

Schweiter Technologies – Half-Year Results 2024

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:

August 14, 2024, Zurich

Agenda

- 1 Business Review & Highlights
- 2 Half-Year Results 2024
- 3 Focus & Outlook H2 2024
- 4 Questions & Answers



Key figures half-year 2024 – Continued improvement of margin & cash flow

Net Sales

528 Mio. CHF

-6% (Fx-adj.: -4%)



EBITDA

46 Mio. CHF

+7% (Fx-adj.: +9%)

Margin up +1pp

8.7% vs. 7.7% PY



EBIT

24 Mio. CHF

+3% (Fx-adj.: +5%)

Margin up +0.4pp

4.6% vs. 4.2% PY



Free Operating Cash Flow

30 Mio. CHF

+194%



Net Liquidity

28 Mio. CHF

+338%



Employees

4'580

-2%



4 Business Areas focusing on light-weight composite solutions

DISPLAY



- Continued cautious market and consumer sentiment
- Customers started to order more in anticipation of rising commodity prices
- Portfolio transformation towards a broader and more sustainable offering strengthens market position
- Strong focus on go-to-market/ pricing as well as procurement efficiencies pay off – margins considerably increased

43%

% of Net Sales
HY 2024

CORE MATERIALS



- Weak demand in wind and non-wind combined with high price pressure in China
- Next growth cycle in European & US wind market still delayed due to lengthy and slow approval processes
- JMB Wind Engineering fully reflected in HY
- Relative margin increased thanks to vast operational excellence action plan and attractive Balsa business

21%

ARCHITECTURE



- US sales with strong growth and good margins
- Asia with higher sales supported by China and India
- Economic challenges in Europe remain with soft construction activity
- All Regions contributed with comprehensive go-to-market and efficiency measures to increased margins

20%

TRANSPORT & INDUSTRY



- Continued muted end markets
- Industry customers effected by the weak economy and cautious investment behavior
- Rail & Bus segment felt impact of customer-induced delays
- Missing volumes and scale effects put margins under pressure

16%

Great reference projects in Americas spotlighting profitable growth story



Symphony Square – The Waller, Austin Texas
Architects: R2L Architects
LEED: Gold
(Leadership in Energy and Environmental Design)



US Air Force Academy Visitor Center,
Colorado Springs, Colorado
Architect: Fentress Architects



Union on 24th, Austin, Texas
Architect: Perkins & Will
Prefabricated elements

Numerous highlights in HY 2024

Portfolio – Digitalization – Innovation

Virtual Supermarket



Monarc interior wall panels



JV Architecture China

ZNL



- Virtual supermarket showcasing the many suitable applications of 3A Composites for supermarket fitting
- Architecture North America with an extended Monarc interior wall panel offering
- ZNL acquisition:
 - Closing of acquisition 26th of Feb 2024
 - Fully integrated & contributing to results

Sustainability

Ecovadis



Postindustrial PET in AIREX® T92



- >50% of all European sites successfully certified by Ecovadis
- Increased share of postindustrial PET content in AIREX® T92 range (EPD verified), reducing the recyclable material from the bottle industry continuously

Team & organization



- Combining Architecture Europe & Asia under new leadership
- New leader for 3A Composites Americas



Sonia Mokdad
CEO Architecture Asia & Europe



Nick Scheib
CEO Americas

Increased share of postindustrial PET content in AIREX® T92 range



«**Contender Boats** is a manufacturer of semi-custom sportfishing boats based in Homestead, FL. With current models ranging from 23' to 44', Contender has been building high performance center consoles for over 40 years. Our longstanding partnership with **3A Composites Core Materials** has helped **Contender** remain a market segment leader. With the implementation of materials such as AIREX® T92, we have continued to evolve our lamination processes to further refine our model. We appreciate the responsiveness of the **3ACM** team, the quality of the materials, and the value we receive throughout the **3ACM** product portfolio. We stand behind every boat we build, knowing they are built using quality core materials from **3ACM**.»

Chris Becker
Contender Boats

Monarc – Enter into new attractive markets in Architecture

Transforming Interior Spaces.



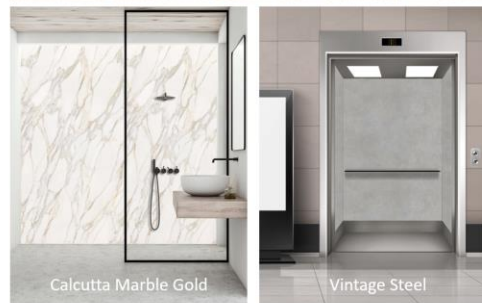
Revamp your interior spaces with our 3mm decorative waterproof aluminum composite panels. They offer elegance, durability, and moisture resistance, perfect for kitchens, bathrooms, or other interior spaces. With easy maintenance and stylish finishes, these panels elevate your environment while providing peace of mind against the elements.

3 COLLECTIONS | 19 FINISHES

- WATERPROOF
- FORMABILITY
- LOW MAINTENANCE
- HIGH QUALITY
- FIRE RATED
- FLATNESS & RIGIDITY
- LIGHTWEIGHT
- COST EFFECTIVE INSTALLATION
- MATERIAL COMPOSITION



Southern Hickory

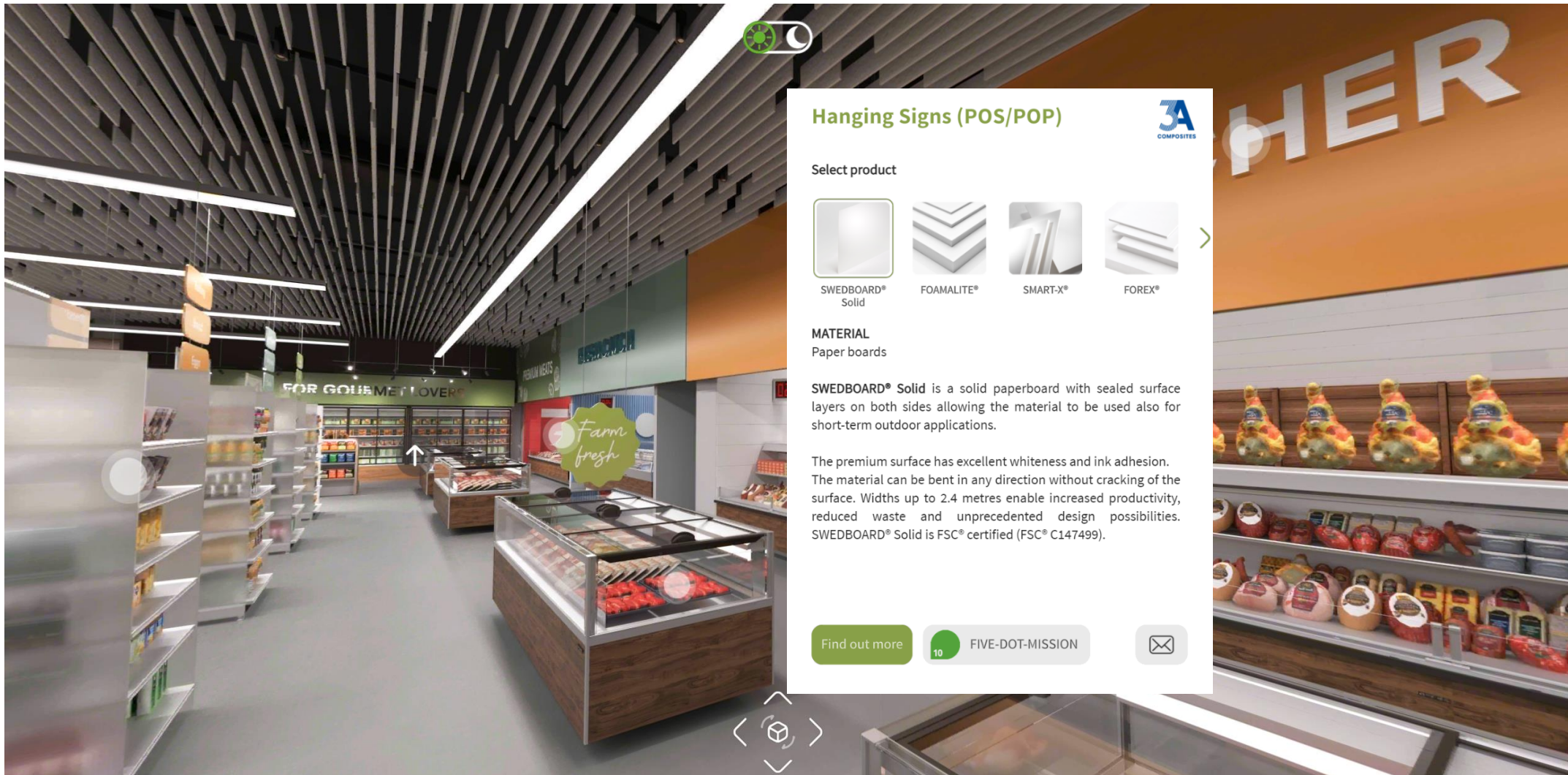


Calcutta Marble Gold

Vintage Steel

- Proprietary manufacturing process allowing efficient customizing and unique product properties
- New attractive market – growth potential
- Additional customer touchpoint – cross selling
- Higher willingness to pay – less price sensitive per m²
- Additional volume from architecture leads to economy of scale in production

Digital transformation: Virtual supermarket simplifying customer interface



Hanging Signs (POS/POP)



Select product



SWEDBOARD® Solid



FOAMALITE®



SMART-X®



FOREX®

MATERIAL

Paper boards

SWEDBOARD® Solid is a solid paperboard with sealed surface layers on both sides allowing the material to be used also for short-term outdoor applications.

The premium surface has excellent whiteness and ink adhesion. The material can be bent in any direction without cracking of the surface. Widths up to 2.4 metres enable increased productivity, reduced waste and unprecedented design possibilities. SWEDBOARD® Solid is FSC® certified (FSC® C147499).

[Find out more](#)

10 FIVE-DOT-MISSION



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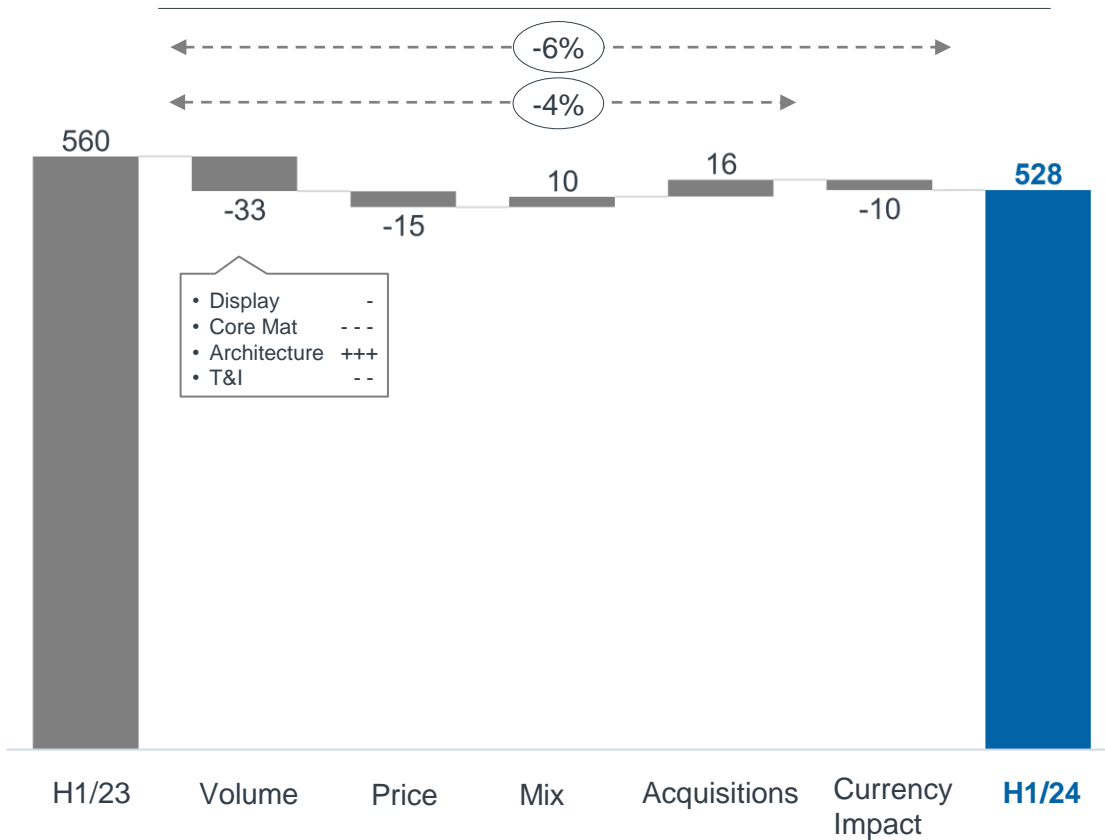


H1 Group Results: Increasing absolute and relative profit despite lower net sales

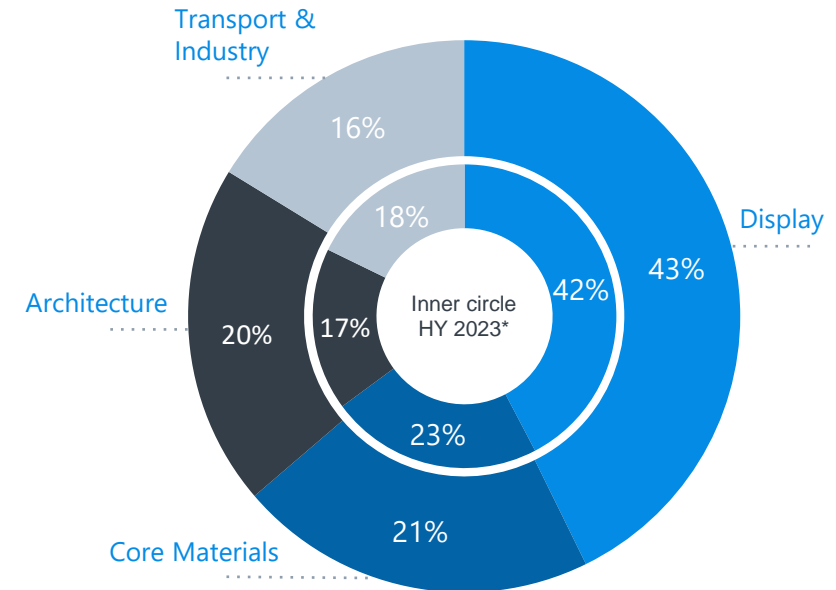
H1 results, in Mio CHF	Total 2024	Total 2023	%	% fx adj.
Net sales	527.8	559.5	-6%	-4%
EBITDA	45.9	42.9	7%	9%
<i>in % of net sales</i>	8.7%	7.7%		
EBIT	24.1	23.4	3%	5%
<i>in % of net sales</i>	4.6%	4.2%		
Net income	20.3	11.9	71%	
<i>in % of net sales</i>	3.8%	2.1%		

Net sales impacted by delayed wind cycle and soft industrial demand. Strong Architecture and resilient Display business

Net Sales HY 2023 vs. 2024
(Mio CHF)

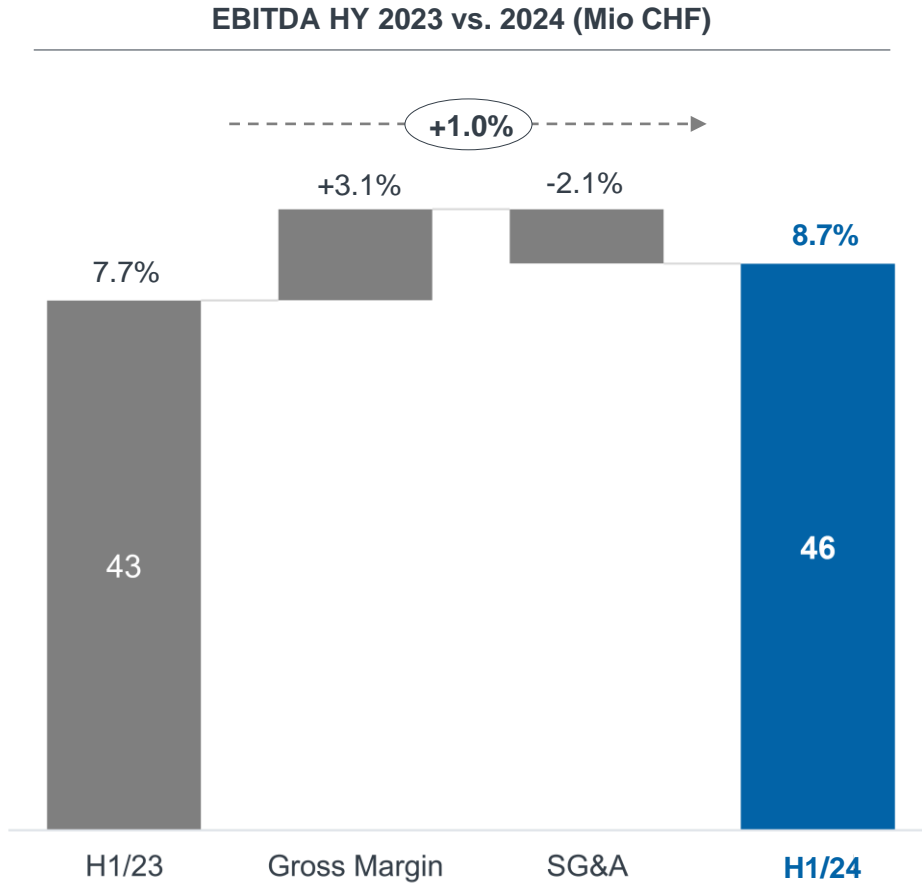


Net Sales HY 2023 vs. 2024 by business area
(in %)



* HY 2023 restated to reflect new organization in Europe

EBITDA improvement driven by operational measures



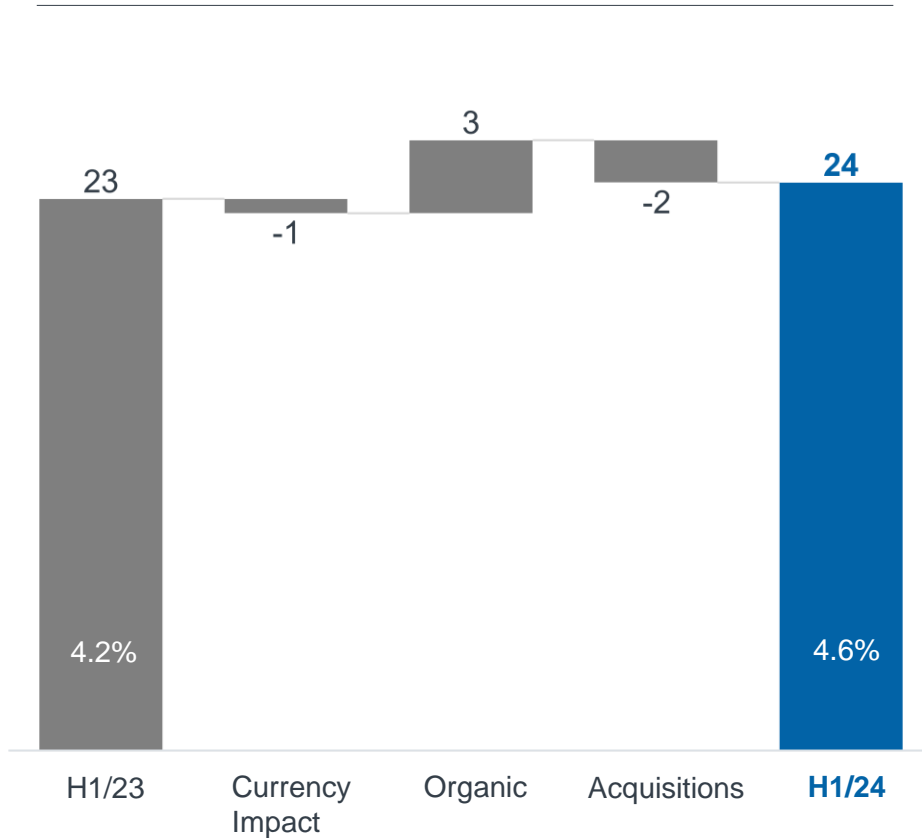
Key Highlights:

- Gross margin improvement:
 - 2.2%-points procurement measures
 - 0.9%-points efficiency measures / pricing management
- Offsetting increase in SG&A costs driven by salary increments, acquisitions and strategic initiatives

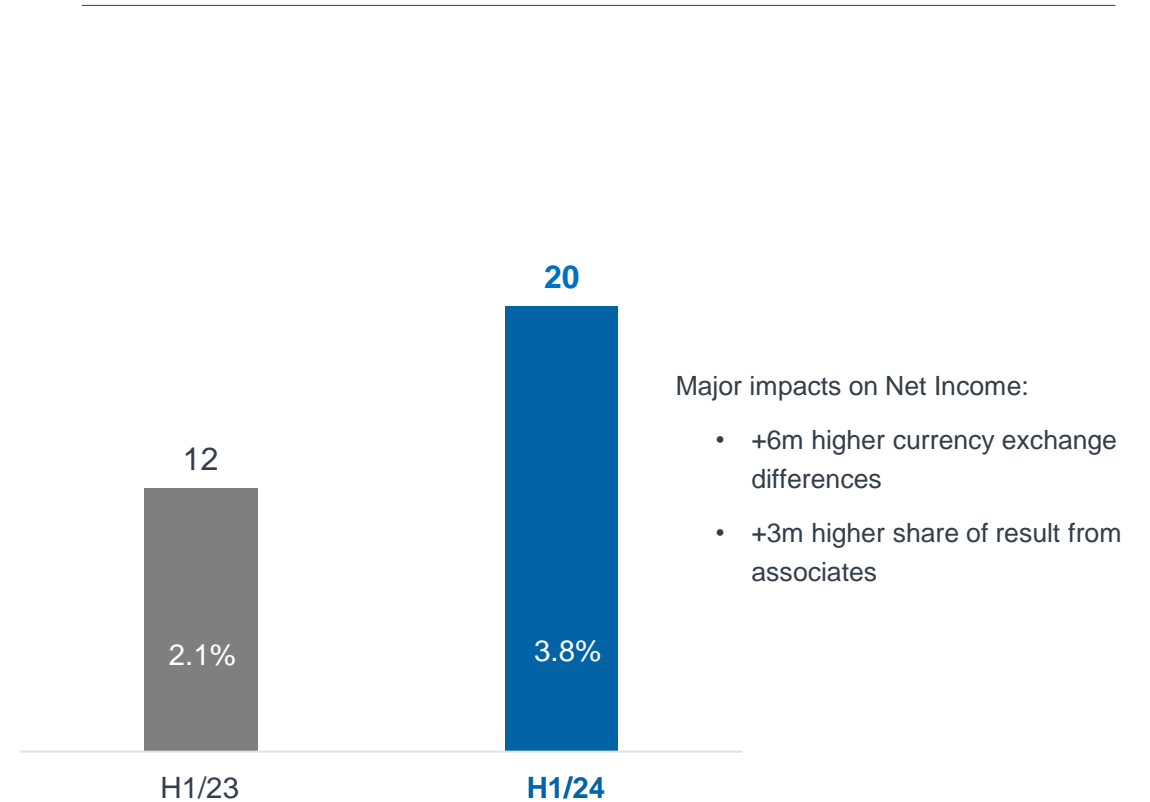
Profit improvement driven by organic operational measures despite lower net sales

Net Income benefits from favourable currency impacts and higher EBIT

EBIT HY 2023 vs. 2024 (Mio CHF)



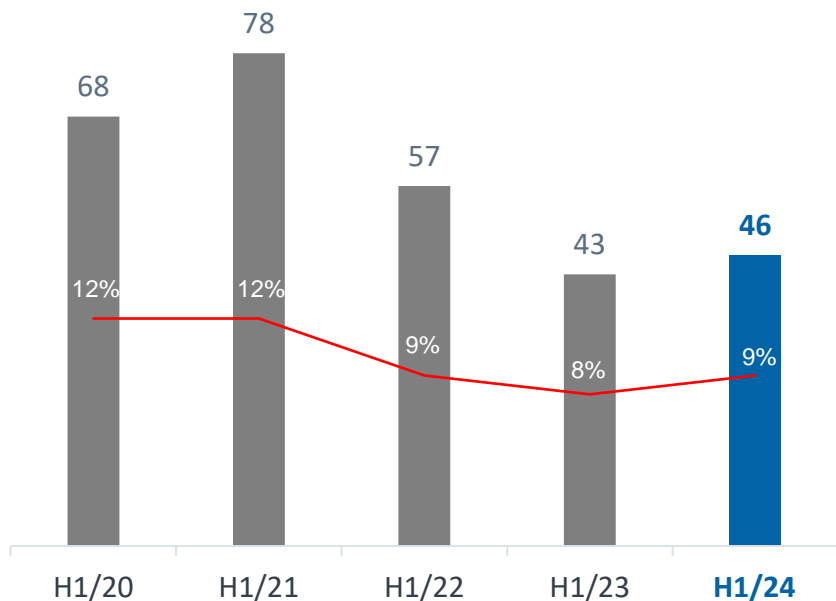
Net Income HY 2023 vs. 2024 (Mio CHF)



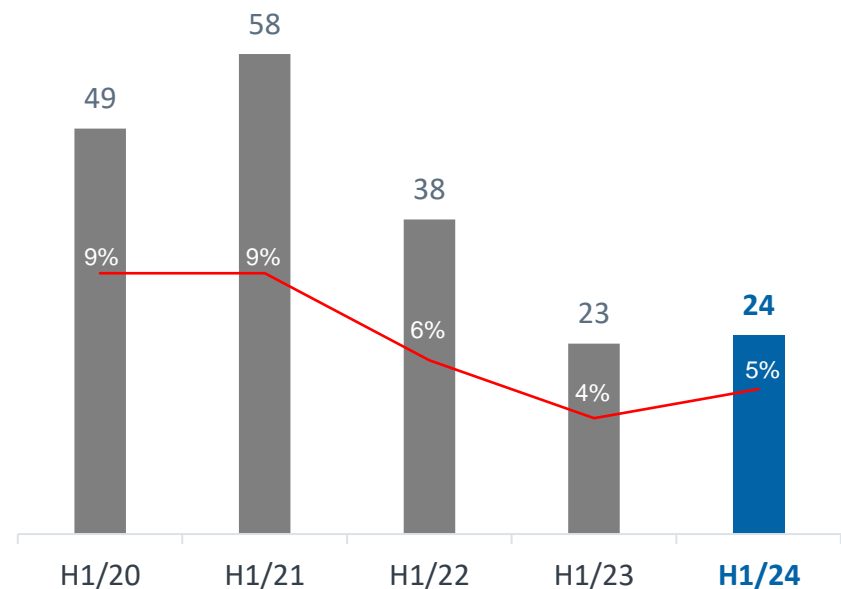
Operational profit: Recovery to be continued consequently

In Mio CHF

HY EBITDA / %



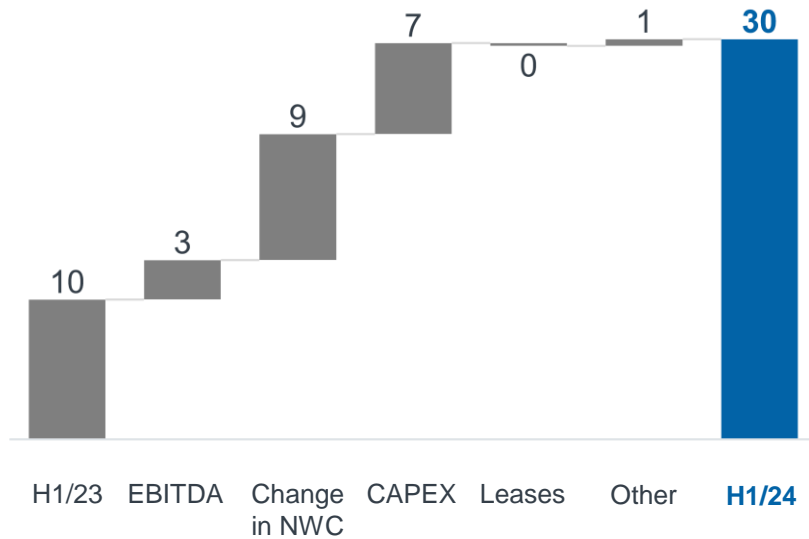
HY EBIT / %



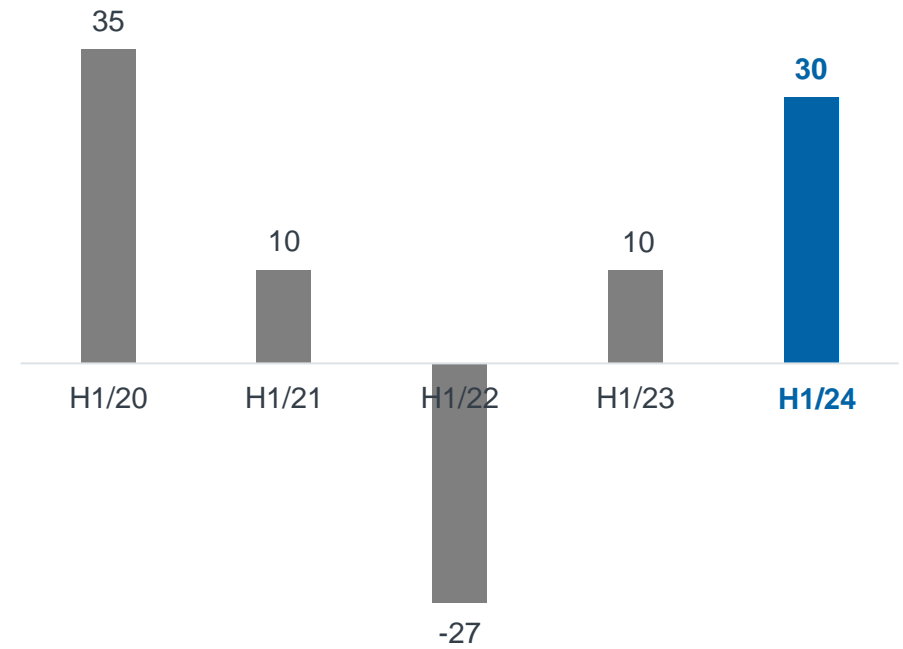
Free Operating Cash Flow improved mainly on NWC and CAPEX measures

In Mio CHF

Free Operating Cash Flow HY 2023 vs. 2024



Free Operating Cash Flow HY 2020 - 2024



Note: Free Operating Cash Flow includes lease payments

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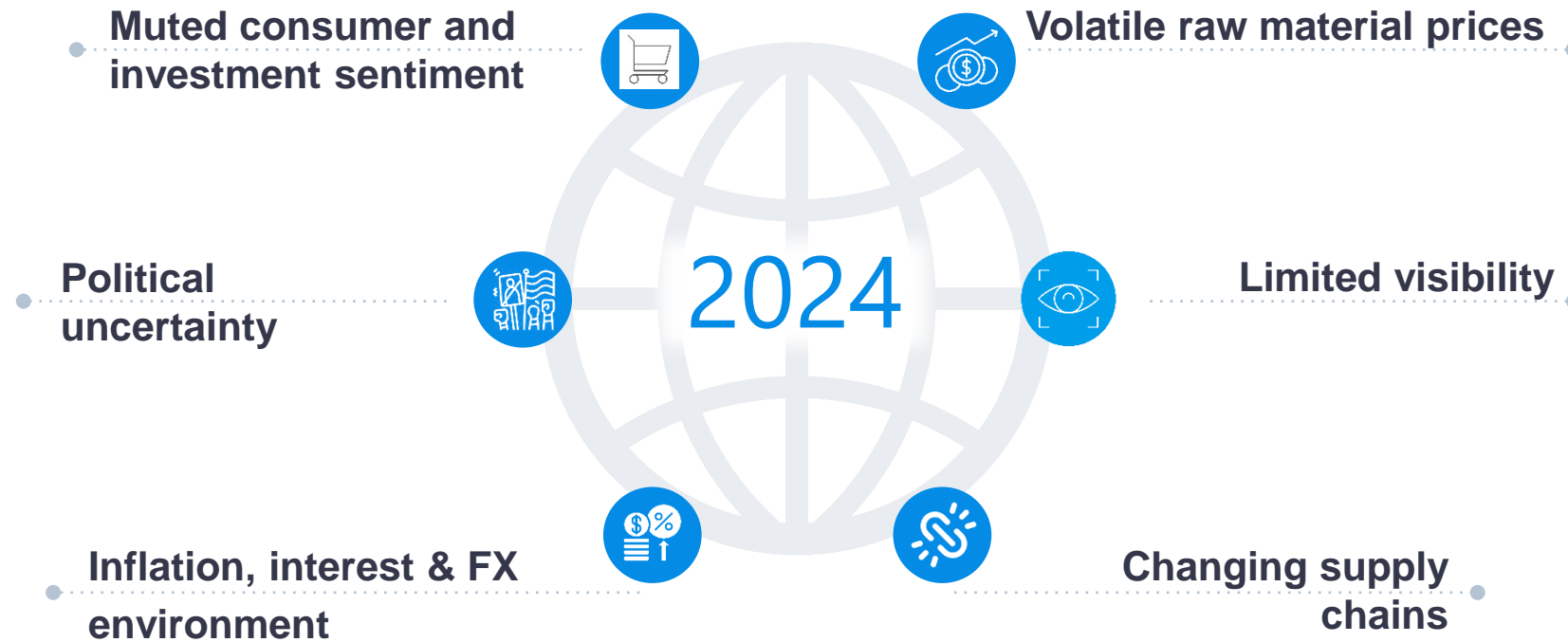
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In a volatile & dynamic world, agility & resilience are essential



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

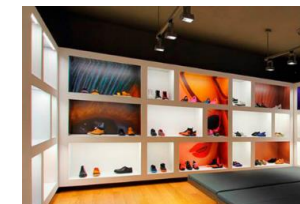
Cash Flow generation

Higher profitability, NWC management, disciplined Capex

Best people

Culture of trust, accountability & performance

Customer applications



“ACCELERATE” to increase profitability and innovate products and processes



Profitable growth
Sustainably >10% EBITDA

Efficiency

1 Footprint Optimization

2 Opex Personnel Cost Efficiency

3 Portfolio Management

Innovation

A Digital Customer Relationship Mgmt

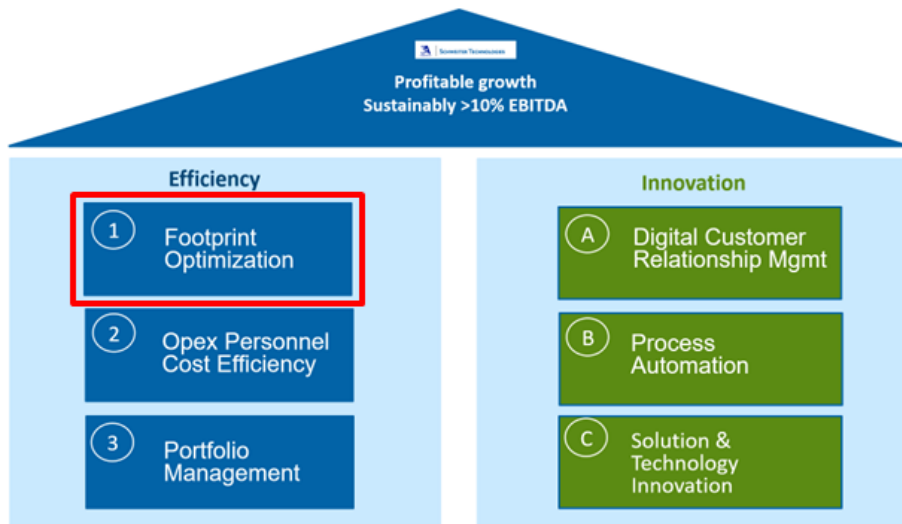
B Process Automation

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.

○ Level of progress

Footprint consolidation in extruded Acrylics – closure of production Mainz



- Disturbed acrylics market in Europe
- Disruptive changes in the supplier markets of MMA (methyl methacrylat)
- Self-polymerization of MMA for extruded acrylic sheets no longer competitive
- Decision to close down the 3A Composites production plant in Mainz by the end of 2024
- Company's management instructed to initiate all the necessary steps, while respecting all participation rights of the local works council and German law
- Will continue to offer extruded acrylic sheets, but production will be consolidated accordingly

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
- **Americas** environment and demand anticipated to remain healthy, in particular in **Architecture** business
- **Asia Architecture** expected to grow again and to unlock market potential, supported by recently started JV
- **Core Materials** business will continue to feel the effects of delayed demand in the wind-energy markets and price pressure in China
- **Transport & Industry** markets to remain muted despite structural growth in the vehicle, rail and bus business

2024 full year outlook

Net Sales:
flat or slightly down after
currency adjustments

Margins:
cautiously optimistic for further
growth in profitability
(before restructuring)

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Q&A



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Financial Calendar

Innovation & Capital Markets Day September 24, 2024
Singen

Full Year Results 2024 February 28, 2025

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