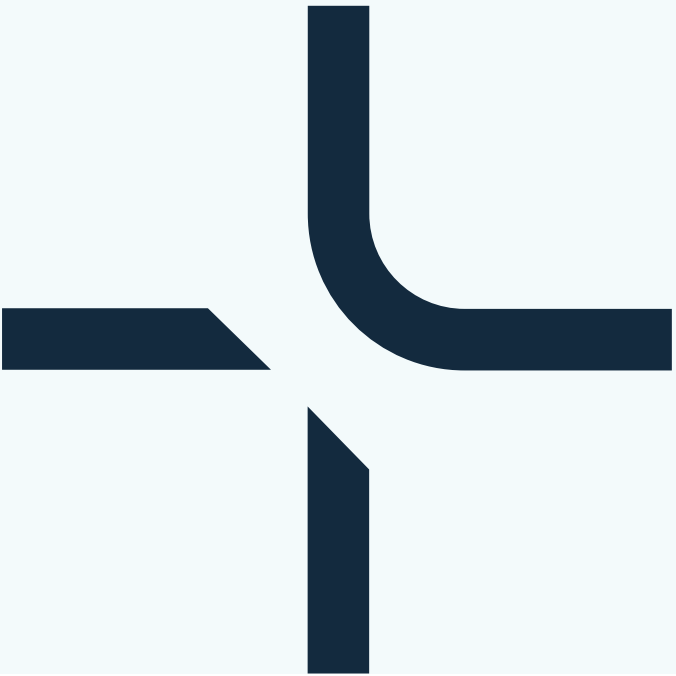


2024 Financial Year

Media and Analysts' Conference

Zurich, Switzerland, March 14, 2025

Welcome



Shaping the future of the global metal-cutting machine tool industry

Media and Analysts' Conference

Speakers



Michael Hauser
Chairman



Martin Buyle
CEO



Markus Jäger
CFO

Media and Analysts' Conference Agenda

01 Introduction

02 Business review

03 Financial review

04 Outlook 2025

05 Q & A



Introduction

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Introduction



Michael Hauser
Chairman

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2024: Navigating uncertainty in a shifting economy



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In memoriam

Walter Fust

July 17, 1941 – February 4, 2025

**Entrepreneur,
investor, and
pioneer of the
StarragTornos Group**





Business review

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Business review



Martin Buyle
CEO

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StarragTornos at a glance

Established in December 2023

as the result of a merger of two formerly independent companies.

Headquartered in
Rorschacherberg, Switzerland.

Precision

StarragTornos develops, manufactures, and distributes **precision machine tools** for **milling, turning, boring, grinding**, and complete machining of workpieces made of metal, composite materials, and ceramics.

Solutions

In addition to its machine tool portfolio, StarragTornos offers **comprehensive technology** and **after-sales services**.

Two brands

StarragTornos' products are sold under two brands: **"Starrag"** with its 10 sub-brands and **"Tornos"**.

Customers

StarragTornos' customers include leading companies in the **medical and dental technology, luxury goods, aerospace, energy, and transportation industries**.

Global

StarragTornos is operating **30 sites worldwide** and **11 production plants**. The global organization places StarragTornos close to its customers. A network of distributors adds additional points of sales.

Starrag and Tornos machines touch every aspect of our lives.

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Strong and growing in key markets

Target markets	 Aerospace	 MedTech & Dental	 Luxury Goods	 Energy	 Transport	 Industrial
Growth drivers	<ul style="list-style-type: none"> • Globalization and desire for mobility • Increasing environmental demands • Satellite technology • Space travel • Defense 	<ul style="list-style-type: none"> • Demographic change • Technical progress • Leisure sports accidents • Cost pressure 	<ul style="list-style-type: none"> • Rising incomes and the pursuit of wealth • Financial investments 	<ul style="list-style-type: none"> • Substitution of fossil energy • Growing global energy demand • Compliance with international standards 	<ul style="list-style-type: none"> • Increasing demand for food • Changing customer preferences 	<ul style="list-style-type: none"> • Increasing urbanization • Stricter environmental regulations • Increasing miniaturization and more complex workpieces
Sectors (examples)	<ul style="list-style-type: none"> • Civil and military OEMs • Suppliers to the aircraft industry 	<ul style="list-style-type: none"> • Orthopedics • Dental industry • Medical instruments 	<ul style="list-style-type: none"> • Watchmaking industry • Luxury goods 	<ul style="list-style-type: none"> • Wind turbines • Steam and gas turbines • Oil & gas 	<ul style="list-style-type: none"> • Construction and agricultural machinery • Truck & Bus 	<ul style="list-style-type: none"> • Large machine parts • Job Shops • Locking and connector industries • Hydraulics & Pneumatics industries

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Key figures 2024

476.3 mCHF

Order intake 2024

494.1 mCHF

Net sales 2024

1 981 FTE

Dividend proposal to
AGM 2025

**1.00 CHF
per share**

EBIT

15.4 mCHF

3.1% of net sales

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Key figures – comparison 2024 vs. 2023

(mCHF)	Financial Statements			Pro forma	
	2024	2023	Change (%)	2023	Change (%)
Order intake	476.3	392.2	21.5%	528.7	-9.9%
Net sales	494.1	409.0	20.8%	564.7	-12.5%
EBIT	15.4	35.7	-56.8%	46.4	-66.8%
Net profit	11.9	25.2	-52.9%	32.4	-63.5%
Order backlog	326.0	340.8	-4.3%		

Comparison

- Order intake: slow market activity in important regions and market segments partly offset by positive development in Aerospace and Energy.
- Net sales appr. 13% down from a record level in 2023.
- EBIT lower as a result of reduced net sales and change in product mix.
- Year-end order backlog was only 4.3% below the previous year's level.

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Order intake by target markets

(mCHF)	2024	2023	+/-%
Aerospace	90.3	83.8	+7.7%
Med Tech & Dental	38.4	43.1	-10.8%
Luxury Goods	51.6	101.1	-48.9%
Energy	32.3	16.4	+96.9%
Transportation	57.3	52.0	+10.1%
Industrial	73.5	91.2	-19.4%
Total Machines	343.4	387.6	-11.4%
Service	132.9	141.1	-5.8%
Total	476.3	528.7	-9.9%

Market segments

- The Luxury Goods segment saw a temporary drop in investment goods demand amid customer uncertainty.
- Aerospace leads in order intake and sales, driven by advanced manufacturing projects for civil and military aircraft components.
- Energy segment sales more than doubled in both renewable and traditional power generation.
- StarragTornos received significantly more orders from the defense industry in the Aerospace and Transportation market segments.

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Order intake by region

(mCHF)	2024	2023	+/-%
Europe	194.3	264.1	-26.4%
Switzerland	62.2	94.2	-34.0%
Americas	99.5	50.1	+98.6%
Asia	49.7	73.4	-32.3%
Total Machines	343.4	387.6	-11.4%
Service	132.9	141.1	-5.82%
Total	476.3	528.7	-9.9%

Regions

- **Europe & Switzerland:**
 - Significant decline in order intake, mainly due to a downturn in the Luxury Goods segment.
 - Swiss watchmakers were particularly cautious about investments in 2024.
- **Americas:**
 - Order intake nearly doubled.
 - Growth driven by large customer projects in Aerospace and Energy.
- **Asia:**
 - Order intake affected by slower economic growth and China's increasing push for autonomy.
 - Despite challenges, local production ensures a strong market position.

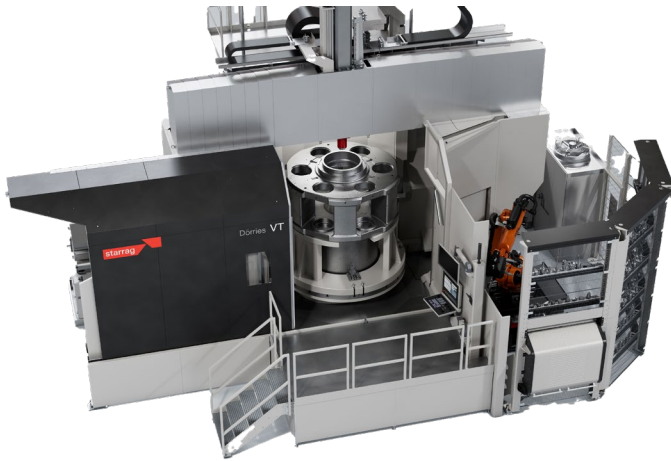
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Net sales (machines and service)

(mCHF)	2024	2023	+/-%
Machines	359.6	428.4	-16.1%
Service	134.5	136.3	-1.3%
Total	494.1	564.7	-12.5%

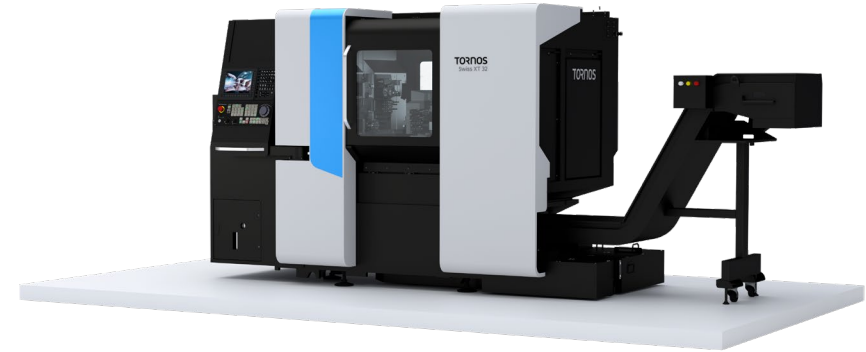
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Key highlights for StarragTornos – new product launches 2024



Starrag Dörries VT

- Designed for applications in the energy market segment.
- Features low energy consumption, reducing operational costs.
- Built with low weight for enhanced versatility and ease of handling.
- Designed to occupy minimal space, ensuring efficient use of workspace.



Tornos Swiss XT

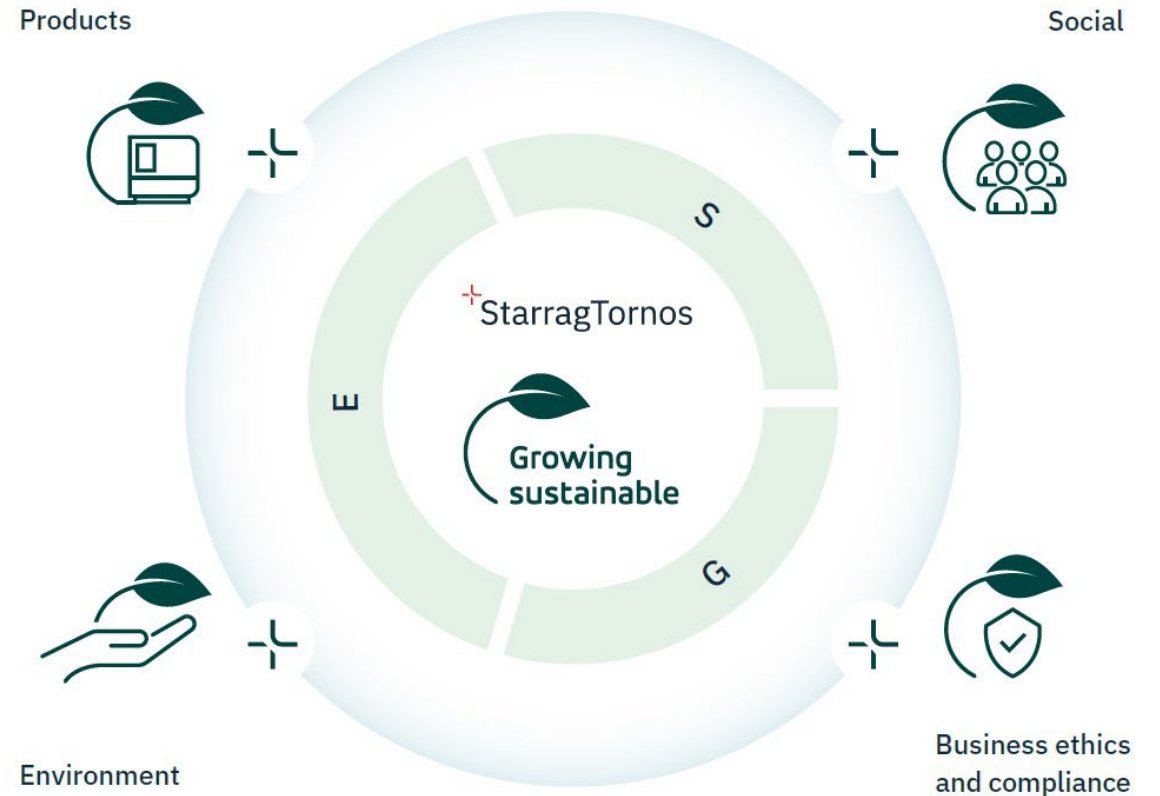
- Exhibited at various trade shows and customer presentations worldwide.
- Equipped with three independent tooling systems for enhanced flexibility.
- Features individually adjustable axes for superior accuracy.
- Ideal for use in automotive, hydraulic, pneumatic, and medical industries.

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ESG Strategy

- In **2024**, the StarragTornos Group started to lay the foundation of its ESG strategy with a **new CSR Governance** and a **new Group-wide ESG management approach**.
- Our ESG strategy is being built on four key pillars: **Products**, **Environment**, **Social**, and **Business ethics and compliance**.

We have laid the foundation for responsible growth and now aim to set ambitious yet realistic goals with clear milestones.



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ESG Strategy

Focus on environment pillar in 2024

- **Major investments in solar energy**
 - New installations in Rorschacherberg, Taichung, and Moutier.
- **Enhanced energy efficiency**
 - Improved machine efficiency.
- **Comprehensive climate impact assessment**
 - Full carbon footprint analysis, covering all emission scopes.

StarragTornos Group is driving the transition to a responsible industry.

The new Bumotec 1000/C^{neo}



34%
process time savings

29%
footprint reduction

< 90W
per workpiece

Main measures for energy savings

- Pneumatics monitoring
- Adaptive coolant flow
- Advanced energy monitoring

Energy savings in operations

-25%
per workpiece

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Synergy program on track

Merger and program launch

- Starrag and Tornos merged in December 2023.
- Program initiated to identify and leverage synergies.

Implementation and early actions

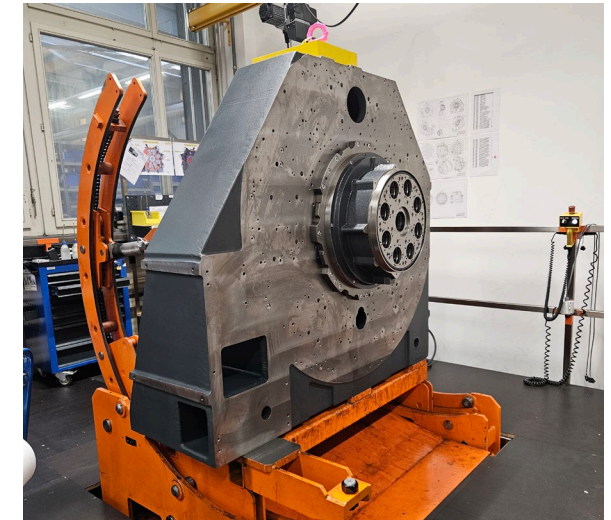
- Program rollout began in January 2024.
- Procurement alignment across the group to optimize purchasing synergies.

Ongoing progress

- Cost synergies especially in procurement and cross-utilization of resources gradually increasing.
- Sales synergies evolving; slower development due to economic situation in the relevant market segments.



Showcasing a strong partnership with a joint appearance at an international show.



Tornos machine component manufactured at the Starrag plant in Chemnitz, Germany.



Financial review

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Financial review



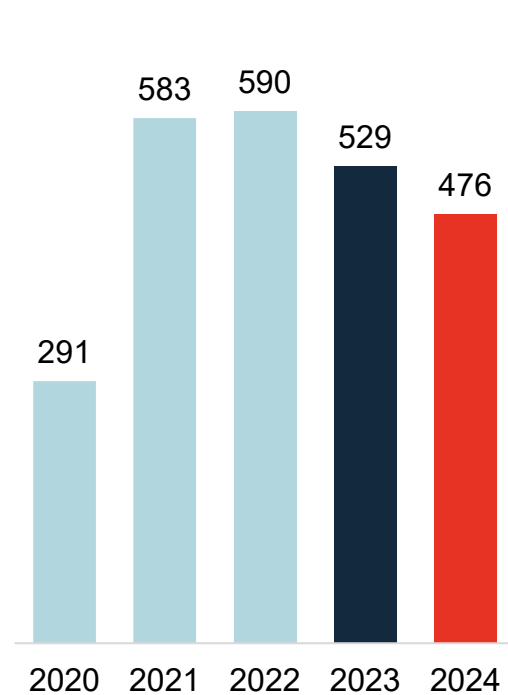
Markus Jäger
CFO

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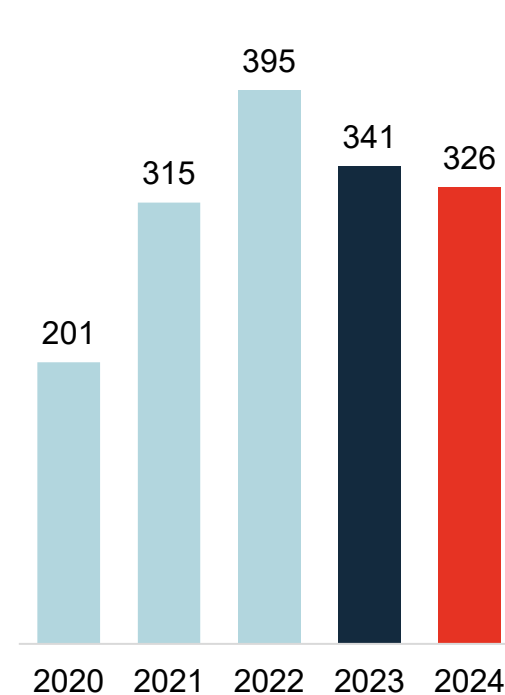
At a glance – 5-year comparison

(mCHF)

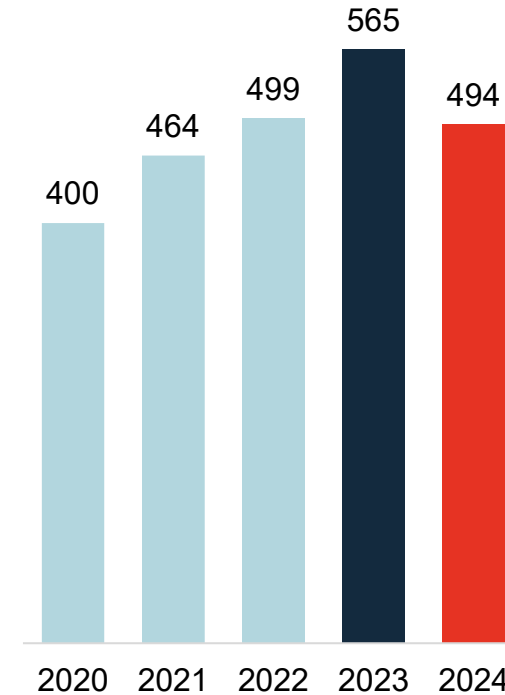
Order intake



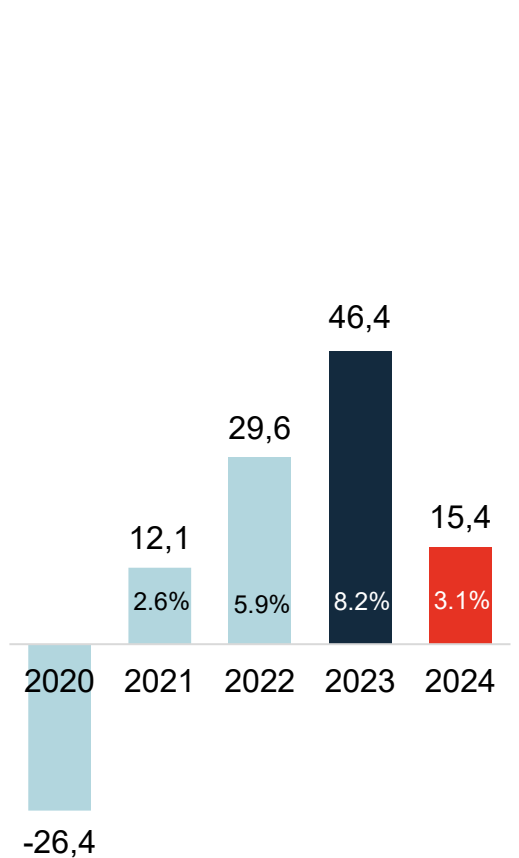
Order backlog



Net sales



EBIT

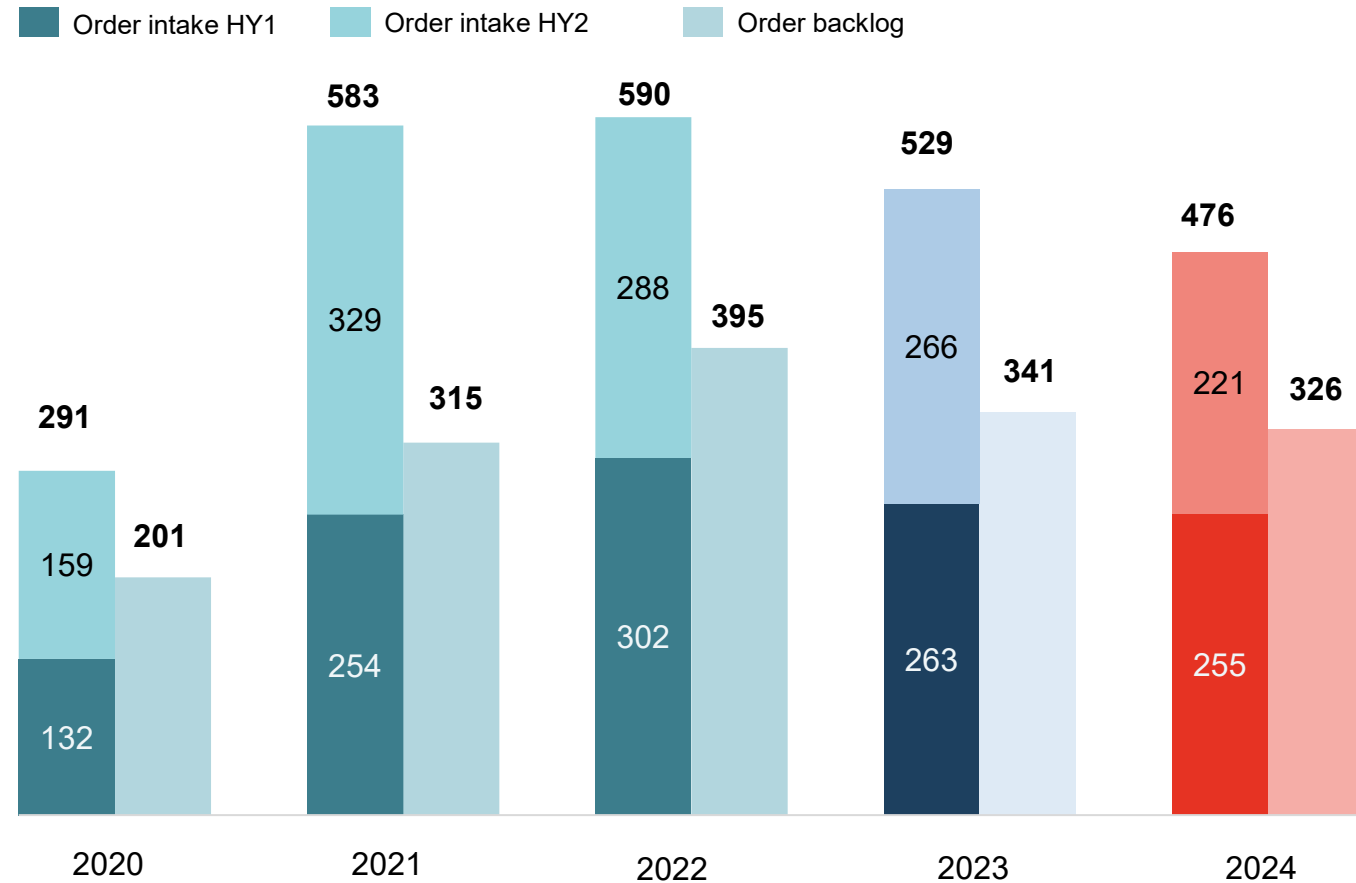


Pro forma figures 2020 - 2023 (non-audited)

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Order backlog provides a solid basis for 2025

(mCHF)



Order intake 2024:

- Second-half order intake missed expectations due to Europe's ongoing recession.

Order backlog:

- Backlog down 4.3% YoY, supported by our resilient, customer driven business model.

Book to bill ratio:

- 0.96

Pro forma figures 2020 - 2023 (non-audited)

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Consolidated Income Statement

(mCHF)	2024 ¹⁾	2023 ²⁾	2023 Pro forma ³⁾
Net Sales	494.1	409.0	564.7
<i>Division Starrag</i>	365.6	392.0	392.0
<i>Division Tornos</i>	128.5	17.0	172.7
<i>% Change</i>	20.8%		
EBITDA	27.5	43.5	56.9
<i>as % of net sales</i>	5.6%	10.6%	10.1%
EBIT	15.4	35.7	46.4
<i>as % of net sales</i>	3.1%	8.7%	8.2%
Non-operating result	2.5	-0.1	0.0
Financial Result	-2.9	-4.0	-6.2
Tax	-3.2	-6.4	-7.8
Net Profit	11.9	25.2	32.4
<i>as % of net sales</i>	2.4%	6.2%	5.7%

Challenging Economic Environment:

- Lower net sales compared to 2023 Proforma due to weak markets in Europe and key market segments
 - Volume impact: -65 mCHF
 - FX impact: -6 mCHF

Expense Reduction:

- Program in place to safeguard margins and continuously fund R&D investments.

Investments:

- Continued investment in future growth despite economic uncertainty.

EBIT:

- Decline driven by lower sales and a change in product mix.

Non-Operating Income:

- Affected by the sale of fixed assets.

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Consolidated Balance Sheet

(mCHF)	31.12.2024	31.12.2023
Total current assets	400.7	405.5
- Cash	60.7	60.2
- Receivables goods and services	113.8	102.7
- Inventories	215.5	231.0
Total non-current assets	150.1	141.7
Total assets	550.9	547.2
Total current liabilities	184.4	184.1
Total non-current liabilities	50.3	46.8
Total shareholders' equity	316.1	316.3
Total liabilities and shareholders' equity	550.9	547.2
Equity ratio %	57.4	57.8

Net Liquidity:

- 0.3 mCHF due to high cash position.

Receivables Goods and Services:

- Tight overdue management in place; increase driven by higher receivables from construction contracts (PoC).

Inventories:

- Ongoing reduction program to free up blocked resources.

Non-Current Assets:

- 17.9 mCHF investment in tangible and intangible assets to support growth.

Equity Ratio:

- Remains with 57.4% high.

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Consolidated Cash Flow

(mCHF)	2024 ¹⁾	2023 ²⁾
CF operating activities	7.7	22.4
Acquisition Tornos Holding AG	-	15.8
Investments	-17.9	-10.1
Disposals	3.2	0.1
CF investing activities	-14.7	5.8
Free Cash Flow	-7.0	28.2
Increase borrowings	20.5	18.1
Dividend payment	-13.7	-6.7
CF financing activities	6.8	11.4
Cash and cash equivalents at the end of the period	60.7	60.2

Cash Flow from Operating Activities:

- Affected by lower net profit, inventory reduction and higher PoC receivables.

Cash Flow from Investing Activities:

- Impacted by investment in fixed assets and sale of non-operational land.

Free Cash Flow:

- Negative at -7.0 mCHF, down from 28.2 mCHF in 2023, which was influenced by the merger.

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Selected key figures per share

	2024	2023
Net profit (mCHF)	11.9	25.2
Weighted average number of shares	5'463'121	3'493'000
EPS (CHF)	2.17	7.21
Dividend per share (CHF)	1.00	2.50
Payout ratio	46.1%	54.2%
Year-end price StarragTornos share (CHF)	37.0	49.6
P/E ratio on December 31	17.06	6.88
Net cash / (debt) (mCHF)	(-0.3)	19.8
ROE	3.7%	10.3%

Weighted Average Number of Shares:

- As of December 2023, the number of shares increased by 2,103,121 to 5,463,121 registered shares.

Dividend per Share and Payout Ratio :

- The Board of Directors will propose a dividend of CHF 1.00 per share, representing a payout ratio of 46.1%.

Net Cash (Debt):

- Solid cash position fully covers outstanding bank loans.

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Medium targets still valid



Targeted annual
increase in sales of
5%



Targeted EBIT margin
of over
8%



Attractive dividend with
a payout ratio of
35-50%



P/E ratio of
17.1
offers great potential
for positive share
price performance



Outlook 2025

Media and Analysts' Conference Outlook 2025



Martin Buyle
CEO

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Outlook 2025

- Remains challenging with no clear signs of a long-term recovery.
- Economic environment remains uncertain; potential threats from new trade barriers.
- Strengthened market position in the defense industry presents new avenues for growth.
- Order backlog provides a solid foundation for operations in 2025.
- Company follows a cautious yet flexible course to adapt swiftly to market changes.
- StarragTornos will continue to rigorously implement its synergy initiatives.
- Actively seeking and leveraging opportunities as they emerge.



StarragTornos targets 5% annual sales growth and >8% EBIT of net sales long-term.



Q & A

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Q & A



Martin Buyle

CEO



Markus Jäger

CFO

Thank you
for your attention

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