

Ad hoc announcement pursuant to Art. 53 LR

## **Bossard Group**

### **A challenging market environment that also offers opportunities**

Zug, July 22, 2025 – **The first half of 2025 continued to be characterized by a challenging market environment. The three market regions showed different developments: In Asia, the Bossard Group benefited from positive demand dynamics. In Europe, successful acquisitions led to satisfactory growth. In America, however, a decline in sales was recorded. Group sales increased by 7.6 percent to CHF 547.9 million in the first half of 2025 (prior year: CHF 509.4 million). In local currency, sales growth was 10.1 percent, with an organic decline of 1.3 percent. The adjusted EBIT, excluding purchase price allocation effects (PPA effects) on inventories and intangible assets, amounted to CHF 58.8 million (prior year: CHF 58.1 million). This corresponds to an adjusted EBIT margin of 10.7 percent (prior year: 11.4 percent). Including the PPA effects, the EBIT was CHF 55.5 million. Compared to prior year, Group net income declined by 8.8 percent to CHF 38.7 million (prior year: CHF 42.4 million).**

The first half of 2025 was marked by ongoing geopolitical and economic uncertainties. Following initial signs of stabilization in the first quarter, debates about the global trade conflicts led to a decline in demand during the second quarter. In Europe and America, the almost daily changing news regarding tariffs led to significant planning uncertainty for numerous market participants. The resulting weakening of demand was particularly evident in export-oriented and cyclical customer industries. In addition, the significant appreciation of the Swiss franc compared to most currencies had a negative impact on the Bossard Group's result. In Asia, the Group benefited from satisfactory, increasingly broad-based demand. The region recorded double-digit sales growth in the first half of 2025.

The changing geopolitical environment and the increasing focus on local industrial value chains are driving the demand for automated, data-driven C-parts management solutions. Offering such solutions strengthens Bossard's position with its customers and its differentiation from the competition. This offers opportunities. With its Smart Factory solutions, Bossard – in collaboration with its customers – is making a relevant contribution to increase productivity, especially in the context of rising costs, increasing requirements for sustainability and the structural shortage of skilled workers.

**Europe: growth thanks to strengthening of market position**

In Europe, the Group achieved sales growth of 14.8 percent (in local currency: +16.6 percent) to CHF 337.4 million (prior year: CHF 293.8 million). Adjusted for acquisitions, there was a decline of 2.9 percent in local currency which intensified in the second quarter due to the challenging tariff situation and general economic uncertainties. The aerospace and railway sectors achieved satisfactory growth rates. Bossard was able to further expand its market position in both industries and further strengthen the aerospace sector with last year's acquisition of Aero Negoce International SAS.

**America: weak demand and negative currency effects**

Bossard recorded a decline in sales in America of 11.4 percent to CHF 114.0 million (prior year: CHF 128.6 million) in the first half of 2025. In local currency, sales declined by 8.4 percent. While there was a positive sales trend in the electronics sector, demand remained weak, especially in the areas of electromobility and agriculture. In addition, the constant changes in tariffs and news led to market uncertainty, which had a negative impact on demand. The appreciation of the Swiss franc had an additional negative impact on results.

**Asia: robust demand dynamics**

In Asia, Bossard achieved sales growth of 10.9 percent (in local currency: +15.0 percent) to CHF 96.5 million (prior year: CHF 87.0 million). The positive development in Asia continued in the second quarter, which was reflected in the double-digit growth rate. In India, Bossard was able to benefit from the "Make in India" initiative and in Malaysia from customer near-shoring trends – especially in the semiconductor and electronics industries. In

China, growth was achieved thanks to improved demand, especially from electronics and machinery. Further interesting opportunities were identified in the region, among others in the field of automation and robotics, and new local customers were acquired, where Bossard is benefiting from increasing intra-Asian trade.

**Sustainable development despite volatile market situation**

In the first half of 2025, the market environment continued to be influenced by increased volatility. Despite the increased intensity of competition, the adjusted gross profit margin, excluding PPA effects on inventories, amounted to 33.2 percent and was therefore at prior year's level (33.3 percent). The gross profit margin including PPA effects on inventories was 32.6 percent.

In line with the Group's growth, selling and administrative expenses increased by 10.5 percent from CHF 111.4 million to CHF 123.0 million. At the same time, the number of full-time equivalents increased from 2,886 to 3,129 due to the acquisitions made. Adjusted for acquisitions, the number of full-time equivalents amounted to 2,860. The higher costs resulted mainly from the acquisitions and higher wage costs compared to the prior year. Investments within the framework of Strategy 200 were consistently driven forward – with a special focus on digitalization and increased efficiency. These strategic initiatives strengthen the long-term competitiveness of the Bossard Group.

Despite the challenging market environment, the lower gross profit margin caused by the PPA effect and higher costs had an impact on profitability. Adjusted EBIT, excluding PPA effects on inventories and intangible assets, amounted to CHF 58.8 million in the first half of 2025 (prior year: CHF 58.1 million) with an adjusted EBIT margin of 10.7 percent. Including these effects, EBIT amounted to CHF 55.5 million which corresponds to an EBIT margin of 10.1 percent. Net income amounted to CHF 38.7 million (prior year: CHF 42.4 million).

**Solid financial basis despite short-term challenges**

Total assets increased from CHF 835.0 million in the prior year to CHF 913.7 million, mainly due to the acquisitions made.

Net debt increased since the beginning of the year to CHF 346.8 million (at the end of 2024: CHF 245.1 million), largely due to the acquisition of the Ferdinand Gross Group at the beginning of the year and the dividend payout in April 2025. Gearing – the ratio of net debt to equity – increased from 0.6 to 1.0 while the ratio of net debt to EBITDA was 2.8 (prior year: 1.9). The equity ratio at the end of June 2025 was 39.1 percent (prior year: 47.4 percent) underscoring the Group's continued solid capital structure.

Cash flow from operating activities totaled CHF 32.7 million (prior year: CHF 64.3 million). This was primarily due to the increase in operating net working capital. Cash flow from investment activities totaled CHF 77.1 million compared to CHF 33.4 million in the prior year and was significantly higher, especially due to the acquisition of the Ferdinand Gross Group. Overall, the first half of 2025 resulted in a negative free cash flow of CHF 44.4 million, after the prior year's positive free cash flow of CHF 30.9 million.

### **Progress in implementing Strategy 200**

The comprehensive renewal of the IT platform as part of the strategic "Operations Engine" initiative aims to increase the Group's overall efficiency. To this end, a new ERP system will be introduced gradually over several years. Bossard consistently pursued the introduction even in a more challenging economic environment. Roll-outs are planned in further countries in the second half of the year with the aim of replacing the core system by the end of 2026.

Bossard is also using the advantages of artificial intelligence (AI) as part of the "Sales Engine" to actively shape its future. Innovative sales acceleration initiatives, process automation, and intelligent tools increase efficiency and transparency. At the same time, Bossard empowers its employees to independently optimize processes through the use of AI tools. With a clear focus on the needs of their customers, agile implementation and measurable results, not only competitiveness is secured, but also sustainable value creation is achieved for the Group.

**Outlook**

Bossard is approaching the challenging situation around tariffs as well as the general economic and geopolitical challenges with great attention. Thanks to its global presence, the Group continuously analyzes possible courses of action in order to proactively address potential impacts on both the sales and purchase sides. This approach strengthens the Group's adaptability and flexibility.

Although it is difficult to predict the further development of the economic environment in the coming quarters, Bossard is confident about the future due to selective growth impulses from individual markets and industries as well as its solid positioning. The focus is on winning new customers and projects as well as on further internal efficiency improvements. The Group remains committed to defined medium-term financial goals and the implementation of Strategy 200, with a clear ambition to achieve sustainable value creation and progress even in a challenging environment.

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Net sales 2nd quarter			change in %	
in CHF million	2025	2024	in CHF	in local currency
Europe	159.7	143.8	11.1%	14.5%
America	54.3	62.8	-13.5%	-5.2%
Asia	50.0	45.4	10.1%	18.9%
<b>Group</b>	<b>264.0</b>	<b>252.0</b>	<b>4.8%</b>	<b>10.4%</b>

Net sales January - June			change in %	
in CHF million	2025	2024	in CHF	in local currency
Europe	337.4	293.8	14.8%	16.6%
America	114.0	128.6	-11.4%	-8.4%
Asia	96.5	87.0	10.9%	15.0%
<b>Group</b>	<b>547.9</b>	<b>509.4</b>	<b>7.6%</b>	<b>10.1%</b>

## About Bossard:

The Bossard Group is a leading strategic partner for industrial fastening and assembly technology solutions to OEM customers globally with proven expertise in engineering and logistic services.

Bossard was founded in Zug in 1831. Today local and multinational companies count on Bossard's expertise to increase their productivity – with success. Bossard calls this concept, which is also a promise to its customers Proven Productivity. This includes, among other things, optimizing processes and reducing inventories to increase the efficiency and productivity sustainably. In addition, Bossard is considered a pioneer in developing intelligent production facilities in line with Industry 4.0.

With around 3,000 employees in 33 countries throughout the world, the Bossard Group generated CHF 986.4 million in sales in the financial year 2024. Bossard is listed on the SIX Swiss Exchange.