EXPANDING HORIZONS FEINTOOL GROUP

Annual Report 2024

FEINTOOL

Expanding Horizons.

IMPORTANT KEY FIGURES AT A GLANCE

		2024	2023	2022	2021 [1]	2020 [1]
		01/01/–12/31/24	01/01/–12/31/23	01/01/–12/31/22	01/01/–12/31/21	01/01/–12/31/20
Operating figures	in CHF m					
Net sales		719.6	847.7	833.8	588.1	492.0
Earnings before interest, taxes, depreciation and amortization (EBITDA) adjusted		51.9 [2]	84.0	84.6 [3]	85.6 [4]	53.2 [5]
Operating profit (EBIT) adjusted		-2.2 [2]	29.9	27.3 [3]	34.4 [4]	3.0 [5]
Operating profit (EBIT)		-49.3	29.9	22.2	33.9	3.3
Net earnings		-44.7	17.8	17.6	19.2	-3.9
Return figures	in %					
EBITDA margin		7.2 [2]	9.9	10.1 [3]	14.5 [4]	10.8 [5]
EBIT margin		-0.3 [2]	3.5	3.3 [3]	5.9 [4]	0.6 [5]
Net return on sales		-6.2	2.1	2.1	3.3	-0.8
Return on invested capital (ROIC) [6]		-4.6	4.6	3.8	5.2	0.3
Cash flow and balance sheet statistics	in CHF m					
Cash flow from operating activities		62.4	75.1	54.7	75.8	41.5
Cash flow from investing activities (net)		-58.0	-55.2	-80.1	-37.4	-40.2
Free cash flow		4.4	19.9	-25.4	38.3	1.3
Total assets		810.7	807.8	915.0	684.4	677.1
Equity		451.6	488.2	540.5	338.4	293.9
Liabilities		359.1	319.7	374.5	346.0	383.2
Net debt		42.7	24.2	42.1	120.7	146.9
Equity ratio		55.7 %	60.4 %	59.1 %	49.4 %	43.4 %
Gross investments		59.0	56.1	40.0	57.4	43.3
Key figures per share	in CHF					
Earnings per share (basic)		-3.04	1.21	1.59	3.92	-0.80
Dividend per share [7]		0.00 [8]	0.34	0.34	1.00	0.00
Equity per share		30.63	33.11	36.66	68.85	59.80
Other						
Number of employees at year-end (excl. apprentices)		3 096	3 230	3 277	2 478	2 570

1) Including Fineblanking Technology segment, which was sold in the 2023 financial year.

2) In the 2024 financial year, for the Business Unit System Parts Europe, Feintool announced the realignment of its fineblanking production, as well as the production of rotors and stators for electric motors in Europe. As a result, a one-time impact of CHF 27.9 million on EBITDA and CHF 47.1 million on EBIT was recognized (amounts excl. tax effect). In this overview, EBITDA and EBIT are presented without these effects.

3) In the 2022 financial year, it was decided to change the Swiss pension fund as of January 1, 2023. The changed conditions have a negative one-off effect of CHF 5.2 million (amount excl. tax effect) on the statement of comprehensive income in the financial year. In this overview, EBITDA and EBIT are presented without this effect.

4) In the 2020 financial year, Feintool received a loan of USD 8.4 million under the PPP program in the United States to mitigate the impact of the COVID-19 pandemic. In the first half of 2021, the government assured the company that this loan would not have to be repaid. Feintool also received CHF 3.9 million (amount excl. tax effect) in immediate aid from the Swiss government in the year 2021 to mitigate the effects of the COVID-19 pandemic. In addition, due to capacities no longer required at one plant, the company recognized an impairment loss on manufacturing equipment totaling CHF 12.1 million (amount excl. tax effect). In this overview, EBITDA and EBIT are presented without these effects.

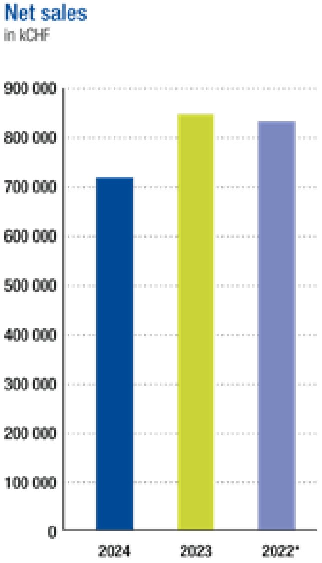
5) In the 2020 financial year, the company agreed to a change in benefits in the Swiss pension plan and a curtailment due to the staff reduction measures, which had a positive one-off effect of CHF 6.3 million on comprehensive income for the period in accordance with IAS 19 (amount excl. tax effect). In addition, due to capacities no longer required at two plants, an impairment loss on manufacturing equipment totaling CHF 5.9 million was recognized (amount excl. tax effect). In this overview, EBITDA and EBIT are presented without these effects.

6) Feintool uses for ROIC the following definition: NOPATdivided by capital invested, whereas capital invested is equal to equity plus nebt debt.

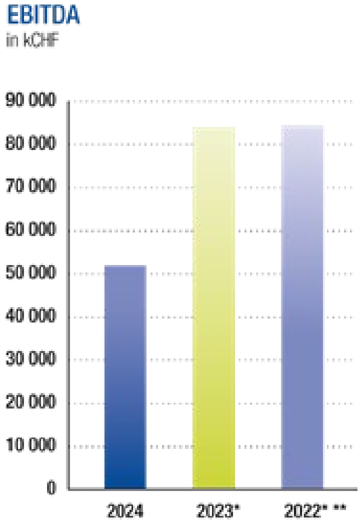
7) Dividends and repayment of reserves from capital contributions.

8) Board of Directors' proposal.

"Feintool with lower sales and no profit – high restructuring costs"

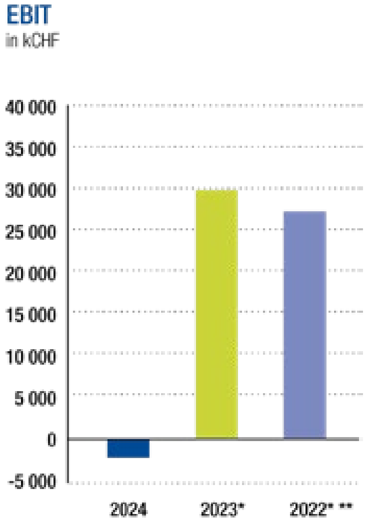


* Including Fineblanking Technology segment, which was sold in the 2023 financial year.



* Without one-off effects

** Including Fineblanking Technology segment, which was sold in the 2023 financial year.



* Without one-off effects

** Including Fineblanking Technology segment, which was sold in the 2023 financial year.

ALEXANDER VON WITZLEBEN TORSTEN GREINER

Dear Shareholders,

Developments in 2024 varied from region to region for the Feintool Group.

Since the beginning of the year, we achieved impressive growth of +8.1 % in North America and set a new sales record of CHF 194 million thanks to our proven strategy of using proximity to our customers as a competitive advantage and a corresponding expansion in capacity.

In Asia, we closed the financial year with a year-on-year increase of 0.2 % with CHF 90 million of sales, which is attributable to our consistent investments in technological advancement and the associated strengthening of our position in the region.

In Europe, Feintool's most important market, business with components for internal combustion and hybrid drives declined slightly. Demand for e-lamination components used in electric vehicles has droped and remained at a very low level for industrial applications. This led to sales of CHF 437.5 million, -24.8 %. In view of these negative developments, we have acted: a sustainable concept for the future was developed to adapt capacities to the European market. Important core competencies will be retained by corresponding competence centers. The associated restructuring costs had a significant negative impact on earnings in the year under review.

To sustainably improve profitability, high-volume production is currently being relocated from Lyss (CH) to Most (CZ). It is also planned to shift production from Sachsenheim (DE) to Tokod (H). The restructuring expenses required in connection with the realignment had a significant negative impact of CHF 47.1 million on earnings in 2024. The expected cost savings after implementation of the planned changes amount to CHF 20–25 million per year.

Our performance in a challenging market environment

The Feintool Group generated sales of CHF 720 million in 2024. The positive development in North America and Asia only partially compensated for the economic weakness in Europe. In the Group, the sharp decline in e-lamination stamping led to a 15.1 % overall drop in sales. The operating result (EBIT) was slightly negative (CHF -2.2 million); including restructuring costs the loss amounted to CHF -49.3 million, while the equity ratio remained stable at 55.7 %. Nevertheless, Feintool was able to generate a positive free cash flow of CHF +4.4 million in this challenging financial year.

The markets

Record sales in North America

The signs point to growth in North America: Feintool won new orders in its traditional business for combustion and hybrid drives and gained market share in 2024. The expansion of the Nashville site has largely been completed, creating additional capacity for growth. With this investment, Feintool has expanded its leading market position in the field of fineblanking and forming. Business in the region was so successful throughout the year that record sales were achieved. The North American region is an attractive market for Feintool. In 2023/2024, around 15 million vehicles were produced there, over 90 % of which were equipped with internal combustion engines. The share of hybrid vehicles climbed to 18 %, followed by BEVs (Battery Electric Vehicles), whose share is slowly rising from a low level (8 %). With its good opportunities in the area of internal combustion and hybrid drives (ICE, HEV, PHEV), the US market makes a significant contribution to the Group's business success. In 2025, several production starts are planned for new programs that have been developed over the past two years.

Successful business in Asia

The global automotive production is increasingly shifting to the Asian markets, which opens up new opportunities for suppliers. China, as the largest single market in the automotive sector by far, is the strongest driver of this development. Almost half of all vehicles produced already have an electric drive, with BEVs (29 %) and plug-in hybrid electric vehicles (PHEVs) (14 %) being the dominant technologies. This development is progressing faster in China than in most countries in the world. Government support, such as targeted incentives for the purchase of electric cars or the expansion of the charging infrastructure, are also accelerating this change.

The local rollout of our innovative glulock® bonding technology for high-quality electric motor cores was significantly advanced in 2024.

The use of hydrogen technology is also more advanced in China than in many other regions. Feintool positioned itself in this area years ago and was successful again in 2024 – we won another major series order from a leading Chinese manufacturer of fuel cells. Two important starts of bipolar plate productions are scheduled for 2025 in Taicang.

Significant growth was achieved in Japan. Due to its proximity to long-standing customers, Feintool received an additional major order for seat adjuster components. The plant in Tokoname is currently being expanded to increase production capacity. Feintool's long-time presence and experience in the country also opens up opportunities for other Feintool locations to generate new business with Japanese OEMs, as demonstrated by orders received in recent years.

Feintool enjoys great trust in Asia. The new location in India will bring us even closer to our customers and enable us to benefit from the region's growth momentum. The plant in the Pune metropolitan region will start operation at the beginning of 2026 and will initially produce seat adjuster components for leading automotive manufacturers. Feintool is the world leader in these fineblanked parts. In a second expansion stage, high-precision parts for battery and hydrogen-powered mobility may also be produced.

Repositioning in Europe

In Europe, 2024 was characterized by lower sales in the automotive sector and continued industrial weakness due to the economic situation. The electrification of mobility slowed down due to uncertain political conditions, particularly in Germany. The consequences were overcapacities at individual manufacturers, which, in combination with order postponements or cancellations, led to a significant drop in sales and deficient profitability.

A long-term future concept for adjusting capacities to the market and for our European footprint was developed and updated during the year. The fineblanking/forming and e-lamination stamping business units are being reorganized with the aim of efficiently bundling and further developing the high level of expertise in Europe. The priority is to improve the Group's innovative strength and competitiveness, actively shape technological change and reduce costs at the same time.

Against this backdrop, the Swiss site in Lyss will consistently focus on its strengths and make a decisive contribution to Feintool's future with the fineblanking (including toolmaking) and hydrogen (bipolar plates and interconnects for fuel cells and electrolyzers) competence centers as well as the Group's headquarters.

High-volume production in Lyss – which is exposed to exogenous factors such as the strong Swiss franc and high labor and energy costs – can no longer be operated competitively. We are relocating this production to the state-of-the-art Feintool site in Most in the Czech Republic by the end of 2025.

The e-lamination stamping Europe business unit, which produces e-motor cores, is also being realigned. In the future, the management of the business unit, the competence centers for research and development, toolmaking, as well as the highly automated automotive production are planned to be pooled at the Vaihingen plant in Germany. The unprofitable production at the Sachsenheim site in Germany, which is struggling significantly with external economic factors, will be relocated mainly to Tokod, Hungary. The Sachsenheim site will subsequently be closed. The relocation will ensure the long-term competitiveness of the business. The realignment is subject to the consultation with the employee representatives.

The restructuring expenses required in connection with the realignment primarily impacted the 2024 earnings.

Global market trends

Even if the component business for electric power trains in Europe failed to satisfy the supplier sector in 2024, the trend towards electromobility continues unabated. The global production figures clearly show this: Demand for vehicles with internal combustion engines (ICE) is continuously shifting towards new energy vehicles (NEV), which include all forms of vehicles with alternative drive systems. However, especially in Europe this development is slower than expected – but with positive growth rates overall. According to this forecast, automobile production is expected to return to pre-pandemic levels in 2026 and grow by 1.5 % per year until 2030. By then, more than one in three new cars sold will be an electric vehicle. For fully electric vehicles alone, an annual increase of +18 % is expected for the years 2025 to 2030 (source: GlobalData February 2025).

This global trend is being driven in all regions by falling battery costs and thus more attractive vehicle prices, the commitment of the car manufacturers themselves, and various governmental support measures. The speed at which charging infrastructures are expanded is an important growth factor.

There are also signs of growth worldwide in industrial applications and in demand for wind turbines, fuel cells, and batteries. In the field of hydrogen technology, which we already serve with bipolar plates and interconnects, annual growth of over 70 % is expected by 2030.

Our strategy

Global market trends confirm Feintool's strategy. In particular, demand for technologies and products for the generation, storage, and use of green energy is increasing worldwide. The growth forecasts in all markets served by Feintool confirm the relevance of the chosen strategic priorities.

Feintool is making targeted investments in its core technologies of fineblanking, forming, FEINforming, and e-lamination stamping. We are consistently aligning our product portfolio with the markets of the future. Feintool is one of the largest suppliers of main drives for electric vehicles in the automotive and commercial vehicle industries, as well as in industrial sectors, including wind and hydroelectric power plants, (heat) pumps, and medical technology. Feintool has also successfully entered the market for hydrogen-powered mobility in Asia and Europe.

Feintool's strengths lie in its technological edge and customer proximity. The company is a leading full-service provider that covers the entire process from engineering and design to prototype construction, tooling, and series production. Comprehensive services and close cooperation with customers strengthen its competitive position and underline Feintool's role as a technology leader.

Feintool aims to continuously increase the proportion of sales of climate-friendly and future-oriented products by 2030. At the same time, the perspectively declining business with internal combustion drives hedges profitability. This balanced strategy allows Feintool to react flexibly to market changes and ensure long-term competitiveness. Continued investments in innovative technologies underlines the company's commitment to establishing itself in the markets of the future long-term.

To accompany this, Feintool started the global growth and efficiency program “Level-up 2026!” in 2024. Twelve initiatives were launched under this umbrella to optimize all processes and corporate functions in all regions. This reduces costs and increases incoming orders.

Sustainability

In 2024, we aligned our reporting with the new European standards (ESRS) for the first time. We are working on managing the reduction of our own greenhouse gas emissions by 2050 (transition plan). Despite the tense market situation in Europe, we are committing to our sustainability targets. In the reporting year, a Sustainability Manager function reporting directly to the CFO was established for the Group.

As we realign our business in Europe, we are taking the interests of our employees very seriously and are working in dialog with the social partners to develop sustainable solutions for the long term. We continue to promote talents, an attractive and healthy working environment and a leadership culture in which leadership and a sense of responsibility are inseparable.

Proposals to the General Meeting

The Board of Directors will propose to the 2025 Annual General Meeting that no dividend shall be paid out in 2024 due to the earnings situation.

Alexander von Witzleben will step down as Chairman of the Board of Directors and as a member of the Board at the Annual General Meeting in April 2025. He has been Chairman since 2009, and a board member since 1998. The Board of Directors thanks Alexander von Witzleben for his many years of commitment and his valuable contribution to the continued development of the Feintool Group and proposes to the shareholders at the Annual General Meeting that Norbert Indlekofer be elected as the new chairman. Matthias Holzammer is proposed as a new member of the Board of Directors.

Outlook 2025 and medium-term targets

We expect business to continue to develop positively in North America and Asia in 2025. Due to the continued low visibility in Europe, Feintool is not giving any guidance for 2025.

The medium-term outlook for our target markets for all core technologies remains positive. The electromobility market is growing globally, despite developing slower than expected in Europe. As soon as the European economy recovers, demand for electric motors for industrial applications is expected to increase. In parallel, we are relying on our business with components for vehicles with combustion and hybrid drives.

The launched restructuring programs in Europe will be realized in the period from 2025 to 2026. This will enable Feintool to considerably and sustainably increase its profitability. We are confident that we will achieve our medium-term target of an EBIT margin of over 6 %.

Our thanks

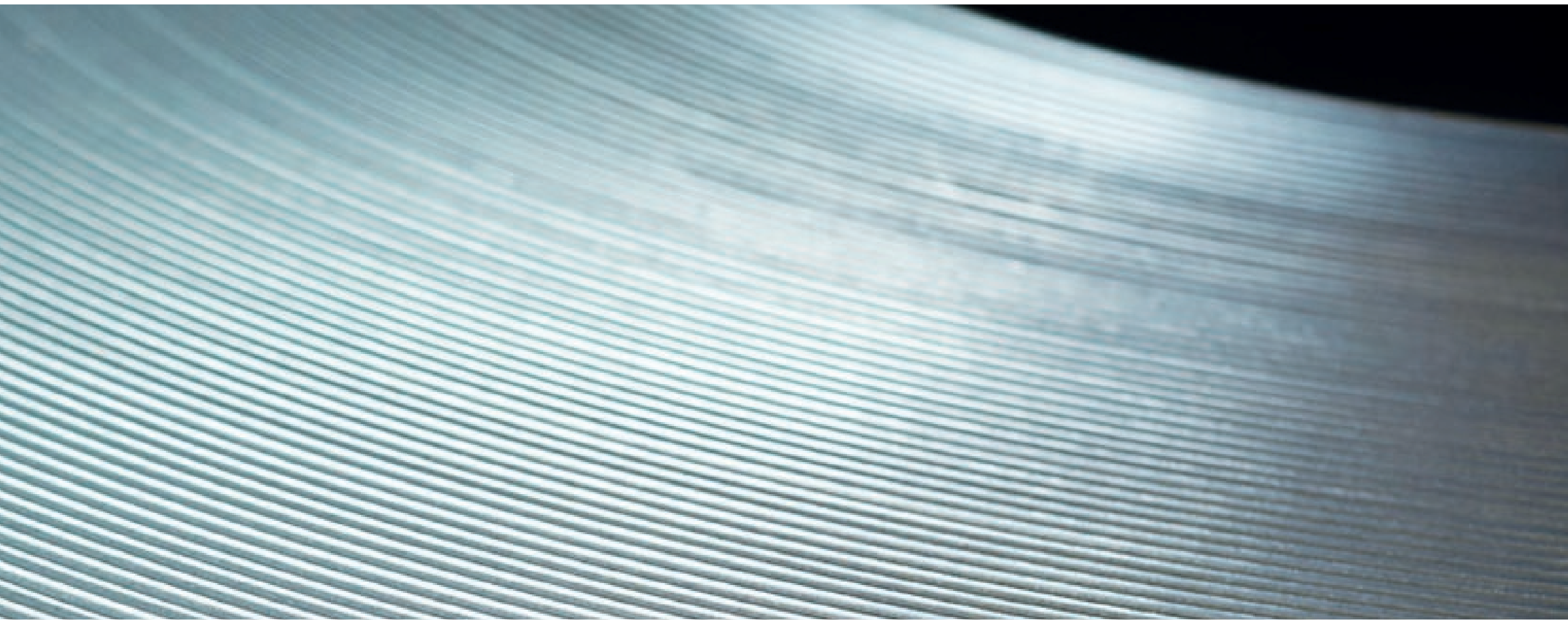
The Feintool Group's development in a difficult and challenging market environment affects you, our shareholders. We would like to thank you for the trust you have placed in us and our strategy. We are aware that the adjustments to the European business present our employees with major new challenges. We would therefore like to thank them for their commitment and dedication. We would also like to thank our customers, worldwide employees, and all our business partners for their long-standing and trusting cooperation.

ALEXANDER VON WITZLEBEN
Chairman of the Board of Directors

TORSTEN GREINER
Chief Executive Officer

FEINTOOL GROUP

EBIT of Feintool heavily influenced by restructuring cost in Europe



FINANCIAL REVIEW

as at December 31, 2024

BUSINESS PERFORMANCE

General information

The consolidated financial statements for 2024 apply to Feintool International Holding AG and its subsidiaries. They cover the period January 1 to December 31, 2024.

Orders received, order backlog and expected releases

In 2024, Feintool received orders with a lifetime value of around CHF 365 million (previous year CHF 782 million). Due to the difficult economic environment the record level of the previous year was not reached. Feintool has as of December 31, 2024 an order book of roughly CHF 5.7 billion and has therefore a solid future workload.

Feintool's customers continuously send the company the expected releases for the next six months. Customers have the ability to postpone or even cancel releases that they have already entered into our ordering systems, however. In times of considerable uncertainty and as a result, increased volatility, this early indicator becomes less reliable. As such, Feintool has decided not to publish this key figure at the present time.

Net sales performance

Consolidated sales decreased in the reporting currency by 15.1 % to CHF 719.6 million (previous year: CHF 847.7 million). Currency effects negatively impacted sales by CHF 15.6 million (-13.3 %).

Net sales in the System Parts Europe segment decreased by 24.8 %, from CHF 581.5 million to CHF 437.5 million. Currency effects had a negative impact of CHF 8.3 million; in local currency, sales in Europe thus decreased by 23.3 %. On average, quantities sold by the fineblanking and forming plants were down slightly compared with the FY 2023. The uncertainty in the electric vehicle markets and in the industrial segment for electric motors led to a decrease in net sales and theefore contributed most to the decrease in Europe.

Net sales in the System Parts USA segment increased by 8.1 % in the reporting currency to CHF 194.3 (previous year: CHF 179.7 million). The currency effect of the US dollar in the amount of CHF 3.4 million had a positive impact on sales, resulting in an increase in sales in local currency of 10 %.

Net sales in the System Parts Asia segment increased by 0.2 % to CHF 90.0 million (previous year: CHF 89.9 million). Currency effects had a negative impact of CHF 4.0 million. Business in Asia, adjusted for currency effects, thus grew by 4.6%. The increase in sales in local currency was driven by higher volumes.

Overall, the Feintool Group sold products and services with a total value of CHF 435.7 million in Europe, thus increasing the region's share to 60.8 % (previous year: CHF 578.9 million, equal to 67.4 %). With sales of CHF 194.3 million, equal to 27.0 % of total sales (previous year: CHF 179.4 million or 21.2 %), the share of sales generated in North America increased.
Sales in Asia remained on the level of CHF 90.0 million, nevertheless due to European decrease this region's share increased to 12.5% (previous year: CHF 89.9 million or 10.5%)

Key expense items

Material is by far the largest cost component for Feintool, whereby material costs also include costs for external processing of parts such as heat treatment or coating. In the reporting year, the material-to-sales ratio decreased from 54.1 % to 51.2 % – taking changes in inventories into account – and the cost of materials totaled CHF 359.2 million (previous year: CHF 451.7 million). Two effects played an important role in the material-to-sales ratio. The decrease in the electrolamination stamping business had a major impact on the total material ratio and decreased the ratio of the Group in total. In Stamping Europe the material costs accounted for roughly 62 % of sales in 2023 and dropped in 2024 below the 60% ratio due to a different product and customer mix, driven by lower volume.

Labor costs totaled CHF 227.9 million (previous year - excluding one-off effects: 213.5 million). In relation to output (net sales plus changes in inventories), the labor-to-sales ratio increased from 25.2 % to 31.7 %. Production capacities remained underutilized at some sites, however. Within the Labor Cost, Feintool included restructuring cost of CHF 20.7 million due to the realignment of the production sides in Europe.

Other operating expenses rose by CHF 8.1 million to CHF 104.8 million. As a percentage of sales, the ratio increased to 14.6 % (previous year: 11.4 %). Restructuring costs and inflation drove this increase in other operating expenses. The ratio to sales was offset, however, by passing prices on to customers and the lower OPEX ratio of the electrolamination stamping business.

Earnings before interest, taxes, depreciation, and amortization (EBITDA)

Operating earnings before interest, taxes, depreciation, and amortization (EBITDA) decreased by CHF 60.1 million to CHF 23.9 million in the reporting year (previous year: CHF 84.0 million). At 3.3 %, the EBITDA margin in the financial year stood significantly lower than in the previous year (9.9 %). This is also considering restructuring expenses that have been recorded above the EBITDA margin. Good volumes in US and Asia had a positive impact on the margin while the lower quantities in fineblanking and forming Europe and the low volumes in the industrial business (electrolamination stamping in Europe) gave headwind on margins.

Depreciation, amortization, and impairment losses

Depreciation and amortization increased to CHF 73.2 million in the reporting year (previous year: CHF 54.2 million). The depreciation and amortization rate increased from 6.4 % to 10.2 %. Main reason for the additional depreciation have been one time write-offs that needed to be considered due to the announcement of restructuring the production footprint in Germany.

Earnings before interest and taxes (EBIT)

Feintool generated operating earnings before interest and taxes (EBIT) of CHF -49.3 million (previous year: CHF 29.9 million). Thus, the operating EBIT margin stood at -6.8 % (previous year: 3.5 %)
In the business Unit System Parts Europe there were one-off effects in the form of restructuring expenses (CHF -47.1 million). Without these one-off effects, EBIT would have amounted to CHF -2.2 million.

Operating earnings generated by the System Parts Europe segment declined by CHF 72.2 million to CHF -52.1 million (previous year: CHF 20.1 million). As a result, the EBIT margin in the parts business in Europe stood at -11.9 % (previous year: 3.5%). Profitability in Europe suffered from low capacity utilization in fineblanking and forming, from the low volumes in the industrial business (stamping) and the restructuring expenses that have been recorded in the year 2024.

Operating earnings generated by the System Parts USA segment declined by CHF 2.5 million to CHF 10.2 million (previous year: CHF 12.7 million). As a result, the EBIT margin in the parts business in the United States stood at 5.2 % (previous year: 7.0 %). The margins in the USA were negatively impacted by the steel price development.

Operating earnings generated by the System Parts Asia segment declined by CHF 0.9 million to CHF 8.3 million (previous year: CHF 9.2 million). As a result, the EBIT margin in the parts business in Asia stood at 9.2 % (previous year: 10.3 %). The decrease in profitability in Asia was the result of operational ramp-ups for new business that will show a benefit in 2025.

Financial result

The net financial result of CHF -7.9 million decreased compared to the previous year (CHF -5.9 million). Adjusted for currency effects, the negative net financial result increased by CHF 0.9 million to CHF -8.2 million (previous year: CHF -7.0 million). Interest expenses increased primarily due to the in average higher interest rates. The high volatility in various currencies led to currency losses of CHF -0.3 million in the reporting year (previous year: currency gains of 1.2 million). Net debt at the end of the year stood at CHF 42.7 million, CHF 18.5 million higher than at the end of the previous year (CHF 24.2 million).

Taxes

In the 2024 financial year, the Feintool Group recognized tax income of CHF 12.5 million. On the one hand, some Feintool companies achieved solid results, which led to a tax burden. On the other hand, some companies suffered losses. In countries where loss carryforwards expire relatively quickly, these losses are not capitalized.

Group result

Overall, the group reported a consolidated net loss of CHF -44.7 million (previous year: loss of CHF -4.3 million).

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Total assets decreased by CHF 2.8 million, equal to 0.3%, to a total of CHF 810.7 million (previous year: CHF 807.8 million).

Current assets decreased from CHF 302.1 million in the previous year to CHF 292.7 million. Trade receivables increased to CHF 97.9 million (previous year CHF 95.9 million). As a percentage of sales, trade receivables increased from 11.9 % to 12.1 %. Inventories and contract assets decreased by CHF 7.4 million to CHF 106.7 million (previous year: CHF 114.1 million) as a result of the lower inventory level at the year-end 2024 and as a result of the in lower steel prices. Prepaid expenses and accrued income decreased to CHF 5.4 million (previous year: CHF 4.8 million). Cash and cash equivalents at the year-end totaled CHF 77.1 million (previous year: CHF 82.2 million).

Operating net working capital decreased by CHF 8.6 million to CHF 106.5 million (previous year: CHF 115.9 million), thus amounting to 14.8 % of sales (previous year: 13.7 %). In particular, the lower inventory level and the lower steel prices had a positive impact on this number.

Total non-current assets increased by CHF 12.2 million or 2.4 % to CHF 517.9 million (previous year: CHF 505.8 million). Property, plant, and equipment increased by CHF 3.7 million to CHF 365.0 million. Intangible assets decreased by CHF 0.6 million to CHF 121.8 million. Financial assets remained the same (CHF 8.8 million). Deferred tax assets increased by CHF 10.8 million to CHF 24.1 million (previous year: CHF 13.3 million).

On the liabilities side, total liabilities increased by CHF 39.4 million to CHF 359.1 million (previous year: CHF 319.7 million). Trade payables and other liabilities slightly decreased by CHF 1.8 million and amounted to CHF 85.2 million. Tax liabilities, deferred income, current and non-current provisions, and deferred tax liabilities increased by a cumulative CHF 19.0 million to CHF 87.2 million. Liabilities for employee benefits (IAS 19) increased by CHF 5.3 million to CHF 67.0 million. The revaluation of employee benefits recognized directly in equity had a negative impact of CHF -4.5 million.

Interest-bearing debt increased by CHF 13.3 million to CHF 119.7 million (previous year: CHF 106.4 million). A total of CHF 38.8 million of the interest-bearing liabilities are short-term in nature. Non-current interest-bearing liabilities totaled CHF 80.9 million for the reporting period. Taking available cash and cash equivalents into account, net debt increased by CHF 18.5 million and thus totaled CHF 42.7 million (previous year: CHF 24.2 million). With CHF 214.5 million in cash and cash equivalents and available, confirmed lines of credit, Feintool has considerable financial flexibility (previous year: CHF 261.6 million).

Shareholder’s equity stood at CHF 451.6 million on December 31, 2024 (previous year: CHF 488.2 million). As a result, the equity ratio decreased from 60.4 % to 55.7%. The Statement of Changes in Equity shows that net income from operations decreased equity by CHF 36.6 million. Currency translation differences of CHF 17.6 million had a positive impact. The revaluation of employee benefit obligations resulted in a negative effect of CHF -4.5 million. In addition, CHF 5.0 million in dividends was distributed to shareholders.

CONSOLIDATED STATEMENT OF CASH FLOWS

Cash flow from operating activities decreased to CHF 60.3 million (previous year CHF 75.1 million) due to loss. Net working capital decreased to CHF 17.8 million in the reporting period (previous year CHF 9.2 million). At CHF 55.9 million, cash flow from investing activities resulting from ordinary operations remain the same to the previous year's level (CHF 55.2 million). Overall, this resulted in a free cash flow of CHF 4.4 million (previous year: CHF 19.9 million).

EMPLOYEES

The number of employees* (excluding trainees) decreased by 134 to 3 096 in the financial year (previous year: 3 230). In addition, 98 young people (previous year: 105) are undergoing vocational training at our companies. The number of employees decreased compared to 2023. Feintool had 2 052 employees in Europe at the end of 2024, equal to 66.3 % of the total workforce, and 107 less than in the previous year. In the United States, the number of employees grew by 11 to 578 (equal to 18.7 %), while in Asia the number decreased by 37 to 465 (15.0 %).

* Calculated as full-time equivalents on the reporting date

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the 2024 financial year (January 1 to December 31, 2024)

Continued operation	Note	2024 in CHF 1 000	in %	2023 in CHF 1 000	in %
Net sales	3	**719 602**	**100.0**	**847 705**	**100.0**
Change in finished and semi-finished goods and work in progress		-9 050		-6 831	
Capitalized self-generated assets	4	2 252		2 849	
Material expenses		-359 211		-451 654	
Personnel expenses	5	-227 938		-213 516	
Other operating expenses	6	-104 847		-96 766	
Other operating income	7	3 128		2 252	
Earnings before interest, taxes, depreciation and amortization (EBITDA) [1]		**23 936**	**3.3**	**84 039**	**9.9**
Depreciation and amortization	16, 17	-63 795		-54 165	
Impairment of tangible assets	16	-9 428		–	
Operating profit (EBIT) [2]		**-49 287**	**-6.8**	**29 874**	**3.5**
Financial expenses	8	-11 813		-17 001	
Financial income	9	3 872		11 103	
Earnings before taxes		**-57 228**	**-8.0**	**23 976**	**2.8**
Income taxes	10	12 511		-6 169	
Net income continued operation attributable to Feintool shareholders		**-44 717**	**-6.2**	**17 807**	**2.1**
Net income discontinued operation after tax attributable to Feintool shareholders	2	–		-22 101	
Net income attributable to Feintool shareholders		**-44 717**		**-4 294**	

[1] Includes the operating result before depreciation and amortization, (net) financial expenses and income tax.

[2] Includes the operating result before (net) financial expenses and income tax.

	Note	2024 in CHF 1 000	in %	2023 in CHF 1 000	in %
Other comprehensive income					
Items that may be and are reclassified to profit or loss					
Translation differences [1)]		17 644		-40 474	
Items that may not be reclassified to profit or loss					
Reassessment of net defined benefit liability		-5 917		-3 282	
Income taxes on non recyclable items		1 459		756	
Total other comprehensive income		**13 186**		**-43 000**	
Total comprehensive income attributable to Feintool shareholders		**-31 532**		**-47 295**	
Basic earnings per share (in CHF)	12	-3.04		-0.29	
Diluted earnings per share (in CHF)	12	-3.04		-0.29	
Basic earnings per share continued operation (in CHF)	12	-3.04		1.21	
Diluted earnings per share continued operation (in CHF)	12	-3.04		1.21	
Number of employees as of December 31					
Number of employees excl. 98 (previous year 105) trainees		**3 096**		**3 230**	

1) In the financial year 2023, translation differences of kCHF 1 405 have been recycled based on the sale of the “Fineblanking Technology” segment.

CONSOLIDATED BALANCE SHEET

for the 2024 financial year (as at December 31, 2024)

	Note	12/31/2024 in CHF 1 000	in %	12/31/2023 in CHF 1 000	in %
ASSETS					
Current assets					
Cash and cash equivalents		77 056		82 182	
Trade and other receivables	13	97 886		95 915	
Tax receivables		5 680		5 082	
Inventories	14	106 707		114 128	
Prepaid expenses and accrued income	15	5 406		4 775	
Total current assets		**292 735**	**36.1**	**302 082**	**37.4**
Non-current assets					
Property, plant and equipment	16	365 032		361 296	
Intangible assets and goodwill	17	121 801		122 370	
Financial assets	18	8 792		8 770	
Deferred tax assets	11	22 299		13 321	
Total non-current assets		**517 924**	**63.9**	**505 757**	**62.6**
TOTAL ASSETS		**810 659**	**100.0**	**807 839**	**100.0**
LIABILITIES					
Current liabilities					
Financial liabilities	19	38 772		27 850	
Trade and other payables	20	85 211		83 427	
Tax liabilities		5 772		9 915	
Accrued expenses and deferred income	21	22 103		22 429	
Current provisions	22	41 180		12 562	
Total current liabilities		**193 038**	**23.8**	**156 183**	**19.3**
Non-current liabilities					
Financial liabilities	19	80 943		78 537	
Non-current provisions	22	1 794		1 882	
Deferred tax liabilities	11	16 352		21 441	
Employee benefit liabilities	23	66 960		61 645	
Total non-current liabilities		**166 049**	**20.6**	**163 505**	**20.2**
Total liabilities		**359 087**	**44.3**	**319 688**	**39.6**
Equity	24				
Share capital		147 445		147 445	
Capital reserves		207 014		209 655	
Retained earnings		189 333		241 015	
Treasury shares		-357		-457	
Translation differences		-91 863		-109 507	
Total equity		**451 572**	**55.7**	**488 151**	**60.4**
TOTAL EQUITY AND LIABILITIES		**810 659**	**100.0**	**807 839**	**100.0**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the 2024 financial year (January 1 to December 31, 2024)

in CHF 1 000	Share capital	Treasury shares	Capital reserves	Retained earnings	Translation differences	Total equity
January 1, 2023	**147 445**	**-389**	**212 149**	**250 339**	**-69 033**	**540 511**
Translation differences	–	–	–	–	-40 474	-40 474
Reassessment of net defined benefit liability, net of tax	–	–	–	-2 526	–	-2 526
Total other comprehensive income	**–**	**–**	**–**	**-2 526**	**-40 474**	**-43 000**
Net income attributable to Feintool shareholders	–	–	–	-4 294	–	-4 294
Total comprehensive income attributable to Feintool shareholders	**–**	**–**	**–**	**-6 820**	**-40 474**	**-47 295**
Dividend	–	–	-2 504	-2 504	–	-5 008
Purchase/(sale) of treasury shares	–	-663	–	–	–	-663
Share-based management remuneration	–	595	10	–	–	605
December 31, 2023	**147 445**	**-457**	**209 655**	**241 015**	**-109 507**	**488 151**
January 1, 2024	**147 445**	**-457**	**209 655**	**241 015**	**-109 507**	**488 151**
Translation differences	–	–	–	–	17 644	17 644
Reassessment of net defined benefit liability, net of tax	–	–	–	-4 458	–	-4 458
Total other comprehensive income	**–**	**–**	**–**	**-4 458**	**17 644**	**13 186**
Net income attributable to Feintool shareholders	–	–	–	-44 717	–	-44 717
Total comprehensive income attributable to Feintool shareholders	**–**	**–**	**–**	**-49 175**	**17 644**	**-31 532**
Dividend [2]	–	–	-2 507	-2 507	–	-5 014
(Purchase)/sale of treasury shares	–	-537	–	–	–	-537
Share-based management remuneration [1]	–	637	-134	–	–	503
December 31, 2024	**147 445**	**-357**	**207 014**	**189 333**	**-91 863**	**451 572**

[1] The share based management remuneration involves payment of part of the salary in shares.

[2] The General Meeting held on April 23, 2024 approved the Board of Directors' proposed dividend distribution of CHF 0.34 per registered share from earnings and capital reserves for the financial year ended December 31, 2023.

CONSOLIDATED STATEMENT OF CASH FLOWS

for the 2024 financial year (January 1 to December 31, 2024)

	Note	2024 in CHF 1 000	2023 in CHF 1 000
Net income attributable to Feintool shareholders		-44 717	-4 294
Depreciation, amortization and impairment	16, 17	73 222	54 163
(Gain)/loss on disposal of property, plant and equipment	6, 7	-440	91
Loss on disposal of discontinued operation	2	–	22 101
Increase/(decrease) in provisions and valuation allowances	22	26 939	-2 332
Other non-cash changes		-443	-8 279
Income taxes		-12 513	6 169
Paid Income taxes		-5 383	-5 316
Financial result		7 939	3 624
Cash flows from operating activities before change in net working capital (NWC)		**44 604**	**65 927**
Increase/decrease in:			
Accounts receivables	13	2 261	-3 729
Inventories	14	10 869	14 818
Prepaid and accrued expenses and income	15, 21	373	1 497
Accounts payables	20	4 274	-3 417
Cash flows from operating activities		**62 381**	**75 096**
Investments in property, plant and equipment	16	-58 068	-49 188
Disposals of property, plant and equipment	16	2 546	4 862
Investments in intangible assets	17	-2 311	-4 459
Disposals of intangible assets	17	11	-46
Purchase of financial assets	18	-820	-322
Disposal of financial assets	18	205	129
Interest received		463	251
Other financial income	9	7	-7
Disposal of discontinued operation net of cash	2	–	-6 419
Cash flows from investing activities		**-57 967**	**-55 198**
Free cash flow [1)]		**4 414**	**19 898**

[1)] Includes the cash flows from operating activities and the cash flows from investing activities

	Note	2024 in CHF 1 000	2023 in CHF 1 000
Dividends paid		-5 014	-4 876
Purchase of treasury shares		-537	-663
Other changes in equity		–	12
Borrowing of interest-bearing liabilities	19	27 815	36 245
Repayment of interest-bearing liabilities	19	-22 508	-27 092
Payment of financial lease liabilities		-5 021	-7 413
Interest paid		-7 628	-4 761
Cash flows from financing activities		**-12 893**	**-8 548**
Translation differences Cash and cash equivalents		3 353	-7 737
Change in cash and cash equivalents		**-5 126**	**3 613**
Cash and cash equivalents at the beginning of the period		82 182	78 569
Cash and cash equivalents at the end of the period		77 056	82 182

Lease payments are classified as follows on the statement of cash flows:
- Cash payments for the amortization portion are recognized as financing activities.
- Cash payments for the interest portion are recognized in cash flow from financing activities.
- Cash payments for non-capitalized leases are recognized in cash flow from operating activities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

as at December 31, 2024

Feintool International Holding AG, Industriering 8, 3250 Lyss, is a public limited company under Swiss law with headquarters in Lyss, Switzerland ("Company"). The consolidated financial statements for the period from January 1 to December 31, 2024, include the Company and its subsidiaries ("Feintool" or "Feintool Group"). Feintool is an internationally active technology market leader in the field of fineblanking, formed steel components and stamped electro sheet metal products. Cost-effectiveness, superior quality, and high productivity distinguish these technologies. As an innovation driver, Feintool continually pushes the boundaries of these technologies and develops intelligent solutions to meet its customers' requirements. Feintool offers innovative tools and state-of-the-art manufacturing processes for all aspects of high-volume sheet metal applications in the automotive industry and other demanding industrial sectors as well as renewable energies. The processes used support the megatrends of green energy generation, storage, and application.

With locations in Europe, US, China, Japan and India, the Feintool Group is represented in the world's major automotive markets. The Group has a headcount of 3 096. At its various locations, Feintool provides training for 98 young people mainly as polymechanics, constructing engineers and commercial employees.

GENERAL INFORMATION

The consolidated financial statements for the financial year are based on the financial statements of the Group companies as at December 31, 2024, which were prepared in accordance with consistent accounting policies.

The consolidated financial statements are prepared in accordance with Swiss law and the IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB). The accounting principles of the SIX Swiss Exchange Listing Regulations have also been observed. In the management's opinion, the consolidated financial statements give a true and fair view of the Group's financial position, results of operations and cash flows.

The consolidated financial statements are prepared on a going-concern basis under the historical cost convention, with the exception of derivative financial instruments (measured at fair value) and net liability or assets from defined benefit plans (measured at present value of defined benefit obligations less fair value of plan assets).

The consolidated financial statements are prepared in Swiss francs (CHF), with amounts rounded to the nearest thousand (1 000).

FINANCIAL COVENANTS

Further information on financial covenants is provided in section 19 of the Notes. As of December, 31, 2024, all the covenants had been met.

IMPACTS OF OECD GLOBAL MINIMUM TAX RATE

In December 2021, the OECD published model rules for a new global minimum tax framework (Pillar Two), which were explained in more detail in commentaries and manuals in the following years 2022, 2023 and 2024. The Group is within the scope of the OECD Pillar Two model rules. A number of governments in countries in which the Group operates are in the process of enacting or have enacted tax legislation to comply with Pillar Two.
In December 2023, Switzerland decided to partially implement Pillar Two. Effective from January 1, 2024, a 15% minimum taxation will be assessed on Pillar Two qualifying profits earned by companies domiciled in Switzerland (Qualified Domestic Minimum Top-Up Tax). This Qualified Domestic Minimum Top-Up Tax will not be applied to the Pillar Two qualifying profits earned by a company's affiliates domiciled in tax jurisdictions outside of Switzerland. The Income Inclusion Rule (IIR) came into effect only on January 1, 2025. The application of the Undertaxed Profits Rule (UTPR) is delayed indefinitely.

Feintool has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

KEY ESTIMATES

The consolidated financial statements contain assumptions and estimated amounts which affect the amounts reported. Should these estimates and assumptions prove incorrect or incomplete, this may substantially affect the amounts reported and therefore Feintool's financial position, results of operations and cash flows.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation. Feintool regularly reviews whether the depreciation period chosen at the time matches the actual useful life, or capacity utilization rate, of the item of property, plant and equipment. If significant differences between the depreciation period and useful life are identified, the depreciation period is adjusted accordingly. If the expected cash flows on the item of property, plant and equipment no longer cover future depreciation, impairment losses are recognized.

Intangible assets/goodwill

The fair value of intangible assets is estimated at the date of acquisition. The residual value (difference between the purchase price and fair value of net assets acquired) represents goodwill. The intangible assets acquired have a finite life and are therefore amortized. Goodwill is not amortized, but is instead tested annually for impairment. The allocation to intangible assets and goodwill on the acquisition date therefore has an effect on amortization in subsequent periods.

When testing goodwill for impairment, various estimates are made which require medium and long-term (terminal value) estimates. This relates to both internally projected data (cash flow, growth rates, etc.) and external parameters (discount rate). Should these estimates prove incorrect, significant reductions in value might result. Further information is given in section 17.2 of the Notes.

Current tax receivables and deferred tax assets

Feintool is liable to taxation in various jurisdictions. Provisions for income taxes incurred worldwide are based on estimates. For many transactions and calculations in its ordinary business, the tax charge is uncertain. If actual tax charges differ from the estimated charges, the corresponding adjustment is recognized in the financial year in which the definitive assessment is made. Management considers the corresponding estimates to be realistic and the corresponding provisions to be appropriate. Deferred tax assets are formed from temporary differences, and from tax loss carryforwards, but only if realization is deemed probable. The recoverable amount of capitalized tax assets recognized for loss carryforwards is therefore based on future forecasts for the relevant taxable entity over a period of several years. Should these future forecasts prove incorrect, significant changes in value might result.

Research & development

On its balance sheet, Feintool carries purchased as well as its own development work if the following conditions are met cumulatively:

- Technical feasibility of completion of the intangible asset, so that it will be available for sale directly or indirectly
- Intention to complete and sell the asset directly or indirectly
- Ability to sell the asset directly or indirectly
- Evidence of the future benefit to the products of the intangible asset
- Availability of adequate financial, technical and other resources for conclusion of the development
- Reliable measurability of the production costs

Should some of these aspects prove incorrect or incomplete, this may substantially affect valuation of the corresponding intangible asset. Further information is given in section 17.1 of the Notes.

Provisions

Provisions are recognized if (a) a present obligation to a third party has arisen as a result of a past event, (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and (c) the amount of the obligation can be reliably estimated. Provisions are recognized for a number of possible events and are explained in detail in section 22 of the Notes. By definition, however, they involve a higher degree of estimation than other items on the balance sheet, since the estimated obligations may result in a higher or lower outflow of funds depending on the outcome of the situation.

SIGNIFICANT CHANGES IN ACCOUNTING POLICIES

With the exception of newly issued or revised Standards and Interpretations that became effective in the financial year, Feintool essentially applies the same accounting policies as those applied in the previous year. On Januar 1, 2024, Feintool introduced the following new (adapted) standards and interpretations:

- IAS 1 – Classification of liabilities as current or non-current (January 1, 2024)
- IFRS 16 – Lease Liabilities in a Sale and Leaseback (January 1, 2024)
- IAS 1 - Non-current Liabilities with Covenants (January 1, 2024 - Amendments (May 23, 2023)
- Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

Feintool is either unaffected by these changes, or the changes have no material effect on its financial position, results of operations or cash flows.

NEW ACCOUNTING REQUIREMENTS

Various new IFRS regulations were published on the balance sheet date, but have not yet entered into force. Feintool decided against early adoption of the following standards, revised Standards and interpretations. Feintool plans to adopt the changes from the financial years beginning on or after the date indicated:

- IAS 21 – Lack of Exchangeability (January 1, 2025)
- IFRS 9 & IFRS 7 - Classification and Measurements of Financial Instruments (January 1, 2026)
- Volume 11 - Annual improvements to IFRS Accounting Standards (January 1, 2026)
- IFRS 18 - Presentation and Disclosure in financial statements (January 1, 2027)
- IFRS 19 - Subsidiaries without public accountability: disclosures (January 1, 2027)

Feintool is assessing the impacts of the revised Standards and Interpretations. It is expected that IFRS 18 has an impact on the presentation of the financial statement of Feintool.

BASIS OF CONSOLIDATION

The consolidated financial statements in principle encompass the annual financial statements of Feintool International Holding AG, Lyss (Switzerland), in addition to the financial statements of all Group companies in which Feintool International Holding AG directly or indirectly owns more than 50 % of the voting rights or that it controls in any other way. A list of all investments is provided below:

Company	Locations, country	Proportion of capital and voting rights as of December 31, 2024	Proportion of capital and voting rights as of December 31, 2023	Consolidation method
Feintool International Holding AG	**Lyss, CH**	**100 %**	**100 %**	**Full**
Feintool Automotive System Parts (Tianjin) Co. Ltd.	Tianjin, CN	100 %	100 %	Full
Feintool Holding GmbH	**Bayreuth, GER**	**100 %**	**100 %**	**Full**
Feintool System Parts Ettlingen GmbH	Ettlingen, GER	100 %	100 %	Full
Feintool System Parts Jena GmbH	Jena, GER	100 %	100 %	Full
Feintool System Parts Obertshausen GmbH	Obertshausen, GER	100 %	100 %	Full
Feintool System Parts Oelsnitz GmbH	Oelsnitz, GER	100 %	100 %	Full
Feintool System Parts Ohrdruf GmbH [1]	Ohrdruf, GER	100 %	100 %	Full
Feintool System Parts Sachsenheim GmbH	Sachsenheim, GER	100 %	100 %	Full
Feintool System Parts Jessen GmbH	Jessen, GER	100 %	100 %	Full
Jela Immobilien GmbH	München, GER	100 %	100 %	Full
Feintool Japan Co. Ltd.	Atsugi, J	100 %	100 %	Full
Feintool Precision System Parts (Taicang) Co. Ltd.	Taicang, CN	100 %	100 %	Full
Feintool System Parts India Private Limited [2]	Pune, IN	100 %	n/a	Full
Feintool System Parts Most s.r.o.	Most, CZ	100 %	100 %	Full
Feintool U.S. Operations, Inc.	**Cincinnati, USA**	**100 %**	**100 %**	**Full**
Feintool Cincinnati, Inc.	Cincinnati, USA	100 %	100 %	Full
Feintool New York, Inc.	**White Plains, USA**	**100 %**	**100 %**	**Full**
One Holland Ave. Development LLC	Cincinnati, USA	100 %	100 %	Full
Feintool Tennessee, Inc.	Nashville, USA	100 %	100 %	Full
Feintool System Parts Tokod kft.	Tokod, HU	100 %	100 %	Full

[1] Feintool Holding GmbH holds a 60 % stake in Feintool System Parts Ohrdruf GmbH. The remaining 40 % is held by Feintool International Holding AG.

[2] On January 19, 2024, Feintool International Holding AG, Lyss, Switzerland, founded the Feintool System Parts India Private Limited in Pune, India

METHOD OF CONSOLIDATION

All companies that Feintool controls are included in the consolidated financial statements according to the full consolidation method. Assets and liabilities as well as income and expenses are therefore included in full in the consolidated financial statements. Intercompany liabilities, credits, expenses and income are offset. Unrealized temporary gains on inventories or assets are eliminated on consolidation.

ACQUISITIONS AND GOODWILL

Newly acquired companies are consolidated using the acquisition method. The balance sheet and income statement are consolidated at the date on which control is obtained. The difference between the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquired party, on the one hand, and the purchase price, on the other, is recognized as goodwill. Acquisition costs are charged immediately to the statement of comprehensive income. After initial measurement, goodwill is reported at cost less any impairments. Goodwill is tested for impairment annually by calculating the recoverable amount (higher of fair value minus disposal costs and value in use) of the relevant cash generating units or group of cash generating units. Where the recoverable amount is less than the carrying amount, an impairment is recognized in the statement of comprehensive income.

Decisions are often made on the level of the cash generating units (CGU). Sales are centralized within the CGUs; orders are distributed across them on the basis of the specific skills of individual plants (machinery, employee experience). This optimizes cash flows for the CGU, although the cash flows of the individual production locations change randomly. Feintool is deciding about impairments on the level of the relevant CGU.

CURRENCY TRANSLATION

The Feintool Group used the following exchange rates in financial years:

		2024		2023	
		Closing rate	Average rate	Closing rate	Average rate
China	CNY 100	12.3768	12.2395	11.7766	12.5047
Eurozone	EUR 1	0.9412	0.9542	0.9260	0.9725
India	INR 100	1.0583	1.0507	1.0076	1.0915
Japan	JPY 100	0.5772	0.5778	0.5923	0.6263
Czech Republic	CZK 100	3.7371	3.7913	3.7453	4.0663
USA	USD 1	0.9060	0.8818	0.8380	0.8975

FINANCIAL ASSETS AND LIABILITIES

Classification and Valuation of financial assets

In the first instance Feintool Group classifies a financial asset as "Amortized costs" or as "Fair value through profit and loss" ("FVTPL"). Classification is based on the basis of the company's business model for the control of financial assets and the characteristics of the contractual payment flows of the financial asset.

Financial assets are measured at amortized cost if the following two conditions are met:

- The financial asset is contained within the scope of a business model, the objective of which is to keep financial assets for the absorption of contractual payment flows, and:
- The contractual conditions of the financial asset lead to payment flows at specified points in time that exclusively represent principal repayments and interest payments on the outstanding capital sum.

In the initial calculation, the Feintool Group values a financial asset (with the exception of a trade receivable with no significant financing component) at fair value. Trade receivables with no significant financing components are initially recognized at the transaction price.

The following valuation guidelines apply for the subsequent valuation of financial assets:

- Financial assets at amortized cost:
  The subsequent valuation of these assets is based on the procurement costs carried over. The interest earned is to be calculated according to the effective interest method. The procurement costs carried over are to be reduced by any depreciations. Interest earned, foreign currency gains and value adjustments are recorded through profit and loss.
- Financial assets at FVTPL:
  The subsequent valuation of these assets is recorded through profit and loss.

Feintool does not currently apply hedge accounting.

Impairment of financial assets

Expected credit losses are recorded. This model applies for financial assets at amortized cost as well as for contract assets. At the Feintool Group, the financial assets at amortized costs consist of trade and other receivables, cash and cash equivalents, and other current and non-current financial assets.

Under IFRS 9, the expected credit losses are valued based on one of the following two principles:

- 12-month credit loss: default event is expected in the next 12 months;
- credit loss expected over the duration: default event is expected over the full duration.

For trade and other receivables and similar receivables, the Feintool Group records the credit losses expected over the duration.

The calculation of the expected credit losses takes into account experience values and future expected losses based on market development, client position, and other components.

According to IFRS 9, the expected credit losses must likewise be evaluated with the following financial assets:

- Cash and cash equivalents
- Prepaid expenses and accrued income
- Non-current financial assets

Feintool does not expect any material credit losses for these items.

Financial liabilities

Financial liabilities mainly include debt and trade payables, which are measured at amortized cost. Financial liabilities designated at fair value through profit or loss (derivatives) are stated at fair value. Non-current financial liabilities are measured using the effective interest method. In addition to the actual interest payments, interest expenses therefore also include the amounts of annual interest cost and pro rata transaction costs.

Financial liabilities are derecognized when repaid.

ABS-Program

The Feintool Group has a revolving receivables purchase agreement with Weinberg Capital DAC (the program's special purpose entity) governing the sale of trade receivables. The negotiated structure provides for the sale of the Feintool Group's trade receivables as part of an ABS transaction. The receivables are being sold by the Feintool Group to the program's special purpose entity.

Under this ABS program with a maximum value of up to kCHF 28 236, the Feintool Group's European subsidiaries sold receivables valued at kCHF 27 320 (previous year kCHF 21 802) as of December 31, 2024, of which kCHF 8 009 (previous year kCHF 3 351) was retained as purchase price retentions. These funds are held as hedging reserves but are not paid out and are recognized as other receivables. The basis for the transaction is the assignment of trade receivables from individual Feintool companies to the program's special purpose entity as part of an undisclosed assignment. The program's special purpose entity does not have to be consolidated under IFRS 10, as Feintool has neither the decision-making power nor any significant vested interest and there is no link between decision-making power and the variability of returns from the program's special purpose entity.

The Feintool Group continues to perform receivables management (servicing) for the receivables sold.

Feintool is meeting the requirements regarding the derecognition of financial liabilities in accordance with IFRS 9.3.2.1, as the receivables are transferred in accordance with IFRS 9.3.2.4 b). An assessment pursuant to IFRS 9.3.2.6 has shown that Feintool has neither substantially transferred nor retained all of the risks and rewards. This means that in accordance with IFRS 9.3.2.16, Feintool must recognize its continuing involvement.

The maximum amount of the continuing involvement of kCHF 519, i.e. the amount for which Feintool is still liable for the default risk, will continue to be reported under trade receivables with a corresponding other financial liability. Any interest to be expected until receipt of payment is not recognized for reasons of materiality.

BALANCE SHEET

Trade receivables/other receivables

This item contains accounts receivable from ordinary business activities. Bad debt provisions on trade receivables are calculated and recognized based on the expected credit losses. Other receivables are stated at their nominal amount less expected credit losses. Notes on the calculation of the expected credit loss can be found under “Financial assets and liabilities”. The payment terms are within the usual business practice and are usually between 30 and 90 days.

Inventories

Raw materials and purchased goods are stated at weighted average cost. Finished and semi-finished goods are stated at cost of manufacturing including manufacturing and material overheads, but at no more than their net realizable values. Inventories with low turnover and obsolete items are written down. Work in progress is stated at the cost of conversion.

Property, plant and equipment

Depreciation is recognized on a straight-line basis over the estimated useful life. As a rule, land is not written down. Impairments (see separate section) are recognized when the carrying amount no longer appears to be recoverable. Such impairments are presented separately.

As a rule, the following depreciation periods are applied:

Buildings:	20 to 50 years
Plant and equipment:	5 to 15 years
Vehicles:	3 to 5 years
IT hardware:	2 to 5 years

Capitalized costs that are closely linked to leased premises are depreciated over a maximum of the contractually agreed lease term.

Funds that are not related to a specific asset are capitalized and amortized on a straight-line basis over the period of the associated stipulations/conditions.

Leases

The Feintool Group will recognize a right-of-use asset and a lease liability at the beginning of the lease term, except in the following two cases:

- Leases of low-value assets
- Short-term leases with a lease term of twelve months or less

In both cases, lease payments are recognized as an expense on the consolidated Statement of Comprehensive Income on a straight-line basis over the term of the lease.

The right-of-use asset is amortized on a straight-line basis from the date of commencement to the end of the lease term unless ownership of the underlying asset is transferred to the company at the end of the lease term or the cost of the lease reflects the fact that the company will exercise a purchase option. In this case, the right-of-use asset is amortized over its useful economic life, which is determined in accordance with the rules for property, plant, and equipment. Similar to assets held by the Group, the recoverability of the right-of-use asset is also reviewed if there are indications of impairment.

The right-of-use asset is recognized under property, plant, and equipment and the lease liability under current and non-current financial liabilities.

The following contract terms or depreciation periods generally apply:

Property:	3 to 10 years
Machines:	5 to 15 years
Other tangible assets:	3 to 5 years

Intangible assets

Intangible assets primarily include goodwill, in acquisitions purchased customer relations, technology, patents, software, land-use-rights and certain development costs. The latter are only capitalized if the technical feasibility of completing an asset that is ready for market can be demonstrated, the costs can be measured reliably and the costs appear to be feasible based on the marketplace. Intangible assets are capitalized at cost and amortized over their estimated useful life on a straight-line basis. Any impairments are recognized when the carrying amount no longer appears to be recoverable. Such impairments are presented separately.

Intangible assets (with the exception of goodwill) have a finite life and are amortized as follows:

Patents:	max. 11 years
Capitalized development costs:	3 to 5 years, max. 10 years
Software:	3 to 5 years
Customer relations:	max. 15 years

Provisions

Provisions are recognized if (a) a present obligation to a third party has arisen as a result of a past event, (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and (c) the amount of the obligation can be reliably estimated. No provisions are recognized for future operating losses. Provisions are recognized for restructuring efforts when the Group company has a constructive obligation to implement restructuring as a result of communicating the plan to the individuals affected by it, and provided the costs can be reliably determined on the basis of a detailed plan. Reversals of provisions no longer required are recognized when the item for which the provision was originally recognized no longer exists or it is no longer probable that this item will occur.

Deferred taxes

Deferred taxes are accounted for using the balance sheet liability method. Under this method, the tax implications of temporary differences between carrying amounts in the consolidated financial statements and the tax base are recognized as a non-current liability or asset. They are generally calculated on the basis of actual or expected local rates of tax. Deferred tax liabilities are calculated for all taxable temporary differences. Deferred tax assets, including those for tax loss carryforwards and expected tax credits, are only recognized if it is probable that profits will be available for realizing the loss carryforwards and tax credits.

Changes in deferred taxes are recognized in the income statement except for deferred taxes on amounts recognized directly in other comprehensive income, which are also recognized in other comprehensive income.

Share-based payments

Shares are transferred to Group management as part of the remuneration at a contractually predefined amount. The number of shares depends on the average price in October/November. The shares have a staggered lock-in period of 1-4 years. Disbursement takes usually place in December. Individual members of the Board of Directors receive a contractually predefined number of shares. The shares are locked in for five years. The valuation corresponds to the price at the time of allocation.

Employee benefit plans

The Group operates various employee benefit plans, which differ depending on the circumstances of the individual company. The benefit plans are financed through contributions made by the employer and/or the employee to state pension systems, separate legal entities (trusts, insurance companies) or through the accumulation of corresponding provisions in the balance sheet of the company itself.

In the case of defined contribution plans, the accrued expenses correspond to the agreed contributions by the Group companies.

In the case of defined benefit plans, the costs are calculated by independent experts in the form of an actuarial report using the projected unit credit method. The calculations are updated periodically. Benefit plans operated by external providers are funded plans, while the agreed commitments of the Group companies themselves are unfunded plans. The liability carried consists of the defined benefit obligation as defined by the actuary, less any assets recognized at fair value.

The expense recorded in the statement of comprehensive income is an actuarial calculation of the cost less contributions from employees. This comprises:

- Current service cost
- Interest on the net defined benefit liability
- Reassessments of defined benefit obligations

The current past service cost is recognized in personnel expense. The impact of changes in pension plan benefits is also reported in personnel expenses. The interest on the net defined benefit liability is recognized in financial expense. The expense or income from reassessments is recognized as other comprehensive income in the statement of comprehensive income.

Other long-term obligations to employees, such as anniversaries or sabbatical leave programs are recognized using the same methodology, with the exception that any actuarial changes are recognized in personnel expense.

Equity

Equity represents the residual value (assets less liabilities). Capital reserves result from premium payments made by shareholders, transactions involving treasury shares, employee options and the fair value of conversion rights at the time of issue. Retained earnings comprise the income earned and retained by the Group as well as the reassessment of the net defined benefit liability (asset). Acquisitions of treasury stocks are deducted from equity at cost.

REVENUE RECOGNITION

Net sales – Revenue from contracts with customers

Under IFRS 15, income is recorded from the point when the client takes control of the product or service. The following provides an overview of the fundamental valuation guidelines.

Sale of series parts

The client gets control upon the delivery of the series parts – depending on the arrangement of the income terms. The net sales are recorded at this specific point in time. In the case of client complaints as a result of quality deficiencies, the client issues an invoice to Feintool. These complaints are dealt with swiftly and – where justified – are recorded in material expenditure.

Sale of tools

Feintool also sells tools in connection with parts production. Since these tools remain in the corresponding production facility for the parts production, invoicing takes place after the "Production Part Approval Process" (PPAP) or during the delivery period of the parts.

Other operating income/expenses

Other operating income includes gains on the disposal of property, plant and equipment, investments and various smaller items of income, such as revenue from IT costs charged to third parties and letting income.

Other operating expenses include operating costs with the exception of material cost and personnel expenses.

Gains/losses on the disposal of property, plant and equipment are recognized when ownership and the incidental risks and rewards are transferred.

Material expenses

The cost of materials includes the following costs associated with production:

- Raw materials, consumables, and supplies
- Trade parts
- Third-party work on materials and goods
- Direct procurement costs (freight, customs duties, etc.)
- Recognition of adjustments in the value of acquired inventories

Income from recycling scrap metal is deducted from the cost of materials.

Research & development

Order-related development costs are capitalized as work in progress. Research & development costs are charged in full to the statement of comprehensive income in the year in which they are incurred, provided they are not capitalized. Development costs for new products are capitalized only if there is a likely prospect of realization in technical and market terms, the cost can be measured reliably and it is probable that the expected future economic benefit attributable to the asset will belong to Feintool.

Interest

Interest is recognized using the effective interest method. Interest not yet received or paid is reported at the end of the reporting period in deferred income or accrued expense. Interest is reported on the statement of comprehensive income under financial result.

1 SEGMENT INFORMATION

1.1 Products and services 2024 in CHF 1 000	System Parts Europe	System Parts USA	System Parts Asia	**Total segments**	Corporate	Eliminations	**Total continued operation**
Net sales	437 546	194 264	90 049	**721 859**	–	-2 257	**719 602**
- Intercompany income	-1 803	–	-454	**-2 257**	–	2 257	**–**
Total net sales – Group	**435 743**	**194 264**	**89 595**	719 602	**–**	**–**	719 602
EBITDA adjusted	**30 671**	**20 204**	**16 600**	67 474	**-15 392**	**-228**	51 855
One-off effects in the financial year [2]	-27 919	–	–	**-27 919**	–	–	**-27 919**
EBITDA	**2 752**	**20 204**	**16 600**	39 555	**-15 392**	**-228**	23 936
Depreciation and amortization	-45 378	-10 054	-8 293	**-63 725**	-2 001	1 931	**-63 795**
Impairment of tangible assets	-9 427	–	–	**-9 427**	–	–	**-9 427**
Operating profit (EBIT) adjusted	**-4 989**	**10 150**	**8 307**	13 468	**-17 393**	**1 703**	-2 222
One-off effects in the financial year [2]	-47 065	–	–	**-47 065**	–	–	**-47 065**
Operating profit (EBIT)	**-52 054**	**10 150**	**8 307**	-33 597	**-17 393**	**1 703**	-49 287
Financial expenses							**-11 813**
Financial income							**3 872**
Income taxes							**12 511**
Net income attributable to Feintool shareholders							**-44 717**
Number of employees	**2 021**	**578**	**465**	3 064	**33**	**–**	3 096
Assets	**406 922**	**146 450**	**132 981**	686 353	**262 944**	**-138 638**	810 659
Net working capital [3]	**58 419**	**26 306**	**17 067**	101 792	**19 534**	**-13 823**	107 503
Investments in property, plant and equipment/intangible assets (incl. leases)	**28 100**	**24 122**	**6 942**	59 164	**5 429**	**-5 547**	59 046

1.2 Geographical areas 2024	Switzerland	Europe excl. Switzerland	America	Asia	**Total**
Total net sales – Group [4]	**7 178**	**415 428**	**199 329**	**97 667**	719 602
thereof Germany		255 480			
thereof USA			134 166		
thereof Japan				33 301	
thereof China				60 706	
Fixed and intangible assets	**26 357**	**311 022**	**80 292**	**68 361**	486 032

1.3 Products and services 2023 in CHF 1 000	System Parts Europe	System Parts USA	System Parts Asia	**Total segments**	Corporate	Elimina-tions	**Total continued operation**	Discontin-ued operation [1]	**Total incl. discontin-ued operation**
Net sales	581 491	179 688	89 905	**851 084**	–	-3 379	**847 705**	10 631	**858 336**
- Intercompany income	-2 882	-190	-167	**-3 239**	–	3 239	**–**	–	**–**
Total net sales – Group	**578 609**	**179 498**	**89 738**	**847 845**	**–**	**-140**	**847 705**	**10 631**	**858 336**
EBITDA	**55 738**	**22 670**	**17 778**	**96 186**	**-12 244**	**97**	**84 039**	**-2 945**	**81 094**
Depreciation and amortization	-35 610	-10 019	-8 559	**-54 188**	-2 155	2 178	**-54 165**	-666	**-54 831**
Operating profit (EBIT)	**20 128**	**12 651**	**9 219**	**41 998**	**-14 399**	**2 275**	**29 874**	**-3 611**	**26 263**
Financial expenses							**-17 001**		
Financial income							**11 103**		
Income taxes							**-6 169**		
Net income attributable to Feintool shareholders							**17 807**		
Number of employees	**2 132**	**568**	**503**	**3 202**	**28**	**–**	**3 230**		
Assets	**476 917**	**127 791**	**131 785**	**736 493**	**293 072**	**-221 715**	**807 850**		
Net working capital [3]	**74 376**	**24 878**	**16 476**	**115 730**	**30 701**	**-36 137**	**110 294**		
Investments in property, plant and equipment/intangible assets (incl. leases)	**28 863**	**16 676**	**7 949**	**53 488**	**10 385**	**-7 815**	**56 058**		

1.4 Geographical areas 2023	Switzerland	Europe excl. Switzerland	America	Asia	**Total**
Total net sales – Group [4]	**7 907**	**545 012**	**195 762**	**99 024**	**847 705**
thereof Germany		341 249			
thereof USA			135 903		
thereof Japan				31 689	
thereof China				60 183	
Fixed and intangible assets	**26 018**	**329 740**	**60 920**	**66 988**	**483 666**

[1] As of June 2023, Feintool sold the segment “Fineblanking Technology”, in which the companies Feintool Technologie AG, Lyss, Feintool Equipment Corp., Cincinnati, and Feintool Fineblanking Technology (Shanghai) Co., Ltd. have been included, to the German Certina Group. Accordingly, the segment was reported as “discontinued operations” in the financial year 2023. Feintool Engineering Co. Ltd. has been transferred from Fineblanking Technology and was reported in the financial year 2023 in the System Parts Asia segment.

[2] for EBITDA: Restructuring costs for System Parts Europe. For detailed information, see Note 22 (Provisions).
for EBIT: The one-off effects of EBITDA and additional impairment losses on land, buildings and machinery due to non-recoverability.

[3] Net working capital comprises trade receivables, inventories and prepaid expenses and accrued income less trade payables, advance payments received from customers and accrued expenses and deferred income. The remaining receivables and liabilities is included in the calculation for “Corporate”.

[4] Net sales is allocated to countries based on the customer’s domicile.

The following explanations on the segment information apply to the financial years 2024 and 2023.

Segment reporting is in accordance with internal reporting, and the one-time effects demonstrated have thus been factored into the group performance assessment by the Board of Directors and the management.

The System Parts Europe, USA and Asia segments develop, produce and sell high-precision system components and assemblies using fineblanking and forming technology as well as electrical steel stamping. The segments also sell production-specific tools to third-party customers. The production and internal sale of tools is also included in this segments.

"Corporate" comprises the figures for Feintool International Holding AG (without business activities) and the German sub-holding company Feintool Holding GmbH.

The operating profit/loss comprises all operating income and expenses directly attributable to the individual segments. This includes all cross-segment expenses, which are charged directly. Feintool's financing is undertaken at the Group level. Financial expenses and income, financial liabilities as well as taxes, are therefore reported only at the Group level and do not appear in the segment reports. Feintool generates 11.3 % (previous year 10.6 %) of consolidated sales with one customer. Income is generated in all segments. With the other customers, the share is less than 9.9 % (previous year 10.3 %) in each case.

There is no reconciliation of data in management reports and data contained in the financial reports, as internal and external reporting are subject to the same valuation principles.

2 DISCONTINUED OPERATION

As of June 7, 2023, Feintool sold the segment "Fineblanking Technology", in which the companies Feintool Technologie AG, Lyss, Feintool Equipment Corp., Cincinnati, and Feintool Fineblanking Technology (Shanghai) Co., Ltd. have been included, to the German Certina Group. With the divest of the capital good business, the Feintool Group has positioned itself as a pure player in the business area of high volume parts production manufactured by the technologial processes of fineblanking, forming and electrolamniation stamping. Feintool and Certina Group are pursuing close technological cooperation, particularly in the area of hydrogen technologies. Feintool therefore retains a strategic minority intererst of 15 % in Feintool Technologie AG. The interest is included in the financial assets in the consolidated balance sheet.

2.1 Results of discontinued operation	**2023** in CHF 1 000
Net sales	10 631
Total operating expenses	-14 242
Operating profit (EBIT)	**-3 611**
Financial result	-130
Net income before income tax	**-3 741**
Income tax	-155
Net income from discontinued operations	**-3 896**
Loss from sale of discontinued operation	-18 205
Effect on net income of the period	**-22 101**
Earnings per share in CHF	
Basic earnings per share	-1.50
Diluted earnings per share	-1.50
Cash flow	
From operating activities (incl. change in NWC)	-5 473
From investing activities	628
From financing activities	3 508
Net cash flow for the period	**-4 845**
Effect on the financial position of Feintool Group	
Cash and cash equivalents	-4 767
Receivables and accrued income	-6 053
Inventories and net contract assets	-20 611
Non-current assets	-5 405
Deferred tax assets	-1 323
Financial liabilities	3 776
Payables	4 762
Deferred income and provisions	7 804
Employee benefit liabilities	4 875
Net assets and liabilities	**-16 942**
Consideration paid in cash	-1 652
Cash and cash equivalents disposed of	-4 767
Net cash outflow	**-6 419**

3 NET SALES

	2024 in CHF 1 000	2023 in CHF 1 000
Gross sales	727 674	857 918
Sales deductions	-8 072	-10 213
Total net sales	**719 602**	**847 705**

4 CAPITALIZED SELF-GENERATED ASSETS

	2024 in CHF 1 000	2023 in CHF 1 000
Self-generated tools	357	486
Capitalized development costs	1 869	2 354
Other capitalized self-generated assets	26	9
Capitalized self-generated assets	**2 252**	**2 849**

5 PERSONNEL EXPENSES

	2024 in CHF 1 000	2023 in CHF 1 000
Salaries and wages	185 827	176 489
Social security contribution	34 748	28 886
Other personnel expenses	7 363	8 141
Total personnel expenses	**227 938**	**213 516**
of which direct personnel expenses [1)]	99 459	98 046
of which indirect personnel expenses	128 479	115 470

1) Direct personnel expenses are personnel expenses that can be directly assigned to the production process.

6 OTHER OPERATING EXPENSES

	2024 in CHF 1 000	2023 in CHF 1 000
Repair and maintenance	43 374	43 818
Energy	21 393	20 443
IT costs	7 052	6 003
Rental and leasing expenses	2 841	2 400
thereof expenses for short-term leases	961	952
thereof expenses for low-value assets	656	641
thereof miscellaneous	1 223	810
Sales and marketing expenses	2 973	2 944
Administration and distribution expenses	18 428	14 981
Loss on the disposal of property, plant and equipment	58	231
Taxes and duties (not including income taxes)	1 311	1 201
Other expenses	7 417	4 745
Total other operating expenses	**104 847**	**96 766**

7 OTHER OPERATING INCOME

	2024 in CHF 1 000	2023 in CHF 1 000
Gain on the disposal of property, plant and equipment	497	139
Other income	2 631	2 113
Total other operating income	**3 128**	**2 252**

8 FINANCIAL EXPENSES

	2024 in CHF 1 000	2023 in CHF 1 000
Interest expense	5 797	4 928
Other financial expenses [1)]	2 356	2 365
Foreign exchange losses	3 660	9 708
Total financial expenses	**11 813**	**17 001**

[1)] Besides bank charges, other financial expenses include annual amortization of establishing cost for the promissory note, syndicated loan and ABS program, market making costs and valuation expenses from hedging.

9 FINANCIAL INCOME

	2024 in CHF 1 000	2023 in CHF 1 000
Interest income	465	249
Other financial income	5	–
Foreign exchange gains	3 402	10 854
Total financial income	**3 872**	**11 103**

10 INCOME TAXES

10.1 Analysis of income taxes	2024 in CHF 1 000	2023 in CHF 1 000
Tax credits/charges for the reporting period	1 480	5 356
Tax credits/charges from previous years	-570	579
Deferred income taxes	-13 421	234
Total income taxes	**-12 511**	**6 169**

10.2 Analysis of tax charge	2024 in CHF 1 000	2023 in CHF 1 000
Earnings before taxes	**-57 228**	**23 976**
Weighted tax rate as % [1]	25.7 %	25.0 %
Expected overall tax income / expense	**-14 708**	**5 994**
Effect of tax rates in foreign jurisdictions	229	-776
Non tax-deductible expense	1 335	374
Non-taxable income	911	-6 383
Unrecognized tax loss carryforwards from the current year	665	5 016
Use of unrecognized loss carryforwards from previous years	-634	-993
Recognition of previously unrecognized loss carryforwards	-659	-277
Use of unrecognized deductible temporary differences	85	272
Tax credits/charges from previous years	-570	579
Effect of changes in tax rates	-120	607
Changes in estimates related to prior years	828	1 762
Other effects	127	-6
Effective income tax expense (+) / tax income (-)	**-12 511**	**6 169**
Effective income tax as %	**21.9 %**	**25.7 %**

[1] The weighted tax rate is calculated from the income tax rates likely to apply to the income of the individual Group companies in the respective tax jurisdiction, which naturally varies according to the actual earnings figures.

11 DEFERRED TAXES

11.1 Carrying amounts (in CHF 1 000)	12/31/2024 Deferred tax assets	12/31/2024 Deferred tax liabilities	12/31/2023 Deferred tax assets	12/31/2023 Deferred tax liabilities
Deferred taxes for temporary differences				
Current assets	4 666	2 136	1 978	565
Non-current assets	2 654	32 549	3 571	34 521
Provisions and other liabilities	2 511	332	3 848	1 574
Employee benefit plans	8 755	415	8 972	1 300
Loss carryforwards	22 794	–	11 472	–
Total gross values	**41 379**	**35 432**	**29 840**	**37 960**
Netting	-19 080	-19 080	-16 519	-16 519
Total carrying amounts	**22 299**	**16 352**	**13 321**	**21 441**
of which recognized in the balance sheet as deferred tax assets	22 299		13 321	
of which recognized in the balance sheet as deferred tax liabilities		16 352		21 441
Net deferred tax assets/liabilities	**5 947**			**8 120**

Feintool does not disclose deferred taxes related to earnings not distributed as dividends, which will presumably be reinvested permanently in subsidiaries. The tax effect is estimated as not material.

11.2 Statement of net deferred taxes assets/liabilities	12/31/2024 in CHF 1 000	12/31/2023 in CHF 1 000
Start of period	**-8 120**	**-9 534**
Recognition and reversal of temporary differences	13 421	-234
Temporary differences arising on tax rate changes	–	–
Temporary differences arising on acquisition/sale of entities	–	-160
Temporary differences recognized directly in equity	1 462	756
Translation differences	-816	1 052
End of period	**5 947**	**-8 120**

11.3 Unrecognized tax assets

Deferred tax assets, including those for tax loss carryforwards and expected tax credits, are only recognized if it is probable that profits will be available against which the loss carryforwards and tax credits can be utilized.

11.4 Tax loss carryforwards	12/31/2024 in CHF 1 000	12/31/2023 in CHF 1 000
Total tax loss carryforwards	172 380	130 301
of which recognized loss carryforwards	95 349	54 867
Total unrecognized tax loss carryforwards	**77 031**	**75 434**
of which expiring within 1 year	5 250	3 738
of which expiring in one to five years	54 169	29 175
of which expiring in more than five years	17 611	42 521
Tax effects of unrecognized tax loss carryforwards	**17 474**	**17 208**

Income taxes and information regarding the tax charge are shown in Note 10.

12 CONSOLIDATED EARNINGS PER SHARE

12.1 Average number of shares outstanding	2024 Number	2023 Number
Average number of shares outstanding	14 744 526	14 744 526
Less number of treasury shares (weighted)	-17 294	-20 509
Average number of shares outstanding – undiluted	14 727 232	14 724 017
Average number of shares outstanding – diluted	14 727 232	14 724 017

12.2 Net income Feintool Group	2024 in CHF 1 000	2023 in CHF 1 000
Net income of the Feintool Group (continued operation) – undiluted	-44 717	17 807
Net income of the Feintool Group (continued operation) – diluted	-44 717	17 807

No dilution effects were recognized in the financial year.

12.3 Earnings per share	2024 in CHF	2023 in CHF
Undiluted earnings per share (continued operation)	-3.04	1.21
Diluted earnings per share (continued operation)	-3.04	1.21

Earnings per share are calculated on the basis of the consolidated net income for the financial year divided by the average number of shares in circulation. No dilution effects were recognized in the financial year.

13 RECEIVABLES

13.1 Trade and other receivables	12/31/2024 in CHF 1 000	12/31/2023 in CHF 1 000
Trade receivables	74 596	82 501
Valuation allowances	-1 170	-269
Total trade receivables (net)	**73 426**	**82 232**
Bills receivable	1 394	2 290
Outstanding VAT credits	5 366	2 526
Receivables from ABS program [1)]	8 121	3 287
Other receivables	9 579	5 580
Total trade and other receivables	**97 886**	**95 915**

[1)] As of December 31, 2024, trade receivables with a value of kCHF 27'320 were sold under factoring and ABS programs (previous year kCHF 25 290).

13.2 Maturity profile of trade receivables in CHF 1 000	Carrying amount	Not yet due	Overdue up to 30 days	Overdue for 31-90 days	Overdue for 91-180 days	Overdue for more than 180 days
12/31/2024						
Trade receivables	74 596	57 440	10 957	3 756	1 427	1 016
Valuation allowances	-1 170	0	–	-119	-435	-616
Total receivables (net)	**73 426**					
12/31/2023						
Trade receivables	82 501	69 246	9 641	2 316	1 056	242
Valuation allowances	-270	-7	–	-11	-102	-150
Total receivables (net)	**82 231**					

13.3 Valuation allowance on trade receivables	2024 in CHF 1 000	2023 in CHF 1 000
Start of period	**-270**	**-1 102**
Change in scope of consolidation	–	41
Translation differences	–	–
Recognized	-1 095	-212
Reversed	–	41
Used	195	962
End of period	**-1 170**	**-270**

14 INVENTORIES

	12/31/2024 in CHF 1 000	12/31/2023 in CHF 1 000
Raw material	40 215	38 980
Tool spare elements	30 328	28 765
Finished and semi-finished goods	43 054	48 697
Work in progress	15 999	19 057
Valuation allowances on inventories	-22 889	-21 371
Total inventories	**106 707**	**114 128**

15 PREPAID EXPENSES AND ACCRUED INCOME

	12/31/2024 in CHF 1 000	12/31/2023 in CHF 1 000
Prepaid expenses for customer orders [1]	4 062	3 330
Costs of promissory note and syndicated loan	113	172
Tax accruals	–	407
Scrap and material income	311	362
Other prepaid expenses and accrued income	920	504
Total prepaid expenses and accrued income	**5 406**	**4 775**

[1] Prepaid expenses for customer orders includes expenses for constructions that are assigned to a specific order. These prepaid expenses are released on a straight-line basis over the course of the order.

16 PROPERTY, PLANT AND EQUIPMENT

16.1 Overview assets	2024 in CHF 1 000	2023 in CHF 1 000
Own property, plant and equipment	325 395	322 105
Right-of-use from leased assets	39 637	39 191
Total carrying amounts	**365 032**	**361 296**

16.2 Summary of own property, plant and equipment in CHF 1 000	Real estate	Machinery	Asset under construction	Other property, plant and equipment	Total
Cost of acquisition as at 01/01/2023	**178 912**	**428 418**	**24 519**	**36 778**	**668 627**
Additions	2 521	8 203	36 313	2 147	**49 184**
Disposals	-223	-8 878	-1 082	-917	**-11 100**
Reclassifications [1]	9 027	20 329	-21 744	456	**8 068**
Disposals of discontinued operations	-48	-3 925	–	-5 112	**-9 085**
Translation differences	-13 595	-40 723	-3 004	-2 601	**-59 923**
As at 12/31/2023	**176 594**	**403 424**	**35 002**	**30 751**	**645 771**
Additions	918	8 199	48 448	1 134	**58 699**
Disposals	-539	-14 300	-219	-1 281	**-16 339**
Reclassifications [1]	1 808	18 652	-27 664	2 066	**-5 138**
Adjustment gross value [2]	11 663	5 504	–	696	**17 863**
Translation differences	4 185	17 378	257	2 507	**24 327**
As at 12/31/2024	**194 629**	**438 857**	**55 824**	**35 873**	**725 183**
Accumulated depreciation as at 01/01/2023	**-53 599**	**-251 539**	**–**	**-17 172**	**-322 310**
Additions	-5 095	-32 389	–	-2 623	**-40 107**
Disposals	177	5 187	–	877	**6 241**
Change in scope of consolidation	48	2 975	–	3 572	**6 595**
Reclassifications	14	-7 250	–	-18	**-7 254**
Translation differences	4 612	26 727	–	1 830	**33 169**
As at 12/31/2023	**-53 843**	**-256 289**	**–**	**-13 534**	**-323 666**
Additions	-6 001	-40 806	–	-2 939	**-49 746**
Disposals	539	12 452	–	1 244	**14 235**
Impairments	-6 842	-1 515	-1 071	–	**-9 428**
Reclassifications	571	–	–	-571	**–**
Adjustment gross value [2]	-11 663	-5 504	–	-696	**-17 863**
Translation differences	-1 282	-11 538	15	-515	**-13 320**
As at 12/31/2024	**-78 521**	**-303 200**	**-1 056**	**-17 011**	**-399 788**
Net carrying amounts					
As at 12/31/2023	**122 751**	**147 135**	**35 002**	**17 217**	**322 105**
As at 12/31/2024	**116 108**	**135 657**	**54 768**	**18 862**	**325 395**

[1] Reclassifications include transfer to intangible assets amounting to kCHF -23 (previous year kCHF -758), to assets in leasing amounting to kCHF -4 653 (previous year kCHF 8 910) and reclassifications to costs amounting to kCHF 469.

[2] To enhance presentation, the cost of acquisition as well as accumulated depreciation of certain asset classes have been adjusted. The net carrying amounts remain unchanged.

Other property, plant and equipment includes installations and vehicles. As at December 31, 2024, the Feintool Group had entered into purchase commitments for the purchase of property, plant and equipment totaling approx. kCHF 28 059 (previous year kCHF 39 358).

16.3 Summary of leased property, plant and equipment in CHF 1 000	Real estate	Machinery	Other property, plant and equipment	Total
Cost of acquisition as at 01/01/2023	**13 440**	**87 724**	**13 099**	**114 263**
Additions	165	2 662	1 054	**3 881**
Disposals	-58	-1 280	-572	**-1 910**
Reclassifications	–	-1 640	-7 270	**-8 910**
Disposals of discontinued operations	-5 511	–	-1 082	**-6 593**
Translation differences	-678	-5 789	-377	**-6 844**
As at 12/31/2023	**7 358**	**81 677**	**4 852**	**93 887**
Additions	2 015	2 030	970	**5 015**
Disposals	-1 644	-197	-674	**-2 515**
Reclassifications [1]	–	2 958	1 695	**4 653**
Adjustment gross value [2]	-499	–	-13	**-512**
Translation differences	257	1 313	53	**1 623**
As at 12/31/2024	**7 487**	**87 781**	**6 883**	**102 151**
Accumulated depreciation as at 01/01/2023	**-4 618**	**-54 378**	**-2 333**	**-61 329**
Additions	-1 343	-6 534	-804	**-8 681**
Disposals	58	681	562	**1 301**
Reclassifications	-16	7 341	–	**7 325**
Change in scope of consolidation	2 188	–	552	**2 740**
Translation differences	259	3 574	115	**3 948**
As at 12/31/2023	**-3 472**	**-49 316**	**-1 908**	**-54 696**
Additions	-1 281	-6 641	-887	**-8 809**
Disposals	681	–	643	**1 324**
Reclassifications	–	31	-31	**–**
Adjustment gross value [2]	499	–	13	**512**
Translation differences	-121	-697	-27	**-845**
As at 12/31/2024	**-3 694**	**-56 623**	**-2 197**	**-62 514**
Net carrying amounts				
As at 12/31/2023	**3 886**	**32 361**	**2 944**	**39 191**
As at 12/31/2024	**3 793**	**31 158**	**4 686**	**39 637**

In the 2024 financial year, interest expenses from lease liabilities were incurred in the amount of kCHF 661 (previous year kCHF 631).

[1] This position includes reclassifications from own property, plant and equipment amounting to kCHF 4 653

[2] To enhance presentation, the cost of acquisition as well as accumulated depreciation of certain asset classes have been adjusted. The net carrying amounts remain unchanged.

17 INTANGIBLE ASSETS

17.1 Summary of intangible assets in CHF 1 000	Goodwill	Capitalized development costs [1]	Software	Customer relations	Other intangible assets [2]	Total
Cost of acquisition as at 01/01/2023	**85 606**	**11 404**	**9 115**	**40 799**	**18 633**	**165 557**
Additions	–	3 473	983	–	4 884	**9 340**
Disposals	–	-10 990	-229	-9	-5 086	**-16 314**
Transfer from own property, plant & equipment	–	–	758	–	–	**758**
Disposals of discontinued operations	–	–	-1 340	–	–	**-1 340**
Translation differences	-5 737	–	-510	–	-3 821	**-10 068**
As at 12/31/2023	**79 869**	**3 887**	**8 777**	**40 790**	**14 610**	**147 933**
Additions	–	2 081	223	–	7	**2 311**
Disposals	–	–	-17	–	-10	**-27**
Transfer from own property, plant & equipment	–	–	23	–	–	**23**
Translation differences	1 641	–	135	–	1 089	**2 865**
As at 12/31/2024	**81 510**	**5 968**	**9 141**	**40 790**	**15 696**	**153 105**
Accumulated amortization as at 01/01/2023	**–**	**-8 324**	**-7 926**	**-6 449**	**-9 203**	**-31 902**
Additions	–	-860	-620	-2 668	-1 229	**-5 377**
Disposals	–	8 959	207	–	282	**9 448**
Reclassifications	–	–	-26	–	–	**-26**
Translation differences	–	1	422	–	1 349	**1 772**
As at 12/31/2023	**–**	**-877**	**-6 768**	**-9 116**	**-8 802**	**-25 563**
Additions	–	-706	-733	-2 664	-1 130	**-5 233**
Disposals	–	–	16	–	–	**16**
Reclassifications	–	–	–	–	–	**–**
Translation differences	–	–	-106	–	-418	**-524**
As at 12/31/2024	**–**	**-1 583**	**-7 591**	**-11 780**	**-10 350**	**-31 304**
Net carrying amounts						
As at 12/31/2023	**79 869**	**3 010**	**2 009**	**31 674**	**5 808**	**122 370**
As at 12/31/2024	**81 510**	**4 385**	**1 550**	**29 010**	**5 346**	**121 801**

[1] Research and development expenses amounting to kCHF 706 (previous year kCHF 860) were charged to the consolidated statement of comprehensive income.

[2] Other intangible assets primarily comprise patents and licenses as well as land-use-rights.

17.2 Other information – Goodwill	12/31/2024 in CHF 1 000	12/31/2023 in CHF 1 000
Cash-generating unit System Parts China	10 043	9 556
Cash-generating unit System Parts Fineblanking & Forming Europe	8 873	8 729
Cash-generating unit System Parts Stamping Europe	62 594	61 582
Total Goodwill	**81 510**	**79 869**

For the purpose of impairment testing, goodwill has been allocated to the Group’s cash generating units (CGUs), see table above. The recoverable amounts for the CGUs are calculated on the basis of the value in use and compared with the carrying amount. The values in use were calculated using the DCF method (discounted cash flow method).

The values assigned to the key assumptions reflect management's assessment of future trends in the relevant sectors. The estimates are based on both external and internal sources.

Future cash flows are discounted using an after-tax discount rate based on the historical weighted average cost of capital for the industry, taking into account debt financing of 62% at a market interest rate of 5% in Europe and 3.5% in Asia.

For the CGUs System Parts China and System Parts Europe (Fineblanking & Forming), the Feintool Group uses the results from the respective current business plan with the assumptions contained therein regarding price, market and market share development. The first three plan years are approved by the Board of Directors, the other two plan years by the Group CFO. The growth rates are based on the forecasts of established institutions and on the Group's experience with price and market share development in the past.

In the case of the CGU System Parts Europe (Stamping), the management of the Feintool Group has decided to extend the measurement period for the CGU's recoverability from 5 to 8 years. In the automotive industry, projects will be awarded in 2024 with the start of production planned for 2027. For Feintool, this means that incoming orders from 2024 will not affect sales until 2027. At the same time, existing programs and earlier incoming orders continue to suffer from the current market dynamics. The originally expected global BEV quota has been revised downwards. Nevertheless, according to the European Automobile Manufacturers Association (ACEA), a global BEV quota of over 35% is forecasted for 2030, which corresponds to a more than threefold increase in production compared to 2024.
Furthermore, Feintool expects the EU to commit to its decision to ban the sale of combustion engines in 2035, i.e. no cars with combustion engines will be registered in the EU from that year onwards. It is to be expected that European car manufacturers will invest massively in BEV projects in the coming years in order to achieve the aforementioned targets. The ageing of vehicle fleets in the EU, which will presumably continue to build up over the next few years and will then gradually decrease again as soon as the reasons for end customers' wait-and-see attitude (high purchase costs, high electricity prices, lack of charging infrastructure, unclear technological development) have disappeared.

Feintool is in a strong position to benefit from this development. The Glulock technology used in the area of rotors and stators is technologically competitive and addresses the specific requirements of e-mobility. It is expected that this technology will lead to significant order intake. The measures implemented as part of the restructuring, in particular the reduced cost base, will also help to strengthen Feintool's market position. Due to the market situation described above, the management of Feintool considers the extension of the valuation period to 8 years to be appropriate. Without this adjustment, the business would be undervalued and would not give a realistic picture of the long-term potential and development within this sector.

The sales volumes and budgeted EBITDA for the next 5 years (until 2029) were forecasted in line with the difficult market expectations. Free cash flow projections include the expected effects of restructuring measures announced in 2024.
A growth rate of 8% was assumed for the growth years 2030 - 2032 and a terminal value growth rate of 2%, consistent with the assumptions a market participant would make.

The impairment tests for the financial year 2024 are approved by the Audit Committee.

			2024			2023
17.3 Key assumptions	System Parts China	System Parts Europe (Fineblanking & Forming)	System Parts Europe (Stamping)	System Parts China	System Parts Europe (Fineblanking & Forming)	System Parts Europe (Stamping)
Discount rate after taxes	10.8	9.3	9.6	9.7	9.2	9.2
Discount rate before taxes	11.3	10.2	10.2	10.1	10.0	10.0
Terminal value growth rate	3.6	1.0	2.0	3.6	1.0	2.0
EBITDA CAGR (2025-2032)	n/a	n/a	27.5	n/a	n/a	n/a

As of the date of the impairment test, the recoverable amount of the CGU System Parts China exceeded the carrying amount by kCHF 1 561 (previous year kCHF 13 579). Management has identified that a reasonably possible change in two key assumptions could cause the carrying amount to exceed the recoverable amount. An increase in the discount rate (after taxes) to 11.0 % (previous year 10.6 %) or a decrease in the terminal value growth rate to 3.4 % (previous year 2.4 %) would lead to a situation where the value in use equates the carrying amount.

For the CGU Stamping Europe the recoverable amount exceeded the carrying amount by kCHF 31 258 (previous year kCHF 8 111). Management has identified that a reasonably possible change in three key assumptions could cause the carrying amount to exceed the recoverable amount. An increase in the discount rate (after taxes) to 10.5 % (previous year 9.4 %) or a decrease of the terminal value growth rate to 0.6% (previous year 1.8 %) would lead to a situation where the value in use equates the carrying amount. A reduction in the EBITDA CAGR from 27.5% to 25.9% for the period 2025 to 2032 would result in the carrying amount to be equal to the recoverable amount.

For the CGU Fineblanking & Forming Europe the recoverable amount exceeded the carrying amount by kCHF 5 161 (previous year kCHF 21 795). Management has identified that a reasonably possible change in two key assumptions could cause the carrying amount to exceed the recoverable amount. An increase in the discount rate (after taxes) to 9.9 % (previous year 10.7 %) or a decrease of the terminal value growth rate to 0.0 % (-1.3 %) would lead to a situation where the value in use equates the carrying amount.

18 FINANCIAL ASSETS

	12/31/2024 in CHF 1 000	12/31/2023 in CHF 1 000
Loans to third parties	45	52
Non-current receivables	7 579	8 308
Rental deposit accounts	1 167	408
Financial assets	**8 792**	**8 770**

The weighted average interest rate in the reporting period was 0.10 % (previous year 0.17 %).
Non-current receivables refers to tools the customer has ordered but not yet or only partially paid for. Amortization is based on either the parts produced or an agreed payment plan.

19 FINANCIAL LIABILITIES

19.1 Current financial liabilities	12/31/2024 in CHF 1 000	12/31/2023 in CHF 1 000
Current liabilities to banks	31 882	7 238
Current portion of lease liabilities	6 493	6 761
Current liabilities from promissory note	397	13 851
Total current financial liabilities	**38 772**	**27 850**

The weighted average interest rate in the reporting period was 2.3 % (previous year 1.4 %).

19.2 Non-current financial liabilities	12/31/2024 in CHF 1 000	12/31/2023 in CHF 1 000
Non-current liabilities from promissory note	33 398	32 847
Non-current liabilities to banks	25 667	24 110
Non-current lease liabilities	21 878	21 580
Total non-current financial liabilities	**80 943**	**78 537**

The weighted average interest rate in the year under review was 1.4 % (previous year 2.2 %).

On July 15, 2021 and July 17, 2023 promissory notes in the amount of kEUR 75 000 were issued. As of December 2024 kEUR 14 500 expired. Of the remaining amount of kEUR 60 500, kEUR 35 500 have a fixed interest rate and kEUR 25 000 are floating (variable interest rate). The loan is divided into the following tranches:

– kEUR 29 500, term until fiscal year 2026
– kEUR 18 000, term until fiscal year 2027
– kEUR 6 000, term until fiscal year 2028
– kEUR 7 000, term until fiscal year 2030

Standard covenants are defined in the loan agreement. The only material covenant to be complied with is:
– Equity ratio > 25 %

As of December 31, 2024, all the covenants relating to the promissory note had been met.

On December 15, 2022, Feintool signed a CHF 100 million syndicated loan agreement in cash loans with six banks with a term until December 15, 2027. The material covenants to be complied with are
– Equity ratio > 25 %
– Net Senior Debt/EBITDA < 3.5x

As of December 31, 2024, the syndicated loan had been used for CHF 19.1 Mio. (previous period CHF 0) and all the covenants had been met.

Credit agreements concluded on a bilateral basis with various banks also contain standard covenants, that are largely equivalent to those of the syndicated loan. As of December 31, 2024, all the covenants had been met.

If the Group or companies were unable to meet one or several covenants of the syndicated loan, promissory note or bilateral debts, the banks would have the right to terminate the loans at short notice. As at December, 31st 2024, Feintool has kCHF 214 465 (previous year kCHF 261 600) in unused, confirmed creditlines at the bank and available cash.

19.3 Reconciliation of financial liabilities	2024 in CHF 1 000	2023 in CHF 1 000
Start of period	**106 387**	**120 675**
Cash flows net [1]	286	1 740
Non-cash changes	-5 015	-14 409
thereof discontinued operations	–	-3 776
thereof new leases	-5 015	-10 633
Translation differences	18 057	-1 619
End of period	**119 715**	**106 387**

[1] This item includes the borrowing of interest-bearing debt of kCHF 27 816 (previous year kCHF 36 245), the repayment of interest-bearing lease liabilities of kCHF 5 021 (previous year repayment kCHF 7 413) and the repayment of interest-bearing debt of kCHF 22 508 (previous year kCHF 27 092).

20 TRADE AND OTHER PAYABLES

	12/31/2024 in CHF 1 000	12/31/2023 in CHF 1 000
Trade payables	59 126	65 489
Prepayments from third parties	5 930	4 040
Notes payables	821	1 844
Liabilities from ABS [1]	13 363	6 704
Social security liabilities	605	1 048
Outstanding VAT liabilities	2 606	1 759
Other liabilities	2 760	2 543
Total trade and other payables	**85 211**	**83 427**

[1] Liabilities from ABS include all customer payments not yet forwarded and the corresponding liability in respect to the continuing involvement from ABS. Further information on the ABS program can be found in the Notes to the financial statements, section "financial assets and liabilities".

21 ACCRUED EXPENSES AND DEFERRED INCOME

	12/31/2024 in CHF 1 000	12/31/2023 in CHF 1 000
Accruals for salary, bonus, overtime, additional hours	10 747	11 747
Outstanding accounts payable	7 029	6 745
Outstanding installations and other work to be fulfilled in relation to customer orders	3 081	3 237
Other accrued expenses and deferred income	1 246	700
Total accrued expenses and deferred income	**22 103**	**22 429**

22 PROVISIONS

in CHF 1 000	Warranties	Onerous contracts	Restructuring costs	Other provisions	Total
Total provisions as at 01/01/2023	**3 189**	**632**	**692**	**7 639**	**12 152**
Recognized	172	–	806	11 974	12 952
Used	-57	-445	-292	-2 020	-2 814
Reversed	–	–	-575	-3 816	-4 391
Change in the scope of consolidation	-2 493	-60	–	–	-2 553
Translation differences	-47	-13	-37	-805	-902
Total provisions as at 12/31/2023	**764**	**114**	**594**	**12 972**	**14 444**
of which current provisions	541	114	594	11 313	12 562
of which non-current provisions	223	–	–	1 659	1 882
Recognized [1)]	102	3 350	25 139	13 227	41 818
Used	-224	-117	-684	-11 663	-12 688
Reversed	–	–	-11	-597	-608
Translation differences	14	1	-262	255	8
Total provisions as at 12/31/2024	**656**	**3 348**	**24 776**	**14 194**	**42 974**
of which current provisions	343	3 348	24 776	12 713	41 180
of which non-current provisions	313	–	–	1 481	1 794

Provisions for actual warranty events cover the estimated cost arising from warranty services provided by the Group companies, which the company must cover for contractual reasons or due to its conduct. The outflow of funds occurs as and when the warranties are taken up, over a maximum of three years.

“Other provisions” include provisions for scrap rebates, customer complaints and mainly price reductions that were not passed on. Various small items are also included. The expected duration of the outflow of funds is 1 to 2 years.

[1)] In 2024, for the Business Unit System Parts Europe Feintool announced the realignment of its fineblanking production as well as the production of rotors and stators for electric motors in Europe.

A total provision of TCHF 27'919 was recognized to account for the costs for the realignment. Estimated restructuring costs mainly include:
- Social plan
- Overtime and vacation
- Rental costs
- Onerous contracts (presented in separate category)
- Consulting

23 EMPLOYEE BENEFIT PLANS

23.1 Overview of net employee benefit liabilities	12/31/2024 in CHF 1 000	12/31/2023 in CHF 1 000
Net defined benefit liability	65 521	59 973
Jubilee benefits	1 436	1 361
Other benefit obligations	36	311
Total net employee benefit liabilities	**66 993**	**61 645**

The assets of the employee benefit plans do not include treasury shares (previous year kCHF 0). The Group does not own assets belonging to the retirement fund (previous year tangible assets CHF 0).

The Net defined benefit liability item contains various benefit plans in Switzerland, Germany and Japan. The net liability from the Swiss plan amounts to kCHF 13 825 (previous year kCHF 9 454), the German plan to kCHF 51 456 (previous year kCHF 50 316) and the Japanese plan to kCHF 240 (previous year kCHF 202). On account of the materiality of the figures, only the Swiss and German plans are shown in section 23.3 onwards.

Swiss plan

The majority of Feintool employees in Switzerland are insured against the risks of death, old age and disability through an independent collective foundation. The benefits provided by the Feintool pension solution exceed the minimum level prescribed by the Federal Occupational Old Age, Survivors' and Disability Pension Act (BVG). The typical retirement age is 65 for men and women. Employees have a right to early retirement from age 58, in which case the conversion rate is reduced in accordance with the longer expected pension payment period and the absence of contribution payments prior to retirement. Furthermore, employees can withdraw their retirement pension in full or in part as a lump sum. The amount of pension paid out is arrived at from the conversion rate, which is applied to the insured individual's accumulated retirement savings at the time of retirement. The accumulated retirement assets are arrived at from the employee and employer contributions paid into the individual savings account of each insured member, together with the interest credited to the retirement assets, vested benefits brought in and any voluntary payments made by the insured person. The interest rate paid on the retirement assets is set by the Board of Trustees each year.

German plans

The German plans comprise:

- A "Works Agreement on the Introduction of an Occupational Pension Plan" concluded on June 25, 1998 that was terminated effective December 31, 2005 with the announcement that new employees would no longer be able to join the pension scheme from January 1, 2006, and that any entitlements already accrued would be frozen effective December 31, 2005.
- A pension scheme dated June 1, 1975 for all employees who joined the company by December 31, 1983.
- Individual commitments to certain managers.

This essentially includes the right to a lifetime pension payable upon retirement, disability and/or death. The level of monthly pension entitlement on reaching the retirement age of 65, amounts to approximately 50 % respectively 30 % of the annual pensionable income broken down into a monthly amount; the annual pensionable income is deemed to be the fixed annual income at the time the pension becomes due for payment.

Japanese plan

The Japanese plan includes all employees who have worked at the company for three or more years. Employees are entitled to a pension from age 60.

	Defined benefit obligation		Plan assets		Net defined benefit liability	
	2024	2023	2024	2023	2024	2023
23.2 Change in defined benefit liability	in CHF 1 000	in CHF 1 000	in CHF 1 000	in CHF 1 000	in CHF 1 000	in CHF 1 000
As at January 1	**130 275**	**187 602**	**-70 303**	**-119 756**	**59 973**	**67 846**
Recognized in income statement						
Current service cost	2 266	2 700	–	–	2 266	2 700
Interest expenses (income)	2 994	3 945	-1 065	-1 949	1 929	1 996
General and administrative expenses	30	–	82	102	112	102
Total	**5 290**	**6 645**	**-983**	**-1 847**	**4 307**	**4 798**
Recognized in other comprehensive income						
Expense/(income) from remeasurement of						
Actuarial loss/(gain) due to:						
Change in demographic assumptions [1]	–	–	–	–	–	–
Change in financial assumptions	8 191	6 905	185	–	8 375	6 936
Experience adjustment	-774	-1 911	–	–	-774	-1 911
Expense/(income) on plan assets (excluding interest income)	–	–	-1 683	-1 743	-1 683	-1 743
Translation differences	795	-3 722	22	464	817	-3 288
Total	**8 212**	**1 272**	**-1 476**	**-1 279**	**6 735**	**-6**
Other						
Change in the scope of consolidation	–	-53 069	–	48 494	–	-4 575
Contributions from employer	-3 376	-3 341	-2 118	-4 749	-5 494	-8 090
Contributions from employees	1 425	1 859	-1 425	-1 859	–	–
Benefits paid out	-3 980	-10 693	3 980	10 693	–	–
Total	**-5 931**	**-65 244**	**437**	**52 579**	**-5 494**	**-12 665**
As at December 31	**137 846**	**130 275**	**-72 325**	**-70 303**	**65 521**	**59 973**
of which Swiss plans	82 003	75 813	-68 178	-66 359	13 825	9 454
of which German plans	53 661	52 270	-2 205	-1 954	51 456	50 316
of which Japanese plans	2 181	2 191	-1 941	-1 990	240	201

[1] As at December 31, 2024, the weighted-average duration of pension benefit obligations was 13.9 years for the Swiss plan (previous year 12.6 years) and 11-14.8 years for the German plans (previous year 11-14.8 years). Feintool uses the BVG 2020 G mortality table (same as previous year) in Switzerland and Heubeck RT 2018 G (same as previous year) in Germany for the hypothetical life expectancy.

The expected contributions made to the employee benefit plans for the following financial year amount to kCHF 5 500 in the case of employer contributions and kCHF 1 400 in the case of employee contributions.

23.3 Plan assets of defined benefit plans	2024 in %	2023 in %
Equities	28.7	27.6
Bonds	34.5	35.2
Real estate (including real estate funds)	21.3	20.3
Other	13.6	14.1
Cash	1.9	2.8
Total	**100.0**	**100.0**

Swiss plan

The plan assets are invested by an AAA-rated bank in line with the predefined strategy. The following limits apply to investment:

- Equities < 50 %
- Bonds < 52 %
- Real estate < 27 %
- Alternative investments < 19 %

Currencies other than the CHF are hedged. With the exception of directly held real estate, all investments are traded on a public exchange.

23.4 Defined benefit plan obligations – actuarial assumptions	2024 in %	2023 in %
Swiss plan		
Discount rate	1.0	1.5
Future increase in wages and salaries	0.8	1.8
German plans		
Discount rate	3.2 - 3.5	3.5 - 3.6
Future increase in wages and salaries	0 - 3.0	0 - 2.5
Future increase in pensions	2.0 - 2.5	2.0

23.5 Defined benefit plan obligations – actuarial assumptions	2024 in years	2023 in years
Swiss plan		
Life expectancy at age 65 for newly retired persons		
Men	23.0	22.9
Women	24.7	24.7
Life expectancy at age 65 for employees currently aged 45		
Men	25.2	25.1
Women	26.7	26.6
German plans		
Life expectancy at age 65 for newly retired persons		
Men	21.1	21.0
Women	24.5	24.4
Life expectancy at age 65 for employees currently aged 45		
Men	23.8	23.7
Women	26.7	26.6

23.6 Defined benefit plan obligations – sensitivity analysis	2024 in CHF 1 000	2023 in CHF 1 000
Swiss plan		
Change in discount rate -0.25 %	2 858	2 389
Change in discount rate +0.25 %	-2 678	-2 246
Change in wages and salaries -0.25 %	-201	-173
Change in wages and salaries +0.25 %	201	176
German plans		
Change in discount rate -0.25 %	1 539	897
Change in discount rate +0.25 %	-1 468	-854
Change in wages and salaries -0.25 %	n/a	n/a
Change in wages and salaries +0.25 %	n/a	n/a

24 EQUITY

24.1 Share capital	12/31/2024 Number/CHF	12/31/2023 Number/CHF
Number of shares	14 744 526	14 744 526
Nominal value	10	10
Share capital	147 445 260	147 445 260

24.2 Conditional capital	12/31/2024 in CHF 1 000	12/31/2023 in CHF 1 000
Start of period	**30 047**	**558**
Increase	–	29 489
End of period	**30 047**	**30 047**

24.3 Capital Band

By resolution of the General Assembly on April 25, 2024, the Board of Directors is authorized, for a period ending on April 30, 2026, to increase the share capital in one or more stages to a maximum of CHF 176 934 310 (upper limit of the capital band) by issuing a maximum of 2 948 905 registered shares with a par value of CHF 10.00 and to reduce the share capital in one or more steps to not less than CHF 140 073 000 (lower limit of the capital band) either by cancelling a maximum of 737 226 registered shares at a par value of CHF 10.00 each or by a corresponding reduction of the par value of the registered shares. A reduction and a re-increase may take place simultaneously.

24.4 Treasury shares – changes	12/31/2024		12/31/2023	
	Number	in CHF 1 000	Number	in CHF 1 000
Start of period	**20 299**	**457**	**16 532**	**389**
Bought	31 000		30 000	
Sale/transfer	-32 141		-26 233	
End of period	**19 158**	**357**	**20 299**	**457**
of which trading portfolio	19 158		20 299	

In the 2024 financial year, 31 000 shares were purchased at an average price of CHF 17.32 (previous year 30 000 shares at an average price of CHF 22.11) and 32 141 shares transfered at an average price of CHF 16.94 (previous year 26 233 shares at an average price of CHF 20.10) for the share-based management remuneration. Treasury shares are reserved primarily for management remuneration.

25 SHARED BASED PAYMENT PLANS

As a component of the bonus, 32 141 shares (previous year 31 233) were allocated to the Board of Directors, the Group Management and other managers in the financial year at a transaction value of kCHF 509 (previous year kCHF 605). Of this amount, 10 000 shares have been distributed in January 2025, 22 141 shares in December 2024. All shares were transferred from treasury shares and were transferred directly to the ownership of the recipient.

26 OFF-BALANCE SHEET TRANSACTIONS, CONTINGENT LIABILITIES

	12/31/2024 in CHF 1 000	12/31/2023 in CHF 1 000
Contingent obligations	2 581	5 390
Contingent liabilities	**2 581**	**5 390**

Contingent obligations comprise funding that has been received and is subject to certain conditions. In the event of a breach of these conditions, there is a risk that these funds or a portion of them will have to be repaid.

Feintool owns properties at some locations that are either contaminated or suspected of being contaminated. Under the supervision of the local authorities, Feintool is remediating these plots of land to remove the corresponding pollution and contaminants. Based on our current assessment, these activities are not expected to have a significant impact on the Feintool Group's net assets, financial position, or results of operations.

27 ASSETS PLEDGED AS SECURITY FOR OWN LIABILITIES

	12/31/2024 in CHF 1 000	12/31/2023 in CHF 1 000
Real estate	11 513	11 320

28 ECONOMIC RISKS

Continuously growing protectionism with rising tariffs, the change in raw material and energy prices as well as the persistently high external trade imbalances entail risks for the future development of the global economy. These factors could lead to a further decline in global economic growth. The inherent uncertainties cause stronger exchange rate fluctuations, and a continuation of the weakness of the euro in particular.

Management of financial risks

Financial risk management is based on the directives approved by the Board of Directors and Group Management. The principles of risk management and the processes applied are reviewed on a regular basis in order to address changes in the market environment and in Feintool's activities.

Besides standards for general financial risk management, these directives include standards for specific aspects of liquidity, interest rate, exchange rate and default risk management, the use of derivative financial instruments, capital procurement and the policy on investing surplus liquidity. Capital procurement within the Group is mostly undertaken on a centralized basis.

Liquidity risk

Liquidity risk denotes the risk that the Feintool Group may at some point in the future be unable to meet its regular payment obligations on time and in full. Feintool must ensure that the Group is able to meet its payment obligations at all times. This will be the case if sufficient funds can be generated by the cash flow from operating activities or if the necessary financial resources can be raised on the financial markets or from banking institutions. Feintool Group's management considers an operating liquidity reserve equivalent to one month's costs of the Group (approx. kCHF 50000) to be adequate. This liquidity reserve can also be secured through unused credit lines. Management receives regular reports - at least quaterly - on the Group's present and anticipated liquidity status, giving it an overview of the liquidity situation.

Feintool has a syndicated loan of kCHF 100000 (previous year kCHF 100000), promissory notes in the amount of kEUR 60 500 (previous year kEUR 75000), bilateral credit loans and several leasing and rental contracts (more details in section 19).

These contracts contain standard covenants, particularly
- Equity ratio > 25 %
- Net Senior debt / EBITDA < 3.5x

Were the Group or individual companies unable to meet these covenants, the banks would have the right to terminate the loans at short notice. As at December 31, 2024, all covenants had been met. As at December 31, 2024, Feintool had kCHF 214 465 (previous year kCHF 261 600) in unused, confirmed credit lines at the bank and cash.

Financial liabilities – carrying amounts and cash outflows in CHF 1 000	**Carrying amount**	Due within 1 year	Due within 3 years	Due within 5 years	Due in more than 5 years	**Total**
12/31/2024						
Liabilities [1]	**76 070**	76 070	–	–	–	**76 070**
Accrued expenses and deferred income [2]	**8 275**	8 275	–	–	–	**8 275**
Current liabilities to banks	**31 882**	31 882	–	–	–	**31 882**
Lease liabilities	**28 371**	6 649	11 201	6 721	4 820	**29 391**
Other liabilities to banks	**59 462**	397	59 092	5	27	**59 521**
Total	**204 060**	**123 273**	**70 293**	**6 726**	**4 847**	**205 139**
Foreign exchange futures [3]						
Cash inflows	**–**	–	–	–	–	**–**
Cash outflows	**163**	163	–	–	–	**163**
12/31/2023						
Liabilities	**76 580**	76 580	–	–	–	**76 580**
Accrued expenses and deferred income	**7 445**	7 439	–	–	–	**7 439**
Current liabilities to banks	**7 238**	7 238	–	–	–	**7 238**
Lease liabilities	**28 341**	6 907	9 708	7 486	5 164	**29 265**
Other liabilities to banks/bonds	**70 808**	13 855	29 078	28 812	–	**71 745**
Total	**190 412**	**112 019**	**38 786**	**36 298**	**5 164**	**192 267**
Foreign exchange futures [3]						
Cash inflows	**13**	13	–	–	–	**13**
Cash outflows	**37**	37	–	–	–	**37**

[1] Excluding social security obligations, advance payments from third parties and outstanding VAT obligations.

[2] Excluding accruals for salary, bonus and overtime as well as outstanding installations and other work to be fulfilled in relation to customer orders.

[3] For details see section 29.5.

Interest rate risk

Interest rate risk can have a negative impact on the Group’s earnings as a result of higher interest rates on borrowings or lower interest rates on assets. Furthermore, changes in interest rates can affect the fair value of underlying financial instruments. Depending on the expected trend in interest rates, Feintool obtains financing at either fixed or variable rates. There are currently financial liabilities from the promissory note loan due to fixed and variable interest payments, from bank loans mainly variable rates, and from lease liabilities with fixed rates, fixed terms and running amortization. Interest rate management is mostly undertaken on a centralized basis so as to limit the impact of interest rate changes on net financial income/finance costs.

A 0.5 % increase in the adjustable interest rate would adversely affect pretax profits by kCHF 565.

Exchange rate risk

Owing to its geographical diversification, Feintool is exposed to exchange rate risk particularly in relation to the euro (EUR), US dollar (USD), the Chinese yuan (CNY), the Japanese yen (JPY), the Czech crown (CZK) the Hungarian forint (HUF) and the Indian rupees (INR). Changes in exchange rates can affect the fair value of existing financial instruments and in particular the expected future cash flows. As far as possible, the Group uses natural hedges in order to offset the impact of exchange rate fluctuations. It seeks to ensure that costs are incurred in the same currency as the resulting income. The resulting surpluses (euro in particular) and requirements (Swiss franc in particular) at Group level are coordinated centrally in the various currencies. The net position of the most important foreign currencies is hedged over a period of usually six to twelve months, as required.

The Feintool Group's exchange rate risk is calculated by way of the following sensitivity analysis. The table shows the impact on total earnings if foreign currencies were decreased by 5 % versus the Swiss franc and simultaneously all other variables were to remain the same.

Sensitivity analysis exchange rate risk	2024 Base amounts in EUR 1 000 / USD 1 000	2024 Effect in CHF 1 000	2023 Base amounts in EUR 1 000 / USD 1 000	2023 Effect in CHF 1 000
EUR – Comprehensive Income	22 256	-735	42 054	-1 418
USD – Comprehensive Income	771	-412	2 208	-15

Other market risks

The fair value of financial instruments may change as a result of exchange rates, interest rates or changes in credit ratings, and may therefore affect the Group's financial position and earnings. Feintool seeks to minimize the net effect of market risks through a balanced financing and asset structure.

Derivative financial instruments

Derivative financial instruments are used to minimize existing interest rate or exchange rate risks. The positive and negative fair values in the section 29.5 show current market values. The contract volumes also indicate the extent of the exposure to derivatives.

Capital structure

In terms of capital management, the Group's objective is to ensure that the business has the financial means necessary to continue as a going concern, and to provide the resources required to achieve the Group's objectives so that added value can be generated for shareholders and other stakeholders and a cost-effective, low-risk capital structure can be maintained. Among the criteria used by the Group to monitor its capital structure are the equity ratio and net financial liabilities. In addition, it monitors the main covenants (equity, net senior debt/EBITDA) under the syndicated loan agreement.

The equity ratio is calculated as the ratio of equity to total assets. Net senior debt consist of current and non-current interest-bearing liabilities less finance leases and cash and cash equivalents.

The Group's aims for an equity ratio of at least 40 % and for a net senior debt/EBITDA ratio of less than 1. Comments on the aforementioned ratios are provided in the Financial Review (chapter "Consolidated Balance Sheet"). In terms of dividends policy, Feintool aims to pay shareholders approximately 30 % of consolidated annual profit in the form of a dividend.

Credit risk

Feintool's credit risk is the book value of the recognized financial assets with the exception of financial guarantees. In this case, the guaranteed amount corresponds to the credit risk.

The avoidance of clumping risks and a concentration of the financial investments on first-rate counterparties should help to avoid bigger loan losses. The Feintool Group carries out its banking business exclusively with nationally and internationally renowned banks. It specifies the type of transactions that the subsidiaries are permitted to carry out with the banks.

Default risk

Default risk is the risk that a counterparty will be unable to meet its liabilities to the Group companies. By avoiding cluster risk and concentrating financial investments among first-class counterparties, it should be possible to avoid extensive credit default risk. The automobile sector is the focal point of Feintool's operations. By definition, this market segment involves a certain risk for Feintool's operations. As far as normal customer credit balances are concerned, outstanding receivables are constantly monitored as part of the process of regular reporting by the Group companies to head office. As at December 31, 2023, the overall default risk amounts to kCHF 168 558 (previous year kCHF 185 101). Feintool generates more than 11.3 % (previous year 10.6 %) of consolidated sales for one customer. Income is generated in all segments. With the other customers, the share is less than 9.9 % (previous year 10.3 %) in each case.

The Feintool Group banks exclusively with renowned national and international institutions that have a minimum rating of BBB. It specifies the type of transactions that the subsidiary companies may conduct with the banks.

29 FINANCIAL INSTRUMENTS

29.1 Financial assets	in CHF 1 000	Financial assets at amortised cost	Financial assets at fair value through profit and loss	Total
Cash and cash equivalents		77 056	–	**77 056**
Prepaid expenses and accrued income		1 100	–	**1 100**
Receivables		92 520	–	**92 520**
Financial assets		8 792	–	**8 792**
Total carrying amounts as at 12/31/2024		**179 468**	**–**	**179 468**
Cash and cash equivalents		82 182	–	**82 182**
Prepaid expenses and accrued income		747	13	**760**
Receivables		93 389	–	**93 389**
Financial assets		8 770	–	**8 770**
Total carrying amounts as at 12/31/2023		**185 088**	**13**	**185 101**

29.2 Financial liabilities in CHF 1 000	Financial liabilities at amortised cost	Financial liabilities at fair value through profit and loss	Total
Accrued expenses and deferred income [1]	8 275	–	**8 275**
Trade payables	76 070	–	**76 070**
Current financial liabilities	38 772	–	**38 772**
Non-current financial liabilities	80 943	–	**80 943**
Total carrying amounts as at 12/31/2024	**204 060**	**–**	**204 060**
Accrued expenses and deferred income [1]	7 445	–	**7 445**
Trade payables	76 580	–	**76 580**
Current financial liabilities	27 850	–	**27 850**
Non-current financial liabilities	78 537	–	**78 537**
Total carrying amounts as at 12/31/2023	**190 412**	**–**	**190 412**

The carrying amounts do not differ significantly from the fair values.

[1] Excluding accruals for salary, bonus and overtime as well as outstanding installations.

29.3 Fair value hierarchy

Feintool has measured financial instruments at fair value and uses the following hierarchy to determine fair value.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices)
Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Feintool holds only financial instruments in Level 2 amounting to kCHF -163 net (previous year kCHF -24).

29.4 Classification of financial income/financial expenses in CHF 1 000	Cash and cash equivalents	Measured at fair value	Loans and receivables	Other financial liabilities	Total
Carrying amounts as at 12/31/2024	**77 056**	**-163**	**101 312**	**204 060**	
Interest income/expenses	–	–	465	-5 797	**-5 332**
Other financial income/expenses	–	-101	-2 216	-34	**-2 351**
Change in valuation allowances on trade receivables and bad debt losses	–	–	-1 015	–	**-1 015**
Total net gain/loss 2024	**–**	**-101**	**-2 766**	**-5 831**	**-8 698**
Carrying amounts as at 12/31/2023	**82 182**	**-24**	**102 159**	**190 412**	
Interest income/expenses	–	–	249	-4 928	**-4 679**
Other financial income/expenses	–	18	-3 786	1 403	**-2 365**
Change in valuation allowances on trade receivables and bad debt losses	–	–	95	–	**95**
Total net gain/loss 2023	**–**	**18**	**-3 442**	**-3 525**	**-6 949**

29.5 Derivative financial instruments outstanding in CHF 1 000	Fair values positive	Fair values negative	Contract volumes
Futures contracts	0	163	2 143
Foreign currency instruments	**0**	**163**	**2 143**
Total derivative financial instruments as at 12/31/2024	**0**	**163**	**2 143**
Futures contracts	13	37	9 007
Foreign currency instruments	**13**	**37**	**9 007**
Total derivative financial instruments as at 12/31/2023	**13**	**37**	**9 007**

Currency instruments primarily relate to the hedging of foreign-currency risks in euros. The life of the foreign exchange futures is a few months.

30 RELATED PARTIES

30.1 Compensation paid to members of the Board of Directors and Group Management

Levels of compensation paid to the Board of Directors and Group Management are defined by the Nomination and Compensation Committee and approved by the Board of Directors. Total compensation (excluding tax-allowable expenses), specifically fees, salaries, credits, bonuses and benefits in kind agreed during the financial year and paid directly or indirectly to the members of the Board of Directors and Group Management, amounted to kCHF 2 285 (previous year kCHF 3 039).

	2024 in CHF 1 000	2023 in CHF 1 000
Short-term employee benefits [1]	1 673	2 179
Contributions to pension plans	358	541
Share-based payment [2]	254	319
Total	**2 285**	**3 039**

[1] Incl. benefits in kind and cash bonuses (Provision of company cars, etc.).

[2] For the Chairman of the Board of Directors, allocation of a predefined number of shares. The shares are locked in for five years. The valuation corresponds to the price at the time of allocation. For the 2024 financial year, the shares were transferred on January 3, 2025. Group Management is entitled to a predefined amount in Swiss francs. Remuneration is in the form of shares. The number of shares depends on the average price in October/November. The shares have a staggered lock-in period of 1-4 years. Disbursement took place in December.

30.2 Other related parties

As of December 31, 2024, there were no liabilities to other related parties (previous year CHF 0).

31 MAJOR SHAREHOLDERS

	Shareholders register / Received notifications	Disclosure according to FinFraG
Artemis Beteiligungen I AG und Michael Pieper	50.1 %	50.1 % on 21.05.2022
Geocent AG	9.8 %	9.7 % on 12.11.2008
Dabepo Holding GmbH	5.0 %	5.0 % on 18.12.2024

Information on significant shareholders are based on the shareholders register or on notifications received by Feintool. A disclosure obligation exists if a person or group(s) is/are subject to the disclosure requirement when reaching, exceeding or falling below the threshold of 3, 5, 10, 15, 20, 25, 33.3, 50 or 66.6 percent of the voting rights of Feintool International Holding AG. Disclosure reports made during the reporting year in accordance with Art. 120 of the Financial Market Infrastructure and Market Conduct in Securities and Derivatives Trading (FinMIA) and the provisions of the Financial Market Infrastructure Ordinance (FinMIO) can be viewed on the reporting and publication platform of SIX Swiss Exchange (https://www.six-exchange-regulation.com/de/home/publications/significant-shareholders.html).

32 EVENTS AFTER THE BALANCE SHEET DATE

There were no significant events after the balance sheet date.

33 APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were authorized for issue by the Board of Directors on February 26, 2025 and will be submitted to the Annual General Meeting for approval on April 29, 2025.

KPMG

Statutory Auditor's Report

To the General Meeting of Feintool International Holding AG, Lyss

Report on the Audit of the Consolidated Financial Statements

Opinion
We have audited the consolidated financial statements of Feintool International Holding AG and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2024, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements (pages 18 to 66) give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and comply with Swiss law.

Basis for Opinion
We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISA) and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the provisions of Swiss law, together with the requirements of the Swiss audit profession, as well as those of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Accuracy and existence of revenue

Valuation of goodwill

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Accuracy and existence of revenue

Key Audit Matter

Total consolidated net revenue from continued operation of the financial year 2024 amounted to CHF 719,602 thousand. System Parts Europe contributed 60.6%, System Parts USA 27.0% and System Parts Asia 12.4% to this revenue.

Revenue is a key performance indicator and therefore in the focus of internal and external stakeholders. In the System Parts segments, revenues comprise serial production parts.

The segments System Parts are characterised by high volumes that are produced within a short timeframe by using customised tools. In general, a client orders a customised tool in connection with the corresponding serial production. The correct recognition of revenue of such multiple-component contracts, also with a view to the appropriate period, is particularly relevant, taking into account the respective delivery terms.

Our response

We assessed the revenue recognition throughout the process, starting with the order intake until final invoicing while also considering the relevant IT systems, and examined if transactions are recognised in a complete and correct way. We also assessed the operating effectiveness of key controls applicable to revenue recognition within the internal control system.

In addition, we performed, amongst others, the following procedures:

- On a sample basis we reconciled revenues with the corresponding supporting documents to confirm the correct transfer of control related to the goods sold to the client and corroborated that revenues were recognised accurately.
- Based on a sample of delivery notes and corresponding receipts of payment we tested if the revenues existed and were recognised in the correct period. Based on aforementioned sample, we have also reconciled the accounts receivable as of balance sheet date.
- As it relates to the multiple-component contracts, we selected a sample to test if the individual components were correctly recorded in the system also taking into account the contractually agreed terms.
- We furthermore performed analytical procedures, among others on margin analyses, development of prices and volumes of the largest clients and the distribution of sales throughout the year. Concerning the cut-off, we tested deliveries around the balance sheet date.

For further information on revenue refer to the following:

Note Accounting Principles on pages 24-33

Note 1 Segment Information on pages 34-36

Note 3 Net Sales on page 38

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Valuation of goodwill

Key Audit Matter

As at 31 December 2024, the consolidated financial statements included goodwill amounting to CHF 81,510 thousand.

Goodwill has to be assessed for impairment by management at least on a yearly basis by determining the value in use, which is then compared to the carrying amount.

As part of the goodwill impairment test the discounted cashflow (DCF) method is applied. This requires the use of a number of key assumptions and estimates by management, including assumptions regarding expected future cash flows, long-term growth rates, and applicable discount rates, as well as assessments concerning the determination and allocation of assets to the cash generating units (CGUs).

In relation to total assets and net assets as per 31 December 2024, goodwill is of material importance. Due to slower global demand, uncertainty related to geopolitical developments and technology change in the automotive sector, the economic environment remains challenging. However, current uncertainty remains highest in the European automotive business where also significant changes in the legal and regulatory framework are due in the coming years. Furthermore, restructurings have been announced during the financial year in the segment System Parts Europe.

In the financial year 2024 no impairment of goodwill was identified.

There is a risk that a potential impairment of goodwill is not or not adequately identified due to inappropriate assumptions and estimates.

For further information on goodwill refer to the following:
Note Accounting Principles on pages 24-33

Note 17 Intangible Assets on pages 47-49

Our response

Amongst others, we have performed the following audit procedures:

— We evaluated the determination of the CGUs by management as well as the methodological and mathematical correctness of the valuation method used for the impairment test.

— Also, we assessed the appropriateness of the most important assumptions used to determine the value in use as well as the method applied for the cash-flow projections. This included the allocation of goodwill to the CGUs, the long-term growth rates and the determination of the discount rate based on our business understanding of the respective CGUs. In this respect, we made comparisons with publicly available market data, where possible. Our valuation specialists supported us in assessing the discount rate as well as the terminal value growth rate.

— Furthermore, we gained an understanding of the business plans and made comparisons with prior-year assumptions. Also, we traced the data used in the business plans back to the budgets and medium-term planning approved by the Board of Directors.

— We also conducted retrospective analyses of relevant business plan assumptions to evaluate the historical forecasting accuracy.

Moreover, we assessed the appropriateness of the disclosures related to the impairment test.

Other Information
The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements of the company, the remuneration report and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' Responsibilities for the Consolidated Financial Statements
The Board of Directors is responsible for the preparation of the consolidated financial statements, which give a true and fair view in accordance with IFRS Accounting Standards and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law, ISA and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Swiss law, ISA and SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in

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the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

KPMG AG

Simon Studer
Licensed Audit Expert
Auditor in Charge

Yannick Peter
Licensed Audit Expert

Zurich, 26 February 2025

FEINTOOL INTERNATIONAL HOLDING AG

Financial Review of the 2024 Financial Year

(from January 1 to December 31, 2024)

FEINTOOL INTERNATIONAL HOLDING AG BALANCE SHEET

for the 2024 financial year (as at December 31, 2024)

	Note	12/31/2024 in CHF 1 000	in %	12/31/2023 in CHF 1 000	in %
ASSETS					
Current assets					
Cash and cash equivalents		36 097		30 946	
Trade receivables	1	9 230		9 640	
Other receivables	2	13 885		5 366	
Inventories	3	5 112		4 539	
Prepaid expenses and accrued income		2 930		2 321	
Total current assets		**67 254**	**12.5**	**52 812**	**10.2**
Non-current assets					
Property, plant and equipment	4	13 977		13 952	
Right-of-use assets		1 121		1 368	
Intangible assets	5	9 965		9 280	
Financial assets	6	208 641		218 767	
Investments	7	235 544		222 706	
Total non-current assets		**469 248**	**87.5**	**466 073**	**89.8**
TOTAL ASSETS		536 502	100.0	518 885	100.0
LIABILITIES					
Current liabilities					
Trade payables	8	6 609		4 496	
Other payables		2 179		569	
Current interest-bearing liabilities	9	55 553		47 657	
Tax liabilities		115		1 216	
Current provisions	10	7 682		–	
Accrued expenses and deferred income		5 345		4 265	
Total current liabilities		**77 483**	**14.4**	**58 203**	**11.2**
Non-current liabilities					
Non-current interest-bearing liabilities	11	24 262		24 007	
Non-current provisions		614		753	
Total non-current liabilities		**24 876**	**4.6**	**24 760**	**4.8**
Total liabilities		**102 359**	**19.1**	**82 963**	**16.0**
Shareholder's equity					
Share capital	12.1	147 445		147 445	
Legal reserves from capital contributions	12.2	220 108		222 613	
Available earnings					
Profit carry forward		63 816		86 455	
Result for the year		3 131		-20 134	
Treasury shares	13	-357		-457	
Total equity		**434 143**	**80.9**	**435 922**	**84.0**
TOTAL EQUITY AND LIABILITIES		536 502	100.0	518 885	100.0

FEINTOOL INTERNATIONAL HOLDING AG STATEMENT OF INCOME

for the 2024 financial year (January 1 to December 31, 2024)

		2 024		2 023	
	Note	in CHF 1 000	in %	in CHF 1 000	in %
INCOME					
Operating income	14	61 073	69.1	75 359	72.8
Income from investments		4 404	5.0	4 600	4.4
Financial income	15	22 940	25.9	23 572	22.8
Total income		**88 417**	**100.0**	**103 531**	**100.0**
EXPENSES					
Change in finished and semi-finished goods and work in progress		-550	-0.6	-99	-0.1
Material expenses		11 273	12.7	15 089	14.6
Personnel expenses	16	28 667	32.4	26 864	25.9
Other operating expenses	17	25 658	29.0	28 204	27.2
Depreciation		6 212	6.9	4 015	3.8
Impairment losses on investments and intercompany loans		–	0.0	12 758	12.3
Financial expenses	18	14 347	16.2	36 291	35.1
Prior-period expenses		–	0.0	628	0.6
Income Taxes		-321	-0.4	-85	-0.1
Total expenses		**85 286**	**96.5**	**123 665**	**119.4**
RESULT FOR THE YEAR		**3 131**	**3.5**	**-20 134**	**-19.4**

NOTES TO THE FINANCIAL STATEMENTS OF FEINTOOL INTERNATIONAL HOLDING AG

as at December 31, 2024

PRINCIPLES

General

Feintool International Holding AG has its headquarters in Lyss, Switzerland. The 2024 financial statements were prepared in accordance with the provisions of Swiss accounting law (Art. 32 of the Swiss Code of Obligations). The main applied valuation principles that are not required by law are described below. It should be borne in mind that, in order to ensure long-term prosperity of the company, the option of forming and releasing hidden reserves is exercised.

The purpose of Feintool International Holding AG is to manufacture and distribute tools as well as to provide engineering services and other services, particularly in the field of fineblanking, forming and stamping technology. The company can acquire, manage and transfer patents, trademarks and technical and industrial knowledge, acquire, manage and sell land, participate in other companies and establish subsidiaries. The company may participate in group financing, in particular by granting loans to its direct or indirect shareholders or other group companies or by providing guarantees or other security.

Inventories and unbilled services

Inventories and unbilled services are generally recognized at cost. If the net realizable value at the balance sheet date is lower than the acquisition or production cost, this value is recognized in the balance sheet. The cost of acquisition is determined using the weighted average cost method, while the production costs are determined on the basis of standard full costs.

Property, plant and equipment

Property, plant and equipment are valued at acquisition or production cost less accumulated depreciation and impairment losses. Property, plant and equipment, with the exception of land, are depreciated on a straight-line basis.

Treasury shares

Treasury shares are recognized at the time of acquisition at cost as a minus line item in equity. In the event of resale, the profit or loss is booked in the income statement and not directly into equity.

Revenue recognition

Sales are recognized when the risks and rewards of ownership have been transferred to the customer or the service has been rendered. This normally occurs upon delivery of the product.

Share-based payments

Treasury shares are used for share-based payments to the Board of Directors and employees. The shares are purchased at a market price. They are recognized at a fixed price in the regulations for the issue and transferred to the entitled beneficiary free of charge. The corresponding expense including social security contributions is reported in personnel expenses.

Leases

Leasing transactions are accounted for according to economic power of disposal. Leasing and rental contracts are classified as a finance lease if the connected risks and rewards which are inherent in ownership of the leased asset are transferred to Feintool International Holding AG. All other leasing transactions represent operating leases. In the case of a finance lease, the right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease.The value of the leased item is capitalized in property, plant and equipment and at the same time recognized as a lease liability. The depreciation of the property, plant and equipment and the amortization of the lease liability take place over the term of the contract. In case of an operative leasing, the rental and leasing payments are recognized directly in profit or loss.

Omission of cash flow statement and additional information in the Notes to the Financial Statements

Feintool International Holding AG prepares its consolidated financial statements in accordance with a recognized standard for accounting (IFRS) and consequently omits additional disclosures in the Notes to the Financial Statements and a report on the cash flow statement in these financial statements as set forth in the statutory provisions.

1 TRADE RECEIVABLES

	12/31/2024 in CHF 1 000	12/31/2023 in CHF 1 000
Accounts receivable – intercompany	5 835	5 541
Accounts receivable – third parties	3 395	4 099
Total trade receivables net	**9 230**	**9 640**

2 OTHER RECEIVABLES

	12/31/2024 in CHF 1 000	12/31/2023 in CHF 1 000
Other receivable – third parties	4 242	4 831
Interest-bearing receivable – intercompany [1)]	9 643	535
Total other receivables	**13 885**	**5 366**

[1)] Interest-bearing receivable related to zero balance cash pools

3 INVENTORIES

	12/31/2024 in CHF 1 000	12/31/2023 in CHF 1 000
Raw material	1 228	1 026
Finished and semi-finished goods	3 077	1 301
Work in progress	1 847	3 667
Valuation allowances	-1 040	-1 455
Total inventories	**5 112**	**4 539**

4 PROPERTY, PLANT AND EQUIPMENT

	12/31/2024 in CHF 1 000	12/31/2023 in CHF 1 000
Real estate	4 517	4 936
Machinery	5 289	7 871
Other fixed assets	4 171	1 145
Total property, plant and equipment	**13 977**	**13 952**

5 INTANGIBLE ASSETS

	12/31/2024 in CHF 1 000	12/31/2023 in CHF 1 000
Capitalized development costs	4 408	3 010
Software	363	499
Patents and licences [1]	5 194	5 771
Total intangible assets	**9 965**	**9 280**

[1] On January 1, 2023, patents amounting to kCHF 6 348 have been transferred from Feintool System Parts Sachsenheim GmbH. They are depreciated on a straight-line basis over 11 years.

6 FINANCIAL ASSETS

	12/31/2024 in CHF 1 000	12/31/2023 in CHF 1 000
Financial assets – third parties	5	5
Loans – intercompany	208 636	218 762
Total financial assets	**208 641**	**218 767**

7 INVESTMENTS

Company	Locations, country		Capital	Proportion of capital and voting rights as of December 31, 2024	Proportion of capital and voting rights as of December 31, 2023
Feintool International Holding AG	**Lyss, CH**	**CHF**	**147 445 260**	**100 %**	**100 %**
Feintool Automotive System Parts (Tianjin) Co. Ltd.	Tianjin, CN	EUR	26 350 000	100 %	100 %
Feintool Holding GmbH	**Bayreuth, GER**	**EUR**	**818 000**	**100 %**	**100 %**
Feintool System Parts Ettlingen GmbH	Ettlingen, GER	EUR	766 937	100 %	100 %
Feintool System Parts Jena GmbH	Jena, GER	EUR	3 068 000	100 %	100 %
Feintool System Parts Obertshausen GmbH	Obertshausen, GER	EUR	1 000 000	100 %	100 %
Feintool System Parts Oelsnitz GmbH	Oelsnitz, GER	EUR	550 000	100 %	100 %
Feintool System Parts Ohrdruf GmbH [1]	Ohrdruf, GER	EUR	2 556 000	100 %	100 %
Feintool System Parts Sachsenheim GmbH	Sachsenheim, GER	EUR	3 068 000	100 %	100 %
Feintool System Parts Jessen GmbH	Jessen, GER	EUR	1 000 000	100 %	100 %
Jela Immobilien GmbH	München, GER	EUR	25 000	100 %	100 %
Feintool Japan Co. Ltd.	Atsugi, J	JPY	225 000 000	100 %	100 %
Feintool System Parts India Private Limited [2]	Pune, IN	INR	100 000 000	100 %	n/a
Feintool Precision System Parts (Taicang) Co. Ltd.	Taicang, CN	CNY	182 053 000	100 %	100 %
Feintool System Parts Most s.r.o.	Most, CZ	CZK	100 000 000	100 %	100 %
Feintool U.S. Operations, Inc.	**Cincinnati, USA**	**USD**	**6**	**100 %**	**100 %**
Feintool Cincinnati, Inc.	Cincinnati, USA	USD	500	100 %	100 %
Feintool New York, Inc.	**White Plains, USA**	**USD**	**1 000**	**100 %**	**100 %**
One Holland Ave. Development LLC	Cincinnati, USA	USD	–	100 %	100 %
Feintool Tennessee, Inc.	Nashville, USA	USD	–	100 %	100 %
Feintool System Parts Tokod kft.	Tokod, HU	EUR	336 807	100 %	100 %

[1] Feintool Holding GmbH holds a 60 % stake in Feintool System Parts Ohrdruf GmbH. The remaining 40 % is held by Feintool International Holding AG.

[2] On January 19, 2024, Feintool International Holding AG, Lyss, Switzerland, founded the Feintool System Parts India Private Limited in Pune, India.

The increase in investments is due to a capital contribution in Feintool System Parts Most and the initial capital contribution within the foundation of Feintool System Parts India.

8 TRADE PAYABLES

	12/31/2024 in CHF 1 000	12/31/2023 in CHF 1 000
Current liabilities – third parties	3 759	4 157
Current liabilities – intercompany	2 850	339
Total Trade payables	**6 609**	**4 496**

9 CURRENT INTEREST-BEARING LIABILITIES

	12/31/2024 in CHF 1 000	12/31/2023 in CHF 1 000
Current interest-bearing liabilities – third parties [1]	23 875	59
Current interest-bearing liabilities – intercompany [2]	31 617	47 082
Current leasing liabilities	61	516
Total current interest-bearing liabilities	**55 553**	**47 657**

[1] Feintool has a syndicated loan agreement with six banks. In December 2022 Feintool signed a new syndicated loan agreement. This new loan agreement of kCHF 100 000 has a duration of 5 years. As of December 31 2024 the syndicated loan had been used for CHF 19.1 Mio. (previous year CHF 0) The covenants include a net senior debt / EBITDA ratio and an equity ratio.

[2] Interest-bearing liabilities related to zero balance cash pools.

10 CURRENT PROVISIONS

	12/31/2024 in CHF 1 000	12/31/2023 in CHF 1 000
Onerous contracts [1]	3 190	–
Restructuring costs [1]	4 492	–
Total current provision	**7 682**	**–**

[1] In 2024, Feintool announced the realignment of its fineblanking production. A provision of MCHF 7.7 was recognized. Estimated restructuring costs mainly include:
- Social plan
- Overtime and vacation
- Rental costs
- Onerous contracts
- Consulting

11 NON-CURRENT INTEREST-BEARING LIABILITIES

	12/31/2024 in CHF 1 000	12/31/2023 in CHF 1 000
Non-current interest-bearing liabilities – third parties [1]	23 150	23 150
Non-current leasing liabilities	1 112	857
Total non-current interest-bearing liabilities	**24 262**	**24 007**

[1] In July 2023 promissory notes of kEUR 25 000 were issued.

12 SHARE CAPITAL

12.1 Share capital

	12/31/2024	12/31/2023
	Number/CHF	Number/CHF
Number of shares	14 744 526	14 744 526
Nominal value	10	10
Share capital	147 445 260	147 445 260

12.2 Legal reserves from capital contributions

The statutory reserves from capital contributions include the premium from capital increases, less the previous dividend distributions. The distribution from reserves from capital contributions is treated in the same way as the repayment of capital for tax purposes. The Swiss Federal Tax Administration (FTA) has confirmed that the reported reserve from capital contributions is recognized as a capital contribution pursuant to Art. 5 (1bis) Swiss Withholding Tax Act.

12.3 Capital band

By resolution of the General Assembly on April 25, 2023, the Board of Directors is authorized, for a period ending on April 30, 2026, to increase the share capital in one or more stages to a maximum of CHF 176 934 310 (upper limit of the capital band) by issuing a maximum of 2 948 905 registered shares with a par value of CHF 10.00 and to reduce the share capital in one or more steps to not less than CHF 140 073 000 (lower limit of the capital band) either by cancelling a maximum of 737 226 registered shares at a par value of CHF 10.00 each or by a corresponding reduction of the par value of the registered shares. A reduction and a re-increase may take place simultaneously.

13 TREASURY SHARES

	2024		2023	
	Number	in CHF 1 000	Number	in CHF 1 000
Start of period	**20 299**	**457**	**16 532**	**389**
Bought	31 000		30 000	
Sale/transfer	-32 141		-26 233	
End of period	**19 158**	**357**	**20 299**	**457**

In the 2024 financial year, 31 000 shares were purchased at an average price of CHF 17.32 (previous year 30 000 shares at an average price of CHF 22.11) and 32 141 shares transferred at an average price of CHF 16.94 (previous year 26 233 shares at an average price of CHF 20.10) for the share-based management remuneration. Treasury shares are reserved primarily for management remuneration.

14 OPERATING INCOME

	2024 in CHF 1 000	2023 in CHF 1 000
Operating income – third party	24 662	25 378
Operating income – intercompany	10 499	12 004
Income from intercompany services	25 202	35 827
thereof licenses and patents	14 919	18 370
thereof management services	2 996	6 188
thereof IT services	6 235	5 668
thereof internal services and building maintenance/services	–	134
thereof other intercompany services	1 052	5 467
Other operating income	710	2 150
Total operating income	**61 073**	**75 359**

15 FINANCIAL INCOME

	2024 in CHF 1 000	2023 in CHF 1 000
Interest income – third party	280	100
Interest income – intercompany	5 043	4 632
Foreign exchange gains	17 617	18 840
Total financial income	**22 940**	**23 572**

16 PERSONNEL EXPENSES

	2024 in CHF 1 000	2023 in CHF 1 000
Salaries and wages	22 264	21 263
Social security contribution	3 446	3 275
Other personnel expenses	2 957	2 326
Total personnel expenses	**28 667**	**26 864**

Feintool International Holding AG employed 204 employees at the end of the year (previous year 196).

17 OTHER OPERATING EXPENSES

	2 024	2 023
	in CHF 1 000	in CHF 1 000
Research and development	148	529
Patents and licenses	2 705	3 328
Corporate communication and investor relations	1 474	1 173
Information technology	7 391	7 149
Consulting	2 622	2 828
Rent	977	774
Repair and maintenance	2 748	3 187
Energy	1 496	1 005
Loss on the disposal of property, plant and equipment	10	2 246
Expenses from intercompany services	1 455	3 635
Onerous contracts	3 190	–
Other expenses	1 442	2 350
Total other operating expenses	**25 658**	**28 204**

18 FINANCIAL EXPENSES

	2 024	2 023
	in CHF 1 000	in CHF 1 000
Interest expense – third party	1 412	386
Other financial expenses – third party [1)]	537	1 352
Foreign exchange losses	12 398	34 553
Total financial expenses	**14 347**	**36 291**

1) Besides bank charges, other financial expenses include lead syndication commissions (annual amortization of establishing cost for the syndicated loan), valuation expenses from currency hedges and market making costs.

19 SHARES FOR MEMBERS OF THE BOARD AND EMPLOYEES

	12/31/2024 Number of shares allocated	12/31/2024 Value of shares allocated	12/31/2023 Number of shares allocated	12/31/2023 Value of shares allocated
Alexander von Witzleben, Chairman of the Board of Directors [1]	10 000	144 500	10 000	179 600
Martin Klöti, Vice Chairman of the Board of Directors	–	–	–	–
Dr. Marcus Bollig, Member of the Board of Directors	–	–	–	–
Norbert Indlekofer, Member of the Board of Directors	–	–	–	–
Heinz Loosli, Member of the Board of Directors	–	–	–	–
Total Board of Directors	**10 000**	**144 500**	**10 000**	**179 600**
Torsten Greiner, CEO	5 000	82 400	5 000	99 900
Thomas Erne, CFO starting from April 2024	1 666	27 456	n/a	n/a
Samuel Künzli, CFO until March 2024	n/a	n/a	2 000	39 960
Total Group Management	**6 666**	**109 856**	**7 000**	**139 860**
Total other employees	**607**	**9 987**	**500**	**9 987**

[1] Held directly and indirectly; the 10 000 shares with a value of CHF 144 500 as remuneration for the 2024 financial year were assigned on January 3, 2025.

The shares are valued at a price of CHF 13.70 (previous year: CHF 18.14) as of December 31, 2024. This results in a total value of kCHF 1 274 (previous year: kCHF 1 906).

20 LIABILITIES DUE TO PENSION FUNDS

There was no liability to the pension fund as of December 31, 2024 (previous year kCHF 0).

21 EVENTS AFTER THE BALANCE SHEET DATE

There were no significant events after the balance sheet date.

22 PROPOSAL BY THE BOARD OF DIRECTORS

The Board of Directors proposes to the General Meeting to refrain from distributing a dividend and to carry forward the 2024 annual results to new account.

	12/31/2024 in CHF
Retained earnings carry forward	63 815 466
Result for the year	3 131 000
Available earnings	**66 946 466**
To be carried forward	**66 946 466**

KPMG

Statutory Auditor's Report

To the General Meeting of Feintool International Holding AG, Lyss

Report on the Audit of the Financial Statements

Opinion
We have audited the financial statements of Feintool International Holding AG (the Company), which comprise the balance sheet as at 31 December 2024, and the statement of income for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 73 to 84) comply with Swiss law and the Company's articles of incorporation.

Basis for Opinion
We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Other Information
The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements of the Company, the remuneration report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

KPMG

Board of Directors' Responsibilities for the Financial Statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the financial statements according to the instructions of the Board of Directors.

Based on our audit in accordance with Art. 728a para. 1 item 2 CO, we confirm that the proposal of the Board of Directors complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

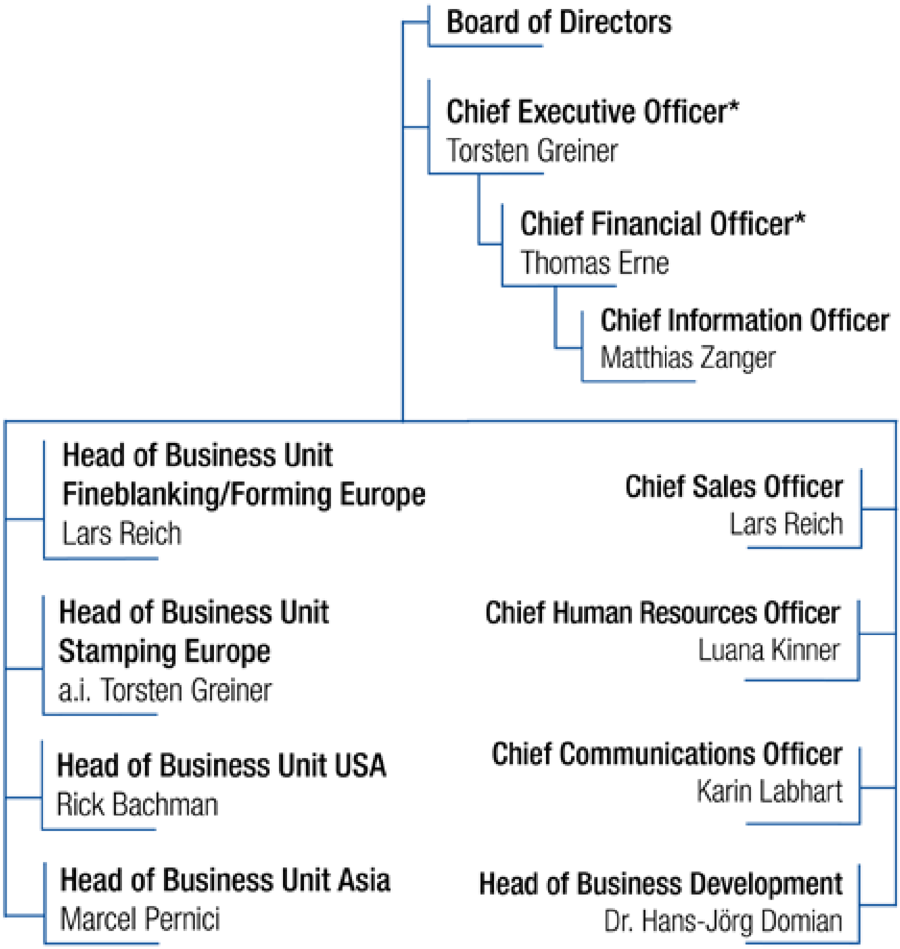
KPMG AG

Simon Studer
Licensed Audit Expert
Auditor in Charge

Yannick Peter
Licensed Audit Expert

Zurich, 26 February 2025

CORPORATE GOVERNANCE
Good governance is a core component of our corporate strategy



Operational management structure by 31 December 2024

* Executive board

1 GROUP STRUCTURE AND SHAREHOLDERS

1.1 Group structure

1.1.1 Operational Group structure

Feintool's operational management structure can be found in the diagram on the previous page.

The division of responsibilities between the Board of Directors, CEO and Group Management is explained in section 3.6. Further information, such as the current Articles of Association for the Feintool Group, can be found online at https://www.feintool.com/wp-content/uploads/2024/06/FIH_Statuten_2024-04-23_en.pdf.

1.1.2 Listed company

Name and registered office:	Feintool International Holding AG, 3250 Lyss (Switzerland)
Place of listing:	SIX Swiss Exchange
Swiss security no.:	932009
ISIN:	CH0009320091
Telekurs:	FTON
Reuters:	fton.s
Stock market capitalization: [1]	CHF 201 737 542 (as at December 31, 2024)

[1] Without 20 299 treasury shares.

Key share prices in 2024 financial year:

Highest	07/09/2024	CHF	19.40
Lowest	12/17/2024	CHF	13.45
Closing price	12/31/2024	CHF	13.70

With 2 167 shareholders (previous year 2 463), the number of shareholders decreased over the last twelve months by 296. As of December 31, 2024, the free float amounts to 40.1 % (previous year 40.1 %).

More information on Feintool shares is available on our website at https://www.feintool.com/company/investor-relations/.

No subsidiary companies are listed.

1.1.3 Unlisted companies

The unlisted subsidiaries that are included in the scope of consolidation of Feintool International Holding AG are listed in section 8 of the Notes to the Financial Statements of Feintool International Holding AG.

1.2 Major shareholders

		Disclosure according to FinMIA
Artemis Beteiligungen I AG und Michael Pieper	50.1 %	50.1 % on 21.05.2022
Geocent AG	9.8 %	9.7 % on 12.11.2008
Dabepo Holding GmbH	5.0 %	5.0 % on 18.12.2024

Information on significant shareholders are based on the shareholders register or on notifications received by Feintool. A disclosure obligation exists if a person or group(s) is/are subject to the disclosure requirement when reaching, exceeding or falling below the threshold of 3, 5, 10, 15, 20, 25, 33.3, 50 or 66.6 percent of the voting rights of Feintool International Holding AG. Disclosure reports made during the reporting year in accordance with Art. 120 of the Financial Market Infrastructure and Market Conduct in Securities and Derivatives Trading (FinMIA) and the provisions of the Financial Market Infrastructure Ordinance (FinMIO) can be viewed on the reporting and publication platform of SIX Swiss Exchange (https://www.six-exchange-regulation.com/de/home/publications/significant-shareholders.html).

1.3 Cross-shareholdings

Feintool International Holding AG does not have any cross-shareholdings.

2 CAPITAL STRUCTURE

2.1 Ordinary capital

As at December 31, 2024, the share capital of Feintool International Holding AG amounted to CHF 147 445 260, comprising 14 744 526 fully paid-up registered shares with a par value of CHF 10 each.

2.2 Authorized and conditional capital

Authorized capital

The General Assembly as of April 20, 2021 resolved the creation of CHF 10 million of authorized capital which expired on April 19, 2023.

Capital band

By resolution of the General Assebly on April 25, 2023, the Board of Directors is authorized, for a period ending on April 30, 2026, to increase the share capital in one or more stages to a maximum of CHF 176 934 310 (upper limit of the capital band) by issuing a maximum of 2 948 905 registered shares with a par value of CHF 10.00 and to reduce the share capital in one or more steps to not less than CHF 140 073 000 (lower limit of the capital band) either by cancelling a maximum of 737 226 registered shares at a par value of CHF 10.00 each or by a corresponding reduction of the par value of the registered shares. A reduction and a re-increase may take place simultaneously.

Conditional capital for stock options plans

In accordance with Art. 3b, para. 2 of the Articles of Association (https://www.feintool.com/wp-content/uploads/2024/06/FIH_Statuten_2024-04-23_en.pdf), the share capital is to be increased, to the exclusion of the subscription rights of existing shareholders, by a maximum of CHF 557 500 through the issue of a maximum of 55 750 registered shares to be fully paid up and with a par value of CHF 10 each (stock option plan). However, no stock options were issued. For further details of the capital structure, please see section 12 of the Notes to the Financial Statements of Feintool International Holding AG.

2.3 Changes in capital

Share capital

Date	Description	Number	Nomina value [1]	Increase/ decrease [1]	Capital [1]	Number of shares
05/13/2022	increase	9 829 684	10	98 296 840	147 445 260	14 744 526
12/31/2022	held				147 445 260	14 744 526
12/31/2023	held				147 445 260	14 744 526
12/31/2024	held				147 445 260	14 744 526

[1] in CHF

Authorized capital

Date	Description	Number	Nominal value [1]	Increase/ decrease [1]	Capital [1]	Number of shares
12/31/2022	held				10 000 000	1 000 000
04/19/2023	expired [3]	-1 000 000	10	-10 000 000	–	–
12/31/2023	held				–	–
12/31/2024	held				–	–

[1] in CHF

[2] The General Assembly as of April 20, 2021 resolved the creation of CHF 10 million of authorized capital with an expiration date of April 19, 2023.

[3] The authorization expired in the reporting period on April 19, 2023.

Conditional capital

Date	Description	Number	Par value [1]	Increase/ decrease [1]	Capital [1]	Number of shares
12/31/2022	held				557 500	55 750
04/25/2023	increase	2 948 905	10	29 489 050	30 046 550	3 004 655
12/31/2023	held				30 046 550	3 004 655
12/31/2024	held				30 046 550	3 004 655

[1] in CHF

2.4 Shares

The 14 744 526 registered shares of Feintool International Holding AG have a par value of CHF 10 each and are fully paid up. One registered share corresponds to one vote. There are no voting right restrictions, and there are no voting or preference shares (unitary share structure). All shares have equal dividend rights. Feintool International Holding AG does not have any participation capital.

2.5 Dividend right certificates

Feintool International Holding AG does not have any dividend right certificates.

2.6 Limitations on transferability and nominee registrations

2.6.1 Limitations on transferability for each share category

In accordance with Art. 4 of the Articles of Association, the voting rights attached to shares and other rights that accompany voting rights may only be exercised by those recorded in the share register as voting shareholders. The Board of Directors may refuse registration as a shareholder with voting rights if a person acquiring shares does not expressly declare that they have acquired the shares in their own name and at their own expense.

2.6.2 Granting of exceptions

No exceptions to the above limitations on transferability were granted during the financial year.

2.6.3 Nominee registrations

As stated in section 2.6.1, there are no privileges or restrictions with regard to transferability with the exception of the nominee registrations clause.

2.6.4 Procedures and conditions for canceling privileges and transfer restrictions laid down in the Articles of Association

Any amendment to these provisions (easing or limitation) requires the approval of at least two-thirds of the votes represented and an absolute majority of the share par values represented (Art. 12 of the Articles of Association).

2.7 Convertible bonds and options

There were no convertible bonds or options issued as at December 31, 2024.

MEMBERS OF THE BOARD OF DIRECTORS, FEINTOOL INTERNATIONAL HOLDING AG

As at December 31, 2024

ALEXANDER VON WITZLEBEN
Chairman of the Board of Directors

Function
Member of the Board of Directors (non-executive)

Education
Studied economics at the University of Passau (GER)

Professional background
- ▶ **Since 2009** Chairman of the Board of Directors, Feintool International Holding AG (CH)
- ▶ **2007–2008** Member of the Executive Board, Franz Haniel & Cie. GmbH (GER)
- ▶ **1993–2007** Chief Financial Officer, from 2004 as Chief Executive Officer, Jenoptik AG (GER)
- ▶ **1990–1993** Lead Auditor, KPMG Deutsche Treuhand Gesellschaft (GER)

Further professional activities and functions
- ▶ Chairman of the Board of Directors, Arbonia AG (CH)
- ▶ Chairman of the Supervisory Board, VERBIO SE (GER)
- ▶ Member of the Supervisory Board, Siegwerk Druckfarben AG & Co. KGaA (GER)
- ▶ Member of the Board of Directors, KAEFER SE Co. KG (GER)
- ▶ Member of the Advisory Board, Innoviz Technologies Ltd. (ISR)

DR. MARCUS BOLLIG
Member of the Board of Directors

Function
Member of the Board of Directors (non-executive)

Education
- ▶ Degree in Mechanical Engineering at RWTH Aachen University (1987–1993)
- ▶ Scientific work at RWTH Aachen, Universidad Politécnica de Madrid and University of California San Diego with subsequent doctorate (1993–1998)

Professional background
- ▶ **Since 2022** Managing Director at the German Association of the Automotive Industry (GER)
- ▶ **2021–2022** Vice President Process Powertrain, BMW AG (GER)
- ▶ **2019–2021** Vice President Transmission, Powertrain, BMW AG (GER)
- ▶ **2016–2019** Vice President Research for Complete Vehicles, BMW AG (GER)
- ▶ **2013–2016** Vice President Efficient Dynamics, BMW AG (GER)
- ▶ **2011–2013** Vice President Project New Technologies Electrification, BMW AG (GER)
- ▶ **1998–2011** Various functions in the development of four-cylinder engines, BMW AG (GER)

Further professional activities and functions
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NORBERT INDLEKOFER
Member of the Board of Directors

Function
Member of the Board of Directors (non-executive)

Education
Degree in mechanical engineering, University of Stuttgart

Professional background
- **2014–2016** CEO Automotive, Schaeffler AG (GER)
- **2011–2014** Member Management Board Transmission Systems and Member of the Executive Board, Schaeffler AG Automotive (GER)
- **2009–2010** Chairman of the Management Board, Schaeffler Automotive (GER)
- **2006–2009** Chairman of GL: Transmissions and Chassis Systems, INA-Schaeffler KG (GER)
- **2006–2009** Chairman of the Management Board, LUK Group (GER)

Further professional activities and functions
- Member of the Board of Directors, Autoneum Holding AG (CH)
- Member of the Advisory council, ATESTEO GmbH & Co. KG (GER)

HEINZ LOOSLI
Member of the Board of Directors

Function
Member of the Board of Directors (non-executive)

Education
B.Sc. Electrical Engineering, Federal Diploma in Marketing and Sales, Stanford Executive Program (SEP)

Professional background
- **2009–2016** CEO, Feintool Group (CH)
- **1996–2009** Head of Presses and Systems and later Feintool System Parts, Feintool AG (CH)
- **1994–1996** Head of Ticketing Division, Ascom Autelca AG (CH)
- **1988–1994** Head of profit center "Automation", H.A. Schlatter AG (CH)
- **1985–1988** Country Manager for China, H. A. Schlatter AG (CH)
- **1978–1984** Sales Manager, H. A. Schlatter AG (CH)

Further professional activities and functions
- Chairman of the Advisory Board, Felss Group GmbH (GER)

MARTIN KLÖTI
Member and Vice Chairman of the Board of Directors

Function
Member of the Board of Directors (non-executive)

Education
Chartered accountant and federally certified fiduciary

Professional background
- **2023–today** CFO, Artemis Group (CH)
- **2014–2023** Group CFO, Schweiter Technologies Group (CH)
- **2012–2013** Head of Management Services, Schweiter Technologies Group (CH)
- **2004–2014** Division CFO SSM Textile Machines, Schweiter Technologies Group (CH)
- **2003–2011** Head of Reporting & Controlling, Schweiter Technologies Group (CH)
- **1996–2002** Auditor, Deloitte AG (CH)
- **1992–1996** Fiduciary, Ernst A. Müller Treuhand AG (CH)

Further professional activities and functions
- Member of the Board of Directors, Autoneum Holding AG (CH)
- Member of the Board of Directors, various subsidiaries of Artemis (CH)

3 BOARD OF DIRECTORS

3.1 Members of the Board of Directors

As of December 31, 2024, the Board of Directors comprised four members. The members of the Board of Directors did not belong to the executive management of Feintool or any of its subsidiaries either in the financial year or in the three preceding financial years. Apart from the business relationships listed for individual members of the Board of Directors, there were no business relationship with Feintool or its subsidiaries in the financial year or in the three preceding financial years.

3.2 Other activities and commitments

Other activities and commitments are also listed in the portraits and above in section 3.1.

3.3 Number of mandates permitted

According to Article 18b of the Articles of Association, members of the Board of Directors, Group Management and, where applicable, the Advisory Board may not hold or exercise more than (i) 8 additional, paid mandates, of which no more than 4 at companies whose equity securities are listed on a stock exchange, and (ii) 8 unpaid mandates, expense allowances not being deemed to constitute compensation.

3.4 Election and terms of office

3.4.1 Principles of the election procedure and restrictions on terms of office for members of the Board of Directors

The General Meeting elects members of the Board of Directors by voting for them individually, and also elects the Chairman from amongst the Board members. The term of office of the members and the Chairman of the Board of Directors ends at the latest at the conclusion of the ordinary General Meeting following that at which they were elected, subject to any prior resignation or dismissal. Members of the Board of Directors are indefinitely eligible for reappointment. No age limits apply for members of the Board of Directors.

3.4.2 Principles of the election procedure and restrictions on term of office for members of the Compensation and Nomination Committee

The General Meeting elects a Compensation and Nomination Committee consisting of one or more members. The members of the Compensation and Nomination Committee are elected individually. Only members of the Board of Directors may be elected. The term of office for the members of the Compensation and Nomination Committee ends at the latest at the conclusion of the ordinary General Meeting following that at which they were elected. Members may be re-elected.

3.4.3 Principles of the election procedure and restrictions on the term of office for the independent proxy

The General Meeting elects an independent proxy. Natural persons, legal persons or partnerships may be elected. Their independence may not be compromised, either in fact or appearance, and is based on Article 728 paras. 2–6 of the Swiss Code of Obligations.

The term of office of the independent proxy ends at the conclusion of the ordinary General Meeting following that at which they were elected. Members may be re-elected.

3.4.4 Initial election and remaining term of office of each member of the Board of Directors

Name	Member since	Term of office until AGM on
Alexander von Witzleben	1998	04/29/2025
Dr. Marcus Bollig	2020	04/29/2025
Norbert Indlekofer	2018	04/29/2025
Heinz Loosli	2017	04/29/2025
Martin Klöti	2024	04/29/2025

3.5 Internal organizational structure

The Chairman of the Board of Directors is elected by the General Meeting. In accordance with Article 13 of the Articles of Association, the Chairman of the Board of Directors leads the General Meeting and heads the Board of Directors, which makes decisions as a collective body.

In accordance with Article 14 of the Articles of Association, the Board of Directors will constitute itself, taking account of the General Meeting's election of the Chairman of the Board of Directors and the members of the Compensation and Nomination Committee.

At its first meeting after the ordinary General Meeting, the Board of Directors elects a Vice Chairman; it also appoints a Secretary, who is not required to be a member of the Board of Directors. The Board of Directors also elects the members of the Audit Committee.

3.5.1 Distribution of responsibilities on the Board of Directors

In the financial year, Alexander von Witzleben held the office of Chairman. Martin Klöti served as Vice Chairman. No Secretary to the Board of Directors is currently appointed. These tasks are being undertaken by the members of the Board of Directors.

3.5.2. Composition of all Board committees and their duties and authority

Audit Committee

The current members of the Audit Committee are Martin Klöti (Chairman) and Alexander von Witzleben.

The Audit Committee submits draft proposals to the Board of Directors on the following issues:

- Coordinating the external audit, particularly defining the scope of the audit; instructing internal audit, particularly determining the focal points
- Monitoring financial reporting and overseeing auditors (quarterly discussion of financial reporting with the CEO and CFO; monthly discussions between the Chairman of the Audit Committee and the CFO; discussion of interim results with the CEO and CFO; discussion of annual financial statements with CEO, CFO and auditors)
- Analyzing and assessing possible weak points in the financial reporting results and the internal control system (ICS)
- Assessing the functionality of the internal control system
- Proposing the commissioning of special audits to the Board of Directors
- Monitoring the company's credit and cash flow situation and business relationships with banks
- Monitoring and coordinating all mergers and acquisitions (M&A) activity
- Selecting and proposing external advisors

Compensation and Nomination Committee

The current members of the Compensation and Nomination Committee are Norbert Indlekofer (Chairman), Alexander von Witzleben and Martin Klöti.

The Compensation and Nomination Committee submits draft proposals to the Board of Directors on the following issues:

- The composition (fixed, variable, proportion of shares, etc.) and amount of the compensation of members of the Board of Directors, Group Management and, if applicable, the Advisory Board
- Ensuring the termination provisions contained in the employment contracts of members of Group Management and other senior executives are commensurate with market conditions and provide protection for the company
- Verifying that compensation paid is in line with market rates and performance standards
- Verifying and authorizing any internal business between senior executives or persons closely associated with them and companies in the Feintool Group

In the 2024 financial year, the Compensation and Nomination Committee and the Audit Committee assumed their responsibilities in accordance with the respective regulations.

3.5.3 Working methods of the Board of Directors and its committees

In accordance with Art. 3.5 of the Organizational Regulations, the Board of Directors meets at least four times a year, for one day on each occasion. In the reporting period, the Board of Directors held four detailed meetings. The CEO and CFO attended all the meetings. Additional members of operational management also attended if the topic was relevant to them.

The Audit Committee and the Compensation and Nomination Committee meet as required, but at least two detailed meetings must take place for each committee each year. All proposals arising from both committees were discussed at the regular meetings of the Board of Directors. The Audit Committee met three times and the Compensation and Nomination Committee three times in the period under review. These meetings usually last half a day and are in preparation for the next meeting of the Board of Directors.

3.6 Division of responsibilities between the Board of Directors and Group Management

In accordance with Art. 15 of the Articles of Association, the Board of Directors is the supreme body of the company with responsibility for supervising Group Management. It represents the company externally and deals with all matters not assigned to any other corporate body by law, the Articles of Association or the Organizational Regulations. In accordance with Art. 6.5a of the Organizational Regulations, the Board of Directors delegates overall management to the CEO, where permitted under the law and provided such responsibilities are not expressly assigned to the Board of Directors. The Board of Directors' responsibilities include decisions statutorily assigned to it regarding financial and information policies as well as decisions relating to investments, cooperation agreements, contracts, real estate and shareholdings, provided such decisions are of special significance to the company and they exceed a specified scale, together with resolutions concerning internal and external auditing.

The CEO's responsibilities include management of the company's operations, as well as drawing up requisite remits, directives and guidelines within the framework of the organizational structure approved by the Board of Directors. The CEO is responsible for managing and organizing Group Management and also represents the company in dealings with the Board of Directors, the general public and the authorities.

In accordance with the resolution by the Board of Directors on April 14, 2014, the CEO and CFO constitute Group Management as defined by Swiss code of obligation.

Group Management determines binding, Group-wide management instruments (planning, accounting, management information systems and controlling) and is responsible for developing the corporate culture. It is also responsible for developing and periodically reviewing the corporate strategy and for its implementation. Group Management prepares information on all matters that fall under the responsibility of the Board of Directors and is also responsible for ensuring that the Board's resolutions are implemented.

3.7 Information and control instruments of Group Management

At its meetings, all members of the Board of Directors and members of Group Management have an obligation to provide the required information. If necessary, other senior executives may also be involved. At such meetings, the Chairman informs the other members of the Board of Directors about their activities since the last Board meeting; the CEO reports on current business developments and the CFO comments on financial reporting.

As part of the Feintool Group's Management Information System (MIS), members of the Board of Directors receive a regularly report from Group Management informing them about the financial and business situation of the company and relevant company segments. This report contains information on market and sector developments and risks, the income statement and balance sheet as well as key figures (growth, margins and development, order entry and order backlog, etc.) and detailed quarterly, interim and annual financial statements, which are then commented on by the CEO and the CFO at meetings held specifically for this purpose. This includes a data comparison with the prior years and with the budgeted figures. A detailed risk report is prepared once a year, which is explained and discussed at a meeting (see also the risk report). Between meetings, the CEO also informs the members of the Board of Directors about extraordinary events, either in writing or by telephone.

Between meetings of the Board of Directors, each member may ask the CEO to provide information at any time regarding the performance of the business and, with the approval of the Chairman, regarding individual transactions; members may also request the inspection of business documents. Such requests should be forwarded to the Chairman in writing.

Internal Audit

Internal Audit concentrates on areas of operational and strategic risk management in addition to the internal control system. It conducts group-wide audits, analyses and interviews. The annual audit schedule is approved by the Audit Committee. Internal Audit reports regularly to the Audit Committee on a project-related basis, either in writing or verbally.

GROUP MANAGEMENT

As at December 31, 2024

TORSTEN GREINER
Chief Executive Officer

Function
CEO Feintool Group

Education
M.Sc. Mechanical Engineering, Leibniz University Hannover

Professional background
- **Since January 1, 2023** CEO, Feintool Group (CH)
- **2011–2022** CEO, Edscha Holding GmbH (GER)
- **2002–2011** Executive Vice President Business Division Closure Systems, Brose Schließsysteme GmbH & Co KG (since 2005) (GER)
- **1994–2002** Production Manager World Closure Systems Division, Robert Bosch GmbH (since 2001) (GER)
- **1986–1989** Vocational training as a machine fitter, Boge Kompressoren Bielefeld (GER)

Further professional activities and functions
- Advisory Board Member, VDA Manufacturing Group III (GER)

Thomas Erne
Chief Financial Officer

Function
CFO Feintool Group

Education
Master in Administrative Science, University of Konstanz

Professional background
- **Since April 2024** CFO, Feintool Group (CH)
- **2020–2024** Group CFO, Starrag Group (CH)
- **2015–2020** CFO Europe, DMG MORI (CH)
- **2010–2015** Associate Finance Director, Zimmer Biomet (CH)
- **2007–2009** Manager EMEA Reporting, Planning and Analysis, Zimmer Biomet (CH)
- **2006–2007** Senior Controller Americas, Swissport (CH)
- **2002–2006** Marketing Controller, Altana Pharma (GER/US)

Further professional activities and functions
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4 GROUP MANAGEMENT

4.1 Members of Group Management

In accordance with the Swiss code of obligation, Group Management consisted of two members as of December 31, 2024. The management structure can be found in the organizational chart shown in section 1.1.1 of this report.

4.2 Other activities and commitments

Other activities and commitments are also listed in the portraits and above in section 4.1.

4.3 Number of mandates permitted

According to Article 18b of the Articles of Association, members of the Board of Directors, Group Management and, where applicable, the Advisory Board may not hold or exercise more than (i) 8 additional, paid mandates, of which no more than 4 at companies whose equity securities are listed on a stock exchange, and (ii) 8 unpaid mandates, expense allowances not being deemed to constitute compensation.

4.4 Management contracts

There are no management contracts between the Feintool Group and third parties.

5 COMPENSATION, SHAREHOLDINGS AND LOANS

5.1 Basic principles of the compensation system

5.1.1 Board of Directors

Based on a proposal by the Compensation and Nomination Committee, the Board of Directors determines once a year at its year-end meeting the level of compensation paid to its members on the basis of their activities and responsibilities, while taking due account of prevailing market and industry levels. The comparative group includes Swiss and German listed companies of a similar size in the automotive supplier industry which do business with their own manufacturing plants in the most important production markets. If necessary, the Compensation and Nomination Committee will consult external advisers.

5.1.2 Group Management

The Compensation and Nomination Committee determines all components of the compensation paid to the CEO on the basis of the contractual agreement. For the other members of Group Management, the Compensation and Nomination Committee makes its decision following proposals submitted by the CEO on the basis of the respective contractual agreements. This is reported to the Board of Directors at its regular meeting at the end of each year. Where necessary, external advisers are consulted when determining the compensation and stock option plans for Group Management. The members of executive management were not present at the meetings where their remuneration was discussed.

If required, Feintool commissions an external consulting firm to review Group Management's compensation in comparison with the external labor market. The peer group comprises Swiss and German listed industrial companies with a similar size, with a focus on automotive suppliers, which do business with their own manufacturing plants in the most important production markets. The comparison includes basic, overall and direct compensation as well as selected fringe benefits (occupational pension, company car and lump-sum expenses).

5.2 Elements of the compensation system

5.2.1 Board of Directors

The compensation paid to members of the Board of Directors consists of a fixed component plus the lump-sum reimbursement of expenses and an attendance fee. Members of the various committees are reimbursed individually with a fixed component and an attendance fee. If meetings of the Board of Directors and the various committees take place immediately after each other, the attendance fee is paid only once.

Compensation paid to the Chairman of the Board of Directors is based on a fixed proportion of their salary (fixed component). Depending on the company's financial performance, the Chairman also receives free shares in Feintool International Holding AG. These shares are locked in for a specified period. The economic development is measured by the operating earnings (EBIT).

5.2.2 Group Management

The compensation paid to Group Management is based on a fixed proportion of each individual's salary (fixed component). In addition, the amount of compensation is determined directly by the attainment of targets and performance of each member of Group Management, as well as the financial performance of the company (variable component). The performance-related bonus is determined on the basis of operating results (EBIT) and the degree to which annually agreed individual objectives have been achieved. The bonus for the CEO is entirely calculated according to the EBIT of the Feintool Group. For the CFO, the ratio of operational to personal objectives is approximately 70:30. The variable compensation component paid to the members of Group Management is between 30 % and 70 % of the fixed salary component.

Members of Group Management receive part of their fixed compensation in the form of shares, which are locked in on a staggered basis for up to four years. Details are set out in the "Regulations for the issue of employee shares and options to members of the Board of Directors and Senior Executives," as issued by the Board of Directors in 2005.

Members of Group Management also receive customary fringe benefits (company car, risk insurance and retirement, management insurance cover and voluntary insurance).

5.2.3 Statutory regulations regarding compensation

Article 18 of the Articles of Association constitutes the statutory basis for remuneration. The Articles of Association are available on https://www.feintool.com/wp-content/uploads/2024/06/FIH_Statuten_2024-04-23_en.pdf.

5.3 Compensation for acting members of governing bodies

Full details of the effective compensation can be found on the Remuneration Report.

6 SHAREHOLDERS' PARTICIPATION RIGHTS

6.1 Voting right restrictions and proxies

In accordance with Art. 10 of the Articles of Association, each share carries one vote. Only those shareholders entered in the share register are entitled to vote at the General Meeting. A shareholder may only be represented at the General Meeting by their own legal representative, another shareholder who attends the meeting and is entered in the share register, or the independent proxy. The proxy must be given written authorization. Attending members of the Board of Directors shall decide on the recognition of proxies. Restrictions on voting rights and the associated regulations can be found in section 2.6.1 of this Corporate Governance Report.

In accordance with Art. 10a of the Articles of Association, shareholders will be able to give the independent proxy instructions regarding any motions for business announced in the notice of convocation and any motions for business not announced in the notice of convocation, as well giving them general instructions regarding any new items of business in accordance with Art. 700 para. 3 of the Swiss Code of Obligations.

Shareholders will be able to issue their authorization and instructions to the independent proxy, including in electronic form, up to 4 p.m. on the third working day prior to the date of the General Meeting. This deadline shall be deemed to have been met if the authorization and instructions are received by the independent proxy by that time. The independent proxy is obliged to exercise the voting rights conferred on them by the shareholders as instructed. If they have not received any instructions, they shall abstain from voting.

6.2 Quorum requirements

All resolutions at the General Meeting are made by a legally required majority. In the event of a tied vote, the Chairman casts the deciding vote.

6.3 Convocation of the General Meeting

In accordance with Art. 9 of the Articles of Association, the General Meeting must be convened at least 20 days in advance by publication of a notice in the Swiss Official Gazette of Commerce. In addition, registered shareholders will receive a written invitation.

6.4 Agenda items

In accordance with Article 9 of the Articles of Association, shareholders who individually or jointly hold at least 10 % of the share capital or hold shares with a par value of at least CHF 1 million may request the inclusion of a particular item for discussion, at the latest 40 calendar days prior to the General Meeting. Such items must be submitted in writing, citing the item for discussion and the proposals.

6.5 Entries in the share register

In accordance with Article 10 of the Articles of Association, all shareholders entered in the share register with voting rights, together with registered nominees, are entitled to attend the General Meeting and to vote. Shareholders who are entered in the share register by 5:00 p.m. on Monday, April 21, 2025 (closing date) are invited to the General Meeting.

7 CONTROL AND DEFENSE MEASURES

7.1 Duty to make an offer

Duty to make an offer at Feintool International Holding AG is governed by the current legal conditions described in Article 135 para. 1 of the Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading (FMIA). The Articles of Association do not contain any provisions regarding opting out or opting up.

7.2 Clauses on changes of control

No clauses on changes of control have been agreed for the benefit of the Board of Directors, Group Management or any other senior executives in the company.

8 AUDITORS

8.1 Duration of the mandate and term of office of the lead auditor

At the General Meeting held on April 23, 2024, KPMG AG, Zurich, was elected as statutory auditors for one year. Simon Studer is the lead auditor for the term of the mandate.

8.1.1 Date of assumption of the auditing mandate

KPMG AG, Zurich, was elected for the first time at the General Meeting on January 25, 2011.

8.1.2 Date on which the lead auditor took up office

The lead auditor from KPMG AG is replaced every seven years in accordance with statutory regulations. Simon Studer is the successor to Roman Wenk who held the position of lead auditor from financial year 2017 to 2024.

8.2 Auditing fees

The auditing fees agreed with KPMG AG in respect of the financial statements for the 2024 financial year amounted to CHF 662 000.

8.3 Additional fees

In the reporting period, KPMG AG agreed a total fee of CHF 361 000 for turnaround consulting.

8.4 Information instruments pertaining to external audit

The auditors attended two meetings of the Audit Committee. In addition to the annual audit report, KPMG AG prepares a comprehensive report on the results of its audit for the Board of Directors. At the end of the financial year, the Audit Committee, with the CEO and CFO also in attendance, discusses the comprehensive report to the Board of Directors and the auditors' report with the auditors.

The external auditors are periodically re-evaluated by means of a tendering process. They are elected at the General Meeting by a motion submitted by the Board of Directors. Besides the minimum legal requirements, selection criteria include relevant qualifications, sector experience and cost-effectiveness.

9 INFORMATION POLICY

Feintool communicates actively with shareholders, the media and investors. The company provides regular information on its business performance in the form of press releases and holds at least two press conferences per year. Ten press releases were published during the financial year from January 1 to December 31, 2024. Interested parties are welcome to visit our factories. Furthermore we offer the financial community the opportunity to gain direct insights into our business at one of our manufacturing sites. In the reporting period, members of Group Management held around 50 individual meetings with existing or prospective investors. A further 100 or so existing or prospective investors were also welcomed at group meetings.

Five institutes are currently publishing reports on Feintool's business performance:

Bank	Name
Baader Helvea	Michael Roost
Kepler Cheuvreux	Doron Lande
Research Partners AG	Robin Seydoux
ODDO BHF	Amira Manai
Zürcher Kantonalbank	Walter Bamert

Shareholders in Feintool International Holding AG receive interim and annual reports on request, and are kept regularly informed about new corporate developments of interest to them in the form of shareholder letters. During the 2024 financial year, two such letters were sent on the subjects of the 2023 year-end financial results and the 2024 interim results.

The dates of the most important publications and events are given below:

Publication	Date
Media conference results fiscal year 2024	February 27, 2025
Publication of annual report	February 27, 2025
Annual Shareholder Meeting	April 29, 2025
Media conference results half-year 2025	August 21, 2025
Media conference results fiscal year 2025	February 27, 2025

The latest corporate information can be found on our website under "Media Releases" (https://www.feintool.com/insights-2/). You can also subscribe to this information by filling out the contact form on the website (https://www.feintool.com/newsletter-subscribe/). Annual reports, dates and other useful information can also be found at https://www.feintool.com. Information can also be requested from investor.relations@feintool.com.

10 TRADING BLACKOUT PERIODS

The Board of Directors defines trading blackout periods during the preparation of the semi-annual and the annual financial statements. A blackout period applies to the Board of Directors, the Group Management and all persons who, in the course of their work, have access to the preparation of the Feintool Group's financial figures. During a reasonable period of time before and after the publication of the annual and semi-annual financial statements of Feintool International Holding AG these persons named may not trade in Feintool shares. Ad hoc blackout periods may be set by the Board of Directors, the Chairman of the Board of Directors or the CEO for other non-public information.

11 SIGNIFICANT CHANGES AFTER THE BALANCE SHEET DATE

There were no significant events after the balance sheet date.

RISK ASSESSMENT

Feintool conducts a comprehensive risk assessment within the Group every year. This is based on the following pillars:

- Quality and crisis management, based on ISO 9001 and IAFT 16949
- Environmental management, based on ISO 14001
- Insurance management
- Internal control system
- Risk analysis management
- Business continuity management

The way in which each business unit is structured, the nature of the periodic procedures undertaken, and the manner in which these procedures are audited and reported are defined in writing. Control over each business unit is exercised by one or more bodies. In addition, each business unit also has persons responsible for it.

Insurance management is organized centrally by Feintool. Annual meetings are held with the Group insurance broker. At these meetings, the insurance coverage for risks in relation to third-party liability, the supply of goods and services and transportation is tailored to the Group's insurable risks. The insurance coverage is adjusted in the event of any changes.

Feintool introduced its internal control system (ICS) worldwide in 2007 and 2008 to comply with regulations and avert any damage that might be caused by staff or malicious third parties. The following processes are subject to the ICS:

- Sales/purchasing
- Logistics/warehousing/scrap
- Work in progress and contract assets
- Property, plant and equipment
- Salaries and wages
- Finance and leasing
- Information technology
- Annual financial statements

A flow chart for each process shows where the various loss risks can arise. These risks are summarized in a risk control inventory and assigned to one or more manual or automatic checks. Feintool's internal audit unit periodically examines the effectiveness of the ICS within the Group companies.

Feintool sees risk analysis management as the periodic analysis of risks that jeopardize the Group's success or its ability to achieve its targets. Feintool bases this as far as possible on the ISO 31000 process. Every year, each Group company defines – on the basis of a predefined risk matrix – which of these risks could be significant for the company. The individual risks are then assessed in accordance with their probability of occurrence and the extent of loss. Risk mitigation strategies, corresponding actions and the person responsible are determined for each of the top five risks.

Business continuity management involves designing procedural scenarios for the occurrence of loss or damage, the aim being to ensure the continuation of production or deliveries to (key) customers. The following areas are covered:

- Loss of key employees
- Occupational and plant security
- Procedure in the event of loss/damage to goods or buildings
- Loss of key suppliers, machines, tools and IT applications/hardware
- Loss of infrastructure incl. IT (or parts thereof)
- Significant customer complaints and recalls

Corresponding documentation in relation to all these areas exists within the Group companies and is reviewed at least once every year.

Feintool Group's risk manager produces an annual risk report concerning insurance management, the internal control system, risk analysis management and business continuity management for submission to the Group Management and Board of Directors. They make the key decisions on any risk-minimizing measures to be implemented. The ISO-based business units are subject to separate reporting.

Information on our activities relating to ESG risk management can be found in the Sustainability Report 2024.

For financial risks please also consider section 28 of the Notes to the consolidated Financial Statements.

REMUNERATION REPORT

1 PRINCIPLES OF THE COMPENSATION SYSTEM

1.1 Board of Directors

Based on a proposal from the Compensation and Nomination Committee, the Board of Directors determines once a year at its year-end meeting the level of compensation paid to its members on the basis of their activities and responsibilities, while taking due account of prevailing market and industry levels. The comparative group includes companies of a comparable size in the automotive industry which do business with their own manufacturing plants in the most important markets. The Compensation and Nomination Committee consults external advisers if required. The remuneration is based on the contractual agreements.

1.2 Group Management

The Compensation and Nomination Committee determines all components of the compensation paid to the CEO on the basis of the contractual agreement. For the CFO, the Compensation and Nomination Committee makes its decision following proposals submitted by the CEO on the basis of the respective contractual agreements. This is reported to the Board of Directors at its regular meeting at the end of each year. If required, external advisers are consulted when determining the compensation and stock option plans for Group Management.

If required, Feintool commissions an external consulting firm to review Group Management's compensation as compared against the external labor market. The peer group comprises internationally active industrial companies of a similar structure and size, with a focus on automotive suppliers as well as other industrial companies. The comparison includes basic, overall and direct compensation as well as selected fringe benefits (occupational pension, company car and lump-sum expenses).

2 ELEMENTS OF THE COMPENSATION SYSTEM

2.1 Board of Directors

The compensation paid to members of the Board of Directors consists of a fixed component and an attendance fee. Members of the various committees are paid a separate fixed component and attendance fee. Where meetings of the Board of Directors and the various committees are held immediately after one another, the attendance fee is paid once only.

The compensation paid to the Chairman of the Board of Directors is based on a fixed proportion of his salary (fixed component). Depending on the company's financial performance, the Chairman also receives free shares in Feintool International Holding AG. These shares are locked in for five years.

2.2 Group Management

The compensation paid to Group Management is based on a fixed proportion of each individual's salary (fixed component). In addition, the amount of compensation is determined directly by the attainment of targets and performance of each member of Group Management, as well as the financial performance of the company (variable component).The performance-related bonus is determined on the basis of operating results (EBIT) and the degree to which annually agreed individual objectives have been achieved. For the CFO, it is based on a ratio of approximately 70:30 operating to personal targets. The bonus for the CEO is calculated entirely according to the EBIT of the Feintool Group. The variable compensation component paid to CEO and CFO is between 20 % and 50 % of the fixed salary component. The current bonus payments in 2024 reflect the business performance in the year under review.

Members of Group Management receive part of their fixed compensation in the form of shares, which are locked in on a staggered basis for up to four years. Details are set out in the "Regulations for the issue of employee shares and options to members of the Board of Directors and Senior Executives", as issued by the Board of Directors in 2005. Members of Group Management also receive customary fringe benefits (company car, risk insurance and retirement, management insurance cover and voluntary insurance).

3 COMPENSATION FOR ACTING AND FORMER MEMBERS OF GOVERNING BODIES

3.1 Board of Directors

The general meeting held on April 23, 2024 has approved a maximum total amount of of CHF 1.5 million for the remuneration of the Board of Directors for the period of the general meeting 2024 until the ordinary general meeting in 2025. This includes 10 000 shares of Feintool International Holding AG.

The following compensation was paid during the compensation period. These figures relate to the period from January 1 to December 31. [1)]

in CHF	Fixed salary [2)]	Shares/ options [3)]	Contributions to pension plans [4)]	Total
In the 2024 financial year				
Alexander von Witzleben, Chairman	250 000	144 500	120 912	**515 412**
Martin Klöti, Vice Chairman [5)]	88 333	–	–	**88 333**
Dr. Marcus Bollig, Member	45 000	–	6 154	**51 154**
Norbert Indlekofer, Member [7)]	123 333	–	11 925	**135 258**
Heinz Loosli, Member	45 000	–	–	**45 000**
Total Board of Directors	**551 666**	**144 500**	**138 991**	**835 157**
In the 2023 financial year				
Alexander von Witzleben, Chairman	250 000	179 600	122 275	**551 875**
Christian Mäder, Vice Chairman [6)]	45 000	–	–	**45 000**
Dr. Marcus Bollig, Member	45 000	–	6 154	**51 154**
Norbert Indlekofer, Member [7)]	136 667	–	13 417	**150 084**
Heinz Loosli, Member	45 000	–	–	**45 000**
Total Board of Directors	**521 667**	**179 600**	**141 846**	**843 113**

1) The compensation paid to the Board of Directors is determined for the period between the ordinary General Meeting at which the individual member is elected and the following ordinary General Meeting. In this report, the compensation paid relates to the financial year (January 1 to December 31) and is accrued accordingly.

2) Fixed compensation including attendance fee.

3) Allocation of a predefined number of shares. The amount of the shares is 10 000 (previous year 10 000). The shares are locked in for five years. The valuation corresponds to the price at the time of allocation. The value of the shares for tax purposes is CHF 107 979 (previous year CHF 134 208). This includes a discount for the lock-in period.

4) Payments made by the employer to the state pension schemes (AHV/IV) and the occupational pension fund.

5) Martin Klöti has been elected to the board of Directors as successor of Christian Mäder on April 23, 2024.

6) Christian Mäder, previously Vice Chairman of the Board of Directors, waived further candidacy on April 25, 2023. The compensation refers to the period from January 1, 2023 to April 25, 2023.

7) The fixed salary for 2024 and 2023 includes CHF 30 000 for strategy consulting.
Norbert Indlekofer has been elected as Vice Chairman by the General Meeting on April 25, 2023.

The Chairman of the Board of Directors is in each case granted a loan equivalent to the withholding tax on his shares; this is offset against the fixed salary on a straight-line basis in the same year. There were no loans at the end of the year.

With the above exception, no loans or securities were granted to members of the Board of Directors in the reporting years.

3.2 Group Management

The general meeting held on April 25, 2023 has approved a maximum total amount of CHF 2.5 million for the remuneration of the Group Management for the period January 1 until December 31, 2024.

in CHF	Fixed salary [1]	Variable salary [2]	Shares/options [3]	Benefits in kind [4]	Contributions to pension plans [5]	Total
In the 2024 financial year						
Torsten Greiner, CEO	585 000	–	82 400	10 954	124 909	**803 263**
Samuel Künzli, CFO until March	86 815	83 320	–	1 520	21 352	**193 007**
Thomas Erne, CFO starting from April	270 783	73 774	27 456	9 158	72 319	**453 489**
Total Group Management	**942 598**	**157 094**	**109 856**	**21 632**	**218 580**	**1 449 759**
In the 2023 financial year						
Torsten Greiner, CEO	585 000	131 989	99 900	10 954	89 333	**917 176**
Samuel Künzli, CFO	347 260	94 148	39 960	6 080	85 859	**573 307**
Total Group Management	**932 260**	**226 137**	**139 860**	**17 034**	**175 192**	**1 490 483**

[1] Contractually agreed salary (excluding tax-allowable expenses).

[2] Bonus in accordance with individual contractual agreements. Payment in each case is made in the new financial year.

[3] Fixed entitlement in Swiss francs. Remuneration is in the form of shares. The number of shares depends on the average price of the two preceding months before disbursement. For Torsten Greiner it was 5 000 shares (previous year 5 000), for Thomas Erne 1 667 (previous year n/a). They have a staggered lock-in period of 1 to 4 years. Disbursement took place in December. The taxable value of the shares, which includes the discount for the lock-in period, is for Torsten Greiner CHF 71 381 (previous year CHF 86 541) , Thomas Erne CHF 23 786 (previous year n/a).

[4] Provision of company cars, etc.

[5] Payments made by the employer to the state pension schemes (AHV/IV) and the occupational pension fund.

The highest compensation was paid to Torsten Greiner, CEO.

No securities or loans were provided to members of Group Management in the reporting years.

3.3 Former members of Group Management

The remuneration below refers to the period after departure of the members of Group Management from January 1 until December 31:

in CHF	Fixed salary [1]	Variable salary	Shares/options	Benefits in kind	Contributions to pension plans [2]	Total
2024 total for former members	–	–	–	–	–	**–**
2023 total for former members	472 000	–	–	9 625	223 676	**705 301**

[1] Contractually agreed salary.

[2] Payments made by the employer to the state pension schemes (AHV/IV) and the occupational pension fund.

4 SHAREHOLDINGS OF BOARD OF DIRECTORS AND GROUP MANAGEMENT

	12/31/2024 Number of registered shares	12/31/2023 Number of registered shares
Alexander von Witzleben, Chairman of the Board of Directors [1)]	76 916	92 771
Dr. Marcus Bollig, Member of the Board of Directors	–	–
Martin Klöti, Vice Chairman of the Board of Directors	–	–
Heinz Loosli, Member of the Board of Directors	1 800	781
Norbert Indlekofer, Member of the Board of Directors	–	–
Total Board of Directors	**78 716**	**93 552**
Torsten Greiner, CEO	10 000	5 000
Thomas Erne, CFO starting from April 2024	1 666	n/a
Samuel Künzli, CFO until March 2024	n/a	4 611
Total Group Management	**11 666**	**9 611**

[1)] Held directly and indirectly; 10 000 shares with a value of CHF 144 500 as remuneration for the 2024 financial year, were assigned on January 3, 2025.

5 POSITIONS HELD IN OTHER COMPANIES

5.1 Board of Directors

	Company	Country	Position
In the 2024 financial year			
Alexander von Witzleben, Chairman	Arbonia AG	Switzerland	Chairman of the Board of Directors
	Innoviz Technologies Ltd.	Israel	Member of the Advisory Board
	KAEFER SE & Co. KG	Germany	Member of the Board of Directors
	Siegwerk Druckfarben AG & Co. KGaA	Germany	Member of the Supervisory Board
	VERBIO SE	Germany	Chairman of the Supervisory Board
Dr. Marcus Bollig, Member	Verband der Automobilindustrie e.V.	Germany	Managing Director
Norbert Indlekofer, Member	Autoneum Holding AG	Switzerland	Vice Chairman of the Board of Directors & Chairman of the Compensation and the Nomination Committee
	ATESTEO GmbH & Co. KG	Germany	Member of the Advisory Council
Heinz Loosli, Member	Felss Group GmbH	Germany	Chairman of the Advisory Board
Martin Klöti, Vice Chairman	Autoneum Holding AG	Switzerland	Member of the Board of Directors
	Artemis Holding AG	Switzerland	Member of the Group Executive Board
	Artemis Beteiligungen I AG	Switzerland	Member of the Board of Directors
	Artemis Beteiligungen III AG	Switzerland	Member of the Board of Directors
	Artemis Beteiligungen V AG	Switzerland	Member of the Board of Directors
	Artemis Deutschland Holding GmbH	Germany	Managing Director
	Artemis Immobilien AG	Switzerland	Member of the Board of Directors
	Artemis Immobilien Deutschland GmbH	Germany	Managing Director
	Artemis Real Estate Holding AG	Switzerland	Member of the Management
	Artemis Real Estate International Holding AG	Switzerland	Member of the Board of Directors
	Franke Holding AG	Switzerland	Member of the Board of Directors & Chairman of the Audit Commitees
	Centinox Asset Management AG	Switzerland	Member of the Board of Directors
	Societa' Agricola Sant' Isidoro Srl	Italy	Member of the Board of Directors
	Ciron SA	Switzerland	Member of the Board of Directors
	KRAFTWERK Group AG	Switzerland	Member of the Board of Directors

In the 2023 financial year			
Alexander von Witzleben, Chairman	Arbonia AG	Switzerland	Executive Chairman of the Board of Directors
	Artemis Holding AG	Switzerland	Member of the Board of Directors
	Innoviz Technologies Ltd.	Israel	Member of the Advisory Board
	KAEFER SE & Co. KG	Germany	Member of the Board of Directors
	PVA TePla AG	Germany	Chairman of the Advisory Board
	Siegwerk Druckfarben AG & Co. KGaA	Germany	Member of the Advisory Board
	Verbio SE	Germany	Chairman of the Advisory Board
Dr. Marcus Bollig, Member	Verband der Automobilindustrie e.V.	Germany	Managing Director
Norbert Indlekofer, Vice Chairman	Autoneum Holding AG	Switzerland	Vice Chairman of the Board of Directors
	ATESTEO GmbH & Co. KG	Germany	Member of the Advisory Council
Heinz Loosli, Member	Felss Group GmbH	Germany	Chairman of the Advisory Board

5.2 Group Management

	Company	Country	Position
In the 2024 financial year			
Torsten Greiner, CEO	Verband der Automobilindustrie e.V. (VDA)	Germany	Member of Manufacturing Group III
In the 2023 financial year			
Torsten Greiner, CEO	Kamax Holding GmbH & Co. KG	Germany	Member of the advisory board
	Verband der Automobilindustrie e.V. (VDA)	Germany	Member of Manufacturing Group III
Samuel Künzli, CFO	Tewo-Treuhand AG	Switzerland	Chairman of the Board of Directors

KPMG

Report of the statutory auditor

To the General Meeting of Feintool International Holding AG, Lyss

Report on the Audit of the Remuneration Report

Opinion
We have audited the Remuneration Report of Feintool International Holding AG (the Company) for the year ended 31 December 2024. The audit was limited to the information pursuant to Art. 734a-734f of the Swiss Code of Obligations (CO) in the notes 3.1, 3.2, 3.3, 4, 5.1 and 5.2 on pages 107 to 111 of the Remuneration Report.

In our opinion, the information pursuant to Art. 734a-734f CO in the Remuneration Report complies with Swiss law and the Company's articles of incorporation.

Basis for Opinion
We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Remuneration Report" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information
The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the notes 3.1, 3.2, 3.3, 4, 5.1 and 5.2 on pages 107 to 111 in the Remuneration Report, the consolidated financial statements, the stand-alone financial statements and our auditor's reports thereon.

Our opinion on the Remuneration Report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Remuneration Report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the Remuneration Report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' Responsibilities for the Remuneration Report
The Board of Directors is responsible for the preparation of a Remuneration Report in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of a Remuneration Report that is free from material misstatement, whether due to fraud or error. The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.

KPMG

Auditor's Responsibilities for the Audit of the Remuneration Report
Our objectives are to obtain reasonable assurance about whether the information pursuant to Art. 734a-734f CO is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Remuneration Report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

— Identify and assess the risks of material misstatement in the Remuneration Report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

— Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

— Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

KPMG AG

Simon Studer
Licensed Audit Expert
Auditor in Charge

Yannick Peter
Licensed Audit Expert

Zurich, 26 February 2025

GLOSSARY

Artemis Beteiligungen I AG – A holding company controlled by Franke Artemis Holding (i.e. Michael Pieper) which acquired a majority share of 50.32 % in Feintool on September 30, 2014. It acquired the shares entirely from its sister company Artemis Beteiligungen III AG, which had held a majority share in Feintool since April 7, 2011.

Automatic transmissions – These help to make a car more comfortable to drive and also to reduce emissions. The high level of complexity in their construction and the precision requirements mean fineblanked and formed parts from Feintool are particularly suitable. The different types include continuously variable transmission (CVT), dual clutch transmission (DCT), simple automated gearboxes, and torque-converter transmissions, currently with up to ten gears.

BEV – Battery electric vehicle (energy is stored in a battery, drive comes from an electric motor).

Cold forming – Forming refers to changing the form of a body made of sheet steel with tools by means of processes such as bending. Unlike forging and casting processes, with cold forming the forming takes place without mechanical processing or machining (material removal). Furthermore, no heating takes place as is evident in the name. Cold forming is an efficient process that is particularly suitable for the production of complex precision components, such as those required in the automotive industry.

Dual clutch transmission – Automated gearbox which uses two sub-transmissions and two clutches to enable fully automated gear changes with virtually no interruption of traction.

Electro sheet stamping – Electro sheet stamping refers to the stamping of individual rotor/stator elements from electro sheet.

Expected releases in the high-volume parts segment – In the System Parts segment, the order backlog represents the expected releases for the next six months. The customer can move, adjust or cancel these releases at any time. Thus, the order backlog in the high-volume parts segment is merely an important early indicator.

Fuel cell (FC) – Serves to generate power for electric drive in fuel-cell or hydrogen-powered vehicles. Fuel-cell vehicles are therefore hybrids with a drive consisting of a hydrogen tank and fuel cells, plus a small battery and an electric motor.

Fineblanking – Differs from normal stamping in that it works with three forces (blanking forces), rather than just one. Two of these brace the material for the part from above and below, and only the third force functions as a blanking force. The result is clean, laceration- and tear-free fineblanked surfaces, precise components, and either less or no subsequent processing depending on their use.

HEV – Hybrid electric vehicle, a vehicle with hybrid drive.

Hybrid – A vehicle with more than just one integrated drive concept; generally refers to a combination of electric drive and an internal combustion engine.

Laser cutting – Laser cutting is a highly flexible process for cutting components out of sheet/electro sheet, especially for particularly large components and/or particularly small series (prototypes, small batches) in the production of rotor/stator packages.

Number of strokes – Number of pressing motions in one stamping, fineblanking or forming press within one minute.

Orders received/order backlog in the investment goods business – In the Fineblanking Technology segment, the orders received and order backlog represent legally binding orders.

Overall equipment effectiveness (OEE) – Overall key production figure for the assessment of a plant, linking availability, machine output, and quality level.

Plug-in hybrid electric vehicle (PHEV) – A hybrid vehicle with a battery that can be charged via a plug socket.

Punch-packaging – Punch-packaging refers to the production process for interlocking sheet packages such as stators and rotors for electric motors made of strip in a progressive stamping tool. It differs from packaging and joining (e.g. by means of welding or gluing) of stamped sheets in that the latter processes take place outside the stamping machine in a special machine or rig. The height of the sheet package can be preselected with punch-packaging in the stamping machine. Packages of any chosen height can be created.

Rotor/stator packages – The stator is the non-moving part and the rotor the rotating part of an electric motor. The rotor and stator package comprises the core of the relevant component, consisting of stamped and packaged electro sheet elements.

Servo drive – Feintool uses the servo drive both for mechanical and hydraulic fineblanking presses. The advantage: The servo drive makes it possible to program the path of the ram precisely. This makes it possible to reduce the speed of the cutting process – which lasts a fraction of a second – in a controlled manner, thus sparing the workpiece and the tool. The ram then subsequently travels its path to the next cut all the faster. Servo-driven presses significantly increase removing.

Simulation – Experimental analysis of fineblanking and forming processes by means of complex software.

Tools – It is within these that the components take shape in stamping or fineblanking presses or forming systems. In order to make production more economical and efficient, Feintool combines fineblanking and forming processes in one tool. A three-stage tool, for example, can carry out cutting, bending and deburring at the same time. To produce a multifunctional component ready for fitting, only one press and one tool are required.

ADDRESSES OF OUR OPERATING COMPANIES

as at December 31, 2024

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Asia			
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