

Ad hoc announcement pursuant to Art. 53 LR

**StarragTornos Group's 2025 Annual Report:**

## **StarragTornos Group expands Aerospace business and enhances structural resilience**

- **Large new orders from aviation customers further strengthened StarragTornos' strong position in the Aerospace market segment**
- **Significant more orders from the defense industry**
- **Sharp decline in demand in the Luxury Goods market segment had a significant negative impact on revenue and earnings**
- **Synergy program delivered first effects on operating profit**
- **Structural cost-saving measures and value chain improvements further enhanced the Group's resilience**
- **Proposed dividend of CHF 1.00 per share**

*Rorschacherberg, March 16, 2026, 07:00 a.m.*

In a challenging economic environment, the StarragTornos Group succeeded in maintaining order intake for the 2025 financial year at the previous year's level and to increase its year-end order backlog compared to 2024. The Group further improved its strong position in the Aerospace market segment, achieving a 40.1% increase in order intake. Many new orders came from the defense industry. The share of this industry in the machinery business of the StarragTornos Group increased from 23% in 2024 to 37% in 2025. In contrast, the sharp decline in demand in the Luxury Goods market segment had a markedly negative impact on revenue and annual results.

The StarragTornos Group's order intake in 2025 amounted to CHF 472.8 million. This is 0.7% below the figure for the 2024 financial year (CHF 476.3 million). Net sales fell by 10.5% from CHF 494.1 million to CHF 442.1 million in the 2025 financial year. At the end of the year, the StarragTornos Group had an order backlog of CHF 336.4 million (end of 2024: CHF 326.0 million, +3.2%).

### **StarragTornos Group's order intake by market segment**

in CHF million

	<b>2025</b>	<b>2024</b>	<b>+/-%</b>
Aerospace	126.5	90.3	+40.1%
Med Tech & Dental	30.5	38.4	-20.5%
Luxury Goods	28.4	51.6	-45.0%
Energy	28.1	32.3	-13.0%
Transportation	47.2	57.3	-17.6%
Industrial	73.6	73.5	+0.1%
<b>Total Machines</b>	<b>334.3</b>	<b>343.4</b>	<b>-2.6%</b>
Service	138.5	132.9	+4.2%
<b>Total</b>	<b>472.8</b>	<b>476.3</b>	<b>-0.7%</b>

In the Aerospace market segment, StarragTornos was able to secure several large new orders both for military and civil aviation customers in 2025. The Group also succeeded in maintaining its strong market position in its second largest market segment, Industrial. The Luxury Goods market segment, however, experienced a pronounced decline in demand, particularly from the watchmaking industry. Compared to 2024, the Group also recorded declines in the Transportation, MedTech & Dental and Energy market segments. In the Service business, StarragTornos more than offset the decline caused by lower utilization of machines in operation through increased overhaul activities and the expansion of long-term maintenance contracts.

### StarragTornos Group's order intake by region

in CHF million

	2025	2024	+/-%
Europe	157.3	194.3	-19.0%
<i>Switzerland</i>	48.3	62.2	-22.3%
Americas	111.2	99.5	+11.8%
Asia	65.8	49.7	+32.4%
<b>Total Machines</b>	<b>334.3</b>	<b>343.4</b>	<b>-2.6%</b>
Service	138.5	132.9	+4.2%
<b>Total</b>	<b>472.8</b>	<b>476.3</b>	<b>-0.7%</b>

Europe remains the Group's most important sales region, with Switzerland accounting for a significant share of orders. However, StarragTornos experienced a notable reduction in order intake across Europe, most notably in Switzerland. This was largely attributable to the weakening Luxury Goods market segment, where Swiss watchmakers in particular remained very cautious about making investments. By contrast, the Americas significantly increased their share and further consolidated their position as an important sales market for StarragTornos.

Although tariff policies in the US had a negative impact on demand, the Group's technologies—particularly in the aerospace and defense sectors—remained in high demand. Overall, orders from this region were 11.8% above the prior-year level. After a slow business year in 2024, order intake from Asia rose by 32.4% in 2025. The largest contribution to this growth came from China. Thanks to the Group's global presence, StarragTornos remains ideally equipped for the de-globalization and reshoring trends seen in the various target markets.

### Net sales

In total, net sales declined by 10.5% compared with the previous year's high level to CHF 442.1 million. Excluding currency effects, net sales amounted to CHF 448.6 million (-9.2% compared to 2024). This development was attributable to declining order backlogs in certain areas and to the fact that some orders received during the reporting year will not become revenue-effective until 2026 and beyond. In addition, capacity utilization varied significantly across individual sites.

### Service business on track

Starrag's and Tornos' service business continued to perform well. This business now accounts for 28.4% of total net sales at Starrag and for 31.3% at Tornos. Starrag relies on comprehensive service solutions and, increasingly, on proactive solutions with a forward-looking and preventive character, such as the automated remote fingerprint. This allows Starrag machines to be remotely examined during operation and to detect even the smallest performance deviations in advance. Overall, proactive service products contributed 13.4% to Starrag's service business in the reporting year. The

DECO 10 Plus offer, whereby Tornos customers could have their older DECO 10 machines upgraded to the latest technology, again made a significant contribution to Tornos' net sales in the service business. Tornos also repurchases older systems and, after full reconditioning, reintroduces them to the market in line with the principles of the circular economy.

### **Earnings situation**

Compared with the previous year, EBIT declined from CHF 15.4 million to CHF 6.0 million. The EBIT margin decreased from 3.1% to 1.4%. Net profit fell from CHF 11.9 million to CHF 5.3 million. The main reason for this development was a 10.5% reduction in net sales, which was partially offset by cost-saving measures implemented across all organizational units, in particular at the Moutier and Chemnitz sites and by the introduction of short-time work at several locations. Restructuring costs burdened the 2025 annual result by CHF 2.2 million but are expected to have a positive impact in the coming years. In addition, lower other operating income and changes in the sales mix had a negative impact on the margin.

### **Solidly financed**

The StarragTornos Group's equity ratio is at a high level of 59.6%, ensuring a strong level of financial stability and independence. It reflects the Group's high resilience during difficult periods and provides a solid foundation for sustainable growth.

### **Infrastructure projects and investments**

With regard to infrastructure projects, the focus during the reporting year was on ramping up the substantial investments made in previous years. The expanded in-house manufacturing capabilities for large components were successfully commissioned at the Chemnitz site. In addition to the insourcing of critical large-scale components, StarragTornos was able to secure third-party orders in the field of high-precision machining. In Moutier, the new warehouse system was successfully put into operation. Compared with the previous setup involving several external warehouses, it enables faster order picking and more efficient inventory management, with fewer transport movements and optimized stock management through the consolidation of spare parts and machine inventories.

### **Synergy program**

When the Starrag Group and Tornos merged in December 2023, a program was set up to identify and exploit the synergy potential between the two companies. The majority of synergies had been realized by the end of the reporting year. Procurement is organized at Group level, and the global production, sales, and service infrastructure has been consolidated or is jointly utilized wherever possible. In 2025, the first effects of these synergy measures became visible in operating profit, with a corresponding impact expected in the following years. On the sales side, cross-selling opportunities between Tornos and Starrag were continuously pursued in the reporting year and will be further exploited.

### **Sustainability**

2025 was a defining year for StarragTornos as the Group strengthened its commitment to sustainability and responsible business across the organization. It further aligned its ESG priorities at all levels, guided by the conviction that meeting stakeholder expectations in this area is both a responsibility and an opportunity. A key milestone was the completion of the Group-wide double materiality analysis in line with the European Sustainability Reporting Standards, enabling StarragTornos to focus on the most material ESG topics and align with industry peers. As an industrial machine tool manufacturer, StarragTornos' responsibility is reflected in the products it

brings to market. In 2025, the Group launched several new machines designed with a strong focus on efficiency and compactness, translating its sustainability ambitions into concrete solutions.

## Share price and dividend

The year-end price of the StarragTornos share on December 31, 2025, was CHF 29.70. At the Annual General Meeting on April 17, 2026, the Board of Directors will propose to the shareholders a dividend of CHF 1.00 per share, which corresponds to a payout ratio of 102.2%.

## Board of Directors and Executive Board

On 6 February 2025, the StarragTornos Group had to announce the passing of its Board member and principal shareholder, Walter Fust. Walter Fust held a 52.11% stake in the share capital of StarragTornos Group AG. The heirs' community has resolved to uphold its commitment to StarragTornos in line with the intentions of Walter Fust, to act as a unified entity, and to exercise its voting rights accordingly. During the reporting year, there were no further personnel changes to the Board of Directors or the Executive Board.

## Outlook

StarragTornos does not expect any significant forward momentum in the relevant market segments in 2026 but anticipates that demand from aerospace and defense remains strong. No substantial recovery is currently expected in the weaker end markets and geographical regions. StarragTornos continues to pursue an adaptive approach to strategy execution, with a strong focus on rapid responsiveness. Structural cost-saving measures and value chain improvements implemented in 2025 have further strengthened the Group's resilience to market fluctuations.

## Investor Relations and media contact

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## Next publication dates

March 16, 2026	Media and analysts' conference in Zurich (10 a.m.)
April 17, 2026	Annual General Meeting in Rorschach, Carmen-Würth-Saal
July 24, 2026	Publication of Half-year Report 2026

## Download ad hoc announcement pursuant to Art. 53 LR

<https://starragtornos.com/en/publications/ad-hoc-and-other-announcements/>

Further information on StarragTornos Group can be found at <http://www.starragtornos.com>

## Company profile

StarragTornos Group is one of the world's leading suppliers in the machine tool industry. In its two divisions, Starrag and Tornos, the Group develops, manufactures, and distributes precision machine tools for milling, turning, boring, grinding, and complete machining of workpieces made of metal, composite materials, and ceramics. StarragTornos' customers include leading companies in the medical and dental technology, luxury goods, aerospace, energy, and transportation industries. In addition to its machine tool portfolio, StarragTornos Group offers comprehensive technology and after-sales services. StarragTornos Group employs a total of around 1,800 people. The Group's headquarters are located in Rorschacherberg (Switzerland). StarragTornos Group operates sales and service, production, and development sites in Switzerland, Germany, France, Italy, Spain, Poland, the UK, the USA, Mexico, Brazil, China, Thailand, the Taiwan region, and India. The Group also has sales and service companies in all its major customers' countries. StarragTornos Group AG is listed on SIX Swiss Exchange (ticker symbol STGN, security number 236106, ISIN CH0002361068).

## 2025 key figures for the StarragTornos Group compared to the previous year

CHF 1 000 <sup>1)</sup>	Financial Statements		
	2025	2024	Change
Order intake <sup>2)</sup>	472 768	476 347	-0.7%
Net sales	442 086	494 056	-10.5%
- Starrag division	324 380	365 587	-11.3%
- Tornos division	117 706	128 469	-8.4%
EBITDA <sup>2)</sup>	18 991	27 533	-31.0%
as % of net sales	4.3%	5.6%	
EBIT <sup>2)</sup>	6 022	15 423	-61.0%
as % of net sales	1.4%	3.1%	
Net profit	5 344	11 850	-54.9%
as % of net sales	1.2%	2.4%	
Cash flow from operating activities	47 834	7 720	519.6%
Cash flow from investing activities	-12 412	-14 749	15.8%
Free cash flow <sup>2)</sup>	35 422	-7 029	603.9%
	<b>31.12.2025</b>	<b>31.12.2024</b>	Change
Order backlog <sup>2)</sup>	336 369	326 026	3.2%
Net liquidity	29 607	-271	n.a.
Total equity	312 579	316 110	-1.1%
as % of balance sheet	59.6%	57.4%	
Total balance sheet	524 535	550 870	-4.8%
Outstanding shares	5 463 121	5 463 121	0.0%
Employees (full-time equivalents) <sup>3)</sup>	1 814	1 981	-8.4%
	<b>2025</b>	<b>2024</b>	
<b>Selected key figures per share</b>			
Net profit (CHF)	0.98	2.17	-54.9%
Dividend (CHF)	1.00 <sup>4)</sup>	1.00	0.0%
Payout ratio (%)	102.2%	46.1%	121.7%
Year-end price StarragTornos share (CHF)	29.7	37.0	-19.7%
P/E ratio on December 31	30.4	17.06	78.0%

1) Where not otherwise specified

2) Non-GAAP financial measure, see 2025 StarragTornos Annual Report, page 148, <https://starragtornos.com/en/publications/annual-reports/>

3) Excluding apprentices and interns

4) Proposed by the Board of Directors

In addition to historical information, this ad hoc announcement pursuant to Art. 53 LR contains forward-looking statements that involve risks and uncertainties.