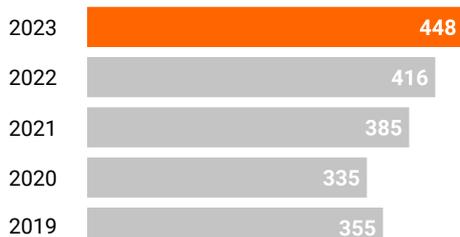


Key Figures

Net Sales

in CHF million

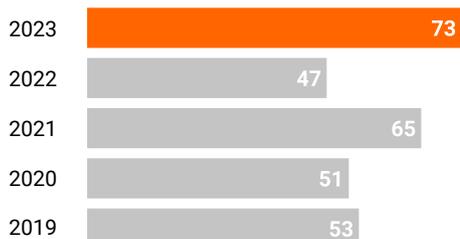
448.4



Operating Cash Flow

in CHF million

72.7



Earnings per Share (EPS)

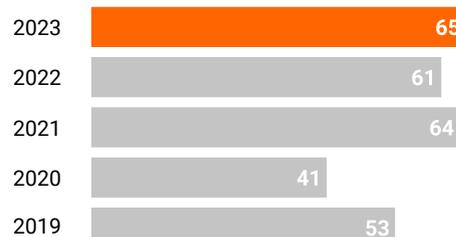
in CHF

5.29

Net Income

in CHF million

65.0



Earnings before Interest and Taxes (EBIT)

in CHF million

84.7

EBIT Margin

in % of net sales

18.9

Number of Employees

Full-time equivalents as at June 30

2'222

Belimo Posts Continued Growth



Patrick Burkhalter (left), Chairman of the Board of Directors, and Lars van der Haegen, CEO

Dear Shareholders,

In the first half of 2023, Belimo posted continued net sales growth of 12.4% in local currencies versus the first half of 2022. In Swiss francs, net sales increased by 7.7% to CHF 448.4 million.

The Company's history of organic growth is continuing. In most of its major countries, Belimo achieved high single- to double-digit net sales growth in the reporting period. The Group performed particularly strongly in the Americas, where it was able to sustain the market share gained last year and strengthen its position by convincing newly acquired customers of the advantages that Belimo offers – not only in terms of superior product availability, but also in terms of customer service excellence. In addition, sales generated in India, currently one of the world's strongest heating, ventilation, and air conditioning (HVAC) markets, grew exceptionally well.

Net Sales by Market Regions

| in CHF 1'000 | 1 st half 2023 | | | | 1 st half 2022 | | | |
|--------------|---------------------------|-----------------|---------------|----------------------------|---------------------------|-----------------|---------------|----------------------------|
| | Net sales | % ¹⁾ | Growth in CHF | Growth in local currencies | Net sales | % ¹⁾ | Growth in CHF | Growth in local currencies |
| EMEA | 201'855 | 45% | 4.1% | 9.3% | 193'940 | 47% | -0.7% | 4.3% |
| Americas | 193'397 | 43% | 11.6% | 14.9% | 173'238 | 42% | 20.9% | 17.1% |
| Asia Pacific | 53'111 | 12% | 7.9% | 16.1% | 49'243 | 12% | 7.0% | 4.4% |
| Total | 448'363 | 100% | 7.7% | 12.4% | 416'421 | 100% | 8.2% | 9.1% |

¹⁾ in % of total net sales

Regarding the Company's business lines, control valves continued to record double-digit growth rates, particularly in the Americas, suggesting further market share gains. At the same time, sensors and meters gained further traction, while Belimo also grew in damper actuators despite its already high market penetration.

Net Sales by Business Lines

| in CHF 1'000 | 1 st half 2023 | | | | 1 st half 2022 | | | |
|--------------------|---------------------------|-----------------|---------------|----------------------------|---------------------------|-----------------|---------------|----------------------------|
| | Net sales | % ¹⁾ | Growth in CHF | Growth in local currencies | Net sales | % ¹⁾ | Growth in CHF | Growth in local currencies |
| Damper Actuators | 212'809 | 47% | -0.9% | 3.8% | 214'749 | 52% | 4.4% | 5.7% |
| Control Valves | 217'289 | 48% | 15.7% | 20.5% | 187'733 | 45% | 10.9% | 11.1% |
| Sensors and Meters | 18'266 | 4% | 31.0% | 38.1% | 13'939 | 3% | 42.1% | 43.3% |
| Total | 448'363 | 100% | 7.7% | 12.4% | 416'421 | 100% | 8.2% | 9.1% |

¹⁾ in % of total net sales

Material costs, which were on the rise in 2022 owing to supply disruptions, higher energy costs, and inflation, started to normalize in recent months. However, there is still a spillover effect into 2023 due to the Company's long supply chain and gradual passing on of inflation by suppliers. Consequently, the Group implemented price adjustments in the first half of the year.

Financials

In terms of profitability, earnings before interest and taxes (EBIT) rose to CHF 84.7 million in the first half of 2023 (first half 2022: CHF 76.7 million), and the EBIT margin improved to 18.9% (first half 2022: 18.4%). Belimo achieved a net income of CHF 65.0 million (first half 2022: CHF 61.3 million) and earnings per share of CHF 5.29 (first half 2022: CHF 4.99).

The Group generated a free cash flow of CHF 79.6 million (first half 2022: CHF 81.7 million), which includes a divestment of term deposits of CHF 25.0 million (first half 2022: CHF 60.0 million). Net liquidity at the end of June 2023

came to CHF 48.0 million, and the equity ratio was 73.8%. Supply chain management was kept stable, and the supply situation for critical components eased, particularly for electronics. Belimo is now actively reducing stock according to the risk profile of each item and is seeing the market become more efficient again, with fewer goods in transit. Based on this, Belimo expects the respective inventories to return to pre-COVID-19 levels toward year-end 2024. However, net working capital increased due to higher trade receivables balances.

EMEA

The EMEA market region registered net sales of CHF 201.9 million in the first half of 2023. This corresponds to an increase of 9.3% in local currencies (4.1% in Swiss francs). In the first quarter of 2022, the war in Ukraine prompted Belimo to exit the Russian market, which continued to show directly and indirectly in the Group's sales performance. Despite signs of recession in the EMEA market region, Belimo has not seen any weakness in the non-residential building market, with its largest markets – Germany, Italy, France, and Switzerland – recording single- to double-digit growth in the reporting period.

In Germany, the export-oriented original equipment manufacturer (OEM) business performed significantly better than the domestic contracting business. The trend toward electrification is leading to an increase in the number of fossil-fueled boilers being replaced with heat pumps. These upgrades also require new and more sustainable control valves, sensors, and meters in the central plant. Furthermore, the building's hydronic system is often upgraded to ensure that the energy consumption is controlled as efficiently as possible.

From a vertical market perspective, data centers again stood out as a particularly successful segment across the EMEA market region.

Americas

In the Americas market region, Belimo registered net sales of CHF 193.4 million in the first half of 2023, corresponding to 14.9% growth in local currencies (11.6% in Swiss francs). As in the previous year, the region is still affected by the high inflation rate, but the HVAC market remains resilient despite less robust general economic growth.

After gaining market shares in 2022 owing to superior lead times for its products, Belimo was able to secure most of its new customers in the first half of 2023 by demonstrating its strong supply chain, smooth logistics, and extensive HVAC application know-how. Demand in the data center market remained strong, driving sales in both the contracting and OEM channels.

Other sectors of growth are numerous large-scale projects in the semiconductor and electric vehicle industry, with new factories currently being built in the wake

of reshoring in response to previous supply disruptions and geopolitical tensions.

Asia Pacific

The Asia Pacific market region reported CHF 53.1 million in sales in the first half of 2023, corresponding to an increase of 16.1% in local currencies (7.9% in Swiss francs).

In China, the Company's performance has not reached pre-COVID-19 levels yet. The main underlying reasons for this are concerns regarding growth prospects and increased uncertainty around geopolitical developments. As a result, foreign direct investments in construction are increasingly being diverted to other Asian countries.

Meanwhile in India, the HVAC business is flourishing. Belimo was able to exploit this development and succeeded in increasing its Indian market presence. This, as well as healthy growth in other countries in the Asia Pacific market region, helped compensate for some of the slow growth in China. Data centers, hospitals, pharma buildings, and technology parks are proving to be India's most attractive vertical markets for Belimo, but infrastructure such as airports or subway network expansions are also contributing favorably. In addition, increasing energy efficiency requirements are driving growth, with more and more buildings being constructed according to either domestic or international green building standards. The industrial sector is also seeing a lot of additional demand as multinationals build up their operations to benefit from India's growth.

Growth Strategy and Innovation

The Group’s long-term growth strategy consists of the following six initiatives geared toward increasing customer value and advancing solution leadership.

Customer Value

RetroFIT+

Accelerate the renewal of the installed base (retrofit).

Grow Asia Pacific

Ensure market leadership in the fastest growing market.

Digital Customer Experience

Innovate our customers’ experience.

Solution Leadership

Damper Actuators and Control Valves

Grow business and expand market leadership.

Sensors and Meters

Expand range of comfort, energy, and safety sensors, and increase market share.

Digital Ecosystem

Enable seamless access to device data.



Strategy Update

In the period under review, Belimo continued to expand its sales organization with Regional Application Specialists and Business Development Managers, who support our customers from the initial **RetroFIT+** project assessment all the way through to successful completion. Meanwhile, under the **Grow Asia Pacific** initiative, the Company continued to expand its market presence in China and particularly in India by increasing its sales and marketing resources. To further drive the **Digital Customer Experience** initiative, BIM (Building Information Modeling) specialists were appointed in all significant subsidiaries. Regarding the fundamental renewal of the core platforms for **Damper Actuators and Control Valves**, the Company reached another milestone in the product development process and is on track to launch the platforms in the coming years. Within its **Sensors and Meters** initiative, Belimo released BACnet and Modbus-compatible room sensors and room operating units. Lastly, the **Digital Ecosystem** also continued to grow with new collaborators joining.

Strategy Deep Dive: Customer Value

RetroFIT+

Only 2% of the world’s buildings are newly constructed each year. This means that concentrating on existing buildings represents the most significant opportunity for reducing greenhouse gas emissions. The renovation rate must, however, be doubled if the ambitious climate targets stipulated by such initiatives as the European Green Deal are to be achieved. Upgrading existing

buildings also requires highly experienced engineers and technicians, which limits overall output capacity. Consequently, this initiative intends to support customers in eliminating bottlenecks and streamlining processes.

Grow Asia Pacific

The aim of this initiative is to safeguard the Group's market leadership in the most rapidly expanding market. Most decisive for the success of Belimo in Asia is its focus on China and India, the world's two most populous nations. In China, a city cluster hub strategy was implemented in 2017 and has since led to significant gains in market share.

In India, the main pillars of the strategy are a focus on specific vertical markets such as data centers, pharma buildings, and hospitals by building up the sales network for advising consulting engineers and end users plus the expansion of local presence through the establishment of hub offices, especially in high-growth regions.

Digital Customer Experience

The Digital Customer Experience initiative is directed at enlisting a digitally adept generation of technicians and engineers as digital tools and interactions gain ground in the HVAC industry.

Strategy Deep Dive: Solution Leadership

Damper Actuators and Control Valves

The largest sales contribution in the growth plan for the period leading up to 2030 is expected to come from damper actuators and control valves. This expectation is underscored by a dedicated initiative for growing the business and expanding market leadership by leveraging the economies of scale that result from having the biggest share of the market. Over the next few years, Belimo will be making extraordinary investments in the fundamental renewal of its core platforms for both damper actuators and control valves, while at the same time fully integrating its sensors and meters product range. This will allow a seamless design, installation, and commissioning experience across the product range offering, as the field devices will become more integrated and require consistent interfaces in the evolving building automation architecture.

Sensors and Meters

As part of its dedicated sensors and meters initiative, Belimo is expanding its range of these products.

Digital Ecosystem

In the coming years, most building automation and control systems (BACS) will evolve into cloud-based and building IoT (BIoT) systems. In light of these trends and the increasing interest of building operators in energy data and predictive maintenance, the digital connectivity of Belimo devices will be of increasing

importance. A well-designed digital ecosystem will allow seamless integration, providing easy access to data from damper actuators, control valves, sensors, and meters. With Belimo already recognized as the leader in this domain, leveraging platform capabilities, edge logic, and allowing seamless access to device data will become a strong point of differentiation and a source of additional growth.

Outlook

Belimo is confident that the development of all three of its market regions will continue into the second half of 2023. The Company expects the demand for both new buildings and the refurbishment of existing buildings to remain robust.

For the full year, Belimo is continuing to base its planning on a sales revenue growth rate in local currencies around its five-year average. This outlook includes the Group's expectation that sales revenue growth will slow down slightly in the second half of 2023 compared to the second half of last year. The second half of 2022 was markedly stronger than the first six months despite the shorter business period due to the shorter construction activity in December. Last year, Belimo was able to capitalize on the supply chain situation and implement additional price increases in the second half-year. Slower revenue growth in the second half-year of 2023 is likely to have a corresponding impact on the EBIT margin, as generally observed in the Company's growth trend in recent years.

In the **EMEA** market region, the Company foresees a corresponding normalization in sales in the second half of 2023 across all countries on a year-on-year basis in local currencies. However, in the coming years, the revised Energy Performance of Buildings Directive (EPBD) will be a noteworthy regulatory driver in the market region, with the mandatory installation of BACS in non-residential buildings with a heating or cooling load of more than 290 kW and the subsequent threshold reduction to 70 kW by 2030. Together with the general drive for greater energy efficiency, this will increase the backlog of retrofit projects going forward.

In the **Americas** market region, Belimo is likely to experience a similar sales development in the second half of 2023 to EMEA. With the supply chain slowly going back to normal, the associated market share gains seen in the previous year will be lacking as an additional growth driver in 2023. From a long-term perspective, growth in the HVAC market will be supported by the US Inflation Reduction Act (IRA) because of its funding and the way it incentivizes a more sustainable approach to construction.

In the **Asia Pacific** market region, the Group expects sales to accelerate slightly toward the end of the year – comparing the second half-year of 2023 to the same period in 2022 on a local currency basis. Sales in China are expected to increase somewhat, as the underlying demand for infrastructure buildings, data centers, and healthcare facilities is anticipated to pick up. Sales in India point to

further acceleration in 2023. The outlook for the other countries in the market region is also largely positive.

Persisting uncertainty about the direction of the global economy, signs of recession, and higher interest rates might have a negative impact on investment decisions in the non-residential building market. However, if new construction business weakens as a result of higher interest rates, refurbishment is likely to gain momentum with a time lag, opening up further growth potential for Belimo.

Belimo is thus strongly positioned as the market leader in energy-efficient HVAC field devices, with growth prospects remaining attractive. The urbanization and climate change megatrends underlying the building automation industry are driving demand for indoor air quality and energy efficiency, supporting above-GDP growth potential. The Group will therefore pursue its long-term growth strategy unwaveringly and invest in its strategic initiatives and capacity expansion.

On behalf of the Board of Directors and the Executive Committee of Belimo, we would like to thank all our esteemed stakeholders for the ongoing trust you place in us and your contribution to the success of Belimo.

BELIMO Holding AG



Patrick Burkhalter
Chairman of the Board of Directors



Lars van der Haegen
CEO

Consolidated Income Statement

| in CHF 1'000 | Note | 1 st half 2023 | % ¹⁾ | 1 st half 2022 | % ¹⁾ |
|---|------|------------------------------|-----------------|------------------------------|-----------------|
| Net sales | 2 | 448'363 | 100.0 | 416'421 | 100.0 |
| Material expenses | | -175'362 | -39.1 | -176'264 | -42.3 |
| Changes in inventories | | -2'716 | -0.6 | 8'975 | 2.2 |
| Personnel expenses | | -121'322 | -27.1 | -112'537 | -27.0 |
| Other operating expenses | | -50'366 | -11.2 | -44'537 | -10.7 |
| Other operating income | 2 | 3'644 | 0.8 | 3'570 | 0.9 |
| Earnings before interest, taxes, depreciation, and amortization (EBITDA) | | 102'242 | 22.8 | 95'628 | 23.0 |
| Depreciation of property, plant and equipment | | -13'758 | -3.1 | -14'266 | -3.4 |
| Amortization of intangible assets | | -3'740 | -0.8 | -4'674 | -1.1 |
| Earnings before interest and taxes (EBIT) | | 84'744 | 18.9 | 76'688 | 18.4 |
| Financial income | | 142 | - | 379 | 0.1 |
| Financial expenses | 3 | -2'982 | -0.7 | -612 | -0.1 |
| Net foreign exchange loss | | -2'858 | -0.6 | -1'321 | -0.3 |
| Financial result | | -5'698 | -1.3 | -1'555 | -0.4 |
| Earnings before taxes (EBT) | | 79'045 | 17.6 | 75'134 | 18.0 |
| Income taxes | | -14'070 | -3.1 | -13'870 | -3.3 |
| Net income | | 64'975 | 14.5 | 61'264 | 14.7 |
| Attributable to shareholders of BELIMO Holding AG | | 65'052 | 14.5 | 61'329 | 14.7 |
| Attributable to non-controlling interests | | -77 | - | -65 | - |
| Earnings per share (EPS) in CHF | | 5.29 | | 4.99 | |

There are no options or other instruments that could have a dilutive effect.

¹⁾ in % of net sales

Alternative Performance Measures are described [here](#).

Consolidated Statement of Comprehensive Income

| in CHF 1'000 | Note | 1 st half 2023 | 1 st half 2022 |
|--|------|------------------------------|------------------------------|
| Net income | | 64'975 | 61'264 |
| Currency translation adjustment | | -5'339 | 2'976 |
| Tax effect | | 267 | -179 |
| Items that may be reclassified to the income statement | | -5'072 | 2'797 |
| Remeasurement of post-employment benefits | | -3'346 | -1'085 |
| Tax effect | | 652 | 212 |
| Items that will not be reclassified to the income statement | | -2'693 | -873 |
| Other comprehensive income, net of tax | | -7'765 | 1'924 |
| Total comprehensive income | | 57'210 | 63'188 |
| Attributable to shareholders of BELIMO Holding AG | | 57'287 | 63'260 |
| Attributable to non-controlling interests | | -77 | -71 |

Consolidated Balance Sheet

| in CHF 1'000 | Note | June 30, 2023 | December 31, 2022 |
|--|------|------------------|----------------------|
| Cash and cash equivalents | | 67'757 | 86'780 |
| Trade receivables | 2 | 137'625 | 110'418 |
| Inventories | | 163'598 | 176'098 |
| Other current assets | | 14'961 | 39'718 |
| Current tax assets | | 997 | 1'034 |
| Current assets | | 384'937 | 414'048 |
| Property, plant and equipment | | 216'883 | 217'007 |
| Intangible assets | | 22'398 | 22'340 |
| Non-current financial assets | 3 | 6'438 | 6'801 |
| Deferred tax assets | | 12'571 | 11'787 |
| Non-current assets | | 258'290 | 257'935 |
| Assets | | 643'227 | 671'983 |
| Trade payables | | 31'467 | 26'390 |
| Other current liabilities | | 80'114 | 77'286 |
| Current financial liabilities | 3 | 12'603 | 3'495 |
| Current provisions | 4 | 8'475 | 6'855 |
| Current tax liabilities | | 19'486 | 19'611 |
| Current liabilities | | 152'145 | 133'637 |
| Non-current financial liabilities | | 7'488 | 7'977 |
| Non-current provisions | 4 | 959 | 930 |
| Non-current employee benefit liabilities | | 5'234 | 5'168 |
| Deferred tax liabilities | | 2'972 | 2'514 |
| Non-current liabilities | | 16'653 | 16'589 |
| Liabilities | | 168'799 | 150'226 |
| Equity attributable to shareholders of BELIMO Holding AG | | 474'576 | 521'828 |
| Equity attributable to non-controlling interests | | -148 | -71 |
| Total equity | | 474'428 | 521'757 |
| Liabilities and equity | | 643'227 | 671'983 |

Consolidated Statement of Changes in Equity

| in CHF 1'000 | Share capital | Treasury shares | Capital reserves | Other reserves | Retained earnings | Attributable to shareholders of BELIMO Holding AG | Attributable to non- controlling interests | Total equity |
|--|------------------|--------------------|---------------------|-------------------|----------------------|---|---|----------------|
| As at January 1, 2022 | 615 | -606 | 24'113 | -15'999 | 503'176 | 511'299 | 37 | 511'336 |
| Net income | | | | | 61'329 | 61'329 | -65 | 61'264 |
| Other comprehensive income, net of tax | | | | 2'804 | -873 | 1'931 | -7 | 1'924 |
| Total comprehensive income | | | | 2'804 | 60'456 | 63'260 | -71 | 63'188 |
| Purchase of treasury shares | | -553 | | | | -553 | - | -553 |
| Dividends | | | | | -104'531 | -104'531 | - | -104'531 |
| As at June 30, 2022 | 615 | -1'159 | 24'113 | -13'196 | 459'101 | 469'475 | -34 | 469'441 |
| As at January 1, 2023 | 615 | -552 | 23'913 | -21'745 | 519'597 | 521'828 | -71 | 521'757 |
| Net income | | | | | 65'052 | 65'052 | -77 | 64'975 |
| Other comprehensive income, net of tax | | | | -5'072 | -2'693 | -7'765 | - | -7'765 |
| Total comprehensive income | | | | -5'072 | 62'359 | 57'287 | -77 | 57'210 |
| Dividends | | | | | -104'539 | -104'539 | - | -104'539 |
| As at June 30, 2023 | 615 | -552 | 23'913 | -26'817 | 477'416 | 474'576 | -148 | 474'428 |

Consolidated Statement of Cash Flows

| in CHF 1'000 | Note | 1 st half 2023 | 1 st half 2022 |
|---|------|------------------------------|------------------------------|
| Net income | | 64'975 | 61'264 |
| Income taxes | | 14'070 | 13'870 |
| Interest result | | 1'300 | 267 |
| Depreciation of property, plant and equipment | | 13'758 | 14'266 |
| Amortization of intangible assets | | 3'740 | 4'674 |
| Gain on sale of property, plant and equipment | | -99 | -156 |
| Non-cash items non-current employee benefits | | -3'214 | -936 |
| Other non-cash items | | 270 | 174 |
| Change in net working capital | | -14'504 | -46'932 |
| Change in other current assets and liabilities | | 4'561 | 10'068 |
| Change in provisions | 4 | 1'655 | 460 |
| Income taxes paid | | -13'765 | -10'496 |
| Cash flow from operating activities | | 72'748 | 46'522 |
| Investments in property, plant and equipment | | -14'626 | -21'539 |
| Investments in intangible assets | | -4'067 | -3'644 |
| Purchase of financial assets | | -39 | -190 |
| Proceeds from sale of property, plant and equipment | | 131 | 207 |
| Proceeds from sale of financial assets ¹⁾ | | 25'364 | 60'279 |
| Interest received | | 109 | 61 |
| Cash flow from investing activities | | 6'871 | 35'174 |
| Purchase of treasury shares | | - | -553 |
| Dividends paid | 5 | -104'539 | -104'531 |
| Interest paid | | -970 | -313 |
| Repayment of financial borrowings | 3 | -50'798 | - |
| Repayment of lease liabilities | | -1'881 | -1'972 |
| Proceeds from financial borrowings | 3 | 60'228 | - |
| Cash flow from financing activities | | -97'961 | -107'368 |
| Currency translation adjustment in respect of cash and cash equivalents | | -681 | 190 |
| Change in cash and cash equivalents | | -19'023 | -25'482 |
| Cash and cash equivalents at beginning of period | | 86'780 | 109'408 |
| Cash and cash equivalents at end of period | | 67'757 | 83'926 |

¹⁾ CHF 25.0 million in term deposits with maturities of more than three months from the date of acquisition were divested in the reporting period (first half 2022: CHF 60.0 million).

Notes to the Consolidated Financial Statements

General

Corporate Information

The Belimo Group (hereinafter referred to as “Belimo” or “the Group”) is the global market leader in the development, production, and sales of field devices for the energy-efficient control of heating, ventilation, and air conditioning systems. The focus of the core business is on damper actuators, control valves, sensors and meters. The shares of BELIMO Holding AG have been listed on the SIX Swiss Exchange since 1995. The registered office is in Hinwil (Switzerland). The business activities of Belimo are not subject to any significant seasonal fluctuations.

Basis of Preparation

These unaudited interim consolidated financial statements 2023 have been prepared in accordance with accounting standard IAS 34 Interim Financial Reporting and should be read in conjunction with the annual consolidated financial statements 2022. In general, the same estimates, assumptions, and judgements as in the annual consolidated financial statements 2022 were applied. However, income taxes were calculated using the expected tax rate for the 2023 financial year. The Group analyzed the development of plan assets and IAS 19 discount rates and concluded that the asset ceiling remains applicable. Therefore, the surplus was not recognized as a non-current asset as of June 30, 2023 (June 30, 2022: zero).

The ongoing war in Ukraine and the sanctions against Russia had no material impact on significant accounting estimates, assumptions, and judgements.

The consolidated financial statements are presented in Swiss francs (CHF), rounded to the nearest thousand. Due to rounding, amounts presented throughout this report may not add up precisely to the totals provided. All ratios and variances were calculated using the underlying amount rather than the presented rounded amount.

Changes in Presentation / Restatement

Depreciation of property, plant and equipment and amortization of intangible assets are now shown as two separate line items. This change in presentation has been applied retrospectively with no financial impact on EBIT, net income, or equity.

Changes in Accounting Policies

The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2022, except for the adoption of new standards effective as of January 1, 2023. The Group has not early adopted any standard, interpretation, or amendment that has been issued but is not yet effective. Several amendments apply for the first time in 2023, but do not have an impact on the interim consolidated financial statements of the Group. In May 2023, the International Tax Reform – Pillar Two Model Rules – Amendments to IAS 12, have been issued. The Group has applied the exception to recognize and disclose deferred tax assets and liabilities related to Pillar Two income taxes.

1 Change to the Scope of Consolidation

In 2022 and the first half of 2023, there were no changes to the scope of consolidation.

| in CHF 1'000 | EMEA | Americas | Asia Pacific | Shared Services | Elimination | Total |
|------------------------------------|----------------|----------------|---------------|-----------------|--------------|----------------|
| 1st half 2022 | | | | | | |
| Income statement | | | | | | |
| Net sales – Third parties | 193'940 | 173'238 | 49'243 | - | - | 416'421 |
| Operating expenses | -27'501 | -23'067 | -8'805 | -106'803 | 9'102 | -157'074 |
| Other operating income | 409 | - | 666 | 2'495 | - | 3'570 |
| Depreciation and amortization | -2'197 | -2'311 | -1'781 | -12'649 | - | -18'939 |
| Segment profit | 164'651 | 147'860 | 39'323 | -116'957 | 9'102 | 243'978 |
| Unallocated material expenses | | | | | | -176'264 |
| Unallocated changes in inventories | | | | | | 8'975 |
| Unallocated financial result | | | | | | -1'555 |
| Earnings before taxes (EBT) | | | | | | 75'134 |

Cash effective investments in property, plant and equipment and intangible assets

| | | | | | | |
|--|-------|-----|-------|--------|---|--------|
| | 2'191 | 216 | 2'992 | 19'784 | - | 25'184 |
|--|-------|-----|-------|--------|---|--------|

Balance sheet as at December 31, 2022

| | | | | | | |
|---|--------|--------|--------|---------|---------|----------------|
| Trade receivables – Third parties | 42'201 | 49'817 | 18'400 | - | - | 110'418 |
| Trade receivables – Group companies | 22'285 | 2'004 | 9 | - | -24'298 | - |
| Property, plant and equipment and intangible assets | 26'082 | 45'514 | 25'867 | 141'884 | - | 239'348 |
| Unallocated assets | | | | | | 322'218 |
| Total assets | | | | | | 671'983 |

Net sales development compared to the previous year in the market regions was as follows:

| in CHF 1'000 | 1 st half 2023 | | | | 1 st half 2022 | | | |
|--------------|---------------------------|-----------------|---------------|----------------------------|---------------------------|-----------------|---------------|----------------------------|
| | Net sales | % ¹⁾ | Growth in CHF | Growth in local currencies | Net sales | % ¹⁾ | Growth in CHF | Growth in local currencies |
| EMEA | 201'855 | 45% | 4.1% | 9.3% | 193'940 | 47% | -0.7% | 4.3% |
| Americas | 193'397 | 43% | 11.6% | 14.9% | 173'238 | 42% | 20.9% | 17.1% |
| Asia Pacific | 53'111 | 12% | 7.9% | 16.1% | 49'243 | 12% | 7.0% | 4.4% |
| Total | 448'363 | 100% | 7.7% | 12.4% | 416'421 | 100% | 8.2% | 9.1% |

¹⁾ in % of total net sales

The net sales by business lines were as follows:

| in CHF 1'000 | 1 st half 2023 | | | | 1 st half 2022 | | | |
|--------------------|---------------------------|-----------------|---------------|----------------------------|---------------------------|-----------------|---------------|----------------------------|
| | Net sales | % ¹⁾ | Growth in CHF | Growth in local currencies | Net sales | % ¹⁾ | Growth in CHF | Growth in local currencies |
| Damper Actuators | 212'809 | 47% | -0.9% | 3.8% | 214'749 | 52% | 4.4% | 5.7% |
| Control Valves | 217'289 | 48% | 15.7% | 20.5% | 187'733 | 45% | 10.9% | 11.1% |
| Sensors and Meters | 18'266 | 4% | 31.0% | 38.1% | 13'939 | 3% | 42.1% | 43.3% |
| Total | 448'363 | 100% | 7.7% | 12.4% | 416'421 | 100% | 8.2% | 9.1% |

¹⁾ in % of total net sales

Overall, movements in exchange rates had an effect of -4.8 percentage points on net sales (first half 2022: -0.8 percentage points).

3 Financial Instruments

| in CHF 1'000 | Carrying amounts | |
|---|------------------|----------------------|
| | June 30, 2023 | December 31, 2022 |
| Financial assets held to collect measured at amortized cost | | |
| Cash and cash equivalents | 67'757 | 86'780 |
| Term deposits ¹⁾ | - | 25'000 |
| Trade receivables | 137'625 | 110'418 |
| Other receivables | 1'018 | 860 |
| Financial assets | 1'264 | 1'626 |
| Total | 207'664 | 224'684 |
| Financial assets measured at fair value through OCI | | |
| Investments ^{2) 4)} | 2'774 | 2'774 |
| Total | 2'774 | 2'774 |
| Financial assets measured at fair value through profit and loss | | |
| Investments ^{2) 4)} | 2'401 | 2'401 |
| Derivative financial instruments ³⁾ | 274 | 1'305 |
| Total | 2'675 | 3'705 |
| Financial liabilities measured at amortized cost | | |
| Trade payables | 31'467 | 26'390 |
| Current financial liabilities | 12'603 | 3'495 |
| Non-current financial liabilities | 7'488 | 7'977 |
| Other liabilities and accrued expenses qualifying as financial instruments | 36'339 | 38'732 |
| Total | 87'897 | 76'595 |
| Financial liabilities measured at fair value through profit and loss | | |
| Derivative financial instruments ³⁾ | 452 | 231 |
| Total | 452 | 231 |

¹⁾ Term deposits are presented within "other current assets" as of December 31, 2022 in the primary statement.

²⁾ Measured at fair values that are calculated based on factors that are not observable market data (level 3).

³⁾ Measured at fair values that are calculated based on observable market data (level 2).

⁴⁾ Investments are presented within "non-current financial assets" in the primary statement.

In the first half of 2023, Belimo utilized committed credit lines in the amount of CHF 60.2 million to cover short-term financing needs (2022: no use of credit lines). Thereof, CHF 50.7 million have been repaid in the reporting period (first half 2022: zero). As of June 30, 2023, CHF 9.0 million were outstanding and reported in current financial liabilities (December 31, 2022: none).

For financial assets and financial liabilities not measured at fair value in the table above (excluding lease liabilities), the carrying amount is a reasonable approximation of fair value. In accordance with IFRS, the fair value of the lease liabilities is neither calculated nor disclosed.

The Group did not perform any quantitative sensitivity analysis as at June 30, 2023 and at December 31, 2022 for the financial instruments measured at fair value, as they are considered to be immaterial.

4 Provisions

| in CHF 1'000 | Warranties | Others | Total 2023 | Warranties | Others | Total 2022 |
|------------------------------------|--------------|--------------|--------------|--------------|--------------|---------------|
| As at January 1 | 5'100 | 2'685 | 7'785 | 5'652 | 4'804 | 10'457 |
| Increase | 1'717 | 3'693 | 5'410 | 2'846 | 4'192 | 7'038 |
| Utilization | -1'161 | -2'308 | -3'469 | -2'996 | -5'623 | -8'619 |
| Reversals | -186 | -100 | -286 | -402 | -692 | -1'094 |
| Translation differences | - | -7 | -7 | - | 3 | 3 |
| As at June 30 / December 31 | 5'470 | 3'963 | 9'434 | 5'100 | 2'685 | 7'785 |
| of which current provisions | 4'511 | 3'963 | 8'475 | 4'170 | 2'685 | 6'855 |
| of which non-current provisions | 959 | - | 959 | 930 | - | 930 |

Provisions for warranties were calculated considering experienced returns in the past as well as current sales developments. They generally cover product and replacement costs for a warranty period of five years. Product liability incidents with property, plant and equipment damages were considered separately on a case-by-case basis.

Other provisions mainly included expected costs for legal litigations and for non-income tax risks.

5 Share Capital / Dividend

As per the resolution of the Annual General Meeting of BELIMO Holding AG held on March 27, 2023, a dividend of CHF 8.50 per registered share (2022: CHF 8.50) was paid out on March 31, 2023. In total, a dividend payment of CHF 104.5 million (2022: CHF 104.5 million) was made.

6 Foreign Exchange Rates

The consolidated financial statements are based on the following closing and average exchange rates (rounded) for the main currencies:

| in CHF | Closing rates | | Average rates | |
|--------|------------------|----------------------|------------------------------|------------------------------|
| | June 30, 2023 | December 31, 2022 | 1 st half 2023 | 1 st half 2022 |
| CAD | 0.68 | 0.68 | 0.68 | 0.74 |
| CNY | 0.12 | 0.13 | 0.13 | 0.15 |
| EUR | 0.98 | 0.98 | 0.99 | 1.04 |
| PLN | 0.22 | 0.21 | 0.21 | 0.22 |
| USD | 0.90 | 0.92 | 0.92 | 0.94 |

7 Events after the Reporting Date

On July 21, 2023, the Board of Directors of BELIMO Holding AG approved the present interim consolidated financial statements for release. As of this date, no material events after the reporting date have occurred.

Five-Year Financial Summary

Net Sales by Market Region

| in CHF 1'000 (unless indicated otherwise) | 1 st half 2023 | 1 st half 2022 | 1 st half 2021 | 1 st half 2020 | 1 st half 2019 |
|--|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| EMEA | 201'855 | 193'940 | 195'392 | 166'026 | 170'251 |
| Americas | 193'397 | 173'238 | 143'319 | 130'353 | 142'153 |
| Asia Pacific | 53'111 | 49'243 | 46'015 | 39'116 | 42'826 |
| Group | 448'363 | 416'421 | 384'727 | 335'495 | 355'229 |
| Growth in local currencies, in % | 12.4% | 9.1% | 16.9% | -1.4% | 9.9% |
| Growth in CHF, in % | 7.7% | 8.2% | 14.7% | -5.6% | 9.3% |

Income Statement

| in CHF 1'000 (unless indicated otherwise) | 1 st half 2023 | 1 st half 2022 | 1 st half 2021 | 1 st half 2020 | 1 st half 2019 |
|--|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| Net sales | 448'363 | 416'421 | 384'727 | 335'495 | 355'229 |
| Earnings before interest, taxes, depreciation, and amortization (EBITDA) | 102'242 | 95'628 | 91'842 | 70'969 | 81'592 |
| Earnings before interest and taxes (EBIT) | 84'744 | 76'688 | 75'615 | 55'417 | 66'966 |
| Net income | 64'975 | 61'264 | 63'679 | 41'203 | 53'255 |
| EBIT margin, in % | 18.9% | 18.4% | 19.7% | 16.5% | 18.9% |

Cash Flow

| in CHF 1'000 (unless indicated otherwise) | 1 st half 2023 | 1 st half 2022 | 1 st half 2021 | 1 st half 2020 | 1 st half 2019 |
|--|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| Cash flow from operating activities | 72'748 | 46'522 | 64'588 | 50'780 | 52'979 |
| Free cash flow ¹⁾ | 79'619 | 81'696 | 52'109 | 38'806 | 25'974 |
| Free cash flow in % of net sales | 17.8% | 19.6% | 13.5% | 11.6% | 7.3% |

¹⁾ CHF 25.0 million in term deposits with maturities of more than three months from the date of acquisition were divested in the reporting period (first half 2022: CHF 60.0 million).

Balance Sheet

| in CHF 1'000 (unless indicated otherwise) | June 30, 2023 | December 31, 2022 | December 31, 2021 | December 31, 2020 | December 31, 2019 |
|--|------------------|----------------------|----------------------|----------------------|----------------------|
| Total assets | 643'227 | 671'983 | 642'671 | 583'458 | 602'002 |
| Total liabilities | 168'799 | 150'226 | 131'335 | 94'195 | 94'658 |
| Total equity | 474'428 | 521'757 | 511'336 | 489'263 | 507'344 |
| Equity ratio | 73.8% | 77.6% | 79.6% | 83.9% | 84.3% |

Alternative Performance Measures are described [here](#).

Legal Notice

This report contains comments relating to future developments that are based on assumptions and estimates made by BELIMO Holding AG. Although the Company assumes the expectations of these forward-looking statements to be realistic, they contain risks. Because of this, the actual results might be significantly different from the forward-looking statements.

Various factors may cause actual results to differ materially in the future from those reflected in the forward-looking statements contained in this report including:

- Changes in the economic and business environment.
- Exchange rate and interest rate changes.
- The introduction of competing products.
- Inadequate acceptance of new products or services.
- Changes in the business strategy.

BELIMO Holding AG neither plans nor commits itself to keep these forward-looking statements up to date.

Credits

Concept/Editing

BELIMO Holding AG, Hinwil (Switzerland)

Design/Realization

NeidhartSchön AG, Zurich (Switzerland)

Photography

Florian Bilger, Freiburg (Germany)

This Semiannual Report 2023 was published on July 24, 2023. A German translation of the management report is available; the English version is binding.

Financial Agenda

| | |
|---|------------------|
| Publication of Sales 2023 | January 22, 2024 |
| Publication of Annual Report 2023/Media and Financial Analysts Conference | March 4, 2024 |
| Annual General Meeting 2024 | March 25, 2024 |
| Ex-Dividend Date | March 27, 2024 |
| Dividend Payment | April 2, 2024 |

The full financial agenda is available at:

belimo.com/financialcalendar

Alternative Performance Measures

Free cash flow = Cash flow from operating activities + Cash flow from investing activities

Net liquidity = Cash and cash equivalents + Current financial assets - Current financial liabilities - Non-current financial liabilities

Net working capital = Trade receivables + Inventories - Trade payables

Earnings before interest, taxes, depreciation, and amortization (EBITDA) = Net sales - Material expenses +/- Changes in inventories - Personnel expenses - Other operating expenses + Other operating income

Earnings before interest and taxes (EBIT) = Net sales - Material expenses +/- Changes in inventories - Personnel expenses - Other operating expenses + Other operating income - Depreciation of property, plant and equipment - Amortization of intangible assets

Equity ratio = Total equity / Assets

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