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Gallus opens doors to new industry facility, celebrating 100th anniversary and unveiling new solutions to power a digital transformation

- New Gallus Experience Center, the "industry touchpoint", opens to accelerate innovation and long-term success and growth of the industry
- New HEIDELBERG Customer Portal to drive automation, solve labor shortages and unlock significant production efficiencies of up to 35 percent
- New inkjet system, Gallus One with Converting, provides inline flexo and die cutting for ultimate TCO
- New DPU upgrade available to turn a Gallus ECS 340 into a hybrid Gallus Labelfire 340

St. Gallen, June 20, 2023 – Gallus Group, a subsidiary of Heidelberger Druckmaschinen AG (HEIDELBERG), is the leading company in the development, production, and sale of conventional and digital narrow-web and reel-fed presses for the label printing industry. Today, it is celebrating its 100th anniversary by opening its doors to a brand-new industry hub in St. Gallen, Switzerland – the Gallus Experience Center – which is designed to serve as an industry touchpoint for customers, industry experts, stakeholders and members of the public, to drive market transformation.

Importantly, Gallus is also utilizing its centenary celebrations to announce the launch of three new products across its portfolio: the HEIDELBERG Customer Portal, the new Gallus One with Converting, and a digital upgrade to the company's successful Gallus ECS 340.

With the 100-year milestone also marking its official opening, the landmark new Gallus Experience Center will welcome customers and prospects from some of the world's leading printers and converters, as well as partners and brand owners, as part of the company's 'Gallus Experience Days'. Dedicated to the 'digital transformation' of the label and narrow-web industry, the Center aims to facilitate the industry's future success by fostering collaboration to drive innovation and sustainability. Whether you are a manufacturer, supplier, converter, printer, or brand, you are invited to use the new facility to explore ideas, test and develop new technologies, and teach and experience a technological ecosystem. In addition, Gallus will use the facility to showcase conventional, hybrid, and digital Gallus products, software, and cloud-based solutions, next-generation machines being produced, and supplier partner technologies.





"As we celebrate the 100th anniversary of Gallus, HEIDELBERG is delighted to stand alongside the Gallus team this week – united, as one Group. Together, we are even stronger, and have a robust growth plan looking ahead," comments Dr. Ludwin Monz, CEO, HEIDELBERG. "With labels and packaging now representing 50 percent of the Group's total sales, the new digital and automated solutions we see introduced by Gallus today play an important role in the future of HEIDELBERG. As a result, Gallus is an important pillar within the company's growth strategy, and we're more committed than ever to its long-term future."

With annual growth of over 2 percent in global print volumes, packaging printing is one of the strongest growth areas in the printing industry. Together with label printing, it is an important core area for HEIDELBERG. In line with its dual-track strategy, HEIDELBERG is also focusing on growth in digital printing. This technology is used in label production, for example, which offers some of the greatest growth opportunities in the printing industry. One third of all labels worldwide are already printed digitally today. Digital printing is thus driving change in this promising market segment, with inkjet growth of around 6 percent a year. HEIDELBERG intends to expand its position here with the Gallus One.

Dario Urbinati, CEO, Gallus Group, comments: "We are committed to being in touch with the market and forecasting, and then responding to, likely trends that could impact our customers and brands. As a result, Gallus and HEIDELBERG are committed to leading the new digital transformation – driving 'smart, connected printing' to unlock revolutionary levels of production automation and manufacturing efficiencies. Key to solving the labor issues of today, this will enable customers to reduce costs and increase both profitability and sustainability. What's more, utilizing our new Gallus Experience Center, we have a team devoted to exploring new technologies/processes – such as artificial intelligence and Industry 4.0 – that could be integrated into labels and packaging to better inspire and engage future generations."

To further drive the labels and packaging 'digital transformation' and help solve current labor shortages and increases in costs, Gallus is today also unveiling a revolutionary new HEIDELBERG Customer Portal (HCP) that automates almost every customer touchpoint. In an industry first, future iterations of the solution will also provide predictive capabilities utilizing artificial intelligence (AI) to provide recommendations to increase productivity, reduce maintenance, and boost profitability. The new platform is expected to save customers, on average, up to 35 percent in both time and money.





Further increasing its Total Cost of Ownership (TCO) advantage for label production, Gallus is additionally using the event to launch its new <u>Gallus One</u> with Converting. This solution brings everything inline and features a digital printer with an inline flexo station, a semi-rotary die cutter that can change a job within one minute and process up to 70m per minute, and vision inspection systems to ensure the highest level of quality and minimize waste. The company is also announcing the option to upgrade an existing <u>Gallus ECS 340</u> flexo press with a digital printing unit (DPU), transforming it into a <u>Gallus Labelfire 340</u> hybrid press, but without the additional platform investment. This means that customers are now able to access all the flexibility and versatility of digital printing, with the reliability and precision of conventional printing and further processing technology.

The new Gallus products being launched are the result of a comprehensive consultation process with customers and brands. After discovering that the next generation of retail consumers engages with the world in a completely different way, and in light of demographic challenges and other macro trends that are adding new and considerable short-term and long-term business challenges for converters, Gallus rewrote its vision and mission statements to support a new business direction.

Dario Urbinati concludes: "We are thrilled to welcome so many friends and colleagues this week to help celebrate our centenary in business, and to have the opportunity to share our exciting new products and thank the many amazing people within our business who have worked so hard to support us, as well as our incredible portfolio of customers. But this week is as much about the next 100 years and what we do next. This is why we're excited to look beyond the graphic arts toward other industries – learning from how they've leveraged new technologies to welcome in the new digital age and cater to the next generation – so that we can modernize the labels and packaging industry and further increase our future success."

Caption 1: The official opening of the Gallus Experience Center – (left to right) Ferdinand Ruesch, Key Account Manager, Anchor Investor and Member of the Supervisory Board of HEIDELBERG; Dr. Ludwin Monz, CEO, HEIDELBERG; Dario Urbinati, CEO, Gallus Group

Caption 2: Gallus today celebrates its 100th anniversary by opening its doors to the Gallus Experience Center, a brand-new industry hub in St. Gallen, Switzerland

Caption 3: The new Gallus One inkjet system offers a competitive total cost of ownership (TCO) in digital label printing.





About Gallus

Gallus, a subsidiary of Heidelberger Druckmaschinen AG (HEIDELBERG) with production facilities in Switzerland and Germany, is a leading company in the development and production of conventional and digital narrow-web, reel-fed presses designed for the label and packaging business. The machine portfolio is augmented by a broad range of screen printing plates (Gallus Screeny), globally decentralized service operations, and a broad range of printing accessories and replacement parts. Products and services of the Gallus brand are distributed through the global HEIDELBERG Sales and Service network. The comprehensive portfolio also includes consulting services provided by label experts in all relevant printing and process engineering tasks. Gallus employs around 300 people, of whom 160 are based in Switzerland, where the company has its headquarters in St. Gallen. For more information, visit www.gallus-group.com.

With its dual-track strategy, HEIDELBERG is pursuing two key strategic approaches. Firstly, the company wants to make its mark on the printing market beyond its sheetfed offset press business – especially in the packaging or label market and digital printing. Secondly, HEIDELBERG will open up new markets alongside its core business, as has already happened with the wallbox business.

For additional details about the company and image material, please visit the <u>Press Lounge</u> of Heidelberger Druckmaschinen AG at <u>www.heidelberg.com</u> and the Media Library.

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