



*Ad hoc announcement pursuant to article 53 LR*

Geneva, 20 November 2024

## **CAPITAL MARKETS EVENT 2024**

### **Executing Strategy 27 at Full Speed**

SGS, the world leader in Testing, Inspection and Certification, is holding its Capital Markets Event in Antwerp, Belgium today.

CEO Géraldine Picaud, CFO Marta Vlatchkova and the executive team will highlight the rapid momentum in delivering Strategy 27 - "Accelerating Growth, Building Trust".

#### **Focus on profitable growth**

Plenary presentations will outline how SGS has established a strong foundation for profitable growth by leveraging Sustainability and Digital Trust services, supply chain migrations and clearly identifying priority end markets. The organization has become more agile with a sharper focus on performance.

Break-out sessions will deep dive into key strategic drivers, including North America, Asia Pacific, Sustainability, Digital Trust, M&A and SGS's best-in-class laboratory network.

The event will also highlight SGS's pragmatic approach to innovation, automation and digitalization. Following a tour of one of Europe's largest environmental analytics mass-flow laboratories, attendees will witness a groundbreaking demonstration of Samplify — SGS's pioneering drone transport solution for sensitive samples.

#### **Fast execution of Strategy 27**

The accelerated execution of Strategy 27 is driving significant momentum across the organization, further strengthening management's confidence in achieving sustained and strong performance.

By 2027, SGS expects incremental sales of at least CHF 600 million from Sustainability and of at least CHF 200 million from Digital Trust. In the same time frame, a rebalanced geographic footprint is projected to double sales in North America. As part of this plan, bolt-on acquisitions are forecast to contribute 1% to 2% to group annual sales growth over the 2024-2027 period. SGS is announcing today its 10<sup>th</sup> acquisition so far this year with the signing of an agreement to purchase MP Machinery, a nuclear testing specialist in North America.

The CHF 100 million cost savings plan is progressing faster than planned and an additional CHF 50 million in savings have been identified from procurement initiatives.

## Financial objectives confirmed

SGS fully confirms its financial objectives.

2024 Outlook:

- Mid to high single-digit organic growth
- Relunched M&A program
- Improvement in adjusted operating income margin on sales
- Strong free cash flow generation

2024-2027 Objectives:

- 5% to 7% organic sales growth annually
- Significant improvement of at least 1.5 percentage points in adjusted operating income margin on sales by 2027
- Cash conversion exceeding 50% by 2027

Géraldine Picaud, CEO of SGS, commented:

*"I am proud of the rapid pace at which SGS is evolving. The remarkable progress in executing Strategy 27 is establishing a strong foundation for our next phase of growth. We have simplified our organization significantly and are ahead of target with our efficiency programs.*

*This Capital Markets Event demonstrates our pragmatic and disciplined approach to business, market positioning and innovation, which is sharpening our portfolio focus and accelerating profitability.*

*Our brand promise — 'When you need to be sure' — reflects not only the reliability of our client services, but also our unwavering commitment to delivering exceptional shareholder value."*

## Event broadcast details

The Capital Markets Event will be livestreamed, with opening and closing sessions available via registration at the following links:

- [Wednesday 20 November 2024 | 8:30 am CET - CEO Plenary: Delivering Strategy 27](#)
- [Wednesday 20 November 2024 | 1:15 pm CET – Q&A with Executive Committee](#)

[Learn more](#)

## Investor and media contacts

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## ABOUT SGS

SGS is the world's leading Testing, Inspection and Certification company. We operate a network of over 2,700 laboratories and business facilities across 119 countries, supported by a team of 99,250 dedicated professionals. With over 145 years of service excellence, we combine the precision and accuracy that define Swiss companies to help organizations achieve the highest standards of quality, safety and compliance.

Our brand promise, *when you need to be sure*, underscores our commitment to reliability, integrity and trust — enabling businesses to thrive with confidence. We proudly deliver our expert services through the SGS name and trusted specialized brands, including Brightsight, Bluesign, Maine Pointe and Nutrasource.

SGS is publicly traded on the SIX Swiss Exchange under the ticker symbol SGSN (ISIN CH0002497458, Reuters SGSN.S, Bloomberg SGSN:SW).