

SEMI-ANNUAL RESULT 2022

JULY 21, 2022



WELCOME

AGENDA

SEMI-ANNUAL RESULT 2022

1 Highlights

2 Financial Review

3 Strategic Focus & Outlook 2022

HIGHLIGHTS

HIGHLIGHTS

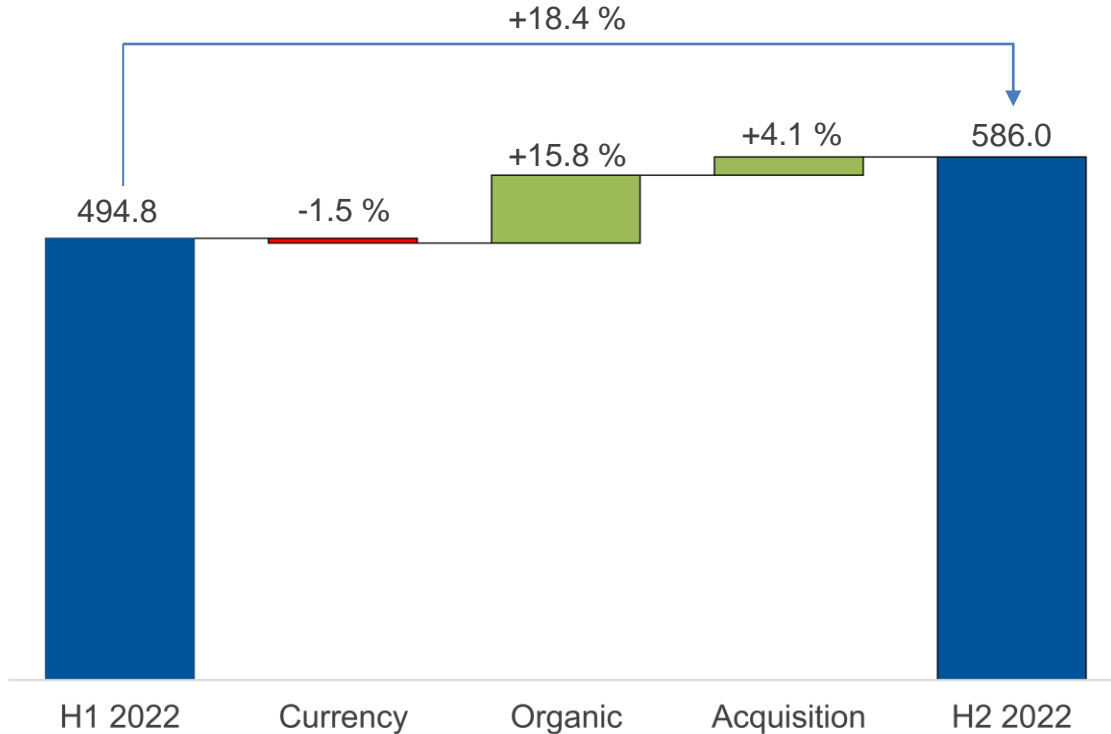
- Sales, EBIT and net income on new heights
- Tailwind & volatility (COVID, supply disruptions, price inflation)
- Proven supply chain resilience (double sourcing, safety stock)
- ‘Proven Productivity’ services – new business & customer loyalty
- New digital platform – first rollouts (DK & S) successfully completed



FINANCIAL REVIEW

NET SALES 2022

in CHF million



- Strong demand momentum continued in H1 2022
- Double-digit growth rates in all three market regions
- Product availability was supportive driver of sales performance
- Focus on growth industries railway, electronic and electromobility paid off

FINANCIAL PERFORMANCE

INCOME STATEMENT AS PER JUNE 30

in CHF million	H1 2021	H1 2022	+/-
Net sales	494.8	586.0	18.4 %
Gross profit	159.8	184.8	15.6 %
<i>in %</i>	<i>32.3 %</i>	<i>31.5 %</i>	
Selling expenses	-62.8	-68.3	8.8 %
Administrative expenses	-29.8	-39.3	31.9 %
EBIT	67.2	77.2	14.9 %
<i>in %</i>	<i>13.6 %</i>	<i>13.2 %</i>	
Result from associated companies	-0.4	-0.5	
Financial result	-1.0	-2.3	130.0 %
Income before taxes	65.8	74.4	13.1 %
Income taxes	-13.2	-14.5	9.8 %
Net income	52.6	59.9	14.0 %
<i>in %</i>	<i>10.6 %</i>	<i>10.2 %</i>	

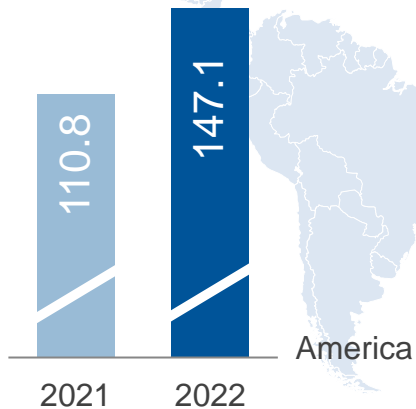
- Lower gross profit margin due to market environment, regional and product mix
- Higher cost due to:
 - change of scope
 - increase in FTE's
 - higher travel and marketing costs
 - rollout new digital platform
 - strategic initiatives
- Financial result
 - negative currency impact (translation)

NET SALES DEVELOPMENT

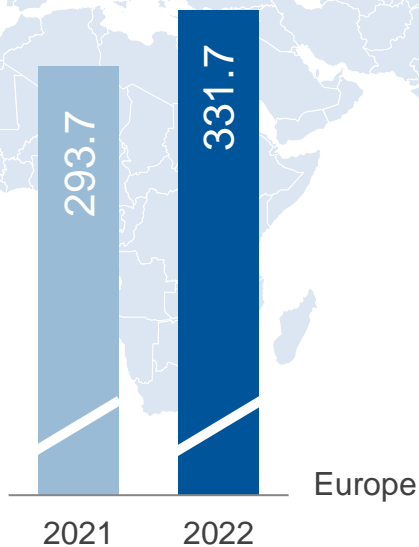
AS PER JUNE 30

in CHF million

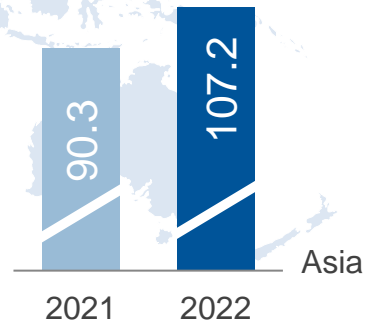
+32.8 % in CHF
+27.8 % in LC



+12.9 % in CHF (*organic 6.0 %*)
+17.6 % in LC (*organic 10.4 %*)

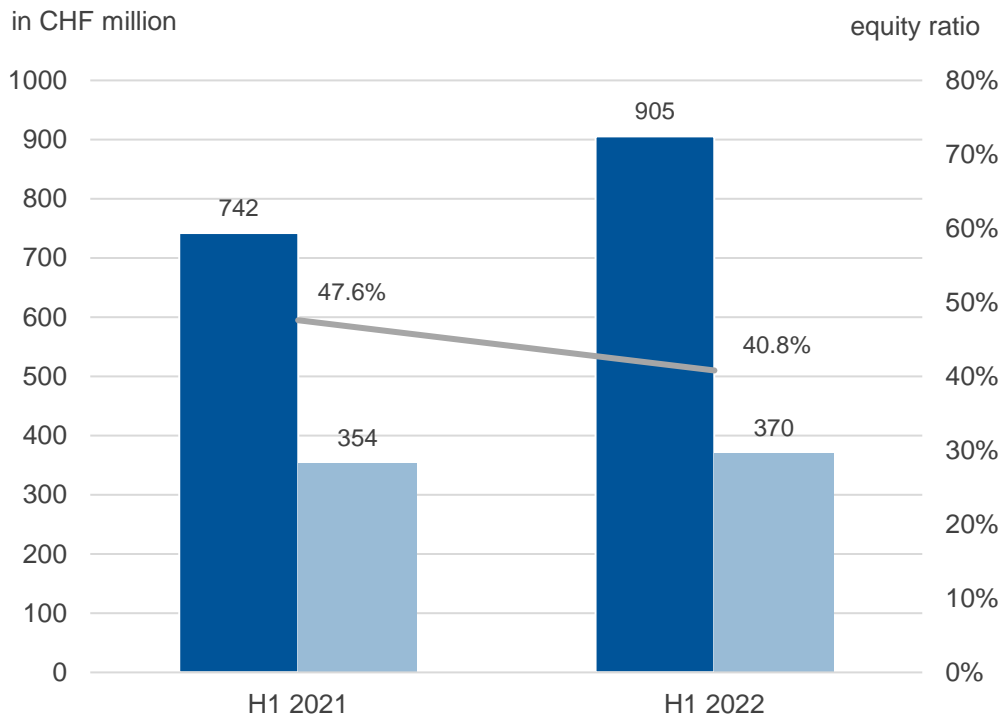


+18.7 % in CHF
+17.2 % in LC



SOLID BALANCE SHEET

AS PER JUNE 30

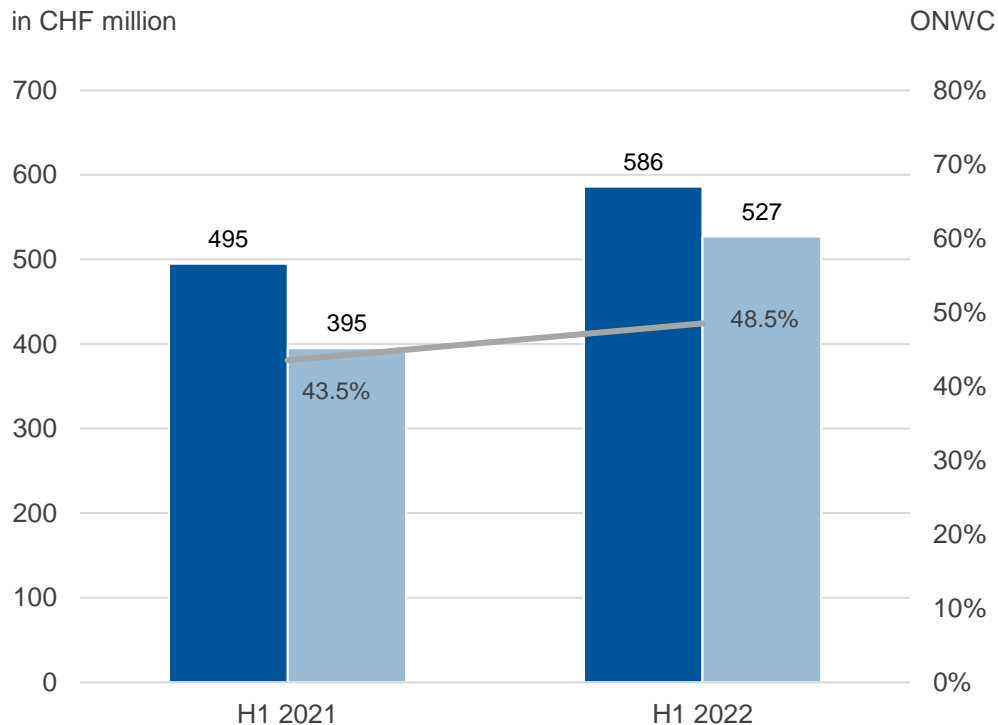


- YOY increase in total assets mainly due to higher operating net working capital
- Lower equity ratio due to:
 - offsetting goodwill from the acquisition of Jeveka B.V., Netherlands, against equity in October 2021, and
 - balance sheet expansion driven by disproportionate increase of operating net working capital

■ Total assets
■ Shareholders' equity
— Equity ratio in % of total assets

OPERATING NET WORKING CAPITAL AS PER JUNE 30

in CHF million



- YOY increase in total assets mainly driven by higher operating net working capital and the acquisition of Jeveka, B.V., Netherlands
- Above-average increase of inventory due to:
 - increase in demand
 - maintaining delivery capability
 - higher raw material prices and freight costs

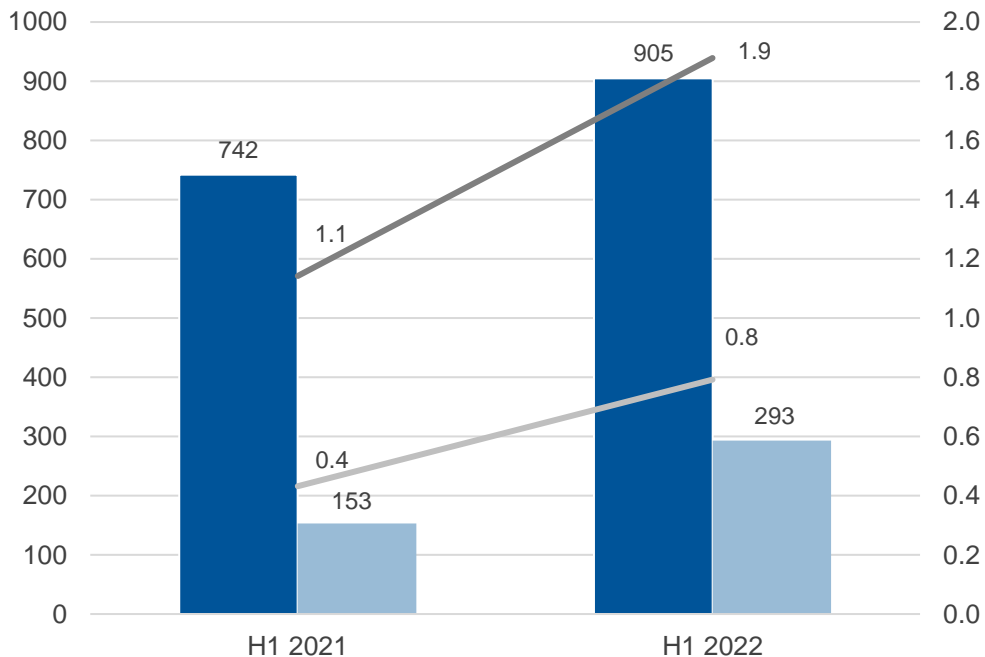
■ Net sales
■ ONWC
— ONWC in % net sales

SOLID BALANCE SHEET RATIOS

AS PER JUNE 30

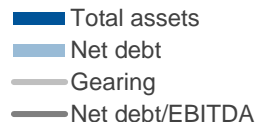
in CHF million

Gearing / Net debt/EBITDA



- Increase in net debt mainly due to:
 - proportionally higher operating net working capital
 - higher dividend payout in 2022 in comparison to 2021
 - due to the acquisition of Jeveka B.V. in October 2021

- Balance sheet ratios still within the long-term funding ratios
 - Gearing <1.3x
 - Net debt/EBITDA <2.0x

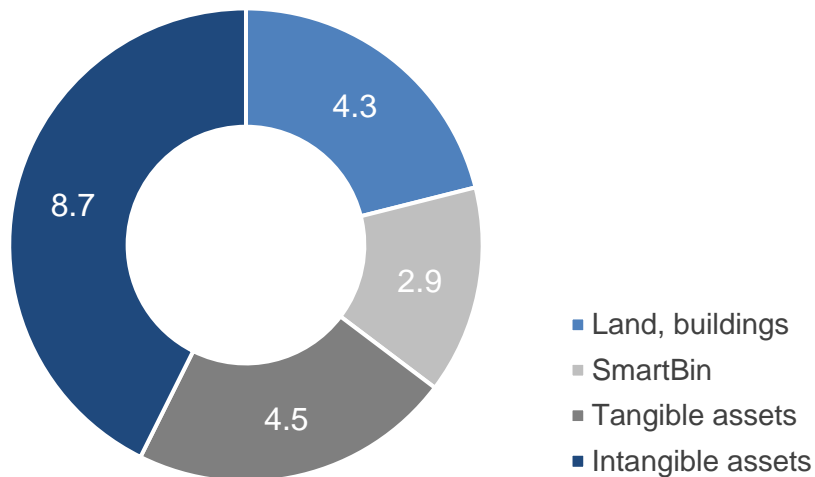


CAPITAL EXPENDITURES

JUNE 2022 YTD

in CHF million

Total Capex:
20.4 CHF million



Land, buildings

- Office and warehouse capacity expansion in France and Taiwan

SmartBin

- Hardware for Smart Factory installations

Tangible assets

- Replacement / expansion of warehouse equipment, machinery, office equipment and cars

Intangible assets

- General software investment and replacement
- New global digital platform (ERP system)

CASH FLOW STATEMENT

AS PER JUNE 30

in CHF million

	H1 2021	+/-	H1 2022	+/- in %
Cash flow from operating activities before NWC	65.4	12.0	77.4	18.3 %
Change in NWC	-18.8		-93.0	
Cash flow from operating activities	46.6	-62.2	-15.6	-133.5 %
Fixed assets	-8.3		-11.7	
Tangible assets	-4.2		-8.7	
Other financial assets	1.1		0.0	
Cash flow from investing activities	-11.4	-9.0	-20.4	78.9 %
Free cash flow	35.2	-71.2	-36.0	

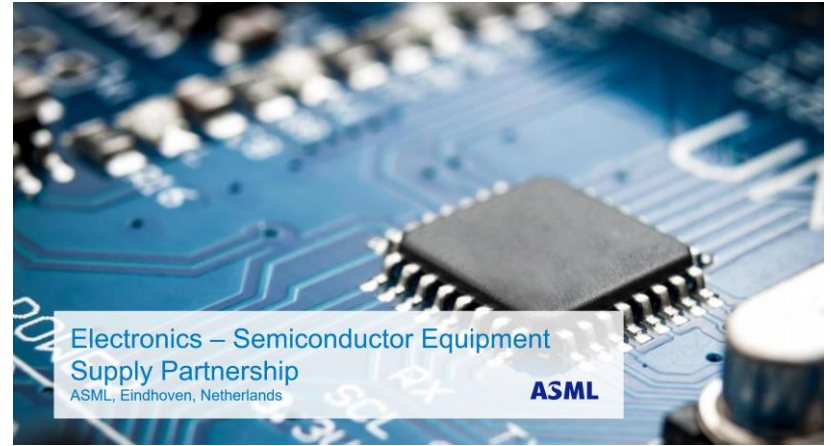
- Increase of net new working capital due to higher sales volume and increase in inventory to cope with supply chain challenges
- Increase in capex:
 - expansion office and logistic capacity in France and Taiwan
 - new digital platform

STRATEGIC FOCUS – SUNRISE INDUSTRIES



Railway
Engineering & Smart Factory Partner

Alstom Transport, France



Electronics – Semiconductor Equipment
Supply Partnership

ASML, Eindhoven, Netherlands



Healthcare
Engineering & Smart Factory Partner

Roche Diagnostics International AG, Switzerland



Electric Vehicles
Engineering & Smart Factory Partner

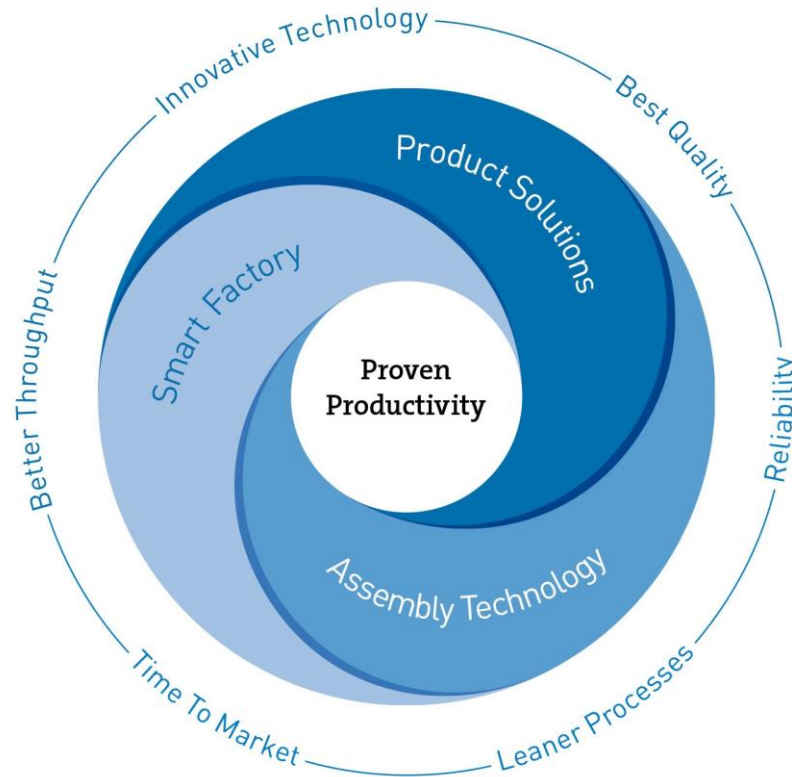
Lucid Motors, Casa Grande, Arizona (USA)



STRATEGIC FOCUS – PROVEN PRODUCTIVITY

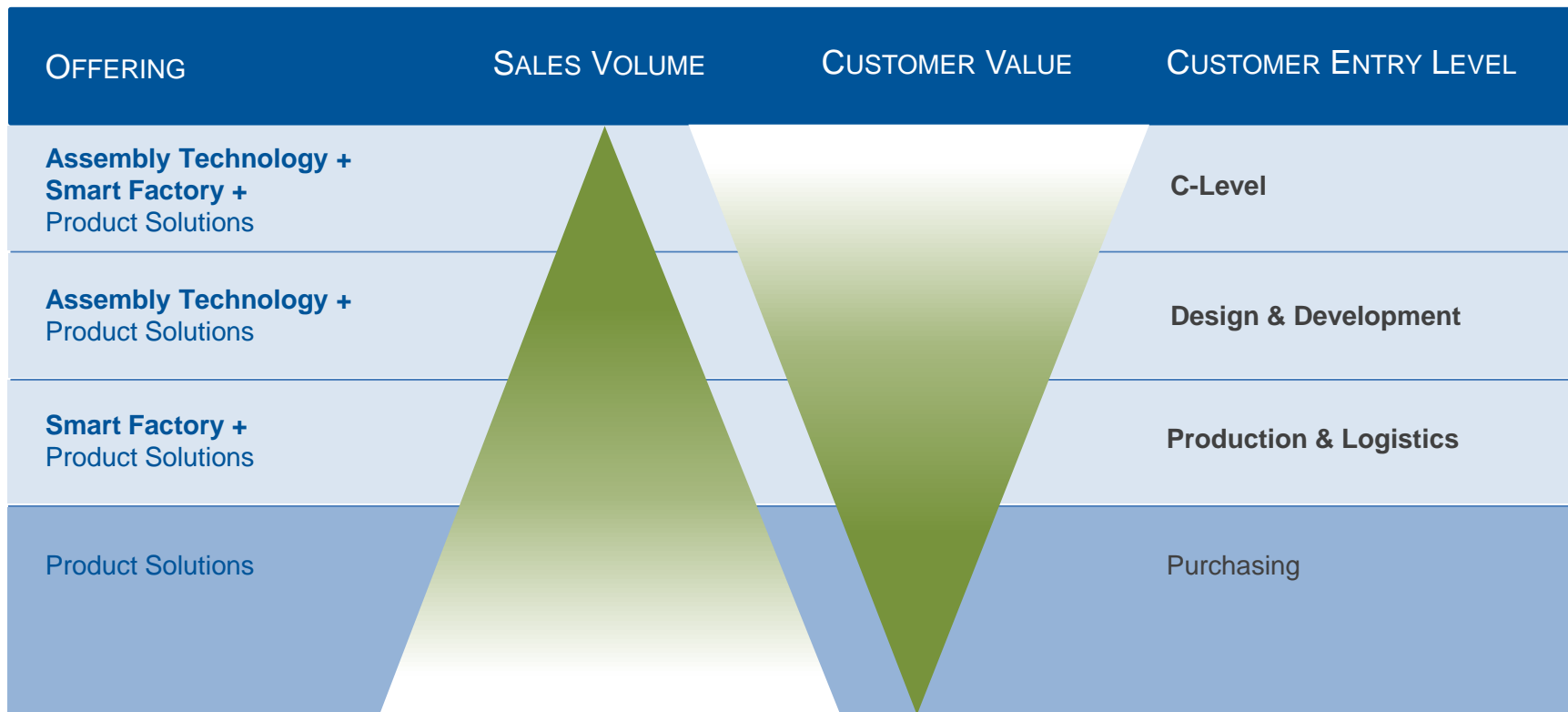
OUR BUSINESS MODEL

SOLUTIONS TO INCREASE OUR CUSTOMERS' PRODUCTIVITY



SERVICES

STRATEGIC IMPORTANCE TO CREATE CUSTOMER LOYALTY



STRATEGIC FOCUS – 2022

BOSSARD GROUP

STRATEGIC FOCUS 2022

RUN



- Profitable Growth
Focus on Sunrise Industries
- Customer Retention, Penetration & new Business Development
Services as a Key Driver for Cost Reduction for our Customers
- Sustainability
Embed Sustainability in Day-to-Day - Social & Environmental

CHANGE



- Operations Engine
Build Digital Platform (ERP System, 1st Release)
- Sales Engine
Develop Global 'Sales Engine', Digital Marketing, Experiments & Successes
- Together We Create
'Guiding Principles', Leadership Development & Talent Management

STRATEGY 200 - MID-TERM FINANCIAL TARGETS AFTER A PHASE OF INVESTMENTS

- **Sales:**
Organic sales growth > 5%
- **Operating profit margin (EBIT):**
Target range of 12% - 15%
- **Balance sheet:**
Equity ratio > 40%
- **Dividend payout ratio:**
40% of net income

OUTLOOK 2022



GLOBAL SUPPLY SHORTAGES & INFLATION



EUROPE – GEOPOLITICAL TENSIONS

CHINA – FURTHER LOCKDOWNS?



BUSINESS ENVIRONMENT

SECOND HALF 2022

- Volatile environment (supply chain, inflation, geopolitics, COVID)
 - Long lead-times > 12 months, first signs of relaxing lead-times
 - Prices for final products stabilizing
 - Sourcing strategy & product availability remain key success factors
- Strategy 200 initiatives support continued profitable growth
 - Strong momentum and great potential in sunrise industries
 - Smart solutions to achieve Proven Productivity
- Continued positive demand development



BOSSARD

Proven Productivity

SAFE HARBOR STATEMENT

This document has been prepared by the company solely for the use of the conference call on July 21, 2022 concerning the publication of the semi-annual result 2022. The information contained in this document has not been independently verified and includes assumptions and estimates that may not be correct and no representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained herein. None of the company or any of their respective affiliates, advisors or representatives shall have any liability whatsoever arising from any use of this document, or its contents, or otherwise arising in connection with this document.

This presentation may contain certain forward-looking statements relating to the Group's future business development and economic performance. Such statements may be subject to a number of risks, uncertainties and other important factors, such as but not limited to (1) competitive pressures; (2) legislative and regulatory developments; (3) global, macroeconomic and political trends; (4) fluctuations in currency exchange rates and general financial market conditions; (5) delay or inability in obtaining approvals from authorities; (6) technical developments; (7) litigation; (8) adverse publicity and news coverage, which could cause actual development and results to differ materially from the statements made in this presentation. Bossard assumes no obligation to update or alter forward-looking statements whether as a result of new information, future events or otherwise.

This document does not constitute an offer or invitation to purchase shares and neither it nor any part of it shall form the basis of, or be relied upon in connection with any contract or commitment whatsoever.