



Capital Market Day 2023

10 November 2023

Introduction

Datwyler at a glance



Leading market positions

Leading positions in **attractive market segments** in healthcare, mobility, connectivity, general industry and food & beverage.



High-quality and system-critical elastomer components

Products with a **high impact on quality** and functionality but **low-cost share** in the customer systems.



Recognized core competencies

Competent co-engineering partner thanks to core competencies in **solution design, material expertise** and **operational excellence**.



Markets driven by megatrends

Market segments with **long-term growth trends** and **high entry barriers**, and 70% of them with **low cyclicity**.



Global presence

More than **8'000 employees** at more than **25 production sites** on four continents and sales in more than **100 countries**.



Right strategic priorities for a dynamic world

Profitable growth, digitalization, agility and sustainability are the right strategic priorities for a dynamic world.



MISSION

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

Clear structure to strengthen customer focus and to benefit from the synergy potential



**Healthcare
Solutions**



**Industrial
Solutions**

**Mobility
Connectors
General Industry
Food & Beverage**

Business Areas

Group Functions

Technology & Innovation

Sustainability & Operational Excellence

Finance & Shared Services

Follow-up Capital Market Day 2021

Strategic achievements



Acquisition and integration of Xinhui



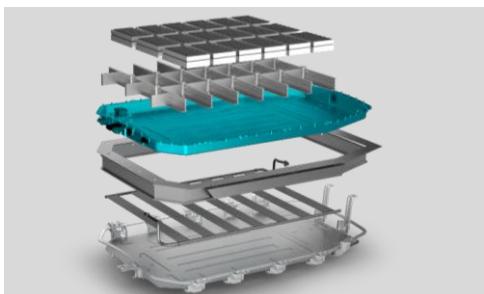
Expansion of production capacity /
Second plant at Indian site



Expansion product portfolio



Acquisition and integration of QSR



Significant progress in e-mobility
transformation



Expansion of production facility in
Food & Beverage

Current status of innovation projects

Electro Active Polymers

New technology for haptic feedback, morphing surfaces, actuation and sensing



ETEMI

Innovative materials for new applications in e-mobility



SoftPulse

State-of-the-art electrode for bio-signal monitoring



NeoFlex

Fluoropolymer-coated plunger for prefilled syringes



Strategy update Business Units

Healthcare

Providing solutions to maximize patient safety

System-critical components for injectable drug delivery systems

Datwyler market position

- Leading global player in established markets
- Complete portfolio of products and services for regulated markets
- Harmonized global manufacturing footprint based on identical best in class quality and technology

Market growth (excl. Covid-19)

CAGR 2023 - 2028

– Americas	6 - 8%
– EMEA	4 - 6%
– China	8 - 10%
– India	6 - 8%
– Southeast Asia	7 - 9%
– World	5 - 6%

Strategic priorities

- Accelerate growth in the US market and in the attractive biotech field
- Expand our engagement in new drug packaging development
- Pursue opportunities in pharmerging markets with a special focus on China

Data source: Datwyler analysis November 2023



Current addressable market for high-quality system-critical components for injectable medications

CHF 2 – 2.5 billion

Mobility

Driving the transition towards new mobility

System-critical components for conventional and new vehicle applications

Datwyler market position	Market growth	Strategic priorities								
<ul style="list-style-type: none">– Leading co-engineering partner for the global automotive industry– Broad technology for sophisticated and highly complex components– Newly developed material portfolio for the car of the future– Industry's most advanced production facility (Lean & Clean concept)	<p>Market growth CAGR 2023 - 2030¹</p> <table><tbody><tr><td>– EMEA</td><td>1.9%</td></tr><tr><td>– Americas</td><td>2.1%</td></tr><tr><td>– Asia Pacific²</td><td>1.7%</td></tr><tr><td>– World</td><td>1.9%</td></tr></tbody></table>	– EMEA	1.9%	– Americas	2.1%	– Asia Pacific ²	1.7%	– World	1.9%	<ul style="list-style-type: none">– Product portfolio expansion towards electrified systems, thermal management, advanced driver assistance, smart components, etc.– Automation to further improve productivity– Optimization of manufacturing footprint to drive high-efficiency and future readiness
– EMEA	1.9%									
– Americas	2.1%									
– Asia Pacific ²	1.7%									
– World	1.9%									



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

CHF 2.3 billion

¹Source: LMC Light Vehicle Production (excl. low cost and economy class), Q3 2023

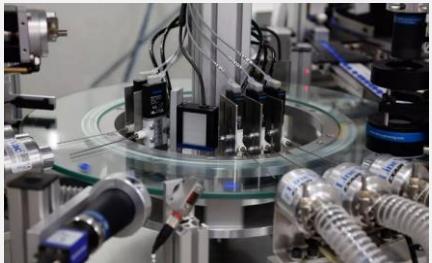
²Including the mature markets Japan and Korea

Connectors

Enabling the megatrends of electrification and connectivity

System-critical seals for electrical connectors for diverse markets

Datwyler market position	Market growth	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	<p>Market growth CAGR 2023 - 2028¹</p> <ul style="list-style-type: none">– Overall 9%– Automotive Light Vehicle 9%– Transport / Mobility 9%– Industrial 7%– Telecom/Datacom 10%– Aerospace 7%	<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
	<p>¹Source: Bishop and Associates, BCG Analysis (2021)</p>	



Current addressable market for system-critical components for electrical connectors

CHF 1.6 – 1.7 billion

General Industry

Strategic sealing partner across multiple industries

System-critical components for demanding applications across industries

Datwyler market position

- Co-engineering competence with strong material expertise
- Global manufacturing capabilities
- Outstanding product quality
- Long-standing relationships with industry leaders

Market growth

CAGR 2023 - 2028¹

– EMEA	5 - 7%
– Americas	5 - 7%
– Asia Pacific	7 - 9%

¹Source: Datwyler analysis October 2023, highly fragmented market

Strategic priorities

- Enhance the product and capability proposition
- Digitalize commercial processes to accelerate profitable business wins
- Broaden our market access and product portfolio and increase number of top key accounts
- Generate cross-selling projects with the business unit Connectors



Current addressable market for system-critical components across targeted general industrial segments

> CHF 3 billion

Food & Beverage

Contributing to a unique coffee tasting experience

System-critical components for leading single-serve coffee capsule brands

Datwyler market position	Market growth	Strategic priorities												
<ul style="list-style-type: none">– Long-term, close relationships with market leaders– Industrialization power for highly automated volume production– Long learning curve with continuous improvement and efficiency gains	<p>Market growth CAGR 2023 - 2028¹</p> <table><tbody><tr><td>– Europe</td><td>1.6%</td></tr><tr><td>– North America</td><td>2.2%</td></tr><tr><td>– South America</td><td>12.1%</td></tr><tr><td>– Asia & Australia</td><td>12.9%</td></tr><tr><td>– Africa & Middle East</td><td>9.3%</td></tr><tr><td>– World</td><td>2.4%</td></tr></tbody></table>	– Europe	1.6%	– North America	2.2%	– South America	12.1%	– Asia & Australia	12.9%	– Africa & Middle East	9.3%	– World	2.4%	<ul style="list-style-type: none">– Foster relationships and growth with existing customers– Expansion of product and customer portfolio– Maintain innovation leadership– Continuously increase effectiveness of production processes
– Europe	1.6%													
– North America	2.2%													
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¹Source: Applied Market Information Ltd., September 2023



Current addressable market for system-critical components for the single-serve coffee capsule industry

CHF 1.2 billion

Outlook

Our strategic priorities



Advance sustainability

Comprehensive ESG landscape with 12 focus topics



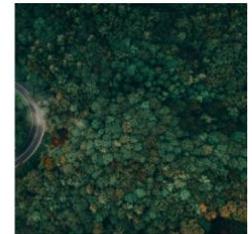
Climate-neutral operations 2030



Eco-design



Resource-friendly production



Sustainable procurement



Employer of choice



Value-driven engagement with customers



Safe and healthy workforce



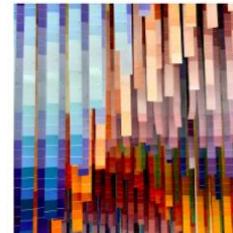
Engagement for sustainability



Transparency



Compliance and ethics



Diversity of the BoD and Executive Management



Commitment

Increase agility and use digitalization effectively

Foster a self-learning organisation by empowering our employees

LEADERSHIP

We build a strong leadership culture based on our unique values.

Datwyler values ...



PEOPLE

We develop talents to easily interact with customers and adapt to their shifting needs.

... for 107 years.

FOCUS

We focus on the right things by applying the OKR concept to drive strategy execution.

SYSTEMS & DATA

We leverage the potential of state-of-the-art technologies and software to support growth and customer value.



Outlook 2023

Continuing negative one-time effects:
Covid revenue loss, destocking by customers,
capacity underutilization and unfavorable
product mix lead to following targets for 2023:

- Revenue close to CHF 1'175 million
- EBIT margin close to 11%

Focus on execution of defined strategy



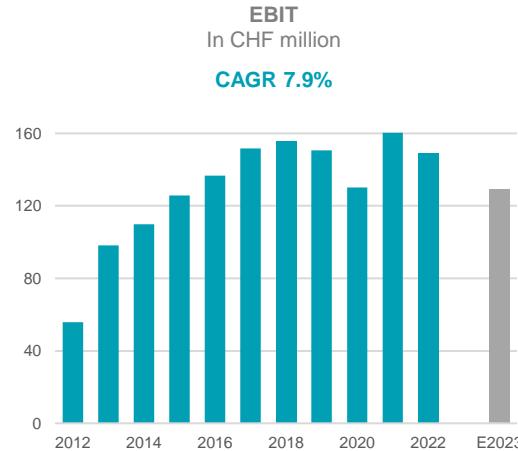
Continuous profitable growth in a difficult market environment

Datwyler | Midterm goals

Revenue (growth) 6% – 10%



EBIT margin 18% – 21%

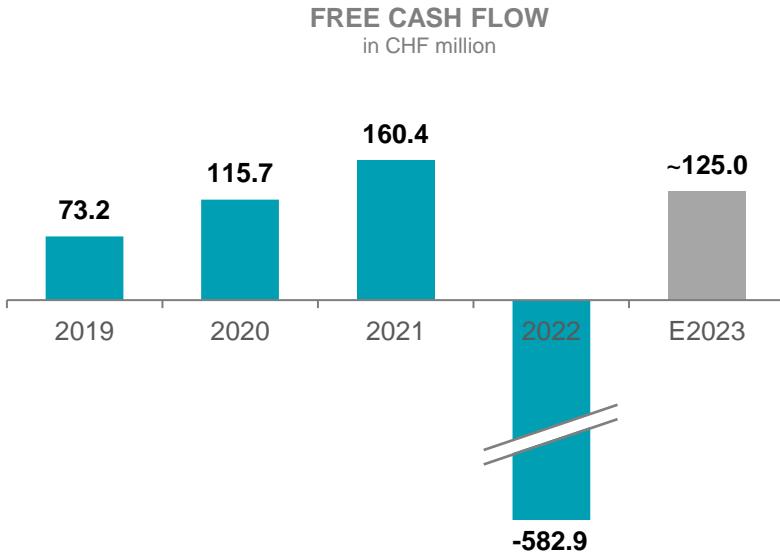


Margin drivers in the short-term

- Continuous recovery of BU Connectors
- Lower energy costs
- Impact of cost reduction programs
- Phase out destocking at customers
- Declining raw material prices
- Continuous enhancement of product mix towards high value products
- Continuous increase in production capacity utilization

Strengthening of balance sheet as high priority

Increasing Free Cash Flow



**Lower Capex of approx.
6% of revenue**

Net leverage of below 1.5

Equity ratio of over 40%

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.



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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