



## **Adhoc announcement pursuant to Art. 53 LR**

### ***BAUWERK GROUP: Sales growth thanks to acquisition of Somerset***

**The consolidated net turnover of the Bauwerk Group increased by 15.3% to CHF 347.8 million (previous year CHF 301.7 million). Adjusted for currency effects (applying the prior-year exchange rates), growth amounted to 20.0%. Sales include CHF 43.3 million from Somerset Hardwood Flooring (acquired on May 1, 2022), which corresponds to 14.4 percentage points of the currency-adjusted growth.**

St. Margrethen, 4 April 2023 – Excluding the sales-volumes of Somerset Hardwood Flooring, total volumes decreased by -12.7% compared to the previous year (previous year +13.8%). Therefore, the achieved organic growth in sales is solely attributable to the price increases executed in the second half of the previous year and the first half year 2022. In terms of regional distribution, sales in the important DACH region increased by around 3.5%, while both Scandinavia grew by 13.5%. Sales in the rest of Europe decreased by about 9%. With the acquisition of Somerset Hardwood Flooring, the proportion of sales not generated in Europe increased to 15% (previous year 6%)

### ***Somerset weighs on profitability***

The operating result EBITDA amounted to CHF 32.2 million, compared to CHF 35.7 million in the previous year, resulting in an EBITDA margin of 9.2% (previous year 11.8%). This includes a negative operating result of Somerset Hardwood Flooring in the amount of CHF -7.0 million, mainly coming from weak gross margins in the second half of the year due to significant price corrections on the wood and parquet market. Net income in the year under review amounted to CHF 7.8 million, CHF 8.7 million below the previous year result (CHF 16.5 million). Somerset Hardwood Flooring contributed a loss of CHF -8.6 million to the total result.

### ***Solid financing***

Increases in current assets associated with the price increases, in particular inventories, and the acquisition of Somerset Hardwood Flooring led to a strongly negative operating free cash flow (cash flow from business and investment activities) of CHF -96.1 million. After raising net liabilities of CHF 73.6 million, the decrease in cash and cash equivalents was CHF -23.2 million. The equity ratio including the subordinated shareholder loan was 37.8% as of the reporting date (previous year 45.4%).

### ***Outlook 2022***

Due to the existing macroeconomic risks and the tense geopolitical situation, 2023 is expected to be a challenging year for the construction industry and in particular for the parquet industry. The



Bauwerk Group is therefore refraining from providing an outlook for the current year, but is confident that, thanks to its good positioning and market position, it will continue to be able to achieve solid results in the medium term.

<b>Consolidated Income Statement</b>			
in 1000 CHF	<b>2022</b>	<b>2021</b>	<b>Change in %</b>
<b>Net turnover</b>	<b>347'820</b>	<b>301'735</b>	<b>15.3</b>
Material and goods	-171'015	-142'873	
Personnel costs	-79'763	-67'103	
Other operating costs	-61'059	-54'552	
Other revenues	861	1'103	
Other expenditures (incl. restructurings)	-4'687	-2'613	
<b>Operating results before depreciation and amortisation (EBITDA)</b>	<b>32'157</b>	<b>35'697</b>	<b>-9.9</b>
EBITDA in % of net turnover	9.2%	11.8%	
Depreciation	-12'809	-11'109	
<b>Operating result (EBIT)</b>	<b>19'348</b>	<b>24'588</b>	<b>-21.3</b>
EBIT in % of net turnover	5.6%	8.1%	
Financial results	-7'880	-5'193	
Extraordinary / non-recurring expenses	0	0	
<b>Result before taxes (EBT)</b>	<b>11'468</b>	<b>19'395</b>	<b>-40.9</b>
EBT in % of net turnover	3.3%	6.4%	
Taxes	-3'650	-2'929	
<b>Net income</b>	<b>7'818</b>	<b>16'466</b>	<b>-52.5</b>
Net income in % of net turnover	2.2%	5.5%	



<b>Consolidated Balance Sheet</b> in 1000 CHF	<b>31.12.2022</b>	<b>in %</b>	<b>31.12.2021</b>	<b>in %</b>	<b>Change</b>	<b>in %</b>
<b>Assets</b>						
Cash and cash equivalents	15'233		38'522			
Other current assets	179'492		111'761			
<b>Current assets</b>	<b>194'725</b>	<b>58.1</b>	<b>150'283</b>	<b>59.6</b>	<b>44'442</b>	<b>29.6</b>
Financial assets	1'267		1'326			
Tangible fixed and intangible assets	138'949		100'400			
<b>Non-current assets</b>	<b>140'216</b>	<b>41.9</b>	<b>101'726</b>	<b>40.4</b>	<b>38'490</b>	<b>37.8</b>
<b>Total assets</b>	<b>334'941</b>	<b>100.0</b>	<b>252'009</b>	<b>100.0</b>	<b>82'932</b>	<b>32.9</b>
<b>Equity and liabilities</b>						
Financial liabilities	146'852		90'227			
Other current liabilities	31'980		36'912			
Other non-current liabilities	19'633		10'454			
<b>Total liabilities</b>	<b>198'465</b>	<b>59.3</b>	<b>137'593</b>	<b>54.6</b>	<b>60'872</b>	<b>44.2</b>
<b>Shareholder loan</b>	<b>25'000</b>	<b>7.4</b>	<b>7'850</b>	<b>3.1</b>	<b>17'150</b>	<b>218.5</b>
Share capital	76'394		76'394			
Capital reserves	12'149		12'224			
Retained earnings (incl. currency translation differences)	20'269		17'948			
Minority interests	2'664		0			
<b>Total equity</b>	<b>111'476</b>	<b>33.3</b>	<b>106'566</b>	<b>42.3</b>	<b>4'910</b>	<b>4.6</b>
<b>Total equity and liabilities</b>	<b>334'941</b>	<b>100.0</b>	<b>252'009</b>	<b>100.0</b>	<b>82'932</b>	<b>32.9</b>

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#### About Bauwerk Group

Bauwerk Group is Europe's leading developer, manufacturer and supplier of parquet flooring in the premium segment as well as the second-largest market participant in wood flooring. With sold volumes of over 9.3 million square meters annually, the Group offers a complementary portfolio of two- and three-layer parquets as well as massive and wooden sports flooring under the brands Bauwerk, Boen and Somerset Hardwood Flooring. Administrative headquarters of the Group are located in St. Margrethen, Switzerland. The production locations are currently concentrated in St. Margrethen and Kietaviškės, Lithuania and Durdevac/Croatia. During the financial year 2022, the Bauwerk Group generated a net turnover of CHF 348 million and employed around 1,900 people.



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