

Mex
February 26, 2021

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Online conference for financial analysts and the media

 **BOBST**

Agenda

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Review 2020

- Group performance
- A full year review

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Outlook 2021

- Market trends
- Agenda 2021
- Q&A

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Financial results 2020

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Industry vision

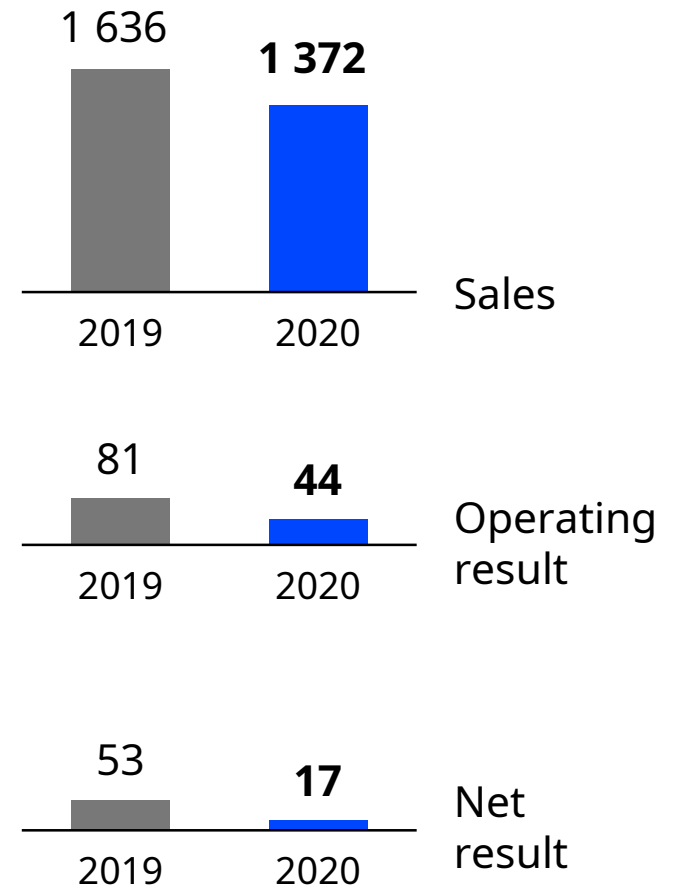
- Closer to our clients
- Bobst Connect & digitalized solutions
- Sustainability

-Review 2020

Review 2020

Good overall financial results for full year

- Sales dropped (16%) to CHF **1.372** billion with important negative FX-impact (CHF -63 million)
- Operating result (EBIT) at CHF **44** million
- Net result at CHF **17** million
- Outstanding cash inflow from operating activities of CHF **160** million (CHF 55 million in 2019)
- Net debt position of CHF 59 million in 2019 turned into a net cash position of CHF **4** million in 2020
- Higher backlog than at the end of 2019



2020

A full year review

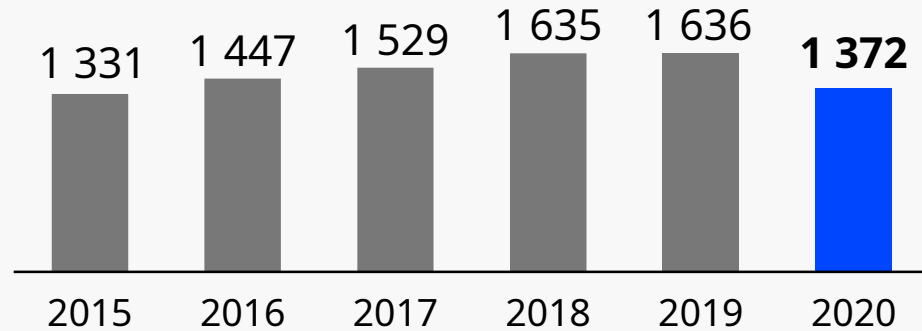
Video YouTube: https://youtu.be/fDa5n_wDm9Q



Review 2020

Group performance

Turnover



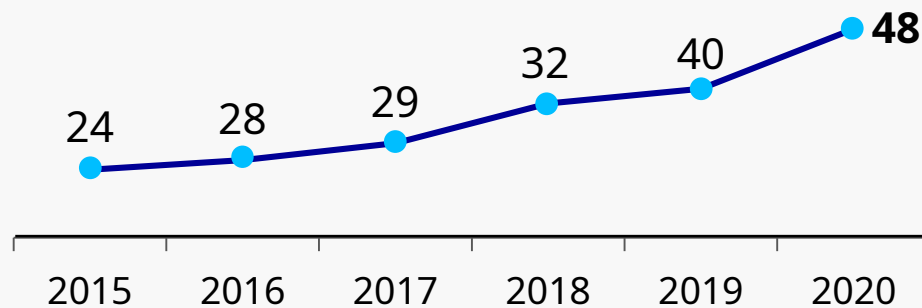
Labels

- 2019 strong, 2020 moving in a weaker demand
- Ramp up of digital printing is increasing with new technology
- Industry sector touched by crisis (COVID), wine, restaurants

Flexible packaging

- 2018 good level, 2019 sustainability put this industry under pressure
- 2020 suffered from COVID and economic sectors under restructuration (airlines, recyclability, ...)

Net Promoter Score (NPS)



Folding carton

- 2018 - 2019 high stable, 2020 decrease in demand
- H2 2020, increased demand (COVID and film)
- Product portfolio very much aligned with market request

Corrugated

- 2018 was very high, 2019 clearly lower (as expected), 2020 real increase in demand H2
- COVID will push for more CB demands despite some industry sector closed (shops, airlines,...)

Review 2020

Covid-19 lockdowns – a rock and roll year

Production sites shutdown

- China: 4 weeks in February
- Brazil & United Kingdom: 2 weeks in April
- India, France, Germany, Italy & Switzerland: 3 - 4 weeks in March/April

Consequences

- Production: - 140'000 hours
- Services: - 282'000 hours (-21%)
- Machines sold: - **16%**
- Exchange rate: ~ 60M impact

Key priorities

- **Care for our employees**
- **Ensure business continuity**
- Global coordination

Levels of response

- Group crisis management team
- Global and local COVID taskforce

Opportunities

- Our industry vision brings trust
- Reinforce **relationship** with customers
- Demonstrate our flexibility and reactivity
- Reinforce our values in caring for our people
- **Digitize faster** internal processes

- How BOBST Group reacted?

- Introducing new industry vision
- **Group Transformation** brings a new and more agile organization and a new Go to Market
- Ensure Group wide digitalization and product launches

Seek for agile and high responsiveness towards customers' demands

Shaping the future of the packaging world

A hand is shown pointing upwards towards the center of the slide. The background is a light gray with several glowing white circles of varying sizes. Red dotted lines form curved paths across the scene, some connecting the glowing circles. The overall aesthetic is clean, modern, and futuristic.

Our vision for
the Bobst Group

- Introduction of new organization

July 2020

Review 2020

Product launches

BOBST Connect

Labels



MASTER DM5 - All-in-One press



LB702-WB - Digital printing press



oneECG - Extended Color Gamut

Flexible packaging



NOVA D 800 - Laminator



EXPERT RS 6003 - Gravure press



MASTER CI - Flexo press

Folding carton



MASTERCUT 106 PER - Die-cutter



ACCUCHECK - Inline inspection system



TooLink - Digital identification die

Corrugated board



MASTERSTAR - Sheet-to-sheet laminator



FFG 8.20 - Flexo folder gluer



DIT - Digital Inspection Table

Review 2020

Group wide digitalization

SEI Laser

Bobst Group is seeking to collaborate with SEI Laser to further develop breakthrough technologies in the 4 industries.



Mouvent

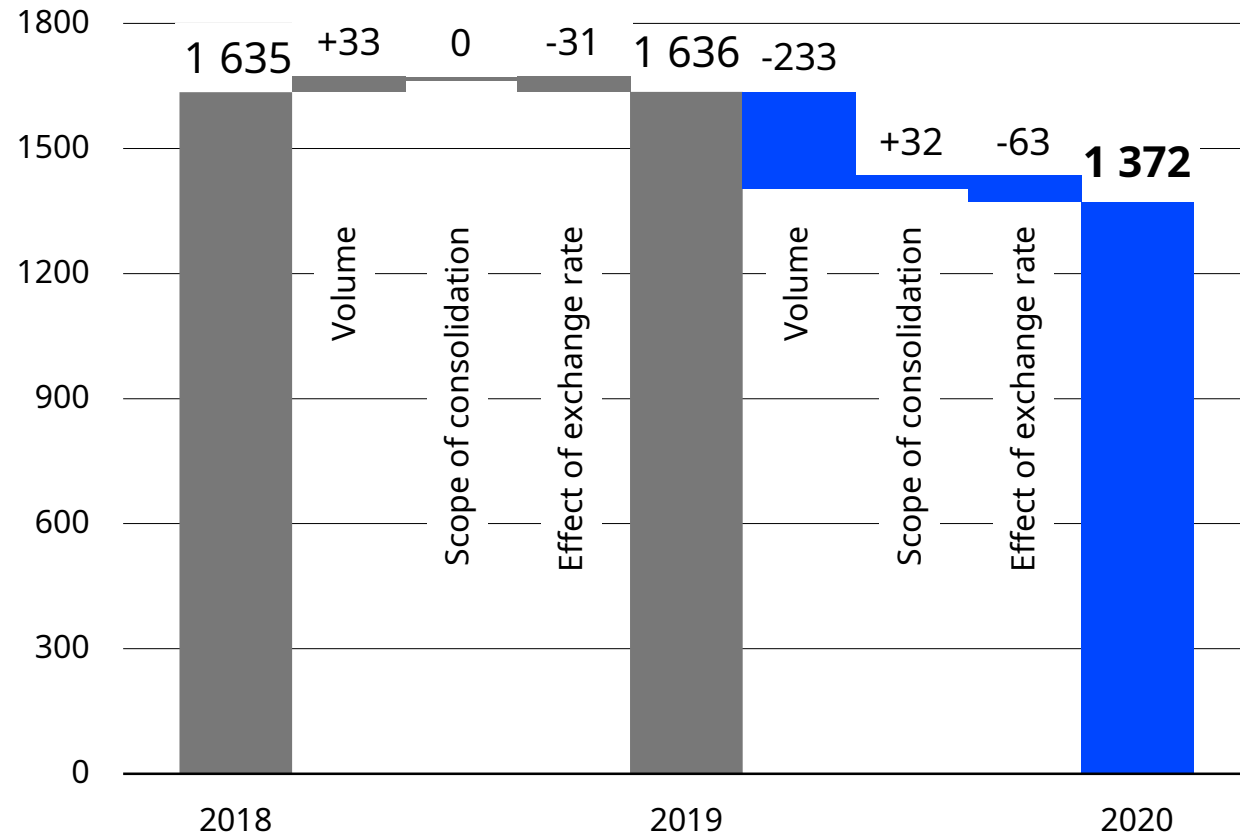
BOBST accelerates its digital investments and has acquired the remaining 49.9% of Mouvent AG to reinforce the development of its printing portfolio.



- Financial results 2020

Financial results 2020

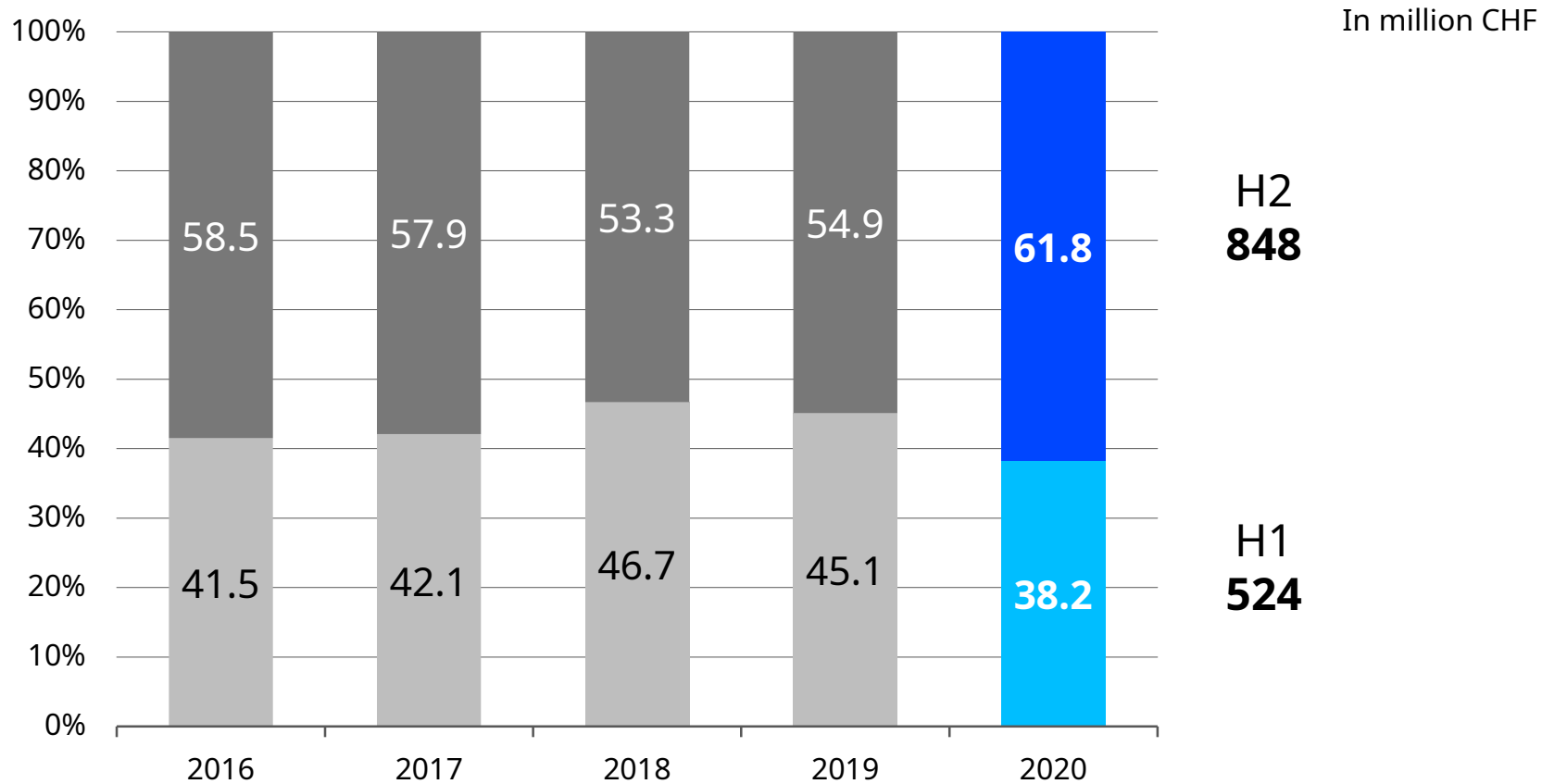
Evolution of consolidated sales



In million CHF

Financial results 2020

Analysis of the evolution of sales by half-year



Financial results 2020

Distribution of consolidated sales

| Sales by Business Unit | 2020 | 2019 | Δ% |
|---------------------------|----------------|----------------|--------------|
| BU Printing & Converting | 880.3 | 1 147.9 | -23.3 |
| BU Services & Performance | 491.5 | 488.3 | 0.7 |
| Other | 0.2 | 0.1 | 100.0 |
| Total | 1 372.0 | 1 636.3 | -16.2 |

In million CHF

Financial results 2020

Distribution of consolidated sales

Sales by geographical distribution

In million CHF

| | 2020 | 2019 | Δ% |
|----------------|----------------|----------------|--------------|
| Europe | 646.7 | 730.7 | -11.5 |
| Americas | 392.1 | 518.8 | -24.4 |
| Asia & Oceania | 278.6 | 328.6 | -15.2 |
| Africa | 54.6 | 58.2 | -6.2 |
| Total | 1 372.0 | 1 636.3 | -16.2 |

Financial results 2020

Primary reporting format

| Actuals 31.12 | 2020 | 2019 | Δ% |
|---------------------------------|----------------|----------------|--------------|
| Sales | 1 372.0 | 1 636.3 | -16.2 |
| Other operating income | 35.3 | 20.4 | |
| Raw materials and services | -604.2 | -698.0 | |
| Change in inventories | 6.9 | -39.9 | |
| Personnel costs | -473.5 | -492.9 | |
| Depreciation and amortization | -45.4 | -40.5 | |
| Other operating expenses | -247.4 | -303.4 | |
| Operating result (EBIT) | 43.7 | 81.0 | -46.0 |
| Share of result of associates | 3.2 | 10.1 | |
| Interest expenses | -6.0 | -5.6 | |
| Other financial income | 6.4 | 7.2 | |
| Other financial expenses | -3.2 | -8.6 | |
| Result before income tax | 44.1 | 84.1 | -47.6 |
| Income tax | -26.8 | -31.5 | |
| Net result | 17.3 | 52.6 | -67.1 |

In million CHF

Financial results 2020

Operating result (EBIT) by business unit

| By Business Unit | BUPC | BUSP | Other | Total |
|------------------------------|-------|------|-------|-------------|
| Operating result (EBIT) 2020 | -16.6 | 62.4 | -2.1 | 43.7 |
| Operating result (EBIT) 2019 | 24.1 | 59.2 | -2.3 | 81.0 |

In million CHF

Financial results 2020

Balance sheet as 31 December

| Assets | 2020 | % | 2019 | % |
|-------------------------|----------------|--------------|----------------|--------------|
| Non-current assets | 453.0 | 29.4 | 489.9 | 32.1 |
| Current assets | 732.6 | 47.5 | 793.6 | 52.1 |
| Cash & cash equivalents | 357.1 | 23.1 | 241.3 | 15.8 |
| Total assets | 1 542.7 | 100.0 | 1 524.8 | 100.0 |

In million CHF

| Liabilities | 2020 | % | 2019 | % |
|---------------------------------------|----------------|--------------|----------------|--------------|
| Equity | 511.6 | 33.2 | 559.2 | 36.7 |
| Non-current liabilities | 418.8 | 27.1 | 234.6 | 15.4 |
| Current liabilities | 612.3 | 39.7 | 731.0 | 47.9 |
| Total liabilities & equity | 1 542.7 | 100.0 | 1 524.8 | 100.0 |

Financial results 2020

Net working capital

| Current & non-current | 2020 | 2019 |
|-----------------------------------------------------|--------------|--------------|
| Inventories | 378.5 | 385.6 |
| Trade and other payables | -551.8 | -539.8 |
| Finance leases, receivables and prepaid expenses | 350.3 | 409.1 |
| Net working capital | 177.0 | 254.9 |

In million CHF

Financial results 2020

Consolidated cash flow statement

| | 2020 | 2019 | In million CHF |
|-------------------------------------------------|--------------|---------------|----------------|
| Cash flow from operating activities | 160.5 | 55.4 | |
| Cash flow from investing activities | -25.8 | -47.1 | |
| Cash flow from financing activities | -8.1 | -161.9 | |
| Effects of exchange differences | -10.8 | -1.4 | |
| Variation of cash & cash equivalents | 115.8 | -155.0 | |

Financial results 2020

Return on capital employed

| | 2020 | 2019 | In million CHF |
|-------------------------|-------------|--------------|----------------|
| Capital employed | 528.5 | 626.2 | |
| Operating result (EBIT) | 43.7 | 81.0 | |
| ROCE | 8.3% | 12.9% | |

Financial results 2020

Headcount

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|----------------------------------|-------|-------|-------|-------|--------------|
| Europe | 3 553 | 3 777 | 3 896 | 3 878 | 3 990 |
| Americas | 461 | 479 | 516 | 477 | 451 |
| Asia & Oceania | 987 | 1 088 | 1 190 | 1 149 | 1 163 |
| Africa | 54 | 53 | 58 | 51 | 58 |
| Total | 5 055 | 5 397 | 5 660 | 5 555 | 5 662 |
| Change in scope of consolidation | 28 | 84 | 19 | 0 | 292 |
| Switzerland | 1 733 | 1 841 | 1 899 | 1 864 | 1 808 |

Headcount including apprentices

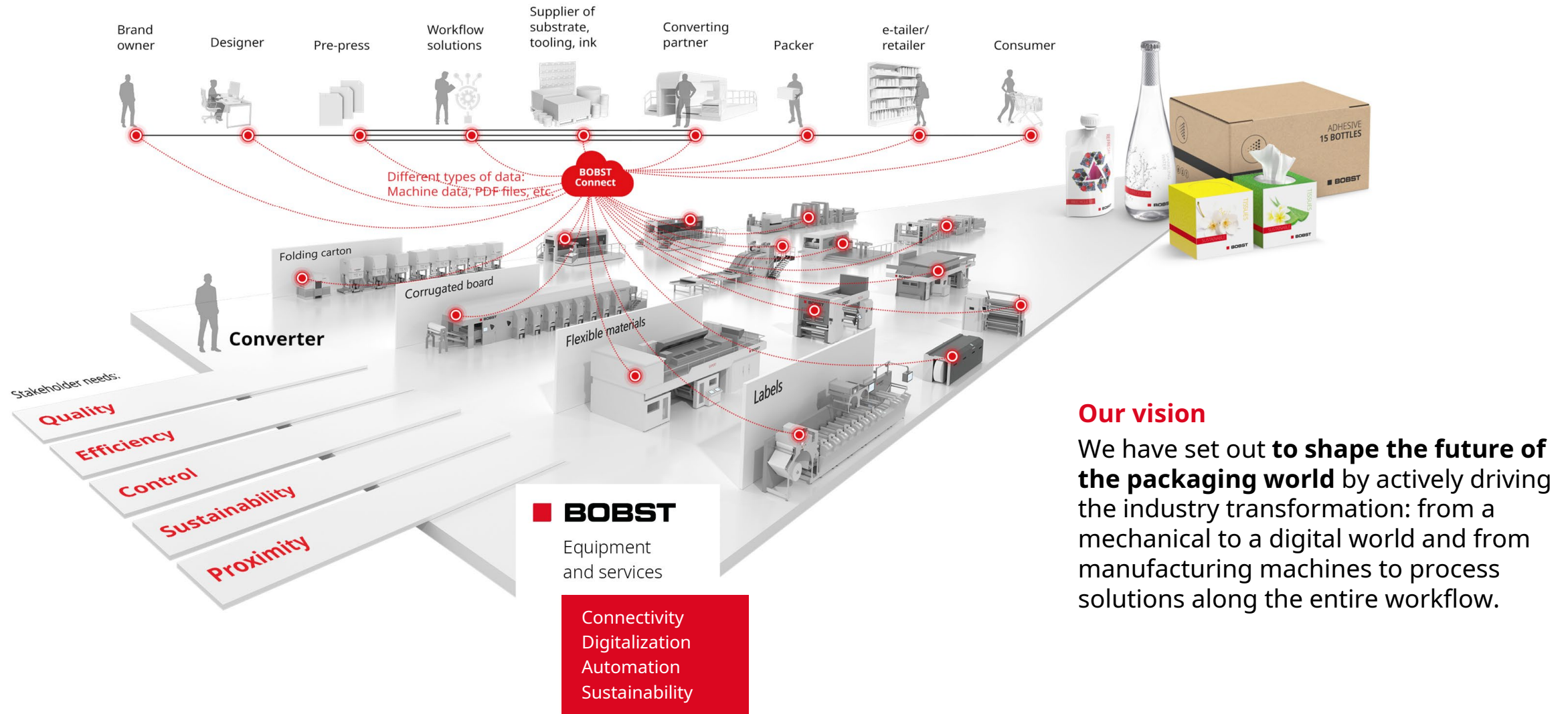
Shaping the future of the packaging world

A hand is shown pointing upwards towards a futuristic, glowing interface. The interface features several bright white circles of varying sizes, some with concentric rings, and is overlaid with red dotted lines that form curved paths across the scene. The background is a light gray gradient.

Our vision for
the Bobst Group

Industry vision

Empowering the future



Our vision

We have set out to **shape the future of the packaging world** by actively driving the industry transformation: from a mechanical to a digital world and from manufacturing machines to process solutions along the entire workflow.

Industry vision

Global digital transformation

Market

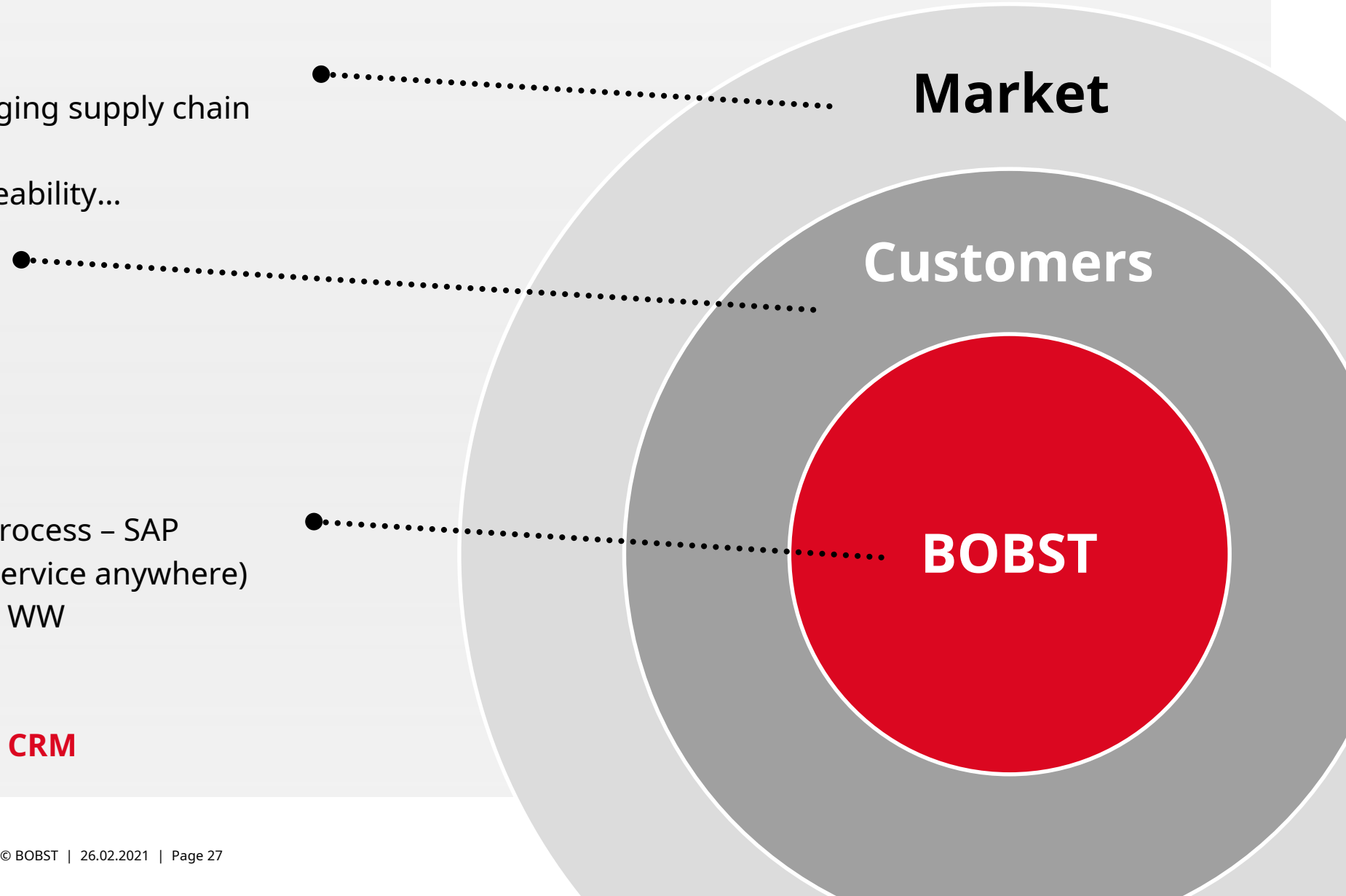
- **Digitalization** of the packaging supply chain
- Sustainability
- Amazon / single pack / traceability...

Customers

- **BOBST Connect** / IoT
- Machine connectivity
- Workflow
- Connected factory

BOBST

- Global Common Business process – SAP
- DAPASA (design, produce, service anywhere)
- Increase collaborative work WW
- Additive manufacturing
- **BOBST Connect / IoT**
- **My BOBST - E-Commerce - CRM**



BOBST Connect

Pre-press
Efficient job
preparation



Production
Transparent access
to production data



Maintenance
Highest
equipment
readiness



Optimization
Insights and
recommendations

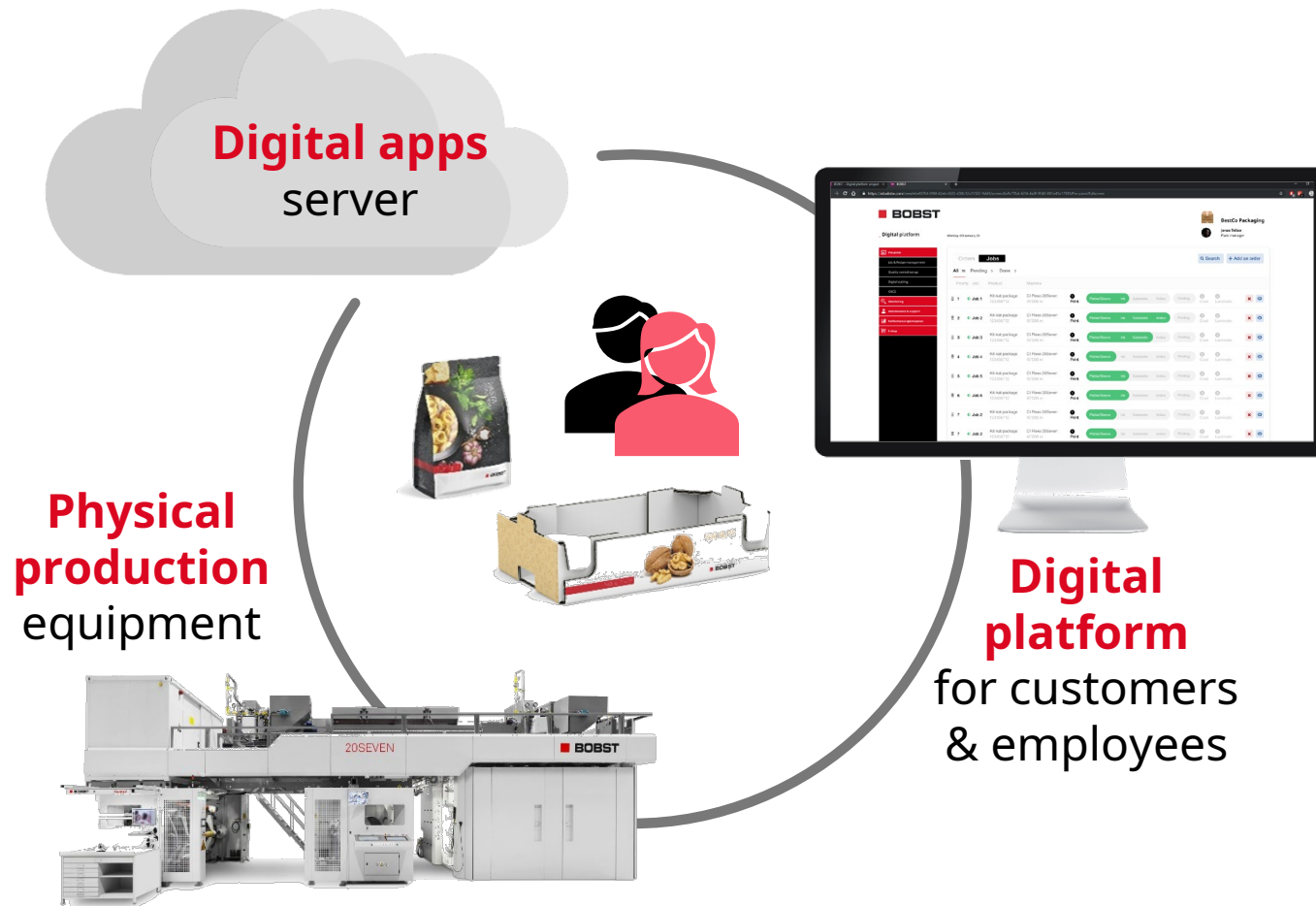


Market
The right parts
and services



Industry vision

Digitalization - One-stop platform



Our vision is to offer customers a **one-stop platform** to

1. Reduce existing pain points
2. Add value by ensuring efficient dataflow between digital and physical solutions

We develop a cloud-based platform to capture know-how, to offer added value to customers and to monetize the wealth of available data

Group transformation

New organization enables digitalization

New business model supporting Group Vision

- Transform our Go to Market – machines & services
- Industry solutions

Efficiency increases profitability while investing in digitalization

- Improve machine synergies, optimize production footprint and back office, scale up Group purchasing
- Increase flexibility and reduce fixed costs

Customer

- Application focus per industry and for all technologies

Be a highly attractive employer

- For the next generation with high employees' satisfaction

Sustainability

- Develop new “recyclable packaging” with industry partners
- Implement key priorities for our main sustainable development initiatives WW

Vision 2025

Long term financial targets

- Sales CHF 1.7 - 1.8 bn
- EBIT min 8%
- ROCE min 20%
- Equity 40% - 45%
- Payout ratio 30% - 50%

-Sustainability

Connectivity
Digitalization
Automation
Sustainability

The road to sustainability



Sustainability has moved from a good-to-have argument to an essential pillar in business decisions

The Group has developed a corporate vision including **sustainability** that will reinforce BOBST' position as a leader in the industry regarding stakeholders.

How will BOBST be building its path to sustainability?

- By federating key people around sustainability internally and externally, using a participatory process to identify and prioritize key sustainability-related topics for BOBST's business.
- By using approved working methodologies such as ISO 14040 for the Life Cycle assessment and the Global Reporting Initiative (GRI) framework for Materiality assessment.

Materiality assessment

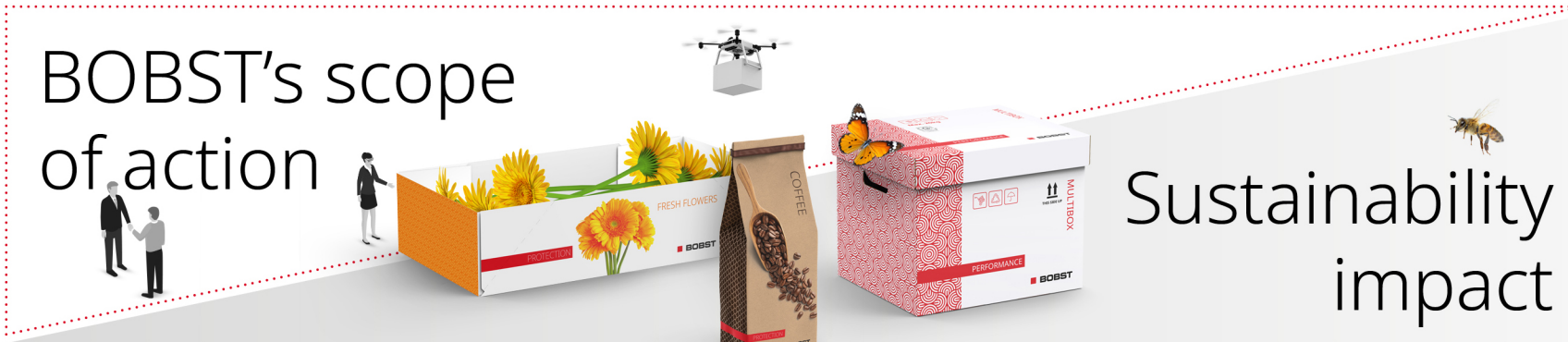
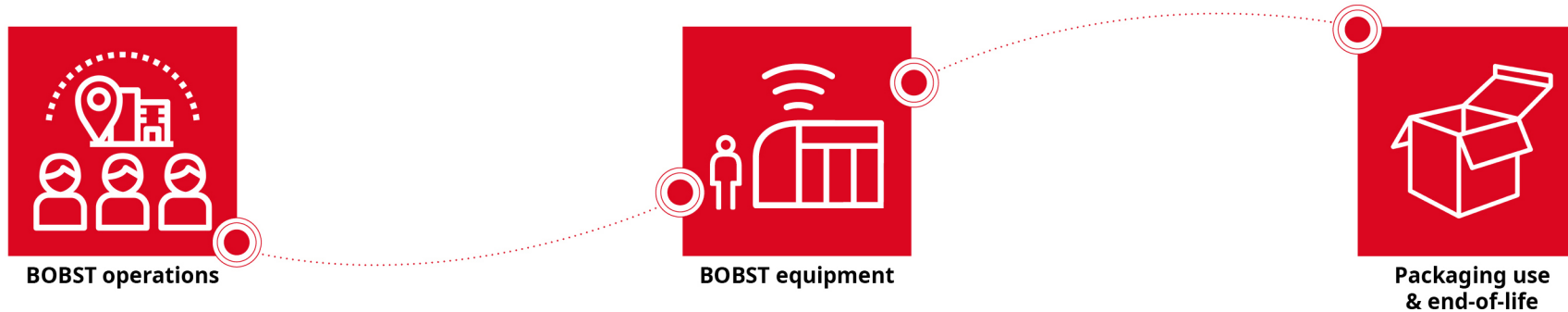
The Materiality assessment conducted in 2020 led to the definition of numerous projects fitting into 3 strategic streams:

- **BOBST operations**
- **BOBST equipment**
- **Packaging use & End-of-life cycle**

The analysis followed the methodological recommendations of the GRI. It will be an ongoing process for the future.

Sustainability

Principles & 3 strategic streams



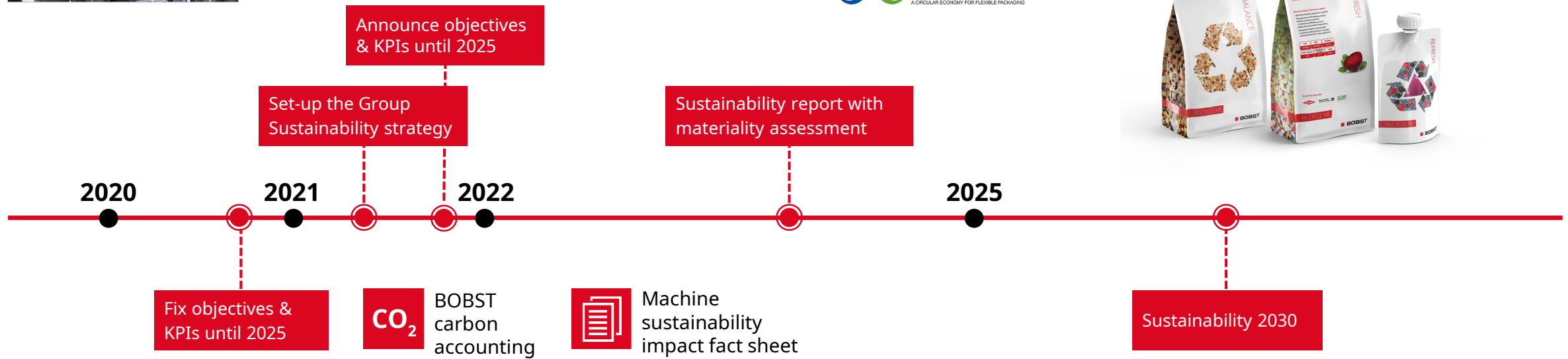
There is an **inverse relationship** between BOBST's scope of action and the sustainability impact of packaging in general. The **highest impact** occurs downstream in the value chain, where BOBST has little leverage.

Sustainability Roadmap



First packaging MASTERCLASS: providing brand owners with insights about the future of packaging production, including sustainability

Participation to CEFLEX's goal to make all flexible packaging in Europe circular by 2025 by contributing with a new generation of polymers to achieve mono-material



Development and market launch of the MASTER DM5, oneECG, iQ500, ...

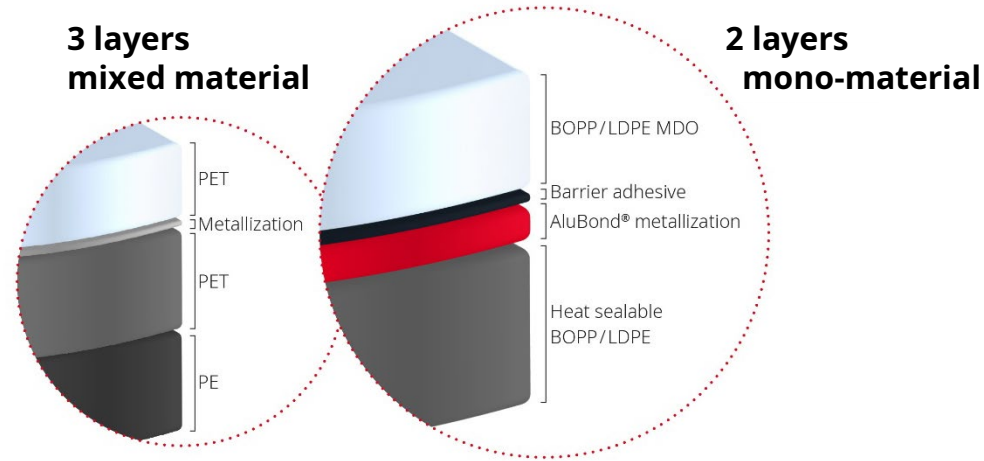


Sustainability

Intelligent substrate processing to increase sustainability

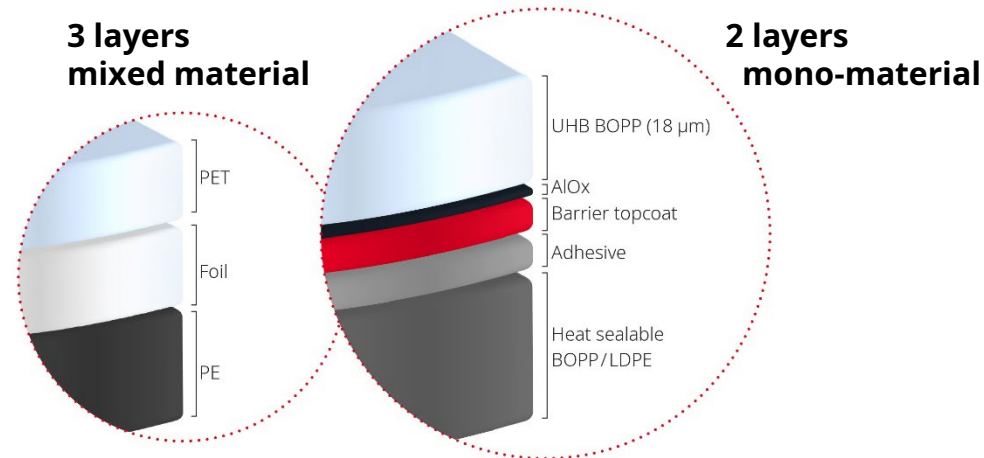
Metallized polyester replacement

BOBST AluBond & lamination technology enable the move from 3 layers mixed material to 2 layers mono-material



Foil replacement

BOBST coating and lamination technology (AlOx & Barrier topcoat) enable increased recyclability



Not Recyclable

Recyclable



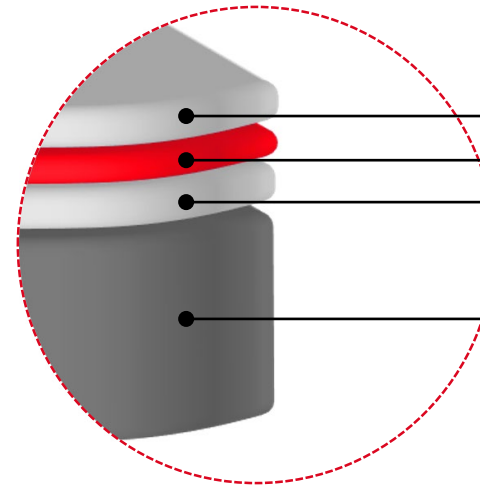
Recyclable Substrate

Sustainability

Intelligent substrate processing to increase sustainability

BOBST **AluBond®** metallized mono-web structure

- Full barrier paper structure
- Mono-web structure
- AluBond® vacuum coated at 2.5 OD



**Paper/fibre
based solution**

Post coatings *,**
AluBond®
Pre coatings *,**

60 – 80 gsm one side
coated paper

* Pre & Post metallization lacquers & paper supplied by **AR Metallizing**

** Pre & Post metallization barrier & heat seal lacquers

- Outlook 2021

Outlook 2021

Market trends – Similar to 2020 with some upside potential if ...

Label

- COVID still brings some chaos
- 2020 was a year of slow down but... demand and consumption remain good
- Some industry sectors suffer a lot (wine, drinks, ...)
- 2021 should be **a year of recovery**

Flexible material

- Economy is asking for recyclable plastic packaging
- This pressure will increase, and novelties are key to success (see sustainability slides)
- Slowdown in sales in 2020 while Q4 2020 and 2021 **see an increasing demand** – although at a lower pace than FC or CB

Folding carton

- 2020 H2 was stronger, thanks to sustainability push. 2021 **should continue** at a good level
- COVID impacts some major economy “sectors” which are still closed (airlines, shops, restaurants ...) with possible negative impacts in a near future

Corrugated

- 2020 ends up with good progression
- 2021 will continue to stay at a **good level** for the foreseeable future (sustainability and eCom)

Outlook 2021

Main focus

- Protect **“business continuity”** – improve operations and profitability
- Drive digitalization transformation
 - Launch **BOBST Connect** and solutions linked to the vision per industry sector
 - Ramp up digital solutions in a sustainable way

Outlook 2021

Consolidated turnover

| In million CHF | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|----------------|-------|-------|-------|-------|-------|---------------------------------------------|
| Sales | 1 447 | 1 529 | 1 635 | 1 636 | 1 372 | Similar or slightly higher than 2020 |

| | |
|------------------------|---|
| Organic growth | ~ |
| Scope of consolidation | → |
| Exchange rate impact | → |

Assumptions : € 1.07 / \$ 0.92

Outlook 2021

Operating result (EBIT)

| In million CHF | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|-------------------------|-------|-------|------|------|------|--------------------------------------|
| Operating result (EBIT) | 103.7 | 118.7 | 86.5 | 81.0 | 43.7 | Similar or slightly higher than 2020 |
| As % of sales | 7.2% | 7.8% | 5.3% | 5.0% | 3.2% | Similar or slightly higher than 2020 |

Assumptions: € 1.07 / \$ 0.92

Outlook 2021

Long-term financial targets

Financial ratios

| | |
|-----------------------------------|----------------------|
| Sales (mCHF) | 1 700 - 1 800 |
| Operating result (EBIT) margin | min. 8% |
| Return on capital employed (ROCE) | min. 20% |
| Payout ratio | 30 - 50% |
| Equity ratio | 40 - 45% |

Outlook 2021

Annual General Meeting – Online March 30

Dividend

- As the uncertainties linked to the pandemic situation remain high, the Board of Directors recommends to the Annual General Meeting of Shareholders **not to pay a dividend in 2021** (CHF 1.50 in 2020)

Board of Directors

- All members of the Board of Directors will be proposed for re-election for a new period of one year

Outlook 2021

Agenda

2021

March 30

Online Annual General Meeting at 5.00 p.m.

July 27

Publication of the half-year results

Teleconference for financial analysts and the media

November 9

Conference for financial analysts and the media in Zurich

Investors and media relations

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For more detailed information on Bobst Group

- www.bobst.com
- investors.bobst.com



Shaping the future of the packaging world

A hand is shown pointing upwards towards a futuristic, glowing interface. The interface features several circular elements, some of which are highlighted with red dotted lines that form curved paths across the scene. The background is a light gray gradient.

Our vision for
the Bobst Group

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