

Media & Analyst Conference Half-Year Results 2022



Zurich – August 17, 2022

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Schweiter at a Glance

SCHWEITER TECHNOLOGIES IS A **GLOBAL GROUP**, MANUFACTURING AND COMMERCIALIZING **COMPOSITE PANELS AND COMPOSITE SOLUTIONS**

Key Figures 2021

-  ~ 1.2 bn CHF sales
-  > 150m CHF EBITDA
-  Global presence in more than 50 countries
-  Equity ratio ~70%
-  Dividend: 40 CHF per share

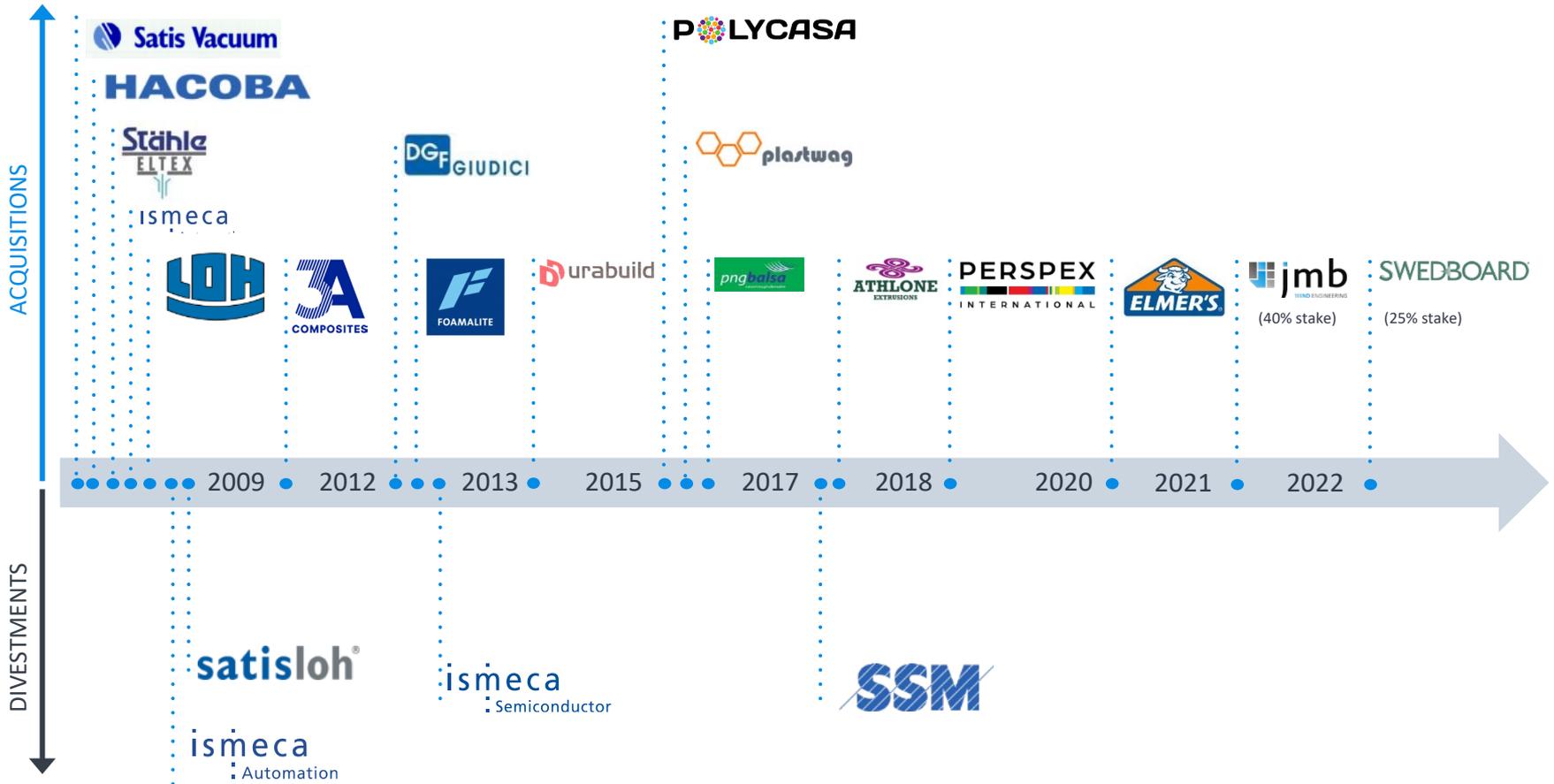
Portfolio

-  Development, manufacturing and sale of
 - Aluminum composite panels
 - Core materials for sandwich structures
 - Plastic sheets and lightweight foamboards
 - integrated lightweight systems
- concentrating on the segments
 - Display
 - Architecture
 - Core Materials
 - Transport & Industry

Strategy & Goals

-  Focus on innovation, customer centricity and value creation as key success factor
-  Strengthen the current positions through organic growth and strategic acquisitions
-  Promote lean structures and direct lines of communication

21 successful transactions since 1998



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Group performance H1 2022

648 mCHF

Net sales

Net sales increase of +5%
(at local currencies)

**Double digit top-line growth of
Architecture business**

**Tailwind from higher sales
prices to account for strong raw
material cost increases**

57 mCHF

EBITDA

**Strong performance
improvement of the display
business in the US**

**Subdued profitability due to
strong cost increase, price
pressure from OEM's and
lockdowns in China**

**Lower contribution from the
clear-sheet business due to
demand contraction**

72 mCHF

Cash balance

**Solid cash balance
after a dividend distribution
of 57 mCHF**

**Hike in working capital mostly
as a result of higher raw
material prices**

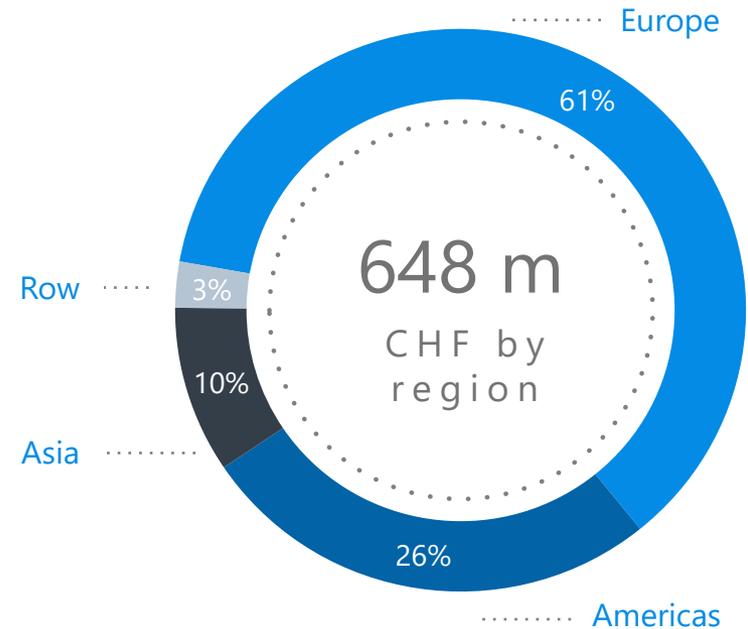
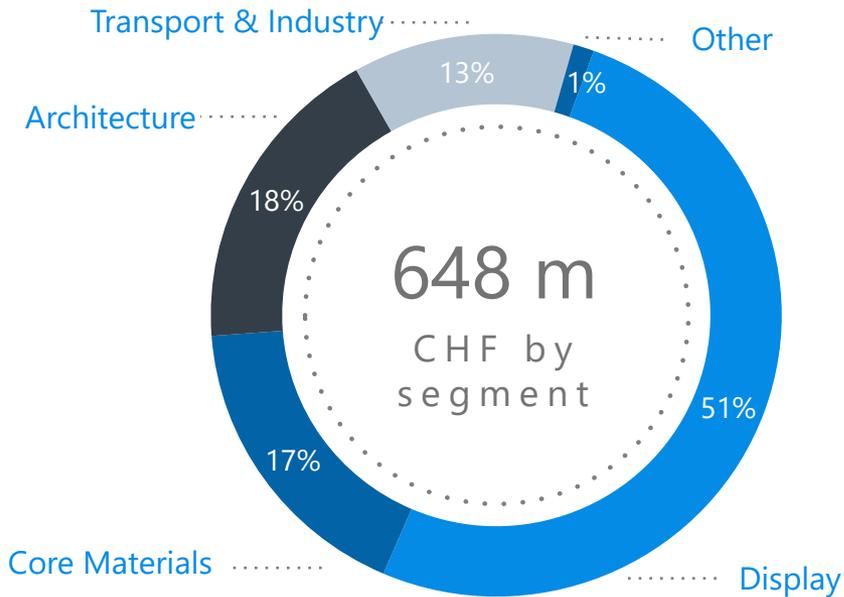
Strong equity ratio of 67%

Group Results

	H1 2022	H1 2021	Total 2021	H1/H1 %
<i>in m CHF</i>				
Net sales	647.8	626.4	1'226.9	3%
EBITDA	57.0	77.8	151.5	-27%
<i>in % of net sales</i>	8.8%	12.4%	12.3%	
EBIT	37.8	58.3	111.3	-35%
Net income	27.3	45.5	84.4	-40%
Employees (end of period) ¹⁾	4'511	4'432	4'443	2%

¹⁾ of which 1472 employees (H1 2021: 1459 employees) in balsa wood plantations and sawmills in Ecuador and Papua New Guinea

Revenue Breakdown H1 2022



Group Results

- **Architecture** business continued the strong growth momentum of the previous year with a double digit growth in all regions. Temporary dip in demand in China due to repeated lockdowns hampered higher growth and profitability.
- Overall solid performance in **Display**, characterized by different dynamics:
 - The ‘traditional’ display applications recorded a rebound of business, especially in the US, supported by the ongoing recovery of the graphical display markets post pandemic restrictions.
 - On the contrary, demand for clear sheet products contracted, including destocking effects at some major distributors.
- As expected, the **Core Materials** business could not keep up with the record results of the first half of 2021. The cyclical muted demand from wind customers continued. Increase of PET sales could not fully compensate lower demand in Balsa. Higher raw material costs and price pressure from global OEMs, especially in China, impacted margins. Sales in non-wind business were solid.
- **Transport & Industry** recorded some recovery with lightweight bus and RV components, however continued to face customer driven project postponements in the Rail sector. Profitability affected by cost inflation and the limited scope for sales price increases.

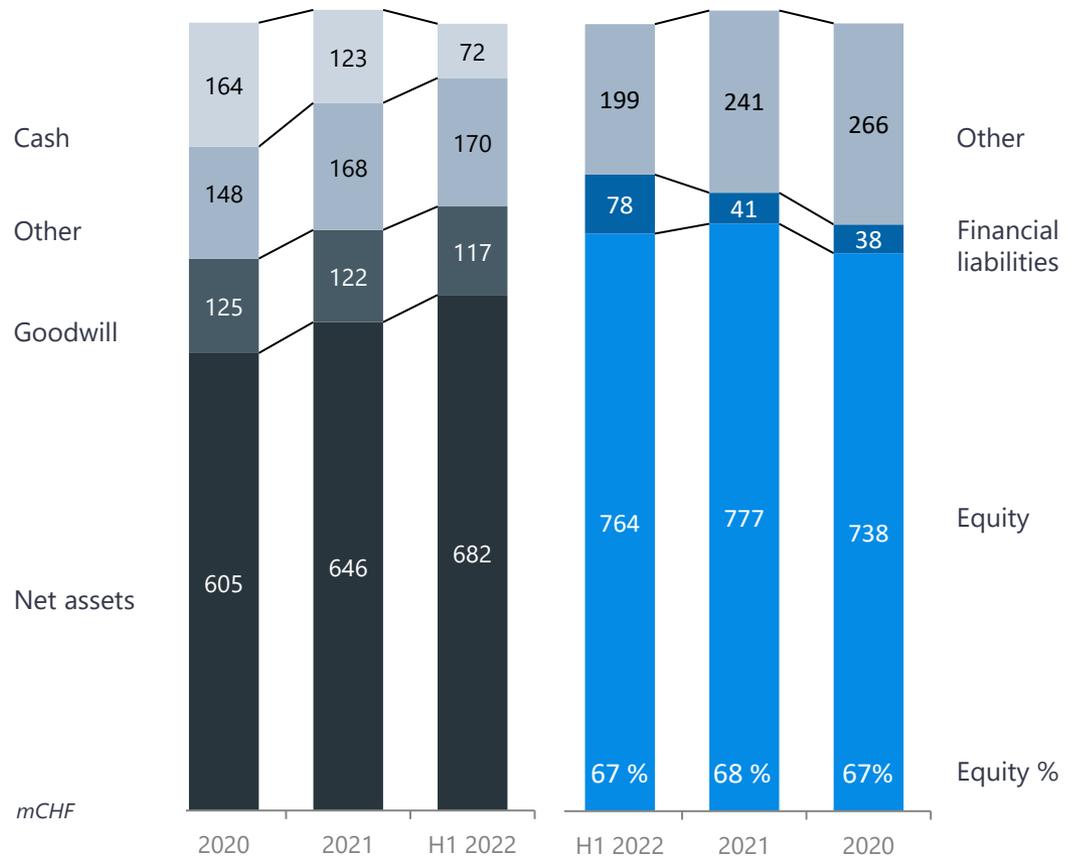
Strong Balance Sheet

Cash position 72 mCHF

Low level of financial liabilities

Shareholders' Equity
764 mCHF = CHF 534 per share

Equity ratio 67%



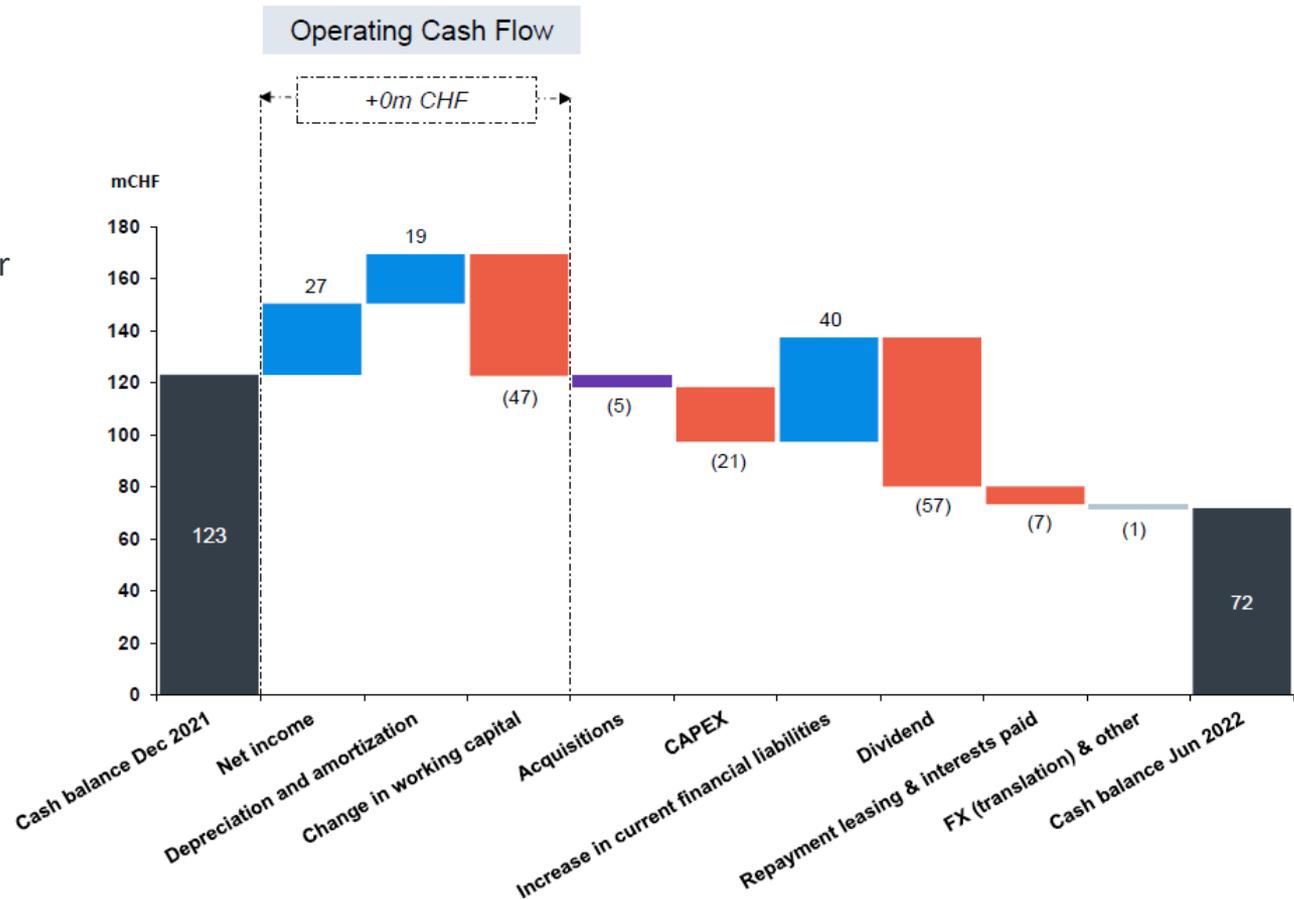
Cash Development

Cash position of 72 mCHF after dividend distribution of 57 mCHF

Higher working capital mostly on account of higher raw material prices

Acquisition of 25% stake in Swedboard to strengthen Display business

Capex of 21 mCHF to support growth and production efficiency



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Strategic Focus

Profitable & sustainable growth in composites

- Innovate to differentiate & to stimulate growth
- Penetrate markets with existing successful solutions
- Empower acquired companies to support composite business model
- Acquire selectively complementary businesses

Productivity – Profitability & competitiveness

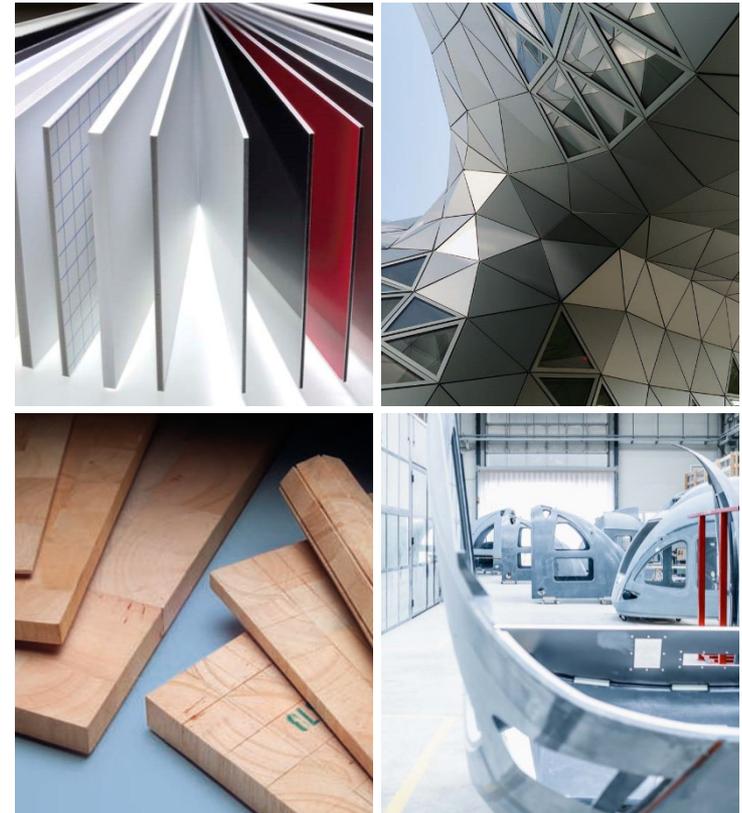
- Foster proven concepts of supply chain mgmt & lean structures
- Reduce ecological footprint further
- Drive sales excellence & customer proximity

Culture & people

- Empower local teams, close to customers
- Continue to invest in passionate & dedicated teams

Sustainable economic value creation

- Ensure attractive dividend considering the amount of planned investments but also the desired ratio of self- to external financing



Strategic Focus – Three Examples

Empowerment of acquired companies



- Customers ask for sustainable solutions
- Swedboard: 25% stake acquired
- Further expand portfolio around sustainable paper based solutions as DISPA® & Swedboard portfolio

Innovation for differentiation & growth



- Growth impulse ALUCOBOND® easy fiX
- Innovative fire retarded A1 solution lined up
- New paint line in installation phase

Sales excellence & customer proximity



- Traditional sales channels well established
- Digitalize customer interface to create customer value (focus display)
- Easy-to-do-business

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Outlook H2 2022

- Competitive advantage through **product innovation and significant investments** for efficiency improvements, flexibility, new applications and cost reduction.
- **H2 business activity expected at similar level as H1** with an uncertain economic and geopolitical environment as well as Covid-19 pandemic risks in China.
- Solid demand expected in the ‘traditional’ **Display** business in Europe and in the US.
- **Architecture** business in Europe and the US expected to continue at H1 levels and positive outlook for Asia with planned release of catch-up effects from project postponements in the previous months due to the pandemic lock-downs in China.
- **Transport & Industry** deliveries expected to increase along the release of postponed projects from rail and bus customers.
- **Core Materials** sales in wind anticipated flattish in Europe and Americas. Demand in China expected to increase from Q4 on.

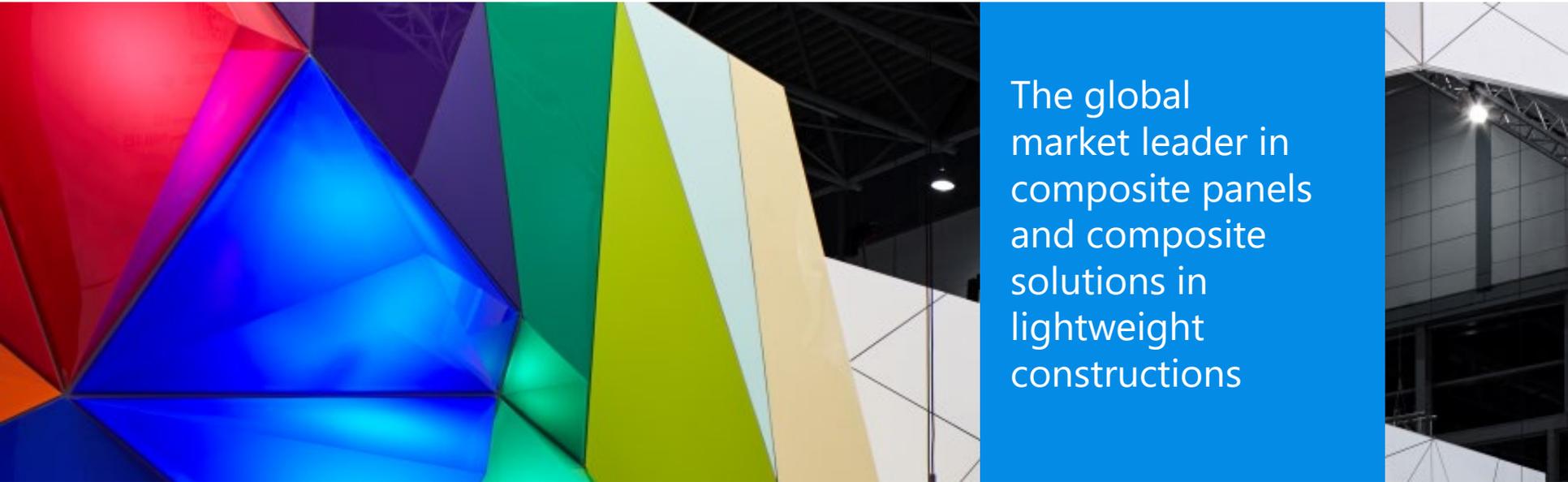


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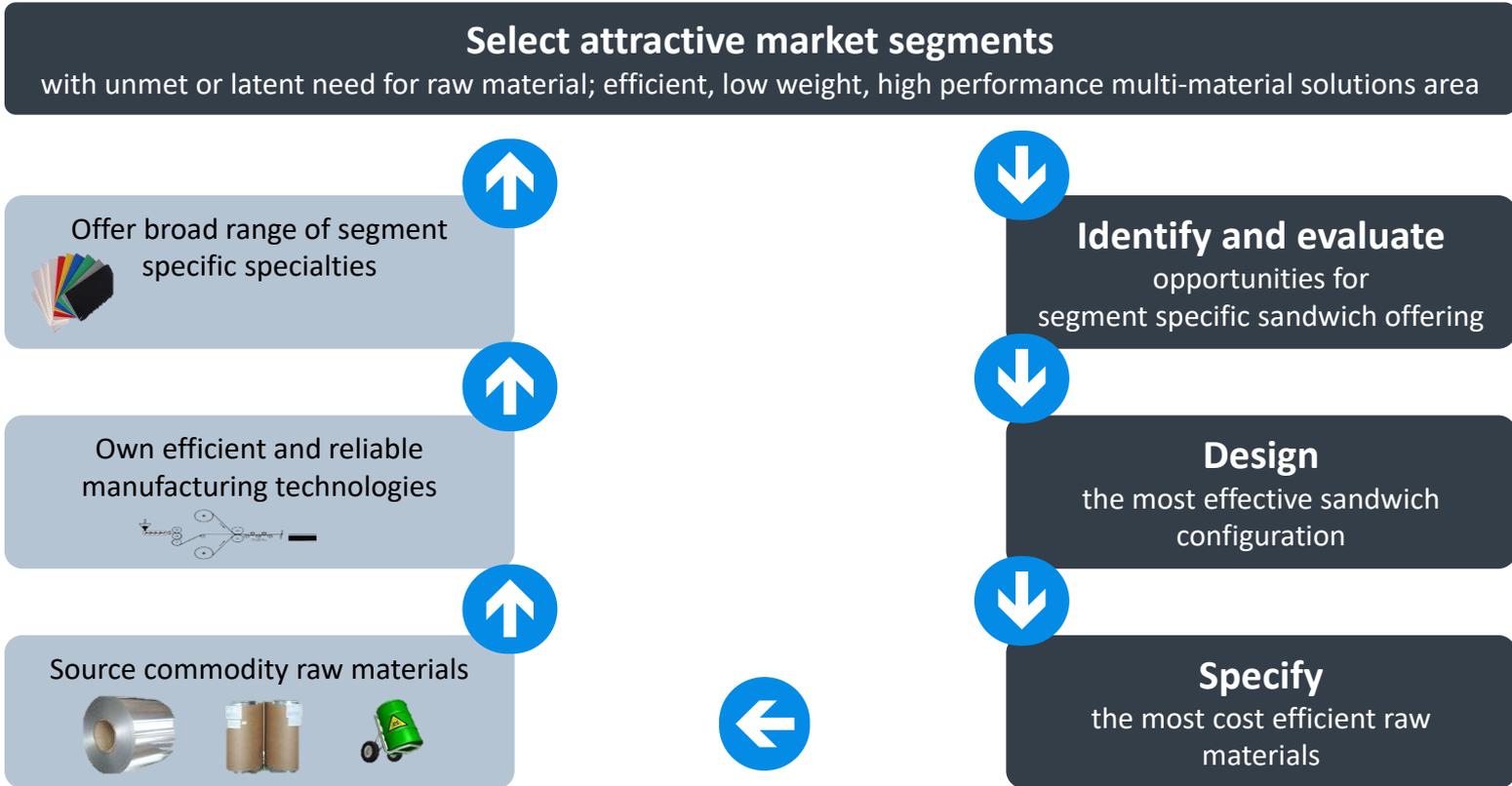
APPENDIX

DIVISIONAL
INFORMATION

3A Composites



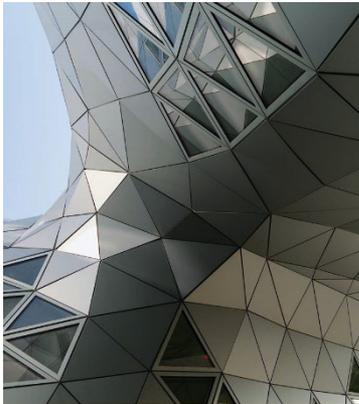
3A Composites - Business Idea



3A Composites – Market Segments



Display



Architecture

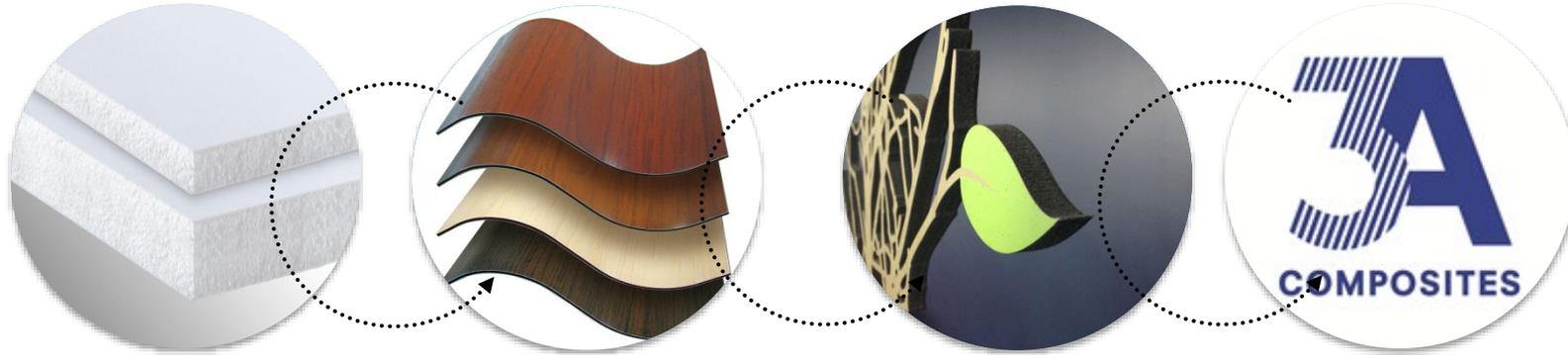


Core Materials



Transport & Industry

Display



M

- Materials**
- Skin Material**
Coated Aluminum, (Coated) Paper, Polystyrene, PVC
 - Other Materials**
(Poly-)Methyl Methacrylate (MMA), Polycarbonate (PC), Styrene Acrylonitrile Copolymer (SAN), Polyethylene terephthalate / -glycol (PET/PETG), Polystyrene (PS), Polyurethane (PUR), Polyethylene (PE), Polypropylene (PP), Aluminum-Honeycomb

P

- Products**
- Aluminum Composite Materials (ACM)**
 - Foamed Sheets**
 - Foam Boards**
 - Clear Sheets**

A

- Applications**
- Fotomounting
 - Interior / Exterior Signs
 - Routed Sign Faces
 - POP Displays
 - Exhibit Constructions
 - Screen Printing
 - Kiosks / Carts
 - Dimensional Letters
 - Digital Printing
 - Shop Fitting

B

- Brands**
- DIBOND®**
 - FOREX®**
 - KAPA®**
 - FOAM-X®**
 - GATORFOAM®**
 - FOAMALITE®**
 - LYCASA®**
 - CRYLUX®**
 - CRYLON®**
 - AKRYLON®**
 - HYLITE®**
 - SMART-X®**
 - SINTRA®**
 - FOME-COR®**
 - PERSPEX®**

Display

3A Composites



Distributors



**Printer
Fabricators
Shop Fitter**



End users
Signage, CID, Shop-front & fitting POP/POS, etc.

Way to Market - Push & Pull Sales Concept

Strong offering position towards distributors based on a complementary product range

Build on strong distribution network – working with leading European distributors

Sales activities address all players in the chain to specify 3A material and create market demand

Field sales force activities focus on fabricators, decision maker and influencer



Display



1



2

©Talbot Designs

References

1 Paper board tulips
DISPA®

2 Acrylic piano at KYGO world tour
PERSPEX®

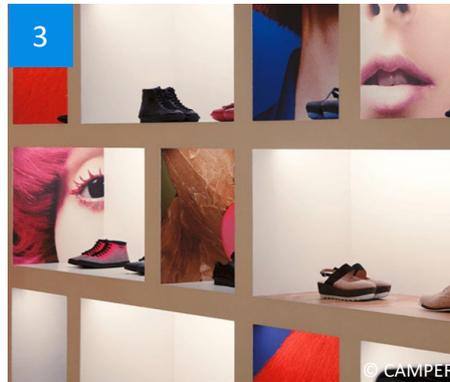
3 Shop design at CAMPER boutique
SMART-X®

4 Illuminated Colour Wall
PERSPEX®



4

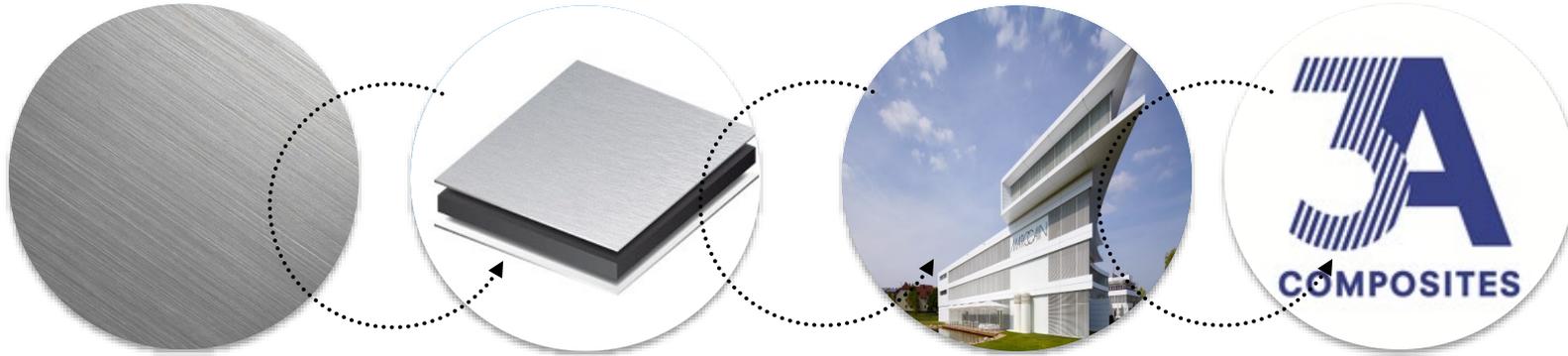
©The Engine Group



3

© CAMPER

Architecture



Materials

Skin Material

Aluminum sheets

Core Material

- Non Combustible PE (A2)
- Fire Rated PE (Plus)
- Polyethylene (PE)
- Aluminum-Honeycomb

Products

Aluminium Composite Materials (ACM)

- Alucobond Standard Panels
- Alucobond Fire Rated Panels
- Alucore Honeycomb Panels
- Alucolux anodised solid aluminium sheets

with a wide range of different surface design:

- Mill Finish
- Clear Coat
- Butler Finish
- Spectra Colours & Sparkling
- Wood & NaturAL
- Anodized

Applications

Market Segments

- Sport, Airport, Public Space, Retail, Hotel, Hospital, Corporate, Residential

Applications

- Facades / Flying Roofs
- Exterior/ Interior Cladding
- Corporate Identity Signage

Brands

- ALUCOBOND®**
- ALUCOBOND®A2**
- ALUCOBOND®plus**
- ALUCORE®**
- ALUCOLUX®**

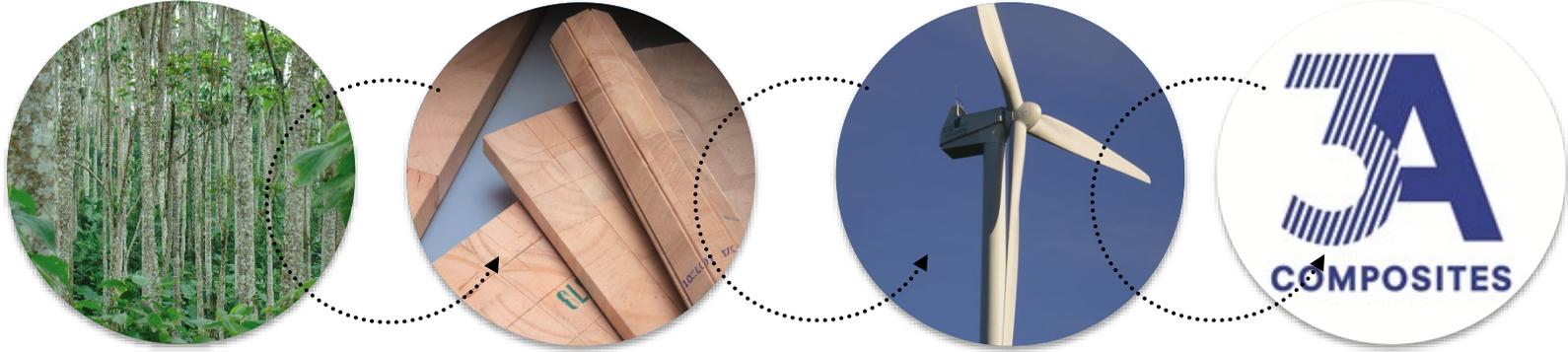
Architecture



References

- 1 A M Naik Tower
Mumbai | India
ALUCOBOND® Plus
- 2 Hotel SOHO @ One South
Kuala Lumpur | Malaysia
ALUCOBOND® Plus
- 3 Norwegian Cruise Line Terminal
Florida | USA
ALUCOBOND® Plus
- 4 Maraya Concert Hall
Al Ula | Saudi Arabia
ALUCOBOND® Plus mirror

Core Materials



Materials

Engineering Plastics

- Polyester (PET)
- Polyetherimide (PEI)
- Polyvinylchloride (PVC)
- Polystyrene (PS)
- Polyurethane (PUR)

Balsa

- Standard Balsa (Baltek SB)
- Premium Balsa (Baltek SBC)
- Veneer based Balsa (Baltek VBC)

Products

Structural Airex and Baltek Core Materials

- Plain Sheets
- Contour Core
- Kit

Balsa PLY Panels

Applications

Structural and semi-structural sandwich applications

- Wind Energy:** Blades and Nacelles
- Marine:** Motoryachts, Sailing Yachts, Multihull
- Road:** Bus & Coach, Trucks, Vans & Recreational Vehicles
- Rail:** Highspeed, Intercity, People Mover
- Aerospace:** Radome, Interior parts
- Infrastructure:** Road & Pedestrian Bridges

Brands



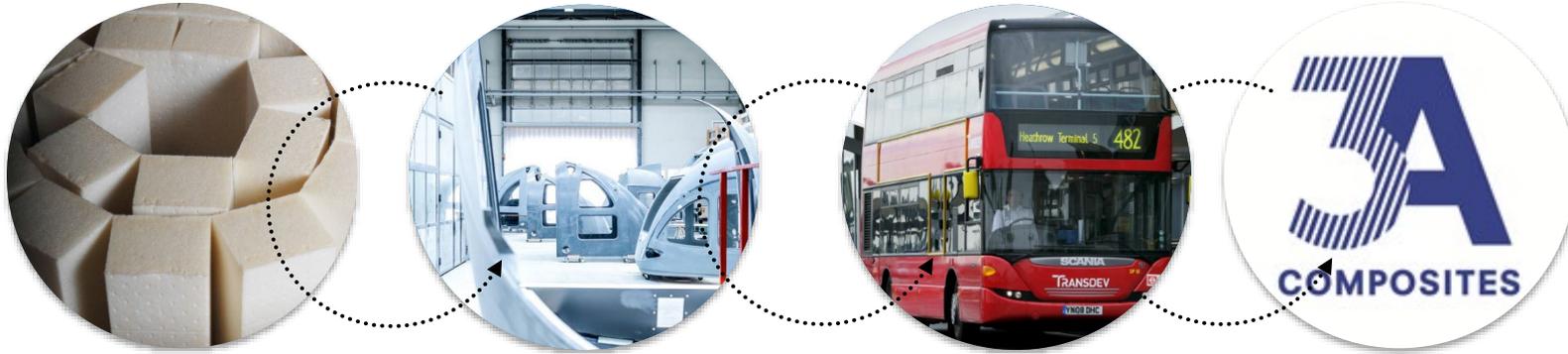
Core Materials



References

- 1 Major Wind Blade OEM
PET foam (AIREX®) & Balsa (BALTEK®)
- 2 Automotive Sandwich
AIREX® T92 | AIREX® T10
- 3 Yachts & motorboats hulls, bottoms
& decks
BALTEK® SB | AIREX® T92 | AIREX® T10
- 4 Sailboat hull bottoms, decks & top sides
AIREX® T92 | BALTEK® SB

Transport & Industry



M

- Engineering Foams
PET, PVC, PUR, PEI
- Balsa based Core Materials
- Balsa Plywood Panels & Bending Plywood
- Aluminum Composite Material (ACM)
- GRP Sandwich Material
- Aluminum Honeycomb Panels
- Lightweight Foamboards

P

- 3D Front Cabins for Railway Vehicle
- Structural Aluminum-Foam Sandwich Elements
- Sandwich Solutions with integrated Functions (e.g. floor heating)
- Interior Parts
- Headliners and Roof reinforcements for Automotive
- Insulation solutions
- GRP Sandwich Rotorblades

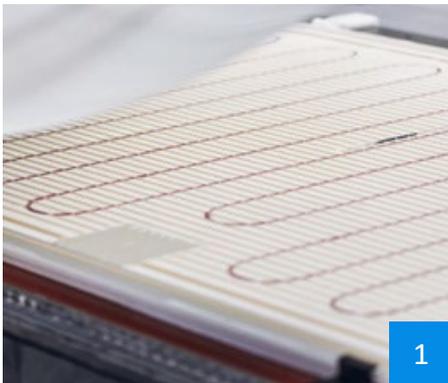
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- Railway Body Shell (Roofs, Floors, Cabins)
- Bus & Coach Roof and Floors
- Automotive Headliner and Interior
- Recreational Vehicle & Marine Furniture
- Insulated Truck Walls and Floors
- Air Conditioning Equipment
- Building Interior
- Ski and Snowboards

B

- COMFLOOR®** **BALTEK®**
- INNOCAB®** **ALUCORE®**
- XBODY®** **KAPA®**
- AIREX**
- POLYCASA**

Transport & Industry



Products

- 1 COMFLOOR®**
Lightweight, modular, strong floor system
(heated & unheated)
- 2 INNOCAB® Sandwich Front Cabin**
(incl. painting, bonding, assembly)
- 3 INFIT®**
Ready-to-assemble, customized interior
solutions
(e.g. wall -, roof cover)
- 4 POLYCASA® SAN**
Sectional doors

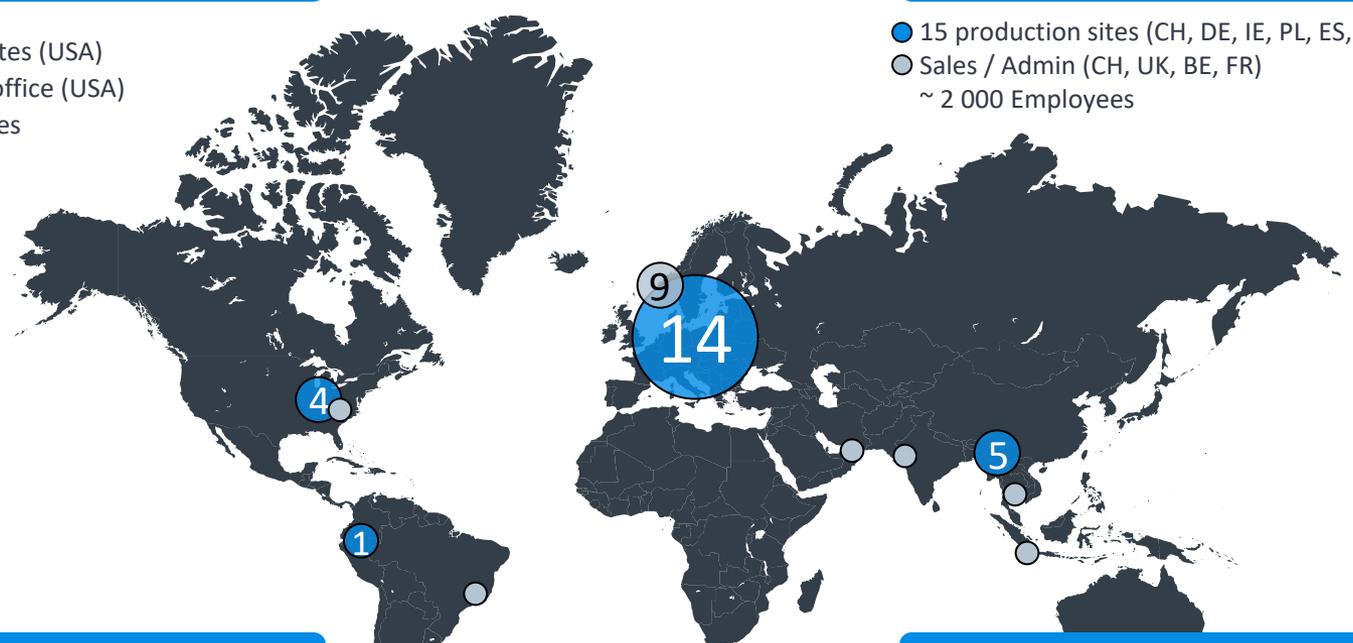
Strong Global Presence

ASSETS IN NORTH AMERICA

- 4 production sites (USA)
- Sales / Admin office (USA)
- ~ 450 Employees

ASSETS IN EUROPE

- 15 production sites (CH, DE, IE, PL, ES, CZ, SK, UK)
- Sales / Admin (CH, UK, BE, FR)
- ~ 2 000 Employees



ASSETS IN LATIN AMERICA

- 1 production site (EC)
- Sales office (BR)
- ~ 11 000 ha FSC® certified plantations in Ecuador
- ~ 850 Employees

ASSETS IN ASIA PACIFIC / CHINA

- 5 production sites (CN, IN, PNG)
- Sales / Admin office (CN, SGP, UAE, IN, IND)
- ~ 3 000 ha FSC® certified plantations in PNG
- ~ 1 200 Employees

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