

Ad hoc announcement pursuant to Art. 53 LR

Bossard Group

Results for 2021

Robust profitability and new records

Zug, March 2, 2022 – **In a strong economic environment, the Bossard Group generated sales of CHF 995.1 million in the financial year 2021 (prior year: CHF 812.8 million), despite bottlenecks in the supply chains and market uncertainties caused by the COVID-19 pandemic. Sales growth amounted to 22.4 percent (in local currency: +22.2 percent). Organically, sales increased by 21.2 percent. EBIT was CHF 123.3 million (prior year: CHF 86.4 million), a remarkable plus of 42.8 percent, resulting in an EBIT margin of 12.4 percent (prior year: 10.6 percent). Net income grew by 44.7 percent to CHF 98.0 million (prior year: CHF 67.8 million). The Group achieved new records in sales as well as in EBIT and net income.**

The COVID-19 situation continued to cast uncertainty in all three market regions in the financial year 2021. At the same time, strong global demand continued to strain the situation on the procurement market, resulting in further price increases and longer delivery times. Thanks to our sustained delivery capabilities, the Group benefited from strong global demand. The extent of the recovery is also evident in the – in some cases significantly – double-digit growth rates in all three market regions. The Group also solidified its competitive position in various markets and countries in 2021 by expanding its range of products and services and developing its infrastructures. The gradual introduction of the new standalone Smart Factory Assembly service, which supports the digitalization of assembly processes, was well received by customers. Ongoing geographic diversification and market share gains in growth industries such as robotics, electromobility, railway and medical technology have led to accelerated growth.

Sales in **Europe** increased by 23.1 percent to CHF 574.0 million (in local currency: +22.1 percent). Among other things, newly won customer projects in the focus markets of railway and medical technology helped sustain positive demand. The acquisition of the Dutch company Jeveka B.V., consolidated since October 1, 2021, contributed to the gratifying sales performance. Adjusted for acquisitions, annual sales totaled CHF 564.4 million.

Sales in **America** increased by 12.4 percent to CHF 226.2 million (in local currency: +15.3 percent). Continued diversification of the customer base, for example in the electromobility sector, drove business performance. The completion of several exciting projects helped Bossard solidify new long-term customer relationships.

Continued strong growth throughout the year was recorded in **Asia**, where all regional companies posted double-digit growth rates. Especially Malaysia, India and Taiwan, as well as growth segments such as automation, robotics, and electronics, performed particularly well. Overall sales increased by 34.0 percent to CHF 194.9 million (in local currency: +31.8 percent).

Robust profitability

In spite of the higher cost basis, the strong growth resulted in a material increase in earnings. EBIT grew by CHF 36.9 million to CHF 123.3 million, an increase of 42.8 percent. The EBIT margin was 12.4 percent (prior year: 10.6 percent), reflecting a significant improvement in profitability after the challenging prior year. Net income grew by 44.7 percent to a record CHF 98.0 million (prior year: CHF 67.8 million).

Solid balance sheet in spite of higher net debt

Along with the Group's investment activities, the above-average growth led to an increase in total assets in 2021. Compared to the prior year, total assets increased by 20.5 percent to CHF 772.8 million. Despite high earnings, the equity ratio decreased from 50.3 percent in the prior year to 45.2 percent. The reason for this decline is that Bossard directly offsets the goodwill from acquisitions against equity. The debt factor – net debt in relation to EBITDA – remained at the prior year's level of 1.5.

Proposals at the annual general meeting of shareholders

At the 2022 annual general meeting of shareholders, the board of directors will propose a gross dividend of CHF 5.10 per registered A share (prior year: CHF 4.40 gross), in line with Bossard's dividend policy of 40 percent payout of net income. This represents an increase of 15.9 percent.

Outlook

The uncertainties arising from the COVID-19 pandemic continue to impact business development. Supply chain challenges remain a major issue. Nonetheless, Bossard is optimistic about the future. In addition to the market development and the implementation of the Strategy 200, we will continue to focus on digitalization and increased investments in growth initiatives in 2022. At the beginning of the year, the purchasing manager indices continue to point to expansive industry production, and from today's perspective, procurement lead times will likely normalize to some extent in the course of the year.

As communicated at the Capital Markets Day (CMD), Bossard is targeting an average organic growth rate of over 5 percent and an EBIT margin of 12 percent to 15 percent in the medium term following a phase of increased investments. To achieve this, we will continue to rely on a strong balance sheet with an equity ratio of at least 40 percent and a payout ratio of 40 percent of net income.

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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 2,747 employees at 84 locations in 32 countries throughout the world, the Bossard Group generated CHF 995.1 million in sales in the financial year 2021. Bossard is listed on the SIX Swiss Exchange.

HISTORIC KEY FIGURES

In CHF 1,000	2021	+/- in %	2020	2019	2018
Net sales	995,148	22.4%	812,792	876,224	871,070
EBIT	123,326	42.8%	86,386	95,705	108,821
in % of net sales	12.4		10.6	10.9	12.5
Net income	98,017	44.7%	67,751	75,959	85,410
in % of net sales	9.8		8.3	8.7	9.8
Cash flow 1)	120,595	38.3%	87,228	93,866	101,529
Capital expenditures	35,289	47.5%	23,927	34,649	27,791
Net debt	217,222	39.6%	155,655	187,716	130,162
Shareholders' equity	349,548	8.4%	322,340	304,524	309,650
in % of total assets	45.2		50.3	46.7	51.3
Total assets	772,776	20.5%	641,308	652,729	604,094
Return on equity	29.2		21.6	24.7	29.8
Return on average capital employed (ROCE)	19.1		14.7	16.8	21.5
Number of employees at year end	2,747	9.5%	2,508	2,507	2,451

1) Net income + depreciation and amortization