

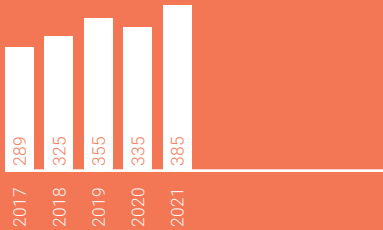
**Semi
annual
Re
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21**

Key Figures 1st Half 2021

Net Sales

in CHF million

384.7



EBIT

in CHF million

75.6

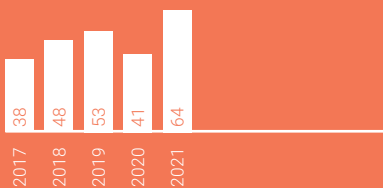
in % of net sales

19.7

Net Income

in CHF million

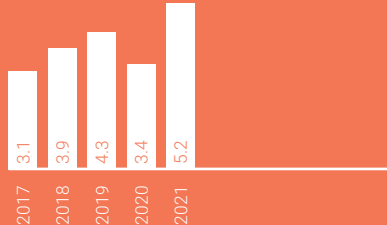
63.7



Earnings per Share (EPS)¹⁾

in CHF

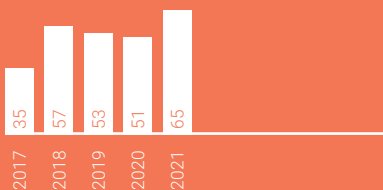
5.2



Operating Cash Flow

in CHF million

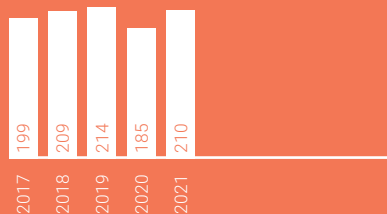
64.6



Net Sales per Employee

in CHF 1 000

210.2



¹⁾ A twenty-for-one share split was conducted in April 2021. The EPS-values for prior periods have been adjusted in the interests of comparability.

Management Report

Economic Recovery Fuels Growth

Dear Shareholders,

With a faster-than-expected rebound in construction activity, Belimo has seen a rapid return to above-average sales growth in the first half of 2021. Overall, net sales grew by 16.9 percent in local currencies as compared to the first half of 2020. In Swiss francs, net sales increased by 14.7 percent to CHF 384.7 million, and Belimo logged several all-time output records.

Overview

On a year-to-year comparison, the Asia Pacific market region has shown the best performance, growing at 18.8 percent in local currencies and 17.6 percent in Swiss Francs. The Americas market region followed, with 16.8 percent in local currencies (9.9 percent in Swiss Francs), and Europe recorded a net sales plus of 16.6 percent in local currencies (17.7 percent in Swiss Francs). As the safety measures of the pandemic have impacted the second quarter of 2020 significantly, a comparison with the strong first

half of 2019 also shows solid net sales growth (in Swiss Francs) of 8.3 percent.

A vigorous and unexpected increase in demand from industries such as automotive, computing, communications, and consumer electronics has resulted in a near-term supply shock, triggering an unprecedented global shortage in semi-conductors and many other raw materials. Despite the pressure on these supply chains, Belimo successfully maintained supplier and warehouse management, resulting in high product availability and thus once more proving the Company's Operational Excellence. These circumstances have also led to inflationary pressures in raw material prices and in the Americas especially in wages.

In terms of profitability, the Group reported earnings before interest and taxes (EBIT) of CHF 75.6 million (HY1 2020: CHF 55.4 million). The EBIT margin rose to 19.7 percent (16.5 percent) due to operational leverage and continued

Net Sales by Market Regions

	1 st half 2021	%	Growth in local currencies in %	1 st half 2020	%
in CHF 1 000					
Europe	195 392	51	16.6	166 026	49
Americas	143 319	37	16.8	130 353	39
Asia Pacific	46 015	12	18.8	39 116	12
Group	384 727	100	16.9	335 495	100

reduced expenditures for travel, marketing and training, among other factors contributing to the margin increase. Belimo achieved a net income of CHF 63.7 million (CHF 41.2 million) and earnings per share of CHF 5.18 (CHF 3.36¹⁾). The Group generated a free cash flow of CHF 52.1 million (CHF 38.8 million). Net liquidity at the end of June 2021 was CHF 110.6 million, and the equity ratio was 79.0 percent.

Europe

In the Europe market region, solid demand in the construction industry led to a record half-year. At the same time, inflationary pressures were felt throughout the European construction market, with shortages and price hikes in construction materials challenging customers.

¹⁾ A twenty-for-one share split was conducted in April 2021. The EPS for the prior period has been adjusted in the interests of comparability.

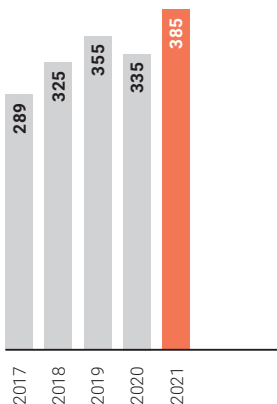
Labor shortages also became a more prominent issue, limiting contractor growth and their ability to accept new projects.

Nevertheless, the contracting business has developed exceptionally well, as did also the original equipment manufacturer (OEM) business, which experienced a solid first half-year. Water applications in particular ended the first half-year with a high growth rate, although air applications also enjoyed above-average growth rates. The sensor business that is included in both air and water applications grew very strong. Due to pent-up demand, the replacement business showed more vigorous growth overall than did new construction.

The largest market in the European market region, Germany, showed double-digit sales growth. A particular focus during this time was on retrofit jobs in the education and public sector that included upgrading air handling units to

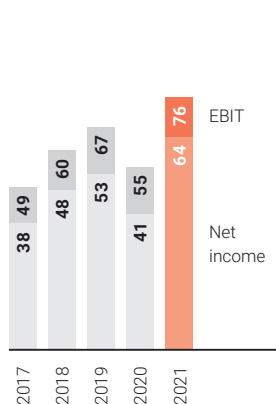
Net Sales 1st Half

in CHF million



EBIT/Net Income 1st Half

in CHF million



comply with more stringent indoor air quality requirements. Energy-efficiency improvements have also been a driver for non-residential renovation projects in the context of the EU Climate Target Plan. The replacement of heating boilers with heat pumps, to give one example, led to a higher number of Belimo products being installed.

As construction markets in Spain and France had suffered the most due to the total lockdowns implemented a year ago, they unsurprisingly showed the most robust comeback with a more significant number of small to medium-sized jobs. Similarly, the Italian market developed well, with broad-based growth development in both contracting and OEM applications.

Americas

Predominantly in the US, the availability of vaccines has allowed economic activity in the Americas market region to resume with great speed and has fostered a much more robust business climate in comparison with a year ago. A combination of pent-up demand from projects on hold in 2020 and new demand driven by the need for better indoor air quality in existing buildings led to double-digit growth in the market region. Additional factors included the lifting of contractor access restrictions to facilities and domestic travel restrictions.

Strong demand continued from the data center vertical in the US and Canada, followed by the education and healthcare sectors. As a result of robust data center demand and heightened awareness of indoor air quality, sales of actuators and sensors for air applications have grown significantly in comparison with 2020. Field devices for water applications have also shown positive results, with solid contributions from pressure-independent product lines. Contracting business was also positive, with higher

order volumes from distributors and key accounts.

All countries in the market region showed good development. The acquisition of Opera Electronics Inc. in December 2020 was a further source of share gain for Belimo Canada.

Asia Pacific

Most of the Asia Pacific market region enjoyed a healthy start into 2021 at levels above those of 2020 and 2019, supported by the ongoing economic recovery. The contracting business in markets such as China, India, and Malaysia performed strongly because it had been affected the most by last year's lockdowns. OEM business, on the other hand, remained stable.

Like in 2020, the speed of recovery across the market region was depending on the containment of the virus and corresponding restrictions. As China had already overcome the pandemic in the spring of last year, the country's heating, ventilation and air-conditioning (HVAC) market felt barely any negative impact in 2021. Meanwhile, India and several South-East Asian countries continued to struggle with recurring waves of the pandemic and slow vaccine roll-outs, although to a lesser degree than in 2020, as lockdowns have been more targeted and less harmful to the overall economy.

The Chinese HVAC market showed very high growth rates in the first half of 2021, due to strict lockdowns and a slow contracting business in early 2020, with many projects on the market. The most positively performing verticals in China were data centers, healthcare, and infrastructure. In the medical and hospital markets, Belimo has acquired several significant projects which have increased its market share. Particularly worth mentioning is the Wuhan Changfu Hospital, a large hospital complex of 236 000 square meters (2.5 million

square feet) and the first of its kind in China, focusing on combined epidemic prevention and control. The infectious disease building is equipped with 100 beds, while an additional 900 regular beds can be converted into infectious disease beds in accordance with emergency needs for epidemic prevention. More than 300 Belimo Energy Valves™ and 2 200 Belimo ZoneEase™ Variable Air Volume (VAV) zone actuators ensure that the HVAC system controls conditions in both standard and epidemic situations.

In India, the HVAC market grew at a much slower pace than expected earlier this year due to the severe second COVID-19-wave, which peaked at the end of April. As infection numbers in India have slowly decreased in the meantime, the country's high growth rate has surpassed even that of China, as the Indian economy had ground to a halt in the first half of last year. The water market share has gradually increased, thanks to gratifying electronic pressure independent valve and Belimo Energy Valve™ sales.

Across the Asia Pacific market region, the growth rate for water applications has been considerably higher than that of air applications.

Growth Strategy and Innovation

Grow Existing Business

In its first growth initiative, "Grow Existing Business with Actuators and Valves," Belimo successfully launched the smallest damper actuator, the UM/UH actuator. It is the perfect answer to increased indoor air quality requirements in zone applications in schools, hotels, and residential buildings. The air distribution systems in these buildings require compact, quiet, and reliable actuators for controlling air diffusers in individual zones to achieve air pattern optimization.

Another innovation was the launch of the BKN-BACnet UL solution that enables remote damper testing and BACnet bus communication for the North American fire and safety product range. Remote testing of fire and smoke dampers offers building owners the considerable advantage of not having to inspect every safety actuator manually, thus increasing safety and decreasing maintenance costs.

A further highlight is the VRU Universal VAV controller for variable air volume control (VAV) that was introduced last year. The timing of the introduction has proven to be perfect: the importance of these applications in sensitive areas such as laboratories or hospitals has increased noticeably due to stricter indoor air quality standards. Customer acceptance has been excellent, as shown by more than a thousand applications in laboratories at one of the large Swiss pharma companies. Furthermore, the Design-to-Order process (DTO) offering of the service and logistics center in Großröhrsdorf (Germany) became ready just in time. It is bound to benefit from the increased demand for retrofit solutions requiring highly flexible mechanical, electrical, and software configurations/bundles.

Enter Sensor Business

With respect to sensors, the second strategic initiative of Belimo, sales showed robust growth rates in the reporting period, especially in China and the Americas. Particularly CO₂ sensors that measure indoor air quality in rooms or ducts have seen an uptick in demand. Customized sensors and customer-specific labeling, which the Großröhrsdorf site has been offering since mid-2020, have also successfully been introduced in the Asia Pacific market regions and in the Americas.

During the period under review, Belimo Sensors Inc., Montreal (the last year acquired Opera Electronics Inc.), began shipping a new line of specialty air quality and gas detection sensors

and initiated the UL approval process in preparation for US market introduction in 2022.

Another highlight in the sensor business was the introduction of the Duct Sensor Assistant App that allows sensor configuration and verification via smartphone.

Offer Selected Performance Devices

The performance device offering, a combination of sensor, actuator, and valve technology and embedded logic, has seen a significant advancement with the market launch of the fourth generation of the Belimo Energy Valve™ and Thermal Energy Meters announced in a major online event in June (watch it [here](#)).

This new product lineup will be phased in over the next six months. The Belimo Energy Valve™ 4 provides certified thermal energy metering (billing grade) among many new functions, while also featuring all of the advantages of the current Belimo Energy Valve™ 3 versions, such as controlling power and optimizing Delta T.

In the field of digital collaborations, the Company registered enthusiastic interest from various metering, analytics, and building IoT companies such as SkyBill, PassiveLogic, or BuildingsIoT regarding connection with the Belimo Core Cloud. These third-party applications, which form the “Belimo Digital Ecosystem Collaborators,” elaborate and aggregate the data acquired by Belimo field devices and transform it into a holistic building context for advanced building models.

Grow Asia Pacific

The fourth Belimo growth strategy, “Grow Asia Pacific,” looks back at a solid first half of 2021. China has shown firm growth rates. Belimo opened the eleventh sales office in the Xi’an metro area as planned and invested further in the development of its Chinese employees and in a strong company culture. Another focus in China was online training

activities with many successful sessions and the resumption of trade show activities. Also to be mentioned here is the impressive display Belimo featured at the China Refrigeration exhibition in Shanghai, which drew more than 1 500 visitors.

In India, the year started out very promising, despite a heavy second wave of COVID-19. After a delay of several months, our new India headquarters in Navi Mumbai is now scheduled for opening in January 2022. The new building will host an Experience Center for customer training, logistics, customization, technical support, and other services. The building is designed to achieve the Indian Green Building Council (IGBC) Platinum rating and includes some of the most innovative technologies, such as a Belimo motorized sun shading system.

Outlook

Belimo remains confident about all three of its market regions for the second half of 2021. The demand for both new buildings and the refurbishment of existing buildings is expected to remain strong. For the HVAC industry, this demand is further accelerated by the underlying drivers of indoor air quality and energy efficiency. Shortages in the building material supply chain and subsequent price spikes may however cause delays for certain projects. Another hampering factor is the shortage of skilled labor in the field of building technology professionals. Consequently, Belimo expects sales revenue growth to slow slightly over the year, also due to a comparatively solid base in the second half of 2020, and expects to complete the year with an annual sales growth rate ahead of its five-year average.

The risks of adverse impacts due to COVID-19 containment measures remain, as do exchange rate fluctuations, and these may weigh negatively on profitability in 2021. Additionally, high-

er freight and material costs and the resumption of traveling, marketing, training, and other activities are expected. Finally, Belimo continues to allocate significant resources to its long-term strategic initiatives and to the hiring of skilled personnel.

Acknowledgment

Customer Value, Operational Excellence, Solution Leadership, and Credibility Culture are the basis for the solid company culture of Belimo. Thanks to living these values and a concentrated organic growth strategy, we succeed in contributing to the comfort, energy efficiency,

safety, installation, and maintenance in buildings.

In the first half of 2021, our employees continued to work in a challenging environment under the strictest of safety restrictions. We therefore say thank you and congratulate on an outstanding performance.

As a shareholder of Belimo, you can create enduring, sustainable value for all our stakeholders, with a long-term impact on society, the environment, and the performance of the business.

We appreciate your trust in Belimo.

BELIMO Holding AG



Patrick Burkhalter
Chairman of the Board of Directors



Lars van der Haegen
CEO

Financial Summary

	1 st half 2021	1 st half 2020	Change
in CHF million			
Net sales	384.7	335.5	14.7%
Material expenses incl. changes in inventories	152.5	134.9	13.0%
in % of net sales	39.6%	40.2%	
Operating income (EBITDA)	91.8	71.0	29.4%
in % of net sales	23.9%	21.2%	
Operating income (EBIT)	75.6	55.4	36.4%
in % of net sales	19.7%	16.5%	
Net income	63.7	41.2	54.6%
in % of net sales	16.6%	12.3%	
Cash effective investments in property, plant and equipment and intangible assets	12.5	12.1	3.4%
Cash flow from operating activities	64.6	50.8	27.2%
in % of net sales	16.8%	15.1%	
Free cash flow	52.1	38.8	34.3%
in % of net sales	13.5%	11.6%	
Earnings per share (EPS), in CHF ¹⁾	5.18	3.36	54.5%
Number of employees (FTEs) as at June 30	1 848	1 830	1.0%

¹⁾ In April 2021, a twenty-for-one share split has been conducted. EPS for the previous year has been adjusted for reasons of comparability.

Alternative performance measures that are not defined or specified in IFRS, are described under the following link: www.belimo.com/financial-summary

Consolidated Financial Statements

Consolidated Income Statement

	Note	1 st half 2021	% ¹⁾	1 st half 2020 restated ²⁾	% ¹⁾
in CHF 1 000					
Net sales	3	384 727	100.0	335 495	100.0
Material expenses		-155 301	-40.4	-140 951	-42.0
Changes in inventories		2 793	0.7	6 026	1.8
Personnel expenses		-102 108	-26.5	-97 215	-29.0
Other operating income/expenses	3	-38 269	-9.9	-32 386	-9.7
EBITDA³⁾		91 842	23.9	70 969	21.2
Depreciation and amortization		-16 227	-4.2	-15 552	-4.6
Earnings before interest and taxes (EBIT)		75 615	19.7	55 417	16.5
Financial income		133	-	83	-
Financial expenses		-883	-0.2	-838	-0.2
Foreign exchange gain/loss		2 135	0.6	-4 476	-1.3
Financial result		1 385	0.4	-5 231	-1.6
Earnings before taxes (EBT)		77 000	20.0	50 186	15.0
Income taxes		-13 321	-3.5	-8 983	-2.7
Net income		63 679	16.6	41 203	12.3
Attributable to shareholders of BELIMO Holding AG		63 761	16.6	41 269	12.3
Attributable to non-controlling interests		-82	-	-66	-
Earnings per share, in CHF⁴⁾		5.18		3.36	

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

¹⁾ in % of net sales

²⁾ see note 1.3

³⁾ Alternative performance measures are described under the following link: www.belimo.com/financial-summary.

⁴⁾ In April 2021, a twenty-for-one share split has been conducted. EPS for the previous year has been adjusted for reasons of comparability.

Consolidated Statement of Comprehensive Income

	1 st half 2021	1 st half 2020 restated ¹⁾
in CHF 1 000		
Net income	63 679	41 203
Currency translation adjustment	5 992	-4 040
Tax effect	-186	93
Items that are or may be reclassified subsequently to the income statement	5 807	-3 947
Remeasurements of post-employment benefits	-2 615	-10 639
Tax effect	511	2 188
Items that will not be reclassified subsequently to the income statement	-2 105	-8 451
Other comprehensive income, net of tax	3 702	-12 398
Total comprehensive income	67 381	28 805
Attributable to shareholders of BELIMO Holding AG	67 464	28 872
Attributable to non-controlling interests	-83	-67

¹⁾ see note 1.3

Consolidated Balance Sheet

	Note	June 30, 2021	December 31, 2020
in CHF 1 000			
Cash and cash equivalents		123 965	164 942
Trade receivables	3	117 891	81 269
Inventories		112 701	105 461
Other assets		9 358	9 361
Current tax assets		3 032	283
Current assets		366 947	361 316
Property, plant and equipment		187 473	186 671
Intangible assets		17 852	17 571
Non-current financial assets		2 985	2 861
Non-current employee benefit assets	4	–	2 550
Deferred tax assets		12 236	12 490
Non-current assets		220 546	222 142
Assets		587 493	583 458
Trade payables		25 360	18 831
Other liabilities		63 248	45 228
Current financial liabilities		4 620	4 565
Current provisions	5	8 044	4 297
Current tax liabilities		4 143	5 444
Current liabilities		105 416	78 364
Non-current financial liabilities		8 741	9 375
Non-current provisions	5	3 555	1 098
Non-current employee benefit liabilities		5 218	3 874
Deferred tax liabilities		266	1 485
Non-current liabilities		17 781	15 831
Liabilities		123 197	94 195
Equity attributable to shareholders of BELIMO Holding AG		464 399	489 283
Equity attributable to non-controlling interests		– 103	– 20
Shareholders' equity		464 297	489 263
Liabilities and shareholders' equity		587 493	583 458

Consolidated Statement of Changes in Equity

	Share capital	Treasury shares	Capital reserves	Currency translation adjustment	Retained earnings	Attributable to shareholders of BELIMO Holding AG	Attributable to non-controlling interests	Total shareholders' equity
in CHF 1 000								
As at January 1, 2020	615	-67	23 814	-7 101	490 028	507 289	55	507 344
Restatement ¹⁾				-1 161	1 161	-		-
As at January 1, 2020, restated¹⁾	615	-67	23 814	-8 262	491 189	507 289	55	507 344
Total comprehensive income				-3 946	32 817	28 872	-67	28 805
Dividends					-92 241	-92 241		-92 241
As at June 30, 2020, restated¹⁾	615	-67	23 814	-12 208	431 765	443 919	-12	443 907
As at January 1, 2021	615	-224	24 110	-16 675	481 457	489 283	-20	489 263
Restatement ¹⁾				-1 161	1 161	-		-
As at January 1, 2021, restated¹⁾	615	-224	24 110	-17 836	482 618	489 283	-20	489 263
Total comprehensive income				5 807	61 657	67 464	-83	67 381
Purchase of treasury shares		-104				-104		-104
Dividends					-92 243	-92 243		-92 243
As at June 30, 2021	615	-328	24 110	-12 028	452 031	464 399	-103	464 297

¹⁾ see note 1.3

Consolidated Statement of Cash Flows

	Note	1 st half 2021	1 st half 2020 restated ¹⁾
in CHF 1 000			
Net income		63 679	41 203
Income taxes		13 321	8 983
Interest result		353	375
Depreciation of property, plant and equipment		12 969	12 635
Amortization of intangible assets		3 257	2 917
Gain on sale of property, plant and equipment		- 103	- 126
Non-cash items non-current employee benefits	4	1 254	816
Other non-cash items		342	- 214
Change in net working capital		- 33 442	- 8 357
Change in other current receivables and assets		- 1 789	- 1 797
Change in other current payables and liabilities		16 685	9 011
Change in provisions	5	6 200	- 38
Income taxes paid		- 18 138	- 14 628
Cash flow from operating activities		64 588	50 780
Investments in property, plant and equipment		- 9 261	- 9 376
Investments in intangible assets		- 3 232	- 2 706
Purchase of financial assets		- 122	- 91
Sale of property, plant and equipment		140	142
Interest received		132	58
Acquisition of companies minus acquired cash and cash equivalents	2	- 136	-
Cash flow used in investing activities		- 12 479	- 11 974
Purchase of treasury shares		- 104	-
Dividends paid	6	- 92 243	- 92 241
Interest paid		- 446	- 456
Repayment of lease liabilities		- 2 050	- 1 848
Cash flow used in financing activities		- 94 843	- 94 546
Currency translation adjustment		1 757	- 1 302
Change in cash and cash equivalents		- 40 977	- 57 041
Cash and cash equivalents at beginning of period		164 942	172 563
Cash and cash equivalents at end of period		123 965	115 522

¹⁾ see note 1.3

Notes to the Consolidated Financial Statements

1 General

1.1 Corporate Information

The Belimo Group (hereinafter referred to as "Belimo" or "the Group") is a leading global manufacturer of innovative electrical actuator solutions, valve systems, and sensors for heating, ventilation, and air conditioning (HVAC) systems. The shares of BELIMO Holding AG have been traded on the SIX Swiss Exchange since 1995 (BEAN). The registered office is in Hinwil (Switzerland). The business activities of Belimo are not subject to any significant seasonal fluctuations.

1.2 Basis of Preparation

These unaudited consolidated interim financial statements 2021 have been prepared in accordance with accounting standard IAS 34 Interim Financial Reporting, and should be read in conjunction with the consolidated annual financial statements 2020. In general, the same estimates and assumptions as in the consolidated annual financial statements 2020 were applied. However, income taxes were calculated using the expected tax rate for the 2021 financial year. The defined benefit obligation for post-employment benefits has been remeasured applying BVG 2020 generation tables for the demographic assumptions and introducing the Continuous Mortality Investigation Model (CMI) for the life-expectancy assumptions. Selected explanatory notes are included to explain significant transactions and events, which occurred in the first half-year.

The COVID-19-pandemic had no material impact on the significant accounting estimates and assumptions. In addition, no impairment loss or government subsidies were recognized as a result of the pandemic situation in the reporting period (previous year COVID-19 related subsidies of CHF 0.6 million).

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.

1.3 Change in Presentation/Restatement 2020

In line with the consolidated annual financial statements 2020, Belimo adapted the presentation of its interim financial statements. In the consolidated income statement, other operating income and expenses are shown as one line item, with the split presented in the corresponding note. In the consolidated statement of comprehensive income, the group decided to separately disclose the tax effect on currency translation adjustments. In the consolidated statement of cash flows, non-cash items of non-current employee benefits are now reported as separate line item.

Furthermore, in the segment reporting, the split of trade receivables to group companies and to third parties is newly shown.

During 2021, the Group discovered that certain transactions related to equity had been erroneously recorded in its consolidated financial statements in some years. The errors have been corrected by restating the currency translation adjustment and retained earnings by CHF 1.2 million (i.e. reallocating) within the consolidated statement of changes in equity.

1.4 Changes to Accounting Policies

The applied accounting policies are the same as those applied in the consolidated annual financial statements 2020. The revised standards applied for the first time in the consolidated interim financial statements had no impact.

2 Changes to the Scope of Consolidation

On June 8, 2021, the distribution company BELIMO Belgium BV was founded.

In December 2020, the Group acquired all shares of Opera Electronics Inc., a specialist in air quality and gas sensors. The acquisition had no material impact on these consolidated interim financial statements.

3 Segment Reporting

Belimo has four reportable operating segments, which performed as follows:

	Europe	Americas	Asia Pacific	Shared Services	Elimination	Total
in CHF 1 000						
1st half 2021						
Income statement						
Net sales – Third parties	195 392	143 319	46 015	–	–	384 727
Other operating income	–	–	–	500	–	500
Operating expenses	–23 089	–19 218	–9 218	–97 557	7 266	–141 817
Depreciation and amortization	–1 609	–2 336	–965	–11 316	–	–16 227
Segment profit	170 694	121 765	35 832	–108 373	7 266	227 183
Unallocated changes in inventories						2 793
Unallocated other operating income						940
Unallocated material expenses						–155 301
Unallocated financial result						1 385
Income before taxes (EBT)						77 000
Cash effective investments in property, plant and equipment and intangible assets	602	654	1 922	9 316	–	12 493
Balance sheet as at June 30, 2021						
Trade receivables – Third parties	57 091	45 118	15 682	–	–	117 891
Trade receivables – Group companies	25 950	–	80	–	–26 030	–
Property, plant and equipment and intangible assets	10 863	42 757	10 324	141 381	–	205 325
Unallocated assets						264 277
Total assets						587 493

	Europe	Americas	Asia Pacific	Shared Services	Elimination	Total
in CHF 1 000						
1st half 2020						
Income statement						
Net sales to third parties	166 026	130 353	39 116	–	–	335 495
Other operating income	–	–	–	358	–	358
Operating expenses	–23 034	–19 176	–7 974	–86 371	6 284	–130 271
Depreciation and amortization	–1 896	–2 169	–1 044	–10 443	–	–15 552
Segment profit	141 097	109 008	30 098	–96 457	6 284	190 030
Unallocated changes in inventories						6 026
Unallocated other operating income						312
Unallocated material expenses						–140 951
Unallocated financial result						–5 231
Income before taxes (EBT)						50 186
Cash effective investments in property, plant and equipment and intangible assets	542	650	869	10 020	–	12 082
Balance sheet as at December 31, 2020, restated¹⁾						
Trade receivables – Third parties ¹⁾	34 311	31 412	15 546	–	–	81 269
Trade receivables – Group companies ¹⁾	26 017	–	89	–	–26 106	–
Property, plant and equipment and intangible assets	11 241	42 083	8 521	142 397	–	204 241
Unallocated assets						297 948
Total assets						583 458

¹⁾ see note 1.3

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

	1 st half 2021				1 st half 2020			
	Net Sales	% ¹⁾	Growth in CHF	Growth in local currencies	Net Sales	% ¹⁾	Growth in CHF	Growth in local currencies
Europe	195 392	51%	17.7%	16.6%	166 026	49%	-2.5%	2.3%
Americas	143 319	37%	9.9%	16.8%	130 353	39%	-8.3%	-5.1%
Asia Pacific	46 015	12%	17.6%	18.8%	39 116	12%	-8.7%	-3.5%
Total	384 727	100%	14.7%	16.9%	335 495	100%	-5.6%	-1.4%

¹⁾ Contribution to total net sales

The net sales by application were as follows:

	1 st half 2021				1 st half 2020			
	Net Sales	% ¹⁾	Growth in CHF	Growth in local currencies	Net Sales	% ¹⁾	Growth in CHF	Growth in local currencies
Air	213 837	56%	14.2%	16.0%	187 184	56%	-5.0%	-0.8%
Water	170 890	44%	15.2%	18.0%	148 311	44%	-6.2%	-2.1%
Total	384 727	100%	14.7%	16.9%	335 495	100%	-5.6%	-1.4%

¹⁾ Contribution to total net sales

Overall, movements in exchange rates had an effect of -2.2 percentage points on net sales (comparison period 2020: -4.2 percentage points).

4 Post-Employment Benefits

With the publication of the new generation table, Belimo changed the basic probabilities used within the demographic assumptions to BVG 2020 for the Swiss pension plan (previous year BVG 2015). Life-expectancy assumptions are arrived at through a projection of future mortality improvements in accordance with the Continuous Mortality Investigation Model CMI (previous year Menthonnex Model). The computations are made with a future long-term mortality improvement rate of 1.25 percent. The following principal actuarial assumptions were applied:

	June 30, 2021	December 31, 2020
Discount rate	0.35%	0.10%
Interest rate used in projecting retirement benefits	1.00%	1.00%
Expected salary increases	1.50%	2.00%
Mortality tables	BVG 2020 GT-CMI	BVG 2015
Long-term mortality improvement rate	1.25%	–
Life expectancy as at age of 65 in years:		
Active employees (female/male)	24.07/22.13	26.58/24.55
Pensioners (female/male)	23.42/21.70	24.86/22.83

Reconciliation of the amount recognized in the statement of financial position:

	June 30, 2021	December 31, 2020
in CHF 1 000		
Defined benefit obligation	315 574	325 220
Fair value of plan assets	345 263	327 770
Deficit/(Surplus)	–29 689	–2 550
Adjustment to asset ceiling	29 689	–
Net defined benefit liability/(asset)	–	–2 550

In the reporting period, the return on plan assets of positive CHF 10.8 million, an actuarial gain on the defined benefit obligation of CHF 16.3 million as well as other movements of CHF 0.1 million led to a surplus of CHF 29.7 million. The asset ceiling, being the present value of any economic benefits available in the form of reductions in future contributions to the Swiss pension plan, did not exceed the surplus. Consequently, the surplus was not recognized as non-current asset as at June 30, 2021.

The actuarial movements were as follows:

	1 st half 2021	2020
in CHF 1 000		
Change of the financial assumptions	- 7 941	8 444
Change of the demographic assumptions	- 13 346	2 901
Experience adjustments	4 977	8 000
Actuarial (gain)/loss	- 16 310	19 345

5 Provisions

	Warranties	Others	1 st half 2021	2020
in CHF 1 000				
As at January 1	4 561	833	5 395	5 071
Increase	4 306	4 244	8 550	3 324
Utilization	- 1 393	- 619	- 2 012	- 2 605
Reversals	- 338	-	- 338	- 412
Changes in scope of consolidation	-	-	-	18
Translation differences	-	5	5	- 1
As at June 30/December 31	7 136	4 463	11 600	5 395
of which current provisions	4 600	3 444	8 044	4 297
of which non-current provisions	2 536	1 019	3 555	1 098

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 include expected costs for legal litigations and for non-income tax risks. The majority of these provisions are expected to be used over the next two years.

6 Share Capital/Dividend

As per the resolution of the Annual General Meeting of BELIMO Holding AG held on March 29, 2021, a dividend of CHF 150.00 per registered share was paid out on April 6, 2021 and a twenty-for-one share split was conducted a day later, on April 7, 2021. After the share split, the number of

registered shares amounts to 12.3 million. For comparability reasons, earnings per share for the previous year has been adjusted accordingly.

7 Foreign Exchange Rates

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

	Closing Rates			Average Rates		
	June 30, 2021	December 31, 2020	Change	1 st half 2021	1 st half 2020	Change
in CHF						
CAD	0.75	0.69	7.9%	0.72	0.72	0.4%
CNY	0.14	0.13	6.3%	0.14	0.14	0.7%
EUR	1.10	1.08	1.6%	1.09	1.07	2.3%
PLN	0.24	0.24	2.5%	0.24	0.24	-1.2%
USD	0.92	0.88	5.0%	0.90	0.97	-6.9%

8 Events after the Reporting Date

On July 20, 2021, the Board of Directors of BELIMO Holding AG approved the present consolidated interim financial statements for release. As of this date, no material events after the reporting date have occurred.

Publications and Agenda

Publication of Sales 2021	January 20, 2022
Publication of Annual Report 2021 / Media and Financial Analysts Conference	March 7, 2022
Annual General Meeting 2022	March 28, 2022

Further information for shareholders
www.belimo.com/investorrelations

This report contains comments relating to future developments which are based on assumptions and estimates of BELIMO Holding AG. Although the company assumes the expectations of these prospective comments to be realistic, they contain risks. These can lead to the actual results being significantly different from the prospective comments. Among the factors which can cause such differences are 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 and changes in the business strategy.

BELIMO Holding AG neither plans nor commits itself to keep these prospective comments up to date.

Credits

Concept/Editing: BELIMO Holding AG, Hinwil (Switzerland)

Design/Realization: Greuter Stähli Grafik, Zurich (Switzerland)

This Semiannual Report 2021 has been published on July 22, 2021, in German and English. The English version is binding.

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