

Consolidated Income Statement

in CHF 1 000	Notes	January–June 2024	%	January–June 2023	%
Net sales	6	430 587	100.0	477 273	100.0
Cost of goods sold		(274 524)		(310 564)	
Gross profit		156 063	36.2	166 709	34.9
Selling expense		(61 916)		(62 360)	
Administrative expense		(25 694)		(29 225)	
Research and development expense		(28 324)		(29 218)	
Other operating expense		(132)		(319)	
Other operating income		1 489		1 381	
Operating profit (EBIT)	6	41 486	9.6	46 968	9.8
Financial result		(385)		(1 584)	
Income before taxes		41 101	9.5	45 384	9.5
Income taxes		(6 301)		(7 153)	
Net income		34 800	8.1	38 231	8.0
Attributable to shareholders of HUBER+SUHNER AG		34 532		37 949	
Attributable to minority interests		268		282	
Data per share					
in CHF		January–June 2024		January–June 2023	
Undiluted / diluted earnings per share		1.87		2.05	

The notes are an integral part of the consolidated financial statements.

Consolidated Balance Sheet

in CHF 1 000	Notes	30.06.2024	%	31.12.2023	%
Assets					
Cash and cash equivalents		126 660		108 100	
Marketable securities		25 000		55 000	
Trade receivables		178 169		131 101	
Other short-term receivables		22 715		21 444	
Inventories		161 964		163 190	
Accrued income		8 842		5 115	
Current assets		523 350	63.5	483 950	62.3
Property, plant and equipment		231 105		226 554	
Intangible assets		29 487		28 820	
Financial assets		24 240		23 703	
Deferred tax assets		15 817		13 999	
Non-current assets		300 649	36.5	293 076	37.7
Assets		823 999	100.0	777 026	100.0
Liabilities and equity					
Trade payables		85 072		60 614	
Other short-term liabilities		58 117		49 910	
Short-term provisions		10 321		10 158	
Accrued liabilities		17 662		15 654	
Current liabilities		171 172	20.8	136 336	17.6
Other long-term liabilities		2 345		2 345	
Long-term provisions		7 396		7 433	
Deferred tax liabilities		21 180		21 283	
Non-current liabilities		30 921	3.8	31 061	4.0
Liabilities		202 093	24.6	167 397	21.6
Share capital ¹⁾		4 798		5 050	
Capital reserves ¹⁾		(47 550)		33 478	
Treasury shares ¹⁾		(192)		(82 379)	
Retained earnings		662 065		650 997	
Equity attributable to shareholders of HUBER+SUHNER AG		619 121	75.1	607 146	78.1
Minority interests		2 785	0.3	2 483	0.3
Total equity		621 906	75.4	609 629	78.4
Liabilities and equity		823 999	100.0	777 026	100.0

¹⁾ See [footnote 1](#)) at the end of the Consolidated Statement of Equity.

The notes are an integral part of the consolidated financial statements.

Consolidated Cash Flow Statement

in CHF 1 000	Notes	January–June 2024	January–June 2023
Net income		34 800	38 231
Income taxes		6 301	7 153
Depreciation of property, plant and equipment and intangible assets		17 389	16 548
Other non-cash items		64	(5 931)
Loss/profit from the disposal of property, plant and equipment		(74)	(372)
Change in trade receivables		(43 233)	(14 994)
Change in inventories		4 845	14 591
Change in other receivables and accrued income		(7 398)	2 345
Change in trade payables		23 146	(4 155)
Change in other liabilities and accrued liabilities		8 506	(5 375)
Change in provisions		52	(4 538)
Income tax paid		(6 604)	(12 337)
Interest paid		(26)	(36)
Cash flow from operating activities		37 768	31 130
Purchases of property, plant and equipment		(17 091)	(15 928)
Proceeds from sale of property, plant and equipment		191	244
Purchases of intangible assets		(2 692)	(5 080)
Purchases and disposals of financial assets		14	(57)
Sale of marketable securities		30 000	–
Interest received		1 161	831
Cash outflow from acquisition	4	–	(1 498)
Cash flow from investing activities		11 583	(21 488)
Payment of dividend		(31 388)	(38 773)
Payment of dividend to minority interests		–	(318)
Purchase of treasury shares ¹⁾		(902)	(8 180)
Cash flow from financing activities		(32 290)	(47 271)
Effect of exchange rate changes on cash		1 499	(1 645)
Net change in cash and cash equivalents		18 560	(39 274)
Cash and cash equivalents at 1.1.		108 100	151 138
Cash and cash equivalents at 30.6.		126 660	111 864
Net change in cash and cash equivalents		18 560	(39 274)

¹⁾ See [footnote 1](#)) at the end of the Consolidated Statement of Equity.

The notes are an integral part of the consolidated financial statements.

Consolidated Statement of Equity

in CHF 1 000	Share capital	Capital reserves	Treasury shares	Other retained earnings	Goodwill offset	Transla- tion dif- ferences	Retained earnings	Equity attribut- able to share- holders of H+S AG	Minority interests	Total equity
Balance at 31.12.2022	5 050	33 480	(75 231)	833 627	(146 980)	(46 589)	640 058	603 357	3 295	606 652
Net income	-	-	-	37 949	-	-	37 949	37 949	282	38 231
Dividend paid	-	-	-	(38 773)	-	-	(38 773)	(38 773)	(318)	(39 091)
Purchase of treasury shares ¹⁾	-	-	(8 180)	-	-	-	-	(8 180)	-	(8 180)
Share- based payment	-	(2)	1 811	(1 400)	-	-	(1 400)	409	-	409
Goodwill offset	-	-	-	-	277	-	277	277	-	277
Currency translation differences	-	-	-	-	-	(4 791)	(4 791)	(4 791)	(95)	(4 886)
Balance at 30.6.2023	5 050	33 478	(81 600)	831 403	(146 703)	(51 380)	633 320	590 248	3 164	593 412
Balance at 31.12.2023	5 050	33 478	(82 379)	858 525	(146 703)	(60 825)	650 997	607 146	2 483	609 629
Net income	-	-	-	34 532	-	-	34 532	34 532	268	34 800
Dividend paid	-	-	-	(31 388)	-	-	(31 388)	(31 388)	-	(31 388)
Capital reduction ¹⁾	(252)	(81 165)	81 417	-	-	-	-	-	-	-
Purchase of treasury shares	-	-	(902)	-	-	-	-	(902)	-	(902)
Share- based payment	-	137	1 672	(870)	-	-	(870)	939	-	939
Currency translation differences	-	-	-	-	-	8 794	8 794	8 794	34	8 828
Balance at 30.6.2024	4 798	(47 550)	(192)	860 799	(146 703)	(52 031)	662 065	619 121	2 785	621 906

¹⁾ Following approval by the Annual General Meeting on 27 March 2024, the shares acquired as part of the share buyback programme completed in March 2023 have been cancelled by means of a capital reduction. In total 1'010'000 treasury shares were purchased back at an average share price of CHF 80.61, amounting to CHF 81.4 million.

The notes are an integral part of the consolidated financial statements.

Notes to Group Financial Statements

1 General

This unaudited Half-year Report was approved by the Board of Directors on 15 August 2024 and released for publication on 20 August 2024.

2 Accounting policies

The consolidated Half-year Report was prepared in accordance with Swiss GAAP FER 31 “Complementary recommendation for listed companies” and the accounting policies set out in the Annual Report 2023. Additionally, Swiss GAAP FER 28 “Government grants” and Swiss GAAP FER 30 “Consolidated financial statements” entered into force per 1 January 2024 (see [note 3](#)).

This Half-year Report is an interim report, which allows simplifications in comparison to an Annual Report.

The consolidated financial statements of the HUBER+SUHNER Group are based on the individual financial statements of the Group companies and were prepared in accordance with current Swiss GAAP FER (Swiss Accounting and Reporting Recommendations) guidelines. Unless otherwise stated in the Annual Report 2023, the consolidated financial statements have been prepared under the historical cost convention.

Due to rounding, numbers presented throughout this report may not add up precisely to the totals provided. All ratios and deltas are calculated using the underlying amount rather than the presented rounded amount.

3 Changes in Swiss GAAP FER accounting principles per 1 January 2024

The **Swiss GAAP FER 28** standard “Government grants” was published in 2022 with effective date 1 January 2024. Government grants are recognised when there is reasonable assurance that the HUBER+SUHNER Group complies with any conditions attached to the grant and the value can be estimated reliably.

Government grants related to assets are offset against the purchased or manufactured cost of the asset. The reduced depreciation amounts are thus taken into account in profit or loss over the useful life of the assets. Government grants related to income are presented in the income statement as “Other operating income” or in objectively justified cases are offset against the corresponding expenses.

The adoption of the new Swiss GAAP FER 28 standard has no impact on HUBER+SUHNER Group's net income, because the accounting entries had been already booked accordingly in previous years.

The **Swiss GAAP FER 30** standard “Consolidated financial statements” was revised in 2022 with effective date 1 January 2024. The implication of the revised Swiss GAAP FER 30 was assessed and it was decided, that the following accounting policy choice regarding goodwill and intangible accounting regarding acquired businesses is applied: As of 1 January 2024, acquired intangible assets which are relevant to the decision to obtain control are identified, recognised and amortised over the useful life (Swiss GAAP FER 30, 14). The remaining goodwill or badwill are offset as in the past against equity (Swiss GAAP FER 30, 15 and 19).

Previously, any resulting goodwill was directly and completely offset against equity after deducting the net assets acquired and revalued at the acquisition date, without identifying, recognising and amortising acquired intangible assets separately.

4 Changes in the scope of consolidation and other changes

There were no changes in the scope of consolidation in the first half year 2024.

In June 2023 the outstanding payment for the acquisition of Phoenix Dynamics Ltd. (acquired in 2022), has been reduced from CHF 1.8 million to CHF 1.5 million as the criteria for deferred payment were not fully achieved. CHF 1.5 million was paid and the goodwill was reduced accordingly by CHF 0.3 million. Phoenix Dynamics Ltd. is reported in the Industry segment.

5 Exchange rates for currency translation

The following exchange rates were used for the Group's main currencies:

	Spot rates for the consolidated balance sheet		Average rates for the consolidated income and cash flow statement	
	30.06.2024	31.12.2023	January–June 2024	January–June 2023
1 EUR	0.96	0.94	0.97	0.99
1 USD	0.90	0.85	0.89	0.91
100 CNY	12.34	11.93	12.38	13.08
1 GBP	1.14	1.09	1.13	1.13
100 INR	1.07	1.02	1.07	1.11
1 PLN	0.22	0.22	0.22	0.21
1 HKD	0.11	0.11	0.11	0.12
1 AUD	0.60	0.58	0.59	0.61

6 Segment information

The segment reporting of HUBER+SUHNER consists of three market segments and Corporate.

Industry segment

HUBER+SUHNER utilises its expertise in electrical and optical connectivity in developing advanced and differentiated solutions for demanding applications in a variety of industrial markets. Customers benefit from a wide range that encompasses components such as cables, connectors, cable assemblies, antennas, lightning protection and resistive components – all of which can be customised to meet specific requirements. This comprehensive portfolio features products specifically designed to withstand the extreme environments of space and offshore applications, ensure data integrity and connectivity to safeguard protective forces, guarantee accuracy and repeatability for test and measurement systems, maintain safe-handling in high power electric car charging, provide lifetime data transfer and control for wind energy and industrial automation, and deliver the precision and flexibility necessary for medical applications in improving lives.

Markets served: test and measurement, aerospace and defense, high power charging, general industrial.

Communication segment

HUBER+SUHNER is a strategic partner to the communication market combining profound technical expertise with extensive customer intimacy to meet the needs of mobile networks, fixed access networks, data centers and communication equipment manufacturers. Customers benefit from a comprehensive and customisable portfolio of physical layer connectivity products and systems that are based on fiber optic and radio frequency technologies. HUBER+SUHNER provides an extensive range of reliable, future-ready solutions that pull from products including harsh environment connectivity, antenna transmission, residential access, video overlay, bandwidth expansion, cable systems, cable management, hardware interconnection, optical switching and wavelength-selective switching. Each solution is designed and engineered to provide the highest performance, density and scalability for today and far into the future.

Markets served: mobile network, fixed access network, data center, communication equipment manufacturer.

Transportation segment

HUBER+SUHNER develops comprehensive and sustainable connectivity solutions for the transportation market by combining three in-house technologies into innovations. The solutions in the transportation segment address the mobility needs of today and tomorrow in the railway and automotive markets. These needs also include the addition of communication solutions and thus the possibility of being mobile while being connected. The portfolio includes an extensive range of cables, cable assemblies, hybrid cables and cable systems, as well as antennas, radar and connectors. By specialising in polymer compounds using a patented formula developed in-house for high-quality cable insulation, and in combination with electron beam cross-linking technology, low frequency cable products offer competitive advantages of space and weight savings, and long lifetime, even under extreme conditions. Altogether, customers benefit from efficient electrical transmission, high-speed data transfer, and autonomous control in future ready transportation concepts.

Markets served: railway (rolling stock, rail communications), automotive (electric vehicle, advanced driver assistance system).

Corporate

This segment chiefly covers the expenses of corporate functions in Switzerland and all business activities that cannot be allocated to one of the three market segments.

	January–June 2024	January–June 2023
Net sales by segment		
Industry	134 846	159 575
Communication	155 952	169 815
Transportation	139 789	147 883
Total net sales	430 587	477 273
	January–June 2024	January–June 2023
Operating profit (EBIT)		
Industry	22 936	30 213
Communication	10 431	6 218
Transportation	12 428	15 483
Corporate	(4 309)	(4 946)
Total operating profit (EBIT)	41 486	46 968

7 Events after the balance sheet date

No events occurred between the balance sheet date and the date this half-year report was approved by the Board of Directors which affect the half-year results or require any adjustments to the Group's assets and liabilities.