



# Value Engineering Specialist

Investor Day 2024  
Heerbrugg, Switzerland | September 5, 2024



# Today's speakers

## Welcome to the presentation and video webcast



**Jens Breu**  
Chief Executive  
Officer



**Volker  
Dostmann**  
Chief Financial  
Officer



**George Poh**  
Member of the  
Group Executive  
Board & Head of  
Electronics  
division



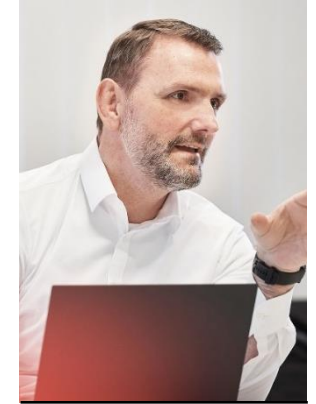
**Urs Langenauer**  
Member of the  
Group Executive  
Board & Head of  
Automotive  
division



**Martin  
Reichenecker**  
Member of the  
Group Executive  
Board & Head of  
Distribution &  
Logistics  
International  
division



**Thomas Jung**  
Member of the  
Group Executive  
Board & Head of  
Construction  
division



**Iso Raunjak**  
Member of the  
Group Executive  
Board & Head of  
Distribution &  
Logistics  
Switzerland  
division

# Agenda

## Investor Day 2024

<b>01</b>	<b>Positioning of SFS</b>	Jens Breu	09:00–09:10
<b>02</b>	<b>Organizational development</b>	Jens Breu	09:10–09:25
<b>03</b>	<b>Guidance &amp; Group priorities</b>	Volker Dostmann	09:25–09:35
<b>04</b>	<b>Electronics division update</b>	George Poh	09:35–09:50
<b>05</b>	<b>Automotive division update</b>	Urs Langenauer	09:50–10:05
<b>06</b>	<b>Distribution &amp; Logistics International division update</b>	Martin Reichenecker	10:05–10:20
<b>07</b>	<b>Construction division update</b>	Thomas Jung	10:20–10:35
<b>08</b>	<b>Q&amp;A</b>		10:35–11:10
<b>09</b>	<b>Refreshments</b>		11:10–11:30
<b>10</b>	<b>Plant tour Heerbrugg</b>		11:30–12:30
<b>11</b>	<b>Lunch &amp; Product fair/booths Construction and D&amp;L Int.</b>		12:30–02:00
<b>12</b>	<b>Visit hardware store Au</b>	Iso Raunjak	02:00–03:00

# Positioning of SFS



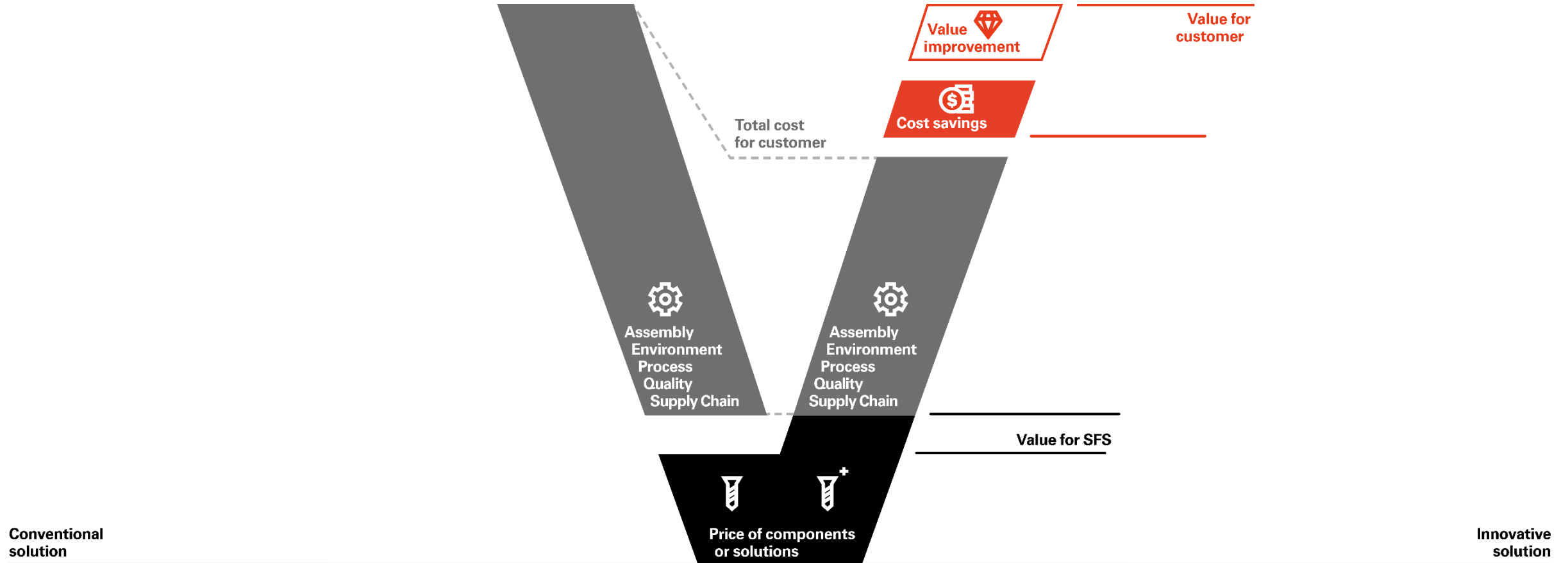
# Mission-critical products for selected end markets

**We are by your side – 24/7**



# Our value proposition

## Inventing success together



# SFS value engineering

## Creating customer benefit in three dimensions



### Optimizing the product

- Reduction of product complexity
- Lower cost due to use of cold forming or other SFS technologies
- Improved product characteristics



### Improving the processes

- Lower process cost for SFS and/or customer
- Increased reliability
- Improved ergonomics



### Leverage advantages of digitization

- Process automation
- Higher product availability
- Optimization based on process data



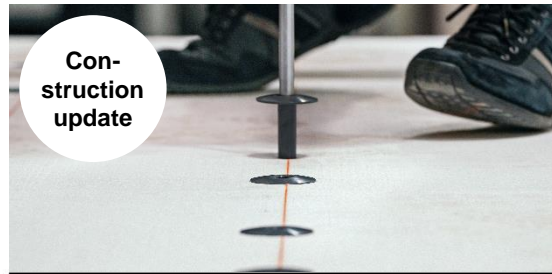
# Our focused business activities

## Sustainable growth through the cycle

### Megatrends



Innovation ↑



Construction update

#### Growing market segments

- Markets with above-average growth potential
- Strong link to underlying megatrends
- Value-creating innovations



D&L Int. update

#### Operational excellence

- Robust supply chains
- High-volume production technologies
- Time to volume
- Best-in-class availability



Automotive update

#### Leverage of global platforms

- Local-for-local
- Increase share of wallet
- Reduction of supply chain complexity

Global reach →



# Global sales & manufacturing platform

## Customer proximity supported by local presence

140  
locations  
in 35  
countries



### North America

40 Locations  
(7 production sites)

### Europe

85 Locations  
(20 production sites)

### Asia, others

15 Locations  
(5 production sites)

# Organizational development

# Organizational change as of January 2025

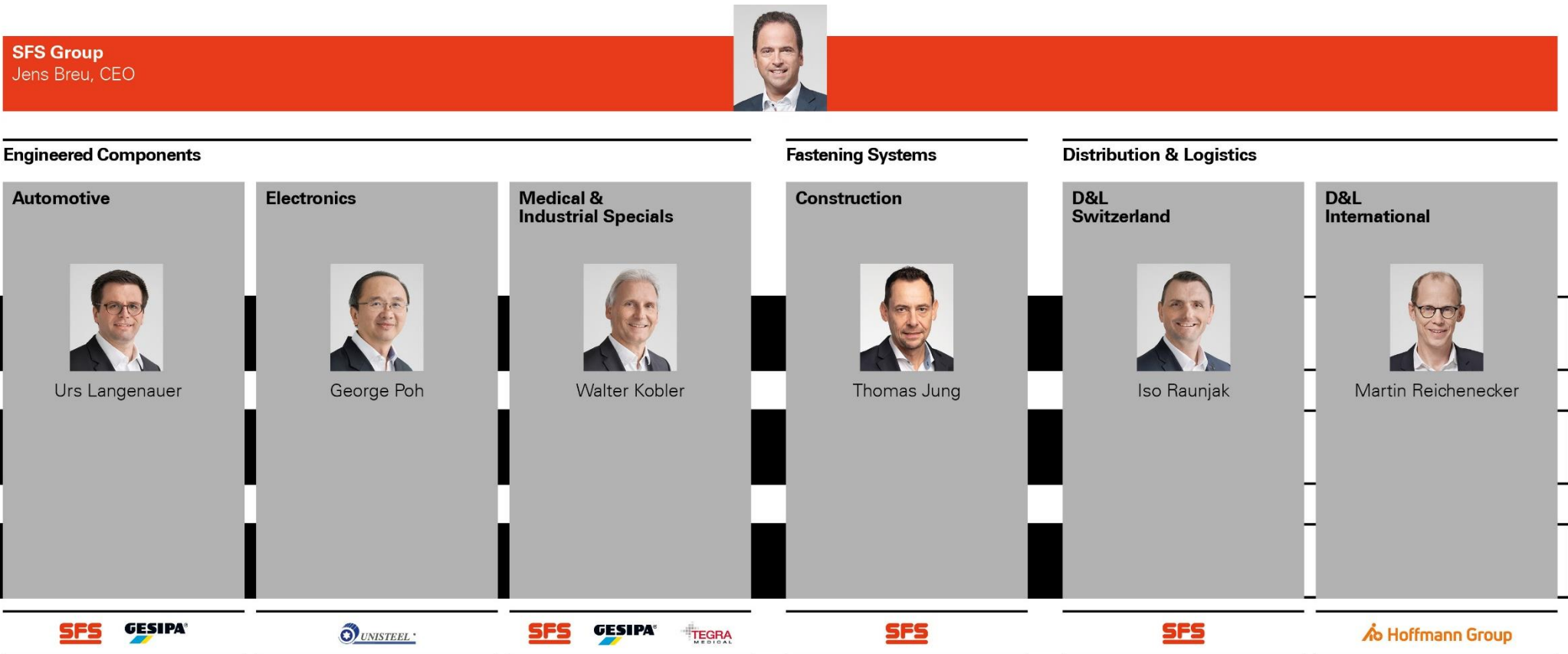
## Strengthen end market focus in D&L and FS segments

- The D&L and FS segments will no longer have divisions
- The industrial business from D&L Switzerland (D-IM) as well as Allchemet and D&L International will become the D&L segment
- The **D&L** segment will focus on the **trading business for industrial manufacturing** under the leadership of Martin Reichenecker
- The construction business (D-BH) from D&L will be integrated to the FS segment
- The **FS** segment will focus on the **construction industry** under the leadership of Thomas Jung
- Iso Raunjak will take over the responsibility for HR, Communications and ESG from Arthur Blank



# Group structure

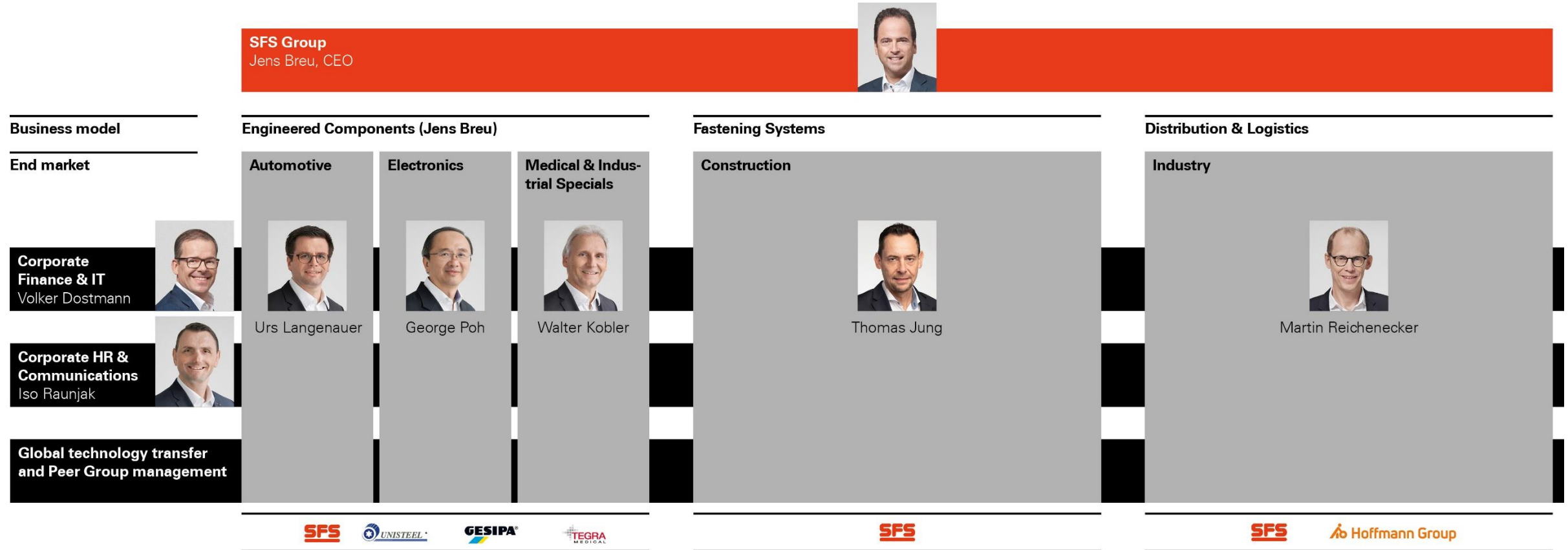
## Today's organization





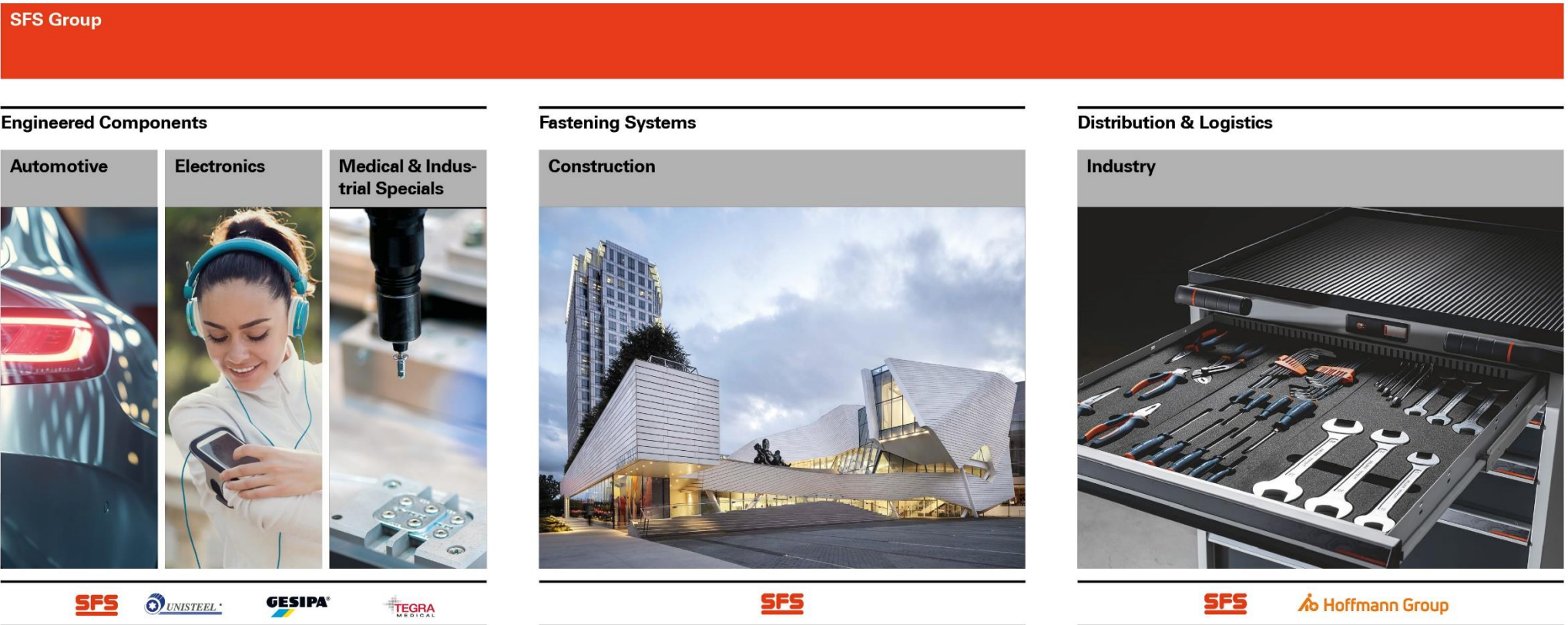
# Group structure

## Organization as of January 1, 2025



# Group structure

## Organization as of January 1, 2025



# Vision 2030

## Preparing the organization for future growth

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**Purpose of the project “Step-up”:** We want to make our organization ready for future growth by...

- simplifying and streamlining the organization
  - sharpening our focus on end markets
  - fostering the collaboration within the FS and D&L segments
  - empowering the segment management teams for decentral decision making
  - advancing the organization to the next level  
→ “Step-up”
- 



# Benefits of the new organization

## Sharpens focus, increases efficiency and speed

**“Step-up” strengthens the SFS Group because...**

- it makes us faster and more efficient in decision-making by pooling areas with similar needs and challenges
- it increases our customer centricity and thus our customers' loyalty
- it reduces internal barriers and promotes growth
- it intensifies cross-learning opportunities where it matters the most – within the own segment





# Guidance & Group priorities

**Volker Dostmann**  
Chief Financial Officer

# Confirm guidance 2024 from Half-Year Report

## FY2024 with slight growth and profitability improvement

	2023A	2024G
Gross sales SFS development	CHF 3,090.8 million	Confirm slight growth*
*(in local currencies, incl. scope effects)		
EBIT margin	11.7%	Slight improvement of EBIT margin

This outlook is based on the assumption that there will be no significant deterioration in the underlying economic and geopolitical conditions.

The results in July confirm these expectations.

# Our key ESG initiatives

## Creating value for all our stakeholders

### Environmental



Renewable Energy



Lean & Green Program



Mobility and Transport



Sustainable Value Chain

### Social



Training and Education



Occupational Health & Safety



Social Engagement



Promotion of Dual Education

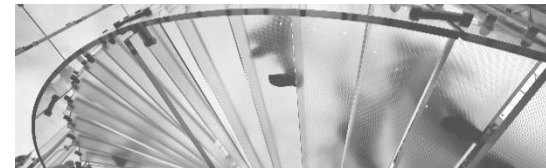
### Governance



Compliance



Ethics



Transparency



Diversity

# Environment

Share of renewable electricity substantially increased





**Our ESG spirit**  
**We care together**

**W** **care**  
**together**

# Strategic priorities

## Focusing on our main strengths

### Diversification

- 
- Balanced focus on different regions, end markets and distribution channels

### Mega-trends

- 
- Focus on application areas with strong underlying growth drivers due to global megatrends

### “Local-for-local”

- 
- Close customer relationships are essential for successful realization of the value proposition
  - Superior supply reliability thanks to short and robust supply chains

### Focus on technology

- 
- Focus on a core set of tooling-based technologies allows leadership
  - Standardized processes, systems and equipment reduce risks and increase flexibility

### Solid financing

- 
- Good profitability and a solid balance sheet enable ongoing investments in innovations and the implementation of growth projects

# Electronics division update

**George Poh**  
Head of Electronics division

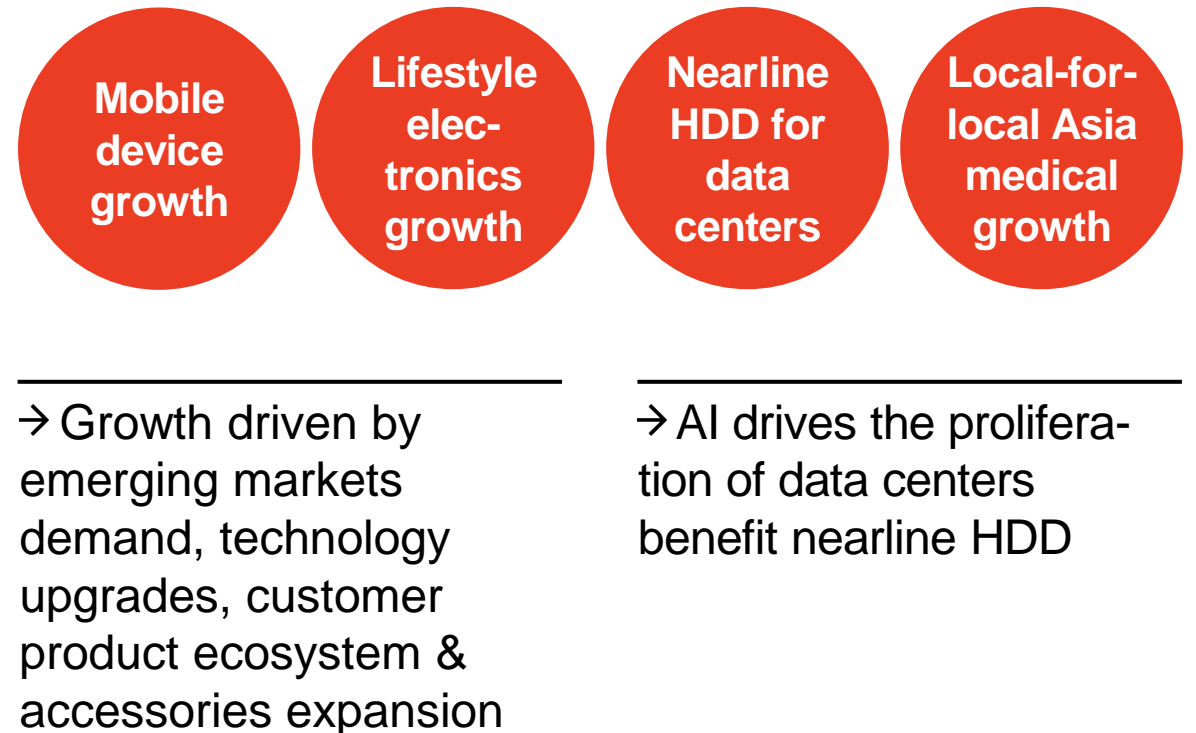
# Positioning and market trends

## Positioned to serve above average growing segments

### Position within electronics market

- Supplying the electronics industry based on 7 core technologies and with 7 core products
- Focus on end market segments:
  - Mobile devices
  - Lifestyle electronics
  - Data storage
  - MedTech
- Manufacturing activities focused on Asia
- Global marketing including North America
- Major key accounts served worldwide

### Key trends in industry





# Electronics priorities

## Key initiatives to grow top and bottom line

### Nantong platform

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→ Support other SFS divisions to leverage Nantong platform and grow their Asia business

### Employees

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→ Human capital development  
→ Increase of automation and productivity  
→ Ensure employee health & safety

### Customer eco-system penetration

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→ Increase share of wallet and cross selling  
→ Focus on attractive niches

### HDD new perspective

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→ Ride on growth of data center > HDD is still key  
→ Leverage Malaysia plant for medical business and other applications in electronics

# Project Starlight 2

## Nantong phase 2 expansion, plant started production



- Completed in Q3-2023
- Growth of Electronics business with penetration of new stamping components for smartphone
- Manufacturing platform with higher space utilization to support other divisions
  - Relocation of Riveting from Nansha – integrated
  - Support growth of Automotive, M&I, bigger warehousing
- Automation transformation to improve productivity
- Solar PV completed on both phases



Project Starlight 2	Total Land Area (m <sup>2</sup> )	Built-up Area (m <sup>2</sup> )
Phase 1	90,000	77,030
Phase 2	22,000	34,440

# Project Starlight 2

## Nantong phase 3 expansion



- Completed in Q1-2024
- Located approx. 1 km away from main site
- Phase 3: Production plant and warehouse
- Support further localization growth potential:
  - Automotive Ball Screw Drives, first line installation in progress to support local customer
  - Medical: penetration of Chinese OEM and localization of foreign brand OEM
- Phase 4: Land reserved for future expansion

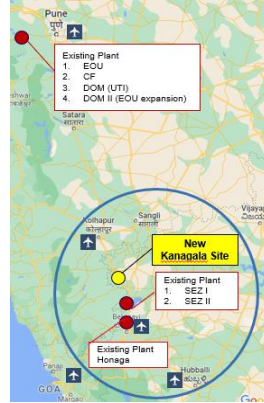
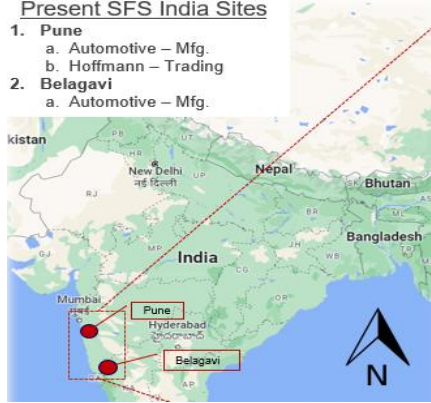
Project Starlight 2	Total Land Area (m <sup>2</sup> )	Built-up Area (m <sup>2</sup> )
Phase 3	57,470	28,230
Phase 4		–

# Project Sprint – India expansion

## Why, need and rationale

### Present SFS India Sites

1. Pune
  - a. Automotive – Mfg.
  - b. Hoffmann – Trading
2. Belagavi
  - a. Automotive – Mfg.



- India – opportunity of existing customers’ China plus strategy and new emerging electronic opportunities
- OCOC strategy, synergy and resource maximization, creates a sizeable operation in India for future consolidating all sites under one campus
- To meet the combined growth plans of Automotive and Electronics division in India
- Effective divisional business risk management
- Better utilization, scale effects
- Broad know-how buildup
- Positioned to capture new business and fulfill customers’ supply chain requirement with local-for-local solution



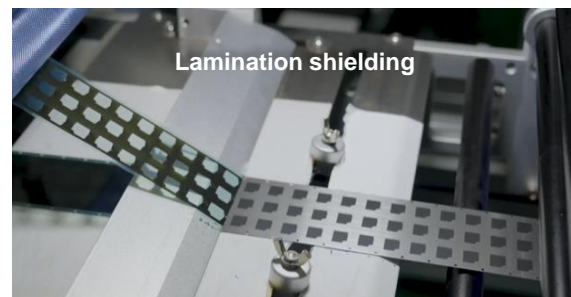
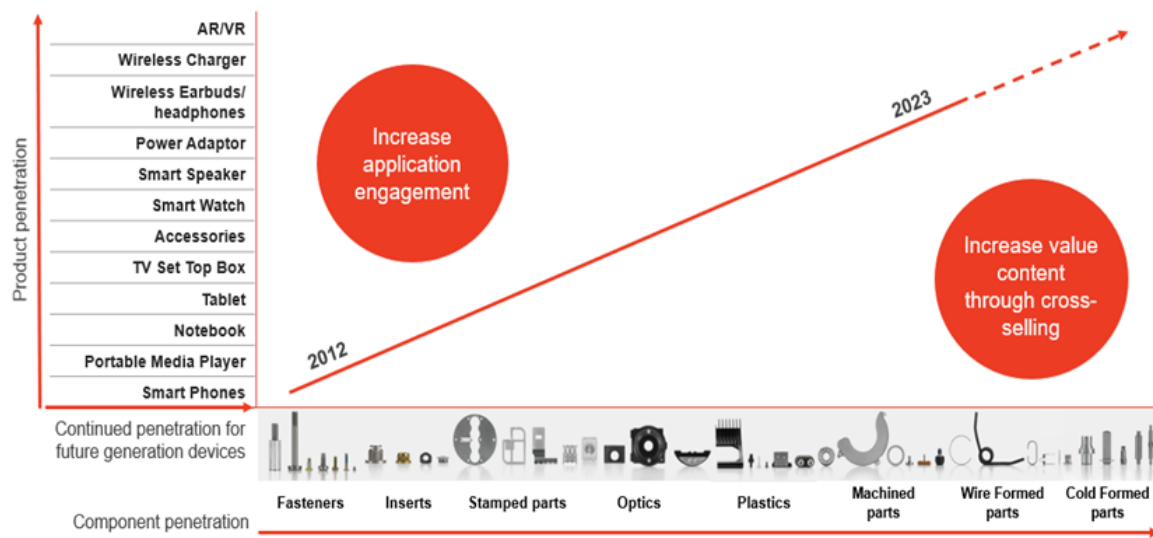
Project Sprint	Total Land Area (m <sup>2</sup> )	Plan Built-up Area (m <sup>2</sup> )	Est. Completion Date
Phase 1	119,800	24,500	End 2025
Future phases		tbd	tbd



# Value proposition, up-selling, cross-selling

## Increase value content

- Cross-selling into stamping parts for smartphone
- Value enhancement of laser welding, lamination shielding
- Increase penetration of proprietary fastener sealant
- Increase usage of coil spring



# Automotive division update

**Urs Langenauer**  
Head of Automotive division

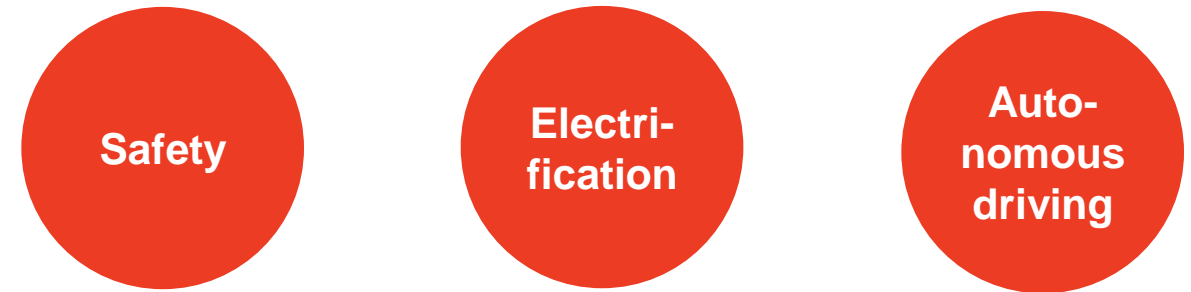
# Positioning and market trends

## Positioned to serve above average growing segments

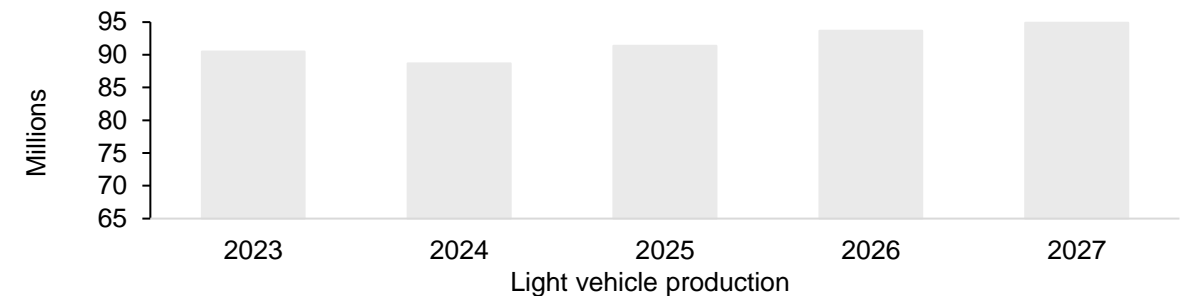
### Position within automotive market

- Supplying the automotive industry and its supply chain with precision components
- Focus on areas of:
  - Active and passive safety
  - Autonomous driving
  - Electrification
- Activities focused on EU, NA, CN and IN
- Major key accounts served worldwide

### Key trends in industry



CAGR 2023–2027: 1.2%



Source: S&P Global Mobility, Aug 2024

# Automotive division priorities

## Key initiatives to grow top and bottom line

### Capacity management

- Match production capacity and demand situation
- Maintain strong grip on profitability

### Leverage on innovations

- Maintain focus on identified innovation trends
- Adjust market pricing as inflation continues

### Employees

- Continue with preventive measures to protect employee health & safety

### Leader in BSD technology

- Foster global leading market position in actuator technology

### Global platform

- Leverage global platforms to deploy key products and technologies in Asia and US

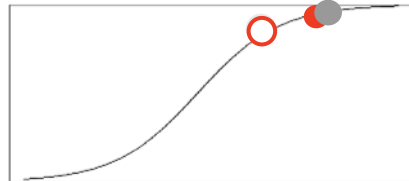


# Participation in the braking circuit

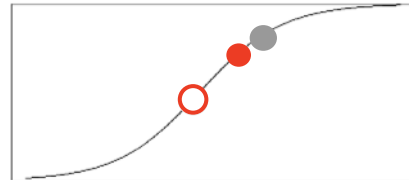
## Market penetration/Manufacturing locations

### Market penetration 2020/2022/2024

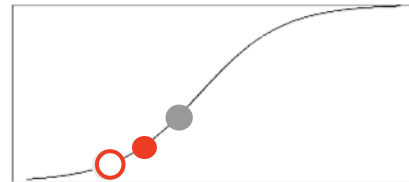
ABS/  
ESC



Electric  
Parking  
Brake (EPB)



Integrated  
Brake  
System (IBS)



○ 2020 ● 2022 ● 2024

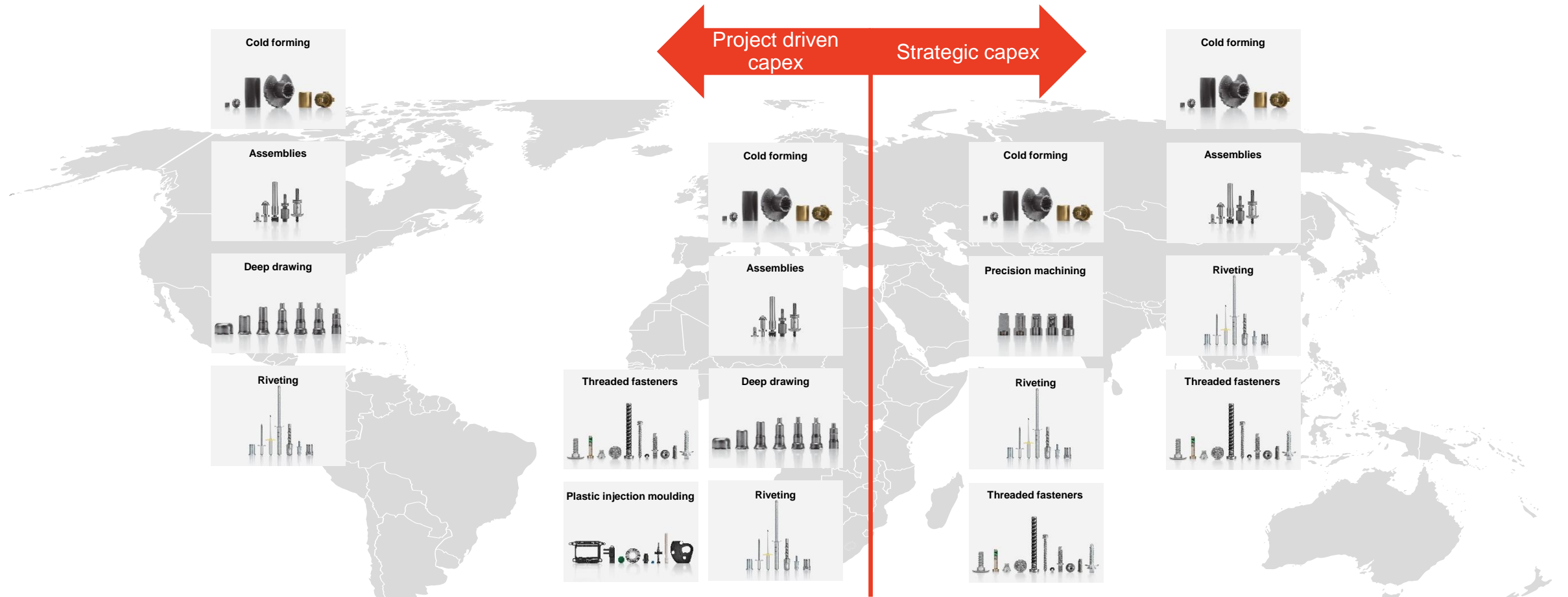
### Manufacturing locations



1) Starting 2025  
2) Estimated 2026

# Global Technology map

## Create value with local competence



# D&L International division update

**Martin Reichenecker**  
Head of D&L International division

# Positioning and market trends

## Enabling our customers to perform at their best

### Position within industrial production

Increasing customers productivity as a reliable partner for quality tools and digital innovations around the production process.

### Focus on

- Best pre-selected product assortment
- Most competent people for best consulting service
- High efficient processes in procurement and production planning for our customers
- Europe, China, India, SEA, USA and Mexico

Major key accounts served worldwide

### Key trend in industry

Increase  
of  
productivity

Digitization  
of  
production

Skilled  
labor  
shortage





# D&L International division priorities

## Key initiatives to grow top and bottom line

### Customer proximity

- Global concept with local value creation
- Scalable business model in Europe
- Local adjustments in Asia and Americas

### Employees

- Maintain high level of employee engagement
- Continuous training to ensure best skills in the Industry
- Entrepreneurial mindset

### Products

- 3-Brand-strategy
- Pioneer on digital innovations (CM, HCT)
- Market entry for 2026 into fastener business

### Supply chain

- Best product availability
- Lean and fast delivery concept worldwide
- Leverage of LogisticCity with third party business

# In-house fair World of Tools

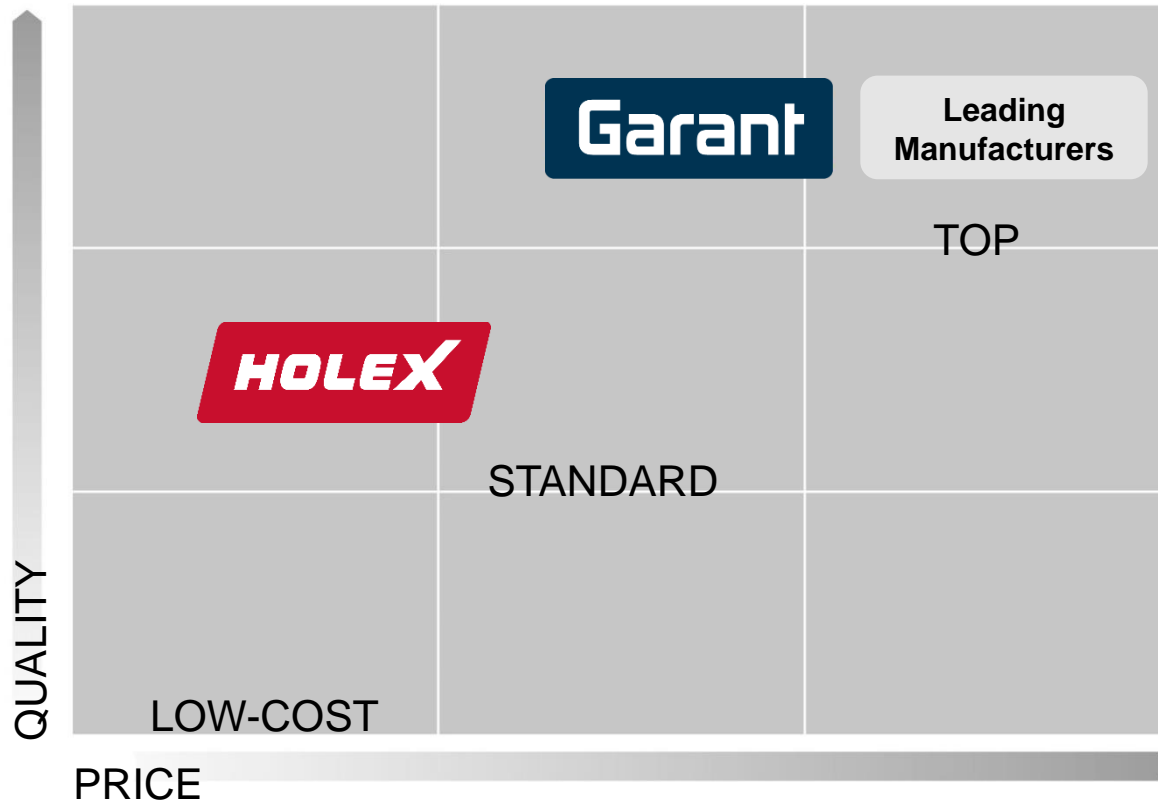
## Focus: efficient production, digitalization and automation

- More than 7,000 m<sup>2</sup> of event space
- 115 exhibitor brands
- Showroom with GARANT and HOLEX
- Approximately 6,000 international visitors



# 3-Brand-strategy – top assortment for our customers

## Quality and price positioning – Revenue split

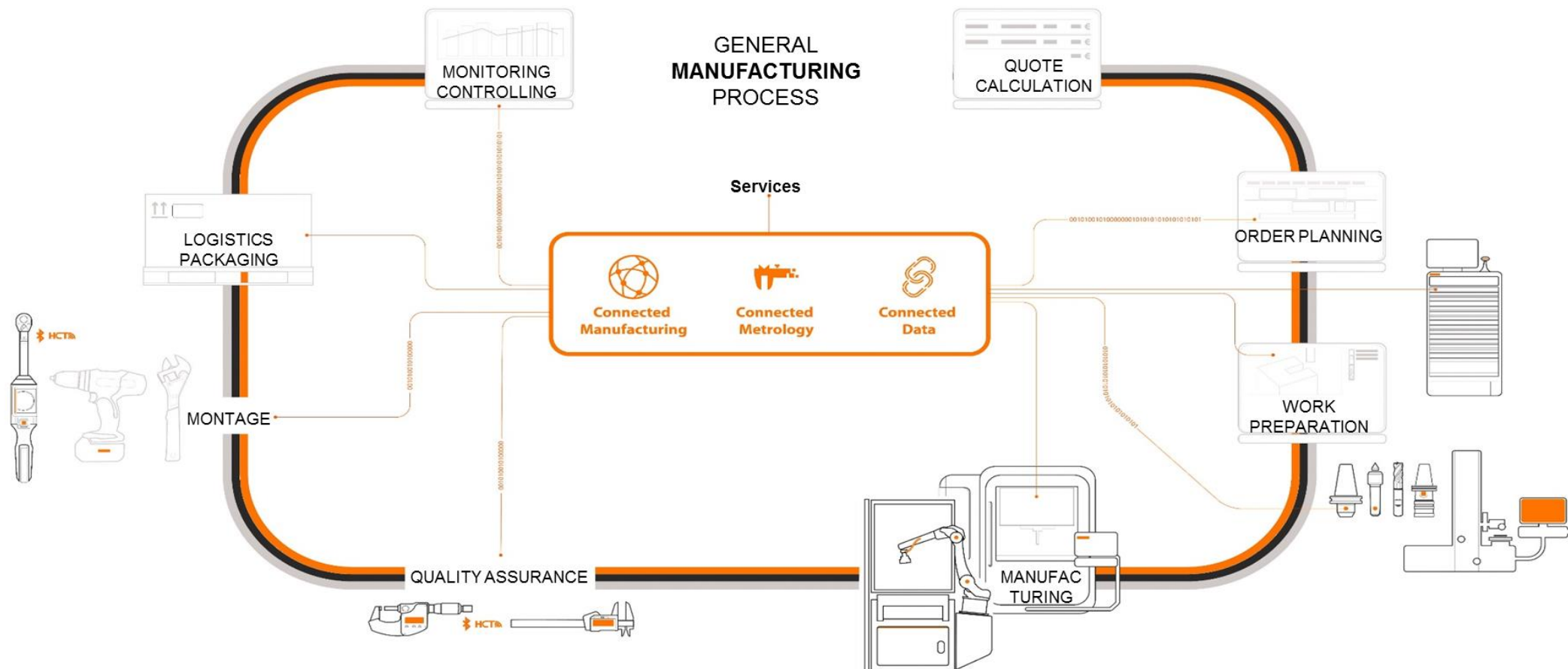


- Wide pre-selected portfolio
- Always the right quality
- GARANT one of the biggest brands in Europe



# Digital Products

## Networking and control of customer's production via CM



**Customer benefit:**  
Simple, transparent,  
integrated steering



# LogisticsUnited

## Leverage LogisticCity as partner for our GSA partners

- LogisticCity in Nuremberg (Germany): The most powerful tool logistics system in the world
- More than 100,000 m<sup>2</sup> logistics area, up to 40,000 parcels per day

### LogisticsUnited

#### Handling of HoG Partner business

- Even more customer and market performance
- Higher capacity utilization for Hoffmann
- Profitable initiative, with slight impact on EBIT margin

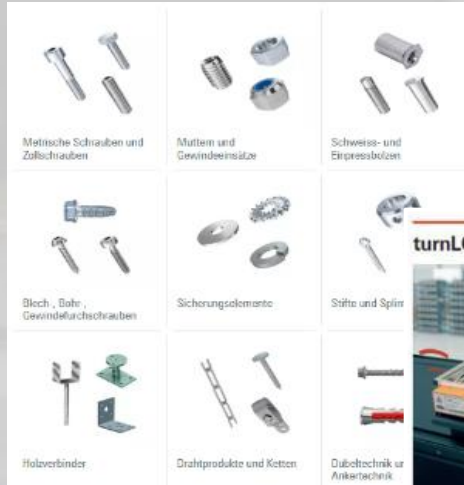




# Fasteners

## Hoffmann will enter fastener business from 2026 on

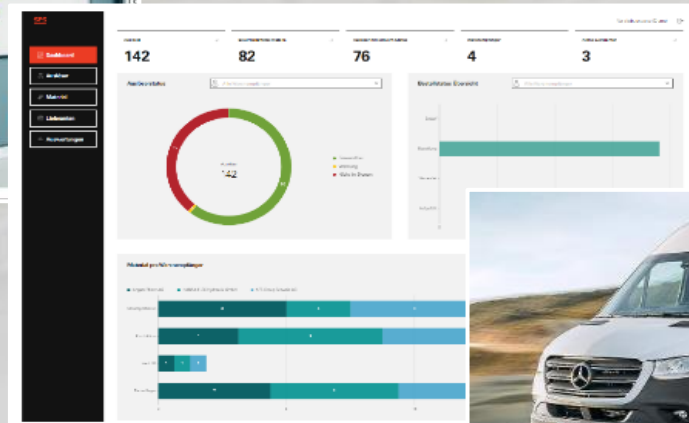
### Fastening solutions



Supply system:  
Kanban



Supply system software:  
eLogisticNXT



Building a value-creating solution for Fasteners incl. supply systems is as major synergy within SFS.



# Construction division update

**Thomas Jung**  
Head of Construction division

# Construction division in a nutshell

## Clear orientation in a fragmented market

### Position within construction market

- “The building envelope specialist”
- Fastening technology in the building envelope, timber fasteners and quality hinges with high customer benefit. The offering is supported by eCommerce and online services.
- Activities focused on EU and NA
- Local market organizations in order to respond quickly to specific customer needs
- Major key accounts served worldwide

### Peculiarities of business

- No dependence on individual large customers
- Regional or national rules, norms and habits
- Time-critical orders – often next day delivery

### Key drivers for change and innovation



Sustain-  
ability

Increased  
building  
regu-  
lations

Digital  
transfor-  
mation

# Construction division priorities

## Key initiatives to grow top and bottom line

**Clear  
focus**

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→ Clear positioning as “Building Envelope Specialist” is a competitive advantage

**Employ-  
ees**

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→ Decentralized organization with entrepreneurial employees is the ideal framework for growth

**Supply  
chain**

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→ Supply chain with focus on high product availability and minimal environmental impact  
→ Forward of cost increases within supply chain

**Inno-  
vation**

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→ Innovations of products, systems, services, software, approvals and business models

# Key figures Construction division

Close to the market for best understanding





# The building envelope specialist

## Profound application expertise

Roofing & Cladding



Flat Roof



Rainscreen Cladding



Timber Work



Building Components



Hinge Technology



Fall Protection



Calculation tools & eShop



# Key products & innovation 1/2

## Innovations across product lines

### Flat Roof



#### **BSA**

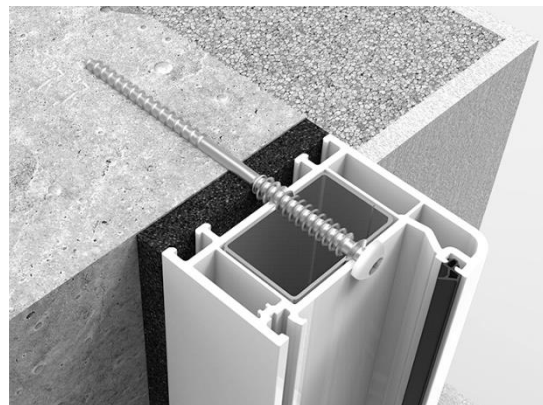
Adjustable fastening system for tapered insulation



#### **isoweld® battery tool**

Induction welding tool for the fastening of waterproofing membranes

### Building Components



#### **SPTR-V8**

Adjustable window installation fastener



#### **TDBL**

Structural steel connection (high rack buildings, PV systems, lightweight steel framings, steel work)

# Key products & innovation 2/2

## Innovations across product lines

### Roofing & Cladding



**CX**  
Fastener for  
solar rail  
fixation



**Tightlapper**  
Fastener for  
thin metal  
sheets

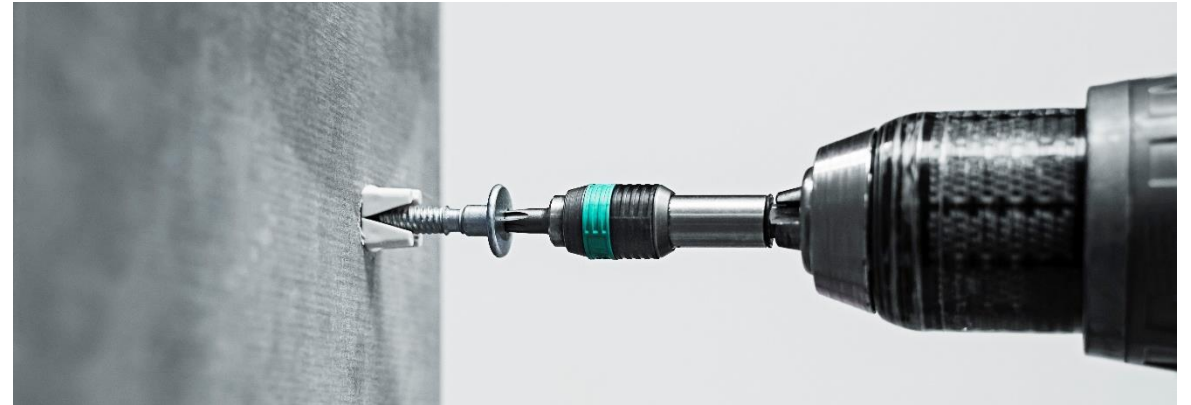


**MXC**  
Fastener for  
sandwich-  
panels on  
concrete  
structures



**CXCW**  
Fastener for  
sandwich-  
panels on  
timber  
structures

### Rainscreen



**Center Point System**  
Rainscreen panel fastening with centering sleeve

# Q&A



# Our IR agenda for FY2024

## **Publication of first information on financial year 2024**

Friday, January 24, 2025

## **Publication of financial year results 2024**

Friday, March 7, 2025

## **32<sup>nd</sup> Annual General Meeting**

Wednesday, April 30, 2025

## **IR Contact**

[investor.relations@sfs.com](mailto:investor.relations@sfs.com)



**Thank you  
for your attention**

# Further program

## Plant tour in Heerbrugg & visit of hardware store in Au

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### Plant tour Heerbrugg

Group 1: with Tobias Loher, in English  
Starting at 11.20 a.m.

Group 2: with Sergio Quidiello, in German  
Starting at 11.25 a.m.

Group 3: with Norbert Bock, in German  
Starting at 11.30 a.m.

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### Hardware store Au

Address:  
HandwerkStadt Au SG  
Auenstrasse 3  
CH-9434 Au SG

- Starting at 2.00 p.m.
- We meet outside in front of the store
- You are in the same tour group (1/2/3) as in the plant tour in Heerbrugg

# Safety instructions

## General

- Your visitor's ID card must be worn so that it is easily visible.
- Follow the instructions given by the person accompanying you.
- Personal protective equipment must be worn in accordance with the instructions given.
- Keep on the marked walkways.
- Check out at the reception before leaving the company premises.



# Safety instructions

## General



Filming and taking photos prohibited



Don't touch any components or equipment



No smoking inside the buildings



Mind the danger areas



Beware of internal forklift traffic







# Safety instructions

## General

 Keep calm → provide first-aid → alert 144

 In the event of an evacuation alarm, follow the marked escape routes out of the building.

Gather at the designated assembly point and wait for further instructions.

 First aid and the first-aid room are located at the reception.





**Inventing success together**