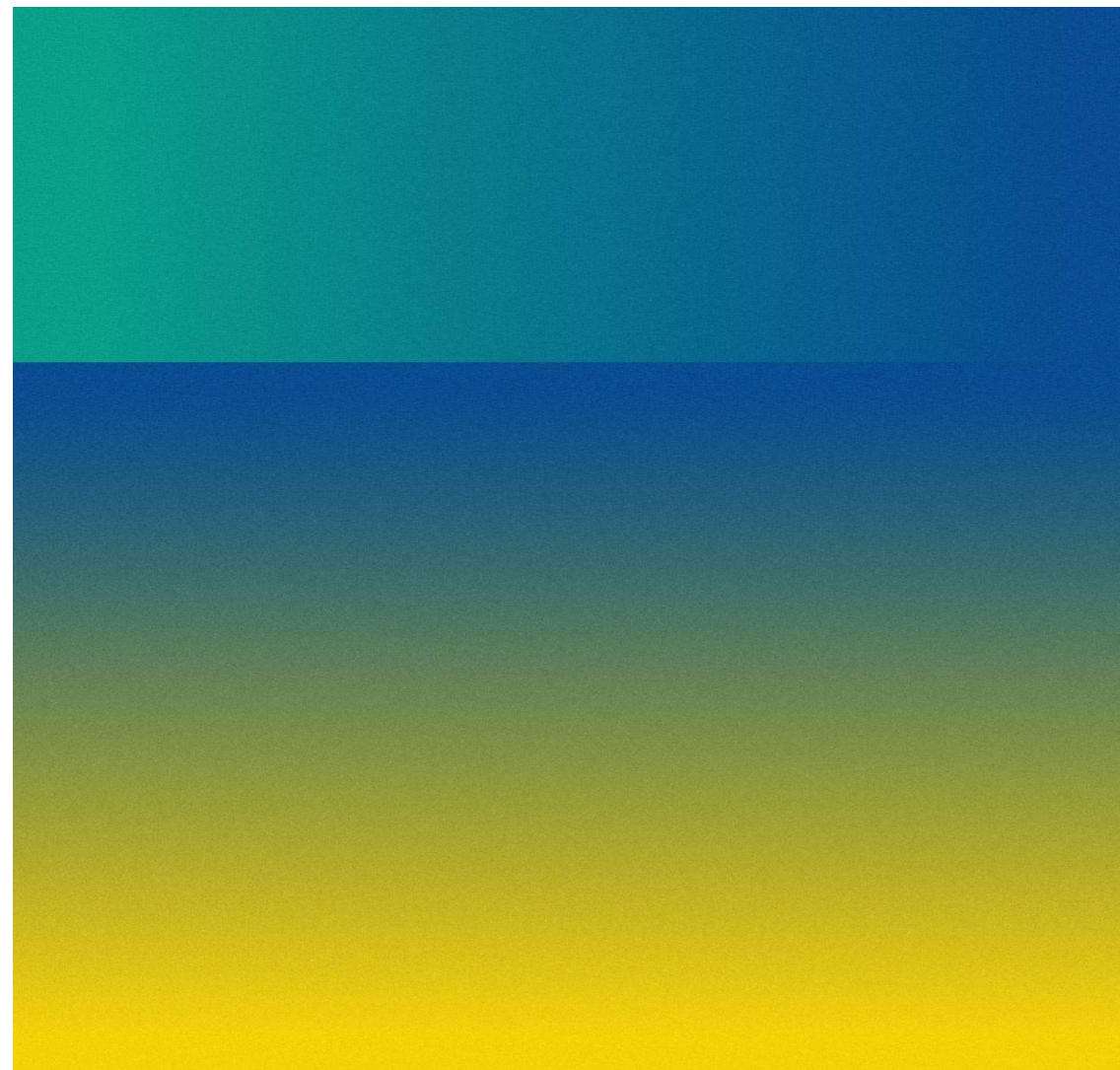


# Annual Results 2023

Analyst & Media Conference (online)  
Zürich, 8<sup>th</sup> March 2024

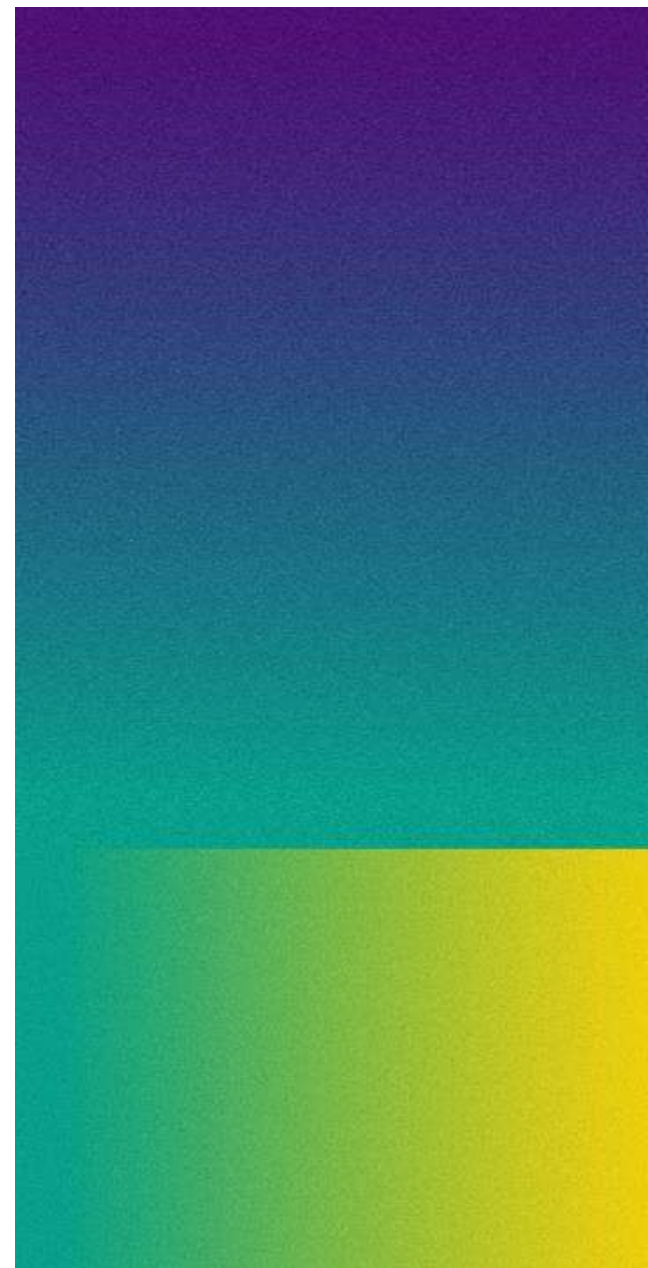
- 01 WELCOME  
Dr. Martin Folini, Chairman
- 02 FINANCIAL RESULTS 2023  
Reto Janser, CFO
- 03 BUSINESS YEAR 2023  
Daniel Link, CEO
- 04 STRATEGY & GUIDANCE 2024  
Daniel Link, CEO
- 05 Q&A



# Welcome

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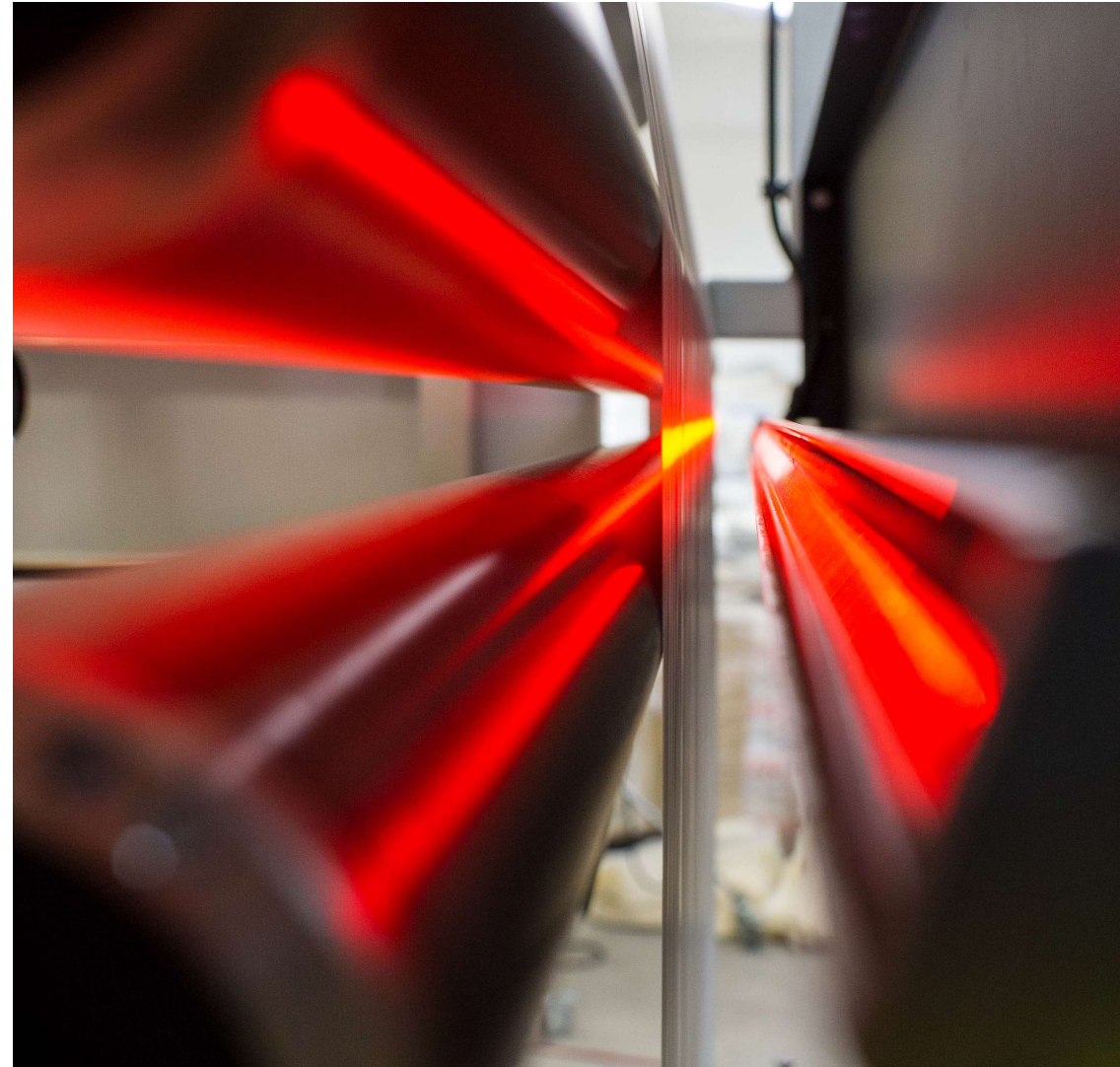
Dr Martin Folini  
Chairman of the Board of Directors





*«Our growth strategy gains traction and measurably contributes to positive development in 2023.»*

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# Successful Business Year 2023



Increase in revenue 7% and EBIT by 21%



Significant increase of 25% in net profit



Healthy balance sheet and growth investments



Increase in dividend proposed



## Security

Technology leader for security documents and individualization of value documents



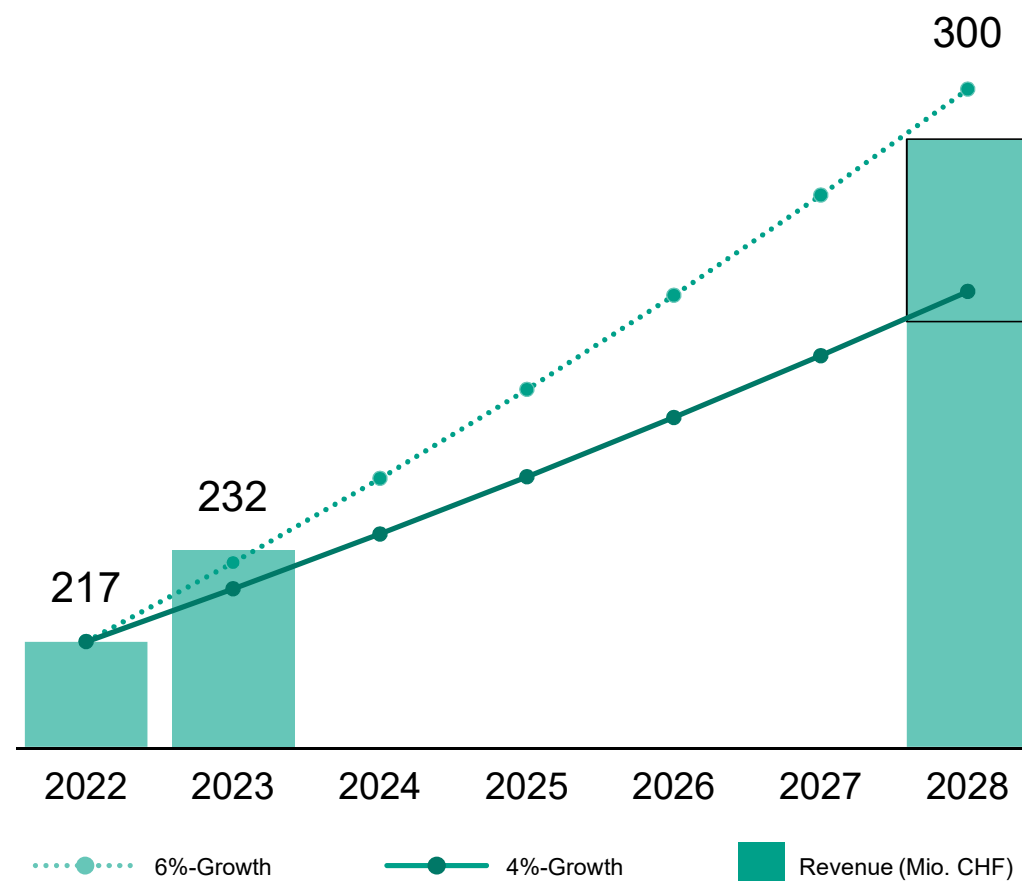
## Education

Market leader in Swiss book retail and largest private Swiss publisher of learning and educational media

## Growth Strategy Gains Traction

- All divisions with revenue growth
- Operational efficiency further improved
- Leveraged and expanded market positions
- Excellent result of hep Verlag after acquisition in 2022
- New Leadership and positive development at Procivis
- Publication of a fully GRI compliant ESG report

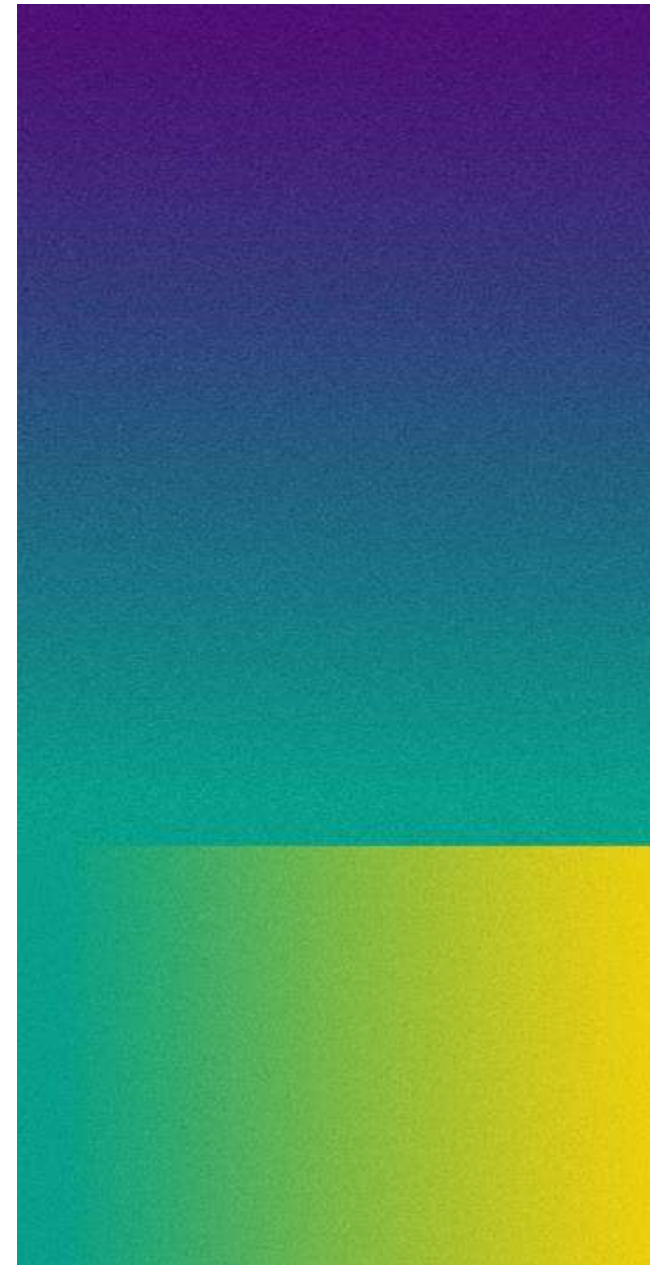
→ **Well-positioned in analog and digital trust services**



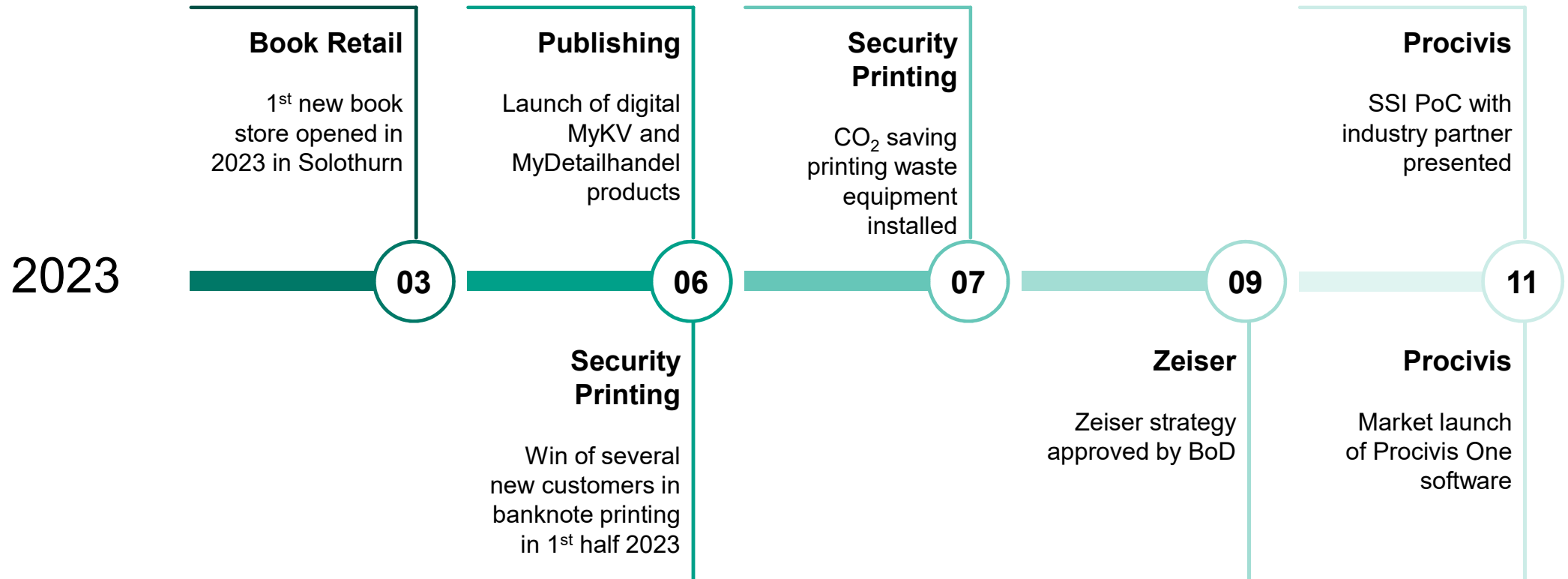
# Financial Results 2023

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Reto Janser  
CFO



## Delivering On Strategic Milestones





# CO<sub>2</sub> Footprint Significantly Reduced

## CO<sub>2</sub> Footprint

CO<sub>2</sub> total\*  
[CO<sub>2</sub>eq] - **28%**

CO<sub>2</sub> / Revenue  
[CO<sub>2</sub>eq/CHF] - **33%**

## Achievements

ESG Report fully  
GRI compliant

Benchmarking of  
CEO salary

Digitalisation  
Committee on  
BoD level

\* Scope 1 + 2



New printing waste treatment in Zürich, saving 196t CO<sub>2</sub>eq/y

## Financial Key Figures Group 2023

CHF m	2023	2022	%
Revenue	232.2	217.3	7%
EBITDA	29.8	25.8	16%
Operating result (EBIT)	18.1	14.9	21%
Annual result	14.6	11.7	25%
Net result after minority interests	12.0	8.5	41%

- Revenues increase above expectations
  - Security printing:** Good utilization thanks to strong order book
  - Zeiser:** Successful recovery after weak previous year
  - Book retailing:** Growth and gain of market shares
  - Publishers:** Growth thanks to learning media
- EBIT increase thanks to
  - Higher revenue, good margin (product mix), efficiency gains and cost savings
- Annual result increase despite investments in innovation and expansion of business activities for digital certificates

## Key Financial Figures Divisions 2023

CHF m	2023	2022	%
<b>Security printing</b>			
Revenue	77.2	70.4	10%
EBIT	10.6	9.7	9%
<b>Industrial systems (Zeiser)</b>			
Revenue	21.6	20.9	3%
EBIT	3.6	0.9	300%
<b>Book retailing</b>			
Revenue	117.5	112.2	5%
EBIT	8.0	9.3	-14%
<b>Various (Publishing, Procivis)</b>			
Revenue	16.5	13.7	20%
EBIT	-0.9	-0.9	0%

- **Security printing** increase in revenue and EBIT thanks to new customers, product mix and efficiency gains
- **Zeiser** with market recovery in H2'23 and efficiency / cost-cutting measures
- **Book retailing** with continuous growth, EBIT affected by higher costs in the area of wages and rents
- **Various:** Publishing houses increase in revenue and EBIT due to full year consolidation of hep Verlag and successful product launches; investments in Procivis to develop product and business for digital verifiable credentials

# Financial Situation as of 31<sup>st</sup> December 2023



Solid balance sheet and unchanged high equity financing ratio



Investment volume fully financed out of operating cash flow

- Tangible and financial assets
- Ongoing costs for build-up of digital business



Healthy financial base to further execute strategy

Total assets

**CHF 179 m**  
(CHF 179 m)

Equity financing ratio

**74.0%**  
(74.5 %)

Cash flow from  
operating activities

**CHF 26 m**  
(CHF 20 m)

Freely available  
Cash

**CHF 31.3 m**  
(CHF 30.6 m)

Free Cash flow

**CHF 13.7 m**  
(CHF 0.2 m)

Investments in  
financial assets

**CHF -1.1 m**  
(CHF 11.4 m)

Investments in  
tangible assets

**CHF 11.7 m**  
(CHF 6.6 m)

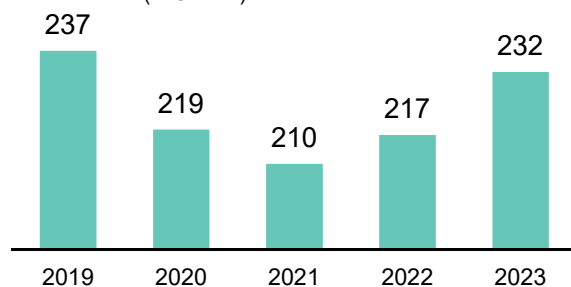
Investments in  
intangible assets

**CHF 1.8 m**  
(CHF 1.3 m)

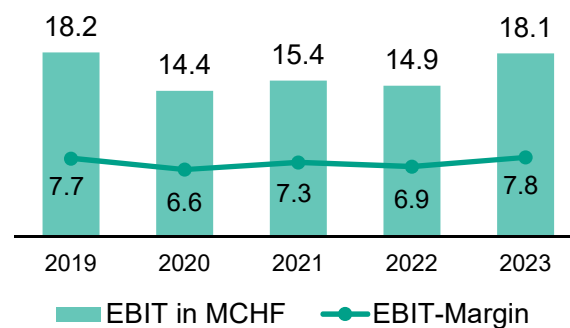


# Continuous Value Creation for Shareholder

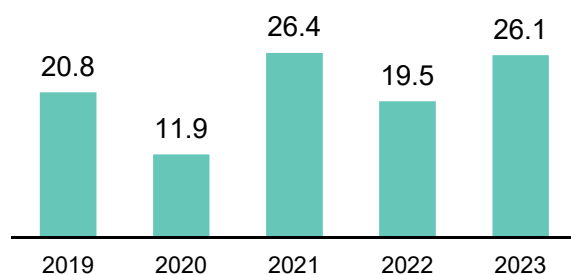
Revenue (in CHF m)



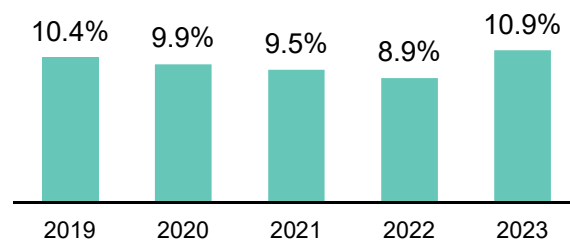
Profitability



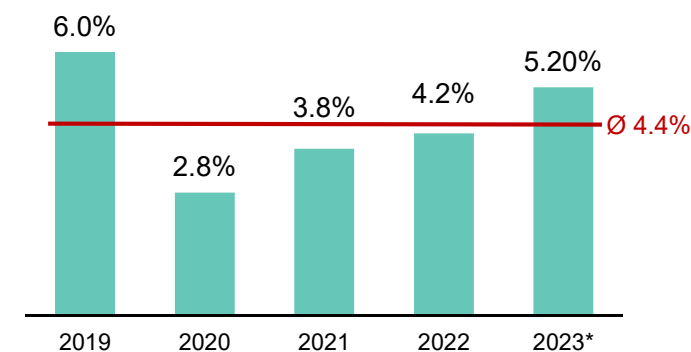
Operating Cash Flow (in CHF m)



ROCE



Yield on share



\*dividend payment subject to approval by AGM

# Business Year 2023

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Daniel Link  
CEO



*«In 2023, we have consistently driven forward our strategic initiatives and improved our efficiency. This is reflected in our results»*

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# Highlights 2023



Very high capacity utilisation in security printing



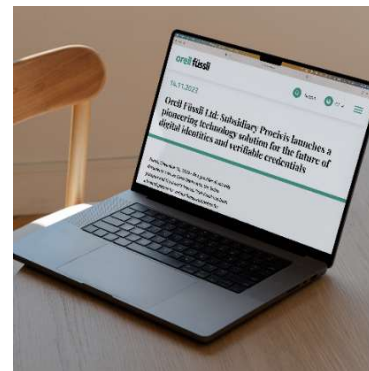
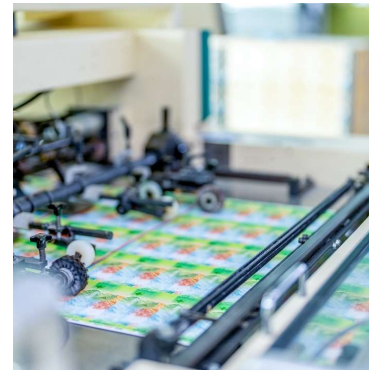
5 new stationary book shops opened and market share increased



New software solution for digital identities and verifiable digital certificates launched



Best result since a decade in publishing thanks to hep Verlag





# Security Printing – Strong Business Momentum

## Achievements 2023

### Operations

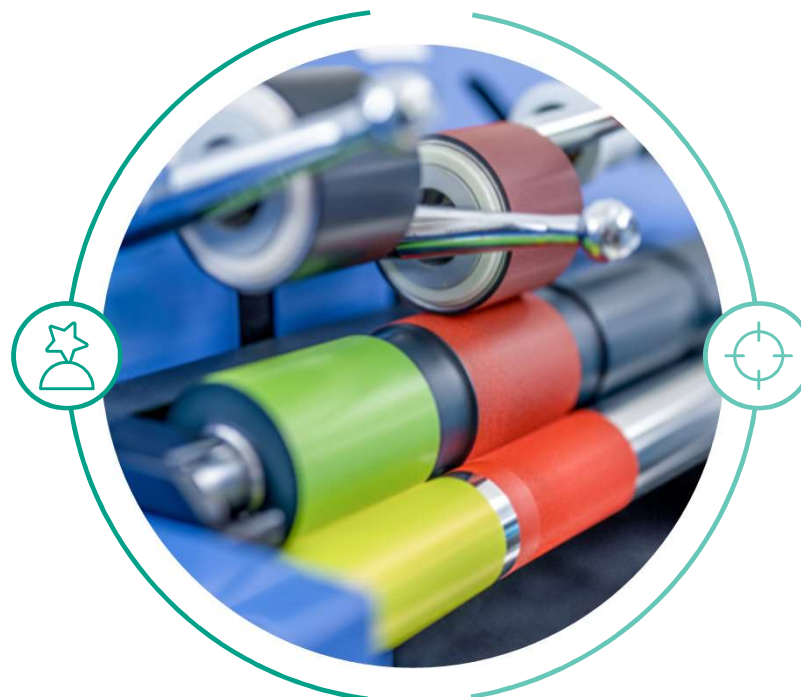
High capacity utilization and improvements in efficiency

### New Customers

Several new international customers, i.e. from Paraguay and Madagascar

### Products

Launch of the new Swiss driving license



## Focus 2024

### Customer Portfolio

Secure additional anchor customer

### ID Business

Foster position in international ID business

### Outlook 2024

Increase in revenue and EBIT margin slightly below 2023

# Zeiser – Focus on Cost and Strategy Implementation

## Achievements 2023

### Large Order

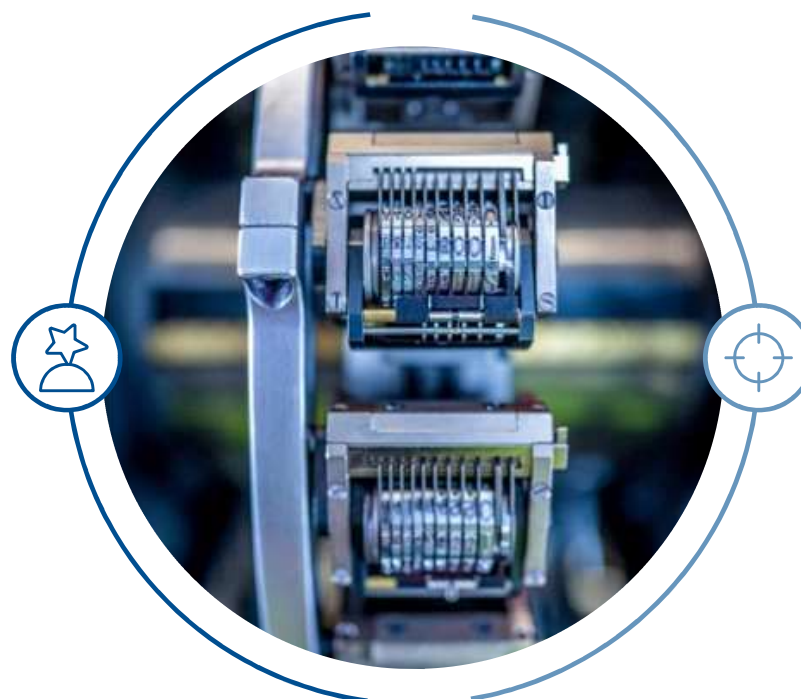
Major order for a digital printing press from African state printer

### Track & Trace

Market launch of new Track & Trace system “Harmony”

### Operational Efficiency

Efficiency and cost-saving measures implemented



## Focus 2024

### Track & Trace

Acquisition of several customers for new Track & Trace systems

### Strategy

Execution on strategic growth initiatives

### Outlook 2024

Substantial increase in revenue at stable margin

# Orell Füssli Thalia – Expansion Of Market Leadership

## Achievements 2023

### Market Leadership

Increase of market share in difficult environment

### Shop Network

Five new bookstores in attractive locations with high customer frequency

### Strong E-Commerce

E-commerce business at level during pandemic



## Focus 2024

### New Stores

Expansion of footprint with further store openings

### Digital Expansion

New digital offerings to strengthen customer loyalty and attract new customer groups

### Outlook 2024

Sales growth, operating profit margin impacted by higher operating costs

## Others – Publishing Houses strong after hep Verlag Acquisition

### Achievements 2023

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#### Children's Book

8 of the Top 10 Bestsellers  
during Christmas time

#### Learning Media (hep)

Increase in revenue and rising share  
of sales from digital products

#### Legal Media

Growth in revenue and publishing of  
commentary on the revised Swiss  
Data Protection Act



### Focus 2024

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#### Children's Book

Launch of 9 new publications, foster  
non-book business

#### Learning Media (hep)

Introduction of a content management  
system (CMS) and development of  
modular offerings

#### Legal Media

Launch of various legal commentaries  
and implement digital legal media  
platform



# Others – Procivis Launches New Cutting Edge Technology Solution

## Achievements 2023

### Procivis One

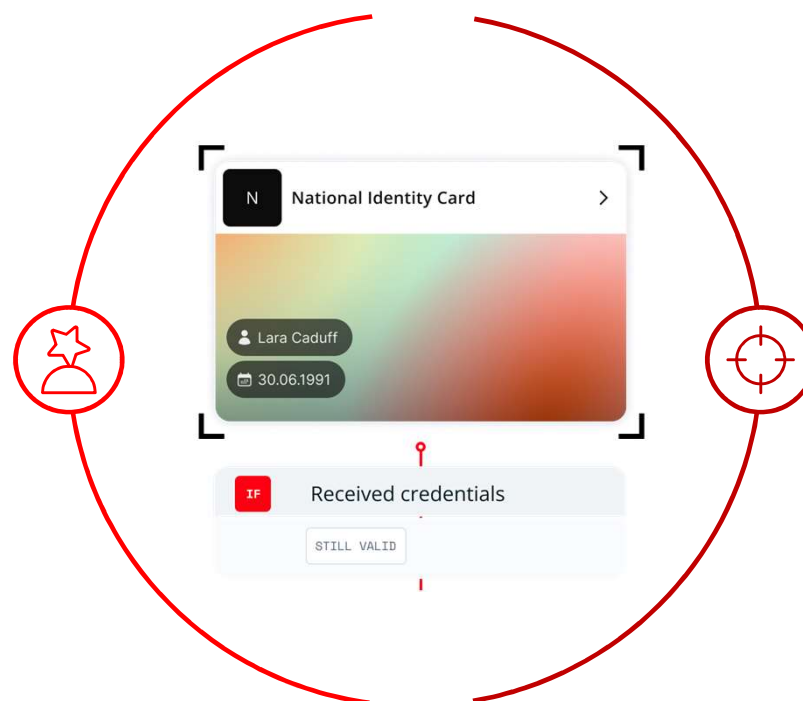
Introduction of Procivis One, a software solution for digital identities and verifiable digital credentials

### SSI Proof-of-Concept

Implementation of first cross-company SSI PoC in the private sector with 3 leading Swiss companies

### Organisation

Scale-up of team and nomination of 2 seasoned Co-CEO's



## Focus 2024

### Procivis One

Market launch and realisation of first projects in B2G and B2B

### Swiss Market

Build up Swiss E-ID ecosystem in the public and private sector

### Internationalisation

Increase market presence and build market share in the future of digital identity in EU (eIDAS2.0)

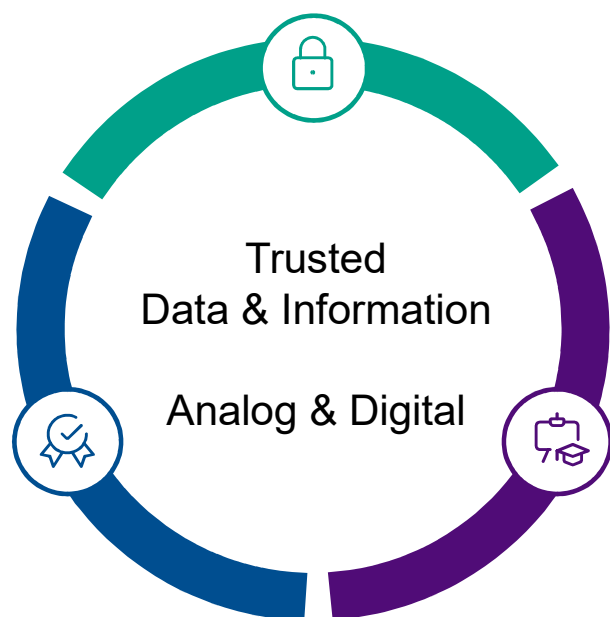
# Strategy & Guidance 2024

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Daniel Link  
CEO



# Our Strategy 2028 – Leader for Analog and Digital Trust Services



## 1. Security

Banknotes  
Numbering systems  
ID Documents

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Business model  
analog & digital



## 2. Education

Book trade  
Learning media  
Educational media

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Business model  
analog & digital



## 3. Certificates

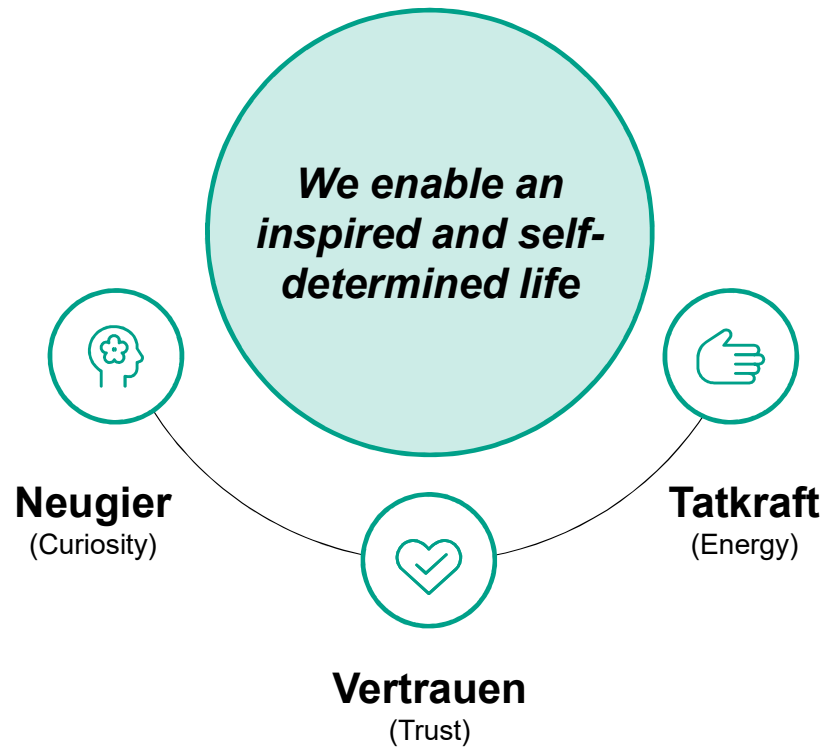
Digital credentials  
Services

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Business model  
software & platform

Credibility | Reliability | Swissness | Sustainability

# Corporate Purpose and Values: Tribute to Heritage and Ambition





## Our Financial Ambition by 2028



CHF 300m  
Revenue by 2028



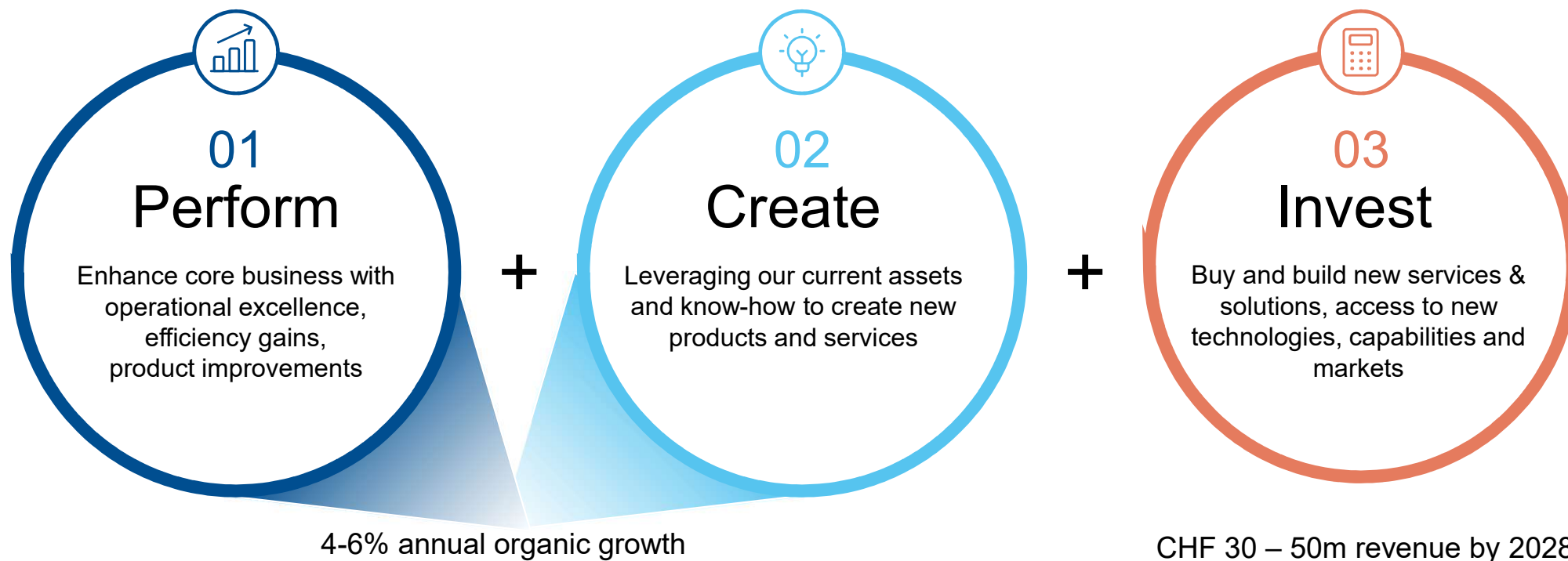
8%  
EBIT Margin



60 – 80%  
dividend pay-out of net profit



## Three Value Drivers for Profitable Growth



# Digital Verifiable Credentials: Promising New Projects for Procivis

## International projects

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### Government organization

- Innovation project for digital credential technology (software)
- Tender awarded with > 70 participants

### Large corporation

- Partnership contract to incorporate Procivis technology into their government offerings worldwide



## Domestic projects

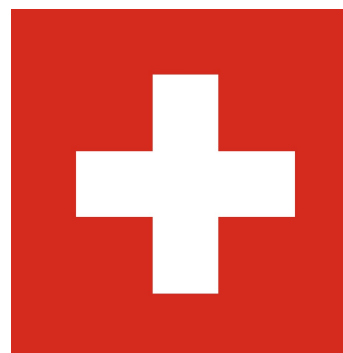
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### Government organization

- Consultancy services for digital credential technology

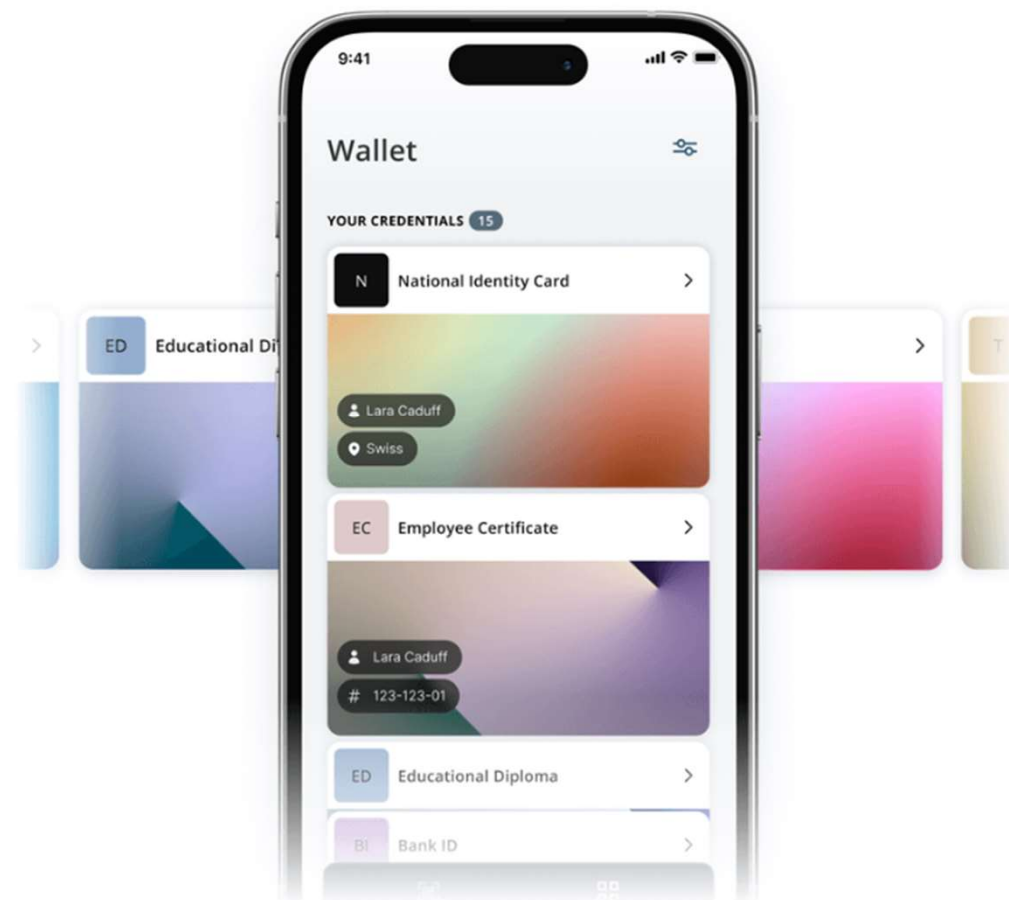
### Government organization

- Innovation project with digital credentials



# Procivis One

- Decentralized eID software solution
- Ready for implementation at governments and corporations
- Compliant to future Swiss and EU laws (eIDAS2.0)
- Currently best performance and scalability in the market
- For mobile, server and IoT environments
- No dependency from third parties
- Designed and engineered by Procivis in Switzerland



## Dividend Proposal & Guidance 2024

### Dividend Proposal FY23

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Increase of  
dividend to  
CHF 3.90  
per share

### Revenue 2024

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Increase in revenue  
at Group level

### EBIT 2024

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EBIT margin  
slightly lower due  
to increases in  
energy and rental  
costs as well as  
investments in the  
expansion of the  
digital business  
areas





# Disclaimer

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[investors@orellfuessli.com](mailto:investors@orellfuessli.com)

Orell Füssli AG  
Dietzingerstrasse 3  
8036 Zurich  
Switzerland  
[orellfuessli.com](http://orellfuessli.com)

