

# Welcome

to the ZKB Road Show, August 19, 2020



Martin Wipfli, Chairman of the Board of Directors  
Daniel Keist, CFO

# Content

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# Metall Zug Group – Overview HY 1/20

## Before the Spin-off of V-ZUG

HY 1/20: Gross Sales CHF 511.6 million; EBIT CHF -1.7 million; Net result CHF -5.4 million

### Household Appliances



SIBIRGroup

### Infection Control



**Belimed**  
Infection Control

### Medical Devices



**HS** HAAG-STREIT  
GROUP

### Wire Processing



 **Schleuniger**

### Other

Life Science Solutions

**Belimed**  
Life Science

**GEHRIG GROUP**  
Professional Solutions

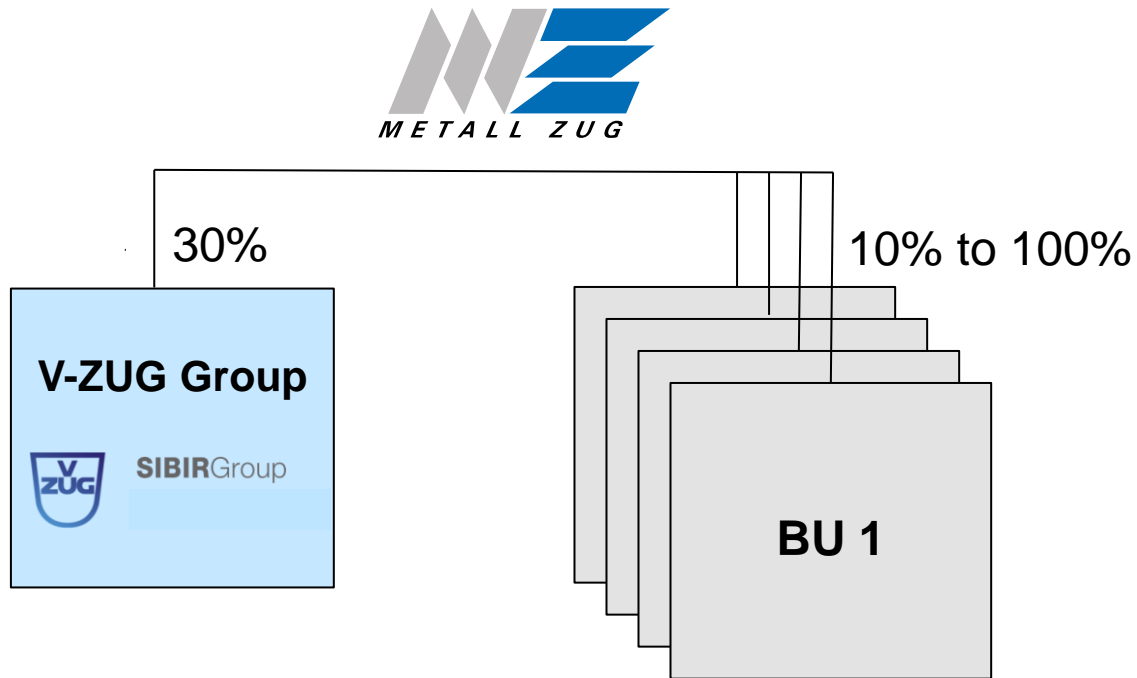
**Metall Zug AG**

Technologycluster & Infrastructure



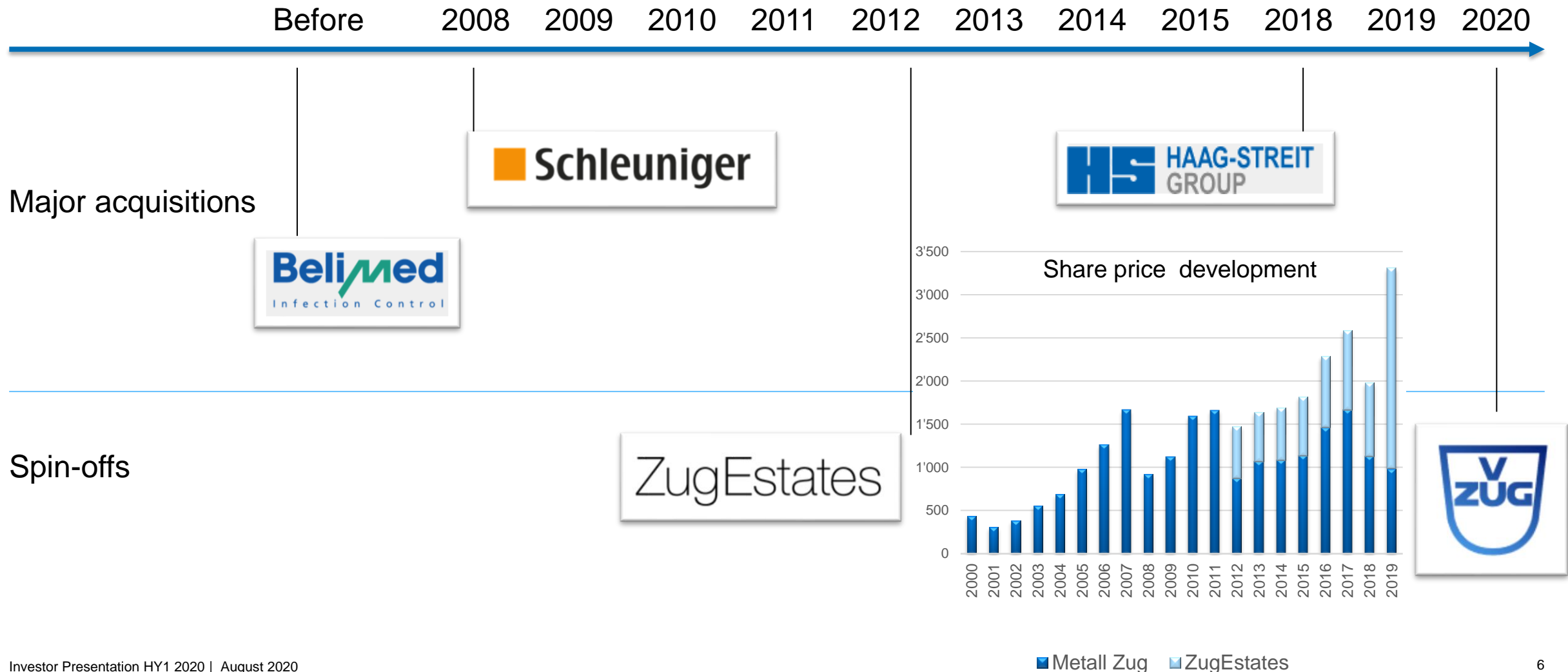
## An adapted strategy for the Group

Metall Zug AG will confine itself in the long term to the role of strategic anchor shareholder with regard to certain of its investments.

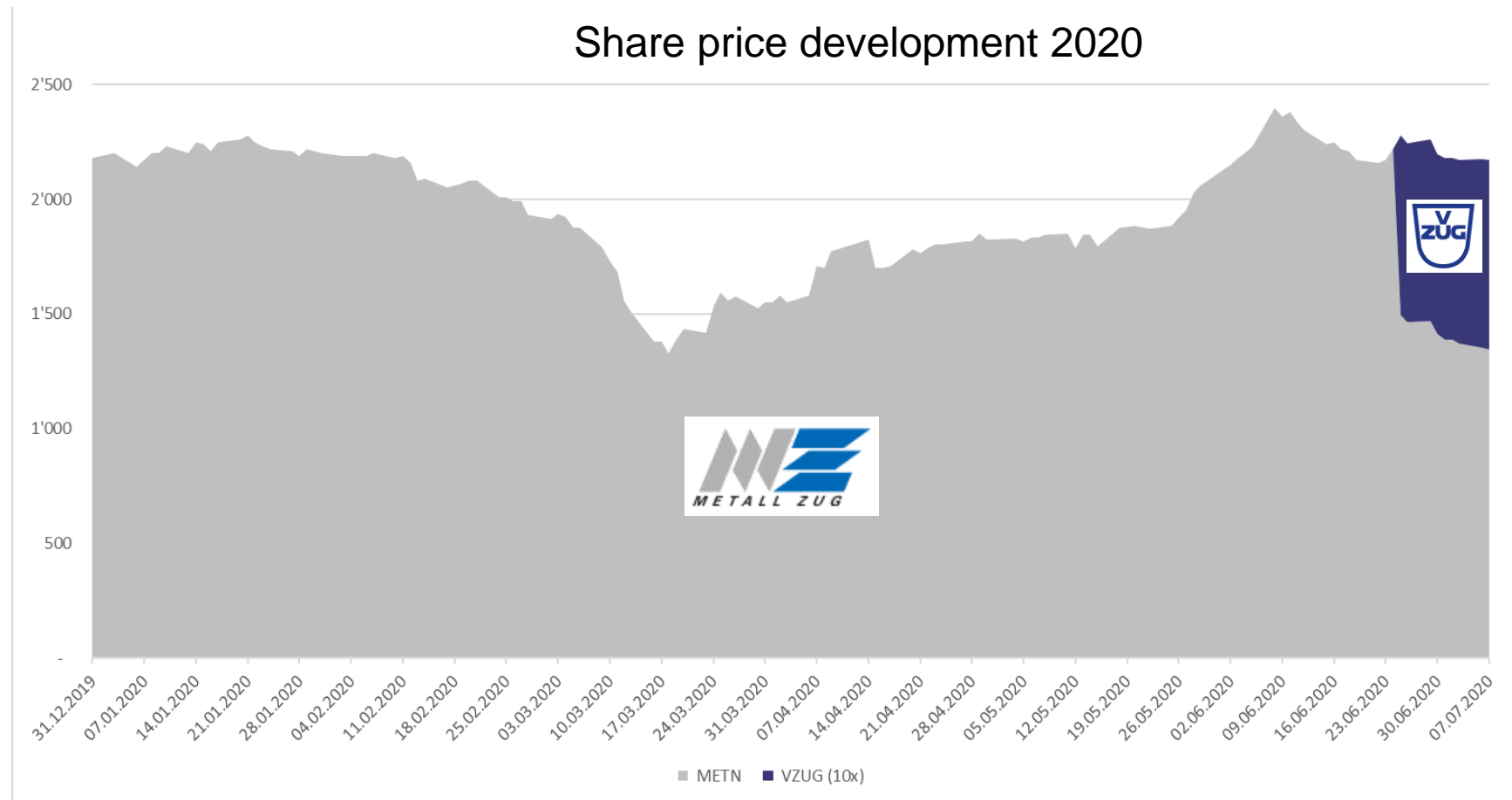


- Increase strategic flexibility of Metall Zug AG and its Business Units
  - e.g. merger of Business Units with strategic partners to actively participate in industry consolidation or unlock growth opportunities
- Enable Business Units to implement and execute their strategies independently
- Sharpen corporate governance with allocation of competencies and responsibilities to the BoD and executive management of the Business Units
- Financial and entrepreneurial value creation of Metall Zug AG's investments

# A short look back



# Successful Spin-off and listing of V-ZUG



# The “new” Metall Zug: Diversity and Focus



## Infection Control



**Belimed**  
Infection Control

## Medical Devices



**HS** HAAG-STREIT  
GROUP

## Wire Processing



 **Schleuniger**

## Other

Life Science Solutions

**Belimed**  
Life Science

**GEHRIGGROUP**  
Professional Solutions

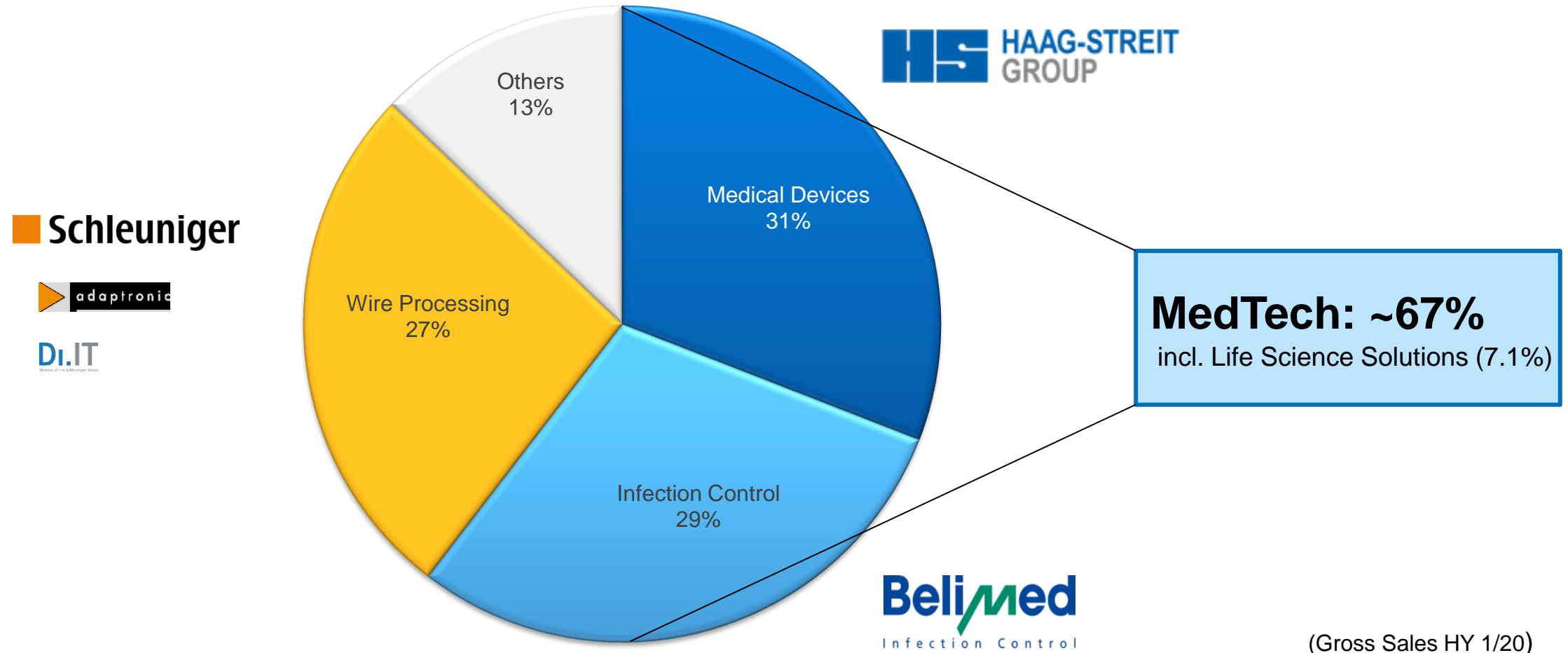
**Metall Zug AG**

**Technologycluster & Infrastructure**





# Metall Zug after the spin-off of V-ZUG



(Gross Sales HY 1/20)

## A solid investment with potential

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- All Business Units are well positioned in attractive markets with growth potential based on competitive product portfolios, strong customer relationships and opportunities related to digital business and processes
- Earnings growth drivers are
  - Sales growth of Infection Control
  - To foster operational excellence and explore the full internal and external growth potential of Medical Devices
  - To transform Wire Processing from a machine manufacturer and solution provider to a strategic system partner for its customers
  - To focus on profitable project business in Life Science Solutions and improve margins
  - The potential of the development of an innovative Technology Cluster on the 58'000sqm-site in the city of Zug
- As a strategic and long-term anchor shareholder, Metall Zug AG will profit from the value creation of its investments
- The stable shareholder base with an entrepreneurial family as its main shareholder pursues a decidedly long-term perspective creating sustainable value for all stakeholders
- Strong balance sheet enabling investments in internal and external growth

# Group Financial Report HY 1/20

## Overview HY 1/20

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Group gross sales of CHF 511.6 million (HY 1/19: CHF 576.5 million). Organic sales decline of -9.6%:

- Negative FX effect of CHF 9.6 million. Sales in local currencies CHF 521.4 million (-9.6%)
- Household Appliances: Organic sales grew by 0.4%. Spin-off as of June 25, 2020
- Infection Control: Stable sales considering FX effect and lower sales with Life Science Solutions
- Medical Devices: Lower sales mainly due to cancelled conventions owing to COVID-19
- Wire Processing: Lower sales due to COVID-19 and continued weak markets in the automotive industry
- New reporting segment “Other” with Life Science Solutions, Gehrig Group and Corporate (Metall Zug AG)
  - Life Science Solutions with slightly higher sales
  - Gehrig Group with lower sales and negative EBIT due to lockdown

Operating result (EBIT) of CHF -1.7 million (from CHF -1.6 million in HY 1/19, resp. CHF 12.1 million excl. provision for soil remediation):

- Lower EBIT of BUs Medical Devices and Wire Processing due to sharp sales decline
- Higher EBIT in BUs Household Appliances and “Other”; Life Science Solutions with strong improvement of EBIT
- Infection Control back to positive EBIT

Investments in new products and strategic projects continued as planned

## Key figures HY 1/20

CHF million	HY 1/20	HY 1/19	Δ	
Gross sales	511.6	576.5	-11.3%	HY 1/20: Negative currency effect of CHF 9.6 million (-1.7%). Sales decline in local currencies -9.6%
Operating result (EBIT)	-1.7	-1.6	-1.9%	HY 1/19: incl. provision for soil remediation of CHF 13.7 million
<i>EBIT margin</i>	-0.3%	-0.3%	0 bp	
Financial result	-0.5	5.0	-111.6%	
Net result	-5.4	-5.9	9.1%	
<i>Equity ratio</i>	72.1%	68.7%	+340 bp	

# Group financial report

## Income statement



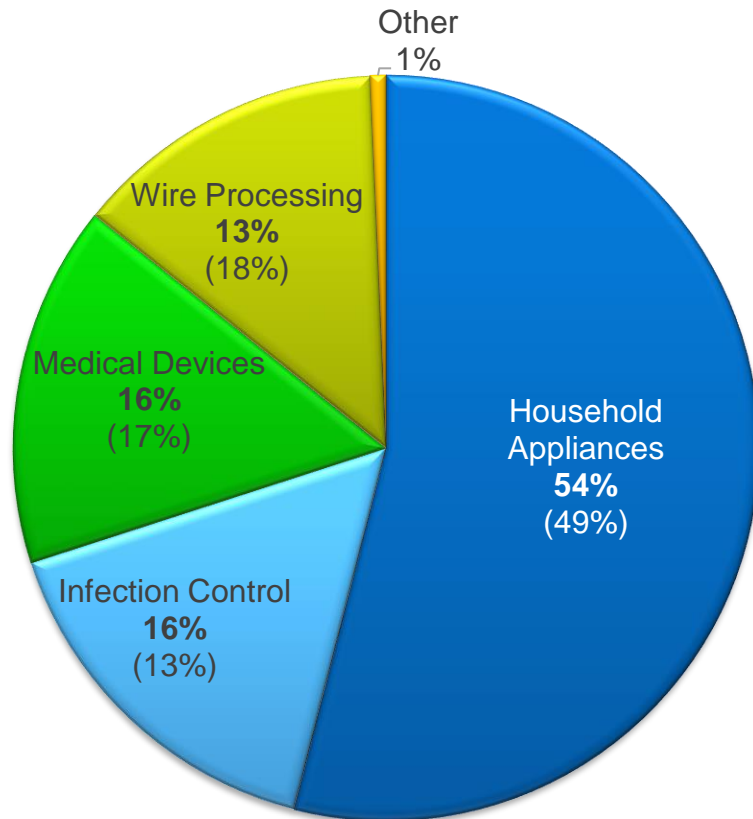
CHF million	HY 1/20	In %	HY 1/19	in %	Comments
<b>Gross sales</b>	<b>511.6</b>	<b>100</b>	<b>576.5</b>	<b>100</b>	
Net sales	502.6	98.2	565.7	98.1	
Cost of materials ( <i>incl. change in inventories</i> )	-170.1	-33.3	-191.5	-33.2	
Other operating revenue	8.2	1.6	4.6	0.8	
Personnel expenses	-237.2	-46.4	-249.9	-43.3	
Depreciation/amortization on tangible/intangible assets	-22.3	-4.4	-19.8	-3.4	
Other operating expenses	-82.8	-16.2	-110.8	-19.2	
<b>Operating result (EBIT)</b>	<b>-1.7</b>	<b>-0.3</b>	<b>-1.6</b>	<b>-0.3</b>	HY 1/19: Provision for soil remediation of CHF 13.7 million
Financial result	-0.5	-0.1	5.0	0.9	
Extraordinary expenses	-2.4	-0.5			Loss due to cyber attack in BU Medical Devices
Result before taxes	-4.7	-0.9	3.4	0.6	
Taxes	-3.3	-0.7	-7.5	-1.3	
Non-controlling interest	2.6	0.5	-1.8	-0.3	
<b>Net result</b>	<b>-5.4</b>	<b>-1.1</b>	<b>-5.9</b>	<b>-1.0</b>	

# Group financial report

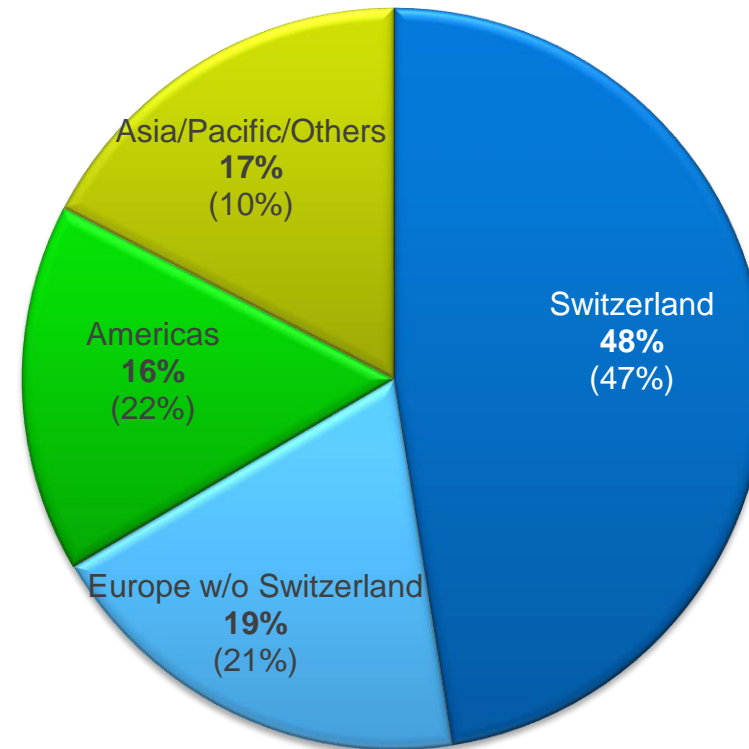
## Net sales HY 1/20



by Business Unit

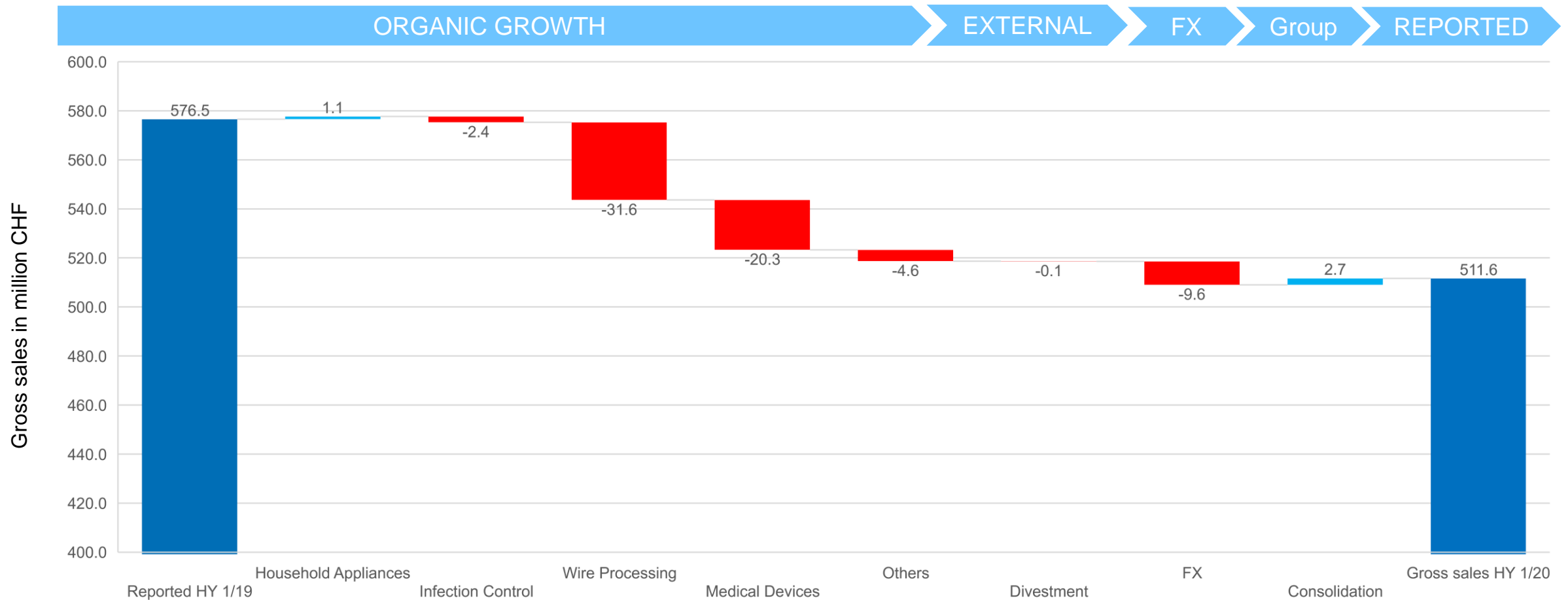


by region



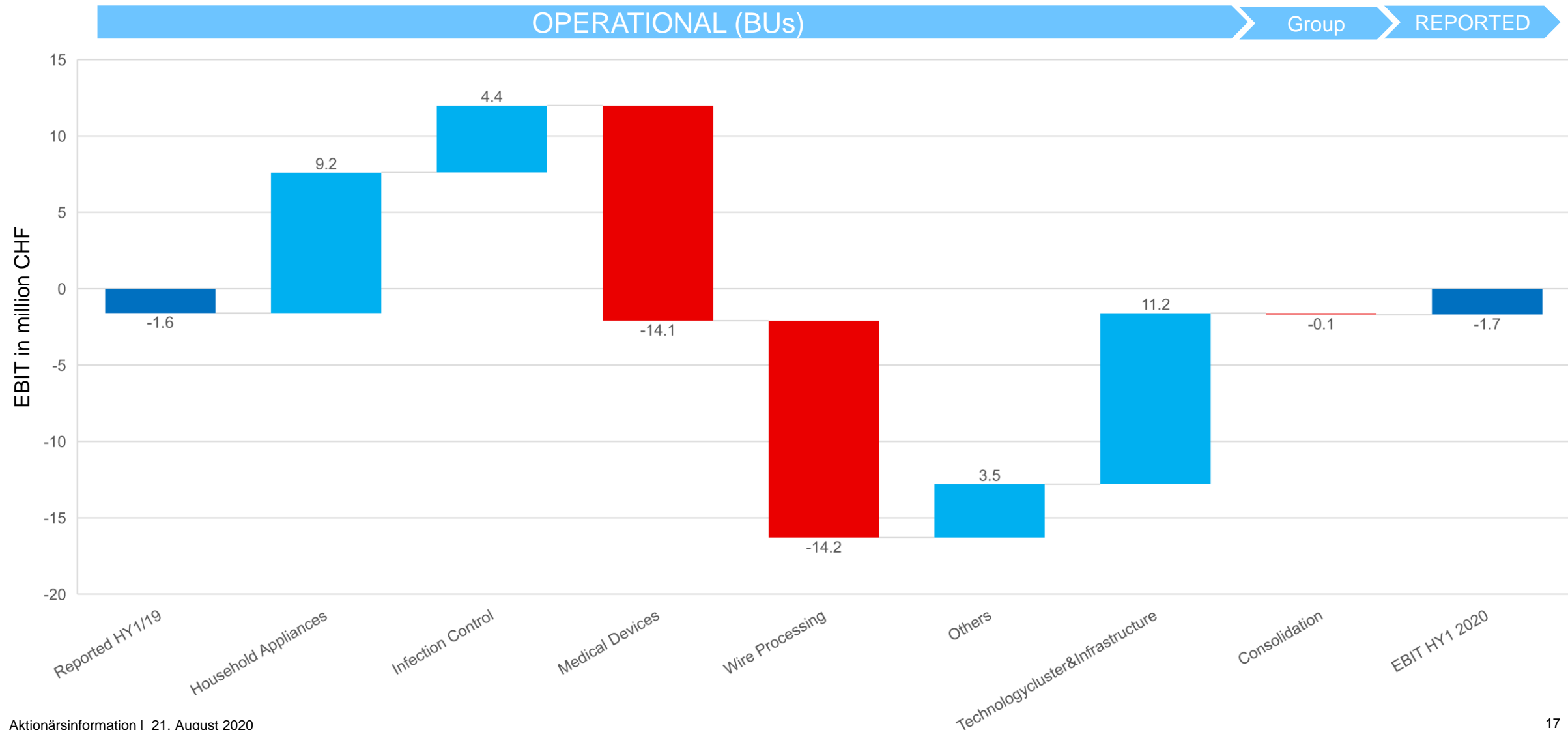
(Previous year's values in brackets)

# Gross sales analysis





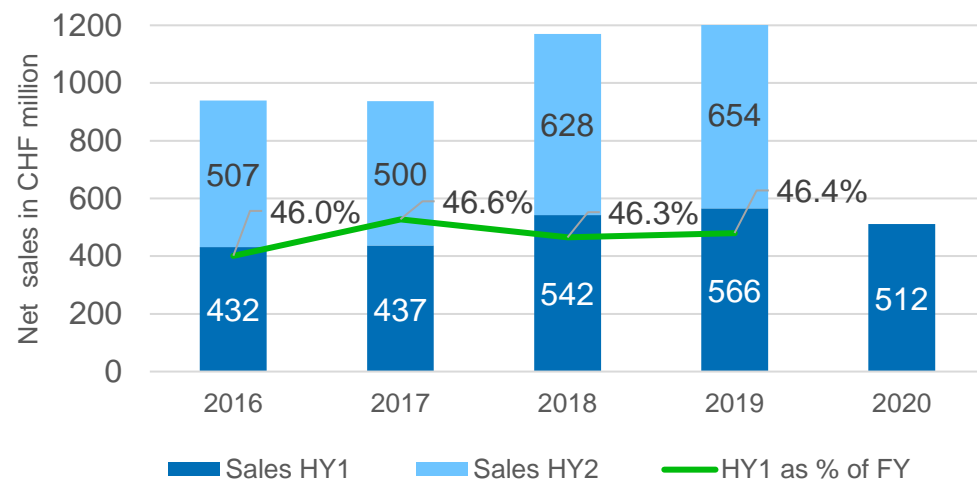
# Operating result (EBIT) analysis



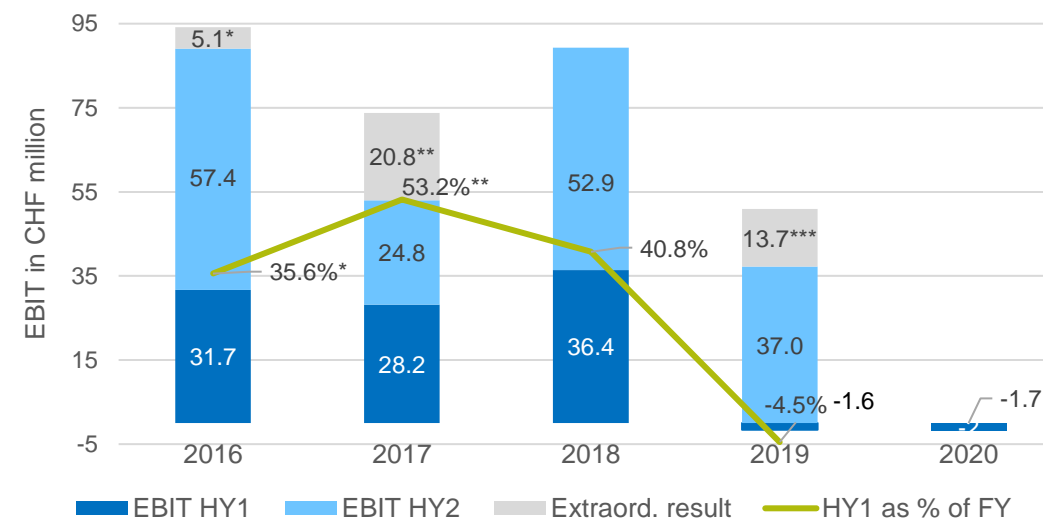
# Metall Zug Group seasonality



## Net sales



## EBIT



\* HY 1/16 as a % of FY excl. CHF 5.1 million extraordinary profit (sale of the property in Ballwil)

\*\* HY 1/17 as a % of FY excl. CHF 20.8 million extraordinary expenses for the restructuring of Belimed Life Science business

\*\*\* HY 1/19: Provision for soil remediation

# Group financial report

## Balance Sheet



CHF million	06/30/2020	in %	12/31/2019	in %	Comments	Impact of Spin-off of V-ZUG
Cash and cash equivalents / securities	75.4	11.1	156.0	14.4		-65.1
Other current assets	277.1	40.8	449.4	41.5		-151.6
<i>Current assets</i>	352.5	51.9	605.4	55.9		-216.8
Tangible assets	159.0	23.4	401.4	37.1		-255.5
Financial & intangible assets	167.6	24.7	76.3	7.0	Includes shareholding of 30% V-ZUG Holding AG of CHF 109.5 million	-42.0
<i>Fixed assets</i>	326.5	48.1	477.8	44.1		-297.5
<b>Total assets</b>	<b>679.1</b>	<b>100</b>	<b>1 083.1</b>	<b>100</b>		<b>-514.3</b>
Current & long-term financial liabilities	13.7	2.0	5.0	0.5		0
Other liabilities	175.9	25.9	315.6	29.1		-152.7
<i>Total liabilities</i>	189.6	27.9	320.6	29.6		-152.7
<b>Shareholders' equity</b>	<b>489.5</b>	<b>72.1</b>	<b>762.5</b>	<b>70.4</b>		<b>-361.6</b>
<b>Total liabilities and shareholders' equity</b>	<b>679.1</b>	<b>100</b>	<b>1 083.1</b>	<b>100</b>		<b>-514.3</b>
<b>Net cash position</b>	<b>61.6</b>	<b>9.1</b>	<b>151.0</b>	<b>13.9</b>		

# Cash flow statement

CHF million	HY 1/20	HY 1/19	Comments
<b>Cash flow from operating activities</b>	<b>40.4</b>	<b>-9.7</b>	
<b>Cash flow from investing activities</b>	<b>-50.8</b>	<b>6.8</b>	
- of which investments in tangible assets	-27.5	-33.7	
- of which investments in intangible assets	-7.6	-4.4	
- of which investment in financial assets (acquisition VRmagic)	-18.8		Medical Devices Business Unit, acquired a 76.9% stake in VRmagic Holding AG, Mannheim (DE) on May 30, 2020
<b>Cash flow from financing activities</b>	<b>-75.0</b>	<b>-33.6</b>	
- of which dividend in kind V-ZUG Holding AG	-65.1	-	
- of which cash dividends	-8.6	-33.4	HY 1/19 incl. CHF 2 million to minorities of Haag-Streit and adaptonic Prüftechnik GmbH HY 1/20: incl. CHF 1 million to minorities of Haag-Streit and adaptonic Prüftechnik GmbH
Currency translation effects	-1.7	-0.6	
<b>Change in “Net cash and cash equivalents”</b>	<b>-87.0</b>	<b>-37.1</b>	
<b>Free cash flow</b>	<b>-10.4</b>	<b>-2.9</b>	

# Business Units

# Household Appliances

HY 1/20: Net sales CHF 258.6 million, EBIT CHF 12.9 million



# Key figures and overview

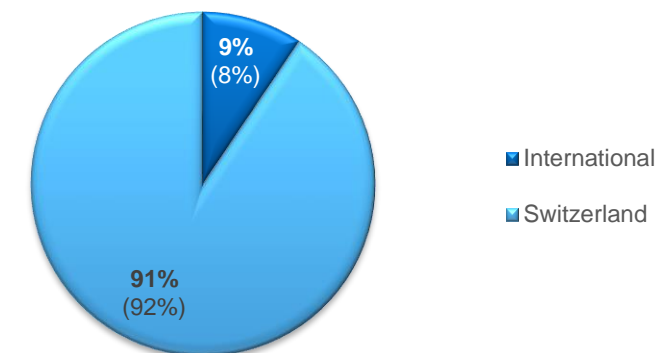
CHF million	HY 1/20	HY 1/19 <sup>1)</sup>	Δ
Net sales to third parties	258.6	257.7	+0.3%
Operating income (EBIT)	12.9	3.7 <sup>2)</sup>	+252.9%
<i>EBIT margin in %</i>	<i>5.0</i>	<i>1.4</i>	<i>+360bp</i>

<sup>1)</sup> Prior year figures restated for comparable purpose (w/o Gehrig Group, incl. V-ZUG Infra AG and MZ Infra AG)

<sup>2)</sup> incl. provision for soil remediation of CHF 3.7 million

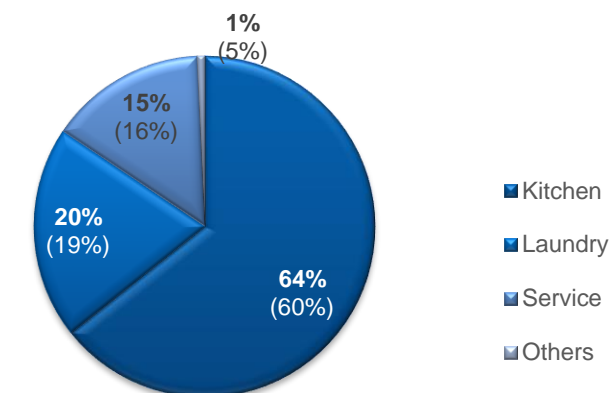
- Slightly higher sales in Switzerland despite COVID-19
- Sales in international markets decreased by 3.5%
  - Strong increase of sales with V-ZUG brand (+38.7%) outside Switzerland
  - Decline of OEM business in the US due to COVID-19 and stock reduction
- Substantial investments in new production facilities on track
  - Vertical factory in Zug
  - Refrigerator factory in Sulgen
- The transition of the ERP system has been completed. Remaining optimizations will take some time
- Investments in product pipeline ongoing, aiming to regularly launch world novelties

## Net sales by region



(Previous year's values in brackets)

## Net sales by segment



(Previous year's values in brackets)

# Infection Control

HY 1/20: Net sales CHF 76.9 million; EBIT CHF 1.1 million





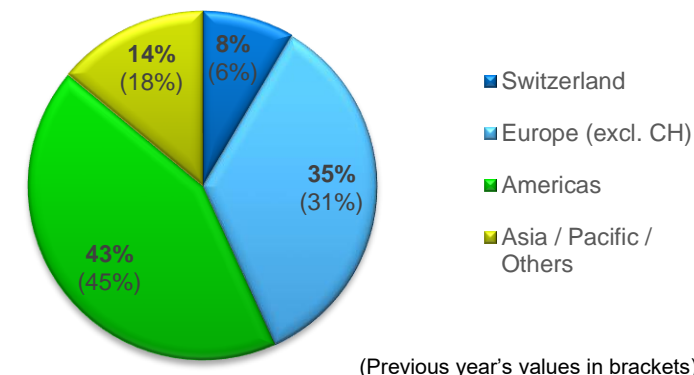
# Key figures and overview

CHF million	HY 1/20	HY 1/19	Δ
Net sales to third parties	72.0	75.2	-4.3%
Operating result (EBIT)	1.1 <sup>1)</sup>	-3.3	n/a
<i>EBIT margin in %</i>	1.4	-4.4	580 bp

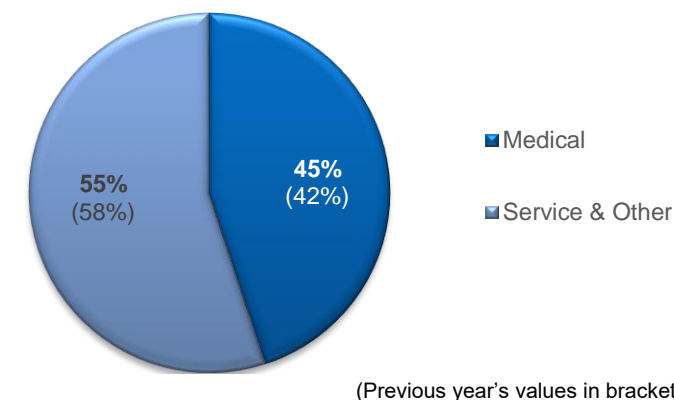
<sup>1)</sup> incl. one time revenue from the sale of the former Ballwil production site in 2016 of CHF 1.4 million and the negative effect from the recycling of goodwill in connection with the sale of the investment in STERIFAST of CHF -0.6 million. Adjusted EBIT: CHF 0.3 million.

- Stable sales considering negative FX effect (CHF -3.0 million)
  - Higher sales in the equipment business but lower order intake due to COVID-19
  - Lower sales in service business and consumables due to COVID-19: Only strictly necessary operations in hospitals were performed, access to hospitals partially restricted
- Improved and positive operating income (EBIT)
  - Consequent cost management, in particular personnel expenses

## Net sales by region



## Net sales by segment



## Strategic priorities

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- Benefit from reduced complexity of the business structure and processes as a pure player
- Increase market share in the US and APAC
- Further expand of the Consumables and Service business
- Initiate / prepare for acquisitions and cooperations to strengthen Belimed's market position and benefit from economies of scale

# Medical Devices

HY 1/20 Net sales CHF 75.4 million, EBIT CHF -6.5 million

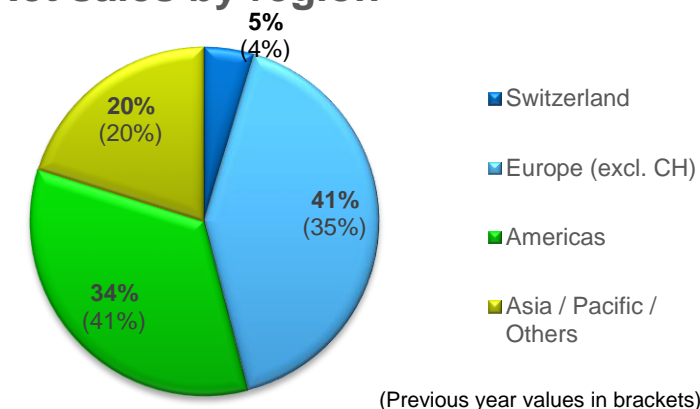


## Key figures and overview

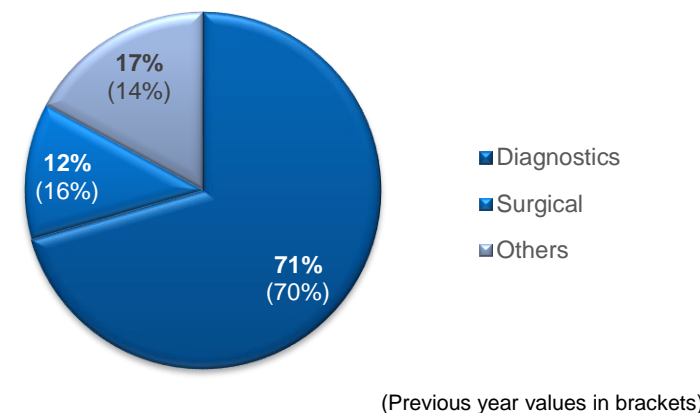
CHF million	HY 1/20	HY 1/19	Δ
Net sales to third parties	75.4	97.2	-22.4%
Operating result (EBIT)	-6.5	7.5	-132.5%
EBIT margin in %	-8.7	7.7	-1 640bp

- Strong sales decline due to COVID-19, particularly in the US and surgical segment
  - Cancellation of medical trade fairs and congresses
- Acquisition of 77% of VRmagic (Germany) to expand Haag-Streit's leading market position
  - VRmagic is a leading provider of virtual and augmented reality simulators for training of ophthalmologists, optometrists and medical students
- Continued investments despite COVID-19 impact:
  - **R&D:** to transform the existing R&D team into a more integrated R&D platform
  - **Products:** to develop new generation of Slit Lamp
  - **Operations:** to optimize processes and structures in production and procurement to explore potential synergies within the Group
  - **IT:** to implement a future-oriented IT landscape to optimize processes and costs as well as accelerate digital readiness

Net sales by region



Net sales by segment



## Strategic priorities

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- Increase margins based on operational excellence including digitization of processes
- Secure potential from geographic expansion and increase market share in markets with below-average presence
- Explore benefits from digitization of products and services
- Develop opportunities for organic growth and accelerate growth through acquisitions
- Invest in the development of leading products

# Wire Processing

HY 1/20: Net sales CHF 65.1 million, EBIT CHF -7.7 million

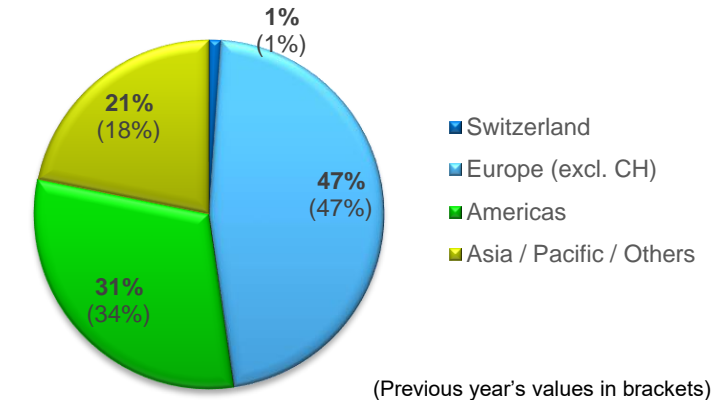


## Key figures and overview

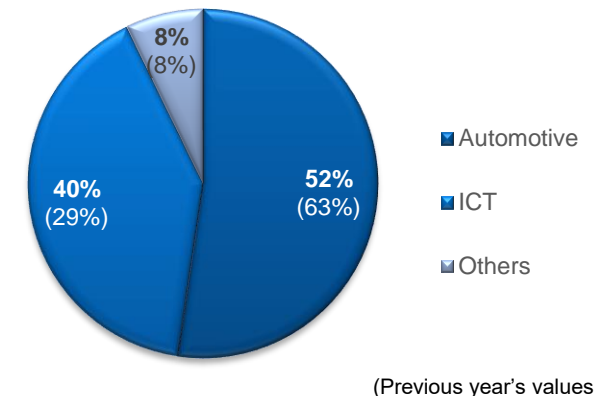
CHF million	HY 1/20	HY 1/19	Δ
Net sales to third parties	65.1	98.7	-34.0%
Operating result (EBIT)	-7.7	6.5	-218.0%
EBIT margin in %	-11.8	6.6	-1 840 bp

- Schleuniger hit by COVID-19 in an already weak market in the automotive industry
- Due to COVID-19 delayed FATs in Process Automation affected EBIT but will be performed in the 2<sup>nd</sup> half year and positively impact sales and EBIT
- Negative EBIT due to sharp sales decline
- New ERP implemented in three sites in Switzerland and in Radevormwald (Germany)
- Substantial investments in digitization, R&D, e-mobility applications and new platforms continued to secure future
- “Best in Test”: Agreement signed to acquire the assets of Cirris Systems Corp. (USA), a leading supplier for testing solutions in North America

### Net sales by region



### Net sales by segment



## Strategic priorities

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- Continuing the transformation of Schleuniger from a high-quality machine manufacturer and solution provider into a strategic system partner for its customers
- Expand the product range for the automotive industry and in the automotive value chain, including IT-enabled system approach, and complement product range for the local Chinese market
- Consolidate leading position in customer-specific systems
- Finalize integration of acquired companies
- Strengthen structures and processes to foster growth and flexibility as well as prepare products and business models for Industry 4.0 and e-mobility



## Other: Life Science Solutions, GehrigGroup, Metall Zug AG

HY 1/20: Net sales CHF 31.4 million; EBIT CHF -4.0 million



## Key figures and overview

CHF million	HY 1/20	HY 1/19 <sup>1)</sup>	Δ
Net sales to third parties	31.4	36.9	-14.1
Operating result (EBIT)	-4.0	-7.5	+60.0%
<i>EBIT margin in %</i>	-12.6	-10.2	-240 bp

<sup>1)</sup> Prior year figures restated for comparability purpose

### Life Science Solutions

- Clear focus on profitable customized projects and improved project management led to higher margins
- Restructuring measures taken show results: Strong improvement of EBIT
- Significant increase of number of requests for offers since Q2 2020

### Gehrig Group

- Gehrig Group was strongly affected by lock down and the closing of restaurants and hotels. Strong sales decline affected EBIT
- Cost management and short time work helped to limit negative financial impacts

# Technologycluster & Infrastructure

HY 1/20: Net sales CHF 0.0 million, EBIT CHF 2.6 million



CHF million	HY 1/20	HY 1/19 <sup>1)</sup>
Net sales to third parties	0.0	0.0
Operating result (EBIT)	2.6	-8.7 <sup>2)</sup>
<i>EBIT margin in %</i>	<i>n/a</i>	<i>n/a</i>

<sup>1)</sup> Prior year figures restated for comparability purpose (w/o V-ZUG Infra AG and MZ Infra AG)

<sup>2)</sup> Incl. provision of CHF 10.0 million for soil remediation



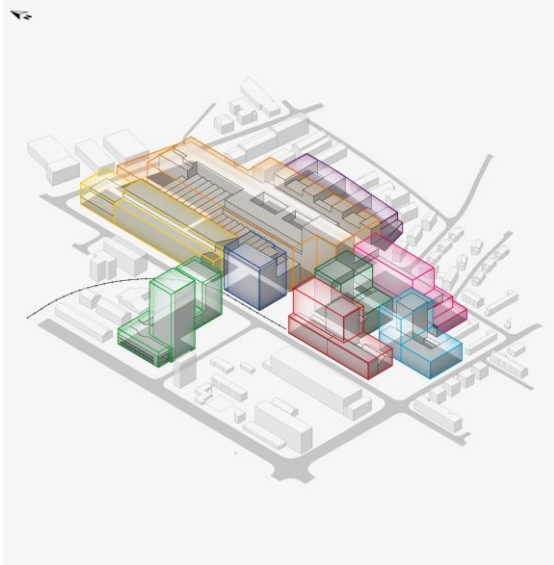
# Technology Cluster Zug

An area of approx. 58'000sqm in the city of Zug

## Main projects:

- Mobility Hub Zug Nord (MHZN) on the northern part of the site, with an entry gate location to the city; Construction started
- A Multi Energy Hub to be created with partners to supply the Technology Cluster Zug with local, renewable energy
- A unique wooden residential high-rise next to the Technology Cluster Zug including affordable apartments

Visualization of the development plan



Visualization of the Mobility Hub Zug Nord



Visualization of the wooden residential high-rise



## A strong Group of Industrial Companies

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**Metall Zug** with an interesting portfolio of technologically strong companies with disproportionate potential for growth and value creation:

- Focus on
  - strategic management of portfolio companies rather than operational management
  - sustainable and long-term cash generation and value creation
- Becoming faster and more responsive to market developments which are relevant for the portfolio companies
- Enable and motivate portfolio companies to explore strategic moves and partnerships
- Benefit from the financial and technological potential of the innovative Technology Cluster Zug
- Delegate more power and competencies to the Board of Directors and to the management of the portfolio companies in order to accelerate growth and become more flexible

# Information for Investors

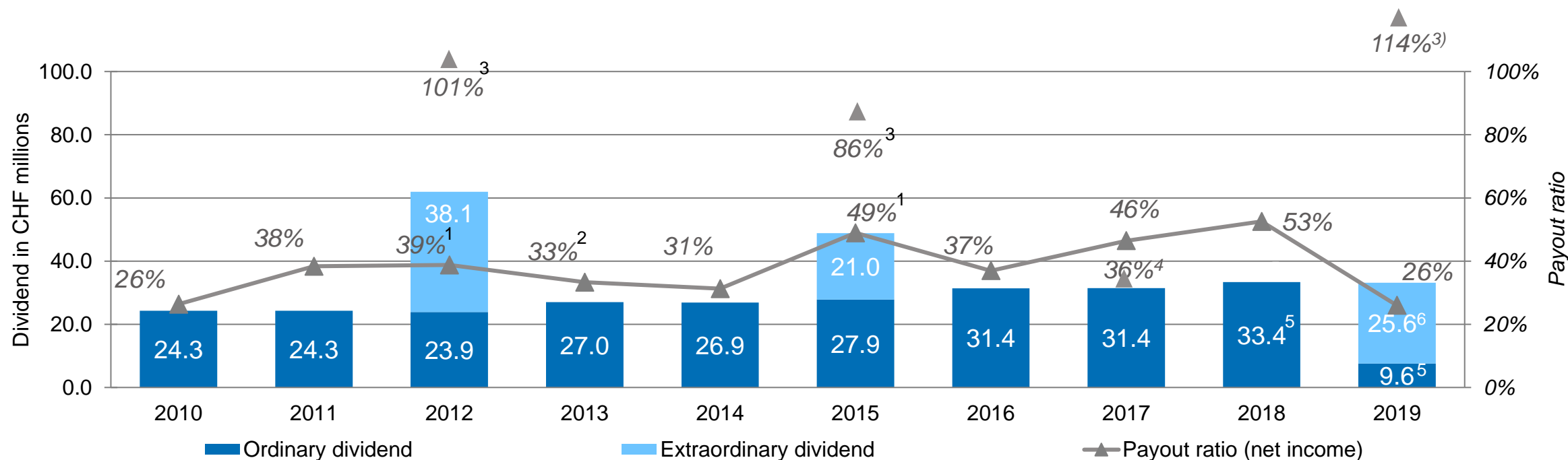
March 18, 2021	Publication of the 2020 results
April 30, 2021	General Meeting of Shareholders

# Appendix



# Dividends

Payout in CHF millions and payout ratio



<sup>1</sup>) Special anniversary (2012) or stock (2015) dividend not included in the payout ratio

<sup>2</sup>) Payout ratio adjusted by extraordinary financial result 2013 (CHF 43 million due to sale of larger portion and revaluation of the remaining shares of Zug Estates Holding AG)

<sup>3</sup>) Special anniversary (2012) or stock (2015) dividend or dividend in kind for the spin-off of V-ZUG (2020) included in the payout ratio

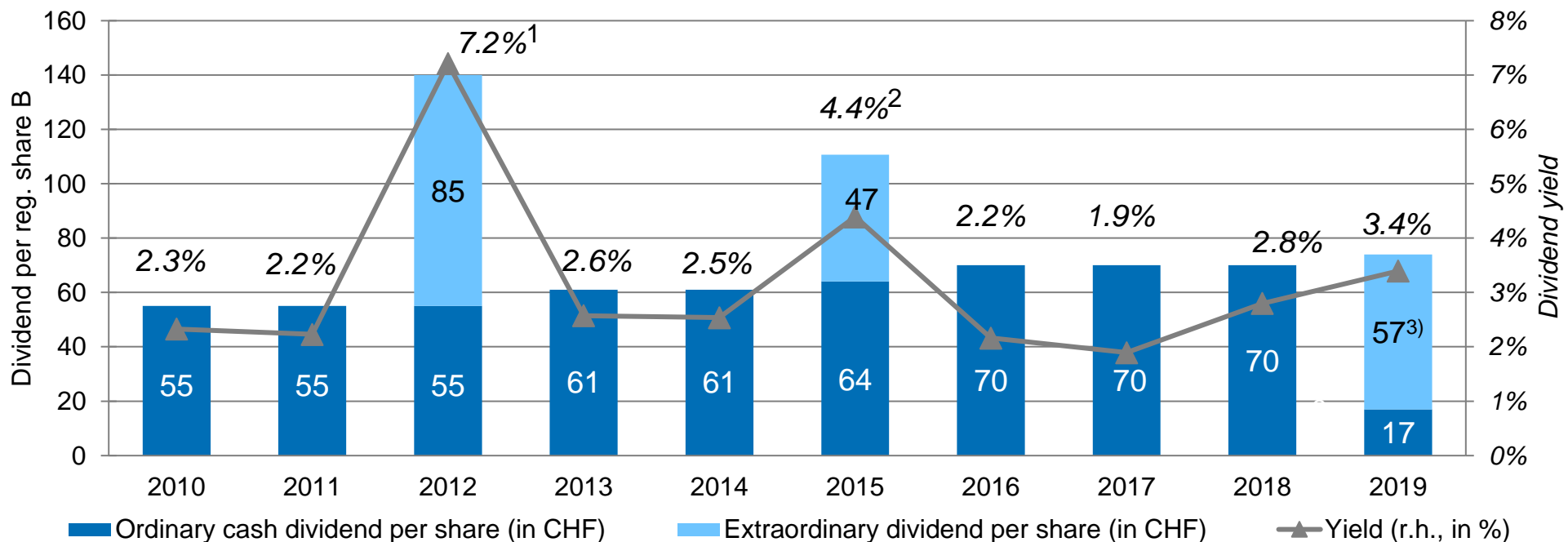
<sup>4</sup>) Payout ratio based on adjusted net profit (excl. extraordinary expenses of CHF 20.8 million)

<sup>5</sup>) Incl. dividends of CHF 2.0 million paid to non-controlling interests

<sup>6</sup>) Dividend in kind for the spin-off of V-ZUG Holding AG shares at statutory values

# Dividend per share

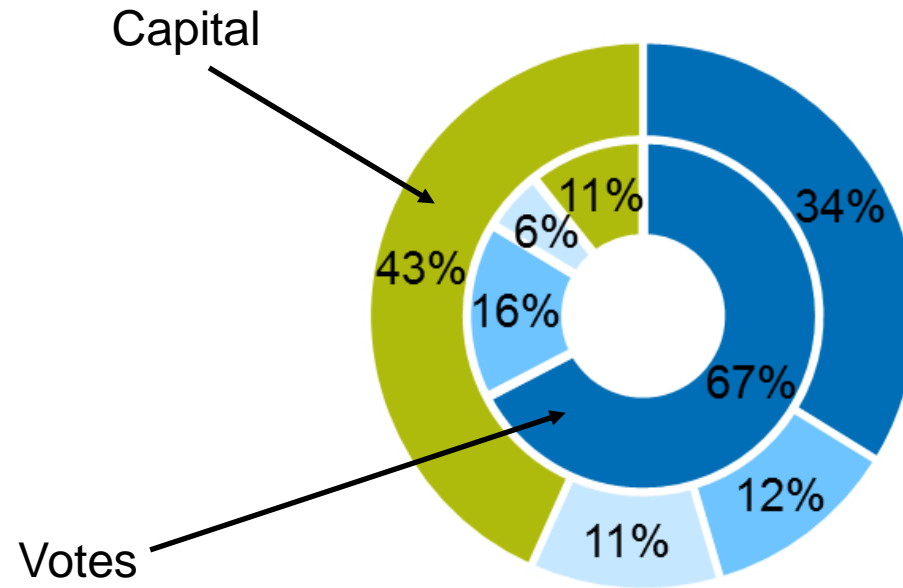
Payout in CHF per type B registered share and yield (vs. year-end share price)



- 1) Special anniversary dividend
- 2) Incl. allocation of shares and withholding tax refund claim
- 3) Dividend in kind for the spin-off of V-ZUG Holding AG shares at statutory values

# Shareholder structure

As at December 31, 2019



- Shareholder group Buhofer
- Shareholder group Stöckli
- Werner O. Weber / Wemaco Invest AG
- Free Float

Daniel Keist  
Chief Financial Officer

Christof Gassner  
Head of Corporate Communications & Investor Relations

Metall Zug AG  
Industriestrasse 66  
6302 Zug  
Switzerland  
Phone: +41 58 768 60 50

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