exentis group

Industrialized
Additive Manufacturing

Half-Year Report 2022

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Your 3D Community

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Your 3D Community

First Half of 2022 – Highlights

- Turnover revenue of CHF 10 million in the first half – most successful first half-year in Company history
- EBITDA margin of 12.4 %
- Another growth financing round of more than CHF 15 million successfully completed
- Value chain fully closed
- Internationalization of the business successfully continued
- Further expansion of the Exentis 3D Community
- Market study by Roland Berger highlights a wide variety of application possibilities and the potential of the Exentis 3D technology
- End market potential of CHF 198 billion in the strategic strategic business areas Pharma & MedTech, New Energy and Ultra-fine Structures

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Your 3D Community

Letter to the Shareholders

Dear shareholders,
Dear friends of our company,

Ralf P. Brammer
Chairman of the Board of Directors

For Exentis, the first half of 2022 was the most successful first half-year in Company history.

We were able to generate turnover revenue of approx. CHF 10 million. This provides clear evidence that our proprietary 3D technology platform and our license-based business model are becoming more strongly anchored in the market and customers are becoming increasingly aware of the benefits of using our industrialized technology, the Exentis 3D Mass Customization®.

Exentis enables its customers, the 3D community members, to mass-produce complex industrial components with ultra-fine structures and also clean-room applications such as the production of millions of tablets with freely definable release profiles of the active pharmaceutical ingredients. All this is possible with a free choice of materials or active pharmaceutical ingredients, a high degree of flexibility in the production process and advantageous cost/benefit relations. In addition, the cold printing process in use is environmentally friendly.

This sustainability aspect is a key criterion that is becoming increasingly important for many companies when deciding in favour of a certain technology. With its innovative 3D technology, Exentis provides significant advantages in this area when it comes to the avoidance of upstream and downstream manufacturing processes which have been necessary in the past, achieving low waste, low energy requirements and the resulting attractive production costs.

These benefits put Exentis 3D community members in the promising position of significantly strengthening their own competitive position by using the Exentis 3D

technology on the basis of exclusive license agreements and at the same time making a sustainable contribution to the environment.

At this point, allow me to point out a few highlights of our business development during the first half of 2022.

1. By significantly expanding our expertise in the fields of engineering, systems and steering IT as well as final assembly, we have been able to fully close any gaps in our value chain. We are therefore able to operate as a “one stop shop”, integrating all major areas of expertise for Industrialized Additive Manufacturing within the Company.

2. We were able to successfully complete another round of growth financing in March 2022 and attract investors from all over Europe as new Exentis shareholders as part of a capital increase of more than CHF 15 million.

   In this context, I would like to emphasize that all the Exentis employees – and there are now more than 100 of them – are also shareholders and therefore co-owners of our Company. There is no departmental thinking at Exentis – rather the question of what every employee can contribute to successfully further develop our joint Company.

3. In the strategic business area New Energy, we were able to sign an exclusive license agreement with Whitecell. As part of its exclusive global license for manufacturing bipolar plates, the essential components in fuel cells, using the Exentis 3D screen printing technology, Whitecell will also attract additional Exentis 3D community members. This will promote the establishment of the Exentis 3D technology when producing fuel cells even further.

4. In June, we were delighted to being able to welcome Sintokogio Ltd., Nagoya, a leading Japanese technology corporation, as another new Exentis 3D community member. Sintokogio will open up the Japanese market as an exclusive licensee and distribution partner and gradually attract additional Exentis 3D community members.

5. At the end of June, we received a major order for three cleanroom 3D production systems for tablet production from Laxxon Medical Corp., which already secured itself the global exclusive rights from Exentis to develop, produce and commercialize pharmaceutical applications such as tablets back in 2017. The systems on order will be delivered from the second half of this year onwards into 2023 and are determined for the European and US markets.

Further details about these highlights will be explained in the chapter entitled “Business Development in the First Half of 2022”. In this report, you will also find a chapter entitled “Strategic Markets and Potential” where we not only explain the Exentis strategy and our business model but particularly discuss in detail the wide-ranging application possibilities and market potential of our 3D technology based on a study conducted by the international management consultancy firm Roland Berger.

Letter to the Shareholders

Thanks to the extensive work performed by Roland Berger, we are now in a position for the first time to precisely define the market potential for the applications that we have already developed and that are currently being developed. This translates into an end market potential of approx. CHF 198 billion in our three strategic business areas Pharma & MedTech, New Energy and Ultra-fine Structures in 2021.

From today's perspective, we are looking forward to the second half of 2022 with a positive outlook and are expecting our profitable growth path to continue. Because of the current high level of utilization of our final assembly capacities, several 3D production systems on order are gradually being assembled and will only be delivered during the next few quarters. The majority of these 3D production systems, which have already been ordered but not yet delivered, have not yet been considered in the current half-year turnover figures. At the time of this reporting for the first half of 2022, this additional "contracted business" is expected to account for future turnover revenue (in CHF million) in the mid single digit range.

For the second half of this year, we are currently expecting to sell additional Exentis 3D production systems and grant further global licenses. We will also tackle the question of how Exentis can accelerate its growth path through additional strategic cooperations and partnerships. The industrialized technology which has been developed during the past few years is now benefiting the Company.

On behalf of the Board of Directors, I would like to thank the entire management team and all the employees for their outstanding dedication during the first half of 2022 and their determination to establish the Exentis 3D technology as industry standard.

I would also like to thank our 3D community members and all our partners and particularly our shareholders for their many years of support and sustained commitment.

Strategic Markets and Potential

Exentis strategy and business model

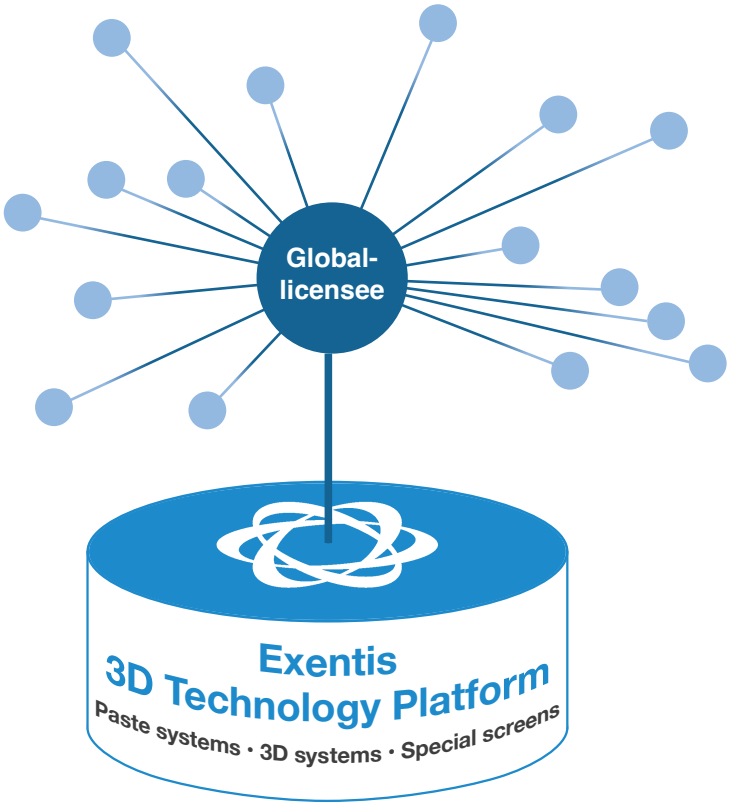
Exentis provides a proprietary 3D technology platform that enables industrial large-scale production of complex components with ultra-fine structures, as well as cleanroom applications, using Exentis' comprehensively patented Exentis 3D Mass Customization® technology.

Thanks to its 3D screen printing technology, Exentis is able to offer its customers, the 3D community members, access to a new additive manufacturing technology. In addition to enabling large-scale production with a free choice of materials, the technology developed by Exentis offers other important features and strengths, such as the production of ultra-fine structures, low post-processing requirements, the ability to process multiple materials, and a flexible production process. The technology has been protected in all economic areas of strategic relevance for Exentis through in excess of 3,500 patent claims.

Based on this extensively patented 3D technology platform, a license-based business model has been established. Customers can choose between entering into a license agreement which enables them to manufacture their applications in-house with the purchase of an Exentis 3D development and production system, or having Exentis produce millions of required components for them as a contract manufacturer.

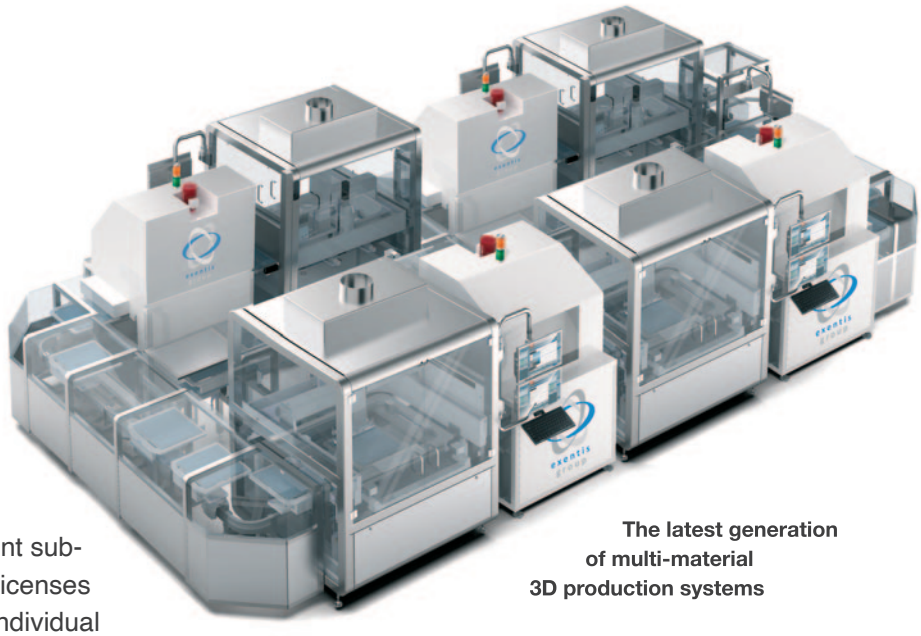
If customers select in-house production, they obtain many years of exclusivity for their specific application upon execution of the license agreement. In addition to large-scale production, this is another major competitive advantage. This exclusivity, with the ability to produce components without any competitive pressure for years through use of the same technology, is directly linked to the term of the relevant patents, and can continue for up to 20 years (depending on the remaining term of the patent).

Exentis 3D community members often have global licenses, including Laxxon in the area of pharmaceuticals, and Whitecell in the area of bipolar plate



Exentis 3D community members:

- Global licensee
- Sub-licensee



The latest generation of multi-material 3D production systems

production. In the case of Laxxon, this means global exclusivity in respect of the production of 3D-printed tablets using our technology, a key benefit of which includes the ability to define the release profile of one or several active pharmaceutical ingredients in the human body on a discretionary basis. Exentis global licenses also offer 3D community members the right to grant sub-licenses. In Laxxon's case, their global licenses relate to pharmaceutical indications or individual active pharmaceutical ingredients. As a result, Laxxon has the ability to grant a large number of sub-licenses, and therefore introduce the innovative release of active pharmaceutical ingredients, which is made possible by Exentis technology, in different international markets at the same time.

The expansion of Exentis technology into different markets through the granting of licenses and sub-licenses can generate considerable value add for Exentis.

Each time that a license or sub-license is granted, the number of Exentis' customers gradually grows. Licensees or sub-licensees, which are together known as Exentis 3D community members, use the same technology platform, and therefore purchase additional Exentis 3D production systems, as well as paste systems, screens, and services, from Exentis.

The license-based business model enables Exentis to obtain income from the payment of non-recurring license-based fees (when Exentis grants licenses, and when licensees grant sub-licenses), and ongoing license fees based on revenues generated by both licensees and sub-licensees from the sale of components produced using Exentis technology – so-called royalties. Exentis therefore has a robust, predictable, and scalable business model, with a large potential for recurring revenues.

Focused growth in three strategic business areas

Exentis will focus on three strategic business areas in order to generate profitable growth in the long term:

- **Pharma & MedTech**
- **New Energy**
- **Ultra-fine Structures**

Each one of these three strategic business areas offers significant end market potential in its own right.

Strategic Markets and Potential

The Exentis 3D technology platform, with its wide-ranging, license-based business model, provides Exentis with the ability to systematically target each of these markets at the same time.

Exentis commissioned Roland Berger, an international management consultancy firm, to investigate the strategic business areas mentioned above as part of a comprehensive market study, and to assess them in terms of their end market potential for the applications already being processed at Exentis, or for which potential applications have been identified during existing development projects. The market sizes shown below demonstrate the size of the underlying end markets. Exentis is targeting parts of these end markets through its business model[1]. The key results of the market study, and the strategic implications derived from them, are outlined below.

General outline of the market and market potential

The three strategic business areas are all characterized by long-term growth prospects, driven by underlying mega trends:

Pharma & MedTech:
The continued growth of the pharmaceutical market is primarily being driven by general demographic development, rising expenditure on healthcare in emerging markets, and digitalization.

New Energy:
This business area comprises the following sub-segments that are particularly relevant to Exentis: e-mobility, fuel cells and energy storage. The strong growth in electrification in the automotive sector e.g., driven by increasingly strict CO_2 emission regulations, is expected to drive demand within the e-mobility sector, while energy transition to cleaner energy is projected to fuel rising production volumes of fuel cells.

Ultra-fine Structures:
In this area, the underlying end markets are expected to grow, for example, in the area of micro-filters.

Other markets such as semiconductors are also expected to develop positively, driven by underlying market growth, and an overall rising market awareness of, and penetration by, additive manufacturing technologies.

Competitive landscape

The strategic business areas, which are described in greater detail below, differ in terms of each's competitive environment. Exentis primarily competes with conventional manufacturing technologies (e.g., with respect to the production of stator/rotor sheets, Exentis competes with blanking, a formative technology), and less with other additive manufacturing technologies. Additive manufacturing technology is most suited to the production of applications requiring a low output volume, and is unable to effectively compete with the proprietary Exentis 3D Mass Customization® technology's offering of large-scale industrial production with a high degree of flexibility in the materials used.

[1] Success within these end markets requires meeting technical specifications, a competitive business case and the scaling of the license-based business model. The selection of the strategic end markets as well as (technical) specifications and advantages of the Exentis technology represent management information.

Current market potential

The strategic business areas being targeted by Exentis are included in the large underlying total end market for part production and pharma, with an end market value of approx. CHF 3,267 billion in 2021.[1] Exentis is targeting one part of this market through its business model.

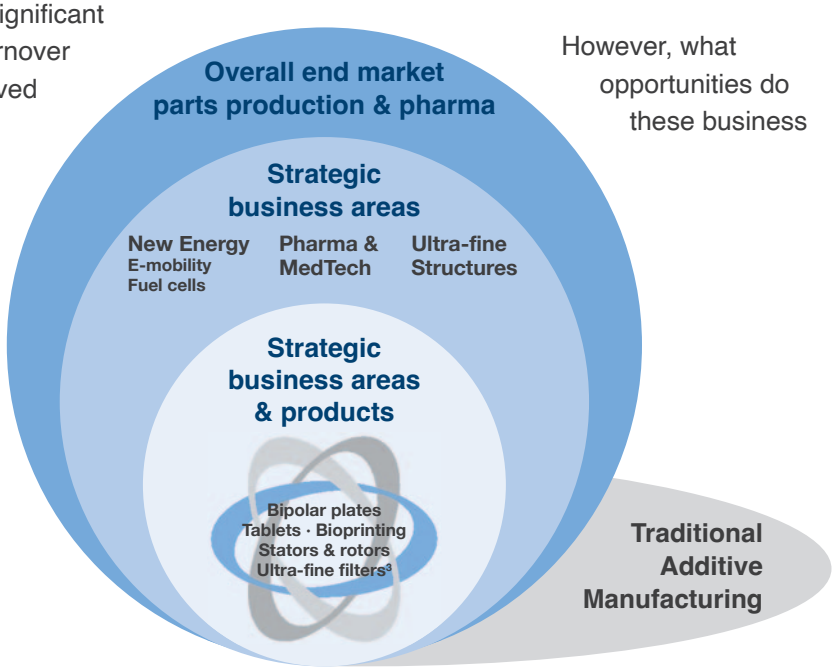
The Pharma & MedTech, New Energy, and Ultra-fine Structures business areas, which Exentis is focusing on, account for approx. 39 % of the underlying total end market for part production and pharma, or approx. CHF 1,260 billion in absolute figures[2].

When just the partial markets in which Exentis already has applications or projects for applications are considered, the end market value for 2021 is approx. CHF 198 billion, being still a considerable figure. Thus, additional expansion in the markets in which Exentis already has applications or projects for applications provides the Company with significant further growth potential – based on the turnover revenue of CHF 20 million that was achieved in the 2021 financial year.

The end market potential for applications that have already been developed or are currently being developed by Exentis is estimated to amount to approx. CHF 198 billion.

If subjecting the Pharma & MedTech, New Energy, and Ultra-fine Structures business segments to more detailed individual consideration in terms of their proportion of the underlying total end market of approx. CHF 198 billion, it becomes evident that the pharmaceutical market accounts, by far, for the largest share, with the New Energy business areas also currently demonstrating an end market value of several billion Swiss francs.

However, what opportunities do these business



[1] Comprises the parts production market based on the automotive segment as a major sub-market, the market for precision parts and the entire pharma market and tissue engineering.

[2] Includes the underlying end market sizes for the pharma market and the markets for tissue engineering, e-mobility (electric motors for cars), fuel cells, micro-filters, casting filters and collimators.

[3] Relevant casting filters, micro-disc filters and X-ray collimators.

Strategic Markets and Potential

segments offer for Exentis, and what unique advantages does Exentis offer its customers in return in the respective markets, compared to potential competitors?

Business area Pharma & MedTech

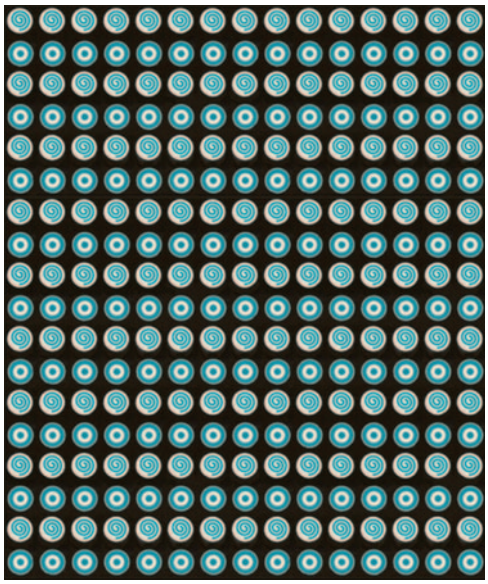
Market overview

The pharmaceutical market is particularly relevant, especially when taking into account its market potential and the state of development of 3D applications. There is a wide range of potential application areas for Exentis 3D technology in the broadly-based pharmaceutical sector.

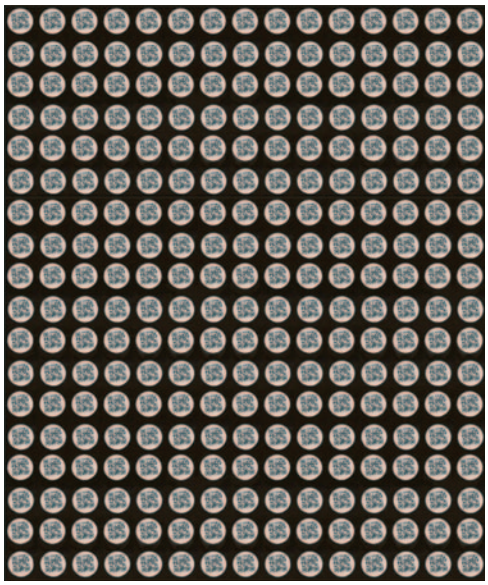
Exentis 3D technology enables the mass production of pharmaceuticals with improved release profiles for active ingredients.

By using Exentis 3D technology, complex structures can be printed within the tablets, which in turn enables flexible release profiles for the active pharmaceutical ingredients. Exentis can therefore contribute to an increase in the efficiency of pharmaceuticals through its technology, whilst at the same time increasing comfort levels for patients.

The most important indications for which these product features can be used, and for which specific pharmaceuticals have already been developed using



Exentis application: 3D-printed tablets with a controlled release of active pharmaceutical ingredients

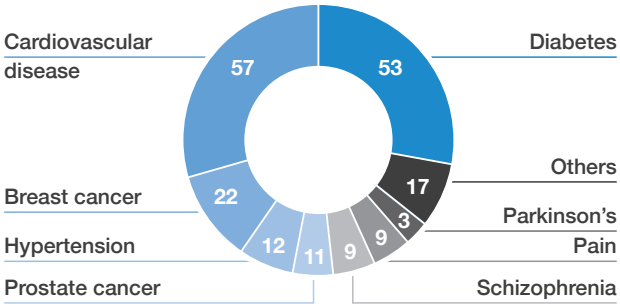


Exentis application: 3D-printed tables with a QR code

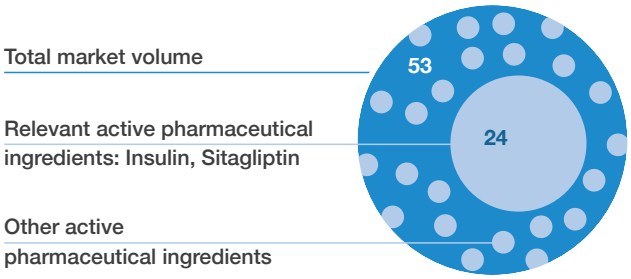
Exentis 3D technology, include epilepsy (with combined and concentrated dosage levels as a product advantage), and diabetes (enabling oral administration of Insulin and Sitagliptin, instead of injections).

Several other medical indications in addition to those referenced above could offer Exentis significant market potential, including pain, Parkinson's disease and ADHD.

Market volume for medical indications 2021
[in CHF billion]



Market volume for diabetes 2021
[in CHF billion]



Between 2021 and 2026, the underlying end markets in the pharmaceutical sector for the above-mentioned selected relevant medical indications is expected to grow by approx. 7 % per annum.

The most important market drivers with a positive effect on the entire pharmaceutical market, and the potential market penetration of 3D printing technology, include the following:

- **Rising need for precise drug delivery:**
  With particular respect to specialisms such as oncology or neurology, drugs must be precisely designed in terms of dosage, the location of substance release, and the time interval during which the substance is released. By using 3D screen printing, the release of active pharmaceutical ingredients can be precisely aligned with patients' biological rhythms.

- **Underlying growth of the entire pharmaceutical market:**
  The entire pharmaceutical market is expected to continue to grow, driven by general demographic development, rising expenditure on healthcare in emerging markets, and digitalization. The growth of the entire market also contributes to the demand for pharmaceuticals, and therefore, for 3D printing.

- **Regulatory environment:**
  The pharmaceutical market is characterized by strict regulatory requirements. 3D specific regulation is still developing, particularly with regard to personalized pharmaceuticals and medical technology. The developing regulation process relates to pharmaceutical products that are manufactured using 3D printing.

Strategic Markets and Potential

Overview of Exentis 3D community members

Exentis already has a 3D community member, that being Laxxon, which has been granted the exclusive, global license rights to develop, manufacture and market pharmaceuticals that are produced using Exentis 3D technology.

The Exentis global license also offers Laxxon the right to grant sub-licenses. The sub-licenses may relate to pharmaceutical indications or individual active pharmaceutical ingredients. As a result, Laxxon can issue a large number of sub-licenses, and therefore introduce the innovative release of active pharmaceutical ingredients, which is made possible by Exentis 3D technology, in various international pharmaceutical markets at the same time.

Laxxon's license partners already include three of the largest European and US pharmaceutical corporations.

Additional large pharmaceutical corporations in Europe and North America have potential to become possible new sub-licensees.

Competitive landscape

In the pharmaceutical sector, conventional technologies represent our main competition. Conventional technologies may offer cost benefits in certain areas, but additive manufacturing offers additional benefits, including flexible formulations with personalized dosage levels, shapes, sizes, the controlled release of the active pharmaceutical ingredient(s), and multiple combinations of active pharmaceutical ingredients.

Compared to other additive manufacturing providers in the pharmaceutical market, Exentis 3D technology differentiates itself by enabling a high throughput per time unit, and is therefore particularly suited to mass production.

Potential applications in the medical technology sector exist, for example, in bio-printing/tissue engineering, implants, and tissue repair activators for implants.

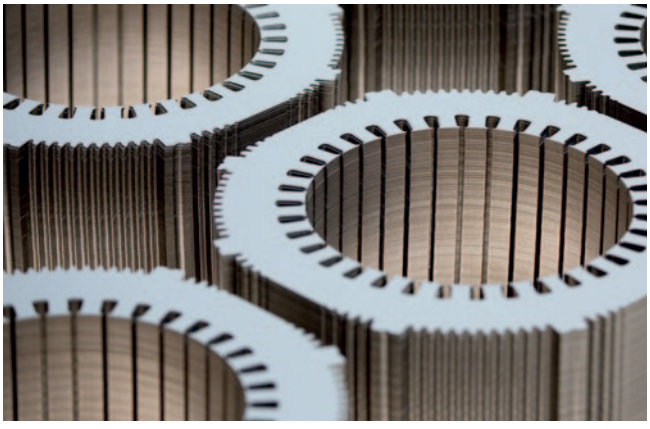
Business area New Energy

Market overview

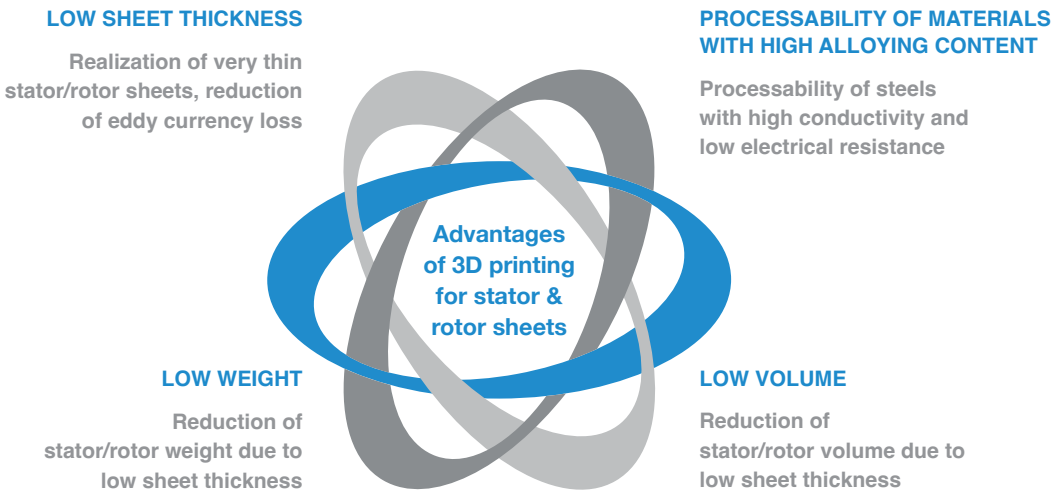
Within this business area, Exentis is focusing on e-mobility, fuel cells, and energy storage systems.

Stator and rotor sheets, which are used in electric traction engines, provide the greatest potential applications, and are Exentis' primary focus in the area of e-mobility.

Stator sheets are thin sheets of electrical steel sheet, which are formed with a specific contour. Multiple stacked and joined stator sheets form a stator block,



Exentis application: 3D-printed stator block



which is responsible for conducting a magnetic flow. Stacked stator/rotor sheets are insulated against each other to prevent any electrical contact between the single sheets (e.g., by a thin coated layer).

3D screen printing could enable the manufacture of stator/rotor sheets with a lower thickness and higher conductivity compared to established production technologies, and therefore considerably increase the efficiency of electric motors.

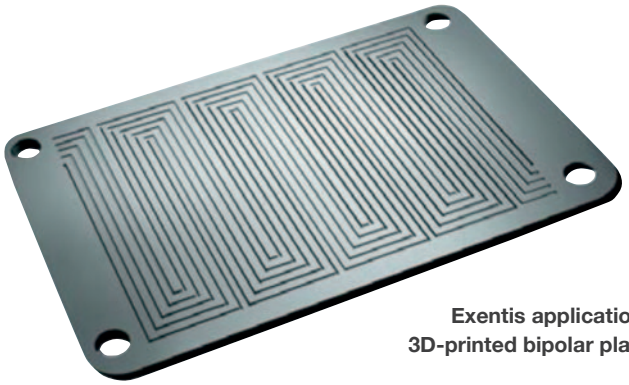
The market growth for stator and rotor sheets is primarily being driven by the expected strong increase in sales of electric vehicles.

Between 2021 and 2026, the total underlying end market for stator and rotor sheets for electric vehicle power units is expected to grow by 17 % per annum.

As far as fuel cells are concerned, bipolar plates are particularly relevant for Exentis and its 3D technology. Bipolar plates are thin plates made of metal, graphite, or a composite material, which are mounted between the gas diffusion layers in fuel cells.

Complex flow fields can be printed using Exentis 3D technology – while the weight and volume of the parts are reduced at the same time (due to a decrease in the thickness of the part). Ultimately, this also leads to an increase in performance.

Strategic Markets and Potential



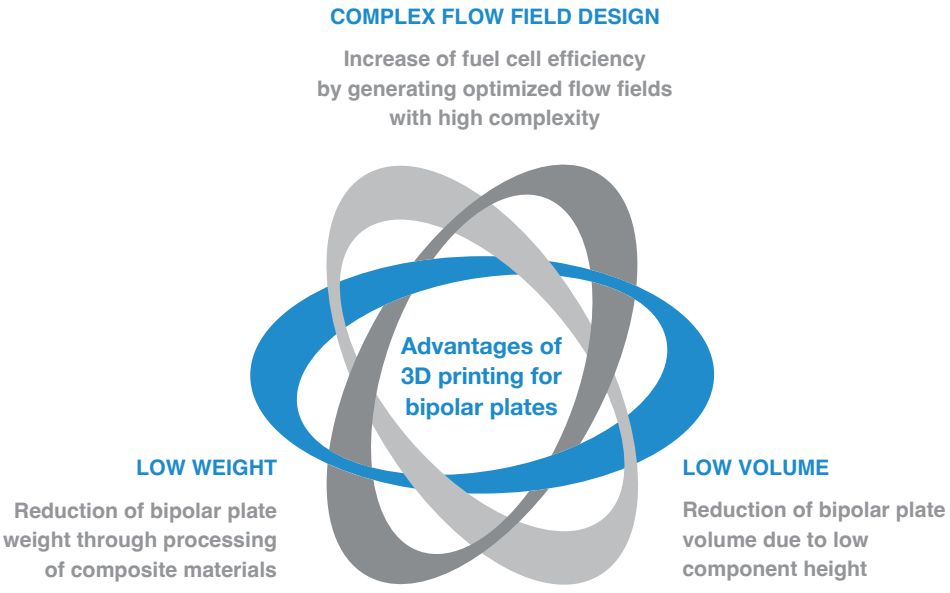
Exentis application:
3D-printed bipolar plate

The underlying end market value for bipolar plates, which are used in fuel cells, is projected to grow by approx. 13 % per annum between 2021 and 2026, mainly driven by the increasing demand for CO_2-free energy.

The most important market drivers, which are having a positive effect on the entire new energy market, and the market penetration of 3D printing, include:

- **Increasing demand for CO_2-free energy:**
  This demand is being significantly supported by government agreements, which are already in place, and goals to reduce CO_2 emissions, a growing awareness by both end consumers and B2B customers of the need to avoid carbon-intensive products and processes, the global increase in demand for electricity, and the capability of fuel cells to generate electricity from CO_2-free fuels (e.g., hydrogen).

- **Subsidies for hydrogen and fuel cell technology:**
  The offer of extensive subsidies and tax benefits for fuel cell electric vehicles (FCEVs) to stimulate demand for hydrogen (“pull” investments), the commitment by governments to fund hydrogen projects, and the reduction in investment risks, are all creating incentives for using this new technology.



- **Reduction of fuel cells costs:**
  The cost of producing fuel cells is expected to decrease due to increasing technology maturity level, and economies of scale in line with increasing production volumes. This is expected to increase the competitiveness of this technology in comparison with other CO_2-free technologies.

- **Increasing technological maturity:**
  The expected increase in the degree of maturity of fuel cell technology may improve its efficiency, and increase its competitiveness, as compared to other CO_2-free technologies.

Overview of Exentis 3D community members

In the area of e-mobility, Exentis is focusing on automotive suppliers as potential customers. Discussions with large companies in this market sector are currently under way. While some automobile manufacturers are producing stator and rotor sheets themselves, an automotive supplier as a member of the Exentis 3D community could provide Exentis with broad and extensive market access.

In the market segment of fuel cells, Exentis has already secured Whitecell, a specialist provider of bipolar plates, as an Exentis 3D community member.

Competitive landscape

When manufacturing stator and rotor sheets, 3D screen printing is competing with the conventional technologies of blanking and laser cutting. Other additive technologies do not play a major role in this market segment.

The main advantages of 3D screen printing in this area are the ability to improve product features and enable possible cost efficiency with ultra-thin sheets for high-end engines, among other things.

When manufacturing bipolar plates for fuel cells, Exentis 3D technology also mainly competes with conventional production methods, with embossing and hydroforming being the competing technologies in the metal segment, while injection and compression moulding are the competing technologies for bipolar plates made of composite materials.

Being able to achieve flow field designs, with high complexity, and almost no waste material, are the main advantages of 3D screen printing in comparison with other technologies in the manufacture of bipolar plates.

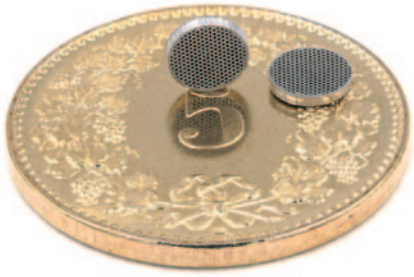
Business area Ultra-fine Structures

Market overview

The main emphasis in the business area Ultra-fine Structures is on the following applications:

- **Micro-disc filters:** used in fluid systems to filter liquid and gaseous materials using filter cakes, screen or deep filtration
- **Casting filters:** used to filter non-metallic inclusions from molten metal and harmonize the flow of the molten liquid or slow it down
- **X-ray collimators:** used to transform the diverging radiation from an x-ray source into a parallel ray in order to increase the resolution of the image.

Strategic Markets and Potential



Exentis application: 3D-printed microfilter with ultra-fine structures

The underlying end market for ultra-fine filters, which consists of the aforementioned application areas, is expected to grow by approx. 6 % per annum between 2021 and 2026.

Ultra-fine filter structures are used in various end markets which are expected to continue to grow.

Ultra-fine filter structures are used in various end markets such as the automotive, casting, or radiography business sectors. The underlying end markets have demonstrated solid growth in the past and are expected to continue to grow in the following years.

The growth drivers for individual applications can be described as follows:

- Micro-disc filters are used in various applications, while the automotive industry represents the most important end market. Forecasts suggest that car sales will grow by approx. 7 % per annum between 2021 and 2026. Increasing electrification within the automotive industry could, however, lead to a reduction in demand for mechanical components, and therefore the need for oil and lubricant filters.

- Casting filters are used in various classes of metal casting technologies, and for casting different alloys. Between 2021 and 2026, the underlying end market for metal casting is expected to grow by approx. 7 % per annum.

Overview of Exentis 3D community members

Exentis is already working with one customer operating in the automotive sector on the industrial series production of micro-disc filters, which are used in throttle valves.

Competitive overview

In this market segment, Exentis 3D technology is competing with conventional production technologies.

When compared to other manufacturing technologies, Exentis 3D technology, however, makes it possible to efficiently achieve precise micro-channels for micro-disc filters, a significantly improved processing capability for tungsten as the preferred material for x-ray collimators, and the opportunity of having complex geometries for casting filters – all of which are key advantages of 3D screen printing technology.

Outlook

The findings that emerged from the market study conducted by Roland Berger, which have been detailed in the preceding remarks, illustrate clearly the end market potential that could open up for Exentis simply by focusing on the three strategic business areas Pharma & MedTech, New Energy, and Ultra-fine Structures. The findings clearly demonstrate the extensive potential advantages that the establishment of Exentis' 3D technology could offer customers in these markets.

For this reason, Exentis will primarily focus on these three strategic business areas to achieve profitable growth. Based on its license-based business model and the constantly growing number of Exentis 3D community members, the Company aims to target these markets simultaneously.

Business Development in the First Half of 2022

Following a successful 2021 financial year, Exentis was able to carry over positive momentum into the first half of this year, again presenting solid results.

The Company generated turnover revenue of CHF 9.89 million during the first half of 2022. Sales of Exentis 3D production systems accounted for CHF 6.27 million, or 63 %, and sales of licenses, paste systems, screens and services represented CHF 3.63 million, or 37 %.

Turnover revenue increased by 4 % compared to the figure published for the first half of 2021. It should be noted that the published turnover revenue for the first half of 2021 did not yet include the setup of our new development and final assembly site near Freiburg in Germany. This has now been made up for in the current half-year report. For further information please refer to section 2.3 of the Notes.

In the following table, current turnover revenue, gross profit and EBITDA for the first half of 2022 (first column) are compared with the previous year's figures – both with half-year figures as published last year (second column) and the figures that have been adapted as described above (third column).

Because of the current high level of utilization of our final assembly capacities, several 3D production systems on order are gradually being assembled and will only be delivered during the next few quarters. The majority of these 3D production systems, which have already been ordered but not yet delivered, have not yet been considered in the turnover figures for the first half of 2022. At the time of this reporting for the first half of 2022, this additional "contracted business" is expected to account for future turnover revenue (in CHF million) in the mid single digit range.

Exentis has already received orders for seven Exentis 3D systems during the first half, compared to five systems in the entire year 2021.

Exentis had set itself the strategic goal for 2022 to significantly expand its in-house expertise in the fields of engineering, systems and steering IT as well as final assembly and thereby fully closing any gaps in its value chain. This goal has already been achieved by successfully setting up a development and final

[in CHF]	01.01.-30.06.2022	01.01.-30.06.2021 (as published)	01.01.-30.06.2021 (restated)
Turnover revenue	9 894 523	9 554 331	13 344 869
Gross profit	6 884 527	6 229 726	8 913 162
EBITDA	1 224 642	3 072 942	3 327 360

[1] When considering the new development and final assembly site in the half-year figures for 2021 in retrospect, turnover revenue for the first half of 2022 was 26 % lower than the comparative figure for the first half of 2021.

assembly site for 3D development and production systems in Germany.

This important growth investment offers Exentis the possibility to operate as a “one stop shop” for existing and future 3D community members, integrating all major areas of expertise for Industrialized Additive Manufacturing. This includes the development and production of paste systems and screens as well as the in-house development and final assembly of 3D development and production systems. This also offers the possibility to realize customer orders for Exentis 3D systems much faster in the future. At the same time, this will further support the Company’s internationalization strategy.

Exentis was able to successfully conclude another financing round with a capital increase of more than CHF 15 million in March 2022, attracting investors from all over Europe. As a result, Exentis has a solid financial base for accelerating its profitable growth path. The additional funds will be used for the expansion of the company’s core functions and the further internationalization of its business. Targeting the US market will be a key focus.

In the strategic business area New Energy, Whitecell was attracted as a new Exentis 3D community member. Whitecell has set itself the goal of sustainably commercializing the power unit and fuel cell technology by capitalizing on new technologies. As part of its exclusive global license for manufacturing bipolar plates, the essential components in fuel cells, using the Exentis 3D technology, Whitecell will attract additional Exentis 3D community members by granting sublicenses and, in this way, promote the establishment of the Exentis 3D technology when producing fuel cells even further.

Exentis successfully continued the internationalization of its business activities during the first half.

After having delivered several 3D systems to Germany and Australia last year, another 3D system is currently on its way to the US.

In addition, it has been possible to gain Sintokogio Ltd, Nagoya, as an experienced distributor, licensee and new Exentis 3D community member in order to expand into the Japanese market. Sintokogio is a successful technology company in the area of metal processing and environmental engineering with more than 4,000 employees world-wide and customers in 17 different countries.

Besides attracting additional Exentis 3D community members, the exclusive distribution partnership for Japan also includes the setup of a showroom. For this purpose, Sintokogio has already purchased its first Exentis 3D development and production system. After a further extension of the distribution partnership, Sintokogio will also perform contract manufacturing for its customers.

End of June, Exentis received a large order for three Exentis cleanroom production systems for tablet production from Laxxon Medical Corp., which has already been a member of the Exentis 3D community since 2017. Laxxon has secured for itself the exclusive global license to develop, manufacture and commercialize pharmaceutical applications such as tablets. This order is another proof of Exentis’ technological

Business Development in the First Half of 2022

competence, which not only caters for industrial applications, but particularly the sophisticated field of cleanroom production. The systems on order will be delivered from the second half of this year onwards into 2023 and are determined for the European and US markets.

In terms of earnings, Exentis was able to generate earnings before interest, taxes, depreciation and amortization (EBITDA) of CHF 1.22 million during the first half of 2022. This corresponds to an EBITDA margin of 12.4%. Compared to the first half of 2021, EBITDA, as published, decreased by 60%. The main reason for this was extraordinary one-off expenditure related to the setup of the new development and final assembly site for 3D development and production systems in Germany.

The annual shareholders' meeting for the Exentis Group AG was held at the Exentis 3D Innovation Centre in Stetten at the end of June. During the meeting, more than 60 shareholders were able to learn more about the wide range of possibilities that the Exentis 3D technology platform offers. A large variety of applications were presented and explained on multiple technology stands.

More than 53% of the share capital were present at the annual shareholders' meeting. The shareholders, who were present or represented, supported all the proposals made by the Board of Directors. All proposals were accepted by more than 99% of the votes present.

In greater detail, the following resolutions were adopted:

- Approval of the annual accounts of the Exentis Group AG for the 2021 financial year
- Carrying forward the balance sheet results in 2021 to a new account
- Granting discharge to the members of the Board of Directors for the 2021 financial year
- Authorizing the Board of Directors to increase the share capital by up to CHF 750,000 by issuing new registered shares until the end of June 2024 ("authorized capital")
- Appointment of BDO as the auditor for the 2022 financial year

Despite the uncertainties in conjunction with the developments in Ukraine, which cannot be predicted at this time, and the looming energy crisis in Europe, Exentis is currently expecting the positive business development momentum to continue in the second half of 2022. The prospects of selling more Exentis 3D production systems and granting more global licenses are looking promising for the second half of the year. This positive outlook is being reinforced by the fact that the Exentis 3D technology platform is being used by 3D community members in a wide variety of different sectors.

Disclaimer:
Certain information included in the half-year report 2022 of Exentis Group AG is derived from third-party market studies. Market studies are often based on certain assumptions and expectations that may not be accurate or appropriate and their methodology is by nature predictive and speculative. The data reflected in market studies is typically based largely on other industry publications as well as market research, which itself is based on sampling and subjective judgments by both the researchers and the respondents, including judgments about what types of products and transactions should be included in the relevant market. Accordingly, market studies generally state that the information contained therein is believed to be accurate but that no representation or warranty is made by the market study provider as to the accuracy or completeness of such information. Accordingly, undue reliance should not be placed on the information from market studies reproduced in the half-year report 2022.

Notes:
Interim Financial Statements

PROFIT AND LOSS STATEMENT

[in CHF]	Notes	01.01.2022 – 30.06.2022[1]	01.01.2021 – 30.06.2021[2]
Turnover revenue	4.1	9 894 523	13 344 869
Cost of goods and external services		(3 009 996)	(4 431 707)
Gross profit		**6 884 527**	8 913 162
Other revenue		17 726	51 621
Impairments on receivables		(160 506)	(186 218)
Personnel expenses	4.2	(3 854 464)	(4 034 210)
Administrative expenses	4.3	(1 662 640)	(1 416 994)
Operating result before depreciation/amortisation		**1 224 642**	**3 327 360**
Depreciation/amortisation and impairment on property, plant and equipment and intangible assets		(990 885)	(893 677)
Operating result		**233 757**	**2 433 683**
Financial income		120	187 378
Financial expenses		(269 840)	(131 917)
Result before income taxes		**(35 963)**	**2 489 144**
Income tax expenses		(80 164)	(396 308)
Period loss (Profit in previous period)		**(116 127)**	**2 092 836**

STATEMENT OF COMPREHENSIVE INCOME

[in CHF]	Notes	01.01.2022 – 30.06.2022[1]	01.01.2021 – 30.06.2021[1]
Period loss (Profit in previous period)		**(116 127)**	**2 092 836**
Non-reclassifiable amounts			
Actuarial gains and losses from defined benefit pension plans			
Reclassifiable amounts			
Currency conversion of foreign business operation		219 968	(477 259)
Other result			
Total result		**103 841**	**1 615 577**

[1] reviewed [2] reviewed and restated (refer to 2.3)

BALANCE SHEET AS AT JUNE 30, 2022

[in CHF]	Notes	30.06.2022[1]	31.12.2021[2]
Assets			
Property, plant and equipment	5.2	3 522 932	3 619 531
Intangible assets	5.1	20 937 660	21 475 233
Other financial assets		77 376	77 376
Deferred tax assets		292 227	358 219
Non-current assets		**24 830 195**	**25 530 359**
Trade accounts receivable		16 276 424	12 753 152
Other receivables		1 133 737	1 164 225
Inventory (operating materials)		298 624	525 814
Inventory (advance payments)[3]		1 927 229	1 381 307
Turnover revenue not yet invoiced		4 782 947	940 096
Other current financial assets		1 211 022	639 127
Cash and cash equivalents		6 534 266	4 933 333
Current assets		**32 164 249**	**22 337 053**
Balance sheet total		**56 994 444**	**47 867 412**

[in CHF]	Notes	30.06.2022[1]	31.12.2021[2]
Liabilities			
Subscribed capital		1 550 973	1 443 388
Profit-neutral changes to equity		(82 124)	(302 092)
Reserves and capital surplus		56 816 104	48 809 913
Balance sheet total carried forward		(16 273 594)	(16 157 467)
Equity		**42 011 358**	**33 793 742**
Pension provisions		731 617	681 617
Non-current rent liabilities		137 065	184 239
Loan liabilities	5.3	5 492 304	5 482 869
Deferred tax liabilities			
Non-current debts		**6 360 987**	**6 348 724**
Trade accounts payable		1 873 102	2 573 163
Current rent liabilities		273 723	433 136
Other liabilities		1 051 770	1 526 210
Deferred income		5 423 655	3 192 437
Current debts		**8 622 099**	**7 724 946**
Debts		**14 983 086**	**14 073 670**
Balance sheet total		**56 994 444**	**47 867 412**

[1] reviewed [2] audited [3] based on progress made in projects, offset against outstanding invoices

CASH FLOW STATEMENT

[in CHF]	Notes	01.01.2022 – 30.06.2022[1]	01.01.2021 – 30.06.2021[2]
Cash flow from operating activities			
Period loss (Profit in previous period)		(116 127)	2 092 836
Correction to period profit by the expenses/earnings not affecting liquidity:			
Depreciation and amortisation		990 885	893 677
Share-based remuneration with compensation through equity instruments		415 829	372 051
Other non-cash transactions		(3 771 509)	34 197
Changes to assets and liabilities			
Increase/decrease in trade accounts receivable		(3 787 273)	(6 251 975)
Increase/decrease in inventory and turnover revenue not yet invoiced		(318 732)	(445 658)
Increase/decrease in accrued income, other receivables and taxes paid or owed		30 448	(2 905)
Increase/decrease in trade accounts payable		(700 061)	1 213 576
Increase/decrease in other liabilities and leasing liabilities		(474 591)	114 462
Increase/decrease in deferred income, current provisions and other liabilities		2 024 632	1 853 665
Net inflow/outflow of cash and cash equivalents from operating activities		**(5 442 458)**	**(126 074)**
Cash flow from investment activities			
Payments for property, plant and equipment		(478 149)	(345 017)
Net inflow/outflow of cash and cash equivalents from investment activities		**(478 149)**	**(345 017)**
Cash flow from financial activities			
Incoming payments from issuance of company equity instruments (net minus payments of commission)	5.3	7 711 385	406 375
Incoming payments from loans received from third parties			2 160 000
Leasing payments (rent expense)		(206 847)	(221 290)
Interest paid		(10 973)	(99 864)
Net cash inflow/outflow from financial activities		**7 493 565**	**2 245 221**
Net increase in cash and cash equivalents		**1 572 959**	**1 774 130**
Cash and cash equivalents at the beginning of the reporting period		4 933 333	765 542
Effects of changes in exchange rates		27 974	(6 182)
Cash and cash equivalents at the end of the reporting period		**6 534 266**	**2 533 490**

[1] reviewed [2] reviewed and restated

STATEMENT OF CHANGES TO EQUITY

[in CHF]	Subscribed capital	Profit-neutral changes in equity	
Figures on 31.12.2020[1]	**1 255 129**	**(771 829)**	
Period loss (Profit in previous period)			
Currency effects		(477 259)	
Total result		(477 259)	
Equity component on convertible loan			
Increases in share capital (net minus capital increase costs)	8 000		
Participation programmes			
Figures on 30.06.2021[1]	**1 263 128**	**(1 249 088)**	
Figures on 31.12.2021[1]	**1 443 388**	**(302 092)**	
Period loss (Profit in previous period)			
Currency effects		219 968	
Total result		219 968	
Equity component on convertible loan			
Increases in share capital (net minus capital increase costs)	107 585		
Participation programmes			
Figures on 30.06.2022[2]	**1 550 973**	**(82 124)**	

[1] reviewed [2] not reviewed

	Reserves and agio	Reserves for treasury shares	Balance carried forward	Equity
	35 753 892		**(16 894 975)**	**19 342 217**
			2 092 836	2 092 836
				(477 259)
			2 092 836	1 615 577
	116 284			116 284
	398 375			406 375
	249 028			249 028
	36 517 580		**(14 802 139)**	**21 729 481**
	49 679 531	**(869 620)**	**(16 157 467)**	**33 793 742**
			(116 127)	(116 127)
	219 968			219 968
			(116 127)	103 841
	7 603 800			7 711 385
	337 856	64 534		403 493
	57 621 187	**(805 083)**	**(16 273 594)**	**42 011 358**

Notes on the Interim Financial Statements as of 30 June 2022

1. General information

As a solution provider, Exentis Group AG ("Exentis") has a proprietary 3D technology platform that – unlike conventional additive manufacturing processes – allows industrial large-scale production. Industrialized Additive Manufacturing is universally applicable for industrial or cleanroom applications with free choice of materials, such as metals, ceramics, polymers, pharmaceutical or bio-printing products.

The 3D cold printing process in use is sustainable and conserves both materials and resources. The highly flexible 3D production technology combines rework-free component geometries with market-leading cost-benefit relations. This allows customers, the Exentis 3D community members, to decide between producing millions of components at Exentis or producing them themselves under license agreements when purchasing the Exentis 3D development and production systems.

Amounts in the consolidated financial statements are stated in Swiss francs (CHF) unless otherwise indicated. Both individual and aggregate figures represent the value with the smallest rounding difference. Therefore, when adding up the individual values presented, minor differences may occur compared to the totals shown.

2. Accounting principles

2.1. Standards used

These interim financial statements as of 30 June 2022 have been prepared in accordance with International Accounting Standard 34 (Interim Financial Reporting) and the accounting policies set out in the 2021 consolidated financial statements, which were approved on 18 May 2022.

2.2. Accounting estimates and discretionary decisions

When using the consolidated balance sheet and assessment methods shown here, managers have to judge circumstances, make assessments and assumptions related to the carrying amounts of assets and debts that cannot necessarily be established from other sources. The estimates and the assumptions underlying them are based on past experience and other factors considered to be relevant. The actual values may differ from the estimates.

The assumptions underlying the estimates are subject to regular review. If a change only affects one period, changes to estimates are only considered in this period. If the changes affect the current and the following reporting periods, they are considered in this period and the following one.

Notes

Please find below the most important cases where discretion has been exercised, which managers have used as part of using the Company's balance sheet and assessment methods, as well as the most important effects of exercising discretion on the amounts reported in the consolidated accounts. The most important assumptions regarding the future and the other main sources of estimation uncertainty at the end of the reporting period are also specified; they could create a significant risk that would make it necessary to extensively adjust the asset and debt figures that are recognised within the following financial year.

- As regards the assumptions underlying the assessment of technology/applications, we believe that there is a major valuation uncertainty regarding the development and market launch date. The Company has made assumptions about the market entry date for various projects. The Company has estimated developments regarding the market entry date for the different applications and they form the basis for assessing the technology. The assessment of the technology depends on whether the assumptions made regarding the market entry date can be met. Based on a sensitivity analysis, the Company assesses the risk of value impairment for the technology because of possible delays to the market entry date as follows: if the market launch is delayed by more than 24 months compared to the Company's plan, the value in use will continue to exceed the carrying amount.

- As regards the revenue recognition of income from sales of production systems, the degree of completion is estimated on the basis of the production of the most important components.

- As regards recognising deferred tax assets for losses carried forward, the future revenue potential is estimated by the Company and deferred tax assets are set for what will probably be deductible losses carried forward.

- When assessing accounts receivable and work that has not yet been invoiced, the Company estimates the default risk on the basis of the information that is available about the customers.

2.3. Restatement of prior-year figures

In the previous year, the development and final assembly site in Malterdingen, Germany, the company JR Innovations GmbH, was acquired. Ultimately, the purchase agreement was formally signed at the end of 2021. However, the purchase agreements were essentially ready to be signed, the acquired company was structured with the involvement and determination of Exentis, and Exentis has been determinative with regard to the company's main activities (final assembly of equipment and further development of technology in this regard) since the beginning of 2021. Therefore, the Group consolidates JR Innovations GmbH from 1 January 2021. This consolidation was not included in the half-year financial statements of the previous year for formal reasons, so as not to compromise the conclusion of the contracts. The figures disclosed in these financial statements as of 30 June 2021 have been adjusted accordingly.

Further information on the impact of the consolidation of JR Innovations GmbH can be found in the 2021 financial statements. The effects of the restatement were as follows:

Notes

EFFECTS OF THE RESTATEMENT ON THE INCOME STATEMENT

[in CHF]	01.01.2021 – 30.06.2021 restated	01.01.2021 – 30.06.2021 as published	Change
Turnover revenue	13 344 869	9 554 331	3 790 538
Cost of goods sold and external services	(4 431 707)	(3 324 605)	(1 107 102)
Gross profit	**8 913 162**	**6 229 726**	**2 683 436**
Other revenue	51 621	44 816	6 805
Impairments on receivables	(186 218)	(186 218)	
Personnel expenses	(4 034 210)	(2 171 241)	(1 862 969)
Administrative expenses	(1 416 994)	(842 141)	(574 853)
Operating result before depreciation/amortisation	**3 327 360**	**3 074 942**	**252 418**
Depreciation/amortisation and impairment on property, plant and equipment and intangible assets	(893 677)	(683 142)	(210 535)
Operating result	**2 433 683**	**2 391 800**	**41 883**
Financial income	187 378	187 378	
Financial expenses	(131 917)	(99 864)	(32 053)
Result before income taxes	**2 489 144**	**2 479 314**	**9 830**
Income tax expenses	(396 308)	(396 308)	
Period profit	**2 092 836**	**2 083 006**	**9 830**

Notes

EFFECTS OF THE RESTATEMENT ON THE CASH FLOW STATEMENT

[in CHF]	01.01.2021 – 30.06.2021 restated	01.01.2021 – 30.06.2021 as published	Change
Cash flow from operating activities			
Period profit	2 092 836	2 083 006	9 830
Correction to period profit by the expenses/earnings not affecting liquidity:			
Depreciation and amortisation	893 677	683 142	210 535
Share-based remuneration with compensation through equity instruments	372 051	372 051	
Other non-cash transactions	34 197	453 313	(419 116)
Changes to assets and liabilities:			
Increase/decrease in trade accounts receivable	(6 251 975)	(6 251 975)	
Increase/decrease in inventory and turnover revenue not yet invoiced	(445 658)	(24 470)	(421 188)
Increase/decrease in accrued income, other receivables and taxes paid or owed	(2 905)	(36 917)	34 012
Increase/decrease in trade accounts payable	1 213 576	1 105 069	108 507
Increase/decrease in other liabilities and leasing liabilities	114 462	(395 053)	509 515
Increase/decrease in deferred income, current provisions and other liabilities	1 853 665	1 531 823	321 842
Net inflow/outflow of cash and cash equivalents from operating activities	**(126 074)**	**(480 011)**	**353 937**

Notes

EFFECTS OF THE RESTATEMENT ON THE CASH FLOW STATEMENT

[in CHF]	01.01.2021 – 30.06.2021 restated	01.01.2021 – 30.06.2021 as published	Change
Cash flow from investment activities			
Payments for property, plant and equipment	(345 017)	(345 017)	
Net inflow/outflow of cash and cash equivalents from investment activities	**(345 017)**	**(345 017)**	
Cash flow from financial activities			
Incoming payments from issuance of company equity instruments (net minus payments of commission)	406 375	406 375	
Incoming payments from loans received from third parties	2 160 000	2 160 000	
Leasing payments (rent expense)	(221 290)	(138 214)	(83 076)
Interest paid	(99 864)	(99 864)	
Net cash inflow/outflow from financial activities	**2 245 221**	**2 328 297**	**(83 076)**
Net increase in cash and cash equivalents	**1 774 130**	**1 503 269**	**270 861**
Cash and cash equivalents at the beginning of the reporting period	765 542	765 542	
Effects of changes in exchange rates	(6 182)	(6 182)	
Cash and cash equivalents at the end of the reporting period	**2 533 490**	**2 262 629**	**270 861**

Notes

3. Major accounting methods

3.1. Information about subsidiaries

Name of the subsidiary	Main business	Location	Voting rights & capital share 30.06.2022	Voting rights & capital share 31.12.2021
Exentis Knowledge GmbH	Marketing its own and outside expertise using industrial property rights	Stetten (CH)	100 %	100 %
Exentis Innovations GmbH (JR Innovations GmbH)	Development and final assembly of 3D development and production systems	Malterdingen (DE)	100 %	100 %
Exentis Technology GmbH	Project development and production of industrial 3D components	Jena (DE)	100 %	100 %
Exentis Tooling GmbH	Development and production of the 3D screen technology	Velden (DE)	100 %	100 %
Exentis Engineering GmbH	Research and development into its own and outside 3D technologies	Hillscheid (DE)	100 %	100 %

3.2. Currency conversion

The accounts of fully consolidated subsidiaries, whose functional currency is not the Swiss franc, are converted to the corporate reporting currency of Swiss francs using the modified reporting date exchange rate method. The conversion of the assets and liabilities takes place at the exchange rate on the reporting date. Items in the profit and loss statement must be converted at the average exchange rate for the period. Equity items are converted at historical exchange rates at the times when they accrued for the Group. The currency difference emerging from any conversion is recognised under 'Other results' without affecting them. The accumulated currency conversion differences recognised under 'Equity' are reversed to affect net income when a Group company leaves the consolidated group of companies.

The Group's reporting currency is the Swiss franc (CHF).

[CHF / EUR]	30.06.2022	31.12.2021	30.06.2021
Average exchange rate for the period (converting revenue and expenses)	1.04555		1.10322
Period-end exchange rate (converting assets and liabilities)	1.00717		1.10534
Final exchange rate for the year (converting assets and liabilities)		1.03615	

Notes

4. Information about the consolidated profit and loss statement

4.1 Revenue from contracts with customers (turnover revenue)

The breakdown of Group revenue from contracts with customers for the financial year (without earnings from financial investments) can be summarised as follows:

[in CHF]	01.01.2022 – 30.06.2022	01.01.2021 – 30.06.2021
Turnover revenue from the sale of production systems	6 266 712	10 669 419
Turnover revenue from services, subsidies and licenses	3 627 811	2 675 450
Total	**9 894 523**	**13 344 869**

Turnover revenue from external customers comes from selling production systems, providing services and selling licenses. Revenue from services (including support for services) and licenses is recognised at a particular time, while revenue from turnover from the sale of production systems is recognised over the production period. The proportionate revenue per period is measured using the completion of the most important components in the production systems by the suppliers.

4.2 Composition personnel expenses

[in CHF]	01.01.2022 – 30.06.2022	01.01.2021 – 30.06.2021
Wages and salaries	3 272 177	3 499 980
Social security expenses	411 123	424 716
Social security benefits		(49 234)
Cost of pension plan / employee benefits	140 227	138 507
Other personnel expenses	30 938	20 242
Total	**3 854 464**	**4 034 210**

Notes

4.3 Composition of administrative expenses

[in CHF]	01.01.2022 – 30.06.2022	01.01.2021 – 30.06.2021
Cleaning and rental ancillary costs	110 958	64 386
Vehicle expenses	16 305	18 820
Maintenance and energy expenses	95 081	61 945
Charges and fees, insurance policies	33 500	14 185
Expenses for consultancy services, accounting and the Board of Directors	1 049 075	947 560
Advertising, sales and travel expenses	40 728	15 012
Travel and representation expenses	79 222	40 318
Electricity, water, waste disposal	25 916	53 321
Other administrative expense	73 196	121 030
Other operating expenses (including capital taxes)	138 660	80 417
Total	**1 662 640**	**1 416 994**

5. Information about the consolidated balance sheet

5.1 Intangible assets

The carrying amounts for the intangible assets on the reporting date can be found in the following table:

[in CHF]	30.06.2022	31.12.2021
Technology (including patents)	15 175 331	15 712 903
Goodwill	3 678 995	3 678 995
Rights	2 083 333	2 083 333
Software	1	1
Total	**20 937 660**	**21 475 233**

Notes

[in CHF]	Technology	Software	Rights	Goodwill	Total
Acquisition and production costs					
Figures on 31.12.2021	**19 186 645**	**4 456**	**2 083 333**	**3 768 798**	**25 043 232**
Accruals					
Accruals from in-house developments					
Acquisitions through corporate mergers					
Disposals					
Figures on 30.06.2022	**19 186 645**	**4 456**	**2 083 333**	**3 768 798**	**25 043 232**
Accumulated amortisation and impairment					
Figures on 31.12.2021	**3 473 741**	**4 454**		**89 803**	**3 567 999**
Amortisation expenses	416 687				416 687
Disposals					
Impairment					
Others	120 886				120 886
Figures on 30.06.2022	**4 011 314**	**4 454**		**89 803**	**4 105 571**
Carrying amount on 30.06.2022	**15 175 331**	**1**	**2 083 333**	**3 678 955**	**20 937 660**

Forward-looking statements, which have been used to assess the intangible assets, are based on current estimates and assumptions according to the latest knowledge. These forward-looking statements are subject to risks, estimates, assumptions, uncertainties and other factors, which may or may not occur, and therefore ensure that the actual circumstances may deviate considerably from the implied forecasts or miss them completely and the values of the intangible assets would then have to be corrected.

As regards the valuation of intangible assets based on forecasts and estimates of future turnover revenue, a number of factors have a major influence on the valuation; however, the Group is unable to influence some of these factors.

5.2 Property, plant and equipment

The carrying amounts for property, plant and equipment on the reporting date can be found in the following table:

[in CHF]	30.06.2022	31.12.2021
IT equipment and furniture	142 387	127 313
Production machines	2 688 443	1 922 509
Tenant improvements	259 817	283 042
Usage rights for property	414 937	624 305
Advance payments for machines	17 346	662 361
Total	**3 522 932**	**3 619 532**

Notes

[in CHF]	IT equipment and furniture	Machines	Improvements	Advance payments	Usage rights	Total
Acquisition and production costs						
Figures on 31.12.2021	**397 979**	**4 099 580**	**370 929**	**662 361**	**1 812 397**	**7 343 246**
Accruals	41 396	419 407		17 346		478 149
Adaptions						
Transfers		662 361		(662 361)		
Disposals						
Figures on 30.06.2022	**439 375**	**5 181 348**	**370 929**	**17 346**	**1 812 397**	**7 821 394**
Accumulated depreciation and impairment						
Figures on 31.12.2021	**270 665**	**2 177 070**	**87 887**		**1 188 092**	**3 723 714**
Depreciation expenses	26 322	315 834	23 225		209 368	574 749
Disposals						
Impairment						
Transfers						
Figures on 30.06.2022	**296 987**	**2 492 904**	**111 112**		**1 397 460**	**4 298 463**
Carrying amount on 30.06.2022	**142 387**	**2 688 443**	**259 817**	**17 346**	**414 937**	**3 522 932**

5.3 Loan liabilities

[in CHF]	30.06.2022	31.12.2021
Convertible loan from 2019	978 742	978 742
Convertible loan from 2020/2021	2 161 856	2 161 856
Bank loans	2 000 000	2 000 000
Loans from third parties	329 338	342 270
Total	**5 492 304**	**5 482 869**

The Company has taken out loans with rights of conversion. The Company is paying interest of 6 % on these loans and this allows the lender to convert the entire loan at an issue price of CHF 5.80 per share at any time up to the end of the term of the loan.

With regard to the bank loans, there are agreements on ratios, which are currently being complied with.

Notes

6. Business transactions with related parties

In the reporting period, a master license for the printing of bipolar plates with Exentis technology was sold to Whitecell Power AG for CHF 3 million. David L. Deck, member of the Board of Directors of Exentis Group AG and one of the Company's shareholders, is at the same time also one of the Directors and shareholders of Whitecell Power AG. A payment schedule was agreed upon which requires full payment of the license fee by end of June 2024. At the reporting date, most of the license fee was still outstanding, but all payments were made on time according to the payment schedule.

7. Events after the balance sheet reporting date

There were no noteworthy events after the balance sheet reporting date.

8. More information

The following events took place before and after the balance sheet reporting date:

The attack war by Russia against Ukraine, which has already lasted several months, has again restricted the availability of certain electronic components for production systems as well as special materials. Corona's development over the past two years had already led to bottlenecks. The Company has therefore started to hold stocks of critical components, but in some cases has to consider significantly longer delivery times. The extent to which this will lead to delayed deliveries of development and production systems cannot be conclusively assessed at the time of preparing the half-year financial statements.

Should the war with the energy crisis now emerging and the materialization of a recession lead to a slowdown in economic momentum and thus restrain the introduction of new technologies among customers, this development is not taken into account from today's perspective.

Stetten, 25 August 2022

Ralf P. Brammer
Chairman of the Board of Directors

David L. Deck
Member of the Board of Directors

Review report on the interim financial statements for the period ended 30 June 2022

for the period from 1.1. - 30.06.2022

To the Board of Directors of Exentis Group AG, Stetten

In accordance with your instructions, we have reviewed the accompanying interim financial statements in accordance with IFRS of Exentis Group AG at 30 June 2022 and for the period from 1 January to 30 June 2022.

These interim financial statements in accordance with IFRS are the responsibility of the Board of Directors. Our responsibility is to issue a report on these interim financial statements in accordance with IFRS based on our review.

We conducted our review in accordance with the Swiss Auditing Standard 910 “Review”. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the interim financial statements in accordance with IFRS are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements in accordance with IFRS do not give a true an fair view of the financial position, the results of operations and the cash flows of Exentis Group AG in accordance with IFRS.

Zurich, 25 August 2022
BDO Ltd

Christoph Tschumi
Swiss Certified Accountant

Marcel Lederer
Swiss Certified Accountant

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