Inventing success together

26 1H

Presentation of 1H2026 results
Heerbrugg, 7/23/2026

Today's Speakers

Jens Breu, CEO

Volker Dostmann, CFO

Agenda

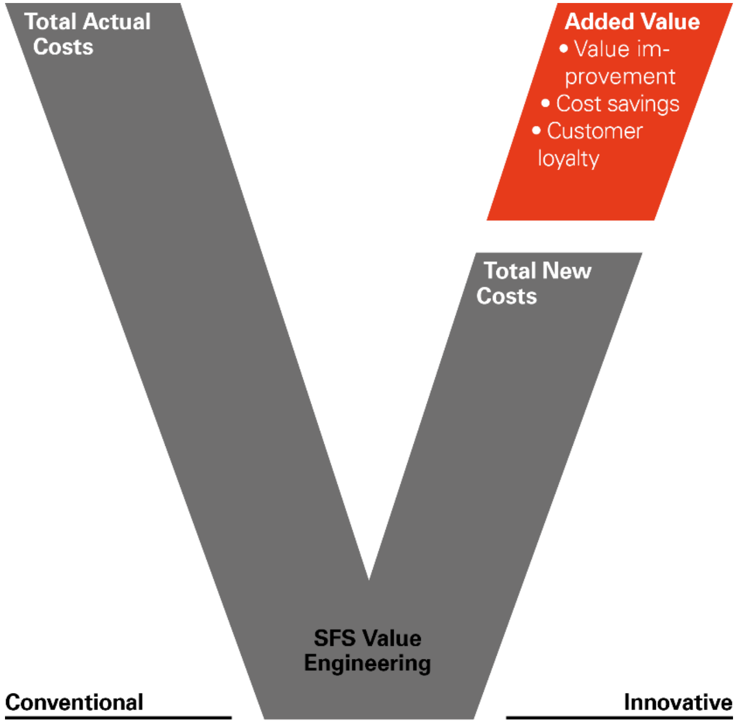
1.	**Positioning of SFS**	Jens Breu
2.	**Key Takeaways**	Jens Breu
3.	**Key Financials**	Volker Dostmann
4.	**Development of Segments**	Volker Dostmann
5.	**Guidance 2026**	Volker Dostmann
6.	**Q&A**	Jens Breu & Volker Dostmann

Positioning of SFS

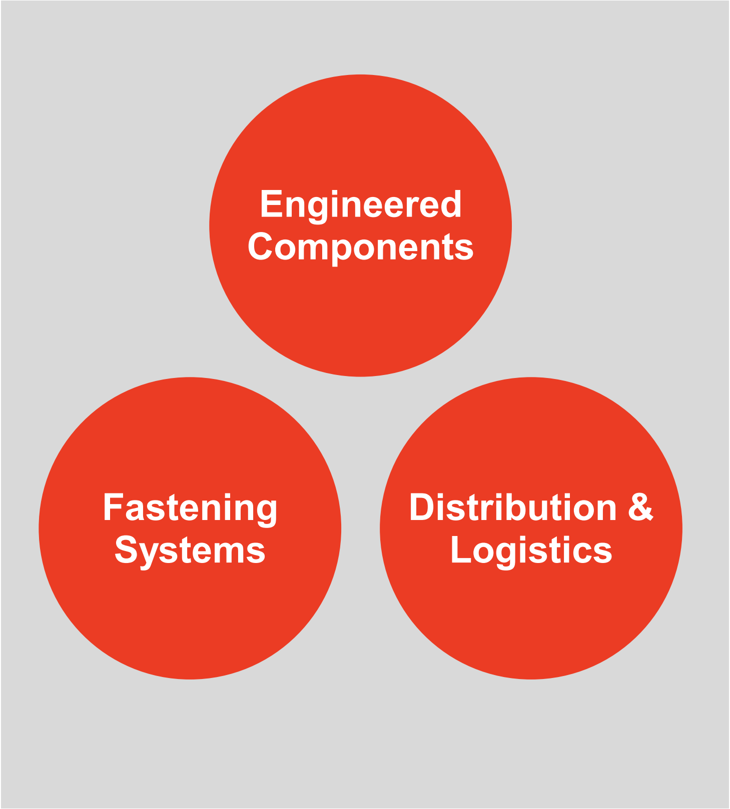
Mission-Critical Products for Selected End Markets
We Are by Your Side – 24/7

Inventing success together
Driving Innovation Through Value Engineering

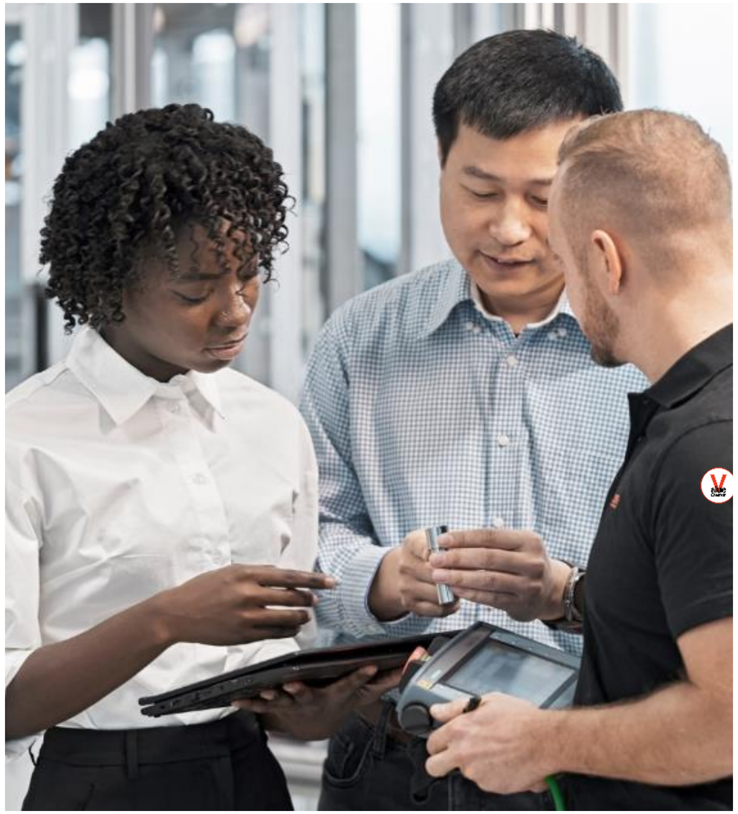
Value Engineering…



in Three Segments…



by Value Creators

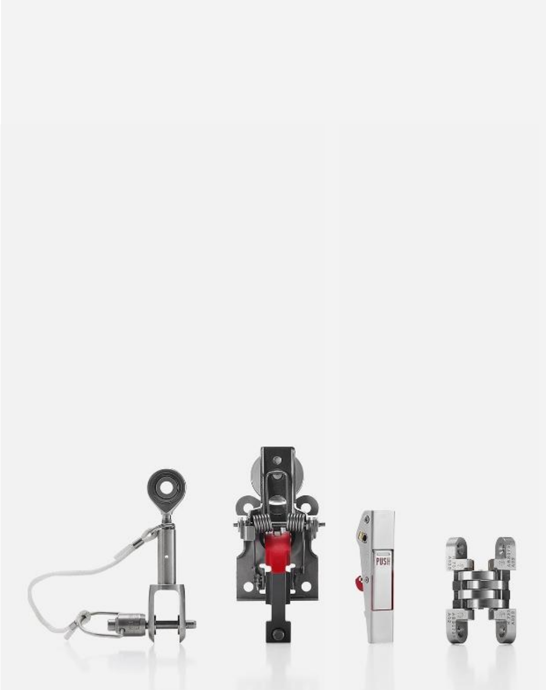


Engineered Components
Invisible but Essential

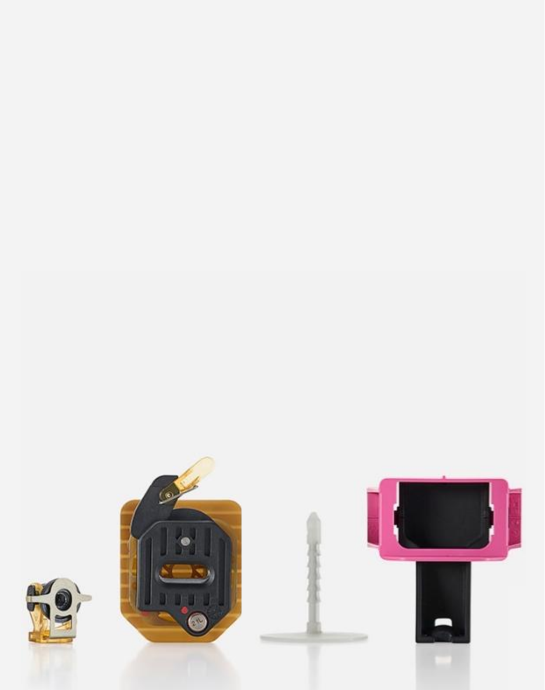
Most Innovative and Best-Selling Products

Cabin Assemblies

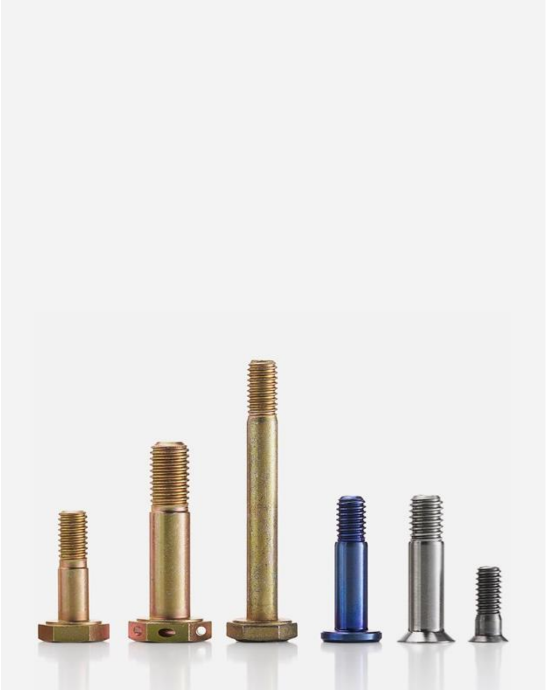
Assembled Solutions



Injection Molding



Aerospace Fasteners



Engineered Components
Strategic Acquisitions as an Opportunity for Growth

Heartland Precision Fasteners, Inc.

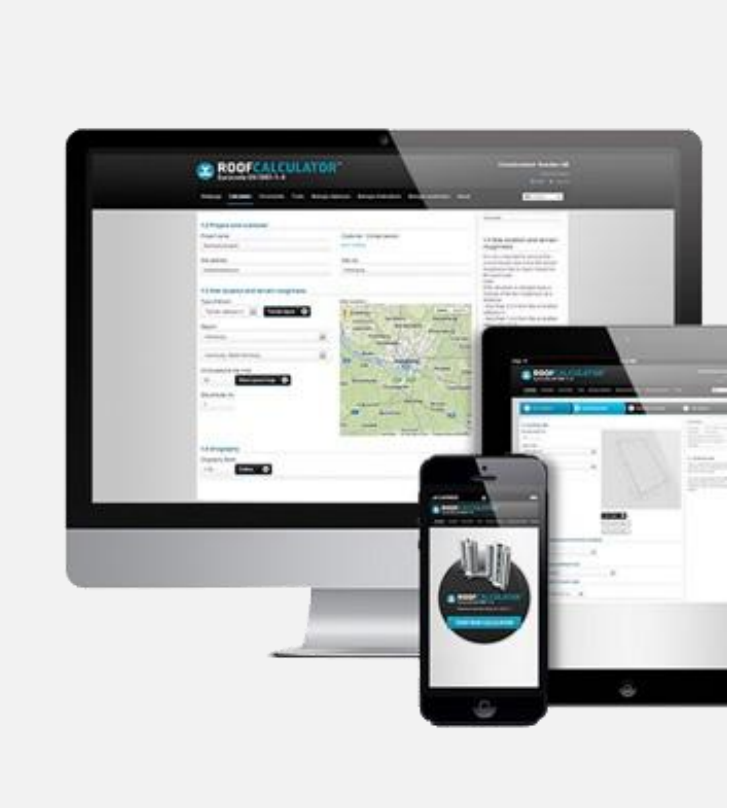
- US based manufacturer of high-grade fasteners for aircraft structures and propulsion systems
- Sales of USD 30 million in 2025, 70 employees
- Benefits:
  - Expand aerospace portfolio and activities
  - Gain access to key US customers incl. Boeing
  - Enable global manufacturing platform for aerospace market
  - Support segment's growth and profitability targets
- Acquisition after balance sheet date (July 9), closing expected until end of September 2026

Fastening Systems
Product, Process and Digitization Solution Example

Tool

Fastener

Calculation Software



Fastening Systems
Strategic Acquisitions as an Opportunity for Growth

Harald Zahn GmbH

- Leading supplier of fastening systems for flat roofs
- Based in Germany, supplying Germany and Austria
- Sales of EUR 8 million in 2025, 45 employees
- Benefits:
  - Strengthen market access in the German and Austrian construction industry
  - Widen range of flat roof services
  - Opens up international growth potential for the existing products and solutions

Distribution & Logistics
Providing the Ecosystem for Industrial Production

Our Customers

Our customers are industrial manufacturers in metal working and beyond, geographically located mainly in Europe.

Our Product & Service Offering

The Distribution & Logistics segment provides a curated portfolio of high-quality cutting and hand tools, workshop equipment and personal protection.

How We Create Value

We offer a one-stop shopping solution and process optimization for industrial manufacturing. We supply everything around the industrial workplace.

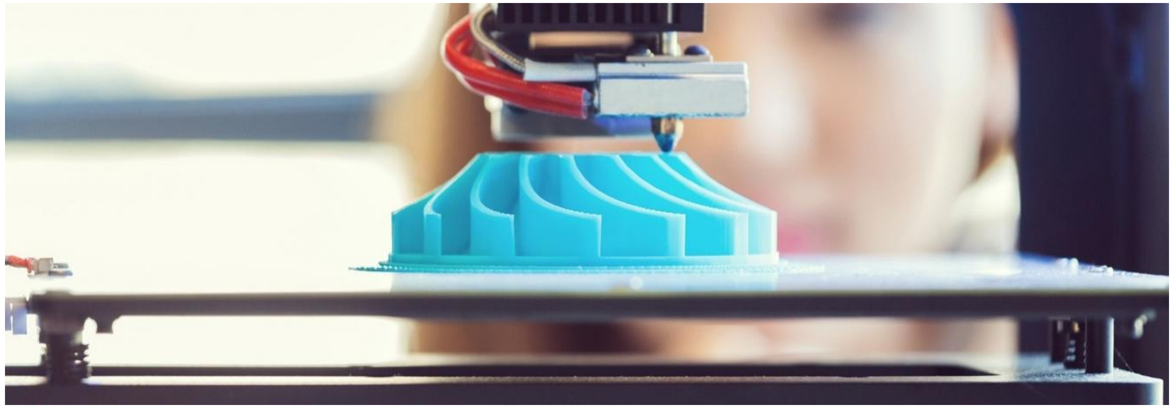
Distribution & Logistics
Strategic Acquisitions as an Opportunity for Growth

Gödde GmbH, Oltrogge Werkzeuge GmbH and Hch. Perschmann GmbH

- Sales partners of Hoffmann in several EU countries
- Increase in sales of approx. EUR 130 million for SFS
- Benefits: Internationalize trading business, extend direct market access in Europe and leverage synergies

Jellypipe AG (now Hoffmann Additive Manu-facturing)

- 3D printing service for industrial manufacturing, based in Switzerland
- Benefits: Consolidate market position in the trading business and expand technology offering



Strategic Priorities

Focusing on Our Main Strengths and Chances

- Strategy Execution
- Mega-trends
- Local-for-local
- Focus on Technology
- Solid Financing

Key Takeaways

Key Takeaways
Strong Progress

- First half-year 2026 was shaped by ongoing upheavals and disrupted supply chains
- Our local-for-local approach has mitigated the effects of supply bottlenecks on our business areas – manifesting the sustainable strategy and solid positioning
- SFS realized sales of CHF 1,559.3 million, corresponding to a growth of 1.3% compared to 1H2025
  - Currency effects slowed sales down by –4.2%
  - Organic growth of 4.0% generated
- Mix effects and measures from streamlining the global production and distribution network had a positive impact on profitability, while the implementation continues to generate non-recurring effects that impact the results
  - Adjusted operating profit (EBIT) came to CHF 206.0 million, corresponding to an adjusted EBIT margin of 13.3%
  - Including non-recurring effects, operating profit (EBIT) came to CHF 211.2 million and EBIT margin of 13.6%
- SFS augments organic growth through strategic acquisitions and strengthens long-term positioning

Streamlining of Production and Distribution Network
Positive Impact on Profitability Already Visible

- The program strengthens focus on core activities, adjusts production capacities to market demand, optimizes efficient use of resources and reduces complexity within the global site network
- These activities will help to achieve SFS's defined long-term growth and profitability targets
- The SFS Group's strategy remains unchanged, particularly its local-for-local strategy
- Expected reduction in sales of about CHF 110 million and total program-related one-off costs of approx. CHF 75 million
- Positive EBIT margin effect of approx. 0.8 percentage points until end of 2027 as a result
- Approximately 650 employees are affected by company sales, site closures, and transfers in: Austria, Czech Republic, Germany, Malaysia/Singapore, Switzerland, Türkiye, and USA
- Program to be completed by end of 2027

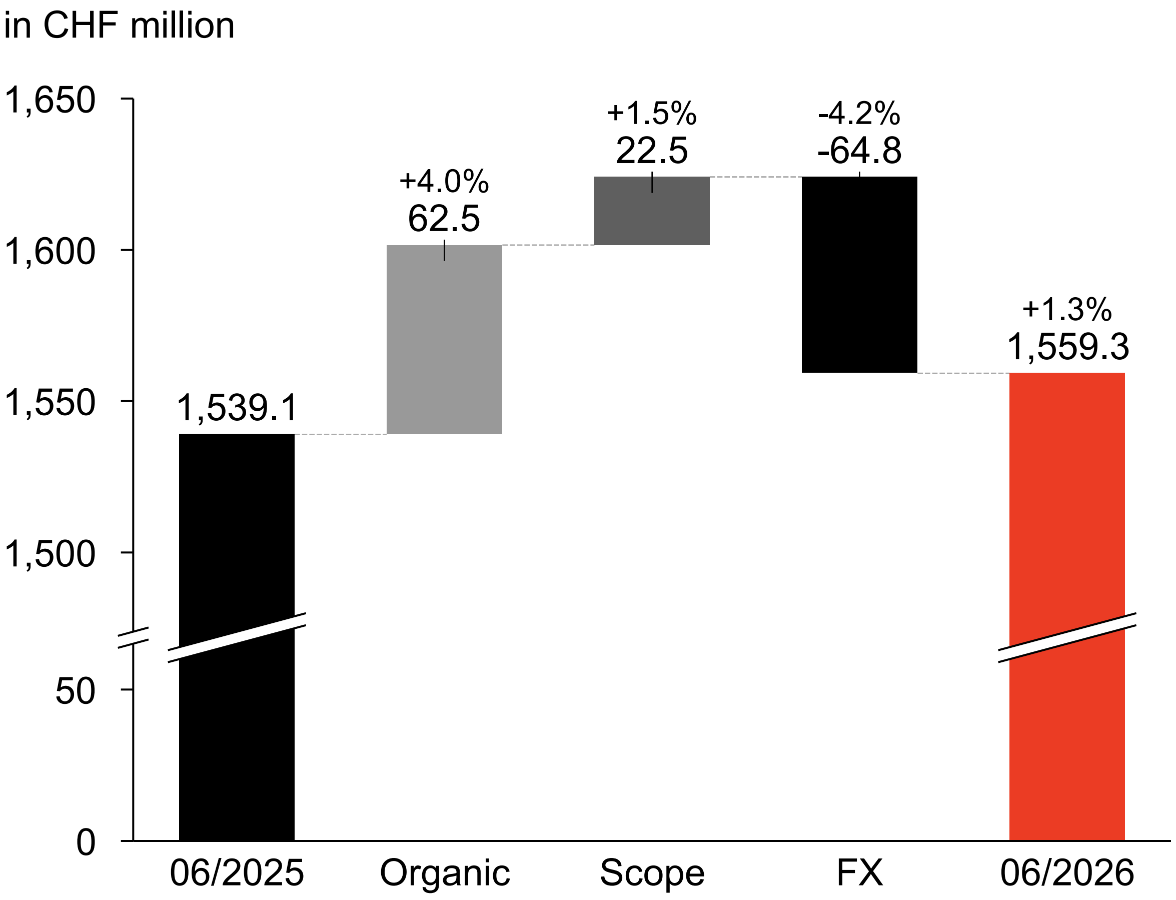
Key Financials

Sales Bridge
Organic Growth in All Segments, significant FX Headwind

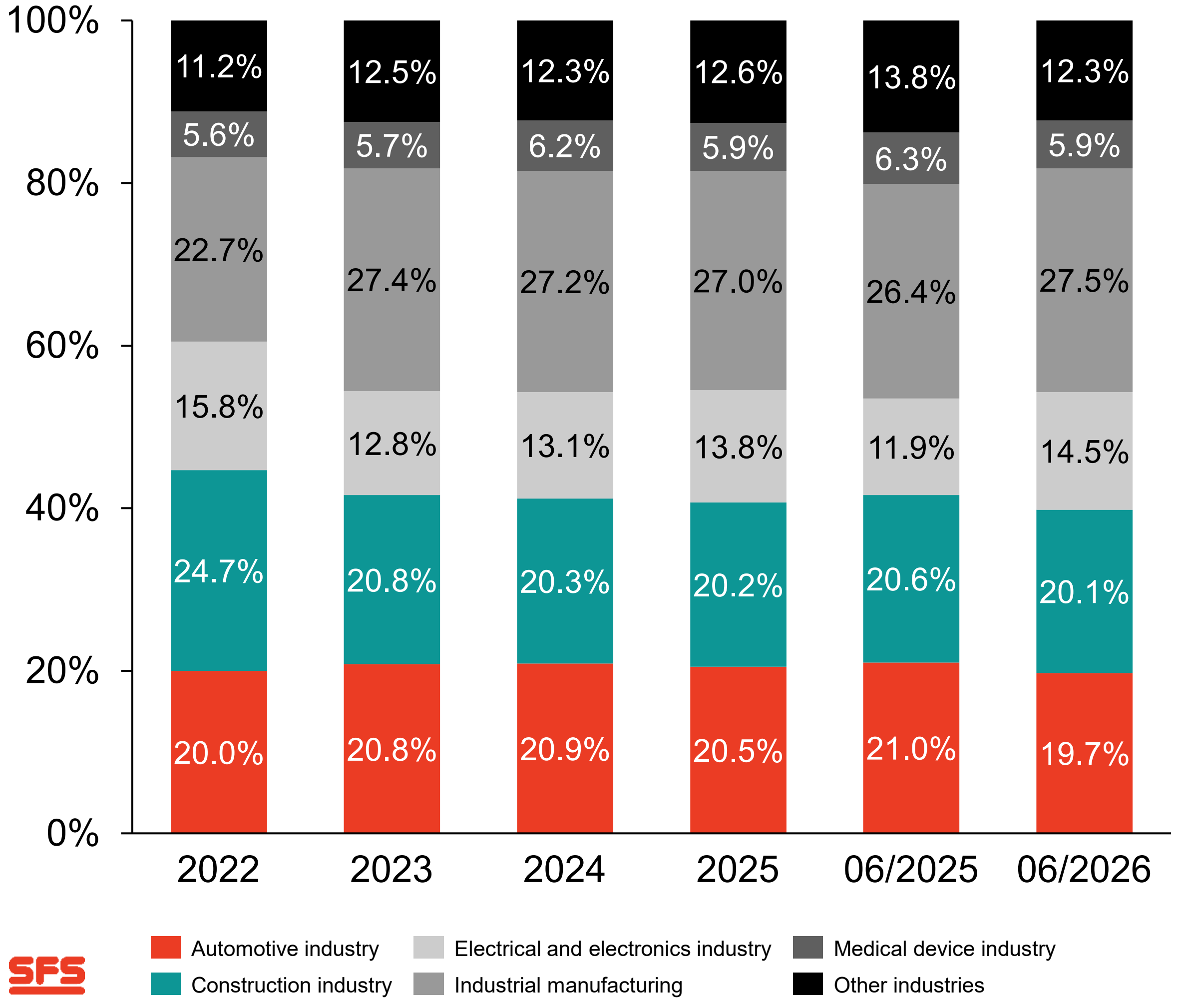
Organic Growth	**06/2026** in CHFm	**06/2026** in %	**06/2025** in %
EC segment	48.7	8.6	5.2
FS segment	3.5	1.2	–1.0
D&L segment	10.3	1.5	–1.2

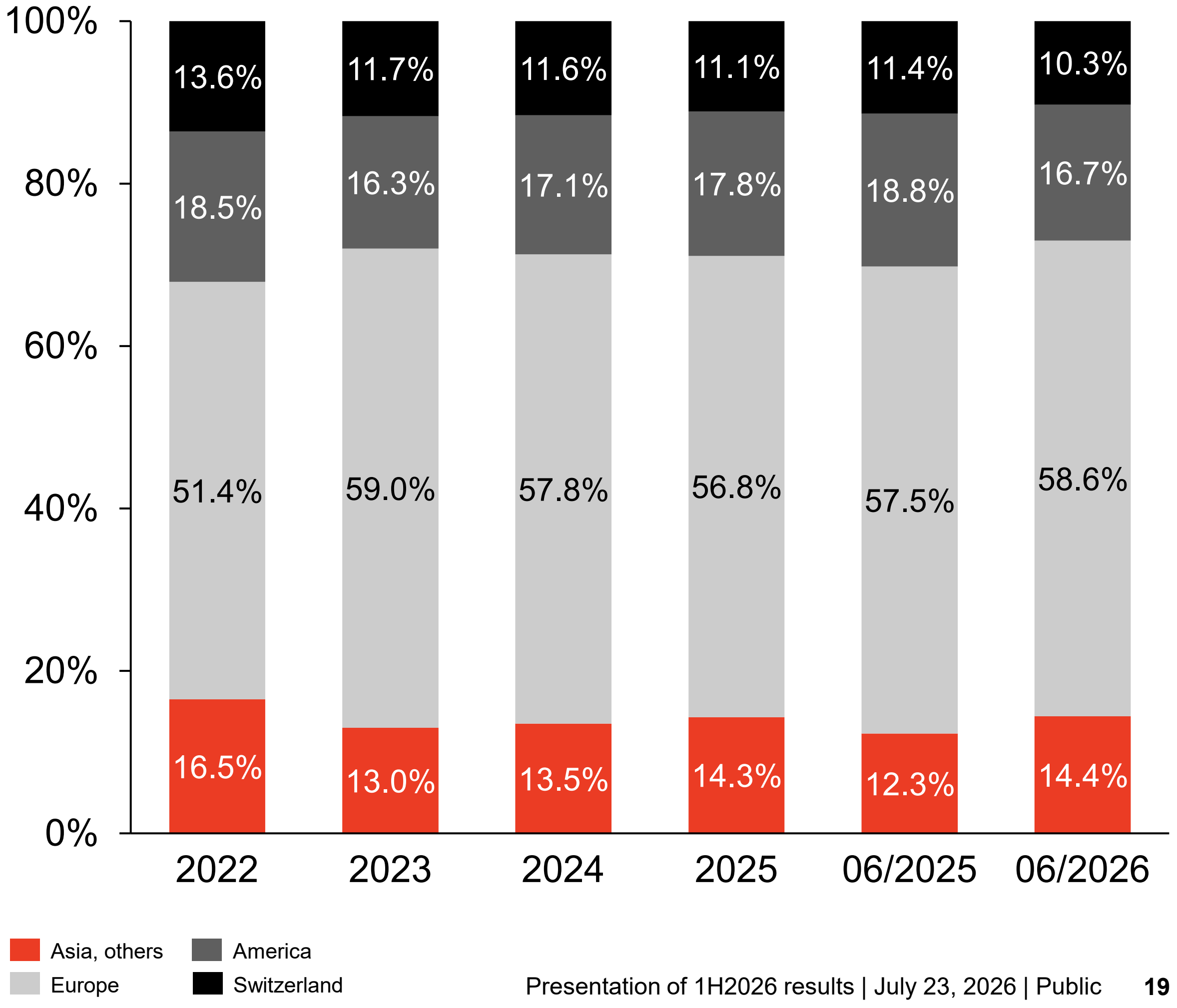
- EC segment with significant organic growth largely attributable to the Electronics and Industrial end markets
- FS segment with positive momentum only in Q2/26
- D&L segment with organic growth in Europe

FX Rate	**ØYTD 06/2026**	**ØYTD 06/2025**
EUR/CHF	0.918	0.941
USD/CHF	0.787	0.863



Sales Breakdown by End Market and Region
Significant Organic Growth in Electronics and Asia

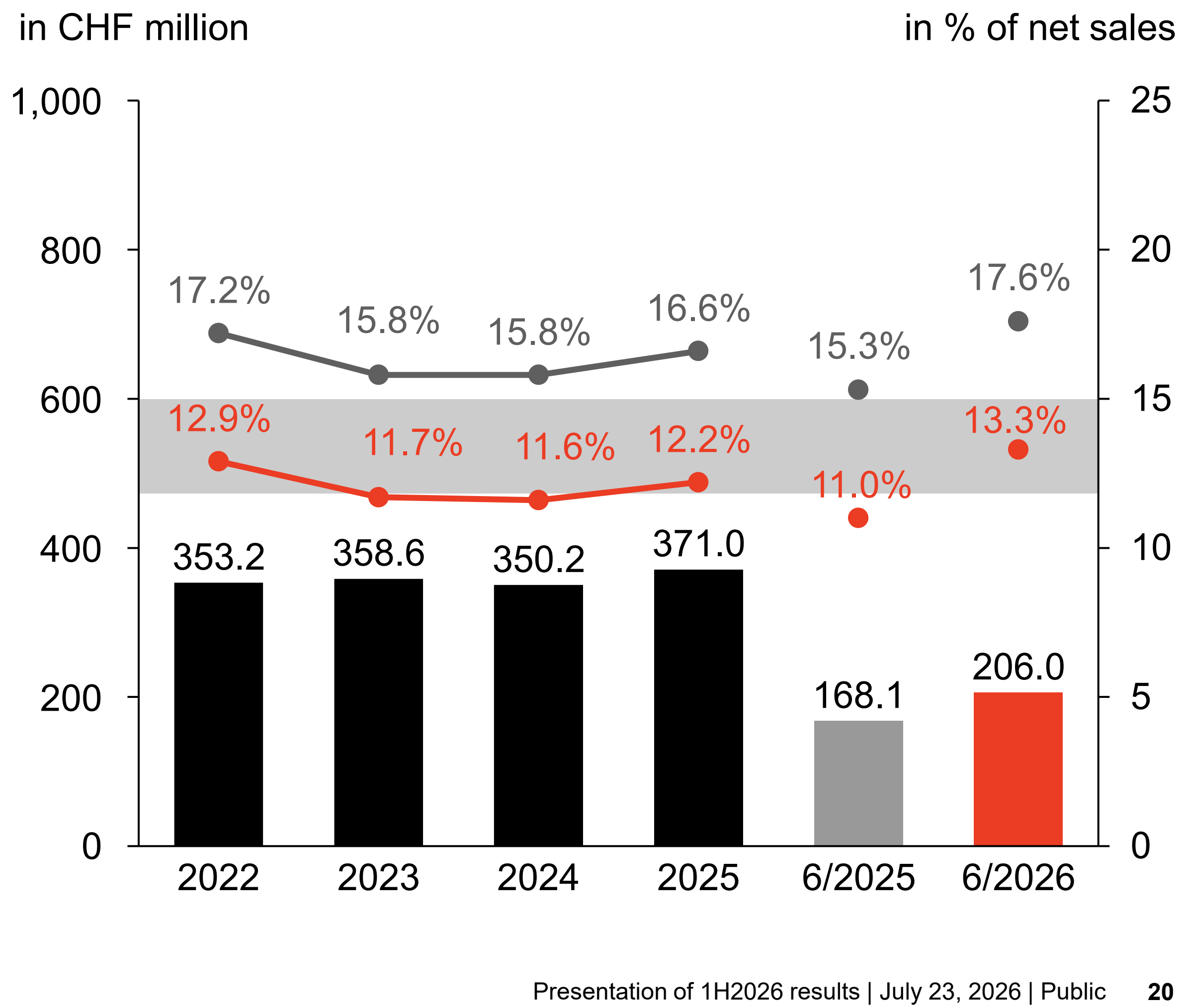




Operating Profitability YTD
EBIT Margin Adjusted Well Within the Target Range

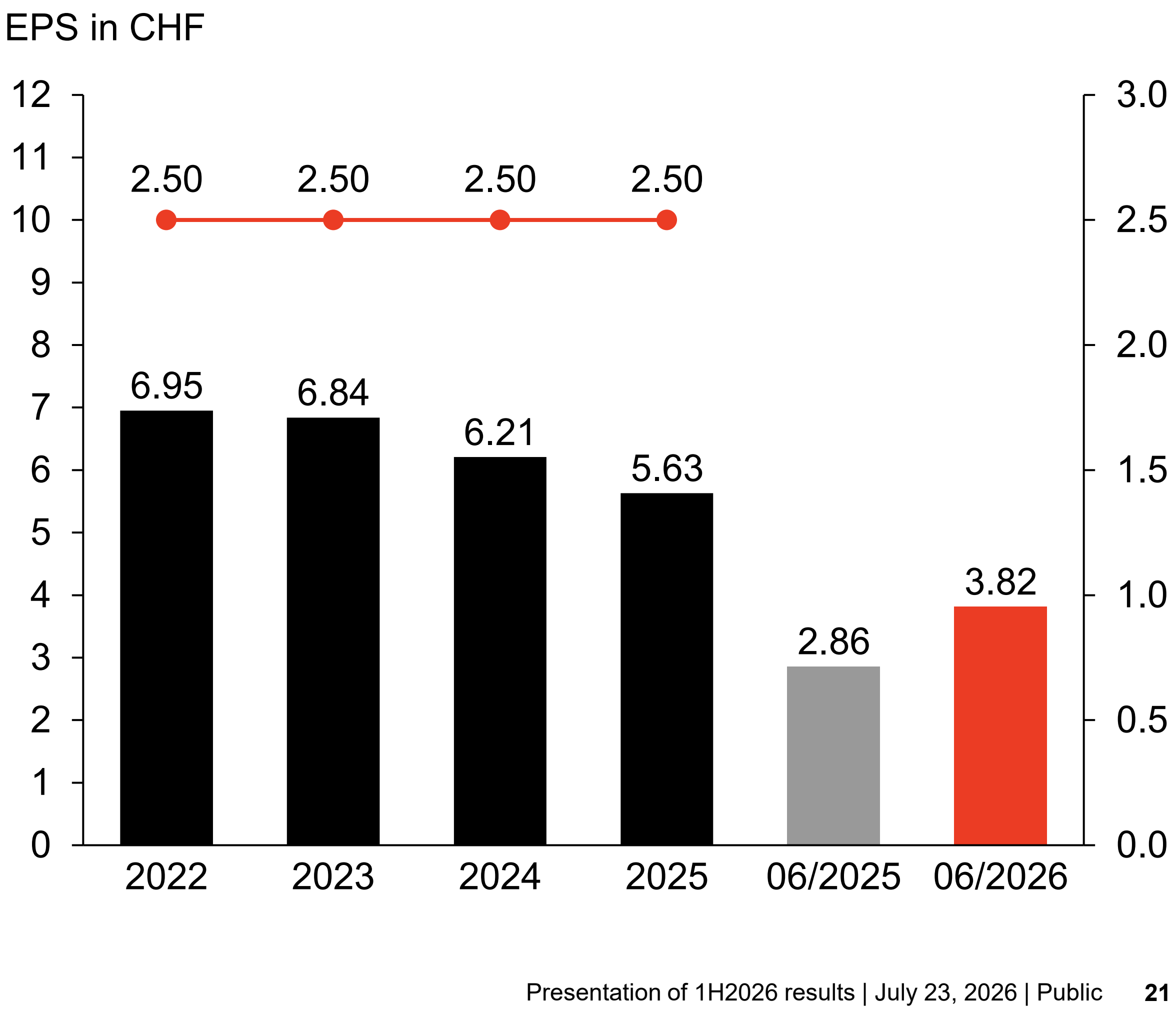
- Positive trend in EC and D&L segments
- FS segment impacted by reduced momentum
- Cost measures starting to pay off
- Program to streamline the production and distribution network well on track
- Respective EBIT adjustment CHF 5.2 million in 1H2026 due to timing differences in deconsolidation

Profitability	Reported in CHFm	Reported in %	Adjusted in CHFm	Adjusted in %
EBIT	211.2	13.6	206.0	13.3
EBITDA	276.8	17.8	273.7	17.6



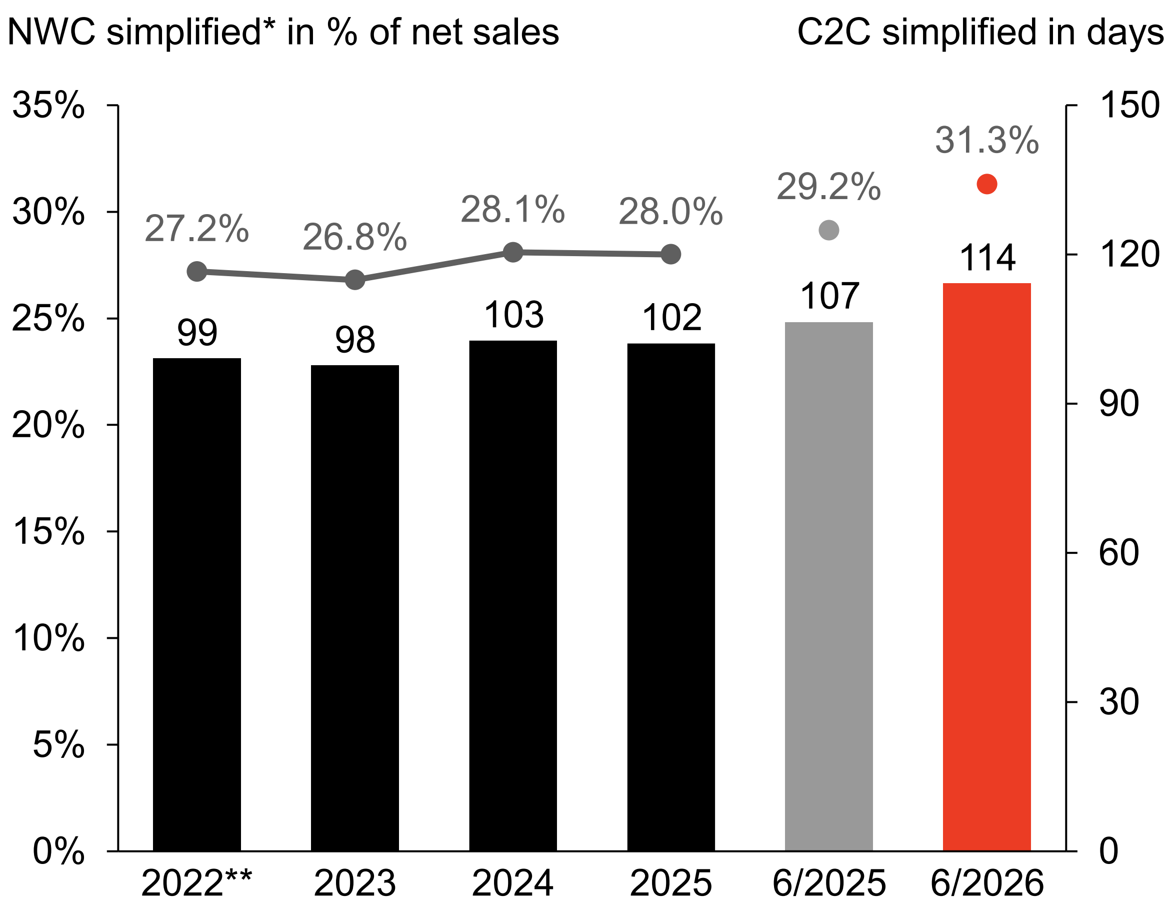
Earnings Per Share (EPS)
EPS With Positive Development

- Overall EPS +33.6%
- Main driver is the pickup of EBIT level
- Thereof included effects of the program to streamline the global production and distribution network (approx +CHF 0.09)



Net Working Capital
Higher NWC Due to Multiple Effects

- NWC simplified increased by 9.1% compared to previous year
- Primarily driven by
  - Consolidation of acquired businesses
  - Strategic inventory build-up due to streamlining program
  - Good delivery reliability is prioritized

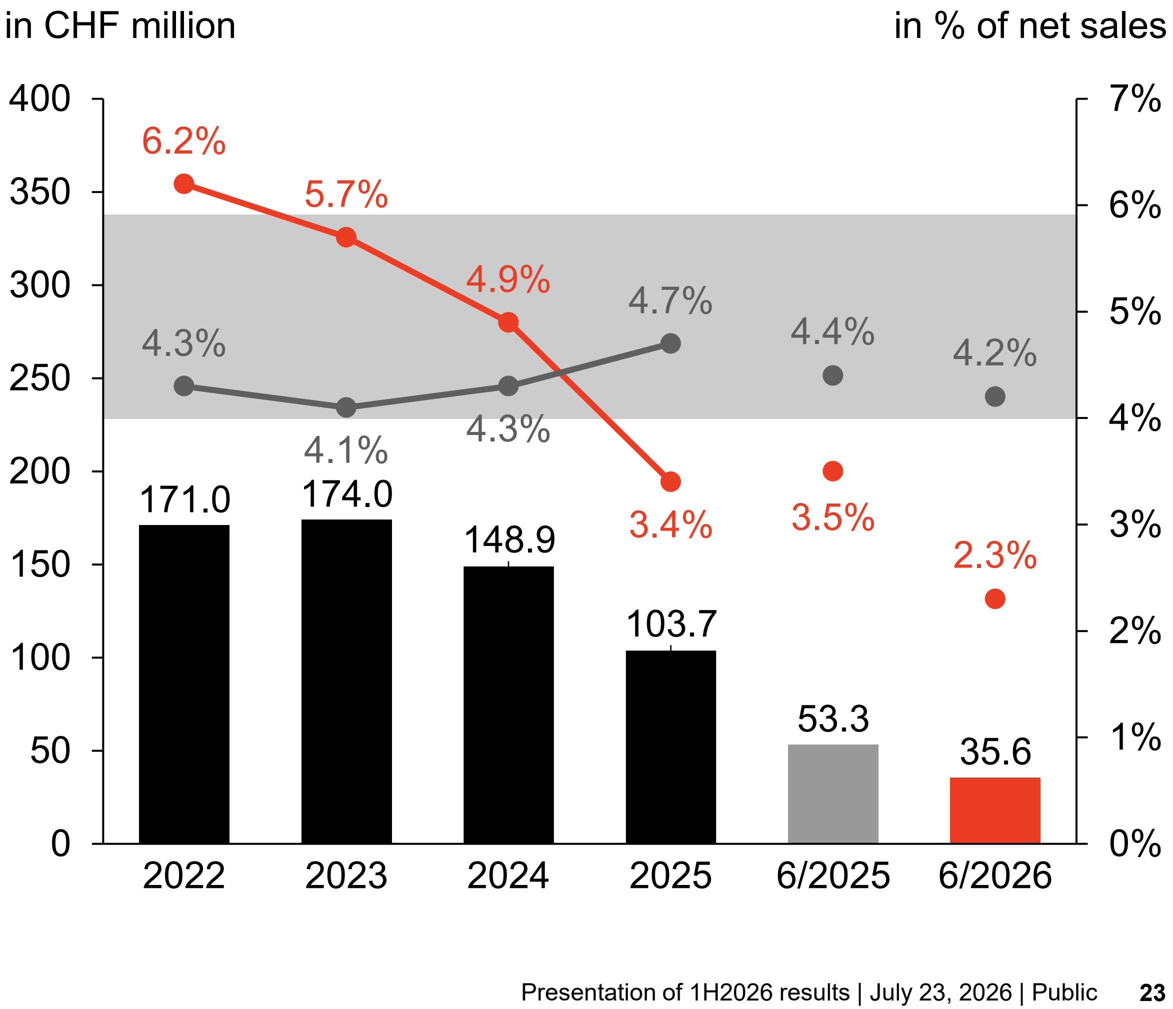


*NWC simplified = AR + Inventory – AP ** Impact of Hoffmann annualized

Capital Expenditure
Investing – Clear Priorities for Growth

CAPEX Spending by Segment	06/2026 in %	06/2025 in %
EC	49	70
FS	27	12
D&L	16	13

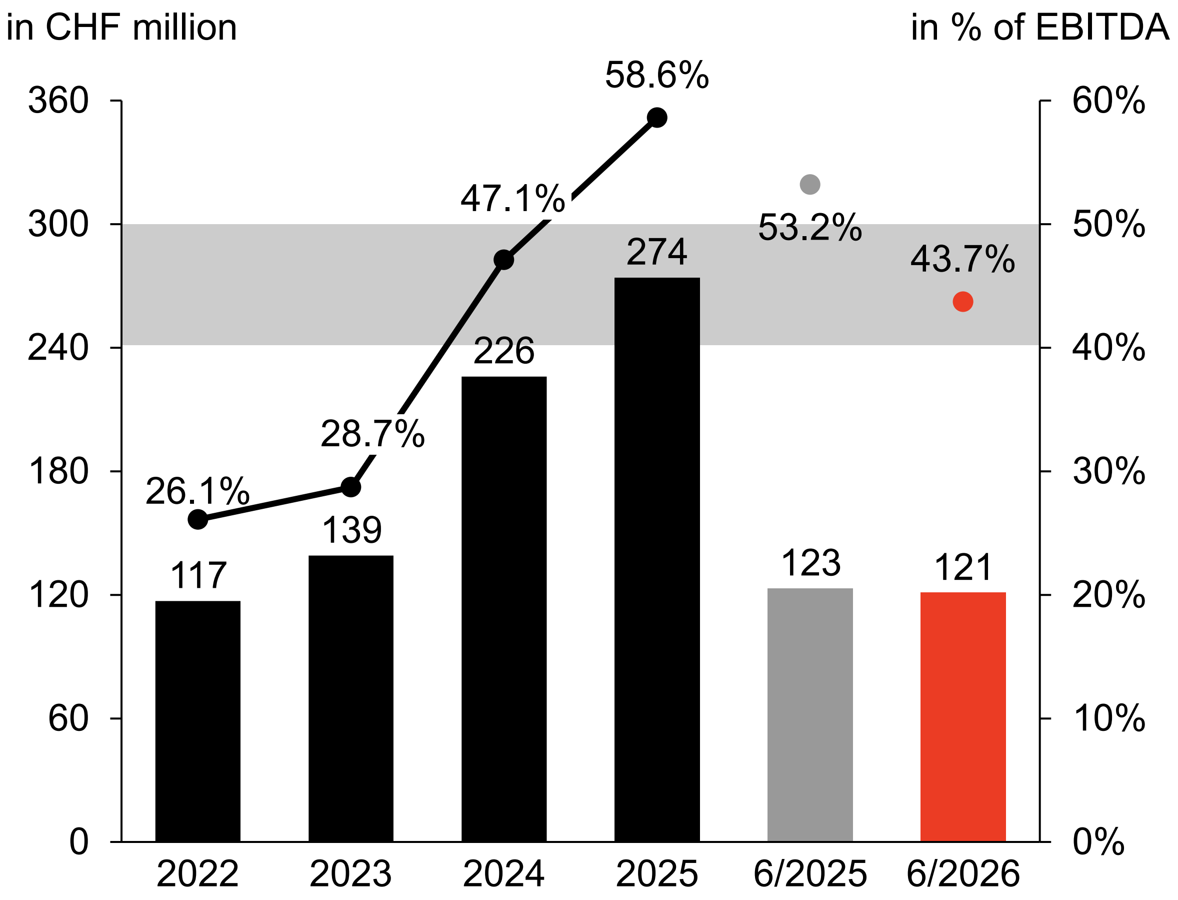
- CAPEX far below target range of 4–6% of net sales
- Substantial reduction and strict focus in growth-related expenditure
- Clear priority to exploit existing infrastructure and capacity, also in the scope of the streamlining program



Operating Free Cash Flow (OFCF)
Cash Conversion in Target Range

in CHF million	**06/2026**	**06/2025**
CF before changes in NWC	220	189
Changes in NWC	–63	–13
Cash flow from operations	**157**	**176**
CAPEX	–36	–53
Operating free cash flow	**121**	**123**

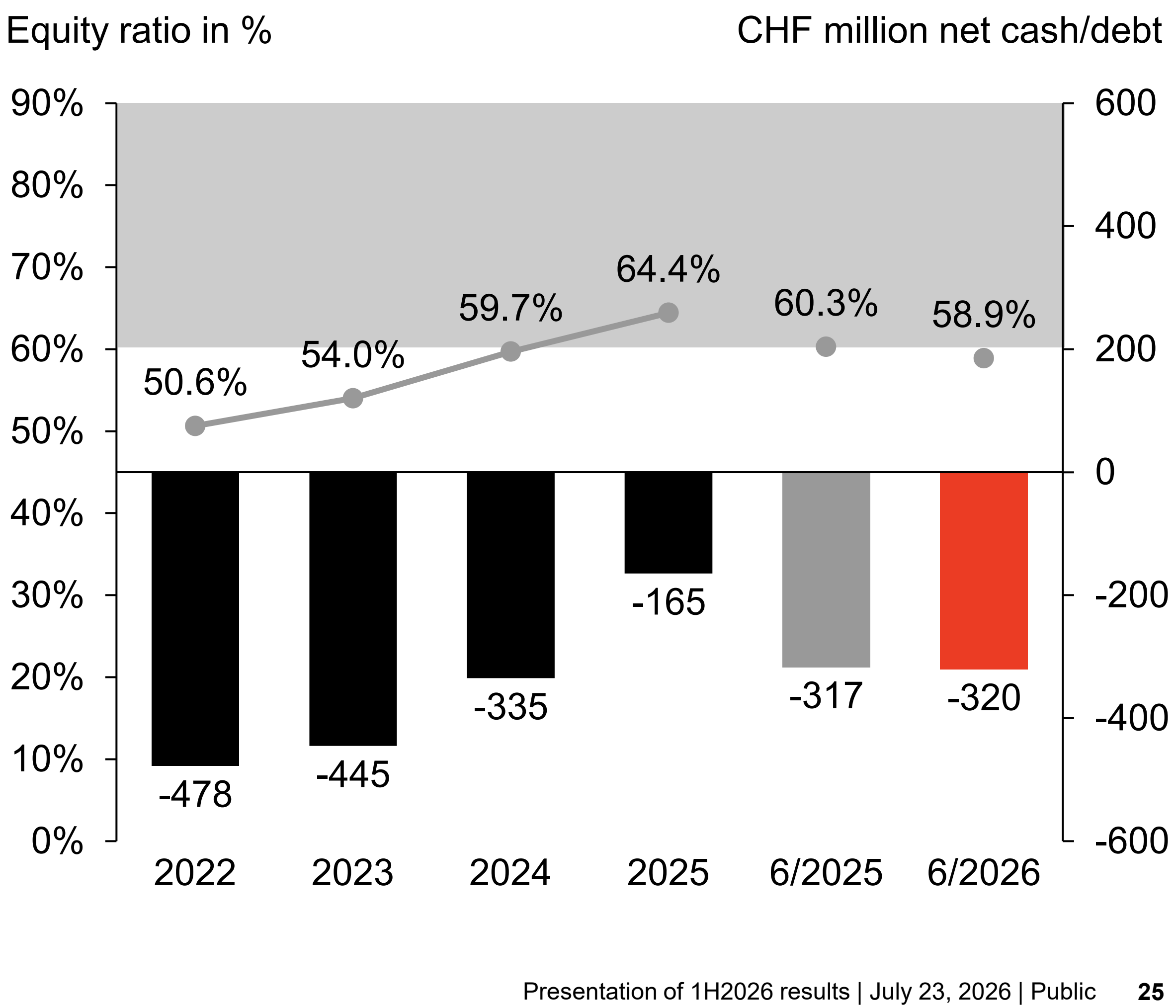
- Adverse effects in NWC only partially compensated by CAPEX reduction
- Cash conversion rate adjusted* at 47.0%



Indicative target range Operating FCF Operating FCF/EBITDA *OFCF adj./EBITDA adj.

Equity Ratio
Slightly Reduced

- Strong cash generation and increase in debt allowed to finance acquisitions
  - Gödde, Perschmann and Oltrogge (D&L)
  - Harald Zahn (FS)
- Next bond maturity is June 2027 (CHF 150 million)



Return on Capital
All KPIs Above Prior Year

- Bridge ROCE to ROIC
  - Impact from goodwill and net cash: –9.7%
  - Impact from tax effects: –4.1%

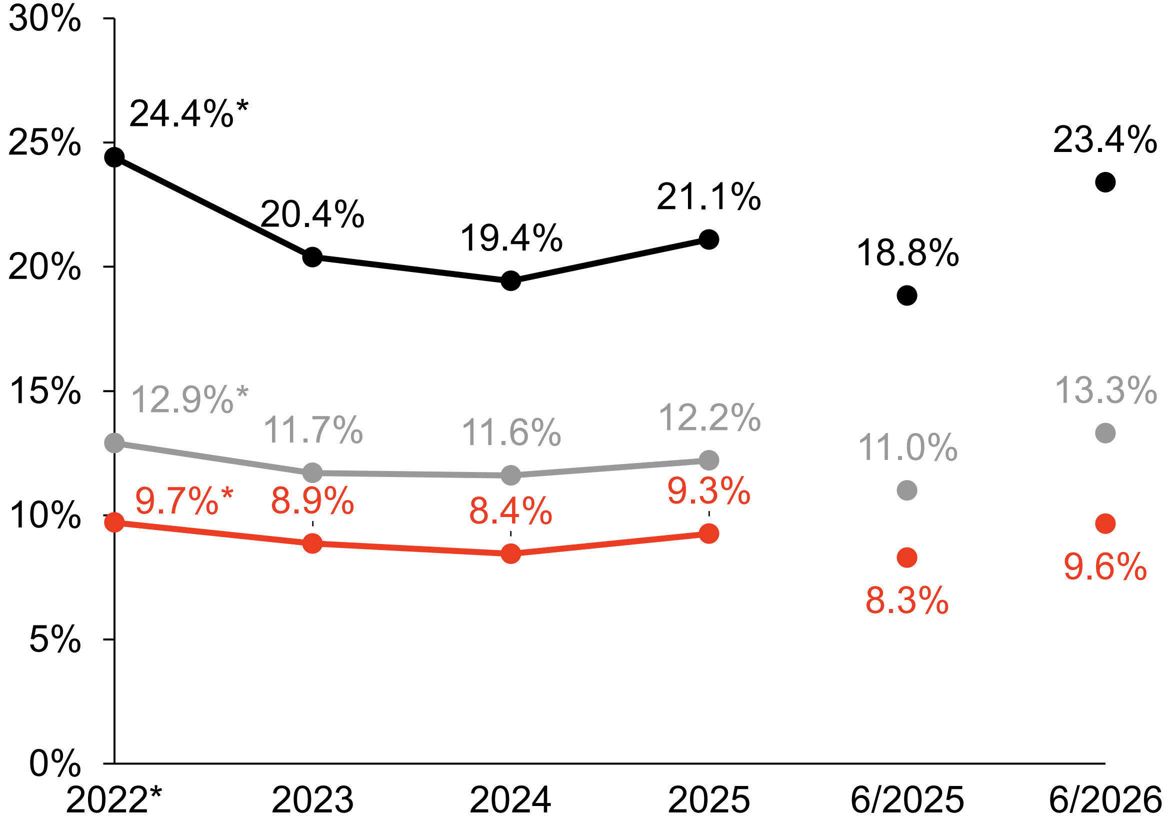
$$\text{ROCE} = \frac{\text{Adjusted EBIT ann.}}{\text{Ø Capital Employed (CE)}}$$

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

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

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

in % of net sales



*Impact of Hoffmann annualized

Development of Segments

Engineered Components Segment
Growth Trajectory Continued

- Sales of CHF 577.8 million, +2.6% vs. 1H2025 and adjusted EBIT margin of 16.7%
- Electronics business unit reported an extraordinary development and outstanding growth, driven by applications used in smartphones and data centers
- Despite excess capacity in Europe, SFS generated solid progress in the automotive industry, in part due to the streamlining program
- Performance in the Medical Devices business area was stable at a good level and Industrial business unit continued dynamic development, driven by Aerospace application area
- Acquisition of Heartland Precision Fastener on July 9 to expand aerospace activities into North America

Key Figures Engineered Components in CHF million	**2026** **1H**	+/–%	2025 1H
Third–party sales	577.8	2.6	563.1
Organic growth		8.6	
Net sales	580.1	2.5	566.0
EBITDA	140.5	16.1	121.0
in % of net sales	24.2		21.4
Operating profit (EBIT)	101.6	30.8	77.7
in % of net sales	17.5		13.7
Operating profit (EBIT) adjusted[1]	96.9	17.6	82.4
in % of net sales	16.7		14.6
Average capital employed	880.3	–5.0	926.5
Investments	17.6	–52.7	37.2
ROCE in %[2]	22.0		17.8
Employees in FTE	8,003	4.4	7,669

[1]Adjustments are explained in the Information on the publication section
[2]EBIT adjusted, annualized in % of average capital employed

Fastening Systems Segment
Still Reduced Momentum in Construction Industry

- Sales of CHF 293.8 million, –1.1% vs. 1H2025 and adjusted EBIT margin of 11.3%
- Results of FS segment still burdened by the economic environment
- Market demand improved slightly in the second quarter of 2026 in Europe
- Demand remained rather flat in North America
- Market access to the flat roof application area in Germany expanded with the acquisition of Harald Zahn

Key Figures Fastening Systems in CHF million	**2026** **1H**	+/–%	2025 1H
Third–party sales	293.8	–1.1	297.2
Organic growth		1.2	
Net sales	294.9	–1.8	300.4
EBITDA	40.9	–3.1	42.2
in % of net sales	13.9		14.0
Operating profit (EBIT)	33.9	–4.5	35.5
in % of net sales	11.5		11.8
Operating profit (EBIT) adjusted[1]	33.3	–6.2	35.5
in % of net sales	11.3		11.8
Average capital employed	255.7	1.5	251.9
Investments	9.7	47.0	6.6
ROCE in %[2]	26.0		28.2
Employees in FTE	1,996	–7.2	2,152

[1]Adjustments are explained in the Information on the publication section
[2]EBIT adjusted, annualized in % of average capital employed

Distribution & Logistics Segment
Prepared for Market Recovery

- Sales of CHF 687.7 million, +1.3% vs. 1H2025 and adjusted EBIT margin of 11.8%
- D&L segment saw slightly improved market momentum in the first half of 2026
- Further consolidation of our leading position as distributor to the European industrial manufacturing end market with acquisition of the three partner companies
- Expanded services offering – 3D printing – from acquisition of majority of shares in Jellypipe AG (now Hoffmann Additive Manufacturing AG)

Key Figures Distribution & Logistics in CHF million	**2026** **1H**	+/–%	2025 1H
Third–party sales	687.7	1.3	678.8
Organic growth		1.5	
Net sales	684.1	1.3	675.0
EBITDA	96.4	42.2	67.8
in % of net sales	14.1		10.0
Operating profit (EBIT)	81.0	50.0	54.0
in % of net sales	11.8		8.0
Operating profit (EBIT) adjusted[1]	80.7	46.5	55.1
in % of net sales	11.8		8.2
Average capital employed	606.7	2.4	592.7
Investments	5.6	–20.0	7.0
ROCE in %[2]	26.6		18.6
Employees in FTE	3,852	6.9	3,605

[1]Adjustments are explained in the Information on the publication section
[2]EBIT adjusted, annualized in % of average capital employed

Guidance 2026

Guidance 2026
Confirm Mid-Term Guidance

	2025A (CHF)	**2026G**
Sales *(growth in local currencies, incl. scope effects)	3,056.6 million	**+3–6%***
Adjusted EBIT margin	12.2%	**12–15%**

Q&A

Agenda
Upcoming IR Events

2026

Investor Day
Thursday, September 17, 2026

2027

Publication of Annual Report 2026
Friday, February 26, 2027

Annual General Meeting
Tuesday, April 20, 2027

Publication of Half-Year Report 2027
Wednesday, July 21, 2027

Note: no media release on sales figures in January from now on

Thank you for your attention

Inventing success together