

Media & Analyst Conference 2020



Zurich - March 10, 2020

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- 2 Results 2019
- 3 Sustainability
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Schweiter at a Glance

SCHWEITER TECHNOLOGIES IS A **GLOBAL GROUP**, MANUFACTURING AND COMMERCIALIZING **COMPOSITE PANELS AND COMPOSITE SOLUTIONS**




Key Figures 2019

-  ~ 1.2 bn CHF sales
-  > 126m CHF EBITDA
-  Global presence in more than 50 countries
-  Equity ratio ~70%
-  Dividend proposal: 40 CHF per share

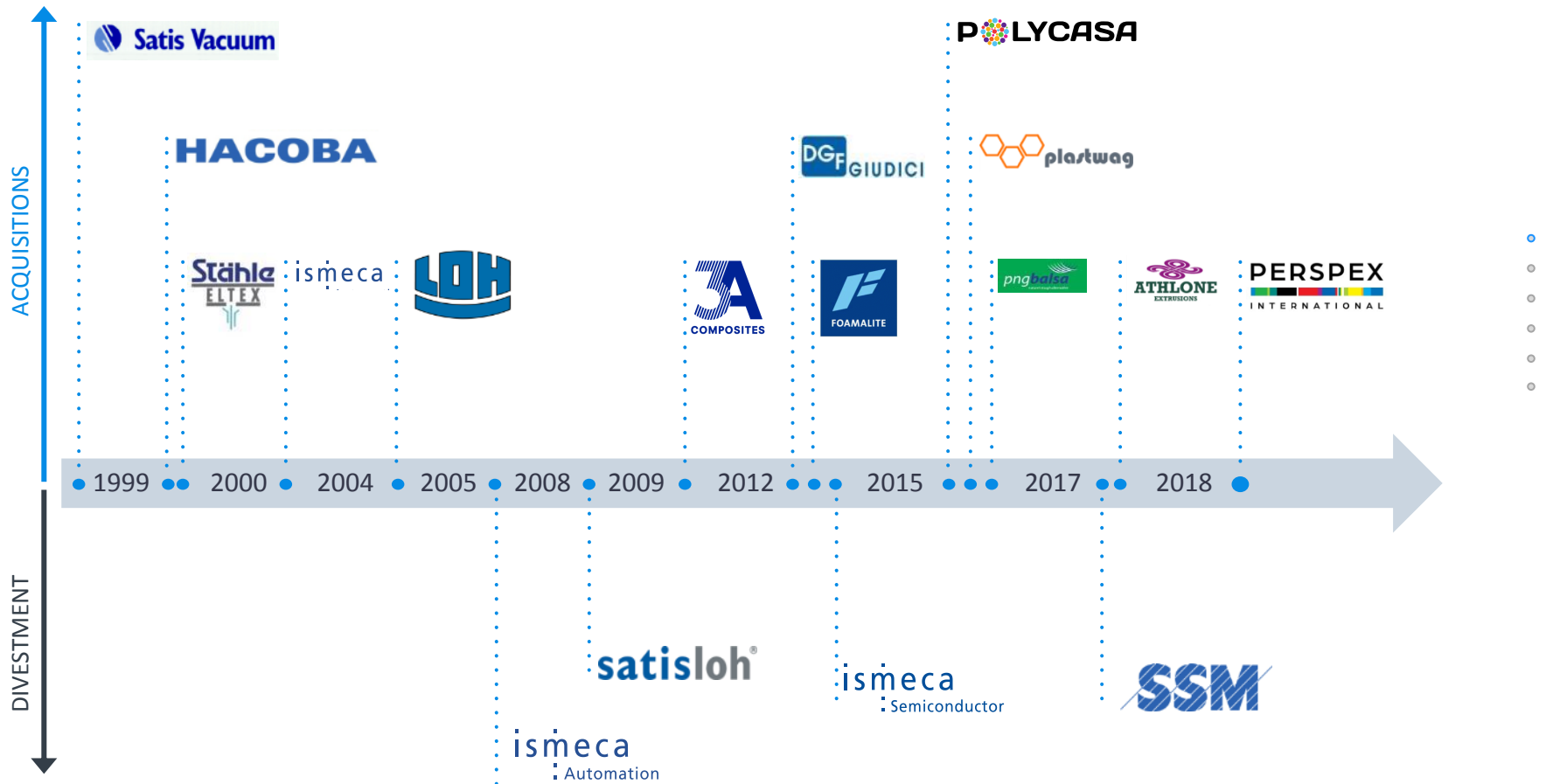
Portfolio

-  Development, manufacturing and sale of
 - Aluminum composite panels
 - Core materials for sandwich structures
 - Plastic sheets and lightweight foamboards
 - integrated lightweight systems
- concentrating on the segments
 - Display
 - Architecture
 - Core Materials
 - Transport & Industry

Strategy & Goals

-  Focus on innovation, customer centricity and value creation as key success factor
-  Strengthen the current positions through organic growth and strategic acquisitions
-  Promote lean structures and direct lines of communication

17 successful transactions since 1998



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Highlights 2019

13%

Increase in Sales

Record high net sales of approx. 1.2 bn CHF

Significant growth contribution from Perspex acquisition

Core Materials, Transportation as well as US Architecture business with double-digit percentage increase of sales and profitability

~11%

EBITDA margin

EBITDA of > 126m CHF

EBITDA increase of +14% vs. prior year

Integration of Perspex well on track. Positive contribution to earnings

104m

Operating Cash Flow

> 70% increase in operating cash flow vs. 2018

Tight working capital management

Cash balance of ~116m CHF

Dividend proposal of CHF 40 per share

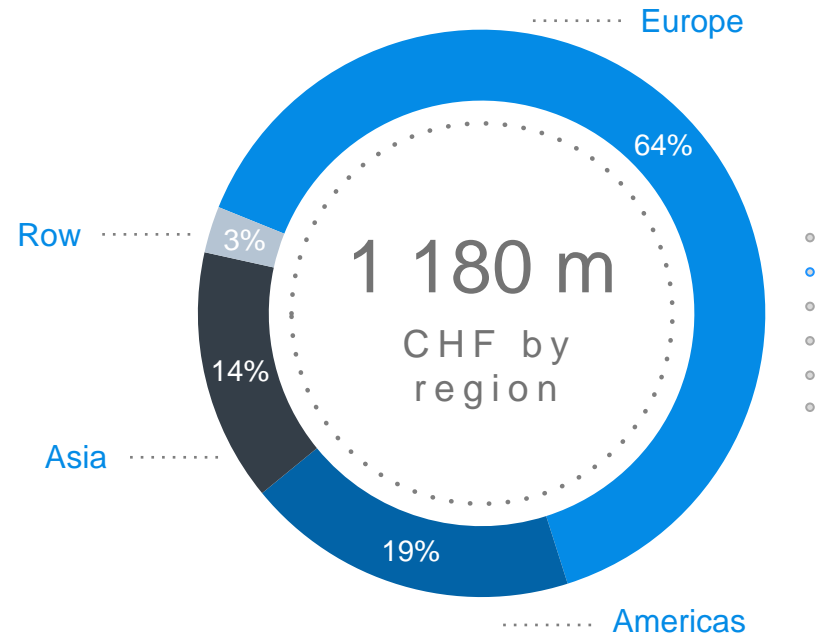
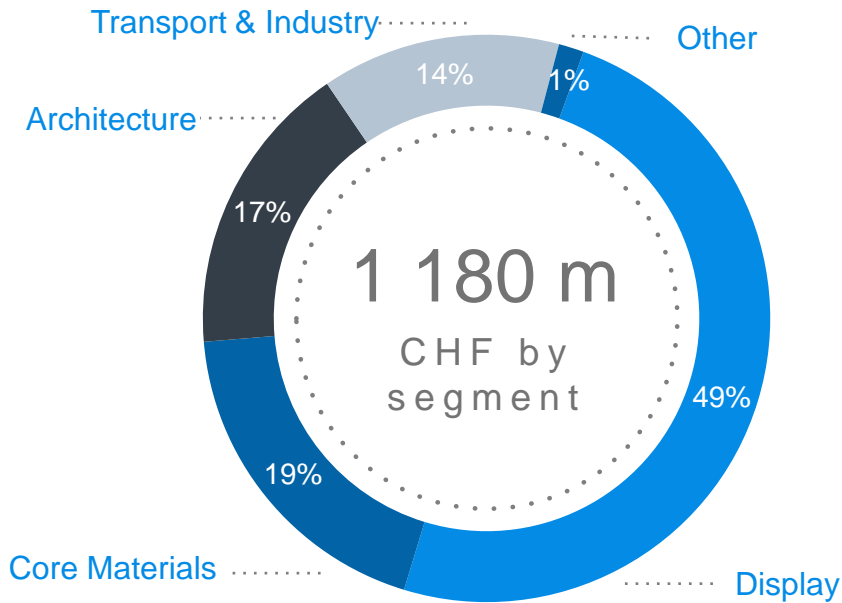


Group Results

<i>in m CHF</i>	H1 2019	H2 2019	Total 2019	Total 2018	%
Net sales	613.7	565.9	1179.6	1047.4	13%
EBITDA	63.1	63.4	126.5	111.0	14%
<i>in % of net sales</i>	10.3%	11.2%	10.7%	10.6%	
EBIT	44.5	44.1	88.6	82.2	8%
Net income	34.2	28.4	62.6	60.3	4%
Employees (end of period) ¹⁾	4058	4185	4185	3947	6%

¹⁾ of which 1 235 employees (2018: 946 employees) in balsa wood plantations and sawmills in Ecuador and Papua New Guinea

Revenue Breakdown 2019



3A Composites Results

- Successful integration of Perspex entities into the European organization significantly contributing to higher sales and earnings.
- Core Materials with double-digit percentage increase of topline and profitability fueled by strong Balsa and PET demand from wind customers in all regions. China with most pronounced growth despite uncertainties surrounding the US-China trade dispute.
- Overall gratifying performance in Display. Falling raw material prices helped the display business to increase its margins although organic sales fell short of previous year as inventories across the entire supply chain were reduced to the minimum.
- Double-digit increase of sales and earnings in the US Architecture business. Europe and Asia below prior year due to temporary demand-curbing effects (Brexit uncertainties, changes in Australia's building regulations) and two major orders in China in prior year that could not be repeated on the same scale in 2019.
- Sales in the Transportation sector grew at double-digit rates due to continued high demand for weight-saving solutions for buses, motorhomes and train fronts. Profitability disproportionately improved.

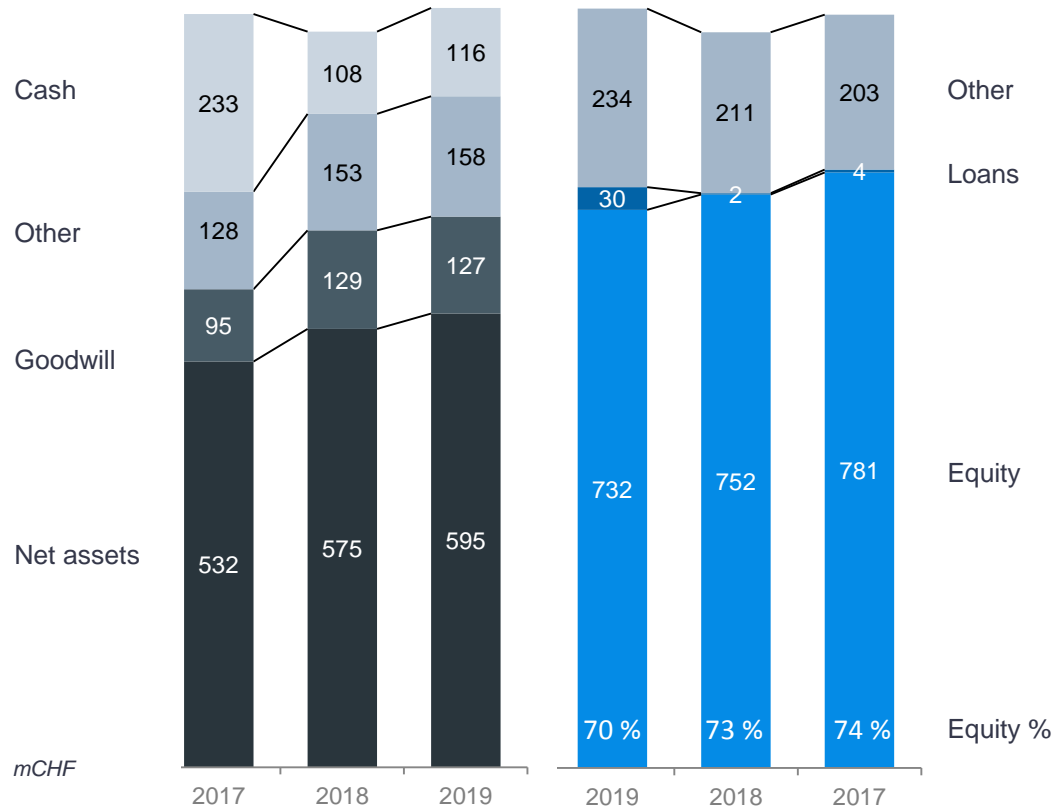
Strong Balance Sheet

Cash position 116m CHF

Practically no short & long term bank liabilities

Shareholders' Equity
732m CHF = CHF 511 per share

Equity ratio 70%

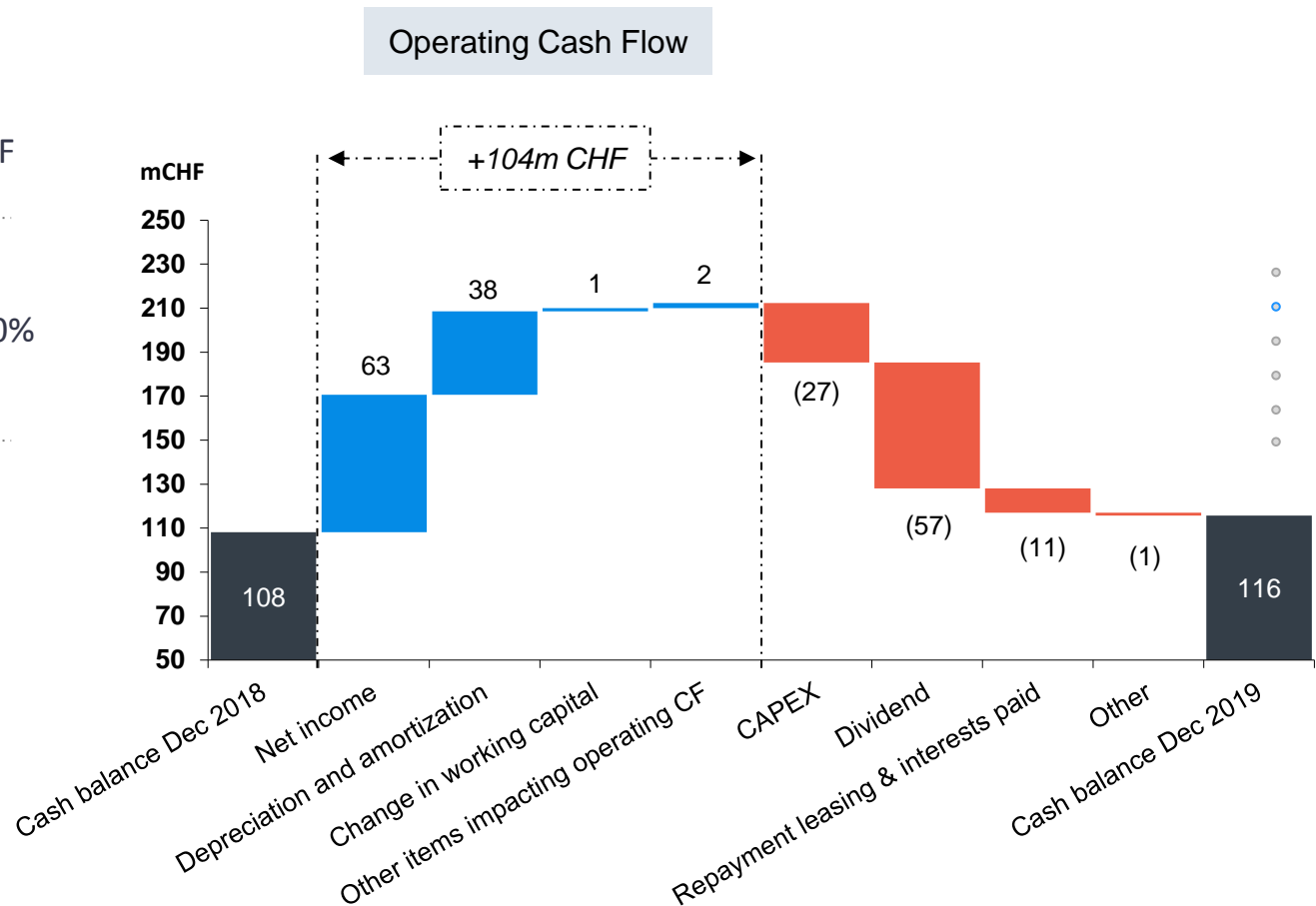


Cash Development

Cash position of 116m CHF

Significantly improved operating cash flow (> +70% vs. 2018)

Dividend payment of 57m CHF



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Main pillars of our sustainability strategy



Protection of human health and the environment at all Schweiter sites



Sustainable and efficient use of resources across the entire production cycle



Protection of the cultural heritage of communities in the countries and regions in which the company operates



Compliance with local legislation, rules and regulations and the internal Schweiter provisions (Code of Conduct)



Our impact – selected programs & practices

13'250
ha of FSC®-
certified
plantations



>50
pre school age
children with
free education
in Papua
New Guinea



Protection of communities' cultural heritage

First core materials manufacturer to receive FSC® certification back in 2010, cultivating several thousand hectares of FSC®-certified balsa wood in Ecuador (FSC-C019065) and Papua New Guinea (FSC-C125018).

All manufacturing facilities of 3A Composites in Germany and Switzerland certified to ISO 14001 (environment), ISO 9001 (quality) and OHSAS 18001 (health & safety)

Company-wide, in-house management program for Safety, Health and Environmental Protection

Protection of communities' cultural heritage

Construction of three kindergartens for more than 50 pre-school age children and providing free education

Subsidizing housing for elderly people in China

Appropriate and fair wages in all the countries in which the company operates

Actively supporting campaigns of the Forest Stewardship Council (FSC) that are designed to raise environmental awareness, so as to create a better understanding of the FSC principles and values and to promote sustainable forestry.

Our impact – selected programs & practices



Waste avoidance, recycling and improving resource efficiency

New AIREX® T92 foam series, which is manufactured from recycled PET bottles in addition to producing a foam core based on new PET material

United Nations Global Compact Award received in 2017 for projects designed to reduce CO2 emissions and promote sustainable land use in Ecuador

Strategic procurement program in China (since 2018) ensuring that packaging suppliers of 3A Composites reduce CO2 emissions, minimize packaging waste, and increase efficiency by standardizing packaging sizes

New waste system in Papua New Guinea (2017) that makes it possible to recycle five tons of manufacturing waste a day (reducing dust emissions by 85% but also scaling back CO2 emissions)



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Strategic Focus

- General strategy considerations:
 - Invest in attractive industrial activities with growth potential
 - Apply proven concepts of innovation management, supply chain management, direct marketing/sales organization and lean structures
- Grow Composite business organically as well as by acquisitions
- Empower acquired companies to support the Composite business model
- Attractive dividend considering not only the amount of planned investments but also the desired ratio of self-financing to external financing



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Outlook 2020

- Overall positive outlook for the European and American Display business.
 - 3A Composites, with its comprehensive product portfolio and strong market position, is well situated to develop new opportunities and to benefit from the transforming environment in the display market.
 - Digitization and a greater percentage of sales via the internet on the one hand, but increased consumer spending and fast-changing interior fittings for Hotels & Hospitality venues on the other hand.
- The outlook for the construction markets in Europe, the USA and Asia remains upbeat for the coming year. The trend towards non-combustible facade elements, the strong market position of 3A Composites supported by a robust global pipeline of building projects favors the further sales growth of the Architecture business.
- The Core Materials' business expects continued growth supported by ongoing firm demand of the wind energy sector and new applications in the non-wind area.
- The Transport & Industry business continues to benefit from a solid order backlog and the ongoing strong demand for weight-saving solutions for buses, mobile homes and rail vehicles.

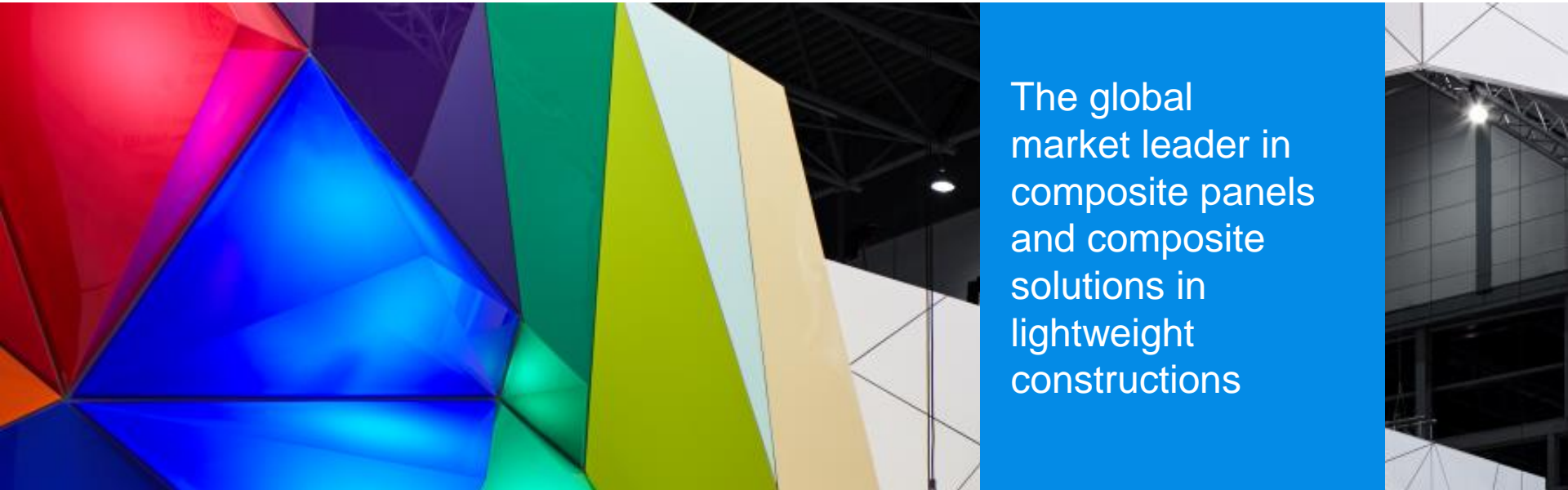


APPENDIX

DIVISIONAL
INFORMATION



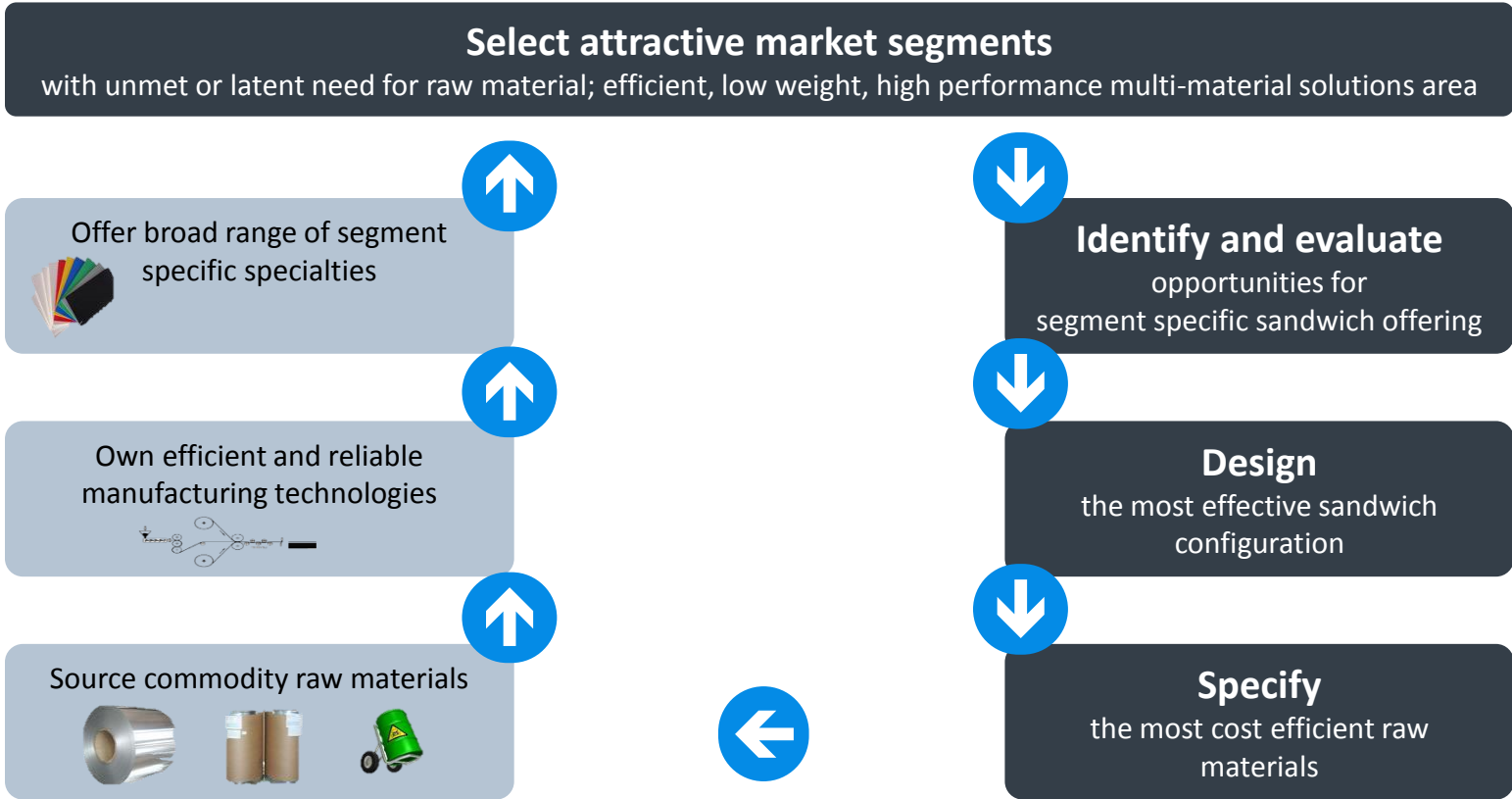
3A Composites



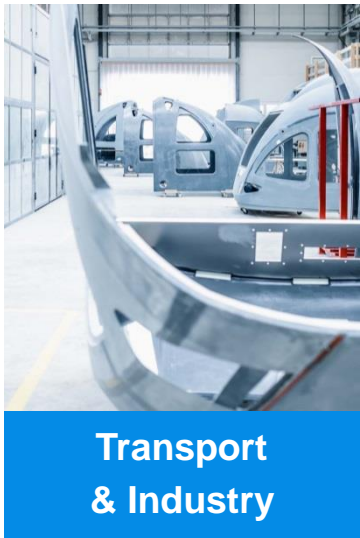
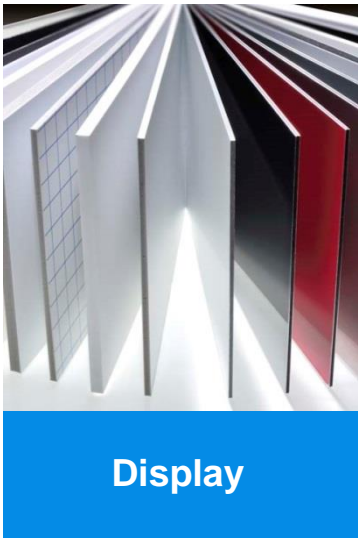
The global market leader in composite panels and composite solutions in lightweight constructions



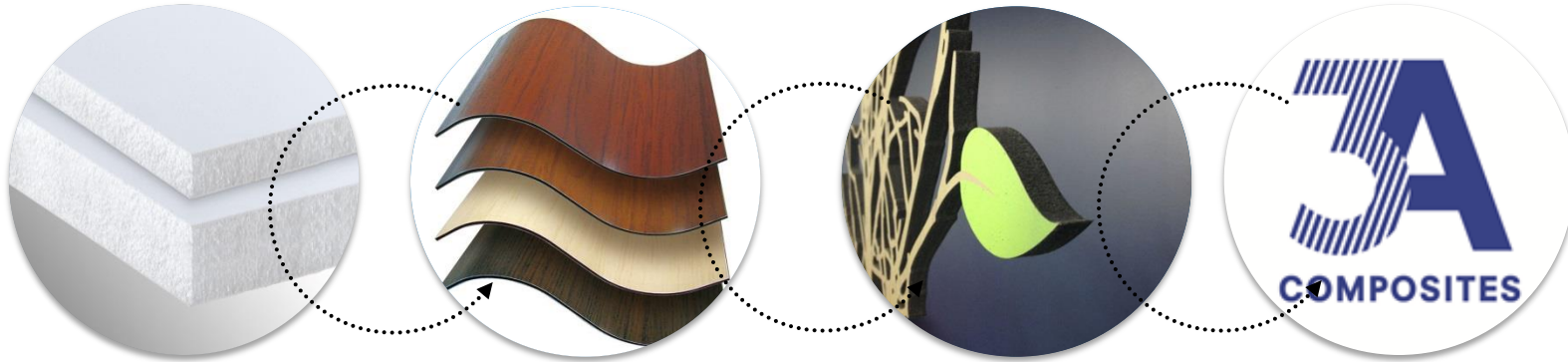
3A Composites - Business Idea



3A Composites – Market Segments



Display



Materials

Skin Material

Coated Aluminum, (Coated) Paper, Polystyrene, PVC

Other Materials

(Poly-)Methyl Methacrylate (MMA), Polycarbonate (PC), Styrene Acrylonitrile Copolymer (SAN), Polyethylene terephthalate / -glycol (PET/PETG), Polystyrene (PS), Polyurethane (PUR), Polyethylene (PE), Polypropylene (PP), Aluminum-Honeycomb

Products

Aluminum Composite Materials (ACM)

Foamed Sheets

Foam Boards

Clear Sheets

Applications

- Fotomounting
- Interior / Exterior Signs
- Routed Sign Faces
- POP Displays
- Exhibit Constructions
- Screen Printing
- Kiosks / Carts
- Dimensional Letters
- Digital Printing
- Shop Fitting

Brands

DIBOND®

FOREX®

KAPA®

FOAM-X®

GATORFOAM®

FOAMALITE®

LYCASA

CRYLUX™

CRYLON™

AKRYLON™

HYLITE®

SMART-X®

SINTRA®

FOME-COR®



Display

3A Composites



Distributors



**Printer
Fabricators
Shop Fitter**



End users
Signage, CID, Shop-front & fitting POP/POS, etc.

Way to Market - Push & Pull Sales Concept

Strong offering position towards distributors based on a complementary product range

.....

Build on strong distribution network – working with leading European distributors

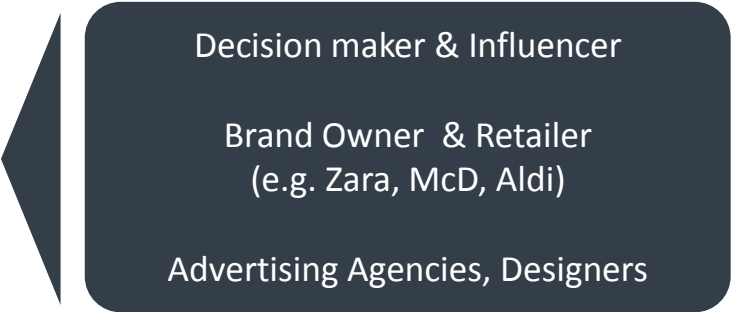
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Sales activities address all players in the chain to specify 3A material and create market demand

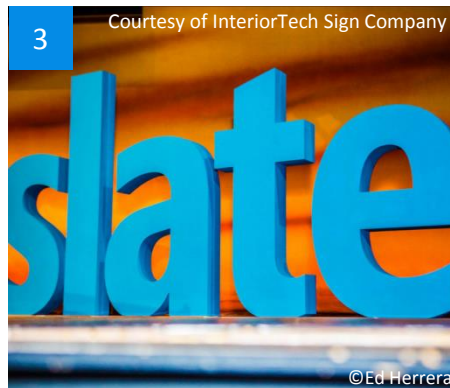
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Field sales force activities focus on fabricators, decision maker and influencer

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Display

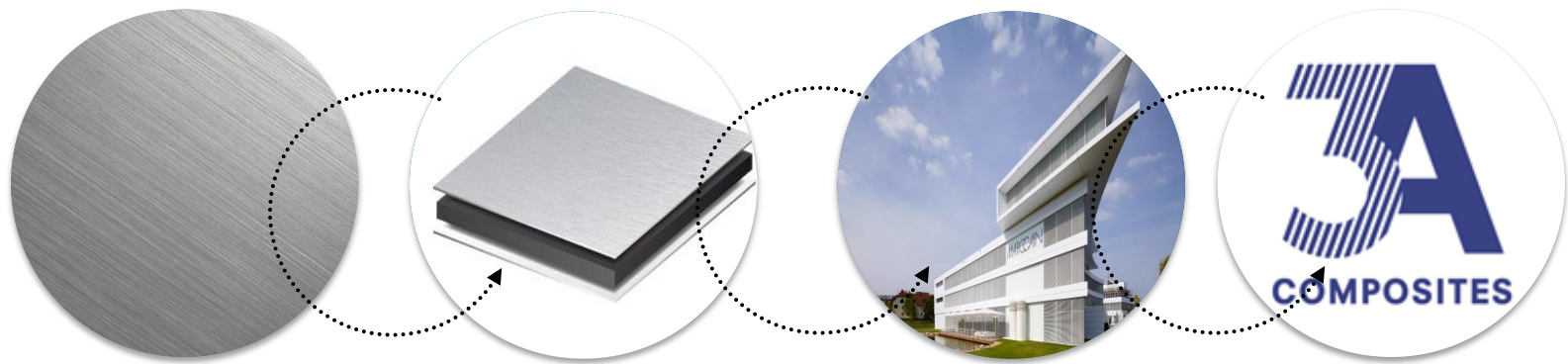


References

- 1 Art project “Fin Sin Fin”
Berlin | Germany
DIBOND®
- 2 Ceiling display at Fespa 2018
Berlin | Germany
DISPA® | KAPA® | SMART-X®
- 3 Life-size marketing letters
Connecticut | U.S.A.
GATORFOAM®
- 4 Exhibition stand at K 2019
Dusseldorf | Germany
PERSPEX®



Architecture



Materials

Skin Material

Aluminum sheets

Core Material

Non Combustible PE (A2)
 Fire Rated PE (Plus)
 Polyethylene (PE)
 Aluminum-Honeycomb

Products

Aluminium Composite Materials (ACM)

- Alucobond Standard Panels
- Alucobond Fire Rated Panels
- Alucore Honeycomb Panels

with a wide range of different surface design:

- Mill Finish
- Clear Coat
- Butler Finish
- Spectra Colours
- Wood
- Sparkling
- Anodized
- NaturAL

Applications

Market Segments

- Sport, Airport, Public Space, Retail, Hotel, Hospital, Corporate, Residential

Applications

- Facades / Flying Roofs
- Exterior/ Interior Cladding
- Corporate Identity Signage

Brands

- ALUCOBOND®**
- ALUCOBOND®A2**
- ALUCOBOND®plus**
- ALUCORE®**



Architecture

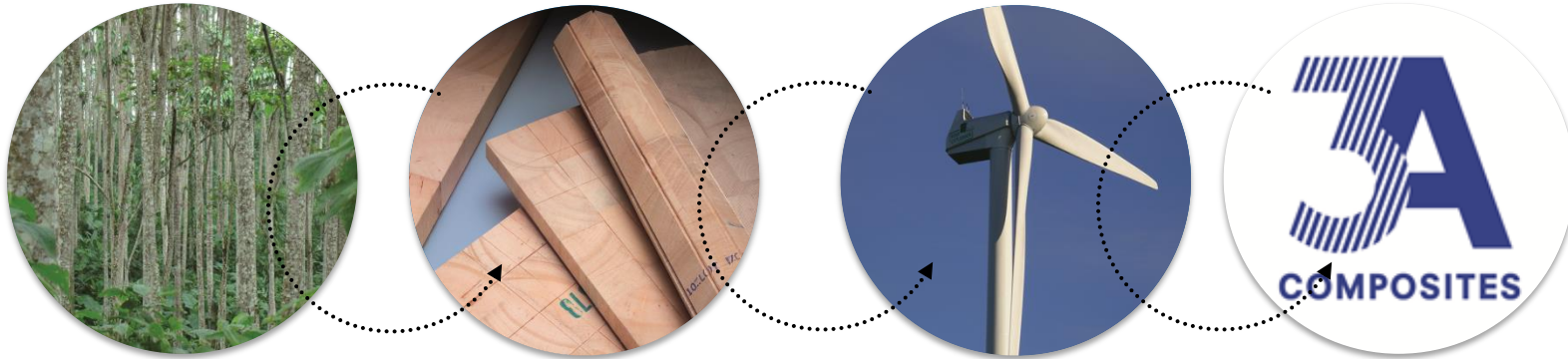


References

- 1 Great Northern Way Pavilion
Vancouver | Canada
ALUCOBOND® Spectra
- 2 Cordeel Headquarter
Temse | Belgium
ALUCOBOND® PLUS naturAL Reflect
- 3 Beijing Daxing International Airport
Beijing | China
ALUCOBOND® PLUS | ALUCORE®
- 4 ICONSIAM
Bangkok | Thailand
ALUCOBOND® Plus



Core Materials



Materials

Engineering Plastics

- Polyester (PET)
- Polyetherimide (PEI)
- Polyvinylchloride (PVC)
- Polystyrene (PS)
- Polyurethane (PUR)

Balsa

- Standard Balsa (Baltek SB)
- Premium Balsa (Baltek SBC)
- Veneer based Balsa (Baltek VBC)

Products

Structural Airex and Baltek Core Materials

- Plain Sheets
- Contour Core
- Kit

Balsa PLY Panels

Applications

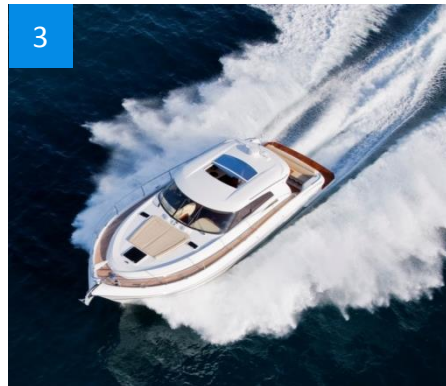
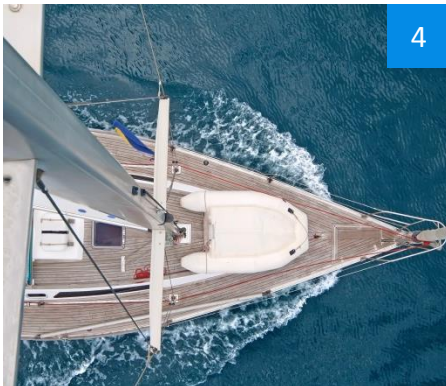
Structural and semi-structural sandwich applications

- Wind Energy:** Blades and Nacelles
- Marine:** Motoryachts, Sailing Yachts, Multihull
- Road:** Bus & Coach, Trucks, Vans & Recreational Vehicles
- Rail:** Highspeed, Intercity, People Mover
- Aerospace:** Radome, Interior parts
- Infrastructure:** Road & Pedestrian Bridges

Brands



Core Materials



References

1 Major Wind Blade OEM, Brazil
AIREX® T92.100 SealX

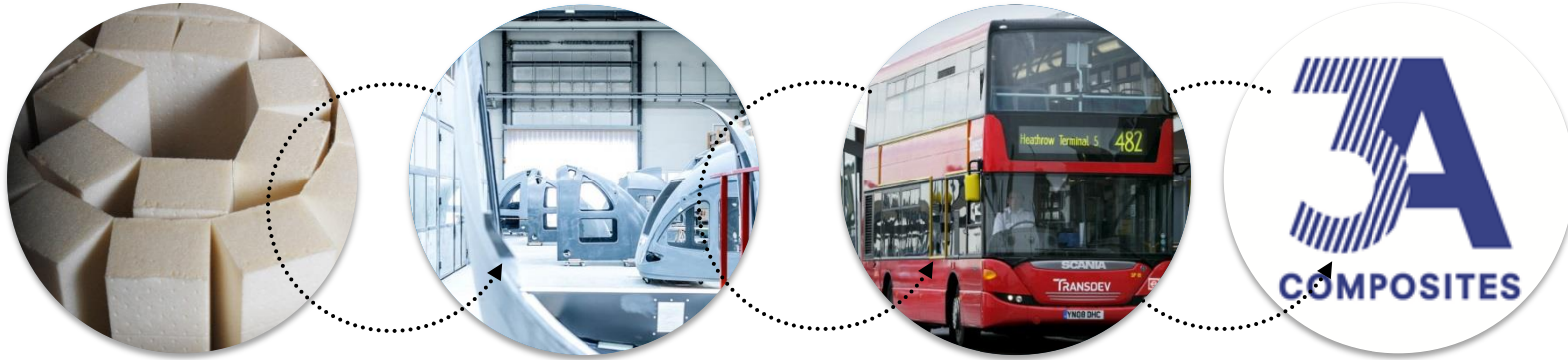
2 Automotive Sandwich
AIREX® T92 | AIREX® T10

3 Yachts & motorboats hulls, bottoms
& decks
BALTEK® SB | AIREX® T92 | AIREX® T10

4 Sailboat hull bottoms, decks & top sides
AIREX® T92 | BALTEK® SB



Transport & Industry



Materials

- Engineering Foams
PET, PVC, PUR, PEI
- Balsa based Core Materials
- Balsa Plywood Panels & Bending Plywood
- Aluminum Composite Material (ACM)
- GRP Sandwich Material
- Aluminum Honeycomb Panels
- Lightweight Foamboards

Products

- 3D Front Cabins for Railway Vehicle
- Structural Aluminum-Foam Sandwich Elements
- Sandwich Solutions with integrated Functions (e.g. floor heating)
- Interior Parts
- Headliners and Roof reinforcements for Automotive
- Insulation solutions
- GRP Sandwich Rotorblades

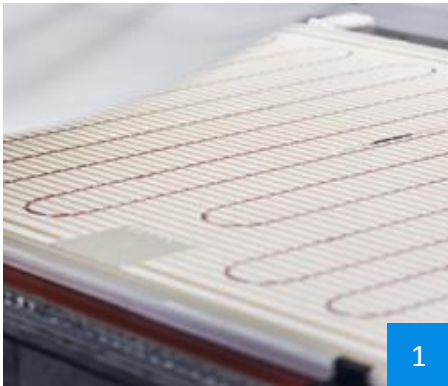
Applications

- Railway Body Shell (Roofs, Floors, Cabins)
- Bus & Coach Roof and Floors
- Automotive Headliner and Interior
- Recreational Vehicle & Marine Furniture
- Insulated Truck Walls and Floors
- Air Conditioning Equipment
- Building Interior
- Ski and Snowboards

Brands



Transport & Industry



Products

- 1 **COMFLOOR®**
Lightweight, modular, strong floor system
(heated & unheated)
- 2 **INNOCAB®** Sandwich FRP Front Cabin
(incl. painting, bonding, assembly)
- 3 **INFIT®**
Ready-to-assemble, customized interior
solutions
(e.g. wall -, roof cover)
- 4 **XBODY®**
Sandwich Roof – Volvo 9900

Strong Global Presence

ASSETS IN NORTH AMERICA

- 4 production sites (USA)
- Sales / Admin office (USA)
- ~ 380 Employees

ASSETS IN EUROPE

- 13 production sites (CH, DE, IE, PL, ES, CZ, SK, UK)
- Sales / Admin (CH, UK, BE, FR)
- ~ 2'040 Employees



ASSETS IN LATIN AMERICA

- 1 production site (EC)
- Sales office (BR)
- >11'000 ha FSC® certified plantations in Ecuador
- ~ 650 Employees

ASSETS IN ASIA PACIFIC / CHINA

- 5 production sites (CN, IN, PNG)
- Sales / Admin office (CN, SGP, UAE, IN, IND)
- >2'200 ha FSC® certified plantations in PNG
- ~ 1100 Employees

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