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Record number of orders received and strong sales growth

Despite a very challenging market environment, the Feintool Group significantly increased its sales to CHF 861 million during the 2022 financial year. Operating profit (EBIT) before non-recurring items was CHF 26.7 million (EBIT margin 3.1 %). The large number of orders received in the area of e-mobility is encouraging and confirms the positive development of the company's growth strategy.

In the previous year, Feintool again mastered considerable challenges due to external influences, primarily in the wake of geopolitical incidents. High energy prices, increased expenses due to inflation - for example for transport – and increased personnel costs in some regions made doing business more difficult. Although pricing developments in the steel industry varied from region to region, these also impacted business negatively.

Despite these unfavorable conditions, the Feintool Group succeeded in increasing its sales in the 2022 financial year. Overall the group reported incoming orders for the parts business with a lifetime value of over CHF1 billion during the past financial year - a new record for Feintool.

Sharp increase in sales

Consolidated sales increased by 46.4% to CHF 861 million (previous year: CHF 588.1 million), incl. ten-month consolidation of the Kienle + Spiess Group. Sales generated by Kienle + Spiess amounted to CHF 217.5 million, resulting in inorganic growth of 37% while organic growth, driven by price growth, was at approximately 15.6%. EBITDA amounted to CHF 85.7 million in the reporting period, corresponding to an EBITDA margin of 10% (Previous year: CHF 85.6 million, 14.5% margin). Taking one-off effects into account, EBIT totaled CHF 20.3 million, corresponding to an EBIT margin of 2.4%.

Net sales in the System Parts Europe segment rose by 78.2% from CHF 312.2 million to CHF 556.3 million. Net sales in the System Parts USA segment increased in reporting currency by 12.7% to CHF 191.7 million (previous year: CHF170.1 million). Net sales in the System Parts Asia segment increased by 14.8% to CHF 89.3 million (previous year: CHF 77.7 million). Net sales generated by the Fineblanking Technology segment decreased to CHF 29.3 million (previous year: CHF 37.7 million).

A dividend payment of CHF 0.34 per share will be proposed at the Annual General Meeting.

Growth and technology strategy leads to success

Feintool produces and markets products for e-mobility and hydrogen technology as part of the current automotive sector transformation. It also produces and markets products for industrial applications and wind turbines. A successful bid for a contract to supply a major European car manufacturer with rotors and stators, which are the components for the main drive of battery-powered electric vehicles, is encouraging and confirms that this strategy is successful. In addition, Feintool's collaboration with the company SITEC in China was extended to Europe. After the Memorandum of Understanding has been signed Feintool will not only be a partner for the large-scale production of ready-to-install bipolar plates for fuel cells and electrolyzers in China but also in Europe. These components are used in the mobility sector or for the production of hydrogen. At the same time, Feintool secured new major orders in the USA in the established technologies of forming and fineblanking. As a result, the company is globally represented with its products and extensive know-how both in its established technologies and for developments in the markets of the future.

Syndicated loan Refinancing

On December 15, 2022, Feintool International Holding AG replaced its existing syndicated loan by signing a new credit agreement with a bank syndicate led by Zürcher Kantonalbank. The credit line under the new agreement amounts to CHF 100 million and has a term of five years (with renewal options). "We are pleased to have entered into this credit agreement, which secures the Feintool Group's long-term financing," said Samuel Künzli, CFO. "Thanks to our focus on operational free cash flow growth over the past two years, we have been able to reduce net debt to below 1x EBITDA." The syndicated loan ensures that Feintool's liquidity and long-term financing continue to be sustainably secured by a broad-based banking syndicate consisting of six banks.

Sustainability goals set

A responsible approach to the environment is a central component of Feintool's corporate philosophy. The Board of Directors adopted a more stringent Code of Conduct in the year under review. Feintool is involved in a wide range of ESG activities that enhance the attractiveness of its products. Full reporting on these activities will be provided in its Sustainability Report 2022, which will be published at the end of April 2023. Following publication, Feintool will undergo an external ESG rating.

Outlook and guidance

We are confident about the Feintool Group's future prospects despite the challenges in a complex market environment. The company will continue to pursue its strategy, forge ahead with its transformation, and invest in the future markets of electrification. Numerous new contracts in 2022 confirm this growth strategy.

Barring unforeseen circumstances, Feintool expects to generate net sales of approximately CHF 900 million, EBITDA before one-off effects of between CHF 85 million and CHF 95 million, and EBIT before one-off effects of between CHF 25 million and CHF 30 million.

About Feintool

Feintool is an internationally active technology market leader in the field of fineblanking, formed steel components and punched electro sheet metal products. Cost-effectiveness, superior quality and productivity distinguish these technologies.

As an innovation driver, Feintool continually pushes the boundaries of these technologies and develops intelligent solutions to meet its customers' requirements. Feintool offers high-performance fineblanking systems, innovative tools and state-of-the-art manufacturing processes for all aspects of high-volume sheet metal applications in the automotive industry and other demanding industrial sectors as well as renewable energies. The processes used support the megatrends of green energy generation, storage, and application.

Founded in 1959 and headquartered in Switzerland, the company owns 19 production plants and technology centers in Europe, the United States, China, and Japan, ensuring close proximity to its customers. Around the globe, about 3,500 employees and over 100 apprentices are at work on new solutions to create key advantages for Feintool customers.

The key financial figures at a glance

	2022 in CHF million	2021 in CHF million	Change in %	Change in local cur- rency in %
Net sales Feintool Group	861.0	588.1	46.4	52.6
System Parts Europe segment	556.3	312.2	78.2	91.0
System Parts USA segment	191.7	170.1	12.7	7.9
System Parts Asia segment	89.3	77.7	14.8	20.8
Fineblanking Technology segment	29.3	37.7	-22.3	-22.3
Earnings before interest, taxes, depreciation and amortization (EBITDA) ¹	85.7	85.6	0.1	6.4
Operating result (EBIT) ²	26.7	34.4	-22.5	-13.9
System Parts Europe segment ³	29.4	27.4	7.4	17.8
System Parts USA segment ⁴	5.9	13.3	-55.2	-57.1
System Parts Asia segment	7.2	5.6	27.9	36.1
Fineblanking Technology segment ⁵	-6.4	-4.3	-47.7	-91.4
Group result	16.5	19.2	-14.2	-6.2
Balance sheet total	915.0	684.4	33.7	
Equity	540.5	338.4	59.7	
Net debt	42.1	120.7	-65.1	
Expected call-offs series parts production (System Parts segment)	549.8	307.8	78.6	85.7
Order intake third parties (capital goods) (Fineblanking Technology segment)	25.3	37.9	-33.2	-33.0
Third-party order backlog (capital goods) (Fineblanking Technology segment)	15.6	16.8	-7.4	-7.2
Employees	3,390	2,478		
Apprentices	101	89		

¹ Excluding negative one-off effects of CHF-6.4 million (PY positive one-off effects in the amount of CHF11.6 million)

² Excluding negative one-off effects of CHF-6.4 million (previous year CHF- 0.5 million).

³ Excluding negative one-off effects of CHF -4.2 million (previous year in the amount of CHF-12.1 million)

⁴ PY excluding positive one-off effects of CHF 7.6 million.

⁵ Excluding negative one-off effects of CHF-1.2 million (PY positive one-off effect of CHF3.9 million)

All information on Feintool's 2022 annual results can be found in the 2022 Annual Report, which is available as a PDF at <https://www.feintool.com/en/company/investor-relations/>.