SFS

SFS Group AG
Half-Year Report

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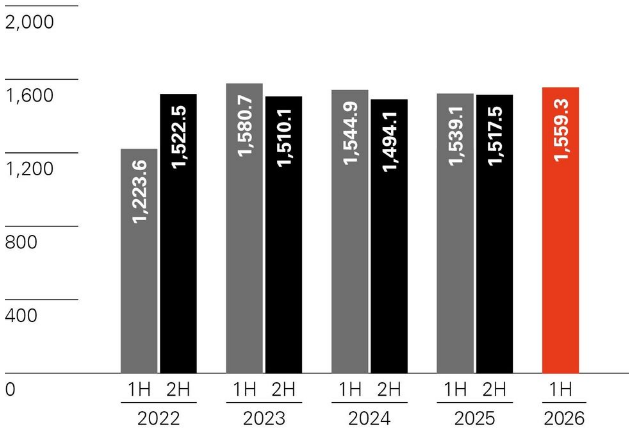

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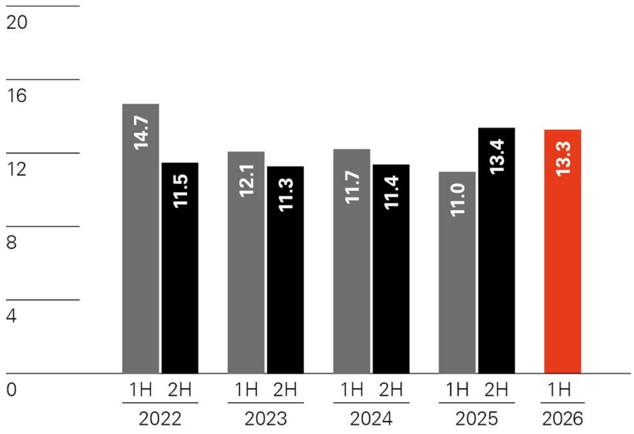

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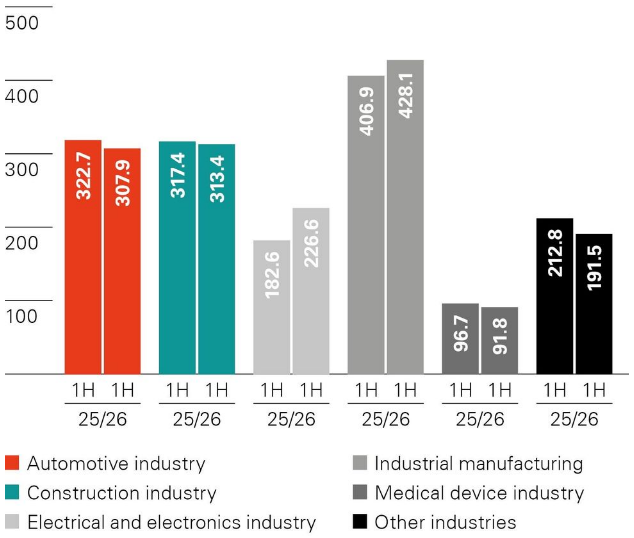
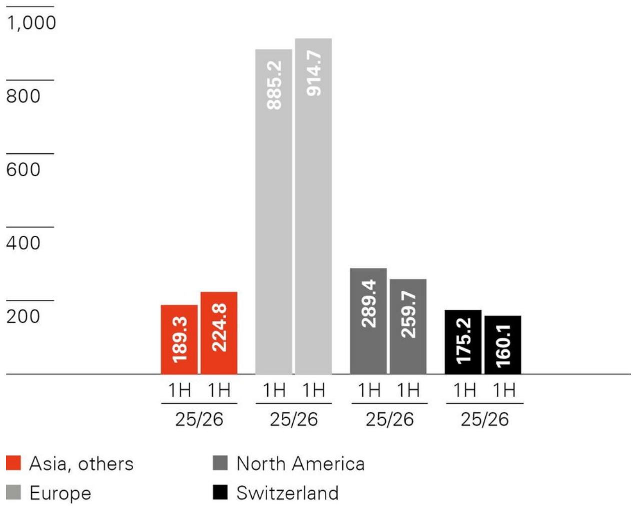


Sales by region in CHF million



Resilience Proven

Income Statement (Unaudited) in CHF million	**2026** **1H**	2025 1H	2024 1H	2023 1H	2022 1H
Sales	1,559.3	1,539.1	1,544.9	1,580.7	1,223.6
Change to previous year in %	1.3	–0.4	–2.3	29.2	27.8
thereof currency effects	–4.2	–2.3	–2.4	–4.3	–1.3
thereof change in scope of consolidation	1.5	0.8	0.0	32.7	19.3
thereof organic growth	4.0	1.1	0.1	0.8	9.8
Net sales	1,554.7	1,533.5	1,543.5	1,573.7	1,224.1
EBITDA	276.8	230.4	245.8	253.1	217.1
in % of net sales	17.8	15.0	15.9	16.1	17.7
Operating profit (EBIT)	211.2	162.2	180.8	189.9	162.9
in % of net sales	13.6	10.6	11.7	12.1	13.3
Operating profit (EBIT) adjusted[1]	206.0	168.1	180.8	189.9	179.5
in % of net sales	13.3	11.0	11.7	12.1	14.7
Net income	149.1	111.8	117.3	134.5	131.5
in % of net sales	9.6	7.3	7.6	8.5	10.7

Balance Sheet in CHF million	**06/30/2026** **(Unaudited)**	12/31/2025	12/31/2024	12/31/2023	12/31/2022
Assets	2,689.7	2,512.7	2,612.2	2,546.8	2,574.2
Net cash (+)/debt (–)	–320.4	–164.8	–335.1	–445.3	–477.7
Average Capital Employed[2]	1,762.2	1,758.9	1,802.6	1,758.9	1,557.6
Invested Capital[2]	3,535.1	3,307.7	3,420.4	3,339.5	3,290.9
Equity	1,583.9	1,618.8	1,559.2	1,375.7	1,303.6
in % of assets	58.9	64.4	59.7	54.0	50.6

Cash Flow Statement (Unaudited) in CHF million	**2026** **1H**	2025 1H	2024 1H	2023 1H	2022 1H
Cash flow from operating activities	156.5	175.8	155.9	151.2	62.5
Purchase of property, plant, equipment and intangible assets	–35.6	–53.3	–68.7	–81.8	–60.7
Acquisition (–)/Disposal (+) of subsidaries, net of cash	–161.8	–	–3.4	–	–515.1

Employees	**06/30/2026** **(Unaudited)**	12/31/2025	12/31/2024	12/31/2023	12/31/2022
Employees in FTE	14,341	13,646	13,689	13,198	13,282

Financial Key Ratios (Unaudited)	**2026** **1H**	2025 1H	2024 1H	2023 1H	2022 1H
ROCE in %[2] (Return on Capital Employed)	23.4	18.8	20.2	21.7	27.6
ROIC in %[2] (Return on Invested Capital)	9.6	8.3	8.7	9.4	9.0

[1]Adjustments are explained in the Information on the publication section
[2]Calculation of the key figure is shown in the Information on the publication section in the Annual Report 2025

Letter to Shareholders

Strong Progress

After the first half of 2026, SFS is on track to meet its targets. With sales of CHF 1,559.3 million and an adjusted EBIT margin of 13.3%, the Group exceeded growth targets. Through several acquisitions, SFS has successfully capitalized on the opportunity to strategically augment its organic growth.

Thomas Oetterli, Chair of the Board of Directors, and Jens Breu, CEO

Dear Shareholders,

The ongoing, profound upheavals taking place around the globe disrupted supply chains in the first half of 2026. Our local-for-local approach, however, which is based on keeping the value chain as regional as possible, has so far mitigated the effects of supply bottlenecks on our business areas. The positive results are a manifestation of this sustainable strategy and our solid positioning.

SFS generated sales of CHF 1,559.3 million in the first half of the year 2026. This corresponds to year-over-year growth of 1.3%. Foreign currency effects, especially due to the weaker US dollar, significantly slowed sales growth down by –4.2%. Organic growth was a strong 4.0%.

Mix effects and measures from the streamlining of the global production and distribution network that have already been implemented had a positive impact on profitability. The program's implementation continues to generate non-recurring effects that impact the results. Excluding these effects, the adjusted operating profit (EBIT) came to CHF 206.0 million (PY CHF 168.1 million), which corresponds to an adjusted EBIT margin of 13.3% (PY 11.0%). Operating profit (EBIT) including non-recurring effects amounted to CHF 211.2 million (PY CHF 162.2 million) at an EBIT margin of 13.6% (PY 10.6%).

The SFS Group generated a stable operating free cash flow of CHF 120.9 million (PY CHF 122.5 million). Earnings per share (EPS) developed positively overall, reaching CHF 3.82 (PY CHF 2.86).

Strategic Acquisitions as an Opportunity

The current environment continues to open up opportunities for SFS to augment organic growth through strategic acquisitions and strengthen the segments' long-term positioning. In the first half of 2026, the SFS Group acquired the three Hoffmann partner companies Gödde GmbH, Oltrogge Werkzeuge GmbH, and Hch. Perschmann GmbH, as well as the majority of shares in Jellypipe AG (now Hoffmann Additive Manufacturing AG), a company specializing in 3D printing. This strengthens our market position in the trading business and further expands our technology offering. The acquisition of Harald Zahn GmbH, a leading supplier of fastening systems for flat roofs in Germany and Austria, strengthened the Fastening Systems segment's market access.

On July 9, 2026, SFS has signed a purchase agreement to acquire Heartland Precision Fasteners, Inc. The American company specializes in the manufacture of high-grade fastening solutions for aircraft structures and propulsion systems. This acquisition will enable SFS to expand its aerospace activities into North America, thereby tapping into a strategically important growth market. The transaction is expected to be completed until the end of September 2026, subject to approval under merger control law and other regulations.

Expectations for the 2026 Financial Year Confirmed

Rigorous customer focus, forward-looking innovation projects and new growth applications will continue to take top priority with respect to SFS's sustainable development. Implementation of the program to streamline the global production and distribution network launched in 2025 will continue.

The SFS Group confirms expectations for the 2026 financial year of sales growth in local currencies of 3–6%, including consolidation effects, and an adjusted EBIT margin of 12–15%.

We would like to thank all our colleagues not only for the hard work they do every single day, but also their loyalty. Our success is built on their innovative spirit.

Thomas Oetterli
Chair of the Board of Directors

Jens Breu
CEO

SFS

Segment Report

Benefits of Diversification

SFS made important progress in all three segments in the first half of 2026. The Engineered Components (EC) segment reported encouraging growth, while momentum in the markets of the Fastening Systems (FS) and Distribution & Logistics (D&L) segments improved only slightly. All segments continued to successfully implement their strategic projects and make operational adjustments.

In the EC segment, the Electronics business unit reported a continuation of extraordinary development and outstanding growth. This was still driven by applications in the Mobile Devices business area as well as components used in Nearline Hard Disk Drives for data centers. Despite excess capacity in Europe, SFS generated solid progress in the automotive industry, in part due to the program to streamline the global production network. Performance in the Medical Devices business area was stable at a good level. The Industrial business unit continued its dynamic development, driven by the Aerospace application area.

Key Figures Engineered Components in CHF million	**2026 1H**	+/–%	2025 1H
Third–party sales	577.8	2.6	563.1
Organic growth		8.6	
Net sales	580.1	2.5	566.0
EBITDA	140.5	16.1	121.0
in % of net sales	24.2		21.4
Operating profit (EBIT)	101.6	30.8	77.7
in % of net sales	17.5		13.7
Operating profit (EBIT) adjusted[1]	96.9	17.6	82.4
in % of net sales	16.7		14.6
Average capital employed	880.3	–5.0	926.5
Investments	17.6	–52.7	37.2
ROCE in %[2]	22.0		17.8
Employees in FTE	8,003	4.4	7,669

[1]Adjustments are explained in the Information on the publication section
[2]EBIT adjusted, annualized in % of average capital employed

The results of the FS segment were still burdened by the economic environment. Market demand improved slightly in the second quarter of 2026 in Europe, while it remained flat in North America. The SFS Group acquired Harald Zahn GmbH, a leading supplier of fastening systems for flat roofs in Germany, on April 1.

Key Figures Fastening Systems in CHF million	**2026** **1H**	+/–%	2025 1H
Third–party sales Organic growth	293.8	–1.1 1.2	297.2
Net sales	294.9	–1.8	300.4
EBITDA in % of net sales	40.9 13.9	–3.1	42.2 14.0
Operating profit (EBIT) in % of net sales	33.9 11.5	–4.5	35.5 11.8
Operating profit (EBIT) adjusted[1] in % of net sales	33.3 11.3	–6.2	35.5 11.8
Average capital employed	255.7	1.5	251.9
Investments	9.7	47.0	6.6
ROCE in %[2]	26.0		28.2
Employees in FTE	1,996	–7.2	2,152

[1]Adjustments are explained in the Information on the publication section
[2]EBIT adjusted, annualized in % of average capital employed

The D&L segment saw slightly improved market momentum in the first half of 2026. The segment will further consolidate its leading position in industrial manufacturing with its acquisition of the three partner companies – Gödde GmbH, Oltrogge Werkzeuge GmbH and Hch. Perschmann GmbH. Further potential with respect to the segment's service offerings, supply chain and support functions are being strategically evaluated and implemented. The performance and synergy advantages that arise will open up new opportunities for all stakeholders. The three companies will be integrated gradually over the next few years.

Key Figures Distribution & Logistics in CHF million	**2026** **1H**	+/–%	2025 1H
Third–party sales Organic growth	687.7	1.3 1.5	678.8
Net sales	684.1	1.3	675.0
EBITDA in % of net sales	96.4 14.1	42.2	67.8 10.0
Operating profit (EBIT) in % of net sales	81.0 11.8	50.0	54.0 8.0
Operating profit (EBIT) adjusted[1] in % of net sales	80.7 11.8	46.5	55.1 8.2
Average capital employed	606.7	2.4	592.7
Investments	5.6	–20.0	7.0
ROCE in %[2]	26.6		18.6
Employees in FTE	3,852	6.9	3,605

[1]Adjustments are explained in the Information on the publication section
[2]EBIT adjusted, annualized in % of average capital employed

Streamlining of Production and Distribution Network for Greater Profitability
The constantly changing market environment, particularly in industrial manufacturing and the automotive industry, prompted SFS to launch a program to streamline the global production and distribution network in the 2025 financial year. Concentrating on a smaller number of production facilities will make it possible to use resources more efficiently and reduce complexity. This will also allow SFS to sharpen its focus on applications with a high potential for differentiation and clear customer benefits. At the same time, the strategic priority of the local-for-local principle remains unchanged.

The program is scheduled to be completed by the end of 2027. SFS expects the site closures and divestments to reduce sales by a total of around CHF 110 million and result in non-recurring costs of about CHF 75 million. The SFS Group is implementing the program to boost profitability and raise its EBIT margin by around 0.8 percentage points by the end of 2027. The non-recurring effects will be reported separately for the duration of the changes and EBIT will be adjusted.

A total of around 650 jobs are affected by company sales, transfers and site closures. As at the publication date of the Half-Year Report 2026, the following projects have been implemented or launched:

- Activities related to blind riveting technology at the SFS location in Brunn am Gebirge (Austria) were transferred from Austria to Germany in the spring of 2025.
- Operations in Olpe (Germany) were discontinued in the second half of 2025.
- The D&L segment gradually transferred the activities of the Asia-Pacific organizational unit in Malaysia and Singapore to selected distribution partners in the fall of 2025.
- Allchemet, a Swiss company, was sold at the end of October 2025 to a group of buyers led by the current managing director, who will continue to manage its operations.
- Production of GESIPA® rivets in Mocksville (USA) was discontinued at the end of 2025 and transferred to Germany. Distribution activities will continue unchanged at the Mocksville location.
- Chmela Holding s.r.o., an existing provider of surface treatments for our products at the Turnov (Czech Republic) location, acquired the plant on July 1, 2026.
- With the aim of safeguarding profitability, SFS is withdrawing from the deep drawing business in Europe. The operations were sold to Adval Tech effective July 7, 2026. The deep drawing presses and related customer orders will be transferred gradually over the course of the next year. Against this backdrop, the site in Flawil (Switzerland) will be closed by the end of 2027. The cold forming operations will be transferred to Heerbrugg (Switzerland).
- The economic conditions for exporting companies in Türkiye are very challenging. SFS closed its site in Torbalı (Türkiye) at the end of March 2026 since it had not been profitable for some time already.
- The distribution locations of the D&L segment in Essen and Göppingen (both in Germany) will be closed at the end of 2026 due to weak earnings.

Financial Report

Consolidated Financial Statements

Consolidated Income Statement

in CHF million (unaudited)	Notes	**2026 1H**	%	2025 1H	%
Net Sales	6	**1,554.7**	100.0	1,533.5	100.0
Other operating income		13.6		17.1	
Change in work in progress and finished goods		1.3		–7.1	
Material expenses		–648.7		–646.7	
Contribution margin		920.9	59.2	896.8	58.5
Personnel expenses		–425.5		–444.1	
Other operating expenses		–218.6		–222.3	
Depreciation on property, plant and equipment		–57.5		–61.4	
Amortization of intangible assets		–8.1		–6.8	
Total Operating Expenses		**–709.7**	–45.6	–734.6	–47.9
Operating Profit (EBIT)		**211.2**	13.6	162.2	10.6
Financial result		–11.9		–12.7	
Share of profit/(loss) from associates/joint ventures		1.2		1.7	
Earnings Before Tax		**200.5**	12.9	151.2	9.9
Income taxes	7	–51.4		–39.4	
Net Income		**149.1**	9.6	111.8	7.3
attributable to SFS shareholders		148.6		111.2	
attributable to non-controlling interests		0.5		0.6	
Earnings per Share in CHF Basic and Diluted	9	**3.82**		2.86	

Consolidated Balance Sheet

Assets in CHF million	Notes	**06/30/2026** **(unaudited)**	%	12/31/2025 (audited)	%
Cash and cash equivalents		222.4		209.8	
Trade receivables		555.2		474.9	
Other current receivables	10	113.0		98.1	
Inventories		581.6		552.6	
Prepayments and accrued income		35.6		33.4	
Current Assets		**1,507.8**	56.1	1,368.8	54.5
Property, plant and equipment		949.5		963.5	
Intangible assets		127.0		54.9	
Financial assets	11	62.2		83.5	
Deferred tax assets		43.2		42.0	
Non-Current Assets		**1,181.9**	43.9	1,143.9	45.5
Assets		**2,689.7**	100.0	2,512.7	100.0

Liabilities and Equity in CHF million	Notes	06/30/2026	%	12/31/2025	%
Current borrowings	12	177.9		13.9	
Trade payables		177.1		175.8	
Other current payables		106.7		94.8	
Current provisions	13	13.6		25.4	
Accrued liabilities and deferred income		152.9		136.5	
Current Liabilities		**628.2**	23.3	446.4	17.8
Non-current borrowings	12	364.8		360.7	
Other non-current payables		8.4		7.4	
Pension benefit obligations		12.3		11.0	
Non-current provisions		12.3		12.3	
Deferred tax liabilities		79.8		56.1	
Non-Current Liabilities		**477.6**	17.8	447.5	17.8
Liabilities		**1,105.8**	41.1	893.9	35.6
Share capital		3.9		3.9	
Capital reserves		14.3		33.7	
Treasury shares		–1.5		–2.8	
Retained earnings		1,549.3		1,566.1	
Equity Attributable to SFS Shareholders		**1,566.0**	58.2	1,600.9	63.7
Non-controlling interests		17.9		17.9	
Equity		**1,583.9**	58.9	1,618.8	64.4
Liabilities and Equity		**2,689.7**	100.0	2,512.7	100.0

Consolidated Statement of Changes in Equity

in CHF million	Notes	Share Capital	Capital Reserves	Treasury Shares	Goodwill offset against equity	Cash flow hedges	Net investment hedges	Currency translation adjustments	Other retained earnings	Retained Earnings	Equity Attributable to SFS Shareholders	Non-Controlling Interests	Total Equity
Balance As at 12/31/2024 (Audited)		3.9	82.6	–4.1	–1,526.1	–0.9	47.2	–171.4	3,110.2	1,459.0	1,541.4	17.8	1,559.2
Changes of hedges		–	–	–	–	0.6	0.3	–	0.2	1.1	1.1	–	1.1
Currency translation adjustments		–	–	–	–	–	–	–70.6	–	–70.6	–70.6	–0.2	–70.8
Net income		–	–	–	–	–	–	–	111.1	111.1	111.1	0.6	111.7
Dividend for 2024		–	–48.6	–	–	–	–	–	–48.6	–48.6	–97.2	–0.8	–98.0
Purchase of treasury shares		–	–	–1.8	–	–	–	–	–	–	–1.8	–	–1.8
Disposal of treasury shares		–	–	1.4	–	–	–	–	–	–	1.4	–	1.4
Other changes		–	–0.1	–	–	–	–	–	0.1	0.1	0.0	–	0.0
Balance As at 06/30/2025 (Unaudited)		3.9	33.9	–4.5	–1,526.1	–0.3	47.5	–242.0	3,173.0	1,452.1	1,485.4	17.4	1,502.8
Changes of hedges		–	–	–	–	0.2	0.4	–	–0.2	0.4	0.4	–	0.4
Acquisitions		–	–	–	–3.0	–	–	–	–	–3.0	–3.0	–	–3.0
Disposals		–	–	–	5.0	–	–	–	–	5.0	5.0	–	5.0
Currency translation adjustments		–	–	–	–	–	–	3.2	–	3.2	3.2	–0.1	3.1
Net income		–	–	–	–	–	–	–	107.9	107.9	107.9	0.6	108.5
Purchase of treasury shares		–	–	–0.6	–	–	–	–	–	–	–0.6	–	–0.6
Disposal of treasury shares		–	–0.3	2.3	–	–	–	–	–	–	2.0	–	2.0
Other changes		–	0.1	–	–	–	–	–	0.5	0.5	0.6	–	0.6
Balance As at 12/31/2025 (Audited)		3.9	33.7	–2.8	–1,524.1	–0.1	47.9	–238.8	3,281.2	1,566.1	1,600.9	17.9	1,618.8
Changes of hedges		–	–	–	–	0.2	2.8	–	–	3.0	3.0	–	3.0
Acquisitions		–	–	–	–106.5	–	–	–	–	–106.5	–106.5	–	–106.5
Changes in minorities		–	–	–	–0.3	–	–	–	–	–0.3	–0.3	0.3	–
Currency translation adjustments		–	–	–	–	–	–	16.2	–	16.2	16.2	–0.3	15.9
Net income		–	–	–	–	–	–	–	148.6	148.6	148.6	0.5	149.1
Dividend for 2025		–	–19.4	–	–	–	–	–	–77.8	–77.8	–97.2	–0.6	–97.8
Purchase of treasury shares		–	–	–0.2	–	–	–	–	–	–	–0.2	–	–0.2
Disposal of treasury shares		–	0.0	1.5	–	–	–	–	–	–	1.5	–	1.5
Other changes		–	–	–	0.1	–	–	–	–0.1	0.0	0.0	0.1	0.1
Balance As at 06/30/2026 (Unaudited)		3.9	14.3	–1.5	–1,630.8	0.1	50.7	–222.6	3,351.9	1,549.3	1,566.0	17.9	1,583.9

The capital reserves stem from the statutory capital reserve and other capital reserves of SFS Group AG.

Consolidated Cash Flow Statement

in CHF million (unaudited, condensed version)	Notes	**2026 1H**	2025 1H
Cash flow before changes in net working capital		219.6	189.2
Changes in net working capital		–63.1	–13.4
Cash Flow From Operating Activities		**156.5**	175.8
Purchases of property, plant and equipment		–32.4	–52.5
Proceeds from sale of property, plant and equipment		0.3	1.0
Purchases of intangible assets		–3.2	–0.8
Proceeds from sale of intangible assets		0.0	–
Acquisition of subsidiaries	14	–161.8	–
Proceeds from disposal (+)/outflows for investment (–) of financial assets		2.7	–0.3
Investment in/dividends from associates/joint ventures		–	1.5
Proceeds from interest and securities		0.6	1.1
Cash Flow From Investing Activities		**–193.8**	–50.0
Dividends to SFS shareholders	8	–97.2	–97.2
Dividends to non-controlling interests		–0.6	–0.8
Purchase (–)/disposal of treasury shares (+)		–0.2	–1.8
Proceeds (+)/repayments from/of current borrowings (–)		–3.4	–215.3
Proceeds (+)/repayments from/of non-current borrowings (–)		148.7	143.3
Cash Flow From Financing Activities		**47.3**	–171.8
Translation adjustment on cash and cash equivalents		2.6	–9.9
Changes in Cash and Cash Equivalents		**12.6**	–55.9
Cash and cash equivalents at beginning of period		209.8	224.6
Cash and Cash Equivalents at End of Period		**222.4**	168.7

Notes to the Consolidated Financial Statements

1 General Information

The SFS Group is a limited company according to Swiss law, incorporated and domiciled in Heerbrugg, municipality of Widnau/SG (Switzerland). SFS Group AG is the parent company of all SFS Group companies and therefore the ultimate holding company of the SFS Group. It is listed on the SIX Swiss Exchange in Zurich under the ticker symbol SFSN.

All amounts are in CHF million unless otherwise stated.

2 Accounting Policies

These unaudited and condensed half-year consolidated financial statements have been prepared in accordance with Swiss GAAP FER 31 para. 9 to 12 Interim Reporting. These half-year consolidated financial statements need to be considered in conjunction with the consolidated financial statements 2025 and have been prepared using the same accounting and valuation methods. No new standards have been adopted.

3 Critical Accounting Estimates and Judgments

Recognized critical accounting estimates, judgments and the financial risk management used in the consolidated financial statements 2025 have remained unchanged in the first half of the year 2026. Similarly, there are no material changes in the financial risk.

4 Seasonality and Other Effects

Due to seasonal variations in the segments, higher net sales and a higher operating profit are typically achieved in the second half of the year. The most pronounced effects generally result from the end-user markets of the electrical and electronics industry and the construction industry. In the electrical and electronics industry, the second half of the year sees the launch of new products from important end customers and higher sales due to the holiday season. The construction industry generally benefits from the seasonally strong autumn months. In other end markets, sales are more balanced throughout the year.

In recent years, these seasonal effects have not always materialized due to high market volatility.

5 Segment Information

The SFS Group is divided into the three segments Engineered Components, Fastening Systems and Distribution & Logistics.

Detailed information about the segments is presented in the Segment Report section.

In addition to the elimination of intercompany transactions, the Corporate segment contains figures relating to the Technology and Business Support Functions (formerly Corporate Services and Corporate IT & Finance).

Reconciliation of Segment Results to Income Statement and Balance Sheet

2026 1H	Notes	Engineered Components	Fastening Systems	Distribution & Logistics	Corporate	**Total**
Third–party sales	6	577.8	293.8	687.7	–	1,559.3
Net Sales	6	**580.1**	**294.9**	**684.1**	**–4.4**	**1,554.7**
EBITDA		**140.5**	**40.9**	**96.4**	**–1.0**	**276.8**
in % of net sales		24.2	13.9	14.1		17.8
Operating Profit (EBIT)		**101.6**	**33.9**	**81.0**	**–5.3**	**211.2**
in % of net sales		17.5	11.5	11.8		13.6
Capital expenditures		17.6	9.7	5.6	2.7	35.6
06/30/2026 (Unaudited)						
Operating assets		1,081.4	358.6	857.3	86.5	2,383.8
Operating liabilities		200.3	82.3	210.8	59.4	552.8
Capital employed		881.1	276.3	646.5	27.1	1,831.0
of which net working capital		307.0	170.5	345.9	–7.8	815.6

2025 1H	Notes	Engineered Components	Fastening Systems	Distribution & Logistics	Corporate	Total
Third–party sales	6	563.1	297.2	678.8	–	1,539.1
Net Sales	6	**566.0**	**300.4**	**675.0**	**–7.9**	**1,533.5**
EBITDA		**121.0**	**42.2**	**67.8**	**–0.6**	**230.4**
in % of net sales		21.4	14.0	10.0		15.0
Operating Profit (EBIT)		**77.7**	**35.5**	**54.0**	**–5.0**	**162.2**
in % of net sales		13.7	11.8	8.0		10.6
Capital expenditures		37.2	6.6	7.0	2.5	53.3
12/31/2025 (audited)						
Operating assets		1,074.7	322.4	737.0	84.6	2,218.7
Operating liabilities		206.0	81.6	168.4	55.6	511.6
Capital employed		868.7	240.8	568.6	29.0	1,707.1
of which net working capital		283.9	142.8	307.2	–7.8	726.1

Assets	Notes	06/30/2026	12/31/2025
Operating Assets		**2,383.8**	2,218.7
+ Cash and cash equivalents		222.4	209.8
+ Short-term derivative financial instruments		21.3	0.7
+ Financial assets	11	62.2	83.5
Assets		**2,689.7**	2,512.7

Liabilities and Equity	Notes	06/30/2026	12/31/2025
Operating Liabilities		**552.8**	511.6
+ Current borrowings	12	177.9	13.9
+ Short-term derivative financial instruments		1.9	0.3
+ Other non-current payables		8.4	7.4
+ Non-current borrowings	12	364.8	360.7
Liabilities		**1,105.8**	893.9
Equity (Net Assets)		**1,583.9**	1,618.8

6 Net Sales

	2026 1H	2025 1H
Sales	1,559.3	1,539.1
Other items	–4.6	–5.6
Net Sales	**1,554.7**	1,533.5

7 Income Taxes

In these half-year consolidated financial statements, the income taxes have been recorded on the basis of local tax rates.

8 Dividend

The dividend distribution for fiscal year 2025 of CHF 2.50 per share was approved at the annual general meeting and paid out in the total amount of CHF 97.2 million in May 2026.

9 Earnings per SFS Share

	2026 1H	2025 1H
Weighted average number of outstanding shares	38,879,115	38,858,028
Net income attributable to SFS shareholders	148.6	111.2
Earnings per Share in CHF Basic and Diluted	**3.82**	2.86

10 Other Current Receivables

	06/30/2026	12/31/2025
VAT and withholding tax	24.1	23.7
Receivables from supplier rebates	20.3	36.8
Other receivables	47.3	36.9
Short-term derivative financial instruments	21.3	0.7
Total	**113.0**	98.1

In connection with the financing of the Hoffmann SE acquisition and the corresponding issuance of two bonds with a volume of CHF 400 million (refer to note 12), the SFS Group entered into two cross-currency swaps (CHF/EUR) in 2022 with the same volume and maturity. The cross-currency swaps (designated as hedging instruments) are used to hedge the foreign currency exposure which arises from the translation of net investments in foreign entities (designated as hedged items) into the Group's presentation currency. Changes in the fair values of the cross-currency swaps (net investment hedges) are recognized in equity and reversed through profit and loss upon disposal of the foreign entity. The impact arising from the expiration of the cross-currency swap as of June 6, 2025 in the amount of CHF 26.0 million remains recognized in equity until the foreign entity is disposed of. The fair value of the remaining cross-currency swap as of June 30, 2026 amounts to CHF 20.7 million and is reported under other current receivables (fair value as of December 31, 2025: CHF 19.7 million, reported under financial assets).

11 Financial Assets

	06/30/2026	12/31/2025
Loans to third parties	9.2	14.1
Investments	20.2	18.2
Assets from employer contribution reserves	24.9	24.9
Economic benefit from pension plans	3.1	2.0
Derivative financial instruments	–	19.7
Other financial assets	4.8	4.6
Total	**62.2**	83.5

Marketable securities and financial assets are measured at market value through profit or loss. In the absence of a market value, marketable securities and financial assets are measured at historical costs less any impairment. "Investments" include investments in associates, joint ventures and immaterial subsidiaries that are not included in the scope of consolidation.

12 Borrowings

Current Borrowings	**06/30/2026**	12/31/2025
Bonds	150.0	–
Bank borrowings	14.7	13.2
Borrowings from third parties	13.2	0.7
Total	**177.9**	13.9

Non-Current Borrowings		
Bonds	–	150.0
Bank borrowings	342.8	197.6
Borrowings from third parties	22.0	13.1
Total	**364.8**	360.7

In connection with the financing of the Hoffmann SE acquisition, SFS Group issued two bonds in June 2022 for a total of CHF 400 million. The first bond of CHF 250 million has a coupon of 1.00% and a maturity of three years (maturity date June 6, 2025) and the second bond of CHF 150 million has a coupon of 1.45% and a maturity of five years (maturity date June 8, 2027). Bonds are recognized in the balance sheet at nominal value. Deviations from the nominal value in the case of below- or above-par issues are offset with the emission costs and recognized as accruals and deferrals, and afterwards reversed on a straight-line basis over the term of the bonds. The first bond was fully repaid on June 6, 2025. Due to the acquisition, the existing loan contract was prematurely renewed and two additional banks were included in the syndicate. The new contract term, after execution of the extension options, ends on May 10, 2029. The committed and uncollateralized revolving credit line amounts to CHF 600 million. It may be increased by a maximum amount of an additional CHF 100 million, provided the lenders agree to the request of the SFS Group. The option to increase the maximum amount can be used up to three months before the final maturity date.

The SFS Group can use non-derivative financial instruments (financial liabilities) to hedge the foreign currency exposure which arises from the translation of net investments in foreign entities (designated as hedged items) into the Group's presentation currency (net investment hedges). Changes in the fair values of the hedging instruments of net investment hedges are recognized in equity and reversed through profit and loss upon disposal of the foreign entity. As of June 30, 2026, borrowings include a EUR loan in the amount of CHF 78.4 million (nominal value EUR 85.0 million) which the SFS Group has designated as a hedging instrument in a net investment hedge.

13 Short-Term Provisions

As part of restructuring measures, short-term provisions in the amount of CHF 13.6 million (December 31, 2025 CHF 25.4 million) were recognized as of June 30, 2026. These primarily relate to costs associated with personnel reduction measures as well as other expenses in connection with changes to the production and distribution network.

14 Changes in Scope of Consolidation

Acquisition of Subsidiaries	**2026 1H**	2025 1H
Purchase Price Incl. Acquisition Cost	**202.1**	–
Cash and cash equivalents acquired	–18.6	–
Deferred and other non-cash consideration	–13.6	–
Deferred consideration from previous acquisitions	0.5	–
Contingent consideration (earnout)	–8.6	–
Consideration in Cash Flow Statement	**161.8**	–

As of January 1, 2026, the SFS Group acquired Jellypipe AG (subsequently renamed to Hoffmann Additive Manufacturing AG). Hoffmann Additive Manufacturing AG, an established and rapidly expanding platform for 3D-printing services, is part of the Distribution & Logistics segment. The company, headquartered in Fislisbach (CH), generated revenues of around CHF 2.5 million in the 2025 financial year. Contract clauses do include a contingent consideration (earnout) depending on the net income achieved in the following years.

The SFS Group has acquired Gödde GmbH (Cologne, Germany), Gödde S.R.L (Kettenis, Belgium), Hch. Perschmann GmbH (Braunschweig, Germany), Perschmann Sp.z.o.o (Poznan, Poland) and Oltrogge Werkzeuge GmbH (Bielefeld, Germany) in the current financial year. The closings of the transactions were carried out in stages on March 1 (Gödde companies), April 1 (Perschmann companies) and May 1, 2026 (Oltrogge). The companies form part of the Distribution & Logistics segment. In the financial year 2025, the three distribution partners of the Hoffmann Group generated third-party sales of approximately EUR 270 million with around 450 employees. As the companies already purchased their products from the Hoffmann Group prior to the acquisition, this represents an expected increase in sales of approximately EUR 130 million for the SFS Group. Contract clauses do not include any contingent considerations (earnouts). The purchase price allocations prepared for this interim half-year financial statement are still provisional and are expected to be completed in the second half of 2026.

As of April 1, 2026, the SFS Group acquired Harald Zahn GmbH, headquartered in Wiesloch (DE). Harald Zahn GmbH is part of the Fastening Systems segment. In 2025, the company generated sales of around EUR 8 million with 45 employees. Through this acquisition, SFS strengthens its market presence in the German and Austrian construction industry and expands its offering in the area of flat-roof fastening systems. Contract claused do not include any contingent consideration (earnout).

15 Discontinued Operations

On June 30, 2025, a contract for the sale of Allchemet AG was signed. The sale was completed on October 31, 2025. The Distribution & Logistics segment was affected by this decision as follows:

	2026 1H	2025 1H
Net sales	–	18.2
Operating profit (EBIT)	–	0.5

16 Exchange Rates

		Balance Sheet		Income Statement	
	Unit	**06/30/2026**	12/31/2025	**2026 1H**	2025 1H
China	CNY 100	11.931	11.322	11.463	11.894
EU	EUR 1	0.922	0.931	0.918	0.941
United Kingdom	GBP 1	1.070	1.067	1.058	1.118
USA	USD 1	0.810	0.793	0.787	0.863

17 Events After the Reporting Period

On July 9, 2026, the SFS Group signed an agreement to acquire Heartland Precision Fasteners Inc., an American fastening specialist in the aerospace sector. Headquartered in Kansas (USA), the company will become part of the Engineered Components segment. In 2025, it generated sales of approximately USD 30 million with around 70 employees. The closing of the transaction is expected to be completed until the end of September 2026, subject to approval under merger control law and other regulations.

The Board of Directors approved the half-year consolidated financial statements on July 22, 2026. SFS is not aware of any further events that occurred after the balance sheet date that could have a material impact on these consolidated financial statements.

Information on the Publication

Explanation Regarding Alternative Performance Measurements
In addition to the traditional financial key figures defined by general accounting principles, the SFS Group uses alternative performance measurements for its segments. The basis of calculation and the explanation of alternative performance measurements are described in the Information on the publication section of the Financial Report 2025. The reconciliation to the adjusted operating profit (EBIT) for the first half of the year 2026 is presented below.

Operating Profit (EBIT) Adjusted and EBIT Margin Adjusted

in CHF million	**2026 1H**	2025 1H	2024 1H	2023 1H	2022 1H
Operating profit (EBIT)	211.2	162.2	180.8	189.9	162.9
+ Project-specific non-recurring effects of program to make changes to the production and distribution network	–5.2	5.9	–	–	–
+ Amortization of inventory step-up related to purchase price allocation of Hoffmann SE acquisition and first-time intra-segment profit elimination in inventory (D&L segment)	–	–	–	–	16.6
Operating Profit (EBIT) Adjusted	**206.0**	168.1	180.8	189.9	179.5
Net sales	1,554.7	1,533.5	1,543.5	1,573.7	1,224.1
EBIT Margin Adjusted in %	**13.3**	11.0	11.7	12.1	14.7

The registered shares of SFS Group AG of CHF 0.10 each have been listed on the SIX Swiss Exchange since May 7, 2014. Swiss GAAP FER was applied for the first time at the end of 2017.

	06/30/2026	12/31/2025	12/31/2024	12/31/2023	12/31/2022
Number of registered shares in 1,000	38,900	38,900	38,900	38,900	38,900
Number of shares ranking for dividend in 1,000	38,900	38,900	38,900	38,900	38,900
Weighted average number of outstanding shares in 1,000	38,879	38,860	38,883	38,887	38,365
Number of shareholders	8,466	8,467	8,777	8,881	8,691
Stock Exchange Quotation in CHF					
Year high	136.60	126.40	133.80	128.80	140.90
Year low	107.60	95.50	97.60	87.90	80.90
End price	133.20	108.60	125.60	104.20	87.50
Share Key Data					
Earnings per share in CHF	3.82	5.63	6.21	6.84	6.95
Distribution per share in CHF	n/a	2.50	2.50	2.50	2.50
Payout ratio in % of net income	n/a	44.4	40.3	36.5	36.4
Price/earnings ratio (year-end price)	n/a	19.3	20.2	15.2	12.6
Market Capitalization					
in CHF million (End price × number of shares ranking for dividend)	5,181.5	4,224.5	4,885.8	4,053.4	3,403.8
in % of (annualized) net sales	166.6	138.7	161.2	131.9	124.3
in % of equity	327.1	261.0	313.4	294.7	261.1

Agenda

Investor Day
Thursday, September 17, 2026

Publication of Annual Report 2026
Friday, February 26, 2027

Annual General Meeting
Tuesday, April 20, 2027

Publication of Half-Year Report 2027
Wednesday, July 21, 2027

Stock information

Security-no.
23.922.930

ISIN
CH 023 922 930 2

SIX Swiss Exchange
SFSN

Reuters
SFSN.S

Bloomberg
SFSN SW

Fact Set
SFSN-CH

Imprint

Half-Year Report 2026
The Half-Year Report is available in German and English. The German language version of the Half-Year Report is the legally binding version.

Exclusion of liability
This Half-Year Report includes forward-looking statements. These statements reflect the SFS Group's current assessment of market conditions and future events. The statements are therefore subject to risks, uncertainties and assumptions. Unforeseen events may lead to deviations of the actual results from the forecasts and estimates made in this presentation and in other published information. To this extent, all forward-looking statements in this Half-Year Report are subject to such limitations.

Imprint
Publisher: SFS Group AG
Concept and design: SFS Group AG
Text: SFS Group AG
System integration: NeidhartSchön AG, Zürich
Content management system: ns.wow, mms solutions AG, Zürich

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