Press Release

# Pioneering spirit meets close relationships: High participation rate at the third virtual annual general meeting

97th Annual General Meeting of Koenig & Bauer AG

* Larger proportion of voting share capital represented than in the previous year
* Company continues its path to recovery – P24x brings improvements to operating revenue and financial strength
* High level of independence and vertical integration offsets the impact of disruptions to supply chains
* ‘Exceeding Print’ strategy describes future measures and goes far beyond mere ‘printing’
* Dipl.-Kfm. Carsten Dentler re-elected to the Supervisory Board as a shareholder representative with a large majority

Würzburg, 24.05.2022
Around 64 per cent of Koenig & Bauer AG’s voting share capital – and therefore a larger proportion than in the previous year – was represented at today’s 97th Annual General Meeting. Due to ongoing uncertainty surrounding the pandemic situation at the time the meeting was called, it was held in virtual form for a third time. Shareholders or their proxies were invited to use an online portal to submit questions for the agenda in advance, and for the first time were also able to submit written follow-up questions or statements in text form or as video contributions during the meeting.

The Chairman of the Supervisory Bard, Professor Raimund Klinkner (Dr.-Ing.), opened the annual general meeting at 11 a.m., launching proceedings with a statement on the war of aggression in Ukraine, before moving on to preside over the official agenda. In the Supervisory Board’s report, Klinkner outlined the focus of its activities, stating that, in addition to stabilisation and improvement of the Group’s operating revenue and financial strength, particular attention had been paid to continued strategic development based on the three pillars of digitalisation, modularisation and sustainability. In conclusion, he offered a few general words on the performance of the company from the perspective of the Chairman of the Supervisory Board, also addressing the context formed by the current global challenges: “As a society and as a company, we have to deal with this. That said, I am firmly convinced that Koenig & Bauer is well positioned to handle all these challenges.”

**Successful development in the financial year 2021 and looking ahead**
The speech given by Chief Executive Officer Dr Andreas Pleßke summarised a challenging but nonetheless positive year. Despite the continuing impact of the COVID-19 pandemic and what is currently a challenging overall situation, manifested in supply chain bottlenecks and the related increases in the cost of materials and energy, Koenig & Bauer matched its forecast with annual revenue amounting to €1,115.8 m and exceeded expectations with EBIT at €28.5 m. Pleßke explained how the proven, broad and diversified product portfolio had contributed to this performance, along with the P24x efficiency programme. “A company cannot enjoy sustained success for more than 200 years unless it shows pioneering spirit, for example with cutting-edge technical developments in the field of digital printing, our successful entry into the market for printing on corrugated board, and last but not least our apps ValiCash™ and Smill™, which bridge the gap between physical printing and the digital world.” He also mentioned the high level of vertical integration and in-house manufacturing within the company’s production activities as a special feature. While this was long considered an outdated strategy, it is now paying dividends in times of disruptions to supply chains and the associated materials shortages. At the same time, and more than ever before, this strategy is in line with today’s zeitgeist of sustainability. The company is well positioned in terms of the market segments it addresses, and this particularly in the case of the structurally growing market for packaging, which the pandemic has actually given an additional boost. People are ordering more and more goods online. It is no longer just the latest smartphone in a stylishly finished folding carton; more and more food products today are placed in corrugated boxes for delivery to our door. Koenig & Bauer assumes a special role and responsibility in this area, being a company that masters all industrial printing processes on almost all substrates – including corrugated board.

Looking ahead to the future of the Group, the CEO also spotlighted the development strategy ‘Exceeding Print’. This strategy goes far beyond mere ‘printing’; it represents an answer to the constant evolution of the industry and describes the company’s future actions. Pleßke devoted sections of his speech to detailing the pillars of ‘sustainability’ and ‘modularisation’. The third pillar, ‘digitalisation’, was addressed by Chief Financial Officer Dr Stephen Kimmich in his speech. All three pillars serve to guide the transformation from a traditional mechanical engineering company to an agile technology group.

The strategy is also reflected in the new form and structure of the annual report, which the CFO expanded upon briefly, before presenting the strong overall results for 2021 to the shareholders. Regarding business development in the first quarter of 2022, Kimmich commented: “We have stood our ground in a gloomy economic environment and were able to offset the higher cost of materials and energy with price adjustments.” The company confirms the medium-term targets for revenue amounting to €1.3 bn, an EBIT margin of at least 7 per cent and a reduction in net working capital to a maximum of 25 per cent of annual revenue, which are to be achieved after completion of the P24x efficiency programme. Despite the major uncertainties as a result of the exogenous factors already described, the company expects a slight year-on-year increase in Group revenue and its operating EBIT margin in 2022.

Dr Stephen Kimmich went on to add: “This will see us taking a further step in 2022 towards reaching our medium-term target and making use of our various growth opportunities – most notably our ‘Exceeding Print’ strategy. At the same time, we do not rule out the possibility of inorganic growth. After all, M&A activities have been more or less inherent to Koenig & Bauer’s DNA for more than 200 years.”

**Dipl.-Kfm. Carsten Dentler confirmed as shareholder representative with a large majority**
The company’s shareholders were asked to vote on nine of the ten items on the agenda, including the re-election of Dipl.-Kfm. Carsten Dentler as a shareholder representative. They accepted management’s proposal with a large majority, also approving item two on the agenda regarding appropriation of the net profit of Koenig & Bauer AG. In addition to ratifying the actions of the Management Board and the Supervisory Board, the shareholders elected PricewaterhouseCoopers, Frankfurt am Main, as the external auditor for the annual financial statements and the consolidated financial statements for 2022. All other items on the agenda were also approved with the required majority. A detailed overview of the individual voting results and the key statements can be found on the company website under the heading ‘Investor Relations’, menu item ‘Annual General Meeting’.

[www.koenig-bauer.com/investor-relations/hauptversammlung/](http://www.koenig-bauer.com/investor-relations/hauptversammlung/).

**Photo 1:**
The speakers at a glance: Koenig & Bauer AG’s annual general meeting was held in virtual form for the third time due to the COVID-19 pandemic

**Photo 2:**
The Chairman of the Supervisory Board, Professor Raimund Klinkner (Dr. Ing.), announcing the results of the proposed resolutions

**Photo 3:**The strategy ‘Exceeding Print’ is also reflected in the new report concept: the sustainable corrugated cardboard box represents one aspect of a modular reporting structure, supplemented by a digital world

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