When you need **to be sure**



Embedded systems cybersecurity testing, Netherlands

Third quarter 2026 **sales update**

SGS

When you need to be sure

Third quarter 2026 sales update

Record Q3 sales growth of 14.6%, 5.7% organic

Ad hoc announcement pursuant to article 53 LR
Baar, 23 October 2026

- **Record Q3 sales of CHF 1 982 million, up 14.6%**
- **Strong organic[1] growth of 5.7%, scope effect of 6.9% and favorable currency impact of 2.0%**
- **Double-digit growth in DIGITAL TRUST and IMPACT NOW**
- **Sustained M&A activity including the acquisition of the US cybersecurity expert, Prescient Security**
- **Outlook 2026 confirmed**

Géraldine Picaud, Chief Executive Officer, commented**:**

"SGS delivered its highest-ever quarterly sales increase in Q3, supported by strong organic growth and the continued contribution from acquisitions. This performance demonstrates the successful execution of Strategy 27 and the strength and resilience of our multi-specialist model. We achieved double-digit growth in DIGITAL TRUST and IMPACT NOW. I want to thank the teams for their energy and expertise which make the success of our group. I also warmly welcome the talents joining us through our acquisitions."

Group sales

(CHF million)	Q3 2025	Q3 2026
Sales	**1 729**	**1 982**
Total change		14.6%
of which organic		**5.7%**
of which scope		6.9%
of which FX		2.0%

Group sales by region

(CHF million)	Organic growth	Q3 2026
Asia Pacific	9.3%	594
Europe	2.4%	507
North America	5.4%	285
Latin America	7.0%	193
Eastern Europe, Middle East & Africa	5.1%	190
Testing & Inspection	**5.9%**	**1 769**
Business Assurance	**4.2%**	**213**
Total Group	**5.7%**	**1 982**

[1] Refer to Alternative Performance Measures in the Appendix

Q3 2026 sales review

Sales reached CHF 1 982 million in Q3 2026, an increase of 14.6% compared with prior year. The performance was driven by strong organic growth of 5.7%, a positive net scope effect of 6.9% and a favorable foreign exchange effect of 2.0%.

Testing & Inspection delivered strong organic sales growth of 5.9%, supported by all business lines.

Business Assurance achieved organic sales growth of 4.2%, with continued momentum in Sustainability services and Digital Trust Assurance.

Double-digit growth in SGS DIGITAL TRUST and IMPACT NOW

SGS DIGITAL TRUST grew by 37%, continuing to strengthen its market position through targeted acquisitions, innovation and regulatory leadership. The acquisitions of majority stakes in Prescient Security and NetSentries significantly expanded enterprise cybersecurity, cyber-risk management and digital compliance capabilities. Together, they enhance SGS's expertise in the certification of information security, financial integrity, payment security, data protection and support the continued development of the SGS DIGITAL TRUST ecosystem. The group's leadership in connected-product cybersecurity was further reinforced as Brightsight was the first organization to achieve ISO/IEC 17065 accreditation, a major milestone to become a designated Notified Body under the EU Cyber Resilience Act. SGS delivered the first health software cybersecurity certification under the IECEE CB scheme. Granite River Labs also secured key client wins in connected-product testing.

IMPACT NOW grew by 23%, further expanding its portfolio of assurance and compliance solutions in response to evolving regulatory requirements. Accreditation for the Carbon Border Adjustment Mechanism (CBAM) enhanced SGS's ability to provide trusted carbon compliance verification across global supply chains. SGS also launched an integrated offering for the EU Packaging and Packaging Waste Regulation, combining materials and chemicals testing, including PFAS and heavy metals, with recyclability assessments, recycled-content verification, traceability and compliance expertise. The solution helps clients transition to more circular packaging while maintaining market access. In addition, SGS launched a readiness solution for the EU Deforestation Regulation and issued its first sustainable biomass certificates, supporting clients in meeting increasingly complex traceability and sustainability requirements.

Mergers and Acquisitions

SGS continued to execute its acquisition strategy in Q3. Following the 14 acquisitions completed during the first half of 2026, the Group added four more companies to its portfolio, bringing the total to 18 acquisitions year to date and further strengthening its position in high-growth, high-margin segments:

- **Dominios Eléctricos (DOEL)** – a specialist in testing, inspection and technical assistance for electricity transmission and distribution networks, supporting critical electrical infrastructure and grid modernization projects.
- **Konatec –** a mining technology company specializing in real-time rheology measurement and AI-powered analytics, helping mining operations improve recovery, water and energy efficiency, and operational continuity.
- **NetSentries –** a cybersecurity specialist providing security assessment, advisory and cyber-risk management services, supported by an AI-driven solution that helps organizations identify, assess and manage cyber risk.
- **Prescient Security –** a leading provider of information compliance and cybersecurity services, specializing in the certification of information security, financial integrity, payment security, data protection and cybersecurity.

Together, bolt-on acquisitions announced to date in 2026 represent total annual sales of over CHF 150 million.

Bolt-on acquisitions to date

	Effective date	Location	Business line	FTE
Panacea Infosec	January 2026	India	Business Assurance	92
MsMin	January 2026	Chile	Industries & Environment	185
Murray-Brown Laboratories	January 2026	USA	Health & Nutrition	16
Information Quality	January 2026	Australia	Industries & Environment	111
Cyanre Group	February 2026	South Africa	Connectivity & Products	33
Granite River Labs Services	March 2026	USA	Connectivity & Products	231
Trident	March 2026	USA	Industries & Environment	22
OSGAPI	April 2026	France	Industries & Environment	21
Alverad	April 2026	Hungary	Industries & Environment	28
Techcorp Services	May 2026	Australia	Industries & Environment	35
K Prime	May 2026	USA	Industries & Environment	22
Keystone Bioanalytical	May 2026	USA	Health & Nutrition	17
CMIC Inc.	June 2026	USA	Health & Nutrition	51
Agroknow	July 2026	Greece	Business Assurance	32
Dominios Eléctricos (DOEL)	August 2026	Spain	Industries & Environment	30
Konatec	September 2026	Chile	Natural Resources	26
NetSentries	September 2026	United Arab Emirates	Connectivity & Products	130
Prescient Security	October 2026	USA	Business Assurance	350

Beyond bolt-on acquisitions, SGS had previously announced that the divestment of its Crop Science operations to Eurofins would not proceed, as the purchase agreement was terminated. SGS welcomes the final award recently rendered by the International Chamber of Commerce arbitral tribunal in the arbitration commenced by Eurofins following the termination. The tribunal dismissed all claims asserted by Eurofins and confirmed the validity of SGS's position. Accordingly, the Crop Science operations remain with SGS and the matter is now conclusively resolved.

Management changes

Gabriel Julia was appointed Head of Health & Nutrition and a member of the Executive Committee, effective 1 October 2026. He is a seasoned expert with more than 15 years of experience in the Testing, Inspection and Certification industry.

Outlook 2026

SGS confirms its 2026 outlook:

- 5% to 7% organic sales growth
- Growth from acquisitions around 7%
- ≥ 16% adjusted operating income[1] margin on sales, in reported terms
- > 50% cash conversion[1]
- Capital Markets Event to be held in Berlin on 17 and 18 November 2026

Conference call

A live webcast for analysts and investors will be held on 23 October 2026 at 10:00 am CET.

Details of the webcast can be found below:

https://event.choruscall.com/mediaframe/webcast.html?webcastid=jlAPRlHe

A recording of the webcast will be available on sgs.com later in the day.

[1] Refer to Alternative Performance Measures in the Appendix

Business line performance

Testing & Inspection: Industries & Environment



(CHF million)	Q3 2026	9M 2026
Sales	**697**	**2 009**
Total change	21.4%	18.0%
of which organic	**3.6%**	**4.4%**
of which scope	15.7%	17.0%
of which FX	2.1%	-3.4%

Industries & Environment delivered solid organic growth of 3.6%, driven by Inspection and Environment:

- **Environment** delivered strong growth across North America, Asia Pacific and Europe, driven by demand for testing and field services.
- **Inspection & Supervision** and **Safety** recorded high single-digit growth, supported by new projects in Asia Pacific and Latin America.
- **Industrial Testing** delivered a softer performance, affected by the situation in the Middle East and a high basis of comparison.
- Acquisitions continued to perform strongly, including ATS.

Testing & Inspection: Natural Resources



(CHF million)	Q3 2026	9M 2026
Sales	**448**	**1 290**
Total change	10.6%	7.0%
of which organic	**6.2%**	**5.8%**
of which scope	1.7%	3.0%
of which FX	2.7%	-1.8%

Natural Resources delivered strong organic growth of 6.2%, led by Minerals.

- **Minerals** reported double-digit organic growth, supported by all regions.
- Momentum continued in geochemistry, complemented by excellent performance in minerals trade services across all commodities.
- **Agriculture** delivered a stable performance despite seasonal challenges in Europe and the effects from geopolitical uncertainty.
- **Oil, Gas and Chemicals** remained resilient as double-digit organic growth in North America and Latin America offset business disruptions in the Middle East.

Testing & Inspection: Connectivity & Products



(CHF million)	Q3 2026	9M 2026
Sales	**385**	**1 071**
Total change	13.7%	6.0%
of which organic	**9.2%**	**7.6%**
of which scope	2.2%	2.0%
of which FX	2.3%	-3.6%

Connectivity & Products posted excellent organic growth of 9.2%, led by Connectivity, Hardlines and Softlines:

- **Connectivity** delivered high single-digit organic growth, led by wireless testing, cybersecurity and automotive technical services.
- **Softlines** recorded double-digit organic growth, driven by new regulations in Europe and North America and increased consumer awareness.
- **Hardlines** reported double-digit organic growth, with renewed momentum in toys and strong demand for food contact materials testing.
- **Trade Facilitation Services** was affected by softer demand resulting from disruptions in trade flows related to the Middle East.

Testing & Inspection: Health & Nutrition

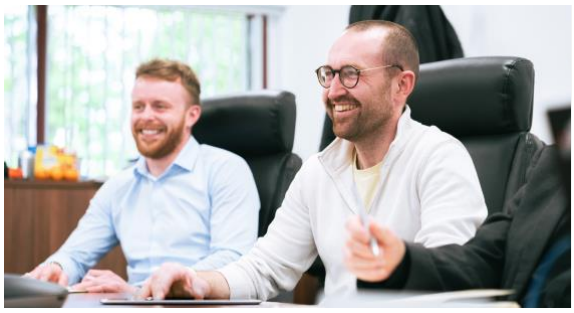


(CHF million)	Q3 2026	9M 2026
Sales	**239**	**680**
Total change	9.6%	3.4%
of which organic	**6.2%**	**5.1%**
of which scope	2.5%	1.6%
of which FX	0.9%	-3.3%

Health & Nutrition delivered strong organic growth of 6.2%, driven by Food:

- **Food** recorded double-digit organic growth, fueled by strong demand for food safety and food advisory & labelling services.
- Contaminants testing maintained the momentum seen in the first half.
- **Pharma** recorded moderate growth, with double-digit increase in Biosafety.
- **Cosmetics & Personal Care** posted solid organic growth, supported by improved activity across regions.

Certification: Business Assurance



(CHF million)	Q3 2026	9M 2026
Sales	**213**	**615**
Total change	10.3%	7.4%
of which organic	**4.2%**	**6.2%**
of which scope	4.8%	4.8%
of which FX	1.3%	-3.6%

Business Assurance achieved solid organic growth of 4.2%, led by Sustainability & Digital Trust:

- **Certification** activity grew moderately, impacted by audit delays due to extreme weather conditions in East Asia.
- **Sustainability** recorded high single-digit organic growth, driven by circularity and nature services.
- **Digital Trust** assurance posted double-digit growth, driven by increasing global demand for information security, cybersecurity and AI assessments.
- **Training** was soft due to the late release of new ISO standards.

Appendix

Alternative Performance Measures

For the period ended 30 September 2026

This section presents and defines the Group's alternative performance measures (APMs), not defined by IFRS which are used to evaluate financial and operational performance. Where relevant, a reconciliation of the information included in our IFRS consolidated financial statements is presented. Management considers these performance measures a useful source of information when taking decisions and managing the operations. These alternative performance measures are disclosed in the Integrated Report, the half year report, the quarter reports and other external communications to investors, and are available following this link: https://www.sgs.com/en/investors/reports

Organic sales growth

Organic sales growth is used by management to evaluate the evolution of existing operations, excluding the changes in scope and currency fluctuations. This provides a like-for-like comparison with the previous period in constant scope and constant currency, enabling deeper understanding of the business dynamics which contribute to the evolution of sales from one period to another.

- Scope: Results from acquisitions are excluded for the 12 months following the date of a business combination, while results generated by a divested or discontinued operation are excluded for the 12-month period prior to the change in scope.
- Currency fluctuations: sales at constant currency are calculated by translating current year numbers at prior year average exchange rates (except for currencies with a devaluation of above 50% between the two comparable periods, for which the current year average rate is applied to the prior year baseline).

Organic sales are then divided by the prior-period sales at constant scope to derive the organic growth percentage. A numerical reconciliation of this APM is included below:

(CHF million)	
Sales Q3 2025	1 729
Scope effect from divested / discontinued operations	-7
Sales Q3 2025 at constant scope	1 722
Organic growth	98
Scope effect from acquisitions	126
Sales Q3 2026 at constant currency	1 946
Currency impact	36
Sales Q3 2026	**1 982**

Organic growth	**5.7%**

Constant currency

The constant currency calculation is used to assess the period-over-period evolution of financial indicators excluding the impact of currency movements. SGS calculates constant currency measures by translating the current year numbers at prior year average exchange rates (except for currencies with a devaluation of above 50% between the two comparable periods, for which the current year average rate is applied to the prior year baseline).

Adjusted operating income

Adjusted operating income is provided to assess the underlying financial and operational performance of the Group excluding the influence of items not directly attributable to operational performance. Adjusted operating income represents the operating income excluding:

- Amortization and impairment expenses on intangibles arising as a result of acquisitions
- Impairment expenses on goodwill
- Restructuring costs including impairment charges arising from the execution of restructuring plans
- Gains and losses from business disposals
- Acquisition- and divestment-related expenses including integration costs
- Other non-recurring items may include non-operational items such as certain regulatory, compliance and legal costs and certain asset write-downs/impairments and remeasurement gains on business combinations

Free cash flow

Free cash flow is deemed an important measure by management as it shows the ability to generate cash after the investment in assets necessary to support the existing operating activities. In 2023, management included interest paid and interest received in the Free cash flow calculation. It includes the cash effects of restructuring costs, and is calculated as follows:

Net cash flow from operating activities,

Less net purchase of property, plant and equipment and of other intangible assets,

Less lease payments,

Less interests paid, net of interests received.

Cash conversion

The cash conversion ratio provides management with a measure of the Group's ability to convert operational results into cash. The ratio is calculated by comparing free cash flow with EBITDA (operating income before depreciation, amortization and impairment) minus lease payments.

About SGS

SGS is the world's leading Testing, Inspection and Certification company. We operate a network of over 2,500 laboratories and business facilities across 115 countries, supported by a team of over 100,000 dedicated professionals. With more than 145 years of service excellence, we combine the precision and accuracy that define Swiss companies to help organizations achieve the highest standards of quality, compliance and sustainability.

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

SGS is publicly traded on the SIX Swiss Exchange under the ticker symbol SGSN (ISIN CH1256740924, Reuters SGSN.S, Bloomberg SGSN SW).

Shareholder Information

Upcoming investor events

17-18 November 2026	Capital Markets Event
11 February 2027	FY 2026 results
24 March 2027	Annual General Meeting
23 April 2027	Q1 2027 sales update
23 July 2027	Half year 2027 results
22 October 2027	Q3 2027 sales update

Stock listing information

Stock exchange trading	SIX Swiss Exchange
Stock exchange listing	SGSN
Common stock symbols	Bloomberg: SGSN SW Reuters: SGSN.S Telekurs: SGSN ISIN: CH1256740924 Swiss security number: 249745

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Disclaimer

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