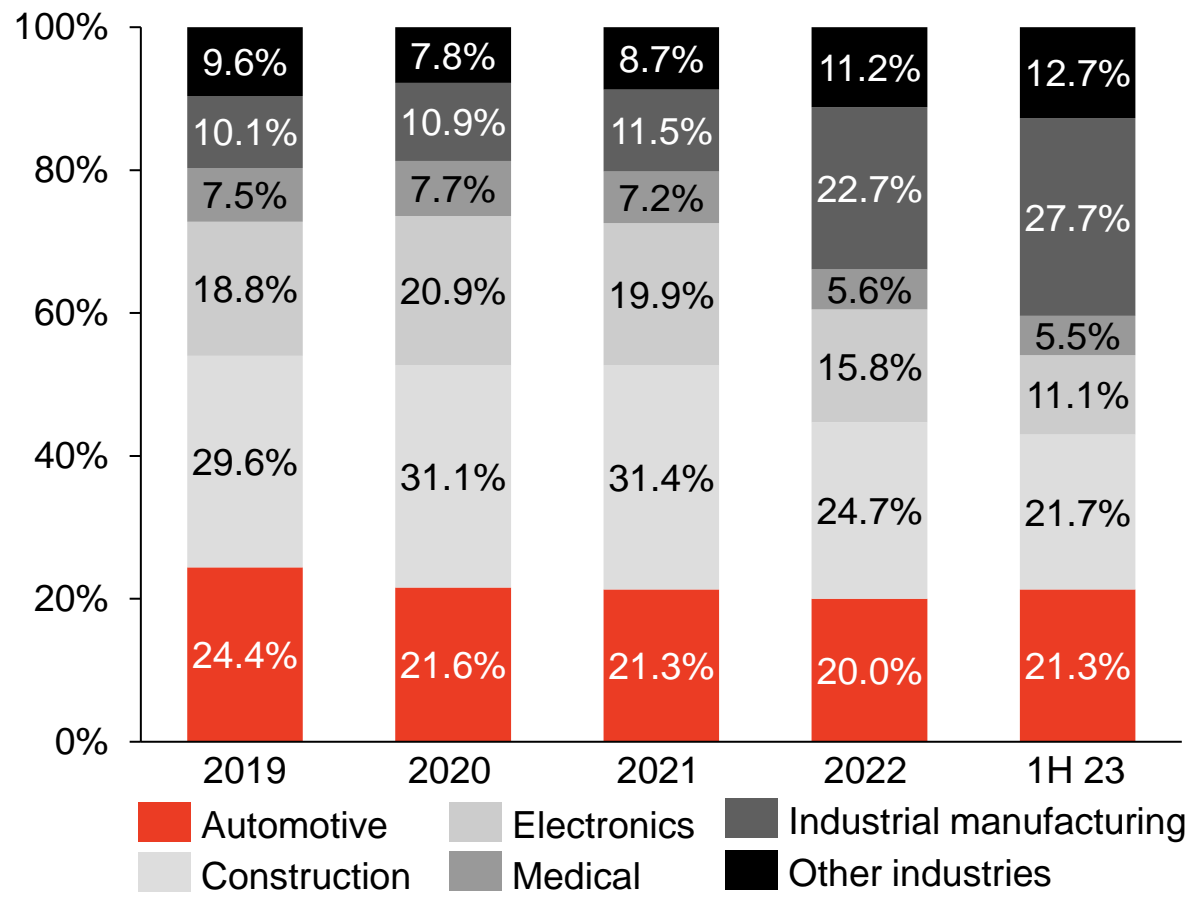
140
locations
in 35
countries



Key takeaways 1H 2023

Sales breakdown 1H 2023

Ongoing shift towards Industrial & Europe



Updated guidance 2023 per 1H 2023

First-time full consolidation of Hoffmann

	2022A (CHF)	2023G March 3 (CHF)	2023G Updated July 18 (CHF)
Sales (in local currencies, incl. M&A)	2,746 m	3.2–3.3 billion*	3.1–3.3 billion*
* Including first-time consolidation of Hoffmann for full year. Before consolidation effects, sales growth along mid-term guidance of 3–6%.			
EBIT margin	12.1%	12–15%	Around 12%**
** For the SFS Group as a whole, an EBIT margin of around 12% is expected, at the lower end of the mid-term guidance of 12–15%.			

This outlook is based on the assumption that there will be no significant deterioration in the underlying economic conditions or geopolitical, energy or pandemic-related restrictions.

Headlines Engineered Components segment 1H 2023

Organizational course-setting

- Reported sales of CHF 479.0 million, –8.5% vs. 1H 2022
- Mixed performance of divisions. Electronics impacted by destocking effects and reduced market demand
- EBIT margin of 9.4% impacted by mix effects, uneven capacity utilization from new program ramp-ups and partially increased cost basis due to inflation
- Slight improvement of market environment in 2H vs. 1H expected. For full year 2023, flat sales development on a like-for-like basis vs. 2022 expected
- Riveting becomes part of EC as of January 1, 2024, and aligns with the Automotive and Industrial divisions. Growth and profitability targets of Engineered Components segment remain unchanged

Key figures Engineered Components

In CHF million (unaudited)	2023 1H	+/- PY	2022 1H	2021 1H
Third party sales	479.0	–8.5%	523.4	492.1
Growth on a like-for-like basis ¹		–4.3%		
Net sales	469.4	–11.5%	530.3	497.8
EBITDA	81.5	–32.5%	120.8	128.9
As a % of net sales	17.4		22.8	25.9
Operating profit (EBIT)	44.2	–47.8%	84.6	93.1
As a % of net sales	9.4		15.9	18.7
Average capital employed	815.5	8.5%	751.9	733.8
Capital employed	821.6	4.9%	783.3	740.1
thereof assets	980.4	1.4%	967.1	905.2
thereof liabilities	158.8	–13.6%	183.8	165.1
Net working capital	270.9	–4.0%	282.1	257.3
Investments	59.3	40.2%	42.3	33.8
Full-time equivalents (FTE)	6,554	–8.6%	7,168	6,955
ROCE (%) ² (Return on capital employed)	10.8		22.5	25.4

Headlines Fastening Systems segment 1H 2023

Stable market demand

- Despite enduring market demand across major industries, reported sales of CHF 330.4 million down –1.2% vs. 1H 2022 due to unfavorable FX
- High inventory levels throughout the entire construction market supply chain resulting in more intense competition
- With 16.2%, EBIT margin well in the segment's target bracket of 14–17% after reaching a peak in 1H 2022
- Reduced market dynamics in 2H vs. 1H 2023 expected. On a like-for-like basis, sales growth along target bandwidth of the Group in 2023 expected
- Riveting becomes part of EC as of January 1, 2024. Growth and profitability targets of Fastening Systems segment remain unchanged

Key figures Fastening Systems

In CHF million (unaudited)	2023 1H	+/- PY	2022 1H	2021 1H
Third party sales	330.4	-1.2%	334.5	293.1
Growth on a like-for-like basis ¹		4.2%		
Net sales	336.7	-1.5%	341.8	300.2
EBITDA	62.4	-15.1%	73.5	62.2
As a % of net sales	18.5		21.5	20.7
Operating profit (EBIT)	54.5	-16.4%	65.2	53.0
As a % of net sales	16.2		19.1	17.7
Average capital employed	315.0	13.2%	278.2	262.8
Capital employed	324.9	8.5%	299.5	262.8
thereof assets	407.1	3.6%	392.9	355.6
thereof liabilities	82.2	-12.0%	93.4	92.8
Net working capital	212.9	13.4%	187.8	139.1
Investments	9.7	73.2%	5.6	4.2
Full-time equivalents (FTE)	2,576	0.0%	2,575	2,522
ROCE (%) ² (Return on capital employed)	34.6		46.9	40.3

Headlines Distribution & Logistics segment 1H 2023

Strong results

- Overall good market demand led to reported sales of CHF 771.3 million (+110.9% vs. 1H 2022), +4.8% on a like-for-like basis
- Positive trend continued. Business with customers in Switzerland slowed down
- Scope effects from the first-time consolidation of Hoffmann for the four months from January to April contributed +109.5% to total growth of segment
- Strong sales growth, prudent cost and price management and the inclusion of Hoffmann enabled an EBIT of CHF 92.8 million, plus 165.9% vs. 1H 2022
- Slightly reduced dynamics in 2H vs. strong 1H expected. On a like-for-like basis, sales growth above target bandwidth of the Group in 2023 expected

Key figures Distribution & Logistics

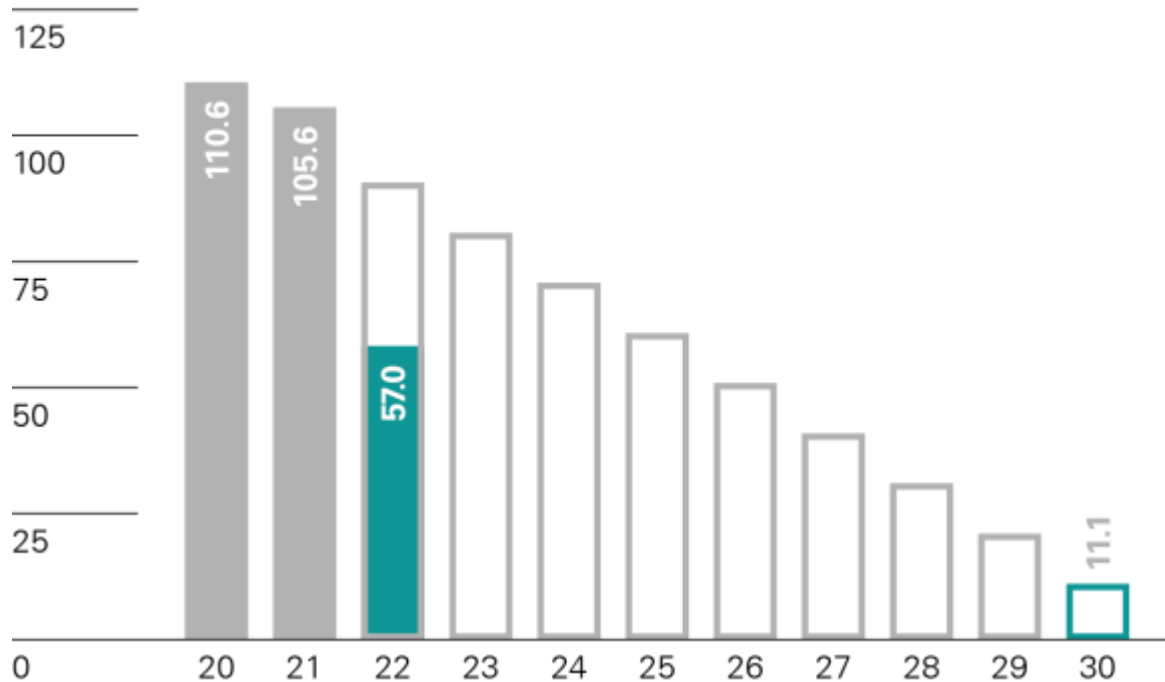
In CHF million (unaudited)	2023 1H	+/- PY	2022 1H	2021 1H
Third party sales	771.3	110.9%	365.7	172.6
Growth on a like-for-like basis ¹		4.8%		
Net sales	766.4	109.9%	365.2	175.4
EBITDA	107.1	328.4%	25.0	18.7
As a % of net sales	14.0		6.8	10.7
Operating profit (EBIT)	92.8	407.1%	18.3	16.2
As a % of net sales	12.1		5.0	9.2
Operating profit (EBIT) adjusted ²	92.8	165.9%	34.9	16.2
As a % of net sales	12.1		9.6	9.2
Average capital employed ³	603.3	138.2%	253.3	126.8
Capital employed	590.7	-3.0%	608.7	131.3
thereof assets	800.9	-2.6%	821.9	166.6
thereof liabilities	210.2	-1.5%	213.2	35.2
Net working capital	278.7	-49.7%	553.8	94.9
Investments	7.8	56.0%	5.0	2.2
Full-time equivalents (FTE)	3,703	-1.6%	3,764	591
ROCE (%) ⁴	30.8		27.6	25.6
(Return on capital employed)				

Key takeaways | Environment

Excellent progress on emissions and renewable energy

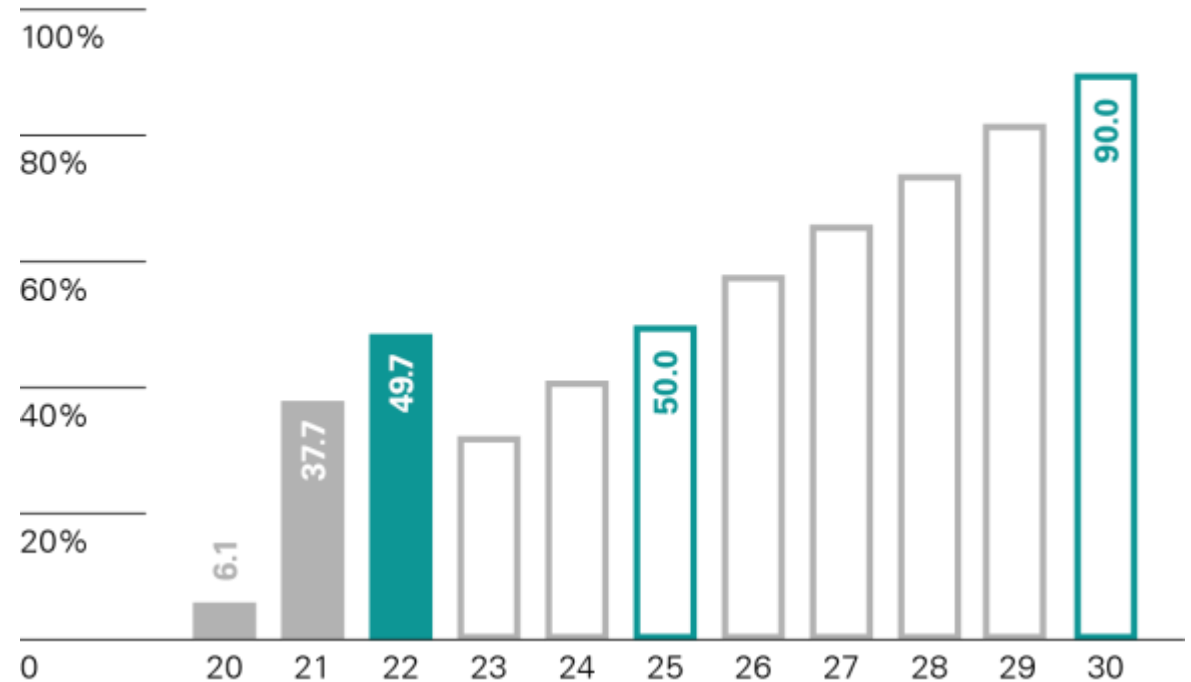
Reduction of Scope 1 and 2 emissions by -48.4% vs. 2020

CO₂ emissions in metric tons per million value-added francs



Share of renewable electricity is almost 50%

Share of renewable electricity in % of total electricity demand

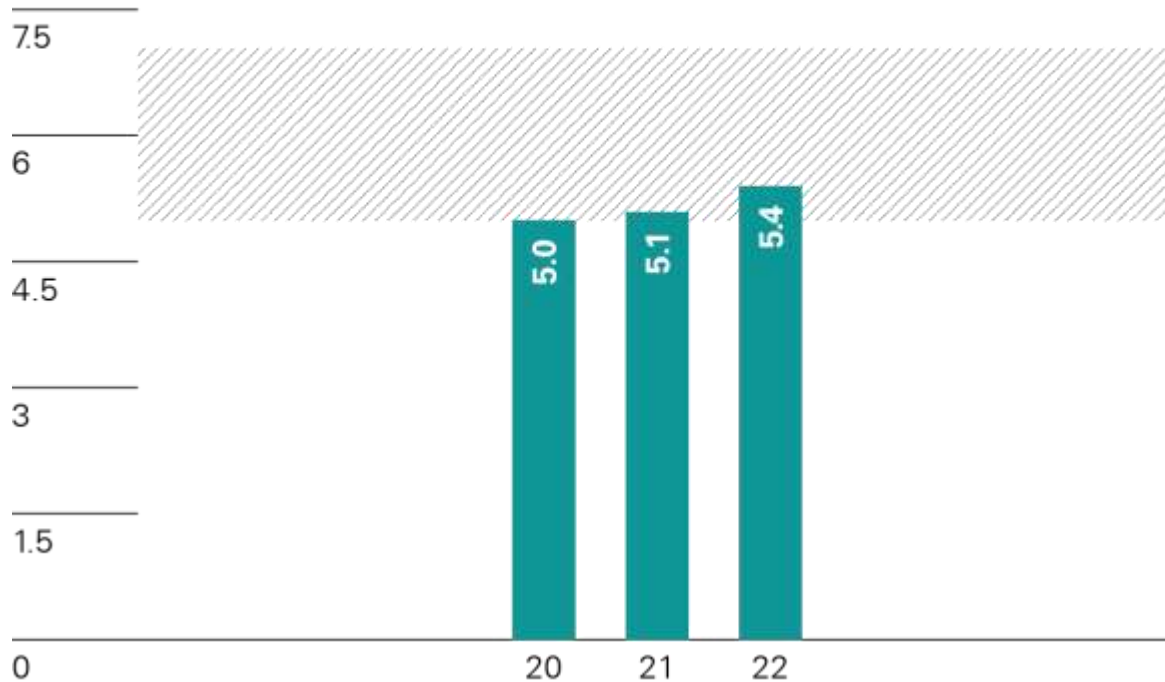


Key takeaways | Social

Dual training secured; accident rate too high

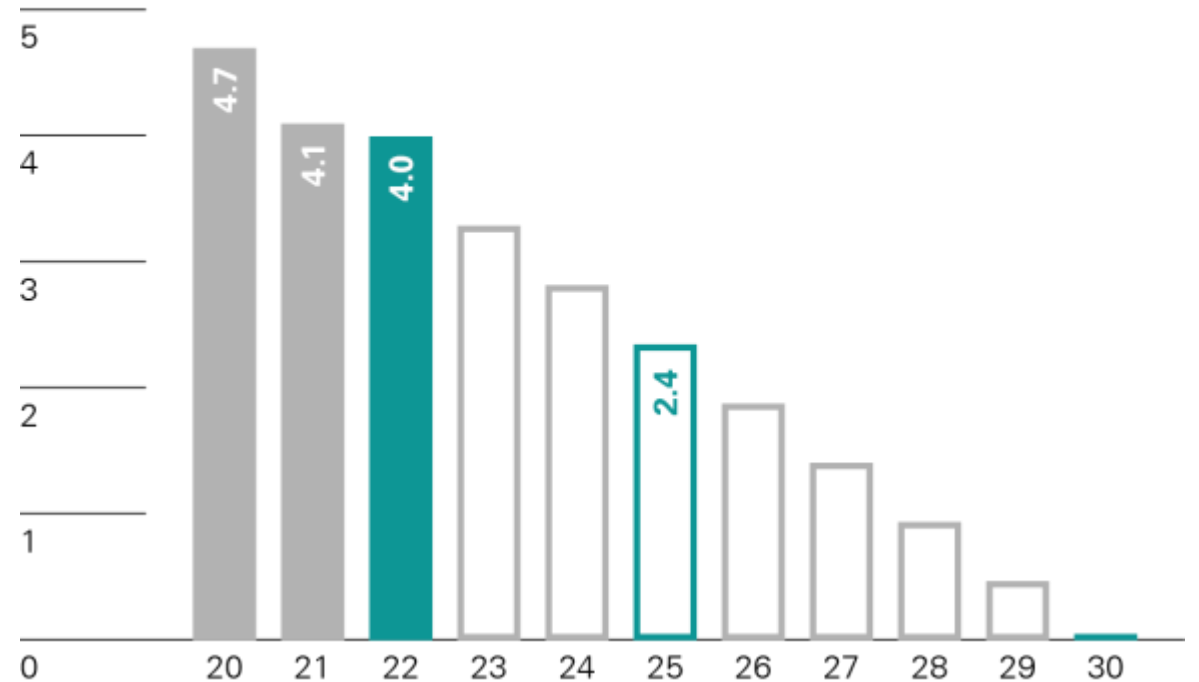
Target range of 5–7% for dual training achieved again

Number of employees in dual training programs in %



Too little progress in reducing the accident rate

Number of accidents per million hours worked



Key takeaways | Governance

No sanctions for compliance violations

Socioeconomic compliance

Number of sanctions for compliance violations

0

In the year under review, there were no compliance incidents at SFS that resulted in fines or legal proceedings.

Compliance reports

Number of examined compliance reports in the reporting year

25

In the year under review, the Group Compliance Officer and the local compliance officers received and examined a total of 25 reports of compliance violations.

IR agenda 2024

Agenda

IR events in 2024

Publication of first information on financial year 2023

Friday, January 19, 2024

Publication of financial year results 2023

Thursday, March 7, 2024

31th Annual General Meeting

Wednesday, April 24, 2024

Capital markets day

Thursday, September 5, 2024

IR Contact

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**Thank you
for your attention**

Inventing success together