ORIOR GROUP
HALF YEAR REPORT
2018

EXCELLENCE IN FOOD

ORIOR – Excellence in Food

ORIOR is an internationally active Swiss food and beverage group that combines craftsmanship with a pioneering spirit and thrives on entrepreneurship and strong values. The centres of competence have established leading positions in fast-growing niches in Switzerland and abroad. With Rapelli, Biotta, Ticinella, Albert Spiess, Fürstenländer Spezialitäten, Fredag, Le Patron, Pastinella, Culinor and Vaco's Kitchen, ORIOR has built an impressive portfolio of brands and companies.

ORIOR's goal is to steadily create value for all stakeholders. Market intimacy, strong partnerships, and a lean, agile group structure provide the framework from which ORIOR is shaping and driving the market landscape with innovative products, concepts and services. Motivated employees who take pride in their work and who assume responsibility for themselves and for what they do are the key for creating the extraordinary.

We are striving for uniqueness and offer best quality in order to surprise our consumers time and again with enjoyable food moments. Our ambition is nothing less than **Excellence in Food.**

Contents

Dear Shareholders

ORIOR, the internationally active Swiss food and beverage Group that combines craftsmanship with a pioneering spirit underpinned by entrepreneurship and strong values, achieved good results in the first half of 2018. The ORIOR 2020 strategy is clearly gaining traction and progress is being made towards all the given goals.

ORIOR Group generated revenues of CHF 273.7 million during the first half of 2018, up from CHF 259.1 million in the first half of the previous year. This revenue growth of 5.6% stemmed from good organic growth of 2.1%, acquisition-led growth of 1.6% and a positive currency effect of 2.0%. The good organic growth rate was fuelled by numerous initiatives and a steady focus on innovation, brands and customer relationship management. EBITDA decreased to CHF 27.2 million from CHF 27.7 million in the first half of 2017, which is attributed to acquisition-related transaction and extraordinary costs; excluding these non-recurring costs, EBITDA rose by 3.7% year-on-year to CHF 28.7 million and the EBITDA margin declined slightly by 19 basis points to 10.5%. This primarily reflects the gross profit margin, which was impacted during the period under review by high meat prices, higher commodity and packaging materials costs, and the weakening of the Swiss franc. A strict focus on efficiency gains made a positive contribution to operating performance. Adjusted net profit for the period rose by 3.2% year-on-year to CHF 15.3 million and the corresponding profit margin declined slightly by 13 basis points.

The strategically important acquisition of Biotta is part of the Convenience and International segments for reporting purposes. The related acquisition costs are therefore also allocated to these two segments.

The new shares issued in early March to finance part of the Biotta acquisition, equivalent to nearly 10% of total share capital, were successfully absorbed by the market.

The mandatory adoption of the new IFRS 15 standard regarding the recognition of revenue led to a reduction in recognised revenue of CHF 22.8 million for the period under review and a concurrent reduction in cost of goods and materials. Neither adjustment had an impact on net profit, the consolidated balance sheet or the cash flow statement. The figures for the prior-year period were accordingly restated with CHF 22.2 million.

ORIOR Switzerland

The challenging environment in Switzerland, especially in the retail sector, is slowly stabilising. Minor ongoing consolidation in the market and persisting intense competitive pressure were offset by strong innovation and positive brand as well as customer relationship developments. This led to a good, broadly based growth.

The ORIOR Convenience segment performed very well during the period under review. It reported strong revenues of 94.1 million, up 9.2% from CHF 86.2 million in the prior-year period. This growth reflects high organic growth of 5.7% and an acquisition effect of 3.6%. Innovative new ultra-fresh meals and meal components, vegetarian specialities and positive customer relationship trends were the primary drivers of this good performance. Segment EBITDA was impacted by the allocation of transaction and extraordinary costs. Adjusted EBITDA rose from CHF 12.1 million in the first half of 2017 to CHF 13.4 million in the period under review and the corresponding margin improved by 23 basis points.

The ORIOR Refinement segment performed well during the first half of 2018. Attention is drawn to innovations such as "My Energy Beef", which was rolled out nationwide, and the ongoing pleasing developments at the "Rapelli" and "Ticinella" brands. The Refinement segment increased its revenues in the first half of 2018 by 3.6% to CHF 125.9 million. Market developments – continued high meat prices due to tight supply, which only heightened competition on the procurement front – continued to affect this segment. Its EBITDA declined by 7.3% to CHF 9.8 million (1H 2017: CHF 10.6 million) and the EBITDA margin came in at 7.8%, 92 basis points below the level reported for the prior-year period.

ORIOR International

The ORIOR International segment performed well in line with expectations. Segment revenues totalled CHF 65.5 million compared to CHF 58.6 million in the prior-year period, an increase of 11.7%. This revenue growth stemmed from organic growth of 0.8 %, an acquisition effect of 2.2 % from Biotta subsidiary Gesa in Germany, and a currency translation effect of 8.7 %. Culinor Food Group experienced strong demand for its “Lovely Meals” line of ultra-fresh meals, its new “Pure” product line and its meal home delivery services. Exports of Bündnerfleisch showed strong growth thanks to new customers. Factoring out the allocated transaction costs, EBITDA amounted to CHF 5.6 million and the corresponding margin declined slightly by 11 basis points due to changes in the product mix.

Compensation Committee

For the vacant position in the Compensation Committee the Board of Directors of ORIOR AG appointed Walter Lüthi for the remainder of the current term of office, which extends to the next ordinary general meeting of shareholders.

Outlook

The ORIOR 2020 strategy confirmed in June of 2018 will continue to be steadfastly implemented. A variety of measures and projects within ORIOR’s strategic goals and its group-wide Champion Model are the key elements of this strategy. ORIOR reiterates the targets it has set out to achieve with the strategy and will continue to steadily create value for all stakeholders. We expect a good second half year.

Thank you

We thank our shareholders for their trust and interest. ORIOR presented a good set of results for the first half of 2018 and made significant progress towards its strategic goals. This is only possible with the support of its many enthusiastic and loyal customers and shareholders and its extraordinary employees, who make a difference and are motivated to do their best every day and go the extra mile. That is proof of their strong identification with the company, for which we are truly grateful.

Rolf U. Sutter
Chairman of the Board of Directors

Daniel Lutz
CEO ORIOR Group

January to June 2018

- Successful first half with broad growth from all segments.
- ORIOR 2020 strategy gaining traction; management remains committed to the rigorous execution of this strategy and confirms the given objectives.
- Successful acquisition of Biotta; its integration as an independent competence centre within ORIOR Group is on track.
- First-half revenues up 5.6 % at CHF 273.7 million thanks to good organic growth of 2.1 %, an acquisition effect of 1.6 % and a currency translation effect of 2.0 %.
- Adjusted EBITDA increased 3.7 % to CHF 28.7 million and the corresponding profit margin showed a slight decline of 19 basis points to 10.5 %.
- Good second half year expected.

Key figures

in CHF thousand	Jan – Jun 2018	Δ in %	Jan – Jun 2017 Restated[1]
Revenues	**273 742**	+5.6 %	**259 110**
EBITDA	**27 224**	–1.8 %	**27 712**
as % of revenues	9.9 %		10.7 %
EBITDA adjusted[2]	**28 749**	+3.7 %	**27 712**
as % of revenues	10.5 %		10.7 %
Profit before tax adjusted[2]	**18 699**	+11.3 %	**16 796**
as % of revenues	6.8 %		6.5 %
Profit for the period adjusted[2]	**15 308**	+3.2 %	**14 833**
as % of revenues	5.6 %		5.7 %
Operating cash flow	**20 836**	–26.8 %	**28 467**
Equity ratio	53.5 %		47.1 %
Net debt / EBITDA ratio	2.27x		2.10x
Avg. number of employees (FTE)	1 598	+1.5 %	1 575
Market capitalisation at 30.06.	555 291	+23.0 %	451 485

[1] See Note 1
[2] Excludes acquisition-related transaction and extraordinary costs

Consolidated Income Statement

in CHF thousand	Note	Jan – Jun 2018	Δ in %	Jan – Jun 2017 Restated[1]
Revenues	4	**273 742**	+5.6 %	**259 110**
Raw materials / goods and services purchased		–154 734		–140 965
Changes in inventories		2 634		–740
Personnel expense		–56 849		–54 457
Other operating income		548		534
Other operating expense		–38 116		–35 769
EBITDA **Earnings before interest, taxes, depreciation and amortisation**		**27 224**	–1.8 %	**27 712**
as % of revenues		9.9 %		10.7 %
Depreciation - property, plant and equipment		–7 566		–7 254
Amortisation - intangible assets		–1 853		–1 928
EBIT **Earnings before interest and taxes**		**17 806**	–3.9 %	**18 530**
as % of revenues		6.5 %		7.2 %
Financial income	12	1 328		253
Financial expense		–1 959		–1 988
Profit before taxes		**17 175**	+2.3 %	**16 796**
as % of revenues		6.3 %		6.5 %
Income tax expense	10	–3 087		–1 963
Profit for the period		**14 087**	–5.0 %	**14 833**
as % of revenues		5.1 %		5.7 %
Earnings per share in CHF				
Basic earnings per share		2.25		2.51
Diluted earnings per share		2.25		2.51
Weighted Ø number of shares outstanding in '000		6 273		5 905

[1] See Note 1

Consolidated Statement of Comprehensive Income

in CHF thousand	Note	Jan – Jun 2018	Δ in %	Jan – Jun 2017
Profit for the period		**14 087**	–5.0 %	**14 833**
Exchange differences on translation of foreign operations		–1 665		1 772
Items that are or may be reclassified subsequently to income statement, net of tax		**–1 665**		**1 772**
Revaluation of pension plan	11	2 063		8 692
Taxes on other comprehensive income		–388		–1 408
Items that will not be reclassified to income statement, net of tax		**1 675**		**7 284**
Other comprehensive income for the period, net of tax		**10**		**9 056**
Total comprehensive income for the period, net of tax		**14 097**	–41.0 %	**23 889**

Consolidated Balance Sheet

in CHF thousand	Note	30.06.2018	in %	31.12.2017	in %	30.06.2017	in %
Cash and cash equivalents		20 291		38 191		41 205	
Current financial assets	5	287		301		308	
Trade accounts receivable		58 259		67 426		50 179	
Other current receivables		4 233		3 202		4 479	
Inventories and work in progress		89 597		71 953		76 368	
Current income tax assets		589		150		150	
Prepaid expenses / accrued income		5 527		1 862		3 365	
Current assets		**178 783**	29.5 %	**183 085**	33.2 %	**176 054**	32.7 %
Property, plant and equipment	6	134 988		111 501		108 544	
Intangible assets	7	290 993		256 534		252 818	
Long-term financial assets		635		320		350	
Deferred tax assets		113		20		159	
Non-current assets		**426 728**	70.5 %	**368 375**	66.8 %	**361 871**	67.3 %
Total assets		**605 512**	100.0 %	**551 460**	100.0 %	**537 925**	100.0 %
Derivative financial instruments	5	88		0		6	
Current financial liabilities		997		61		157	
Trade accounts payable		53 308		52 795		44 141	
Other current payables		5 299		4 509		3 810	
Current income tax liabilities		2 644		2 838		1 228	
Accrued liabilities		22 980		21 897		23 736	
Current portion of provisions		977		1 791		1 847	
Current liabilities		**86 292**	14.3 %	**83 891**	15.3 %	**74 926**	13.9 %
Non-current financial liabilities – third parties		149 249		140 691		159 787	
Defined benefit obligations	11	1 060		2 187		6 762	
Provisions		3 555		2 887		2 944	
Deferred tax liabilities		41 595		41 551		40 017	
Non-current liabilities		**195 459**	32.3 %	**187 316**	34.0 %	**209 510**	38.9 %
Total liabilities		**281 751**	46.5 %	**271 207**	49.2 %	**284 436**	52.9 %
Share capital	9	26 070		23 700		23 700	
Additional paid-in capital	8	41 287		0		0	
Treasury shares		–2 348		–2 063		–2 308	
Retained earnings	8	254 020		252 219		231 888	
Foreign currency translation		4 732		6 397		209	
Total equity		**323 761**	53.5 %	**280 253**	50.8 %	**253 489**	47.1 %
Total liabilities and equity		**605 512**	100.0 %	**551 460**	100.0 %	**537 925**	100.0 %

Consolidated Statement of Equity

in CHF thousand	Note	Share capital	Additional paid-in capital	Treasury shares	Retained earnings	Foreign currency translation	Total equity
Balance as at 01.01.2017		**23 700**	**0**	**–699**	**222 069**	**–1 564**	**243 506**
Profit for the period					14 833		14 833
Other comprehensive income for the period					7 284	1 772	9 056
Total comprehensive income for the period		**0**	**0**	**0**	**22 117**	**1 772**	**23 889**
Dividends / repayment of capital contributions	8				–12 335		–12 335
Share-based payments					52		52
Movement in treasury shares				–1 609	–15		–1 623
Balance as at 30.06.2017		**23 700**	**0**	**–2 308**	**231 888**	**208**	**253 489**
Balance as at 01.01.2018		**23 700**	**0**	**–2 063**	**252 219**	**6 397**	**280 253**
Profit for the period					14 087		14 087
Other comprehensive income for the period					1 675	–1 665	10
Total comprehensive income for the period		**0**	**0**	**0**	**15 762**	**–1 665**	**14 097**
Issue of share capital	9	2 370	41 287				43 657
Dividends	8				–14 083		–14 083
Share-based payments					36		36
Movement in treasury shares				–285	85		–199
Balance as at 30.06.2018		**26 070**	**41 287**	**–2 348**	**254 020**	**4 732**	**323 761**

Consolidated Cash Flow Statement

in CHF thousand	Note	Jan – Jun 2018	Jan – Jun 2017
Profit for the period		14 087	14 833
Taxes	10	3 087	1 963
Depreciation / amortisation		9 419	9 182
Share-based payments		36	52
Other non-cash transactions	13	–335	651
Change in value adjustments and provisions		–1 323	–513
Gain from disposal of fixed assets		–136	–5
Interest income		–8	–5
Dividend income		–15	–8
Interest expense		620	805
Increase (+) / decrease (–) of accrued pension cost		–757	–891
Change in working capital		1 063	6 722
– Trade accounts receivable and other current receivables		12 560	14 885
– Inventories and work in progress		–4 900	1 496
– Trade accounts payable and other current payables		–2 921	–4 414
– Other		–3 676	–5 245
Interest paid		–225	–212
Taxes paid		–4 676	–4 107
Cash flow from operating activities		**20 836**	**28 467**
Purchase of			
– property, plant and equipment	6	–7 097	–6 113
– intangible assets		–431	–144
– Investments		0	–200
Proceeds from sale of			
– property, plant and equipment		211	90
Acquisition of subsidiaries, net of cash acquired		–58 687	0
Interest received		8	5
Dividends received		15	8
Cash flow from investing activities		**–65 982**	**–6 355**
Increase in financial liabilities		68 824	0
Repayments of financial liabilities		–70 623	–7 108
Grant of loan		–265	0
Payment of finance lease liabilities		–15	–54
Issue of share capital	9	44 734	0
Transaction costs capital increase		–1 077	0
Dividends / repayment of capital contributions	8	–14 083	–12 335
Sale of treasury shares		1 588	2 286
Purchase of treasury shares		–1 787	–3 910
Cash flow from financing activities		**27 296**	**–21 120**
Net increase (+) / decrease (–) in cash and cash equivalents		**–17 849**	**992**
Foreign exchange differences on cash and cash equivalents		–50	83
Cash and cash equivalents as at 01.01.		38 191	40 130
Cash and cash equivalents as at 30.06.		**20 291**	**41 205**

Notes to the Interim Consolidated Financial Statements

1 Basis of presentation

This interim report comprises the consolidated financial statements of ORIOR AG and its subsidiaries for the interim period ended 30 June 2018. The interim consolidated financial statements 2018 were prepared in compliance with IAS 34 – Interim Financial Reporting and should be read in conjunction with the annual financial statements 2017. The Board of Directors approved the interim consolidated report on 21 August 2018.

In preparing the interim financial statements, management is required to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities as well as the reported contingent liabilities at the close of the interim reporting period. If in the future such estimates and assumptions, which are based on management's best judgement at the date of the interim financial statements, deviate from the actual circumstances, the estimates and assumptions for the period in which the circumstances change will be modified as appropriate.

Principal accounting policies

The principal accounting policies applied in the preparation of the interim financial statements 2018 are consistent with those used in preparing the annual financial statements 2017, with the exception of the new or amended accounting standards and interpretations adopted as of 1 January 2018:

- Amendment to IFRS 2 – Clarifications of classification and measurement of share based payment transactions
- Amendment to IFRS 4 – Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts
- IFRS 9 – Financial Instruments
- IFRS 15 – Revenue from Contracts with Customers
- IFRIC 22 – Foreign Currency Transactions and Advance Consideration
- Amendment to IAS 40 – Transfers of Investment Property

IFRS 9 Financial Instruments includes requirements for recognition and measurement, derecognition and hedge accounting. The application of IFRS 9 has been analysed in detail. No material impact on classification and measurements of financial assets and liabilities has arisen.

The above revised IFRS standards, with the exception IFRS 15, did not have a significant impact on the accounting policies or the presentation of ORIOR Group's assets, liabilities, financial position and earnings. The effect of IFRS 15 are disclosed below.

IFRS 15 - Revenue from Contracts with Customers

IFRS 15 was issued in May 2014 by the IASB and applies to an annual reporting period beginning on or after 1 January 2018. The standard provides a single, principles based five-step model to be applied to all contracts with customers. This standard supersedes IAS 18 Revenue Recognition as well as the relevant interpretations.

The Group has applied the standard retrospectively in full as per 1 January 2018. The implementation of the new standard has the following effects. A few cases have been identified in which ORIOR qualifies as the agent rather than the principal. Both revenue and cost of goods sold decreased accordingly. The adoption doesn't have any effect on the net result, on the consolidated balance sheet and on the cash flow statement for the year 2017.

in CHF thousand	Reported Jan – Jun 2017	Adjustment	Restated Jan – Jun 2017
Revenues	**281 303**	**–22 193**	**259 110**
Raw materials / goods and services purchased	–163 158	22 193	–140 965
EBITDA **Earnings before interest, taxes, depreciation and amortisation**	**27 712**	**0**	**27 712**
as % of revenues	9.9%		10.7%
EBIT **Earnings before interest and taxes**	**18 530**	**0**	**18 530**
as % of revenues	6.6%		7.2%
Profit for the period	**14 833**	**0**	**14 833**
as % of revenues	5.3%		5.7%

2 Seasonality of operations

Due to its broad product portfolio and high degree of product diversification, the ORIOR Group experiences a generally stable course of business with little seasonal variation. The only exception is the increase in revenues in the month of December, which is attributable to greater demand in the run-up to Christmas and New Year's Eve.

3 Changes in the scope of consolidation

The Group acquired 98.4 % of the shares of Thurella AG as per 17 May 2018. Thurella's product and brand portfolio is built on concepts with well-known brands: "Biotta", "Traktor"; "Vivitz" and "C-ICE". With this acquisition, ORIOR is strengthening its position beyond the traditional food market and entering the premium niche of organic beverages, a growing market both in Switzerland and abroad. The remaining 1.6 % of the shares will be purchased by the end of the third quarter 2018 under the squeeze-out procedure.

in CHF thousand	Fair value recognised on acquisition
Cash and cash equivalents	435
Current financial assets	10
Trade accounts receivable	3 645
Other current receivables	800
Inventories and work in progress	12 738
Current income tax assets	61
Prepaid expenses / accrued income	401
Property, plant and equipment	23 825
Intangible assets	9 628
Long-term financial assets	50
Deferred tax assets	41
Assets	**51 634**

in CHF thousand	Fair value recognised on acquisition
Current financial liabilities	–514
Trade accounts payable	–2 753
Other current payables	–1 179
Current income tax liabilities	–141
Accrued liabilities	–1 299
Current portion of provisions	–13
Long-term financial liabilities	–11 165
Defined benefit obligations	–1 702
Provisions	–783
Deferred tax liabilities	–690
Liabilities	**–20 239**
Net assets	**31 395**
Goodwill arising on acquisition	27 727
Total consideration	**59 122**

Purchase consideration:	
Cash paid (Investing activities)	59 122
Cash and cash equivalents in subsidiary acquired (Investing activities)	–435
Transaction costs of the acquisition (Operating activities)	1 083
Cash outflow on acquisition	**59 770**

ORIOR has performed a provisional purchase price allocation within the half-year results. The goodwill recognised above was attributed to the expected synergies and other benefits from combining business activities. Goodwill was allocated to the ORIOR Convenience segment (kCHF 7 538) and the ORIOR International segment (kCHF 20 189). The goodwill was not tax deductible.

Net trade receivables amounted to kCHF 3 645 as at the acquisition date and it is expected that the full amount can be collected.

From the date of acquisition, Thurella AG generated revenues in the amount of kCHF 4 344 and contributed kCHF –363 to the net profit of the Group. If the combination had taken place at the beginning of the year 2018, the profit would have been kCHF –1 275 and revenue would have been kCHF 17 859.

The transaction costs were expensed and were included in other operating expense.

4 Segment information

For management purposes, the Group is structured along the three operating segments ORIOR Convenience, ORIOR Refinement and ORIOR International. The operating segments are characterised by a clear focus on specific product categories.

- **ORIOR Convenience** and its competence centres Fredag, Pastinella, Le Patron and Biotta operate five processing facilities in the German-speaking part of Switzerland. Besides fresh convenience products such as ready-made meals, patés and terrines, fresh pasta, vegetarian and vegan specialities as well as cooked poultry and meat products, the Convenience segment also produces all-natural organic vegetable and fruit juices. Its products are mainly sold through retail and food service channels in Switzerland. The Convenience segment consists of four operating segments. These operating segments have been aggregated because their long-term financial performance is similar. The type of product and the way these products are made as well as the client groups are also similar, and in some cases identical.
- **ORIOR Refinement** and its three competence centres Rapelli, Albert Spiess and Möfag operate five processing and refining facilities in the cantons of Grisons, Ticino and St. Gallen. The segment is characterised by a clear focus on refined and processed meat products and produces traditional premium meat products as well as new interpretations in various categories from Bündnerfleisch and ham to salami and Mostbröckli. The products are mainly sold through retail and food service channels in Switzerland. The Refinement segment includes three main operating segments. These operating segments have been aggregated because their long-term financial performance is similar. The type of product and the way these products are made as well as the client groups are also similar, and in some cases identical.
- **ORIOR International** consists of the operating units of the Culinor Food Group, which has five production plants in Belgium, the activities of Gesa, a subsidiary of Biotta that operates a production plant in Germany, and the export activities from Switzerland to neighbouring countries – and thus represents all business conducted by ORIOR beyond the Swiss borders. The Culinor Food Group centre of competence produces high-quality ready-made meals and meal components, most of which are supplied to retailers and food services companies. Gesa specialises in producing organic vegetable juices for beverage and food processors. Products that are made by the Swiss centres of competence and exported to neighbouring countries are also included in the International segment.

Segment performance is evaluated based on operating profit (EBITDA, EBIT), which is measured in line with the principles applied in the consolidated financial statements. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Segment overview January – June 2018

in CHF thousand	ORIOR Convenience	ORIOR Refinement	ORIOR International	Adjustments and eliminations	Consolidated
External customer sales	94 947	117 455	65 777		278 180
Inter-segment sales	1 082	10 294	344	–11 720 [1]	0
Sales of goods / rendering of services	**96 030**	**127 749**	**66 121**	**–11 720**	**278 180**
Reduction in gross sales	–1 893	–1 894	–651		–4 438
Revenues	**94 136**	**125 856**	**65 471**	**–11 720**	**273 742**
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**12 253**	**9 832**	**5 234**	**–95**	**27 224**
Depreciation / impairment – tangible assets	–2 778	–2 972	–1 817		–7 566
Amortisation – intangible assets	–281	–488	–1 084		–1 853
Profit (EBIT)	**9 194**	**6 373**	**2 333**	**–95**	**17 806**
Net financial expense					–631
Profit before taxes					**17 175**
Investments in non-current assets	**1 527**	**4 509**	**1 492**	**0** [2]	**7 528**

[1] Revenues as well as intercompany profits are eliminated on consolidation.
[2] Cash outflow from investments in property, plant and equipment as well as intangible assets.

Segment overview January – June 2017

in CHF thousand	ORIOR Convenience[3]	ORIOR Refinement[3]	ORIOR International	Adjustments and eliminations	Consolidated Restated[1,3]
External customer sales	87 179	117 314	59 299	0	263 792
Inter-segment sales	968	6 184	0	–7 151 [1]	0
Sales of goods / rendering of services	**88 147**	**123 497**	**59 299**	**–7 151**	**263 792**
Reduction in gross sales	–1 965	–2 055	–662	0	–4 682
Revenues	**86 182**	**121 442**	**58 637**	**–7 151**	**259 110**
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**12 096**	**10 609**	**5 061**	**–54**	**27 712**
Depreciation / impairment – tangible assets	–2 671	–3 053	–1 530	0	–7 254
Amortisation – intangible assets	–119	–645	–1 163	0	–1 928
Profit (EBIT)	**9 305**	**6 911**	**2 368**	**–54**	**18 530**
Net financial expense					–1 734
Profit before taxes					**16 796**
Investments in non-current assets	**1 583**	**3 667**	**1 007**	**0** [2]	**6 258**

[1] Revenues as well as intercompany profits are eliminated on consolidation.
[2] Cash outflow from investments in property, plant and equipment as well as intangible assets.
[3] See Note 1

Geographic information

in CHF thousand	Jan – Jun 2018	Jan – Jun 2017 Restated[1]
Switzerland	207 817	200 272
Belgium	33 487	31 494
Netherlands	19 860	19 653
France	10 573	7 061
Germany	858	199
Austria	224	152
Scandinavia	117	0
USA	109	0
Great Britain	104	0
Spain	103	0
Other	491	279
Revenues	**273 742**	**259 110**

[1] See Note 1
The revenue information above is based on the location of the customer.

Property, plant, equipment and intangible assets

in CHF thousand	30.06.2018	31.12.2017	30.06.2017
Switzerland	288 874	254 901	254 970
Belgium	109 976	112 965	106 206
Germany	26 990	0	0
France	141	169	186
Total property, plant, equipment and intangible assets	**425 981**	**368 035**	**361 362**

5 Financial assets and liabilities at fair value

The following tables provide an overview of the financial instruments as per 30 June 2018, 31 December 2017 and 30 June 2017. There have been no significant changes in the applied valuation methods since the last annual report.

in CHF thousand	30.06.2018	Level 1	Level 2	Level 3
Financial assets measured at FVTPL				
Current financial assets at FV through profit and loss	287	70	217	0
Financial liabilities measured at FVTPL				
Derivative financial instruments	–88	0	–88	0

in CHF thousand	31.12.2017	Level 1	Level 2	Level 3
Financial assets measured at FVTPL				
Current financial assets at FV through profit and loss	301	94	207	0

in CHF thousand	30.06.2017	Level 1	Level 2	Level 3
Financial assets measured at FVTPL				
Current financial assets at FV through profit and loss	308	101	207	0
Financial liabilities measured at FVTPL				
Derivative financial instruments	–6	0	–6	0
Liability from earn-out agreements	–150	0	0	–150

The fair value of financial liabilities is estimated by the Group based on discounted future cash flows using interest rates currently available for debt on similar terms, credit risk and remaining maturities. Specified targets form the basis for earn-out payments.

6 Fixed assets

During the period from 1 January to 30 June 2018 the Group acquired assets in the amount of kCHF 7808 (2017: kCHF 6988), which resulted in a cash outflow of kCHF 7097 (2017: kCHF 6113).

7 Intangible assets

Intangible assets comprise the following items:

in CHF thousand	30.06.2018	31.12.2017	30.06.2017
Goodwill	162 450	135 632	132 835
Brands	60 737	55 528	55 528
Customer base	65 697	63 169	62 169
Software	2 109	2 205	2 286
Total intangible assets	**290 993**	**256 534**	**252 818**

Intangible assets with indefinite useful life are normally tested for impairment annually and when circumstances indicate the carrying amounts may be impaired. As of 30 June 2018 there were no such impairment indicators.

8 Dividend

The dividend for 2017 was paid in April 2018 in conformity with the decision taken at the Annual General Meeting on 12 April 2018. Shareholders approved the proposed dividend of CHF 2.17 per share, resulting in a total dividend of kCHF 14 083 (2017: kCHF 12 335).

9 Share capital

In March ORIOR placed 592 499 new shares at CHF 75.50 per new share. The net proceeds from the placement amount to CHF 43.7 million after deducton of the relevant capital increase costs. The net proceeds from the capital increase has been used to finance the acquisition of Thurella AG. The placed shares were sourced from ORIOR's existing authorised share capital.

10 Income taxes

The major components of income tax expense are:

in CHF thousand	Jan – Jun 2018	Jan – Jun 2017
Current income taxes	–3 958	–2 061
Movements of deferred taxes	871	98
Total	**–3 087**	**–1 963**

Total income taxes increased by kCHF 1 124. The difference in particular results on the one side from the use of tax loss carryforwards in a company in the prior-year and on the other side from higher income taxes due to the omission of a tax privilege of a company.

11 Revaluation of pension plan / Defined benefit obligations

The pension plans qualify as defined benefit plans under IAS 19. The decrease of the defined benefit obligation is mainly due to the updated discount rate.

12 Other non-cash transactions

The other non-cash transactions in the cash flow statement are related to the valuation of our long-term bank liabilities in EUR. Whereas the CHF/EUR exchange rate increased during the prior-year period, it decreased during the reporting period.

13 Financial income

The higher financial income in comparison with the prior-year period is driven by higher foreign exchange gains on foreign currency positions.

14 Events after the balance sheet date

At its meeting on 21 August 2018 the Board of Directors passed a resolution to change the Group's accounting standard from IFRS to Swiss GAAP FER. Swiss GAAP FER is an officially recognised accounting standard that will likewise provide an accurate representation of the company's financial position. A formal request to change the corresponding regulatory standard on the stock exchange will be submitted to SIX Exchange Regulation in the coming days. ORIOR intends to use the new Swiss GAAP FER accounting standard to prepare its annual financial statements for the year ended 31 December 2018.

Share information

Listing	SIX Swiss Exchange
Security number	11167736
ISIN code	CH0111677362
Ticker symbol	ORON
Shares entitled to dividend	All, except treasury shares
Voting rights	All registered shares have full voting rights

Major shareholders

According to the notifications received as of 15 August 2018, the following shareholders each own more than 3 % of ORIOR's share capital.

Shareholder	No. of shares	%	Source
Ernst Göhner Stiftung (CH)	682 000[1]	10.46	Notification 05.10.2012
UBS Fund Management AG (CH)	577 613	8.86	Notification 10.07.2018
Schroders Plc (GB)	288 856	4.88[3]	Notification 05.02.2015
Rolf U. Sutter / Group (CH)	200 150[2]	3.07	Notification 25.09.2015
Swisscanto Fondsleitung AG (CH)	194 429	3.28[3]	Notification 24.06.2015
Credit Suisse Funds AG (CH)	205 662	3.16	Notification 15.03.2018

1 This includes 62'000 shares purchased by Ernst Göhner Stiftung on 7 March 2018 as part of the capital increase. The corresponding media release was published on 7 March 2018.

2 This includes 500 ORIOR shares purchased by Rolf U. Sutter in October 2015 at special terms under an employee stock ownership program and subject to a mandatory holding period expiring 31 October 2018 and 350 ORIOR shares purchased by Rolf U. Sutter in May 2018 at special terms under an employee stock ownership program and subject to a mandatory holding period expiring 31 July 2021. The corresponding management transaction disclosures were issued on 30 October 2015 and on 30 May 2018.

3 Corresponds to the information given in the disclosure notifications and is based on ORIOR AG's total share capital prior to the capital increase conducted in March 2018.

Market information / key data

		30.06.2018	30.06.2017
Share price on 30.06.	in CHF	85.20	76.20
Year high (July – June)	in CHF	88.40	86.00
Year low (July – June)	in CHF	71.40	64.80
Market capitalisation on 30.06.	in CHF million	555.3	451.5
Net result per share	in CHF	2.25	2.51
Net result per share (diluted)	in CHF	2.25	2.51
Operating cash flow per share	in CHF	3.32	4.82
Equity per share	in CHF	51.61	42.93
Weighted Ø number of shares outstanding	in '000	6 273	5 905

The "per share" benchmark figures are calculated on the basis of the weighted average number of shares in circulation.

Corporate calendar

Publication of the Full Year Results 2018	04.03.2019
Publication of the Annual Report 2018	04.03.2019
9th Annual General Meeting	11.04.2019

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