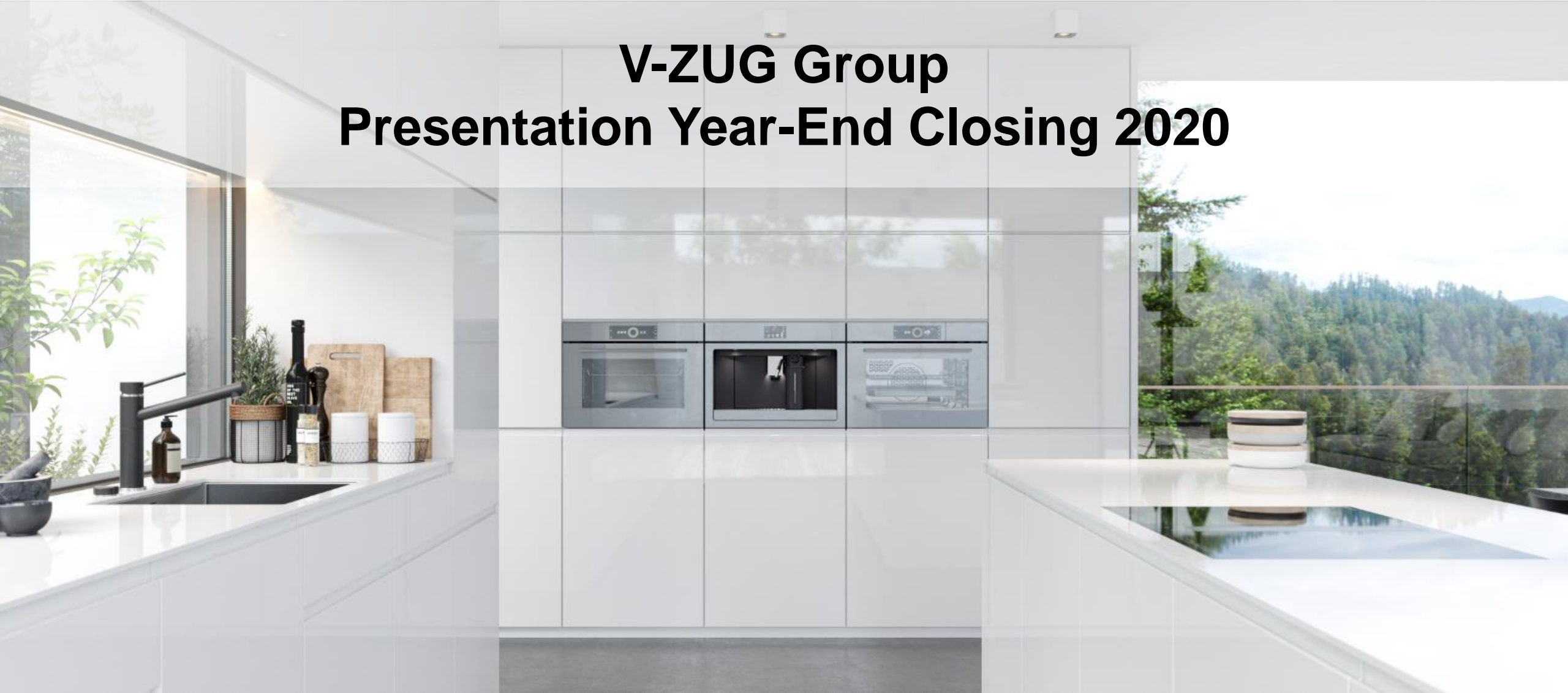




V-ZUG Group Presentation Year-End Closing 2020



Agenda

Our Vision

Bringing simplicity into your home
and creativity into your kitchen.

1. V-ZUG Group – Overview
 2. Our Business
 3. Sustainability
 4. Financial Information FY 2020
 5. Investment Case
- Q & A





1. V-ZUG Group – Overview

1. V-ZUG Group – Overview

V-ZUG is still in a profound transformation phase with on-going investments

- New products, digitalization, international markets, area transformation in Zug, new refrigerator factory in Sulgen

V-ZUG leads the industry in sustainability

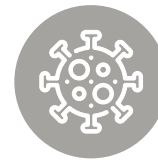
- CO₂ neutral in scope 1 and scope 2 plus air travel for all production sites (Zug since 2018, Arbon since 2019, Changzhou since 2020)
- 97% of all rated appliances in energy label category A or better (acc to energy efficiency rating applicable in 2020, re-placed in March 2021)
- More than 20% share of women in leadership positions (Board of directors, Executive Committee, senior managers)

Robust increase in net sales: +4.7% (5.2% adjusted for currency effects) to CHF 569.4 million

- Market leadership in Switzerland confirmed: +4.1%
- Substantial growth of own brand business in international markets: +41.7%



FY 2020 at a Glance



Significant and substantial recovery of EBIT from CHF 29.6 million in 2019 to CHF 49.2 million in 2020

- Well on the way to achieve our mid-term goal of a double-digit EBIT-Margin

Successful spin-off from Metall Zug as of 25 June 2020 and a positive share price development

Covid-19 with a significant impact on 2020

- High demand for household appliances
- Cancelled customer events, reduced travelling, etc. leading to lower OPEX of approx. CHF 5 million
- Protective measures for employees incl. high rates of absences due to quarantine measures leading to constant operational re-adjustments, very demanding day-to-day management of the entire supply chain

1. V-ZUG Group – Overview

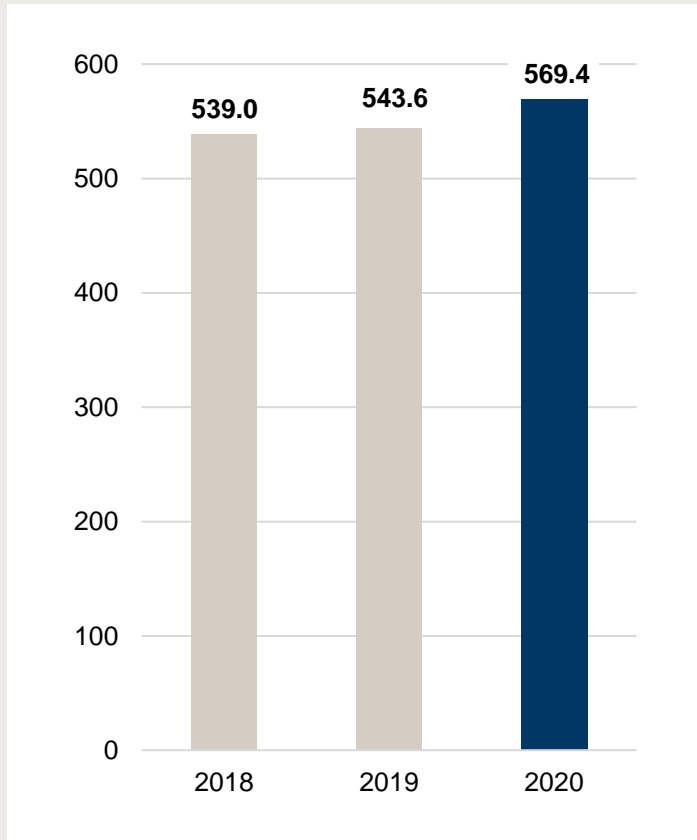
FY 2020 at a Glance – delivering towards our mid-term expectations

	Mid-term Expectation	2020 Report Card
Total Net sales	2 to 3% organic growth	✓ Growth 2020: +4.7%
International sales	Double in 5 years (2019 – 2024)	✓ Sales 2020 compared to 2019: +9.8% (own brand: +41.7%)
EBIT-Margin	>10%	✓ EBIT 2020: 8.6%
Dividends	20% – 40% pay-out ratio	✓ No dividend for financial year 2020; mid-range target confirmed

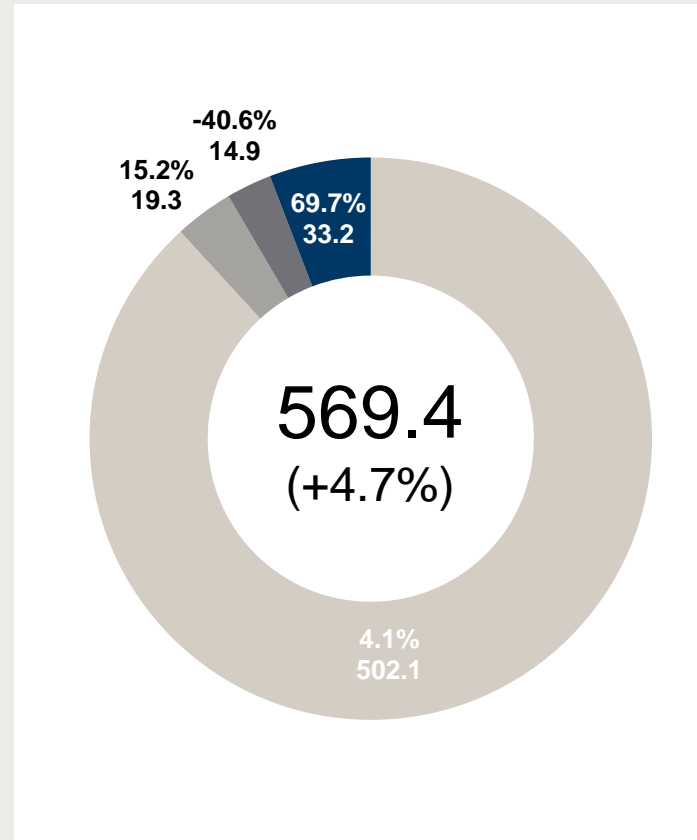
1. V-ZUG Group – Overview

High demand with excellent delivery performance leading to substantial growth in all markets except OEM

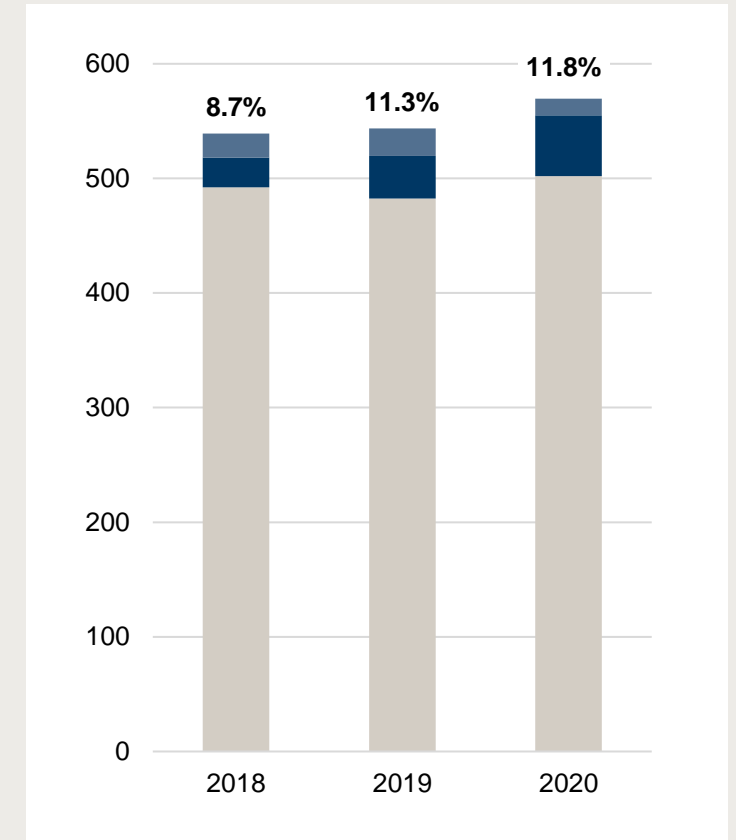
Net sales [in CHF million]



Net sales by region [in CHF million]



Net sales [in CHF million]



% Growth compared to 2019

- Asia/Pacific
- Americas
- Europe w/o Switzerland
- Switzerland

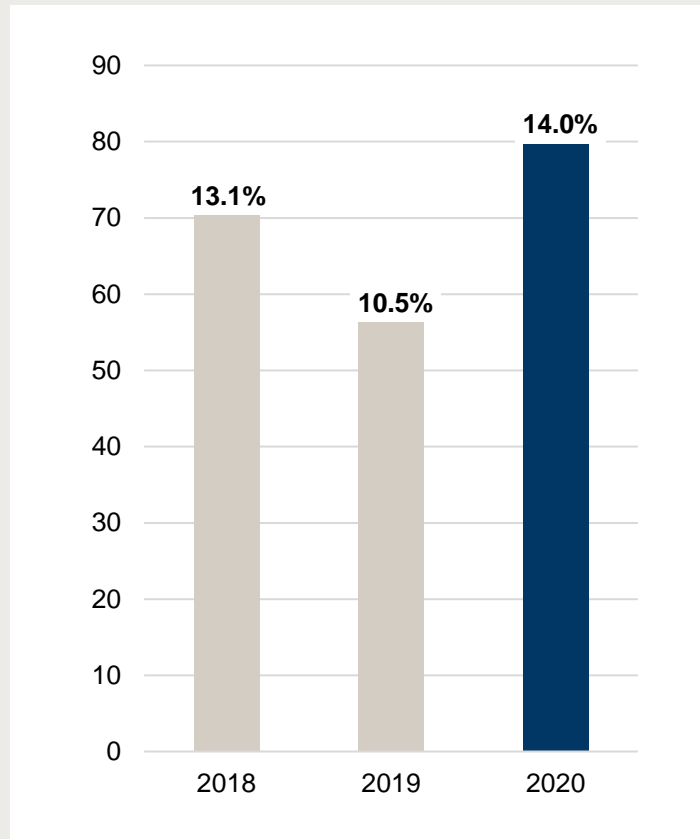
% International markets in % of net sales

- International OEM business
- International own brand
- Switzerland

1. V-ZUG Group – Overview

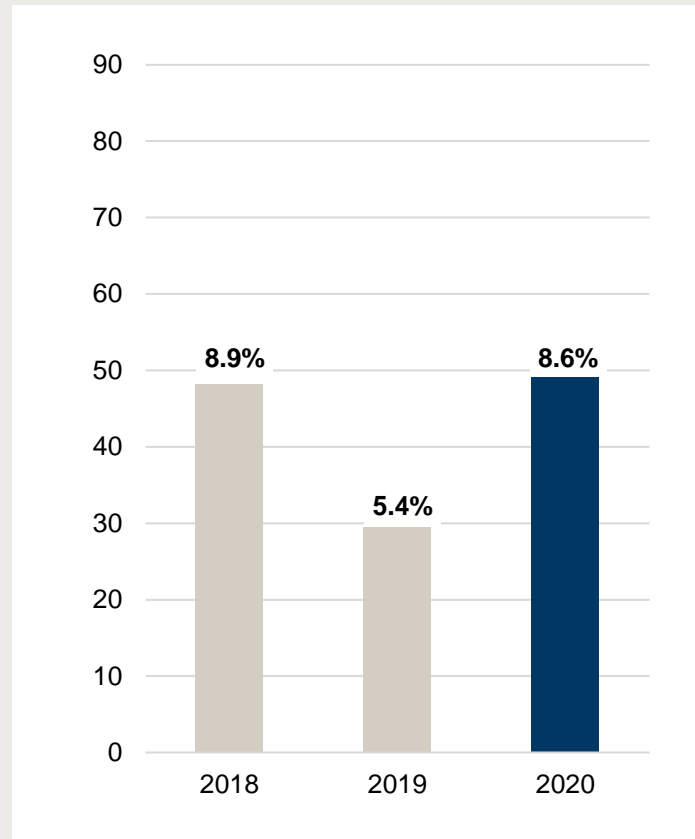
EBITDA margin recovering – EBIT margin on the way back to double digit – Free Cash Flow extraordinary

EBITDA [in CHF million]



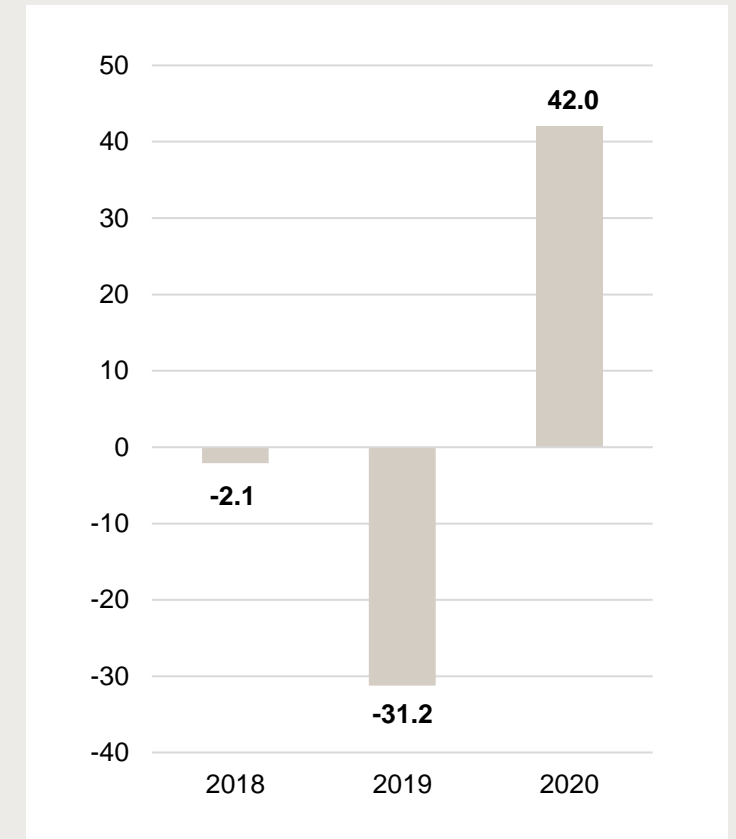
% EBITDA margin in % of net sales

Operating result (EBIT) [in CHF million]



% EBIT margin in % of net sales

Free cash flow [in CHF million]



1. V-ZUG Group – Overview

Highlights 2020

Markets

- #1 position in Swiss market: excellent delivery performance during Covid-19 pandemic leads to a net sales increase of 4.1%
- Growing success in international markets: Net sales of V-ZUG branded products up by 41.7%; order intake for the first-time above CHF 100 Mio.
- Successful opening of ZUGORAMAs in Beijing & Munich

Operations

- Transformation of production site in Zug (vertical factory) on track
 - Zephyr Hangar building handed over, new press commissioned, new enamelling coating technology system being installed
 - Construction permit for new Zephyr Ost building in hand
- New refrigeration plant in Sulgen on track
- Stable IT operations, platforms further being optimized

Innovation, Product & Service Development

- Market launch of new Excellence Line in March 2021
- New energy label (IEC¹) launched in March 2021
- A - rating reached by dishwasher line Adora V6000 with heat pump (top rating maintained under new energy efficiency index EEI, as applicable from 1 March 2021); won Plus X-Award as best product of the year 2020

Sustainability

- CO₂ neutral production for all sites achieved through constant reduction and compensation at market rates
- 97% of labelled V-ZUG appliances reach an energy efficiency class of A or higher (old EEI, applicable under coexistence until 31 December 2021)
- >20% of women in top management at V-ZUG

¹ IEC = International Electrotechnical Commission

1. V-ZUG Group – Overview

Segment Household Appliances



Kitchen



Laundry



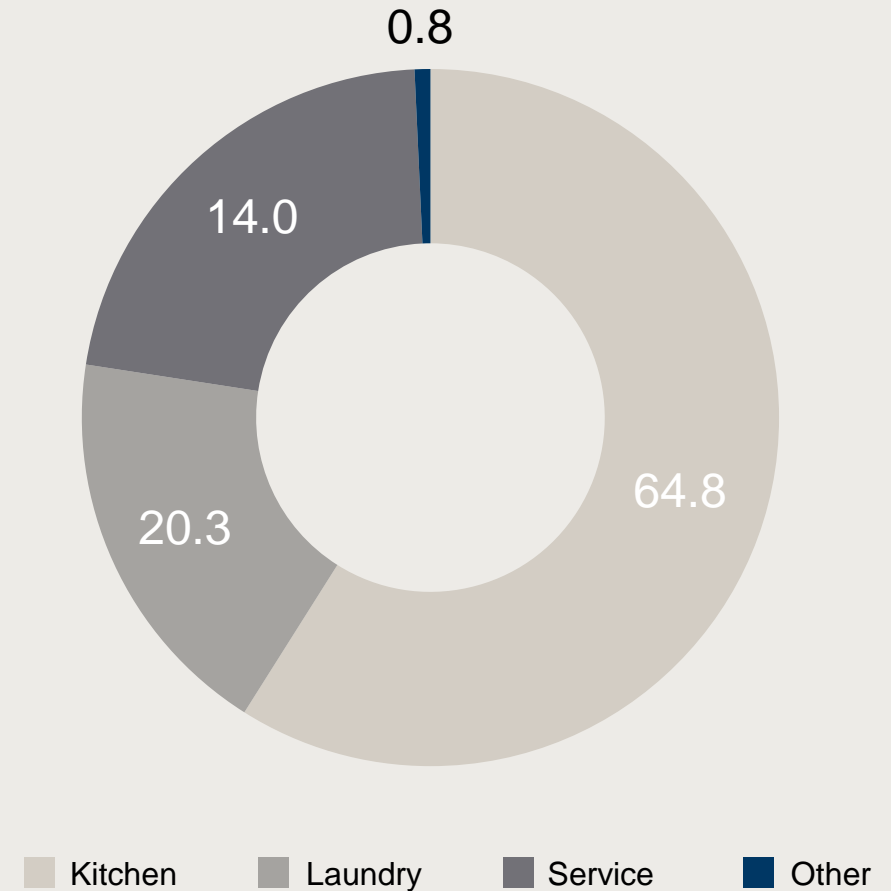
Service & Support

1. V-ZUG Group – Overview

Segment Household Appliances

- V-ZUG stands for **innovative and high-quality home appliances** for domestic kitchens and laundry rooms. Swiss market leader. Growing international acclaim
- V-ZUG leads in quality incl. **longevity, technology, comprehensive and user-friendly functionalities, design,** as well as **low consumption** (water, energy)
- V-ZUG offers first class service as a unique and strategic attribute buttressed by **outstanding response times and first completion rates**

% of net sales
(FY 2020)



1. V-ZUG Group – Overview

Group Structure



V-ZUG Holding AG

Segment Household Appliances

V-ZUG AG

V-ZUG Kühltechnik AG

SIBIRGroup AG

V-ZUG Europe BV

V-ZUG UK Ltd.

V-ZUG (Shanghai) Domestic Appliance Co. Ltd.

V-ZUG (Changzhou) Special Components Co. Ltd.

V-ZUG Hong Kong Co. Ltd.

V-ZUG Singapore Pte. Ltd.

V-ZUG Australia Pty Ltd.

V-ZUG Services AG

Segment Real Estate

V-ZUG Infra AG

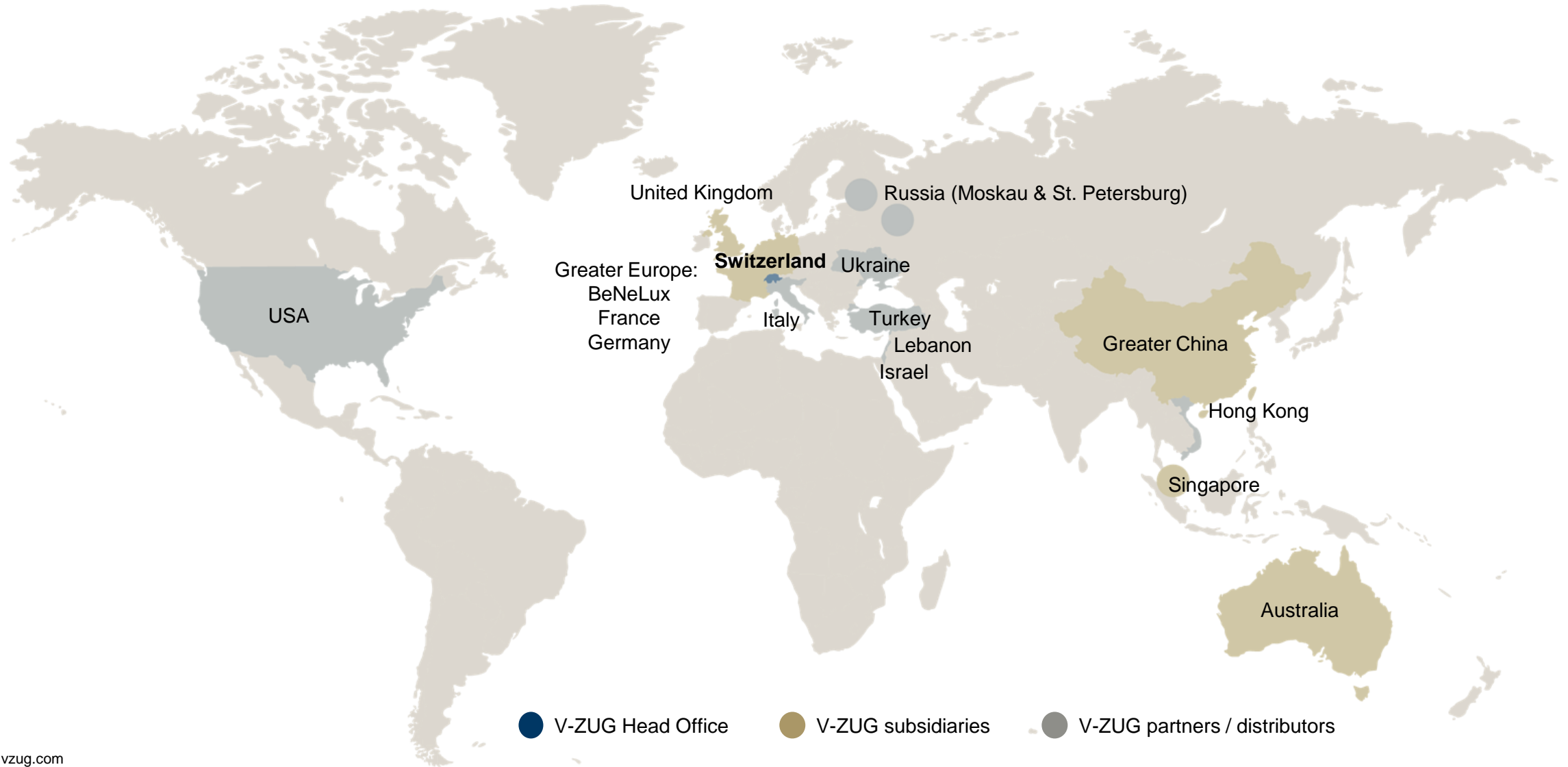
V-ZUG Assets AG

A tall black flagpole stands on the left side of the frame, flying a Swiss flag. The background is a vast landscape of rolling mountains under a clear blue sky. The sun is setting on the horizon, creating a warm, golden glow over the mountains. The sky transitions from a deep blue at the top to a bright orange and yellow near the horizon. A semi-transparent white rectangular box is overlaid on the lower-left portion of the image, containing the text "2. Our Business".

2. Our Business

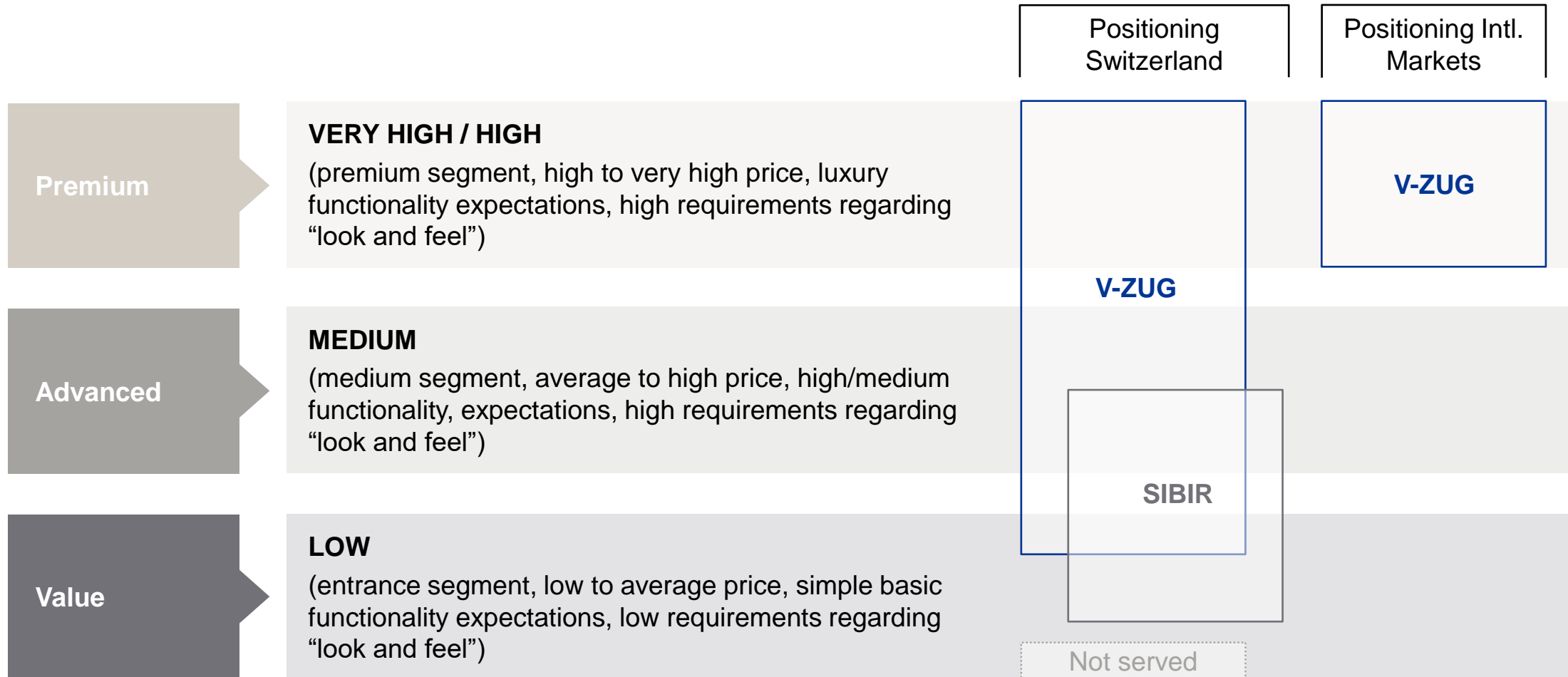
2. Markets

Global Presence in Metropolitan Areas



2. Markets and Positioning

Switzerland and International Markets





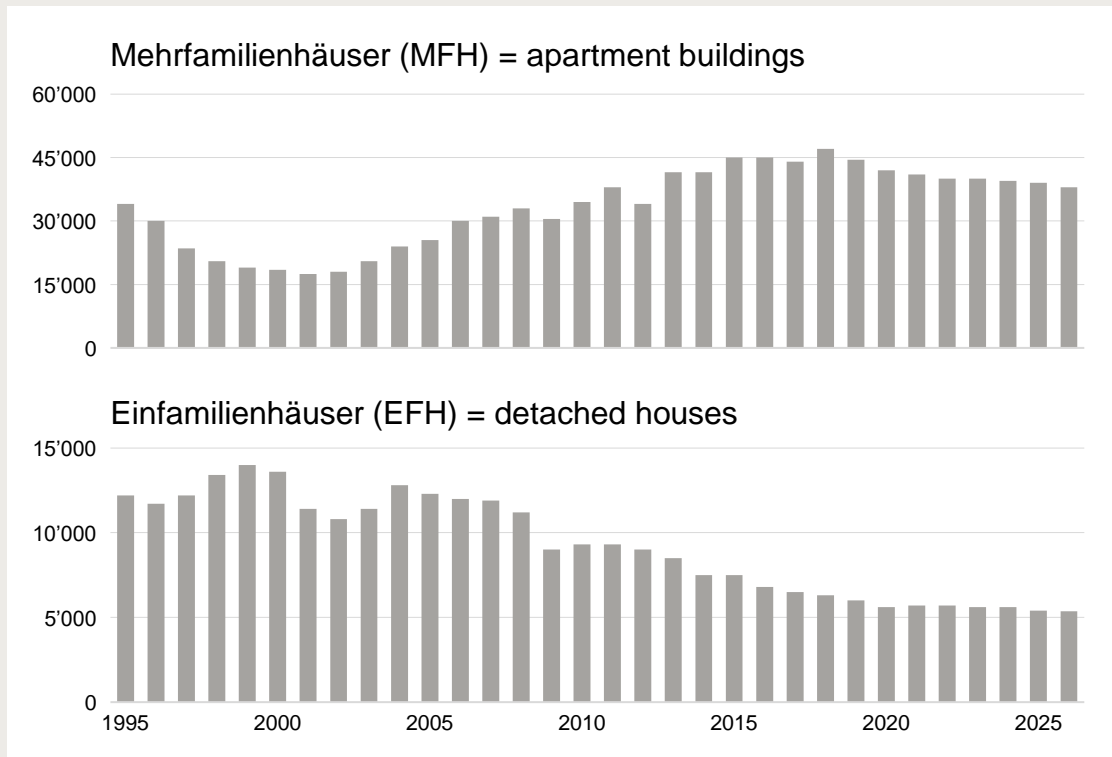
**Markets and Positioning – New
ZUGORAMAs in Munich and
Beijing**

2. Markets

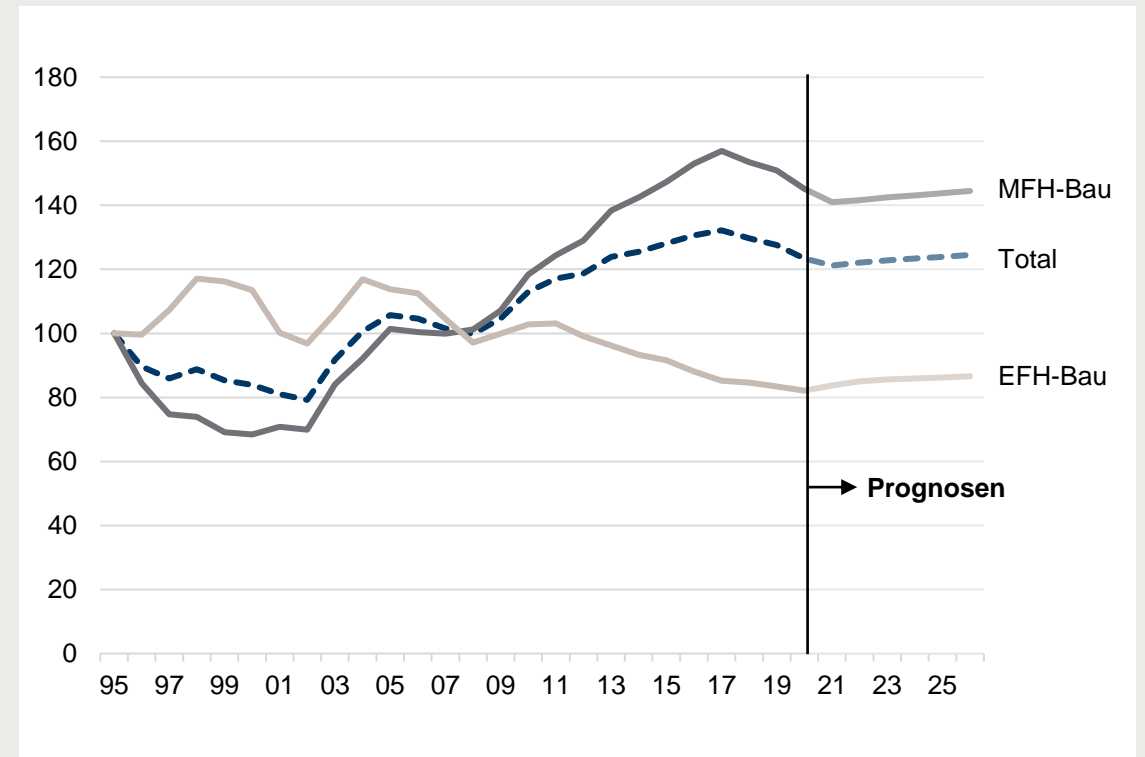
Switzerland promises steady growth until 2026 according to building forecast

Main drivers of demand: **New build**, Refurbishments, Replacements (approx. 1/3 each)

New build: No. of units, investment volumes per year in a long-term comparison and forecast



No of new build apartments, Source BFS, BAK Economics of Q4 2020



Indexed real investment volume, 1995 = 100, Source BFS, BAK Economics from Q4 2020

2. Markets

Reference Project: QUBE, Köniz, Switzerland

- New build project near Bern with 28 owner-occupied apartments (3.5 - 5.5-room apartments) with experimental new floor plans and exciting new living concepts
- QUBE element (unit made up of a kitchen, bathroom, cloakroom, storage space, technology hub and office) forms the multi-functional centre in each of the apartments
- Built based on Swiss standard for sustainable construction (SNBS / "2000-watt society compliant") and thus representing V-ZUG values such as resource-efficiency, quality and timeless design

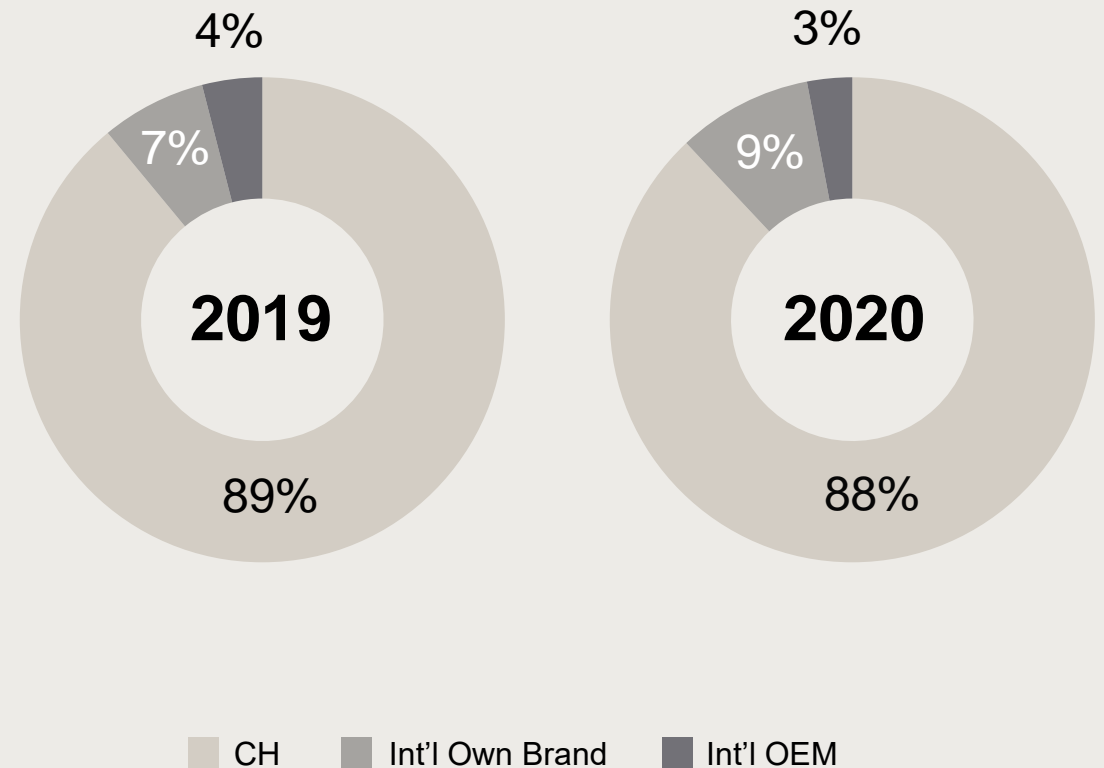


2. Markets

International expansion follows metropolitan strategy

- Focus on selected markets in cities / metropolitan areas with the highest potential for a premium home appliance brand
- Strong sales increase with V-ZUG's own brand in core markets of China, Hong Kong, Australia and Germany
- International sales well on track to double between 2019 and 2024
- After a «seeding» phase over the past years, profitability has started to increase
- Turnover with well-established OEM customer in the US with a drop in 2020

Sales CH vs. International
(2020 vs 2019)



2. Markets

Service & Support: A worldwide USP

- At arm's length, with know-how, experience and dedication
- Over 300 own technicians in Switzerland (incl. SIBIRGroup) with 24 service locations
- Over 230 trained technicians outside Switzerland
- Service interventions with >90% first completion rate
- Immediate response: service appointment within 2 days; urgencies same day



2. Products

Comprehensive range and high quality offering of laundry home appliances



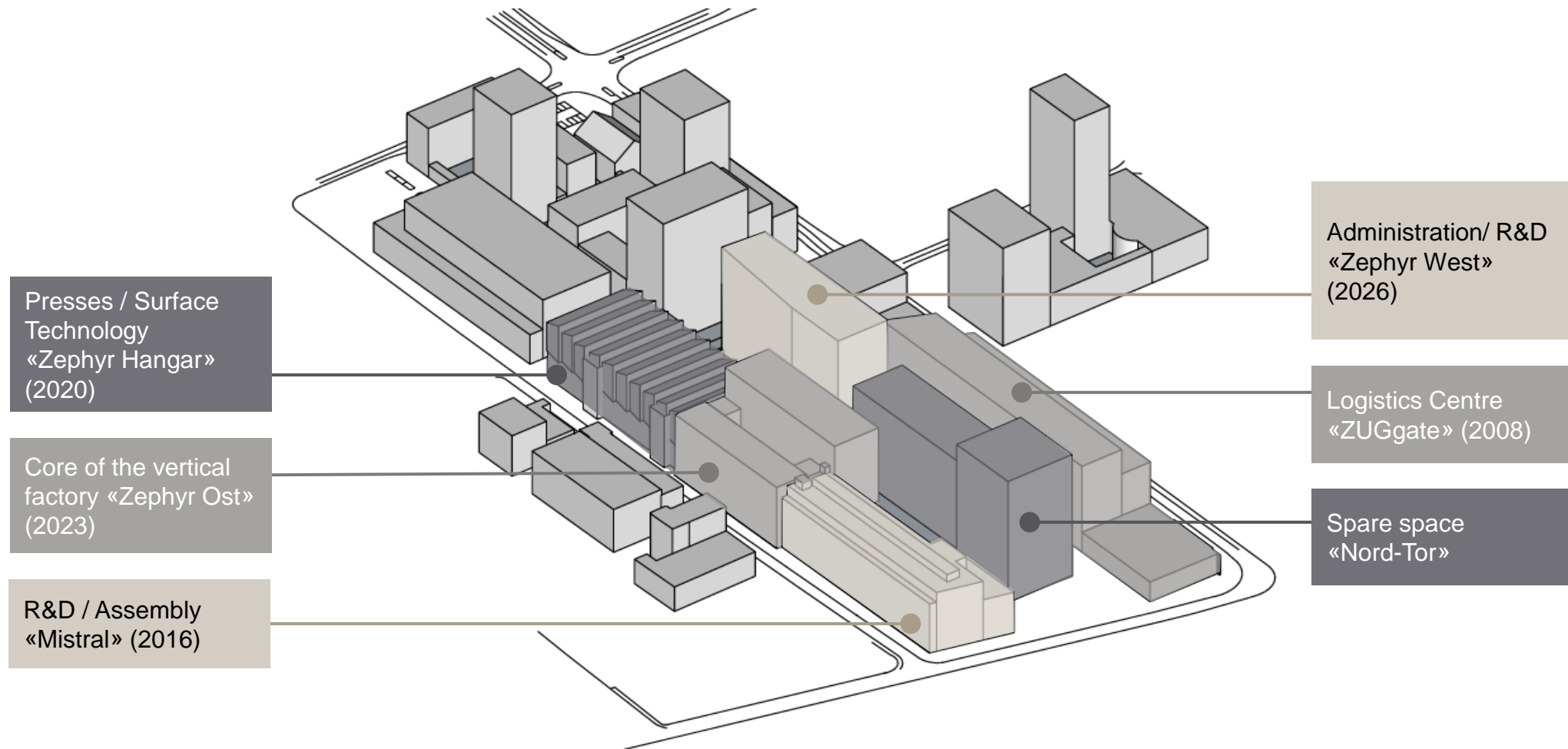
2. Products

Comprehensive range and high quality offering of kitchen home appliances



2. Operations

Zug: Vertical factory on 40% of the current footprint, 15% sqm less production area, available capacity allows a doubling of output



2. Operations

Sulgen: V-ZUG is realizing a new refrigeration production plant to replace the Arbon plant (leased)



Start of production at the new site in 2022



3. Sustainability

3. Sustainability

V-ZUG is a Leader in Sustainability

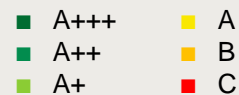
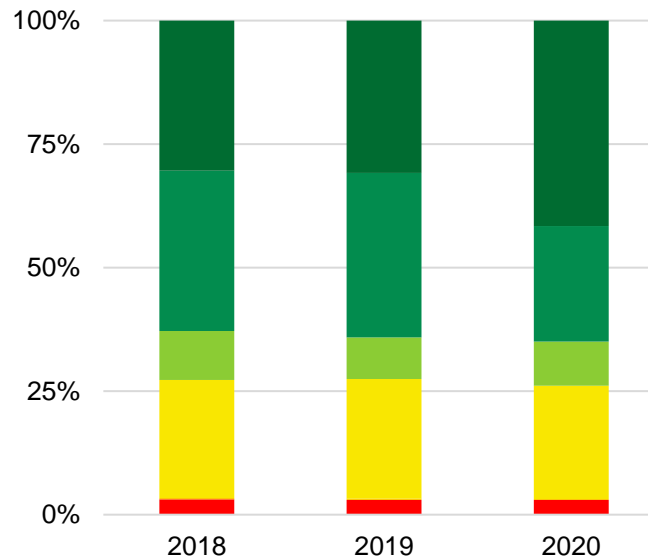
CO₂ approach: Avoid – Reduce – Compensate

CO₂ neutral production in Zug since 2018, in Arbon since 2019 and in Changzhou since 2020

Voluntary CO₂ fund with internal tax of CHF 120 / tCO₂ since 2018

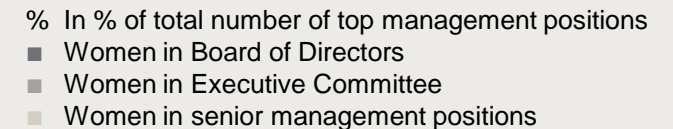
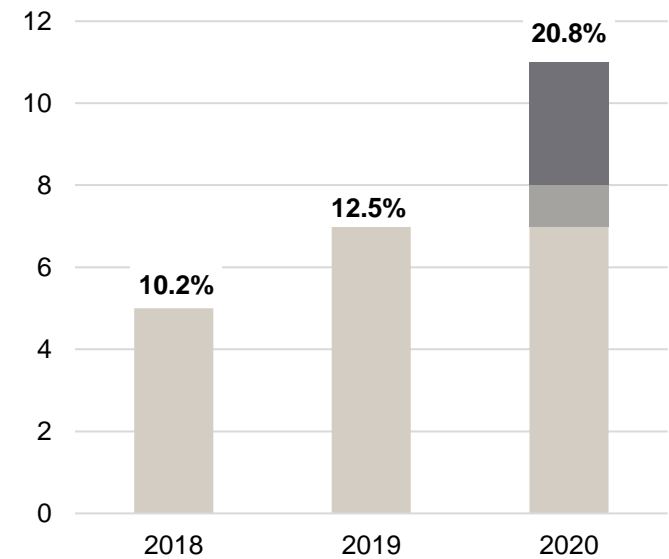
(Funds can be used for investments and compensation projects that avoid/reduce CO₂, e.g., photovoltaic, alternative heating systems, mobility, wood in construction, etc.)

Appliances delivered by energy efficiency class



97% of labelled V-ZUG appliances reach an energy efficiency class EEI of A or higher (old EEI, applicable until 31 December 2021)

Number of women in top management positions



The proportion of women in top management positions at V-ZUG has risen continuously over the last few years

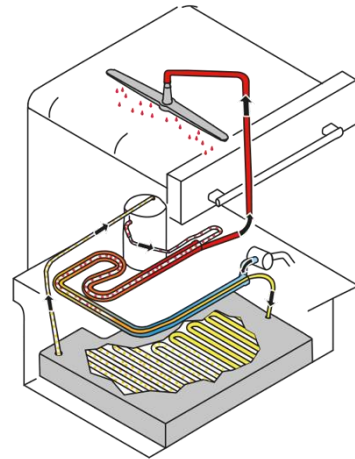
3. Sustainability

Energy-efficient products since many years

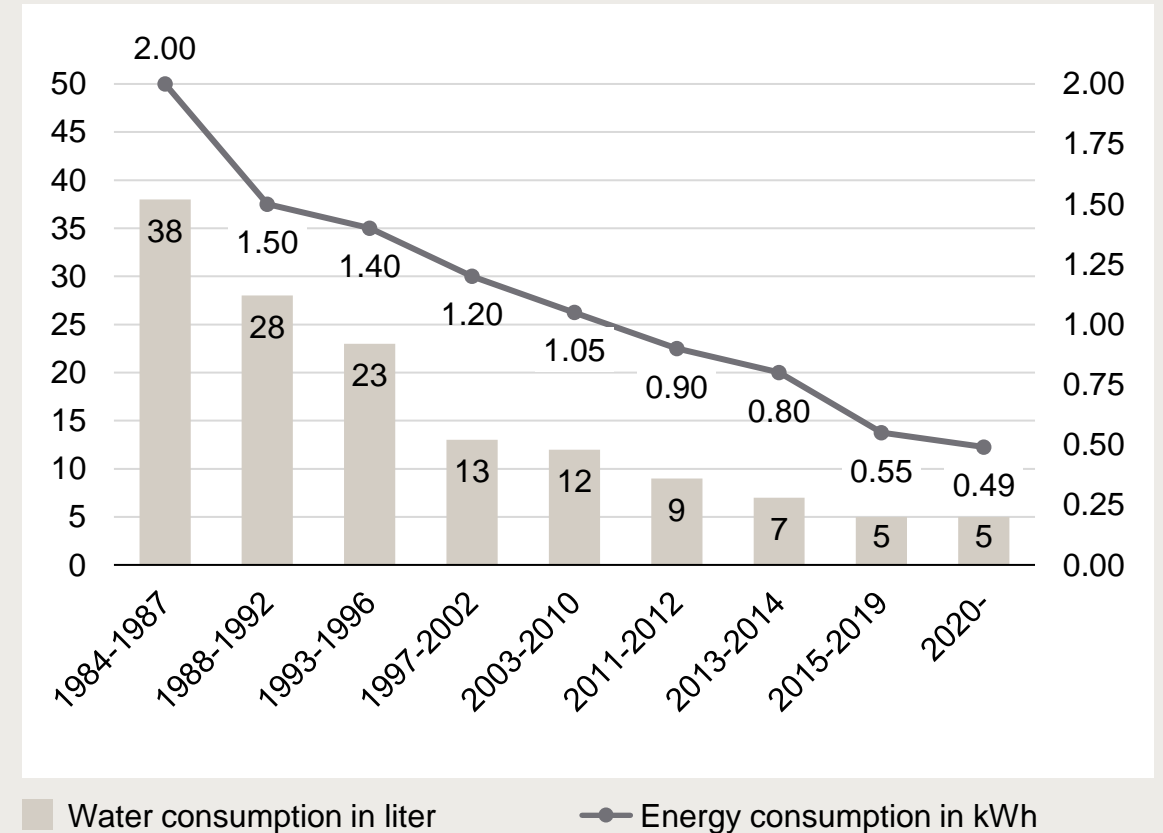
The new Adora V6000 – the only dishwasher on the market to reach rating class A according to the new energy efficiency index (as applicable from 1 March 2021)



A -10%



Water and Energy Consumption
Consumption in liter and kWh

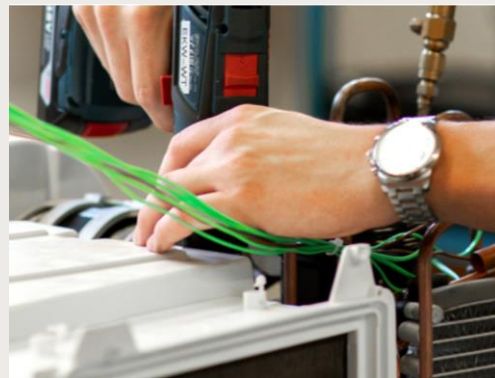


3. Sustainability

Employees and society – V-ZUG cares - not only towards customers!

Employees – health management and future-oriented competency model

- **Vitality:** V-ZUG's health management system “vitality” turns focus on physical & mental health. We are committed to prevention, by reducing risk factors and increasing protective factors
- **V-ZUGconnect:** We focus on a values-based leadership culture. “V-ZUGconnect” marks a move away from a formal performance review, towards continuous, respectful dialogue between equals



Technology Cluster Zug (TCZ) – V-ZUG forms part of an innovative quarter

- **Urban eco-system:** V-ZUG will be part of an innovative, networked, high-quality urban eco-system including start-ups and other institutions
- **Affordable & sustainable living space:** As part of the TCZ, affordable, attractive and sustainable living space for our employees shall be created





4. Financial Information FY 2020

4. Financial Information

FY 2020 Result V-ZUG Group

CHF million	FY 2020	Δ	FY 2019 ¹
Net sales to third parties	569.4	4.7%	543.6
EBITDA	79.6	40.0%	56.9
<i>EBITDA margin in %</i>	<i>14.0</i>	<i>350bp</i>	<i>10.5</i>
Operating income (EBIT)	49.2	66.2%	29.6
<i>EBIT margin in %</i>	<i>8.6</i>	<i>320bp</i>	<i>5.4</i>
Free cash flow	42.0	n/a	-31.2
<i>ROCE in %²</i>	<i>14.2</i>	<i>450bp</i>	<i>9.7</i>

- The high demand for household appliance during the Covid-19 pandemic and the excellent delivery performance supported our growth in Switzerland as well as internationally
- Stable Gross Profit margin
- Lower OPEX due to
 - ERP stabilization
 - Covid-19 with less customer events, travelling, etc. (estimated at approx. MCHF 5)
- ROCE development driven by higher EBIT

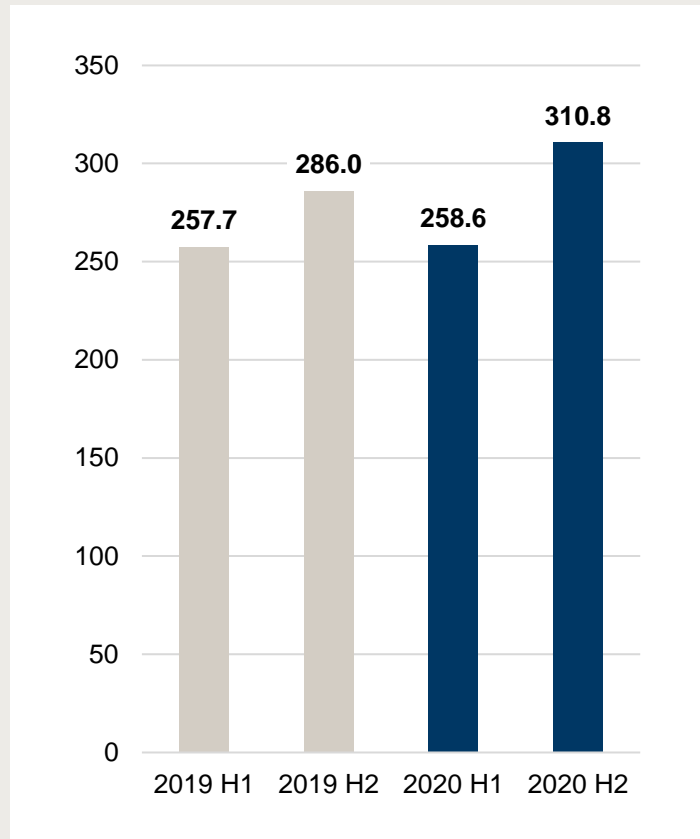
¹ Including CHF 3.1 million provision for soil remediation; EBIT adjusted CHF 32.7 million

² Definition: EBIT of last 12 months / weighted capital employed (extended networking capital + fixed assets + operating cash - provisions)

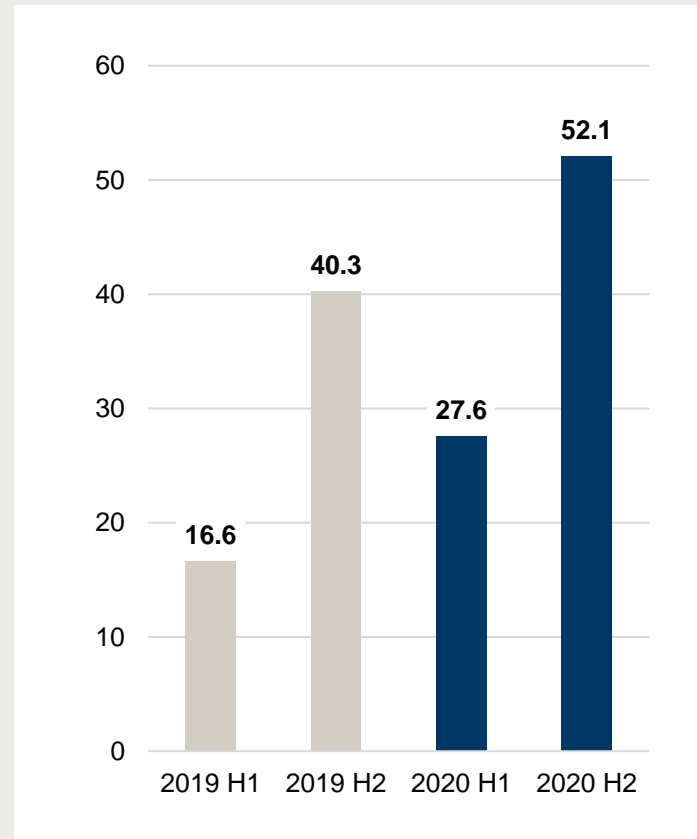
4. Financial Information

Subdued first half of 2020 followed by unusually accelerated second half of 2020

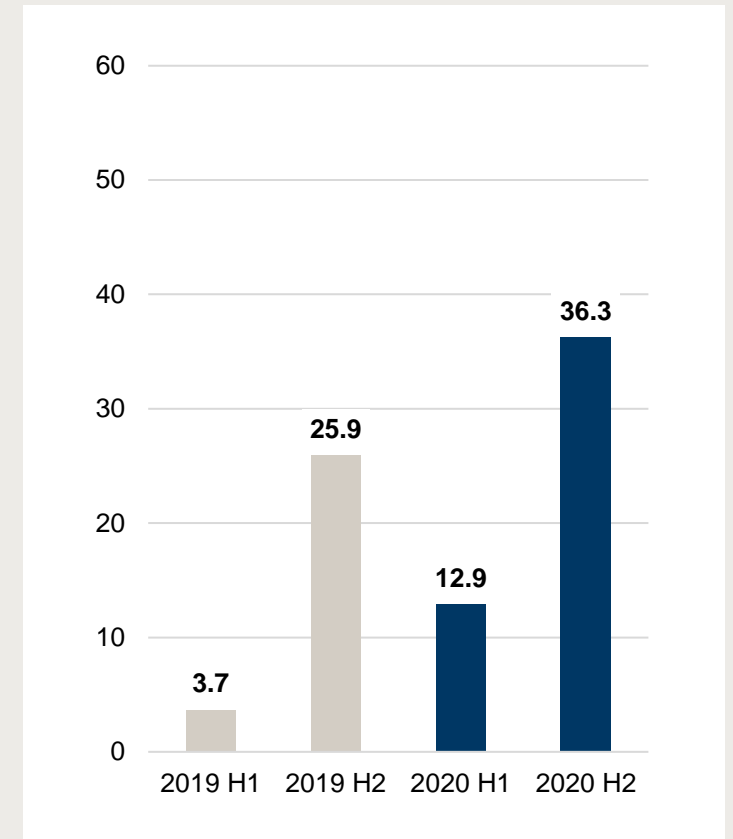
Net sales [in CHF million]



EBITDA [in CHF million]



Operating result (EBIT) [in CHF million]



4. Financial Information

FY 2020 Result Segment Household Appliances

CHF million	FY 2020	Δ	FY 2019
Net sales to third parties	569.4	4.7%	543.6
Operating income (EBIT)	46.2	63.2%	28.3
<i>EBIT margin in %</i>	<i>8.1</i>	<i>290bp</i>	<i>5.2</i>
<i>ROCE in %¹</i>	<i>23.3</i>	<i>850bp</i>	<i>14.8</i>

- FX neutral net sales growth of 5.2%
- Net sales in Switzerland increased by 4.1%, driven by high demand in 2020 and ability to deliver during Covid-19
- Net sales in V-ZUG branded international business increased by 41.7%, partly compensated by OEM business in the US

¹ Definition: EBIT of last 12 months / weighted capital employed (extended networking capital + fixed assets + operating cash - provisions)

4. Financial Information

FY 2020 Result Segment Real Estate

CHF million	FY 2020	Δ	FY 2019 ¹
Net sales to third parties	–	–	–
Operating income (EBIT)	3.7	n/a	1.3
<i>EBIT margin in %</i>	–	–	–
<i>ROCE in %²</i>	2.7	170bp	1.1

- EBIT 2019 includes a provision of CHF 3.1 million for soil remediation in Zug
- EBIT 2020 includes an impairment of CHF 0.5 million with regards to demolishing of a building to start the construction of «Zephyr Ost»
- Investments/CAPEX booked in 2020:
 - V-ZUG Infra AG: CHF 8.1 million mainly related to Project “Zephyr Hangar” in Zug
 - V-ZUG Assets AG: CHF 18.5 million mainly related to Project “Buran” in Sulgen

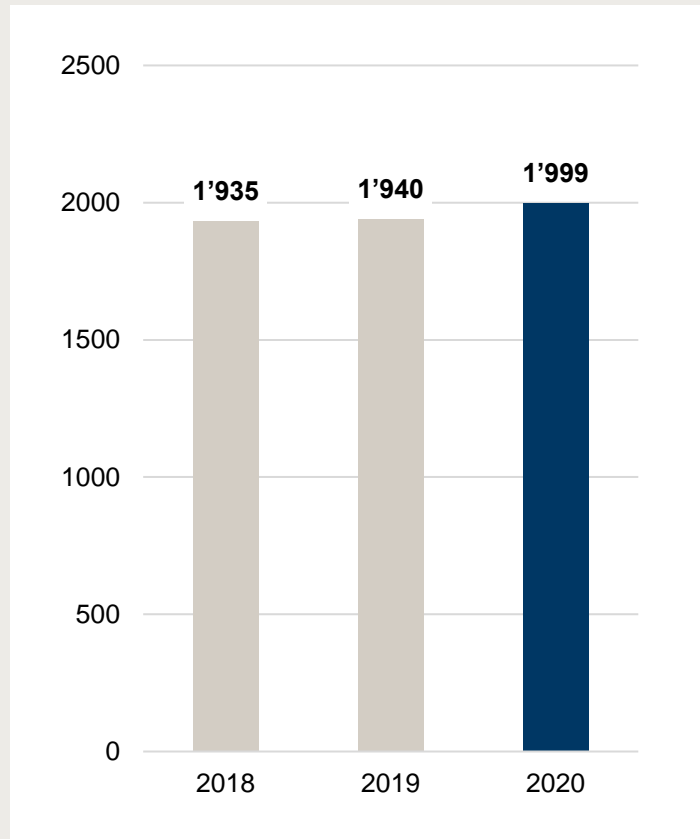
¹ Including CHF 3.1 million provision for soil remediation; EBIT adjusted CHF 2.3 million

² Definition: EBIT of last 12 months / weighted capital employed (extended networking capital + fixed assets + operating cash (MCHF 30) – provisions)

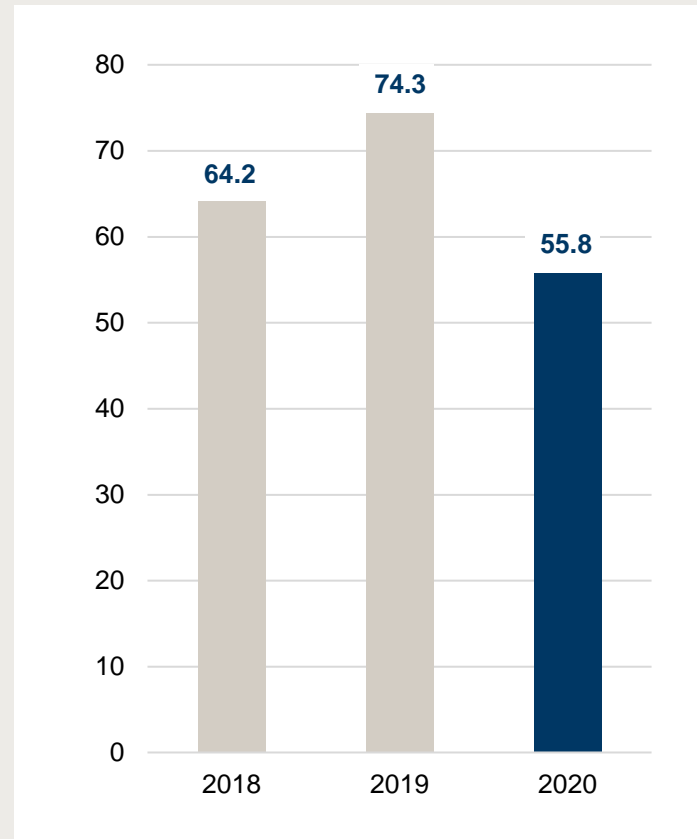
4. Financial Information

Investments remain on a high level as profound transformation goes on

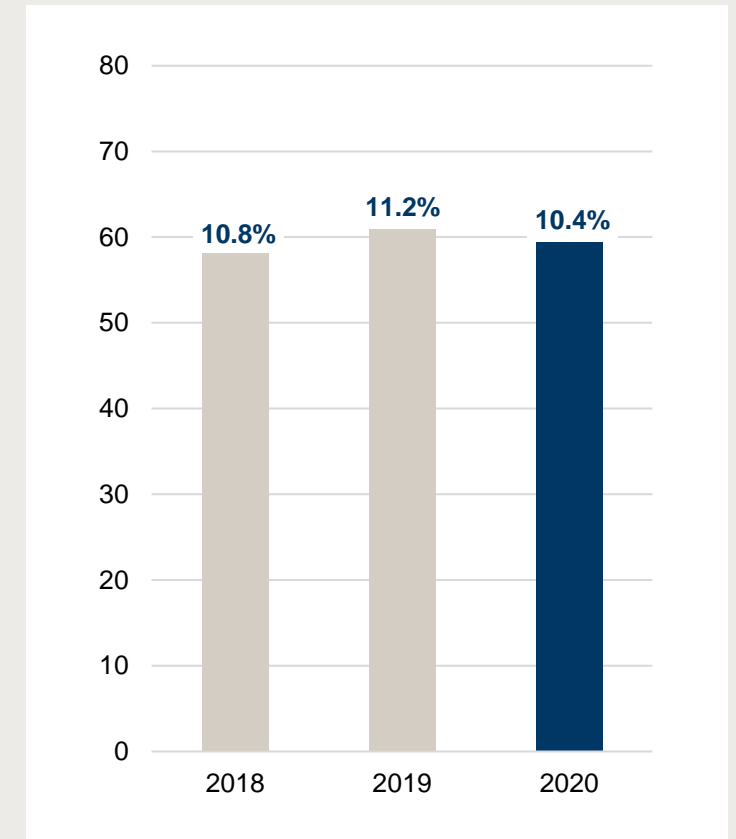
Total FTE [as of 31 December; incl temps]



CAPEX [in CHF million]



R&D expenses [in CHF million]



% R&D expenses in % of net sales

4. Financial Information

Cash Flow Statement V-ZUG Group

CHF million	FY 2020	FY 2019
Cash flow from operating activities	99.4	37.7
▪ of which taxes paid	-0.7	-5.8
Cash flow from investing activities	-57.4	-69.0
▪ of which investments in tangible assets	-53.6	-65.7
▪ of which investments in intangible assets	-4.4	-3.6
Cash flow from financing activities	29.9	27.1
▪ of which dividend		-15.0
Currency translation effects	-0.4	-0.2
Change in “Net cash and cash equivalents”	71.5	-4.3
Free cash flow	42.0	-31.2

- Extraordinary high cash flow from operating activities with CHF +61.6 million compared to previous year
- The cash flow from operating activities in 2020 is not considered to be on a sustainable level

4. Financial Information

Balance Sheet V-ZUG Group

CHF million	31.12.2020	in %	31.12.2019	in %
Cash and cash equivalents	107.7	19.4	36.2	7.7
Other current assets	137.8	24.8	152.5	32.3
Current assets	245.5	44.3	188.7	40.0
Tangible assets	270.1	48.7	240.2	50.9
Financial & intangible assets	39.1	7.1	42.8	9.1
Fixed assets	309.2	55.7	283.0	60.0
Total assets	554.7	100.0	471.7	100.0
Long-term financial liabilities	-	-	79.0	16.7
Other liabilities	161.5	29.1	151.1	32.0
Total liabilities	161.5	29.1	230.1	48.8
Shareholders' equity	393.2	70.9	241.6	51.2
<i>Equity ratio</i>	70.9%		51.2%	
Total liabilities and shareholders' equity	554.7	100.0	471.7	100.0

Restructuring of capital in HY1 2020: Financial liabilities of CHF 79 million converted into CHF 110 million shareholders' equity contributed by Metall Zug

4. Financial Information

Dividend Policy

- V-ZUG Holding AG pursues a dividend policy that is primarily based on the amount of distributable profit
- In the medium to long term, the profit distribution ratio should be between 20% and 40% of the group's net result
- As communicated in the context of the spin-off, the Board of Directors proposes that no dividend be paid for the financial year 2020.



4. Financial Information

Outlook

	Mid-term expectation
Total Net sales	2 to 3% organic growth
International sales	Doubled in 5 years (2019 – 2024)
EBIT-Margin	>10%
Dividends	20% – 40% pay-out ratio

- The V-ZUG Group has had a successful start into the 2021 financial year.
- The first half of the year is expected to develop significantly better than the corresponding period of the previous year.
- Due to the uncertainties for the second half of the year - especially with regards to the further course of the Covid-19 pandemic, the rising raw material prices and the volatile foreign currency rates – the V-ZUG Group refrains from providing a further outlook.



A modern kitchen island with a curved, light-colored countertop and a built-in cooktop, set in a room with ornate wooden paneling and a piano. The island is illuminated from below, creating a warm glow. The background shows a grand, historic interior with dark wood paneling and a grand piano.

5. Investment Case

5. V-ZUG: Why invest in V-ZUG

1

Proven ability to generate double digit EBIT-margins (again)

- Well on track to re-achieve such profitability levels in the medium term
- Significantly above industry average

2

Market leader in Switzerland with a unique and strong position

- Exemplary brand recognition and customer loyalty
- Countrywide strong and long-lasting network with key partners
- Unbeatable service network and proximity to end-customers

3

Well established and recognised player in the premium segment in selected international markets

- Increasing brand recognition based on positive perception of „Swiss Made“
- „Best in class“ service as a distinction

4

Ongoing ability to lead innovations in the industry thanks to committed and enthusiastic teams working along lean and fast processes

5

Sustainability (quality, durability, timeless design, production processes, energy consumption) **as a key Unique Selling Proposition**

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