



HALF-YEAR REPORT 2022



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Good order volumes and stable demand amid challenging supply chains

Challenges in supply chains and the lockdowns in China marked the first half of 2022. In spite of this, thanks to its innovative product and service portfolio, Bystronic achieved solid order volumes. However, procurement and shipping frictions led to a delayed sales recognition and had a temporary impact on profitability. Thanks to our strong market position and the sheet metal industry's long-term growth drivers, we are confident that we will achieve our ambitious medium-term targets in line with our Strategy 2025.

Demand remains at strong prior-year level

Our customers in a variety of industries continued to invest in the productivity of their sheet metal processing operations in the first half of 2022. This resulted in sound order volumes. Compared to the very strong previous year, which was characterized by catch-up effects, we achieved a stable order intake of CHF 536.1 million. In particular, the strong growth in the gold segment gives us reason for confidence and underpins the attractiveness of our innovative solutions.

Strong customer focus in spite of supply bottlenecks

The highest order backlog ever illustrates our strong market position. However, one challenge in the first half-year on account of the ongoing supply bottlenecks was the respective recognition of sales. Although in some cases certain components were not available, we maintained a high level of capacity utilization at all our production sites and shipped the products to our customers. As soon as the unavailable components became accessible again, Bystronic ensured installation on site as quickly as possible. However, until the systems were fully operational on site at our customers' premises, we were not able to recognize the corresponding sales in our accounts. As a result, inventories of finished products increased by CHF 49 million, which translates into approximately CHF 100 million in sales and the corresponding profit contribution. Due to the delayed recognition of sales, higher procurement and transport costs, further increases in personnel, as well as intensified sales and marketing activities, profitability declined in the first half of 2022. As a result, the EBIT margin of 2.3% was below our own ambitions. We have therefore already initiated cost savings measures, which will materialize as of the second half of 2022.

Progress in the strategy

In line with our Strategy 2025, we maintained our focus in the first half of 2022 on continuing to achieve profitable growth in the fields of systems, services, and software.

Accordingly, we expanded our systems portfolio with applications for the various price segments. In the gold segment we launched our most powerful cutting system to date, a 20-kilowatt laser. This productivity boost will specifically benefit customers that process particularly thick sheet steel. We also sold initial machines from our new "DNE Global" brand, which is positioned in the entry-level segment.

We also continued to expand our service business in the first half-year. We recruited 35 new service technicians and expect to recruit further specialists in the second half of the year. Thanks to the service business, our customers can not only count on systems, but also on maintenance and spare parts from a single source.

We have strengthened the software business at our sites in Spain, the United States, and Korea with additional developers and sales specialists. Our new Smart Factory Software Suite is in test operation at selected customers. In October, we will launch our innovative BySoft Software Suite solution for networked production at the industry's major trade show, the "EuroBLECH" in Hanover.

Outlook

Bystronic's very strong position in an attractive growth market promises further market share gains and profitable growth. During our strategy cycle from 2019 to 2025, we aim to achieve annual organic sales growth in excess of 5%. We also target an EBIT margin of over 12% and a return on net operating assets (RONOA) in excess of 25%.

Despite the limited visibility, we expect a better second half of 2022.

Outstanding team spirit

The first half of the year was also challenging for our more than 3,600 employees. It was only thanks to their tremendous commitment that we were able to sustain our production operations and ship and install many systems in spite of the adversities. We would like to take this opportunity to thank them for their outstanding performance.

We would also like to thank our business partners and shareholders for their great support and the trust they place in us.

Zurich, July 21, 2022



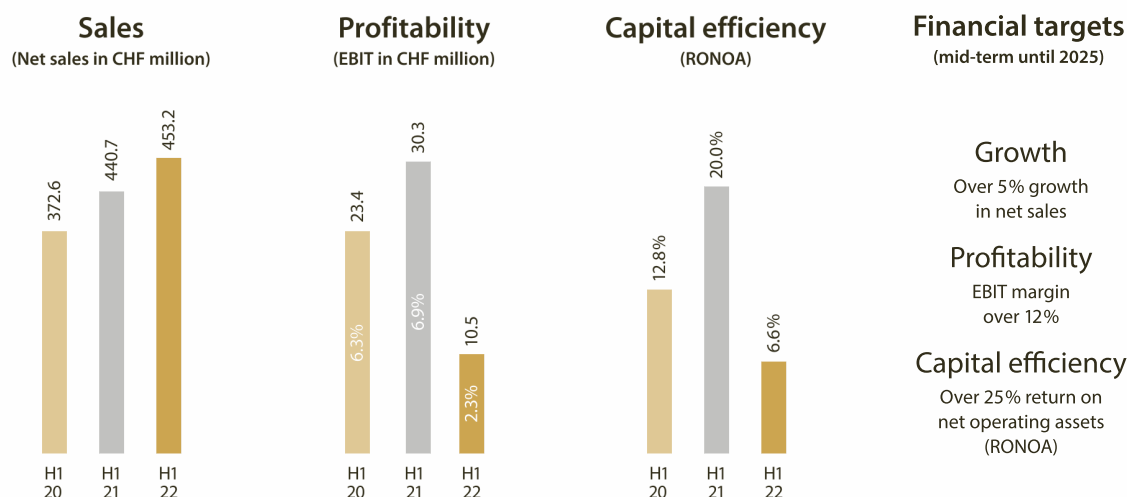
Dr. Heinz O. Baumgartner
Chairman of the Board of Directors



Alex Waser
CEO Bystronic Group

Bystronic

Performance indicators



Key figures

CHF million	H1 2022	H1 2021
Order intake	536.1	549.5
Increase compared to prior year	-2.4%	61.5%
Increase compared to prior year at constant exchange rates	0.5%	62.8%
Net sales	453.2	440.7
Increase compared to prior year	2.8%	18.3%
Increase compared to prior year at constant exchange rates	6.2%	19.2%
EBITDA	20.6	39.4
in % of net sales	4.6%	8.9%
Operating result (EBIT)	10.5	30.3
in % of net sales	2.3%	6.9%
Net result	7.0	23.3
in % of net sales	1.5%	5.3%
Operating free cash flow	-52.5	19.7
CAPEX	8.2	7.7
Net operating assets (NOA)	281.2	234.9
Return on net operating assets (RONOA)	6.6%	20.0%
Total equity	695.8	804.4
in % of total assets	60.2%	69.2%
Earnings per class A share, in CHF	3.37	11.19
Number of employees as of reporting date	3,636	3,357



Continued high order volumes and challenging supply chains mark the first half-year 2022

In the first half of 2022, Bystronic again achieved a solid order intake matching the previous year's strong level. Although supply bottlenecks noticeably hampered sales growth, net sales increased by 2.8% (+6.2% at constant exchange rates) compared to the prior-year period. However, profitability was temporarily impacted by delayed sales recognition and higher procurement costs. As a result, the EBIT margin was 2.3%. Thanks to its strong market position and the sheet metal industry's long-term growth drivers, Bystronic is confident that it will achieve its ambitious medium-term targets.

Order intake and sales development

Our customers exhibited positive investment patterns in the first six months of the 2022 financial year. Thus, at CHF 536.1 million, order intake was slightly below the strong prior-year level (-2.4%, at constant exchange rates +0.5%). Very positive growth was achieved in the Americas and Asia Pacific (APAC) regions. The gold segment in particular posted strong growth. In the EMEA region, orders remained at the prior-year level, while in China, the COVID lockdowns and the economic slowdown resulted in significantly lower order volumes. Accordingly, the entry-level segment as a whole recorded a decline.

Sales increased by 2.8% (6.2% at constant exchange rates) to CHF 453.2 million. The gold segment in particular performed well. Due to the unavailability of certain components, lead times increased significantly. As a result, it was not possible to realize the full sales potential in the first half of 2022. In order to nevertheless ensure its customers' satisfaction, Bystronic continued to produce and ship systems to customers in spite of the unavailability of components. As soon as these were available again, our technicians installed them on site as quickly as possible. However, a number of systems are still awaiting final assembly at the customers' sites, which means that these sales can only be recognized with a delay. As a result, inventories of finished products increased by CHF 49 million in the first half-year. This effect reduced recognized sales by approximately CHF 100 million with a corresponding profit contribution.

Operating result and profitability

The operating result (EBIT) decreased to CHF 10.5 million (H1 2021: CHF 30.3 million). The EBIT margin stood at 2.3% compared to 6.9% in the previous year. This is attributable to delayed sales recognition, expenses in connection with the growth strategy, and higher procurement and transport costs. Bystronic has responded to the increased input costs and repeatedly implemented higher prices. Due to the substantial order backlog, these measures will largely start to have an impact from 2023 onwards.

Result and cash flow

The half-year result for Bystronic amounted to CHF 7.0 million (H1 2021: CHF 23.3 million). This corresponds to earnings of CHF 3.37 per class A registered share. The targeted increase in inventories of key components as well as the high stock levels of finished products resulted in a negative operating free cash flow of CHF -52.5 million, although prepayments from customers continued to increase. The return on net operating assets (RONOA) was 6.6% (H1 2021: 20.0%).

Outlook

Bystronic’s very strong position in an attractive growth market promises further market share gains and profitable growth. During our strategy cycle from 2019 to 2025, we aim to achieve annual organic sales growth in excess of 5%. We also target an EBIT margin of over 12% and a return on net operating assets (RONOA) exceeding 25%.

Despite the limited visibility, Bystronic expects a better second half of 2022.

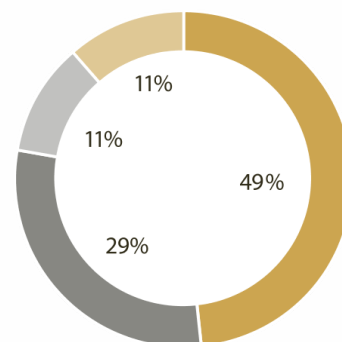
Discontinued operations

Net sales of discontinued operations amounted to CHF 183.6 million in the first half of 2021, with FoamPartner contributing CHF 76.3 million and Mammut CHF 107.3 million. The operating result (EBIT) of discontinued operations was CHF -85.5 million, of which CHF -80.1 million are attributable to the loss on sale of FoamPartner. This is a consequence of the goodwill recycling as prescribed by the Swiss GAAP FER accounting standards. In the context of the divestment of FoamPartner in 2021, Bystronic received the final contractually agreed payment of CHF 19.7 million in January 2022.

Total Group

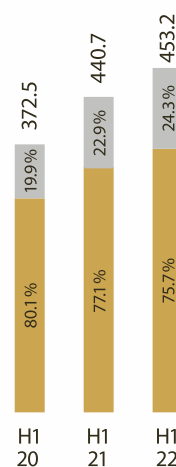
Net sales of the entire Group amounted to CHF 453.2 million in the first half-year (H1 2021: CHF 624.3 million), which corresponds to a decrease of 27.4%. The operating result (EBIT) was CHF 10.5 million. In the previous year, the EBIT loss due to the divestment of FoamPartner amounted to CHF -55.2 million. Overall, the net result was CHF 7.0 million, compared to CHF -60.9 million in the previous year.

Net sales per region



- EMEA
- Americas
- China
- APAC

Net sales by product (in CHF million)



- Systems
- Services



EMEA region

The Europe, Middle East & Africa (EMEA) region continued to develop encouragingly in the first half of 2022. While order intake increased in the first quarter, the second quarter saw a decline compared to the very strong second quarter of 2021. In northern and central Europe, volumes matched the previous year's solid levels, while in southern Europe, individual customers exhibited more cautious investment behavior. Overall, order intake decreased by 3.1% to CHF 261.0 million (at constant exchange rates +4.8%). The main positive development related to demand for laser applications.

With a share of total revenue of roughly 50%, EMEA is Bystronic's strongest region in terms of sales. In the first half of 2022, sales increased by 6.0% to CHF 222.3 million (at constant exchange rates +15.3%). Thanks to the strong order backlog, all markets contributed to the sales growth.

Americas region

The Americas region once again posted a strong rise in order intake. New orders increased by 13.3% (at constant exchange rates +9.3%) to CHF 168.4 million, which represents growth of 74% compared to the pre-pandemic level in the first half of 2019. All applications in the cutting and bending segments, and the gold segment in particular, contributed to this growth. The ongoing implementation of the regionalization strategy and the investments in the Hoffman Estates business site (Chicago) are thus bearing fruit.

Sales in the region increased by 17.5% (at constant exchange rates +13.3%) to CHF 131.4 million. The strongest sales growth, both for laser cutting machines and press brakes, was in the gold segment.

In addition to developing the automation solutions business, Bystronic will drive forward the sales of its own software solutions for the smart factory following their market launch in October 2022. These are meeting with great interest in the region.

China region

In the China region, momentum has slowed down noticeably. Due to COVID lockdowns and the economic slowdown, customers in all sectors were very cautious. Consequently, order intake declined by 48.6% to CHF 42.9 million (at constant exchange rates -50.6%).

With the exception of a few weeks, Bystronic was able to maintain its production operations at all three sites in Shenzhen, Tianjin, and Shanghai – albeit not at the usual level of capacity utilization. Although many customers were affected by lockdowns, Bystronic maintained regular virtual contact and offered maintenance and installation services to the extent possible.

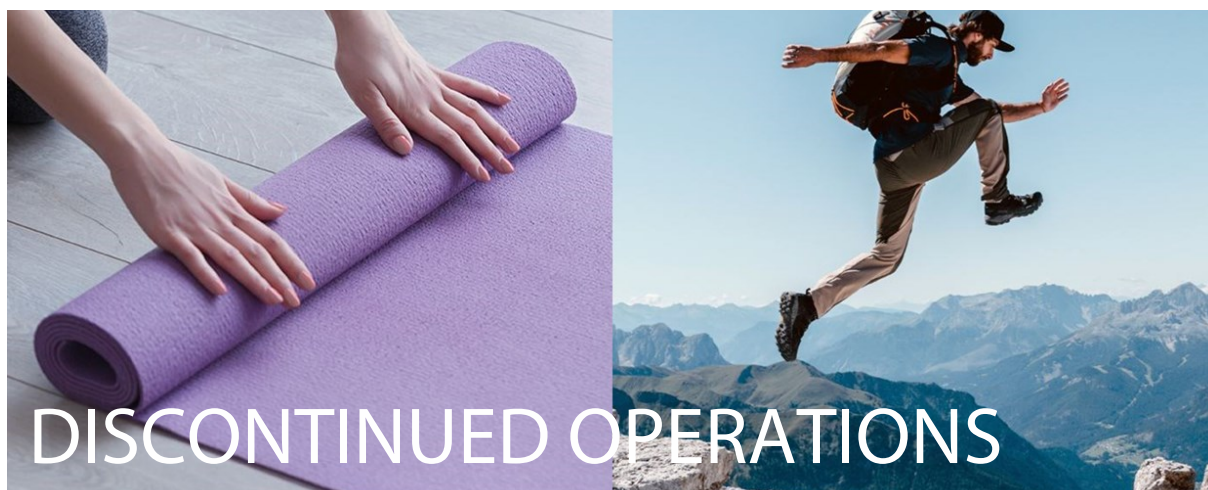
Due to the various restrictions, net sales declined by 31.8% (at constant exchange rates -34.6%) to CHF 50.6 million. All applications and market segments were affected. However, Bystronic maintained its strong position in the region and is confident that it will be able to benefit from its broad portfolio once the Chinese market recovers.

APAC region

Order intake in the Asia Pacific (APAC) region increased by 32.8% (at constant exchange rates +38.5%) to a total of CHF 63.8 million, with double-digit demand growth in both quarters. All areas contributed to this growth: cutting, bending, and automation – and this in all price segments. Within the region, Australia in particular developed very favorably. Many customers are increasingly shifting production capacities from China to other markets in the Asia Pacific region, which drove strong growth in Australia.

In June, Bystronic inaugurated its new Brand Experience Center in Korea. In line with its regionalization strategy, Bystronic is thus strengthening its local footprint and offering customers in Asia the opportunity to test the latest solutions first-hand.

Net sales increased by 8.6% (at constant exchange rates +13.2%) to CHF 48.9 million.



Discontinued operations include the Chemical Specialties (FoamPartner) and Mammut segments.

FoamPartner was divested at the end of March 2021 and contributed CHF 76.3 million to net sales in the first quarter of 2021. Mammut was divested at the end of June 2021 and generated net sales of CHF 107.3 million in the first half-year 2021.

In total, the contribution to sales from these operations in the first half of 2021 was CHF 183.6 million, and the operating result (EBIT) of the discontinued operations was CHF -85.5 million.

Chemical Specialities

The “Chemical Specialities” segment, consisting of the Schmid Rhyner and FoamPartner business units, was successfully divested within the framework of the Group’s transformation, which was announced in December 2019. Schmid Rhyner was sold to the specialty chemicals group Altana, headquartered in Wesel, Germany, and deconsolidated at the end of February 2020. FoamPartner was sold to Recticel, a Belgian polyurethane chemicals specialist based in Brussels, Belgium, and listed on Euronext (REC). The transfer of control and the corresponding deconsolidation took effect on March 31, 2021. The enterprise value of this transaction amounted to CHF 270 million. The net cash inflow from the divestment was CHF 230.5 million in 2021 and CHF 19.7 million in 2022.

Since Swiss GAAP FER stipulates that goodwill and currency conversion differences that have been offset against equity must be recorded in the profit or loss at the date of divestment, the transaction resulted in a loss on sale of CHF 80.1 million for the first half of 2021, which is recognized in the income statement under “Other operating expenses”.

In the first quarter of 2021, the Chemical Specialities segment generated net sales of CHF 76.3 million.

Mammut

Within the framework of the Group’s transformation announced in December 2019, the Mammut business unit was sold to Telemos Capital, headquartered in London, UK, for an enterprise value of CHF 230 million. The handover of control and the corresponding deconsolidation took effect on June 30, 2021. The cash inflow from this transaction amounted to CHF 89.8 million and the loss on sale was CHF 0.3 million. As part of the transaction, the parties agreed on an interest-bearing vendor loan of CHF 60.0 million, which will be repaid by the buyer by January 2027 at the latest and has been recognized together with the accrued interest of CHF 1.7 million under “Financial assets”.

In the first half of 2021, Mammut generated net sales of CHF 107.3 million. Ongoing lockdowns across various regions in the first half of 2021 affected the physical sales channels consisting of specialist retailers and mono-brand stores, the dominant source of revenue.

Consolidated income statement

CHF million January – June	Bystronic 2022	Bystronic 2021	Discontinued operations 2021	Total Group 2021
Net sales	453.2	440.7	183.6	624.3
Other operating income	2.2	4.1	3.5	7.6
Changes in inventories of unfinished and finished goods	37.2	38.3	2.9	41.2
Material expenses	-234.5	-236.5	-98.8	-335.3
Personnel expenses	-132.9	-121.7	-49.3	-171.1
Depreciation and impairment on fixed assets	-7.4	-6.6	-5.6	-12.2
Amortization and impairment on intangible assets	-2.7	-2.4	-1.8	-4.3
Other operating expenses	-104.6	-85.5	-120.0	-205.5
Operating result (EBIT)	10.5	30.3	-85.5	-55.2
Financial result	-1.9	0.0	-1.4	-1.3
Share of result from associates			0.1	0.1
Result before income taxes	8.6	30.3	-86.8	-56.5
Income taxes	-1.7	-7.0	2.6	-4.4
Net result	7.0	23.3	-84.2	-60.9
Attributable to shareholders of Bystronic AG	7.0	23.2	-84.2	-61.0
Attributable to minority interests		0.2		0.2
Earnings per class A registered share in CHF	3.37	11.19	-40.69	-29.50
Earnings per class B registered share in CHF	0.67	2.24	-8.14	-5.90
Diluted earnings per class A registered share in CHF	3.37	11.19	-40.69	-29.50
Diluted earnings per class B registered share in CHF	0.67	2.24	-8.14	-5.90

Consolidated balance sheet

CHF million	06/30/2022	12/31/2021
ASSETS		
Current assets		
Cash and cash equivalents	338.4	465.7
Securities		30.0
Trade receivables	150.6	133.7
Prepayments to suppliers	9.1	6.5
Other receivables	35.1	59.3
Inventories	325.8	249.1
Prepaid expenses and accrued income	13.9	14.1
Total current assets	873.1	958.4
Non-current assets		
Fixed assets	131.8	133.1
Intangible assets	10.6	11.4
Financial assets	108.9	109.2
Deferred tax assets	31.8	22.8
Total non-current assets	283.1	276.4
TOTAL ASSETS	1,156.2	1,234.8
LIABILITIES		
Current liabilities		
Short-term financial liabilities	7.2	4.1
Trade payables	70.0	79.5
Advance payments from customers	191.9	153.4
Other short-term liabilities	29.6	30.1
Short-term provisions	22.9	24.6
Accrued expenses and deferred income	90.4	80.3
Total current liabilities	412.0	372.0
Non-current liabilities		
Long-term financial liabilities		1.7
Pension fund liabilities	0.6	0.6
Long-term provisions	22.5	23.6
Deferred tax liabilities	25.3	21.7
Total non-current liabilities	48.4	47.6
Total liabilities	460.4	419.6
Equity		
Share capital	4.1	4.1
Capital reserves	-31.9	-30.8
Treasury shares	-2.3	-2.3
Retained earnings	725.8	844.2
Total equity	695.8	815.2
TOTAL LIABILITIES AND EQUITY	1,156.2	1,234.8

Consolidated statement of changes in shareholders' equity

CHF million	Note	Share capital	Capital reserves	Treasury shares	Translation differences	Cash flow hedges	Other retained earnings	Retained earnings	Equity attributable to shareholders of Bystronic AG	Minority interests	Total equity
Total equity December 31, 2020		4.1	-19.5	-2.1	-99.0	2.0	909.1	812.1	794.7	1.3	796.1
Net result							-61.0	-61.0	-61.0	0.2	-60.9
Dividends							-124.1	-124.1	-124.1	-0.1	-124.3
Changes of cash flow hedging						-2.4		-2.4	-2.4		-2.4
Recognition of goodwill in equity	4.1						-0.5	-0.5	-0.5		-0.5
Recycling of goodwill from sale of business units	3						155.0	155.0	155.0		155.0
Share-based compensation			-0.6	1.3					0.7		0.7
Translation differences					40.7			40.7	40.7	0.0	40.7
Total equity June 30, 2021		4.1	-20.1	-0.8	-58.2	-0.5	878.4	819.7	803.0	1.4	804.4
Total equity December 31, 2021		4.1	-30.8	-2.3	-66.9	0.4	910.8	844.2	815.2		815.2
Net result							7.0	7.0	7.0		7.0
Dividends	6						-124.1	-124.1	-124.1		-124.1
Changes of cash flow hedging						0.4		0.4	0.4		0.4
Purchase/sale of treasury shares				-1.0					-1.0		-1.0
Share-based compensation			-1.1	1.0					-0.1		-0.1
Translation differences					-1.7			-1.7	-1.7		-1.7
Total equity June 30, 2022		4.1	-31.9	-2.3	-68.7	0.8	793.6	725.8	695.8		695.8

Consolidated cash flow statement

CHF million	Note	January – June 2022	January – June 2021
Net result		7.0	-60.9
Depreciation and impairment on fixed assets		7.4	12.2
Amortization and impairment on intangible assets		2.7	4.3
Gain/loss on disposal of non-current assets		-0.1	-2.7
Gain/loss on disposal of investments		1.7	78.0
Change in provisions and pension fund liabilities		-7.7	-7.0
Other non-cash changes		-5.1	-1.2
Cash flow from operating activities before change in net working capital		5.9	22.8
Increase/decrease in:			
inventories		-79.2	-58.6
trade receivables		-19.5	-31.2
prepayments to suppliers		-2.7	-4.6
other receivables, prepaid expenses and accrued income		3.8	-4.3
trade payables		-8.7	27.4
advance payments from customers		39.7	36.3
other liabilities, accrued expenses and deferred income		11.8	24.8
Cash flow from operating activities		-48.9	12.5
Investment in fixed assets		-6.3	-10.0
Divestment of fixed assets		0.1	5.0
Investment in intangible assets		-1.9	-3.0
Investment in financial assets and securities		-0.4	-60.5
Divestment of financial assets and securities		34.8	4.0
Acquisition of business activities	4.1		0.7
Sale of business activities	3	19.1	322.7
Cash flow from investing activities		45.5	258.8
Cash flow from operating and investing activities		-3.4	271.4
Purchase/sale of treasury shares		-1.0	0.0
Dividends paid to shareholders of Bystronic AG	6	-124.1	-124.1
Dividends paid to minority shareholders			-0.1
Change in short-term financial liabilities		3.5	-1.3
Change in long-term financial liabilities		-1.7	0.2
Change in other long-term liabilities		-0.0	-0.0
Cash flow from financing activities		-123.3	-125.4
Effect of currency translation on cash and cash equivalents		-0.6	1.5
Change in cash and cash equivalents		-127.3	147.5
Reconciliation of change in cash and cash equivalents			
Cash and cash equivalents at beginning of period		465.7	273.3
Cash and cash equivalents at the end of period		338.4	420.8

Notes to the consolidated interim financial statements

1 Group accounting principles

General information

Bystronic AG is a stock company incorporated under Swiss law and is domiciled in Zurich. The class A registered shares have been listed on the SIX Swiss Exchange since May 3, 2021 (symbol: BYS); previously under the name Conzzeta AG (symbol: CON). The Board of Directors approved the consolidated interim financial statements 2022 on July 20, 2022.

Accounting principles

The consolidated interim financial statements cover the period from January 1, 2022, to June 30, 2022 and were prepared in accordance with Swiss GAAP FER (Accounting and Reporting Recommendations) and Swiss GAAP FER 31 "Complementary Recommendations for listed entities". These consolidated interim financial statements do not include all the information and disclosures contained in the consolidated annual financial statements and should thus be read in conjunction with the consolidated annual financial statements as of December 31, 2021. The accounting principles of the consolidated financial statements as of December 31, 2021 have been applied unchanged.

The figures contained in the consolidated interim financial statements are unaudited.

Consolidation

The consolidated interim financial statements include the financial statements of Bystronic AG and of all companies directly or indirectly controlled by Bystronic AG, through investments with more than 50% of the votes or by other means. These group companies are fully consolidated. Investments in associates (at least 20%, but less than 50% of the voting rights) are accounted for under the equity method. Securities held as non-current assets are valued at acquisition cost, less any necessary value adjustments.

The assets and liabilities of companies that are included in the consolidation for the first time are measured at fair value. Goodwill arising from this revaluation is offset against equity. First-time consolidations take effect on the date on which control is acquired, deconsolidations on the date on which control is relinquished. When companies are sold or liquidated, the goodwill offset against equity is recycled in the income statement.

Significant estimates made by management

In preparing the consolidated interim financial statements, certain assumptions are made which affect the accounting basis to be used and the amounts reported as assets, liabilities, income and expenses and the presentation of these amounts. The management did not make any new material assumptions or estimates in the consolidated interim financial statements compared with those made in the consolidated annual financial statements as of December 31, 2021.

Influence of the Coronavirus pandemic

The coronavirus pandemic had an impact on Bystronic's business performance in the first half of 2021. The business units, which operate in different sectors and markets, were affected to varying degrees. The Board of Directors and the Executive Committee have analyzed the possible scenarios depending on the further course of the pandemic and have defined and initiated corresponding measures. The situation eased in most markets in the first half of 2022. China was severely affected by the pandemic in the first half of the year and was subject to temporary lockdowns.

2 Segment information

Order intake

Order intake is an important performance indicator. An order is recognized when a sales contract is signed, an initial down payment is received and the products ordered by the customer have been placed at the production plants.

CHF million	Bystronic	
	2022	2021
January - June		
EMEA	261.0	269.4
Americas	168.4	148.7
China	42.9	83.4
APAC	63.8	48.0
Total Order intake	536.1	549.5

Net sales

The following overview shows the segment net sales divided into Bystronic and discontinued operations.

CHF million January – June 2022	Net sales third parties	Net sales intersegment	Total net sales
Bystronic			
EMEA	222.3	119.7	342.0
Americas	131.4	2.3	133.7
China	50.6	39.7	90.4
APAC	48.9	1.8	50.7
Eliminations		-163.5	-163.5
Total Bystronic	453.2		453.2
Discontinued operations			
Chemical Specialities (FoamPartner)	76.4		76.4
Mammut	107.3		107.3
Total discontinued operations	183.6		183.6
Total Group	624.3		624.3

CHF million January – June 2021	Net sales third parties	Net sales intersegment	Total net sales
Bystronic			
EMEA	209.7	99.8	309.5
Americas	111.8	1.7	113.5
China	74.2	22.6	96.8
APAC	45.0	1.6	46.6
Eliminations		-125.8	-125.8
Total Bystronic	440.7		440.7
Discontinued operations			
Chemical Specialities (FoamPartner)	76.4		76.4
Mammut	107.3		107.3
Total discontinued operations	183.6		183.6
Total Group	624.3		624.3

With reference to the recommendation for listed companies (FER 31/8), Bystronic refrains from disclosing segment results in the interest of the shareholders for the following reasons:

– Impairment of negotiating positions:

The disclosure of segment results would allow conclusions to be drawn about the pricing, which could significantly affect Bystronic's negotiating positions.

– Competitive disadvantage compared to competitors:

Bystronic's competitors do not disclose segment information and detailed segment results. The disclosure of segment results would put Bystronic in a competitive disadvantage compared to its competitors as the results allow conclusions to be drawn about the margin and cost situation per segment.

3 Discontinued operations

On December 9, 2019, Bystronic (reported before the change of name by the holding company Conzzeta AG) announced the decision of the Board of Directors to focus the group on the Bystronic business unit. The other business units were sold by June 30, 2021. The activities of FoamPartner and Mammüt which were not sold in the comparative period are allocated to discontinued operations. There are no more discontinued operations in the first half of 2022.

As of March 31, 2021, Bystronic sold the FoamPartner activities to Recticel, the Belgian polyurethane chemicals specialist based in Brussels and listed on Euronext (REC). The year 2022 includes neither net sales nor operating profit, while the comparative period covers three months. The transaction resulted in a loss on sale of CHF 80.1 million, which was recognized as "Other operating expenses" in the year 2021. The remaining purchase price receivable of CHF 20.0 million is a deferred purchase price payment recognized as "Other receivables" in the year 2021 and was paid in January 2022. On the remaining purchase price receivable, a currency loss of CHF 0.3 million resulted. The loss on sale includes goodwill in the amount of CHF 152.2 million, which was offset against equity at the time of the acquisition.

As of June 30, 2021, Bystronic sold the Mammüt Sports Group business unit to Telemos Capital, an investment company based in London (UK). The year 2022 includes neither net sales nor operating profit, while the comparative period comprises six months. The transaction resulted in a loss on sale of CHF 0.3 million, which was recognized in the position "Other operating expenses" in the year 2021. The transaction included an earn-out structure of up to CHF 45.0 million. Due to the earn-out related result as of December 31, 2021, no fair value for the earn-out is included in the loss on sale. The parties also agreed on an interest-bearing vendor loan of CHF 60.0 million, which will be repaid by the buyer by January 2027 at the latest and has been recognized together with the accrued interest of CHF 1.7 million under "Financial assets".

CHF million	FoamPartner	Mammüt
	March 31, 2021	June 30, 2021
Current assets	116.5	141.7
Non-current assets	103.1	54.4
Assets	219.7	196.2
Current liabilities	138.9	176.6
Non-current liabilities	12.7	2.2
Liabilities	151.7	178.8
Net assets divested	68.0	17.4
Selling price	171.7	42.4
Net assets divested	-68.0	-17.4
Transaction costs	-13.1	-6.6
Recycling of goodwill	-152.2	-2.8
Recycling of translation differences	-18.5	-15.8
Loss on disposal	-80.1	-0.3
Selling price received	151.4	42.4
Transaction costs paid	-9.7	-5.0
Cash and cash equivalents disposed of	-21.7	-32.5
Settlement of intercompany receivables and debts	110.5	144.9
Granting of vendor loan		-60.0
Net cash flow 2021	230.5	89.8
Deferred purchase price payment	19.7	
Net cash flow 2022	19.7	
Total net cash flow	250.2	89.8

4 Changes in the scope of consolidation

4.1 Changes in the previous year

- On March 26, 2021, Bystronic acquired Kurago Software S.L., Bilbao, Spain. The purchase price was CHF 0.5 million. The transaction resulted in goodwill of CHF 0.5 million, which was offset against equity. Cash and cash equivalents of CHF 1.2 million were acquired.
- As of March 31, 2021, Bystronic sold the activities of FoamPartner.
- As of June 30, 2021, Bystronic sold the business unit Mammut Sports Group.

4.2 Changes in the current year

- As of January 1, 2022, FMG Verfahrenstechnik AG, Sulgen (Switzerland) was merged with Bystronic Laser AG, Niederönz (Switzerland).
- On June 8, 2022, Bystronic sold the company OOO Bystronic Laser, Moscow (Russia). With the sale, cash and cash equivalents in the amount of CHF 0.6 million were disposed of.

5 Seasonality

Bystronic's activities are not subject to any significant seasonal fluctuations.

6 Dividends

At the Annual General Meeting on April 26, 2022, a dividend of CHF 60.00 per class A registered share and CHF 12.00 per class B registered share was approved. The dividend distribution amounted to CHF 124.1 million.

7 Exchange rates

Currency	Unit	Closing rate		Average rate	
		June 2022	December 2021	June 2022	June 2021
EUR	1	1.0005	1.0331	1.0327	1.0948
USD	1	0.9513	0.9121	0.9386	0.9050
CNY	100	14.2153	14.3592	14.5658	13.9673

8 Events after the balance sheet date

There are no events after the balance sheet date that require an adjustment to the assets and liabilities recognized in the balance sheet or require disclosure.

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