

A hand is shown from the wrist down, hovering just above a spinning top. The spinning top is a brass-colored metal object with a conical body and a thin vertical stem. It is spinning on a reflective surface, creating a clear reflection. The background is a soft, out-of-focus white.

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Media and analysts' conference 2022

Tornos Holding Ltd.

Moutier, March 7, 2022

Speakers

François Frôté – *Chairman of the Board*

Stéphane Pittet – *Chief Financial Officer*

Michael Hauser – *Chief Executive Officer*

- **Overall Review**
François Frôté, Chairman
- **Financial Results 2021**
Stéphane Pittet, CFO
- **Management Report**
Michael Hauser, CEO
- **Questions and answers**

A close-up photograph of a hand hovering just above a spinning top. The spinning top is a polished, metallic object with a conical body and a thin vertical stem. It is spinning on a highly reflective, light-colored surface, which creates a clear reflection of the top and the hand above it. The background is a soft, out-of-focus light gray.

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Overall Review

François Frôté – Chairman of the Board

Overall Review
Key Financials 2021

in MCHF	2021	2020
Net sales	171.5	103.4
EBITDA	24.6	-23.6
EBIT	20.6	-27.7
Net result	20.3	-29.9
Free cash flow	30.8	-3.1
Net cash / (debt)	26.6	-5.0

A close-up photograph of a hand spinning a brass top on a reflective surface. The top is a classic design with a conical body and a thin stem. The surface is highly reflective, creating a clear mirror image of the top and the hand. The background is a soft, out-of-focus white.

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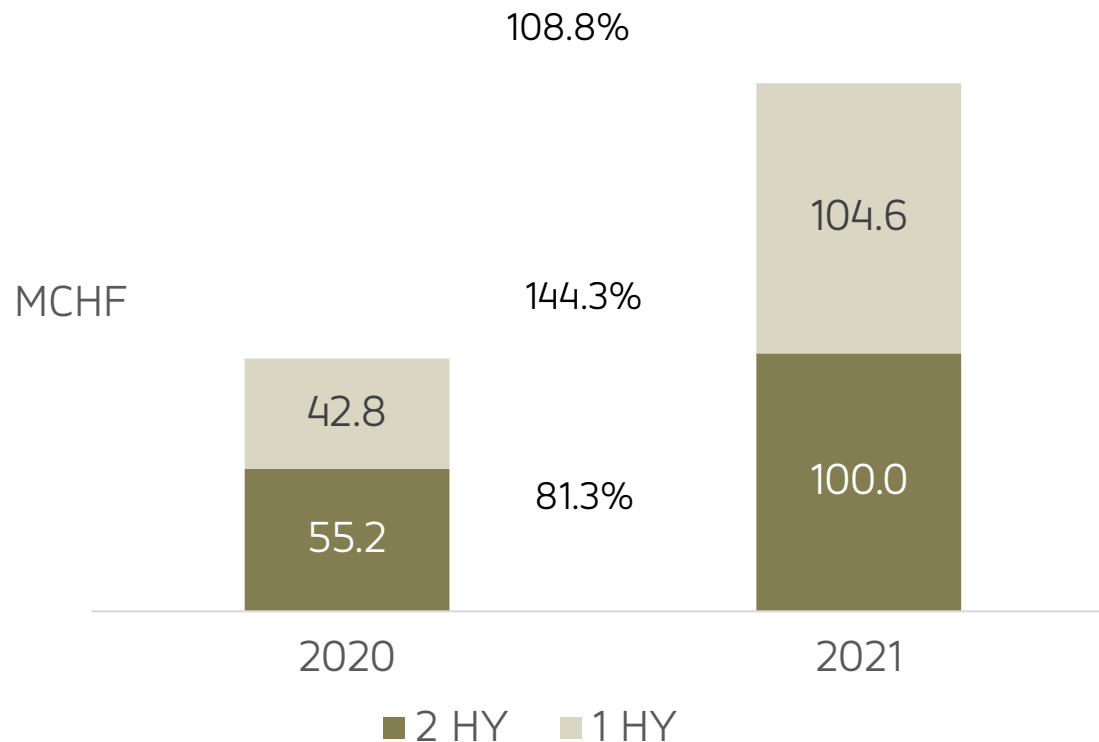
Financial Results

Stéphane Pittet – Chief Financial Officer

Financial Results 2021

Order Intake

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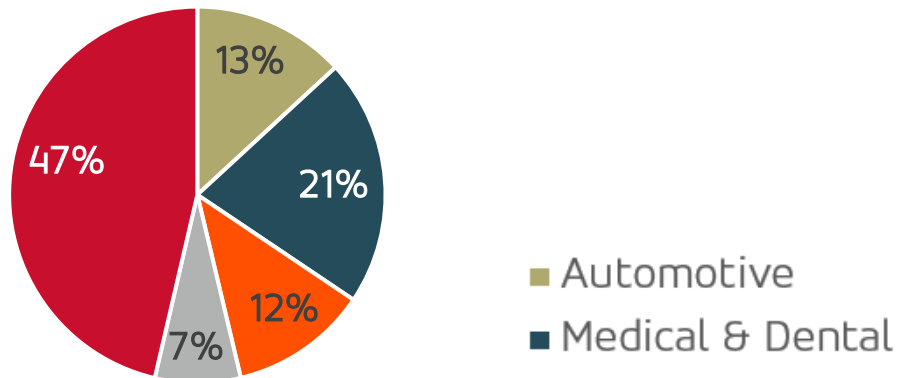
2nd half year stabilized at a high level, comparable with the 1st half

Financial Results 2021

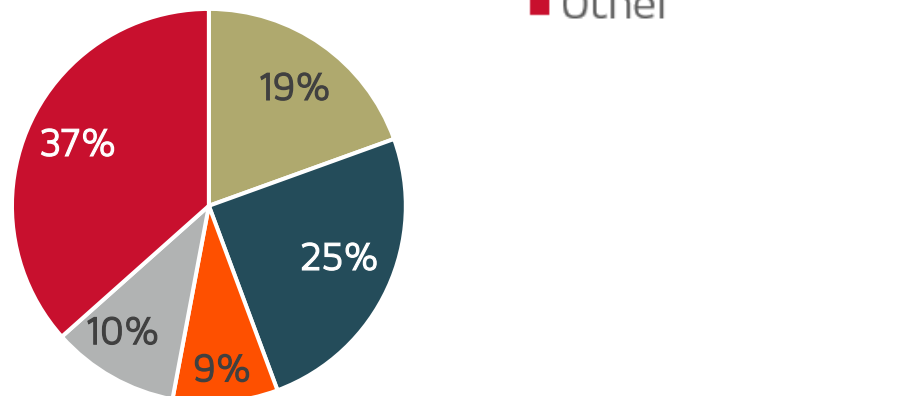
Order Intake

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2020



2021



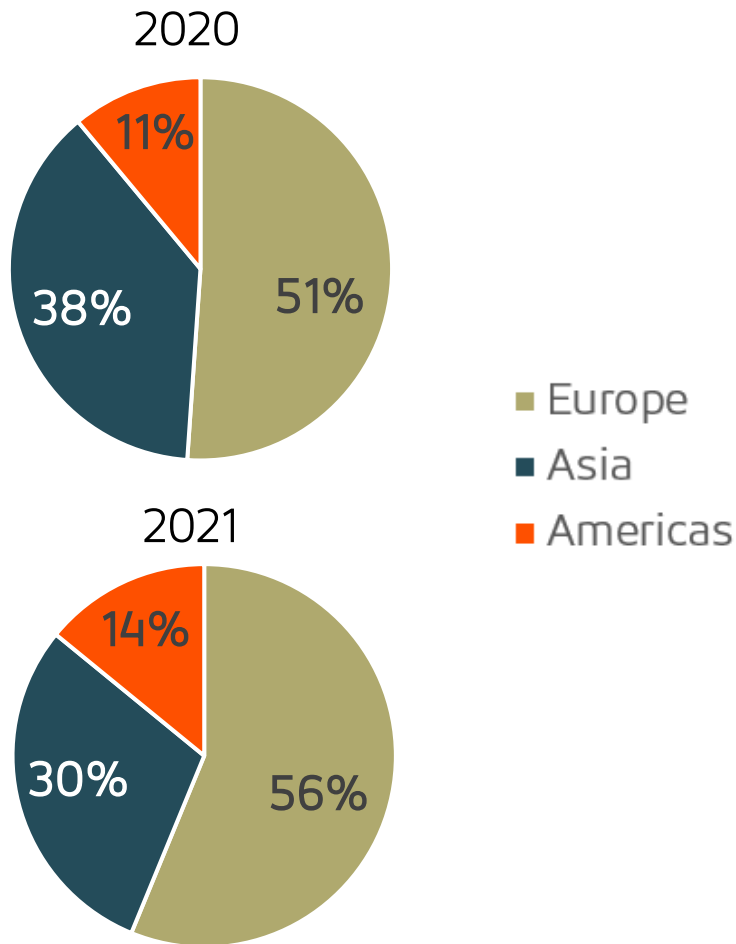
- Growth in all categories
- Very encouraging market extension in Automotive for applications not linked to the internal combustive engine
- Strong development in the medical industry, especially in the dental area
- The pneumatic/hydraulics as well as the lock industry boost the category “Other”

► Penetration into new markets confirmed in 2021

Financial Results 2021

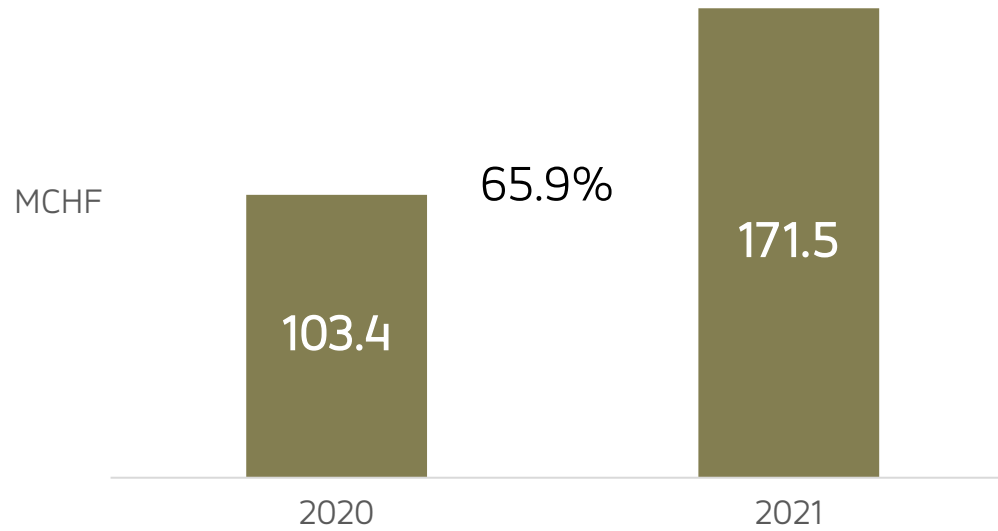
Order Intake

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- Growth in all regions
- Europe remaining dominant
- Entry in Brazilian market to support Americas
- Asia hampered by COVID-19 restrictions severely limiting travel and opportunities to visit existing and prospective customers

Promising growth potential in Asia and Americas



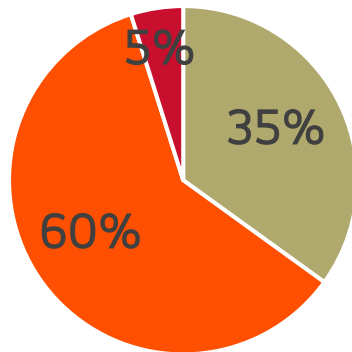
Circular economy in Customer Services sustaining growth

Financial Results 2021

Net Sales

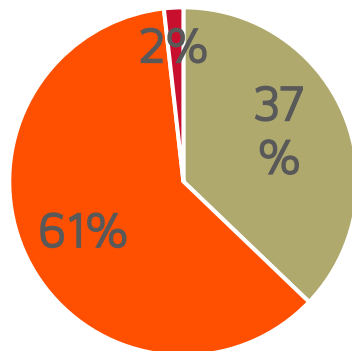
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2020



- Growth in all machine categories
- Highest backlog in Swiss-made machines

2021



- Swiss machines
- Asian machines
- Other

Sharp ramp-up in 2021 only possible thanks to our inventory at the beginning of the year

Financial Results 2021

Income Statement

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in MCHF	2021	in % of Sales	2020	in % of Sales
Net sales	171.5		103.4	
Gross profit	66.4	38.7%	11.9	11.5%
Marketing and sales	-25.1	-14.6%	-22.4	-21.7%
General and administrative expense	-15.4	-9.0%	-15.6	-15.1%
Research and development	-6.0	-3.5%	-5.2	-5.1%
Other income	0.3	0.2%	0.4	0.4%
Other expense	-0.1	-0.1%	-0.1	-0.1%
Operating expense	-46.4	-27.0%	-43.0	-41.6%
Non-operating result	0.6	0.3%	3.4	3.3%
EBIT	20.6	12.0%	-27.7	-26.8%

Result notably impacted by the MCHF 9.8 decrease in stock provisions (versus a MCHF 18.3 increase in 2020)

Financial Results 2021

Income Statement

TORNOS

in MCHF	2021	in % of Sales	2020	in % of Sales
EBIT	20.6	12.0%	-27.7	-26.8%
Financial income/expense	-0.2	-0.1%	-0.1	-0.1%
Exchange result net	0.3	0.2%	-1.7	-1.6%
EBT	20.7	12.0%	-29.5	-28.5%
Income taxes	-0.3	-0.2%	-0.4	-0.4%
Net results	20.3	11.9%	-29.9	-28.9%

Slightly positive exchange result for the first time since years

Financial Results 2021

Underlying Performance

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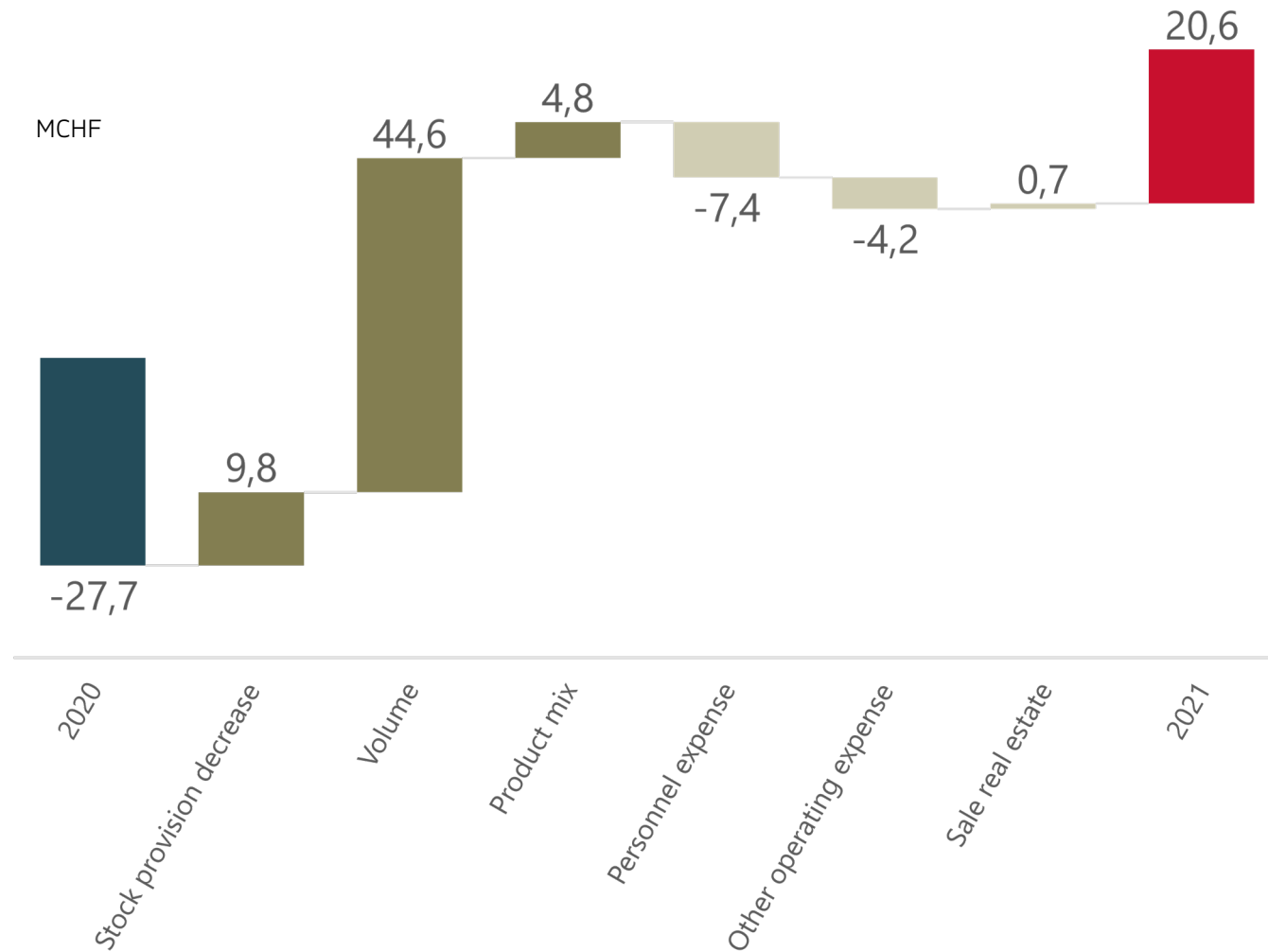
in MCHF	2021	non-recurring	underlying	in % of Sales
Net sales	171.5		171.5	
Gross profit	66.4	-9.8	56.6	33.0%
Marketing and sales	-25.1		-25.1	-14.6%
General and administrative expense	-15.4		-15.4	-9.0%
Research and development	-6.0		-6.0	-3.5%
Other income	0.3		0.3	0.2%
Other expense	-0.1		-0.1	-0.1%
Operating expense	-46.4	0.0	-46.4	-27.1%
Non-operating result	0.6	-0.7	-0.1	-0.1%
EBIT	20.6	-10.5	10.1	5.9%

Result, adjusted for stock provision release of MCHF 9.8 and gain on MCHF 0.7 sales of building

Financial Results 2021

Change in EBIT

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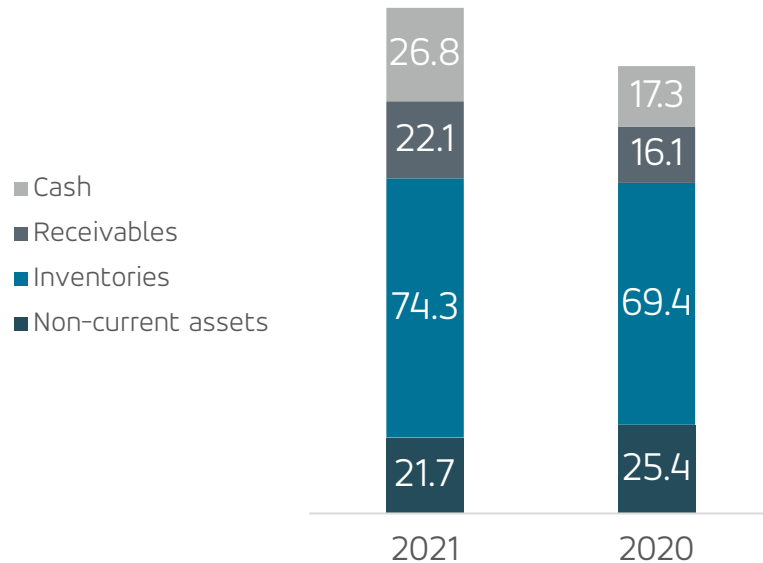


Limited cost increases compared to sales evolution

Financial Results 2021

Balance Sheet

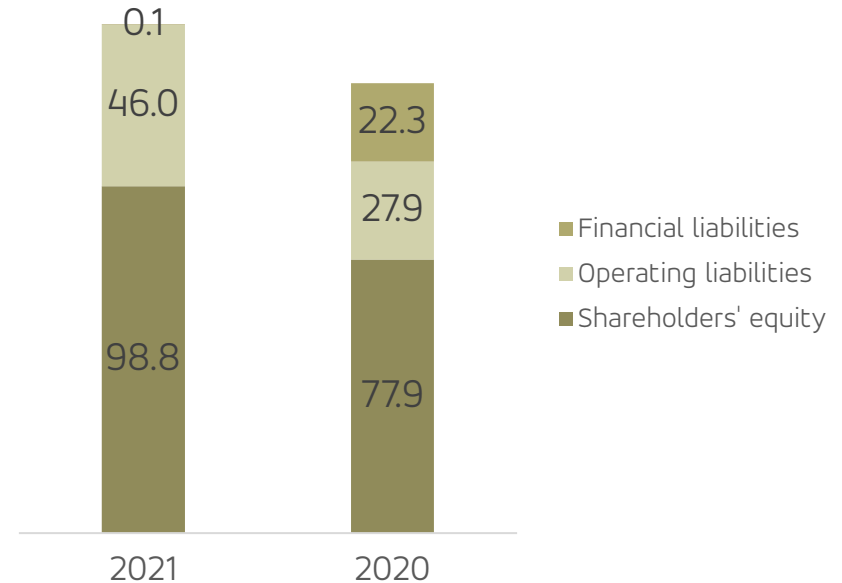
Assets in MCHF



Net cash 26.6 -5.0

Equity ratio

Liabilities in MCHF



66.2% 60.8%

Solid equity ratio with 66.2%

Financial Results 2021

Cash Flow

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in MCHF	2021	2020
Cash Flow before net working capital changes	14.8	-10.7
Net working capital changes	15.5	7.3
Cash Flow from investing activities	0.5	0.3
Free Cash Flow	30.8	-3.1

▶ All loans have been repaid

- Strong rebound in the order intake, the sales and the net result
- Cost base maintained at a low level, offering a base for leveraged performance
- Strong net cash position
- Faced significant challenges regarding the availability of and cost increases for raw materials

- April 13 **Annual General Meeting 2022**
(no physical meeting)
- August 10 **Publication Half-Year Report 2022**

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Management Report

Michael Hauser – Chief Executive Officer

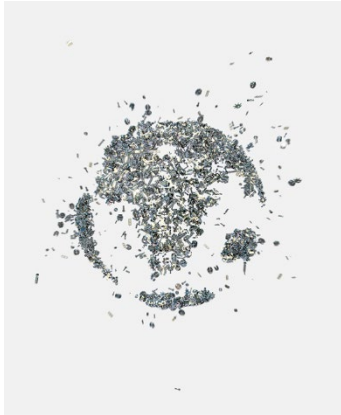
Management Report

Highly gratifying results for fiscal year 2021

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Focusing on innovative solutions that give customers a competitive edge



Internationalize
our business



Strengthen our
flexibility



Grow through
Innovation



Establish Tornos'
services as a
differentiator



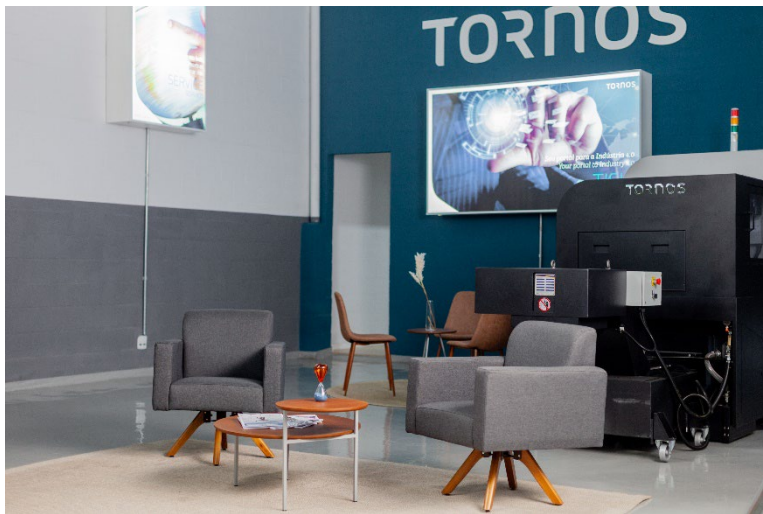
Enhance our operational
excellence



Deliver unique
solutions for targeted
market segments

Internationalization São Paulo, Brazil

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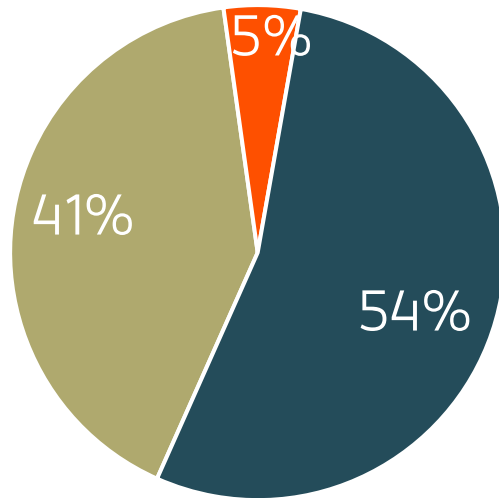
Internationalization

Kąty Wrocławskie, Poland

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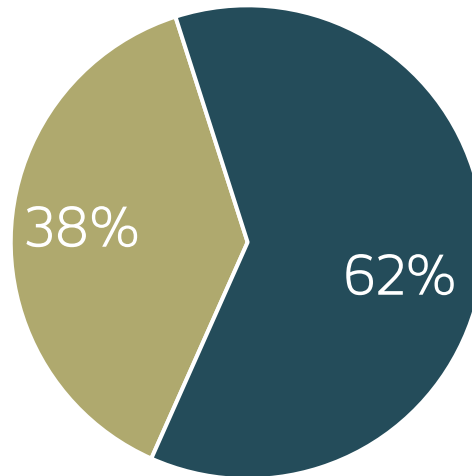


FTE



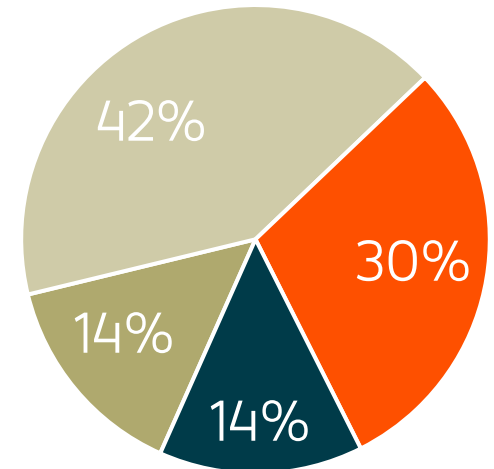
- Switzerland
- Switzerland (Temp. work force)
- Rest of World

Production
units produced



- Switzerland
- Asia

Orders
units

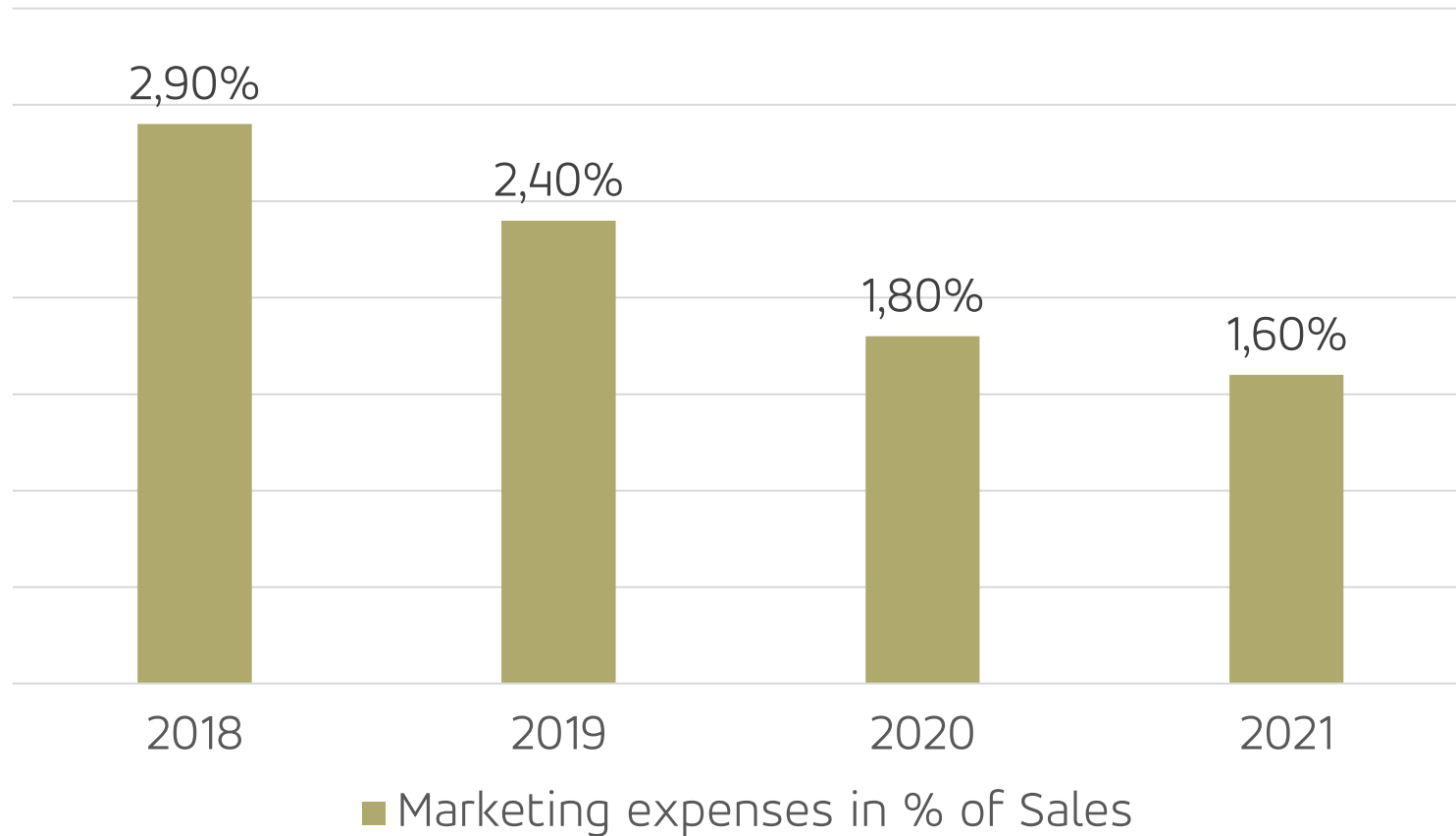


- Switzerland
- Europe
- Asia
- Americas

Tornos today is more internationally positioned than ever and this is evident in terms of employees, production and sales.

Flexibility Marketing Expenses

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While pandemic-related travel restrictions limits our trade show presence, our ongoing digital transformation yielded savings in areas like marketing.

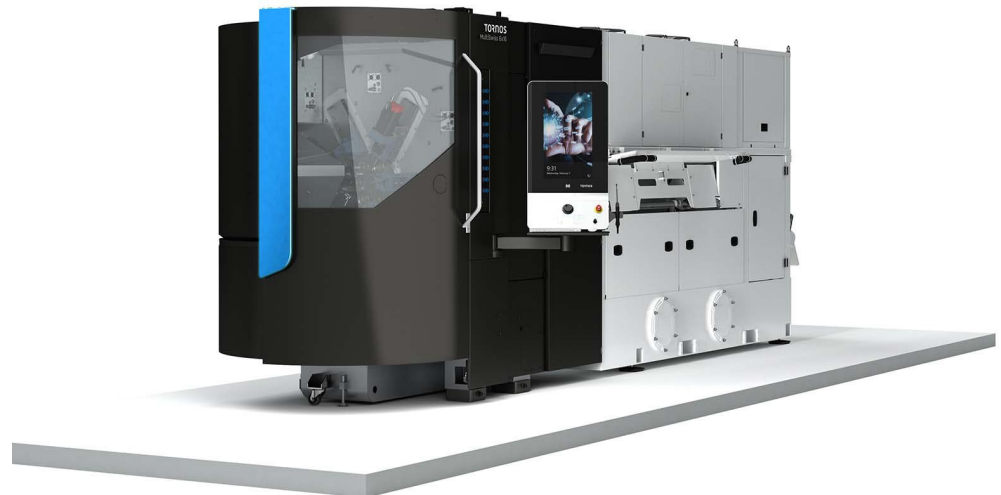
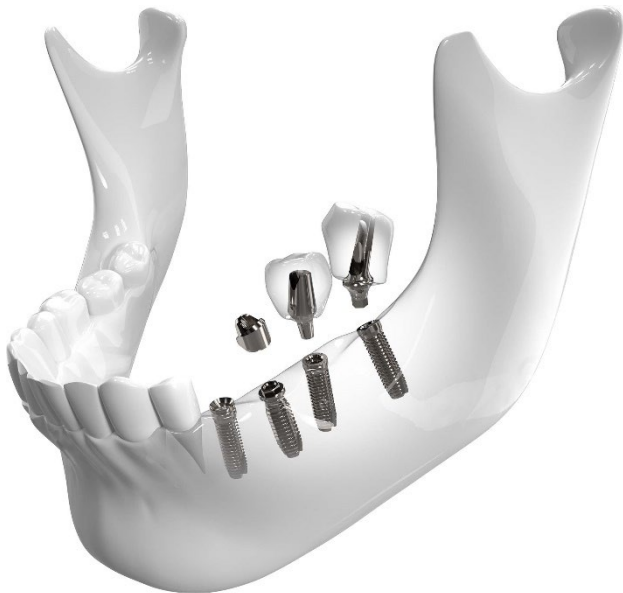
Innovation
Swiss DT range

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Innovation *SwissDECO and MultiSwiss*

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Innovation

TISIS: programming and communication software

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Differentiation *DECO 10 Plus*

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Excellence
Assembly line plant Switzerland

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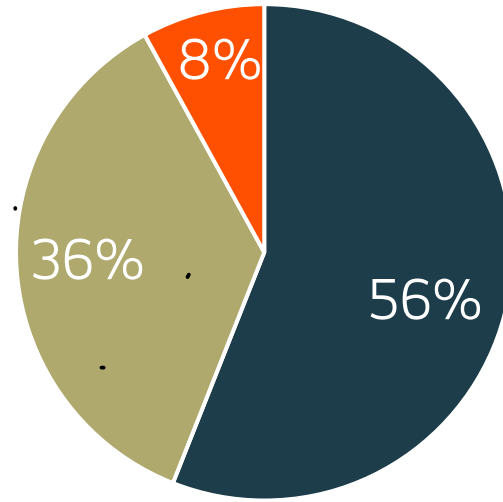
Excellence
New plant in Taiwan

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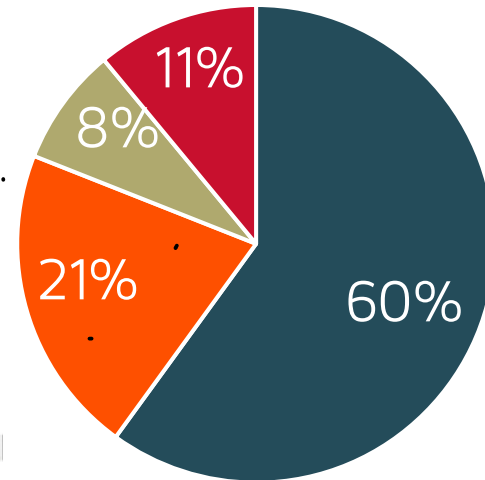
Segmentation Dependence on Automotive industry

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- Others
- Automotive
- Automotive (Internal combustion engine)

Tornos' product line grew 182% in 2021 versus the previous year, but we have reduced our dependence on the Automotive industry.



■ Medical & Dental ■ Micromechanics
■ Electronics ■ Others

Tornos' SwissNano product line grew by 267% in 2021 versus the previous year, driven by demand from Medical & Dental which accounted for 60% of SwissNano sales.

Segmentation *MultiSwiss application extension*

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Polyaxial screw Locking screw Polyaxial head



I. Dental implant

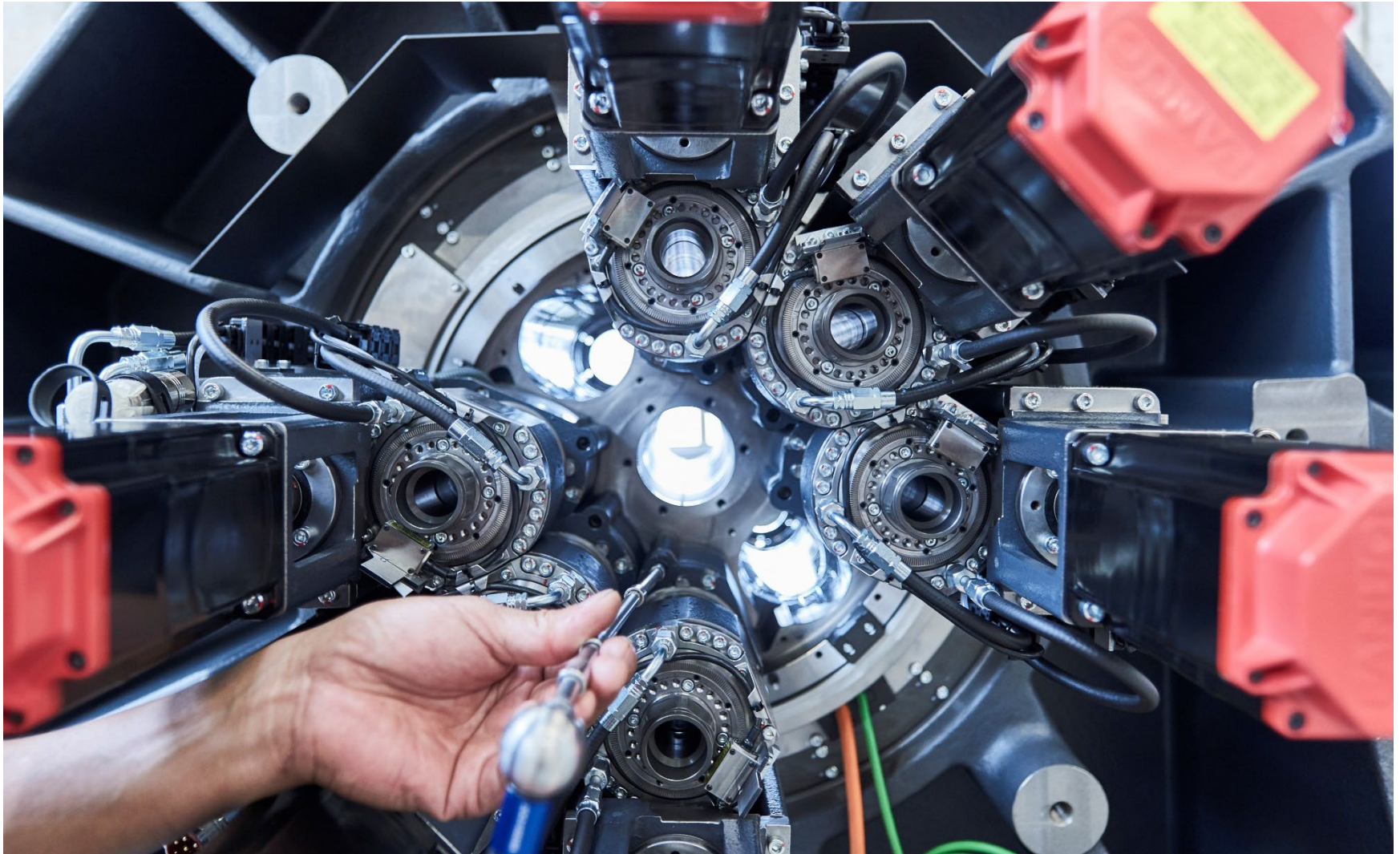
	Cycle time
Current technology	150 sec
MultiSwiss 6x16	35 sec

Savings: 77%

II. Trauma/maxillofacial screw

	Cycle time
Current technology	200 sec
MultiSwiss 8x26	45 sec

Savings: 78%



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Questions and answers

Investor relations

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For more details on Tornos Group, please refer to www.tornos.com

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We keep you turning

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THANK YOU FOR YOUR
ATTENTION.