Press release

**Koenig & Bauer exceeds its concrete forecast for 2022 and expects a further increase in revenue for 2023**

### Growth of 6.3% in Group revenue to €1,185.7m, underpinned by all three segments

### EBIT of €22.0m surpasses the Company’s own concrete forecast and market expectations – Digital & Webfed with substantially improved earnings

### With Metamor[e]phosis as the title of its annual report, Koenig & Bauer is highlighting its own ability to develop and adapt

### Strong second half, driven by P24x and more efficient response to supply-chain and capacity challenges

### Outlook for 2023: further growth expected with revenue of €1.3bn and an EBIT margin of around 3%

### Medium-term forecast for revenue of €1.8bn with an EBIT margin of 8–9% – €1.5bn and 6–7% expected by 2025

Würzburg, 29 March 2023 – Koenig & Bauer AG, Würzburg (“Koenig & Bauer”, WKN: 719350/ ISIN: DE0007193500), achieved profitable growth in 2022, exceeding its own EBIT forecast as well as market expectations in a challenging environment.

“Our performance last year shows that we are headed in the right direction for sustainable growth. We were able to post increases in all key performance indicators,” says Dr Andreas Pleßke, Chief Executive Officer of Koenig & Bauer, expressing his satisfaction with the full-year figures achieved in a challenging environment. As Pleßke adds, “that is why we have deliberately chosen the motto “Metamor[e]phosis” for our annual report. It reflects the fact that it is both the Company’s maxim and part of its DNA over a history spanning more than 200 years to constantly evolve, highlights the importance that we have always attached to adaptability and shows how our “Exceeding Print” strategy and our P24x efficiency programme are enabling us to master the necessary transformation.”

### All three segments contributed to the 6.3% increase in Group revenue to €1,185.7m, while the EBIT of €22.0m exceeded the Group’s own forecast

Group revenue increased by 6.3% to €1,185.7m in 2022, thus reaching the upper end of the range of €1,160 – 1,190m that had been specified in November. As in the previous year, almost 30% of revenue was generated by service business. All three segments contributed to this increase, with Digital & Webfed even posting double-digit growth. In the fourth quarter of 2022 in particular, Koenig & Bauer achieved a significant increase over the same period in the previous year, with revenue coming to €380.0m (previous year: €328.4m) and EBIT to €25.0m (previous year: €11.8m).

In cumulative terms, earnings before interest and taxes (EBIT) amounted to €22.0m, exceeding both the Company’s own concrete forecast of €15 – 20m (EBIT margin: 1.3% – 1.7%) and market expectations (previous year: €28.5m; 2.6%). The EBIT margin stood at 1.9%. Allowing for the adjustment of around €23m to the P24x restructuring provisions in the previous year, Koenig & Bauer was thus able to improve its operating profitability substantially. In particular, the main drivers of this performance were the more efficient response to the challenges posed by supply-chain and capacity constraints as well as the success of the measures implemented in the efficiency programme. On the other hand, there was a massive rise in raw material and energy prices, which it was not possible to pass on to customers in full or only with a delayed effect by means of the price increases announced or implemented.

After net interest expense of €–8.8m, earnings before taxes (EBT) came to €13.2m. After income taxes of €–2.1m, the Group posted net profit of €11.1m in 2022, equivalent to earnings per share of €0.63.

At the end of 2022, the Koenig & Bauer Group’s order intake stood at €1,329.3m, up 3.0% on the previous year’s already good figure. The book-to-bill ratio of 0.8 in the fourth quarter was also in line with the Company’s own forecast. The order backlog reached €950.4m, substantially exceeding the previous year’s figure.

### Accelerated implementation of the P24x efficiency programme

In 2022, the Company again worked successfully on the P24x efficiency programme, which had been adopted in September 2020. The accelerated implementation yielded savings of around €92m as of the end of 2022. This was particularly spurred by measures aimed at boosting the Group’s productivity as well as adjustments to capacities and lower quality assurance expenses. Furthermore, successful negotiations with suppliers and the optimised use of cash discounts resulted in significant purchasing benefits, which also fundamentally offset the recent price increases. Further potential was leveraged in R&D, e.g. through the series start-up of selected presses.

### Favourable performance in all three segments – Digital & Webfed with substantially improved earnings

The **Digital & Webfed** segmentreduced its negative earnings contribution substantially in 2022, posting EBIT of €–19.3m on revenue of €139.8m. By comparison, EBIT had stood at €–38.5m in 2021, reflecting the negative impact of the adjustments of roughly €6m to the P24x restructuring provisions. With its promising business in industrial digital printing, the versatile corrugated board sector and the growing market for flexible packaging, the segment thus achieved a significant improvement in earnings. Revenue in the **Sheetfed** segment climbed from €642.4m to €672.2m, driven by growth in sheetfed offset presses and the postpress range. Segment EBIT came to €19.0m (previous year: €24.0m), meaning that it is still on a profitable growth trajectory. In the previous year, EBIT had been boosted by around €9m due to the adjustments to restructuring provisions for P24x. The **Special** segment generated revenue of €417.1m in 2022 (previous year: €390.2m), achieving EBIT of €23.2m (previous year: €34.9m). In the previous year, EBIT in this segment had been boosted by around €18m due to the adjustments to the P24x restructuring provisions.

**Sustainability as a brand core**
Sustainability has long been part of Koenig & Bauer’s identity. And here, too, the Company is working on steadily improving. In keeping with this, Koenig & Bauer assumed responsibility for greater climate protection in the year under review, taking significant steps on the road toward carbon-neutral production. Moving forward, the Company will be covering part of its own electricity requirements sustainably by means of on-site production. This will not only help to improve our climate footprint but also provide a self-sufficient source of energy. Under its “Exceeding Print” Group strategy, Koenig & Bauer is working on adopting fully carbon-neutral processes in terms of Scope 1 and 2 emissions at its production plants by 2030. Customers are also benefiting from the fact that Koenig & Bauer is setting new standards in both digitisation and energy management, one example being the new energy management system developed by the digital unit. However, the Company not only wants to be a sustainability pioneer itself but also motivate other market participants to follow it on this path. Reflecting this, Koenig & Bauer presented the Green Dot Award in 2022, which had been specifically created for this purpose. In this way, Koenig & Bauer wants to honour each year a visionary leader with outstanding ideas who has made innovative contributions to sustainable printing in a special way. Koenig & Bauer also sees itself as having an inherent responsibility as a corporate citizen to look outside the box and, where necessary, to help the most vulnerable in society.

### Outlook 2023: growth expected in a difficult macroeconomic environment

The current year will see a continuation of the massive effects of the Russian war against Ukraine, the unchanged high energy and commodity prices and the tighter monetary policies of international central banks in response to inflation rates above the target corridor. The economic headwinds will thus remain strong, with macroeconomic growth continuing to lose momentum. Despite this challenging macroeconomic environment, Koenig & Bauer projects Group revenue of around €1.3bn, accompanied by an EBIT margin of roughly 3%, for 2023, and expects the Digital & Webfed segment to make a disproportionately large contribution to both EBIT and revenue growth. “With our strong position in promising product segments and the continuation of our P24x efficiency programme, we are well poised to address the challenges ahead of us,” comments CFO Dr Stephen Kimmich, adding that “we have done our homework and showed last year that we can achieve growth even in a difficult environment.”

### Medium-term targets also adjusted for inflation effects

### In the medium term, the Koenig & Bauer Group expects Group revenue of around €1.8bn and an EBIT margin of 8–9%. A further objective is to reduce net working capital to a maximum of 25% of annual revenue. Revenue of €1.5bn and an EBIT margin of 6–7% are being targeted for 2025.

#### Photo 1:

#### Truly unique: Koenig & Bauer’s Management Board standing in front of the RotaJET. The 2,500 different covers of the summary for the Koenig & Bauer annual report for 2022 were created on this globally unique industrial digital printing press, once again proving that great variety and the highest precision can be combined to achieve top printing results.

#### Photo 2:

#### Metamor[e] phosis: this is not only the motto and the theme of the images in this year’s annual report summary of the Koenig & Bauer Group but also the corporate maxim, because it is in the Company’s DNA to constantly develop over a history spanning more than 200 years. The pursuit of “more” means thinking outside the box. It involves crossing boundaries and being open for new things. At the same time, it shows how important adaptability has always been for our Company, and how our Exceeding Print strategy enables us to master the necessary transformation.

#### Photo 3:

#### A special unboxing experience: Aware of our responsibility as we are, we have chosen a sustainable shipping bag made of FSC™-certified recycled cardboard. This year, our financial calendar has been produced interactively and sustainably on a metal card. Thanks to the numerous possibilities offered by our broad range of products and services, we have been able to fill this new reporting approach with modular, digital and sustainable elements and substrates for the second time, thus rendering tangible the three pillars of our “Exceeding Print” corporate strategy.

#### Photo 4:

**[more] options:** The individual chapters of the combined management report can be read either via your mobile device using the QR code or directly at annualreport.koenigbauer.com in our digital annual report world thanks to our modular reporting approach. In response to the growing transparency and digitisation requirements, we have divided the report into two modules.

#### Contact person for investor relations

Koenig & Bauer AG
Lena Landenberger
T +49 931 909-4085
M lena.landenberger@koenig-bauer.com

#### About Koenig & Bauer

Koenig & Bauer is a globally active printing press manufacturer with headquarters in Würzburg (Germany). It supplies machines and software solutions covering the entire printing, finishing and converting process, with a particular focus on packaging. Machines from Koenig & Bauer are capable of printing on practically all substrates – the portfolio ranges from banknotes to board, corrugated, film, metal and glass packaging, and includes book, display, coding, decor, magazine, advertising and newspaper printing. With a history extending back more than 200 years, Koenig & Bauer is the oldest printing press manufacturer in the world and is today at home in virtually all printing processes. Together, the group companies count a total of around 5,485 employees. Koenig & Bauer operates manufacturing plants at ten locations in Europe, alongside a global sales and service network. The annual revenue in the 2022 financial year was around €1.186bn.

Further information can be found at [www.koenig-bauer.com](http://www.koenig-bauer.com)