

Release of an ad hoc announcement pursuant to Art. 53 LR
Hinwil (Switzerland), EMBARGOED UNTIL July 22, 2022, 07:00 a.m. CEST

Press Release of the Belimo Group

Operational Excellence Leads to an All-Time High in Sales

Belimo posted excellent results in the first half of 2022 despite a challenging environment.

****Due to an incident, it cannot be excluded that parts of the not yet finalized and unapproved Semian-
nual Results 2022 have been visible for visitors of the Belimo homepage. On July 21, 2022, the Board of
Directors of BELIMO Holding AG has thus given its early approval to the consolidated
interim financial statement and has brought its release forward from July 26 to July 22, 2022.****

The Group's sales growth in the first half of 2022 was 9.1% in local currencies in comparison with the first half of 2021. In Swiss francs, net sales increased by 8.2% to CHF 416.4 million. With respect to profitability, the Group reported earnings before interest and taxes (EBIT) of CHF 76.7 million (first half 2021: CHF 75.6 million), which corresponds to an EBIT margin of 18.4% (first half 2021: 19.7%). Despite substantial material price increases and higher freight costs, which were partly recovered by higher sales prices, Belimo achieved a very strong operating result. The operating profit absorbed increased operating expenses originating from resumed expenditures for travel, marketing, training, and new hires for pursuing the Group's growth strategy as communicated earlier this year. Belimo achieved a net income of CHF 61.3 million (first half 2021: CHF 63.7 million) and earnings per share of CHF 4.99 (first half 2021: CHF 5.18). The Group generated a free cash flow of CHF 81.7 million (first half 2021: CHF 52.1 million), which includes the divestment of term deposits of CHF 60.0 million. Net liquidity at the end of June 2022 was CHF 73.9 million, and the equity ratio was 75.7%. Higher safety stocks, goods in transit and trade receivables led to an increase in net working capital.

EMEA. The EMEA market region reported net sales growth of 4.3% in local currencies (-0.7% in Swiss francs). While the economic growth of the region and the construction pipeline in Western Europe are still generally positive, the war in Ukraine has both directly and indirectly impacted the sales performance of the Group. With the highly inflationary environment driving up the cost of new construction, the war also led to greater uncertainty and volatility in the rest of the region and negatively affected economic sentiment. Besides the countries affected by the war, sales development in most countries proceeded as planned or better.

Americas. In the Americas market region, growth developed ahead of expectations, with an excellent net sales growth of 17.1% in local currencies (20.9% in Swiss francs). During the reporting period, the region's heating, ventilation and air-conditioning industry was challenged by inflation and by material shortages which in turn resulted in higher costs and supply disruptions. With rapid economic recovery following the pandemic, all countries in the market region have developed above expectations. Superior lead times relative to competitors have translated into significant market share gains throughout the reporting period.

Asia Pacific. In the Asia Pacific market region, sales developed slightly below expectations, with net sales growth of 4.4% in local currencies (7.0% in Swiss francs). The main reason for this were severe COVID-19 restrictions in China, leading to a significant output reduction in the Belimo Shanghai customizing and distribution center from mid-March until the end of April. In May and June, however, most of the delayed orders could be delivered as restrictions were eased. In the rest of the region, further economic recovery after the COVID-19 slowdown has helped achieve positive results in many countries, especially in India.

Net Sales by Market Regions

in CHF 1'000	1 st half 2022				1 st half 2021			
	Net sales	% ¹⁾	Growth in CHF	Growth in local currencies	Net sales	% ¹⁾	Growth in CHF	Growth in local currencies
EMEA	193'940	47%	-0.7%	4.3%	195'392	51%	17.7%	16.6%
Americas	173'238	42%	20.9%	17.1%	143'319	37%	9.9%	16.8%
Asia Pacific	49'243	12%	7.0%	4.4%	46'015	12%	17.6%	18.8%
Total	416'421	100%	8.2%	9.1%	384'727	100%	14.7%	16.9%

¹⁾ Contribution to total net sales (due to rounding, amounts presented do not add up precisely to the totals provided).

Net Sales by Applications

in CHF 1'000	1 st half 2022				1 st half 2021			
	Net sales	% ¹⁾	Growth in CHF	Growth in local currencies	Net sales	% ¹⁾	Growth in CHF	Growth in local currencies
Air	226'195	54%	5.8%	7.1%	213'837	56%	14.2%	16.0%
Water	190'226	46%	11.3%	11.6%	170'890	44%	15.2%	18.0%
Total	416'421	100%	8.2%	9.1%	384'727	100%	14.7%	16.9%

¹⁾ Contribution to total net sales.

Outlook. The underlying megatrends supporting the above-GDP growth potential of the industry – energy efficiency and indoor air quality – remain unchanged. Being late-cycled, Belimo continues to base its planning on a sales revenue growth rate in local currencies at its five-year average for the full year, despite the uncertainty regarding the direction of the global economy. New projects that had been delayed due to material and labor shortages are likely to be completed, thus representing pent-up demand. The huge carbon footprint of the property industry has triggered many emission reduction initiatives for the purpose of accelerating the renewal of the installed base, thus further increasing demand. Some of the risks stated in the outlook for the full year have already materialized in the first half and are continuing to be possible sources of setbacks in the second half of the year. Specifically, these are geopolitical developments and their implications for the global economy, pandemic-inflicted setbacks, supply chain challenges, and labor shortages. With respect to financials, normalized spending and investments in strategic initiatives will increase operational expenditures and reduce the Group's EBIT. To compensate for increasing input costs, Belimo has communicated additional in-year price adjustments to its customers for the year's second half.

Key Figures of the Belimo Group

in CHF 1'000 (unless indicated otherwise)	1 st half 2022	1 st half 2021	Change in %
Net sales	416'421	384'727	8.2
Earnings before Interest and Taxes (EBIT)	76'688	75'615	1.4
in % of net sales	18.4%	19.7%	
Net income	61'264	63'679	-3.8
in % of net sales	14.7%	16.6%	
Cash flow from operating activities	46'522	64'588	-28.0
in % of net sales	11.2%	16.8%	
Free cash flow	81'696	52'109	56.8
in % of net sales	19.6%	13.5%	
Earnings per share (EPS) in CHF	4.99	5.18	-3.7
Cash effective investments in property, plant and equipment and intangible assets	25'184	12'493	101.6
Number of employees (FTEs) as at June 30	2'024	1'848	9.5

The Belimo 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 our core business is on damper actuators, control valves, sensors, and meters. The Company reported sales of CHF 765 million in 2021 and occupies over 2'000 employees. Information about the Company and its products is available at www.belimo.com. The shares of BELIMO Holding AG have been traded on the SIX Swiss Exchange since 1995 (BEAN). As of September 19, 2022, BEAN will become a constituent of the SMIM (SMI Mid) index, which comprises of the 30 largest mid-cap stocks in the Swiss equity market that are not included in the blue chip SMI index.

Link to the Semiannual Report 2022: <https://report.belimo.com/>

Link to the Key Figure Comparison: <https://report.belimo.com/HY22/en/key-figure-comparison/>

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Agenda	Belimo Capital Markets Day 2022 Publication of Sales 2022 Media and Financial Analysts Conference on the 2022 Financial Statements Annual General Meeting 2023	September 5, 2022 January 19, 2023 March 6, 2023 March 27, 2023