

Welcome

Annual Media Conference 2023

Zurich, 1 March 2023

2022 Financial Year

Andreas Müller, CEO | Mads Joergensen, CFO

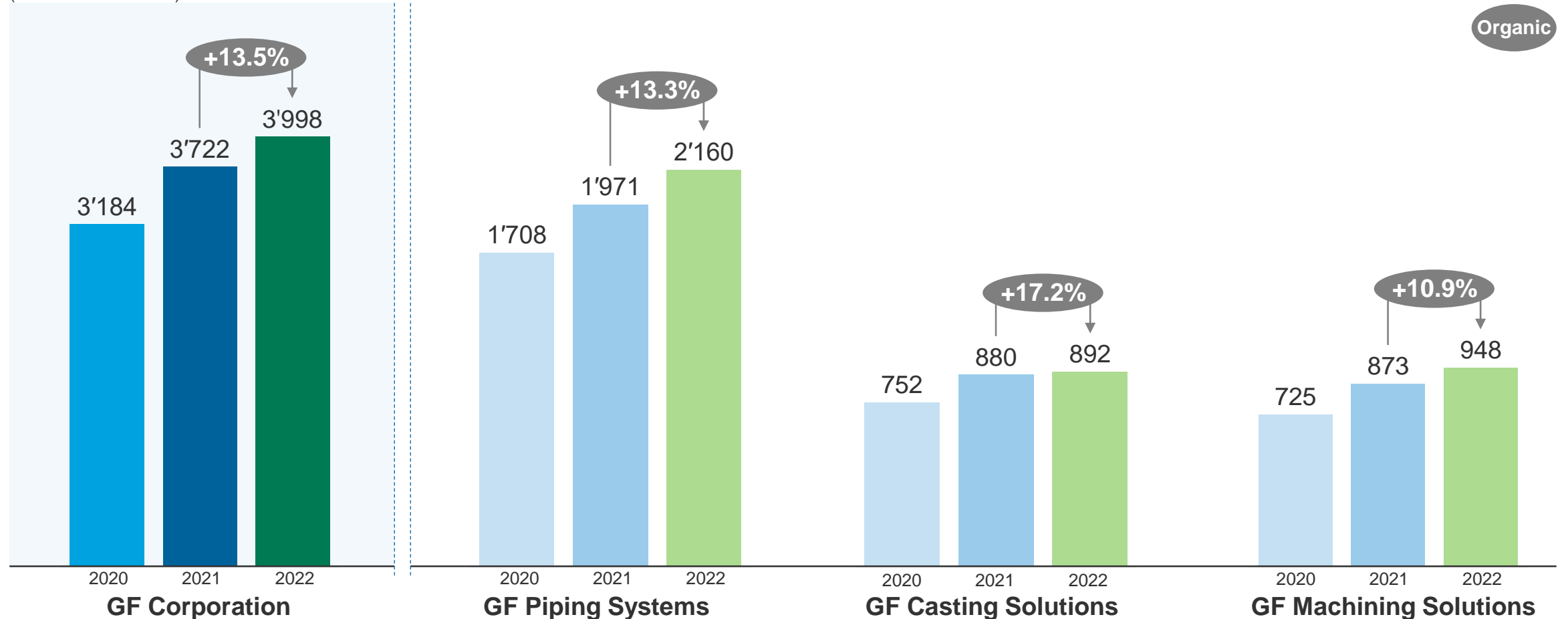
High demand for sustainable solutions – strong results with all-time high EBIT margin 9.8%

- Order intake +4.2% (organically +10.3%) at CHF 4.2 billion
- Sales increased by 7.4% (organically +13.5%) to CHF 4.0 billion
- Operating result (EBIT) increased by 41% to CHF 391 million – all-time high EBIT margin at 9.8%
- All divisions generated value, ROIC at 23.4%
- Net profit shareholders GF increased by 29% to CHF 276 million, proposed dividend of CHF 1.30 per share (2021 adjusted: CHF 1.00)
- CO₂e emissions further reduced by 14% (Scope 1 and 2); SBTi targets validated
- Sustainable solutions focus and well-balanced global footprint paid off



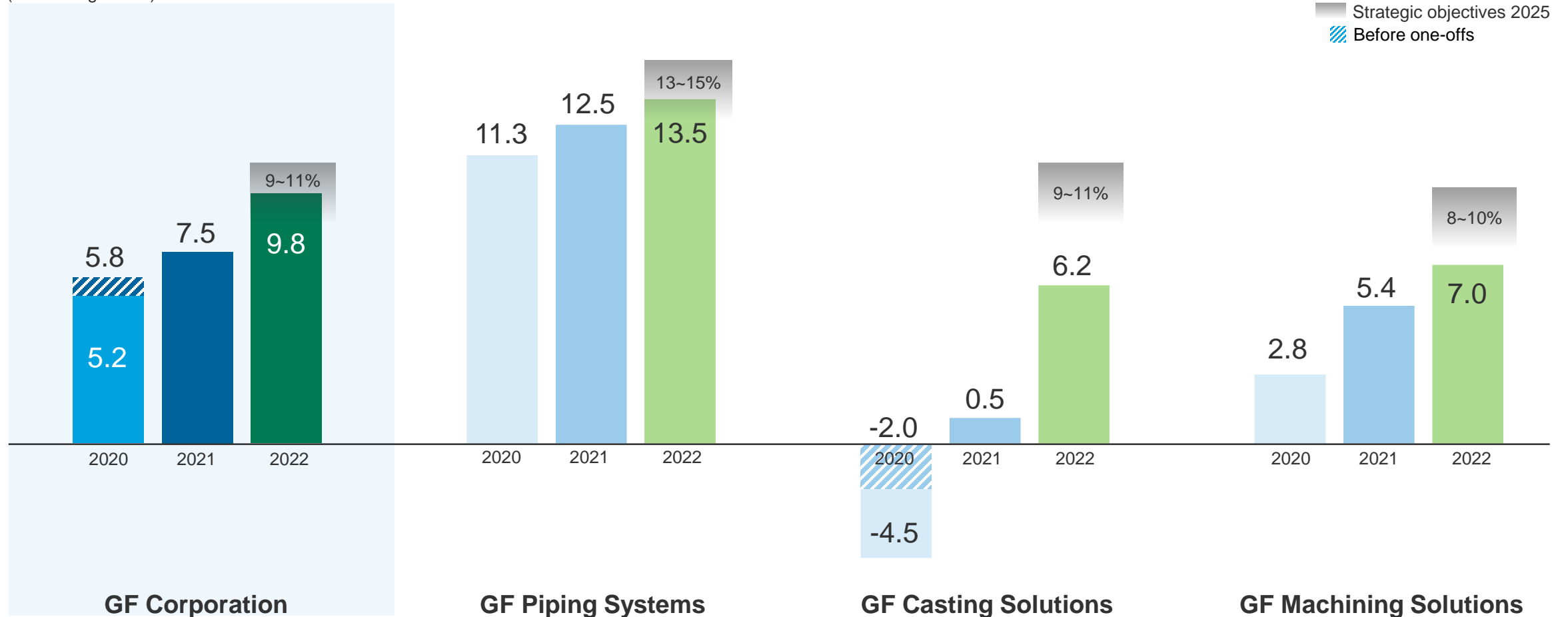
Strong organic sales growth in all three divisions

(Sales in CHF million)



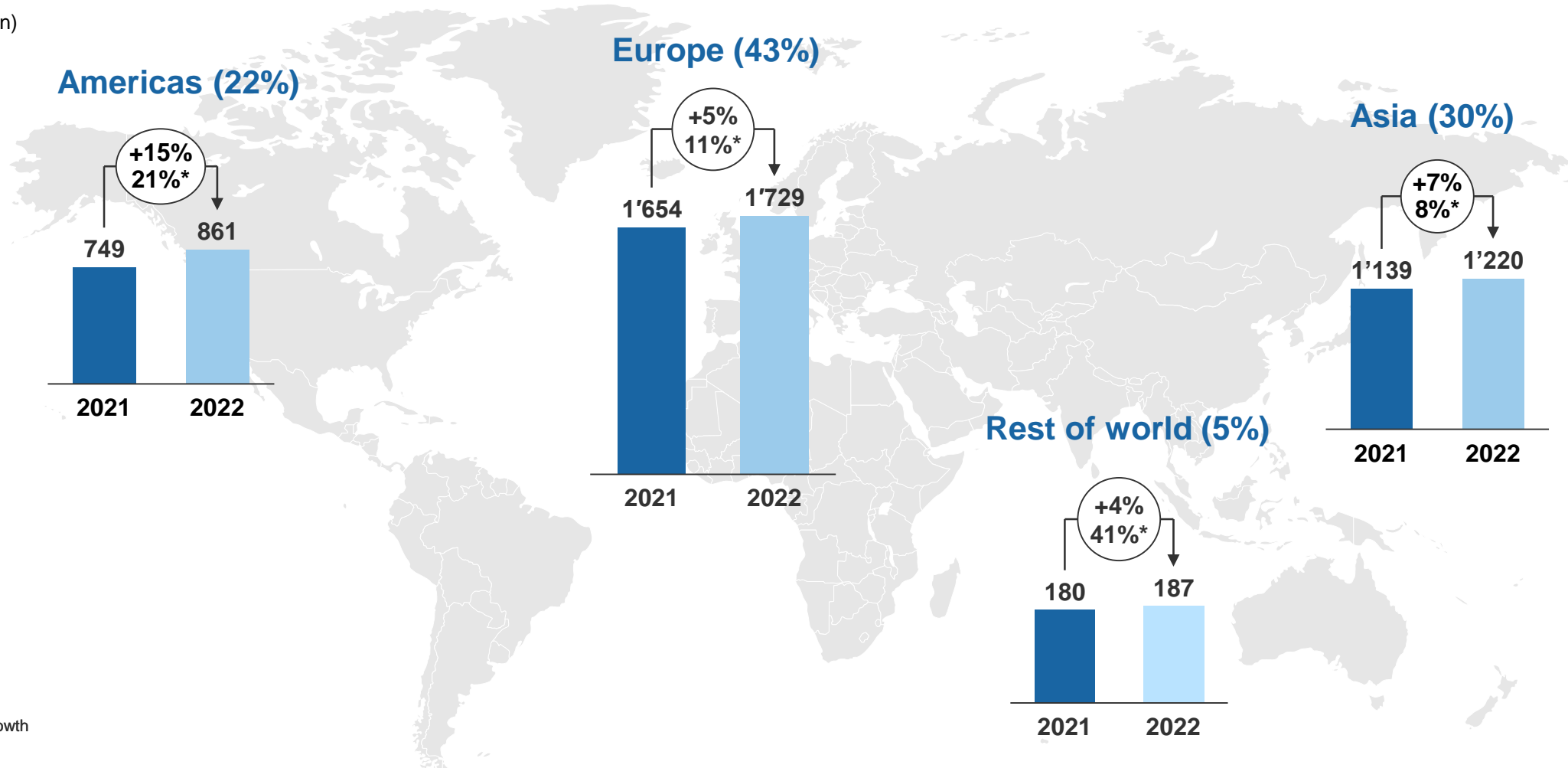
All-time high EBIT, all three divisions with significant increases

(EBIT margin in %)



Significant organic growth in the Americas and Europe, Asia growing with a resilient China

(CHF million)

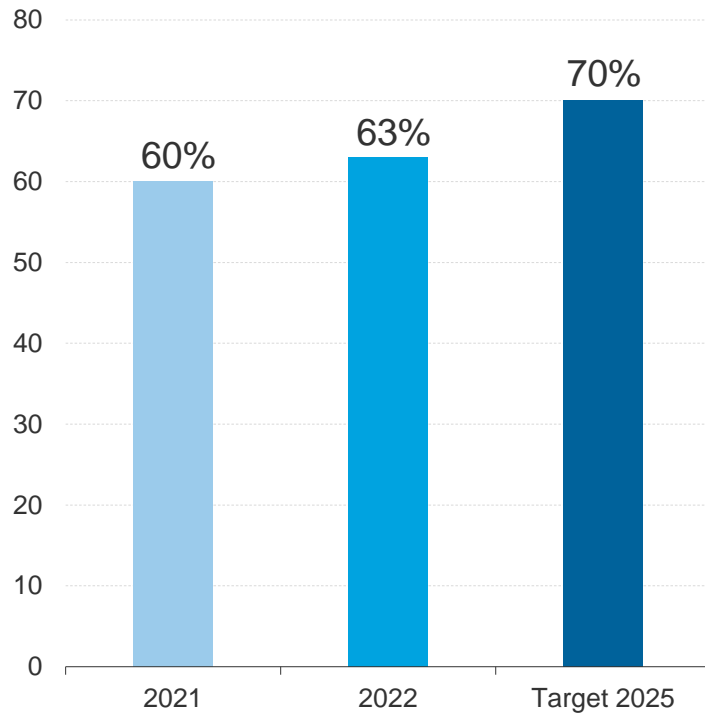


*) Organic growth

Important steps achieved on the way to the sustainability targets 2025

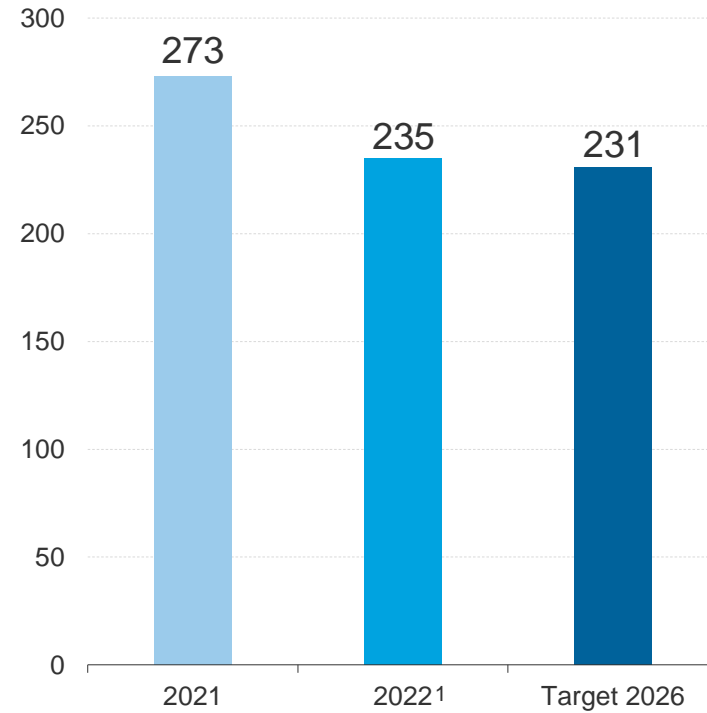
Sales of products with social or environmental benefits

% of total sales



CO₂e emissions

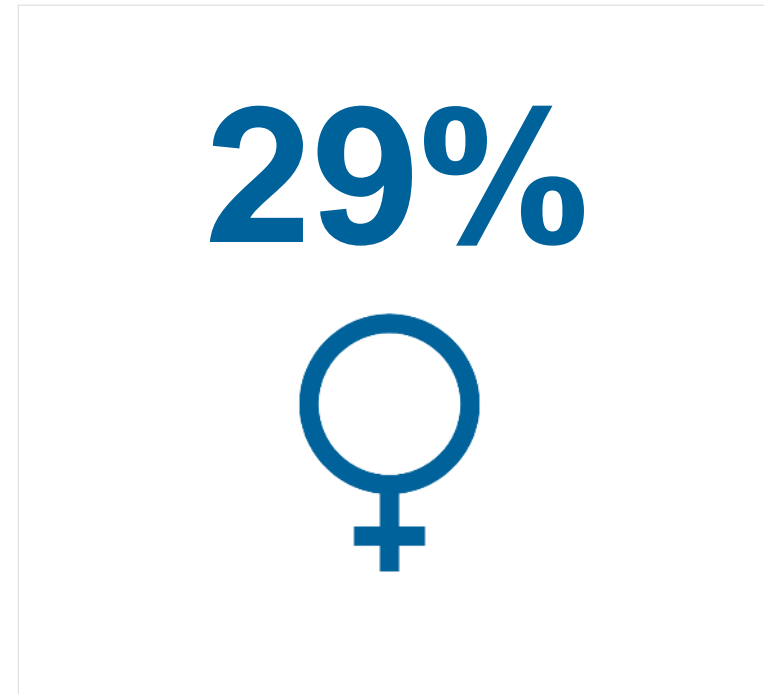
Scope 1 and 2, 1'000 t



¹ as per FC 2022, PwC assured

% of newly appointed women managers

2025 target: 25%



Reduction targets for greenhouse gases (GHG) successfully validated by SBTi



Increased share of hydro-power and PV – Traisen (Austria)



Big solar panel installations – Shenyang (China)



Reduction of scrap material during ramp up with Artificial Intelligence; optimization of energy consumption in production

GF Piping Systems with all-time high profitability and strong presence in growth markets

- Sales of CHF 2'160 million (+9.6%), organically +13.3%
- Operating result at CHF 291 million, all-time high EBIT margin of 13.5%
- Input price increases successfully passed on to the market, contributing to growth
- Significant organic growth in the Americas (+21%) and a solid organic growth in the EU (+5%), stable demand in China
- Strong presence in growth markets that address important sustainability megatrends across the world
- New plant in Yangzhou (China) in operation



DIASTAR – pneumatic diaphragm valve

Lithium extraction plant in China

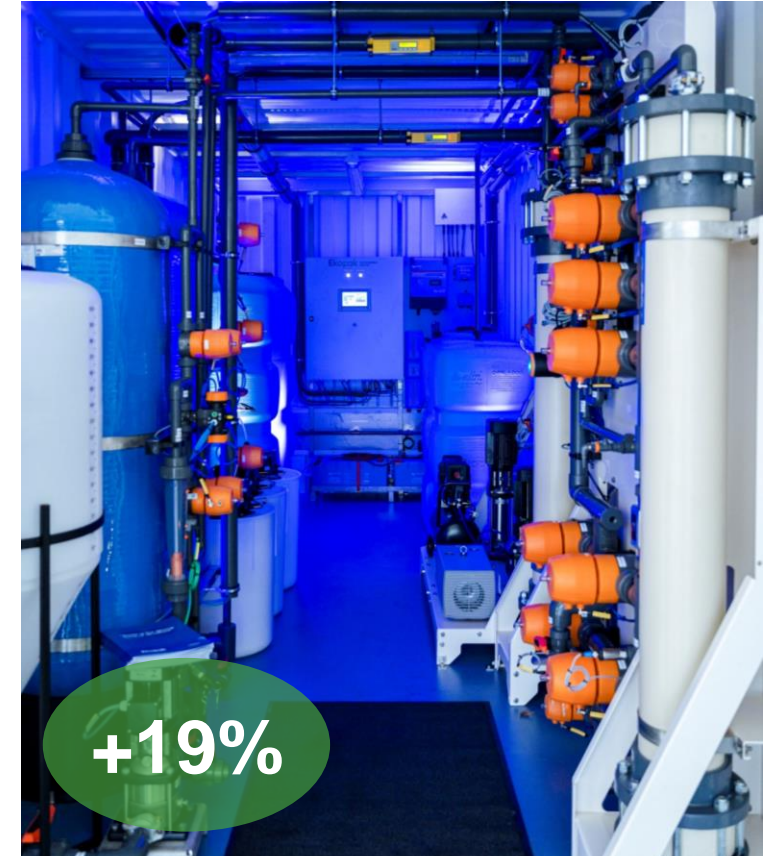
Demand for water applications remains high – Top awards from leading semiconductor companies



Chemical process industry

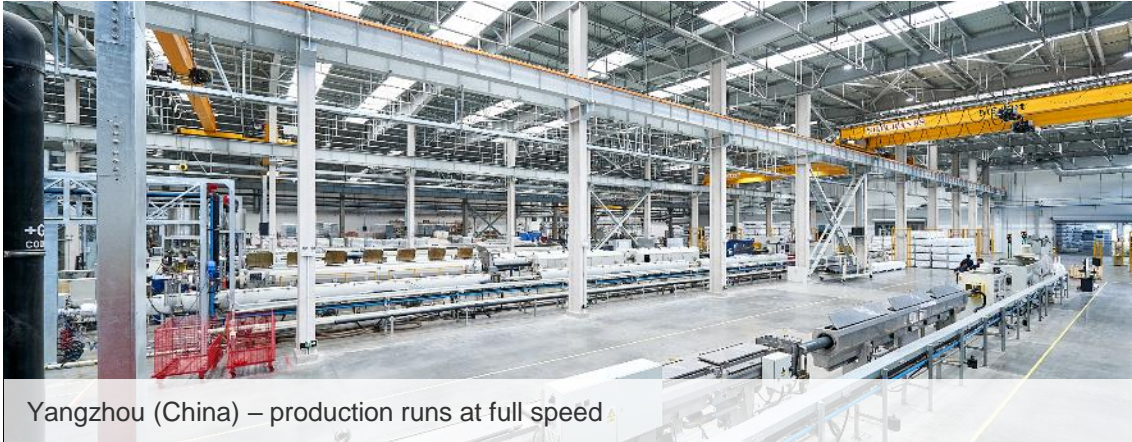


Microelectronics and Data Center



Water treatment

Strategy 2025 – new sustainable solutions and strengthened footprint in China and South America



Megatrend: D.L.E. – promising sustainable process to produce lithium



Megatrend

- Sustainable energy storage
- Strong demand for lithium – 3.5 million tons by 2030

Solutions

- New extraction technologies (D.L.E – Direct Lithium Extraction) with significant reduction of resources & emissions (Water -60%, CO₂ -90%)

GF solution

- Chemical resistant piping systems and process automation
- Pre-fabrication to ease installation on site

Sources: ibcmrt.com; thinkgeoenergy.com

Profitability clearly increased, strong lifetime order intake for e-vehicle components

- Sales of CHF 892 million (+17.2% organically)
- Lifetime order intake for e-vehicle components amounts to CHF 566 million
- Operating result at CHF 55 million, EBIT margin of 6.2%
- US Joint-venture successfully divested
- New strategic partnership with Mexico-based Bocar Group
- New plant in Shenyang (China) fully in operation

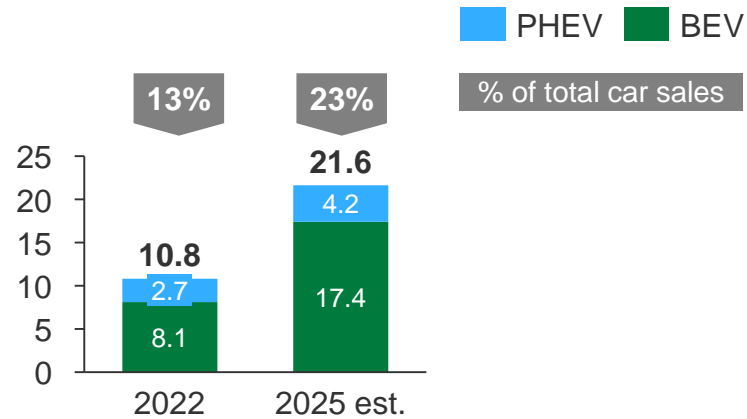


E-mobility on the rise

E-mobility as future growth driver

EV sales globally

In million units



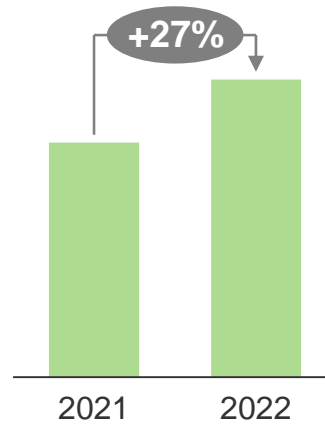
(Source: LMC Automotive, 1/2023)



Aiways U5

Source: ev-database.org

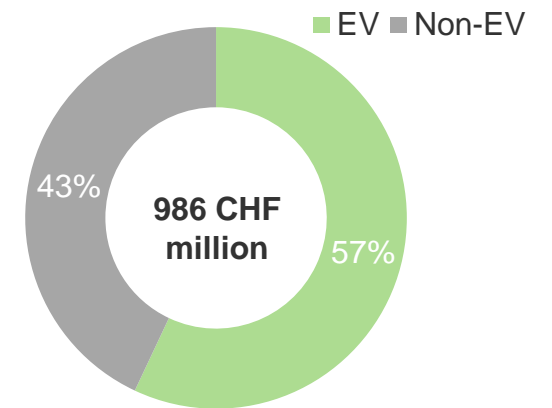
EV sales GF



Transmission housing (VW MEB Platform)

Lifetime order intake 2022 (HPDC)

EV share (HPDC – High Pressure Die Casting)



Mercedes-Benz EQC

Source: Mercedes-Benz

Strategy 2025 – new plant in China opened, mega-cast skills further strengthened



New plant in Shenyang (China) in full operation



Hand-in-hand development with VW



IGT – Hydrogen turbines

Megatrend: High demand for sustainable mobility accelerates development of lightweight mega castings



Frank Gensty (Vice President Technology – GF Casting Solutions)

Megatrend

- Sustainable mobility

Solutions

- Vehicles with lightweight design

GF solution

- Large body and structural parts to simplify production process
- Lightweight solutions to increase range of EVs
- Mega casting on existing machinery

Solid growth with automated high precision solutions

- Order intake of CHF 945 million (+2.6% organically)
- Sales of CHF 948 million +8.7% (+10.9% organically)
- Operating result at CHF 67 million, EBIT-margin of 7.0%
- Strong sales in laser texturing and EDM
- Sales of solutions with automation integration further increased (+30%)
- Innovations with focus on energy efficiency – Econowatt smart module in new machines



Strong organic growth in key market segments




Strategy 2025 – digitalization further strengthened, new energy efficient machine tool solutions

GF Machining Solutions

FORM P series


Energy Efficiency Certificate




Operating mode (24h cycle time)	FORM 300 Sp	FORM P 350	Energy saving %	Thanks to GF
Standby (4h)	0.7 kW	0.3 kW	-57%	1
Ready (4h)	0.7 kW	1.8 kW*	-	2
Machining (16h)	4.7 kW	2.34 kW	-50%	3,4,5
Daily Energy Consumption	80.8 kWh	45.8 kWh	-43%	

All measurements were made in accordance with measurement standards as defined in ISO 14955
*Taking into account thermal stability

Introduction of Energy Efficiency Certificates



MILL X 400 U



Digital Twin – process data @ cloud

Megatrend: Increase of sales with automated solutions by 30%



Megatrend

- Skilled labor shortage
- Automation to increase efficiency

Solution

- Lights-off factory (24/7)
- Flexible automated precision

GF solution

- Fully integrated machine tools
- Flexible automation concepts

Strategy 2025: Values with focus to unleash the full potential of GF



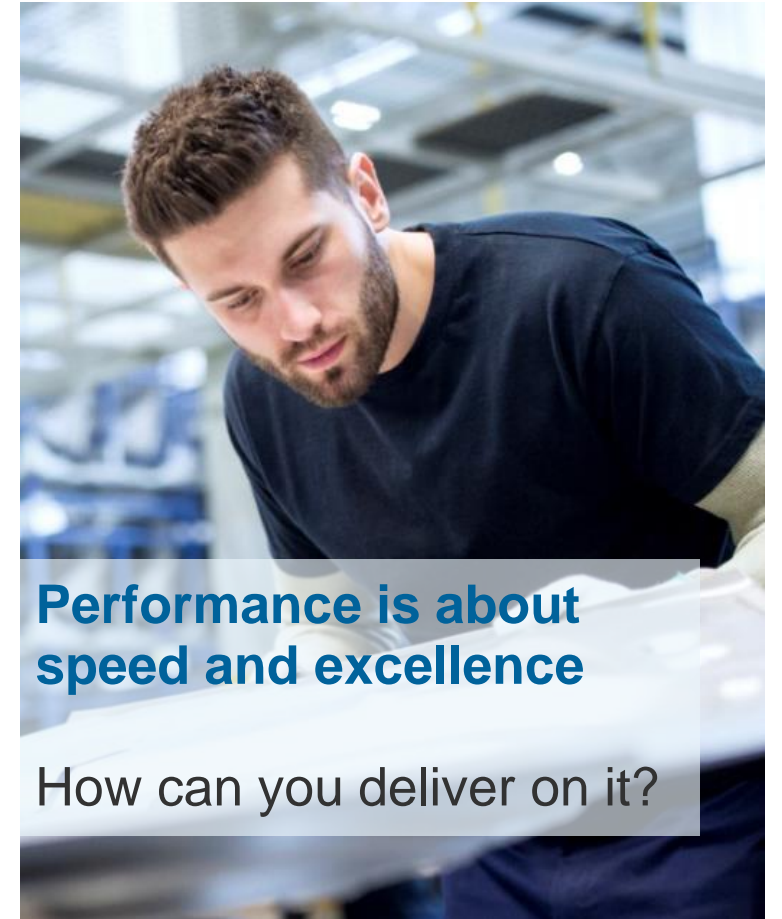
**Caring is about
being part of a team**

How can you make it win?



**Learning is about
having an open mind**

What will you change?



**Performance is about
speed and excellence**

How can you deliver on it?

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 feature various charts and graphs, including bar charts and line graphs. The overall color palette is cool, with blues and greys.

Consolidated financial statements

Mads Joergensen, CFO

Sales per division

(CHF million)

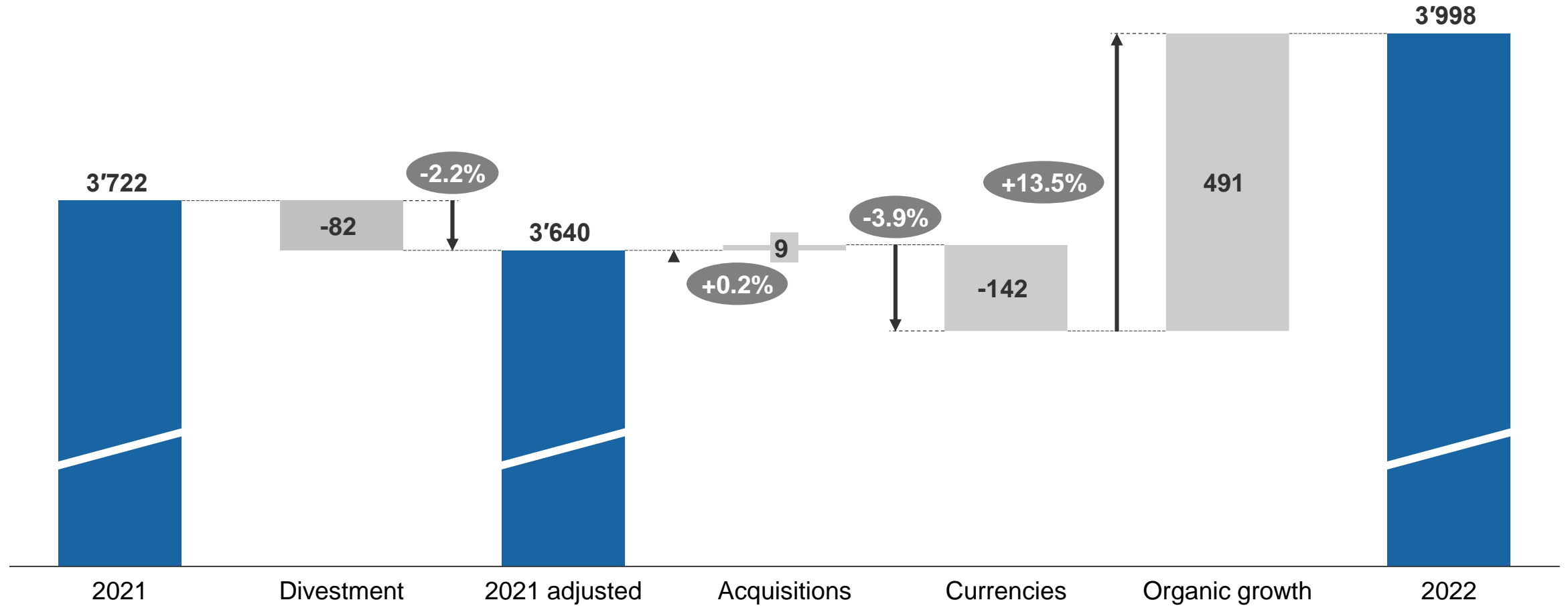
	2022	2021	Δ %	
			growth	organic growth ¹⁾²⁾
GF Piping Systems	2'160	1'971	+9.6%	+13.3%
GF Casting Solutions	892	880	+1.4%	+17.2%
GF Machining Solutions	948	873	+8.7%	+10.9%
GF Corporation	3'998	3'722	+7.4%	+13.5%
Sales H1	1'971	1'835	+7.4%	+11.1%
Sales H2	2'027	1'887	+7.4%	+15.9%

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

2) Including pricing adjustments in the range of 9-11% for GF Piping Systems (adj. volume growth 3-5%), 14-16% for GF Casting Solutions (adj. volume growth 2-4%) and 3-5% for GF Machining Solutions (adj. volume growth 7-9%)

Sales development

(CHF million)



Currency effects on sales and EBIT in 2022

(CHF million)

Per division	Sales	EBIT
GF Piping Systems	-77	-37
GF Casting Solutions	-43	-4
GF Machining Solutions	-22	+2
GF Corporation	-142	-39

Per currency	Rates			Sales	EBIT
	2022	2021	Δ		
EUR	1.005	1.081	-7.1%	-95	-14
USD	0.955	0.914	+4.5%	+50	-10
CNY	0.142	0.142	+0.1%	-5	-1
TRY	0.058	0.106	-44.9%	-71	-11
Others				-21	-3
Total				-142	-39

EBIT and EBIT margin per division

EBIT CHF million

	2022	2021
GF Piping Systems	291	247
GF Casting Solutions	55	5
GF Machining Solutions	67	47
GF Corporation	391	278
EBIT H1	179	141
EBIT H2	212	137

EBIT margin %

	2022	2021
GF Piping Systems	13.5%	12.5%
GF Casting Solutions	6.2%	0.5%
GF Machining Solutions	7.0%	5.4%
GF Corporation	9.8%	7.5%
EBIT H1	9.1%	7.7%
EBIT H2	10.5%	7.3%

Income statement

(CHF million)

	2022	2021	Δ%
Sales	3'998	3'722	7
Gross value added	1'560	1'407	11
Personnel expenses	-1'053	-995	6
EBITDA	507	412	23
EBITDA margin in %	12.7	11.1	
Depreciation, amortization	-116	-134	-14
Operating result (EBIT)	391	278	41
Return on sales (EBIT margin) in %	9.8	7.5	
Financial result	-45	-23	93
Non-operating result & share of results of associates	8	-2	
Income taxes	-74	-53	39
Net profit	280	200	40
Net profit minority interests	4	-15	
Net profit shareholders GF	276	214	29
Earnings per share in CHF	3.37	2.62	29

Free cash flow

(CHF million)

	2022	2021
EBITDA	507	412
Changes in net working capital	-176	-92
Income taxes / interest paid	-90	-63
Other changes	85	32
Cash flow from operating activities	326	288
Additions to property, plant, and equipment	-160	-135
Cash flow from acquisitions / divestments	55	-41
Other additions / disposals, net	-20	-3
Cash flow from investing activities	-125	-178
Free cash flow	201	110
Free cash flow before acquisitions / divestments	146	151

Key figures at a glance

	2022	2021
Net debt (+) / Net cash (-) in CHF million	-159	54
Net debt / EBITDA (multiple)	n.a.	0.13x
Equity ratio in %	44.8	39.7
ROIC in % GF Corporation	23.4	16.4
GF Piping Systems	35.6	32.1
GF Casting Solutions	11.2	0.3
GF Machining Solutions	31.7	21.9
Return on equity in %	17.8	13.8
Number of employees (incl. trainees)	15'207	15'111

Dividend: Board of Directors proposes 30% increase

	2022	2021
Net profit shareholders GF in CHF million	276	214
Earnings per share in CHF	3.37	2.62
Proposed / paid dividend (out of retained earnings) in CHF million	107	82
Proposed / paid dividend per share in CHF	1.30	1.00
Pay-out ratio in %	39	38

A blurred background image of a business meeting. Several people in light blue shirts are gathered 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 scene is brightly lit, suggesting an office environment.

Outlook 2023

Andreas Müller, CEO

Global opportunities support continued growth & profitability in the strategic corridor 2025



- Continued growth
- Profitability in the strategic corridor 2025 (EBIT margin 9-11%)

Outlook 2023

- + Good order book
- + Strong position in resilient market segments
- + Innovations with positive sustainability impact
- Geopolitical tensions
- Macroeconomic uncertainties

Q&A

Are you #GoingForward as well?





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