

## Alternative Performance Measures

The Emmi Annual Report, the Emmi Half-Year Report and other communication from Emmi to investors and analysts contain alternative performance measures (APM), which management uses to assess the financial performance of the Group and which are not defined by Swiss GAAP FER, the recognized accounting standard Emmi applies. Such APM can be income statement, balance sheet or cash flow figures. Management believes that these non-Swiss GAAP FER performance measures provide useful information regarding the Group's financial performance. Such measures may not be comparable to similar measures presented by other companies. The APM used by Emmi are explained and/or reconciled to Swiss GAAP FER performance measures in this document.

### Foreword

This edition is published together with the Half-Year Report 2024.

### Organic Growth

Organic growth represents the net sales growth after excluding the impacts of (a) acquisitions and divestments of businesses (referred to as «acquisition effects» in Emmi's communication) and (b) movements in foreign currency exchange rates (referred to as «currency effects» in Emmi's communication).

**(a) Acquisition effects:** For calculating organic growth, the net sales of an acquired business are excluded for the 12 months following the business combination. Net sales of a divested business are removed from comparatives (previous year) for the 12 months prior to the divestment. Supply agreements related to the divested business are included in acquisitions and divestments during 12 months following the divestment.

**(b) Currency effects:** The effects of changes in foreign currency exchange rates are calculated as the difference between the current year net sales (including effects of acquired and divested businesses) converted into Swiss Francs at the current year's average exchange rates and the current year's net sales (including effects of acquired and divested businesses) converted at the prior year's average exchange rates.

2/6

For Emmi Group, the reconciliation of organic growth to the sales development (in %) for the first semester of 2024 is as follows:

	<b>First 6 months 2024</b>	<b>First 6 months 2023</b>
<b>Organic Growth</b>	<b>0.0%</b>	<b>6.5%</b>
Acquisition effects	-2.2%	-
Currency effects	-1.9%	-2.2%
<b>Sales development</b>	<b>-4.1%</b>	<b>4.3%</b>
Net Sales in CHF Mio.	2,017.2	2,103.4

Similar reconciliations for the business divisions Switzerland, Americas, Europe and Global Trade can be found in the media release.

### **Earnings before interest and taxes (EBIT)**

### **Earnings before interest, taxes, depreciation and amortisation (EBITDA)**

EBIT is commonly defined as Earnings before interest and taxes and EBITDA as Earnings before interest, taxes, depreciation and amortisation.

Emmi Group uses EBIT and EBITDA as important financial measures, where EBIT is defined as the operating profit and EBITDA is used as an operating cash flow indicator.

EBIT is defined as net profit before:

- Minority interests
- Income taxes
- Financial result
- Income from associates and joint ventures

EBITDA is defined as EBIT before:

- Depreciation (including impairment charges) of property plant and equipment
- Amortisation (including impairment charges) of intangible assets

3/6

A reconciliation table between net profit and EBITDA is presented below.

in KCHF	First 6 months	First 6 months
	2024	2023
<b>Net Profit</b>	<b>104,377</b>	<b>97,806</b>
Minority interests	7,861	8,594
Income taxes	19,830	21,032
Financial result	7,380	12,044
Income from associates and joint ventures	827	-932
<b>EBIT</b>	<b>140,275</b>	<b>138,544</b>
Amortisation of intangible assets	5,737	6,124
Depreciation of property, plant and equipment	51,783	50,246
<b>EBITDA</b>	<b>197,795</b>	<b>194,914</b>

**EBIT margin** is when EBIT is calculated as percentage of net sales:

in KCHF	First 6 months	First 6 months
	2024	2023
EBIT	140,275	138,544
Net sales	2,017,186	2,103,377
<b>EBIT margin</b>	<b>7.0%</b>	<b>6.6%</b>

**EBITDA margin** is when EBITDA is calculated as percentage of net sales:

in KCHF	First 6 months	First 6 months
	2024	2023
EBITDA	197,795	194,914
Net sales	2,017,186	2,103,377
<b>EBITDA margin</b>	<b>9.8%</b>	<b>9.3%</b>

4/6

## Net debt

Net debt is a measure to show the net level of financial debt with external parties after considering cash, current securities readily convertible into cash and interest bearing loans and receivables.

in KCHF	30.06.2024	31.12.2023
Bank overdrafts	75,642	68,475
Finance lease liabilities	359	430
Loans	500	500
<b>Current financial liabilities</b>	<b>76,501</b>	<b>69,405</b>
Bank overdrafts	103,294	112,610
Finance lease liabilities	201	305
Loans	345	457
Bonds	499,520	499,520
<b>Non-current financial liabilities</b>	<b>603,360</b>	<b>612,892</b>
<b>Financial liabilities</b>	<b>679,861</b>	<b>682,297</b>
Cash and cash equivalents	-372,359	-349,115
Current securities	-7,640	-22,210
Non-current loans and receivables	-18,049	-12,715
<b>Cash and cash equivalents, current securities and interest bearing loans and receivables</b>	<b>-398,048</b>	<b>-384,040</b>
<b>Net debt</b>	<b>281,813</b>	<b>298,257</b>

5/6

### Cash flow before changes in net working capital, interest and taxes

This is a subtotal used in the determination of the cash flow from operating activities and is defined as cash flow from operating activities before changes in net working capital, interest paid and taxes paid. The positions included in this subtotal are visible directly in the consolidated cash flow statement.

### Free cash flow

Free cash flow represents the cash generating capability of the Emmi Group to acquire companies, acquire stakes in associates or joint ventures, pay dividends or repay providers of capital.

As per the table below, Free Cash Flow therefore equals Cash Flow from operating activities plus Cash Flow from investing activities adding back the cash outflows and inflows from the acquisition activity (consolidated companies, associates, joint ventures, minority interests).

in KCHF	<b>First 6 months 2024</b>	<b>First 6 months 2023</b>
Cash flow from operating activities	179,323	167,802
Cash flow from investing activities	-68,306	-70,768
<i>Adding back:</i>		
Acquisition of consolidated investments/businesses	9,216	1,636
Acquisition of minority interests	1,750	1,659
<b>Free cash flow</b>	<b>121,983</b>	<b>100,329</b>

### Operating cash conversion

The operating cash conversion measures the ability of the Emmi Group to convert earnings before interest, taxes, depreciation and amortisation (EBITDA) into cash and cash equivalents. It is defined as cash flow from operating activities divided by EBITDA.

in KCHF	<b>First 6 months 2024</b>	<b>First 6 months 2023</b>
Cash flow from operating activities	179,323	167,802
EBITDA	197,795	194,914
<b>Operating cash conversion</b>	<b>90.7%</b>	<b>86.1%</b>

6/6

### Operating net working capital

Emmi Group monitors its operating net working capital in order to assess how efficient it is managing its operating cash conversion cycle. Operating net working capital is the sum of trade receivables and inventories minus trade payables.

in KCHF	<b>30.06.2024</b>	<b>31.12.2023</b>
Trade receivables	442,914	473,665
Inventories	558,185	481,311
Trade payables	-319,832	-301,841
<b>Operating net working capital</b>	<b>681,267</b>	<b>653,135</b>