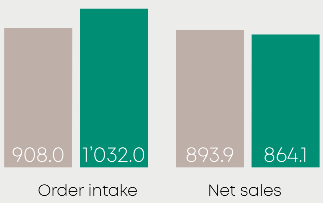
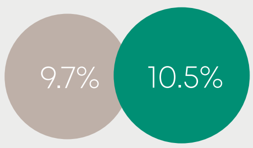
Management Report 2025

Key facts at a glance

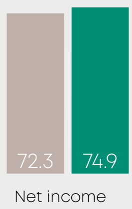
Order intake exceeds billion mark for the first time – net sales down 3.3%



EBIT margin of 10.5%, improvement of 80 basis points



Net income rises 3.6% – dividend increase to CHF 2.00 proposed



Three of four growth initiatives with positive development

Industry with double-digit growth – strong oders in Communication – Transportation stabilised

Climate targets: emissi-ons in Scope 1+2 up 8.3%, in Scope 3 down 23.1%

■ 2024 ■ 2025 in CHF million

HUBER+SUHNER

HUBER+SUHNER achieves record order intake and higher profit

Urs Kaufmann (Chairman) and Urs Ryffel (CEO)

The year 2025 was marked by geopolitical and economic uncertainties, including the introduction of significant trade barriers. In this challenging environment, HUBER+SUHNER was able to perform very well, strengthening its position in important target markets. This led to more than a billion Swiss francs in orders, organic sales at the prior-year level and increased profit.

Order intake in 2025 amounted to CHF 1'032.0 million, 13.7% above the 2024 figure and balanced over both halves of the year. The strong development was mainly due to progress in the Data Center growth initiative in the Communication segment as well as broad-based demand in the Industry segment. At the end of December, the order backlog stood at CHF 432.2 million. The book-to-bill rate was 1.19, compared to 1.02 in the previous year.

Due to the strong Swiss franc, net sales declined by 3.3% to CHF 864.1 million in 2025. Adjusted for currency, copper price and portfolio effects, sales amounted to CHF 894.7 million, corresponding to the prior-year level. After a major project in India had led to a significant increase in sales in the Asia-Pacific region in the previous year, momentum shifted in 2025 to the American market, in particular. This was partly thanks to the positive development in the Industry segment. The EMEA region also recorded slight growth. The distribution of sales at the end of December was as follows: 55% (PY 50%) in EMEA, 21% (PY 31%) in Asia-Pacific, 24% (PY 19%) in the Americas.

The gross margin increased to 37.9% in 2025, up from 35.4% in the previous year. This was a result of growth in higher-margin business, which also helped offset additional costs due to US import tariffs. The company once again invested a high CHF 61.5 million in research and development, representing 7.1% of net sales, to further strengthen its position and differentiation in key markets through continuous innovation. The number of employees at the end of the reporting year was 4'224 (PY 3'975) and 1'176 (PY 1'164) in Switzerland.

Operating profit (EBIT) improved by 4.9% year-over-year to CHF 90.8 million. The EBIT margin rose by 80 basis points to 10.5%. Thanks to the continued low tax rate, net income increased by 3.6% to CHF 74.9 million, which corresponds to earnings per share of CHF 4.03.

Free operating cash flow amounted to CHF 69.5 million at the end of 2025, impacted on the one hand by high investment activities and on the other hand by the active management of net working capital. Net liquidity increased to CHF 211.1 million. The return on invested capital (ROIC) rose to 17.1% from 16.8% in 2024.

Different dynamics in target markets

HUBER+SUHNER's target markets are subject to different cycles, trends and development stages of the technologies demanded by customers. This was once more reflected in the segments' individual 2025 results, while the broad diversification of the product portfolio contributed to resilience overall.

After HUBER+SUHNER's business had benefitted significantly from a major project in India in the previous year, the company sought to close the gap after the end of the project, primarily through progress in its growth initiatives. Three out of four of these initiatives – Aerospace & Defense, Data Center and Rail Communications – showed a positive development, while the Electric Vehicle growth initiative again remained below expectations in 2025.

Industry segment achieves double-digit growth and strengthens profitability

In 2025, the Industry segment recorded broad-based demand for connectivity solutions for diverse applications, steadily gaining momentum over the course of the reporting period. Order intake in the segment increased by 16.2% to CHF 355.7 million. All subsegments – Test & Measurement, High Power Charging, General Industrial, and particularly the Aerospace & Defense growth initiative – developed positively. Net sales climbed by 17.5% to CHF 325.2 million, also thanks to a strong contribution from the growth initiative, which benefitted from rising defense budgets and continued investments in commercial satellite programmes. The book-to-bill rate at the end of December was 1.09. The EBIT margin in the Industry segment improved by 100 basis points to 18.0%.

Demand in the Data Center growth initiative leads to order growth in the Communication segment

Thanks to major orders for optical circuit switches (OCS) from a global operator of hyperscaler data center infrastructures, order intake in the Communication segment increased by a total of 21.9% to CHF 418.3 million in 2025. The OCS orders are expected to lead to significant sales for the Data Center growth initiative starting in 2026. In contrast, generally weak demand in the communications market impacted the Mobile Network and Fixed Access Network subsegments, which saw declining business volumes. Compared to the prior-year period, which included the aforementioned India project, net sales fell by 22.4% to CHF 274.4 million. The book-to-bill rate was 1.52 at the end of December. The EBIT margin declined by 20 basis points to 7.9%.

Transportation segment with stable business volume and improved profitability

After a decrease in the previous year, the Transportation segment stabilised in 2025. Order intake and net sales were almost unchanged at CHF 258.0 million and CHF 264.5 million, respectively, resulting in a book-to-bill rate of 0.98. The larger Railway subsegment recorded higher sales while orders remained stable, with the Rail Communications growth initiative making a positive contribution. In contrast, the Automotive subsegment recorded lower sales while order intake showed a slightly positive trend. The Electric Vehicle growth initiative continued to perform below expectations, with no signs of a significant market upturn in 2025. The segment's EBIT margin recovered compared to the previous year, rising by 70 basis points to 8.0%.

Sustainability reporting

HUBER+SUHNER's connectivity solutions meet human needs for environmentally friendly mobility, seamless communication and personal safety. The company places customer value at the centre of its business activities while focussing on sustainability. The 2025 Non-financial Report describes the progress made by the company in its sustainability strategy. It covers the obligations formulated under Article 964b of the Swiss Code of Obligations, the Ordinance on Due Diligence and Transparency in Relation to Minerals and Metals from Conflict-Affected Areas and Child Labour (DDTrO), as well as the Climate Ordinance.

In 2025, the new climate targets submitted by HUBER+SUHNER were verified by SBTi (Science Based Targets initiative) – an important milestone. By 2030, the company aims to reduce absolute emissions by 55% in Scope 1+2 (operational emissions) and by 25% in Scope 3 (emissions that arise in the upstream and downstream value chain). In the reporting year, HUBER+SUHNER also reached the Scope 1+2 targets already validated by SBTi in 2017. Furthermore, the sustainability reporting was prepared with reference to the European Sustainability Reporting Standards (ESRS). The 2025 Non-financial Report is available at https://reports.hubersuhner.com/2025/ar/.

Risk management

As part of continuous risk management, the Board of Directors assessed the corporate risks at its meeting on 4 December 2025 and adopted the 2025 risk report including defined measures.

Dividend

The Board of Directors proposes a higher dividend of CHF 2.00 per share to the Annual General Meeting, compared to CHF 1.90 in the previous year. This would result in a payout ratio of 50%, at the upper end of the defined range of 40–50%.

Outlook

In an environment characterised by uncertainty in 2025, HUBER+SUHNER strengthened its position in key target markets and significantly improved its profitability. A strong contribution was made by the Industry segment, which created a good starting point for 2026 on the back of increasing momentum throughout last year. For the Aerospace & Defense growth initiative, in particular, continuous sales growth is expected. In the Communication segment, it is important to deliver on the high order backlog in the Data Center growth initiative and to unlock further business opportunities. The successful ramp-up of OCS production capacity is an essential prerequisite for this. In the Transportation segment, the Rail Communications growth initiative in the Railway business should continue to develop positively and, in the medium term, the market for electromobility solutions in the commercial vehicle sector is expected to pick up.

HUBER+SUHNER has innovation, customer proximity and operational excellence at its heart. These strengths, demonstrated by very committed and capable colleagues across the entire organisation, shape the company's culture and are continuously being built on. Diversification, a focus on attractive growth markets and employees' contribution ensure resilience and sustainable success – even in challenging times.

Due to the good order backlog and the positive momentum in its growth initiatives, HUBER+SUHNER expects to achieve organic sales growth of at least 10% in 2026. The medium-term target range of 9–12% for the EBIT margin remains in place. For the current fiscal year, the company seeks to reach an EBIT margin within the upper half of the target range. The guidance assumes that key influencing factors such as inflation, exchange rates and geopolitical tensions do not have an excessively negative impact on the business.

Thank you

On behalf of the Board of Directors and the Executive Group Management, we would like to express our gratitude to all employees worldwide for their continued commitment and high level of engagement. It is thanks to their contribution and reliable performance that HUBER+SUHNER was able to develop favourably in the past financial year. We would also like to thank our shareholders, customers and suppliers for their cooperative partnership, their loyalty and the trust they have placed in us.

Urs Kaufmann
Chairman of the Board of Directors

Urs Ryffel
Chief Executive Officer

Industry

Increased momentum throughout the year thanks to broad-based demand

The Industry segment showed a strong development on a broad basis in 2025. The Aerospace & Defense growth initiative made a major contribution, continuing to benefit from rising defense spending and ongoing investments in satellite programmes. HUBER+SUHNER is ideally positioned to offer integrated solutions based on high frequency, fiber optics and low frequency technologies in this area.
The Test & Measurement subsegment saw a significant recovery in business volume in 2025 compared to the previous year. Positive demand dynamics can be observed, among other things, in test applications for transceivers used in data centers. Further opportunities arise from automation in test environments.
The High Power Charging subsegment also recorded higher order intake and sales in the reporting period. This was largely attributable to greater regional diversification, which is expected to continue in 2026. Furthermore, HUBER+SUHNER was also to win additional projects in market niches such as Quantum Computing and Energy.

Key figures In CHF million	2025	2024	Change
Order intake	355.7	306.1	16.2%
Net sales	325.2	276.7	17.5%
Operating profit (EBIT)	58.4	47.0	24.2%
EBIT margin in %	18.0	17.0	

Communication

Order growth thanks to demand for optical circuit switches for data centers

In the Communication segment, significant progress in the Data Center growth initiative – driven by major orders for optical circuit switches (OCS) in 2025 – was offset by declining business volumes in other subsegments.
Supported by investments in artificial intelligence infrastructure and given the requirements from growing data usage, demand for technologies such as OCS is likely to accelerate further. HUBER+SUHNER is working intensively to ramp up production in order to deliver on existing customer orders and to be able to meet additional demand.
In an overall cautious investment environment for fixed access and mobile communications, especially in Europe, significant infrastructure programmes continue to exist in markets such as India. Thanks to its global presence, the company is ideally positioned to capitalise on these opportunities as they arise. Additionally, HUBER+SUHNER is well positioned for future technology cycles such as 6G.

Key figures In CHF million	2025	2024	Change
Order intake	418.3	343.2	21.9%
Net sales	274.4	353.6	(22.4%)
Operating profit (EBIT)	21.6	28.7	(24.8%)
EBIT margin in %	7.9	8.1	

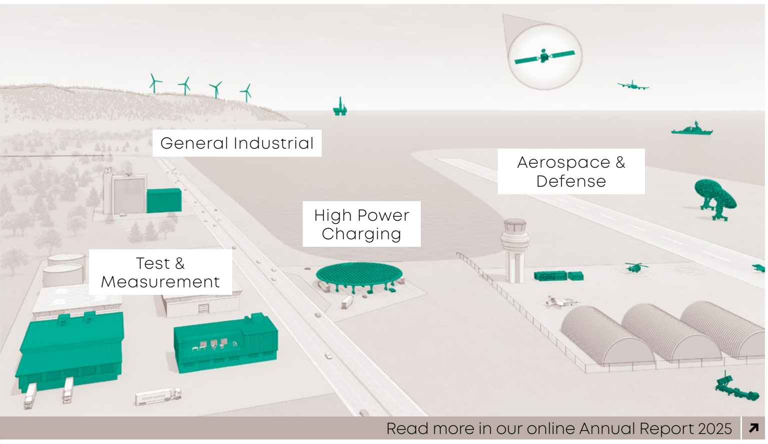
Transportation

Stabilisation after decline in the previous year

In the Transportation segment, the Railway and Automotive subsegments again showed diverging developments in 2025. In the reporting year, the Railway subsegment recorded solid demand for solutions enabling power and data transmission in rolling stock, with global investment programmes for the retrofitting or outfitting of new fleets expected to continue. The Rail Communications growth initiative, in particular, addresses passengers' need for connectivity and communication between the moving train and the fixed railway infrastructure, for example through components such as active and passive antennas as well as integrated solutions.
In 2025, the automotive market did not see a significant recovery. Accordingly, the Electric Vehicle growth initiative was subject to slower demand for solutions for high-voltage cabling in commercial vehicles. HUBER+SUHNER expects positive impetus in the medium term, as the new generation of e-trucks has already proven to be economically viable. The Advanced Driver Assistance System (ADAS) business, which develops radar antennas for automated driving – especially in passenger vehicles – made slight progress in 2025.

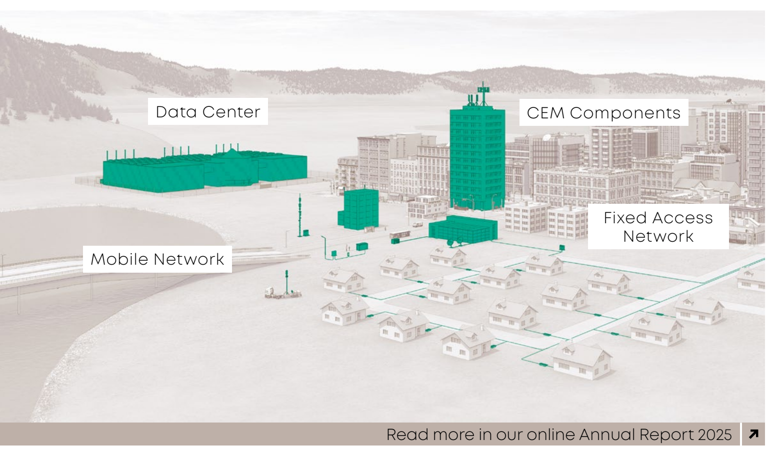
Key figures In CHF million	2025	2024	Change
Order intake	258.0	258.7	(0.3%)
Net sales	264.5	263.6	0.3%
Operating profit (EBIT)	21.0	19.1	9.9%
EBIT margin in %	8.0	7.3	

Our solutions in the Industry segment



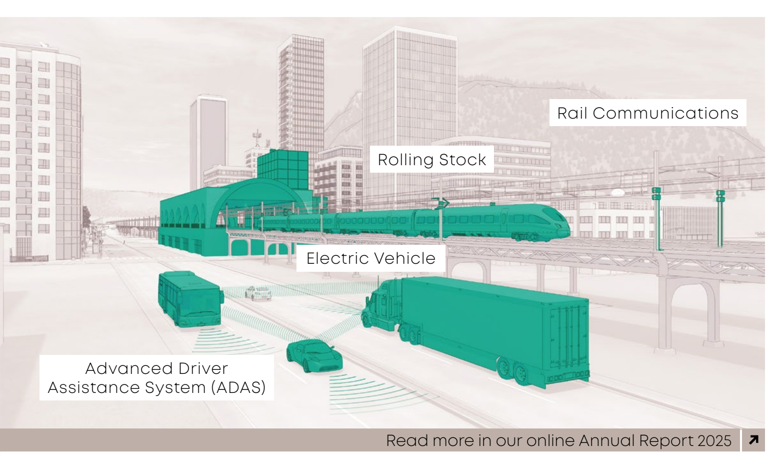
Connecting discovery: powering quantum leaps
Quantum computing is set to be a promising growth area for our Industry segment. Companies such as Amazon, Google, IBM and Microsoft are all investing heavily in this technology, which has almost limitless potential for any field of work involving the analysis, modelling and simulation of data. Bluefors is a leading manufacturer of cryogenic cooling measurement systems for quantum computers, which must be kept close to a temperature of absolute zero. Our MXP multicoax interconnect solution enables flawless signal transmission into the fridge, down to where the magic happens to accelerate groundbreaking work in science and technology. We're now working with Bluefors to develop interconnect solutions that match the requirements of next-generation cryogenic quantum applications.

Our solutions in the Communication segment



Securely connected: building data centers of the future
Our work with Telehouse in France showcases HUBER+SUHNER's leadership in structured cabling for data centers. The data center industry is growing to meet global demand for more data capacity. The fiber optic backbone for Telehouse's flagship TH2 colocation data center in Paris is an example of the advanced connectivity infrastructure we can provide for data center customers worldwide. The relationship with Telehouse gives us a strong profile in a French market that's expanding rapidly as France establishes itself as a global connectivity hub. Telehouse plans to invest one billion euros to build its footprint beyond Paris.

Our solutions in the Transportation segment



Revolutionising in-train connectivity: innovation in motion
A first-of-its-kind rooftop rail antenna we've developed in partnership with Motion Applied brings rail connectivity into the twenty-first century. We expect widespread adoption of 5G by train operators. The SENCITY® Rail ACTIVE antenna can meet 5G connectivity needs of the industry simply, reliably, and cost-effectively for years to come. Combining antenna, modem, router and SIM in one compact device, it's easy to install and upgrade, and provides advanced passenger wi-fi performance. US train operator Amtrak was the first passenger fleet to deploy this solution at scale. Other large operators include Brightline in the US and Network Rail and Great Western Railway in the UK.

Key figures and financial calendar

Group **in CHF million**	**2025**	**2024**	**Change**
Order intake	1'032.0	908.0	13.7%
Order backlog as of 31.12.	432.2	291.0	48.5%
Net sales	864.1	893.9	(3.3%)
Gross margin	37.9%	35.4%	
EBITDA	128.9	122.6	5.1%
as % of net sales	14.9%	13.7%	
EBIT	90.8	86.6	4.9%
as % of net sales	10.5%	9.7%	
Financial result	(1.0)	(0.8)	n/m
Net income	74.9	72.3	3.6%
as % of net sales	8.7%	8.1%	
Purchases of PP&E and intangible assets	55.5	44.7	24.2%
Cash flow from operating activities	127.4	90.2	41.2%
Free operating cash flow	69.5	53.4	30.2%
Net liquidity as of 31.12.	211.1	184.1	14.7%
Return on invested capital (ROIC) in %	17.1%	16.8%	
Equity as of 31.12.	674.6	656.5	2.8%
as % of balance sheet total	77.9%	73.8%	
Employees as of 31.12.	4'224	3'975	6.3%
Market capitalisation as of 31.12.	2'672.8	1'369.2	95.2%
Scope 1+2 (market-based) in tCO2-eq	6'638	6'128	8.3%
Scope 3 in tCO2-eq	161'044	209'384	(23.1%)
LTIR (Occupational accidents with lost time per 1 million hours worked per year)	6.0	2.6	
Average training per employee per year in hours	15	17	(11.8%)
Women in managerial positions in %	31%	29%	

Data per share **in CHF**	**2025**	**2024**	**Change**
Stock market price as of 31.12.	144.80	74.20	95.1%
Net income	4.03	3.87	4.2%
Dividend	2.00[1]	1.90[1]	5.3%

[1] Proposed dividend

n/m = not meaningful

Alternative Performance Measures (APM) are key figures not defined by Swiss GAAP FER. HUBER+SUHNER uses APM as guidance parameters for both internal and external reporting to stakeholders. For the definition of APM please visit the website under www.hubersuhner.com/en/company/investors/publications.

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Financial calendar

Annual General Meeting (Rapperswil SG)	01.04.2026
Half-year Report and webcast 2026	18.08.2026
Capital Market Day 2026 (Pfäffikon ZH)	18.09.2026
Order intake and sales (9 months) 2026	20.10.2026
Order intake and sales (12 months) 2026	21.01.2027
Annual Report and conference 2026	16.03.2027

The full Annual Report is available at www.hubersuhner.com/en/company/investors/publications.
This management report is also available in German. The German version is binding.