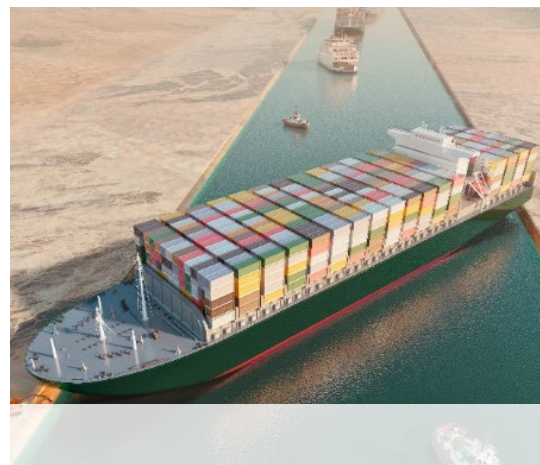
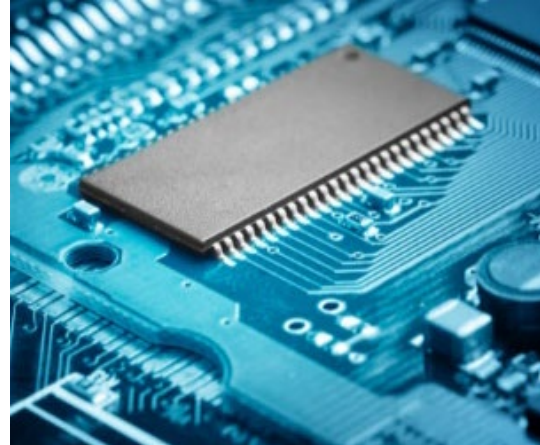


Schaffhausen, 21 July 2021

Mid-Year Report 2021 – Accelerating growth

Andreas Müller, Mads Joergensen

Strong performance – accelerated growth

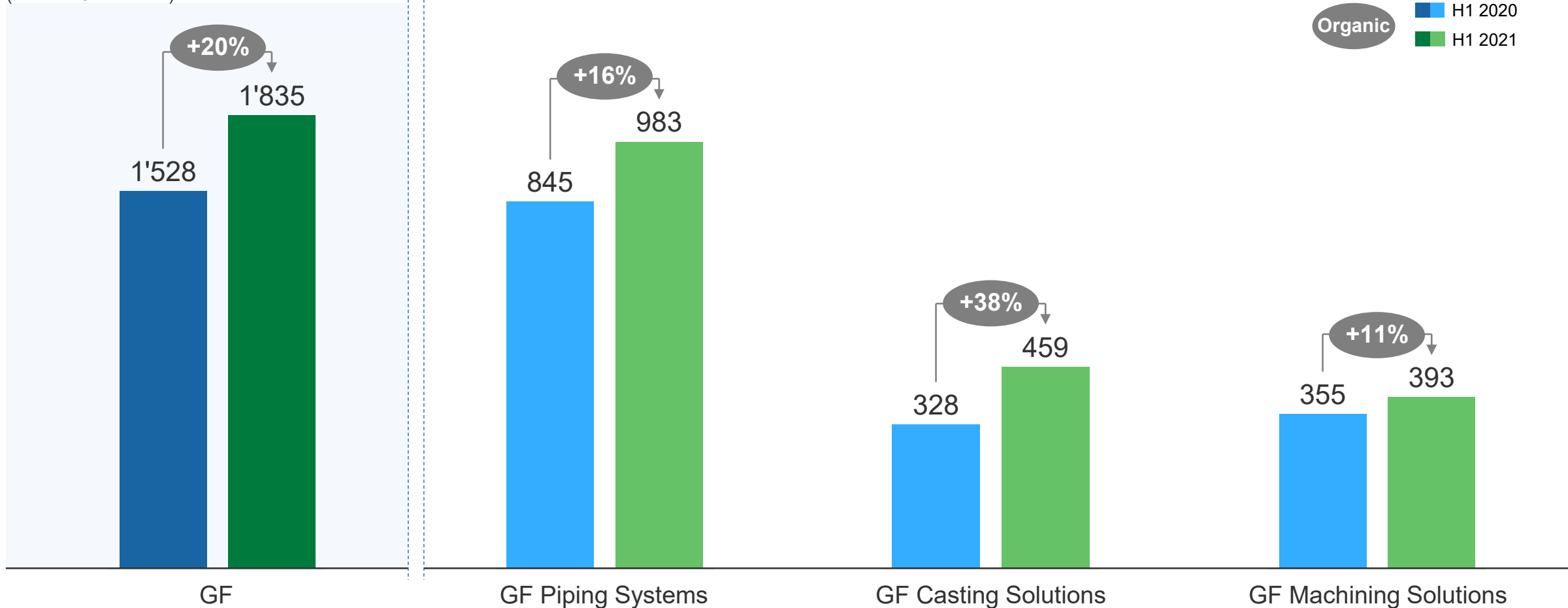


Headlines of 2021

- Sales at CHF 1'835 million (+20% organically), supported by strong global markets
- Operating result increased 120% to CHF 141 million (compared to previous years EBIT before one-offs), with a strong EBIT margin of 7.7%
- Net profit shareholders GF increased to CHF 108 million
- Solid free cash flow before acquisitions of CHF -2 million (CHF -73 million in H1 2020)
- Raw material and supply chain issues with impact on full recovery

Strong recovery in all divisions

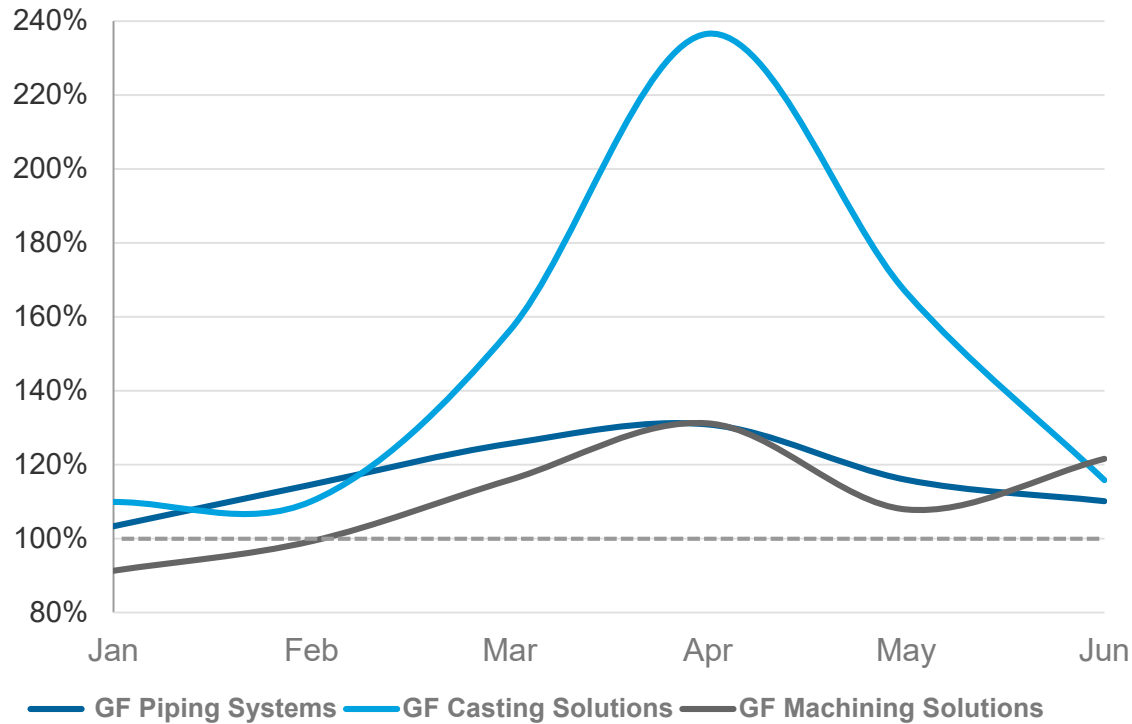
(Sales in CHF million)



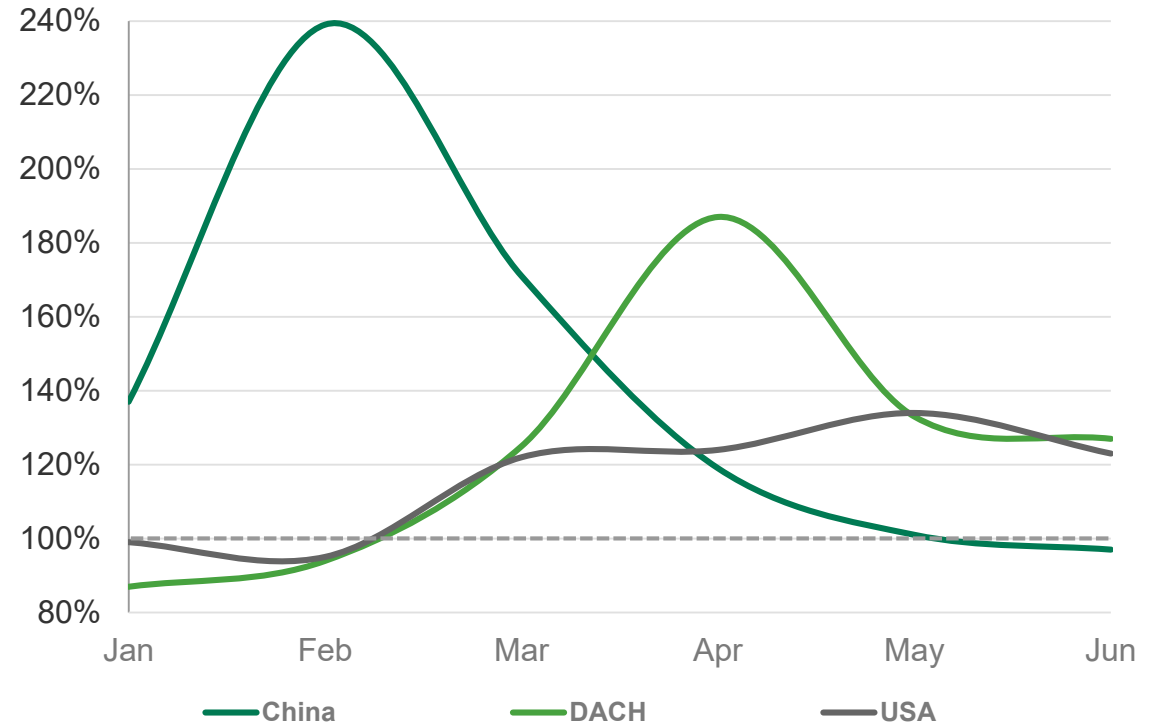
Resilient GF Piping Systems – catch-up effect at GF Casting Solutions

Monthly organic sales development H1 2021 – year-over-year comparison

Divisions

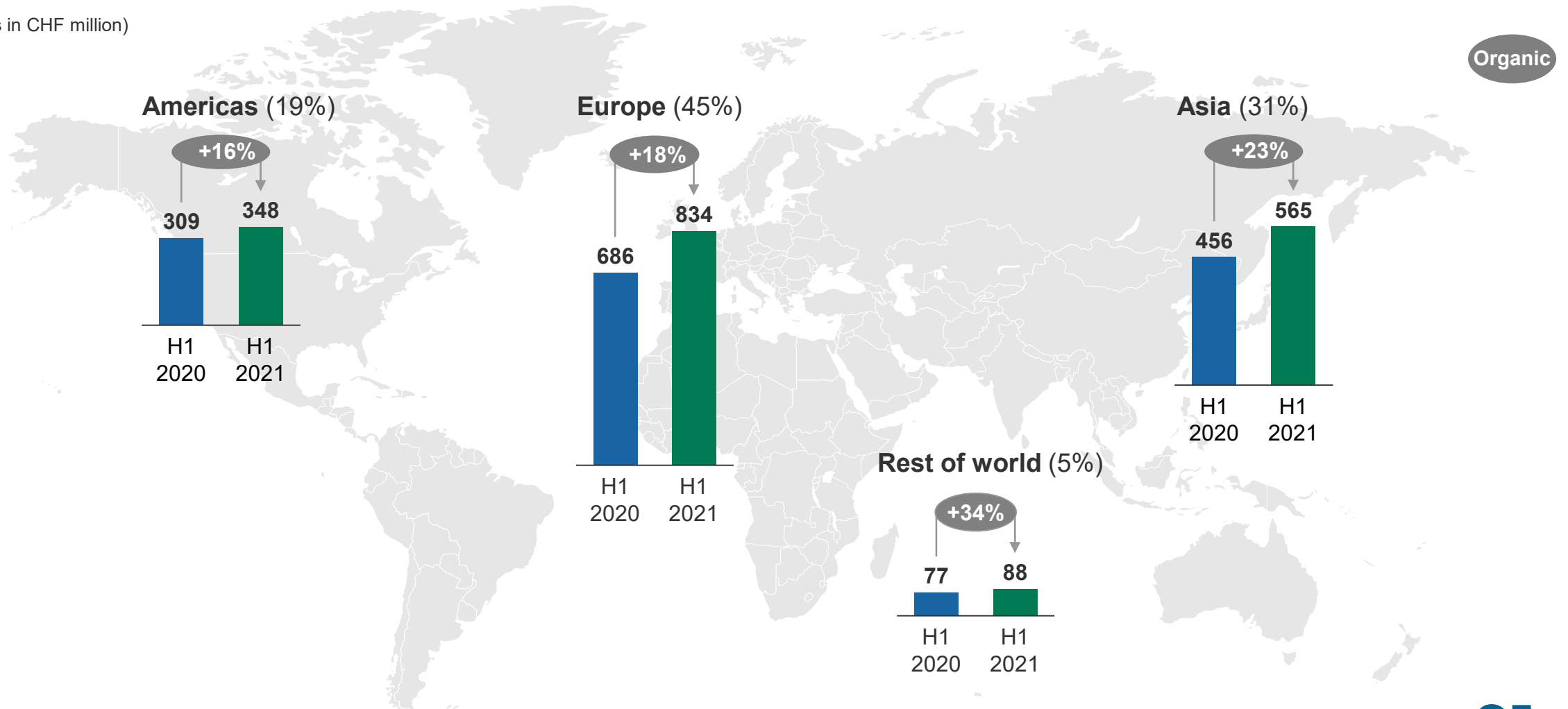


Selected countries



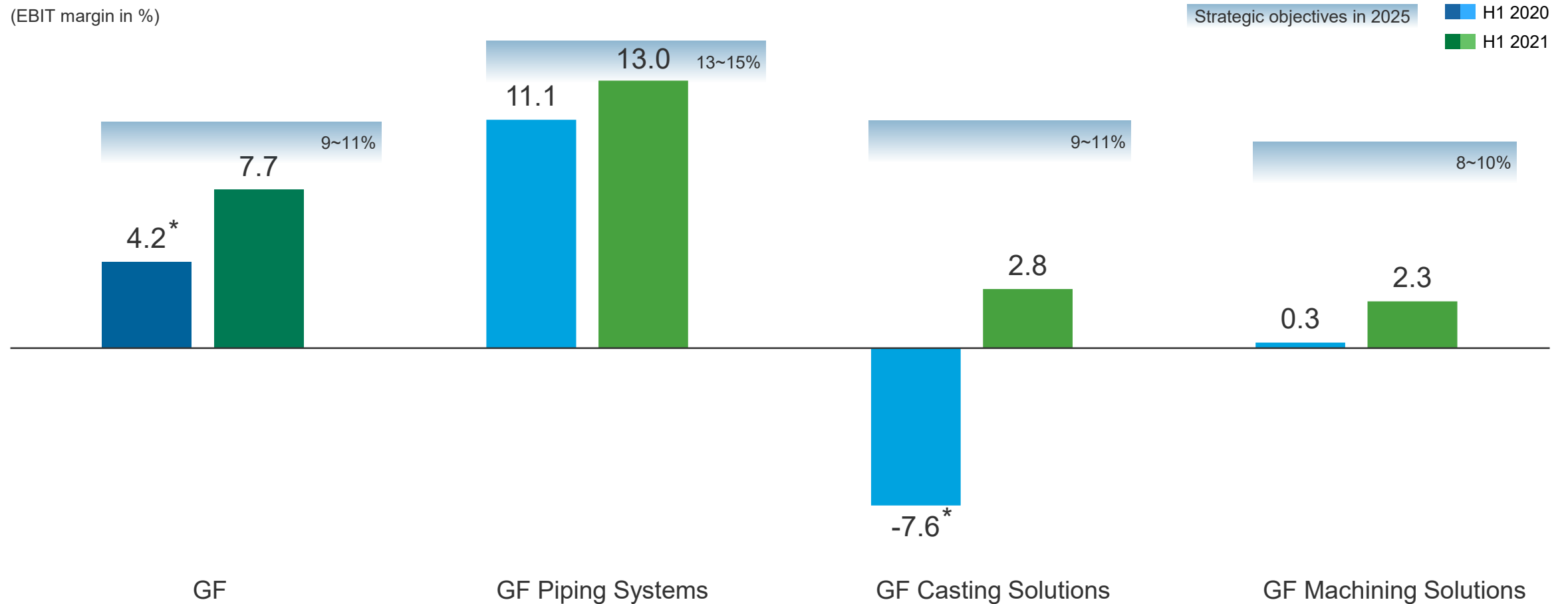
Strong organic growth in all regions

(Sales in CHF million)



Significant increase in profitability

(EBIT margin in %)

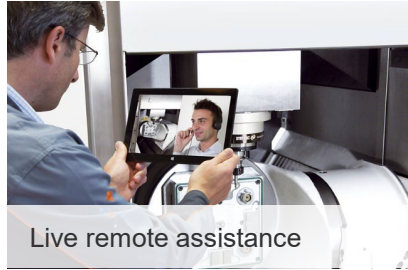


* before one-offs in H1 2020

Implementation of Strategy 2025 on track

GF is a sustainability and innovation leader providing superior customer value

Drive profitable growth



Increase robustness



Evolve culture



Sustainability

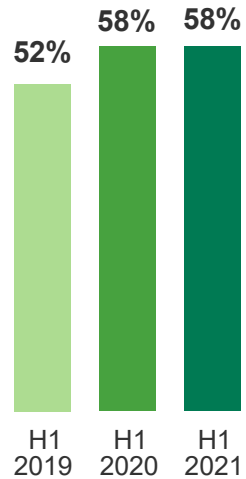


ESG

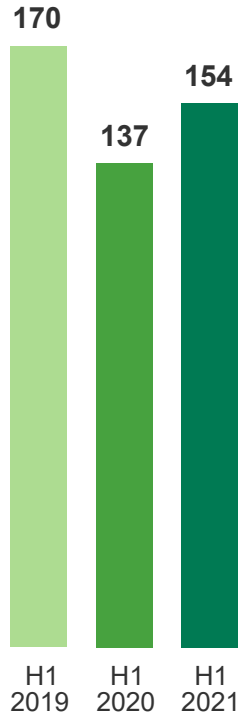


Sustainability drives GF's performance

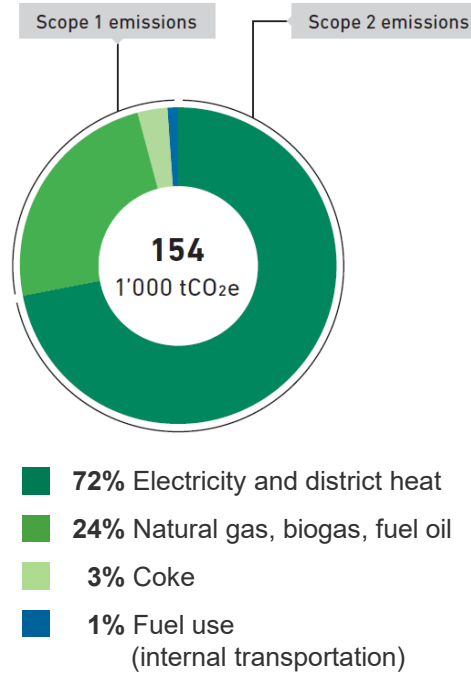
Sales of products and solutions with social or environmental benefits in %



Total GHG emissions (market-based)¹ in '000 tons CO₂e



GHG emissions by source² in %



1 The performance indicators include the entire product portfolio and at least 90% of Scope 1 and 2 GHG emissions.
 2 The greenhouse gases (GHG) are split into direct Scope 1 emissions and indirect Scope 2 emissions (market-based) as defined by the Greenhouse Gas Protocol.



Very successful first semester with high utilization in almost all plants



- Sales of CHF 983 million, organically +16%
- Operating result at CHF 128 million, EBIT margin of 13%
- Focusing on solutions with sustainability benefits to serve higher value businesses, e.g. new full bore mag-meter
- Strong recovery in growth markets and segments, such as microelectronics and waste water treatment
- Integration of newly acquired FGS Brazil well on track

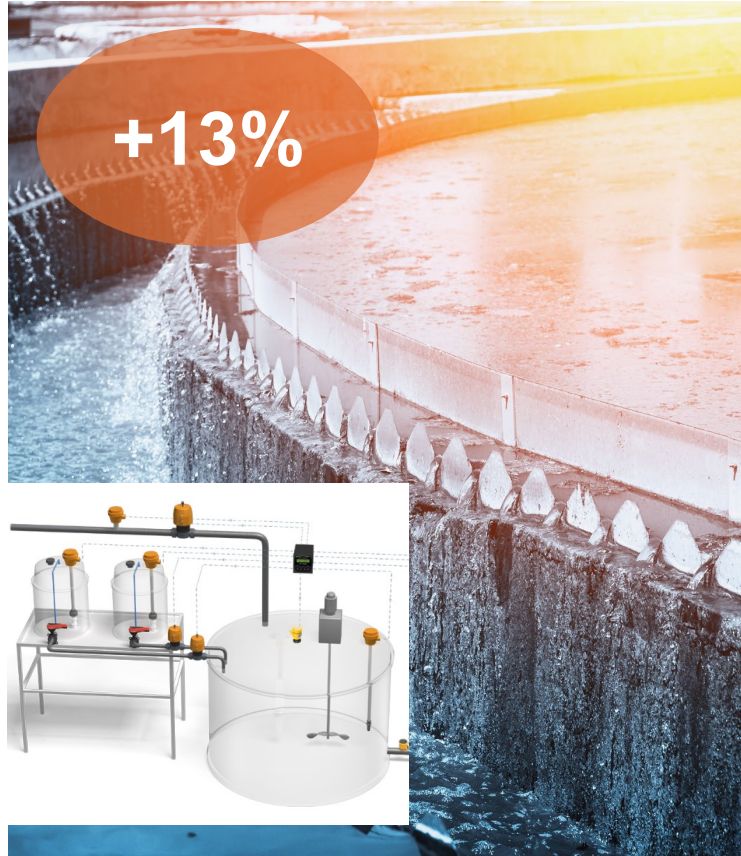
Strong acceleration in key segments

Sales growth H1 2021



+18%

Microelectronics and Data center



+13%

Water treatment



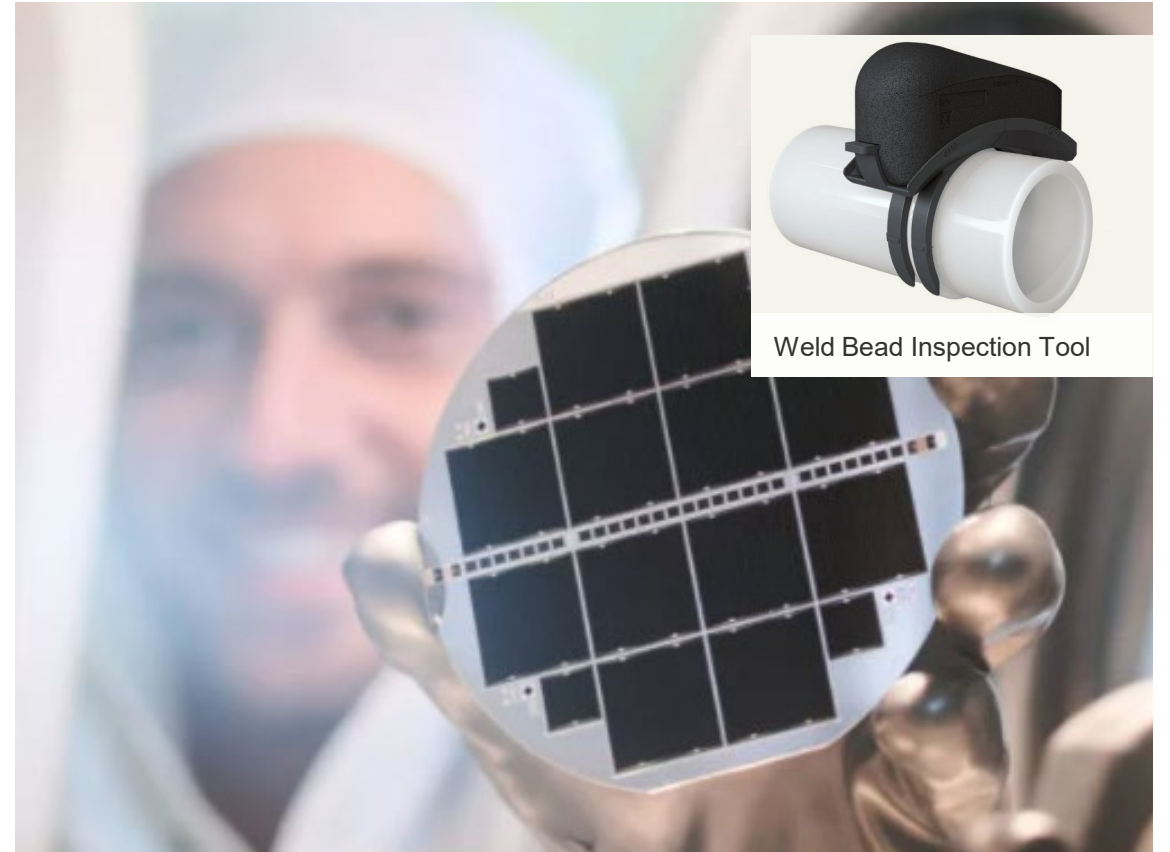
+18%

Building technologies

Innovative solutions for attractive sustainable markets



Non-destructive testing (Tahiti)



Photovoltaic

(Source: Fraunhofer ISE)

Ongoing recovery in the automotive sector – GF Casting Solutions with turnaround



The World in 2021

**The battle within the electric-
vehicle industry will intensify**

The new kids v the old hands

E-mobility on the rise

- Sales of CHF 459 million, organically +38%
- Operating result at CHF 13 million (EBIT margin of 2.8%), versus a loss before one-offs of CHF 25 million in the first half of 2020
- Metal price increases affect profitability
- Delayed ramp-up of several orders at Mills River (US) due to semiconductor shortages and difficult weather conditions
- China and Europe registered a record demand for e-vehicles

Attractiveness of strategic key segments confirmed

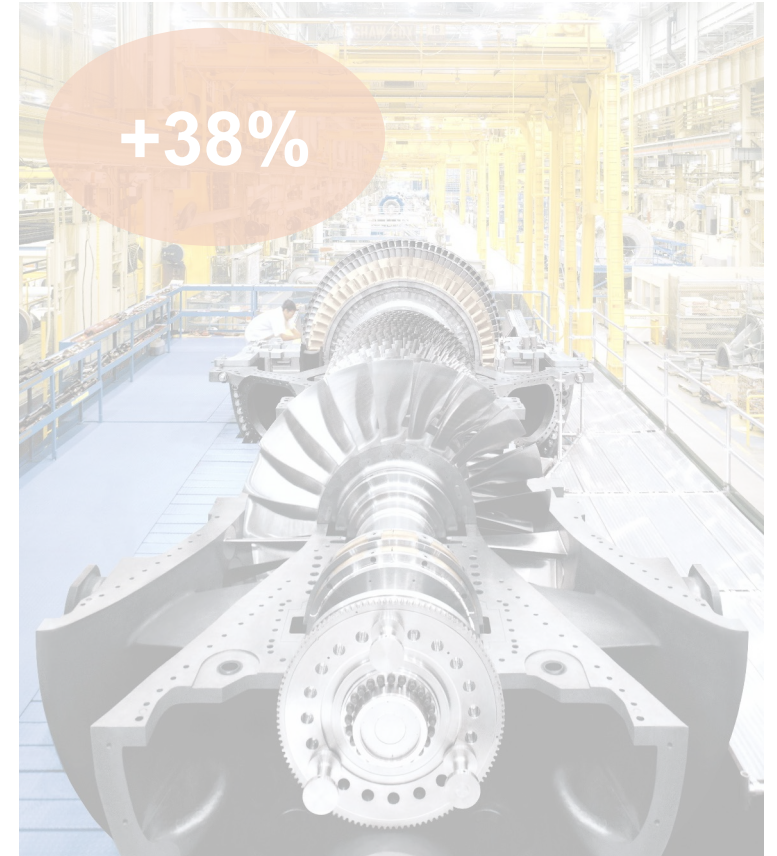
Sales growth H1 2021



E-vehicle components



Body and structure components

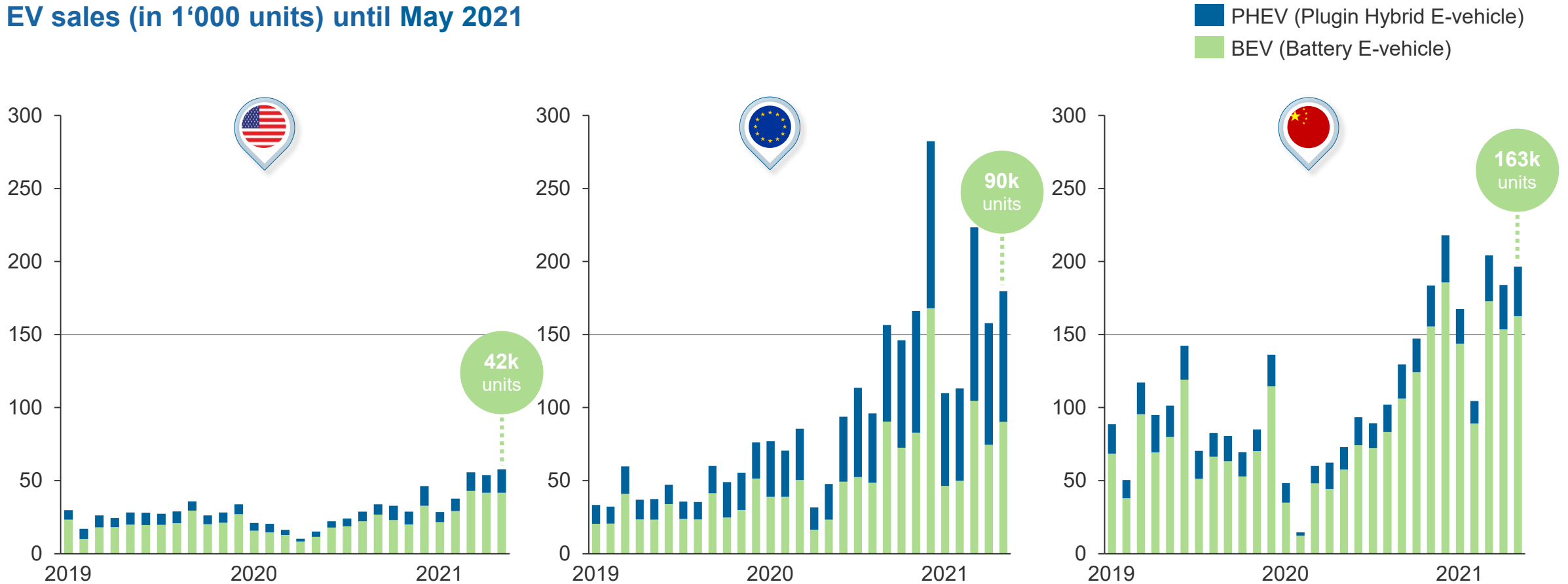


Industrial gas turbines

(Source: General Electric)

EV sales in EU and China at comparable market sizes

EV sales (in 1'000 units) until May 2021



Attractiveness of strategic key segments confirmed

Sales growth H1 2021



E-vehicle components



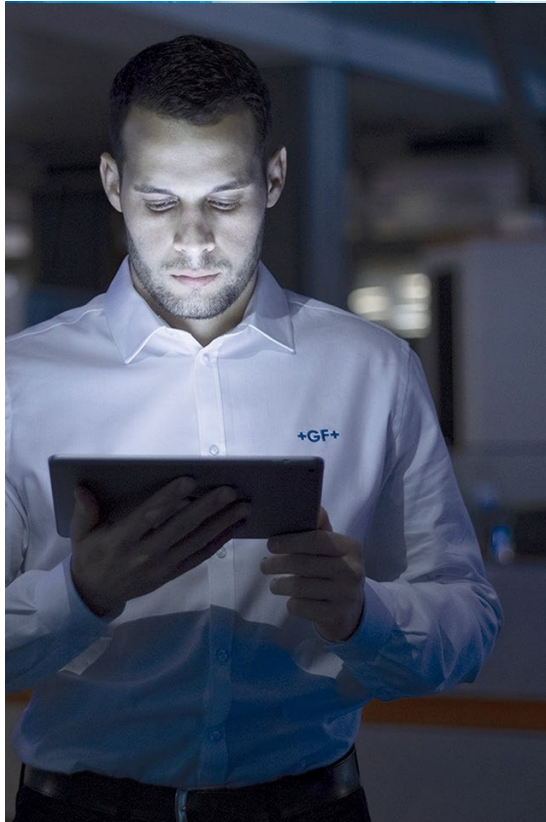
Body and structure components



Industrial gas turbines

(Source: General Electric)

Healthy rebound in the global machine tool industry



Digital applications



New generation of EDM technology to be launched at EMO

- Sales of CHF 393 million, organically +11%
- Operating result at CHF 9 million, EBIT margin of 2.3%
- First half sales affected by subdued order intake in 2020
- Strong book-to-bill ratio at 1.2, orders on hand 59% above previous year, order intake up 45%
- Strong first half year in China
- Utilization is picking up at all plants
- Semiconductor and raw material shortage so far with minor effect on supply chain

Rebound in many key segments, Aerospace still lagging

Sales growth H1 2021



ICT



Medtech

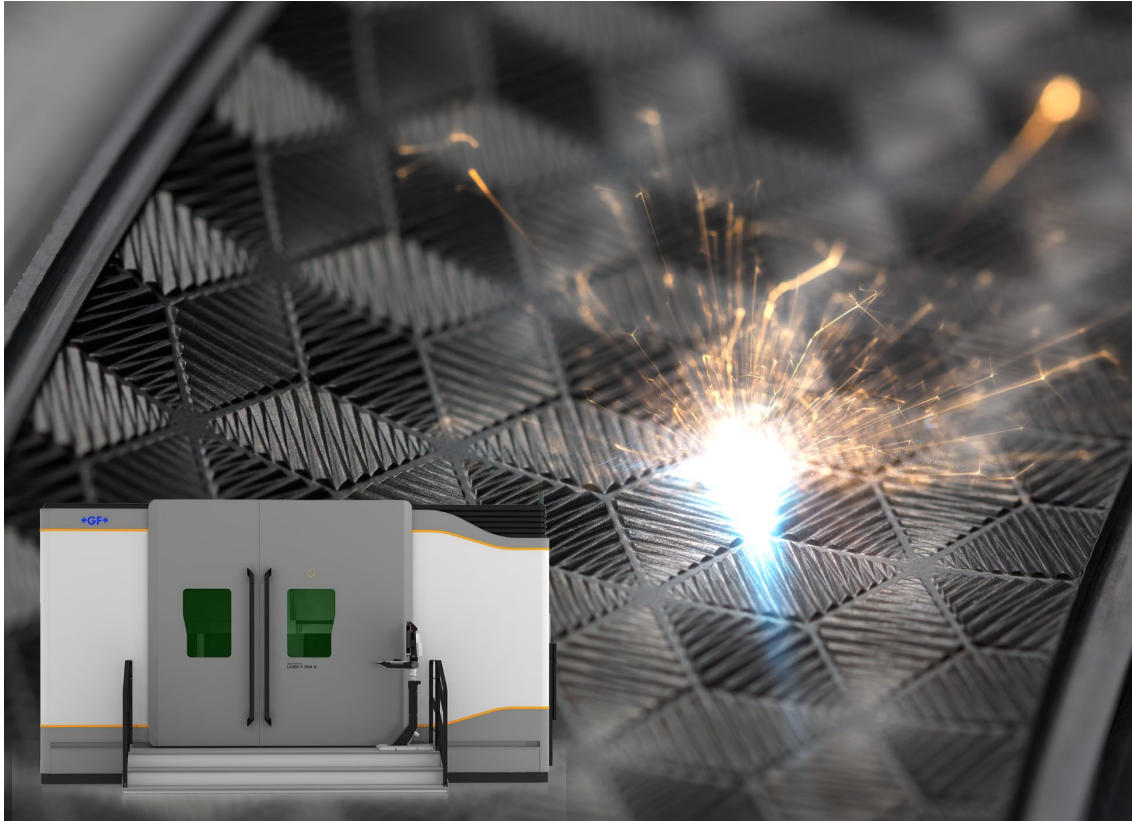


Mobility



Aerospace

Digitalization and innovation remain the key drivers



New Laser 2500: optimal running cost per sqm for the most demanding textures on large molds in the highest quality



LRA (Live Remote Assistant) on HMI (Human Machine Interface)

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 feature various charts, including bar graphs and line graphs, with blue and red data series. The overall atmosphere is professional and collaborative.

Consolidated financial statements

Mads Joergensen, CFO

Order intake per division

(CHF million)

	H1 2021	H1 2020	Growth Δ %	Organic growth*
GF Piping Systems	1'115	859	29.8%	29.8%
GF Casting Solutions	462	255	80.8%	79.1%
GF Machining Solutions	471	326	44.5%	45.2%
Corporation	2'048	1'440	42.2%	41.9%

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

Sales per division

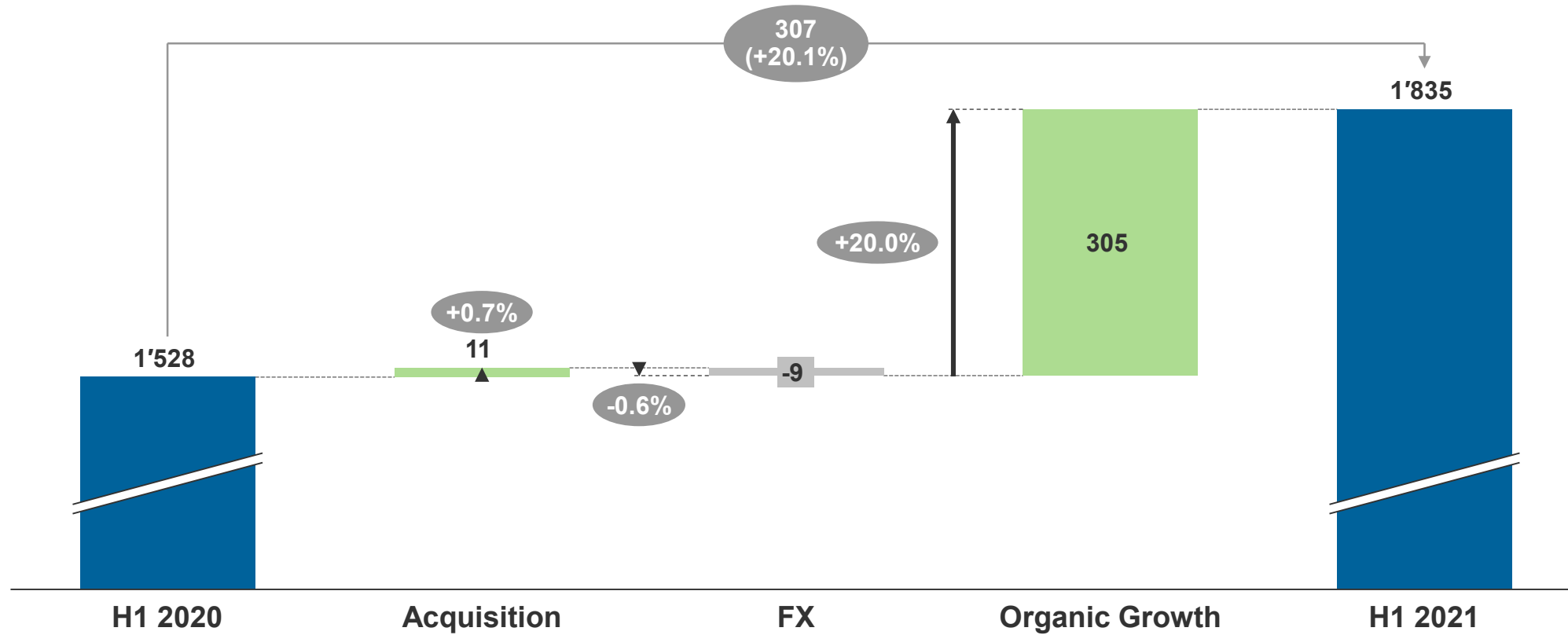
(CHF million)

	H1 2021	H1 2020	Growth Δ %	Organic growth*
GF Piping Systems	983	845	16.3%	16.4%
GF Casting Solutions	459	328	39.9%	38.3%
GF Machining Solutions	393	355	10.7%	11.4%
Corporation	1'835	1'528	20.1%	20.0%

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

Sales H1 2020 versus H1 2021

(CHF million)



EBIT and EBIT margin per division

	EBIT CHF million		EBIT margin %	
	H1 2021	H1 2020	H1 2021	H1 2020
GF Piping Systems	128	94	13.0%	11.1%
GF Casting Solutions	13	-25*	2.8%	-7.6%*
GF Machining Solutions	9	1	2.3%	0.3%
Corporation	141	64*	7.7%	4.2%*

* before one-offs in H1 2020
(one-offs CHF 7 million)

FX development H1 2021

(CHF million)

Per division:	Sales	EBIT
GF Piping Systems	-12.0	-3.8
GF Casting Solutions	+5.7	+1.5
GF Machining Solutions	-2.6	-5.2
Corporation	-8.9	-7.5

Per currency:	Sales	EBIT	Average rates		
			H1 20	H1 21	Δ
EUR	+18.3	-0.0	1.06	1.10	+2.9%
USD	-21.7	-8.1	0.97	0.91	-6.0%
CNY	+13.8	1.8	0.14	0.14	+2.2%
TRY	-13.2	-1.0	0.15	0.12	-22.7%
Others	-6.1	-0.2			
Total	-8.9	-7.5			

Income statement

(CHF million)

	H1 2021	in %	H1 2020	in %	Growth %
Sales	1'835	100	1'528	100	20
Gross value added	705	38	554	36	27
Personnel expenses	-496	-27	-436	-29	14
EBITDA	209	11	118	8	77
Depreciation, amortization	-68	-4	-61	-4	11
Operating result (EBIT) before one-offs	141	8	64	4	120
Return on sales (EBIT margin) before one-offs in %	7.7		4.2		
Operating result (EBIT)	141	8	57	4	147
Return on sales (EBIT margin) in %	7.7		3.7		
Financial result	-11	-1	-10	-1	10
Non-operating result*			-7	0	-100
Income taxes	-27	-1	-9	-1	200
Net profit	103	6	31	2	232
Net profit shareholders GF	108	6	34	2	218
Earnings per share in CHF	26	1	8	1	225

* in H1 2020 incl. share of results of associates

Assets and liabilities / equity

(CHF million)

	30 June 2021	%	31 December 2020	%
Cash and cash equivalents	778		841	
Trade accounts receivable	705		550	
Inventories on stock	718		638	
Other current assets	126		113	
Current assets	2'327	64	2'142	62
Property, plant, and equipment and investment properties	1'119		1'099	
Other non-current assets	211		204	
Non-current assets	1'330	36	1'303	38
Assets	3'657	100	3'445	100
Current liabilities	1'128		986	
Non-current liabilities	1'088		1'070	
Liabilities	2'216	61	2'056	60
Equity	1'441	39	1'389	40
Liabilities and equity	3'657	100	3'445	100

Free cash flow

(CHF million)

	H1 2021	H1 2020
EBITDA	209	118
Changes in net working capital	-135	-126
Income taxes/interest paid	-34	-25
Other changes	19	30
Cash flow from operating activities	59	-3
Additions to property, plant, and equipment	-61	-70
Cash flow from acquisitions	-30	-6
Other additions/disposals, net	0	0
Cash flow from investing activities	-91	-76
Free cash flow	-32	-79
Free cash flow before acquisitions/divestments	-2	-73

Key figures at a glance

	H1 2021	H1 2020
Net debt in CHF million	206	420
Net debt/EBITDA (multiple)	0.53x	1.52x
Equity ratio in %	39.4	36.9
ROIC in % GF Corporation	15.8	6.3*
GF Piping Systems	31.6	20.8
GF Casting Solutions	4.4	-6.8*
GF Machining Solutions	6.6	0.5
Return on equity in %	14.6	4.5
Earnings per share in CHF	26	8
Number of employees (incl. trainees)	14'944	14'204

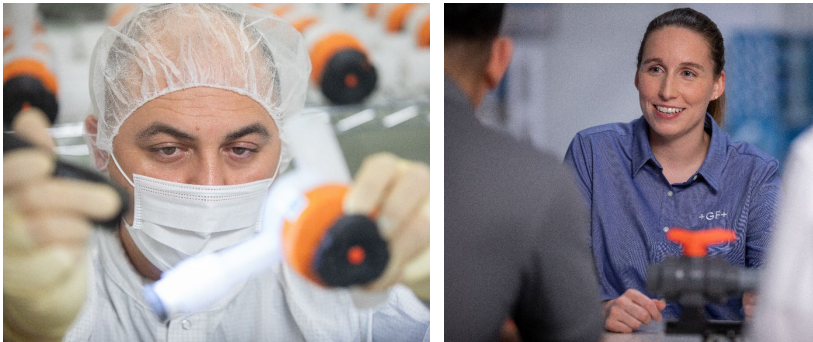
* ROIC before one-offs in H1 2020

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Outlook

Andreas Müller, CEO

Rebound expected to continue in 2021



- Double digit sales growth for the full year 2021
- Significant increase in profit expected
- Supply chain and raw material challenges remain as the biggest uncertainties

First year of Strategy 2025



Thank you



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