Presentation of the 2021/22 Financial Results

Marc Aeschlimann CEO / Christian Herren CFO

schaffner
MORE POWER TO YOU

Caution regarding «forward-looking» statements

The financial data as well as the other information presented herein constitute selected information.

The information in this presentation does not constitute an offer or invitation and may not be construed as a recommendation to purchase, hold or sell shares of Schaffner Holding AG.

This information or any copy thereof may not be sent or taken to or distributed in any jurisdiction in which such transmission or distribution is unlawful.

This document may contain certain “forward-looking” statements. By their nature, “forward-looking” statements involve risk and uncertainty because they relate to future events and circumstances. Actual outcomes and results may differ materially from any outcomes or results expressed or implied by such “forward-looking” statements.

Schaffner Group is not under any obligation to (and expressly disclaims any such obligations to) update or alter its “forward-looking” statements whether as a result of new information, future events, or otherwise.

Agenda

1. Business Review	Marc Aeschlimann
2. Financials	Christian Herren
3. Outlook	Marc Aeschlimann
4. Q&A	Marc Aeschlimann

Schaffner with successful business year in demanding environment

Order Intake
in CHF million

174.3

Net Sales
in CHF million

158.2

EBIT
in CHF million

15.4

EBIT Margin
% of net sales

9.7%

ROCE
% of capital employed

24.4%

Equity Ratio
% of balance sheet

57.8%

- Challenging and intense, but successful fiscal year for Schaffner
- Continued very strong demand in all Industrial markets
- Lockdown in China delayed deliveries for two months
- Supply chain bottlenecks, price spikes in freight rates and raw materials impacted profitability
- Able to largely pass cost increases to customers during the fiscal year
- Challenges mastered thanks to extraordinary efforts and commitment of the whole Schaffner team
- Further strengthened equity base
- Proposed dividend of CHF 9 per share

Schaffner Group: Strong profitability improvement in 2nd half of fiscal year

in CHF m	H1 2021/22	H2 2021/22	FY 2021/22	*FY 2020/21	Δ in %
Order intake	**90.9**	**83.3**	**174.3**	170.3	2.3%
Net sales	**78.9**	**79.3**	**158.2**	147.3	7.4%
EBIT	**7.1**	**8.3**	**15.4**	16.1	-4.2%
EBIT margin	**9.0%**	**10.5%**	**9.7%**	10.9%	n.a.
Net result	**5.2**	**7.4**	**12.6**	**-2.3	n.a.

* Continuing operations w/o Power Magnetics
** after goodwill recycling of CHF 14.9m

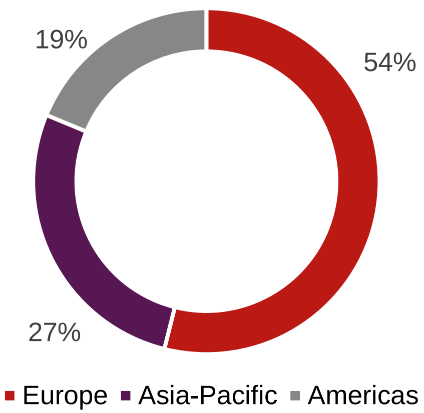
- Continued strong order intake through whole business year
- Substantially increased manufacturing capacities to fulfill demand
- Increased net sales in 2nd half despite two months lockdown in China
- Net sales growth target for fiscal year reached with 7.4% (10.5% in lc.)
- Profitability slightly impacted by cost increase and China lockdown
- EBIT margin within mid-term range in 2nd half

schaffner
MORE POWER TO YOU

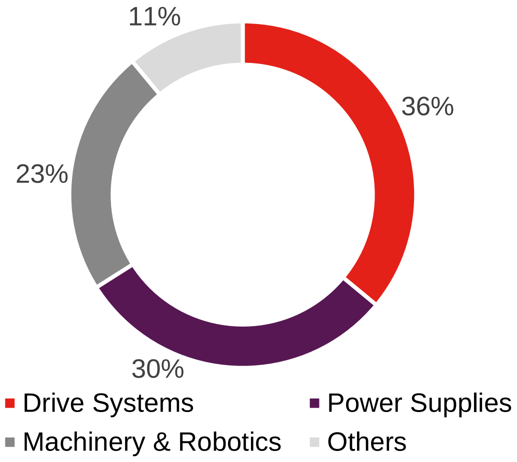
Industrial Division: Very strong demand in all regions

in CHF m	H1 2021/22	H2 2021/22	FY 2021/22	FY 2020/21	∆ in %
Order intake	**75.0**	**69.1**	**144.1**	131.8	9.3%
Net sales	**63.6**	**64.9**	**128.5**	108.6	18.3%

Net sales by region



Net sales by markets



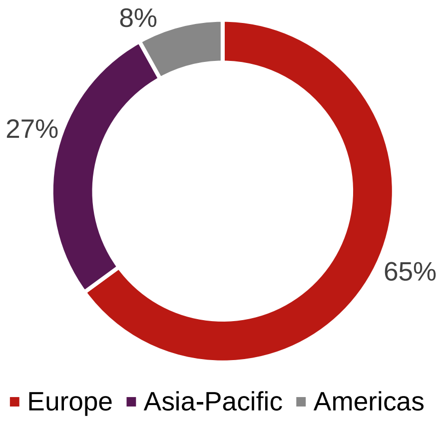
- Continued strong demand in all regions and markets
- Won market shares due to availability of products
- Americas increased share with over 50% growth
- Net sales growth of 18.3% (21.4% in lc.)
- Even stronger growth with key initiatives (EV charging, robotics and lighting)
- Successfully launched new products and design wins for key growth markets

Automotive Division: Automotive industry heavily affected by component shortages

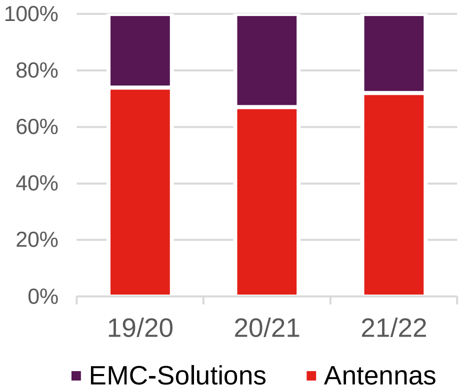
in CHF m	H1 2021/22	H2 2021/22	FY 2021/22	FY 2020/21	Δ in %
Order intake	**16.0**	**14.2**	**30.2**	38.5	-21.6%
Net sales	**15.3**	**14.4**	**29.7**	38.7	-23.1%

- Very challenging year for whole automotive industry
- Component shortages, Ukraine war, China lockdowns affected output of OEM's
- Net sales decreased by 23%, mainly because of Europe. US market remained stable
- E-mobility share slightly reduced due to severe component shortages on some platforms
- Further new e-mobility projects won with new customers

Net sales by region

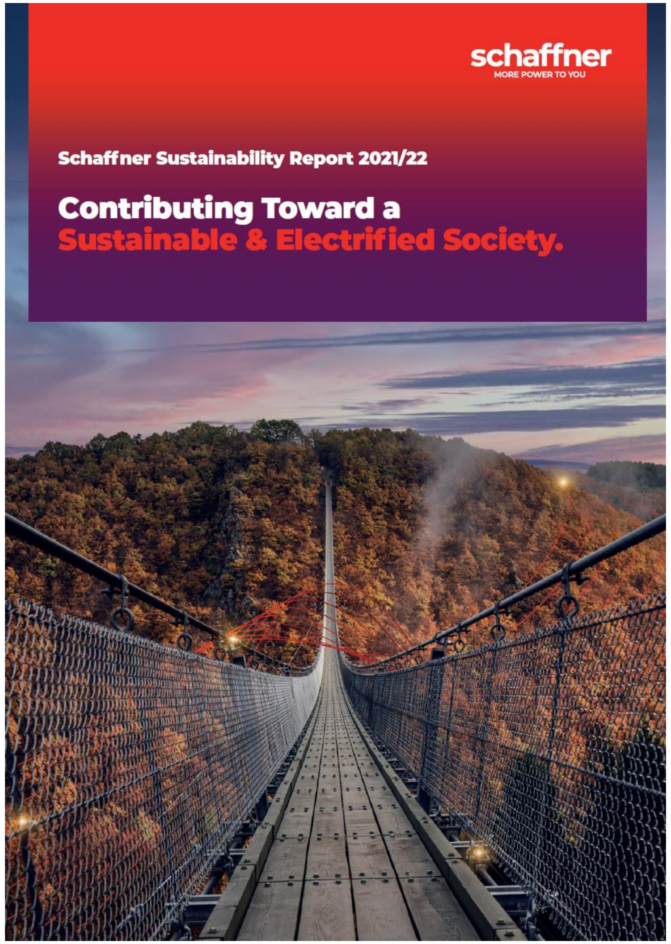


Net sales by products



schaffner
MORE POWER TO YOU

New comprehensive Sustainability Report



- True to our vision “to play a vital role in building a sustainable and electrified society – by shaping electrical power”, ESG is a key topic for Schaffner – for our innovative customer solutions and our own operations
- Stakeholders (investors, customers, employees) increasingly expect Schaffner to report about its ESG performance
- In the past Schaffner tried to be a good citizen, but didn’t pay enough attention to report and systematically develop those topics
- Based on the Global Reporting Initiative (GRI) and the UN Sustainable Development Goals, Schaffner reports the status and progress for our organization and will set further targets in the fiscal year 2022/23
- This also enables Schaffner to meet the new reporting requirements for Swiss listed companies, which will be mandatory from 2024
- www.schaffner.com/investors/reports-and-presentations

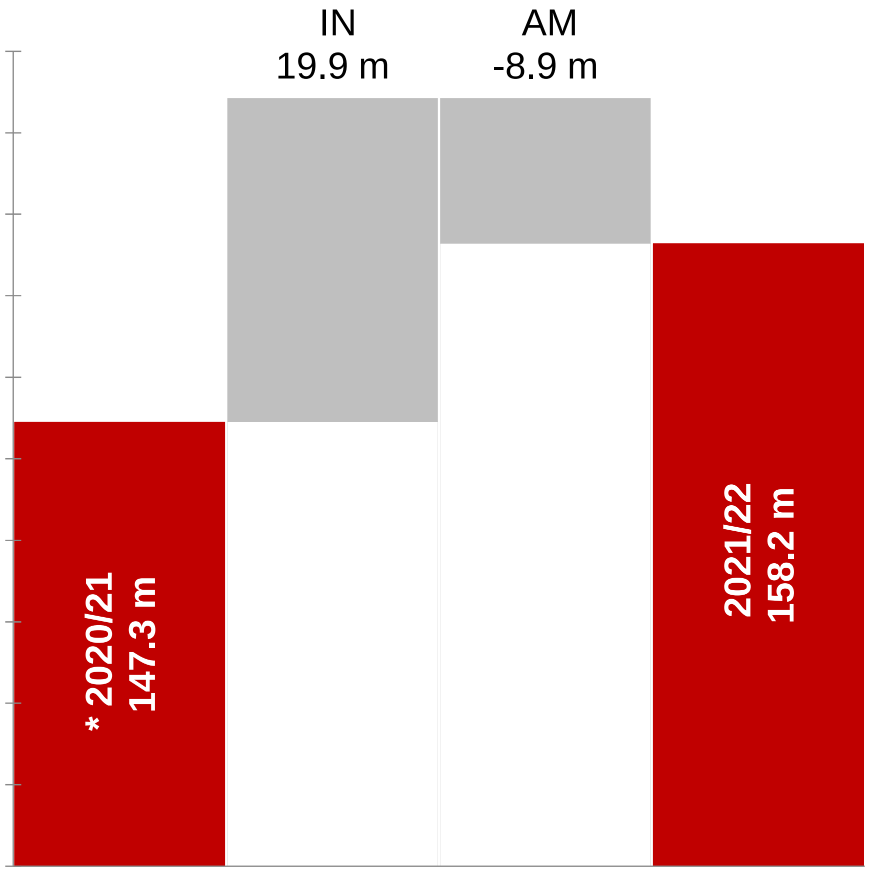
schaffner
MORE POWER TO YOU

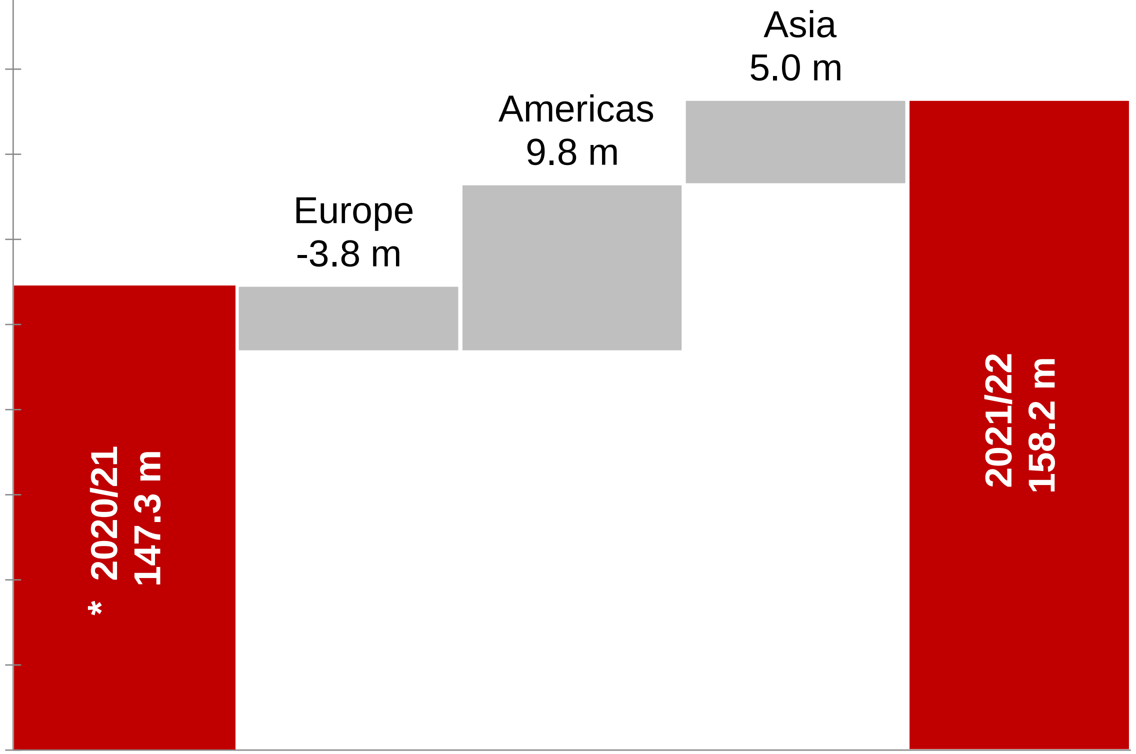
Agenda

1. Business Review — Marc Aeschlimann
2. Financials — Christian Herren
3. Outlook — Marc Aeschlimann
4. Q&A — Marc Aeschlimann

Net Sales – Continuing Operations

Growth +7.4% (+10.5% in LC)

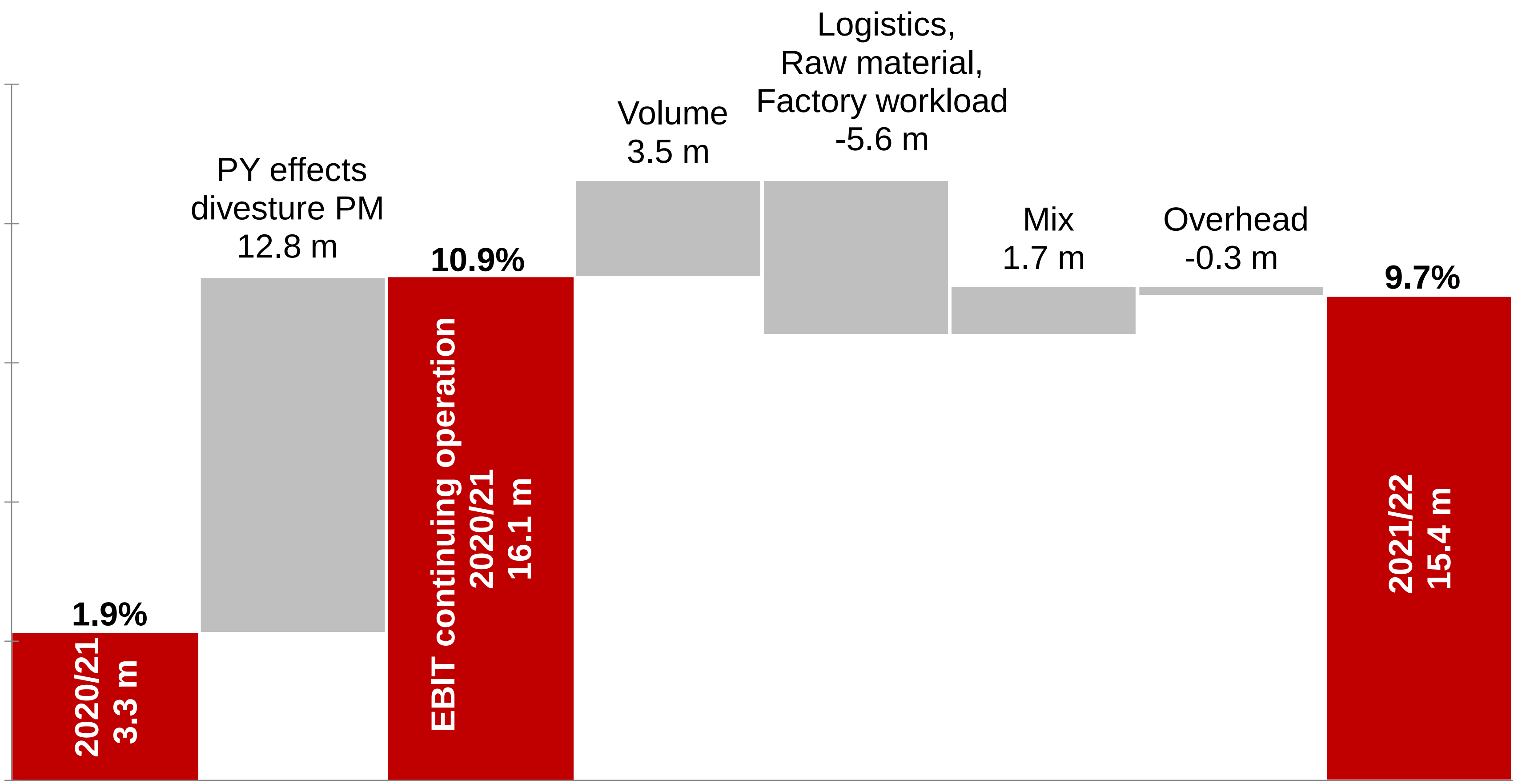




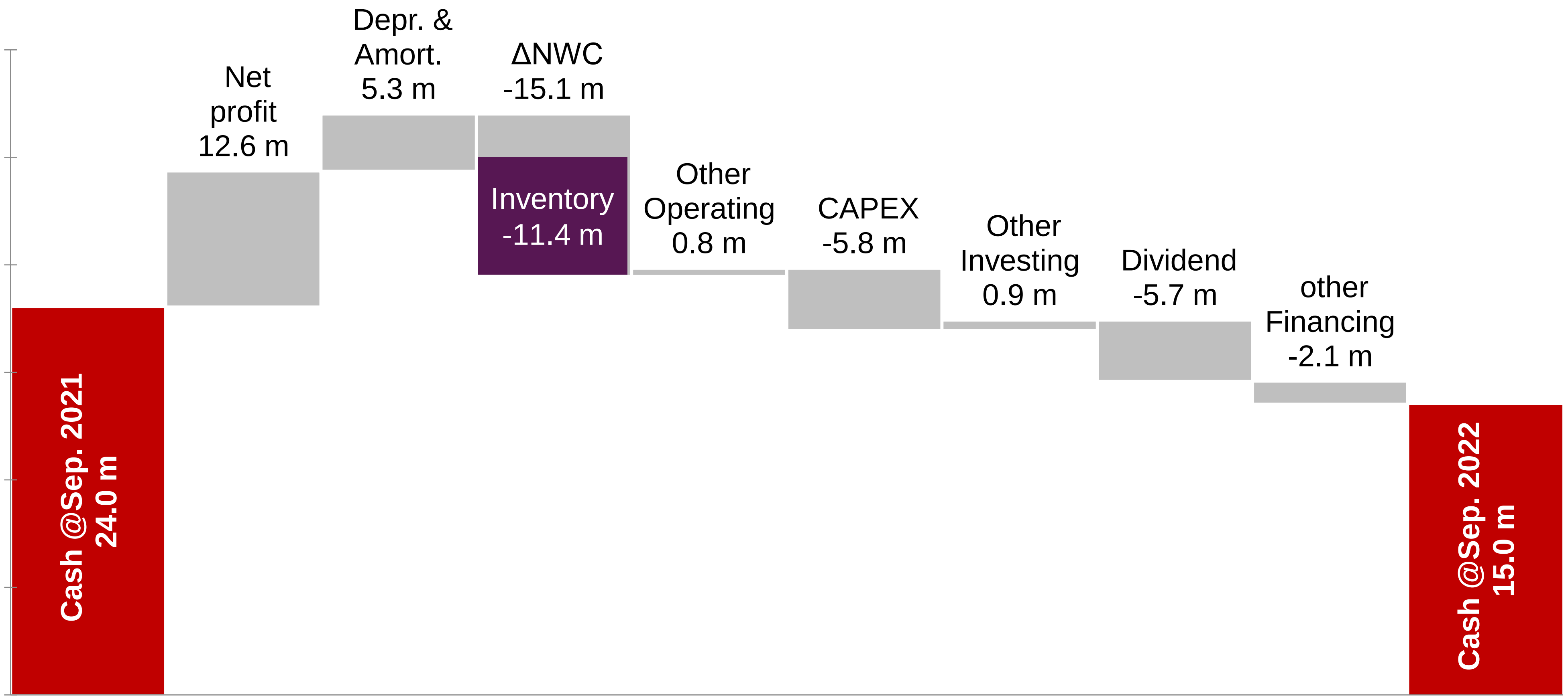
* Net Sales Continuing Operations (i.e. w/o Power Magnetics Division)

schaffner
MORE POWER TO YOU

EBIT - Profitability negatively influenced by logistics costs, raw material prices and lockdowns

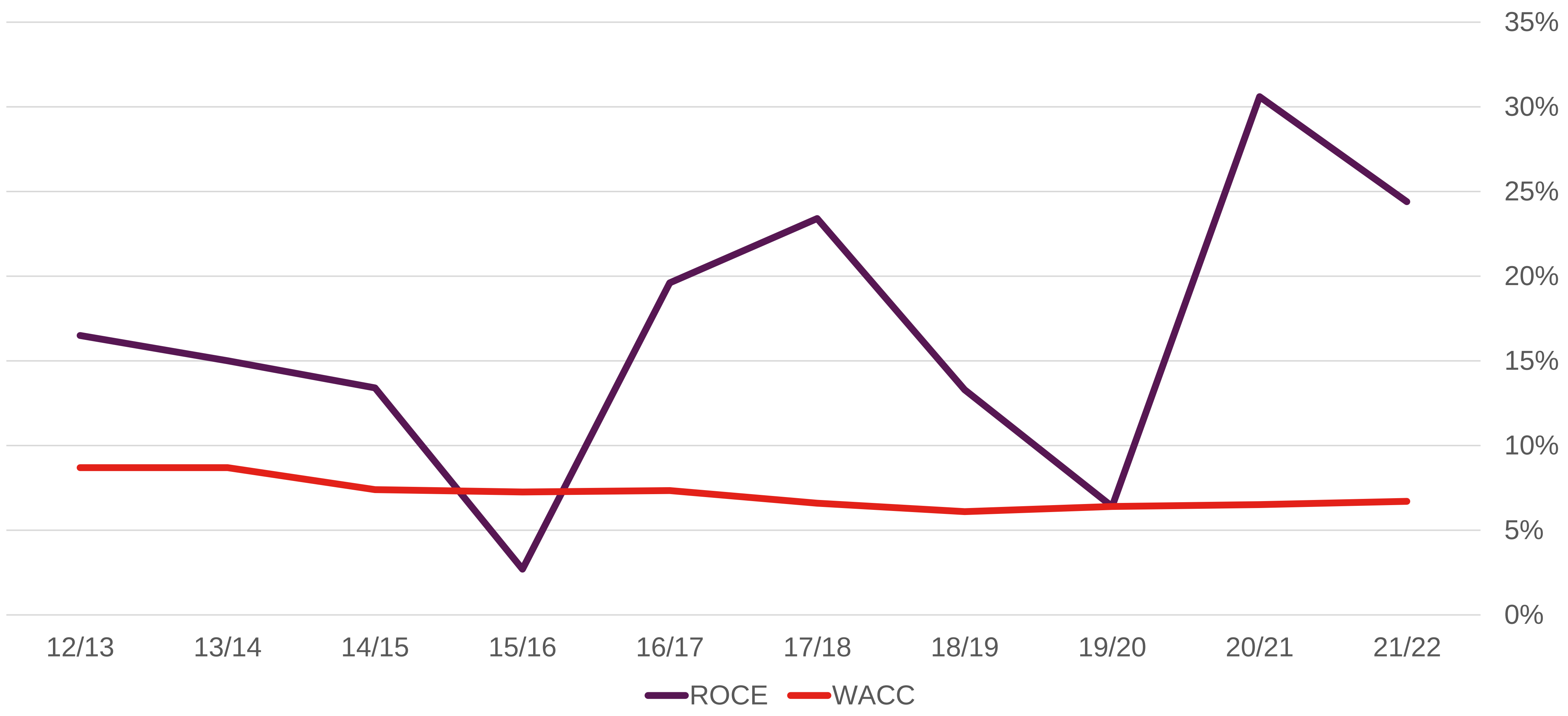


Cash Flow: Negative Free Cashflow (CHF -2.2 m) mainly due to increased stock levels



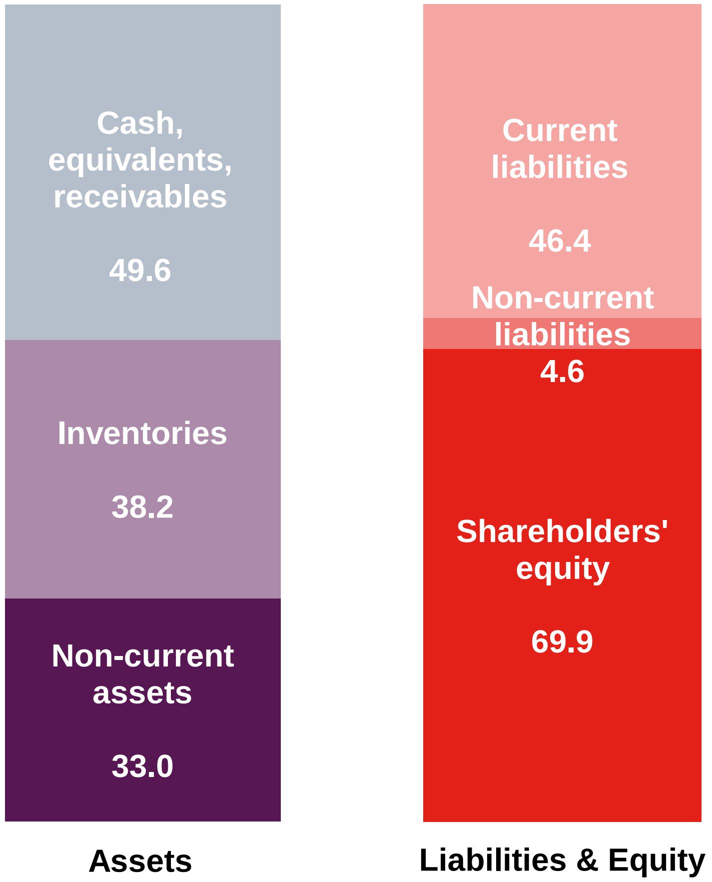
schaffner
MORE POWER TO YOU

Schaffner earnings sustainably exceed capital cost



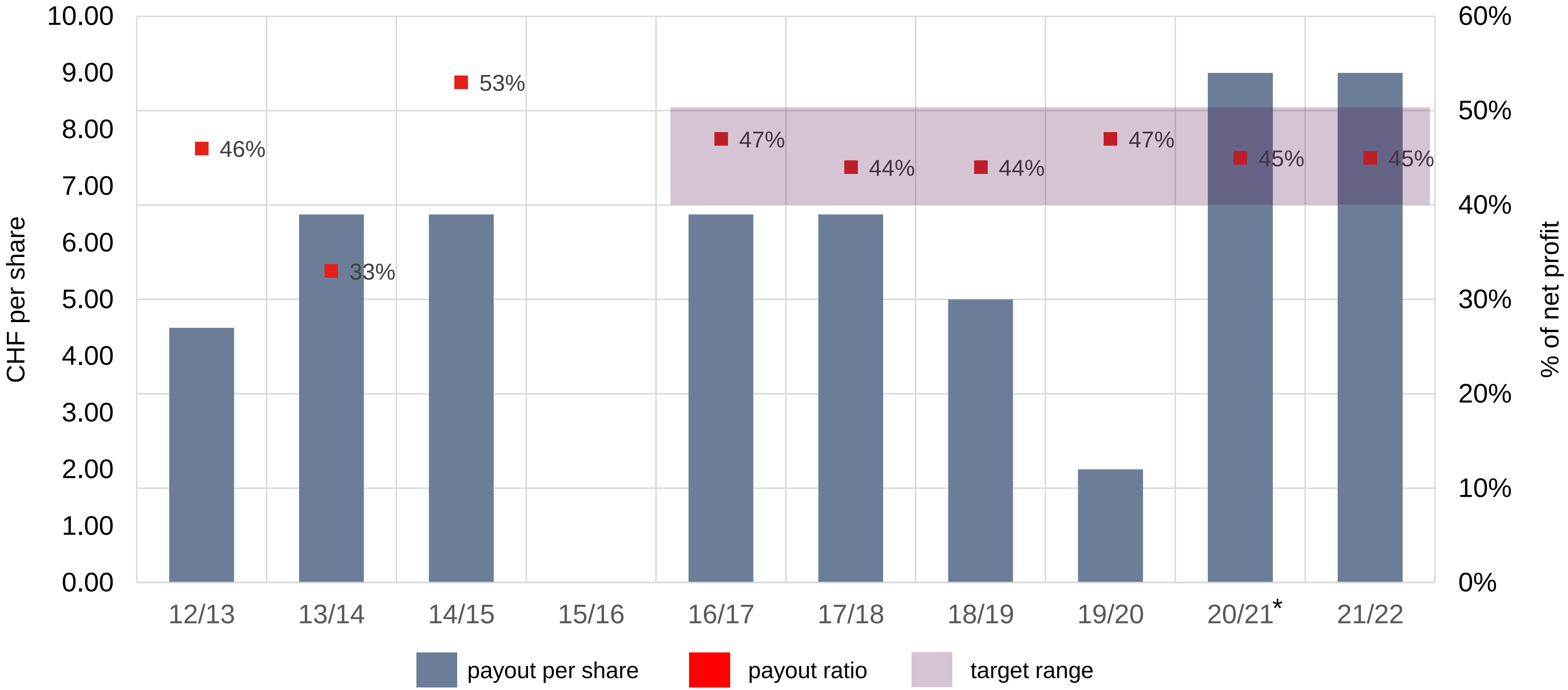
Balance sheet further strengthened and net cash position

Total assets CHF 120.8 Mio.
(September 30, 2022)



- Equity ratio: 57.8% (30.9.2021: 56.3%)
- Higher inventories due to partial shift from air to sea freight
- Net cash position
- No goodwill

Again highest ordinary dividend since going public



* Based on net profit without goodwill recycling

schaffner MORE POWER TO YOU

Agenda

1. Business Review — Marc Aeschlimann
2. Financials — Christian Herren
3. Outlook — Marc Aeschlimann
4. Q&A — Marc Aeschlimann

schaffner
MORE POWER TO YOU

Successful start into new business year

- Good start into new business year in Industrial and Automotive
- Continuing uncertainty and poor visibility due to fears of recession, high energy prices, persistent inflation and component shortages
- Schaffner with cost advantages with the manufacturing sites in Thailand and China
- Strong order backlog but slightly declining order intake due to more cautious customer behavior in many Industrial markets
- Continuing strong demand in selected markets like EV charging or motor drives
- Gradual recovery in the automotive market, but partially still suffering under component shortage
- Logistics situation has eased, and material costs are becoming mostly more favorable
- Continued sharp fluctuations in exchange rates

schaffner
MORE POWER TO YOU

Schaffner mid-term targets confirmed

- Due to big economic uncertainties Schaffner refrains from providing guidance for the fiscal 2022/23 at this time
- Confirm mid-term targets of
  - Average annual organic growth of >5%
  - EBIT margin in the range of 10-12%

Q&A

Financial calendar 2023

▪ 10 January 2023	27th Annual General Meeting
▪ 4 May 2023	Publication of half-year report 2022/23
▪ 6 December 2023	Publication of annual report 2022/23

Schaffner Group

Marc Aeschlimann
marc.aeschlimann@schaffner.com

Christian Herren
christian.herren@schaffner.com

schaffner
MORE POWER TO YOU