

conzzeta



SUMMARY REPORT 2020



Key figures – Group

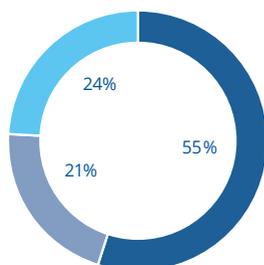
CHF m	2020	2019	Change
Net revenue	1,283.5	1,573.2	-18.4%
on a comparable basis ¹			-10.4%
Total revenue	1,273.6	1,579.1	-19.3%
Operating result (EBIT)	79.7	167.2	-52.3%
adjusted ²	32.3	137.3	-76.5%
as a % of total revenue, adjusted ²	2.5%	8.7%	-620 bp
Group result	66.9	136.8	-51.1%
as a % of total revenue	5.3%	8.7%	-340 bp
Minority interests	1.9	11.1	-83.2%
Operating free cash flow	51.5	40.6	26.8%
Cash and cash equivalents	273.3	300.9	-9.2%
Total assets	1,150.6	1,266.0	-9.1%
Shareholders' equity	796.1	880.1	-9.5%
as a % of total assets	69.2%	69.5%	-30 bp
Net operating assets (NOA)	507.8	550.7	-7.8%
Return on net operating assets (RONOA) ²	4.1%	20.0%	-1,590 bp
Number of employees on December 31	4,891	5,026	-2.7%
Earnings per class A share, in CHF	31.46	60.85	-48.3%
Dividend for class A shares, in CHF ³	60.00	42.00	42.9%
Dividend for class B shares, in CHF ³	12.00	8.40	42.9%

¹ At stable exchange rates and adjusted for changes in the scope of consolidation.

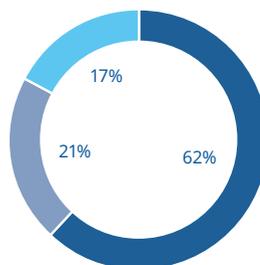
² 2020 excluding divestment gain of CHF 47.4 million from the disposal of the Schmid Rhyner business unit and 2019 excluding divestment gain of CHF 29.9 million from the disposal of the Glass Processing segment.

³ 2020 as proposed by the Board of Directors.

Net revenue 2020 by region



Net revenue 2020 by segment



STABILITY FROM TRADITION – CHANGE AS PRINCIPLE¹⁾

Zürcher Ziegeleien

conzzeta



The rationale for transforming Zürcher Ziegeleien into Conzzeta, to which the title refers, remains relevant. As then, we are facing major uncertainties today. The longer-term effects of the coronavirus pandemic can hardly be estimated. At the same time, digitalization is creating new challenges for the work world, right up for the call for an unconditional basic income. Climate change is also adding to the demands placed on us, while at the same time opportunities are arising.

The decision by the Board of Directors in December 2019 to focus Conzzeta's activities on Bystronic is largely attributable to Bystronic's solid performance and its existing critical size. Bystronic has a global presence and is well positioned in a promising market. Thanks to its increasingly integrated and energy-efficient solutions, customers are able to manufacture more productively and more sustainably at the same time. For the other business units, new owners will be better equipped to cope with the challenges of the time.

To take advantage of opportunities, a stable foundation and a willingness to adapt early are a must. As early as in 1999, when Zürcher Ziegeleien was sold, changes in the market demanded spirited "Let Go and Get Going". This can also be quite painful. The employees of FoamPartner, Schmid Rhyner and Mammüt have developed their businesses over the decades and put their hearts and souls into mov-

ing them forward. The fundamental transformation that is about to be completed in 2021 was therefore also emotionally demanding.

It is already clear that the management team, led by Michael Willome, has successfully implemented the recent transformation in a challenging, pandemic-affected environment. I very much want to thank the entire team and employees at all levels for their efforts. It is impressive to see how, over the last few years, they have laid the foundations with innovative solutions and operational improvements for making this step one that adds value for all parties involved.

With Bystronic as its new focus, Conzzeta will also change its name. The Board of Directors will propose to the upcoming Annual General Meeting that Conzzeta AG be renamed Bystronic AG. The appointment of a new Executive Committee under the leadership of Alex Waser, current CEO of the Bystronic business unit, and his promotion to Group CEO, is also a logical consequence. We wish Alex Waser, his management team and all Bystronic employees the expected success with the implementation of their growth strategy.

A handwritten signature in black ink, appearing to read "E. Bärtschi".

Ernst Bärtschi
Chairman of the Board of Directors

¹⁾ Title from the jubilee book, published in 2012, "Let Go and Get Going"



Ernst Bärtschi,
Chairman of the Board of Directors

Michael Willome,
Group CEO

Dear Shareholders,

CONSISTENT STRATEGY IMPLEMENTATION

With the strategic realignment approved at the end of 2019 and the global coronavirus pandemic with its multi-layered impacts, we faced unprecedented challenges in 2020. We endeavored to deal with the situation responsibly at all times to protect our employees, but also to protect our long-term business relationships. Also thanks to our solid capital position, we were able to respond quickly while continuing to make consistent progress with important projects and to develop digital solutions for internal cooperation and interaction with our customers. It is our goal to complete the Group's transformation with the focus on Bystronic in 2021.

The coronavirus pandemic and its impacts were the dominant themes for the first half of the year. Our businesses picked up as expected in the second half of the year, with Bystronic's order intake and FoamPartner's net revenue in the fourth quarter exceeding the figures for the same period in 2019. Mammut's physical store sales were particularly affected by the repeated lockdowns. However, the expansion of digital sales channels, a strategy ini-

tiated some years before, proved successful, with revenue from those channels up 72.7%. Not least thanks to our "Cash, Cost, Complexity" measures to partially compensate for the impacts of the pandemic, the operating result including the divestment gain from Schmid Rhyner (CHF 47.4 million) reached CHF 79.7 million, despite costs for strategy implementation.

Resignation of the Executive Committee

On November 10, 2020, we announced that an agreement to sell FoamPartner had been signed and we expect the divestment of the Mammut business unit towards mid-2021, subject to market conditions. We are therefore on the finishing stretch with our focusing, with buyers that will further develop the businesses and lead them into the future. The current management structure, designed for a Group with diverse business units, is no longer required which is why the Executive Committee will step down at the Annual General Meeting (AGM) on April 21, 2021. In addition to Group CEO Michael Willome, Group CFO Kaspar W. Kelterborn, General Counsel Barbara Senn, FoamPartner CEO Dr. Michael Riedel and Mammut CEO Dr. Oliver Pabst will leave the Group during the transformation, the latter two in the context of the planned sale of the business units they manage.

Conzzeta to become Bystronic

Conzzeta will consist of the Bystronic business unit in future. Trends in the sheet metal processing market will allow it to establish even greater customer proximity and accelerate its growth with new technical solutions. Change of name also seems appropriate, which is why the agenda for the upcoming AGM will include a motion to change the company's name from Conzzeta AG to Bystronic AG. The aim of this is to position Bystronic as a modern, sustainably managed and future-oriented company.

New management team

During the transformation year 2020, Bystronic prepared its "Strategy 2025". This includes the development of a new management structure with regional focus. In addition to Alex Waser as CEO, the new Executive Committee will comprise Beat Neukom, CFO (as of May 2021), Johan Elster, President Region EMEA, Robert St. Aubin, President Region Americas, Norbert Seo, President Region APAC, Dr. Song You, President Region China, and Eamon Doherty, Chief Service Officer.

Thanks

The Board of Directors would like to thank the departing Executive Committee for its influential involvement, especially also during the challenging

Group transformation. The Board of Directors and the Executive Committee would also like to thank all employees for their efforts. The successful implementation of the transformation was an additional strain for employees in an already challenging environment and despite the associated uncertainties about their professional future, they handled it with a professional attitude. We wish all those involved every success in the future, particularly, of course, the new Bystronic, its management team and its over 3,000 employees.

Outlook

Conzzeta is within reach of completing its strategic transformation. In addition to the change of name, the distribution of a dividend of CHF 124.2 million will be proposed to the Annual General Meeting of April 21, 2021. The proposal allows shareholders to participate in the excess liquidity of the company in context of the strategic transformation as announced in December 2019. Bystronic, however, shall remain well capitalized for the implementation of its "Strategy 2025" in order to be able to act flexibly as a growth-oriented company in a market of the future.

All of Conzzeta's business units have started 2021 with positive momentum, but the business environment remains challenging due to the still tense pandemic situation and ongoing macroeconomic uncertainties. For the continued business of Bystronic, a return to growth is expected in 2021 in line with the targets communicated at the Capital Markets Day on November 10, 2020, with revenue growth of 5% to 8% as well an EBIT margin of around 8%, which is still at the lower end of the target range.

Zurich, March 16, 2021

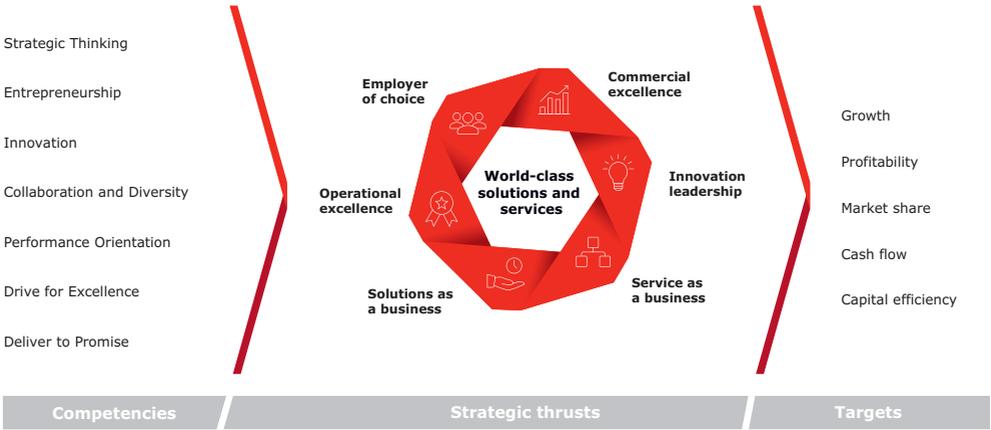


Ernst Bärtschi
Chairman of the Board
of Directors



Michael Willome
Group CEO

Bystronic's "Strategy 2025"



Strategic priorities

Commercial excellence
Customer value through de-centralization and segment-specific products and services

Innovation leadership
Leader in core technologies

Service as a business
Separate business unit as a platform for customer loyalty and growth

Solutions as a business
Networked systems with fully integrated software and automation

Operational excellence
Continual improvements throughout the company

Employer of choice
Attractive working environment for the best talent

Financial targets (mid-term)

Growth Growth in net revenue of over 5%.

Profitability EBIT margin of over 12%

Capital efficiency Return on net operating assets of over 25%

Overview Bystronic

Bystronic is one of the world's leading providers of premium sheet metal processing solutions. It focuses on the automation of the entire material and data flow of the cutting and bending process chain. The portfolio includes laser cutting systems, press brakes, and automation and software solutions. Comprehensive services complete the portfolio.



Best choice.

The company has its operational headquarters in Niederönz (Switzerland). Other development and production sites are located in Switzerland (Sulgen), Germany (Gotha), Italy (Cazzago San Martino and San Giuliano Milanese), the USA (Hoffman Estates) and China (Tianjin and Shenzhen). Bystronic has its own sales and service companies in more than 30 countries and is represented by agents in numerous other countries.

LOWER REVENUE AND RESULT DUE TO THE PANDEMIC

The Group's strategic transformation was consistently driven forward and is planned to be completed in 2021.

Financial performance

In a business environment marked by the coronavirus pandemic, the Conzzeta Group generated net revenue of CHF 1,283.5 million, 18.4% below the previous year. On a comparable basis, revenue decreased by 10.4%. The operating result (EBIT) was CHF 79.7 million and includes the extraordinary gain of CHF 47.4 million from the sale of Schmid Rhyner. The measures launched in March as part of the "Cash, Cost, Complexity" initiative were successful in partially compensating for the adverse impacts of the pandemic. The result includes also one-off costs in the amount of around CHF 14 million.

Overall, excluding the divestment gains, adjusted EBIT was CHF 32.3 million (previous year: CHF 137.3 million) with an EBIT margin of 2.5% (8.7%). The Group result amounted to CHF 66.9 million (CHF 136.8 million), with minority interests of CHF 1.9 million (CHF 11.1 million). The return on net operating assets in the reporting year was 4.1% (20.0%), primarily due to the lower EBIT (excluding the divestment gain).

Financing, investments and divestitures

The sale of Schmid Rhyner and the acquisitions made for Bystronic (Weber Laserservice BV, a service partner in the Benelux and German markets, and the 30% minority interest in the Chinese company DNE Laser) resulted in a cash inflow of CHF 12.7 million.

Investments in property, plant and equipment and intangible assets amounted to CHF 39.4 million (CHF 69.8 million). Despite the lower operat-

ing result, free cash flow from operating activities was CHF 51.5 million, which exceeded the previous year's figure (CHF 40.6 million).

After the distribution of an unchanged ordinary dividend for the 2019 financial year and cash not required from the sale of Schmid Rhyner totaling CHF 86.8 million, Conzzeta held cash and cash equivalents of CHF 273.3 million at the end of 2020, with an equity ratio of 69.2%.

Strategic development

The announcement on December 9, 2019, that the strategic focus would shift to Bystronic and that the other activities would be sold was preceded by a careful evaluation of all options, with the aim of accelerating the development of the improved potential seen in all business units in recent years.

Already on December 20, 2019, the sale of Schmid Rhyner, part of the Chemical Specialties segment, was announced and was completed at the end of February 2020. On November 10, 2020, Conzzeta announced that it had entered into a binding agreement to sell FoamPartner by the end of the first quarter of 2021, subject to regulatory approval. The sale of Mammut (Outdoor segment) is currently still expected towards mid-2021, subject to market conditions. As part of its "Strategy 2025", Bystronic will further improve customer proximity with new technical solutions and services.

Conzzeta's transformation also involves adapting elements of corporate governance and changing the name to Bystronic AG. During the 2020 transition year, the foundations for this were laid and

preparations were also made for organizational changes. With the focusing, the current management structure for a Group with very different business activities is no longer required, which is why the Executive Committee will resign at the Annual General Meeting (AGM) on April 21, 2021. As of April 22, Bystronic's Executive Committee, newly appointed by the Board of Directors, will have operational responsibility. To ensure the stability required to implement the "Strategy 2025", the existing shareholder agreement will remain in place. The name change from Conzzeta AG to Bystronic AG will also be on the agenda for the AGM and will form the basis for the sharpened positioning of Bystronic in the capital market. Subject to shareholder approval, the company's listed registered shares will be traded on SIX Swiss Stock Exchange under the new ticker symbol BY5 from the beginning of May 2021.

Risk management and corporate responsibility

Conzzeta encourages responsible corporate behavior and a consistent focus on innovation and sustainable customer value, while carefully managing risks, seamlessly adhering to the standards of conduct laid down in the Code of Conduct, and appropriately considering the interests of all stakeholder groups.

As in every year, the audit schedule set by the internal audit function was carried out. The Board of Directors again undertook an integral Group-wide risk assessment. At the end of 2020, the Group had identified the following key risks: competitiveness, portfolio risk, geographic expansion, digital infrastructure, strategic transformation and business continuity management. It also systematically takes into account environmental, social and governance (ESG) issues. In light of the strategic realignment and in preparation for listing separately on the stock exchange without Conzzeta as its holding company, Bystronic continued to develop the Group's materiality assessment.

Appropriation of profit

The Board of Directors proposes to the Annual General Meeting of April 21, 2021, the distribution of a dividend of CHF 124.2 million. The proposal allows shareholders to participate in the excess liquidity of the company in context of the strategic transformation as announced in December 2019. Besides the transformation progress, the proposal also considers the current market environment. Subject to the approval of the General Meeting of Shareholders, CHF 60.00 will be distributed for registered share A and CHF 12.00 for registered share B.

Employees

At the end of 2020, the Conzzeta Group had 4,891 employees worldwide (5,026). The decrease is due to the sale of Schmid Rhyner and the measures introduced in March to contain the impact of the coronavirus pandemic. In the second half of the year, operational improvements to provide structural cost base relief were implemented particularly at Mammüt and FoamPartner. By contrast, the number of employees in the Bystronic business unit increased in accordance with its "Strategy 2025". Traditionally, Conzzeta has participated in apprentice training programs. At the end of 2020, 168 apprentices were in training at 12 locations in a total of 25 disciplines.

The expertise, flexibility and commitment of employees are the key factors in ensuring the long-term success of the Conzzeta Group. These skills were really put to the test with the Group's strategic realignment and the pandemic. The Board of Directors and the Executive Committee would like to thank all employees for their dedication and efforts, in the conviction that the personnel development measures implemented over the past few years have prepared employees well for future challenges and changes, whether as part of the team at Bystronic or in employment outside the Group.

Sheet Metal Processing

Bystronic

Revenue in CHF m

EBIT in CHF m

801.4

52.3

At stable exchange rates, revenue declined by 9.4%. Compared with the previous year (CHF 121.1 million), the lower operating result was due to the loss of revenue (largely as a result of the pandemic), increased margin pressure and costs associated with strategy implementation. Order intake was CHF 777.4 million (CHF 929.4 million) which, at stable exchange rates, was 11.4% lower than the previous year and the order book level at year-end was CHF 206.8 million (CHF 242.3 million).

The adverse effects of the pandemic were primarily evident in the first half of the year with widespread lockdowns, shortages of certain supplies and the temporary shutdown of some of Bystronic's production facilities. Business activities partially recovered across the board in all regions and product segments in the second half of the year. At stable exchange rates, order intake in the fourth quarter was up 8.4% compared with the same quarter last year.

The new generation of BySmart Fiber products launched in 2019 met with increased global interest in cost-effective cutting solutions in 2020. Other automation solutions for bending and sorting were launched, with product presentations, training and even customer support increasingly moving online due to the pandemic. As before,

and increasingly also in China, the trend in favor of higher performance systems with integrated automation is ongoing, which is why we continued to invest in the development of smart factory solutions despite the challenging environment.

Various steps were taken to strengthen market position in light of the strategic transformation. They included the takeover of Weber Laserservice BV, a longstanding Benelux service partner, and the acquisition of the remaining minority interests in DNE Laser in China. In Korea, construction commenced on a new building which will serve as the headquarters for the local organization and also house a brand experience center for the Asian growth market.

The consistent expansion of Bystronic's profile in target markets and innovation in global first-class sheet metal processing solutions are at the heart of Bystronic's "Strategy 2025" which was presented at a Capital Markets Day in November 2020. To ensure its implementation, a new management structure with regional responsibilities and a focus on the global service business came into effect at the beginning of 2021. The aim is to become more market- and customer-centric, which should drive above-average revenue growth compared with the market and increase the share of revenue from customer services.

Employees: 3,053

Presence: worldwide, 31 sales and service companies; 9 development and production locations



Chemical Specialties

FoamPartner

(discontinued business unit)

Revenue in CHF m

EBIT in CHF m

264.0

62.2

Adjusted for changes in the scope of consolidation and at stable exchange rates, revenue declined by 9.0%. A gain of CHF 47.4 million resulted from the sale of Schmid Rhyner at the end of February 2020. Excluding this, EBIT amounted to CHF 14.8 million (CHF 14.2 million) with a margin of 5.6% (4.2%). In the first half of the year, FoamPartner had to temporarily close production sites in China, Europe and the USA due to the pandemic. The adverse effects of temporary production shutdowns in the automotive industry were particularly acute. Business partially recovered in the second half of the year, with revenue increasing across the board in all regions.

The impact on results from the decline in revenue was mitigated through streamlined cost management. Favorable impetus also came from progress in the implementation of infrastructure and innovation projects. Finally, lower raw material costs also contributed to the improved margin.

As part of the strategic transformation, a binding agreement was signed in November 2020 with Recticel, a Belgian polyurethane chemicals specialist, to sell FoamPartner for an enterprise value of CHF 270 million. The transaction is expected to be concluded by the end of the first quarter of 2021, subject to regulatory approval.

Employees: 984

Presence: worldwide sales in 54 countries; 12 production, processing and sales locations

www.foampartner.com



Outdoor

Mammut Sports Group

(discontinued business unit)

Revenue in CHF m

EBIT in CHF m

218.4

-24.5

At stable exchange rates, revenue declined by 16.2%. The EBIT figure reflects the pandemic-related volume losses. It also includes one-off effects in the amount of CHF 11.9 million, mainly associated with organizational measures targeted at strengthening future profitability by reducing the recurring cost base by over CHF 10 million.

Building on the preparatory work of recent years, efforts were stepped up to implement the scalable online business models with a stronger end-customer focus. As a result, the B2C business grew by 9.3% in 2020, despite the repeated retail store lockdowns, with a significant revenue increase in the digital channels: Revenue from Mammut's own online store increased by 82.3% to CHF 27.1 million, while revenue from digital marketplaces increased by 55.9% to CHF 13.2 million.

The adverse effects of the pandemic initially included major supply chain disruptions. With considerable effort, collection and sales plans were adjusted several times whereby the extensively rejuvenated collection proved to be an advantage. The trend towards increased outdoor activities could thus be served with attractive products. The third quarter, the only quarter not affected by lockdowns and the closure of specialty retail stores, showed rapid recovery almost to the previous year's level, with improved profitability.

Employees: 833

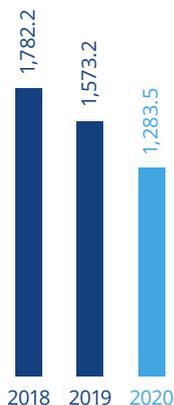
Presence: worldwide sales network in 40 countries; headquarters and product development in Seon (Switzerland)

www.mammut.com



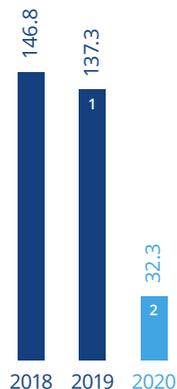
Net revenue

(Revenue in CHF m)



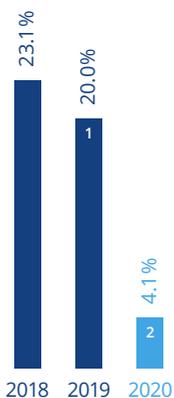
Profitability

(EBIT in CHF m)



Capital efficiency

(RONOA)



Financial targets³

(mid-term)

Net sales growth

Over 5% growth
in net sales

Profitability

EBIT margin
over 12%

Capital efficiency

Over 25% return on
net operating assets
(RONOA)

¹ Excluding divestment gain of CHF 29.9 million.

² Excluding divestment gain of CHF 47.4 million.

³ Financial targets Bystronic "Strategy 2025".

Share information



Proposed dividend

Class A registered shares:
CHF 60.00

Class B registered shares:
CHF 12.00

Number of shares

Class A registered shares:
1,827,000

Class B registered shares:
1,215,000

Share performance 2020 -5.9%, incl. dividend -2.2%

Dates

2021

Friday, April 16

Publication of 3-month revenue trend

Wednesday, April 21

Annual General Meeting, Zurich

Friday, August 6

Publication of half-year results

Friday, October 15

Publication of 9-month revenue trend

2022

Wednesday, March 16

Publication of year-end results

Wednesday, April 20

Annual General Meeting

Investor Relations contact

investor@conzzeta.com

Ticker symbols

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Further information about the company, financial calendar and contacts can be found at www.conzzeta.com.

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Conzzeta Management AG

Giesshuebelstrasse 45

CH-8045 Zurich

www.conzzeta.com

www.reports.conzzeta.com