Ad hoc announcement pursuant to Art. 53 LR

Phoenix Mecano maintains operational performance, temporary slowdown due to tariff conflict

The Phoenix Mecano Group recorded a slight decline in sales and a drop in profits in the first half of 2025 compared with the previous year. Its industrial divisions, Industrial Components and Enclosure Systems, maintained stable overall sales, while the DewertOkin Technology Group faced a temporary standstill in global supply chains in the second quarter, resulting in lower sales and operating profit.

Kloten/Stein am Rhein, 19 August 2025. At EUR 380.3 million, Phoenix Mecano's consolidated gross sales in the first half of 2025 were 1.5% down on the previous year's figure (EUR 386.2 million). Organic, local-currency sales fell by 1.2%. The Industrial Components division saw a slight increase in sales. In the DewertOkin Technology (DOT) Group and Enclosure Systems divisions, sales were slightly down.

Net sales totalled EUR 376.6 million (previous year: EUR 382.1 million). Incoming orders fell by 3.3% to EUR 375.6 million. In organic, local-currency terms, they declined by 2.6%. The book-to-bill ratio was 0.99, compared with 1.01 the previous year. The ratio was above 1.0 in the two industrial divisions, while the DOT Group's figure was lower because of the sharp drop in orders due to the tariff conflict.

The operating cash flow (EBITDA) fell by 12.8% from EUR 37.7 million to EUR 32.8 million, and the operating result (EBIT) by 18.8% from EUR 26.2 million to EUR 21.3 million. The latter was impacted by one-off expenses of around EUR 3 million for a performance enhancement package in the Industrial Components division.

The result of the period was down 20.8% at EUR 14.4 million (previous year: EUR 18.2 million).

After almost 10 years with the company, Chief Commercial & Digital Officer Ines Kljucar is leaving Phoenix Mecano at the end of the year, at her own request, to pursue a new professional challenge.

Division performance

Sales in the **Enclosure Systems** division dropped by 1.4% from EUR 111.5 million to EUR 110.0 million. In organic, local-currency terms, they were down 1.1%. The operating result declined slightly from EUR 15.8 million to EUR 15.2 million while the operating margin contracted from 14.2% to 13.8%.

Customers in the mechanical engineering, automotive and building automation sectors delayed orders and reduced inventories on account of economic conditions. Meanwhile, the explosion-proof enclosures business area benefited from process automation and plant engineering projects worldwide. In the electronic enclosures segment, the new BoVersa product was very well received by the market thanks to its lighting option and the combination of a cooling aluminium base with a radio-permeable plastic top.

Mathias Wolpiansky took over as head of the Enclosure Systems division at the start of May. He has over 20 years' experience in a variety of management positions in international industrial companies. Dr Heinz Werner Rixen, who has led the division since 2013, will be retiring after a handover period.

Gross sales in the **Industrial Components** division rose from EUR 94.5 million to EUR 96.0 million. In organic, local-currency terms, they were down slightly by 0.4%. The operating result declined from EUR 4.3 million to EUR 2.4 million while the operating margin shrank from 4.6% to 2.5%. The division's result was impacted by performance enhancement initiatives totalling around EUR 3 million.

Demand for modular industrial automation solutions remained low in the core European markets.

By contrast, there was continued high demand for products from the Measuring Technology business area, particularly those relating to power management for smart distribution grids and high-voltage direct current (HVDC) transmission. A business takeover in 2024 led to sales increases and cost synergies. Orders for split-core current transformers for data centres were received for the first time.

In the Electrotechnical Components business area, customer inventories – and thus supply chains – continued to normalise. As a result, business began to pick up slightly despite a difficult economic environment.

The **DewertOkin Technology Group** (DOT Group) division saw its gross sales drop by 3.3% to EUR 169.7 million. In organic, local-currency terms, there was a 1.4% decline. The operating result fell from EUR 9.9 million to EUR 5.6 million and the operating margin from 5.7% to 3.3%. Volatile business development and digitisation initiatives in the medical technology products segment weighed on the division's result.

The new US tariff regime had a considerable impact on the ordering behaviour of DOT Group customers. Some tariff rates affecting the furniture industry saw significant increases, which exacerbated the uncertainty already prevailing in the markets in the second quarter. End customers in the key US market remained cautious, while furniture manufacturers scaled back their inventories, which led to a virtual standstill in global supply chains and in orders from OEMs. This resulted in a double-digit decline in incoming orders and sales, affecting all of the division's business areas. There are now some signs of revival. DOT Group customers are increasingly working to shift production volumes to Southeast Asia. The division responded quickly to this trend and is boosting capacity in Vietnam.

At the beginning of July, DOT Group COO Zhangming Yang took over as the division's CEO. He has more than 20 years' experience in management positions in industry in Europe and China. The previous division head, Dr Josef Gross, will stay on as chairman of the DOT Group's Board of Directors.

Outlook

While the new US tariffs for Switzerland have virtually no direct impact on Phoenix Mecano, the announcement of the new tariff regime led to considerable uncertainty and a noticeable downturn in business activity in key end markets for the Phoenix Mecano Group. The DOT Group division experienced a significant slowdown in its supply chains.

The Phoenix Mecano Group's management assumes that this downturn will be temporary.

Not anticipating any further economic deterioration in the second half of the year, it expects the situation to normalise in the Group's main business areas. Phoenix Mecano remains resilient and, thanks to its consistent focus on applications with structural growth drivers, will be able to benefit early from the next upturn. In so doing, it will leverage its operational agility, global production network and distinctive proximity to markets to generate robust cash flow.

CEO Rochus Kobler said: "We're responding to the current challenges with a strategic focus on high-growth applications and targeted investments in efficiency improvements."

In view of the ongoing uncertainties, the Group's Board of Directors and management expect the operating result for the year as a whole to be up to 20% lower than in 2024, assuming stable overall development for the rest of the year.

The full half-year report will be available as a PDF download on our website from 19 August 2025.

A webcast discussing our results will take place at 10.00 CEST today. If you have not signed up yet, you can do so here. Registration will close at 9.45 CEST.

About Phoenix Mecano

The Phoenix Mecano Group is a global player in the enclosures and industrial components segments and is a leader in many markets. Headquartered in Stein am Rhein, Switzerland, the Group employs around 7,000 people worldwide and generated sales of EUR 779.5 million in 2024. It is geared towards the manufacture of niche products and system solutions for customers in the mechanical engineering, measurement and control technology, medical technology, aerospace technology, alternative energy, and home and hospital care sectors. Phoenix Mecano was founded in 1975 – 50 years ago this year – and has been listed on the Swiss stock exchange since 1988.

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Results Half year 1 2025 (in EUR million)

	1-6 2024	1-6 2025	in %
Incoming orders	388.3	375.6	-3.3
Gross sales	386.2	380.3	-1.5
per division:			
Enclosure Systems	111.5	110.0	-1.4
Industrial Components	94.5	96.0	1.7
DewertOkin Technology Group	175.4	169.7	-3.3
Other	4.8	4.6	-3.2
Net sales	382.1	376.6	-1.4
Operating cash flow	37.7	32.8	-12.8
Margin	9.8%	8.6%	
Operating result	26.2	21.3	-18.8
Margin	6.8%	5.6%	
per division:			
Enclosure Systems	15.8	15.2	-3.8
	14.2%	13.8%	
Industrial Components	4.3	2.4	-44.4
	4.6%	2.5%	
DewertOkin Technology Group	9.9	5.6	-43.2
	5.7%	3.3%	
Other	-3.8	-1.9	48.7
Result of the period	18.2	14.4	-20.8
Margin	4.7%	3.8%	