

KOENIG & BAUER



Q1 2025

Dr Andreas Pleßke, CEO
Dr Stephen Kimmich, CFO

6 May 2025

we're on it.

Koenig & Bauer at a glance

// 01 Business Performance at a Glance

- Koenig & Bauer confirms annual forecast with seasonal Q1 effects - new segment structure, strategic initiatives and "Spotlight" focus programme characterise the reporting quarter in a challenging market environment

// 02 News & Highlights Q1 2025

- Dr Alexander Blum joined the company on 1 May 2025
- Spin-off of software innovation hub into Koenig & Bauer Kyana GmbH
- Koenig & Bauer and Google Cloud Use AI to redefine the future of printed packaging
- Koenig & Bauer and Siemens announce strategic partnership

// 03 Q1 Figures 2025

- Despite the global uncertainty due to the US tariff policy, order intake was up year-on-year, rising by 0.9% to €245.2m (PY: €242.9m)
- Highest order backlog at the start of the year in the company's recent history at €1,032.8m, up 14.6% year-on-year; a solid basis for further business performance
- Group revenue of €252.2m and operating EBIT of €-11.4m below PY due to seasonality
Improvement achieved in net working capital, with an NWC ratio of 24.1% (PY: 27.9%)

// 04 Segment Report

- Paper & Packaging Sheetfed Systems with positive revenue growth, a slight improvement in earnings, and stable order intake
- Special & New Technologies with revenue and earnings slightly below the previous year at improved order intake

// 05 Forecast & Key Messages

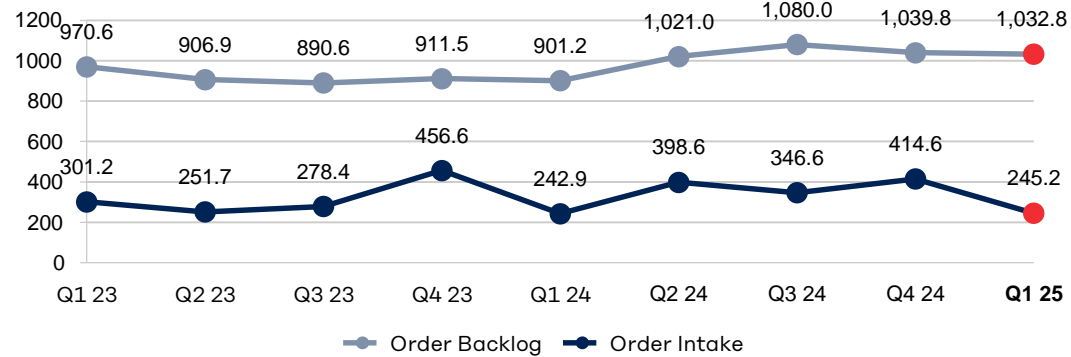
- Outlook for 2025 remains unchanged: slight revenue growth to €1.3bn expected with an increase in operating EBIT to a corridor between €35 – 50m
- Tailwind from a strong order backlog and strengthening from additional savings from the "Spotlight" focus program
- Financial year 2026: Group revenue between €1.4 and 1.5bn planned with an operating EBIT margin between 5 - 6%; target achievement highly dependent on global economic and geopolitical development

// 01 Business Performance at a Glance

Placing the first quarter of 2025 in the big picture

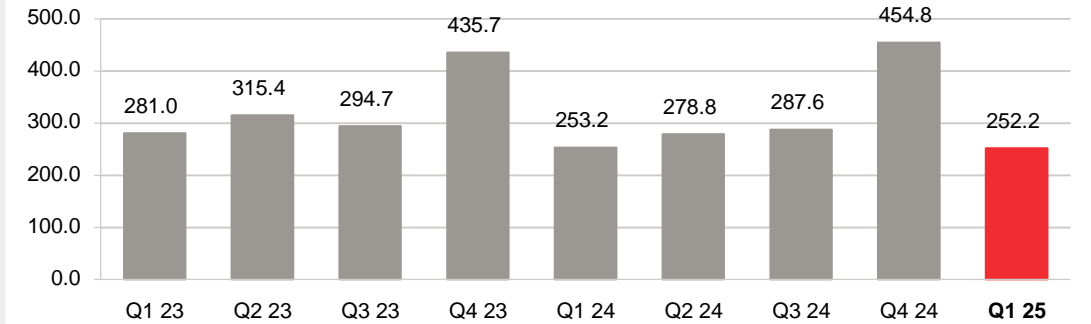
Order Backlog and Order Intake

€m

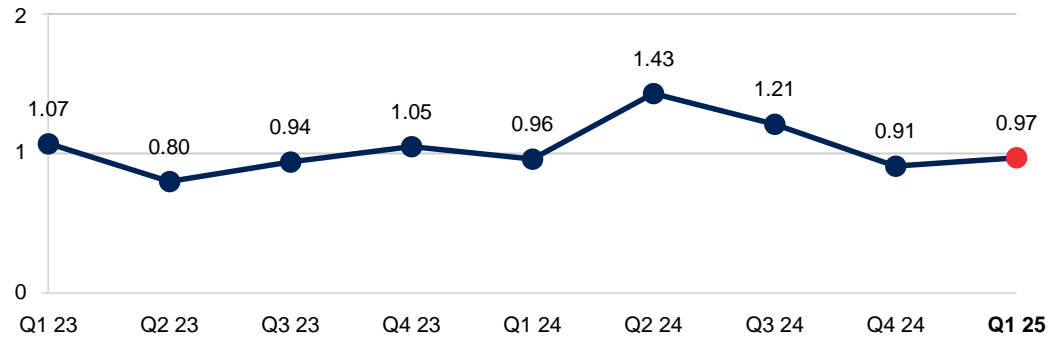


Revenue

€m

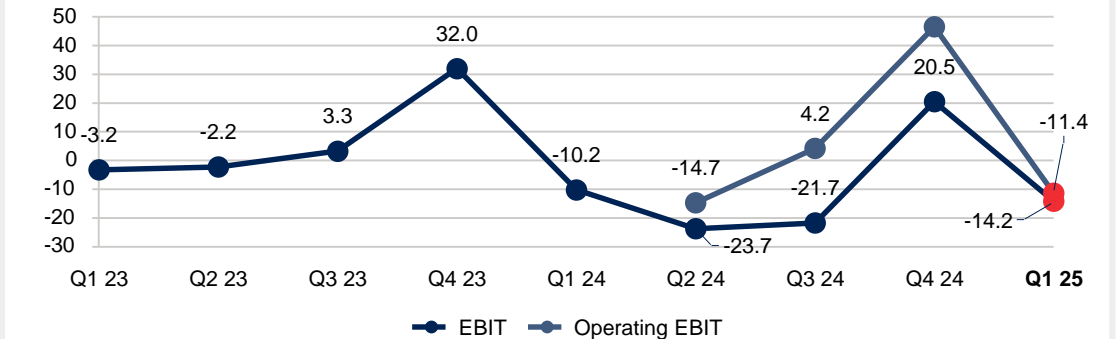


Book-to-Bill Ratio (Ratio of order intake to revenue)



EBIT and operating EBIT*

€m



// 02 News & Highlights

Introducing Dr Alexander Blum

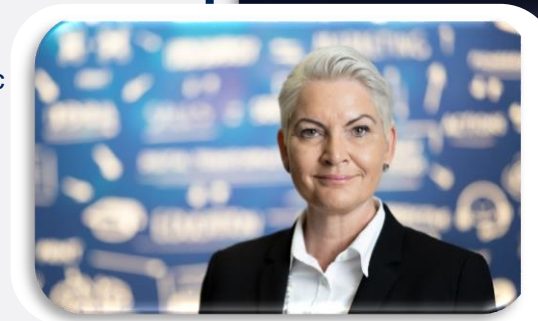
- With effect from **1 July 2025**, **Dr Alexander Blum** has been appointed as the **new Chief Financial Officer (CFO) for three years**. He takes over the position of the previous CFO, Dr Stephen Kimmich. Dr Blum joined the company on 1 May 2025 to ensure an orderly transition of the future CEO and CFO roles.
- **Dr Alexander Blum** can look back on many years of extensive experience in finance. After completing his doctorate in business administration, he began his career in the industrial sector. Over the past 20 years, he has successfully worked as CFO in various companies in **the IT sector, logistics and mechanical engineering**, among others. He has gained experience in a **broad range of family businesses, private equity-managed companies and listed companies**.



// 02 News & Highlights

Spin-off of Software Innovation Hub into Koenig & Bauer Kyana GmbH

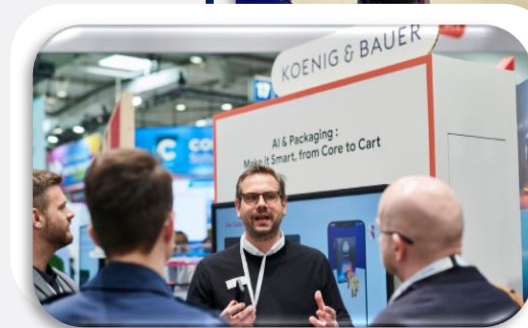
- **Next leap towards** becoming a leading digital solutions player in the printing and packaging arena.
- On the **1st of April 2025**, the Digital Unit, previously operating under the Group's umbrella, was **spun off** from the holding company. The result is a **wholly-owned subsidiary, Koenig & Bauer Kyana GmbH**, that will be **part of the Special & New Technologies** segment.
- **Sandra Wagner**, previously VP of Digitalisation at Koenig & Bauer, has been appointed **Managing Director** of Koenig & Bauer Kyana GmbH.
- The spin-off of the mechanical engineering company's software innovation hub as an independent entity marks an **important milestone** in the **consistent implementation** of the company's **digital strategy**.
- **Koenig & Bauer Kyana GmbH** will continue to **concentrate** on the **development of digital business models as well as AI and data-driven solutions** throughout the entire life cycle of print products.
- The spin-off enables the company to **meet customer needs in a more targeted manner** and to optimally **exploit the growth potential** in this dynamic market segment.



// 02 News & Highlights

Koenig & Bauer and Google Cloud Use AI to redefine the future of printed packaging

- Koenig & Bauer recognised early on that the **future of the printing and packaging sector** lies in **seamless connectivity, intelligent data analysis, and AI-powered applications**.
- The **establishment** of Koenig & Bauer Kyana GmbH underscores the company's **commitment** to driving the **digital transformation of the industry** as a **key innovator**.
- Developed in **close collaboration** with **Deloitte** and **Google Cloud**, this **cloud-based platform** for brand owners, along with a corresponding **app for end consumers**, is set to elevate the shopping experience to new heights.
- At **Hannover Messe 2025**, at the booth of their strategic technology partner, **Google Cloud**, the printing technology group's new software subsidiary presented **practical use cases** that vividly illustrated the potential of their latest **AI developments**.



// 02 News & Highlights

Koenig & Bauer and Siemens announce strategic partnership

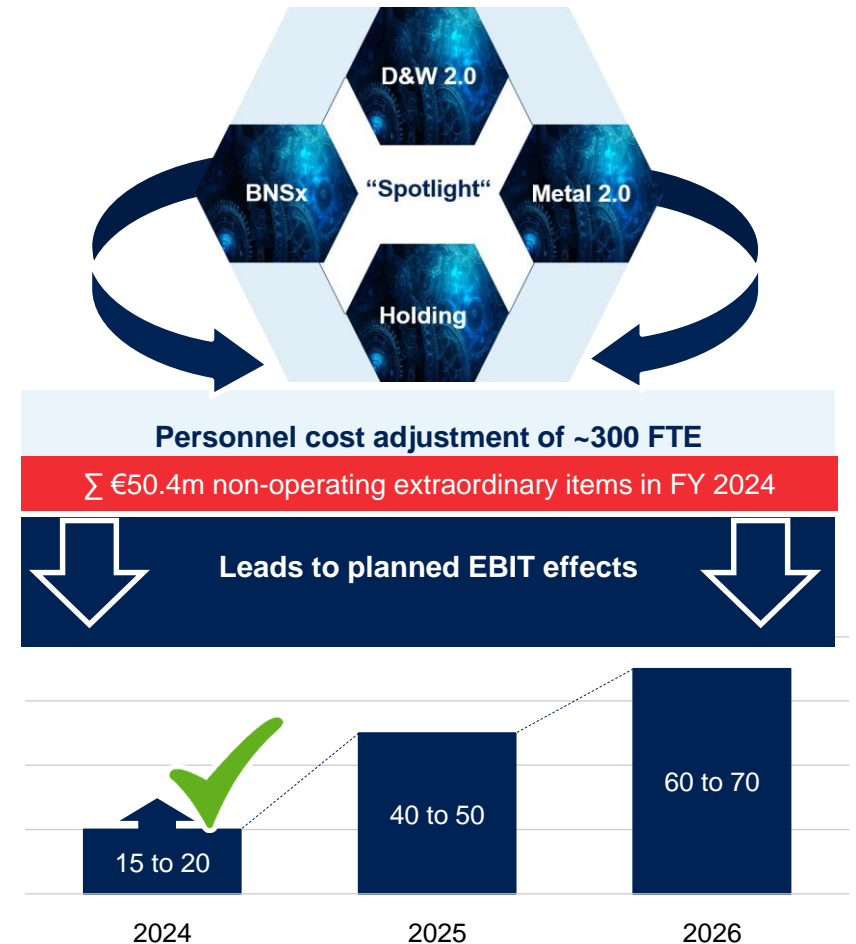
- Strategic partnership for the **further development** of Koenig & Bauer's **modular automation system**.
- Development of **future-proof machinery concepts** that meet the demands of **modern production processes**.
- **Increased flexibility** intended to set new industry standards.
- “This partnership is an important step in sustainably strengthening our innovative capacity and market position,” said **Dr Andreas Pleßke, CEO of Koenig & Bauer**. “By combining our expertise with the technological know-how of Siemens, we are creating synergies that will enable groundbreaking developments in mechanical engineering.”
- “The partnership with Koenig & Bauer is proof of Siemens’ dedication to spearheading the digital transformation in the machine industry,” said **Rainer Brehm, CEO of Factory Automation at Siemens AG**. “By combining Koenig & Bauer’s expertise in high-tech printing technology with the Siemens Xcelerator portfolio, we’ll deliver comprehensive, flexible, and future-oriented solutions that meet the evolving demands of our customers.”
- **The first results of the collaboration will be presented shortly** and are expected to set new standards for the industry.



// 02 News & Highlights

"Spotlight" as a focused look on sustainable profit growth

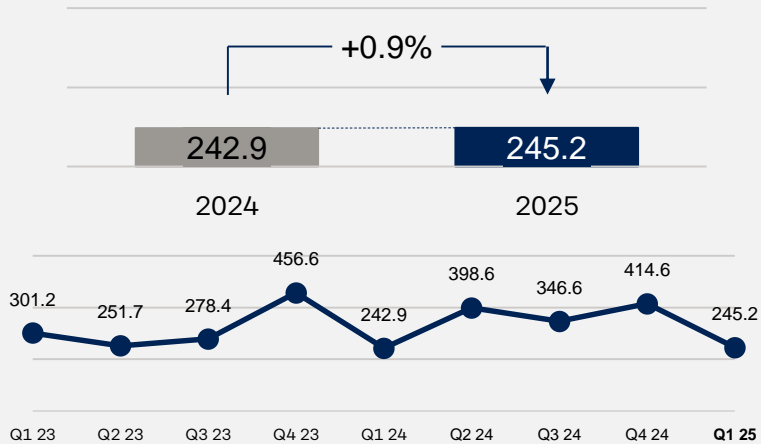
- "Spotlight" primarily aims at **cost improvements** and **included non-operating extraordinary items of €50.4m in FY 2024 and €2.8m in Q1 2025.**
- The non-operating extraordinary items essentially include **costs for material and personnel cost adjustments** within the already communicated **projects "BNSx"** to increase profitability in the banknote business and in the "D&W 2.0" project to end the ongoing loss situation in Digital & Webfed, as well as the streamlining of the Group structures.
- In the "**Metal 2.0**" project, the Executive Board decided, in addition to the already agreed personnel and material cost adjustments, to discontinue the CS-MetalCan project for 2-part beverage can printing, with an additional earnings effect of approximately €5.4m.
- **Non-operational extraordinary items for the "Spotlight" program** have therefore turned out to be €50.4m. This was above the forecast upper limit of €45m, which burden the Group's EBIT, but at the same time lay the foundation for profitable growth in the coming years.
- **As part of the final implementation** of all measures from the "Spotlight" focus program, further expenditures in the **low single-digit million euro range** are expected in the **first half of 2025** to complete the project and drive **sustainable earnings growth** within the Group.
- For **2024**, there was a **positive EBIT effect**, which was mainly due to personnel support measures. This effect **exceeded the expected cap of €20m** and also contributed to the achievement of the updated annual forecast for the 2024 financial year.
- The company expects an annual positive EBIT effect of **€40 to 50m in 2025** and **€60 to 70m in 2026.**



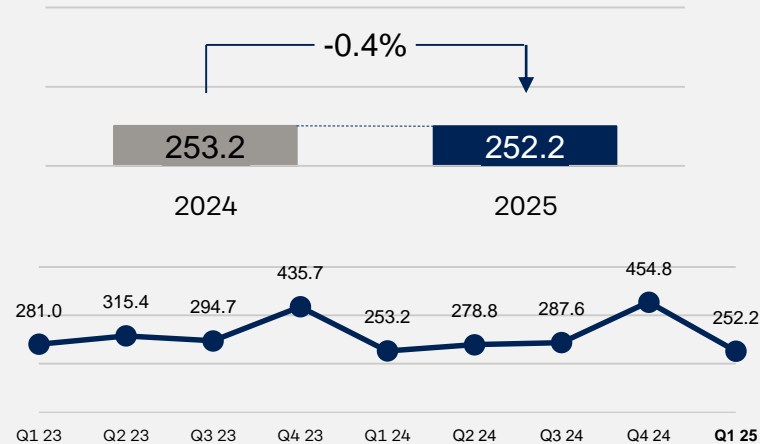
// 03 Q1 Figures 2025

Business Performance in the Group

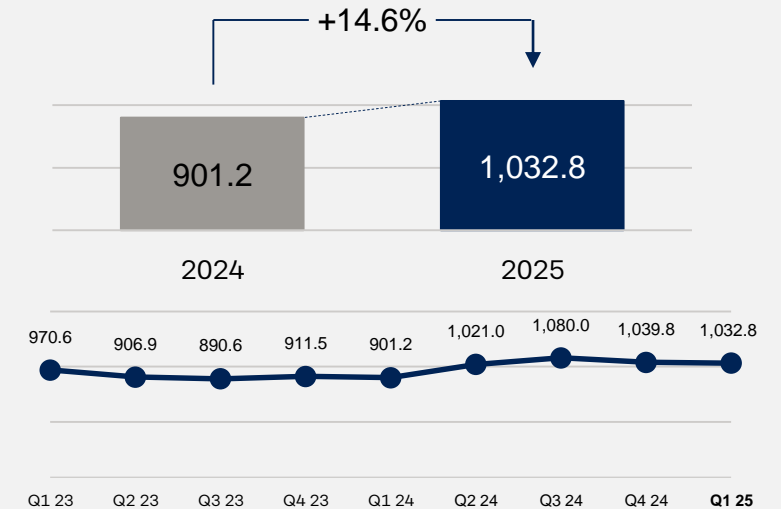
Order Intake 01.01. - 31.03. €m



Revenue 01.01. - 31.03. €m



Order Backlog 31.03. €m

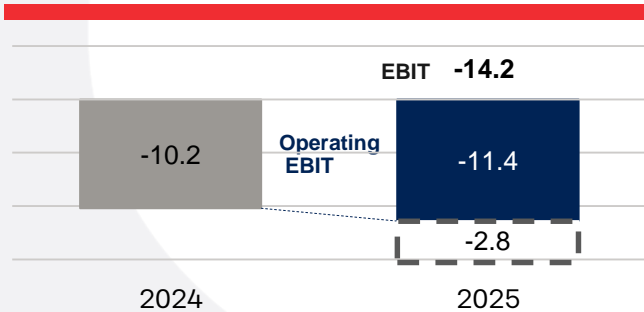


- Despite the global uncertainty due to the US tariff policy, **order intake** was up year-on-year, rising by 0.9% to €245.2m (PY: €242.9m).
- **Group revenue** reached €252.2m, which was 0.4% below the previous year's figure of €253.2m, mainly due to seasonal factors, primarily within the Special & New Technologies segment.
- At €1,032.8m, the **order backlog** was 14.6% higher than in the previous year (PY: €901.2m), marking the strongest start to the year in the company's recent history. It provides a solid basis for the coming quarters and beyond but is not evenly distributed across the segments.

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Business Performance in the Group

EBIT 01.01. - 31.03. €m

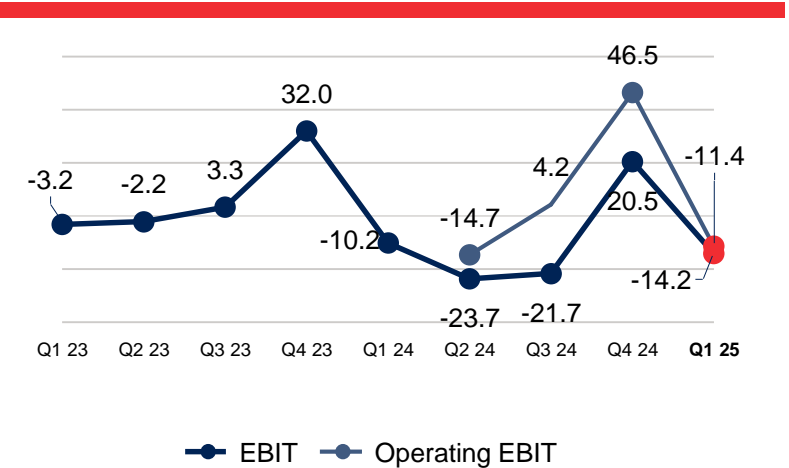


EBIT Bridge Δ €4.0m

-	Volume and mix effect (€1.2m)
-	Non-operating extraordinary items, mainly for "Spotlight" (€2.8m)

EBIT 01.01. - 31.03.

Operating EBIT* €m



- The muted start to the year typical of the mechanical engineering sector is particularly evident in **Group EBIT**, which fell by 39.2% year-on-year to €-14.2m (PY: €-10.2m). This was due to the **seasonality** already described, **primarily in the Special & New Technologies segment**, which also led to a **negative volume and mix effect** of €1.2m. In addition, **non-operating negative extraordinary items** in connection with the **"Spotlight" focus** programme amounted to €-2.8m and weighed on earnings as expected.
- Although **"Spotlight" achieved the planned savings, temporary effects of around €5m**, such as exchange rate fluctuations (around €2m) and project postponements with reporting-date cut-off effects, **exerted pressure on earnings. However, these effects will be offset over the course of the year.**
- Accordingly, the **operating EBIT** came to €-11.4m (PY: €-10.2m), which corresponds to a decrease of 11.8 % compared to the previous year. The **operating EBIT margin** was -4.5% (PY: -4.0%).

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Group Income Statement

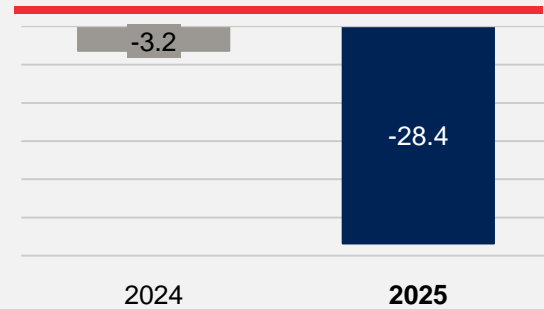
€m	Q1 2024	in % ¹	Q1 2025	in % ¹	Δ in %
Revenue	253.2		252.2		-0.4
Cost of sales	-186.3	-73.6	-190.2	-75.4	-2.1
Gross profit	66.9	26.4	62.0	24.6	-7.3
Research and development costs	-16.0	-6.3	-10.6	-4.2	33.8
Distribution costs	-37.3	-14.7	-36.5	-14.5	2.1
Administrative costs	-25.6	-10.1	-27.6	-10.9	-7.8
Other operating income and expenses	2.1	0.8	-1.0	-0.4	-147.6
Other financial result	-0.3	-0.1	-0.5	-0.2	-66.7
Earnings before interest and taxes (EBIT)	-10.2	-4.0	-14.2	-5.6	-39.2
Interest results	-6.6	-2.6	-6.4	-2.5	3.0
Earnings before taxes (EBT)	-16.8	-6.6	-20.6	-8.2	-22.6
Income tax expense	0.2	0.1	-2.6	-1.0	-1,400.0
Net loss	-16.6	-6.5	-23.2	-9.2	-39.8

- **Group revenue** reached €252.2m in the first quarter of 2025 and was thus 0.4% below the previous year's figure of €253.2m.
- **Gross profit** fell by 7.3% to €62.0m in the period under review, yielding a gross margin of 24.6% (PY: 26.4%).
- **Research and development costs** declined by €5.4m to €10.6m (PY: €16.0m), mainly as a result of the company's systematic go-to-market approach.
- **Distribution costs** fell slightly by €0.8m to €36.5m (PY: €37.3)m.
- **Administrative costs** increased by €2.0m to €27.6m.
- The **balance of other expenses and income** and the **financial result amounted to** €-1.5m, after the previous year's figure of €1.8m.
- In total, this resulted in **EBIT** of €-14.2m (PY: €-10.2m), equivalent to an **EBIT margin** of -5.6%, after -4.0% in the previous year.
- **Net interest expense** stood at €-6.4m (PY: €-6.6m), resulting in **EBT** of €-20.6m (PY: €-16.8m).
- After income taxes of €-2.6m, the **consolidated net loss** was €-23.2m (PY: €16.6m). This corresponds to a proportionate **earnings per share** of €-1.40 (PY: €-1.01).

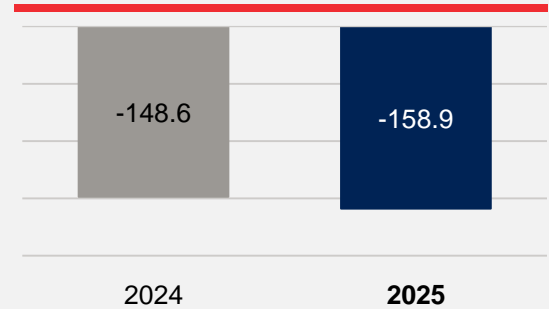
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Financial and asset position

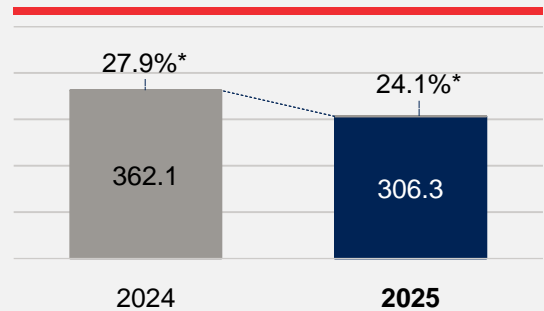
Free cash flow 01.01. - 31.03. €m



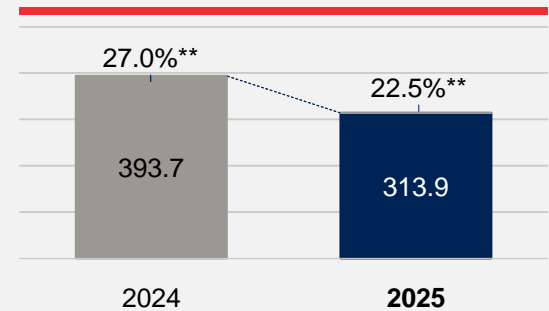
Net financial position as of 31.03. €m



Net working capital 01.01. - 31.03. €m



Equity as of 31.03. €m



- **Free cash flow** totalled €-28.4m (PY: €-3.2m).
- After deducting bank liabilities of €251.5m, the **net financial position** totalled €-158.9m (PY: €-148.6m).
- As of 31 March 2025, the **net working capital** amounted to €306.3m (PY: €362.1m).
- As of 31 March 2025, **equity** amounted to €313.9m and the **equity ratio** was 22.5% (PY: €393.7m and 27.0%). This was largely due to the lower consolidated net loss of €-23.2m (PY: €-16.6m).

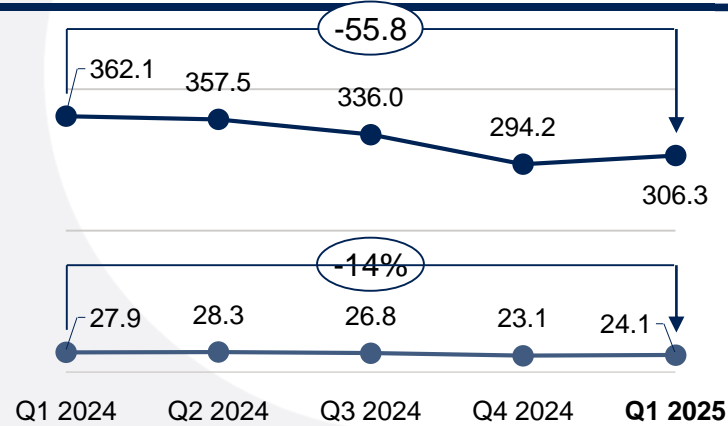
// 03 Q1 Figures 2025

Deep dive inventories, NWC, advance payments received and net financial position over five quarters

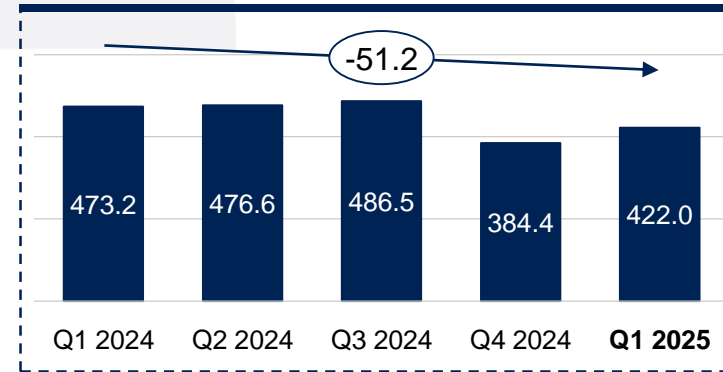
Net Working Capital (NWC) 31.03.24 - 31.03.25

NWC in relation to LTM revenue

€m thereof:



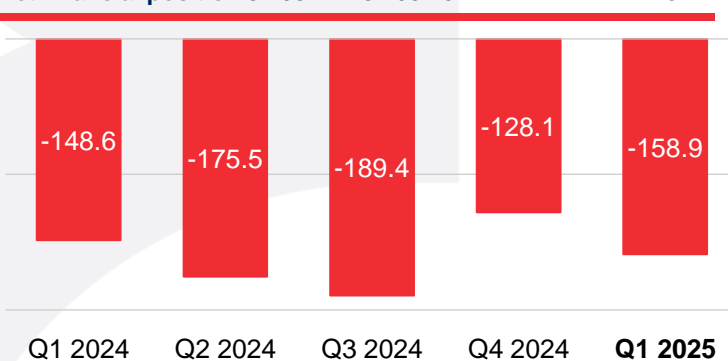
Inventories (net incl. trade receivables) 31.03.24 - 31.03.25 €m



- **Net working capital** improved by €55.8m compared to 31 March of the previous year.
- **Net working capital** came to €306.3m (PY: €362.1m), translating into a **net working capital ratio** (NWC to LTM revenue) of 24.1% (PY: 27.9%). Accordingly, the **target of a maximum of 25% of Group revenue was achieved.**
- **Significant reduction in inventories and trade receivables** compared to the previous year by €51.2m.

Net financial position 31.03.24 - 31.03.25

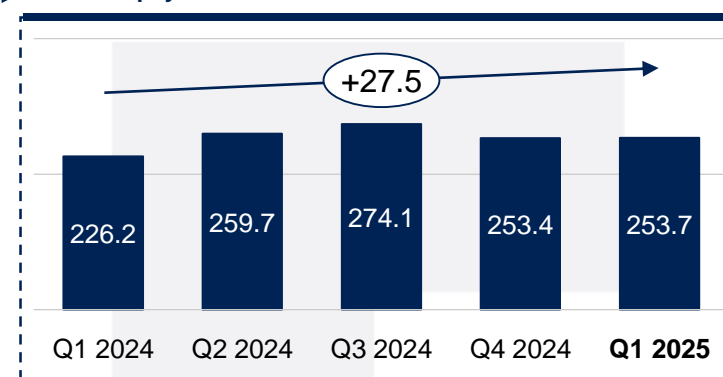
€m



thereof:

Advance payments received 31.03.24 - 31.03.25

€m



- After deducting liabilities to banks of €251.5m, the **net financial position** amounts to €-158.9m (PY: €-148.6m).
- **Advance payments received** have increased by €27.5m compared to the previous year.
- A **slight improvement in the net financial position** is targeted by the end of the year.

// 03 Q1 Figures 2025

Group cash flow statement

€m	Q1 2024	Q1 2025
Earnings before taxes	-16.8	-20.6
Non-cash transactions	15.2	13.5
Gross cash flow	-1.6	-7.1
Changes in inventories, receivables, other assets	-9.8	-19.3
Changes in provisions and payables incl. interest and income tax payments/refunds	17.3	6.0
Cash flow from operating activities	5.9	-20.4
Cash flow from investing activities	-9.1	-8.0
Free cash flow	-3.2	-28.4
Cash flow from financing activities	22.7	-11.7
Change in funds	19.5	-40.1
Effect of changes in exchange rates/consolidated companies	1.0	-1.0
Funds at beginning of period	96.4	133.7
Funds at end of period	116.9	92.6

- The **gross cash flow** was €-7.1m (PY: €-1.6m).
- The **cash flow from operating activities** was €-20.4m (PY: €5.9m). The development was mainly due to the increase in net working capital.
- **Cash flow from investing activities** of €-8.0m was slightly above the previous year's level of €-9.1m as a result of the reduced capital spending.
- On balance, **free cash flow** came to €-28.4m (PY: €-3.2m).
- **Cash flow from financing activities** came to €-11.7m (PY: €22.7m) and was affected not only by the change in the syndicated loan but also by payments made to and received from a financial service provider.
- At the end of March 2025, **cash and cash equivalents** were valued at €92.6m (PY: €116.9m).
- After deducting liabilities to banks €251.5m, the **net financial position** stood at €-158.9m (PY: €-148.6m).

// 03 Q1 Figures 2025

Group balance sheet

in €m	31.12.2024	31.03.2025
Assets		
Non-current assets		
Intangible assets, property, plant and equipment	402.4	396.2
Investments and other financial receivables	17.6	17.3
Investments accounted for using the equity method	13.6	13.1
Non-current other assets	3.8	3.4
Deferred tax assets	95.3	93.0
	532.7	523.0
Current assets		
Inventories	368.9	397.0
Trade receivables	142.1	120.9
Other financial receivables	57.3	55.7
Current other assets	176.1	191.0
Securities	4.0	4.1
Cash and cash equivalents	133.7	92.6
Assets held for sale	7.9	7.9
	890.0	869.2
Balance sheet total	1,422.7	1,392.2

in €m	31.12.2024	31.03.2025
Equity and liabilities		
Equity		
Share capital	43.0	43.0
Share premium	87.5	87.5
Reserves	199.9	182.9
Equity attributable to owners of the Parent	330.4	313.4
Equity attributable to non-controlling interests	0.8	0.5
	331.2	313.9
Liabilities		
Non-current liabilities		
Pension provisions and similar obligations	105.3	101.1
Other provisions	30.7	30.7
Bank loans	240.9	200.9
Other financial payables	29.5	27.3
Other liabilities	3.7	2.7
Deferred tax liabilities	74.9	78.6
	485.0	441.3
Current liabilities		
Other provisions	111.0	104.2
Trade payables	72.2	79.7
Bank loans	20.9	50.6
Other financial payables	96.7	93.0
Other liabilities	305.7	309.5
	606.5	637.0
Balance sheet total	1,422.7	1,392.2

- In the reporting period, €6.4m (PY: €12.5m) was invested in **property, plant and equipment and intangible assets** for construction and IT projects. The investment volume includes capitalised development costs of €2.0m (PY: €1.1m). Investments were offset by depreciation and amortisation totalling €10.9m (previous year: €10.3m).
- Current assets** decreased by €20.8m to €869.2m (PY.: €890,0m). Trade receivables decreased by €21.2m and cash and cash equivalents decreased by €41.1m. This was offset by an increase in inventories of €28.1m and in other assets of €14.9m.
- The consolidated net loss contributed significantly to the reduction in **equity** to €313.9m, with the equity ratio falling accordingly to 22.5% (PY: 27.0%; 31.12.2024: 23.4%). **Pension provisions** decreased from €105.3m at the end of 2024 to €101.1m as of 31 March 2025 due to the increase in the discount rate for domestic pensions from 3.5% as of 31 December 2024 to 3.9% as of 31 March 2025.
- Non-current liabilities** dropped by €43.7m, primarily due to the reclassification of financial liabilities as current. **Current liabilities** rose accordingly but were reduced by the settlement of financial liabilities and were thus €30.5m up on the previous year.

// 04 Segment Report

New segment structure in comparison

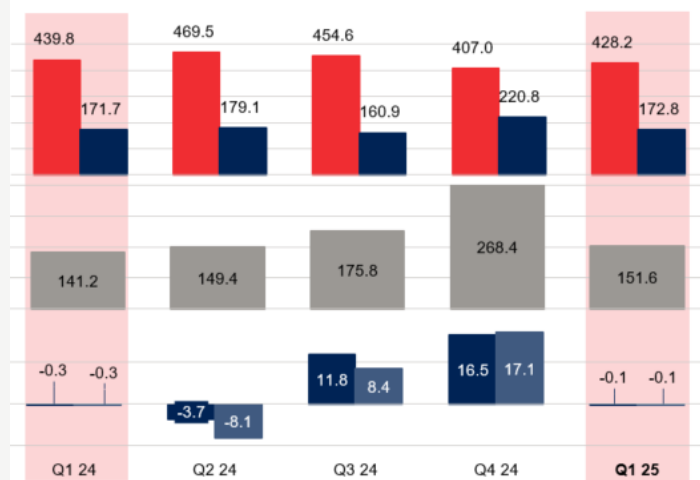


- Koenig & Bauer is continuing the path from a unified group to a divisional group that began in 2014 and is **restructuring itself in 2025 with a new segment structure** that is even more **aligned to current and future customer needs** and **even closer to the applicable business model**.
- The streamlining of the structures leads to a **reduction from the previous three to two segments: Paper & Packaging Sheetfed Systems (P&P) and Special & New Technologies (S&T)**.
- This is accompanied by **changes** in the **central responsibilities** in the operational and cross-functional areas.

// 04 Segment Report

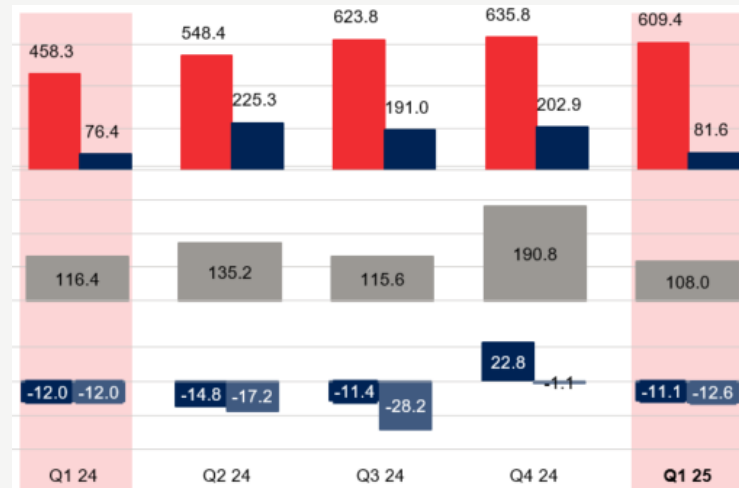
Paper & Packaging Sheetfed Systems €m

in €m	Q1 2024	in % ¹	Q1 2025	in % ¹	Δ in %
Order backlog	439.8		428.2		-2.6
Order intake	171.7		172.8		0.6
Revenue	141.2		151.6		7.4
Earnings before interest and taxes (EBIT)	-0.3	-0.2	-0.1	-0.1	66.7
Operating EBIT	-0.3	-0.2	-0.1	-0.1	66.7



Special & New Technologies €m

in €m	Q1 2024	in % ¹	Q1 2025	in % ¹	Δ in %
Order backlog	458.3		609.4		33.0
Order intake	76.4		81.6		6.8
Revenue	116.4		108.0		-7.2
Earnings before interest and taxes (EBIT)	-12.0	-10.3	-12.6	-11.7	-5.0
Operating EBIT	-12.0	-10.3	-11.1	-10.3	7.5



■ Order backlog
 ■ Order intake
 ■ Revenue
 ■ EBIT
 ■ Operating EBIT

// 05 Forecast

Current trade policy uncertainties: Overview of US punitive tariffs

Tariff Agenda Trump Administration:

- **Potential US tariffs** on selected products **would not only affect Koenig & Bauer, but also its major competitors, which are predominantly based in Europe.**
- **In principle, higher tariffs could lead to a decline in demand in the US market, thus posing a challenge for the entire industry.** The extent to which this decline in demand can be compensated **cannot be conclusively assessed at present.**
- **Koenig & Bauer** generated around 29% (PY: around 23%) of its revenue in North America in the 2024 financial year and continues to regard this market as strategically important. **Current assessments indicate that the effects are likely to remain manageable.**
- Through its **broad positioning in various markets** and ongoing efficiency improvements, Koenig & Bauer believes it **is well positioned to respond flexibly to potential market risks** and further strengthen its competitiveness. The company pursues a **strategic and flexible approach to react quickly to changing economic policy conditions** and to **sustainably secure its market position.**



// 05 Forecast

Global economic and geopolitical developments

The forecasts made are based on the assumption that the external conditions will not deteriorate significantly compared to the current situation. The following external factors play a decisive role: geopolitical developments, trade policy uncertainties and macroeconomic conditions. In addition, the forecast remains dependent on internal business development and the successful implementation of strategic initiatives.



Within this corridor, target achievement depends largely on actual global economic and geopolitical developments in the coming months

2025

**Slight revenue growth to €1.3bn;
Increase in operating EBIT to a range
of €35 – €50m**

Achievement of the 2026 target depends largely on global economic and geopolitical developments

2026

Current: Group revenue between €1.4bn and €1.5bn with an operating EBIT margin of between 5 and 6% planned

However: Revenue of approx. €1.5bn and an EBIT margin of approx. 6% still considered possible

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Q1 Figures 2025

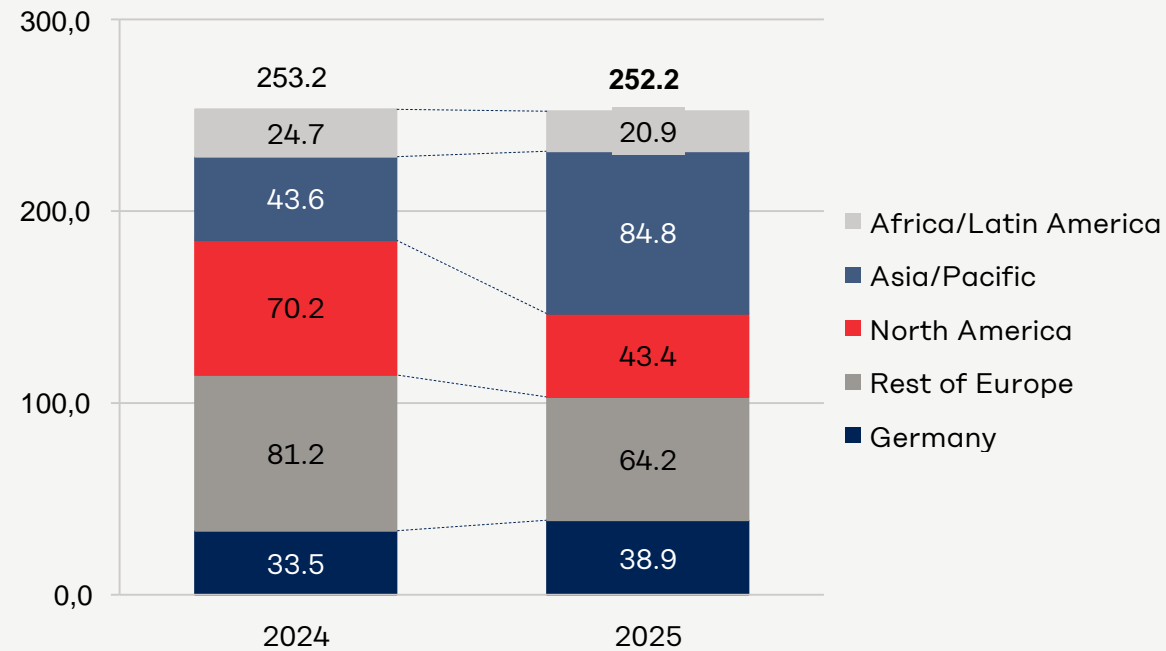
BACKUP

we're on it.

// Regional Report

Revenue by region first quarter 2025

Revenue by region 01.01. - 31.03. €m



- The **Group export ratio** decreased slightly from 86.8% to 84.6%, with a lower share in the rest of Europe at 25.5% (PY: 32.1%), a lower share in North America at 17.2% (PY: 27.7%) and a lower share for Latin America and Africa at 8.3% (PY: 9.8%).
- The shares of revenue in Germany at 15.4% (PY: 13.2%) and for Asia/Pacific at 33.6% (PY: 17.2%) were all higher than in the previous year.

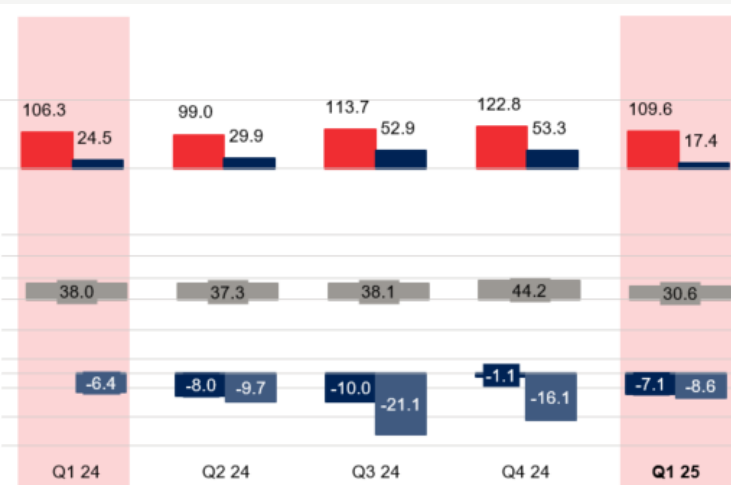
// 04 Segment Report

Reporting of the former Digital & Webfed segment

Digital & Webfed

€m

in €m	Q1 2024	in % ¹	Q1 2025	in % ¹	Δ in %
Order backlog	106.3		109.6		3.1
Order intake	24.5		17.4		-29.0
Revenue	38.0		30.6		-19.5
Earnings before interest and taxes (EBIT)	-6.4	-16.8	-8.6	-28.1	-34.4
Operating EBIT	-6.4	-16.8	-7.1	-23.2	-10.9



■ Order backlog
 ■ Order intake
 ■ Revenue
 ■ EBIT
 ■ Operating EBIT

Koenig & Bauer - Financial Calendar

6 May 2025	Statement on 1st quarter 2025
4 June 2025	Koenig & Bauer Annual General Meeting
6 August 2025	Interim Report on 2nd quarter 2025
5 November 2025	Statement on 3rd quarter 2025

Subject to change.



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Disclaimer:

This presentation contains forward-looking statements about the business, financial performance and earnings of the Koenig & Bauer Group. These statements are based on assumptions and projections resting on currently available information and present estimates. They are subject to a multitude of uncertainties and risks. While management believes them to be accurate, the impact of external factors beyond its control, such as changes in the economy, exchange rates and in our industry, may give rise to a different outcome from that projected. In particular, the outlook does not include meaningful portfolio effects and influences related to legal and regulatory matters. It also depends on ongoing earnings growth and the absence of disruptive temporary market changes. The actual course of business may therefore deviate substantially from the expected development. Koenig & Bauer therefore accepts no liability for transactions based on these forecasts, nor does it undertake any obligation to update forward-looking statements beyond that required by law.

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