



PHOENIX MECANO



# GLOBAL COMPETENCE, LOCAL VALUE

Phoenix Mecano for  
ZKB Swiss Equity Conference  
November 6, 2024

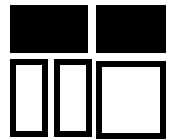
## A GLOBAL TECHNOLOGY GROUP LISTED IN SWITZERLAND

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EUR ~800 million sales

- High-tech components and modular solutions
- Revenue 53% Europe and 47% rest of the world



2 growth areas  
3 focused divisions

- Streamlined & balanced portfolio
- Focus on profitable niche markets

**B2B** > 10,000 customers

- Proven customer-centric business model
- Broad customer base with 80% repeat customers



> 60 locations  
7000 FTE

- Decentralized structures ensure customer proximity and agility
- Strong corporate culture emphasizing collaboration and continuous improvement



Founded 1975  
Going public 1988

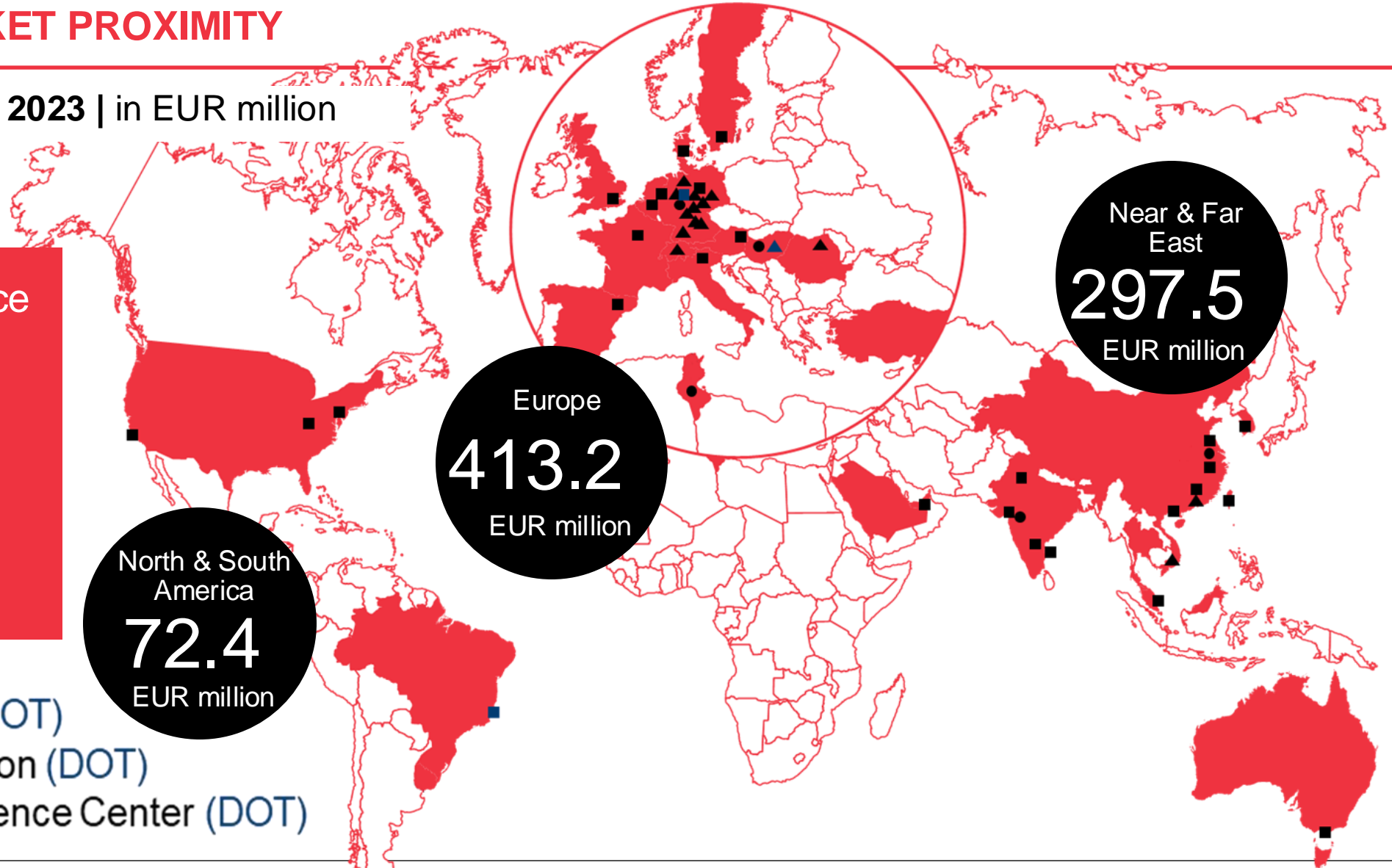
- Founding family as anchor shareholder
- Listed at SIX Swiss Exchange since 1988

# GLOBAL PRESENCE – EMPHASIZING OPERATIONAL EXCELLENCE AND MARKET PROXIMITY

Gross Sales 2023 | in EUR million

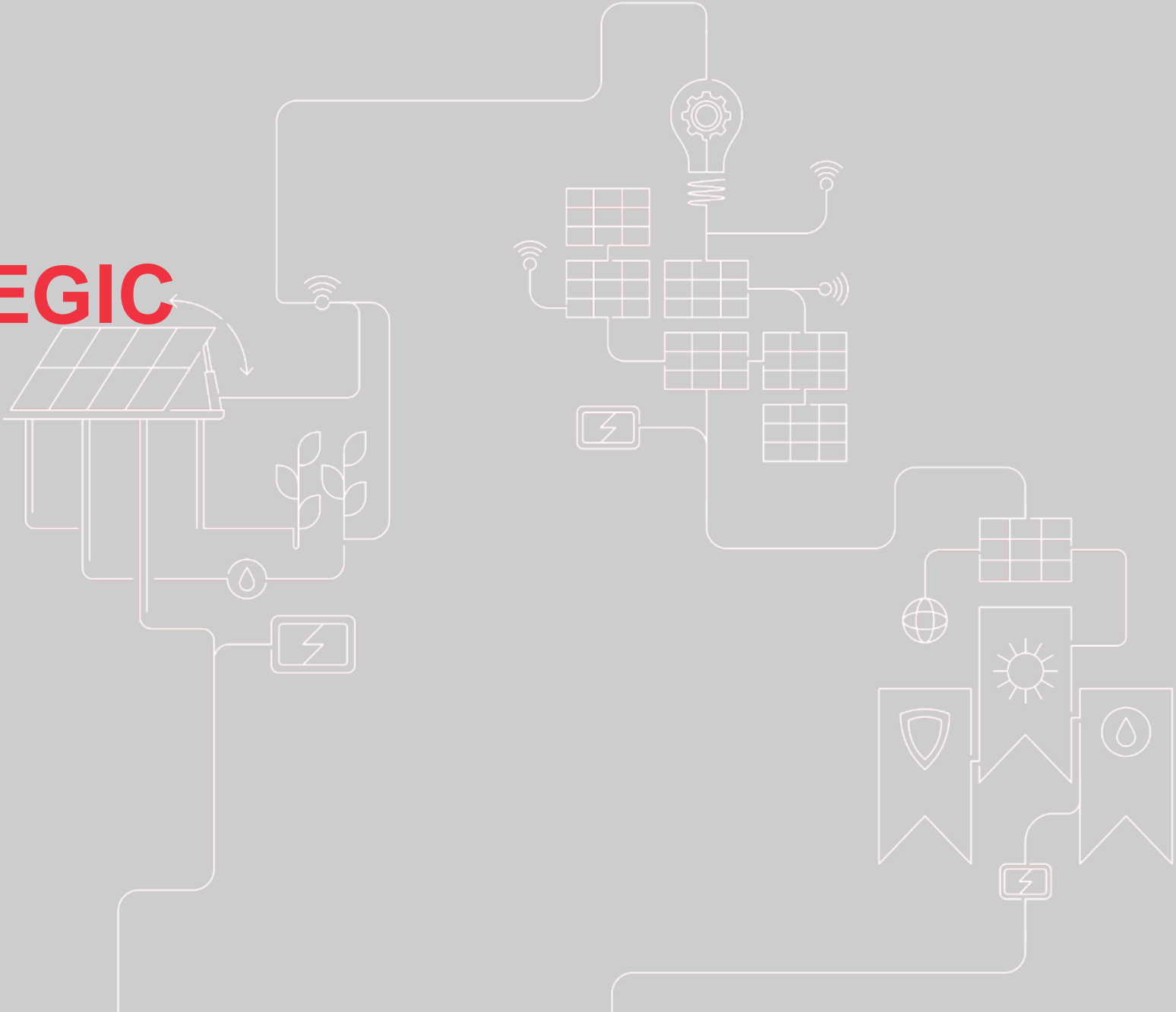
9 Competence Centers  
18 Production flex shops  
25 Sales Offices

- ■ Sales (DOT)
- ▲ ▲ Production (DOT)
- ● Competence Center (DOT)



Investment Case

# OUR STRATEGIC FOCUS



## OUR STRATEGIC FOCUS

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**Streamlining  
Portfolio**




**Focus on  
Profitability**

- 1** Balanced portfolio with leading market positions
- 2** Proven customer-centric business model
- 3** Reliable shareholder returns underpinned by strong cashflow generation
- 4** Growth aspirations and profitability targets
- 5** DewertOkin Technology Group with potential for additional value creation

## BALANCED PORTFOLIO WITH LEADING MARKET POSITIONS

<p>GROWTH AREAS</p>	<p><b>Industrial Solutions</b></p>		<p><b>Smart Furniture</b></p>
<p>FOCUSED DIVISIONS</p>	<p><b>Industrial Components</b></p>	<p><b>Enclosure Systems</b></p>	<p><b>DewertOkin Technology Group</b></p>
<p>GROWTH DRIVERS</p>	<ul style="list-style-type: none"> <li>• <b>Industrial Automation &amp; Robotics</b></li> <li>• Industrial Digitalization</li> <li>• Decarbonization</li> </ul>		<ul style="list-style-type: none"> <li>• <b>Smart Home</b></li> <li>• Demographic changes</li> </ul>
<p>WITH LEADING POSITIONS IN GLOBAL NICHEs</p>	<ul style="list-style-type: none"> <li>• TOP3 in DACH-markets</li> <li>• Global Technology leader</li> </ul>	<ul style="list-style-type: none"> <li>• #1 in Europe</li> </ul>	<ul style="list-style-type: none"> <li>• #1 in seating and bedding motion technology</li> </ul>

## ILLUSTRATIVE APPLICATIONS

<b>GROWTH AREAS</b>	<b>Industrial Solutions</b>		<b>Smart Furniture</b>
<b>FOCUSED DIVISIONS</b>	<b>Industrial Components</b>	<b>Enclosure Systems</b>	<b>DewertOkin Technology Group</b>
<b>GROWTH DRIVERS</b>	<ul style="list-style-type: none"><li>• Industrial Automation and Robotics</li></ul> 		<ul style="list-style-type: none"><li>• Smart Home</li></ul>  

Value Proposition

# PROVEN BUSINESS MODEL





## PROVEN BUSINESS MODEL – CUSTOMER-CENTRIC VALUE PROPOSITION

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### 1. Standardize

Bundling demand, developing and manufacturing industrial components

Economies  
of scale

### 2. Customize

Customized adaptations for niche markets and industrial applications

Pricing  
power

### 3. Innovate & Integrate

Design-in solutions & system integration in close cooperation with our customers

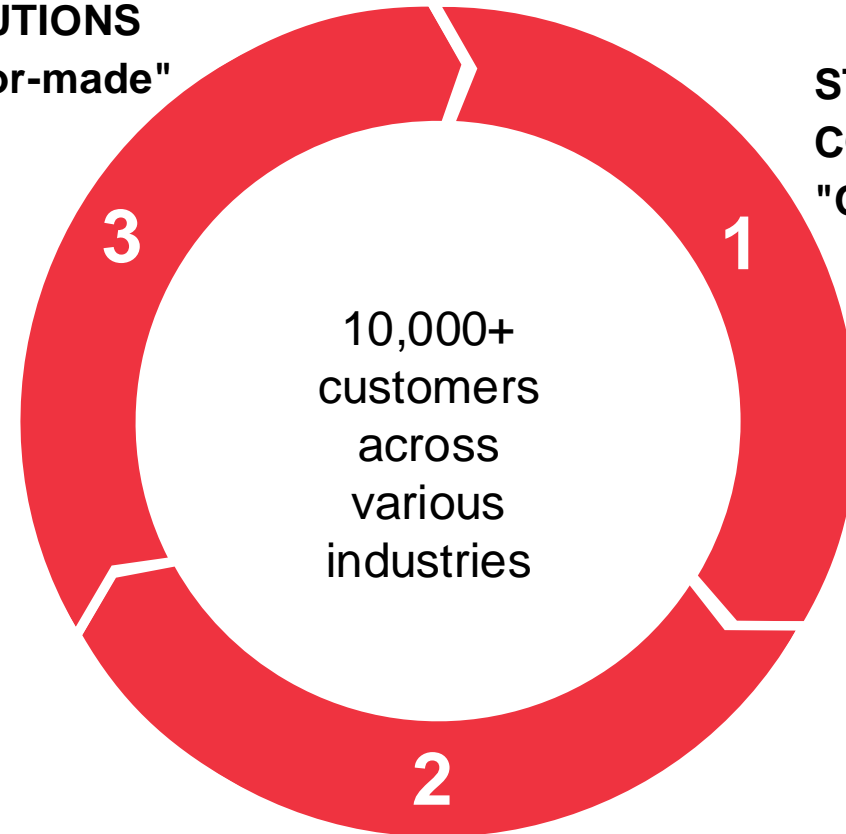
Innovation  
partnership

CUSTOM-DESIGNED  
SOLUTIONS

"Tailor-made"

STANDARD  
COMPONENTS

"Off-the-shelf"

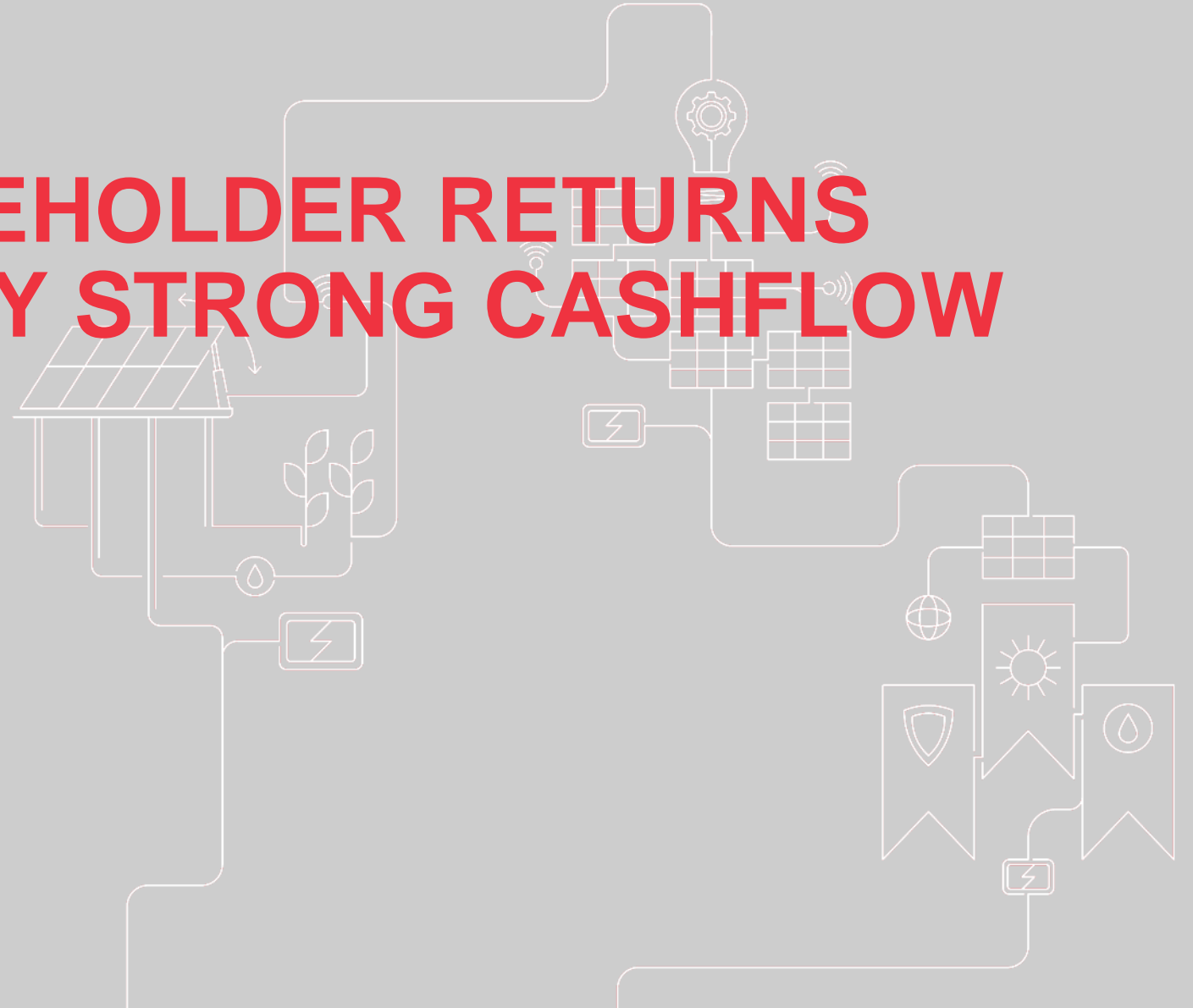


CUSTOMIZED MODULAR SOLUTIONS  
"Made-to-measure"

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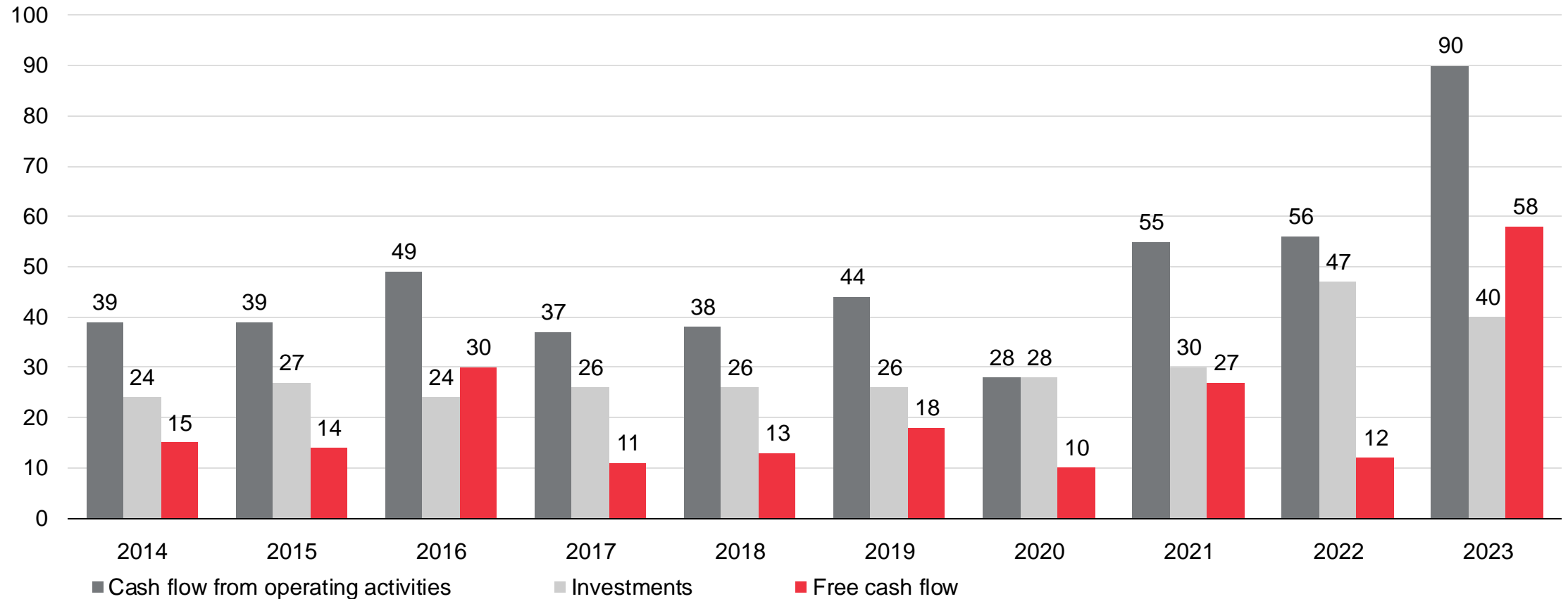
Shareholder Return

# RELIABLE SHAREHOLDER RETURNS UNDERPINNED BY STRONG CASHFLOW GENERATION



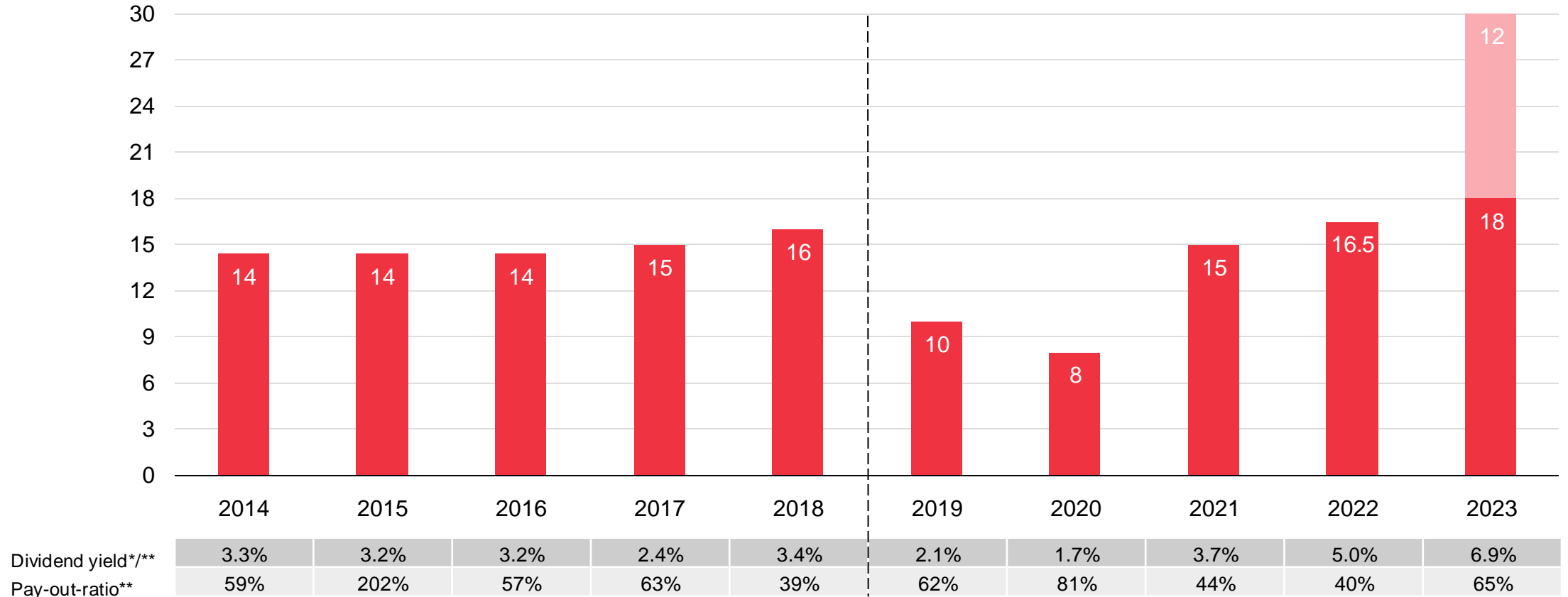
## STRONG CASH FLOW GENERATION

### Cash Flow and Investments | in EUR million



## SIGNIFICANT CASH RETURN TO SHAREHOLDERS

### Dividends 2014 – 2023 | in CHF



■ Dividends    ■ Special dividend

| 2019–2023 according to Swiss GAAP FER

\*Based on year-end stock value \*\* Proposed dividends vs. net result

Mid-term Targets

# GROWTH ASPIRATIONS AND PROFITABILITY TARGETS

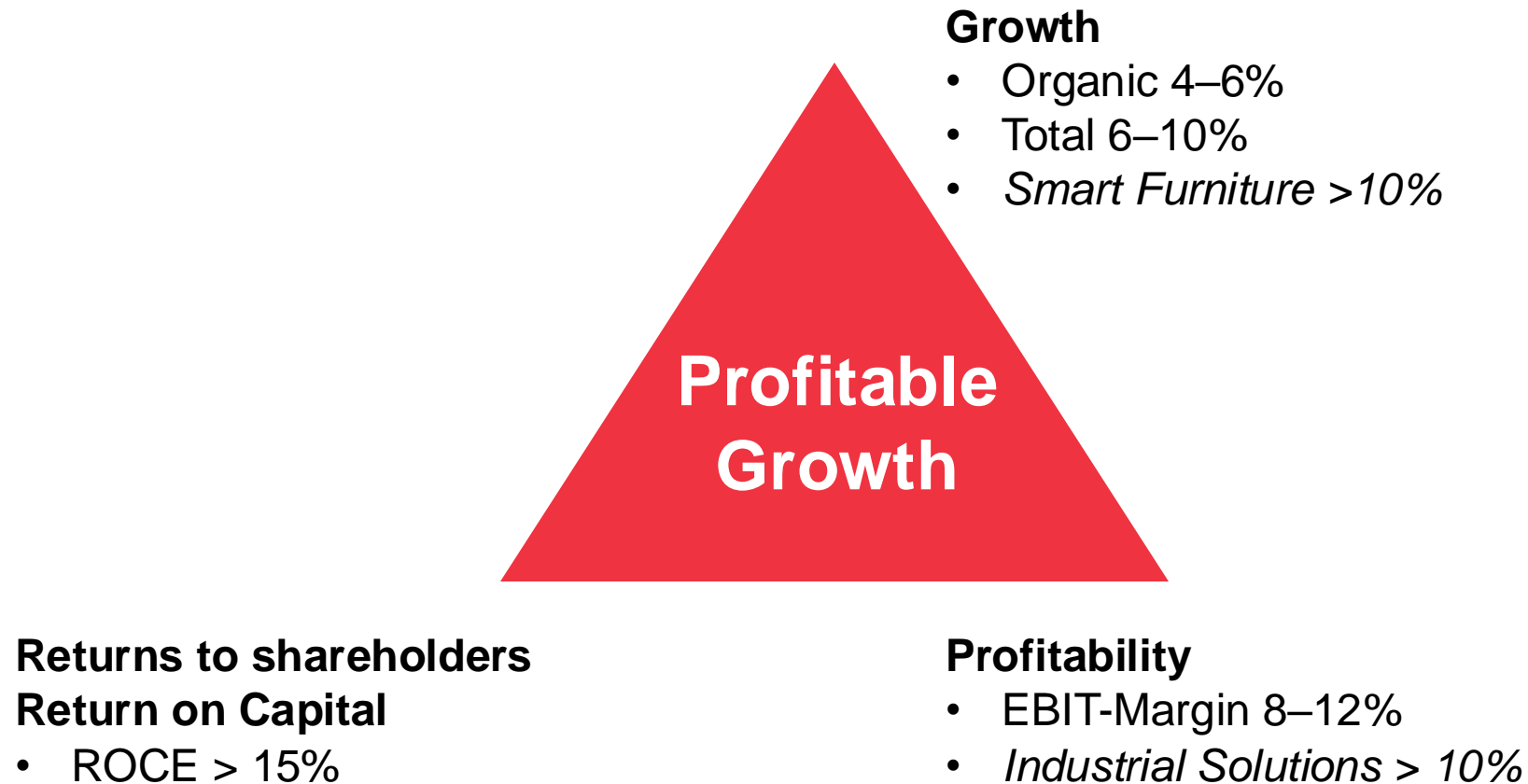


## GROWTH ASPIRATIONS AND PROFITABILITY TARGETS

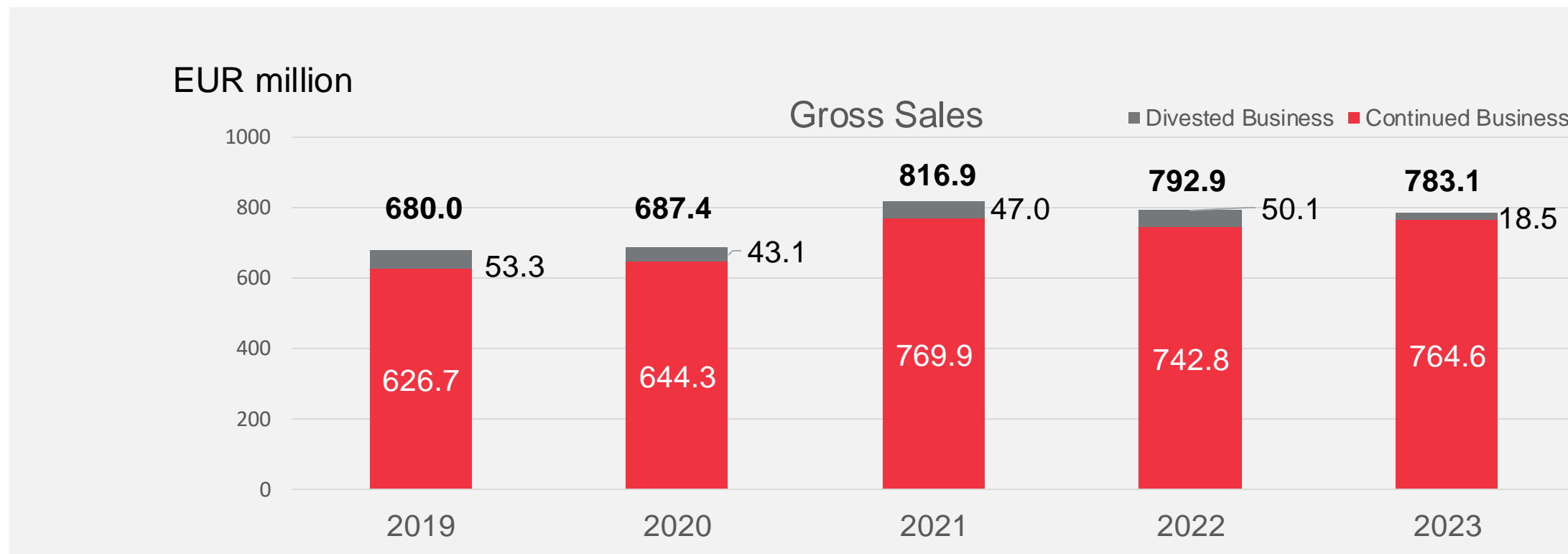
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### Group-level

Strategic mid-term targets 2026



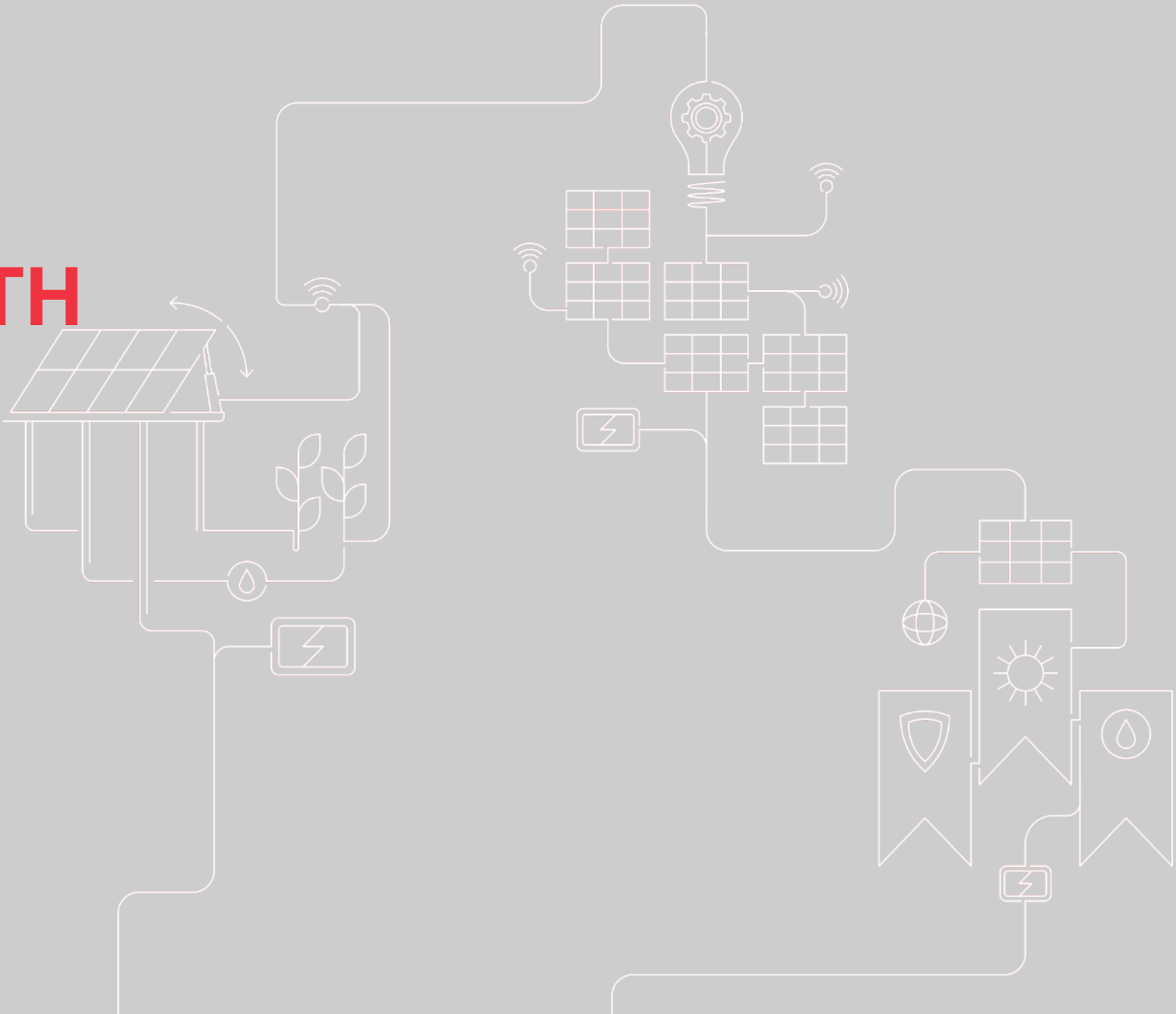
## DEVELOPMENT OVER 5 YEARS



Operating Cashflow (EBITDA)	48.8	48.2	66.6	78.0	85.3
EBIT margin	3.4%	3.3%	5.4%	6.8%	7.9%
ROCE	7.8%	7.6%	14.4%	15.6%	21.9%
Organic growth rate	-2.2%	+0.6%	+17.7%	-6.8%	+5.8%

Megatrends

# OUR GROWTH DRIVERS





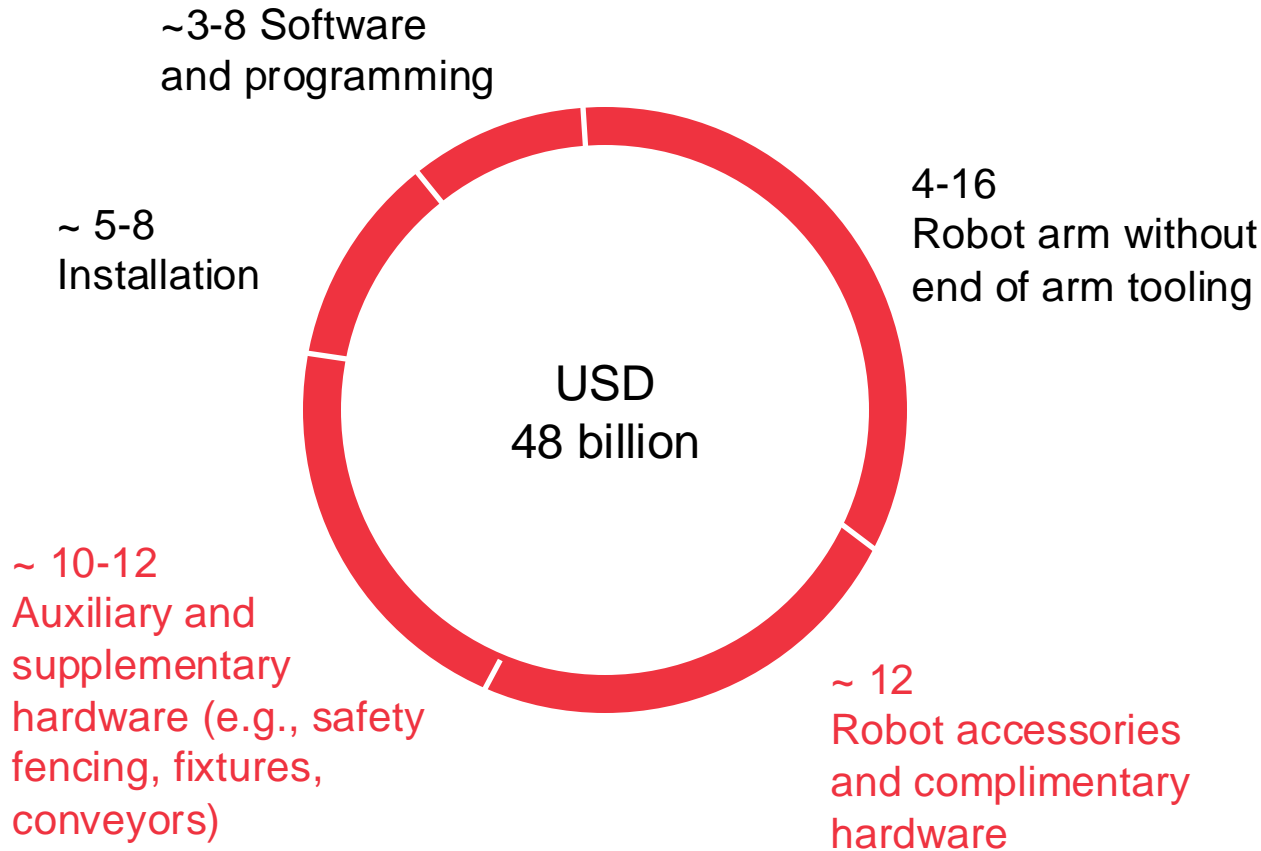
# Growth Area – Industrial Automation and Robotics

- Factory Automation and Robotics
- Industrial Digitalization
- Internet of Things
- Shortage of Skilled Labor
- Reshoring



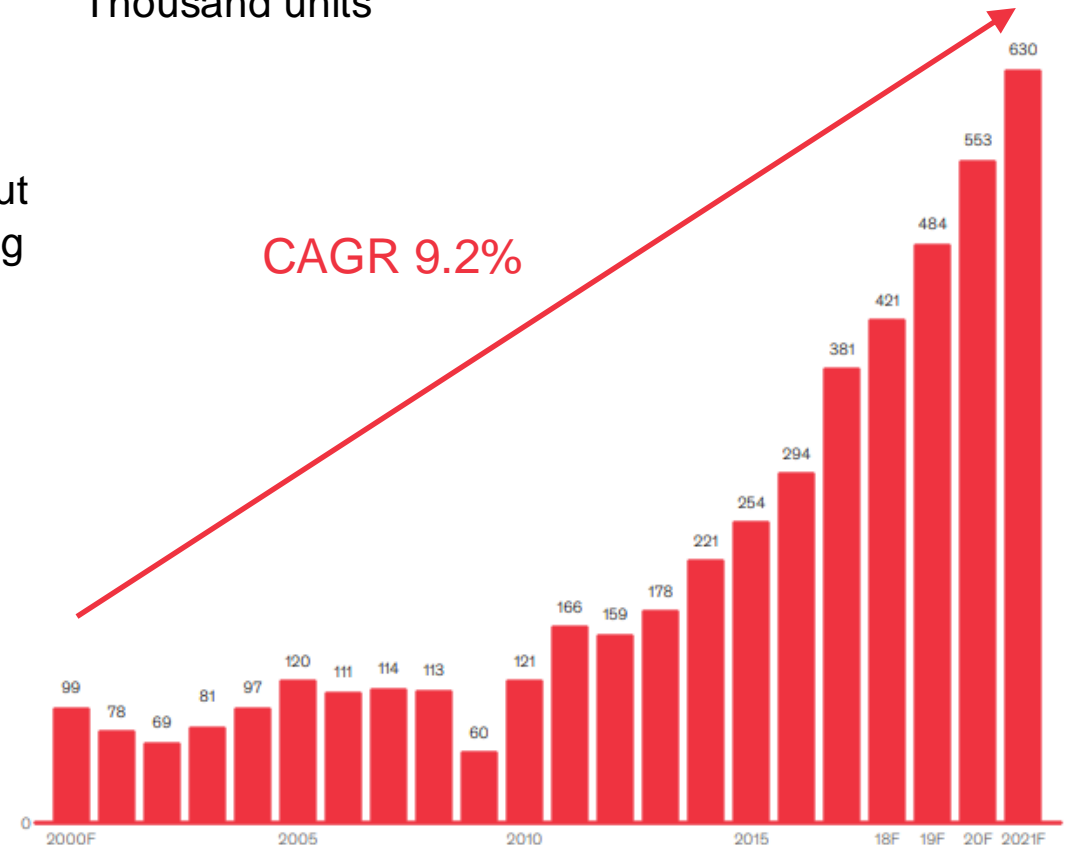
## ROBOT SYSTEMS MARKET

### Global Robot Systems Market



### Annual shipments of industrial robots worldwide

Thousand units





# Growth Area – Smart Furniture

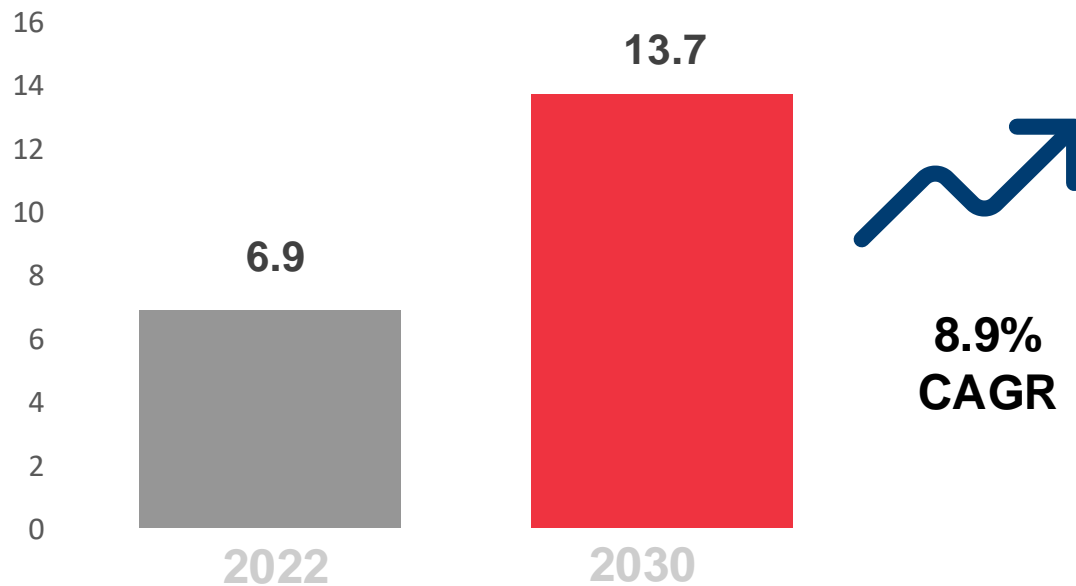
- Aging society
- Growing middle-class
- Ergonomics in homeoffices and workplaces
- Digital health
- Smart home



## MARKET POTENTIAL SMART FURNITURE (2/2)

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### Global Adjustable Beds Market *USD billion*



- Increasing penetration rate for automated furniture → USA > 60% (EU > 10%)
- Going for «higher growth» through organic growth drivers:
  - Increasing number of drives per set
  - Vertical integration
  - Electronic periphery
  - Integrated sensor technology
  - Digitalization of drives

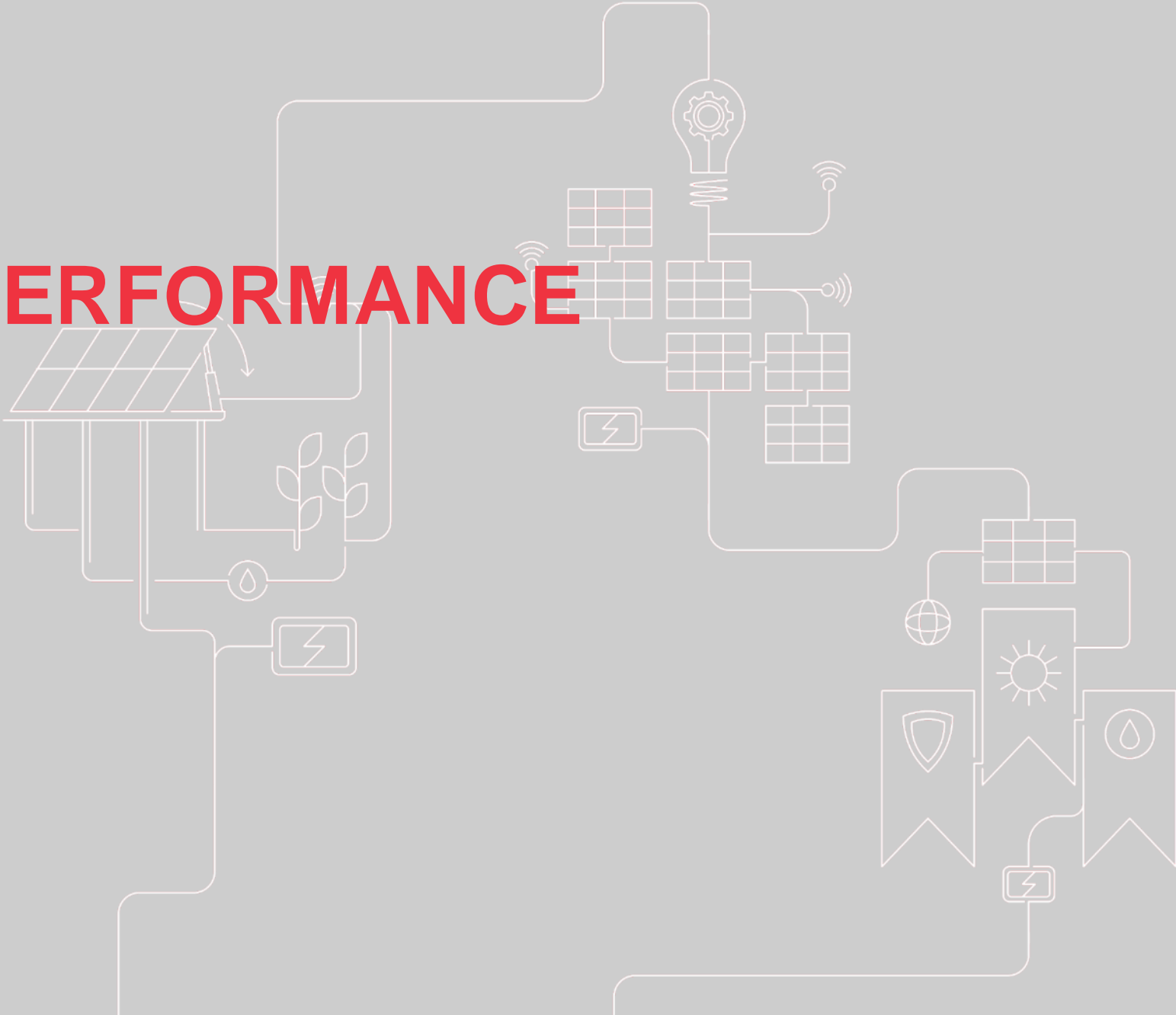
Source: SkyQuest Technology Group

<https://www.skyquestt.com/report/adjustable-beds-and-mattress-market>

Current Financials

# BUSINESS PERFORMANCE

## Q3 2024



## CONSOLIDATED RESULTS

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- The DOT division continued to grow, largely offsetting the decline in sales in the two industrial divisions.
- The change in business mix led to uneven capacity utilisation and slightly lower profitability.

EUR million	Q3 2023	<b>Q3 2024</b>	+/-
Gross sales	600.6	591.7	-1.5%
<b>Operating result</b>	<b>48.2</b>	<b>41.7</b>	<b>-13.5%</b>
in % of sales	8.0%	7.1%	-0.9pp
<b>Result of the period</b>	<b>34.1</b>	<b>28.0</b>	<b>-17.7%</b>

## ENCLOSURE SYSTEMS

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- Strong demand for explosion-proof enclosures – particularly in Asia – offered a glimmer of light in a rather difficult economic climate overall
- A new enclosure series for embedded systems and Internet of Things applications attracted a great deal of interest at various trade fairs

EUR million	Q3 2023	<b>Q3 2024</b>	+/-
Gross sales	179.6	165.6	-7.8%
<b>Operating result</b>	<b>28.6</b>	<b>22.9</b>	<b>-19.7%</b>
in % of sales	15.9%	13.9%	-2.0pp



## INDUSTRIAL COMPONENTS

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- Current transformers and measuring systems for HVDC transmission are benefiting from the expansion of electricity grids in connection with renewable energies
- Other business lines have been hit hard by declining demand and are gradually beginning to bottom out

EUR million	Q3 2023	<b>Q3 2024</b>	+/-
Gross sales	174.2	144.0	-17.3%
<b>Operating result</b>	<b>13.1</b>	<b>7.6</b>	<b>-41.8%</b>
in % of sales	7.5%	5.3%	-2.2pp



## DEWERTOKIN TECHNOLOGY GROUP

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- Sales climbed for the fifth quarter in a row and the increase in incoming orders suggests that the positive momentum will continue
- DewertOkin is on a long-term growth path and economies of scale are becoming increasingly effective as volumes grow

EUR million	Q3 2023	<b>Q3 2024</b>	+/-
Gross sales	246.8	275.3	+11.5%
<b>Operating result</b>	<b>9.6</b>	<b>17.3</b>	<b>+79.8%</b>
in % of sales	3.9%	6.3%	+2.4pp

DewertOkin Technology Group

# UPDATE NEW INDUSTRIAL PARK AND TECHNOLOGY CENTRE IN JIAXING



## NEW INDUSTRIAL PARK

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Location: Jiaxing (Shanghai)  
Operational ramp-up: 2023  
Floor space: 115.000 sqm  
Investment: Up to EUR 100 million

### Rationale

- Consolidate existing locations
- Improve operational efficiency
- Increase vertical integration
- Materialize operational leverage
- Establish global R&D centre
- Space for future growth

### Plan

- Partial listing of DewertOkin in China
- Substantial participation of local leadership team



## EQUITY STORY

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### STREAMLINING PORTFOLIO

### FOCUS ON PROFITABILITY

1. Balanced portfolio with leading market positions
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