

Leading innovation



Annual profile 2020

Bobst Group SA



BOBST is 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 industries.





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> **Why we are here**

> What we do

> How we work

> Where we go

Why we are here

Founded in 1890 by Joseph Bobst in Lausanne, Switzerland, BOBST has a presence in more than 50 countries, runs 15 production facilities in 8 countries and employs more than 5500 people around the world.



> Why we are here

- > What we do
- > How we work
- > Where we go



As a leading technology company in the packaging world, we shape the industry, with BOBST holding the No. 1 or 2 position in each segment.

Industry
leadership

Empowering the future

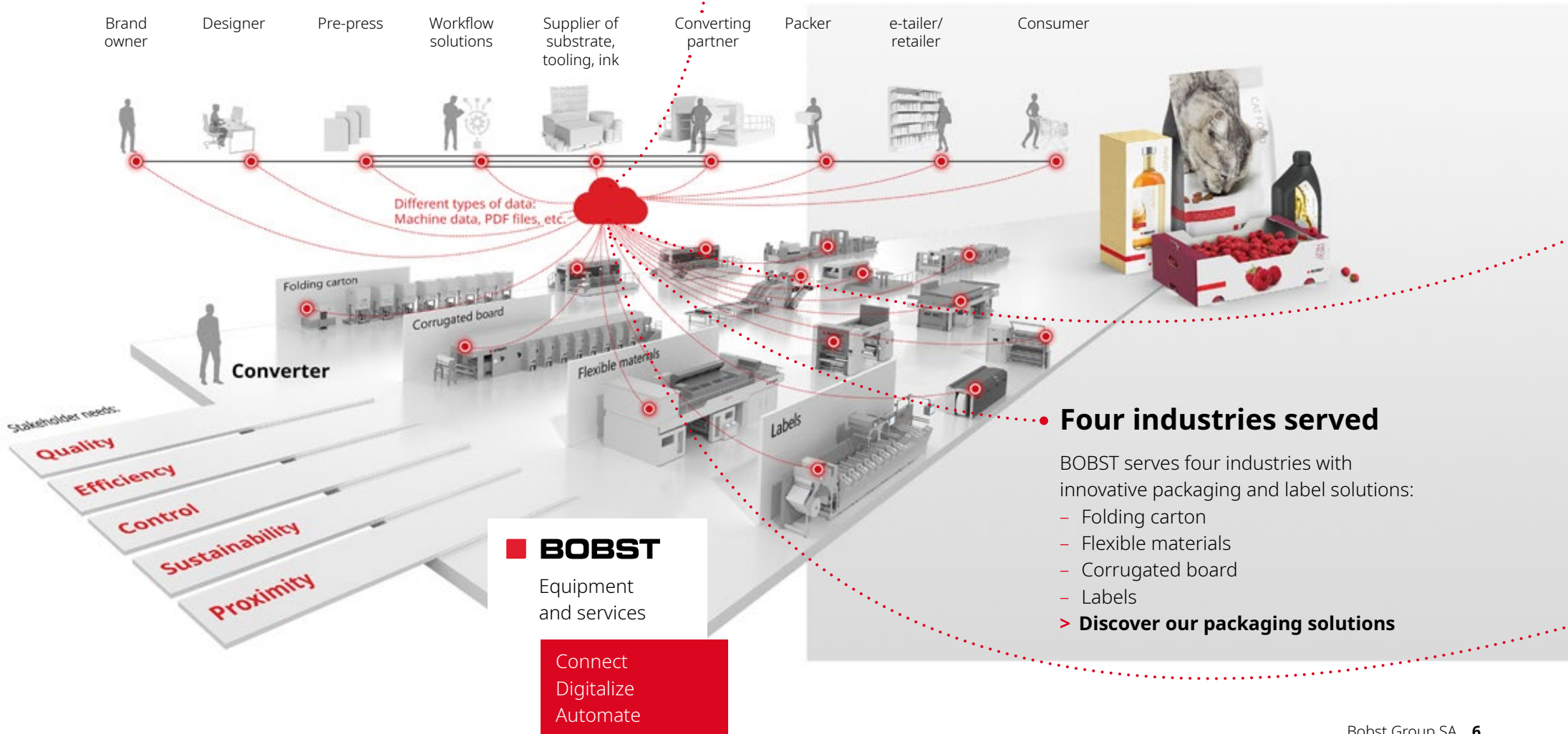
Our Vision

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.

> **Discover our strategy**

> Why we are here

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Four industries served

BOBST serves four industries with innovative packaging and label solutions:

- Folding carton
- Flexible materials
- Corrugated board
- Labels

> **Discover our packaging solutions**

Experience how BOBST is leading market changes

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Digitalization, automation and connectivity

BOBST delivers more than printing machines and services: we develop software, ensure connectivity, provide business consulting and help our customers to develop new and innovative business models.

- > Discover digital perspectives

BOBST

Equipment and services

BOBST is one of the world's leading suppliers of equipment and services to packaging and label manufacturers, providing machinery, solutions and technical expertise to its customers.

- > Discover how we work with clients



Innovating the value chain

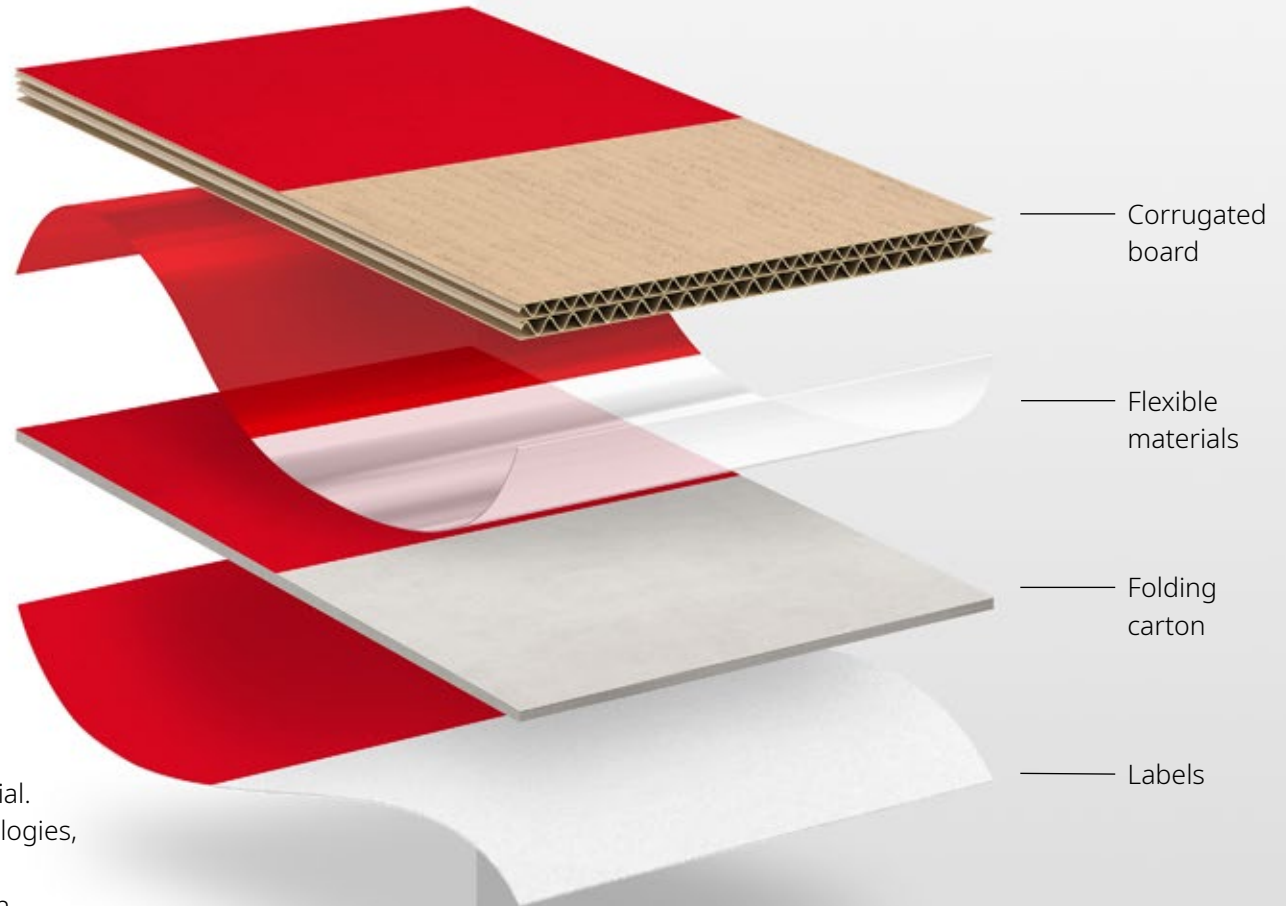
Innovation and excellence have been thriving at BOBST for over 130 years.

Every achievement builds on a previous one and drives us towards higher levels of performance in each of the industries we serve. This is why the breadth of our equipment, process, service solutions and level of customer support is a reference point in the industry.

Printing on any substrate

The structure of a substrate is key to its performance potential. BOBST's expertise across the widest range of printing technologies, processes and workflows in the industry helps converters and brand owners design products and manufacture them in the most productive and sustainable way.

> bobst.com/substrates



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Innovation driven by customer needs

> [READ MORE ON THE BOBST BLOG](#)

> **Why we are here**

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Digital **automation**

The extensive digital automation on the DigiFlexo presses makes setup and production operations digitally controlled. Servo motors and HD cameras, non-stop on-the-fly exchange of all the printing and converting tools, ECG printing and color matching eliminate the variables and mistakes derived from the different abilities of the operators, delivering unparalleled control, accuracy and consistency at any production speed.



True **colors**

The use of an Extended Color Gamut (ECG) process brings color consistency and repeatability with cleaner, brighter, crisper color effects when compared to conventional CMYK printing. BOBST's latest IoD Ink-on-Demand and DigiColor innovations and closed-loop digitalization of color matching make 100% color conformity with the job master reference a reality, on any substrate, with any operator, anywhere in the world.



Connected workflows

From product design to the consumer experience, the supply chain needs to be more agile. This is what we deliver: non-stop production through the use of a wide range of new digital technologies that make printing and converting inline operations repeatable, quality-driven, consistent and highly efficient. We control the full manufacturing cycle, from file-to-plate-to-print-to-convert, at every production stage to ensure a quality final product and the timeliest production.

Making the difference

Flexible packaging

Expert in printing, metallizing, coating, and laminating, BOBST also innovates in sustainable flexible packaging production to support brands' and packaging converters' needs.

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Labels

BOBST enables the widest range of label production (inkjet, flexo, hybrid, gravure), with the highest quality and the most digitalized color management from one single piece to one million.

Folding carton

BOBST's equipment makes the difference when it comes to flexibility and quality of packaging. We protect the value of goods effectively and in a sustainable way.

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Made on BOBST equipment



Corrugated board

BOBST continues to innovate in corrugated packaging production, enabling faster time to market, high graphics quality and security, with the most complete product portfolio.

Ensuring customer satisfaction



Maintaining competitiveness requires the workflow to be as automatic and productive as possible

Market share

EXPERT CI flexo press equipped with smartGPS is one of the most endearing features of the BOBST CI flexo technology in terms of production power and sustainable operation. SmartGPS virtually eliminates waste of substrate ink, solvent, energy, saves labor costs while significantly accelerating changeover times and increasing press availability for production.



Saving time and giving greater flexibility

In sales

DS Smith is a leading provider of consumer packaging with emphasis on state-of-the-art packaging design. Its clients require high quantities of reliable, attractive and consistent corrugated packaging. The FFG 924 NT RS achieves first-class printing, excellent die-cutting and accurate folding in one pass – this machine is responsible for more than 20% production in DS Smith's factory in Rosà, Italy.

Success stories



**Flexo folder gluer
FFG 924 NT RS**



EXPERT CI flexo press



Alessio Bressan, CEO of IGB

(Industrie Grafiche Bressan, Italy)

“The creativity of our R&D requires a system capable of working with any type of folding and gluing system. We really benefit from the flexibility of the EXPERTFOLD with GYROBOX, delivering high production rates and precision on technologically complex products.”

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Quality guaranteed

Variability



BOBST Digital Inspection Table

BOBST Digital Inspection Table checks the register between printed material, die-cut blank and artwork. It allows the user to digitalize the workflow between artwork/design and production departments as well as the quality check. All the checks are grouped together without the machines having to be stopped. BOBST has remote access to the table, providing reassurance for users such as Cartonajes Santorromán.


Global impact


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> What we do


> How we work

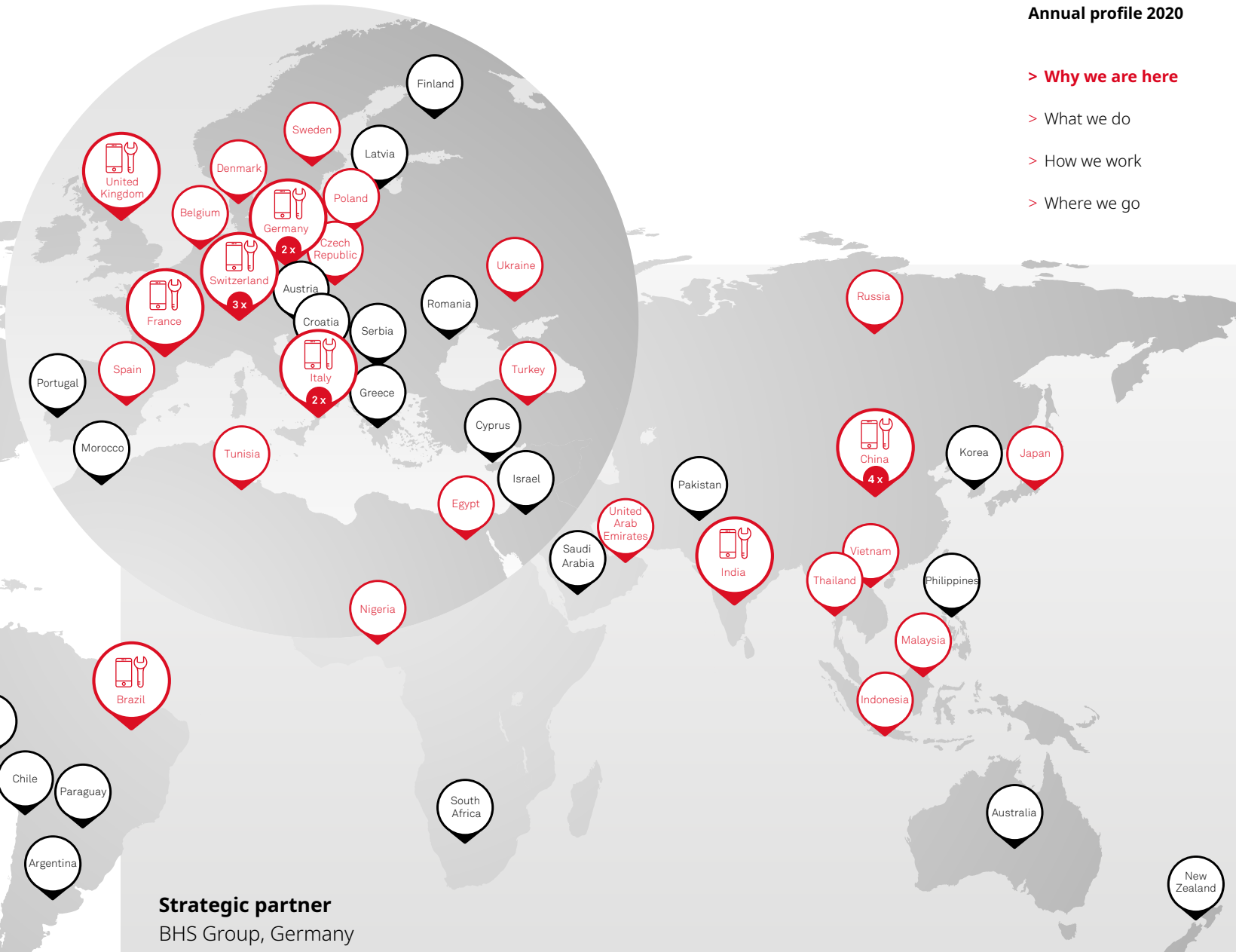
> Where we go

 Group production sites with sales and services

 Number of Group production sites in the country

 Group companies and representative offices for sales and services

 Agencies and representatives for sales and services



Strategic partner
BHS Group, Germany

Other subsidiaries
Boxplan GmbH, Germany
Gordon Ltd, China
Mouvent AG, Switzerland

BOBST Competence Centers are unique facilities where the packaging requirements of converters and brand owners alike are developed and showcased at production scale.

Unique in the industry because they go beyond the mere trial runs, BOBST Competence Centers take industry visitors through the whole process, from the design file through to printing and converting. They are laboratories bringing new opportunities to life for converters, brand owners, and consumers.

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Bobst Manchester Competence Center features vacuum metallizing equipment and an AlOx-optimized NOVA CO 750 coating line, to offer innovative combination coating solutions for new high barrier materials. Testing of barrier and adhesion levels can be performed in the on-site laboratory.



Bobst Italia Competence Center houses gravure and laminating machines, as well as the only production-scale coating line in the industry with the ability to replicate clients' real production conditions. Fully equipped, it offers thirty different coating methods and four different drying technologies. It demonstrates advanced technologies at work in flexible packaging, industrial and consumer goods.



Bobst Bielefeld Competence Center is a one-stop shop to develop and demo the latest flexo printing solutions for new substrates and printing technologies. It has a complete CI flexo workflow, including plate manufacturing for solvent-based, water-based and e-beam printing.

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What we do

We offer comprehensive and integrated solutions for the packaging industry – including machines, equipment, services and software.



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Innovation leadership

Our offering covers the entire value chain – from ideas to finished goods. Our expertise ranges from pre-press, software, data analytics, connectivity and chemistry to printing and converting to logistics – for all substrates in packaging. We cover almost all needs, from entry-level to high-end solutions.

Intelligent insights

- **Quality**

Delivering high-quality packaging is becoming more and more important. Alerts of non-compliant production increase the quality of the output, such as with Premium Gap Control.



BOBST IoT

● **Control**

Remote monitoring of the production keeps you in control of your productivity. The data can be used for informed decision-making, to ensure that process changes are providing optimal outcomes.

● **Proximity**

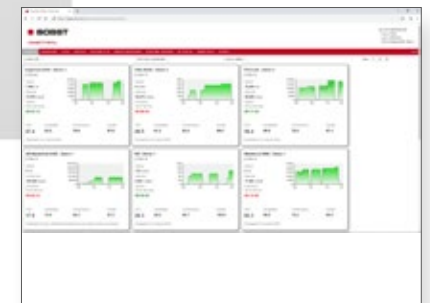
Personalized reports tailored to clients' needs give them the best background and facts for the right decisions.

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All the data you need

Gathered on one simple-to-use platform, with a complete production overview.

> **Learn more**

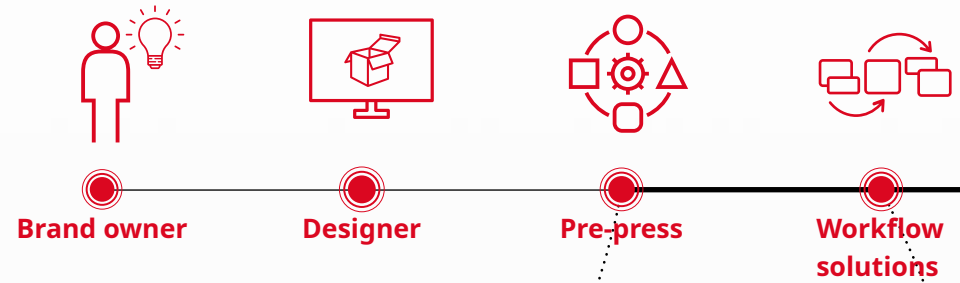


● **Efficiency**

Machine downtime costs money. Fewer machine stops, and knowledge of the root causes, are made possible with the use of the Downtime Tracking app.

BOBST delivers: built-in response to stakeholder needs, from quality to proximity.

Innovating the value chain



Experience new workflows

Imagine a packaging plant in which all machines and equipment from different suppliers are connected through the Internet of Things (IoT) to their respective cloud environments. Add an ecosystem of digital applications, connected to the local manufacturing execution system (MES), providing a broad range of services from pre-press and production to monitoring and reporting, from performance optimization to maintenance and support. By breaking data silos and enabling data sharing across the entire workflow, you dramatically improve the packaging manufacturing processes and disrupt the current linear and slow value chain.

Integrated workflow

All stakeholders are connected to a digitalized and automated workflow, accessing cloud-based information anytime anywhere – for a flexible and agile collaborative operation.





Supplier of substrate, tooling, ink

Converting partner

Packer

e-tailer/retailer

Consumer

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Connectivity and data exchange along the entire packaging production workflow

The integrated workflow

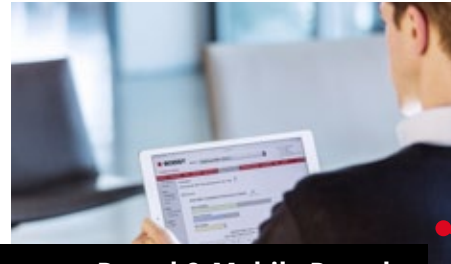
Everything starts with brand owners' ideas. Through the entire packaging production line, data has become the most important element. It can be shared from machine to machine and from human to human, enabling brand owners, converters, packers and retailers to be more effective in maximizing the consumer experience in a sustainable manner.

BOBST connects

By connecting all your machines, you build a system that can visualize the entire production line, and control and make decisions on its own.

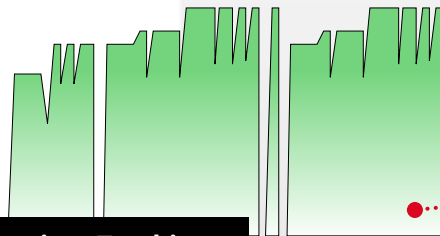
Powering productivity

By connecting all your machines on the shop floor, you can monitor the performance in real-time and make informed decisions on productivity improvements.



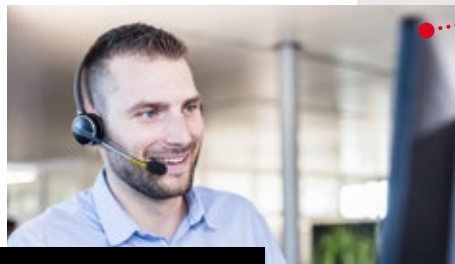
Connect Portal & Mobile Portal

Provide actionable insights to gain control and drive improvements based on data captured directly from the heart of the machine.



Downtime Tracking

Accurate stoppage root cause analysis for a specific machine or an entire shop floor.



Remote assistance

Reduces machine downtime and saves on repair costs. 80% of problems can be solved online.



Remote Monitoring

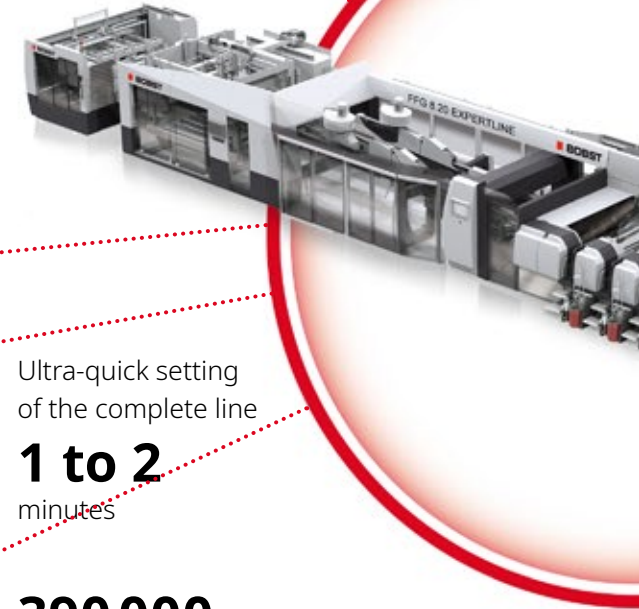
A comprehensive production reporting tool. It provides real-time and historical data to be analyzed by shift, day, machine facility and enterprise.

FFG 8.20 EXPERTLINE

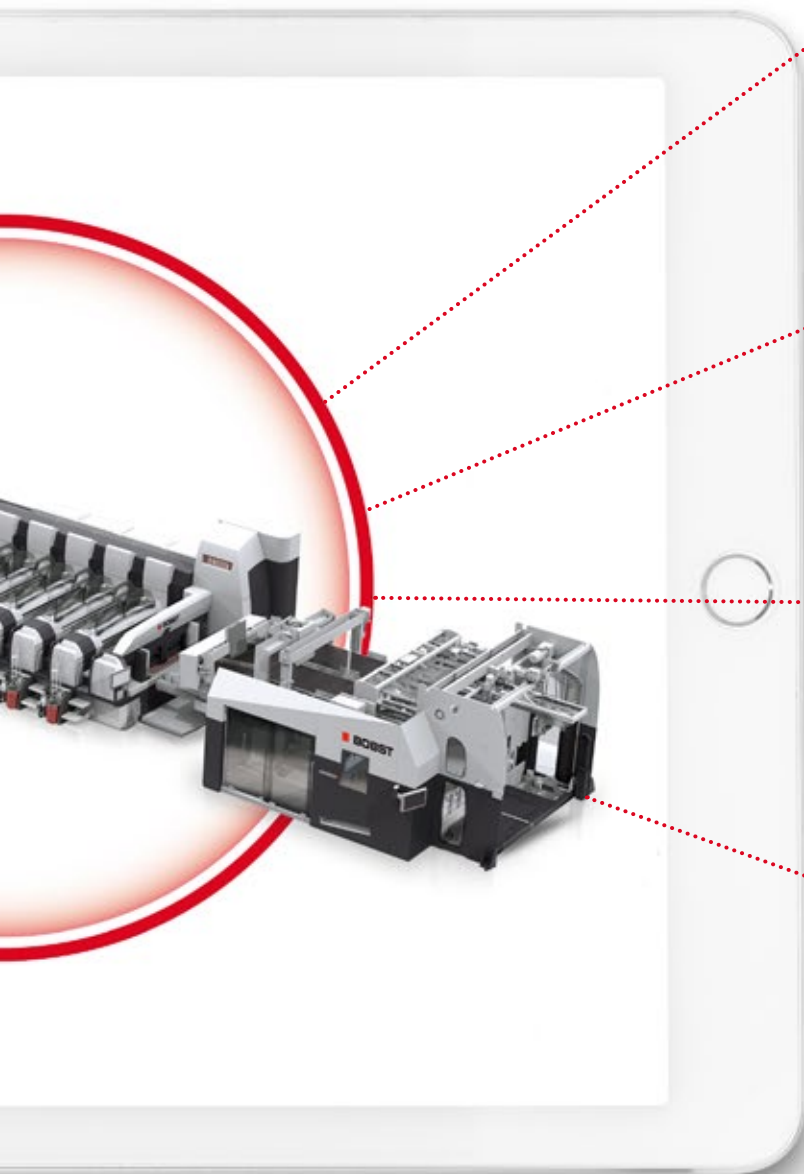
Speed
24 000
boxes/h

Ultra-quick setting of the complete line
1 to 2
minutes

390 000
boxes/24h
(record real client US)



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AR assistant



Performance adjustment



Full remote diagnostics



Backup settings

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Let's leverage digitalization

We connect our equipment and services to production and design workflows to enable a lean data flow across the entire value chain and to simplify the production. Cloud-based digitalized services will offer new opportunities:

- To improve the efficiency and reliability of a seamless pre-press.
- To access and understand equipment status anywhere, anytime.
- To leverage the wealth of data and optimize overall performance.
- To obtain the right parts, consumables or know-how.
- To offer new maintenance and support models.

One interface.
Full control

Expanding perspectives

Solutions and innovations delivering quality enhancement, optimizing machine availability and increasing productivity levels.

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MyBOBST

Everything related to online purchases of BOBST machines, parts and services, accessible through a single click.

Connect Portal

Actionable data-based insights to gain control and drive quality improvements.

Accessories

Passion for the details to ensure you deliver the best.

Advanced ink technologies

Ink-on-Demand (IoD) delivers all the colors and consistency you need.



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Process optimization

From job creation to final delivery, we innovate with partners for an effective workflow deployment.



Quality control

State-of-the-art quality control systems ensure that only perfect packaging is delivered to the client.



Training

Access knowledge and increase the capabilities of your staff.



Tooling

High-quality tooling provides high-quality production and less waste.



Remote assistance

24/7 access to technical expertise for the quick solving of issues.

Serving all industries



Driving innovation

Substrate processing

Intelligent substrate processing to increase sustainability

The industry requires more plastic recyclability while keeping the same mechanical functionality and barrier levels. Through industry collaborations, we took up the challenge to offer mono-material substrate barrier film solutions to be used in industrial-scale packaging processes.

We test in-house that the new packaging structures, from raw materials to printed and converted packaging, meet all industry requirements in terms of processability, barrier, safety and optical quality, helping brand owners to win the sustainability challenge.

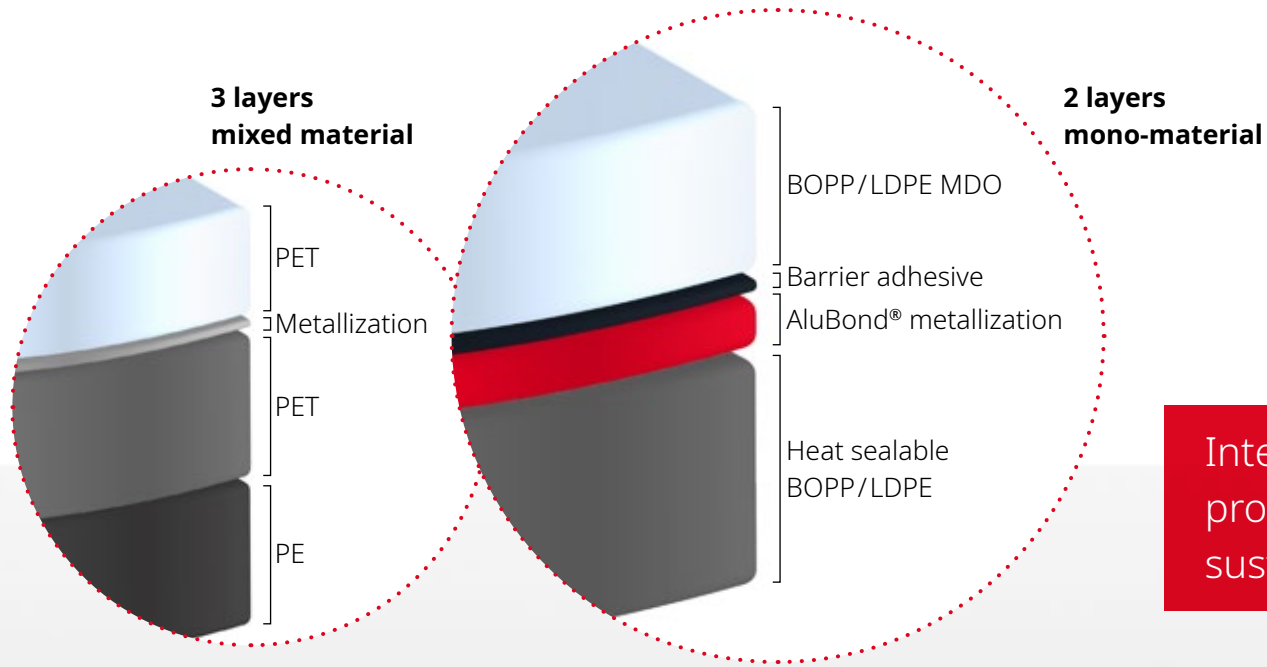
In CI flexo printing, the EXPERT CI press is able to cope with emerging new substrates, such as MDO PE, BOPE, BOPP, CPP and CPE, used for new mono-material recyclable packaging. In addition, we print with 7-color ECG technology, delivering stable and controlled printing results with water-based and e-beam printing at high speed.

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Metallized polyester replacement

BOBST AluBond® & lamination technology enable the move from three layers mixed material to two layers mono-material.

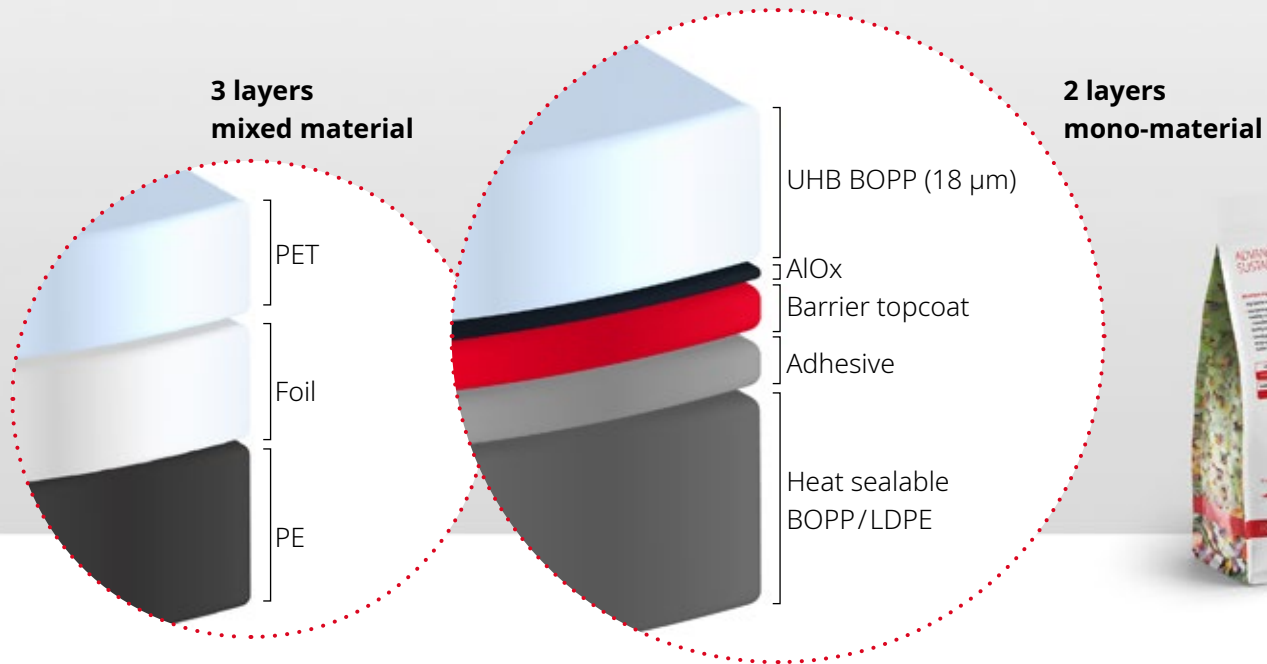


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Intelligent substrate processing to increase sustainability

Foil replacement

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



Driving industry transformation

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2000

POWER REGISTER is the only register system with cut-to-print capabilities and no sheet-edge contact registration. It drastically reduces setting times and eliminates feed-related stops.



2008

To help pharmaceutical companies meet strict new EU packaging legislation, BOBST develops the **ACCUBRAILLE** system for fast, accurate and reliable rotary Braille embossing onto drug packaging.



2011

BOBST **ACCUCHECK** becomes the first built-in zero-fault quality control system for folder-glucers. BOBST General **Hawkeye** detects, counts and categorizes pinholes and other metallizing defects from 0.1 mm upwards.



2013

FFG 8.20 EXPERTLINE is the only equipment worldwide to offer fully automated production, from the feeding of the board down to the palletizer. Fast, effective and highly capable, the line is truly awe-inspiring.



2017

Creation of **BOBST's Digital Printing Competence Center** and launch of the **Mouvent Cluster** – a printing solution for all substrates, applications and markets.

THQ FlexoCloud flexographic process offers ultra-high printing definition, security features and reduction of production costs.



130 years of leadership in innovation

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New ACCUCHECK, the in-line quality control system that offers manufacturers the opportunity to produce zero default boxes in the pharmaceutical, cosmetics and food sectors.

Premium Gap Control ensures the reliable and precise control of 100% of the folding of corrugated finished boxes at rated production speed.



Two revolutionary innovations relating to flexo inking and color matching: **Ink-on-Demand (IoD)**, a system that eliminates ink trays and chambered doctor blades, and **DigiColor**, a digitalized ECG process that gives converters and brand owners the certainty of matching Delta E at any speed, on any substrate, with any operator, anywhere in the world.

2018

2020

2019



The Digital Inspection Table is an award-winning innovation, having been named winner in the Best Inspection System category at the 2019 European Digital Press Association (EDP) Awards.

Helpline Plus AR is a remote assistance service with augmented reality (AR) glasses.

BOBST is leading the industry by joining forces with pioneering companies, Dow Chemicals, Brückner Maschinenbau, Hosokawa Alpine and Elba, to launch solutions utilizing a new generation of polymers to achieve **mono-material packaging designed for recyclability**.



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How we work

We anticipate the transformation of the packaging world by expanding our technology reach.



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Listening to our clients



Across labels, flexible packaging, folding carton and corrugated board, we gain insights into sustainable support for our customers to answer current and future consumer needs – and to respond to the challenges of brand owners, retailers and e-tailers across a flexible and agile workflow.

A step ahead

Customer needs

- Labels need to establish an emotional connection based on sight and touch, hence a full range of added value options, in terms of embellishment techniques and extended die-cutting capabilities, is a main requirement.
- End-to-end solutions and automation.
- Production floor optimization through a perfectly integrated workflow, from file to finished label.
- Guaranteed color consistency on all substrates anywhere, through closed loop digital color control.
- Web connectivity for brand owners and converters.

A new generation of digital printing machines

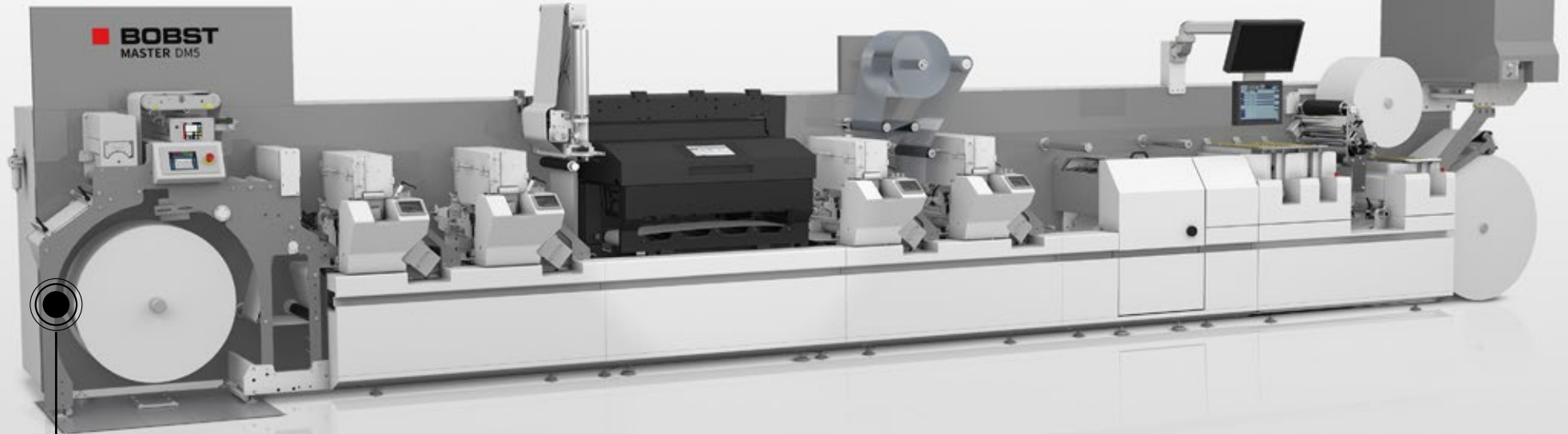


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BOBST delivers

A full range of DigiFlexo, hybrid and native digital solutions, which are perfectly integrated, interchangeable and scalable to all current and future needs, advancing productivity, connectivity and sustainability as never before in the label industry.

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The **MASTER DM5** is a hybrid press that combines Flower DigiFlexo units and Mouvent Ink-Jet digital technology, for completely integrated flexo-digital-converting – offering non-stop productivity and a full range of added value capability in a single pass.

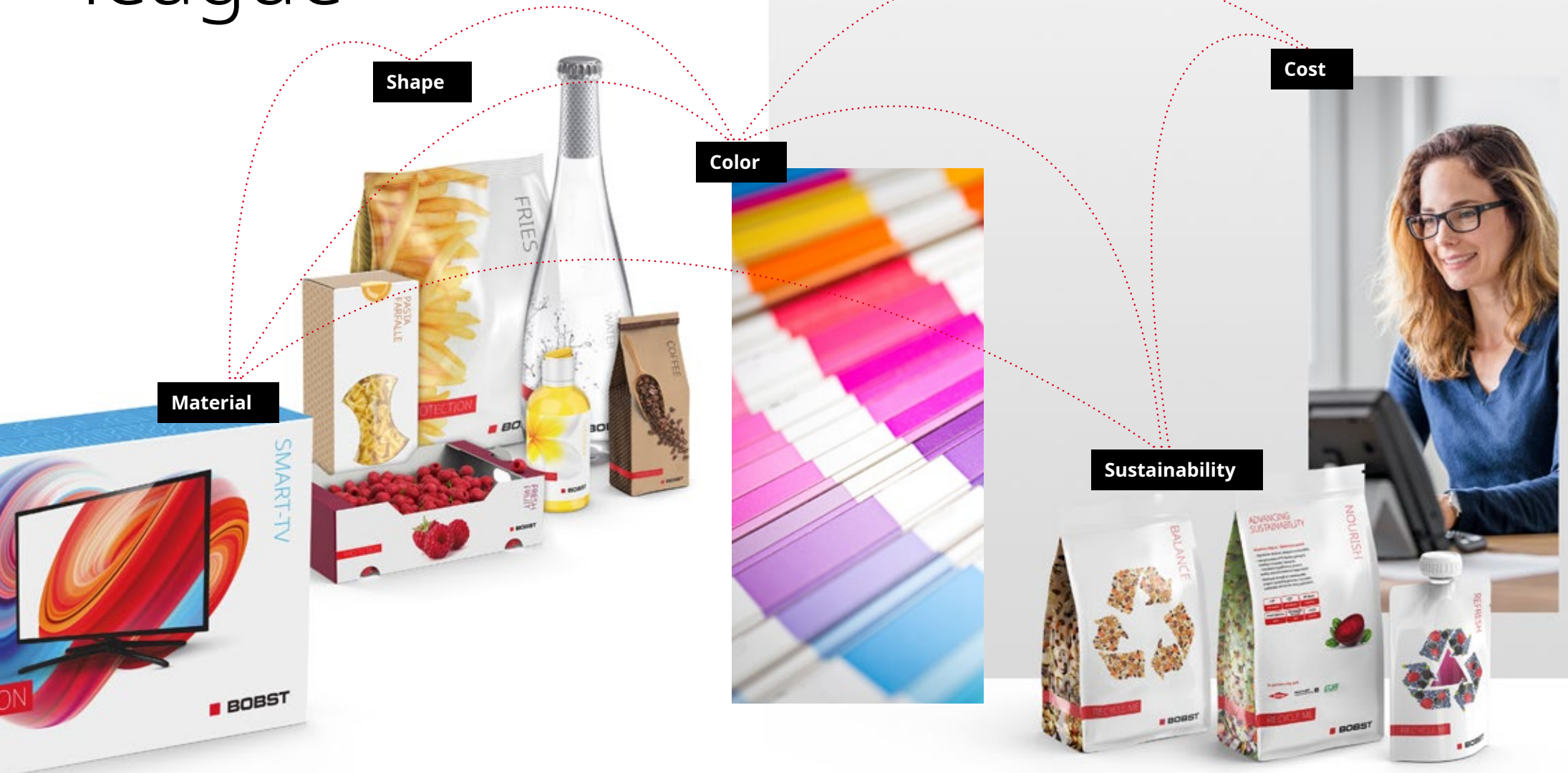
The **Mouvent LB702-WB** enables the printing of 340 mm wide labels with exceptional quality and productivity, using CMYKOV **water-based inks** developed by Mouvent, and uniquely ideal for the food label market.



Premium league

The future of packaging is primarily driven by the "big five"

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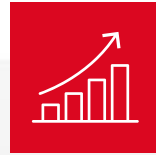
The new role of packaging

From protecting goods to informing consumers and attracting new clients, the role of packaging continues to evolve with advanced out-of-the-box customer experiences, increased security and reduced environmental impact.



Inspiring agility

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**Boost
productivity**



**Expert
advice**



**Reduced
downtime**



**Keep
hands-free**



**Bridge
skills gap**

Always on



Customer Care

A client calls mentioning that the delivery section has suddenly stopped which has created a major jam and he cannot retrace the root cause of the issue. The customer care specialist transfers the call to technical services.

Helpline Plus

The BOBST technical service specialist establishes a remote connection to the machine with Helpline Plus to get the first insight into the machine status.



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Helpline Plus AR

Wearing the AR headset, the client can show technical services what is happening on the delivery section of the machine, which completely eliminates the risk of misunderstanding and wasting time. Within minutes, the BOBST technical support specialist identifies a malfunctioning counting sensor.

Field service and spare parts

With the precise guidelines provided remotely by augmented reality, the customer is able to perform a temporary fix on the malfunctioning counting sensor.

The machine is back in production but the sensor needs to be replaced. The part has already been ordered via MyBOBST and will be delivered the next working day. A BOBST field service technician has been scheduled to replace the sensor on the same day.



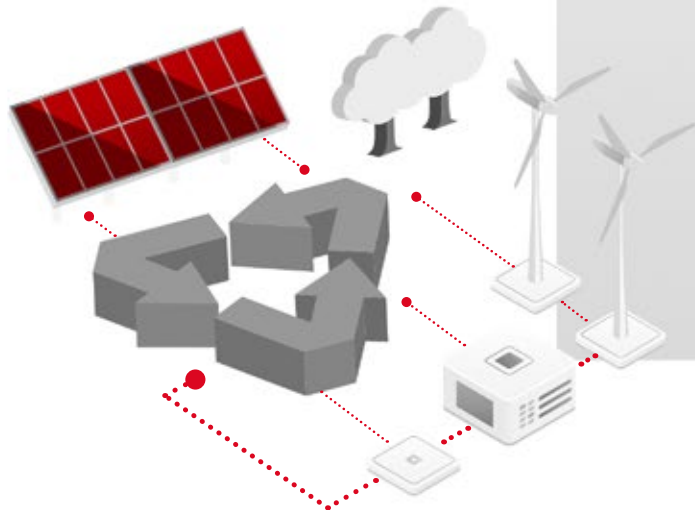
Augmented reality at work

Delivering expertise

As a leading technology company in the packaging world, we build our R&D plans on the global trends and listen to the most recent packaging production challenges.

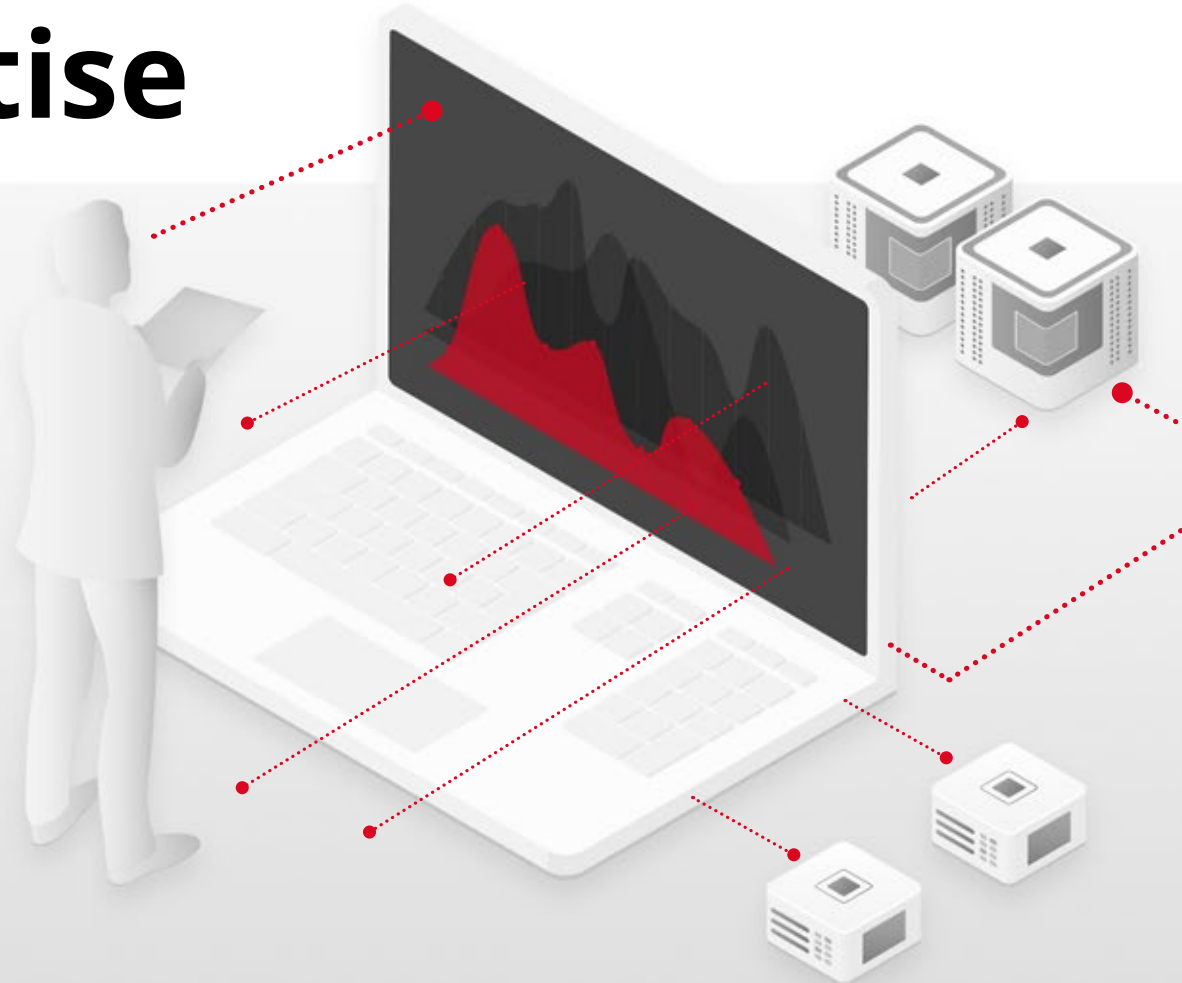
Digitalization of the economy

Brand owners demand agility for data access and quality control.
Converters want to visualize and control the entire production line.
BOBST digitalizes the entire workflow from the initial PDF to the final certified product.
> bobst.com/digicolor



Sustainability

Brand owners pledge to utilize more sustainable packages.
Converters need to process thinner and mono-material substrates.
BOBST processes recyclable substrates to be used in industrial-scale packaging production.
> bobst.com/sustainability



Customization and individualization

Brand owners redefine consumer engagement models to attract customers and build loyalty.
Converters need to supply more packaging variations and complexity.
BOBST conceives new digital printing presses to answer batch size reduction.
> bobst.com/masterdm5



BOBST brings digital automation into packaging production

New distribution channels

Brand owners redefine business models and customer access.
Converters need to supply packaging designed for e-commerce.
BOBST conceives new machines able to answer e-tailing requirements.
> bobst.com/ecommerce



Connectivity

Brand owners' packaging is produced along a complicated and linear process with disconnected control points.
Converters need to be part of an integrated and collaborative process, from the initial brand owner's request to the packer and the retailers.
BOBST breaks data silos and enables data sharing across the entire workflow, disrupting the value chain.
> bobst.com/connectivity

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Intelligent purpose

SUSTAINABLE DEVELOPMENT GOALS



Optimized work mode 'digital workplace'

The Group has implemented digital technologies to facilitate internal communications and reduce the need for national and international travel.



Sustainable packaging for logistics operations

Reduction of plastic waste and copper consumption in India.



Thermal efficiency of buildings and -3.3% of electricity consumed

Heat pump and solar panels heat water without CO₂ emissions in China. In Germany, 98% of the workshops are equipped with LED lighting.



New printing technologies

The Extended Color Gamut (ECG) technology in the BOBST THQ range of equipment reduces water consumption (33%), inks (25%) and printing plates (33%). The Mouvent LB702-WB printer uses water-based inks.

Replace plastic in packaging with recyclable materials

In partnership with pioneering companies in the design of inks and substrates, BOBST contributed to the launch of mono-material pouches for optimum recycling in 2019.



Target: -30% of CO₂ emissions by 2020



Since 2013, BOBST has had an agreement with Switzerland to reduce the carbon footprint of the industrial activities of its Mex site (Switzerland). In 2019, 6 300 m² of solar panels produced 1182 MWh of electricity, or 12.6% of the site's needs.

A concrete commitment that is part of a global approach

The Group is working on a new generation of equipment that will integrate sustainability, from the design of a machine, to its manufacture, its use and its upgrades, throughout its lifespan.



Empowering the next generation

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For its Internet of Things (IoT) program, BOBST is employing new skills: data scientists, data analysts and data engineers. Each role brings a specific knowledge that, when combined with the others, helps to exploit the data collected on our machines.



Meet **Houda Kji**. She graduated from EPFL (Swiss Federal Institute of Technology Lausanne) with a master in Mechanical Engineering and a minor in Financial Engineering. She joined BOBST as an intern in the Measurement and Analysis R&D team and was later hired as a Machine Data Analyst. Houda joined the IoT Program in 2018, working with the IoT team to devise innovative ways to generate value from the data collected on our machines.

She applies her passion and knowledge of the mechanics and processes of BOBST machines to develop algorithms based on machine learning. The collected insight will be used, for instance, to predict machine failures.

BOBST Inventor Award

A new BOBST Inventor Award was created in recognition of groundbreaking inventions. For 2019, it was awarded to Nick Copeland, Director of R&D at Bobst Manchester, for the Alubond patent.

EPFLoop 2019

Hyperloop Pod Competition



We support and share our know-how with talented and passionate people ready to surpass themselves to achieve demanding goals. In 2019, for the last phase of Elon Musk's Hyperloop Pod Competition, the EPFLoop team obtained an impressive third place.

> epfloop.ch

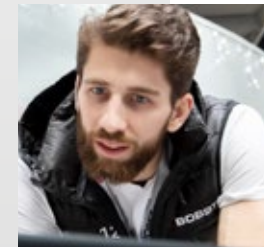
Lauzhack 2019



At EPFL's hackathon, the new generation faces industrial challenges. For us, it's also the opportunity to meet tomorrow's software engineers and share around a common passion for innovation and creativity. In 2018, the jury awarded the first prize to a team who undertook the BOBST challenge.

> lauzhack.com

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Léonard Badet

Head of Group Innovation

The new generation is a key player in our journey towards digitalization. As digital natives, they generally manage digital technologies and tools in a natural way. Combined with the know-how and the experience of BOBST experts, they constitute the best teams to develop trailblazing solutions.

> bobst.com/nextgen

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Where we go

Strategy,
facts & figures

Strategic objectives



The Bobst Group strategy framework

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Main Priorities

Quality of products & services

Optimize organization

Customer focus

Operational excellence

Digitalization & development of new products

Value creation at BOBST

Customer satisfaction

Financial targets

Values and culture development

Trust, Respect, Passion and Performance

BOBST follows a long-term strategy

We aim to be, or become, No. 1 or 2 in the markets we address to further contribute to the long-term development of the Group. To deliver on these objectives for the label, flexible packaging, folding carton and corrugated markets, we establish our long-term success on key pillars – innovation, operational excellence, people and growth. We invest in our people, those focused internally to grant operational excellence and those who help our clients maximize their productivity and satisfaction. We build new substrate processing technologies to increase sustainability. We are committed to shaping the future of the packaging world.

Leading innovation

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As a leading technology company in the packaging world, we shape the industry, with BOBST holding the No. 1 or 2 position in each segment. All members of the Group are leading – and ensure continuous innovation.

● **We shape the future by developing new business models.** We anticipate the transformation of the packaging world by expanding our technology reach. Across labels, flexible packaging, folding carton and corrugated board, we gain insights to sustainably support our customers to answer current and future consumer needs – and to respond to the challenges of brand owners, retailers and e-tailers across a flexible and agile workflow.



Shaping the future

Our vision for
the Bobst Group

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● **We offer comprehensive and integrated solutions for the packaging industry** – including machines, equipment, services and software. Our offering covers the entire value chain – from ideas to finished goods. Our expertise ranges from pre-press, software, data analytics, connectivity and chemistry to printing and converting to logistics – for all substrates in packaging. We cover all needs, from entry-level to high-end solutions.

● **We understand the packaging world** and contribute to the increasingly collaborative and connected environment of our customers with smart, connected machines, software and services. BOBST is committed to sustainability – as a key component of how packages are designed, produced, distributed, used and recycled.

of the **packaging** world

Leading by values

Group Executive Committee

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Stephan März

Head of Business
Unit Web-fed
since 01.01.2019.
1971, German national.

Attilio Tissi

Chief Financial Officer
since 08.11.2011.
1968, Swiss and
Italian national.

Jean-Pascal Bobst

Chief Executive Officer
since 07.05.2009.
1965, Swiss national.

Philippe Milliet

Head of Business
Unit Sheet-fed
since 08.11.2011.
1963, Swiss national.

Julien Laran

Head of Business
Unit Services
since 01.01.2019.
1977, French national.

“People, Knowledge and Values”
is the driving principle of our
company culture.

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> bobst.com/values



Values

The phrase that exemplifies BOBST is “People, Knowledge and Values”, because it is the people of our Group and the vast technical knowledge they have which translates into success. The values we aim to hold, both as a Group and as individuals, include Trust, Respect, Passion and Performance. These are the foundation of all collaborations that help us achieve our common goals and sustain our future. With these, we aim to ensure, among other things, a life-work balance, a pleasant work environment and a higher social responsibility.

Shareholders

We seek to achieve sustainable profitability across business cycles, ensuring “value creation” for our Group. Our challenge is to be the leading technical innovator in the packaging and label industry, delivering the highest quality and productivity. This will involve developing even stronger relationships with our customers, partners and suppliers, to ensure both a “common good” and mutual longevity.

Sustainable future

BOBST has a majority family shareholding. Dedicated to strengthening the Group’s position and ensuring its sustainability, it invests in digitalization and sustainable packaging solutions. While taking care of its local responsibilities, it is keen to develop the potential of the next generation’s leaders and to reveal and encourage the young talents of tomorrow. Transparent management, intergenerational communication that considers the strengths and skills of each one, as well as value creation, are its guiding principles.

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We meet and lead the ever-changing world of technology advancement, without losing sight of the men and women who make it happen.

BOBST at a glance

In million CHF		2019		2018		2017		2016		2015	
Assets	Non-current assets	489.9	32%	501.9	29%	451.3	28%	413.0	29%	419.7	31%
	Current assets	1 034.9	68%	1 219.7	71%	1 142.7	72%	989.7	71%	928.6	69%
		1 524.8	100%	1 721.6	100%	1 594.0	100%	1 402.7	100%	1 348.3	100%
Liabilities	Equity	559.2	37%	553.5	32%	559.4	35%	477.5	34%	421.8	31%
	Non-current liabilities	234.6	15%	405.5	24%	381.7	24%	388.9	28%	391.7	29%
	Current liabilities	731.0	48%	762.6	44%	652.9	41%	536.3	38%	534.8	40%
		1 524.8	100%	1 721.6	100%	1 594.0	100%	1 402.7	100%	1 348.3	100%
Net cash/Net debt		-58.6		-20.7		132.9		51.3		-1.7	
Sales		1 636.3		1 634.5		1 528.6		1 446.6		1 330.9	
Operating result (EBIT)		81.0		86.5		118.7		103.7		83.9	
As % of sales			5.0%		5.3%		7.8%		7.2%		6.3%
Net result		52.6		50.4		106.9		84.3		67.1	
As % of sales			3.2%		3.1%		7.0%		5.8%		5.0%
As % of equity			9.4%		9.1%		19.1%		17.7%		15.9%
Capital expenditure (CAPEX)		55.6		55.2		53.4		27.0		20.9	
Return on capital employed (ROCE)		12.9%		14.2%		23.2%		19.9%		16.0%	
Share income											
Share price at the end of the year		56.4		68.3		129.6		70.8		42.0	
Market capitalization		930.8		1 128.2		2 140.8		1 169.5		693.0	
EPS (16 518 478 shares)		4.12		3.84		6.93		5.08		4.02	
Price-earnings ratio		13.7		17.8		18.7		13.9		10.4	
Dividend paid:											
– total, in million CHF		24.8		24.8		42.9		28.1		20.6	
– payout ratio			47.1%		49.2%		40.1%		33.3%		30.7%
– dividend yield			2.7%		2.2%		2.0%		2.4%		3.0%
Headcount		5 555		5 660		5 397		5 055		4 907	
% change compared to previous year			-1.9%		4.9%		6.8%		3.0%		1.4%

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- Sales (in million CHF)
1 700 – 1 800
- Operating result (EBIT)
min. 8%
- Return on capital employed (ROCE)
min. 20%
- Payout ratio 30 – 50%
- Equity ratio 40 – 45%

Inspiring perspectives



Jean-Pascal Bobst
Chief Executive Officer

Alain Guttman
Chairman of the Board

Dear shareholders

In spite of a soft economic downturn and unpredictable market trends, 2019 was a good business year which was characterized by the progression of key initiatives, particularly in IoT (Internet of Things), services, new product launches and sustainability in packaging, to secure the future of our company.

We demonstrated our technical leadership through major evolutions in process digitalization such as MyBOBST, the BU Services web portal offering customers fast, simple and convenient parts and service online ordering in most European countries,

and our Mouvent ink-jet technology integrated into the UV flexo hybrid printing machine **MASTER DM5**, presented as a world premiere at Labelexpo 2019.

We presented new high barrier solutions to our customers at K Show 2019, partnering with industry leaders and adapting our offerings to propose comprehensive solutions to the newest trends in recyclable packaging, such as the SiOx technology and the **VISION CI Flexo press**, with solvent-based or water-based inks, including exclusive smart technologies for enhanced machine productivity and **sustainability** benefits.

Eterna, our Chinese local brand, recently announced its intention to acquire a majority of Yancheng Hongjing Machinery Technology Co. Ltd, a leading Chinese manufacturer for folding carton and corrugated industries. The deal will be finalized in Q1 2020 making Eterna the number 1 supplier of folder-glueers for the Chinese market, in addition to being a very successful market leader for corrugated and folding carton die-cutters. The new branding will be visible at drupa in June 2020 and at SinoCorrugated in July 2020.

Our **tooling** strategy fully supports our customers' and die makers' needs, anticipating future market trends with connected tools; these solutions will be ramping up quickly, improving quality and productivity for converters. Our certified die makers program, launched in Europe and USA, had 15 die makers certified by the end of 2019.

Engagement with customers directly was at the core of 2019. Four **Competence Centers** (Bobst Italia, Bobst Firenze, Bobst Bielefeld, and Bobst Manchester) have evolved to help carry the new industry vision.

BOBST focuses more and more on understanding new market trends and embracing the global digital supply chain for the packaging industry. We deployed in Mex the first Packaging **MASTERCLASS** aimed at brand owners. It was so successful that another event is planned for 28 October, 2020. Operationally, the 2019 business year ended up with satisfactory results. Although the Group started the year with a good level of backlog, at year end, the backlog was much lower. We issued a confirmation of our full year guidance in November 2019 with the indication

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that the turnover will be similar to previous year and the operating result (EBIT) margin is expected to be slightly lower than 5%.

For the full year 2019, our consolidated sales were CHF 1 636 million, very similar to 2018 results. Business Unit Sheet-fed and Business Unit Services were stable while Business Unit Web-fed slightly decreased by 2.2%.

In terms of profitability, we are not fully satisfied with the result. We aimed at an EBIT target of about CHF 100 million while our operating result was CHF 81 million, or 5.0% of sales, compared to CHF 87 million, or 5.3% in 2018. This pushed down our share price and created more pressure on the market. The decrease is mainly due to a lower profitability for the Business Unit Sheet-fed because of its product mix, a lower usage of production capacity and pressure on prices. Mouvent, our Competence Center for digital printing, also contributed to the decrease in profitability: albeit the very complex technology has proven its potential, the ramp up from beta machine to pre-series has taken much more energy and resources than expected.

The net result reached CHF 53 million (CHF 50 million in 2018). The improvement compared to the previous year came from lower financial costs and a reduction of taxes. The return on capital employed (ROCE) decreased to 12.9% in the reporting year compared to 14.2% in 2018, due to an increase in capital employed and the reduction of the operating result (EBIT). The shareholders' equity ratio increased to 36.7% from 32.2% in the previous year due to the reduction of total assets.

In line with the performance of the Group, the Board of Directors proposes to the Annual General Meeting of Shareholders a dividend for 2019 of CHF 1.50 per share (CHF 1.50 for 2018).

The mandates of all the members of the Board of Directors become due for renewal for a one-year period. At the forthcoming Annual General Meeting of Shareholders on 7 April 2020, Alain Guttmann, Thierry de Kalbermatten, Jürgen Brandt, Gian-Luca Bona and Philip Mosimann will be proposed for re-election for a new period of one year. The Board of Directors wishes to propose Alain Guttmann as Chairman.

“BOBST focuses more and more on understanding new market trends and embracing the global digital supply chain for the packaging industry.”

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Industry vision

Throughout 2019, the recurring theme in conversation with our clients – both brand owners and converters – was the need for greater sustainability, automation and digitalization to enable faster product launches and better customization. The world is changing constantly, pushing us to rethink our priorities, focus on, and support a deep evolution of the company culture towards “plant connectivity and global solutions”. All stakeholders recognize the need to improve packaging production.

The new BOBST industry vision clearly expresses how BOBST wants to drive the future of packaging production across labels, flexible packaging, folding carton and corrugated board. All stakeholders are connected to a digitalized and automated workflow, accessing cloud-based information anytime, anywhere – for a sustainable and

agile collaborative operation (cf. page 6 of the BOBST Annual profile 2020).

Strategy

BOBST follows a long-term strategy focusing on four strategic objectives – innovation, operational excellence, people development and growth. Delivering these objectives involves a range of initiatives which cover, among others, the quality of our products and services, optimizing our organization, focusing on customers, developing new products and digitalization.

Sustainability continues to grow in importance and is now fully integrated, from machine design to substrate processing. Leading the way with industrial solutions, key industry leaders have been jointly developing new recyclable flexible packaging, with respect for the global environment. BOBST is investing heavily with brand owners in the search for environmentally friendly packaging and label solutions.

Key priorities

Because of Brexit, the political crisis in many countries, the trend towards EUR/CHF parity in the longer term, the commercial war between the USA and China and the weakening in the booking dynamics since mid-2018, we must focus on our key priorities. If a downturn occurs, the Group will be prepared for lower activities in the short term.

This will trigger a change in our strategy. In January 2020, the coronavirus outbreak occurred in China and is now spreading to Europe and other regions. This is impacting BOBST's business operation to a certain extent. The actual impact will depend on the situation and duration of the coronavirus outbreak.

In 2020, we will tackle several initiatives in each of our Business Units. The **Business Unit Sheet-fed** will work to secure bookings and turnover, adapt its China strategy to the market needs, enlarge its product portfolio and work on the flexibility of its sites. Moreover, it will strive to increase quality and customer satisfaction.

The **Business Unit Web-fed** will look for growth, with the launch of many new products and drawing on the large progress made in 2019 on quality and customer satisfaction. Re-establishing technological leadership will also be part of the Business Unit roadmap.

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The **Business Unit Services** will further grow service business by acquisitions and organically, and will work on improving customer satisfaction while continuing efforts to train and retain its workforce. It will also accelerate its digitalization transformation using IoT use cases to meet customers' expectations in data management.

Digitalization supports and spurs Group transformation through various initiatives, including a common Group processes platform, IoT and Mouvent. Digital printing will continue to ramp up equipment for labels, film and folding carton applications, ensuring complete solutions and eco-friendly water-based ink (made by Mouvent). Furthermore, the unmet needs around workflow and connectivity are on the table, and solutions – largely linked to the digitalization of the process – will form a major element of discussions at drupa 2020. We are addressing all these new challenges through development and innovation in

“Sustainability continues to grow in importance and is now fully integrated, from machine design to substrate processing.”

connectivity (people and machines) and digitalization (internally through BOBST Business System – BBS – to establish the Group business blueprint and externally through IoT).

drupa 2020 is a strategic communication platform where perceptions are set and to which we devote a significant amount of time and investment. It will be a major event for the industry and undoubtedly there will be major announcements of new solutions in machines, software, chemistry and new business models.

The traditional converters' companies are, for their majority, investigating digital packaging production means and the commercial printers are looking at new business opportunities to compensate for their current decline in revenue, looking at packaging with new disruptive business models, such as web-to-pack, to leverage their web-to-print capabilities.

We believe that a large part of the production chain will be redefined, leveraging the Industry 4.0 principles. We will use drupa to officially present **our vision for the packaging industry**.

Our program of **leadership and people development** ensures that our values are part of the company's culture and represent

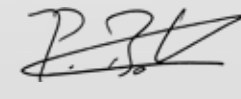
what customers, suppliers and collaborators care about. We think that great working relationships and improved teamwork positively impact productivity.

This year, we are also celebrating with emotion BOBST's 130th anniversary – wonderful proof of our people's resilience and competences and of our success in long-lasting value creation.

We wish to express our sincere gratitude to our shareholders, customers, partners, and to our more than 5 500 collaborators for their hard work, support, dedication and faith in the future of our company. We look forward to working closely with you for years to come.



Alain Guttmann
Chairman of the Board



Jean-Pascal Bobst
Chief Executive Officer

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Consolidated profit and loss

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In million CHF	2019	2018
Sales	1 636.3	1 634.5
Other operating income	20.4	19.5
Raw materials and services	-985.6	-1 052.0
Changes in inventories	-39.9	39.3
Personnel costs	-492.9	-499.4
Depreciation and amortization	-40.5	-38.3
Other operating expenses	-16.8	-17.1
Operating result (EBIT)	81.0	86.5
Share of net result in associates	10.1	9.8
Interest expenses	-5.6	-6.1
Other financial income	7.2	3.4
Other financial expenses	-8.6	-6.0
Result before income tax	84.1	87.6
Income tax	-31.5	-37.2
Net result	52.6	50.4
Attributable:		
To shareholders	68.1	63.5
To non-controlling interest	-15.5	-13.1
Earnings per registered share (in CHF)	4.12	3.84
Diluted earnings per registered share (in CHF)	4.12	3.84

Source: Annual report 2019 – Financial statements 2019 – Consolidated financial statements.

Consolidated balance sheet as at 31 December

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In million CHF	31 December 2019	31 December 2018
Intangible fixed assets	45.6	41.8
Tangible fixed assets	266.2	264.1
Financial assets other	26.2	23.1
Investments in associates	57.5	53.9
Employer contribution reserves	51.0	64.7
Receivables	2.8	3.6
Finance lease receivables	6.9	8.4
Prepaid expenses and accrued income	1.5	1.5
Deferred tax assets	32.2	40.8
Non-current assets	489.9	501.9
Assets held for sale	1.8	0
Inventories	385.6	454.4
Receivables	372.0	320.9
Finance lease receivables	4.6	3.4
Income tax receivables	4.1	18.8
Prepaid expenses and accrued income	21.3	22.7
Derivative financial instruments	4.2	3.2
Cash and cash equivalents	241.3	396.3
Current assets	1034.9	1219.7
Total assets	1524.8	1721.6

In million CHF	31 December 2019	31 December 2018
Share capital	16.5	16.5
Reserves	514.8	495.4
Net result	68.1	63.5
Shareholders' equity	599.4	575.4
Non-controlling interest	-40.2	-21.9
Equity	559.2	553.5
Borrowings	137.0	287.7
Provisions	4.5	7.9
Employee benefits	17.6	36.9
Trade and other payables	34.3	29.6
Deferred tax liabilities	41.2	43.4
Non-current liabilities	234.6	405.5
Borrowings	162.9	129.4
Provisions	52.2	57.2
Employee benefits	5.6	5.3
Trade and other payables	388.6	433.3
Accrued expenses and deferred income	116.9	112.2
Income tax payables	3.0	17.7
Derivative financial instruments	1.8	7.5
Current liabilities	731.0	762.6
Total liabilities and equity	1524.8	1721.6

Source: Annual report 2019 – Financial statements 2019 – Consolidated financial statements.

Consolidated cash flow statement 1/2

In million CHF		2019	2018
Net result		52.6	50.4
Elimination of net result in associates		-10.1	-9.8
Elimination of income taxes		31.5	37.2
Elimination of depreciation, amortization and provisions		14.9	38.0
Elimination of the result on disposal of assets		-3.6	1.4
Elimination of interest expenses/(income)		4.0	4.5
Elimination of derivative financial instruments results		-3.0	1.5
Changes in inventories		61.7	-72.4
Changes in receivables		-42.8	-19.7
Changes in employer contribution reserves		13.8	-39.0
Changes in payables		-36.9	2.2
Paid taxes		-26.7	-40.3
Cash flow from (used in) operating activities	Total A	55.4	-46.0
Disposal of subsidiaries net of cash disposed		6.8	0
Acquisition of business activities		0.0	-1.2
Purchase of intangible fixed assets		-15.6	-14.6
Purchase of tangible fixed assets		-41.5	-39.4
Loans and advances made		-3.6	-0.8
Proceeds from sale of tangible fixed assets		0.5	0.9
Loan repayments and advances received		0.2	0.2
Interest received		1.6	1.6
Dividends received		4.5	4.0
Cash flow from (used in) investing activities	Total B	-47.1	-49.3
Purchase of non-controlling interest		-15.2	0.0
Purchase of own shares		-0.1	-0.4
Proceeds from borrowings		11.5	151.3
Repayments of borrowings		-125.4	-5.0
Interest paid		-7.6	-4.8
Dividends paid to Group shareholders		-24.8	-43.0
Dividends paid to non-controlling interest		-0.3	-0.2
Cash flow from (used in) financing activities	Total C	-161.9	97.9

Source: Annual report 2019 – Financial statements 2019 – Consolidated financial statements.

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Consolidated cash flow statement 2/2

In million CHF		2019	2018
Effects of exchange variances	Total D	-1.4	-9.1
Change in cash and cash equivalents	A+B+C+D	-155.0	-6.5
Cash and cash equivalents at beginning of period		396.3	402.8
Cash and cash equivalents at end of period		241.3	396.3
Variance		-155.0	-6.5

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.

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Source: Annual report 2019 – Financial statements 2019 – Consolidated financial statements.

Segment reporting

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In million CHF	2019	2018
Revenue		
Sheet-fed third party sales	810.4	804.6
Sheet-fed inter-segment	24.3	24.8
Sheet-fed total revenue	834.7	829.4
Web-fed third party sales	337.5	342.9
Web-fed inter-segment	5.0	4.3
Web-fed total revenue	342.5	347.2
Services third party sales	488.3	486.2
Other third party sales	0.1	0.8
Eliminations inter-segment	-29.3	-29.1
Total third party sales	1 636.3	1 634.5

No operating segments were aggregated to form the above reportable operating segments.

Inter-segment operations correspond to the contribution paid by the Business Unit Services to the other Business Units for the right to sell spare parts and services for their equipment. These contributions do not generate internal margin.

In million CHF	Sheet-fed		Web-fed		Services		Other		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Results										
Total segment operating result (EBIT)	39.6	59.7	-15.5	-37.4	59.2	66.3	-2.3	-2.1	81.0	86.5
Share of result of associates	10.1	9.8							10.1	9.8
Financial result									-7.0	-8.7
Result before income tax									84.1	87.6

Source: Annual report 2019 – Financial statements 2019 – Consolidated financial statements.

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Certain statements in the annual profile, 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.

Moving forward

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> [BOBST.COM](https://www.bobst.com)

The future starts here

Ready to join us?

Bobst Group SA

P.O. Box
CH-1001 Lausanne
Switzerland
Tel. +41 21 621 21 11
Fax +41 21 621 20 70
www.bobst.com

Investor relations

Tel. +41 21 621 25 60
Fax +41 21 621 20 69
E-mail: investors@bobst.com

Security symbols

SIX SWISS EXCHANGE: BOBNN or 1268465
ISIN: CH0012684657
SIX Telekurs: BOBNN,4 or 1268465,4
Bloomberg: BOBNN SW
Reuters: BOBNN.S

Disclosure of shareholdings

Bobst Group SA
Share Register
P.O. Box
CH-1001 Lausanne
Switzerland
Fax +41 21 621 20 37
E-mail: shareholders@bobst.com

Website links

investors.bobst.com/documents – to reach the Articles of association of Bobst Group SA, the Organization regulations of Bobst Group SA, the worldwide Code of employee and business conduct, the Charter of Bobst Group policy with regard to health, safety at work and environmental protection.

investors.bobst.com/publications – to reach the annual report, annual profiles and sustainable development reports of Bobst Group SA.

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