

ALTERNATIVE PERFORMANCE MEASURES

Bobst Group SA

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 and reconciled to Swiss GAAP FER performance measures as explained below.

Net cash / Net debt

Net cash / Net debt is our financial liquidity metric that measures our company 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. It is defined as:

In million CHF	31 December 2021	31 December 2020
Net cash/Net debt		
+ Cash and cash equivalent	494.9	357.1
- Non-current borrowings	-337.2	-340.3
- Current borrowings	-3.8	-12.9
Total	153.9	3.9

In million CHF	30 June 2022	30 June 2021
Net cash/Net debt		
+ Cash and cash equivalent	341.8	417.4
- Non-current borrowings	-337.5	-339.0
- Current borrowings	-6.8	-6.4
Total	-2.5	72.0

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 assets.

In million CHF	31 December 2021	31 December 2020
Capital expenditure (CAPEX)		
Purchase of intangible assets	13.8	14.3
Purchase of tangible assets	25.0	28.9
Total	38.8	43.2

In million CHF	30 June 2022	30 June 2021
Capital expenditure (CAPEX)		
Purchase of intangible assets	9.9	7.1
Purchase of tangible assets	10.6	7.9
Total	20.5	15.0

Return on capital employed (ROCE)

ROCE is a profitability ratio that measures how efficiently a company can generate profits from its capital employed by comparing operating result to capital employed. At BOBST it is defined as:

In million CHF	31 December 2021	31 December 2020
Return on capital employed (ROCE)		
Non-current assets	479.3	453.0
- Investments in associates	-59.4	-57.5
- Employer contribution reserves	-25.7	-32.7
+ Inventories	474.1	378.5
+ Receivables	356.8	315.1
+ Finance lease receivables	2.9	2.2
+ Income tax receivables	4.5	4.7
+ Prepaid expenses	16.5	20.7
- Non-current trade and other payables	-51.6	-13.0
- Current trade and other payables	-581.5	-411.0
- Accrued expenses	-155.6	-127.8
- Income tax payables	-10.6	-3.7
Capital employed	449.7	528.5
Operating result (EBIT)	99.0	43.7
ROCE	22.0%	8.3%

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. At BOBST it is defined as:

In million CHF	31 December 2021	31 December 2020
Net working capital (NWC)		
+ Inventories	474.1	378.5
+ Current receivables	356.8	315.1
+ Current finance lease receivables	2.9	2.2
+ Current prepaid expenses	16.5	20.7
+ Non-current receivables	6.3	5.8
+ Non-current finance lease receivables	7.8	5.0
+ Non-current prepaid expenses	1.5	1.5
- Current trade and other payables	-581.5	-411.0
- Current accrued expenses	-155.6	-127.8
- Non-current trade and other payables	-51.6	-13.0
Net working capital	77.2	177.0

In million CHF	30 June 2022	30 June 2021
Net working capital (NWC)		
+ Inventories	579.5	498.4
+ Current receivables	365.6	304.5
+ Current finance lease receivables	5.1	2.9
+ Current prepaid expenses	28.2	23.2
+ Non-current receivables	5.2	5.4
+ Non-current finance lease receivables	4.8	7.0
+ Non-current prepaid expenses	1.5	1.5
- Current trade and other payables	-698.6	-559.4
- Current accrued expenses	-137.4	-129.4
- Non-current trade and other payables	-50.1	-18.0
Net working capital	103.8	136.1

Certain statements in the Alternative Performance Measures, 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.