



QSR



Datwyler

Portfolio expansion with strategic acquisition of complimentary US-company QSR

7 April 2022





Leading supplier of system-critical electrical connector seals

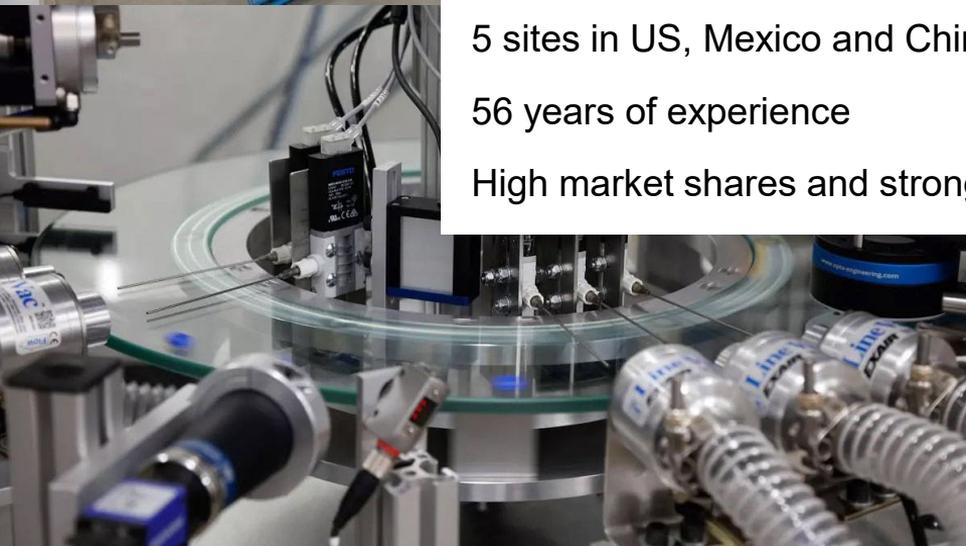
US-\$ 164 million of sales in 2021

1'250 employees

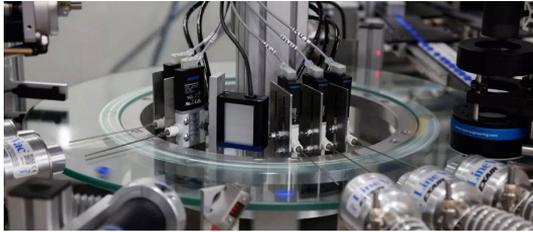
5 sites in US, Mexico and China

56 years of experience

High market shares and strong profitable growth



QSR features an identical business model, similar competences and complementary markets



Distinctive competences

Materials expertise
Engineering capabilities
Inhouse mold shop
Inhouse mixing facilities
Testing and analysis lab
Highly automated production



System-critical components

Electrical connector seals

- Grommets
- 2K overmolds
- Ring seals
- Cable seals

Ignition insulators



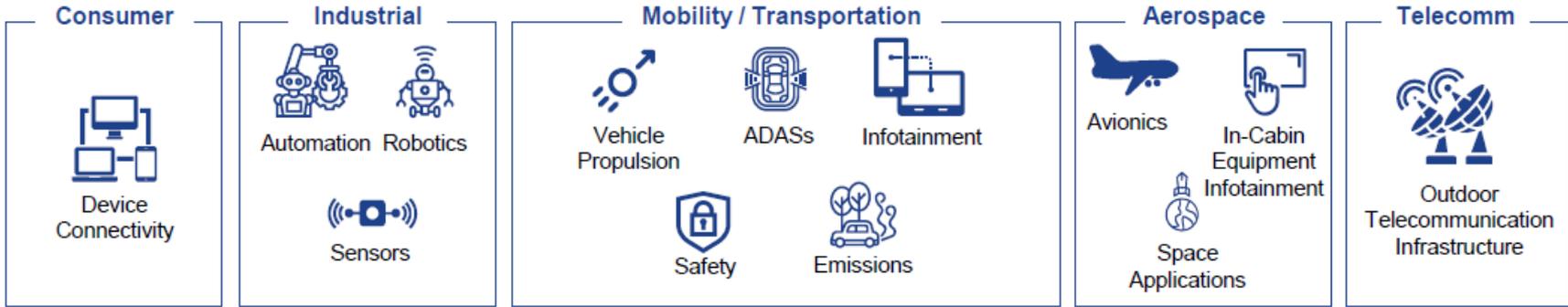
Leading market positions

Mobility
Industrial
Consumer
Lighting
Solar

QSR: Five sites in USA, Mexico and China and close relationships with global customers



Megatrends offering profitable growth opportunities



Relevant market for QSR anticipated to grow at an annual rate of 9% in the coming years.

Megatrends like electrification, connectivity, Industry 4.0 and the Internet of Things demand for system-critical seals for electrical connectors in harsh environments.

Electrical connectors seals safeguard connectivity in harsh environments, prevent severe consequences from connection failures and at the same time only contribute a small portion to the system costs.

Strategic rationale

Combining two complementary companies with common strategy



Market underpinned by relevant megatrends: Electrical connectors seals market is at the interception of several megatrends, offering strong and sustained growth opportunities, particularly for Datwyler BUs Mobility and General Industry.



Focus on system-critical components: QSR is focused on complex and stringent quality components, based on high consistency rubber silicone materials for high-demanding applications and environments.



Distinctive and value-adding competences: The expertise of QSR in designing, testing, compounding and processing high consistency rubber components is unique and constitutes a strong competitive advantage.



Market leadership and strong financial performance: QSR's performance has been strong and above the relevant market over the past years and is expected to increase further, maintaining market leadership positions in the US and China.

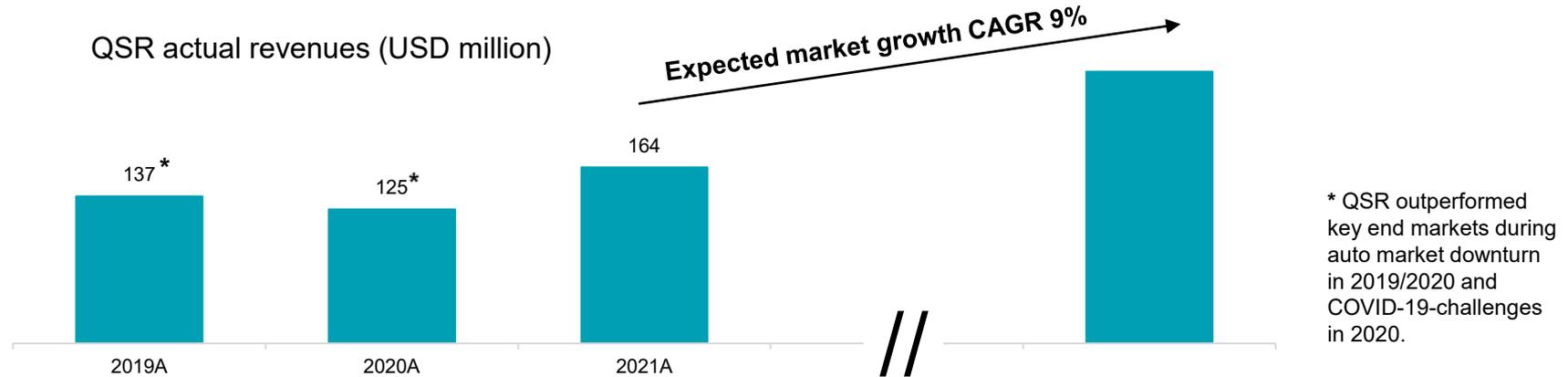


Hard to replicate platform and USP: QSR's capabilities and market position result in close and long-lasting strategic relationships with the leading global connector technology companies, leading to significantly high switching costs.



Strategic fit and growth synergies potential: QSR's acquisition will accelerate Datwyler's transition to electrified mobility and open the door to new and attractive niches across various industries. At the same time, it will also accelerate Datwyler's move towards a geographically balanced portfolio and result in cross-selling opportunities in both directions.

QSR is well positioned to benefit from attractive profitable growth opportunities



Strong track record of profitable growth with an above-market average annual sales growth of 9% since 2012.

2021 revenue of USD 164 million (some CHF 150 million) and adjusted EBITDA of USD 44 million (some CHF 40 million).

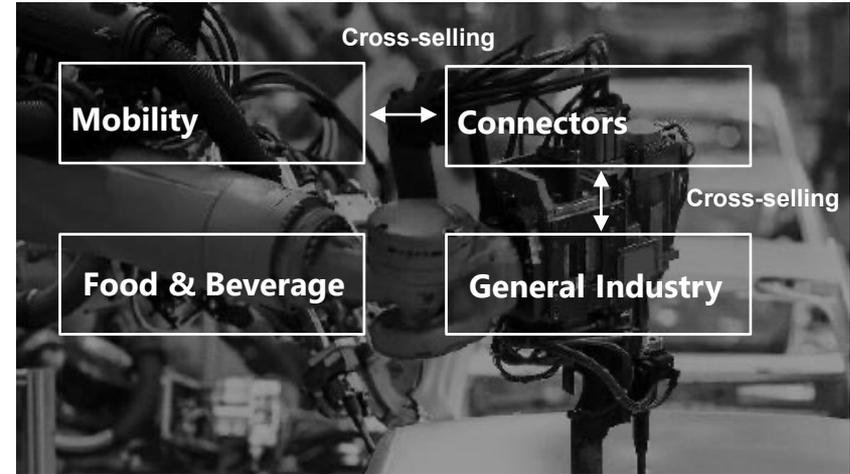
Well positioned to benefit from attractive growth opportunities of 9% expected average annual rate going forward.

Transaction values QSR at USD 625 million.

QSR as independent business unit Connectors within BA Industrial Solutions with cross-selling opportunities



Healthcare Solutions



Industrial Solutions

Technology & Innovation

Finance & Shared Services

Future business unit Connectors

Enabling the megatrends of electrification and connectivity

System-critical seals and components for electrical connectors for diverse markets

| QSR market position | Market growth CAGR 2021-2026 ¹ | Strategic priorities |
|--|---|--|
| <ul style="list-style-type: none">• Leading global supplier of system-critical electrical connector seals• Unique competencies in materials, engineering, tooling and production• Close relationships with the world's largest connector manufacturers• Broad portfolio of complex seals and components | <ul style="list-style-type: none">• Overall: 9%• Automotive Light Vehicle: 9%• Transport / Mobility 9%• Industrial: 7%• Telecom/Datacom: 10%• Aerospace: 7% <p><small>¹Source: Source: Bishop and Associates, BCG Analysis (2021)</small></p> | <ul style="list-style-type: none">• Penetration of existing markets• Boost sales in Europe with strong Datwyler sales network• Leverage cross selling with Datwyler business units Mobility and General Industry• Open-up new market segments |



Several megatrends such as electrification connectivity, Internet-of-Things and Industry 4.0 offer high growth potential.

Strong shared foundation for future success

Focus on system-critical elastomer components.

Superior customer value based on core competencies.

Leading positions in markets driven by megatrends.

Dedication to talent development and sustainable growth.

Track record of strong performance and financial stability.



Thank you!

Disclaimer

This presentation contains forward-looking statements that reflect Datwyler's current expectations regarding market conditions and future events and are therefore subject to a number of risks, uncertainties and assumptions. Unanticipated events could cause actual results to differ from those predicted and from the information contained in this presentation. All forward-looking statements in this presentation are qualified in their entirety by the foregoing.

