



9-MONTH REPORT 2022

KEY FIGURES

in € m*	01/01/ 09/30/2022	01/01/ 09/30/2021	Changes to previous year
Sales revenues	205.2	164.6	25 %
Incoming orders	209.7	237.6	-12 %
Gross results	102.0	86.9	17 %
Gross profit margin	49.7 %	52.8 %	-3.1 Pp.
Full costs for research and development	24.6	21.1	17 %
Research and development ratio	12.0 %	12.8 %	-0.8 Pp.
EBITDA	36.8	37.1	-1 %
EBIT	24.7	24.9	-1 %
EBT	24.3	24.5	-1 %
EBT Margin	11.8 %	14.9 %	-3.1 Pp.
Net income	19.2	18.7	3 %
Weighted average number of shares	29,891,809	29,984,691	<-1 %
Result per share (€)	0.64	0.62	3 %
Cash flow from operating activities	2.5	28.4	-91 %
Cash flow from investing activities	-41.1	-12.4	>100 %
Free cash flow	-38.6	16.0	>-100 %

in € m*	09/30/2022	12/31/2021	Changes to previous year
Total assets	268.3	227.3	18 %
Long-term assets	125.9	95.5	32 %
Equity	140.2	128.7	9 %
Liabilities	128.1	98.6	30 %
Equity ratio	52.3 %	56.6 %	-4.3 Pp.
Net cash	-32.0	19.0	>-100 %
Working capital	83.4	48.7	71 %
Number of employees for the period (full time equivalents)	1,028	864	19 %
Share price (XETRA) in €	23.35	52.93	-56 %
Number of shares in circulation**	29,833,531	9,971,231	n.a.
Market capitalization	696.6	1,583.4	-56 %

*unless otherwise stated

**Share split in July 2022

OVERVIEW OF THE FIRST NINE MONTHS OF 2022:

- ▶ Incoming orders: € 209.7* million (previous year: € 237.6 million, -12 %)
- ▶ Sales: € 205.2 million (previous year: € 164.6 million, +25 %)
- ▶ EBITDA: € 36.8 million (previous year: € 37.1 million, -1 %)
- ▶ EBT: € 24.3 million (previous year: € 24.5 million, -1 %)
- ▶ Net result: € 19.2 million (previous year: € 18.7 million, +3 %)
- ▶ Free cash flow** : € -38.6 million (previous year: € 16.0 million, >-100 %)

*adjusted for cancellations from orders of financial year 2021

** including M&A transactions

Dear Shareholders,

We are pleased to report on a very eventful and successful first three quarters 2022 with this quarterly report.

We reached a new sales record with a double-digit growth rate. We strengthened our organization with approximately 150 new colleagues, now exceeding 1,000 employees.

As part of our strategic efforts to become a full range provider with direct market access, we consequently expanded our product portfolio and conducted four M&A transactions. Currently, we are in three successfully proceeding post-merger integration projects. The acquisitions of our distribution partners in Korea announced at the end of 2021 were legally implemented as planned at the beginning of the year and have already been fully consolidated in the first nine months. 50 motivated and experienced Korean colleagues now strengthen our organization in the fifth largest country market for image processing

technology. So far, the post-merger integration has gone according to plan and the results of the Korea business have developed even better than expected during this period. At the beginning of July, the distribution business of our long-term Italian sales partner Advanced Technologies S.p.a in Italy was taken over entirely. The newly formed company Basler Italy commenced its activities and was consolidated in the financial statements for the first time as of the beginning of the third quarter of 2022.

Furthermore, at the beginning of July we were able to announce the completion of the investment of more than 25.1 % interest in the newly founded Basler France in which our French sales partner i2S had previously contributed its distribution business. The joint venture is set up for two years and will then be taken over by Basler AG at 100 %.

The winds on the sales and procurement markets have changed in the course of the first nine months and require very high alertness as well as adaptability. The supply bottlenecks for semiconductor components improved in the course of the third quarter and provided us with a strong increase in sales. Although the number of scarce parts is now very much reduced, there is still a lack of complex critical common parts and the reliability of the supply chains continues to be limited. Against this background, we still steer the company with increased raw material inventories. The price increases on the procurement markets as well as a strong dollar increased our material costs. The corresponding adjustment of our sales prices took effect for the first time in the third quarter.

After a historically strong and sometimes overheated demand in 2021, the sales markets in the image processing industry clouded over significantly in the first nine months. We recorded the strongest regional declines in Asia and particularly in China where lockdowns and the downswing in the consumer goods industry had an even greater impact. In the third quarter, there was a noticeable decline of new incoming orders and significant cancellations and postponements of old orders from previous quarters and from financial year 2021. Thus, this together with high sales led to a reduction of the still very high order backlog. For a better understanding, we reported the incoming orders and order cancellations from the previous financial year separately in this financial reporting.

Despite all challenges, sales increased in a double-digit range to a new nine-month record. Compared to the same period of the previous year, the increase amounted to approximately 50 %. In the first six months, for the most part we compensated supply chain and lockdown related sales gaps by a strong business in Korea and higher sales of trade goods. The changed product mix, increased material expenses on the spot markets and the special effects from the acquisition of distribution inventory had a negative impact on our gross margin in the first half of the year. However, as forecasted, we brought around a turnaround and increased our gross margin back above the 50 % mark in Q3.

At the end of the third quarter, the accumulated pre-tax return amounted to 11.8 %. It was thus in the upper range of our forecast for the year and within our long-term working point of our profitable growth strategy.

In the first nine months of 2022, our free cash flow included extraordinary effects due to company acquisitions. In addition, it is particularly burdened by the difficulties in the supply chains and strong sales and the associated increase in receivables at the end of the reporting period.

The order backlog, which remains very high at around € 124 million as of September 30, 2022, ensures a strong capacity utilization in the coming months despite a decline in incoming orders and order postponements and cancellations, and gives us the corresponding tailwind to achieve our targets for the year. Against this background, we recently increased our forecast for the current financial year. We aim to achieve sales of between € 262 - 270 million and a pre-tax return of between 10 - 12 %.

Even though the current macroeconomic and geopolitical outlook remains very gloomy, we are nevertheless highly motivated, determined, and optimistic about achieving our medium-term target of turning the Basler group to a full range provider and reaching a sales level of € 400 million by 2025.

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

The Management Board

BUSINESS DEVELOPMENT

The Basler group closed the first nine months with a strong growth and solid profitability. Compared to the same period of the previous year, sales increased by 25 % to a new record value of € 205.2 million. The extremely high previous year's level of incoming orders of € 237.6 million was not reached in the first nine months of 2022. Incoming orders began to decline as early as the second quarter, and cancellations and postponements from overheated demand in previous quarters also began to increase in the third quarter. Adjusted for cancellations of orders already placed in the previous year but not yet delivered due to supply bottlenecks, incoming orders amounted to € 209.7 million. In total, orders amounting to € 19.5 million were adjusted from 2021. This correction took place increasingly in the Asia region and is expected to spread to other sales regions in the fourth quarter.

After continuously growing strongly since the end of 2020, the order backlog stagnated in the second quarter, and in the third quarter there was a reduction for the first time. At the end of the reporting period, the order backlog amounted to € 124 million and thus remained at a very high level.

As at the end of September 2022, compared to the previous year, the German Engineering Federation (VDMA) reported an increase in sales of 6 % for the German manufacturers of image processing components. According to VDMA, the industry's incoming orders increased by 8 % in the same reporting period. With a considerably higher sales growth, the Basler group gained further market shares in the reporting period. However, incoming orders show Basler's high share of business in Asia, which from experience is more early-cyclical and volatile. It can be assumed that the development of incoming orders in Asia will become more noticeable also for the European manufacturers of image processing machines and components in the coming months.

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

PRODUCT DEVELOPMENT & PRODUCT LAUNCHES

All activities around the development and launch of new products took place

with high intensity in the past nine months. However, in the first months of the reporting period development activities were still limited because of the

cyber-attack in November 2021. Furthermore, the re-design of products due to the bottlenecks on the procurement market also had a negative impact on development in the past fiscal year. In total, the full costs for development services significantly increased to € 24.6 million (previous year: € 21.1 million). At € 6.7 million (previous year: € 6.8 million) the amount for developments eligible for capitalization remained almost constant due to the above-mentioned reasons.

On its way to becoming a full range provider, Basler expanded its lighting portfolio by 200 lighting products. The total portfolio includes different lighting types, from ring to beam to dome lights. The Basler lights integrate quickly, reduce system complexity, and are designed for easy setup and smooth operation. Thanks to the Basler Lighting Advisor, the customer saves time by receiving individual product recommendations. Customers are guided step by step in this tool to a selection of lighting components tailored to their needs.

Furthermore, the Basler ace 2 basic camera was launched as the centerpiece of the company's new 5GigE portfolio. The 5GigE transmission interface quintuples the current bandwidth in the range of mainstream cameras and thus transmits significantly more high resolution images.

Eight new models of the boost camera series for particularly fast applications have recently been added to the extensive range of very powerful cameras with the so-called CXP interface.

Professional users benefit in their development process from precisely matching and compatible vision products from a single source and thus from reduced integration and development time. This includes cameras, objectives, interface cards, frame grabbers, cables, lighting, and other components.

The highlight in the financial year to date has been the introduction of pylon 7. Besides numerous configuration options, with pylon 7 Basler offers for the first time image processing algorithms and gradually expands the pylon Software Development Kit (SDK) to the center of its performance offer. For further information please refer to

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

„Accelerate your Vision“ – under this guiding principle, the company presented its comprehensive range of solutions for wide-ranging computer vision applications at the leading trade fair VISION in Stuttgart from Oct- 4 to 6, 2022. The focus was on the innovations around the Basler ace 2 with 5GigE, new SWIR, thermo- and 3D cameras as well as the new lighting components. As a software highlight, Basler presented the image processing modules pylon vTools.

OUTLOOK

The Basler group closed the first nine months of the financial year 2022 with a new sales record and a solid profitability. Bottlenecks on the procurement markets improved significantly, especially in the third quarter, and are expected to ease further as a result of weak demand for semiconductors in the industry for consumer goods. Expensive interim purchases on the spot markets will increasingly become less of a burden on Basler AG's gross margin. Nevertheless, structural bottlenecks in the supply of semiconductor components as well as further price increases by manufacturers of semiconductor components are expected to continue in the coming months. Further improvements in delivery capabilities and delivery times are likely to lead to reductions in customers' order horizons and thus to lower incoming orders in the fourth quarter. At € 124 million, the order backlog at the end of the reporting period is at a high level and will in all probability return to a normal level, i.e., a business equivalent of around two to three months, in the coming quarters.

Despite ongoing selective supply bottlenecks, declining incoming orders, cancellations, lockdown-related demand reduction in China and a slowing economy, management is generally optimistic about the rest of the year and recently increased its full-year forecast. The sales forecast was adjusted upwards from € 235 – 265 million to € 262 – 270 million. At the same time, the forecast corridor for the pre-tax return margin was narrowed to 10 – 12 %.

The S/4HANA project, which has been tying up resources in the company for months, is currently in the home stretch and is expected to complete the system change from SAP-R3 to SAP-S4 on Jan. 1, 2023. However, this will require a transition period in the second half of December, during which operational processes will only be available to a very limited extent. The impact on sales in December has been considered in the updated forecast. The company is currently preparing very intensively for this transition phase to ensure that the new start on January 1, 2023 is as smooth as possible.

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

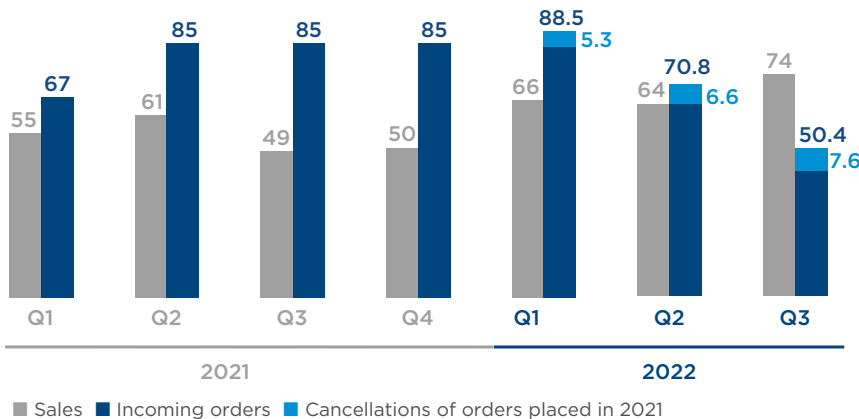
REPORT ON PROFIT, FINANCE, AND ASSET SITUATION

SALES AND INCOMING ORDERS, COSTS OF SERVICE PROVISION

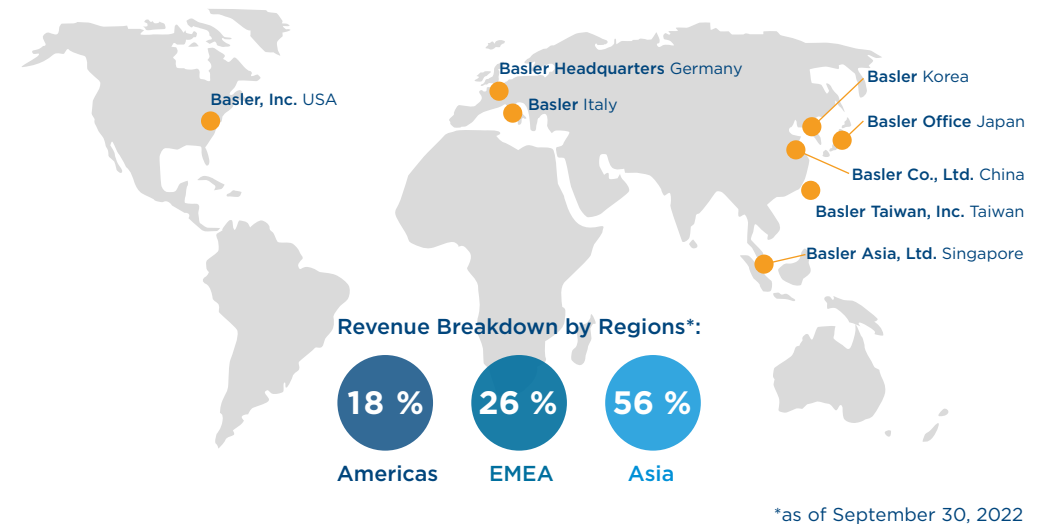
Compared to the same period of 2021, sales increased by 25 % to a record level of € 205.2 million (previous year: € 164.6 million). Incoming orders, adjusted for cancellations, decreased by 12 % to € 209.7 million (previous year: € 237.6 million). The picture of very high incoming orders and book-to-bill ratios continued into the first quarter and changed over the course of the first nine months. Accumulated, the ratio of orders received to sales is slightly positive.

SALES AND INCOMING ORDERS

For the last seven quarters (in € million)



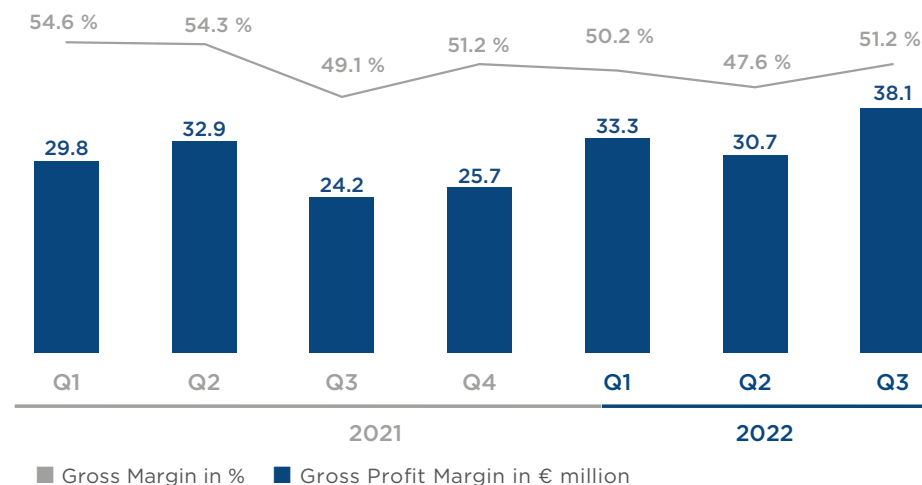
REVENUE SPLIT BY REGIONS



The geographical distribution of sales is heavily weighted towards Asia, at 56 %. The acquisitions in Korea also had a positive impact on the traditionally high share of sales in Asia, while sales in the Chinese market declined compared to the previous year. 26 % of sales were attributable to the EMEA region and 18 % to the Americas region.

GROSS PROFIT

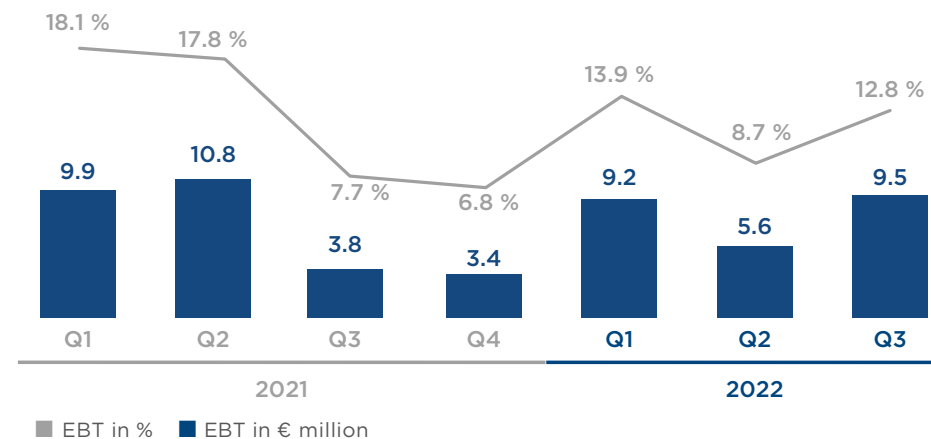
Development of gross margin



In the first nine months of 2022 with 49.7 % (previous year: 52.8 %), the gross profit margin was just below the long-term strategic mark of >50 %. However, it developed back into the targeted working range between 50 - 52 % in the third quarter. The temporary decline in gross margin was due to a combination of effects. Increased material costs due to expensive interim purchases and structural price adjustments by suppliers continuously impacted the contribution margins of the products. Structural price adjustments were largely passed on to customers, but these price adjustments first took effect from the third quarter onwards due to the high order backlog. Special effects resulting from the acquisition and from the sale of inventories at the acquired distributors in Korea and Italy led to negative one-time effects in the first nine months. In addition, production volumes and sales of high-margin proprietary products were severely impacted in the first six months. However, with improved material supplies and higher production volumes, the product mix developed positively in the third quarter. Due to the weak market development in China, the relatively strong high-margin direct business was only disproportionately underrepresented in the reporting period. By contrast, the strength of the Chinese CNY had a positive effect.

EARNINGS BEFORE TAXES

For the last seven quarters



Compared to the very strong previous year, the pre-tax result slightly decreased by € 0.2 million to € 24.3 million (previous year: € 24.5 million). At 11.8 % (previous year: 14.9 %) the pre-tax return margin was on a solid level in the upper range of the forecasted corridor.

The result includes a provision of € 2 million for the tax-free inflation compensation planned by the German government for employees at the German sites.

The period surplus amounted to € 19.2 million and thus was 3 % over the previous year's value of € 18.7 million. The result per share (diluted = undiluted) amounted to € 0.64 (previous year: € 0.62).

ASSET SITUATION

Non-current assets increased significantly compared to December 31, 2021 as a result of the company acquisitions in Korea and Italy. Furthermore, inventories increased by € 16.4 million in the same period. Of this amount, € 5.2 million came from the acquisition of the Korean distributors' finished goods and € 1.3 million from the acquisition of Advanced Technologies S.p.a.. In addition,

isolated bottleneck parts led to a reduction in production output and prevented the scheduled outflow of existing raw materials. As a result, raw material inventories were built up, particularly in the first six months.

Trade accounts receivable increased significantly by € 20.4 million to € 53.7 million. This was particularly due to sales growth in the third quarter and the initial build-up of receivables as a result of the M&A transactions in Korea and Italy.

DEVELOPMENT OF EQUITY

Equity increased to € 140.2 million (Dec. 31, 2021: € 128.7 million). On September 30, 2022, the equity ratio decreased by 4.3 percentage points to 52.3 % compared to 56.6 % on Dec. 31, 2021.

CASH FLOW AND LIQUIDITY

The cash flow positions in the first and third quarters of 2022 are very strongly influenced by extraordinary effects of the M&A transactions.

Despite a solid result for the period, the operating cash flow amounted to only € 2.5 million (previous year: € 28.4 million). This development resulted in particular from the significant increase in receivables and inventories. These two effects accounted for a € 36.8 million increase in capital employed as of September 30, 2022, compared to the beginning of the financial year,

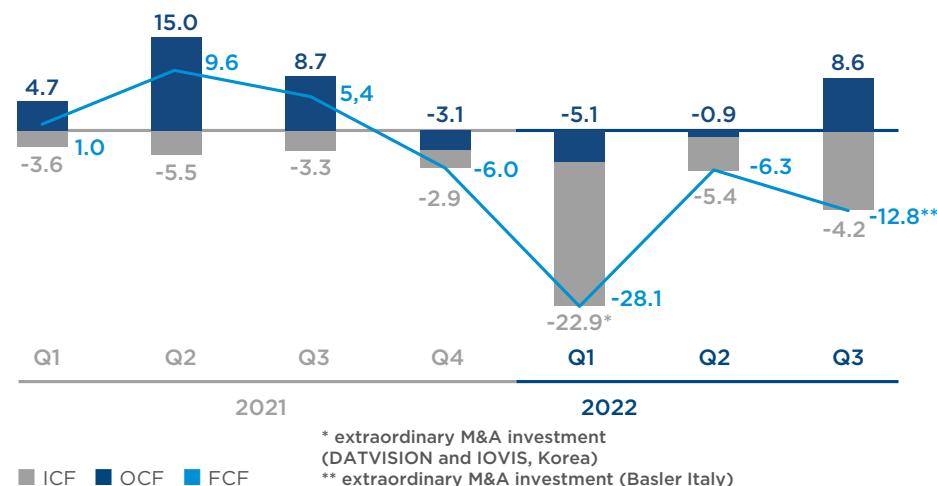
The cash flow from investing activities amounted to € -41.1 million (previous year: € -12.4 million). It was extraordinarily burdened by the M&A transactions and shaped by investments in product development and digitization.

Cash flow from financing activities amounted to € 7.7 million (previous year: € -15.8 million) and was changed accordingly by the additional borrowing of credit lines, the repurchase of further treasury shares and the payment of the dividend in the second quarter.

The cash and cash equivalents decreased from € 54.8 million (Dec. 31, 2021) to € 23.9 million. The main reasons are the M&A transactions in the first seven months and the strong build-up of inventories due to the global impact of the semiconductor crisis. Net liquidity after deduction of all liabilities to banks amounted to € -32.0 million (Dec. 31, 2021: € 19.0 million). Following a phase of heavy investment with a high level of capital commitment in the first nine months of the financial year, the management anticipates significantly positive free cash flow in the coming months.

CASH FLOW

For the last seven quarters (in € million)



EVENTS AFTER THE END OF THE INTERIM REPORTING PERIOD

EMPLOYEES

On the reporting date September 30, 2022, the Basler group employed 1,065 (Dec. 31, 2021: 908) employees (full-time equivalents). This includes the 53 new employees in Korea as well as 22 employees in Italy. In the further course of the financial year 2022, the Basler group plans to employ further employees and, for the time being, will only create new jobs very selectively in the coming fiscal year as long as the macroeconomic indicators for the capital goods markets are negative.

REPORT ON SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES (ENTITIES AND INDIVIDUALS)

There are no new material related party transactions in the first half of 2022.

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 takeover was successfully implemented on July 4, 2022. Since then, the newly founded subsidiary operates as Basler Italy. Within the purchase price allocation of the acquired Advanced Technologies S.p.a., a customer order backlog and customer relationships amounting to € 2.2 million, finished goods inventories amounting to € 0.6 million were identified.

OPPORTUNITIES AND RISKS REPORT

Regarding significant opportunities and risks of the probable development of the Basler group, 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. Above all, in the coming months, the risks relating to the global economic and political situation will be updated. The risk inventory, which is currently being carried out on a regular basis, will be completed at the beginning of November.

The company has been closely monitoring geopolitical risks for some time, particularly in China, and is prepared for various scenarios. Besides the current energy crisis, this point forms a focal point in the risk inventory, which has not yet been completed.

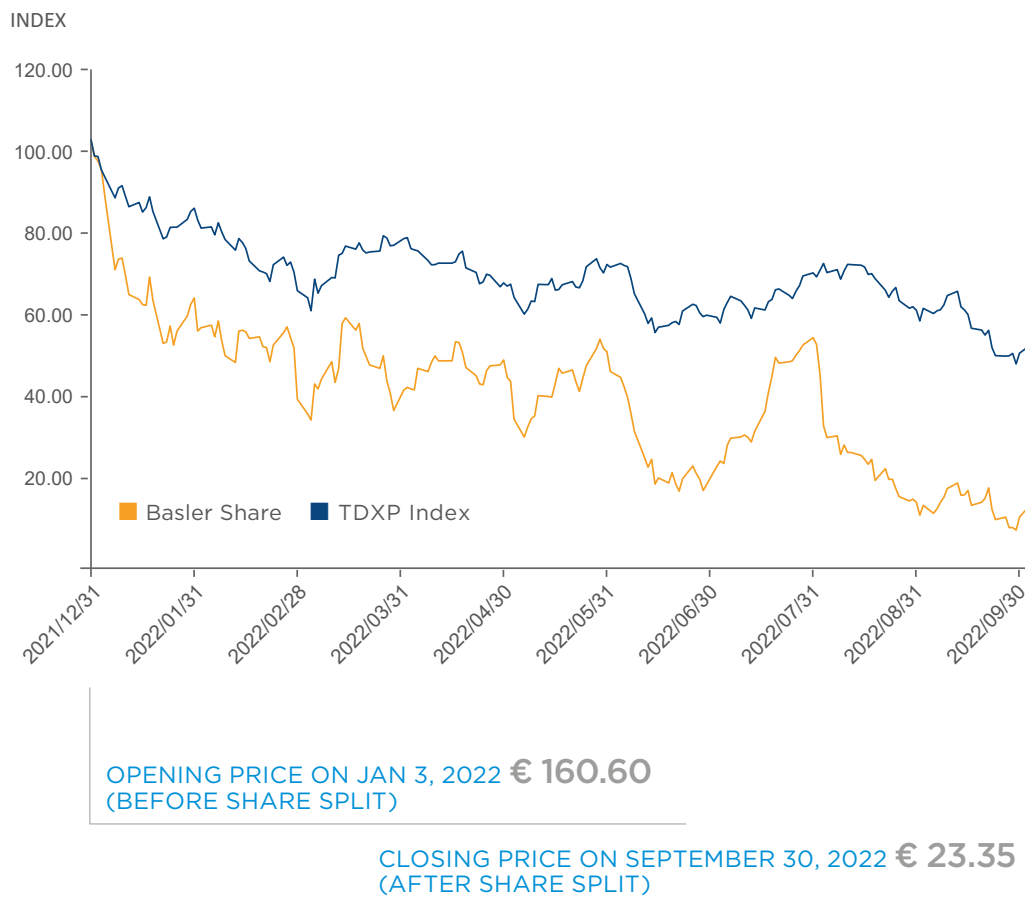
NOTES TO THE INTERIM STATEMENT ACCORDING TO IFRS

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 September 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 made in the annual financial statements as of Dec. 31, 2021, regarding IFRS 9 have not

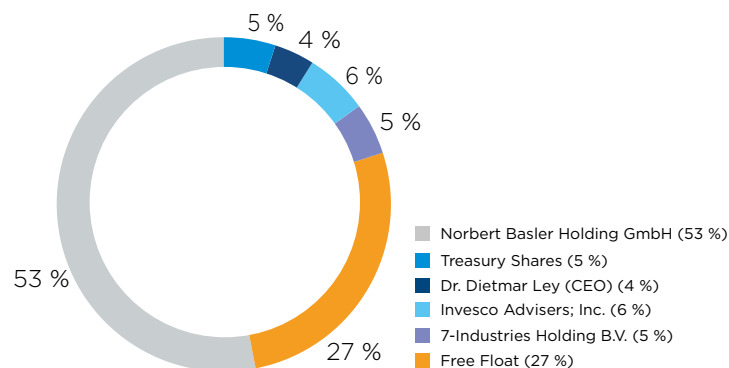
changed as a result of the Corona pandemic or other factors in the first nine months of the current fiscal year. To date, the Basler group has not identified any changes in customers' payment behavior that would have led to a different measurement of trade receivables. There were no findings at the reporting date that would have led to a remeasurement of lease accounting in accordance with IFRS 16.

BASLER IN THE CAPITAL MARKET



SHAREHOLDER STRUCTURE

The share capital of Basler AG amounted to € 31.5 million at the end of the quarter on September 30, 2022, divided into 31.5 million no-par-value bearer shares at € 1.0 each.



SHAREHOLDINGS MANAGEMENT

	09/30/2022 Number of shares in pieces	12/31/2021 Number of shares in pieces
Supervisory Board		
Norbert Basler	-	-
Dorothea Brandes	-	-
Horst W. Garbrecht	-	-
Dr. Marco Grimm	-	-
Prof. Dr. Eckart Kottkamp (until May 23, 2022)	-	-
Lennart Schulenburg (from May 23, 2022)	-	-
Prof. Dr. Mirja Steinkamp	-	-

Management Board

Arndt Bake	5,400	2,075
Dr. Dietmar Ley	1,140,930	379,206
Hardy Mehl	20,616	5,901
Alexander Temme	1,701	0

*after share split in July 2022

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.

Up to the stock split on July 19, 2022, the company acquired 19,689 pieces of treasury shares in the current fiscal year and 31,601 pieces of shares thereafter as of the reporting date of September 30, 2022. As of the reporting date September 30, 2022, the company holds 1,666,469 treasury shares or 5.29 % of the share capital of 31.5 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 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.

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 Euro 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 Euro 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 Euro 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.

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 September 30, 2022

in € k	01/01/ - 09/30/2022	01/01/ - 09/30/2021
Sales revenues	205,196	164,566
Currency earnings	-584	-66
Cost of sales	-102,595	-77,562
Gross profit on sales	102,017	86,938
Other income	1,650	737
Sales and marketing costs	-35,518	-25,772
General administration costs	-19,922	-14,983
Research and development		
<i>Thereof: Full costs</i>	-24,594	-21,086
<i>Capitalisation of intangible assets</i>	6,745	6,800
<i>Depreciations intangible</i>	-5,081	-7,678
Research and development	-22,930	-21,964
Other expenses	-569	-98
Operating result	24,728	24,858
Financial income	107	127
Financial expenses	-544	-449
Financial result	-437	-322
Earnings before tax	24,291	24,536
Income tax	-5,068	-5,882
Group's period surplus	19,223	18,654
of which are allocated to		
shareholders of the parent company	19,223	18,654
non-controlling shareholders	0	0
Average number of shares	29,891,809	29,984,691
Earnings per share diluted = undiluted (€)	0.64	0.62

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

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

in € k	01/01/ - 09/30/2022	01/01/ - 09/30/2021
Group's period surplus	19,223	18,654
Result from differences due to currency conversion, directly recorded in equity (to reclassified to the consolidated income statement in the future under certain conditions)	875	1,490
Adjustment Finance Lease w/o income effect/ IFRS 15 (not to be reclassified subsequently to the consolidated income statement)	0	0
Total result, through profit or loss	875	1,490
Total result	20,098	20,144
of which are allocated to		
shareholders of the parent company	20,098	20,144
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 September 30, 2022

in € k	01/01/ - 09/30/2022	01/01/ - 09/30/2021
Operating activities		
Group's period surplus	19,223	18,654
Increase (+) / decrease (-) in deferred taxes	1,311	-323
Payout/ incoming payments for interest	837	611
Depreciation of fixed assets	12,038	12,280
Change in capital resources without affecting payment	875	1,456
Increase (+) / decrease (-) in accruals	1,400	7,762
Profit (-) / loss (+) from asset disposals	-8	1
Increase (-) / decrease (+) in reserves	-16,392	-10,758
Increase (+) / decrease (-) in advances from demand	-34	860
Increase (-) / decrease (+) in accounts receivable	-20,445	-8,845
Increase (-) / decrease (+) in other assets	-4,716	2,472
Increase (+) / decrease (-) in accounts payable	2,148	4,688
Increase (+) / decrease (-) in other liabilities	6,299	-427
Net cash provided by operating activities	2,536	28,431
Investing activities		
Payout for investments in fixed assets	-21,582	-12,027
Incoming payments for asset disposals	103	388
Expenses for acquisitions less cash acquired	-19,619	-749
Net cash provided by investing activities	-41,098	-12,388

in € k	01/01/ - 09/30/2022	01/01/ - 09/30/2021
Financing activities		
Payout for amortisation of bank loans	-3,082	-3,082
Payout for amortisation of finance lease	-2,871	-2,482
Incoming payment for borrowings from banks	23,000	0
Interest payout	-837	-611
Incoming payment for sale of own shares	353	83
Payout for own shares	-2,731	-3,916
Dividends paid	-6,184	-5,801
Net cash provided by financing activities	7,648	-15,809
Change in liquid funds	-30,914	234
Funds at the beginning of the period	54,831	47,860
Funds at the end of the period	23,917	48,094
Composition of liquid funds at the end of the period		
Cash in bank and cash in hand	23,917	48,094
Payout for taxes	-5,316	-2,255

GROUP BALANCE SHEET

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

in € k	09/30/2022	12/31/2021
Assets		
A. Long-term assets		
I. Intangible assets	47,645	38,556
II. Goodwill	45,918	27,474
III. Fixed assets	15,223	12,645
IV. Buildings and land in finance lease	14,797	16,065
V. Other financial assets	1,005	5
VI. Deferred tax assets	1,334	776
	125,922	95,521
B. Short-term assets		
I. Inventories	53,523	37,131
II. Receivables from deliveries and services	53,749	33,304
III. Other short-term financial assets	4,420	1,853
IV. Other short-term assets	3,428	2,247
V. Claim for tax refunds	3,299	2,392
VI. Cash in bank and cash in hand	23,917	54,831
	142,336	131,758
	268,258	227,279

in € k	09/30/2022	12/31/2021
Liabilities		
A. Equity		
I. Subscribed capital	29,834	9,971
II. Capital reserves	4,329	26,818
III. Retained earnings	107,535	94,237
IV. Other components of equity	-1,495	-2,370
	140,203	128,656
B. Long-term debt		
I. Long-term liabilities		
1. Long-term liabilities to banks	52,883	32,011
2. Other financial liabilities	4,816	545
3. Liabilities from finance lease	6,666	8,873
II. Non-current provisions	2,161	1,603
III. Deferred tax liabilities	11,270	9,401
	77,796	52,433
C. Short-term debt		
I. Other financial liabilities	3,156	4,110
II. Short-term accrual liabilities	12,548	12,086
III. Short-term other liabilities		
1. Liabilities from deliveries and services	20,979	18,831
2. Other short-term financial liabilities	7,295	5,312
3. Liabilities from finance lease	3,639	3,589
IV. Current tax liabilities	2,642	2,262
	50,259	46,190
	268,258	227,279

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Group's annual balance sheet according to IFRS for the reporting period from January 1, 2022 to September 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	
Shareholders' equity as of 01/01/2021	10,005	22,590	87,091	-221	-4,557	-4,778	114,908
Total result		3,927	14,727	1,490		1,490	20,144
Share salesback / Share buyback	-34		-3,582				-3,616
Dividend outpayment*			-5,801				-5,801
Shareholders' equity as of 09/30/2021	9,971	26,517	92,435	1,269	-4,557	-3,288	125,635
Total result			2,320	918		918	3,238
Share salesback / Share buyback	0	301	-518				-217
Shareholders' equity as of 12/31/2021	9,971	26,818	94,237	2,187	-4,557	-2,370	128,656
Total result			19,234	875		875	20,109
Share salesback / Share buyback	19,863	-22,489	248				-2,378
Dividend outpayment**			-6,184				-6,184
Shareholders' equity as of 09/30/2022	29,834	4,329	107,535	3,062	-4,557	-1,495	140,203

* 0,58 € per share

** 0,62 € per share

EVENTS 2022

IR-EVENTS

Date	Event	Venue
11/29/2022-11/30/2022	Deutsches Eigenkapitalforum 2022	Frankfurt/Main, Germany

SHOWS AND CONFERENCES

Date	Event	Venue
Dec. 2022	Healthcare+ Expo Taiwan	Taipei, Taiwan
Dec. 2022	China International Industry Fair	Beijing, China

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