

Schweiter Technologies – Full Year 2023 Results

Media & Analyst Conference



DIBOND®, FOREX® – Prato / Italy



AIREX®, BALTEK® – Germany



ALUCOBOND® – House of Music, Budapest / Hungary

Presenters:

Roman Sonderegger (Group CEO)
Urs Scheidegger (Group CFO)

Date / Location:

March 7, 2024, Zurich

Agenda

1 Business Review & Highlights

2 Financial Results 2023

3 Focus & Outlook 2024

4 Questions & Answers



Key figures 2023 – Financial turnaround achieved

1'070 Mio. CHF

Net Sales

-11% (Fx-adj.: -7%)



90 Mio. CHF

EBITDA

+5% (Fx-adj.: +10%)

Margin of 8.4%
vs. 7.1% PY



50 Mio. CHF

EBIT

+18% (Fx-adj.: +24%)

Margin of 4.7%
vs. 3.6% PY



78 Mio. CHF

**Cash flow from
operating activities**

+62%



68%

Equity ratio



15 CHF

**Dividend per
registered share**



4 Business Areas focusing on light-weight composites solution applications

DISPLAY



- Cautious market and consumer sentiment led to lower revenues
- Customers hesitant in anticipation of falling commodity prices
- Growing demand for sustainable mono-material & paper based products
- Footprint optimization for casted clear sheet & operational excellence actions pay off – margin increased

% of Net Sales 2023

45%

CORE MATERIALS



©BENETEAU

- Fully acquired JMB Wind Engineering business with positive sales contribution
- Picked up demand in China with high price pressure
- Next cycle of growth in European & US wind market delayed due to lengthy and slow approval processes
- Encouraging sales in marine with market share gains
- Margins supported by good Balsa business

22%

ARCHITECTURE



- US sales stable with strong margins
- In Asia, steady recovery in China lifting revenues well above prior year level
- Continued economic challenges and decline in construction activity in Europe
- Although overall lower sales, margin increased thanks to efficiency as well as good pricing & procurement measures

20%

TRANSPORT & INDUSTRY



©HOERMANN KG

- Impacted by muted market demand
- Lightweight construction product solutions for vehicle applications continued to benefit from structural growth with growing margins

13%

Several highlights in 2023

Innovation & sustainability

New recycled Display products



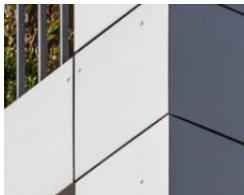
Mono-Material portfolio expansion



Recycled Architecture products



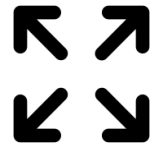
New architectural cladding system



Acquisitions



Capacity & site development



- *US Architecture:*
Next generation paint line
- *Europe Architecture:*
Innovative laminating technology
- *Europe Core Materials:*
Additional PET & kitting capacity
- *Core Materials Ecuador:*
Consolidation of sites

Team & organization



- New Group CFO
- Europe: 3 agile & customer focused entities (Display, Industry, Architecture)
- New leaders for Europe from within the company



Urs Scheidegger
Group CFO



Benjamin Burkard
CEO Display Europe



Thorsten Füssinger
CEO Industry Europe

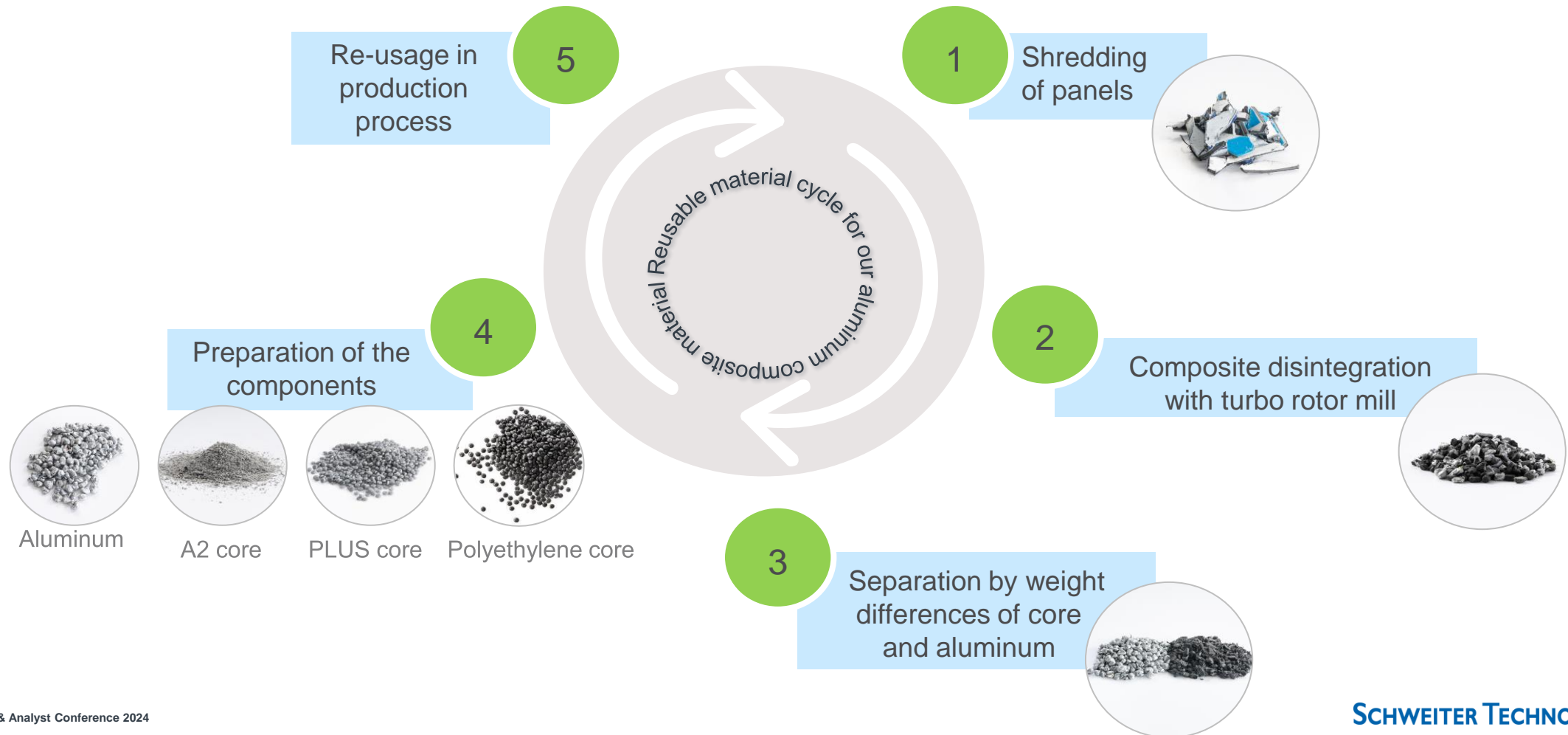
Architecture – 60% acquisition of ZNL – Expanding portfolio



- Innovative aluminum solid sheet manufacturer delivering high-end, multi-color facade solutions
- Ideal portfolio extension for geographical expansion through existing sales channels

- Net sales: ~15 Mio CHF
- 50 employees
- Located in Changzhou, China

Architecture Display Portfolio Transformation: More sustainable ALUCOBOND® & DIBOND® – Recycling of Aluminium Composite Panels



Display Portfolio Transformation: More sustainable CRYLUX[®]re – Made from 100% recycled MMA

Recycling of display products



* **Depolymerization** (Cracking and Distillation – production of rMMA, external waste management)

** Production of **cast acrylic sheets** (Polymerization)

- Thermal treatment allows polymer chain scission into monomer molecules
- A high accurate distillation process separates MMA molecules, achieving a high purity standard
- The recycled material can be reused (over and over again), which not only saves raw materials, but also prevents waste
- Moreover, the described process takes place in Europe, close to our production plants which additionally minimizes the carbon footprint due to the short transport ways

Our product sustainability measurement

mission[™]
TOGETHER. RESPONSIBLE.



Display Portfolio Transformation: More sustainable DISPA[®]re & SMART-X[®] – Mono-material boards

SMART-X[®]

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- Mono-material product
- No adhesive between core and cover layers
- Impact-modified polystyrene
- Good recyclability



- Visual communication
- Direct digital printing
 - Signage
 - Free-standing displays
 - Lifesized fashion displays



- Low weight
- High rigidity and flatness
- Co-extrusion technology



- Good resistance to weathering
- Lightweight material for indoor and outdoor applications

DISPA[®]re

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- Mono-material product
- Cover sheet and core from FSC[®] certified recycling paper
- Simple disposal
- Established, closed-loop recycling system



- Visual communication
- Displays (POS/POP)
 - Signage/ lettering
 - Shop design & shop window decoration
 - Interior design & furniture



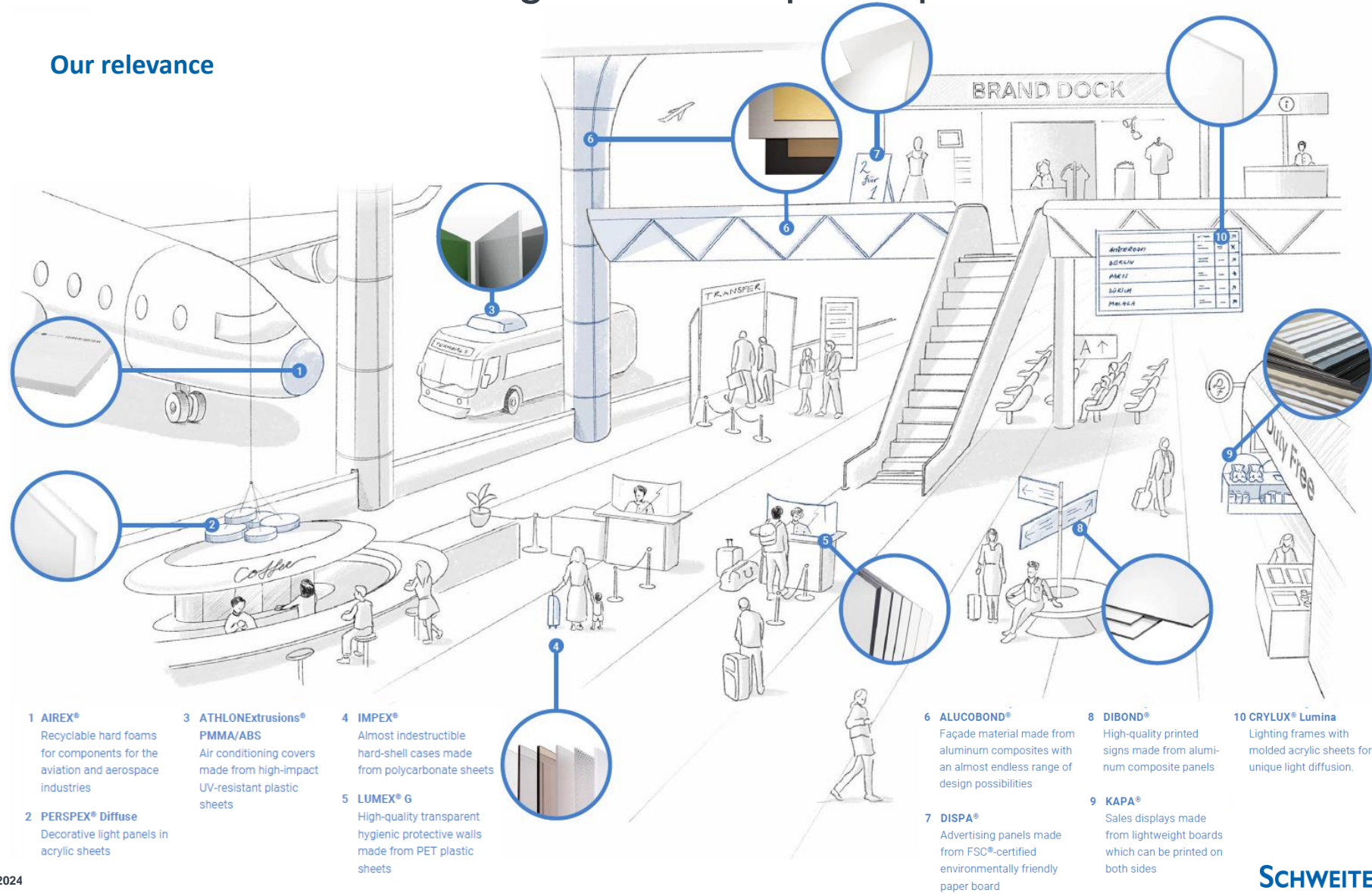
- Equally high level of rigidity – lengthwise and crosswise –major advantages over corrugated cardboard
- Outstanding printing results
- Easy options for processing



- Interior only

Elements of Schweiter Technologies – Example airport

Our relevance



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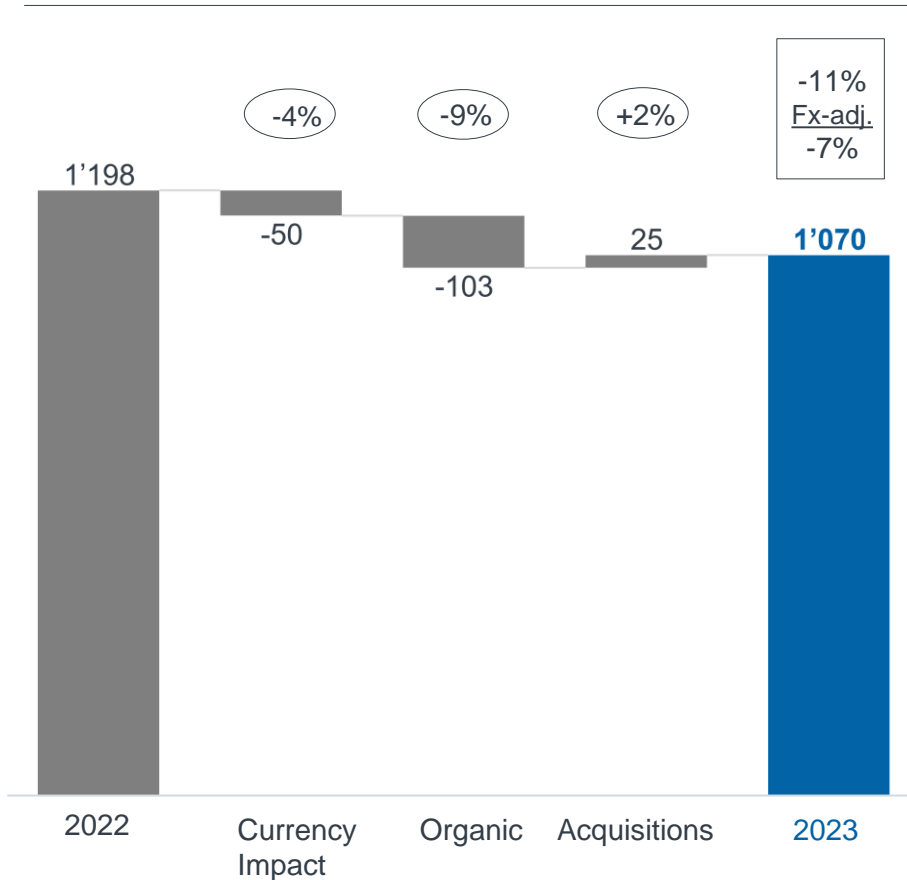


Group Results: Lower net sales, improving operational profits

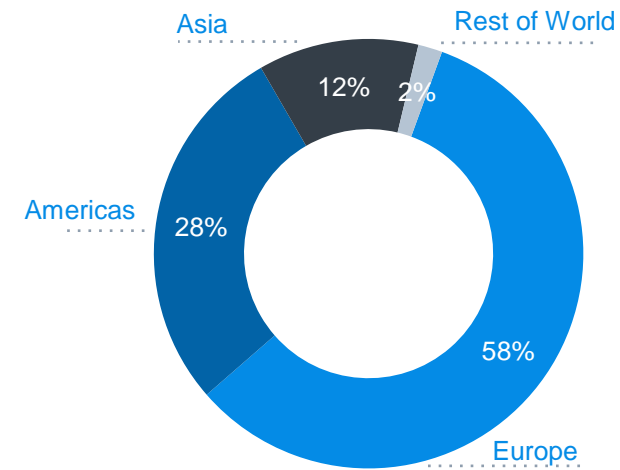
In Mio CHF	Total 2023	Total 2022	%	% fx adj.
Net sales	1,069.6	1,197.7	-11%	-7%
EBITDA	89.7	85.5	5%	10%
<i>in % of net sales</i>	8.4%	7.1%		
EBIT	50.3	42.5	18%	24%
<i>in % of net sales</i>	4.7%	3.5%		
Net income before taxes	33.9	36.8		
Taxes	-6.3	-7.7		
Net income	27.6	29.1	-5%	
<i>in % of net sales</i>	2.6%	2.4%		

Net sales impacted by weak consumer and investment sentiment. Global footprint.

**Net Sales 2022 vs. 2023
(Mio CHF)**

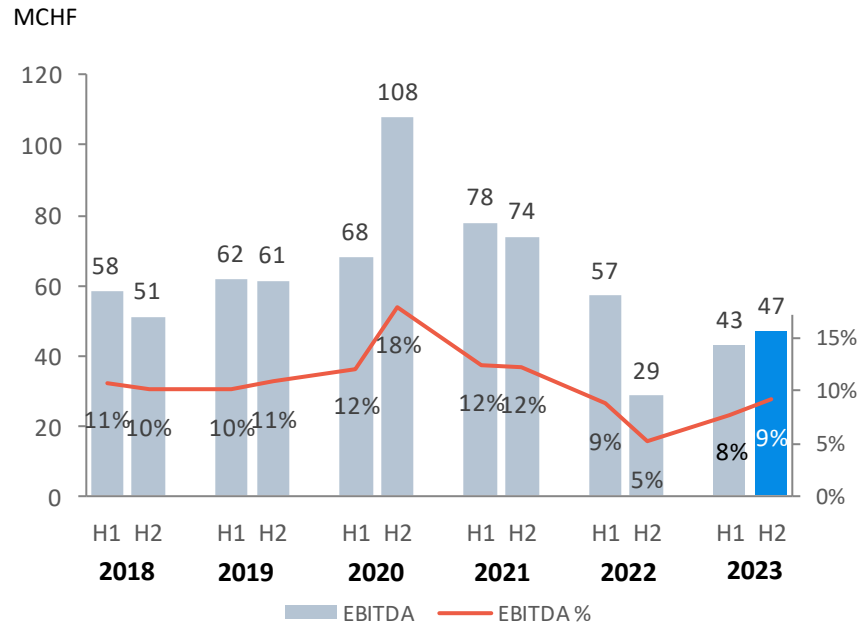


**Net Sales 2023 by region
(in %)**

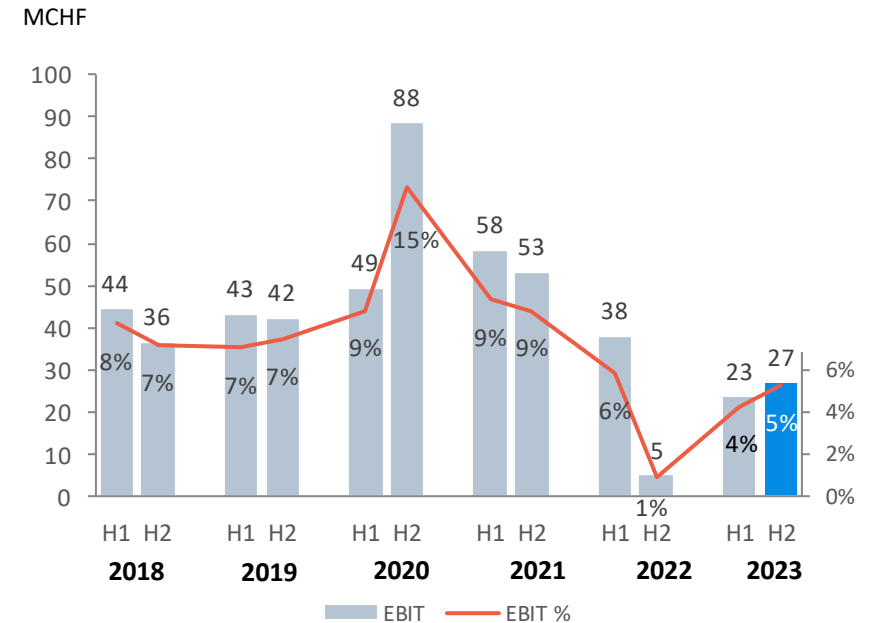


Operational profit: Successful recovery to be continued consequently

EBITDA

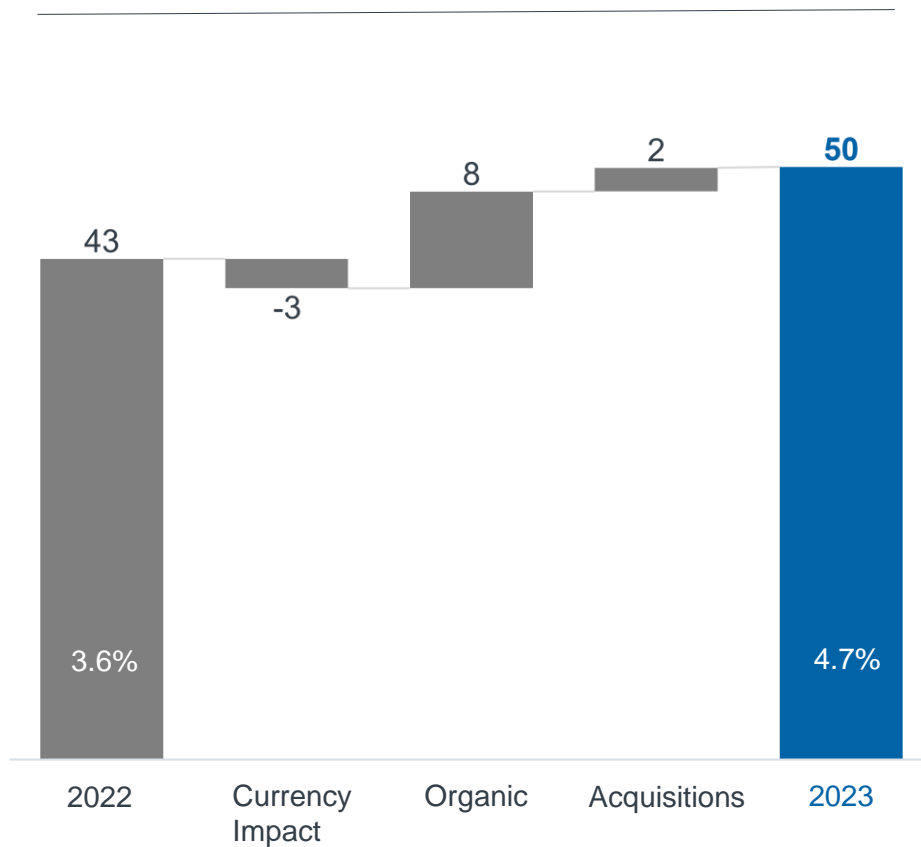


EBIT

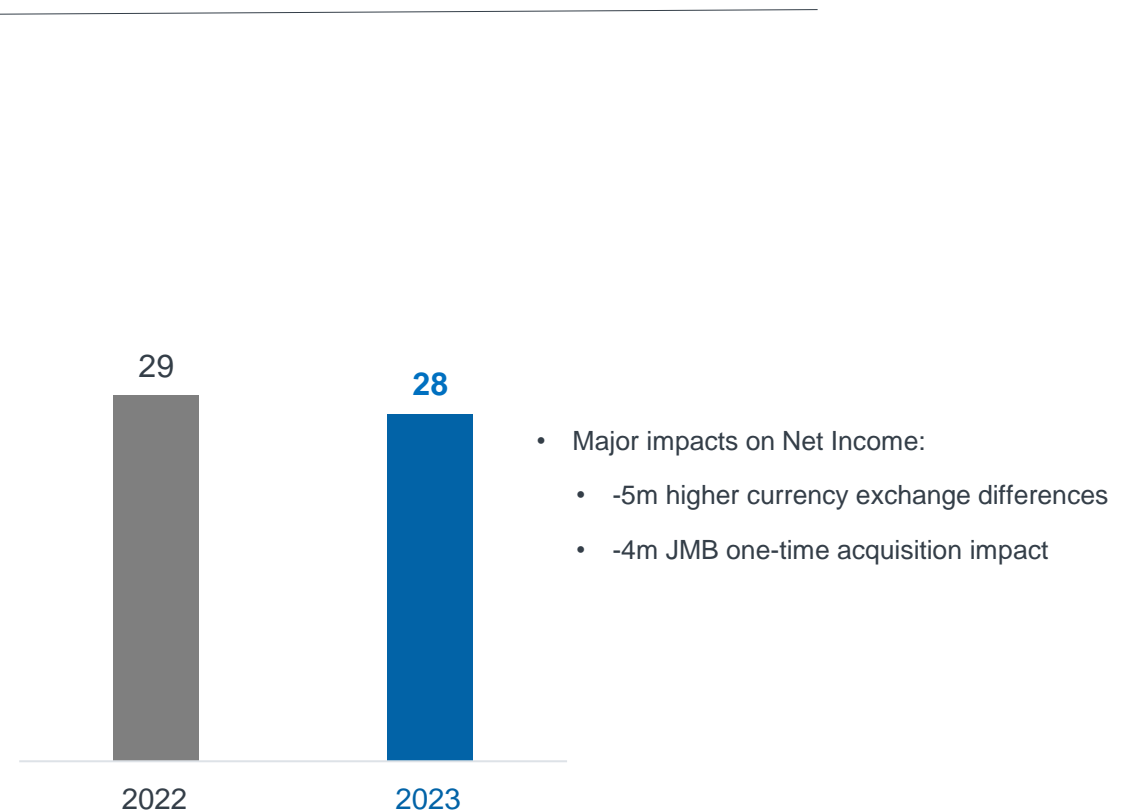


Operational profit improvement driven by organic operational measures. Net Income impacted by currency and one-off acquisition impacts.

EBIT 2022 vs. 2023 (Mio CHF)



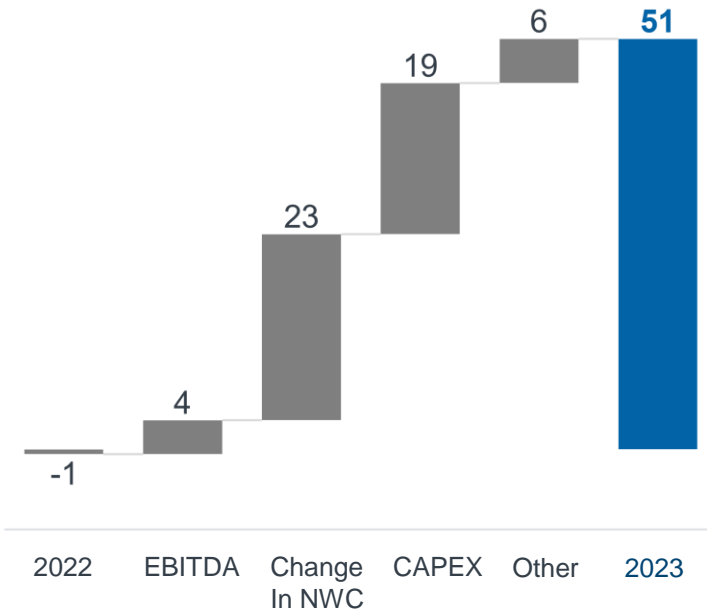
Net Income 2022 vs. 2023 (Mio CHF)



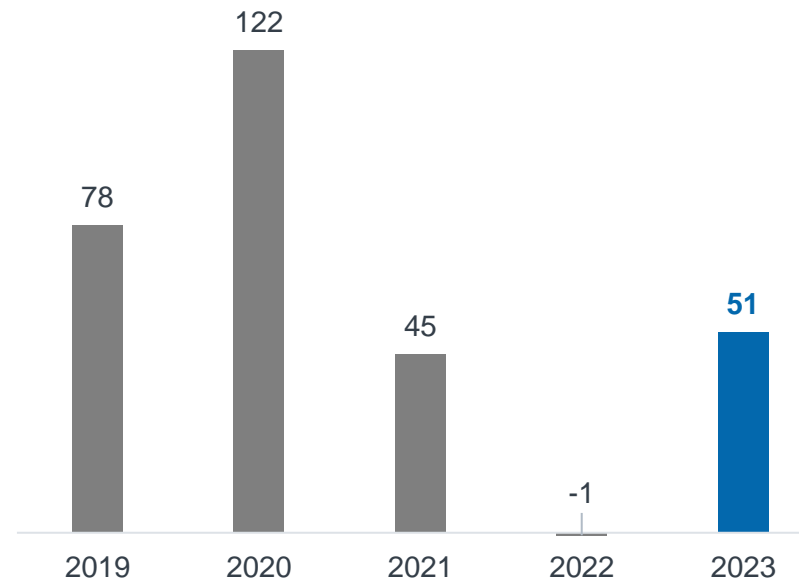
Free Operating Cash Flow strongly improved by NWC and CAPEX discipline.

In Mio CHF

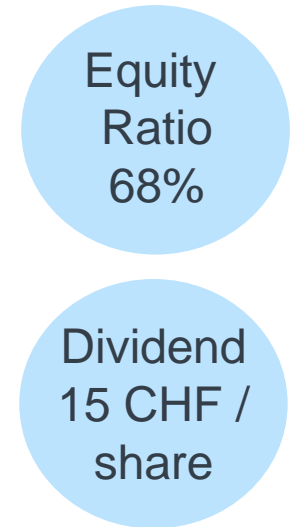
Free Operating Cash Flow 2022 vs. 2023



Free Operating Cash Flow 2019 - 2023



Capital Figures



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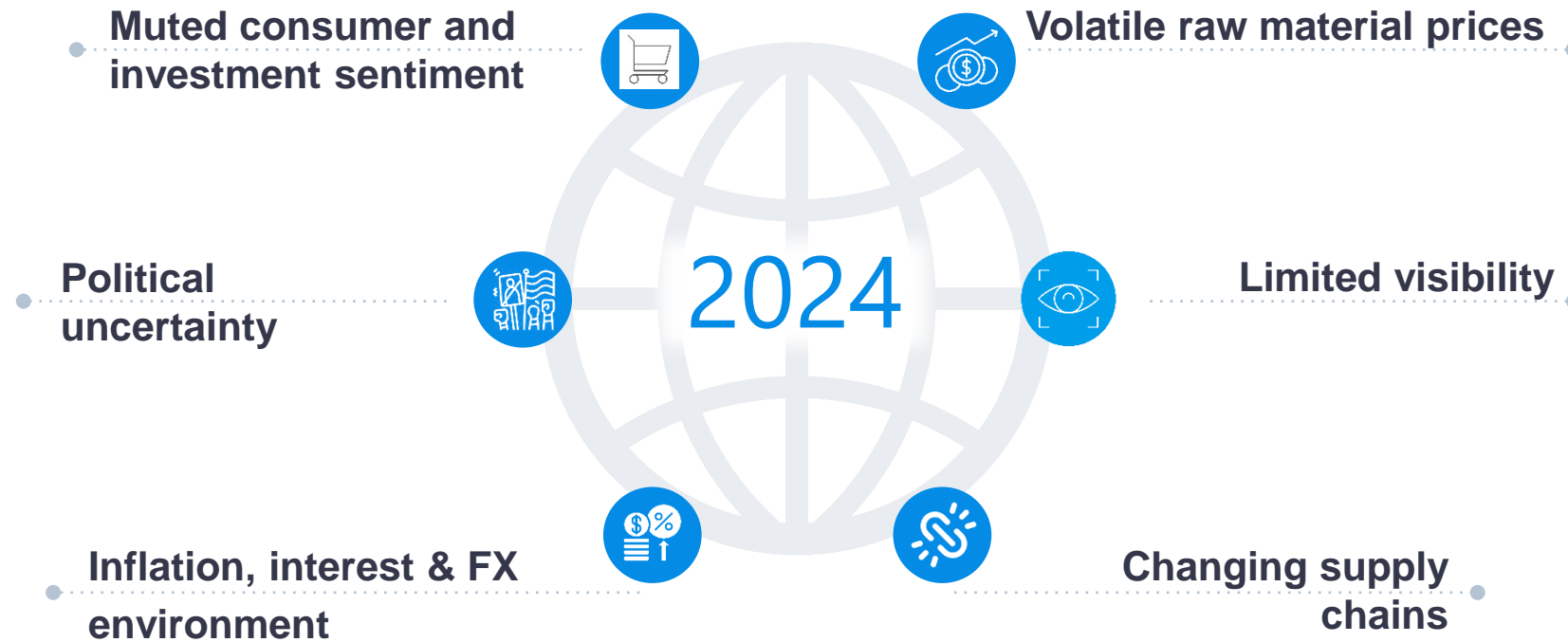
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In a volatile & dynamic world, agility & resilience are essential



Our strategic focus remains unchanged – consequent implementation

House of Brands

Largest product range in the industry

Display

CRYLON®
CRYLUX®
DIBOND®
DISPA®
GATOR®
KAPA®
PERSPEX®
SMART-X®

Architecture

ALUCOBOND®

Wind / Non-Wind

AIREX®
BALTEK®

Industry

HIPS®

Attractive markets

Focus on attractive & customer-oriented market segments

Innovation & Differentiation

A future-oriented & competitive solution portfolio

Operational excellence

High agility & efficiency in all parts of the company

Cash Flow generation

Higher profitability, NWC management, disciplined Capex

Best people

Culture of trust, accountability & performance

Customer applications



“ACCELERATE” to increase profitability



**Profitable growth
Sustainably >10% EBITDA**

Efficiency

- ① Footprint Optimization
- ② Opex Personnel Cost Efficiency
- ③ Portfolio Management

Innovation

- A Digital Customer Relationship Mgmt
- B Process Automation
- C Solution & Technology Innovation

Assumed strategic adaptation costs of up to CHF 20 Mio in 2024 and efficiency run-rate savings of about CHF 10 Mio per year after realization.

Outlook for 2024: Schweiter Technologies well set to benefit from structural growth



- **Display and Architecture** business in **Europe** continue to be affected by the subdued market and consumer sentiment



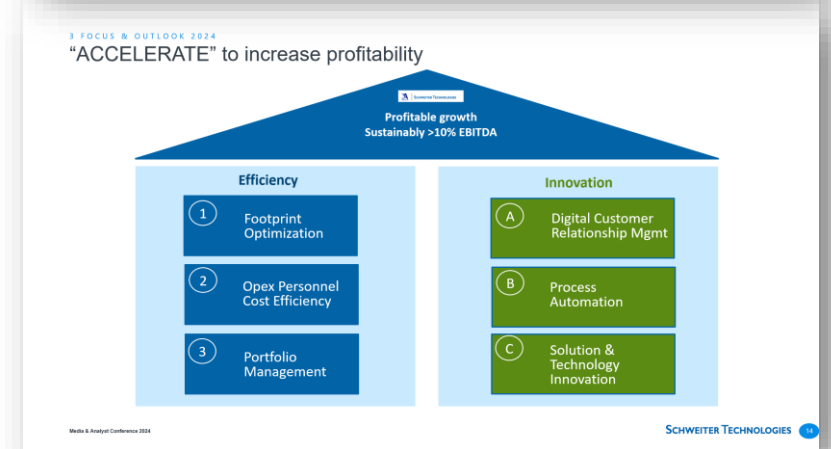
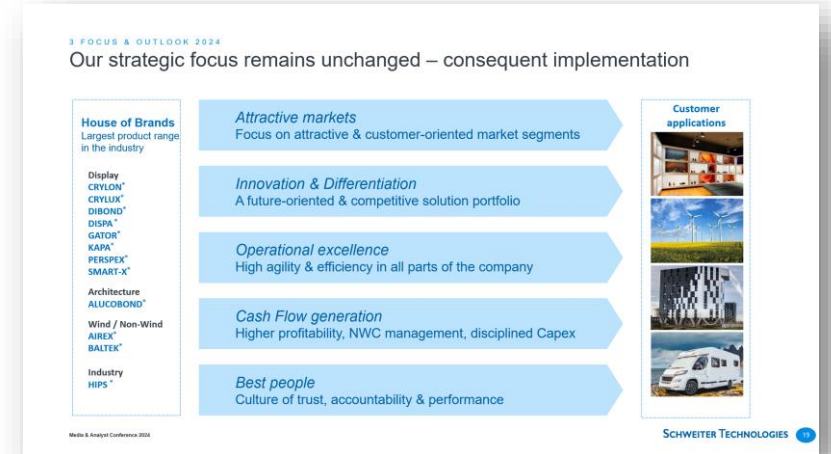
- **America** anticipated to remain at an attractive level in **Display** and in particular in **Architecture** business



- **Asia Architecture** expected to grow again and to unlock market potential, supported by recently started JV
- **Core Materials** business with lower sales in 1st semester due to delayed wind growth cycle and pricing pressure, but recovery expected in 2nd half of the year



- **Transport & Industry** markets muted for first half of the year, but still driven by structural growth in the vehicle sector as well as continued anticipated recovery in rail and bus business



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Q&A



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Financial Calendar 2024

Annual General Meeting <i>Theater Casino Zug</i>	April 10, 2024
Half-year results 2024 <i>Zürich</i>	August 17, 2024
Innovation & Capital Markets Day <i>Singen (tbc)</i>	September 24, 2024

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