



SFS Group AG
Half-Year Report 2025

Inventing **success** together

25

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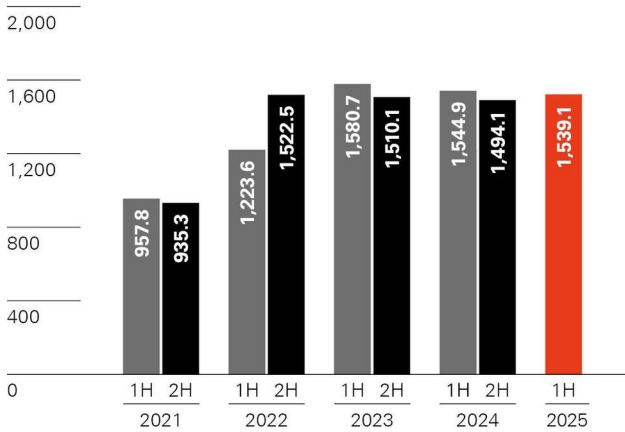
Information on the publication

Key figures

Solid performance

Continuous development

Sales in CHF million



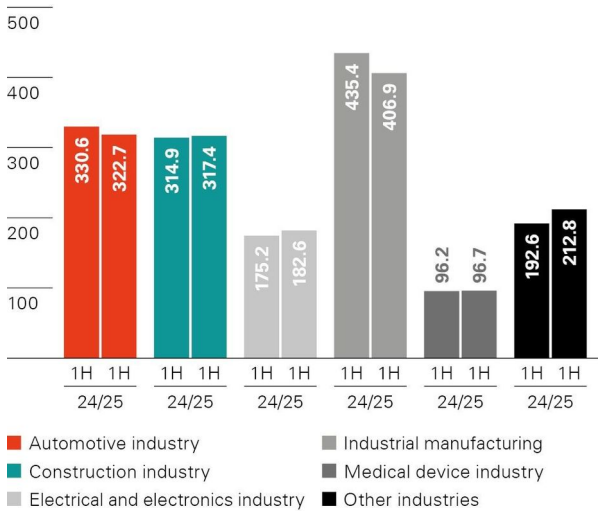
Non-recurring effects weigh on result

EBIT (adjusted) as a % of net sales

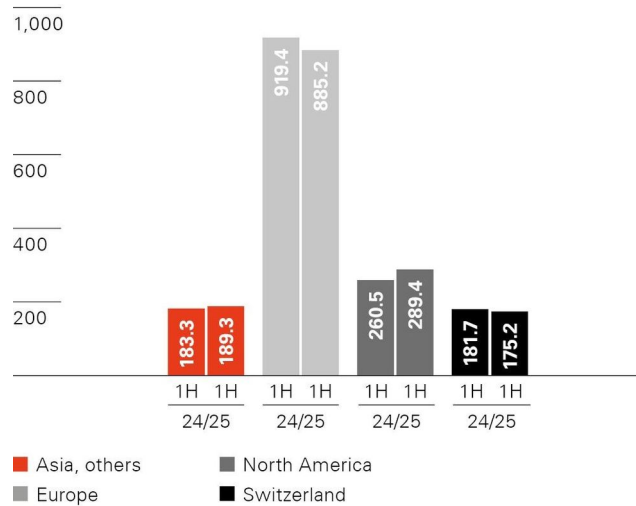
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Contributions to sales increasing in Asia and North America

Sales by end market in CHF million



Sales by region in CHF million



Stronger balance sheet

	2025 1H	2024 1H	2023 1H	2022 1H	2021 1H
Income statement in CHF million (unaudited)					
Sales	1,539.1	1,544.9	1,580.7	1,223.6	957.8
Change to previous year in %	-0.4	-2.3	29.2	27.8	23.8
thereof currency effects	-2.3	-2.4	-4.3	-1.3	-1.2
thereof change in scope of consolidation	0.8	0.0	32.7	19.3	1.4
thereof organic growth	1.1	0.1	0.8	9.8	23.6
Net sales	1,533.5	1,543.5	1,573.7	1,224.1	960.3
EBITDA	230.4	245.8	253.1	217.1	215.0
in % of net sales	15.0	15.9	16.1	17.7	22.4
Operating profit (EBIT)	162.2	180.8	189.9	162.9	164.1
in % of net sales	10.6	11.7	12.1	13.3	17.1
Operating profit (EBIT) adjusted ¹	168.1	180.8	189.9	179.5	161.0
in % of net sales	11.0	11.7	12.1	14.7	16.8
Net income	111.8	117.3	134.5	131.5	134.1
in % of net sales	7.3	7.6	8.5	10.7	14.0
Balance sheet in CHF million					
	06/30/2025 (unaudited)	12/31/2024	12/31/2023	12/31/2022	12/31/2021
Assets	2,492.2	2,612.2	2,546.8	2,574.2	1,839.1
Net cash (+)/debt (-)	-317.0	-335.1	-445.3	-477.7	279.1
Average Capital Employed ²	1,784.7	1,802.6	1,758.9	1,557.6	1,143.6
Invested Capital ²	3,345.9	3,420.4	3,339.5	3,290.9	2,194.0
Equity	1,502.8	1,559.2	1,375.7	1,303.6	1,450.4
in % of assets	60.3	59.7	54.0	50.6	78.9
Cash flow statement in CHF million (unaudited)					
	2025 1H	2024 1H	2023 1H	2022 1H	2021 1H
Cash flow from operating activities	175.8	155.9	151.2	62.5	135.8
Purchase of property, plant, equipment and intangible assets	-53.3	-68.7	-81.8	-60.7	-46.9
Acquisition (-)/Disposal (+) of subsidiaries, net of cash	-	-3.4	-	-515.1	-
Employees					
	06/30/2025 (unaudited)	12/31/2024	12/31/2023	12/31/2022	12/31/2021
Full-time equivalents (FTE)	13,911	13,689	13,198	13,282	10,509
Financial key ratios (unaudited)					
	2025 1H	2024 1H	2023 1H	2022 1H	2021 1H
ROCE in % ² (Return on Capital Employed)	18.8	20.2	21.7	27.6	28.3
ROIC in % ² (Return on Invested Capital)	8.3	8.7	9.4	9.0	12.0

¹Adjustments are explained in the [Information on the publication](#) section

²Calculation of the key figure is shown in the [Information on the publication](#) section in the Annual Report 2024

Letter to shareholders

Shaping the future

During the first half of 2025, the SFS Group generated sales of CHF 1,539.1 million and an adjusted EBIT margin of 11.0%. These results are evidence of the Group's good long-term positioning in an environment characterized by a high degree of uncertainty. In response to this challenging market environment, SFS launched a comprehensive program to make selective changes to its production and distribution network. This will lead to an increase in the EBIT margin of approximately 0.8 percentage points and is associated with non-recurring costs of around CHF 75 million. To put the SFS Group in the best possible position for future growth and sharpen its focus on end markets even more, the organization will be further developed as of January 1, 2026.



Thomas Oetterli, Chair of the Board of Directors



Jens Breu, CEO

Dear Shareholders,

Global trade policy upheavals were the dominant topic at SFS again in the first half of 2025. Although the specific ramifications for regional economic growth and international trade flows are only slowly becoming apparent, uncertainty in our end markets has once again increased substantially compared to the previous year. Our customers are largely taking a wait-and-see approach, postponing investment decisions, avoiding risks and focusing intensely on reducing their operating costs. The fact that the SFS Group achieved solid results in this market environment in the first half of the year is evidence of its good long-term positioning.

SFS generated sales of CHF 1,539.1 million in the first half of 2025. This corresponds to a year-over-year reduction of -0.4%. Currency effects slowed sales growth down by -2.3%. Organic growth of 1.1% was generated on a like-for-like basis.

Profitability was influenced by mix effects, some reductions in capacity utilization and non-recurring effects from changes made to the production and distribution network. All in all, SFS generated operating profit (EBIT) of CHF 162.2 million. The EBIT margin amounts to 10.6% of net sales. Excluding non-recurring effects, the SFS Group achieved an adjusted operating profit (EBIT) of CHF 168.1 million and an adjusted EBIT margin of 11.0%. Operating free cash flow amounted to CHF 122.5 million, 40.5% higher than in the same period of the previous year (calculation of the key figure is shown in the [Information on the publication section in the Annual Report 2024](#)). The earnings per share (EPS) of CHF 2.86 (PY CHF 3.00) are attributable to non-recurring costs relating to adjustments to the production and distribution network.

Program launched to increase profitability

Ongoing changes in the market environment, especially in industrial manufacturing and the automotive industry, are making it necessary to review and proactively adjust the production and distribution network.

The review of the current network and implementation of targeted adjustments should be completed by the end of 2027. SFS expects the program to reduce sales by a total of around CHF 110 million and for it to result in project-specific non-recurring costs of about CHF 75 million. The program's successful implementation will enable the SFS Group to increase its profitability and improve its EBIT margin by approximately 0.8 percentage points. Non-recurring costs will be reported separately for the duration of the changes and EBIT will be adjusted.

Sustainability well on track

SFS further increased the share of renewable energies used in all segments in the first half of 2025. This achievement was due in large part to the locations in Dartmouth and Franklin (USA), which started exclusively purchasing renewable electricity at the start of the year.

In the social dimension, the SFS Group's goal is to report zero occupational accidents by 2030 at the latest. The "Vision Zero" initiative was launched in the previous year to work toward achieving this challenging undertaking. The measures introduced are already starting to have an impact: The accident rate developed positively compared to the previous year and is trending downward.

To ensure more consistent implementation of the Supplier Code of Conduct, it was also integrated into our Terms and Conditions of Purchase in the first half of 2025, thereby fulfilling one of the measures announced in the governance dimension.

Further streamlining of the Group structure

The SFS Group made changes to its organizational structure and restructured its Fastening Systems (FS) and Distribution & Logistics (D&L) segments as of January 1, 2025. These efforts were aimed at sharpening the Group's focus on selected end markets, streamlining its decision-making processes and strengthening collaboration among the segments. Against this backdrop, the divisions in the Engineered Components (EC) segment will be disbanded as at January 1, 2026, and the responsibilities will be reassigned based on the applications involved.

Urs Langenauer, previously Head of the Automotive division, will take over as Head of the EC segment. As of January 1, 2026, Martin Reichenecker will take responsibility for strengthening and further developing all business areas in the Asian growth market in his new role as Head of Region Asia. Iso Raunjak, previous Head of the D&L Switzerland division and current Chief Human Resources Officer (CHRO), will take over the helm of the D&L segment from Martin Reichenecker. Christina Burri will strengthen the Group Executive Board as CHRO.

SFS shareholders approve all proposals at the Annual General Meeting

At the 32nd Annual General Meeting of the SFS Group on April 30, 2025, the shareholders approved all proposals of the Board of Directors.

Expectations for the 2025 financial year updated

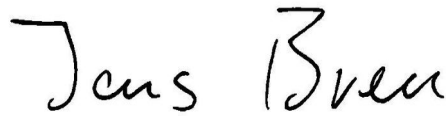
Our top priority remains placing highest focus on customers and ongoing efforts to pursue forward-looking innovation projects. We want to systematically seize the chances and opportunities that go hand-in-hand with the current changes. At the same time, the planned changes to the existing production and distribution network will enable us to increase efficiency and secure long-term profitability.

For fiscal year 2025, SFS expects sales and a normalized EBIT margin to remain roughly at the previous year's level.

We would like to take this opportunity to thank all our colleagues: Through their initiative, forward-looking mindset and identification with the company, their daily efforts are pivotal in driving our shared success.



Thomas Oetterli
Chair of the Board of Directors



Jens Breu
CEO

Segment Report

Streamlining structures

Global trade policy upheavals weighed on the results of all three segments Engineered Components (EC), Fastening Systems (FS) and Distribution & Logistics (D&L) during the first half of 2025. In this environment, SFS intensified its focus on core applications with a high potential for differentiation and created the conditions needed for business processes that are efficient and fit for the future. The strategic growth projects were successfully driven forward in all segments.

In the EC segment, the Electronics division once again reported positive development and pleasing growth. This was driven in part by applications for stamped precision components in the Mobile Devices business area as well as demand for components used in Nearline Hard Disk Drives for data centers, which continued to be encouraging. Uncertainty on the market led to restraint in the product inquiries received from customers in the Automotive division. Further strides were made in the ramp-ups of precision components and assemblies for brake systems at the Heerbrugg (Switzerland), Medina (USA) and Nantong (China) locations. The Medical & Industrial Specials division confirmed the dynamic result of the prior-year period.

Key figures Engineered Components in CHF million	2025 1H	+/- %	2024 1H
Third-party sales	563.1	2.4	549.9
Organic growth		5.2	
Net sales	566.0	2.6	551.5
EBITDA	121.0	2.6	117.9
in % of net sales	21.4		21.4
Operating profit (EBIT)	77.7	0.4	77.4
in % of net sales	13.7		14.0
Operating profit (EBIT) adjusted ¹	82.4	6.5	77.4
in % of net sales	14.6		14.0
Average capital employed	926.5	1.8	910.4
Investments	37.2	-23.5	48.6
ROCE in % ²	17.8		17.0
Employees (FTE)	7,669	1.6	7,547

¹Adjustments are explained in the [Information on the publication](#) section

²EBIT adjusted, annualized in % of average capital employed

The results of the FS segment were impacted not only by the economic environment but also by a winter that was cold and unusually long in certain regions. SFS was able to complete its production capacity expansion and ramp-up at the Exeter (USA) location on schedule. The business areas of the D&L segment focused on the construction industry were integrated into the FS segment as planned.

Key figures Fastening Systems	2025		2024	2024
in CHF million	1H	+/- %	1H restated ¹	1H reported
Third-party sales	297.2	0.6	295.4	243.8
Organic growth		-1.0		
Net sales	300.4	0.0	300.4	248.2
EBITDA	42.2	-7.5	45.6	41.8
in % of net sales	14.0		15.2	16.8
Operating profit (EBIT)	35.5	-10.6	39.7	36.2
in % of net sales	11.8		13.2	14.6
Operating profit (EBIT) adjusted ²	35.5	-10.6	39.7	36.2
in % of net sales	11.8		13.2	14.6
Average capital employed	251.9	-5.5	266.6	233.1
Investments	6.6	-23.3	8.6	8.4
ROCE in % ³	28.2		29.8	31.1
Employees (FTE)	2,152	6.1	2,028	1,926

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

²Adjustments are explained in the [Information on the publication](#) section

³EBIT adjusted, annualized in % of average capital employed

The industrial manufacturing end market – mainly served by the D&L segment, which provides quality tools and in Switzerland additionally fastening technology – experienced restrained market momentum in the first half of 2025 as well. The warehouses of two European distribution partners were replaced as planned by LogisticCity in Nuremberg (Germany). This will significantly increase capacity utilization of LogisticCity.

Key figures Distribution & Logistics	2025		2024	2024
in CHF million	1H	+/- %	1H restated ¹	1H reported
Third-party sales	678.8	-3.0	699.6	751.2
Organic growth		-1.2		
Net sales	675.0	-3.1	696.4	748.6
EBITDA	67.8	-14.5	79.3	83.1
in % of net sales	10.0		11.4	11.1
Operating profit (EBIT)	54.0	-15.6	64.0	67.5
in % of net sales	8.0		9.2	9.0
Operating profit (EBIT) adjusted ²	55.1	-13.9	64.0	67.5
in % of net sales	8.2		9.2	9.0
Average capital employed	592.7	-4.3	619.5	637.1
Investments	7.0	-5.4	7.4	7.6
ROCE in % ³	18.6		20.7	21.2
Employees (FTE)	3,605	-2.9	3,711	3,813

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

²Adjustments are explained in the [Information on the publication](#) section

³EBIT adjusted, annualized in % of average capital employed

Changes to the production and distribution network

Due to ongoing changes in the market environment, especially in industrial manufacturing and the automotive industry, the segments are making changes to their production and distribution network. Not only will this allow SFS to sharpen the focus on applications with high potential for differentiation and clear customer benefits, but concentrating on a smaller number of production locations will facilitate efficient resource deployment and reduce complexity. These measures will help us achieve our growth and profitability targets. At the same time, the strategic priority of the local-for-local principle remains unchanged.

A total of around 650 jobs are affected by company sales, transfers and site closures. Among others, the following projects are currently being implemented:

- To achieve economies of scale, activities related to blind riveting technology at the SFS location in Brunn am Gebirge (Austria) were transferred from Austria to Germany in the spring of 2025.
- Operations in Olpe (Germany) will be discontinued over the course of the second half of the year. In response to the adverse market environment and declining demand, SFS decided to serve the window and furniture hardware industry end market exclusively from the Heerbrugg location in the future.
- The D&L segment's Asia-Pacific organizational unit will gradually reduce its activities in Malaysia and Singapore. All operations will have been transferred to selected distribution partners by fall 2025.
- The SFS Group signed a contract on June 30 to sell Allchemet, a Swiss company that supplies retailers with tools, fastening technology and chemical-technical products. With SFS's strategic focus on direct sales to industrial manufacturing customers, it is no longer able to fully exploit Allchemet's potential. The company will be sold until end of the year to a group of buyers led by Thomas Krummenacher, the current managing director, who will continue to manage its operations.
- SFS's location in Turnov (Czech Republic) mainly supplies customers in the automotive industry. For several years now, this plant has been unable to meet its growth and profitability targets. Persistently adverse market conditions have prompted us to close the plant by mid-2026. Subject to economic feasibility and the customers' consent, the location's business will be transferred to Heerbrugg.

Further streamlining of the Group structure

The SFS Group made changes to its organizational structure and restructured its FS and D&L segments as of January 1, 2025. These efforts were aimed at sharpening the Group's focus on selected end markets, streamlining its decision-making processes and strengthening collaboration among the segments. Against this backdrop, the divisions in the Engineered Components (EC) segment will be disbanded as at January 1, 2026, and the responsibilities will be reassigned based on the applications involved.

Urs Langenauer appointed Head of the EC segment

Urs Langenauer, previously Head of the Automotive division, will take over as Head of the EC segment. George Poh, longtime Head of the Electronics division, will step down from the Group Executive Board upon his retirement at the end of 2025. Walter Kobler, Head of the Medical & Industrial Specials division, will also be stepping down from the Group Executive Board; he will take over as Head of the Medical business unit until his planned retirement at the end of 2026. The Board of Directors and Group Executive Board would like to take this opportunity to express their sincere thanks to both of these long-standing members of the Group Executive Board for all their hard work – their successes have helped shape the company.

Martin Reichenecker to assume overall responsibility for Region Asia

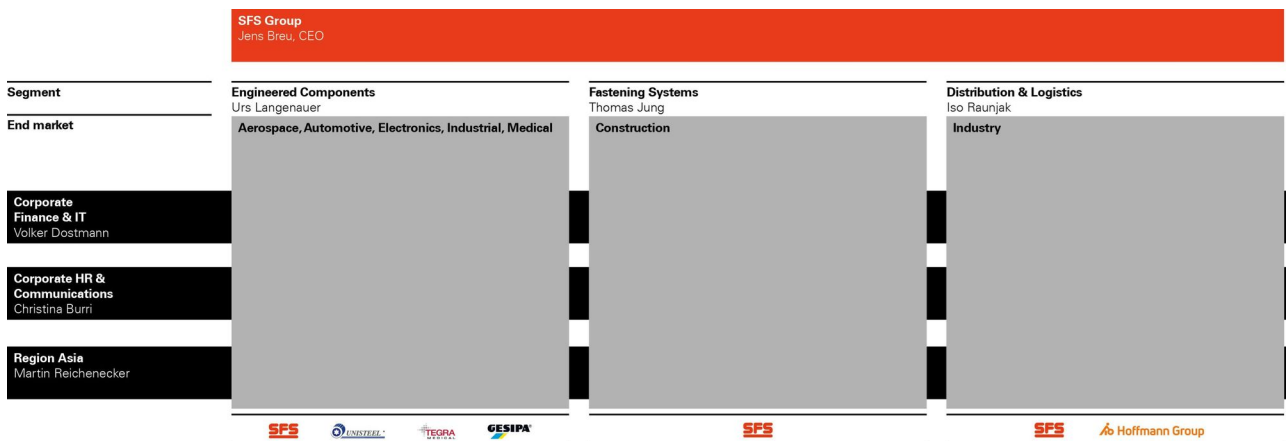
As of January 1, 2026, Martin Reichenecker will take responsibility for strengthening and further developing all business areas in the Asian growth market in his new role as Head of Region Asia. This region plays a key role for us in driving sustainable and profitable growth. With an integrated, overarching management, we aim to strengthen our market position and leverage the potential in all Asian end markets. Martin Reichenecker has been at the helm of the D&L segment since the start of 2025. Prior to that, he had held various positions in Hoffmann's management since 2004. Thanks to his previous roles, he has extensive experience in the Asian market.

Iso Raunjak becomes new Head of D&L segment

Iso Raunjak, previous Head of the D&L Switzerland division and current Chief Human Resources Officer (CHRO), will take over as Head of the D&L segment from Martin Reichenecker at the start of 2026. Thanks to his many years of experience in various management positions within the segment, he knows the business in detail and is ideally suited for this position.

Christina Burri joins Group Executive Board

Christina Burri will take over the role of CHRO from Iso Raunjak, meaning that she will be responsible for Human Resources (HR), Marketing & Corporate Communications and ESG (Environment, Social and Governance). Prior to that, she spent ten years successfully managing the SFS Group's Legal, Tax & Compliance and the Accounting & Reporting departments, as well as the Service Center Finance & Controlling Switzerland. Her many years of leadership experience and deep understanding of SFS's organization and culture make her ideally qualified to successfully further develop the areas of HR, Communications and ESG. Christina Burri will become a member of the Group Executive Board on January 1, 2026, as part of her new role.



The group structure of the SFS Group as of January 1, 2026

This next step in the organizational development will enable SFS to tackle the challenges of the current market environment in a targeted manner. It also sends a clear signal about SFS's commitment to employee development and its local-for-local principle.

Financial Report

Consolidated financial statements

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Consolidated income statement

In CHF million (unaudited)	Notes	2025 1H	%	2024 1H	%
Net sales	<u>6</u>	1,533.5	100.0	1,543.5	100.0
Other operating income		17.1		17.2	
Change in work in progress and finished goods		-7.1		3.8	
Material expenses		-646.7		-660.2	
Contribution margin		896.8	58.5	904.3	58.6
Personnel expenses		-444.1		-433.1	
Other operating expenses		-222.3		-225.4	
Depreciation on property, plant and equipment		-61.4		-58.9	
Amortization of intangible assets		-6.8		-6.1	
Total operating expenses		-734.6	-47.9	-723.5	-46.9
Operating profit (EBIT)		162.2	10.6	180.8	11.7
Financial result		-12.7		-24.3	
Share of profit/(loss) from associates/joint ventures		1.7		1.2	
Earnings before tax		151.2	9.9	157.7	10.2
Income taxes	<u>7</u>	-39.4		-40.4	
Net income		111.8	7.3	117.3	7.6
Attributable to SFS shareholders		111.2		116.5	
Attributable to non-controlling interests		0.6		0.8	
Earnings per share in CHF basic and diluted	<u>9</u>	2.86		3.00	

Consolidated balance sheet

Assets in CHF million	Notes	06/30/2025 (unaudited)	%	12/31/2024 (audited)	%
Cash and cash equivalents		168.7		224.6	
Trade receivables		496.0		468.4	
Other current receivables	10	80.2		106.8	
Inventories		548.1		552.4	
Prepayments and accrued income		32.5		32.0	
Current assets		1,325.5	53.2	1,384.2	53.0
Property, plant and equipment		988.9		1,037.2	
Intangible assets		58.6		65.3	
Financial assets	11	71.3		72.6	
Deferred tax assets		47.9		52.9	
Non-current assets		1,166.7	46.8	1,228.0	47.0
Assets		2,492.2	100.0	2,612.2	100.0
Liabilities and equity in CHF million					
Current borrowings	12	64.6		276.0	
Trade payables		164.1		168.0	
Other current payables		87.2		101.0	
Current provisions	13	4.2		–	
Accrued liabilities and deferred income		154.6		127.9	
Current liabilities		474.7	19.0	672.9	25.7
Non-current borrowings	12	421.1		283.6	
Other non-current payables		7.9		7.6	
Pension benefit obligations		12.3		12.1	
Non-current provisions		13.0		13.3	
Deferred tax liabilities		60.4		63.5	
Non-current liabilities		514.7	20.7	380.1	14.6
Liabilities		989.4	39.7	1,053.0	40.3
Share capital		3.9		3.9	
Capital reserves		33.9		82.6	
Treasury shares		–4.5		–4.1	
Retained earnings		1,452.1		1,459.0	
Equity attributable to SFS shareholders		1,485.4	59.6	1,541.4	59.0
Non-controlling interests		17.4		17.8	
Total equity		1,502.8	60.3	1,559.2	59.7
Liabilities and equity		2,492.2	100.0	2,612.2	100.0

Consolidated statement of changes in equity

in CHF million	Notes	Share capital	Capital reserves	Treasury shares	Goodwill offset against equity	Cash flow hedges	Net investment hedges	Currency translation adjustments	Other retained earnings	Retained earnings	Equity attributable to SFS shareholders	Non-controlling interests	Total equity
Balance as at 12/31/2023 (audited)		3.9	131.1	-1.4	-1,518.5	0.9	50.3	-226.0	2,917.1	1,223.8	1,357.4	18.3	1,375.7
Changes of hedges	-	-	-	-	-	-2.1	-7.8	-	-	-9.9	-9.9	-	-9.9
Acquisitions	-	-	-	-	-0.9	-	-	-	-	-0.9	-0.9	-	-0.9
Currency translation adjustments	-	-	-	-	-	-	-	73.1	-	73.1	73.1	0.5	73.6
Net income	-	-	-	-	-	-	-	-	116.5	116.5	116.5	0.8	117.3
Dividend for 2023	-	-	-48.6	-	-	-	-	-	-48.6	-48.6	-97.2	-0.8	-98.0
Purchase of treasury shares	-	-	-	-0.8	-	-	-	-	-	-	-0.8	-	-0.8
Disposal of treasury shares	-	-	0.1	1.2	-	-	-	-	-	-	1.3	-	1.3
Balance as at 06/30/2024 (unaudited)		3.9	82.6	-1.0	-1,519.4	-1.2	42.5	-152.9	2,985.0	1,354.0	1,439.5	18.8	1,458.3
Changes of hedges	-	-	-	-	-	0.3	4.7	-	-	5.0	5.0	-	5.0
Acquisitions	-	-	-	-	-6.7	-	-	-	-	-6.7	-6.7	-	-6.7
Currency translation adjustments	-	-	-	-	-	-	-	-18.6	-	-18.6	-18.6	-0.8	-19.4
Net income	-	-	-	-	-	-	-	-	124.8	124.8	124.8	0.6	125.4
Dividend for 2023	-	-	-	-	-	-	-	-	-	-	-	-0.8	-0.8
Purchase of treasury shares	-	-	-	-3.2	-	-	-	-	-	-	-3.2	-	-3.2
Disposal of treasury shares	-	-	0.0	0.1	-	-	-	-	-	-	0.1	-	0.1
Other changes	-	-	-	-	-	-	-	0.1	0.4	0.5	0.5	-	0.5
Balance as at 12/31/2024 (audited)		3.9	82.6	-4.1	-1,526.1	-0.9	47.2	-171.4	3,110.2	1,459.0	1,541.4	17.8	1,559.2
Changes of hedges	-	-	-	-	-	0.6	0.3	-	0.2	1.1	1.1	-	1.1
Currency translation adjustments	-	-	-	-	-	-	-	-70.6	-	-70.6	-70.6	-0.2	-70.8
Net income	-	-	-	-	-	-	-	-	111.1	111.1	111.1	0.6	111.7
Dividend for 2024	-	-	-48.6	-	-	-	-	-	-48.6	-48.6	-97.2	-0.8	-98.0
Purchase of treasury shares	-	-	-	-1.8	-	-	-	-	-	-	-1.8	-	-1.8
Disposal of treasury shares	-	-	-	1.4	-	-	-	-	-	-	1.4	-	1.4
Other changes	-	-	-0.1	-	-	-	-	-	0.1	0.1	0.0	-	0.0
Balance as at 06/30/2025 (unaudited)		3.9	33.9	-4.5	-1,526.1	-0.3	47.5	-242.0	3,173.0	1,452.1	1,485.4	17.4	1,502.8

The capital reserves stem from the statutory capital reserve and other capital reserves of SFS Group AG.

Consolidated cash flow statement

In CHF million (unaudited, condensed version)		2025 1H	2024 1H
	Notes		
Cash flow before changes in net working capital		189.2	199.2
Changes in net working capital		-13.4	-43.3
Cash flow from operating activities		175.8	155.9
Purchases of property, plant and equipment		-52.5	-64.9
Proceeds from sale of property, plant and equipment		1.0	2.9
Purchases of intangible assets		-0.8	-3.8
Proceeds from government grants		-	0.9
Acquisition of subsidiaries, net of cash acquired	14	-	-3.4
Proceeds from disposal (+)/outflows for investment (-) of financial assets		-0.3	-0.2
Investment in/dividends from associates/joint ventures		1.5	0.1
Proceeds from interest and securities		1.1	1.5
Cash flow from investing activities		-50.0	-66.9
Dividends to the shareholders	8	-97.2	-97.2
Dividends to non-controlling interests		-0.8	-0.8
Purchase (-)/disposal of treasury shares (+)		-1.8	-0.8
Proceeds (+)/repayment from/of current borrowings (-)		-215.3	-20.0
Proceeds (+)/repayment from/of non-current borrowings (-)		143.3	-22.4
Cash flow from financing activities		-171.8	-141.2
Translation adjustment on cash and cash equivalents		-9.9	5.6
Changes in cash and cash equivalents		-55.9	-46.6
Cash and cash equivalents at beginning of period		224.6	227.5
Cash and cash equivalents at end of period		168.7	180.9

Notes to the consolidated financial statements

1 General information

SFS Group is a limited company according to Swiss law, incorporated and domiciled in Heerbrugg, municipality of Widnau/SG (Switzerland). SFS Group AG is the parent company of all SFS Group companies and therefore the ultimate holding company of the SFS Group. It is listed on the SIX Swiss Stock Exchange AG in Zurich with the security code symbol SFSN.

All amounts are in CHF million unless otherwise stated.

2 Accounting policies

These unaudited and condensed half-year consolidated financial statements have been prepared in accordance with Swiss GAAP FER 31 para 9 to 12 Interim Reporting. These half-year consolidated financial statements need to be considered in conjunction with the consolidated financial statements 2024 and have been prepared using the same accounting and valuation methods. No new standards have been adopted.

3 Critical accounting estimates and judgments

Recognized critical accounting estimates, judgments and the financial risk management used in the consolidated financial statements 2024 have remained unchanged in the first half of the year 2025. Similarly, there are no material changes in the financial risk.

4 Seasonality and other effects

Due to seasonal variations in the segments, higher net sales and a higher operating profit are typically achieved in the second half of the year. The strongest characteristics results from the end-user markets of the electrical and electronics industry and the construction industry. In the electrical and electronics industry, the second half of the year sees the launch of new products from important end customers and higher sales due to the holiday season. The construction industry generally benefits from the seasonally strong autumn months. In other end markets, sales are more balanced throughout the year.

5 Segment information

SFS Group is divided into the three segments Engineered Components, Fastening Systems and Distribution & Logistics.

The Construction & Wood business area of the Distribution & Logistics segment that is focused on customers in the construction industry was allocated to the Fastening Systems segment from January 1, 2025 onward.

The previous year's figures have been restated for better comparability.

Detailed information about the segments is presented in the "Segment Report" section of the Half-Year Report.

In addition to the elimination of intercompany transactions, the Corporate segment contains corporate data relating to the Technology and Business Support Functions (former Corporate Services and Corporate IT & Finance).

Reconciliation of segment results to income statement and balance sheet

2025 1H	Notes	Engineered Components	Fastening Systems	Distribution & Logistics	Corporate	Total
Third-party sales	6	563.1	297.2	678.8	–	1,539.1
Net sales	6	566.0	300.4	675.0	–7.9	1,533.5
EBITDA		121.0	42.2	67.8	–0.6	230.4
in % of net sales		21.4	14.0	10.0		15.0
Operating profit (EBIT)		77.7	35.5	54.0	–5.0	162.2
in % of net sales		13.7	11.8	8.0		10.6
Capital expenditures		37.2	6.6	7.0	2.5	53.3
06/30/2025 (unaudited)						
Operating assets		1,076.1	321.9	757.5	96.3	2,251.8
Operating liabilities		185.9	74.4	165.8	69.6	495.7
Capital employed		890.2	247.5	591.7	26.7	1,756.1
of which net working capital		287.2	150.1	321.4	–12.3	746.4

2024 1H restated ¹	Notes	Engineered Components	Fastening Systems	Distribution & Logistics	Corporate	Total
Third-party sales	6	549.9	295.4	699.6	–	1,544.9
Net sales	6	551.5	300.4	696.4	–4.8	1,543.5
EBITDA		117.9	45.6	79.3	3.0	245.8
in % of net sales		21.4	15.2	11.4		15.9
Operating profit (EBIT)		77.4	39.7	64.0	–0.3	180.8
in % of net sales		14.0	13.2	9.2		11.7
Capital expenditures		48.6	8.6	7.4	4.1	68.7
12/31/2024 restated¹						
Operating assets		1,141.3	317.5	735.5	93.9	2,288.2
Operating liabilities		203.0	69.3	150.0	62.1	484.4
Capital employed		938.3	248.1	585.6	31.8	1,803.8
of which net working capital		296.5	145.1	306.2	–10.5	737.3

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

Assets	Notes	06/30/2025	12/31/2024
Operating assets		2,251.8	2,288.2
+ Cash and cash equivalents		168.7	224.6
+ Short-term derivative financial instruments		0.4	26.8
+ Financial assets	11	71.3	72.6
Assets		2,492.2	2,612.2

Liabilities and equity	Notes	06/30/2025	12/31/2024
Operating liabilities		495.7	484.4
+ Current borrowings	12	64.6	276.0
+ Short-term derivative financial instruments		0.1	1.4
+ Other non-current payables		7.9	7.6
+ Non-current borrowings	12	421.1	283.6
Liabilities		989.4	1,053.0
Equity (Net assets)		1,502.8	1,559.2

6 Net sales

	2025 1H	2024 1H
Sales	1,539.1	1,544.9
Other items	-5.6	-1.4
Net sales	1,533.5	1,543.5

7 Income taxes

In these half-year consolidated financial statements, the income taxes have been recorded on the basis of local tax rates.

8 Dividend

The dividend distribution for fiscal year 2024 of CHF 2.50 per share was approved at the annual general meeting and paid out in the total amount of CHF 97.2 million in May 2025.

9 Earnings per SFS share

	2025 1H	2024 1H
Weighted average number of outstanding shares	38,858,028	38,888,591
Net income attributable to SFS shareholders	111.2	116.5
Earnings per share in CHF basic and diluted	2.86	3.00

10 Other current receivables

	06/30/2025	12/31/2024
VAT and withholding tax	23.3	17.1
Receivables from supplier rebates	20.2	36.2
Other receivables	36.3	26.7
Short-term derivative financial instruments	0.4	26.8
Total	80.2	106.8

11 Financial assets

	06/30/2025	12/31/2024
Loans to third parties	3.4	4.3
Investments	16.8	18.5
Assets from employer contribution reserves	24.3	24.3
Economic benefit from pension plans	2.0	1.5
Derivative financial instruments	20.4	20.4
Other financial assets	4.4	3.6
Total	71.3	72.6

Marketable securities and financial assets are measured at market value through profit or loss. In the absence of a market value, marketable securities and financial assets are measured at

historical costs less any impairment. "Investments" include investments in associates, joint ventures and immaterial subsidiaries that are not included in the scope of consolidation.

In connection with the financing of the Hoffmann SE acquisition and the corresponding issuance of two bonds with a volume of CHF 400 million (refer to note 12), the SFS Group has entered into two cross-currency swaps (CHF/EUR) in 2022 with the same volume and maturity. The cross-currency swaps (designated as hedging instruments) are used to hedge the foreign currency exposure which arises from the translation of net investments in foreign entities (designated as hedged items) into the Group's presentation currency. Changes in the fair values of the cross-currency swaps (net investment hedges) are recognized in equity and reversed through profit and loss upon disposal of the foreign entity. The impact arising from the expiration of the cross-currency swap as of June 6, 2025 in the amount of CHF 26.0 million remains recognized in equity until the foreign entity is disposed of. As of June 30, 2025, the fair value of the remaining cross-currency swap amounts to CHF 20.4 million and is disclosed as a financial asset (fair value December 31, 2024: CHF 20.4 million).

12 Borrowings

Current borrowings	06/30/2025	12/31/2024
Bonds	–	250.0
Bank borrowings	64.6	26.0
Current borrowings from third parties	–	0.0
Total	64.6	276.0
Non-current borrowings		
Bonds	150.0	150.0
Bank borrowings	257.3	119.6
Non-current borrowings from third parties	13.8	14.0
Total	421.1	283.6

In connection with the financing of the Hoffmann SE acquisition, SFS Group issued two bonds in June 2022 for a total of CHF 400 million. The first bond of CHF 250 million has a coupon of 1.00% and a maturity of three years (maturity date June 6, 2025) and the second bond of CHF 150 million has a coupon of 1.45% and a maturity of five years (maturity date June 8, 2027). Bonds are recognized in the balance sheet at nominal value. Deviations from the nominal value in the case of below- or above-par issues are offset with the emission costs and recognized as accruals and deferrals, and afterwards reversed on a straight-line basis over the term of the bonds. The first bond was fully repaid on June 6, 2025. Due to the acquisition, the existing loan contract was prematurely renewed and two additional banks were included in the syndicate. The new contract term, after execution of the extension options, ends on May 10, 2029. The committed and uncollateralized revolving credit line amounts to CHF 600 million. It may be increased by a maximum amount of an additional CHF 100 million, provided the lenders agree to the request of SFS Group. The option to increase the maximum amount can be used up to three months before the final maturity date.

The SFS Group can use non-derivative financial instruments (financial liabilities) to hedge the foreign currency exposure which arises from the translation of net investments in foreign entities (designated as hedged items) into the Group's presentation currency (net investment hedge). Changes in the fair values of the hedging instruments of net investment hedges are recognized in equity and reversed through profit and loss upon disposal of the entity. As of June 30, 2025 borrowings include a EUR loan in the amount of CHF 224.4 million (nominal value EUR 240.0 million) which SFS Group has designated as hedging instrument in a net investment hedge.

13 Short-term provisions

As part of restructuring measures, short-term provisions in the amount of CHF 4.2 million were recognized as of June 30, 2025. These primarily relate to costs associated with personnel reduction measures as well as other expenses in connection with changes to the production and distribution network.

14 Changes in scope of consolidation

	2025 1H	2024 1H
Acquisition of subsidiaries		
Purchase price incl. acquisition cost	–	4.1
Cash and cash equivalents acquired	–	–0.7
Consideration in cash flow statement	–	3.4

As of May 1, 2024, SFS Group acquired the Etanco S.A.U., a Spanish distributor of fasteners, fixings, and accessories to the building envelope. The acquisition of Etanco will strengthen the market position of the Construction division in Spain and Portugal. With about ten employees, Etanco generated sales of approximately EUR 4 million in 2023. Contract clauses do not include any contingent consideration (earnout).

15 Discontinued operations

On June 30, 2025, a contract for the sale of Allchemet AG was signed. The completion of the transaction is expected by the end of 2025. The Distribution & Logistics segment is affected by this decision as follows:

	2025 1H	2024 1H
Net sales	18.2	18.9
Operating profit (EBIT)	0.5	1.1

16 Exchange rates

	Unit	Balance sheet		Income statement	
		06/30/2025	12/31/2024	2025 1H	2024 1H
China	CNY 100	11.131	12.411	11.894	12.326
EU	EUR 1	0.935	0.941	0.941	0.962
United Kingdom	GBP 1	1.093	1.135	1.118	1.125
USA	USD 1	0.798	0.906	0.863	0.889

17 Events after the reporting period

On July 16, 2025, the Board of Directors decided to launch a program to increase profitability. SFS expects this program and changes to the production and distribution network already approved in the first half-year to reduce sales by a total of around CHF 110 million and for it to result in project-specific non-recurring costs of approximately CHF 75 million of which CHF 5.9 million have already been considered in the half-year closing. A total of around 650 jobs are affected by company sales, transfers and site closures.

The Board of Directors approved the half-year consolidated financial statements on July 16, 2025. SFS is not aware of any further events that occurred after the balance sheet date that could have a material impact on these consolidated financial statements.

Information on the publication

Explanation regarding alternative performance measurements

In addition to financial key figures defined by general accounting principles, SFS Group uses alternative performance measurements for its segments and divisions. The basis of calculation and the explanation of alternative performance measurements are described in the [Information on the publication](#) section of the Financial Report 2024. The reconciliation to the adjusted operating profit (EBIT) for the first half of the year 2025 is presented below.

Operating profit (EBIT) adjusted and EBIT margin adjusted

in CHF million	2025 1H	2024 1H	2023 1H	2022 1H	2021 1H
Operating profit (EBIT)	162.2	180.8	189.9	162.9	164.1
+ Project-specific non-recurring costs of program to make changes to the production and distribution network	5.9	–	–	–	–
+ Amortization of inventory step-up related to purchase price allocation of Hoffmann SE acquisition and first-time intra-segment profit elimination in inventory (D&L segment)	–	–	–	16.6	–
– Book gain on disposal of non-operating assets	–	–	–	–	–3.1
Operating profit (EBIT) adjusted	168.1	180.8	189.9	179.5	161.0
Net sales	1,533.5	1,543.5	1,573.7	1,224.1	960.3
EBIT margin adjusted in %	11.0	11.7	12.1	14.7	16.8

The registered shares of the SFS Group AG of CHF 0.10 each are listed on the SIX Swiss Exchange AG since May 7, 2014. Swiss GAAP FER was applied for the first time at the end of 2017.

	06/30/2025	12/31/2024	12/31/2023	12/31/2022	12/31/2021
Number of registered shares in 1,000	38,900	38,900	38,900	38,900	37,500
Number of shares ranking for dividend in 1,000	38,900	38,900	38,900	38,900	37,500
Weighted average number of outstanding shares in 1,000	38,858	38,883	38,887	38,365	37,460
Number of shareholders	8,465	8,777	8,881	8,691	7,910
Stock exchange quotation in CHF					
Year high	126.40	133.80	128.80	140.90	143.00
Year low	95.50	97.60	87.90	80.90	103.90
End price	108.80	125.60	104.20	87.50	126.20
Share key data					
Earnings per share in CHF	2.86	6.21	6.84	6.95	6.51
Distribution per share in CHF	n/a	2.50	2.50	2.50	2.20
Payout ratio in % of net income	n/a	40.3	36.5	36.4	33.6
Price/earnings ratio (year-end price)	n/a	20.2	15.2	12.6	19.4
Market capitalization					
in CHF million	4,232.3	4,885.8	4,053.4	3,403.8	4,732.5
(End price × number of shares ranking for dividend)					
in % of (annualized) net sales	138.0	161.2	131.9	124.3	249.4
in % of equity	281.6	313.4	294.7	261.1	326.3

Agenda

First information on financial year 2025

Friday, January 23, 2026

Publication of Annual Report 2025

Friday, March 6, 2026

33rd Annual General Meeting

Wednesday, April 22, 2026

Stock information

Security-no.

23.922.930

ISIN

CH 023 922 930 2

SIX Swiss Exchange AG

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Reuters

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Bloomberg

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Fact Set

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