



**Fit for the future!**  
Dirk Lambrecht



DATWYLER

**We materialize ideas for a  
safer, smarter, and more  
sustainable world.**

# Strategic realignment indicates promising potential for the future



**Healthcare Solutions**



**Industrial Solutions**

**Technology & Innovation**

**Finance & Shared Services**

# Our strategic priorities to exploit the growth potential

**DRIVE  
PROFITABLE  
GROWTH**

**ADVANCE  
SUSTAINABILITY**

**INCREASE  
AGILITY**

**ACCELERATE  
DIGITALISATION**





# Unique combination of core competencies as a strong and unifying base



# Global megatrends open-up new chances

## Demographic Shifts



Growing need for injectables (e.g. biologics, insulin)

## Lifestyle Changes



Increased spending readiness for a healthy lifestyle and mobility

## Safety and Regulations



Regulatory scrutiny driving the demand for tight-tolerance products

## Resource Scarcity



Increasing investments in energy efficient and environment-friendly systems

## New Technologies



Shift towards smart materials, surfaces and components

# Growth opportunities by applying core competencies to the megatrends





## **Healthcare market outlook**

Dirk Borghs



# Our key agenda in healthcare



## PATIENT SAFETY

We prioritize patient safety, constantly striving for **zero defects**.



## GLOBAL LEADERSHIP

We assist our customers in mastering the challenges of **global healthcare**.



## FUTURE HEALTH

We help our customers act on opportunities of new therapies and **personal therapies**.

# Growth drivers and market potential for elastomer components in healthcare

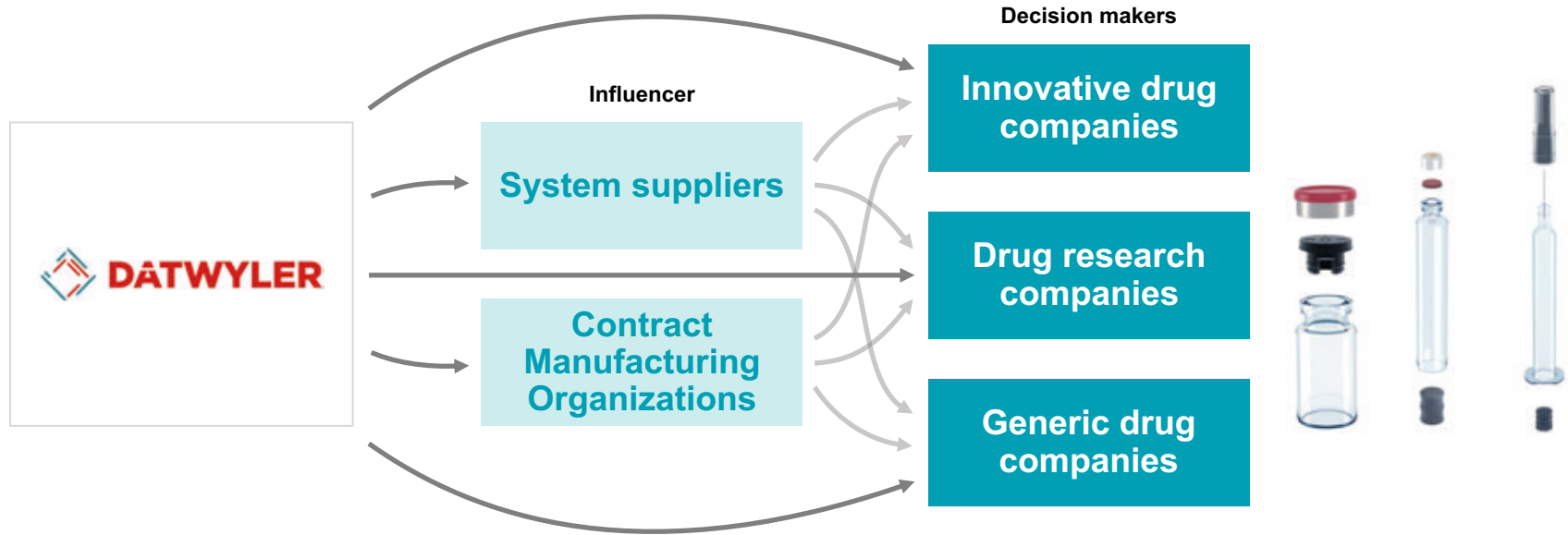
## Pharma

- Global immunization programs
- Ageing society in western industrial nations
- Increasing requirement for medicines in emerging countries
- Increase in chronic diseases such as diabetes and cardiovascular diseases
- Trend for injectable medicines and stricter regulations from the authorities
- Trend for self-administration solutions

## Medical

- Increasing demand for solutions for diagnostics and lab analysis techniques
- Market demand for more efficient and cost-effective treatments
- Trend for skin-friendly wearable solutions for prediction, therapy and safety

# Multiple customer groups as opportunity for creative relationship management



All of the leading pharma companies are Datwyler customers.

# Coated components from FirstLine standard for biologic drugs

## Proprietary fluoropolymer spray coating technology

- State-of-the-art coating solution
- For highest demands in quality and performance
- For highly sensitive, large molecule biotech



**OmniFlex™**  
Stoppers for vials



**NeoFlex™**  
Plungers for prefilled syringes and cartridges

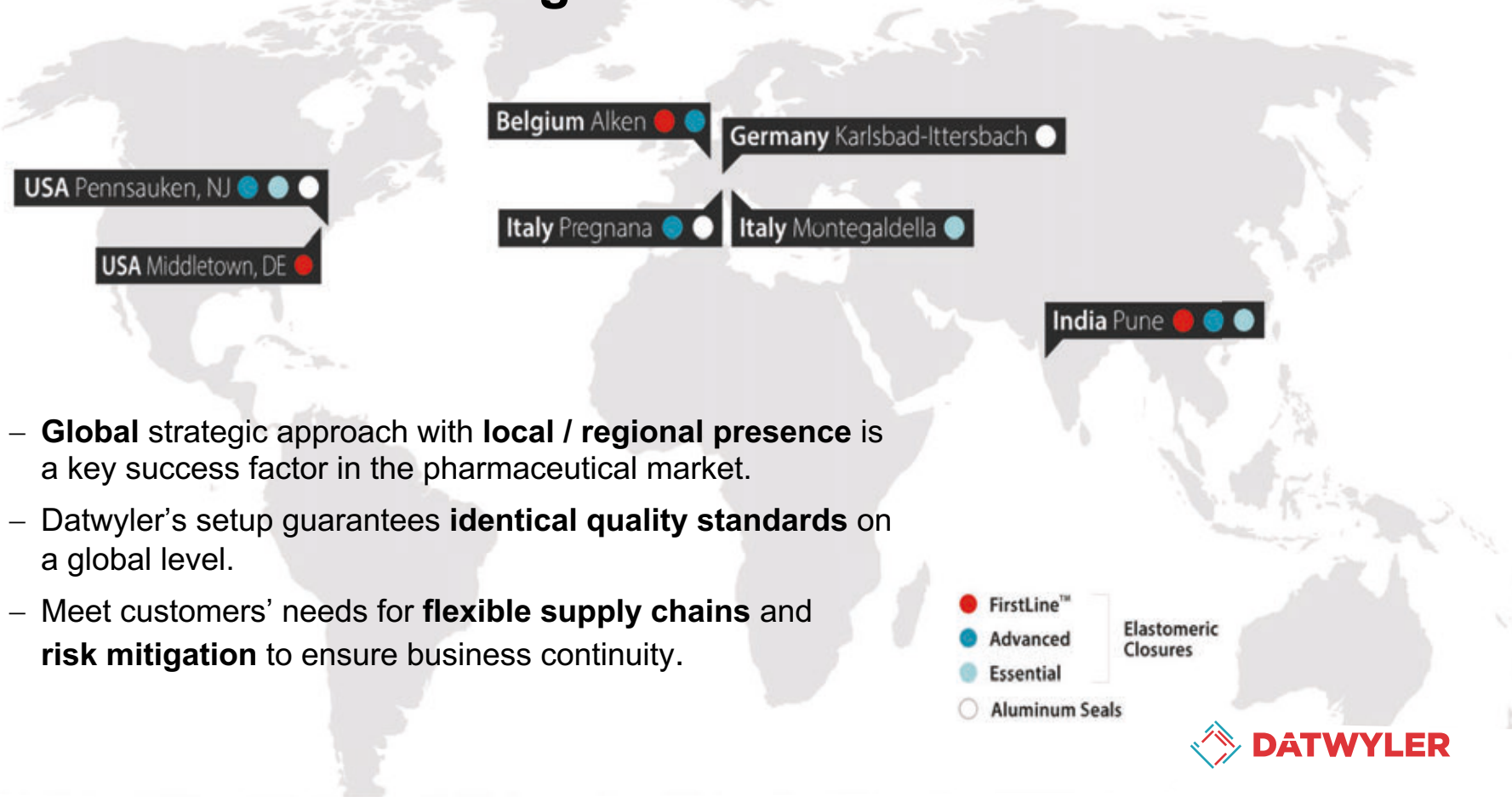


## Benefits for our customers:

- Reduced risk of failures during primary containment validation
- Reduced time-to-market
- Improved lifecycle management of the drug on multiple containers
- Lowest particle level in the industry



# Global manufacturing network Healthcare Solutions



- **Global** strategic approach with **local / regional presence** is a key success factor in the pharmaceutical market.
- Datwyler's setup guarantees **identical quality standards** on a global level.
- Meet customers' needs for **flexible supply chains** and **risk mitigation** to ensure business continuity.

# Covid-19 as a challenge and as an opportunity

## Demand

Active supplier to key players in the market for Covid-19 related medicines, therapeutics and vaccine launches.

Multi-year outlook.

Gradual shift from vials to prefilled syringes.

## Supply

Stable and robust supply chain.

Adapted working regimes.

Accelerated capacity investments to support Covid-19 related peak demand mainly for coated products.

## Organizational

'New Datwyler' organization enabled fast decisions in highly volatile circumstances.

Able to protect all employees' health while in operation.

Plants well prepared for possible next wave(s).

# Ambition to grow clearly above market growth

System-critical components for injectable drug delivery systems

Datwyler market position	Market growth (excl. Covid-19) CAGR 2021-26	Strategic priorities
<ul style="list-style-type: none"><li>• Leading global player</li><li>• Unique coating technology and quality concept for high-end drugs</li><li>• New state-of-the-art production capacities as a basis for gaining market share</li></ul>	<ul style="list-style-type: none"><li>•Americas: 6% - 8%</li><li>•EMEA: 4% - 6%</li><li>•China: 11% - 13%</li><li>•India: 8% - 10%</li><li>•South East Asia: 9% - 11%</li></ul> <p><i>Data source: Datwyler internal analysis September 2021</i></p>	<ul style="list-style-type: none"><li>• Accelerate growth in the US market and in the attractive biotech field</li><li>• Expand our engagement in new drug packaging development</li><li>• Pursue opportunities in Asia (China) and South America</li></ul>



Current addressable market size for high-quality system-critical components in the healthcare industry

**2 – 2.5 billion CHF**



# Mobility market outlook

Dan Stefanoiu



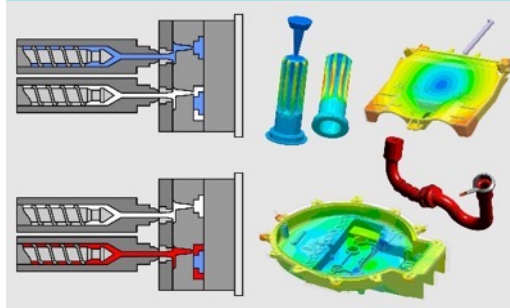
# Trusted market leader in automotive for system-critical elastomer components

- Datwyler is the leading elastomer solution supplier for the leading topTier-1 automotive suppliers.

**Customized material  
development**



**Advanced simulation  
capabilities**



**Industrialization power**



**Right partner to navigate together through the transition towards new mobility.**

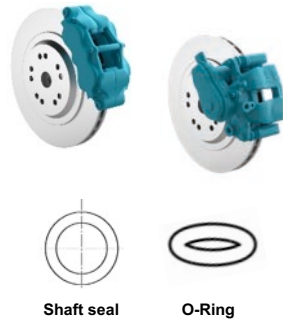
# Brake systems – transition from conventional to electrical braking systems

- Established market leader for safety-critical engineered brake components
- Co-engineering partner for future electrified brake technologies

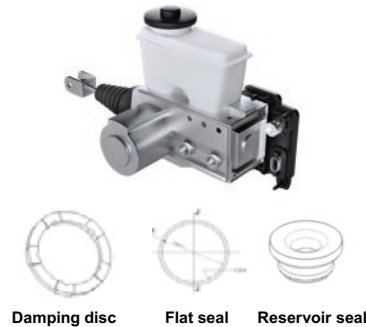
**Vacuum booster**



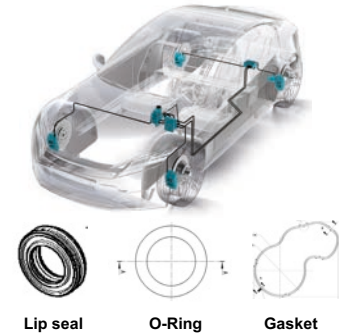
**Electric parking brake**



**Electrohydraulic booster**

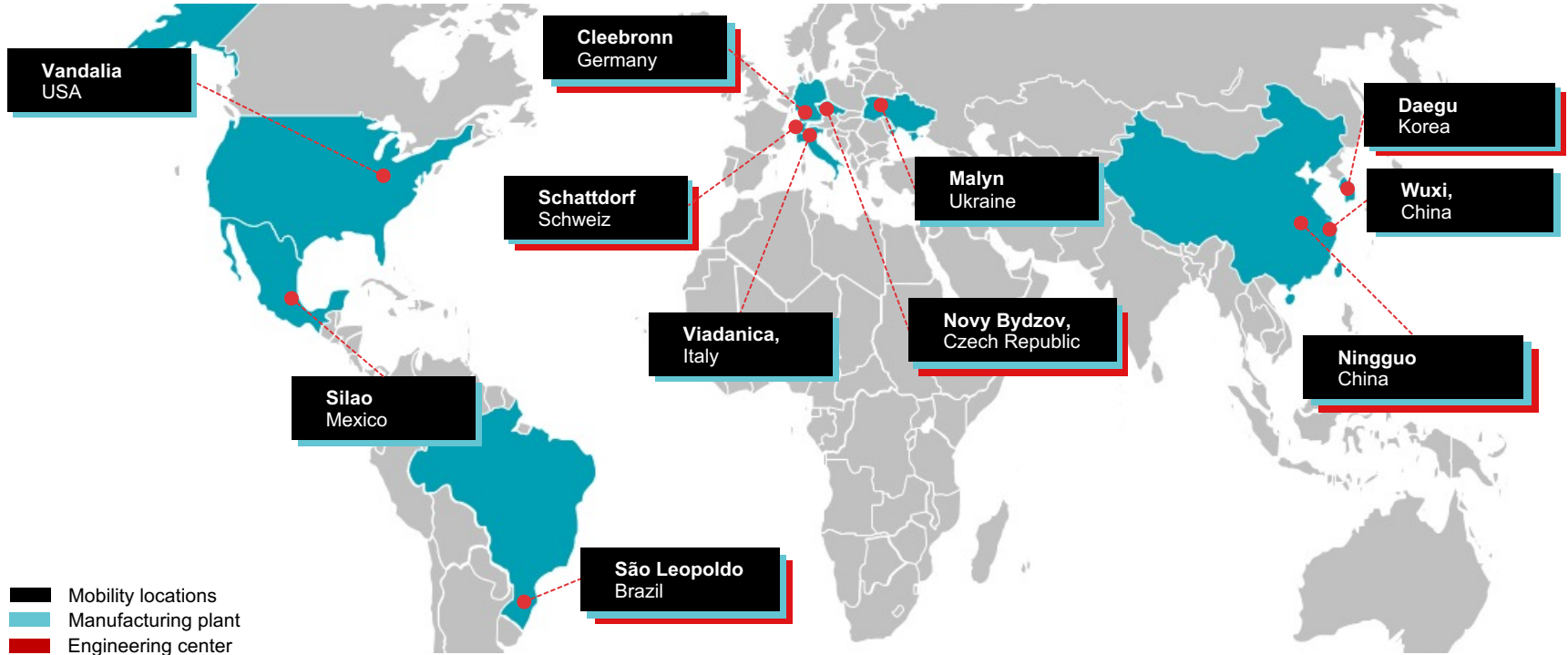


**Brake-by-wire**



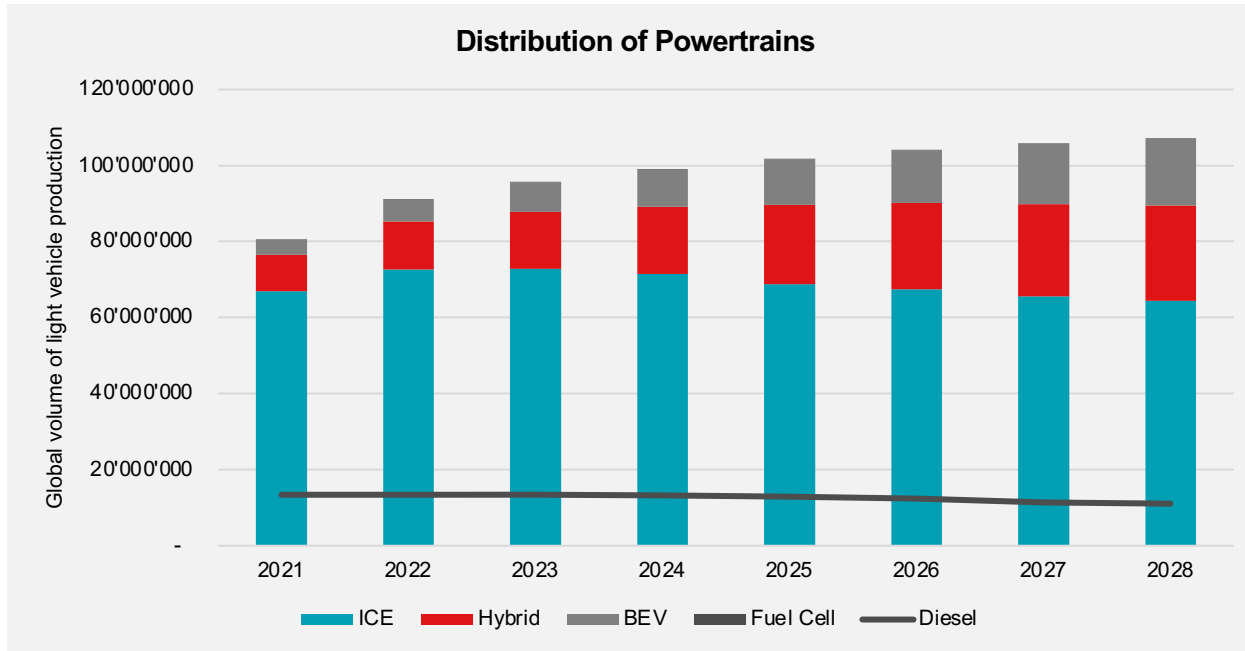
**Datwyler successfully follows technology trends.**

# Strong global footprint in the key automotive production regions



# Light vehicle powertrain evolution from 2021 to 2028

## Decrease of pure combustion engine to below 60%



Source: LMC Light Vehicle Production

- The share of pure ICE (internal combustion engine) vehicles is forecast to drop to below 60%
- Hybrid and BEV (battery electric vehicles) show the potential to more than double the share and reach between 40% – 50%
- Fuel cell vehicles will not play a major role
- Diesels are used in both ICE and Hybrid vehicles; the usage will see a significant drop



# E-mobility transformation opens-up new opportunities

## Current focus applications

### Brakes



### Emissions control



## Potential additional future focus applications

### Batteries



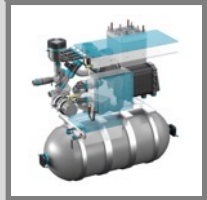
### Vehicle interiors



### Thermal management







### Fuel cell



### Electric drive unit



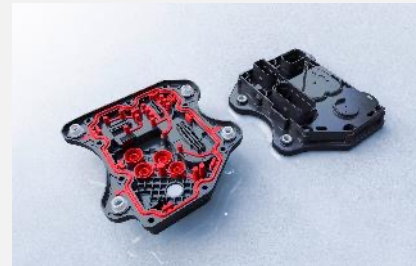
# Core activities to support customers in the transition towards new mobility and to maintain leadership

-  Expand product portfolio – launch new smart rubber technologies
-  Develop new materials for electrification
-  Deploy co-engineering globally
-  Ensure a future-ready manufacturing footprint

# Driving the transition towards new mobility

## System-critical components for conventional and new automotive drive systems

Datwyler market position	Market growth CAGR 2021-2026 <sup>1</sup>	Strategic priorities
<ul style="list-style-type: none"><li>• Leading co-development partner for the global automotive industry (brake systems, exhaust gas aftertreatment)</li><li>• Broad technology portfolio, including multi-material components</li><li>• Most advanced production facility (Lean&amp;Clean concept in Schattdorf)</li></ul>	<ul style="list-style-type: none"><li>• EMEA: 6.3%</li><li>• Americas: 5.2%</li><li>• Asia Pacific<sup>2</sup>: 2.6%</li><li>• Asia Pacific: 5.4%</li><li>• World: 5.3%</li></ul> <p><sup>1</sup>Source: LMC Light Vehicle Production (excl. low cost and economy class), Aug 2021</p> <p><sup>2</sup>Including the mature markets Japan and Korea</p>	<ul style="list-style-type: none"><li>• Product portfolio expansion towards electrified systems, advanced driver assistance, smart components</li><li>• Move into attractive adjacencies</li><li>• Increase level of automation to drive high-efficiency and clean production</li></ul>



Current addressable market size for high-quality system-critical components in the mobility industry

**1.7 billion CHF**



## **Technology and innovation**

Dr. Frank Schön



# Technology & Innovation – our vision

**Be perceived as an innovation leader  
and actively approached by customers**

**Be a leader in sustainability  
(processes, products, materials)**

**Increase competencies in  
Americas and Asia**

**Industrialize ideas fast and successfully  
contributing 5% of annual sales**

**Cooperate successfully with  
research institutes and start-ups**

**Be a leader in virtual product  
and process development**



# Technology & Innovation – our mission

Materials & Surface Technology

Automation, Industrialization, Digitalization

Advanced Technology

**We bring together multi-disciplinary technology expertise to create innovative solutions that drive our customers' success.**

Systems & Processes

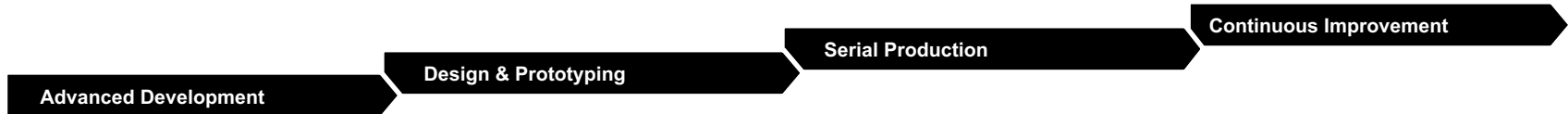
Simulation

# Delivering superior customer value based on our core competencies

From an innovative idea...



...to a globally available serial product.



A white hexagonal logo with a teal border containing the text "Material expertise".

Material  
expertise

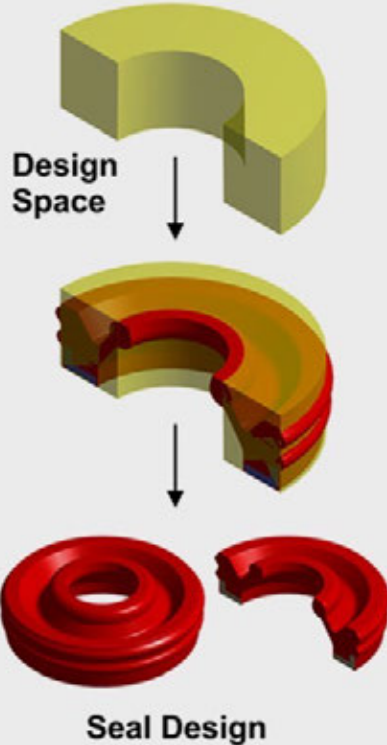
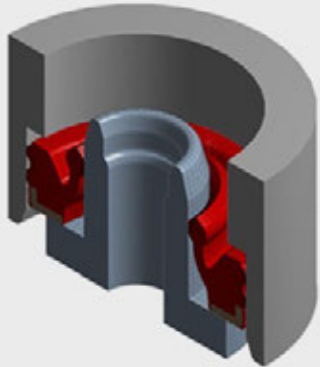
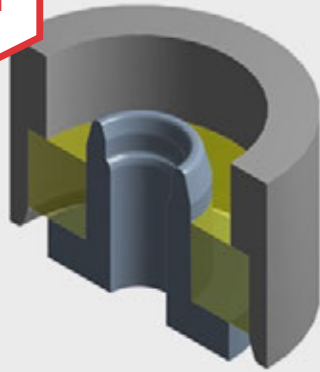
# Advanced Surface Center

## Surface treatments and analytics

### Customer benefits

- Competent development partner for multi component parts with integrated functionality
- Customization of products
- Fast response times for surface analytics

**Solution  
design**



# Co-engineering with our customers

## Finite element and mold flow simulation

Analyze functionality and production process of new components long before real prototypes exist.

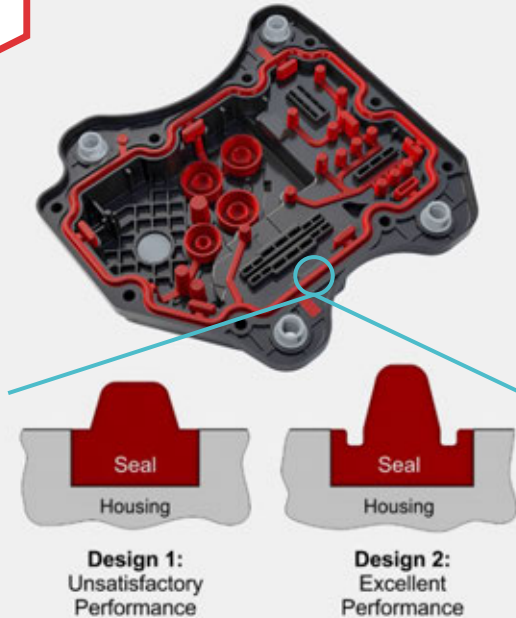
Design new products faster and more cost effectively by significantly reducing the effort for prototyping and physical testing.

### Customer benefits

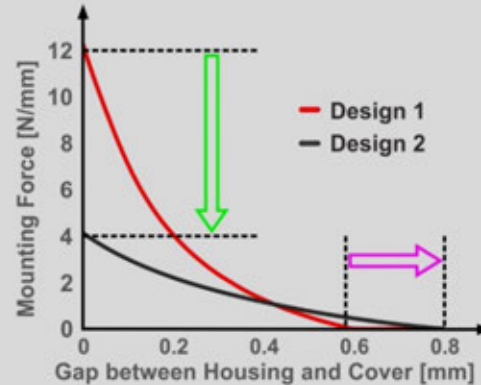
- Faster time to market
- Optimal product performance
- Superior product quality

# Co-engineering with customers – example e-mobility

Solution  
design



Results



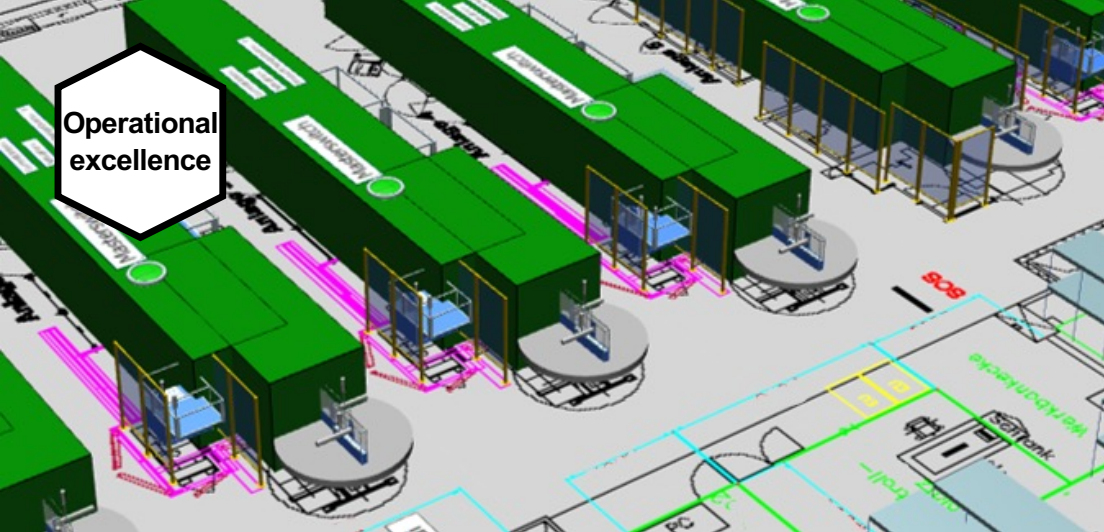
Introduction of grooves in design 2:

- ➡ Reduced mounting force
- ➡ Reduced creep tendency of the thermoplastic housing
- ➡ Increased seal integrity and long-term performance

Increased seal height of design 2:

- ➡ Improved compensation of design tolerances
- ➡ Increased seal integrity





Operational  
excellence

# Process and plant simulation

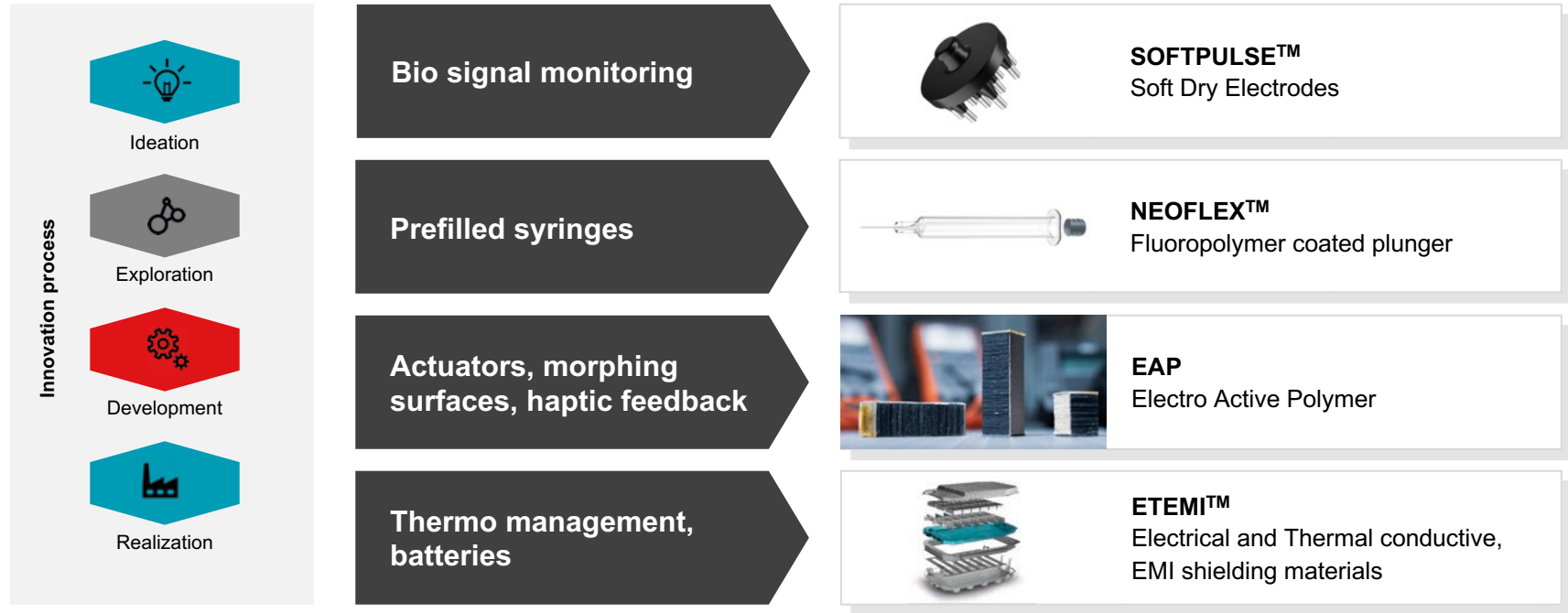
**Process and plant simulations** are used to optimize the processes, the production layout and the material flow resulting in improved asset utilization and productivity

**Virtual commissioning** speeds up the utilization of new machines by configuring them virtually upfront



# Innovation pipeline – addressing megatrends

(Demographic shifts, lifestyle changes, sustainability imperative, ...)





## **Sustainability strategy**

Sabrina Gérard

# Heritage and values as a base for long-term management approach





# We care for our stakeholders and our environment



## People

We want to live up to our social responsibility, offer an attractive and agile work environment and attract the best international talent.



## Planet

Aware that resources are limited, we want to use them responsibly and contribute to achieving the UN Sustainable Development Goals.



## Profit

We want to continue to create value for our customers, grow profitably and lay the foundation for our long term success.



# Sustainability is one of our strategic priorities

**DRIVE  
PROFITABLE  
GROWTH**

**ADVANCE  
SUSTAINABILITY**

**INCREASE  
AGILITY**

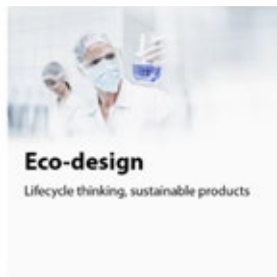
**ACCELERATE  
DIGITALISATION**



# The ESG dimensions used as framework to advance sustainability

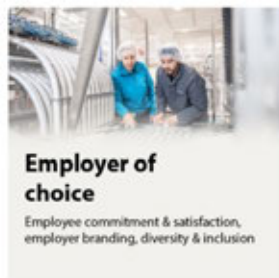


## Environmental



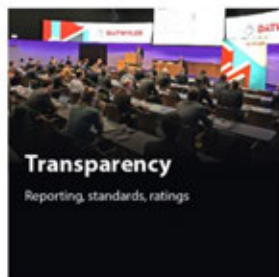
Reduce footprint

## Social



Deliver more value

## Governance



Be responsible



#### ENVIRONMENTAL HIGHLIGHTS

**40% of electricity consumption from renewable energy sources**

**Use of recycled aluminum for coffee capsules and founding member Alliance to Zero**

**Reduction of water consumption by 26% since 2016**

**Proactive reduction of packaging for raw materials**

#### **Climate neutral operations 2030**

Applying the Science Based Targets (SBT) approach.

#### **Ecodesign**

Being integrated in all new product developments.

#### **Resource friendly production**

Waste-free and highly water- and energy-efficient production.

#### **Sustainable procurement**

Looking into sustainable solutions together with our main suppliers.



Community projects with Datwyler volunteers in India

#### **SOCIAL HIGHLIGHTS**

**Renewed talent strategy implemented in 2020**

**Component supplier to Covid-19-vaccine providers**

**State-of-the-art prevention measures to contain the Covid-19 virus**

**Donations and CSR community projects in India**

#### **Employer of Choice**

Enabling the company to stay on top of labor market trends and be a great place to work.

#### **Value-driven engagement with customers**

Perceived as sustainability leader by customers.

#### **Safe and healthy workforce**

Zero accidents, zero injuries, and healthy working environment.

#### **Engagement for sustainability**

Engaging Datwyler people at all locations in relevant community work.





Public Annual General Meeting in Switzerland

#### GOVERNANCE HIGHLIGHTS

**Global Compact member  
and yearly sustainability  
report since 2009**

**Proactive chemical  
compliance management**

**Launch of Diversity policy  
and council**

**Integration of sustainability  
component into variable  
pay by 2022**

#### **Transparency**

Disclosing our ESG performance following leading guidelines.


#### **Compliance and Ethics**

Policies and guidelines to increase understanding and alignment.

#### **Diversity of the Board of Directors and Executive Management**

#### **Commitment**

Foster employee commitment to advance the company's sustainability.

A woman with long dark hair, wearing a light blue button-down shirt and a pearl earring, is smiling and looking up at a small green seedling she is holding in a recycled plastic bottle. The background is a bright, cloudy sky with a blurred cityscape in the distance.

**At Datwyler, we care for our people, our customers, our communities and our planet.**

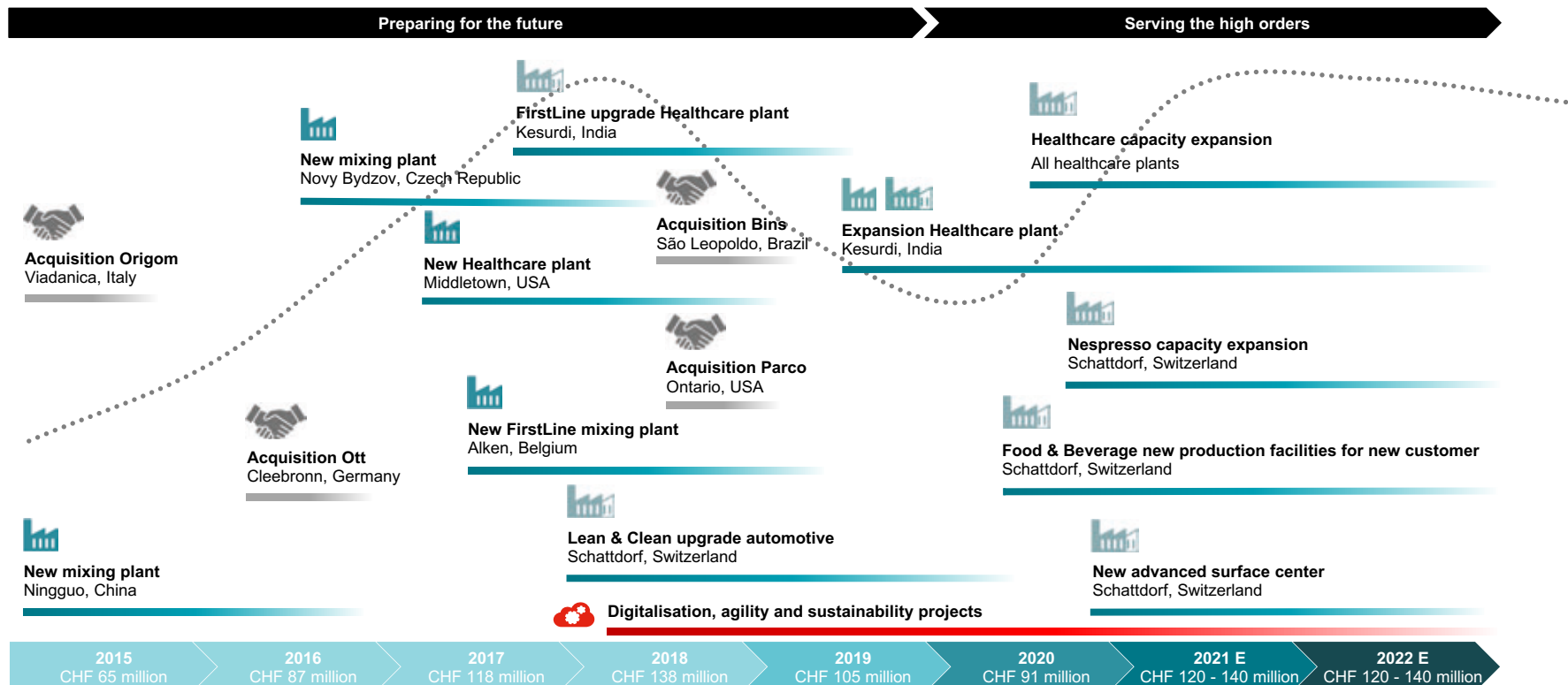
**Find out more in our online sustainability report.**



## **Capital allocation and outlook**

Walter Scherz / Dirk Lambrecht

# Investments to serve the high orders and drive growth



Investment figures excluding acquisitions



## Healthcare Solutions

Capacity expansion at all  
Healthcare plants to support the  
fight against Covid-19

Doubling of existing Indian plant

Intention of local production  
presence in China



New Healthcare plant  
Middletown, USA

New FirstLine mixing plant  
Alken, Belgium

FirstLine upgrade Healthcare plant  
Kesurdi, India

Expansion Healthcare plant in Kesurdi, India

Capacity expansion at all plants

Intention of local production  
presence in China

2017

2018

2019

2020

2021 E

2022 E

CHF 75 - 85 million

CHF 70 - 80 million





## Industrial Solutions

Capacity expansion at Swiss plant for Nespresso

New production facilities for new Food & Beverage customer

New advanced surface center

**New mixing plant**  
Novy Bydzov, Czech Republic

**Lean & Clean upgrade automotive**  
Schattdorf, Switzerland

**Acquisition Bins**  
São Leopoldo, Brazil

**Acquisition Parco**  
Ontario, USA

**Food & Beverage new production facilities for new customer in Switzerland**

**Nespresso capacity expansion in Switzerland**

**New advanced surface center in Switzerland**

2017

2018

2019

2020

2021 E

2022 E

CHF 45 – 55 million

CHF 50 - 60 million



## Reichelt divestment

Reichelt was sold to Invision at current market multiples; closing happened on 29 September 2021

Impact of the Reichelt sale on key financial figures of the Datwyler Group:

EBIT-Margin ↗

ROCE ↗

CAPEX →

New guidance for full year 2021 without Reichelt contribution for October to December:

- Sales above CHF 1'100 million
- EBIT margin above 16%

# New Datwyler: Aggressive organic profitable growth supported by focused acquisitions

Execution of portfolio changes to set a focus on **core competencies**.

Aggressive organic and profitable growth, **leveraging the investment** of recent and future years.

M&A focused on acquisitions to **close specific strategic gaps** within our existing markets.

2020 – 2021

2022 – 2024

# Midterm goals 2022 to 2024 for future healthcare and industrial business

		2020 AC Incl. Reichelt	2021 FC Incl. Reichelt	Goals 2022 – 2024 Excl. Reichelt
<b>Healthcare Solutions</b>	Revenue growth	403.4 million CHF*	15% – 17%	8% – 12%
	EBIT-margin	19.6%	20% – 23%	22% – 25%
<b>Industrial Solutions</b>	Revenue growth	430.7 million CHF*	15% – 17%	6% – 8%
	EBIT-margin	9.9%	11% – 13%	12% – 15%
<b>Group</b>	Revenue growth	1'012.1 million CHF*	>1'100 million CHF**	6% – 10%
	EBIT-margin	14.6%	>16%**	18% – 21%

The growth targets for the future are subject to unforeseeable economic, political and social risks and events.

\*Reported revenue figures

\*\* Continuing business excluding Reichelt 2021:  
Revenue > CHF 960 million, EBIT-margin >17%



# Strong 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 the Group'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.

