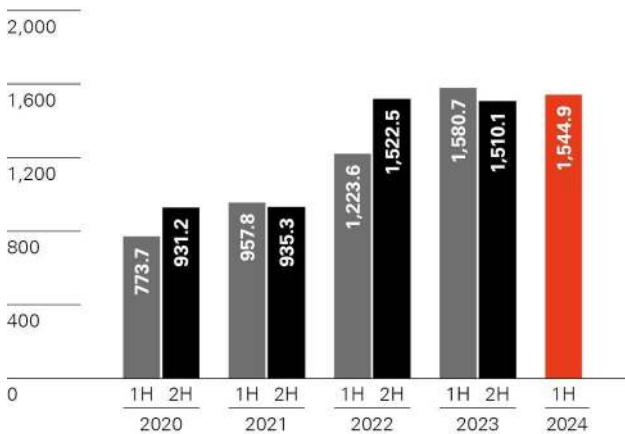


Key takeaways

Challenging environment

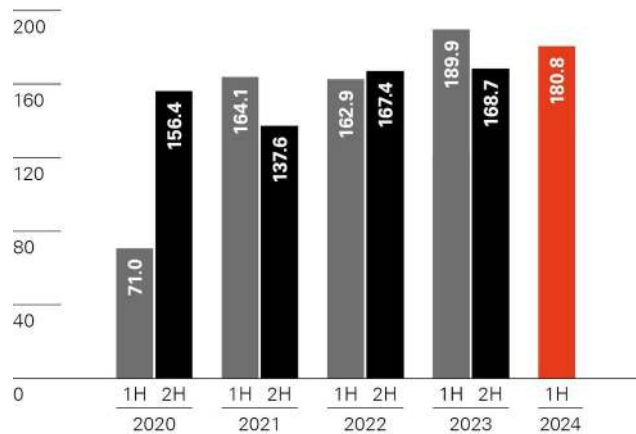
Slight organic growth of 0.1% achieved

Third-party sales in CHF million



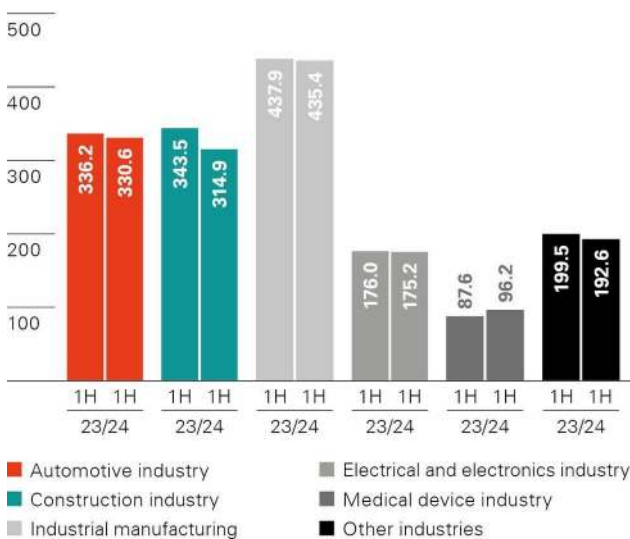
EBIT margin of 11.7% realized

EBIT in CHF million

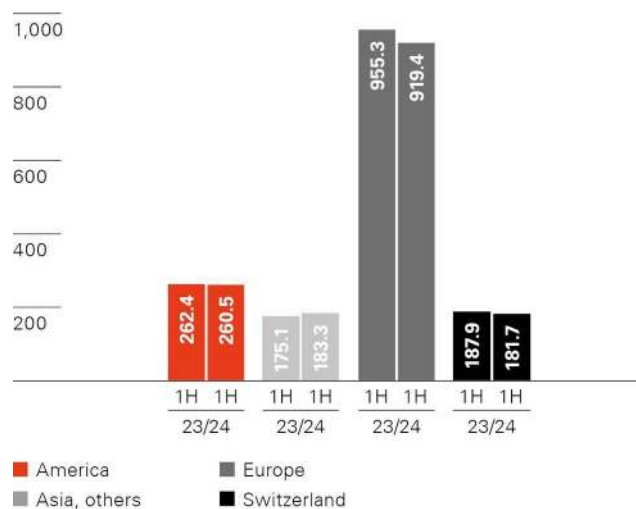


Growth in end markets of Engineered Components segment and recovery in Asia

Third-party sales by end market in CHF million



Third-party sales by region in CHF million



Financial overview

Expectations met

	2024 1H	2023 1H	2022 1H	2021 1H	2020 1H
Income statement in CHF million (unaudited)					
Third-party sales	1,544.9	1,580.7	1,223.6	957.8	773.7
Change to previous year in %	-2.3	29.2	27.8	23.8	-10.8
thereof currency impact	-2.4	-4.3	-1.3	-1.2	-3.8
thereof change in scope	0.0	32.7	19.3	1.4	3.4
thereof organic growth	0.1	0.8	9.8	23.6	-10.4
Net sales	1,543.5	1,573.7	1,224.1	960.3	775.6
EBITDA	245.8	253.1	217.1	215.0	120.3
As a % of net sales	15.9	16.1	17.7	22.4	15.5
Operating profit (EBIT)	180.8	189.9	162.9	164.1	71.0
As a % of net sales	11.7	12.1	13.3	17.1	9.2
Operating profit (EBIT) adjusted ¹	180.8	189.9	179.5	161.0	71.0
As a % of net sales	11.7	12.1	14.7	16.8	9.2
Net income	117.3	134.5	131.5	134.1	53.9
As a % of net sales	7.6	8.5	10.7	14.0	7.0
Balance sheet in CHF million					
	06/30/2024 (unaudited)	12/31/2023	12/31/2022	12/31/2021	12/31/2020
Assets	2,599.2	2,546.8	2,574.2	1,839.1	1,684.1
Net cash (+)/debt (-)	-456.0	-445.3	-477.7	279.1	144.3
Average Capital Employed ²	1,789.2	1,758.9	1,557.6	1,143.6	1,134.0
Invested Capital ²	3,433.7	3,339.5	3,290.9	2,194.0	2,149.5
Equity	1,458.3	1,375.7	1,303.6	1,450.4	1,278.2
As a % of assets	56.1	54.0	50.6	78.9	75.9
Cash flow statement in CHF million (unaudited)					
	2024 1H	2023 1H	2022 1H	2021 1H	2020 1H
Cash flow from operating activities	155.9	151.2	62.5	135.8	102.5
Purchase of property, plant, equipment and intangible assets	-68.7	-81.8	-60.7	-46.9	-56.6
Acquisition (-)/Disposal (+) of subsidiaries, net of cash	-3.4	-	-515.1	-	-59.5
Employees					
	06/30/2024 (unaudited)	12/31/2023	12/31/2022	12/31/2021	12/31/2020
Full-time equivalents (FTE)	13,734	13,253	13,282	10,509	10,692
Financial key ratios (unaudited)					
	2024 1H	2023 1H	2022 1H	2021 1H	2020 1H
ROCE in % ² (Return on Capital Employed)	20.2	21.7	27.6	28.3	12.5
ROIC in % ² (Return on Invested Capital)	8.7	9.4	9.0	12.0	5.5

¹Adjustments are explained in the [Information on the publication](#) section.

²Calculation of the key figure is shown in the [Information on the publication](#) section in the Annual Report 2023.

Letter to shareholders

Stable development

The SFS Group continued to navigate a challenging economic environment in the first half of 2024, one marked by inconsistent business performance and inventory reductions in individual end markets. With sales of CHF 1,544.9 million and an EBIT margin of 11.7%, SFS is well on its way to achieving the targets it set for the 2024 financial year. SFS continuously strives to push sustainability forward. CO₂ emissions were further significantly reduced thanks to an increased share of purchased renewable energy.



Thomas Oetterli, Chair of the Board of Directors



Jens Breu, CEO

Dear Shareholders,

Like in 2023, global economic growth fell short of its potential in the first half of 2024. Reasons for this include the weak international economy, geopolitical tensions and the associated lower investment demand. The results in SFS's individual business areas felt the impact of the challenging environment to different degrees. While all the divisions in the Engineered Components segment improved over the previous year, the repercussions of this environment were still quite noticeable in the business with construction customers (Fastening Systems segment) and industrial manufacturing customers (Distribution & Logistics segment).

The SFS Group generated third-party sales (sales) of CHF 1,544.9 million in the first half of 2024. This corresponds to a year-over-year reduction of -2.3%. Currency effects reduced sales growth by -2.4%. Organic growth of 0.1% was achieved on a like-for-like basis.

Profitability was influenced by mix effects and uneven capacity utilization. All in all, SFS generated operating profit (EBIT) of CHF 180.8 million. The EBIT margin amounts to 11.7% of net sales.

Operating free cash flow amounted to CHF 87.2 million, 25.6% higher than in the same period of the previous year (calculation of the key figure is shown in the [Information on the publication](#) section in the Annual Report 2023). The decline in earnings per share (EPS) to CHF 3.00 (PY CHF 3.37) is attributable to the lower operating profit (EBIT) as well as the considerably more negative financial result that arose due to foreign currency effects.

Progress made in strategy implementation

We drove strategic key projects and investments forward as planned in the first half of 2024:

- Ramp-up of precision components and assemblies for a new generation of electric brake systems at the Heerbrugg (Switzerland) and Medina (USA) sites
- Completion of second expansion phase at the location in Nantong (China), which will primarily be used for producing stamped precision components for the electronics industry
- Acquisition of land suitable for building in India to expand the local manufacturing platform
- Market position in the building envelope area in Spain and Portugal strengthened by the acquisition of Etanco
- Conclusion of integration project of Hoffmann into the SFS Group

Investments in the first half of 2024 totaled CHF 68.7 million, which is equivalent to 4.5% of net sales.

Integrating sustainability into all aspects of business operations

SFS considers sustainable business development a key factor for long-term success and competitiveness. We are currently faced with the challenge of integrating sustainability into all aspects of our business operations while simultaneously complying with increasing legal requirements.

Diligent preparation for regulatory requirements

The first half of 2024 was focused on preparing for regulatory requirements such as the Corporate Sustainability Reporting Directive (CSRD) and climate reporting in line with the requirements of the Task Force on Climate related Financial Disclosures (TCFD).

Committed to advancing ESG measures

In the environmental dimension, for example, the amount of wastewater produced at our location in Pordenone (Italy) was reduced by 20% by optimizing the internal water treatment system. Other positive side effects of this project include savings in CO₂ emissions and a reduction in machine energy consumption.

A top priority is the health and safety of our employees. In the social dimension, SFS's goal is to report zero occupational accidents by 2030 at the latest. The "Vision Zero" initiative was launched in the first half of the year to gradually work towards achieving this ambitious undertaking. It calls for an all-encompassing safety culture underpinned by regular training, safety inspections and protocols as well as proactive hazard analyses.

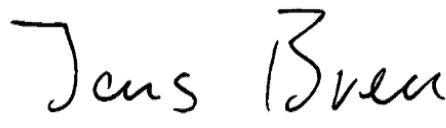
The SFS Group is committed to responsible corporate management. Not only do we comply with legal requirements, but we also make a conscious commitment to the environment and society. SFS has been working together with Solvatten, its new strategic partner, since March 2024 to make access to clean water for all a reality. This Swedish company develops and manufactures environmentally friendly water cannisters. We optimized the fasteners in the portable canisters and provided them to Solvatten along with an annual financial contribution. By making this commitment, SFS is not just supporting Solvatten in its mission; it is also helping to protect the climate and having a positive impact on society.

Expectations for the 2024 financial year updated

Our top priority remains placing highest focus on customers and ongoing efforts to pursue forward-looking innovation projects. We want to identify the chances and opportunities that go hand-in-hand with the current changes and systematically seize them.

From the second half of the year onward, SFS anticipates a slight economic recovery that is sustained by global demand and improved industrial momentum. The SFS Group expects the 2024 financial year to bring slight organic growth and a slight improvement in the EBIT margin compared to the previous year.

We would like to thank our colleagues for their hard work, their innovative spirit and their loyalty. Their enormous commitment is pivotal to our success.

Thomas Oetterli
Chair of the Board of Directors

Jens Breu
CEO

Engineered Components

Low point passed

In the first half of 2024, the Engineered Components (EC) segment benefited from the sustained ramp-up of components and assemblies for the automotive and electronics industries. The application areas in Medical Devices and Aerospace continued to perform well.

Developments at the divisions of the EC segment were mixed in the first half of 2024. In the Electronics division, the business with major customers in Hard Disk Drives showed signs of recovery. In Mobile Devices, the ramp-up of capacities to produce stamped components is making headway and will enable to increase share of wallet in end devices.

Based on stable demand, the Automotive division continued to outgrow the market as a whole. The ramp-up of precision components and assemblies for a new generation of electric brake systems at the Heerbrugg (Switzerland) and Medina (USA) sites is testimony to the Group's successful strategic positioning as a development and supply partner in automotive applications with strong growth potential. The extensive packages of measures at the Swiss locations have produced some positive initial results.

Medical Devices continued to perform quite positively, validating the major advances made in the past few years. The product areas Aerospace and plastic injection molding reported good growth. Market demand remained low for the other industrial applications.

The Automotive and Industrial divisions were complemented with the respective end market specific business areas of the Riveting division as of January 1, 2024. The previous year's figures were adjusted to the new segment composition for better comparability.

This segment generated CHF 549.9 million in sales in the first half of 2024, which represents solid growth of 2.1% compared to the previous year. Foreign currency effects amounted to -2.7%. Operating profit came in at CHF 77.4 million, which corresponds to a year-over-year increase of 36.0%. The resulting EBIT margin of 14.0% (PY 10.7%) confirms the good development.

Key figures Engineered Components in CHF million	2024 1H	+/-%	2023 1H restated¹	2023 1H reported
Third-party sales	549.9	2.1	538.6	479.0
Sales growth comparable		4.8		
Net sales	551.5	3.9	530.6	469.4
EBITDA	117.9	21.9	96.7	81.5
As a % of net sales	21.4		18.2	17.4
Operating profit (EBIT)	77.4	36.0	56.9	44.2
As a % of net sales	14.0		10.7	9.4
Operating profit (EBIT) adjusted	77.4	36.0	56.9	44.2
As a % of net sales	14.0		10.7	9.4
Average capital employed	910.4	1.7	895.2	815.5
Investments	48.6	-19.1	60.1	59.3
Employees (FTE)	7,547	6.7	7,073	6,554
ROCE (%) ²	17.0		12.7	10.8

¹The previous year's figures were adjusted to the new segment composition for better comparability.

²EBIT adjusted, annualized in % of average capital employed



Phase two of the site expansion project in Nantong (China) was completed.

Outlook

In the EC segment, SFS assumes that the remainder of the year will see a continuation of the positive development. On a like-for-like basis, the SFS Group expects an improved result for 2024 as a whole compared to the previous year.

Fastening Systems

Weaker demand

A weakened market environment with occasionally high inventories across the entire value chain, negatively impacted the Fastening Systems (FS) segment over the course of the first half of 2024. The segment strengthened its market positioning in the building envelope area in Spain and Portugal through its acquisition of Etanco as of May 1, 2024.

The FS segment felt the impact of an economy weakened by high inflation and interest rates equally in America and Europe. The attractive offering based on competent advice, a range of tailored products and services, a systematically high delivery capability and broad market access proved once again to be a competitive advantage.

The Riveting division was integrated into the Automotive and Medical & Industrial Specials divisions as of January 1, 2024. The previous year's figures were adjusted to the new segment composition for better comparability.

Segment sales amounted to CHF 243.8 million in the first half of the year, a decrease of –10.0% year-over-year. Currency effects of –2.4% continued to impact performance. Accordingly, the EBIT margin of 14.6% (PY 15.1%) is characterized by the lower level of capacity utilization.

Key figures Fastening Systems in CHF million	2024 1H	+/- %	2023 1H restated¹	2023 1H reported
Third-party sales	243.8	–10.0	270.8	330.4
Sales growth comparable		–7.7		
Net sales	248.2	–10.2	276.5	336.7
EBITDA	41.8	–11.4	47.2	62.4
As a % of net sales	16.8		17.1	18.5
Operating profit (EBIT)	36.2	–13.4	41.8	54.5
As a % of net sales	14.6		15.1	16.2
Operating profit (EBIT) adjusted	36.2	–13.4	41.8	54.5
As a % of net sales	14.6		15.1	16.2
Average capital employed	233.1	–7.6	252.4	315.0
Investments	8.4	–5.6	8.9	9.7
Employees (FTE)	1,926	–6.3	2,056	2,576
ROCE (%) ²	31.1		33.1	34.6

¹The previous year's figures were adjusted to the new segment composition for better comparability.

²EBIT adjusted, annualized in % of average capital employed



The acquisition of Etanco S.A.U. in May 2024 allows us to strengthen our competitiveness in the building envelope area on the Iberian market.

Outlook

The SFS Group assumes that the inventory corrections in the European and North American construction industry are largely complete. Accordingly, SFS expects to see a slight improvement in the market environment over the course of the year.

Distribution & Logistics

Robust positioning

The first half of 2024 brought a continuation of the slow-down in market demand in the Distribution & Logistics segment that began over the course of the past financial year. Two years after the transaction with Hoffmann, the integration project was successfully completed.

The first six months of 2024 saw the D&L segment impacted by a weaker economy in nearly all end markets and regions as well as in some cases reductions of the high levels of inventories by customers. In this challenging environment, SFS succeeded in generating good results based on its comprehensive range of products and services and through prudent cost management.



SFS delivers fully equipped, mobile workshop and tool containers with a broad assortment of quality tools.

The CHF 751.2 million in sales generated represent a year-over-year decline of –2.6%. Foreign currencies impacted the results by –2.1%. A reduction of –0.5% resulted on a like-for-like basis. Operating profit (EBIT) of CHF 67.5 million results in an EBIT margin of 9.0% (PY 12.1%).

Key figures Distribution & Logistics in CHF million	2024 1H	+/-%	2023 1H
Third-party sales	751.2	–2.6	771.3
Sales growth comparable		–0.5	
Net sales	748.6	–2.3	766.4
EBITDA	83.1	–22.4	107.1
As a % of net sales	11.1		14.0
Operating profit (EBIT)	67.5	–27.3	92.8
As a % of net sales	9.0		12.1
Operating profit (EBIT) adjusted	67.5	–27.3	92.8
As a % of net sales	9.0		12.1
Average capital employed	637.1	5.6	603.3
Investments	7.6	–2.6	7.8
Employees (FTE)	3,813	3.0	3,703
ROCE (%) ¹	21.2		30.8

¹EBIT adjusted, annualized in % of average capital employed

Outlook

The SFS Group assumes that the inventory corrections in industrial manufacturing are not yet complete. The segment's development during the remainder of the year remains uncertain as a result.