

Results Full-Year 2022

Zurich, March 2, 2023

Alex Waser, CEO

Beat Neukom, CFO

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Agenda

Business update

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Outlook

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Q&A

Alex Waser
Dr. Heinz O. Baumgartner
Beat Neukom

Key figures 2022

CHF 1,015.9 m

Net sales

Net sales growth of 8.1%,
13.1% at constant exchange rates



CHF 48.1 m

EBIT

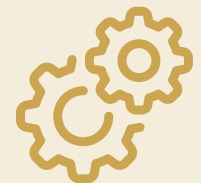
EBIT margin of 4.7%
vs. CHF 7.5% in 2021



CHF 1,009.5 m

Order intake

Order intake declines by 14.1%,
10.1% at constant exchange rates



15.1%

RONOA

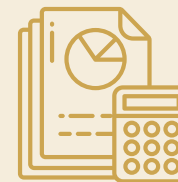
Return on Net Operating Assets
vs. 25% in 2021



CHF 12.00

Dividend per class A share

Proposal to the Annual
General Meeting 2023



CHF 342 m

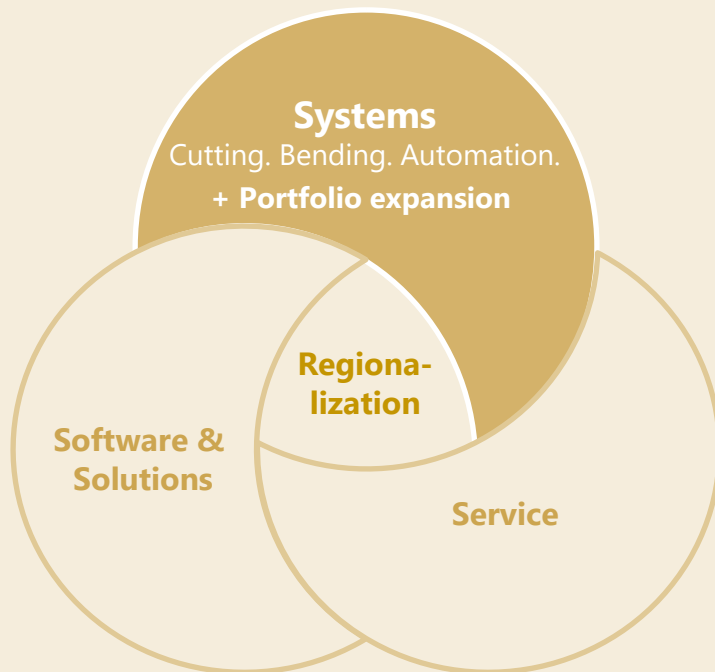
Cash / Liquid assets

Strong balance sheet with
equity ratio of 63%



Highlights of our strategy execution in 2022

Systems



Expansion of product portfolio

- Launched new platform based cutting systems for higher standardization
- Presented innovation for a new cutting head with 30 kw laser power



ByCut Star 4020

Trend towards automation

- Opening of a Competence Center Automation in China
- Development of automation solutions for silver and entry-level segments



Competence Center in Shanghai

Closer to our customers

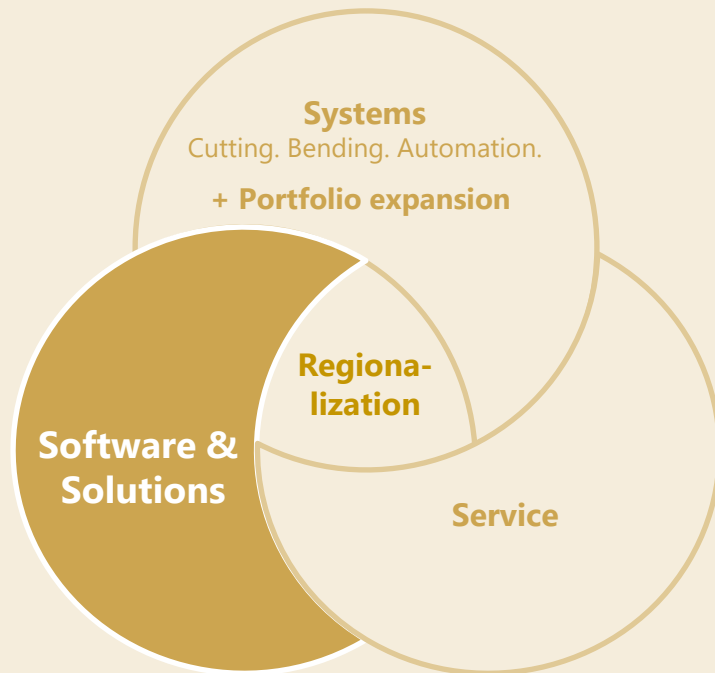
- Opening of our new Brand Experience Center in Korea
- > 3,000 m2 to showcase our solutions



Brand Experience Center in Korea

Highlights of our strategy execution in 2022

Software



Launch of software solution



- Result of our successful acquisition of Kurago and joint software development
- Today, we employ ~100 software developers and ~30 sales specialists



Modules of our BySoft Suite

Award-winning at Euroblech

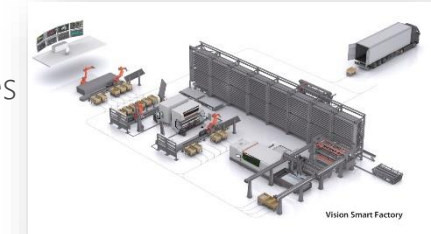
- Launched modular software solution at EuroBLECH
- We won the "Automation and Handling" award



Award at Euroblech

Resilience for our business

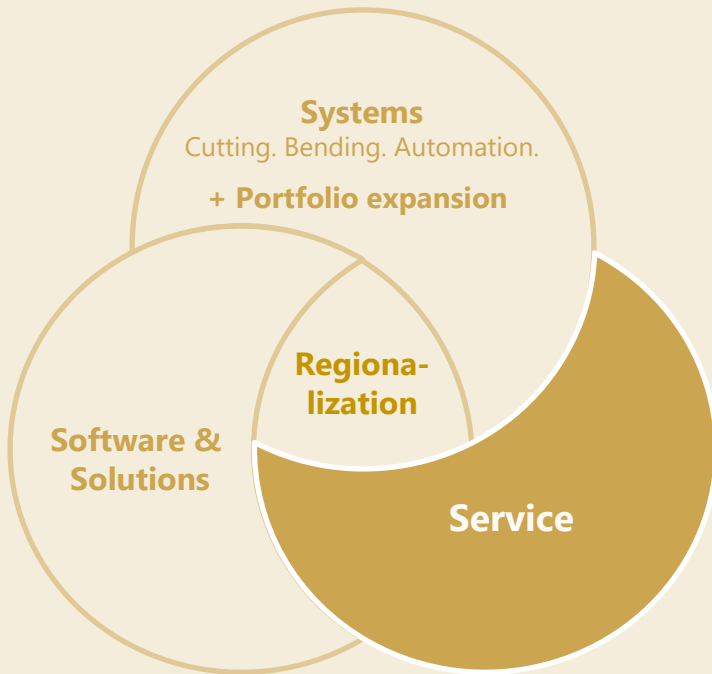
- Subscription-based business model with recurring revenues
- For 2023 ca. 40-50 software projects expected



Vision of a Smart Factory

Highlights of our strategy execution in 2022

Service



Continued strong growth of resilient business

- 16.5% sales growth¹ in 2022 to 22% of group sales
- Hired 60 additional service technicians – expand further in 2023



Service as key growth driver

Co-developed cyber security solution

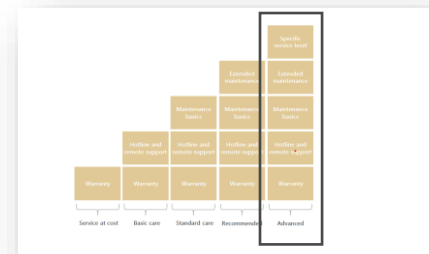
- Proof-point of our successful approach towards partnerships
- Machine-level protection against malware and human error



Service feature for cyber security

Expansion of service packages

- >95% of systems sales together with service contract
- Launch of fifth service package “Advanced”: extended service level



Modular service packages

¹ at constant exchange rates

We have published our first Sustainability report and will further accelerate our efforts



- ## Milestones
- Established our global **carbon footprint** for Scope 1, 2 and 3
 - Included **ESG criteria** in management compensation
 - Completed a comprehensive **materiality assessment**
 - Founded a group-wide **Sustainability council**
 - Established a **sustainable engineering function** to tackle Scope 3 emissions



Creating an impact for a sustainable future with sheet metal and beyond

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Key figures

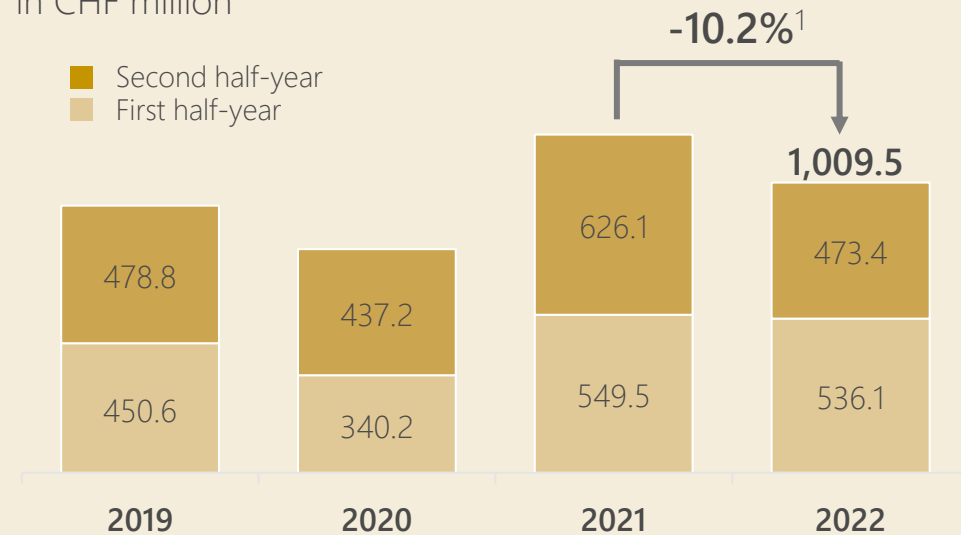
in CHF million	2022	2021	Δ in %	Δ in % at CER ¹
Order intake	1,009.5	1,175.5	(14.1)%	(10.2)%
Net sales	1,015.9	939.3	8.1%	13.0%
Systems business	788.7	734.0	7.4%	12.0%
Service business	227.2	205.3	10.7%	16.5%
Operating result (EBIT)	48.1	70.1	(31.4)%	-
EBIT margin	4.7%	7.5%	-	-
Net result	36.6	56.8	(35.5)%	-
Operating free cash flow	(40.6)	64.8	> (100)%	-
RONOA (in %)	15.1%	25.5%	-	-
Dividend (in CHF per share) ²				
Class A registered share	12.00	60.00	-	-
Class B registered share	2.40	12.00	-	-

¹ at constant exchange rates
² proposal to the AGM on April 25, 2023

Slowing order intake amidst economic uncertainties – continued high order backlog




Order intake

in CHF million



- Order intake declines vs. **high base** from catch-up effects in 2021
- Customers with full order books - continued good demand from **more resilient industries**
- **More cautious customers** in the second half of the year due to economic uncertainties

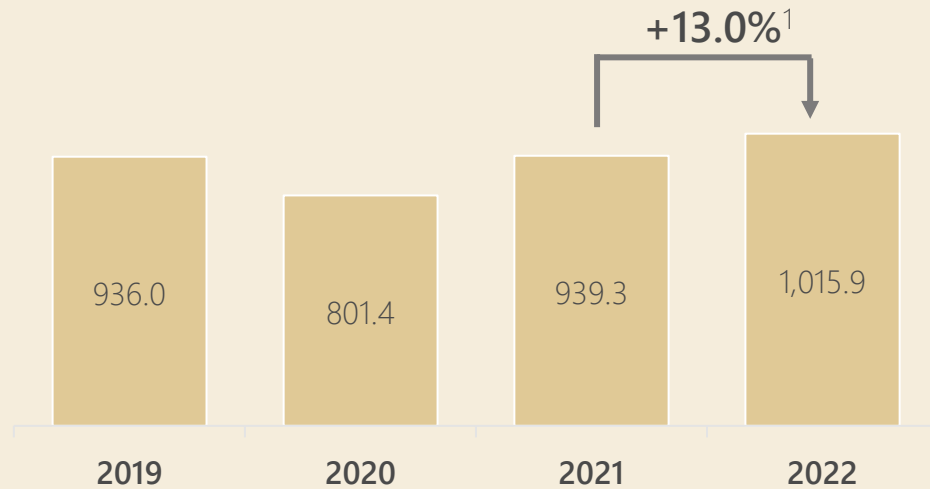
Order intake in CHF million	H1 2022	H2 2022	2022
EMEA	261.0	247.8	508.8
Americas	168.4	140.2	308.7
China	42.9	34.5	77.4
Asia Pacific	63.8	50.9	114.7
Total	536.1	473.4	1,009.5

- 
High order backlog at year-end 2022 of **CHF 413 million**
- 
Lower order intake in the systems business expected **for 2023**
- 
Growing demand in **service and software**

¹ at constant exchange rates

Solid sales growth despite supply chain challenges – improved performance in H2

Net sales in CHF million

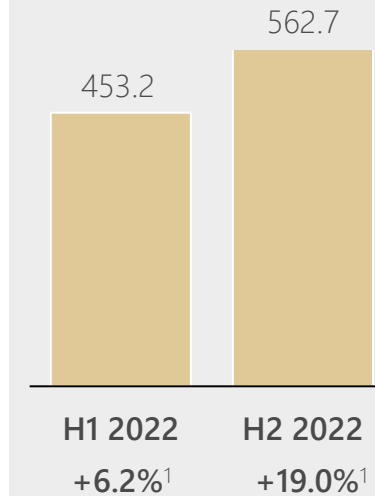


- **Solid sales growth** despite component shortages
- **Supply chain measures:**
 - Re-designed components
 - Assessed and onboarded new suppliers
 - Closer interaction with critical suppliers
- **Better performance** in H2 as measures take effect and supply chain constraints ease

Better second half of 2022

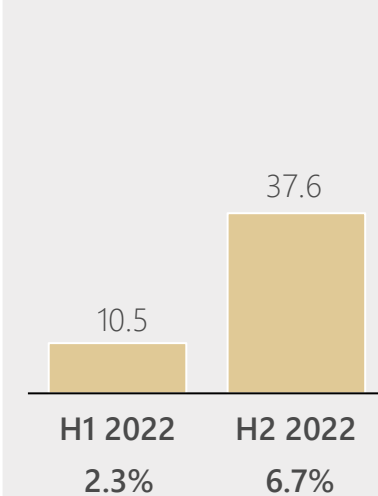
Strongly improved sales performance and profitability in the second half of 2022

Sales in CHF million



Sales growth
year-over-year

EBIT in CHF million



EBIT margin

¹ at constant exchange rates

Higher sales – profitability temporarily impacted, but clearly improved in the second half

in CHF million	2022	2021	Δ in %	H1 2022	H2 2022	
Net sales	1,015.9	939.3	8.1%	453.2	562.7	
Other operating income	5.5	7.3	-	2.2	3.2	
Material expenses + changes in inventories	(469.3)	(421.9)	11.3%	(197.3)	(272.0)	Material expenses in H2'22 impacted by higher costs for components, transportation and unfavorable mix
<i>in % of sales</i>	(46.2)%	(44.9)%		(43.5)%	(48.3)%	
Personnel expenses	(260.0)	(242.5)	7.2%	(132.9)	(127.1)	Continued investments in service organization and production capacities
<i>in % of sales</i>	(25.6)%	(25.8)%		(29.3)%	(22.6)%	
Depreciation and amortization	(21.8)	(18.5)	-	(10.2)	(11.6)	
<i>in % of sales</i>	(2.1)%	(2.0)%		(2.2)%	(2.1)%	
Other operating expenses	(222.1)	(193.8)	14.0%	(104.6)	(117.6)	vs PY: + CHF 19 m variable / volume + CHF 9 m other OPEX for sales, resumed travel and representation
<i>in % of sales</i>	(21.9)%	(20.6)%		(23.1)%	(20.9)%	
Operating result (EBIT)	48.1	70.1	(31.4)%	10.5	37.6	
<i>in % of sales</i>	4.7%	7.5%		2.3%	6.6%	
Financial result	(2.7)	(0.9)	-	(1.9)	(0.8)	
Result before income taxes	45.4	69.2	(34.4)%	8.6	36.8	
Taxes	(8.9)	(12.5)	-	(1.7)	(7.2)	
Net result	36.6	56.8	(34.7)%	7.0	29.6	

Continued strong balance sheet – in spite of higher inventories due to supply chain challenges

in CHF million	Dec 31, 2022	Dec 31, 2021	Δ
Cash / liquid assets	341.6	495.7	(154.1)
Trade receivables	167.2	133.7	33.5
Inventories	287.7	249.1	38.6
Other current assets	66.0	79.9	(13.9)
Fixed / intangible assets	145.2	144.5	0.7
Other non-current assets	134.8	131.9	2.9
Total assets	1,142.5	1,234.8	(92.3)
Trade payables	69.9	79.5	(9.6)
Advance payments from customers	158.7	153.4	5.3
Other liabilities	189.7	186.7	3.0
Total liabilities	418.3	419.6	(1.3)
Total equity	724.2	815.2	(91.0)
Total equity and liabilities	1,142.5	1,234.8	(92.3)
Net Operating Assets (NOA) ¹	288.0	218.9	69.1

Cash: Dividend distribution of ~ CHF 124 million and negative operating free cash flow of ~ CHF -40 million

Inventories: Increase of ~ CHF 39 million, of which
 ~ CHF 14 million component inventory
 ~ CHF 25 million finished systems

Advance payments: CHF 159 million, flat versus PY, still at high level

As a result, **NOA** increased by CHF 69 million and **RONOA** stands at 15.1%

¹ Excludes Mammüt Vendor Loan

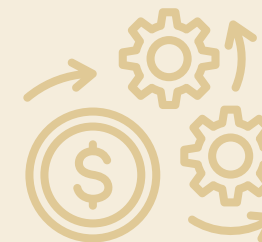
Cash flow impacted by phasing from advance payments and inventories

in CHF million	2022	2021*
Net result	36.6	56.8
Depreciation and amortization	21.8	18.4
Increase/decrease in:		
inventories	(49.3)	(72.6)
trade receivables	(41.1)	(21.1)
advance payments from customers	11.0	106.6
Other items	4.5	4.0
Cash flow from operating activities	(16.5)	92.1
Capital expenditures (capex)	(23.4)	(28.8)
<i>in % of sales</i>	2.3%	3.1%
Other investments / divestments	(0.7)	1.6
Operating free cash flow	(40.6)	64.8

*only Bystronic

Cash flow development

- Unfavorable effect from **higher inventories** of CHF 49 million due to component shortages and build-up of safety stock
- **Phasing impact from advance payments** – large share of payments has been collected in 2021 when order intake occurred
- **Trade receivables increased** due to strong Nov/Dec. Collection to take place in 2023
- **Lower than usual capex-to-sales ratio** to protect cash flow performance



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Promising prospects for mid-term targets

Targets



Confirmed ambitions of

- ~ **5% annual organic sales growth**
- > **12% EBIT margin**
- > **25% RONOA**

Timing



Bystronic expects to **reach its mid-term targets subject to the recovery of the economy** reflecting a delay vs. original strategy cycle until 2025

Drivers to reach our ambitions



Sales levers

- Growth in all **market segments**, i.e. Gold, Silver, Entry-Level
- Expansion in **regions**, especially US and APAC
- Growth in **service** and **software** business

Profitability levers

- **Volume** impact and **price** increases
- Higher share of **service business**
- Trend towards **automation** and **more complex solutions**

Resilient business model as a foundation for 2023

Foundation of our business

Strong market position

Structural growth drivers intact

Diversified customer base serving industries across the cycle

Solid backlog of > CHF 400 m

Increasing share of recurring revenues from service

Strong balance sheet with solid liquidity

Sustainability as an integral part of our strategy



Outlook 2023

Order intake could be impacted by cautious customer investment behavior in the current economic environment

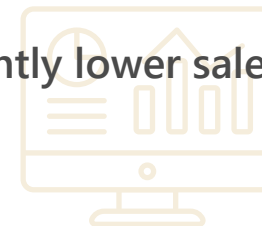
Continued growth in service business expected

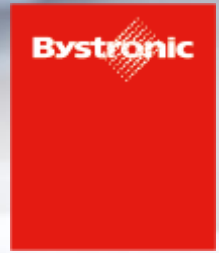
High demand for automation and smart factory solutions

Cost saving measures in place to overcompensate EBIT headwinds:

- wage inflation
- high single digit million increase in energy costs
- higher component costs
- few millions negative FX impact

Higher operating result (EBIT) at slightly lower sales





Questions & Answers

Appendix



Regional performance

	Order intake in CHF million				Net sales in CHF million			
	2022	2021	in %	in % at CER ¹	2022	2021	in %	in % at CER ¹
EMEA	508.8	571.1	(10.9)	(1.8)	500.1	469.7	6.5	17.5
Americas	308.7	365.5	(15.6)	(19.1)	315.9	234.3	34.8	29.2
China	77.4	135.8	(43.0)	(43.4)	83.3	140.3	(40.6)	(41.0)
APAC	114.7	103.1	11.2	18.0	116.5	95.1	22.5	30.2
Total	1,009.5	1,175.5	(14.1)	(10.2)	1,015.9	939.3	8.1	13.0

¹ At constant exchange rates

Key figures: Bystronic and total group

	Bystronic			Total Group		
in CHF million	2022	2021	Δ in %	2022	2021	Δ in %
Order intake	1,009.5	1,175.5	(14.1)	-	-	-
Net sales	1,015.9	939.3	8.1	1,015.9	1,122.9	(9.5)
Operating result (EBIT)	48.1	70.1	(31.4)	48.1	(18.7)	-
EBIT margin	4.7%	7.5%	-	4.7%	(1.7)%	-
Net result	36.6	56.8		36.6	(27.8)	
Earnings per class A registered share	17.69	27.08		17.69	(13.81)	
Number of employees	3,609	3,543		-	-	

Details of transformation during 2021

	Schmid Rhyner	FoamPartner	Mammut
Divestment effective on	Feb 28, 2020	March 31, 2021	June 30, 2021
Sales contribution	2 months in 2020	3 months in 2021	6 months in 2021
in 2020 in CHF m	6.9	256.9	218.4
in 2021 in CHF m	-	76.3	107.3
Cash inflow from divestment			
in 2020 in CHF m	73.4	-	-
in 2021 in CHF m	-	230.5	89.8
in 2022 in CHF m	-	19.7	-
Notes	<ul style="list-style-type: none"> • Divestment gain of CHF 47.4 m 	<ul style="list-style-type: none"> • Divestment loss of CHF 80.1 m • Recycling of goodwill with a significant negative impact on consolidated results of CHF 152.2 m • Recycling of translation differences with a negative impact on consolidated results of CHF 18.5 m 	<ul style="list-style-type: none"> • Divestment with a break-even impact on 2021 results (divestment loss of CHF 0.3 m) • Recycling of goodwill CHF 2.8 m • Recycling of translation differences of CHF 15.8 m • Vendor loan of CHF 60.0 m (maturity January 2027) • Cum. interests on vendor loan of CHF 2.5 m

Financial calendar

2023

March 6	Full-year results roadshow in Zurich
April 14	3M Trading Update
April 25	Annual General Meeting
June 14	Stifel Swiss Equities Conference
July 21	Half-year results 2023
