

A close-up, low-angle shot of a mechanical watch movement. The intricate gears, jewels, and metal components are visible against a dark, metallic background. The lighting highlights the precision and complexity of the machinery.

Financial Year 2024 Results

Annual Conference | February 6, 2025 | Zurich



Agenda

Highlights and Business Review

Volker Cwielong, CEO

Full-year 2024 Financial Review

Dr. Judith van Walsum, CFO

2025 Market Expectations and Outlook

Volker Cwielong, CEO

Q&A



Highlights and Business Review 2024

Volker Cwielong, CEO

Stabilized operational profitability despite weak markets and launched "ForwardNow" to accelerate growth plan



Restrained demand in four out of five end markets

Net sales contracted to CHF 1.108 billion (-3.8%) primarily due to FX impacts, ongoing destocking in Healthcare and weak end markets for Automotive and others. Currency-adjusted decline of 1.4% vs. 2023.



Operational margins stable despite weak market environment

Active pricing and cost management in all regions secured adjusted EBIT margin of 10.7% and robust Free Cash Flow. Investments in R&D, process automation and future innovation consistently pursued.



Attractive new order intake in all regions and businesses

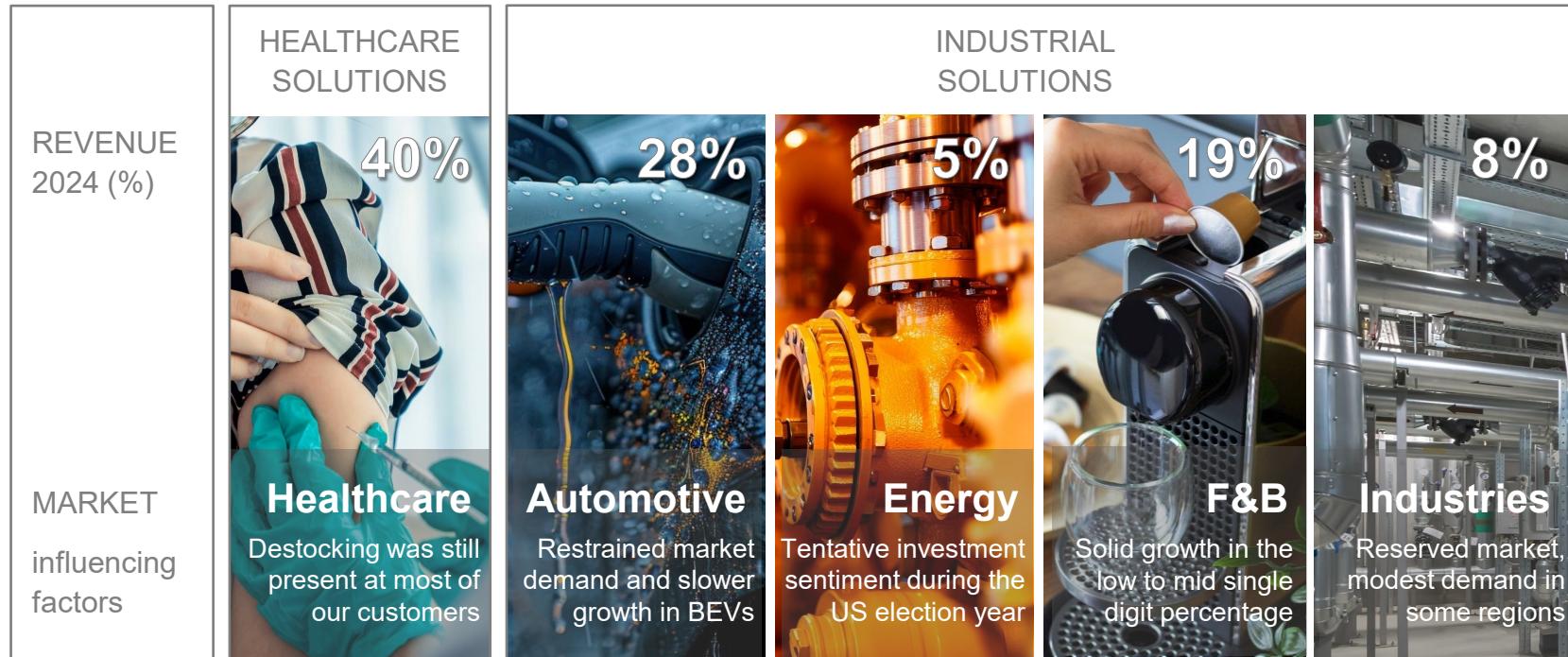
Exceeded important targets for new business wins in the sectors Healthcare, Automotive, Industrial with major share in high-value categories and lined up further business growth in Food&Beverage.



Transformation program in place to accelerate growth

Launched transformation program "ForwardNow" from a position of strength as solid foundation to sustainably accelerate revenue and profitability growth. One-time cost of CHF 37.9 million in 2024.

Due to various factors, four out of five Datwyler end markets experienced exceptional conditions in 2024



Strong momentum in business development coupled with key successes in achieving strategic milestones

NEW CUSTOMER PROJECTS



- > 60% of projects in healthcare pipeline from high-value categories
- Successful GLP-1 line-up: customer deliveries planned to scale up from Q1/25
- > 50% of mobility business wins in cars with electrified powertrains
- > 30% of connectors business wins with applications for high-voltage

SUSTAINABILITY



- 60% electricity from renewable sources, 30% reduction of CO2 emissions

INNOVATION



- Softpulse entered various serial applications for wearable devices
- Successfully scaled EAP to a pilot serial production line for mid volume qualities



Full-Year 2024 Financial Review

Dr. Judith van Walsum, CFO

Net revenues, currency adjusted, at -1.4%

EBIT margin, adjusted for transformation costs, at 10.7%

Profit and Loss Statement in CHFM

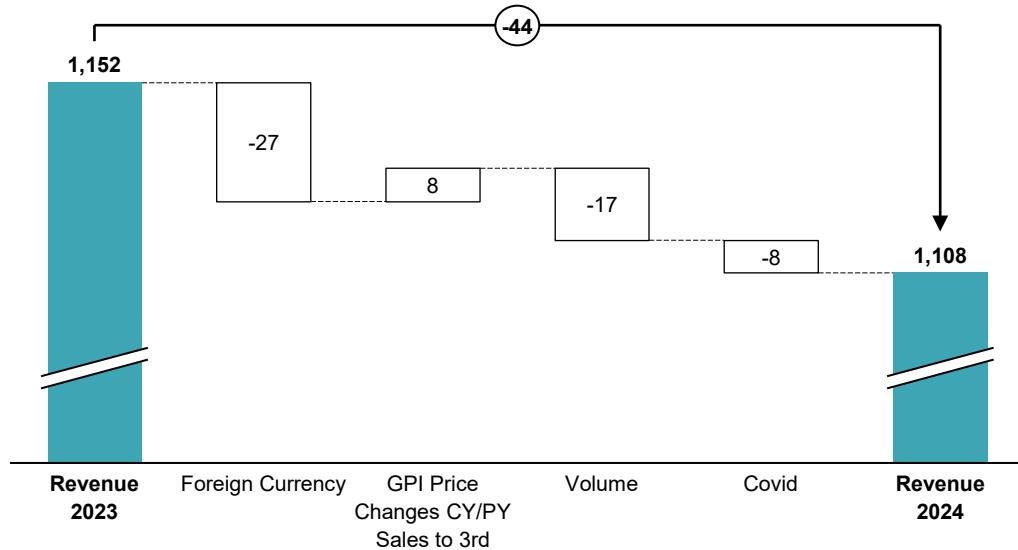
| | FY2024 ACT | FY2023 ACT | Δ in % |
|------------------------------------|---------------|---------------|--------|
| <small>in CHF M</small> | | | |
| ① Net revenue | 1'107.7 | 1'151.5 | -3.8% |
| Costs of goods sold | (869.4) | (911.3) | -4.6% |
| ② Gross profit | 238.3 | 240.2 | -0.8% |
| ③ Operating Expenses | (158.1) | (119.8) | 32.0% |
| ④ EBIT | 80.2 | 120.4 | -33.4% |
| Net finance result | (27.9) | (28.7) | -2.8% |
| Earnings before tax (EBT) | 52.3 | 91.7 | -43.0% |
| Income tax expenses | (21.2) | (24.9) | -14.9% |
| ⑥ Net result | 31.1 | 66.8 | -53.4% |
| <small>in % of net revenue</small> | | | |
| Gross profit | 21.5% | 20.9% | 0.7pp |
| EBIT-margin | 7.2% | 10.5% | -3.2pp |
| Adjusted EBIT-margin | 10.7% | 10.5% | 0.2pp |
| <small>in CHF</small> | | | |
| Net result per bearer share | 1.83 | 3.93 | -53.4% |

Key highlights

- ① Net revenue reduction YoY (-1.4% currency adjusted), driven by challenging conditions in 4 out of 5 relevant markets
- ② Despite top line development, gross profit only marginally impacted due to comparatively lower costs of goods sold
- ③ Increase in Operating Expenses reflects provision and impairments for ForwardNow (CHF 37.9M). Excluding these cost, no significant change vs. prior year
- ④ Reported EBIT at CHF 80M. EBIT adjusted for extraordinary spend at 118M - broadly in line with prior year. Adjusted EBIT margin increased from 10.5% to 10.7%
- ⑤ Lower financing costs and income tax expenses (in abs. terms) positively impacted net result, adjusted at CHF 69M

Revenue unfavorably impacted by challenges in four out of the five end markets, as well as material FX headwinds

Revenue Bridge Full Year 2024 in CHF M

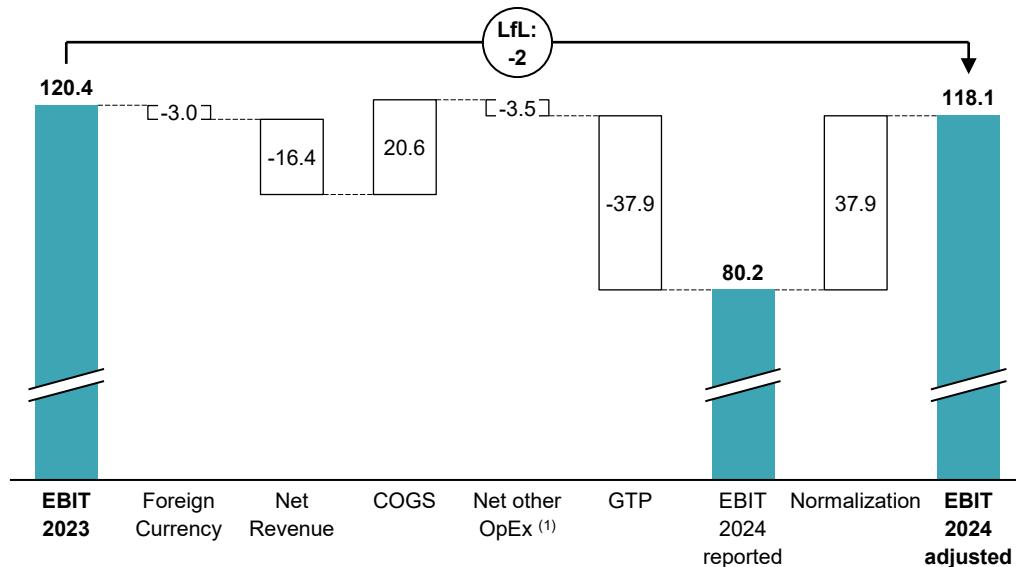


Key highlights

- Top line significantly impacted by negative currency effect due to the strong Swiss Franc amounting to CHF 27.4M (-2.4%)
- Currency adjusted revenue development at -1.4% reflects challenging markets in both Healthcare and Industrial
- Price adjustments partially compensated revenue decline due to lower volumes
- 2023 revenues still contained CHF 7.5M from high-margin components for Covid vaccinations

Reported EBIT down by -38M ForwardNow cost, adjusted EBIT broadly in line with PY despite lower revenues

EBIT Bridge Full Year 2024 in CHF M



Key highlights

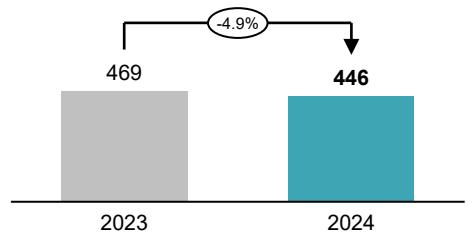
- Operationally, impact of lower revenues offset by comparatively lower costs of goods due to lower volumes, lower material and other costs, and cost saving measures
- One-off cost amounting to CHF 37.9M for ForwardNow global transformation program (GTP) recorded in December
- Reported EBIT at CHF 80.2M (7.2% of revenues). Adjusted for GTP one-off cost, EBIT of CHF 118.1M (10.7% of revenue) broadly in line with last year's CHF 120.4M (10.5% of revenue)

Notes: GTP = Group Transformation Program; LfL = Like for Like comparison.

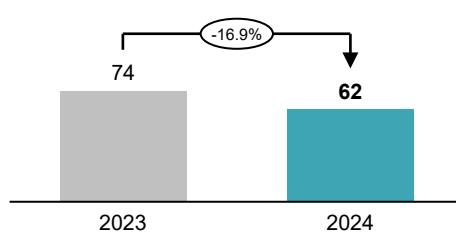
(1) Net other Operating Expenses includes Research and Development (R&D), Marketing and Selling (M&S) and General and Administrative (G&A).

Healthcare impacted by continued subdued demand resulting in lower volumes and unfavorable product mix

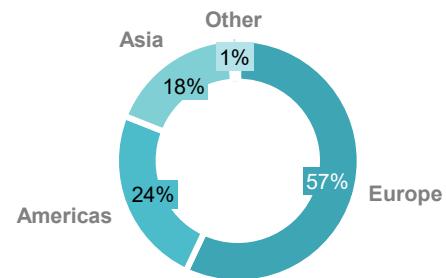
Revenue in CHF M



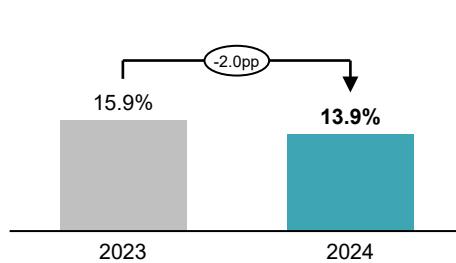
EBIT in CHF M (2024 adjusted)



Revenue split by regions 2024 in %



EBIT margin in % (2024 adjusted)

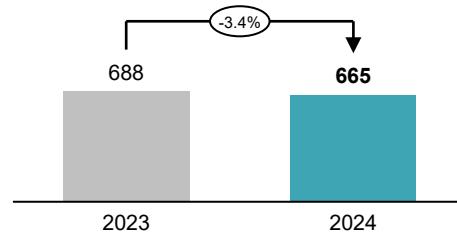


Key highlights

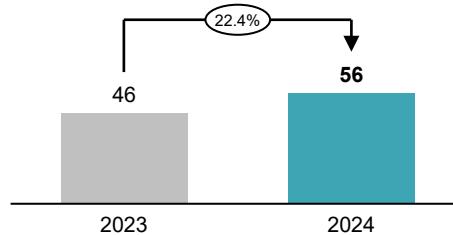
- Currency-adjusted revenues at -2.5%, with currency headwinds amounting to CHF 11.1M
- 2024 revenues influenced by continued destocking, volume decline (including PY Covid revenue of CHF 7.5M) slightly offset by price adjustments
- Reduced volumes and unfavorable product mix led to a lower EBIT, partially offset by reduction of costs of goods sold (lower volumes, operational efficiencies)
- EBIT adjusted for transformation provision and impairments amounts to CHF 62M (reported CHF 47.0M), with normalized EBIT margin at 13.9% (reported 10.5%), below last year's 15.9%.

Industrial Solutions improved EBIT despite a declining top line

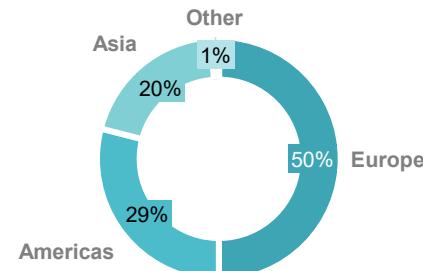
Revenue in CHF M



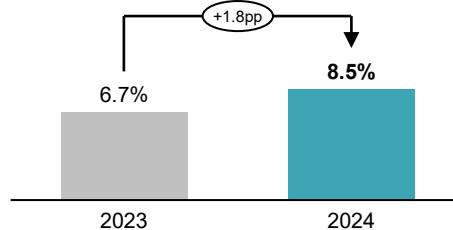
EBIT in CHF M (2024 adjusted)



Revenue by destination in %



EBIT margin in % (2024 adjusted)

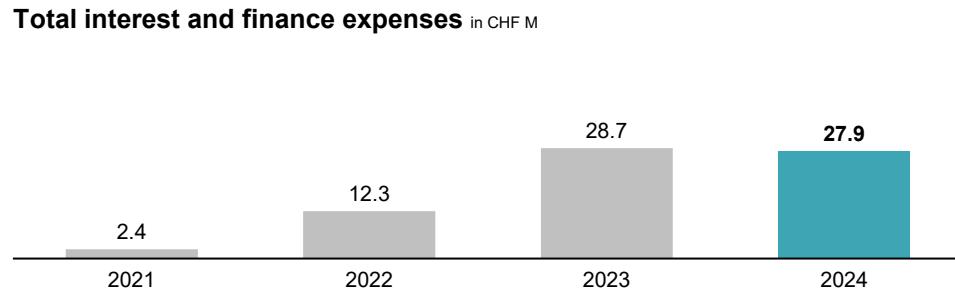


Key highlights

- Currency-adjusted revenue marginally below 2023 (-1%), with unfavorable FX impact at CHF 16M. Volume decline partially offset by price adjustments
- Challenging markets conditions with the exception of Food&Beverage
- Despite lower revenues, adjusted EBIT increased as COGS improved due to lower volumes, reduced material and other costs, and operational improvements
- EBIT adjusted for transformation costs at CHF 56M (reported CHF 33.2M), with EBIT margin of 8.5% (reported 5.0%), higher than prior year's 6.7%

Net financial results and tax expenses down in absolute terms improving adjusted net result vs. prior year

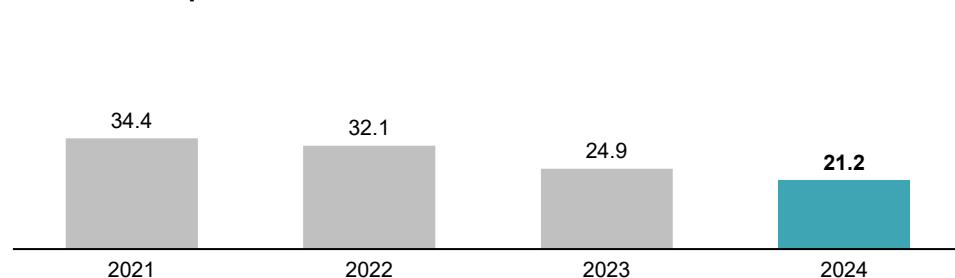
Total interest and finance expenses in CHF M



Key highlights

- Interest expenses (net) CHF 4.9M lower compared to PY due to debt repayments
- Instead, fair value losses on forward contracts (hedging currency exposure) exceeded PY by (net) CHF 4.2M

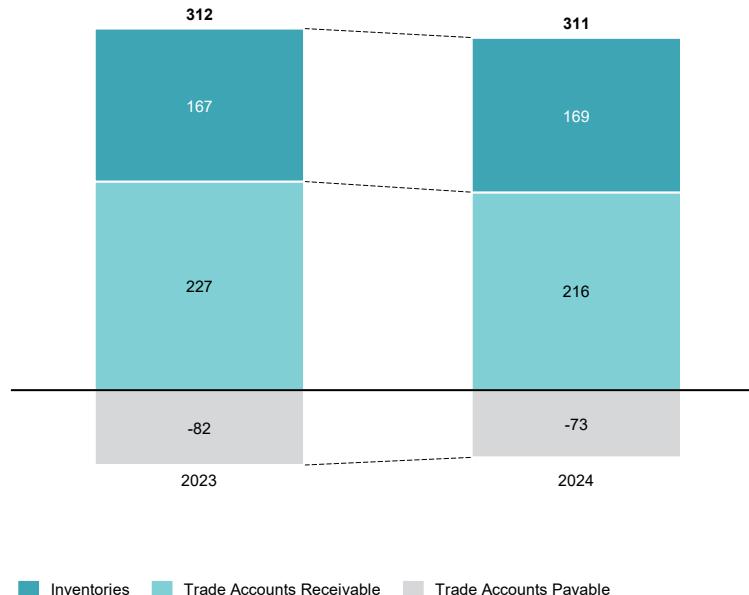
Income tax expense in CHF M



- Lower tax expenses compared to 2023 resulting from comparatively lower profit before taxes (CHF 52.3M vs CHF 91.7M)

Net working capital remaining stable with accounts receivables improving

Net Working Capital in CHF M

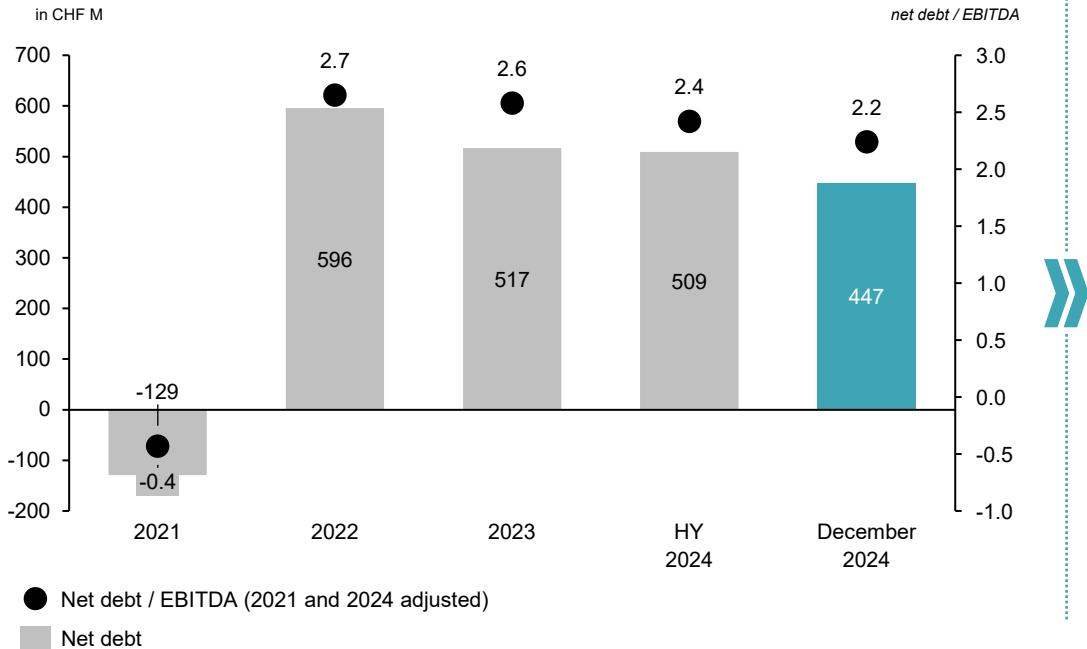


Key highlights

- Net working capital remained stable vs. prior year in absolute terms
- Trade Accounts Receivable improved in line with lower revenues and better handling of payment terms
- Trade Accounts Payables impacted by lower production volumes
- Inventory impacted by changed freight routes and patterns, resulting in higher goods in transit and slightly increased stock levels

Deleveraging continued with improved net debt to adjusted EBITDA ratio

Net Debt in CHF M and **net debt / EBITDA** (adjusted) as Ratio

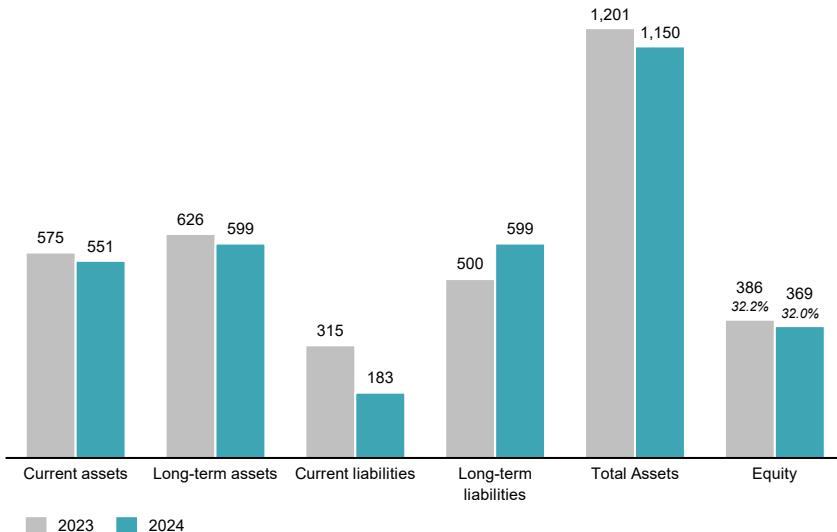


Key highlights

- All remaining bank debt (CHF 52M) repaid during 2024
- 1.70% CHF 120M bond placed in April 2024 (repayable in 2029), replacing CHF 150.0M 0.625% repaid in May 2024
- 2.10% CHF 240M bond placed in 2022 (repayable in 2027) unchanged
- Loan Pema Holding AG at CHF 215M (CHF 17M higher than in PY)

Stable equity ratio versus prior year, despite transformation-related provision

Equity Ratio in %



Key highlights

- Equity ratio, based on reported equity, at 32.0% (vs. last year's 32.2%) despite transformation-related provision (CHF 28.5M)



Free Cash Flow remained strong in absolute terms, enable for continued reduction of external debt

Free Cash Flow in CHF M

| in CHF M | FY2024 ACT | FY2023 ACT |
|---|---------------|---------------|
| Net cash from operating activities | 171.7 | 194.9 |
| Net cash used in investing activities | (43.8) | (58.2) |
| Free cash flow (FCF) | 127.9 | 136.7 |
| Net cash used by financing activities | (124.9) | (109.7) |

Key highlights

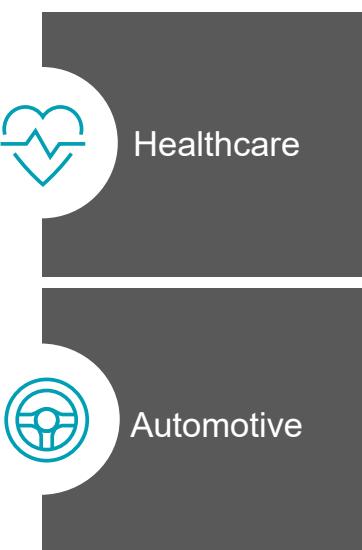
- Less cash inflow from operations than in prior year. In 2023, the group benefited from a substantial safety inventory liquidation out of Covid of approx. CHF 30M
- With capex slightly below PY, the cash outflow for investments was less than in 2023
- At CHF 128M, Free Cash Flow is -6.4% below prior year, but it remains strong in absolute terms
- Increase in cash outflow from financing activities vs. prior year due to reduction of external debt



2025 Market Expectations and Outlook

Volker Cwielong, CEO

Outlook 2025: a steady recovery in our end markets is anticipated, serving as key driver for growth



Market Expectations for 2025

- We expect gradual recovery in incoming orders, bottom appears to be behind: destocking effect to conclude by mid-2025
- Return to long-term growth trend in the higher-single-digit percentage range for injectables

Datwyler Positioning

- Datwyler maintained crucial capacities and expertise to be ready for market rebound
- Intensified our collaboration with leading pharmaceutical companies for new drugs
- Continuous ramp-up of series production for GLP-1 applications from Q1/2025

- Global passenger car production expected to grow slightly in a realistic scenario
- China remains important market for EV's with above average segment growth
- Key risks include tariff imposition between major markets (i.e. US-China-EU)

Outlook 2025: a steady recovery in our end markets is anticipated, serving as key driver for growth

| | Market Expectations for 2025 | Datwyler Positioning |
|---|---|--|
|  Energy | <ul style="list-style-type: none">▪ New US government's positioning most likely leads to a growth cycle in our key energy markets such as subsurface | <ul style="list-style-type: none">▪ Leading position in NA with proprietary certified elastomer compounds enables Datwyler to benefit from a growth cycle |
|  F&B | <ul style="list-style-type: none">▪ Continuous growth expected in the end market for single served coffee capsules▪ EU regulation on packaging materials may lead to a trend towards aluminum caps | <ul style="list-style-type: none">▪ Ramping up additional capacities based on recent supply agreements▪ Specialized on processing of aluminum with a recycling ratio of higher than 90% |
|  Industries | <ul style="list-style-type: none">▪ Cautious atmosphere in the industry will influence the demands, however some of our target sectors are expected to deliver growth i.e. sanitary, connectivity | <ul style="list-style-type: none">▪ Project wins in outperforming segments such as sanitary and connectivity▪ Leading material expertise and optimized manufacturing capabilities |

Industry-leading products and technologies enable to capitalize significantly on a market rebound

Healthcare Solutions

Complete portfolio for the Pharmaceutical and Biotech injectables drug sector (including GLP-1)



Uncoated product offering: wide range of applications for injectable drugs



Spray-coated offering: Unique solution for sensitive biotech drugs



Additional services: Analytics, product customization and packaging solutions

Industrial Solutions



Seals and components for electrified powertrains and battery modules



Seals for electrical connectors and high-voltage applications



Components for demanding systems in the oil and gas industry

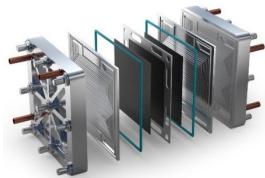


Coffee capsules from aluminum with recycling ratio of higher than 90%

Innovation pipeline is stocked with next-generation product technologies for a wide range of applications



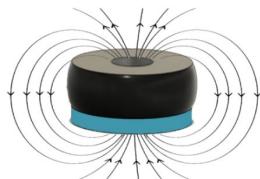
Solutions for batteries



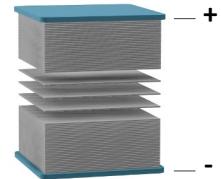
Solutions for hydrogen



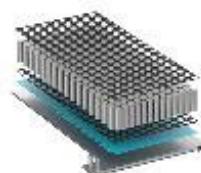
Soft dry electrodes



Magnetically active polymers



Electroactive polymers



Advanced materials



- Platform technologies for various applications in multiple industries
- Products for biofeedback monitoring and bioelectrical stimulation
- Integration of embedded sensors and electronics into elastomer components
- Functional integration for elastomer components and modules
- New materials: thermally and electrically conductive or with shielding properties
- Use of artificial intelligence in material development and engineering

Top-priorities derived from in-depth strategic review to position Datwyler for sustainable profitable growth



Accelerate sales growth in high-value segments



Enhance synergies with global standards



Strengthen Datwyler as co-development partner



Create value through our sustainability activities



Shorten time-to-market for new products



Foster a culture of entrepreneurs



Advance our commercial excellence

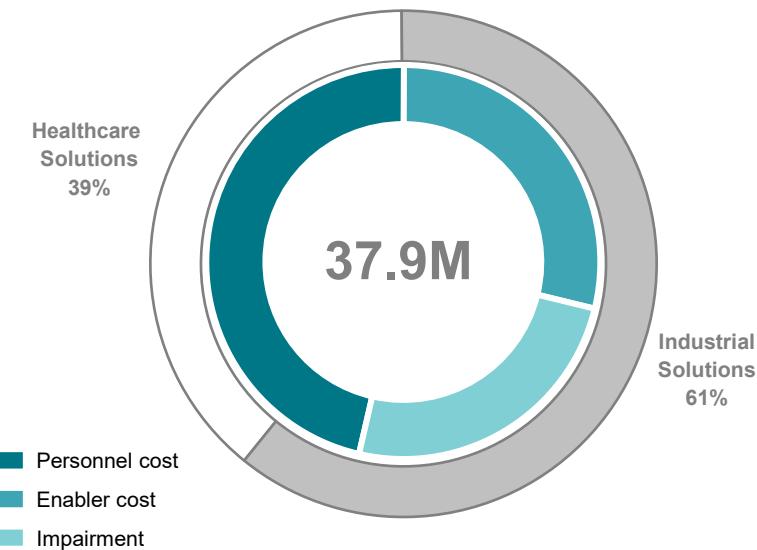
Transformation program "ForwardNow" aims to accelerate planned revenue growth and enhance profitability

| | | |
|---|-------------------------------|--|
|  | Production Network | <ul style="list-style-type: none">▪ Rightsizing and realigning production capacities▪ Adaptation to specific regional and market requirements▪ Reduction of cost base with improved global customer service |
|  | Commercial Excellence | <ul style="list-style-type: none">▪ Sales organization aligned with profitable market segments and customer groups▪ Stronger positioning as a preferred development partner |
|  | Product Portfolio | <ul style="list-style-type: none">▪ Emphasis on high-value products with solid margins▪ Reduction of internal complexity, effective resource allocation▪ Faster market introduction of innovation |
|  | Target Operating Model | <ul style="list-style-type: none">▪ Unlocking synergies through gradual organizational adjustment▪ Introduction of a unified process framework and standards▪ Establishing a solid foundation for future growth. |



Cumulative profit improvements of CHF 52M until 2027, sustainable annual benefits of CHF 24M upon completion

Cost split: Booked and reported one-time effect¹
FY 2024 by Business Area and category



- Proactive transformation to accelerate profitable growth in both Business Areas
- ForwardNow represents strategic realignment and transformation, not only a cost-cutting program
- Cumulative profit improvements amounting to CHF 52m from 2025-2027, annual profit uplift of CHF 24m upon completion of all workstreams
- Internal transformation office installed, tracking measures by stringent severity logic along with detailed governance
- Preparing global Datwyler structures for sustainable growth and competitiveness
- Further assess status quo and retain the possibilities for further strategic adaptions

(1) Booked and reported one-time effects in our Datwyler Annual Report for 2024 (incl. provisions and impairments).

A close-up photograph of a dark, metallic industrial component, possibly a valve or sensor, with a small red LED light glowing on its side. The background is blurred.

Mid-term targets under normal operating market conditions



Revenue
higher single-digit organic
annual growth



EBIT-Margin
17% plus

Dividend proposal



Bearer share
CHF 3.20

Strengthening the Board and the Executive Committee



Britt Hendriksen will be proposed for election as Director at the Annual General Meeting on 18 March 2025.

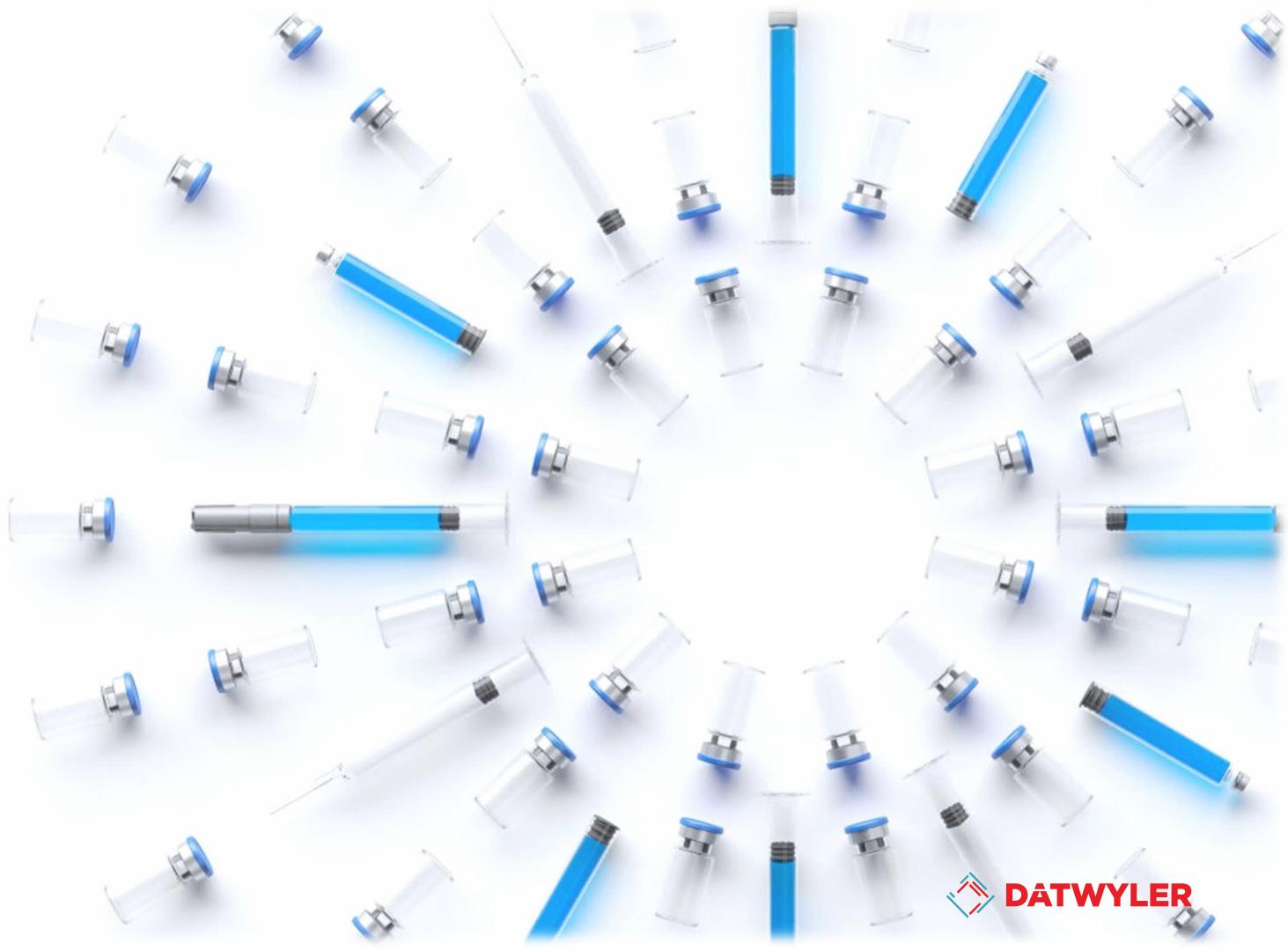
Britt Hendriksen has extensive experience in the healthcare industry, most recently as Group CFO of Unilabs. Previously, she has spent more than 20 years in various global leadership positions at Novartis.



Since February 1, 2025, the Executive Committee has been strengthened by **Michael Höller** who has taken over the leadership of the Business Area Industrial Solutions.

Michael brings over 30 years of leadership experience from a career at various global industrial companies and automotive suppliers and holds a degree in industrial engineering.

Q&A





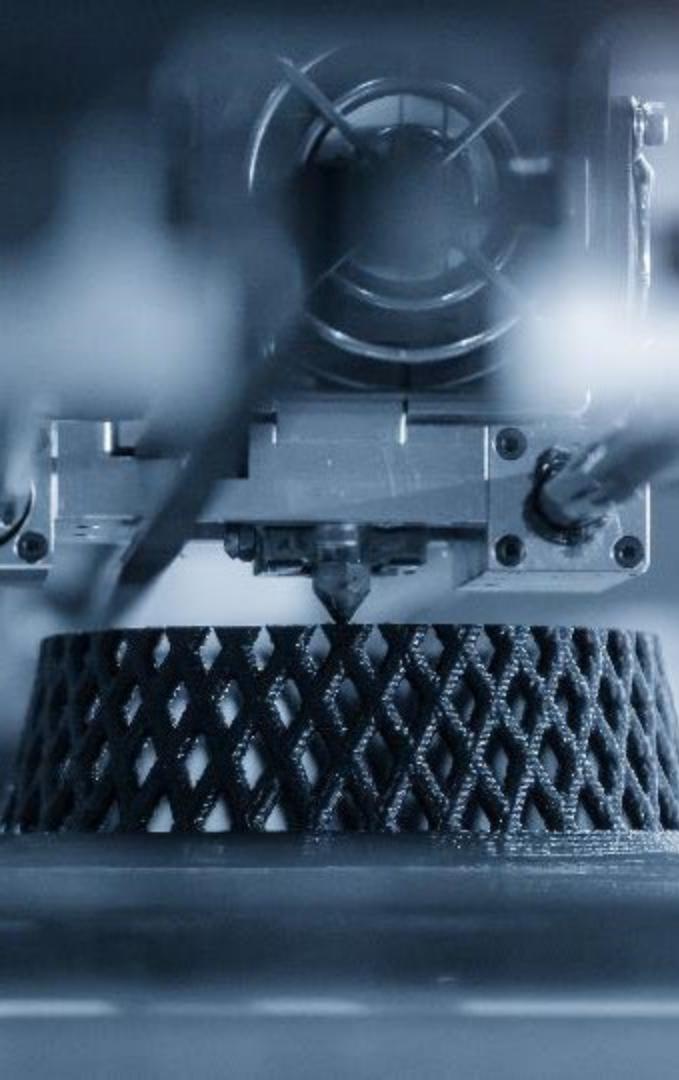
Financial Calendar 2025

Company events

| | |
|----------|--|
| 7 Feb. | Roadshow Zurich |
| 18 Feb. | Roadshow Frankfurt |
| 19 Feb. | Roadshow London |
| 20 Feb. | Roadshow Geneva |
| 18 March | Annual General Meeting, Altdorf |
| 22 July | Half year results presentation |
| 28 Aug. | Roadshow Zurich |
| 2 Sept. | Roadshow London |
| 3 Sept. | Roadshow Frankfurt |
| 4 Sept. | Roadshow Geneva |
| Nov. | Capital Market Day (save-the-date will follow) |

Investor conferences

| | |
|----------|--------------------------|
| 20 March | Kepler Cheuvreux, Zurich |
| 12 June | ODDO, Interlaken |
| 5-7 Nov. | ZKB, Zurich |



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.

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