

## PRESS RELEASE

Artemis Holding AG  
Franke-Strasse 2  
Postfach 229  
4663 Aarburg  
Switzerland

Telephone +41 62 787 31 31  
[www.artemis-holding.com](http://www.artemis-holding.com)

Aarburg, August 19, 2021

### **Half-year results 2021: Artemis Group achieved high organic growth and strongly improved profitability**

#### **Business performance Artemis Group**

- Net sales increased organically by 32.7%.
- Operating result (EBIT) improved from CHF 14.7 million to CHF 124.4 million with a significantly higher EBIT margin of 7.6% (HY1/2020: 1.2%).
- Cash flow increased by 97.7% to CHF 201.3 million (HY1/2020: CHF 103.6 million).
- Franke Group benefited from the catch-up effect in consumer spending after the Corona loosening as well as various structural improvements and recorded strong organic sales growth of 31.0% with substantially improved profitability.
- Artemis Real Estate Group increased net sales by 23.2% thanks to the increased number of rental apartments; the vacancy rate remained low at 1.7%.
- Feintool Group recovered significantly due to the improved situation in the automotive industry and achieved an organic sales increase of 42.8% and a positive EBIT of CHF 21.5 million (HY1/2020: CHF -17.4 million) due to a lower cost base.
- Artemis Asset Management Group performed well.

**The general recovery of the global economy supported Artemis Group's positive 2021 half-year results, with organic growth of 32.7% in the first six months, clearly also outperforming sales prior to the Covid-19 pandemic. Negative currency effects due to the weakening of the US dollar contributed to a decline in sales in Swiss francs, which was, however, partially offset by the appreciation of the euro compared to the previous year. Almost all of the Artemis Group's business activities contributed to the pleasing results. Continued high customer orders, improved**

**operational efficiency and strict cost management ensured good margins. In conjunction with this, profits rose disproportionately, especially at the Franke Group and the Feintool Group.**

In the first half of 2021, the Artemis Group generated consolidated net sales of CHF 1,643.8 million, an increase of CHF 379.5 million or 30.0% compared to the same period last year. Organic growth was positive at 32.7%. Acquisition and divestment effects reduced sales growth by 0.7% and negative currency effects by 2.0%.

The Group's operating result (EBIT) increased from CHF 14.7 million to CHF 124.4 million. The EBIT margin improved from 1.2% to 7.6% compared to the first half of 2020. Net profit increased from CHF 28.5 million to CHF 119.6 million.

Total investments amounted to CHF 115.0 million compared to CHF 80.5 million in the first half of 2020, an increase of 42.9%. The Artemis Group employed 10,766 people worldwide at the end of June 2021 (11,024 at the end of June 2020). The sale of the Franke Water Systems division at the end of April 2021 reduced the headcount by around 900 employees.

Supported by the good operating results, the Artemis Group further improved its financial situation in the first half of 2021. The equity ratio increased from 59.0% at the end of 2020 to 60.8% as of 30 June 2021. In the same period, net debt decreased by CHF 135.0 million to CHF 215.5 million due to the very good cash flow.

### **Development of business activities at a glance**

After the numerous challenges resulting from the Covid-19 pandemic, the significant recovery in the **Franke Group's** business performance continued in the first half of 2021. Driven by the catch-up effect in consumer spending after the Corona loosening and various structural improvements, the Group achieved a strong increase in sales with substantially improved profitability.

The Franke Group increased net sales by 27.6% from CHF 988.1 million to CHF 1,260.5 million compared to the same period of the previous year. Net sales grew organically by 31.0%. Acquisitions and divestments led to a decline of 0.9%; currency effects weakened net sales by 2.5%. All divisions recorded organic sales growth. Double-digit growth was achieved by Franke Home Solutions (+41.1%), Franke Foodservice Systems (+35.0%) and Franke Coffee Systems (+11.4%). The Franke Water Systems division (+5.5%) also increased net sales in the first four months before its sale.

The operating result (EBIT) after restructuring expenses amounted to CHF 107.2 million compared to CHF 35.5 million, which significantly exceeded the previous year's half-year and corresponds to an EBIT margin of 8.5% (HY1/2020: 3.6%). Franke Home Solutions was the main contributor to the significant increase in profitability. Strong sales combined with positive effects from various improvement measures had a positive impact on the division's result. However, the other divisions also significantly increased their profitability.

Total investments amounted to CHF 31.1 million in the first six months compared to CHF 20.8 million in the same period of 2020. A significant part of this was attributable to the expansion of the capacity for synthetic sinks in the Slovakian factory and the full acquisition of the previous minority interest in Franke Coffee Systems UK.

The **Artemis Real Estate Group** again performed well in the first half of 2021 and continued to expand its portfolio. The real estate group improved its sales by 23.2% thanks to the expanded portfolio. The vacancy rate remained low at 1.7%, and a total of CHF 17.9 million was invested in the further development of residential real estate projects in Switzerland.

The **Feintool Group** generated net sales of CHF 302.6 million in the reporting period (HY1/2020: CHF 212.3 million), up 42.6% on the previous year. Adjusted for currency and acquisition effects, the company recorded organic growth of 42.8%. The operating result (EBIT) of CHF 21.5 million was CHF 39.0 million higher than the previous year, with positive one-time effects of CHF 2.4 million net.

Investments, particularly in the expansion and replacement of machinery and equipment, amounted to CHF 23.1 million in the first half of 2021 (H1/2020: CHF 19.1 million).

The listed companies Forbo, Arbonia, Autoneum and Adval Tech, in which the **Artemis Asset Management Group** holds between 20% and 30%, achieved increases in sales and profits in the first six months of the financial year as a result of the general economic recovery.

The Artemis Asset Management Group increased its participations in Autoneum and sold all shares in Rieter. Further investments in start-up and private equity companies focused on supporting new technologies and expanding business activities. In addition, Artemis Asset Management Group made a new investment in Nice & Green AG, an independent Swiss investment company providing alternative financing with a focus on small and medium-sized listed companies.

**Outlook for the current business year**

Despite the good development of the business activities, it remains difficult for the Artemis Group to give a reliable forecast for the current financial year due to the ongoing uncertainties related to the Covid-19 pandemic. The current severe shortage of raw materials is leading to major challenges in the supply chain and to a partly significant increase in raw material prices and logistics costs. The higher costs for consumers could affect their buying habits and slow down demand. Nevertheless, the Artemis Group remains confident and expects a continued positive development. It is strategically well positioned and can rely on a strong balance sheet with further improved equity and net debt positions. The Artemis Group will continue to carefully monitor economic developments and is ready to take advantage of acquisition opportunities when attractive options arise.

**About Artemis**

The Artemis Group includes the **Franke Group**, the **Artemis Real Estate Group** (real estate portfolio in Switzerland and abroad), the majority holding in the **Feintool Group** (world market leader in fineblanking technology) and the **Artemis Asset Management Group** (various strategic shareholdings in international companies listed on the Swiss stock market and in private companies). The Group employs more than 11,000 people worldwide and generated consolidated sales of some CHF 2.8 billion in 2020. Learn more at [www.artemis-holding.com](http://www.artemis-holding.com).

**Contact**

Gabriele Hepp  
Head of Communications  
Artemis Holding AG

T +41 62 787 3358

M +41 79 108 3225

E [gabriele.hepp@franke.com](mailto:gabriele.hepp@franke.com)

## Financial overview Artemis Group first half year 2021

in CHF million	1 <sup>st</sup> half 2021	1 <sup>st</sup> half 2020
<b>Net sales</b>	<b>1,643.8</b>	<b>1,264.3</b>
- Change in %	30.0	-18.8
- Organic growth in %	32.7	-14.4
<b>EBIT</b>	<b>124.4</b>	<b>14.7</b>
- Change in %	745.7	-76.6
- % of net sales	7.6	1.2
<b>Net profit</b>	<b>119.6</b>	<b>28.5</b>
- Change in %	319.9	-61.6
- % of net sales	7.3	2.3
<b>Cash flow</b>	<b>201.3</b>	<b>103.6</b>
<b>Total Investments</b>	<b>115.0</b>	<b>80.5</b>
<b>Equity</b>	<b>2,771.2</b>	<b>2,511.9</b>
- Equity ratio in %	60.8	57.7
<b>Employees as of June 30</b>	<b>10,766</b>	<b>11,024</b>