

Schaffhausen, 20 July 2022

Mid-Year Report 2022

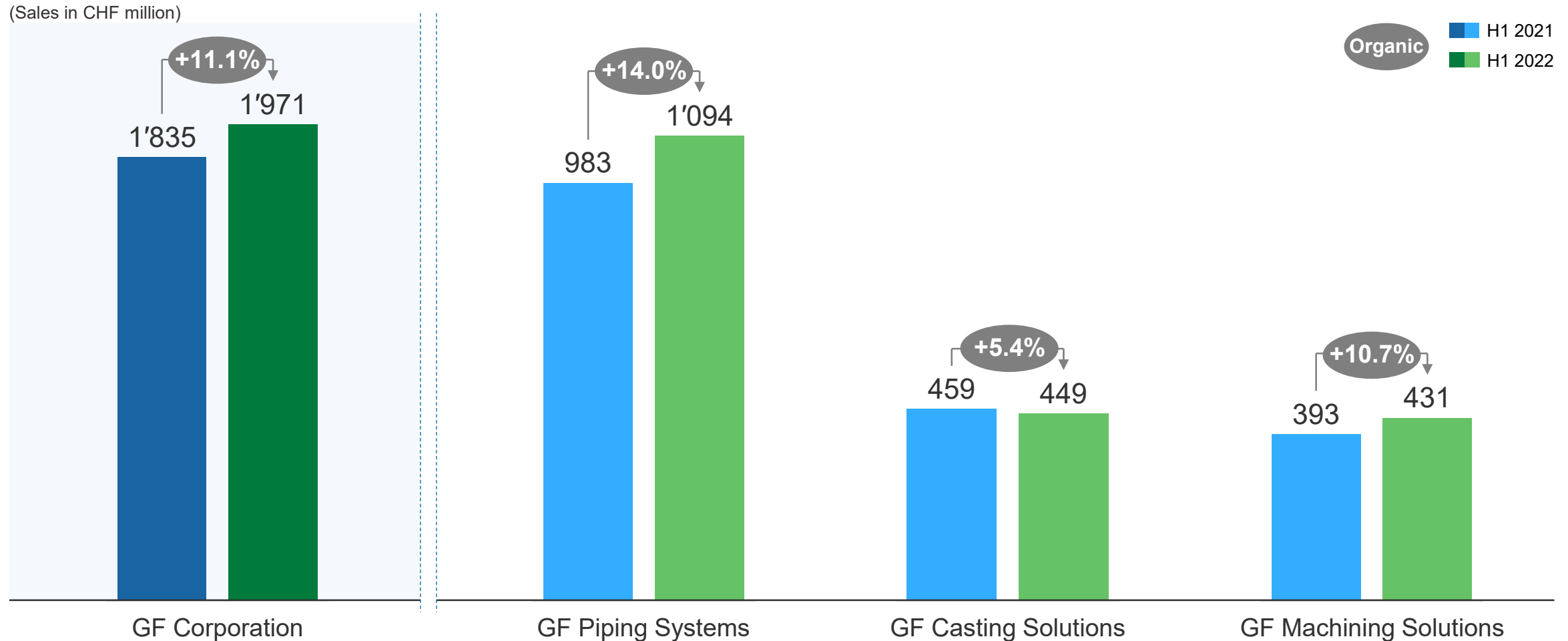
Andreas Müller, Mads Joergensen

Creating sustainable value

- Sales rose 7.4% to CHF 1'971 million, corresponding to an organic growth of 11.1%
- Operating result increased 27% to CHF 179 million, with a significant increase of the EBIT margin to 9.1%
- Well-balanced global footprint pays off with strong organic sales in the US (+25.5%) and Europe (+11.7%)
- Business in China started to recover as COVID-19 lockdowns ease
- Supply chain disruptions impact business, but are mitigated thanks to localized production set-ups
- Implementation of Strategy 2025 well on track; strong focus on customer value and sustainable markets

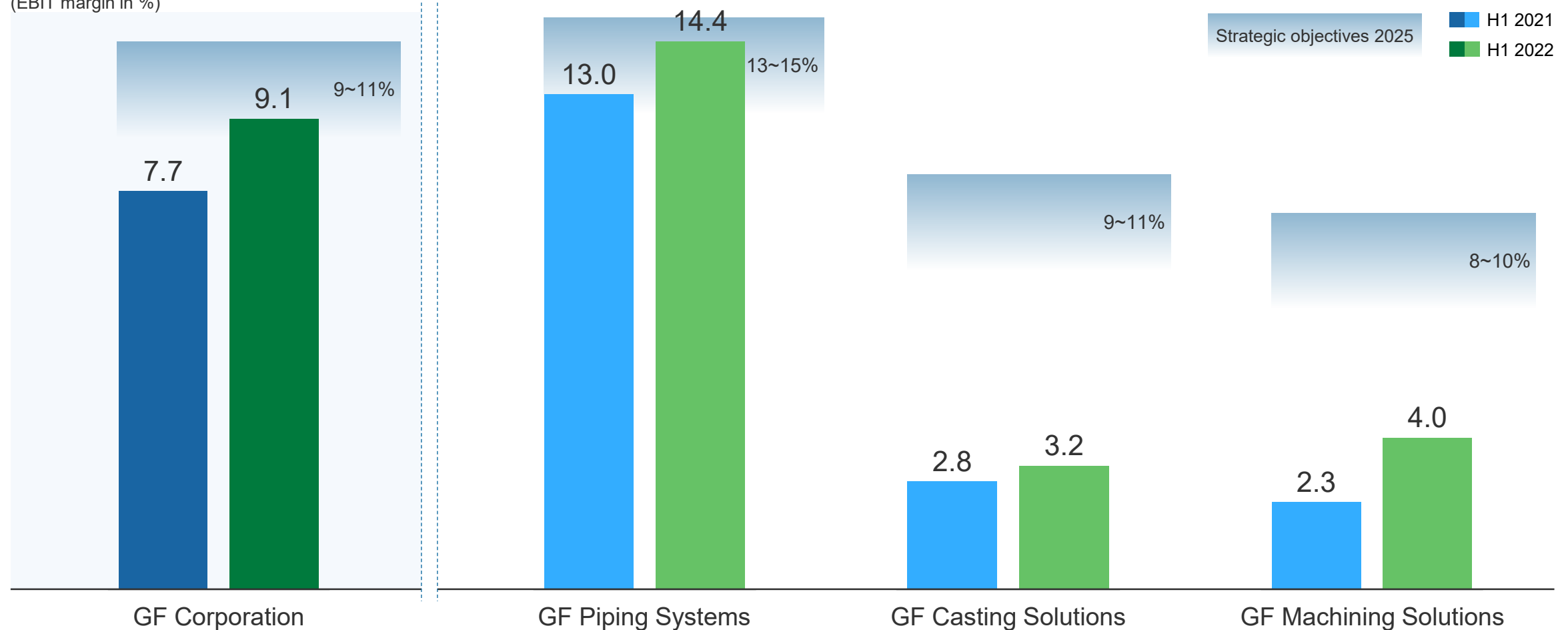


Strong sales growth as a result of solid market positions



Profitability further increased – clear step towards strategy targets 2025

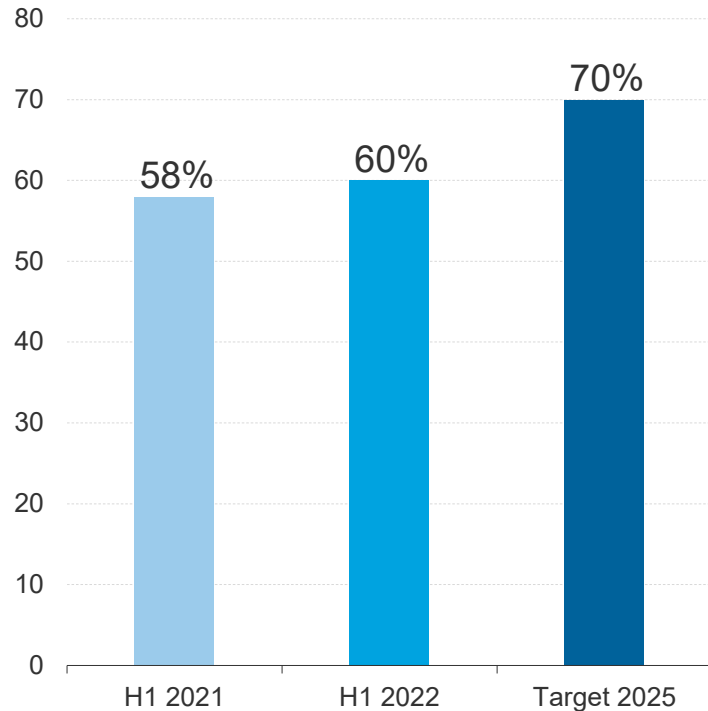
(EBIT margin in %)



Significant reduction of CO₂e emissions in all three divisions

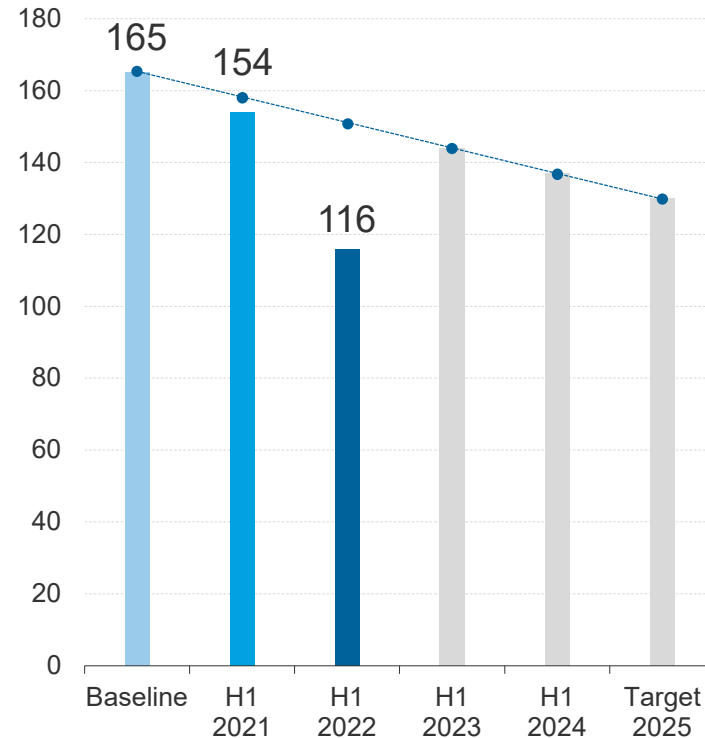
Sales with social or environmental benefits

% of total sales



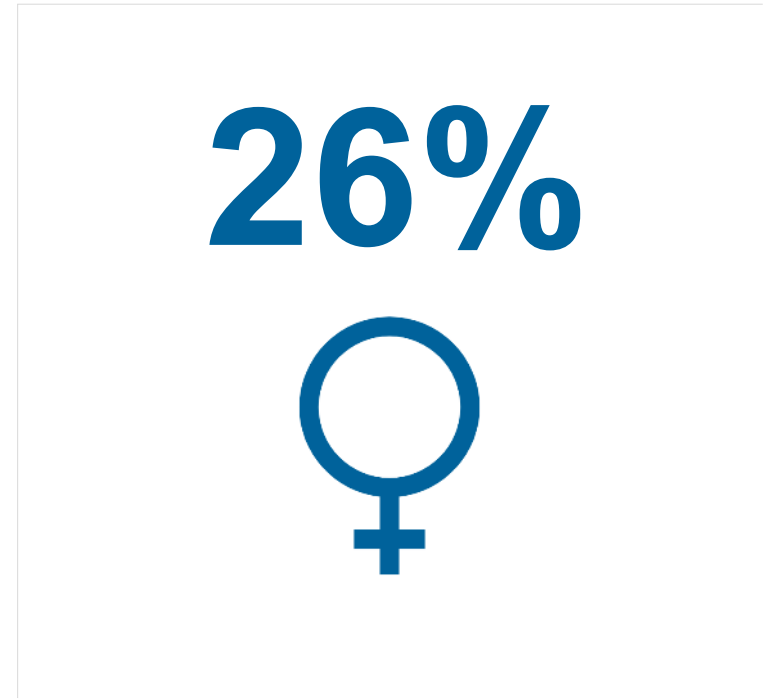
CO₂e emissions

Scope 1 and 2, 1'000 t



% of newly appointed women managers

2025 target: 25%



Very successful H1 with strong presence in growth markets

- Sales of CHF 1'094 million, organically +14%
- Operating result at CHF 158 million (EBIT margin of 14.4%)
- Record organic growth in North and South America (+26%)
- Global industries such as microelectronics and data centers with robust growth (+24%)
- Recovery after lockdowns in China – new plant in operations (Yangzhou)



Flow solutions address sustainability needs in major market segments



Intel EPIC
Distinguished Supplier
Award 2022

+24%

Microelectronics and Data Center



+19%

Water treatment



+12%

Water distribution

Solid performance in challenging times

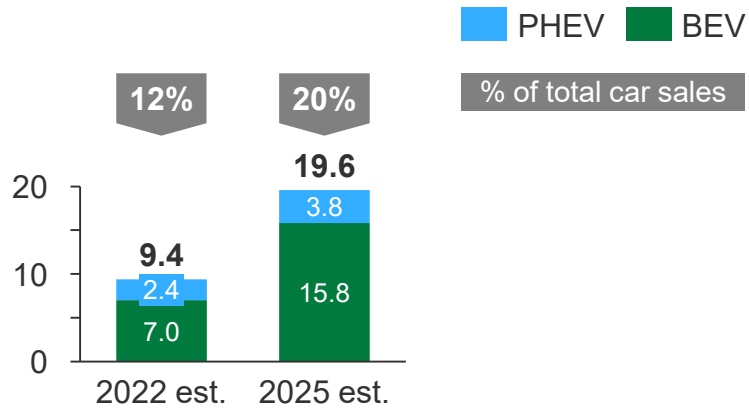
- Sales of CHF 449 million, organically +5%
- Operating result at CHF 14 million (EBIT margin of 3.2%)
- Global car production affected by Ukraine war, supply shortages and COVID-19 lockdowns in China
- E-vehicles account for 78% of automotive lifetime order intake
- New partnership with Bocar Group after divestment of 50% stake in JV with Linamar



E-mobility as future growth driver

EV sales consolidated globally

In million units



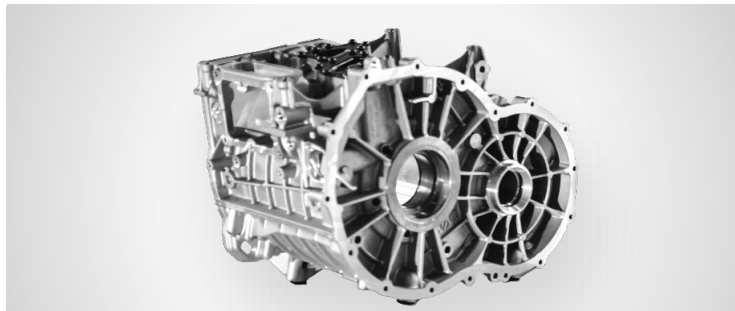
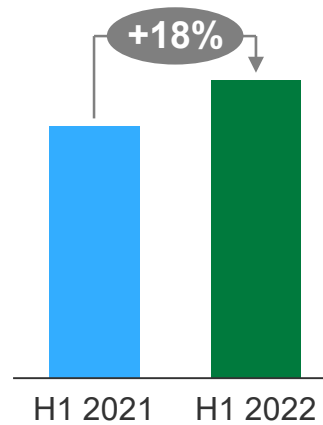
(Source: LMC Automotive, June 2022)



Li Xiang One

Source: Auto, Motor und Sport

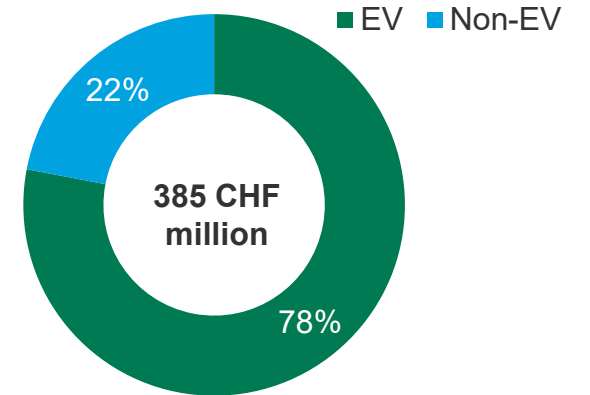
EV sales GF growth



E-Engine Housing (Audi E-Tron)

Lifetime order intake H1 2022 (HPDC)

EV share (HPDC – High Pressure Die Casting)



Fisker Ocean

Source: oceanforums.com

Good performance despite headwinds

- Order intake of CHF 478 million, book-to-bill ratio of 1.1
- Sales of CHF 431 million, organically +11%
- Operating result at CHF 17 million (EBIT margin of 4.0%)
- Headwinds caused by logistic and supply chain disruption as well as a still subdued aerospace sales
- Automation as key driver for multi-technology solutions
- Recent acquisition (Vam Control S.r.l.) reinforces the strategic focus on service offerings



Innovation and service as key growth drivers in major market segments



MILL P 500 U

+24%

Medical



LASER P 600 U

+1%

ICT



CUT X 350

+11%

Automotive and e-mobility



DMP Flex 350

+2%

Aerospace

A blurred background image of a business meeting. Several people in business attire are seated around a table, looking at documents and laptops. The focus is on the hands and documents, with a semi-transparent white box overlaid in the center containing the title and name.

Consolidated financial statements

Mads Joergensen, CFO

Order intake per division

(CHF million)

	H1 2022	H1 2021	Δ%	
			growth	organic growth ¹⁾
GF Piping Systems	1'246	1'115	11.7%	14.0%
GF Casting Solutions	488	462	5.6%	15.4%
GF Machining Solutions	478	471	1.5%	2.5%
GF Corporation	2'209	2'048	7.9%	11.6%

¹⁾ Adjusted for changes in scope of consolidation and at previous year's foreign exchange rates.

Sales per division

(CHF million)

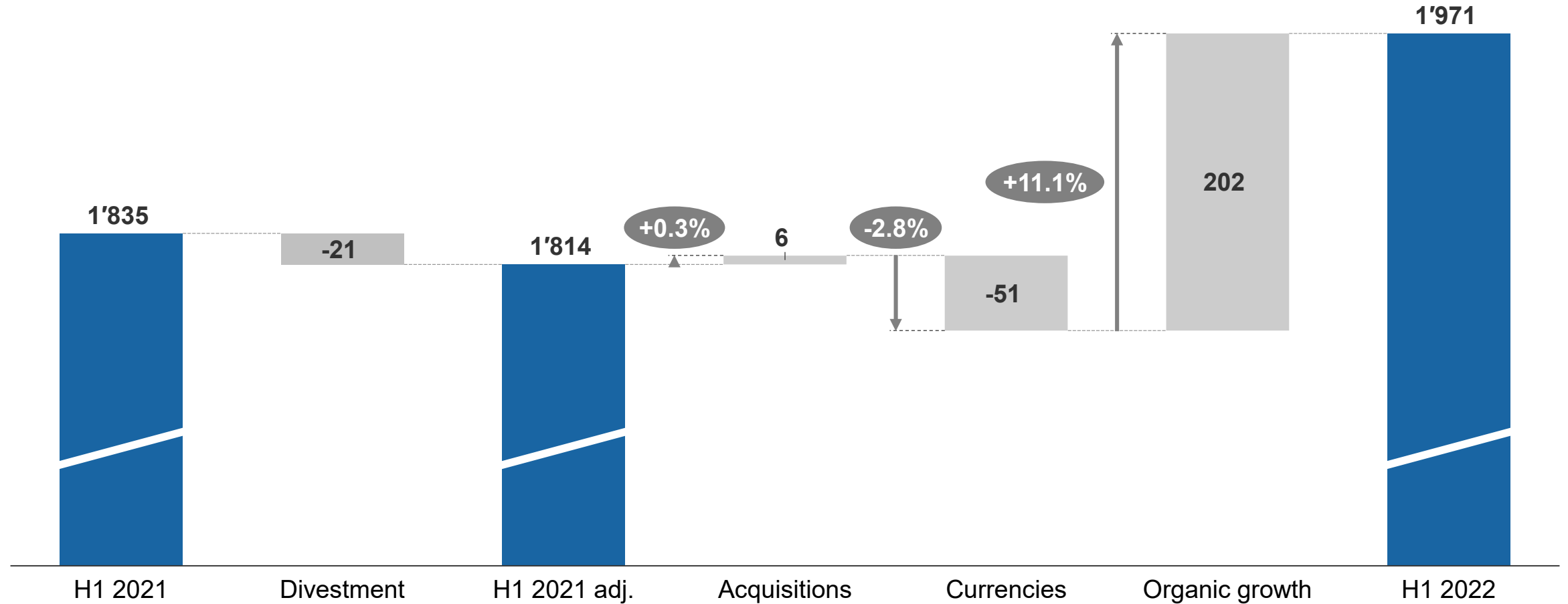
	H1 2022	H1 2021	Δ%	
			growth	organic growth ^{1) 2)}
GF Piping Systems	1'094	983	11.3%	14.0%
GF Casting Solutions	449	459	-2.3%	5.4%
GF Machining Solutions	431	393	9.7%	10.7%
GF Corporation	1'971	1'835	7.4%	11.1%

1) Adjusted for changes in scope of consolidation and at previous year's foreign exchange rates

2) Including pricing adjustments in the range of 9-11% for GF Piping Systems (adj. volume growth 4-6%), 15-17% for GF Casting Solutions (adj. volume growth of minus 8-10%) and 1-2% for GF Machining Solutions (adj. volume growth 8-10%)

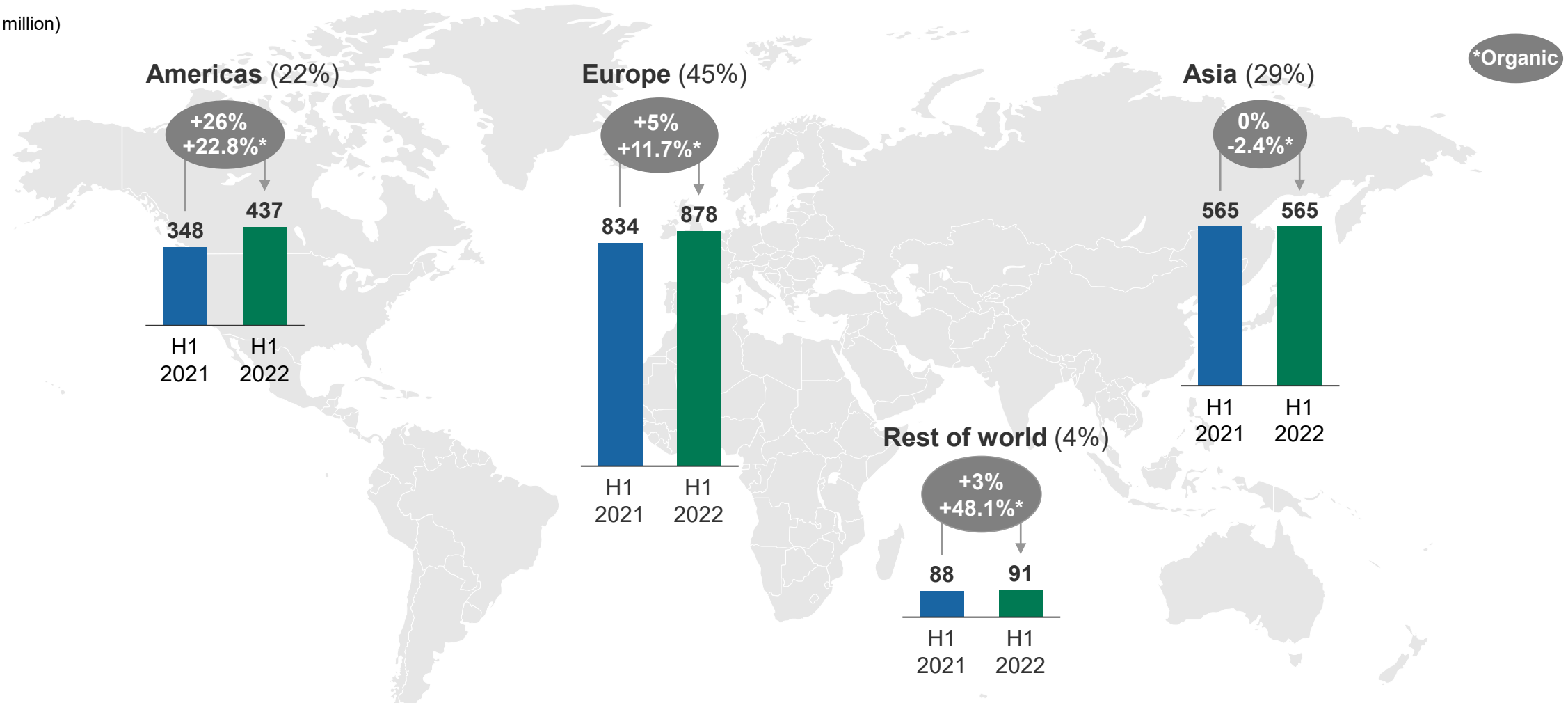
Sales development

(CHF million)



Sales driven by growth in Americas and Europe

(CHF million)



EBIT and EBIT margin per division

EBIT CHF million

H1 2022 H1 2021

GF Piping Systems	158	128
GF Casting Solutions	14	13
GF Machining Solutions	17	9
GF Corporation	179	141

EBIT margin %

H1 2022 H1 2021

GF Piping Systems	14.4%	13.0%
GF Casting Solutions	3.2%	2.8%
GF Machining Solutions	4.0%	2.3%
GF Corporation	9.1%	7.7%

FX development June 2022

(CHF million)

Per division:	Sales	EBIT
GF Piping Systems	-32	-22
GF Casting Solutions	-14	-1
GF Machining Solutions	-5	+3
Corporate Management		-3
GF Corporation	-51	-23

Per currency:	Average rates			Sales	EBIT
	H1 22	H1 21	Δ		
EUR	1.032	1.095	-5.7%	-51	-10
USD	0.944	0.908	+4.0%	+34	-6
CNY	0.146	0.140	+3.8%	+15	+2
TRY	0.064	0.116	-45.3%	-45	-9
Others				-4	0
Total				-51	-23

Income statement

(CHF million)

	H1 2022	H1 2021	Δ%
Sales	1'971	1'835	7
Gross value added	765	705	9
Personnel expenses	-525	-496	6
EBITDA	240	209	15
Depreciation, amortization	-61	-68	-10
Operating result (EBIT)	179	141	27
Return on sales (EBIT margin) in %	9.1	7.7	
Financial result	-18	-11	64
Non-operating result	-1	0	
Income taxes	-34	-27	26
Net profit	126	103	22
Net profit minority interests	1	-5	
Net profit shareholders GF	125	108	16
Earnings per share in CHF	1.53	1.32	16

Assets and liabilities/equity

(CHF million)

	30 June 2022	%	31 December 2021	%
Cash and cash equivalents	827		932	
Trade accounts receivable	735		611	
Inventories	864		776	
Other current assets	141		140	
Current assets	2'567	69	2'459	65
Property, plant, and equipment and investment properties	947		1'105	
Other non-current assets	213		203	
Non-current assets	1'160	31	1'308	35
Assets	3'728	100	3'767	100
Current liabilities	1'346		1'318	
Non-current liabilities	825		953	
Liabilities	2'171	58	2'271	60
Equity	1'557	42	1'496	40
Liabilities and equity	3'728	100	3'767	100

Free cash flow

(CHF million)

	H1 2022	H1 2021
EBITDA	240	209
Changes in net working capital	-276	-135
Income taxes/interest paid	-40	-34
Other changes	46	19
Cash flow from operating activities	-30	59
Additions to property, plant, and equipment	-68	-61
Cash flow from acquisitions		-30
Cash flow from divestments	61	
Other additions/disposals, net	0	0
Cash flow from investing activities	-7	-91
Free cash flow	-37	-32
Free cash flow before acquisitions/divestments	-98	-2

Key figures at a glance

	H1 2022	H1 2021
Net debt in CHF million	52	206
Net debt/EBITDA (multiple)	0.12x	0.53x
Equity ratio in %	41.8	39.4
ROIC in % GF Corporation	19.8	15.8
GF Piping Systems	35.6	31.6
GF Casting Solutions	5.7	4.4
GF Machining Solutions	16.0	6.6
Return on equity in %	16.6	14.6
Earnings per share in CHF	1.53	1.32
Number of employees (incl. trainees)	14'957	14'944

A blurred background image of a business meeting. Several people in business attire are seated around a table, looking at documents and laptops. The documents and laptop screens display various charts and graphs, including bar charts and line graphs. The overall color palette is cool, with blues and greys.

Outlook

Andreas Müller, CEO

Outlook 2022 – full year guidance confirmed

Sales and profit expected to make a further step towards strategy targets 2025

- War in the Ukraine
- Inflation and supply chain constraints
- + Order book remains strong
- + Leading position in growing key markets
- + Innovations with positive sustainability impact





Capital Markets Day 27 September 2022 in Schaffhausen (Switzerland)

Thank you



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