

Release of an ad hoc announcement pursuant to Art. 53 KR
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Press Release of the Belimo Group

BELIMO Holding AG: Economic Recovery Fuels Growth

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. Belimo successfully maintained supplier and warehouse management, resulting in high product availability.

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. The Group reported an 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 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. The largest market in the European market region, Germany, showed double-digit sales growth. 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. All countries showed good development.

Asia Pacific. Most of the market region enjoyed a healthy start into 2021 at levels above those of 2020 and 2019, supported by the ongoing economic recovery. Like in 2020, the speed of recovery across the market region depended 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 rollouts, although to a lesser degree than in 2020, as lockdowns have been more targeted and less harmful to the overall economy.

Net Sales by Market Regions

in CHF 1,000	1 st half 2021	%	Growth in local currencies in %	1 st half 2020	%
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

Net Sales by Applications

in CHF 1,000	1 st half 2021	%	Growth in local currencies in %	1 st half 2020	%
Air	213,837	56	16.0	187,184	56
Water	170,890	44	18.0	148,311	44
Total	384,727	100	16.9	335,495	100

Outlook. Belimo remains confident about 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, higher 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.

Key Figures of the Belimo Group

in CHF 1,000 (unless indicated otherwise)	1 st half 2021	1 st half 2020	Change in %
Net sales	384,727	335,495	14.7
Operating income (EBIT) in percent of net sales	75,615 19.7%	55,417 16.5%	36.4
Net income in percent of net sales	63,679 16.6%	41,203 12.3%	54.6
Cash flow from operating activities in percent of net sales	64,588 16.8%	50,780 15.1%	27.2
Free cash flow in percent of net sales	52,109 13.5%	38,806 11.6%	34.3
Earnings per share (EPS) in CHF	5.18	3.36 ¹⁾	54.5
Cash effective investments in property, plant and equipment and intangible assets	12,493	12,082	3.4
Number of employees (FTEs) as at June 30	1,848	1,830	1.0

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.

The Belimo Group is a leading global manufacturer of innovative electrical actuator, valve, and sensor solutions for heating, ventilation, and air conditioning systems. The Company reported sales of CHF 661 million in 2020 and has around 1,900 employees. Information about the Company and its products is available on the internet at www.belimo.com. The shares of BELIMO Holding AG have been traded on the SIX Swiss Exchange since 1995 (BEAN).

Link to the Semiannual Report 2021: www.belimo.com/financial-reports

Link to the definitions of Alternative Performance Measures: www.belimo.com/financial-summary

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Agenda	Belimo Capital Markets Day Publication of Sales 2021 Media and Financial Analysts Conference on the 2021 Financial Statements Annual General Meeting 2022	September 8, 2021 January 20, 2022 March 7, 2022 March 28, 2022