

Ad hoc announcement pursuant to article 53 LR

Fewer orders and lower revenue – U.S. tariffs, currency effects and cost pressures are weighing on earnings

Schlieren, 27 March 2026. The Schlatter Group generated net sales of CHF 104.4 million in fiscal year 2025 (2024: CHF 113.2 million). Order intake fell to CHF 91.7 million (2024: CHF 101.6 million). Earnings were impacted by U.S. tariffs, unfavorable exchange rates and a higher cost base. EBIT was CHF 0.5 million (2024: CHF 2.0 million). Due to high financial expenses resulting from foreign currency devaluations on the balance sheet at the Schlieren site, the Group reported a net loss of CHF -1.4 million (2024: CHF 1.7 million).

Due to high demand for solutions for the production of cable trays, sales of industrial mesh systems showed positive growth. Sales of reinforcement mesh systems also increased compared to the previous year. By contrast, sales of rail welding machines and weaving machines, as well as the after-sales segment, declined. Earnings were significantly impacted by the strength of the Swiss franc, the weakness of the U.S. dollar, U.S. tariffs, and the increased cost base in recent years. Due to lower exchange rates, balance sheet items denominated in foreign currencies at the Schlieren site had to be written down. This resulted in high financial expenses and, consequently, a negative consolidated net income. The order backlog as of December 31, 2025, stood at CHF 48.8 million (previous year: CHF 61.4 million).

Welding Segment

Key Figures

Order intake: CHF 77.5 million (2024: CHF 85.9 million)

Net revenue: CHF 85.1 million (2024: CHF 91.3 million)

Order backlog as of Dec. 31, 2025: CHF 42.9 million (Dec. 31, 2024: CHF 50.4 million)

In the Welding segment, demand for industrial mesh systems remained high; order intake was above the long-term average. Order intake for reinforcement mesh systems increased slightly. In the rail welding product area, significantly fewer orders were received following strong previous years. In after sales, volume was below the previous year, partially offset by higher revenues from "Labor Services."

Weaving Segment

Key Figures

Order intake: CHF 14.2 million (2024: CHF 15.8 million)

Net sales: CHF 19.4 million (2024: CHF 21.9 million)

Order backlog: CHF 5.9 million (2024: CHF 11.0 million)

In the Paper Machinery and Converting (PMC) segment, investment appetite remained subdued in North America and Europe in 2025; numerous projects were postponed. The majority of orders came from China. In Western markets, retrofits of existing equipment took precedence over new machines.

Outlook for 2026

The outlook for the capital goods business and after-sales remains subdued. Uncertainties in the geopolitical environment, the strength of the Swiss franc, and the recession in key markets are weighing on demand. In the Welding segment, capacity utilization at the Schlieren site is largely secured for the first half of 2026; in the Weaving segment, there are gaps in capacity utilization.

The focus for 2026 is on securing additional orders, increasing efficiency and margins, and reducing costs, which are expected to have a positive impact, particularly in the second half of the year. At the same time, innovation will be driven forward and market development intensified.

For the current fiscal year, Schlatter expects a decline in revenue and aims for at least a break-even result for the full year.

The Board of Directors will propose to the Annual General Meeting on May 6, 2026, that no dividend be paid for the 2025 fiscal year.

The complete 2025 Annual Report is available on the Schlatter Group website:
www.schlattergroup.com/de/investor-relations/publikationen/

Further Information

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Agenda

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| 27.03.2026 | Publication of the detailed annual result for 2025 by an ad hoc announcement and publication of the annual report on the company's website |
| 06.05.2026 | Annual General Meeting |
| 13.08.2026 | Publication of half-year report 2026 |

		2025	2024
Net sales	CHF million	104.4	113.2
Change from previous year	%	-7.8	-12.0
Operating result (EBIT)	CHF million	0.5	2.0
in % of net sales	%	0.4	1.8
Consolidated net result (incl. minorities)	CHF million	-1.4	1.7
in % of net sales	%	-1.3	1.5
Consolidated net result (excl. minorities)	CHF million	-1.4	1.5
in % of net sales	%	-1.3	1.4
Order intake	CHF million	91.7	101.6
Order backlog at period end	CHF million	48.8	61.4
Headcount at period end	FTE	366	371
Average headcount	FTE	369	367
Net sales per headcount	CHF 1000	283	309
Interest bearing liabilities	CHF million	4.2	5.2
Net financial assets/(debt) ¹	CHF million	-1.3	-2.6
Gearing ²	%	4.1	7.1
Free cash flow ³	CHF million	2.5	-9.1
Current assets	CHF million	52.2	57.9
Non-current assets	CHF million	17.0	18.7
Liabilities	CHF million	36.1	40.7
Equity (incl. minorities)	CHF million	33.1	35.9
Equity (excl. minorities)	CHF million	32.8	35.6
Equity ratio (incl. minorities)	%	47.4	46.5
Return on equity (ROE) ⁴	%	-4.0	4.7
Share data			
Share capital as of December 31	CHF 1000	1 105	1 105
Registered shares	number	1 104 704	1 104 704
Registered shares entitled to dividends	number	1 104 704	1 104 704
Consolidated net result per registered share ⁵	CHF	-1.26	1.40
Equity per registered share ⁵	CHF	29.70	32.26
Dividend per registered share ⁶	CHF	0.00	1.00
Payout Ratio ⁶	%	0.00	71.50
Share price performance			
Yearly high	CHF	25.00	28.00
Yearly low	CHF	18.10	20.00
Year-end	CHF	20.60	21.60
Market capitalization			
Yearly high	CHF million	27.6	30.9
Yearly low	CHF million	20.0	22.1
Year-end	CHF million	22.8	23.9

- ¹ Net financial assets (debt): cash and cash equivalents less interest-bearing liabilities
- ² Gearing: net debt divided by equity
- ³ Free cash flow: cash flow from operating activities less purchase of tangible, intangible and financial assets, plus sale of tangible, intangible and financial assets
- ⁴ Consolidated net income divided by average equity
- ⁵ Calculated based on shares entitled to dividends
- ⁶ In accordance with the proposal submitted to the Annual General Meeting on 6 May 2026

Schlatter Group (www.schlattergroup.com)

The Schlatter Group is a leading global manufacturer of resistance welding systems, web and finishing machines for paper machine coverings, and wire mesh and wire mesh products. With its many years of expertise in plant engineering, innovative strength and reliable customer service, the group, which is listed on the Standard for Sparks of the SIX Swiss Exchange, guarantees high-performance and value-retaining production systems.

This media release contains certain forward-looking statements, e.g. statements using words such as 'believes', "assumes", 'expects' or similar expressions. Such forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, financial position, development or performance of the company to differ materially from those expressed or implied in these statements. These factors include, among others: competition with other companies, the effects and risks of new technologies, the Company's ongoing capital requirements, financing costs, delays in the integration of acquisitions, changes in operating expenses, the recruitment and retention of qualified employees, adverse changes in applicable tax law and other factors mentioned in this communication. In light of these uncertainties, readers should not rely on such forward-looking statements. The company undertakes no obligation to update or revise any forward-looking statements to reflect future events or developments.