

Media Release on RUAG International's 2025 Annual Financial Results

RUAG International 2025: Strategic Course Setting and Operational Milestones; Earnings Impacted by Launchers, Transformation, and One-Time Effects

Zurich, March 24, 2026 – **RUAG International's 2025 fiscal year was marked by operational challenges and new strategic directions. With the divestment of several non-space-related business areas now largely completed, the company has consistently focused on its space business. Within Beyond Gravity, RUAG International's space business, the Satellites division once again delivered profitable growth. The Launchers division achieved important new milestones in product development and market positioning. Product improvements as well as the capacity ramp-up, which proved more demanding than planned, had a significant negative impact on the result. At the same time, investments in production capacity, transformation, and digitalization proceeded according to plan. While these investments weigh on earnings, they will strengthen the company's efficiency, scalability, and competitiveness in the medium term. Following the parliamentary decision in spring 2025, Beyond Gravity will remain under the ownership of the Swiss Confederation and is undergoing a strategic realignment.**

With the successful transfer of its aerostructures business in Switzerland to Pilatus, RUAG International largely completed the divestment of its non-aerospace business units in the reporting year and is now fully focused on the space business. "In aerospace, we push the boundaries of what is technologically feasible for our customers every day. Even though the further development of our products, the expansion of our production capacities, and the renewal of our digital landscape weighed on the 2025 results, I am proud of our teams' performance. They have achieved important milestones in development and market positioning, thereby laying the foundation for sustainable profitability and competitiveness," says CEO André Wall.

In the Beyond Gravity space division, the Satellites division once again performed well in the reporting year and delivered profitable growth. The Launchers division overcame key technological challenges in 2025 and achieved decisive successes – including the use of Beyond Gravity products in new launch systems such as Vulcan, Ariane, and the dispenser program for Amazon. However, the operating result of Launchers had a significant negative impact on the Group's results.

Financial performance of RUAG International in 2025

- As of the end of 2025, the workforce increased from 1,813 to 1,926 employees compared to the previous year.
- Net sales fell from CHF 494.9 million in the previous year to CHF 412.0 million. Adjusted for divestment effects, it amounted to CHF 402.4 million (previous year adjusted: CHF 358.9 million), representing year-over-year growth of +12.0%.
- Earnings before interest and taxes (EBIT) amounted to CHF -114.3 million (previous year: CHF 19.9 million). It should be noted that the prior-year result was positively impacted by divestiture effects of CHF 102.2 million, while EBIT for 2025 includes a negative impact on earnings from discontinued operations of CHF -32.8 million. Adjusted for these two one-

time effects, the EBIT variance compared to the prior year amounts to CHF 0.8 million, or +1.0%.

- Cash flow from operating activities amounted to CHF -74.8 million (previous year: CHF 26.7 million). Free cash flow amounted to CHF -105.9 million (previous year: CHF 114.3 million).
- The net financial position remained positive at CHF 311.0 million as of the end of 2025 but decreased significantly (previous year: CHF 420.2 million).
- The order backlog as of December 31, 2025, was CHF 810.5 million (previous year: CHF 862.0 million).

Negative impact on earnings from launchers business, transformation, and one-time effects

The negative earnings development is primarily attributable to high engineering and qualification costs in the Launchers Division. These were related to product improvements based on insights from missions in recent years. In Linköping (Sweden), the transition from development to series production for the dispenser systems of Amazon's Leo satellite constellation proved more demanding than planned. Although the production ramp-up was challenging, output increased significantly in the fourth quarter and key qualification issues were resolved. In contrast, the Satellites division performed well in 2025 and had a stabilizing effect on the Group's overall results.

Furthermore, discontinued activities and divestments already completed resulted in financial obligations that had a one-time negative impact of CHF 26.5 million on the 2025 annual result. In addition, provisions totaling CHF 39.6 million were set aside in anticipation of further potential risks. Furthermore, costs related to the transformation and digitalization program, as well as negative exchange rate effects, weighed on the result.

Investments in efficiency, scaling, and active risk management

With the completion of the divestment of its non-space-related business units, RUAG International has streamlined its structure and further focused its efforts on the space business. In a dynamically growing, technologically demanding market environment, industrial efficiency, scalability, and active risk management are key success factors. Declining launch costs and falling end-customer prices per satellite are increasing competitive and margin pressure along the entire value chain and placing high demands on processes, organization, and production structures. To meet these requirements, Beyond Gravity has made targeted investments in recent years to strengthen standardization, industrial efficiency, technological transformation, as well as scalable production and process structures. While these investments weigh on earnings and cash flow in the short term, they sustainably strengthen efficiency, scalability, and competitiveness in the medium term.

As part of the Value Creation Roadmap, the "EZYone" digitalization project is designed as a comprehensive business transformation that more closely connects people, processes, systems, and locations. Following the program launch in Lisbon in 2024, the rollout for Corporate Services in Switzerland in early 2025, and the introduction at the Swedish locations in June 2025, the focus in the reporting year was particularly on the stabilization phase, which tied up significant resources. A phased rollout at additional locations in Switzerland, the U.S., Austria, and Finland is planned for 2026.

New ownership perspective and organizational changes

With the Swiss Parliament's final decision in spring 2025 to keep Beyond Gravity under the ownership of the Swiss Confederation, the company's strategic starting position has changed. In the future, Beyond Gravity will be more closely aligned with the federal government's space and security policy objectives. In July 2025, the Federal Council entrusted the Federal Department of Defence, Civil Protection and Sport (DDPS) with ownership oversight and with preparing a consultation draft for the new legal basis for the federal government's shareholding. In the meantime, the steering

group appointed by the DDPS has completed its work on the strategic parameters for the future direction of Beyond Gravity.

As of January 1, 2026, Beyond Gravity streamlined its organization and specifically adapted it to the company's new size and strategic direction. The Satellites and Launchers divisions were merged into one integrated business organization. At the same time, the Executive Board was downsized and, since January 1, 2026, consists of André Wall (CEO), Angelo Quabba (CFO), and Oliver Grassmann (COO). Effective April 7, 2026, Dr. Barbara Frei-Spreiter will assume the role of CEO of RUAG International and Beyond Gravity, succeeding André Wall (see media release dated March 19, 2026). André Wall will ensure a smooth transition.

Outlook

At the Annual General Meeting on April 20, 2026, the Board of Directors will be strengthened with additional space and technology expertise (see media release of March 13, 2026). This provides a broad and clear foundation for leadership during the next phase under federal ownership. The focus of fiscal year 2026 is on the consistent reduction of risks and the further industrialization, stabilization, and digital transformation of the business, with the aim of sustainably improving profitability from 2027 onward. Priority will be given to products and programs that make a clear contribution to profitability, in particular the targeted expansion of commercial product lines and the strategic shift from a specialized supplier to an integrated systems provider.

2025 Key figures at a glance

in CHF million	2025	2024*	in %
Net sales	412.0	494.9	-16.7%
EBITDA	-96.8	37.1	-361.1%
Earnings Before Interest and Taxes (EBIT)	-114.3	19.9	-674.2%
Net profit (loss)	-119.0	-1.6	-7,414.2%
Cash flow from operating activities	-74.8	26.7	-380.3%
Free cash flow	-105.9	114.3	-192.6%
Net financial position	311.0	420.2	-26.0%
Order intake	410.4	622.7	-34.1%
Order backlog as of Dec. 31, 2025	810.5	862.0	-6.0%
Self-financed research and development expenses	15.8	12.7	+24.0%
Headcount (FTE) as of December 31, 2025	1,926	1,813	+6.3%

*The 2024 figures include business units that have since been divested.

Further information on **the 2025 annual results** and the **2025 annual report** can be found at: <https://annualreport.ruag.com>.

Information on RUAG International can be found at www.ruag.com and on Beyond Gravity at www.beyondgravity.com.

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RUAG International is a Swiss technology group focused on aerospace. The company, with locations in six countries, is divided into the Space and Aerostructures divisions. www.ruag.com.