

**6-MONTH REPORT 2022**

## KEY FIGURES

in € m*	01/01/ 06/30/2022	01/01/ 06/30/2021	Changes to previous year
Sales revenues	130.8	115.2	14 %
Incoming orders	147.9	152.4	-3 %
Gross results	63.9	62.7	2 %
Gross profit margin	48.9 %	54.4 %	-5.5 Pp.
Full costs for research and development	16.1	14.2	13 %
Research and development ratio	12.3 %	12.3 %	0.0 Pp.
EBITDA	23.0	29.7	-23 %
EBIT	15.0	21.0	-29 %
EBT	14.8	20.8	-29 %
EBT Margin	11.3 %	18.1 %	-6.7 Pp.
Net income	11.5	15.7	-27 %
Weighted average number of shares	9,971,564	10,002,716	<-1%
Result per share (€)	1.15	1.57	-27 %
Cash flow from operating activities	-6.1	19.7	>-100%
Cash flow from investing activities	-28.3	-9.1	>100%
Free cash flow	-34.4	10.6	>-100%

in € m*	06/30/2022	12/31/2021	Changes to previous year
Total assets	255.6	227.3	12 %
Long-term assets	117.0	95.5	23 %
Equity	134.3	128.7	4 %
Liabilities	121.3	98.6	23 %
Equity ratio	52.5 %	56.6 %	-4.1 Pp.
Net cash	-25.0	19.0	>-100%
Working capital	71.9	48.7	48 %
Number of employees for the period (full time equivalents)	1,009	864	17 %
Share price (XETRA) in €	76.50	158.80	-52 %
Number of shares in circulation	9,963,057	9,971,231	<-1%
Market capitalization	762.2	1,583.4	-52 %

\*unless otherwise stated

**OVERVIEW OF THE FIRST SIX MONTHS OF 2022:**

- ▶ Incoming orders: € 147.9 million (previous year: € 152.4 million, -3 %)
- ▶ Sales: € 130.8 million (previous year: € 115.2 million, +14 %)
- ▶ EBITDA: € 23.0 million (previous year: € 29.7 million, -23 %)
- ▶ EBT: € 14.8 million (previous year: € 20.8 million, -29 %)
- ▶ Net result: € 11.5 million (previous year: € 15.7 million, -27 %)
- ▶ Free cash flow: € -34.4 million (previous year: € 10.6 million, >-100 %)

**Dear Shareholders,**

We are very pleased to report to you on a solid and very eventful first half-year 2022. We reached a new sales record and broke the barrier of 1000 employees in the first six months. The first half-year 2022 was particularly characterized by the ongoing semi-conductor crisis, Chinese lockdowns, a normalization of demand, and our active expansion of the product portfolio as well as of the efforts to increase direct market accesses.

The acquisitions of our distribution partners in Korea announced at the end of 2021 were effectively implemented as planned at the beginning of the year and already fully consolidated in the first half of the year. Fifty motivated and experienced Korean colleagues now supplement our organization in the fifth-largest country market for image processing technology. The post merger integration went according to plan within the first six months and the results of the Korean business developed even better than expected. Furthermore, at the beginning of July, we reported execution of the participation of 25.1 % in the newly founded Basler France in which our French distribution partner i2S brought in its distribution business previously. The joint venture is designed for two years and is then to be taken over 100 % by Basler AG. Last but not least,

at the beginning of July, the complete acquisition of the distribution business of our long-time Italian distribution partner Advanced Technologies S.p.a. in Italy was legally sealed. The newly established company Basler Italy started its activities and – for the first time – will be consolidated in the group reporting at the end of the third quarter of 2022. Thus, in the first half-year of 2022, we reached further important milestones in our transformation to a full-range provider with direct market access and considerably expanded our direct market access in Asia and Europe.

The supply bottlenecks for semi-conductor components continued in the first six months of 2022. Even though the number of scarce parts reduced, there was still a shortage of complex critical parts. Compared to the first half-year of 2021, our production quantity decreased by approximately 10 % and in turn, the materials stock of available components strongly increased.

The macroeconomic prospects and the demand in the image processing industry clouded during the first half-year. The lockdowns in the second quarter of 2022 led to a significant cooling down of the regional incoming orders and sales. As forecasted, the book-to-bill ratio began to normalize in the second quarter.

Despite these challenges, sales increased in the double-digit range to a new half-year record. Supply chain and lockdown related sales gaps were compensated by a strong business in Korea and stronger sales of trade goods. The changed product mix, higher material expenses on the spot markets and the special effects from the acquisition of distribution stocks, however, temporarily had a negative impact on our gross margin. In combination with the strategic increase in personnel our pre-tax return margin was noticeably burdened in the second quarter. However, our accrued pre-tax return margin at mid-year was 11.3 %. This is in the upper range of our annual forecast and close to the working point of our long-term profitable growth strategy of approximately 12 %.

In the first half-year 2022, our free cash flow includes extraordinary effects due to the Korean acquisitions and special burdens attributable to difficulties in the supply chains.

Despite decreasing incoming orders, the very high order backlog of approximately € 145 million at the end of the reporting period ensures a strong demand in the upcoming quarters and gives us a powerful tailwind to achieve our goals for the year. We are very optimistic to increase our production output in the second half of the year, yet we must continue to reflect the ongoing risks in the supply chain in our forecast and keep vigilant.

We are very pleased that the company received the Best Managed Companies Award in mid-May for the third time in a row. This seal of quality is awarded by Deloitte Private, Credit Suisse, Frankfurter Allgemeine Zeitung, and the Federation of German Industries (BDI) to excellently managed companies. Even though this award explicitly honors the management, in our view the prize is due to the entire Basler team. Many thanks and congratulations to all employees.

With this compact 6-month report we would like to give you a deeper insight into the development of the business year so far and hope you enjoy reading it.

## The Management Board

## BUSINESS DEVELOPMENT

The Basler group closed the first six months with strong growth and solid profitability. Compared to the same period of the previous year, sales increased by 14 % to a new record value. The very high previous year's level of incoming orders of € 152.4 million was almost reached again at € 147.9 million in the first half-year of 2022. Overall, however, the forecasted normalization in incoming orders set in during the course of the half-year. The limitations in the supply chains that have persisted for quarters and the increase in order horizons gradually led to a decline in incoming orders and a convergence of incoming orders and sales. In the second quarter, the order backlog stagnated at a very high level of approximately € 145 million. At the end of the reporting period, postponements, and smaller cancellations due to overheated demand became apparent for the first time.

As of the end of June 2022, the German Engineering Federation (VDMA) reported an increase in sales as well as incoming orders of 5 % each for the German manufacturers of image processing components. As a result, the Basler group developed slightly better than the market in terms of sales, but slightly weaker in terms of incoming orders due to its large share of business in China.

In the reporting period, the Basler group benefited from the first-time consolidation of the M&A transactions in Korea. These had a positive effect on sales and incoming orders, but a temporarily dilutive effect on margins.

## PRODUCT DEVELOPMENT & PRODUCT LAUNCHES

All activities related to the development and launch of new products were running at high intensity during the past six months. However, in the first months of the reporting period, development activities were still disturbed by the effects of the cyber attack in November 2021. In total, € 16.1 million (previous year: € 14.2 million) were spent for development services and invested in the transformation to a full-range provider.

Basler 3D image processing capability was supplemented in the first quarter by a new model series of stereo cameras suitable for industrial use with matched application software. Also, camera products were equipped with special medical features, and the company expanded its camera portfolio in the higher performance range by adding Basler F-mount objectives.

In the field of embedded vision Basler became an elite partner in the NVIDIA Partner Network (NPN). Basler offers fully integrated hard- and software kits in order to expand the NVIDIA® Jetson™ platform with vision technology. On June 1, 2022, the company was given the elite status in the NVIDIA Partner Network (NPN). This is awarded exclusively to partner companies that demonstrate the highest level of competence in terms of NVIDIA GPU accelerated technologies.

The highlight in the first half-year of 2022 was the introduction of pylon 7. With pylon 7 and the integrated vTools, for the first time Basler offers image processing algorithms and gradually expands the pylon SDK to the center of service offering. For further details please see

[pylon Camera Software Suite | Basler \(baslerweb.com\)](https://www.baslerweb.com)

After a long break from trade fairs due to corona, the company successfully presented itself at three trade fairs in June - the analytica 2022 and the automatica 2022 trade fairs in Munich as well as the embedded world 2022 in Nuremberg.

## OUTLOOK

The Basler group closed the first six months of the financial year 2022 with a new sales record and solid profitability in accordance with its growth forecast. Despite decreasing incoming orders, lockdown related demand risks in China, and a weakening economy, in principle the management is positive about the further course of the year. The high order backlog of approximately € 145 million leads to a strong demand situation in the upcoming quarters. Sales in the second half-year of the financial year mainly depend on the delivery situation of critical semi-conductor components. In order to adequately consider the mentioned risks, for the time being, the management adheres to its forecast, even though the level of the first quarter business was at the upper end of the forecast corridor. This forecasts group sales between € 235 and € 265 million at a pre-tax return rate of 9 - 12 %. This rate reflects the increasing personnel and material costs in the course of the year. In addition, the forecast considers continued temporary pressure on the gross profit margin due to expensive interim purchases from brokers. Geopolitical and economic risks are also considered as prudently as possible in this forecast. In addition, the forecast includes contributions from the acquisitions in Korea and Italy.

## INTERIM MANAGEMENT REPORT INCLUDING ESSENTIAL SUPPLEMENTARY DISCLOSURES OF THE ANNUAL FINANCIAL STATEMENT OF DECEMBER 31, 2021 ACCORDING TO IFRS

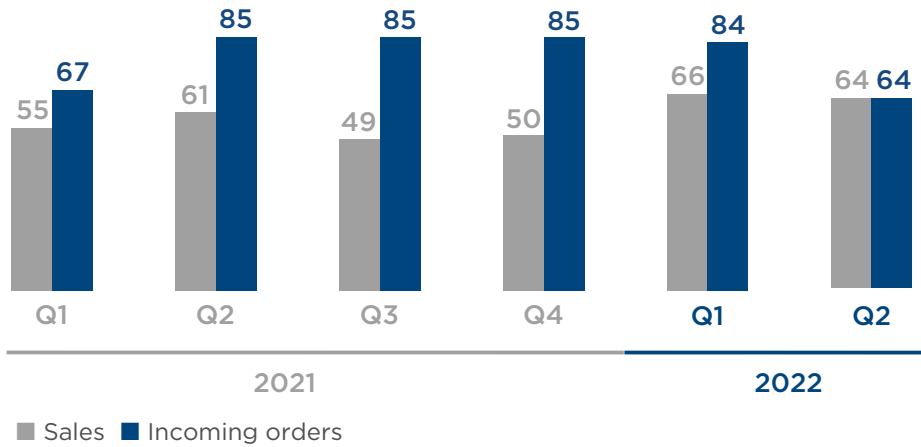
### REPORT ON PROFIT, FINANCE, AND ASSET SITUATION

#### SALES AND INCOMING ORDERS, COSTS OF SERVICE PROVISION

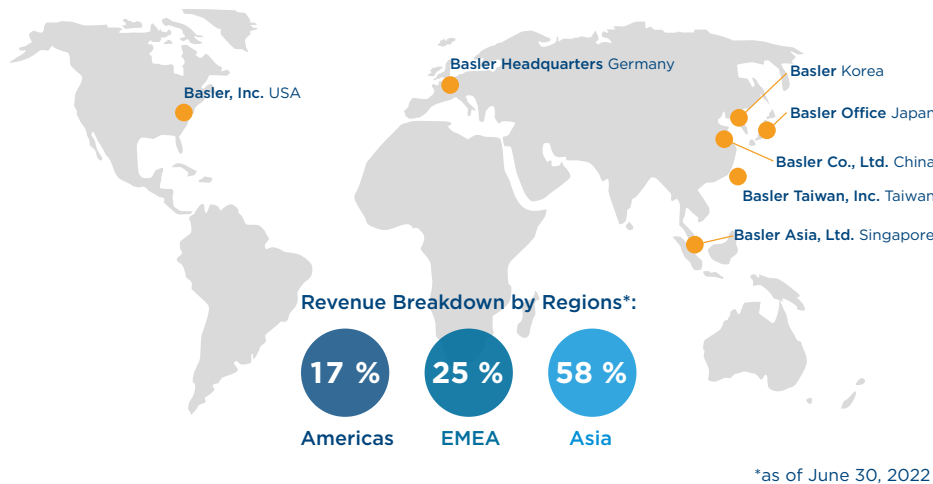
Compared to the same period of 2021, sales increased by 14 % to a record level of € 130.8 million (previous year: € 115.2 million). Incoming orders slightly decreased by 3 % to € 147.9 million (previous year: € 152.4 million), compared to the extremely strong first half-year of 2021. After six quarters with very high incoming orders and significantly positive book-to-bill ratio, incoming orders normalized during the first half-year. Additionally, the normalization was accelerated by the lockdown related market weaknesses in China in the second quarter.

### SALES AND INCOMING ORDERS

For the last six quarters (in € million)



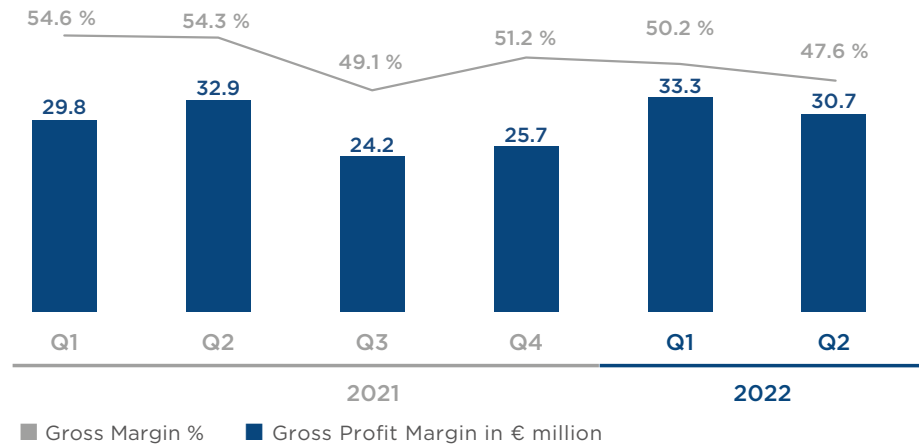
### REVENUE SPLIT BY REGIONS



The geographical distribution of sales is heavily weighted towards Asia at 58 %. Moreover, the acquisitions in Korea had a positive impact on the traditionally high proportion of sales in Asia, whereas sales in the Chinese market developed at a lower rate than in other regions. 25 % of sales came from the EMEA region and 17 % from the Americas.

### GROSS PROFIT

Development of gross margin

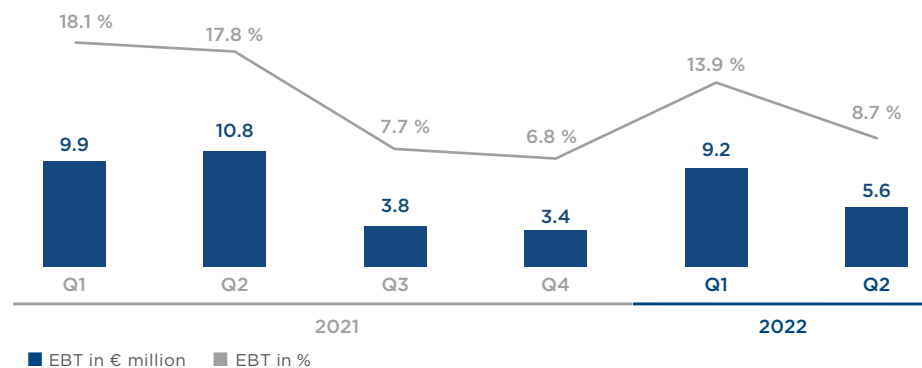


In the first half-year, the gross profit margin amounted to 48.9 % and thus was below the long-term strategic level of >50 % (previous year: 54.4 %). The decrease of the gross profit margin was due to several effects. Increased material costs because of expensive interim buys as well as structural price adjustments of suppliers continuously burdened the products' profit contribution. Price adjustments were passed on to customers, however, they will only have an effect in the second half-year due to the high order backlog. Special effects due to the acquisition and the sale of inventories of the Korean distributors led to negative one-time effects. Furthermore, production output and sales with own products were unexpectedly severely affected in June due

to missing parts, so that the product mix shifted more towards trade products with lower margins. Additionally, the regional mix changed due to the lockdowns in China in the second quarter and relatively profitable direct business from China was underrepresented. However, the strength of the Chinese CNY had a positive effect.

## EARNINGS BEFORE TAXES

For the last six quarters



Compared to the very strong previous year, earnings before taxes decreased by € 6.0 million to € 14.8 million (previous year: € 20.8 million). At 11.3 % (previous year: 18.1 %) the pre-tax return rate is on a solid level and in the upper range of the forecast.

Due to the planned and implemented expansion of the organization in the course of the first half-year as well as the negative development of the gross margin, the pre-tax return rate decreased to 8.7 % in the second quarter. The company assumes that this trend will reverse again in the course of the third quarter. Ultimately, the development of profitability is very much dependent on the ability to deliver products manufactured by Basler and thus depending on the supply of critical semi-conductors.

The period surplus amounted to € 11.5 million and thus was 27 % below the previous year's figure of € 15.7 million. The result per share (diluted/undiluted) amounted to € 1.15 (previous year: € 1.57).

## ASSET SITUATION

Compared to Dec. 31, 2021, the long-term assets considerably increased due to the acquisitions in Korea. Furthermore, inventories increased by € 12.5 million in the same period. An amount of € 5.2 million originates from the takeover of finished products from the Korean distributors. In addition, a few bottleneck parts led to a reduction in production volume and the outflow of existing raw materials was thus slowed down while raw material stocks increased.

Receivables from deliveries and services increased by € 11.3 million to € 44.6 million. This was particularly due to the growth in sales and the initial buildup of receivables in the Korean business.

## DEVELOPMENT OF EQUITY

Equity increased to € 134.3 million (Dec. 31, 2021: € 128.7 million). The equity ratio decreased by 4 percentage points to 52.5 % on June 30, 2022, compared to 56.6 % on December 31, 2021.

## CASH FLOW AND LIQUIDITY

The cash flow positions in the first half-year 2022 are very strongly impacted by extraordinary effects of the Korean M&A transactions.

The operating cash flow amounted to € -6.1 million (previous year: € 19.7 million). This development resulted from the significant increase in receivables and inventories.

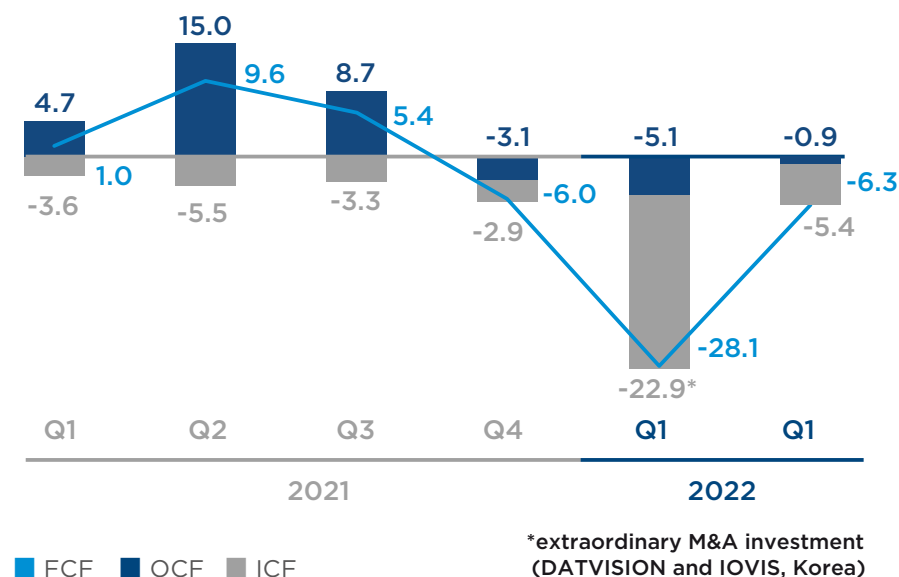
The cash flow from investing activities amounted to € -28.3 million (previous year: € -9.1 million).

The cash flow from financing activities amounted to € 11.7 million (previous year: € -12.8 million) and was impacted by additional borrowing of credit lines, the buyback of further own shares as well as the dividend payment in the second quarter.

Liquid assets decreased from € 54.8 million (Dec. 31, 2021) to € 32.1 million. The net liquidity after deduction of all bank liabilities amounted to € -25.0 million (Dec. 31, 2021: € 19.0 million).

## CASH FLOW

For the last six quarters (in € million)



## EVENTS AFTER THE END OF THE INTERIM REPORTING PERIOD

### EMPLOYEES

At the reporting date of June 30, 2022, the Basler group employed 1020 (December 31, 2021: 908) employees (full-time equivalent). This includes the 53 new employees in Korea.

### REPORT ON SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES

At the beginning of January 2022, the company took over the distribution business of Datvision Co., Ltd. as well as IOVIS Tech. in Korea.

Within the purchase price allocation of the acquired distribution business from Datvision Co., Ltd., a customer order backlog, and customer relationships amounting to € 0.7 million and finished goods inventories amounting to € 1.5 million were identified.

Within the purchase price allocation of the acquired IOVIS Tech, a customer order backlog and customer relationships amounting to € 2.6 million, finished goods inventories amounting to € 3.7 million, and trade receivables amounting to € 5.5 million were identified.

Basler AG successfully implemented the 25.1% stake in the distribution business of its French sales partner i2S as of July 1, 2022, as announced on May 2. The newly formed joint venture will trade as Basler France in the future. In the further course, it is intended that Basler will take over the remaining 74.9% of the shares from Basler France on July 1, 2024.

Furthermore, on May 19, the company announced the acquisition of the distribution business of its long-time Italian sales partner Advanced Technologies S.p.a. The acquisition was still subject to the consultation and notification procedures required by law. These have now also been completed and thus the takeover could be successfully implemented accordingly on July 4, 2022. The newly founded subsidiary will operate as Basler Italy in the future. The purchase price allocation will be completed in the second half of the year



## OPPORTUNITIES AND RISKS REPORT

Regarding significant opportunities and risks of the probable development of the company, we refer to the opportunities and risks described in the group management report as of December 31, 2021. Existing risks are continuously monitored, and countermeasures are initiated. In the coming months, the risks relating to the global economic and political situation will be updated before the regular risk inventory will take place in the third quarter.

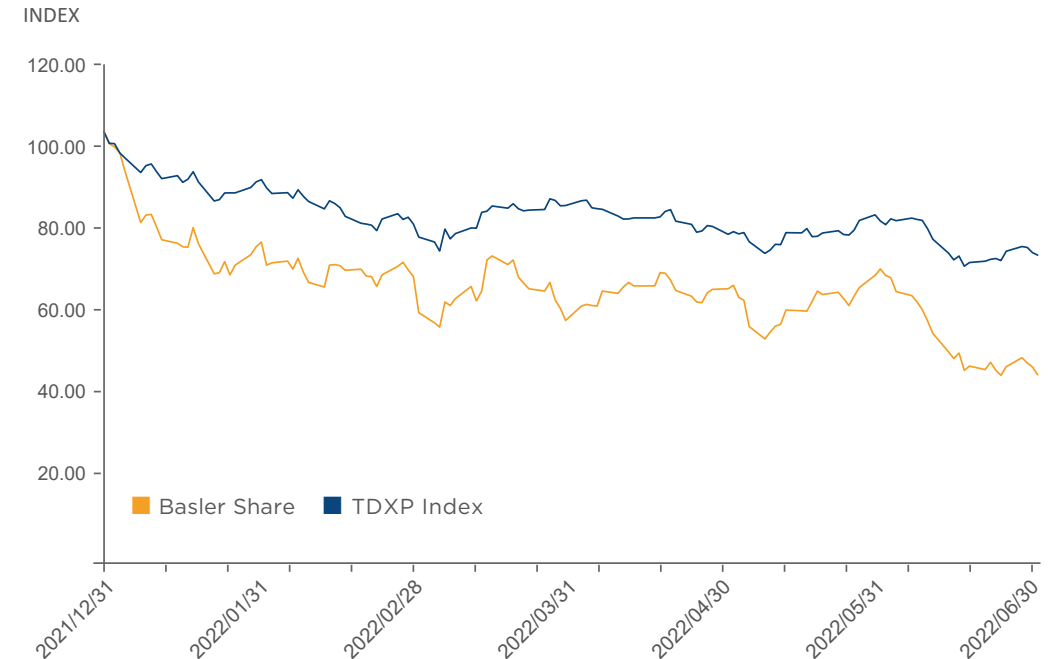
The war in Ukraine has so far had no direct impact on the Basler group's business. Contingency plans are currently being prepared for the European locations for possible bottlenecks in the gas supply and their effects on the business in the further course of the year.

## NOTES TO THE INTERIM STATEMENT ACCORDING TO IFRS

The interim statement of Basler was prepared according to the International Financial Reporting Standards (IFRS) as applicable within the European Union (EU), the interpretations of the International Financial Reporting Interpretations Committee (IFRIC), as well as the Standing Interpretations Committee (SIC). The interim statement was prepared according to the provision of the IAS 34. The interim financial statements as of June 30, 2022 are unaudited and have not been reviewed by an auditor. In principle, the same accounting and valuation methods are applied in the interim financial statements as in the consolidated financial statements as of December 31, 2021.

For significant changes of the consolidated balance sheet, the consolidated income statement as well as the consolidated cash flow statement, we refer to the report on the profit, finance, and asset situation. The statements on IFRS 9 made in the consolidated financial statements as of December 31, 2021 have not changed in the first quarter of the current financial year due to the Corona pandemic. To date, the Basler group has not been able to identify any changes in the payment behavior of customers that would have led to a different valuation of trade receivables. There were no findings that would have led to a revaluation of the lease accounting in accordance with IFRS 16 as at the reporting date.

## BASLER IN THE CAPITAL MARKET

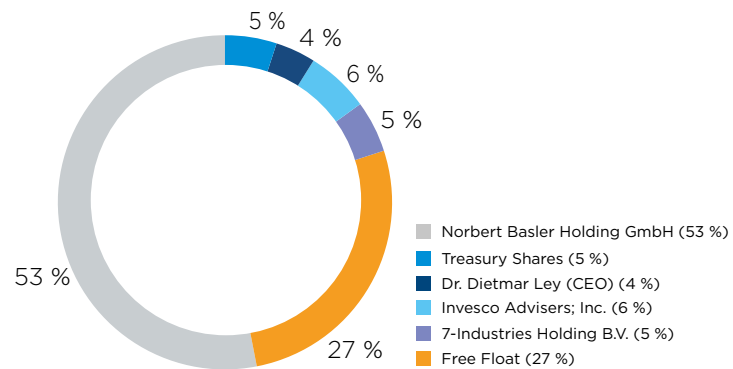


OPENING PRICE ON JAN 2, 2022 € 160.60

CLOSING PRICE ON JUNE 30, 2022 € 76.50

## SHAREHOLDER STRUCTURE

The share capital of Basler AG amounted to € 10.5 million at the end of the quarter on June 30, 2021, divided into 10.5 million no-par-value bearer shares at € 1 each.



## SHAREHOLDINGS MANAGEMENT

	06/30/2022 Number of shares in pieces	12/31/2021 Number of shares in pieces
<b>Supervisory Board</b>		
Norbert Basler	-	-
Dorothea Brandes	-	-
Horst W. Garbrecht	-	-
Dr. Marco Grimm	-	-
Prof. Dr. Eckart Kottkamp (until May 23, 22)	-	-
Lennart Schulenburg (from May 23, 22)	-	-
Prof. Dr. Mirja Steinkamp	-	-
<b>Management Board</b>		
Arndt Bake	2,200	2,075
Dr. Dietmar Ley	380,310	379,206
Hardy Mehl	6,872	5,901
Alexander Temme	576	0

## SHARE BUYBACK PROGRAM

With the approval of the supervisory board, on December 9, 2020, the management board of Basler AG decided to terminate the share buyback program initially re-started in 2020 on March 11, 2020, and to launch a new share buyback program on the basis of the annual general meeting's resolution of May 26, 2020. The new share buyback program has a total volume of up to € 10 million and a term until May 25, 2025.

The basis for the share buyback program is the authorization pursuant to § 71 para. 1 no. 8 of the German Stock Corporation Act (AktG) in accordance with the resolution of the Annual General Meeting of May 26, 2020, on agenda item 8 of this Annual General Meeting. According to this, the company may acquire treasury shares in the total amount of up to € 1,050,000.00 divided into 1,050,000 shares on the basis of the currently registered share capital. The authorization is valid until the end of May 25, 2025.

While the company may in principle use the shares for all legally permissible purposes in accordance with the authorization, this share buyback program is intended in particular to serve the acquisition of treasury shares for subsequent use as acquisition funds.

The share buyback program will be implemented as a programmed buyback program within the meaning of Art. 1 lit. a of Regulation (EU) 2016/1052. There was a change in the service provider for the program at the beginning of July 2021. Oddo BHF Bank has discontinued this business and Basler AG will in future process the purchases with Berenberg Bank, which has already been a partner of the company for many years in various areas. The bank shall be instructed, at its own discretion but within the framework of the following provisions, to

purchase from the respective daily turnover not more than 25 % of the average daily trading volume of the 20 trading days on the respective trading venue prior to the purchase date. The purchase price per share (excluding ancillary purchase costs) may not exceed or fall short of the stock exchange price of Basler AG in XETRA trading (or a comparable successor system) on the Frankfurt Stock Exchange determined by the opening auction on the trading day by more than 10 %.

The extent to which own shares are actually acquired will depend in particular on market conditions. The acquisition will be made via the stock exchange in compliance with the provisions of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse ("Market Abuse Regulation") and the Commission Delegated Regulation (EU) 2016/1052 of 8 March 2016 adopted on the basis of Article 5(6) of the Market Abuse Regulation. March 2016 supplementing Regulation (EU) No 596/2014 of the European Parliament and of the Council with regulatory technical standards on the conditions applicable to buy-back programs and stabilization measures ("Delegated Regulation") and the volume limits and further acquisition restrictions and publication requirements provided for therein. The company has the right to suspend or prematurely terminate the share buyback program at any time.

In the first half-year, the company acquired 11,676 pieces of treasury shares and, as of the reporting date June 30, 2022, holds 536,943 treasury shares or 5.11 % of the share capital of 10.5 million shares.

The company transferred a total of 3,502 treasury shares to Dietmar Ley, Arndt Bake, Hardy Mehl, and Alexander Temme at the beginning of April 2022 as part of the variable management board remuneration for 2021

## ANNUAL GENERAL MEETING 2022

On May 23, 2022, the annual general meeting of Basler AG took place in Hamburg, and this was the third time it was a virtual meeting due to the special COVID-19 circumstances. The voting results of this year's annual general meeting are as follows:

Agenda items	Shares for which valid votes cast have been cast	Share in share capital in %	Yes	in %	No	in %
AI 2: Resolution on the appropriation of the balance sheet profit for the financial year 2021 with the content of the resolution proposal of the management board and the supervisory board under agenda item 2, as published in the Federal Gazette on 13 April 2022 and subject to the adjustment explained at today's Annual General Meeting	8,488,082	80.84%	8,479,369	99.90 %	8,713	0.10 %
AI 3a: Resolution on the discharge of the members of the management board for the financial year 2021 to ratify the actions of the member of the management board Dr. Dietmar Ley for the business year 2021	8,082,002	76.97%	8,062,946	99.76 %	19,056	0.24 %
AI 3b: Resolution on the discharge of the members of the management board for the financial year 2021 to ratify the actions of the member of the management board Alexander Temme for the business year 2021	8,462,112	80.59%	8,443,056	99.77 %	19,056	0.23 %
AI 3c: Resolution on the discharge of the members of the management board for the financial year 2021 to ratify the actions of the member of the management board Arndt Bake for the business year 2021	8,462,312	80.59%	8,443,256	99.77 %	19,056	0.23 %
AI 3d: Resolution on the discharge of the members of the management board for the financial year 2021 to ratify the actions of the member of the management board Hardy Mehl for the business year 2021	8,462,312	80.59%	8,443,256	99.77 %	19,056	0.23 %
AI 4a: Resolution on the discharge of the members of the supervisory board for the financial year 2021 to ratify the actions of the member of the supervisory board Norbert Basler for the business year 2021	2,968,915	28.28%	2,799,105	94.28 %	169,810	5.72 %
AI 4b: Resolution on the discharge of the members of the supervisory board for the financial year 2021 to ratify the actions of the member of the supervisory board Prof. Dr. Eckart Kottkamp for the business year 2021	8,499,067	80.94%	8,336,216	98.08 %	162,851	1.92 %
AI 4c: Resolution on the discharge of the members of the supervisory board for the financial year 2021 to ratify the actions of the member of the supervisory board Horst W. Garbrecht for the business year 2021	8,499,067	80.94%	8,336,216	98.08 %	162,851	1.92 %
AI 4d: Resolution on the discharge of the members of the supervisory board for the financial year 2021 to ratify the actions of the member of the supervisory board Prof. Dr. Mirja Steinkamp for the business year 2021	8,499,067	80.94%	8,336,216	98.08 %	162,851	1.92 %
AI 4e: Resolution on the discharge of the members of the supervisory board for the financial year 2021 to ratify the actions of the member of the supervisory board Dorothea Brandes for the business year 2021	8,499,067	80.94%	8,336,216	98.08 %	162,851	1.92 %

<b>Agenda items</b>	<b>Shares for which valid votes cast have been cast</b>	<b>Share in share capital in %</b>	<b>Yes</b>	<b>in %</b>	<b>No</b>	<b>in %</b>
AI 4f: Resolution on the discharge of the members of the supervisory board for the financial year 2021 to ratify the actions of the member of the supervisory board Dr. Marco Grimm for the business year 2021	8,499,067	80.94%	8,336,216	98.08 %	162,851	1.92 %
AI 5: Election of the auditor of the annual financial statements and the auditor of the consolidated financial statements for the financial year 2022 and the auditor for the audit review of other interim financial reports for the financial year 2022 and the financial year 2023 prior to the Annual General Meeting 2023 with the content of the resolution proposal of the Supervisory Board under agenda item 5 as published in the Federal Gazette on April 13, 2022	8,503,350	80.98%	8,369,353	98.42 %	133,997	1.58 %
AI 6a: Resolution on the election to the supervisory board of Basler AG Mr. Lennart Schulenburg, Stockelsdorf, Managing Director of VisiConsult X-ray Systems & Solutions GmbH, to be elected to the supervisory board until the end of the annual general meeting that resolves on the discharge of the members of the supervisory board for the financial year 2024	8,503,826	80.99%	8,135,338	95.67 %	368,488	4.33 %
AI 6b: Resolution on the election to the supervisory board of Basler AG Mr. Horst W. Garbrecht, Geschäftsführer und Präsident Industrial der CeramTec GmbH, Plochingen, to be elected to the supervisory board until the end of the annual general meeting that resolves on the discharge of the members of the supervisory board for the financial year 2026.	8,503,886	80.99%	7,890,500	92.79 %	613,386	7.21 %
AI 7: Resolution on the approval of the remuneration report for the financial year 2021 with the content of the resolution proposal of the Executive Board and the Supervisory Board under agenda item 7, as published in the Federal Gazette on April 13, 2022	8,414,687	80.14%	7,270,240	86.40 %	1,144,447	13.60 %
AI 8: Resolution on the adjustment of the remuneration of the members of the supervisory board and corresponding amendment of § 12 paragraph 1 of the articles of association of the company with the content of the resolution proposal of the Executive Board and the Supervisory Board under agenda item 8, as published in the Federal Gazette on 13 April 2022	8,501,557	80.97%	8,500,932	99.99 %	625	0.01 %
AI 9: Resolution on the increase of the share capital from company funds and the corresponding amendment of the articles of association of the company with the content of the resolution proposal of the Executive Board and the Supervisory Board under agenda item 9, as published in the Federal Gazette on 13 April 2022	8,503,980	80.99%	8,503,812	99.99 %	168	0.01 %
AI 10: Resolution on the creation of new authorised capital with the option to exclude subscription rights and amendment of § 4 para. 3 of the Articles of Association (Authorised Capital 2022) with the content of the resolution proposal of the Executive Board and the Supervisory Board under agenda item 10, as published in the Federal Gazette on 13 April 2022	8.503.980	80,99%	6.991.910	82,22 %	1.512.070	17,78 %

The presentation of the annual general meeting, the dividend announcement and all other information on this subject can be found on the company website at: [www.baslerweb.com/en/company/investors/annual-general-meeting/2022](http://www.baslerweb.com/en/company/investors/annual-general-meeting/2022)

## CAPITAL INCREASE AND ISSUE OF BONUS SHARES

On May 23, 2022, the annual general meeting of Basler AG resolved to increase the share capital of € 10,500,000.00 by € 21,000,000.00 to € 31,500,000.00 pursuant to the regulations on capital increases from company funds (§§ 207 ff. German Stock Corporation Act). With this measure, the company intends to further increase the attractiveness and liquidity of the share on the capital market and open itself up to new investor groups. The capital increase shall be effected by converting an amount of € 21,000,000.00 of the capital reserve shown in the approved annual financial statements of the company as at December 31, 2021 into share capital. The capital increase shall be carried out by issuing 21,000,000 new no-par value bearer shares at € 1.00 per share. The shares are entitled to participate in profits from January 1, 2022. The resolution on the capital increase from company funds was based on the annual financial statements of Basler AG as at December 31, 2021, as approved by the supervisory board. These audited and approved financial statements have been issued with an unqualified audit opinion by the company's auditor, BDO AG Wirtschaftsprüfungsgesellschaft, Lübeck. With the consent of the supervisory board, the management board was authorized to determine the further details of the implementation of the capital increase.

The corresponding amendment of the articles of association was entered in the Commercial Register of the company at the district court of Lübeck on July 5, 2022, and thus became effective. The share capital of the company now amounts to € 31,500,000.00 and is divided into 31,500,000 no-par value bearer shares.

The record date for the allotment of the new shares resulting from the capital increase ("bonus shares") was July 20, 2022. The shareholders of our company were entitled to bonus shares in the ratio of 1:2 on the basis of their existing

shareholdings in the ISIN DE0005102008 on July 20, 2022, in the evening after the close of the stock exchange; i.e. for each share already held, the shareholder received two additional bonus shares. Since all shares of Basler AG are held in collective custody, the shareholders did not need to take any action with regard to the allocation of the bonus shares. The bonus shares were credited to the entitled shareholders on the basis of their holdings of old shares on July 20, 2022 after the close of the stock exchange by means of a securities account credit.

The bonus shares receive the same ISIN as the old shares (ISIN DE0005102008). They are securitized in a new global certificate deposited with the Clearstream Banking AG, Frankfurt am Main. The shareholders' claim to securitization of their shares as well as any profit shares is excluded according to the articles of association.

The shares of Basler AG have been listed "ex bonus shares" since July 19, 2022.

The delivery date of the bonus shares admitted to the regulated market (Prime Standard) of the Frankfurt Stock Exchange was July 21, 2022.

## GERMAN CORPORATE GOVERNANCE CODE

The current declaration of the management board and the supervisory board pursuant to § 161 of the German Stock Corporation Act (AktG) regarding the German Corporate Governance Code was made continually available to the shareholders on the company website at: [www.baslerweb.com/investors/corporate-governance](http://www.baslerweb.com/investors/corporate-governance).

## DECLARATION OF THE LEGAL REPRESENTATIVES

We affirm to the best of our knowledge that the interim consolidated financial statements, in accordance with the accounting principles applicable to interim reporting, provide a true and fair view of the group's asset, financial, and earnings situation and that the group's interim management report represents a true and fair picture of the course of business, including the operating result, and the group's financial situation as well as describing the essential opportunities and risks concomitant with the expected development of the group during the remainder of the fiscal year.

The management board



Dr. Dietmar Ley  
CEO



Arndt Bake  
CDO/CIO



Hardy Mehl  
CFO/COO



Alexander Temme  
CCO

## CONSOLIDATED PROFIT AND LOSS STATEMENT

Group's annual balance sheet according to IFRS for the reporting period from January 1, 2022 to June 30, 2022

in € k	01/01/ - 06/30/2022	01/01/ - 06/30/2021
Sales revenues	130,757	115,240
Currency earnings	364	-209
Cost of sales	-67,179	-52,302
<b>Gross profit on sales</b>	<b>63,941</b>	<b>62,729</b>
Other income	907	544
Sales and marketing costs	-22,845	-17,089
General administration costs	-11,457	-10,187
Research and development		
<i>Thereof: Full costs</i>	-16,148	-14,236
<i>Capitalisation of intangible assets</i>	4,505	4,924
<i>Depreciations intangible</i>	-3,428	-5,617
Research and development	-15,071	-14,929
Other expenses	-436	-25
<b>Operating result</b>	<b>15,039</b>	<b>21,043</b>
Financial income	92	49
Financial expenses	-351	-329
<b>Financial result</b>	<b>-259</b>	<b>-280</b>
<b>Earnings before tax</b>	<b>14,780</b>	<b>20,763</b>
Income tax	-3,305	-5,049
<b>Group's period surplus</b>	<b>11,475</b>	<b>15,714</b>
of which are allocated to		
shareholders of the parent company	11,475	15,714
non-controlling shareholders	0	0
Average number of shares	9,971,564	10,002,716
Earnings per share diluted = undiluted (€)	1.15	1.57



## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Group's annual balance sheet according to IFRS for the reporting period from January 1, 2022 to June 30, 2022

in € k	01/01/ - 06/30/2022	01/01/ - 06/30/2021
Group's period surplus	11,475	15,714
Result from differences due to currency conversion, directly recorded in equity (to reclassified to the consolidated income statement in the future under certain conditions)	951	823
Adjustment Finance Lease w/o income effect/ IFRS 15 (not to be reclassified subsequently to the consolidated income statement)	0	0
<b>Total result, through profit or loss</b>	<b>951</b>	<b>823</b>
<b>Total result</b>	<b>12,426</b>	<b>16,537</b>
of which are allocated to		
shareholders of the parent company	12,426	16,537
non-controlling shareholders	0	0

## CONSOLIDATED CASH FLOW STATEMENT

Group's annual balance sheet according to IFRS for the reporting period from January 1, 2022 to June 30, 2022

in € k	01/01/ - 06/30/2022	01/01/ - 06/30/2021
<b>Operating activities</b>		
Group's period surplus	11,475	15,714
Increase (+) / decrease (-) in deferred taxes	935	-442
Payout/ incoming payments for interest	536	450
Depreciation of fixed assets	7,914	8,629
Change in capital resources without affecting payment	951	795
Increase (+) / decrease (-) in accruals	-3,149	6,405
Profit (-) / loss (+) from asset disposals	0	1
Increase (-) / decrease (+) in reserves	-12,533	-3,827
Increase (+) / decrease (-) in advances from demand	499	141
Increase (-) / decrease (+) in accounts receivable	-11,332	-11,834
Increase (-) / decrease (+) in other assets	-5,739	-663
Increase (+) / decrease (-) in accounts payable	169	4,583
Increase (+) / decrease (-) in other liabilities	4,200	-254
<b>Net cash provided by operating activities</b>	<b>-6,074</b>	<b>19,698</b>
<b>Investing activities</b>		
Payout for investments in fixed assets	-12,597	-8,232
Incoming payments for asset disposals	33	-98
Expenses for acquisitions less cash acquired	-15,727	-749
<b>Net cash provided by investing activities</b>	<b>-28,291</b>	<b>-9,079</b>

in € k	01/01/ - 06/30/2022	01/01/ - 06/30/2021
<b>Financing activities</b>		
Payout for amortisation of bank loans	-2,055	-2,055
Payout for amortisation of finance lease	-1,959	-1,281
Incoming payment for borrowings from banks	23,000	0
Interest payout	-536	-450
Incoming payment for sale of own shares	353	83
Payout for own shares	-974	-3,251
Dividends paid	-6,184	-5,801
<b>Net cash provided by financing activities</b>	<b>11,645</b>	<b>-12,755</b>
<b>Change in liquid funds</b>	<b>-22,720</b>	<b>-2,136</b>
Funds at the beginning of the period	54,831	47,860
<b>Funds at the end of the period</b>	<b>32,111</b>	<b>45,724</b>
<b>Composition of liquid funds at the end of the period</b>		
Cash in bank and cash in hand	32,111	45,724
Payout for taxes	-3,514	-3,025

## GROUP BALANCE SHEET

Group's annual balance sheet according to IFRS for the reporting period from January 1, 2022 to June 30, 2022

in € k	06/30/2022	12/31/2021
<b>Assets</b>		
<b>A. Long-term assets</b>		
I. Intangible assets	44,121	38,556
II. Goodwill	43,186	27,474
III. Fixed assets	13,176	12,645
IV. Buildings and land in finance lease	15,474	16,065
V. Other financial assets	5	5
VI. Deferred tax assets	1,041	776
	<b>117,003</b>	<b>95,521</b>
<b>B. Short-term assets</b>		
I. Inventories	49,664	37,131
II. Receivables from deliveries and services	44,636	33,304
III. Other short-term financial assets	3,955	1,853
IV. Other short-term assets	4,508	2,247
V. Claim for tax refunds	3,703	2,392
VI. Cash in bank and cash in hand	32,111	54,831
	<b>138,577</b>	<b>131,758</b>
	<b>255,580</b>	<b>227,279</b>

in € k	06/30/2022	12/31/2021
<b>Liabilities</b>		
<b>A. Equity</b>		
I. Subscribed capital	9,963	9,971
II. Capital reserves	26,818	26,818
III. Retained earnings	98,915	94,237
IV. Other components of equity	-1,419	-2,370
	<b>134,277</b>	<b>128,656</b>
<b>B. Long-term debt</b>		
I. Long-term liabilities		
1. Long-term liabilities to banks	53,642	32,011
2. Other financial liabilities	4,139	545
3. Liabilities from finance lease	7,641	8,873
II. Non-current provisions	1,603	1,603
III. Deferred tax liabilities	10,601	9,401
	<b>77,626</b>	<b>52,433</b>
<b>C. Short-term debt</b>		
I. Other financial liabilities	3,425	4,110
II. Short-term accrual liabilities	8,528	12,086
III. Short-term other liabilities		
1. Liabilities from deliveries and services	19,000	18,831
2. Other short-term financial liabilities	6,418	5,312
3. Liabilities from finance lease	3,635	3,589
IV. Current tax liabilities	2,671	2,262
	<b>43,677</b>	<b>46,190</b>
	<b>255,580</b>	<b>227,279</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Group's annual balance sheet according to IFRS for the reporting period from January 1, 2022 to June 30, 2022

in € k	Subscribed capital	Capital reserve	Retained earnings incl. group's earnings	Other components of equity			Total
				Differences due to currency conversion	Adjustment recognized directly in equity Finance lease/ IFRS15	Sum of other components of equity	
<b>Shareholders' equity as of 01/01/2021</b>	<b>10,005</b>	<b>22,590</b>	<b>87,091</b>	<b>-221</b>	<b>-4,557</b>	<b>-4,778</b>	<b>114,908</b>
Total result		3,927	11,787	823		823	16,537
Share salesback / Share buyback	-28		-2,917				-2,945
Dividend outpayment*			-5,801				-5,801
<b>Shareholders' equity as of 06/30/2021</b>	<b>9,977</b>	<b>26,517</b>	<b>90,160</b>	<b>602</b>	<b>-4,557</b>	<b>-3,955</b>	<b>122,699</b>
Total result			5,260	1,585		1,585	6,845
Share salesback / Share buyback	-6	301	-1,183				-888
<b>Shareholders' equity as of 12/31/2021</b>	<b>9,971</b>	<b>26,818</b>	<b>94,237</b>	<b>2,187</b>	<b>-4,557</b>	<b>-2,370</b>	<b>128,656</b>
Total result			11,475	951		951	12,426
Share salesback / Share buyback	-8		-613				-621
Dividend outpayment**			-6,184				-6,184
<b>Shareholders' equity as of 06/30/2022</b>	<b>9,963</b>	<b>26,818</b>	<b>98,915</b>	<b>3,138</b>	<b>-4,557</b>	<b>-1,419</b>	<b>134,277</b>

\* 0,58 € per share

\*\* 0,62 € per share

## EVENTS 2022

### IR-EVENTS

Date	Event	Venue
11/08/2022	Publication 9-month report 2022	Ahrensburg, Germany
11/28/2022-11/30/2022	Deutsches Eigenkapitalforum 2022	Frankfurt am Main, Germany

### SHOWS AND CONFERENCES

Date	Event	Venue
10/04/2022-10/06/2022	VISION Stuttgart 2022	Stuttgart, Germany
10/11/2022-10/13/2022	The Vision Show	Boston, MA, USA
Dec. 2022	Healthcare+ Expo Taiwan	Taipei, Taiwan
Dec. 2022	China International Industry Fair	Beijing, China

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