

Ad hoc announcement pursuant to Art. 53 LR
Hinwil (Switzerland), EMBARGOED UNTIL March 6, 2023, 06:00 a.m. CET

Ad hoc Announcement of the Belimo Group

Belimo with Strong Results in a Demanding Environment

With double digit organic sales growth and stable operational results, 2022 was very successful for Belimo. Supply chain excellence was the most critical factor in mastering the year.

In a highly volatile economic environment, Belimo posted excellent results. Multiple events such as supply chain disruptions, inflation, and the war in Ukraine reaffirmed the robust business model. Maintaining supply availability and superior lead times were the main success factors. The proximity to its customers and suppliers, along with increased stock levels, were vital to maintaining product availability throughout the year. The Group's net sales increased by 11.9% in local currencies. In Swiss francs, net sales grew by 10.7% to CHF 846.9 million (2021: CHF 765.3 million).

The strong top line growth resulted in an EBIT of CHF 152.4 million (2021: CHF 145.4 million). The EBIT margin of 18.0% (2021: 19.0%) was impacted by substantial cost increases for raw material and transport as well as normalized operational spending. Higher input costs were partially compensated by price adjustments. Belimo consequently continued to pursue its growth strategy, hiring an additional 251 employees. Spending in marketing, training, and travel activities normalized with the ease of pandemic restrictions during the year. Net income increased to CHF 122.7 million (2021: CHF 115.5 million) and earnings per share rose to CHF 9.99 (2021: CHF 9.41).

Operating cash flow amounted to CHF 112.9 million (2021: CHF 153.0 million). Higher safety stocks and longer transport times led to an increase in net working capital and affected operating cash flow negatively. Free cash flow increased to CHF 91.2 million (2021: CHF 45.5 million). The net divestment of term deposits of CHF 35.0 million (2021: investment of CHF 60.0 million) partially compensated the increase in net working capital and higher capital expenditures due to the capacity expansion.

With 8.0 million actuators shipped in 2022 (2021: 7.8 million), Belimo field devices again contributed to save a calculated 8.4 million tons of CO₂e in HVAC applications (2021: 8.2 million tons of CO₂e) – 24 times more than all input factors. As part of the Company's climate journey, Belimo strives to decarbonize its value chain further and is in the process of extending the scope of the existing sustainability targets with reduction targets in line with the latest climate science and international greenhouse gas accounting standards.

At the 2023 Annual General Meeting, the Board of Directors is proposing a dividend of CHF 8.50 per share (2022: CHF 8.50). For governance reasons, the Board of Directors further proposes to newly issue the audit mandate to Ernst & Young AG.

Net Sales by Market Regions

in CHF 1'000	2022				2021			
	Net sales	% ¹⁾	Growth in CHF	Growth in local currencies	Net sales	% ¹⁾	Growth in CHF	Growth in local currencies
EMEA	367'902	43%	-2.0%	4.7%	375'556	49%	16.5%	15.9%
Americas	368'261	43%	26.4%	21.3%	291'387	38%	14.8%	18.1%
Asia Pacific	110'737	13%	12.5%	11.4%	98'400	13%	15.7%	14.4%
Total	846'900	100%	10.7%	11.9%	765'343	100%	15.7%	16.6%

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

EMEA. Belimo registered net sales of CHF 367.9 million. The Company largely compensated for the top-line impact from exiting the Russian business of about 6% at the market region level. EMEA increased sales in local currencies by 4.7% compared to the previous year (-2.0% in Swiss francs). The

most significant countries performed well. In Germany, Belimo was able to materialize on positive market trends. Italy showed exceptional sales performance thanks to a strong demand for data center cooling applications.

Americas. Belimo registered net sales of CHF 368.3 million, corresponding to an outstanding 21.3% growth in local currencies (26.4% in Swiss francs). Tremendous top-line growth in the US market that accelerated in the year's second half was possible mainly because of superior lead times of the Group, which resulted in market share gains. Belimo also experienced double-digit sales growth in both the Canadian and Latin American markets thanks to a combination of stable market demand, superior product availability, and shorter lead times.

Asia Pacific. Belimo recorded CHF 110.7 million in sales, corresponding to an increase of 11.4% in local currencies (12.5% in Swiss francs). In China, sales growth was muted due to recurring pandemic-inflicted lockdowns that interrupted business activities throughout the year. Awarded projects had to be postponed amid access restrictions and logistics bottlenecks. India showed strong growth along with Southeast Asia. The Indian market was performing exceptionally well after a further post-COVID-19 business normalization.

Net Sales by Applications

in CHF 1'000	2022				2021			
	Net sales	% ¹⁾	Growth in CHF	Growth in local curren- cies	Net sales	% ¹⁾	Growth in CHF	Growth in local curren- cies
Damper Actuators	423'803	50%	4.6%	6.6%	405'074	53%	13.7%	14.3%
Control Valves	393'492	46%	16.2%	16.5%	338'547	44%	16.5%	17.6%
Sensors and Meters	29'605	3%	36.3%	38.5%	21'722	3%	52.1%	52.6%
Total	846'900	100%	10.7%	11.9%	765'343	100%	15.7%	16.6%

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

Applications. The damper actuators business was most impacted by the exit from the Russian business, as it was a key market for fire and smoke damper actuators. Considering the high market shares globally, the growth rate in local currencies of 6.6% represents a solid result. Net sales of control valves were up 16.5% and accelerated well ahead of damper actuators, reflective of the Company's success in driving its global market share in this application. Sensors and meters gained further traction with a growth of 38.5% in local currencies.

Outlook. For 2023, Belimo is expecting a sales revenue growth rate in local currencies around its five-year average. Energy efficiency and indoor air quality represent accelerating tailwinds that support the above-average growth of the building automation market. Capacity constraints due to a lack of qualified labor is hampering the strong underlying growth drivers. The uncertainty regarding the direction of the global economy and higher interest rates might have a negative impact on investment decisions in the non-residential building market. Furthermore, geopolitical implications and persisting supply chain challenges may further impact 2023.

Belimo continues to pursue its long-term growth strategy, allocating significant resources for advancing solution leadership, operational excellence, and sales network expansion. This might result in higher expenditures. Furthermore, adverse foreign exchange movements might negatively impact margins. To ensure a robust supply chain aligned with the growth strategy, Belimo is accelerating capacity expansion in logistics and customization in subsequent years, leading to higher investments in all market regions and consequently impacting cash flow.

Key Figures of the Belimo Group for the 2022 Financial Year

in CHF 1'000 (unless indicated otherwise)	2022	2021	Change
Net sales	846'900	765'343	+10.7%
Earnings before interest, taxes, depreciation, and amortization (EBITDA) in percent of net sales	189'033 22.3%	178'395 23.3%	+6.0%
Earnings before interest, taxes (EBIT) in percent of net sales	152'363 18.0%	145'363 19.0%	+4.8%
Net income in percent of net sales	122'698 14.5%	115'504 15.1%	+6.2%
Cash-effective investments in property, plant and equipment and intangible assets	54'698	46'725	+17.1%
Cash flow from operating activities in percent of net sales	112'861 13.3%	153'049 20.0%	-26.3%
Free cash flow in percent of net sales	91'202 10.8%	45'544 6.0%	+100.3%
Return on equity (ROE)	23.8%	23.1%	
Return on invested capital (ROIC)	24.9%	26.0%	
Earnings per share, in CHF	9.99	9.41	+6.2%
Dividend per share, in CHF	8.50	8.50	+0.0%
Number of employees (FTEs) as at December 31	2'163	1'921	+12.6%
Actuators shipped, in million items	8.0	7.8	+2.6%
Total CO ₂ savings of Belimo devices, in million tons of CO ₂ e	8.4	8.2	+2.6%

¹⁾ Proposal to the Annual General Meeting on March 27, 2023.

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. In 2022, the Company reported sales of CHF 847 million and over 2'200 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).

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

Link to the Key Figure Comparison Tool: <https://report.belimo.com/AR22/en/key-figure-comparison/>

At 8.30 a.m. CET, an Earnings Call on the 2022 Financial Statements will be held in English today. At 10:30 a.m. CET, a German-language Media and Financial Analysts Conference on the 2022 Financial Statements will be held at the Widder Hotel in Zurich. Please register to either or both events by using this [link](#).

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Agenda Media and Financial Analysts Conferences on the 2022
Financial Statements
Annual General Meeting 2023
Dividend Payment
Publication of the Semiannual Report 2023

March 6, 2023
March 27, 2023
March 31, 2023
July 24, 2023