

# HALF-YEAR REPORT 2023

Bobst Group SA

# KEY FIGURES

In million CHF	June 2023	June 2022	June 2021	June 2020	June 2019
<b>Sales</b>	<b>814.6</b>	<b>772.5</b>	<b>667.4</b>	<b>523.8</b>	<b>736.8</b>
<b>Operating result (EBIT)</b>	<b>46.8</b>	<b>28.6</b>	<b>14.6</b>	<b>(25.1)</b>	<b>14.8</b>
As % of sales	5.7%	3.7%	2.2%	(4.8%)	2.0%
<b>Net result</b>	<b>41.3</b>	<b>21.6</b>	<b>5.1</b>	<b>(30.0)</b>	<b>7.4</b>
As % of sales	5.1%	2.8%	0.8%	(5.7%)	1.0%
<b>Earnings per share</b>	<b>2.54</b>	<b>1.30</b>	<b>0.22</b>	<b>(1.33)</b>	<b>0.87</b>
<b>Headcount</b>	<b>6 133</b>	<b>5 915</b>	<b>5 687</b>	<b>5 775</b>	<b>5 597</b>
% change compared with same period of previous year	3.7%	4.0%	(1.5%)	3.2%	1.5%
<b>Capital expenditure (CAPEX)</b>	<b>13.0</b>	<b>20.5</b>	<b>15.0</b>	<b>24.0</b>	<b>27.9</b>
<b>Net cash/Net debt</b>	<b>(218.2)</b>	<b>(2.5)</b>	<b>72.0</b>	<b>(153.2)</b>	<b>(117.1)</b>
<b>Net working capital (NWC)</b>	<b>264.0</b>	<b>103.8</b>	<b>136.1</b>	<b>269.5</b>	<b>309.9</b>

## Distribution of sales by Business Unit

In million CHF	Jan-Jun 2023		Jan-Jun 2022		Jan-Jun 2021		Jan-Jun 2020		Jan-Jun 2019	
Printing & Converting	498.9	61.2%	466.9	60.4%	389.7	58.4%	295.4	56.4%	493.1	66.9%
Services & Performance	315.7	38.8%	305.6	39.6%	276.9	41.5%	228.3	43.6%	243.6	33.1%
Other	0.0	0.0%	0.0	0.0%	0.8	0.1%	0.1	0.0%	0.1	0.0%
<b>Total</b>	<b>814.6</b>	<b>100.0%</b>	<b>772.5</b>	<b>100.0%</b>	<b>667.4</b>	<b>100.0%</b>	<b>523.8</b>	<b>100.0%</b>	<b>736.8</b>	<b>100.0%</b>

## Distribution of sales by geographical zone

In million CHF	Jan-Jun 2023		Jan-Jun 2022		Jan-Jun 2021		Jan-Jun 2020		Jan-Jun 2019	
Europe	378.0	46.4%	373.9	48.5%	295.8	44.3%	254.4	48.6%	342.6	46.5%
Americas	256.4	31.5%	237.4	30.7%	191.3	28.7%	149.7	28.6%	240.7	32.7%
Asia & Oceania	141.4	17.4%	145.8	18.8%	162.8	24.4%	103.1	19.7%	138.8	18.8%
Africa	38.8	4.8%	15.4	2.0%	17.5	2.6%	16.6	3.2%	14.7	2.0%
<b>Total</b>	<b>814.6</b>	<b>100.0%</b>	<b>772.5</b>	<b>100.0%</b>	<b>667.4</b>	<b>100.0%</b>	<b>523.8</b>	<b>100.0%</b>	<b>736.8</b>	<b>100.0%</b>

# EVOLUTION OF THE GROUP'S BUSINESS ACTIVITY DURING THE FIRST HALF-YEAR OF 2023

- Sales improved by 5% compared to H12022.
- Operating result (EBIT) increased to CHF 46.8 million from CHF 28.6 million in 2022..
- Net result was CHF 41.3 million compared with CHF 21.6 million in 2022..
- Order entries decreased by 22% and backlog decreased by 5% compared to previous year.
- Good second half of the year expected but supply chain related risks may impact results.

During the first half of 2023, consolidated sales amounted to CHF 814.6 million, representing an increase of CHF 42.1 million, or 5.4%, compared with the same period in 2022. Volume and price variances had a positive impact of CHF 66.2 million, or 8.6%.

The exchange rates had an overall negative impact on sales of CHF 25.9 million, or -3.4%.

An improvement of CHF 1.8 million or +0.2%, came from the acquisition of Dücker Robotics s.r.l., Momo, Italy, completed on 28 April 2023.

In million CHF	30 June 2023	30 June 2022	Δ %
<b>Sales by BU</b>			
BU Printing & Converting	498.9	466.9	6.9
BU Services & Performance	315.7	305.6	3.3
Other	0.0	0.0	0.0
<b>Total</b>	<b>814.6</b>	<b>772.5</b>	<b>5.4</b>

The increase of consolidated sales was due to the high machine backlog beginning of the year and the absence of travel restrictions and lockdowns caused by the pandemic situation in previous years. This allowed the Group to install more machines and to perform more service interventions than in the same period in 2022.

The operating result (EBIT) reached CHF 46.8 million compared with CHF 28.6 million for the same period in 2022. The improvement in operating result (EBIT) is due to higher sales, improved margins and a better absorption of costs, due to less events negatively impacting the operational performance of the Group. Additional price increases for materials, parts and electricity limited the overall improvement.

The operating result (EBIT) for Business Unit Printing & Converting improved from CHF -9.7 million in the first half of 2022 to CHF -3.8 million in the first half of 2023. Higher sales and better absorption of costs in the first half of the year led to this improvement in operating result (EBIT). The availability of several specific components needed to assemble our equipment improved compared to the same period in 2022 but is still not at a satisfying level. The missing parts led to inefficiencies and rework in most of our production sites. The time lost due to the cyber-attack attempt suffered in April 2023 and additional costs to recover also limited the favorable impact of the higher sales.

Business Unit Services & Performance improved its operating result (EBIT) to CHF 51.9 million in the first half of 2023, compared with CHF 39.6 million in the same period in 2022. The improvement comes from higher spare parts sales and a better overall utilization of our field service technicians. Parts missing during the assembly process create additional workload for the field service technicians during the installation of the machines, but the high number of technicians and technical support people hired in 2021 and 2022 could be better deployed. This had a positive impact on the Business Unit's profitability in the first half of the year.

In million CHF	30 June 2023	30 June 2022	Δ
<b>EBIT by BU</b>			
BU Printing & Converting	(3.8)	(9.7)	5.9
BU Services & Performance	51.9	39.6	12.3
Other	(1.3)	(1.3)	0.0
<b>Total</b>	<b>46.8</b>	<b>28.6</b>	<b>18.2</b>

Net result reached CHF 41.3 million, compared to CHF 21.6 million in 2022. The increase in net result is mainly due to higher operating result (EBIT). Improved result of associates and a better financial result had also a positive impact.

The net debt position was CHF 218.2 million at the end of June 2023 compared to a net cash position of CHF 67.0 million at the end of 2022. This is mainly due to the CHF 165.2 million dividends distributed in April 2023 to shareholders and an increase of CHF 150.7 million in net working capital, compared to the very low level reached at the end of 2022. The consolidated equity reached 22.1% of the total balance sheet, compared to 28.9% at the end of 2022. The reduction of the ratio is mainly due to the distribution of ordinary and extraordinary dividend.

## BUSINESS ACTIVITY AND OUTLOOK BY BUSINESS UNIT

### Business Unit Printing & Converting

In term of order entries, the Business Unit continued to experience a good first half year in 2023, but with substantially lower orders compared to the previous record years. The backlog remains very strong. 4% higher than at the end of 2022 but 7% lower than in June 2022.

Main market trends remain e-commerce, sustainability and recyclability (circular economy) in all industries. This generates excellent opportunities for BOBST to address these market demands with new solutions for barrier film and paper, new recyclable mono-material laminates, and films for the flexible packaging industry. For the folding carton and corrugated board industry, our new real-time performance monitoring, quick set-up and waste reduction, as well as advanced automation solutions (Dücker acquisition) are well perceived by the market. Even though the next capital investments of our customers are carefully reviewed, the consolidation in the industry goes on, including the creation of new greenfield plants and the vertical integration from paper and film producers into converting activities. In parallel, brand owners are tending to start a regionalization of solid and resilient supply chains to better mitigate the global risks.

The severe impact of foreign exchange rates, the increase of labor cost, the supply chain turbulences, the energy and raw material price increases and availability represent our greatest challenges. A dedicated cross-functional task force is managing these by leveraging our global scale and production planning capabilities.

The transformation program of the Business Unit Printing & Converting initiated in 2020 is on track and results are currently materializing. We expect to see the order entries level to stabilize or to be slightly lower in the second half-year compared to first six months of 2023. As previous year, we expect second half-year sales to be higher than the level recognized during the first six months. The uncertain availability of parts from main suppliers might however impact the shipment of certain machines planned for this year.

## **Business Unit Services & Performance**

First half-year sales for the Business Unit Services & Performance were 3% above the same period in 2022 and most regions contributed.

The growth was done equally with parts and services while tooling has seen a certain drop due to lower workload in some of our customers plants. BOBST Connect and our service contract "Maintenance Plus" are the growth drivers and this despite the fact that it was difficult to execute some of the above due to the high number of new machine installations worldwide.

Our new parts distribution Hub in Genk (Belgium) is now stabilized and ramping up nicely, but our clients still suffer long delivery dates, as the world supply chain is recovering at a slow pace.

The new BOBST CRM (Customer Relationship Management) introduced first in the US in 2022 is now deployed globally and allows a better execution and follow-up of our service interventions.

The Business Unit Services & Performance expects to see normal business development for the second half of 2023, if no major changes in the world economy or exchange rates occur.

The Business Unit Services & Performance will pursue its digital and business transformation while continuing to hire and train new services technicians to increase competencies on the needed markets. Business Unit Services & Performance will also continue to actively develop with Business Unit Printing & Converting innovative retrofits and upgrades supporting the sustainability program of our customers.

The focus for the second half of 2023 will therefore be to further develop our distribution network worldwide, continue our IT system transformation while improving the overall spare parts availability and as always continue to work on customer satisfaction.

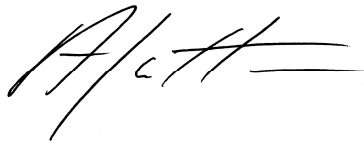
## OUTLOOK FOR THE SECOND HALF OF 2023

For the full year, order entries should remain at a similar level as in the first six months of this year. The uncertainties caused by the still too high inflation in our core markets, by the unpredictable supply chain, the geopolitical situation and slowing end-user consumption could however lead to a further slowdown in the second half of 2023.

Sales and results for the first half-year were according to expectations despite multiple supply chain challenges and a cyber-attack attempt. The Group managed these thanks to highly committed employees and partners. Producing and installing all the machines scheduled for the second half of the year remains a big challenge and needs further improvements in the parts and materials supply chain.

As announced on 27 February, the Group expects sales to be similar to the level reached in 2022 (CHF 1.8 billion) and an operating result (EBIT) margin to be slightly lower than in 2022 (7.7%). Based on the Group's current assessment it is still possible to reach these targets if further improvements in the supply chain occur in the second half of the year.

The long-term financial targets of at least 8% operating result (EBIT) and a minimum 20% return on capital employed (ROCE) are confirmed.



**Alain Guttmann**  
*Chairman of the Board*



**Jean-Pascal Bobst**  
*Chief Executive Officer*

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### Financial calendar

08 November 2023	Conference for financial analysts and media
27 February 2024	Publication of the 2023 financial statements
	Conference for financial analysts and media
28 March 2024	Annual General Meeting of Shareholders

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# INTERIM CONSOLIDATED PROFIT AND LOSS

In million CHF	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022
<b>Sales</b>	<b>814.6</b>	<b>772.5</b>	<b>1 840.9</b>
Other operating income	9.2	10.0	19.7
Material costs and subcontractors	(421.8)	(393.8)	(838.8)
Changes in inventories	104.1	71.4	7.5
Personnel costs	(267.2)	(261.1)	(518.8)
Depreciation and amortization	(19.0)	(21.0)	(41.1)
Other operating expenses	(173.1)	(149.4)	(328.1)
<b>Operating result (EBIT)</b>	<b>46.8</b>	<b>28.6</b>	<b>141.3</b>
Share of net result in associates	3.1	0.1	5.1
Interest expenses	(2.8)	(2.5)	(4.1)
Other financial income	16.5	7.3	14.9
Other financial expenses	(4.5)	(2.1)	(10.8)
<b>Result before income tax</b>	<b>59.2</b>	<b>31.4</b>	<b>146.4</b>
Income tax	(17.8)	(9.8)	(31.1)
<b>Net result</b>	<b>41.4</b>	<b>21.6</b>	<b>115.3</b>
<b>Attributable:</b>			
To shareholders	41.9	21.3	114.3
To non-controlling interest	(0.6)	0.3	1.0
Earnings per registered share (in CHF)	2.54	1.30	6.92
Diluted earnings per registered share (in CHF)	2.54	1.30	6.92

# INTERIM CONSOLIDATED BALANCE SHEET

In million CHF	June 2023	June 2022	Dec 2022
Intangible fixed assets	43.8	48.2	48.7
Tangible fixed assets	239.4	246.9	242.2
Financial assets other	33.3	43.8	48.1
Investments in associates	63.0	57.5	61.2
Employer contribution reserves	25.7	25.7	25.7
Receivables	5.3	5.2	5.0
Finance lease receivables	5.6	4.8	4.1
Prepaid expenses and accrued income	1.5	1.5	1.6
Derivative financial instruments	0.5	1.9	1.3
Deferred tax assets	33.6	39.0	31.5
<b>Non-current assets</b>	<b>451.7</b>	<b>474.5</b>	<b>469.4</b>
Inventories	694.4	579.5	534.2
Receivables	425.7	365.6	453.2
Finance lease receivables	2.3	5.1	7.1
Income tax receivables	10.1	14.1	12.6
Prepaid expenses and accrued income	29.6	28.2	21.1
Derivative financial instruments	17.6	18.3	19.0
Cash and cash equivalents	158.4	341.8	410.5
<b>Current assets</b>	<b>1 338.1</b>	<b>1 352.6</b>	<b>1 457.7</b>
<b>Total assets</b>	<b>1 789.8</b>	<b>1 827.1</b>	<b>1 927.1</b>
Share capital	16.5	16.5	16.5
Reserves	336.6	425.9	419.1
Net result	41.9	21.3	114.3
<b>Shareholders' equity</b>	<b>395.0</b>	<b>463.7</b>	<b>549.9</b>
Non-controlling interest	0.3	6.3	6.9
<b>Equity</b>	<b>395.3</b>	<b>470.0</b>	<b>556.8</b>
Borrowings	336.4	337.5	336.9
Provisions	2.1	2.6	2.4
Employee benefits	16.1	20.5	16.2
Trade and other payables	32.8	50.1	48.6
Deferred tax liabilities	36.9	30.6	33.4
Derivative financial instruments	0.0	0.0	0.3
<b>Non-current liabilities</b>	<b>424.3</b>	<b>441.3</b>	<b>437.8</b>
Borrowings	40.2	6.8	6.6
Provisions	45.4	44.4	45.7
Employee benefits	2.7	2.6	2.5
Trade and other payables	720.8	698.6	690.0
Accrued expenses and deferred income	146.8	137.4	174.5
Income tax payables	9.0	5.9	5.8
Derivative financial instruments	5.3	20.1	7.4
<b>Current liabilities</b>	<b>970.2</b>	<b>915.8</b>	<b>932.5</b>
<b>Total liabilities and equity</b>	<b>1 789.8</b>	<b>1 827.1</b>	<b>1 927.1</b>

# INTERIM CONSOLIDATED CASH FLOW STATEMENT

In million CHF		Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022
<b>Net result</b>		<b>41.3</b>	<b>21.6</b>	<b>115.3</b>
Elimination of net result in associates		(3.1)	(0.1)	(5.1)
Elimination of income taxes		17.8	9.8	31.1
Elimination of depreciation/amortization on fixed assets		19.0	21.0	41.1
Elimination of changes in provisions		(0.8)	(1.0)	(0.1)
Elimination of changes in employee benefits		0.1	0.6	(3.3)
Elimination of the result on disposal of assets		1.1	0.2	1.0
Elimination of interest expenses/(income)		0.5	1.5	1.6
Elimination of derivative financial instruments results		(7.1)	3.0	(4.9)
Changes in inventories		(164.9)	(111.7)	(75.8)
Changes in receivables		17.7	(30.1)	(119.0)
Changes in payables		12.5	107.1	150.6
Paid taxes		(8.7)	(24.9)	(39.7)
<b>Cash flow from (used in) operating activities</b>	<b>Total A</b>	<b>(74.6)</b>	<b>(3.0)</b>	<b>92.8</b>
Acquisition of Subsidiaries and business activities		(2.3)	0.0	0.0
Purchase of intangible fixed assets		(4.1)	(9.9)	(17.5)
Purchase of tangible fixed assets		(8.9)	(10.6)	(23.8)
Purchase of financial assets		(0.7)	0.0	(2.2)
Loans and advances made		(1.6)	(3.7)	(9.4)
Proceeds from sale of tangible fixed assets		0.1	7.3	7.2
Proceeds from sale of financial assets		0.0	0.0	0.1
Loan repayments and advances received		0.5	0.3	0.4
Interest received		2.3	0.9	2.4
Dividends received		0.5	0.0	0.6
<b>Cash flow from (used in) investing activities</b>	<b>Total B</b>	<b>(14.3)</b>	<b>(15.7)</b>	<b>(42.2)</b>
Purchase of non-controlling interest		(15.7)	(2.3)	(3.4)
Proceeds from borrowings		30.1	4.4	8.3
Repayments of borrowings		(2.6)	(1.0)	(5.4)
Interest paid		(2.6)	(2.2)	(4.1)
Dividends paid to Group shareholders		(165.2)	(132.1)	(132.1)
Dividends paid to non-controlling interest		(0.7)	(1.0)	(1.2)
<b>Cash flow from (used in) financing activities</b>	<b>Total C</b>	<b>(156.6)</b>	<b>(134.2)</b>	<b>(137.9)</b>
<b>Effects of exchange variances</b>	<b>Total D</b>	<b>(6.7)</b>	<b>(0.2)</b>	<b>2.9</b>
<b>Change in cash and cash equivalents</b>	<b>A+B+C+D</b>	<b>(252.1)</b>	<b>(153.1)</b>	<b>(84.4)</b>
Cash and cash equivalents at beginning of period		410.5	494.9	494.9
Cash and cash equivalents at end of period		158.4	341.8	410.5
<b>Variance</b>		<b>(252.1)</b>	<b>(153.1)</b>	<b>(84.4)</b>

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are easily and quickly convertible to a known amount of cash.

# INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

In million CHF	Share capital	Own share	Hedge reserve	Translation reserve	Other reserves	Goodwill offset	Retained earnings	Total shareholders' equity	Non-controlling interest	Total equity
<b>Balance at 1 January 2022</b>	<b>16.5</b>	<b>0.0</b>	<b>7.5</b>	<b>(65.1)</b>	<b>(0.3)</b>	<b>(173.2)</b>	<b>802.9</b>	<b>588.3</b>	<b>7.1</b>	<b>595.4</b>
Result for the period							21.3	21.3	0.3	21.6
Currency translation differences				(3.9)				(3.9)	0.1	(3.8)
Net gain/(loss) on cash flow hedges reclassified to profit and loss during the year			(7.9)					(7.9)		(7.9)
Net gain/(loss) on cash flow hedges during the year			(1.1)					(1.1)		(1.1)
Income tax			2.1					2.1		2.1
Non-controlling interests acquisition							(2.3)	(2.3)	(0.1)	(2.4)
Share-based payments					(0.7)			(0.7)		(0.7)
Changes in own shares								0.0		
Dividends							(132.1)	(132.1)	(1.1)	(133.2)
<b>Balance at 30 June 2022</b>	<b>16.5</b>	<b>0.0</b>	<b>0.6</b>	<b>(69.0)</b>	<b>(1.0)</b>	<b>(173.2)</b>	<b>689.8</b>	<b>463.7</b>	<b>6.3</b>	<b>470.0</b>
<b>Balance at 1 January 2023</b>	<b>16.5</b>	<b>0.0</b>	<b>11.1</b>	<b>(84.2)</b>	<b>(2.0)</b>	<b>(173.2)</b>	<b>781.7</b>	<b>549.9</b>	<b>6.9</b>	<b>556.8</b>
Result for the period							41.9	41.9	(0.6)	41.3
Currency translation differences			0.3	(11.6)				(11.3)	0.0	(11.3)
Net gain/(loss) on cash flow hedges reclassified to profit and loss during the year			(13.1)					(13.1)		(13.1)
Net gain/(loss) on cash flow hedges during the year			6.2					6.2		6.2
Income tax			0.7					0.7		0.7
Goodwill on acquisition						(3.3)		(3.3)	(0.4)	(3.7)
Non-controlling interests acquisition							(10.7)	(10.7)	(5.0)	(15.7)
Dividends							(165.2)	(165.2)	(0.7)	(165.9)
<b>Balance at 30 June 2023</b>	<b>16.5</b>	<b>0.0</b>	<b>5.2</b>	<b>(95.8)</b>	<b>(2.0)</b>	<b>(176.5)</b>	<b>647.7</b>	<b>395.0</b>	<b>0.3</b>	<b>395.3</b>

# INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

In million CHF	Share capital	Own share	Hedge reserve	Translation reserve	Other reserves	Goodwill offset	Retained earnings	Total shareholders' equity	Non-controlling interest	Total equity
<b>Balance at 1 January 2022</b>	<b>16.5</b>	<b>0.0</b>	<b>7.5</b>	<b>(65.1)</b>	<b>(0.3)</b>	<b>(173.2)</b>	<b>802.9</b>	<b>588.3</b>	<b>7.1</b>	<b>595.4</b>
Result for the period							114.3	114.3	1.0	115.3
Currency translation differences				(19.1)				(19.1)	(0.3)	(19.4)
Net gain/(loss) on cash flow hedges reclassified to profit and loss during the year			(8.5)					(8.5)		(8.5)
Net gain/(loss) on cash flow hedges during the year			13.1					13.1		13.1
Income tax			(1.0)		(1.0)			(2.0)		(2.0)
Non-controlling interests acquisition							(3.4)	(3.4)	0.3	(3.1)
Share-based payments					(0.7)			(0.7)		(0.7)
Dividends							(132.1)	(132.1)	(1.2)	(133.3)
<b>Balance at 31 December 2022</b>	<b>16.5</b>	<b>0.0</b>	<b>11.1</b>	<b>(84.2)</b>	<b>(2.0)</b>	<b>(173.2)</b>	<b>781.7</b>	<b>549.9</b>	<b>6.9</b>	<b>556.8</b>

# NOTES

## **NOTE 1 GENERAL INFORMATION**

Bobst Group SA, a company incorporated in Switzerland and having its main offices at 3, Route de Faraz, in Mex, Switzerland, is the holding company of the Bobst Group, one of the world's leading suppliers of substrate processing, printing and converting equipment and services for the label, flexible packaging, folding carton and corrugated board industries.

## **NOTE 2 BASIS OF PREPARATION AND ACCOUNTING POLICIES**

These consolidated interim financial statements are published in English and cover the unaudited half-year results for the six months ending 30 June 2023. They have been prepared in accordance with Swiss GAAP FER (Accounting and Reporting Recommendations).

These interim financial statements do not contain all the information and disclosures required in the annual consolidated financial statements. They should therefore be read in conjunction with the consolidated financial statements as of 31 December 2022. In these consolidated interim financial statements, management made no new assumptions or estimates compared with the consolidated financial statements as of 31 December 2022.

# NOTES

## **NOTE 3 ALTERNATIVE PERFORMANCE MEASURES (APM)**

Bobst Group uses certain key figures to measure its performance that are not defined by Swiss GAAP FER. Management believes that these non-Swiss GAAP FER performance measures provide useful information regarding the Group's financial and operating performance.

As these measures are not defined by Swiss GAAP FER, the calculation may differ from similar figures presented by other companies. The APM used by Bobst Group are explained as follows:

### **Net cash/Net debt**

Net cash/Net debt is our financial liquidity metric that measures our company's ability to pay all its debts if they were due today. This ratio describes the cash and cash equivalents minus the borrowings. A positive amount indicates net cash while a negative amount means net debt.

### **Capital expenditure (CAPEX)**

CAPEX corresponds to the addition of the cash outflows relating to the purchase of intangible fixed assets and the purchase of tangible fixed assets.

### **Return on capital employed (ROCE)**

ROCE is a profitability ratio that measures how efficiently Bobst Group can generate profits from its capital employed by comparing operating result to capital employed.

### **Net working capital (NWC)**

The NWC is the receivables accounts and the inventories minus the payables accounts. It is a measure of a company's liquidity and its ability to meet short-term obligations, as well as fund operations of the business.

The detailed calculation of the APM key figures can be found on the Bobst Group website.

# NOTES

## **NOTE 4 CHANGES IN THE SCOPE OF CONSOLIDATION**

On 3 April 2023, the Group acquired an additional 39.0% of Cito-System GmbH, Schwaig bei Nürnberg, Germany.

On 6 April 2023, the Group acquired an additional 25.0% of PolyMX BV, Raamsdonksveer, Netherlands.

These two companies were already consolidated according to the full consolidation method at 31 December 2022.

On 28 April 2023, the Group acquired 70.0% of Dücker Robotics s.r.l., Momo, Italy.

The total acquired assets and liabilities are as follows:

- Current assets including cash CHF 8.6 million
- Current liabilities CHF 13.6 million
- Fixed assets CHF 3.3 million

# NOTES

## NOTE 5 SEGMENT REPORTING

In million CHF	June 2023	June 2022	Dec 2022
<b>Revenue</b>			
Printing & Converting third party sales	498.9	466.9	1 219.1
Printing & Converting inter-segment	18.9	18.1	37.3
Printing & Converting total revenue	517.8	485.0	1 256.4
Services & Performance third party sales	315.7	305.6	621.8
Other third party sales	0.0	0.0	0.0
Eliminations inter-segment	(18.9)	(18.1)	(37.3)
<b>Total third party sales</b>	<b>814.6</b>	<b>772.5</b>	<b>1 840.9</b>
<b>Results</b>			
Printing & Converting	(3.8)	(9.7)	47.3
Services & performance	51.9	39.6	96.6
Other	(1.3)	(1.3)	(2.6)
<b>Total segment operating result (EBIT)</b>	<b>46.8</b>	<b>28.6</b>	<b>141.3</b>

# NOTES

## **NOTE 6 SEASONALITY OF OPERATIONS**

Although there is no reason to expect seasonality from the nature of the Group activities, in recent years its customers have appeared to be more inclined to take delivery in the second half of the year. Consequently, higher revenues and operating profits are usually observable during that period than during the first six months.

## **NOTE 7 INCOME TAX**

Taxes for the half-year period are accrued at expected tax rates, on an annual basis, prevailing in the different countries.

## **NOTE 8 EQUITY**

At the Annual General Meeting of Shareholders held on 30 March 2023, the shareholders approved the distribution of an ordinary dividend of CHF 5.00 (2022 : CHF 2.00) plus an extraordinary dividend of CHF 5.00 per share (2022: CHF 6.00 per share).

## **NOTE 9 SIGNIFICANT EVENTS AND COVID RELATED IMPACTS**

On 6 April 2023, Bobst Group suffered a cyber-attack attempt, whose impacts are still under-assessment.

The result of H1 2023 is not impacted by Covid-related issues, as it was the case for H1 2022, when travel restrictions and lockdowns postponed machine and service revenues.

Unless otherwise disclosed in this half-year report, no other material events occurred that might have an impact on the critical estimates, appraisals and assumptions to be found in the consolidated financial statements as of 31 December 2022.

# NOTES

## NOTE 10 SUBSEQUENT EVENTS

The condensed interim consolidated financial statements were approved for publication by the Board of Directors on 25 July 2023. No events have occurred up to 25 July 2023 which would necessitate additional adjustments to the book values of the Group's assets or liabilities, or which require disclosure.

## NOTE 11 EXCHANGE RATES

		Balance sheet			Profit & loss statement		
		Jun 2023	Jun 2022	Dec 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022
<b>Main exchange rates</b>							
Euro zone	1 EUR	0.98	1.00	0.99	0.98	1.03	1.00
USA	1 USD	0.90	0.96	0.93	0.91	0.95	0.96
United Kingdom	1 GBP	1.14	1.16	1.11	1.12	1.22	1.18
China	1 CNY	0.12	0.14	0.13	0.13	0.15	0.14

Certain statements in the half-year report, including but not limited to those regarding expectations for general economic development and the market situation, expectations for customer industry profitability and investment willingness, expectations for Company growth, development and profitability and the realization of synergy benefits and cost savings, and statements preceded by “expects”, “estimates”, “forecasts” or similar expressions, are forward-looking statements. These statements are based on current decisions and plans as well as on currently known factors. They involve known and unknown risks and uncertainties which may cause the actual results to materially differ from the results currently expected by the Company.

Potential risks and uncertainties include such factors as general economic conditions, foreign exchange rate fluctuations and interest rate fluctuations, competitive product and pricing pressures, the Company's operating conditions, and regulatory developments.

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