EXPANDING HORIZONS FEINTOOL GROUP

Report on Half-Year Figures, 1 January to 30 June 2023

FEINTOOL

Expanding Horizons.

Key figures, first half year (only continuing operations)		Change vs. prev. year	2023 [1] 01/01/–06/30/23	2022 [1] 01/01/–06/30/22
Operating figures	in kCHF			
Net sales		13.2 %	450 026	397 645
Earnings before interest, taxes, depreciation and amortization (EBITDA)		-8.6 %	40 264	44 034
Operating profit (EBIT)		-25.1 %	12 165	16 244
Net earnings		-37.7 %	6 483	10 404
Return figures	in %			
EBITDA-Margin		-2.2 %	8.9	11.1
EBIT-Margin		-1.4 %	2.7	4.1
Net return on sales		-1.2 %	1.4	2.6
Other				
Number of employees (excl. apprentices)		-2.6 %	3 284	3 371

[1] Only continuing operations (without Fineblanking Technology segment).

Dear Shareholders,

In the first half of 2023, the Feintool Group performed well in a challenging environment. Challenges resulted primarily from external developments beyond the Group's influence. In Asia, for example, the year got off to a sluggish start due to the sudden reversal in Chinese coronavirus policy and the associated consequences. This resulted in the shutdown of automotive plants, which was reflected in net sales. Customer demand had already recovered by the second quarter, however. Inflation remained high, even though there were signs of a slight decline in inflation rates in Europe and the United States in the second quarter. Overall, increased energy prices and, in some regions, rising wages weighed on the profitability of the business, which we were able to partially offset through renegotiated price increases. This issue has affected the entire supply industry since the beginning of the coronavirus pandemic. By contrast, supply chain issues, particularly in the procurement of semiconductors, have eased further.

Strategically well positioned: An agile product range for dynamic markets

The transformation in the automotive industry is creating numerous opportunities for the Feintool Group. As a technology-agnostic group, Feintool addresses key trends and covers a broad range of market needs. We are playing an active role in the transformation as a key player. We have reduced the share of sales generated with components for internal combustion engines (ICE) to less than 50 % in favor of forward-looking solutions. Bolstered by successful acquisitions, we are systematically continuing down this path – Feintool develops, manufactures, and sells products for electric and hydrogen mobility and is one of the largest suppliers of main drives for both electric cars and electric commercial vehicles. In addition, we supply our components to companies in the future markets of renewable power generation through wind power and hydropower (with a notable new order in 2023), industrial electric drives for pumps (primarily heat pumps), machinery, and building technology; conduct product development for motors; and offer innovative tooling solutions. In short, the Feintool Group is successfully driving its growth in fast-growing markets fueled on by the megatrends of green energy and electrification.

Our performance

In light of these external and industry-specific conditions, the Feintool Group generated sales of CHF 450 million in the first half of 2023. As a result of the sale of the capital goods business in the spring (with Feintool retaining a 15 % stake), we had already adjusted our sales forecast for 2023 in May. EBITDA stood at CHF 40.3 million, corresponding to an EBITDA margin of 8.9 %. Earnings before interest and taxes (EBIT) for the first six months of the year amounted to CHF 12.2 million, with an EBIT margin of 2.7 %. As such, Feintool narrowly missed its full-year targets of an EBITDA margin of 10 % and an EBIT margin of 3 % (EBIT). Nevertheless, we expect to make up for the generally weak first half of the year in the final two quarters of 2023, primarily through our Asian business. This is because, as a pure player, the Group is now a global leader in high-volume parts production. New major orders confirm our strategy of focusing on our core business and growing rapidly in the promising markets for electric motors and generators.

New Feintool hub in Asia

The Chinese market is the automotive sector's largest single market. According to industry forecasts, it is the only one that promises to see significant growth through 2030. Accordingly, the demand for both battery- and hydrogen-powered applications is increasing. Today, the market share of electric cars in China stands at 28 percent. In this context, the country holds a dominant position not only in terms of sales and production, but also along the value chain up to battery production.
Feintool therefore intends to grow further in Asia and increase its sales volume from the current CHF 90 million to roughly CHF 150 million in 2026. We are on the right track to achieve this. We are strengthening the Taicang site near Shanghai in two ways: First, establishing the Stamping Europe business unit's expertise (in electrolamination stamping) at this plant. Feintool's innovative, patented glulock® bonding technology for rotors and stators is meeting with considerable customer interest there. Second, together with laser specialist SITEC, setting up a production facility for metallic bipolar plates – the heart of a fuel cell. We completed the construction of a fourth production hall in Taicang, which was necessary for this purpose, in the first half of 2023. Two new production lines with a capacity of up to ten million bipolar plates per year will be up and running there by the end of the year. In this way, the Taicang plant is developing into a manufacturing hub for rotors and stators for electric motors as well as for bipolar plates for hydrogen-powered applications. Feintool is the only company in China that can offer the key technologies of fineblanking, stamping, as well as FEINforming (Taicang) and forming (Tianjin) from a single source. These activities will further reinforce our leading position in Asia beyond China.

Significant major orders in all parts of the world

Success has validated our capital expenditures in Taicang – Feintool was already able to assert itself against stiff competition in China this year and secure a major order from an established fuel cell manufacturer in China. Series production of the metallic bipolar plates for a new generation of fuel cells will begin in 2024. Feintool's engineering expertise and local presence played a decisive role in winning the contract. When it comes to our activities in China, we continuously analyze the overall geopolitical situation and examine additional markets in the Asian region.

In Europe, Feintool landed a multi-year order from a renowned American automotive manufacturer in July 2023. The order encompasses the supply of stators and rotors for the electric main drive of passenger cars and has a lifetime sales volume in the three-digit million euro range over six years. Our one-of-a-kind glulock MD bonding technology is being used in series production for the first time in the manufacture of these components.

The company performed very well in the United States in the first six months of 2023. Feintool has excellent growth opportunities in this region. The market for electric mobility is developing somewhat more slowly here than in Europe, but it is still growing steadily. In our established business for internal combustion and hybrid drives, we can also look back on an extremely successful first half of 2023 in the US with numerous newly acquired orders. We were able to take advantage of these favorable growth opportunities in the US, and orders received in 2023 are on par with the high level of the previous year, when we were able to acquire orders with a lifetime sales value of $400 million with net sales of $200 million.

In North America, we are benefiting from the capital expenditures we have made, which have enabled us to achieve a dominant market position in fineblanking and forming. Our customers have confidence in our ability to innovate and compete, and are increasingly entrusting us with business for new developments that was originally awarded to our competitors. We are using these traditional activities to give us additional scope for further growth in our future markets.

Environmentally friendly products – sustainable corporate governance

After Feintool had already published its fourth sustainability report for the 2022 financial year, Feintool received its first ESG rating from the renowned agency Morningstar/Sustainalytics in the second quarter of 2023. Sustainalytics' ESG risk ratings measure the extent to which a company is exposed to industry-specific material ESG risks and how well it manages those risks. This involves identifying five risk severity levels that can impact the value of the company. Feintool received an excellent initial rating of 17.8 – i.e., "Low Risk" – from Sustainalytics.

In the current financial year, we will continue to refine our wide-ranging sustainability activities and the associated reporting in accordance with new national and international regulatory requirements. On the product side, we will continuously increase the share of sales generated with carbon-friendly applications to 70 % by 2028 at the latest. Today, this figure already stands at over 50 %. Thanks to our broad range of premium products, which we are constantly improving with the help of new research collaborations, we are extremely well equipped to meet the requirements of growth markets. Our adaptability, agility, and innovative strength ensure that the Feintool Group will remain competitive in the long term. In production, operational ecology, our focus is on carbon emissions in the supply chains, particularly in steel sourcing. We will equip the plants in China with photovoltaic systems in 2024, enabling us to significantly increase the share of renewable energy from solar power in our electricity supply there.

Outlook and guidance

In light of the positive developments in Asia and the United States, as well as stable business with components such as those for car seats and safety devices, our outlook for the second half of 2023 is optimistic. We are confident that the parts business will pick back up, particularly in Asia. But we also see the challenges – in Europe we want to continue the necessary price negotiations during the remainder of the year and bring them to a satisfactory conclusion. We are also suffering from a shortage of skilled workers here, particularly in the IT sector, just as we are in the USA. This is why we are investing in vocational training and are proud that our employee turnover rate in North America is well below the industry average. Among employees, including vocational trainees that are offered a permanent position with the Feintool Group after completing their program, we have a high retention rate that stands above the market average. It is evident that our various HR programs in the fields of recruitment, training, and the development of selected talented individuals are all bearing fruit on a global scale.

In light of the confident outlook for the second half of the year, Feintool is confirming its targets for the 2023 financial year: We expect to achieve sales of CHF 850 to 900 million with an EBITDA margin of roughly 10 % and an EBIT margin of approximately 3 %.

Our thanks go to you

The Feintool Group operates in a challenging market environment characterized by transformation processes and external influences. This is also a challenge for you, our shareholders. We would like to express our gratitude for the trust you have placed in us and for the engaging and constructive dialogue. We would also like to thank our customers and all of our business partners. We are systematically and successfully pursuing our growth strategy in megatrend markets. In doing so, we can rely on the knowledge and expertise of our employees to continually blaze new trails in production and product development. The Feintool spirit connects our 3 500 employees across continents. We would like to thank you all very much.

ALEXANDER VON WITZLEBEN
Chairman of the Board of Directors

TORSTEN GREINER
Chief Executive Officer

FINANCIAL REVIEW

as at June 30, 2023

BUSINESS PERFORMANCE

General information

This half-year report applies to Feintool International Holding AG and all its subsidiaries. It encompasses the period from January 1 to June 30, 2023. The same period during the previous year is used for comparative purposes. In the case of balance sheet figures, the comparative reporting date is December 31, 2022.

The sale of the capital goods business (the Fineblanking Technology segment) was completed on June 7, 2023. In the 2023 half-year report, this business area is presented in the consolidated statement of comprehensive income under discontinued operations. To make the 2023 half-year report comparable with that of the previous year, in the consoliditated statement of comprehensive income 2022 the capital goods business is also classified as discontinued operation. When comparing the consolidated statement of comprehensive income with that of the previous year, it should also be noted that the Kienle & Spiess companies have only been consolidated since March 1, 2022.

Orders received and orders backlog, expected releases

In the first half of the year, Feintool received orders with a lifetime value of roughly CHF 346 million. The large share of orders received attributable to e-mobility is extremely encouraging. In addition, Feintool secured a multi-year order from a renowned American OEM in July. This order is not included in the CHF 346 million. The order encompasses the supply of stators and rotors for electric main drives and has a lifetime sales volume in the low three-digit million euro range over six years. Feintool is thus on track to reach approximately one billion in orders received again for the year as a whole.

Feintool's automotive customers continuously send the company the expected releases for the next six months. Customers have the ability to postpone or even cancel releases that they have already entered into our ordering systems, however. In times of considerable uncertainty and as a result, increased volatility, this early indicator becomes less reliable. As such, Feintool has decided not to publish this key figure at the present time.

Net sales

Consolidated sales increased by 13.2 % to CHF 450.0 million in the reporting period (previous year: CHF 397.6 million). As Kienle + Spiess was only included for four months in the previous year, the increase came mainly from the stamping sales, which are now fully included. Sales generated by Kienle + Spiess in the first two months of 2023 amounted to CHF 53.8 million, resulting in inorganic sales growth of 13.5 %. Organic growth came to approximately 4.5 %. Currency effects negatively impacted sales by CHF 19.3 million (-4.8 %). As a result, Feintool recorded an increase in net sales of 18.0 % expressed in local currency.

The System Parts segment's sales in the reporting period increased by 26.1 % to CHF 321.5 million (previous year: CHF 255.0 million). This increase was driven by the acquisition of Kienle + Spiess in March 2022. The negative currency effects totaled CHF 10.7 million, resulting in a 30.3 %

increase in the segment's sales expressed in local currency. On average, quantities sold by the fineblanking and forming plants were down slightly compared with the first half of 2022. In addition, volumes in the industrial business of electrolamination stamping were also down from the previous year. Volumes for the main drives of battery electric vehicles developed satisfactorily.

Sales in the System Parts USA segment fell by 10.4 % to CHF 91.1 million (previous year: CHF 101.6 million). Excluding currency effects, sales in the United States fell by 7.3 %. The decline in sales in the US was driven by lower steel prices, i.e., by price effects.

The System Parts Asia segment saw sales decline by 7.3 % to CHF 39.7 million (previous year: CHF 43.4 million). Excluding currency effects, sales increased by 5.5 %. The increase in sales in local currency was driven by higher volumes.

Overall, the Feintool Group generated third-party revenues of CHF 305.6 million, equal to 67.9 %, in Europe (previous year: CHF 242.5 million and 61.0 %, respectively). With sales of CHF 99.8 million, or 22.2 % of total sales (previous year: CHF 107.2 million or 27.0 %), the share of sales generated in North America decreased by 4.8 percentage points. Sales in Asia declined slightly to CHF 44.6 million, causing the region's share of total sales to decrease to 9.9 % (previous year: CHF 47.9 million, equal to a 12.0 % share).

Key cost items

At CHF 245.2 million, material costs are by far the company's greatest expense item. In relation to net sales, this rose from 54.1 % to 54.5 %. Taking changes in inventories into account, the cost of materials accounted for 55.3 % of sales, up from 52.5 % a year earlier. This increase can be attributed to growth in the electrolamination stamping business. Here, material costs accounted for roughly 65 % of sales in the first half of 2023.

Labor costs rose by CHF 10.2 million to CHF 114.0 million. The labor-to-sales ratio now stands at 25.3 % (previous year: 26.1 %). In relation to output (net sales plus changes in inventories), the labor-to-sales ratio decreased from 25.7 % to 25.5 %. The labor-to-sales ratio thus remained roughly constant year over year.

Other operating expenses increased to CHF 48.2 million, while the ratio to sales remained constant at 10.7 % (previous year: 10.7 %). Inflation drove this increase in other operating expenses. The ratio to sales was offset, however, by passing prices on to customers and the lower OPEX ratio of the electrolamination stamping business.

Earnings before interest, taxes, depreciation, and amortization (EBITDA)

Earnings before interest, taxes, depreciation, and amortization (EBITDA) fell to CHF 40.3 million in the reporting period. The EBITDA margin stood at 8.9 %. In the previous year, earnings before interest, taxes, depreciation, and amortization (EBITDA) amounted to CHF 44.0 million, corresponding to an EBITDA margin of 11.1 %. As such, the EBITDA margin in the first half of 2023 stood roughly 220 basis points lower than in the previous year. There were three reasons for this decline. Rising inflation (especially energy, shipping, and labor costs) put pressure on the margin.

It was not yet possible to fully pass on these costs to customers in the first half of 2023, especially in Europe. Second, fineblanking and forming delivered lower quantities in Europe, on average, than in the previous year. Third, low volumes in the industrial business (electrolamination stamping in Europe) weighed on margins.

Depreciation and amortization

Absolute depreciation and amortization increased slightly by CHF 0.3 million to CHF 28.1 million in the reporting period. The depreciation and amortization rate, however, decreased from 7.0 % to 6.2 %. The decline in capital expenditures in the past period led to lower depreciation and amortization rates. In addition, the growing electrolamination stamping business is also less capital intensive. This also has a positive impact on the depreciation and amortization rate. At CHF 26.2 million, capital expenditures in the reporting period lagged slightly behind depreciation.

Operating profit (EBIT)

Feintool generated earnings before interest and taxes (EBIT) of CHF 12.2 million in the reporting period. This corresponds to an EBIT margin of 2.7 %. In the same period last year, EBIT totaled CHF 16.2 million, corresponding to an EBIT margin of 4.1 %. As such, the EBITDA margin in the first half of 2023 stood roughly 140 basis points lower than in the previous year. The EBITDA margin that stood 220 basis points lower was thus reduced at the EBIT level as a result of the lower depreciation and amortization rate.

Financial result

Net financial expenses of CHF -4.0 million (previous year CHF -2.4 million) increased due to currency losses. The increase in net financial expenses was driven by foreign exchange losses. Net interest expenses (including other financial expenses) amounted to CHF 3.5 million (previous year: CHF 3.9 million). However, Feintool recorded net currency losses of CHF 0.5 million in the reporting period (previous year: gain of CHF 1.3 million).

Taxes

The Feintool companies' tax expenses totaled CHF 1.7 million in the reporting period, corresponding to a tax rate of 20.7 %.

Net income

Discontinued operations (capital goods business) resulted in a net loss of CHF -27.9 million. Overall, the group reported a consolidated net loss of CHF -21.4 million (previous year: profit of CHF 8.5 million).

CONSOLIDATED BALANCE SHEET

The comparative period (balance sheet as of December 31, 2022) still includes the figures for the Fineblanking Technology segment. Overall, total assets decreased by CHF 50.6 million (5.5 %) to CHF 864.4 million (December 31, 2022: CHF 915.0 million). This decline resulted from the sale of the capital goods business (Fineblanking Technology segment). The deconsolidation of the sold segment reduced total assets by CHF 38.2 million. Total assets therefore decreased slightly even excluding the change in scope.

Current assets decreased overall by CHF 23.1 million to CHF 326.9 million due to the deconsolidation of the capital goods business, whereby some of the individual items moved in opposite directions. Cash and cash equivalents decreased by CHF 9.9 million to CHF 68.7 million. Trade receivables and other receivables increased by CHF 18.4 million to CHF 128.3 million. Inventories and net contract assets increased by CHF 32.9 million to CHF 123.6 million. Prepaid expenses increased by CHF 1.3 million to CHF 6.3 million.

Net working capital increased by CHF 7.5 million to CHF 122.5 million compared to the level on December 31, 2022, excluding the Fineblanking Technology segment. The primary negative factor affecting net working capital was the increase in receivables by CHF 26.8 million. in contrast, the reduction in inventories (+ CHF 11.5 million) had a positive impact on net working capital.

Fixed assets decreased by CHF 27.4 million to CHF 537.5 million. The sale of the Fineblanking Technology segment resulted in a decrease in non-current assets of CHF 6.7 million. Without the divestment effect, non-current assets would therefore also have declined compared with the end of 2022. This decrease is mainly due to translation effects (appreciation of the CHF). Property, plant and equipment decreased by CHF 13.8 million to CHF 385.4 million. Intangible assets declined by CHF 6.1 million to CHF 127.6 million. Financial assets decreased by CHF 1.5 million to CHF 10.2 million. Deferred tax assets decreased by CHF 6.1 million to CHF 14.3 million (December 31, 2022: CHF 20.4 million).

On the liabilities side, total debt decreased by CHF 15.4 million to CHF 359.0 million. Trade payables and other liabilities increased by CHF 4.9 million to CHF 108.1 million. Deferred income, current and non-current provisions, and deferred tax liabilities fell by CHF 5.4 million to CHF 56.3 million. Liabilities for employee benefits (IAS 19) decreased to CHF 65.6 million in the reporting period due to the sale of the press business.

Interest-bearing debt decreased by CHF 0.6 million to CHF 120.1 million, of which CHF 75.7 million is of a non-current nature. Net debt increased slightly to CHF 51.4 million in the reporting period (December 31, 2022: CHF 42.1 million). As a result, Feintool has CHF 218.4 million in cash and cash equivalents as well as unused lines of credit available.

Shareholder’s equity stood at CHF 505.4 million on June 30, 2023 (December 31, 2022: 540.5 million). As a result, the equity ratio fell from 59.1 % to 58.5 %. In absolute terms, equity decreased by CHF 35.1 million. In addition to the dividend (CHF 5.0 million), currency translation effects (CHF 10.6 million) and the Group result (CHF 21.4 million) reduced equity. In contrast, actuarial gains from employee benefits (IAS 19) in the amount of CHF 1.8 million had a positive impact. The other items had much less impact

CONSOLIDATED STATEMENT OF CASH FLOWS

Cash flow from operating activities before changes in net working capital stood at CHF 33.9 million, which was lower than in the same period last year (CHF 38.7 million). Net working capital had a negative impact of CHF -4.1 million in the reporting period (previous year: negative impact of CHF -31.6 million). The increase in net working capital was mainly due to the increase in receivables. Sales in June 2023 were significantly higher than sales in December 2022. At the end of 2022, many customers ended up canceling their releases at short notice. Cash flow from investing activities of CHF -30.2 includes an effect of CHF -6.2 million from the sale of the capital goods business. Overall, this resulted in a free cash flow of CHF -0.4 million (previous year: CHF -51.5 million). Without the sale, free cash flow would have therefore been positive. As such, Feintool was able to finance its capital expenditures from its operating business.

EMPLOYEES

Feintool had 3 284 employees* (excluding trainees) as of June 30, 2023 (compared with 3 390 employees on December 31, 2022). The workforce shrank by 105 employees and 7 vocational trainees as a result of the sale of the press business. In addition, 92 young people are currently completing a vocational training program at our company (December 31, 2022: 101). Adjusted for the sale of the capital goods business, the number of employees thus remained at approximately the same level as on December 31, 2022. All in all, Feintool has 2 267 employees in Europe (plus 72 vocational trainees). The company has 559 employees in the United States (plus 13 vocational trainees) and 458 employees in Asia (plus 7 vocational trainees).

* Calculated as full-time equivalents on the reporting date

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the first half of 2023

Continued operation (unaudited)	Note	1st HY 2023 01/01/-06/30/2023 in CHF 1 000	in %	1st HY 2022 01/01/-06/30/2022 in CHF 1 000 re-presented [1]	in %
Net sales		**450 026**	**100.0**	**397 645**	**100.0**
Change in finished and semi-finished goods and work in progress		-3 609		6 700	
Capitalized self-generated assets		729		819	
Material expenses		-245 234		-215 300	
Personnel expenses		-113 964		-103 725	
Other operating expenses		-48 176		-42 675	
Other operating income		492		570	
Earnings before interest, taxes, depreciation and amortization (EBITDA) [2]		**40 264**	**8.9**	**44 034**	**11.1**
Depreciation and amortization		-28 099		-27 790	
Operating profit (EBIT) [3]		**12 165**	**2.7**	**16 244**	**4.1**
Financial expenses	4	-8 282		-9 968	
Financial income	4	4 293		7 551	
Earnings before taxes		**8 176**	**1.8**	**13 827**	**3.5**
Income taxes		-1 693		-3 423	
Net income continued operation attributable to Feintool shareholders		**6 483**	**1.4**	**10 404**	**2.6**
Discontinued operation					
Net income discontinued operation after tax attributable to Feintool shareholders	2	-27 889		-1 863	
Net income attributable to Feintool shareholders		**-21 406**		**8 541**	

[1] Comparative information has been re-presented due to a discontinued operation.

[2] Includes the operating result before depreciation and amortization, (net) financial income and income tax.

[3] Includes the operating result before (net) financial income and income tax.

(unaudited)	Note	1st HY 2023 01/01/-06/30/2023 in CHF 1 000	in %	1st HY 2022 01/01/-06/30/2022 in CHF 1 000	in %
Other comprehensive income					
Items that may be and are reclassified to profit or loss					
Translation differences [1)]		-10 598		-7 310	
Items that may not be reclassified to profit or loss					
Reassessment of net defined benefit liability (asset)		2 280		12 739	
Income taxes on non recyclable items		-519		-2 266	
Total other comprehensive income		**-8 837**		**3 163**	
Total comprehensive income attributable to Feintool shareholders		**-30 244**		**11 702**	
Net income attributable to Feintool shareholders		-21 406		8 541	
Total comprehensive income attributable to Feintool shareholders		-30 244		11 702	
Basic earnings per share (in CHF)		-1.45		1.04	
Diluted earnings per share (in CHF)		-1.45		1.04	
Basic earnings per share continued operation (in CHF)		0.44		1.27	
Diluted earnings per share continued operation (in CHF)		0.44		1.27	
Number of employees as of June 30					
Number of employees excl. 92 (previous year 98) trainees		**3 284**		**3 371**	

[1)] The translation differences in the half-year 2023 include recycled items amount to kCHF 1 405 from the sale of the “Fineblanking Technology” segment.

CONSOLIDATED BALANCE SHEET

for the first half of 2023 (as at June 30, 2023)

		06/30/2023		12/31/2022	
(unaudited)	Note	in CHF 1 000	in %	in CHF 1 000	in %
ASSETS					
Current assets					
Cash and cash equivalents		68 668		78 569	
Trade and other receivables		123 378		107 149	
Tax receivables		4 955		2 814	
Inventories		123 555		152 298	
Net contract assets		–		4 142	
Prepaid expenses and accrued income		6 347		5 041	
Total current assets		**326 903**	**37.8**	**350 013**	**38.3**
Non-current assets					
Property, plant and equipment		385 413		399 251	
Intangible assets		127 598		133 655	
Financial assets		10 223		11 694	
Deferred tax assets		14 279		20 353	
Total non-current assets		**537 513**	**62.2**	**564 953**	**61.7**
TOTAL ASSETS		**864 416**	**100.0**	**914 966**	**100.0**
LIABILITIES					
Current liabilities					
Financial liabilities	3	44 423		39 045	
Trade and other payables		97 065		102 622	
Tax liabilities		10 988		10 377	
Accrued expenses and deferred income		31 377		28 617	
Current provisions		9 833		8 856	
Total current liabilities		**193 686**	**22.4**	**189 517**	**20.7**
Non-current liabilities					
Financial liabilities	3	75 687		81 630	
Non-current provisions		1 549		3 296	
Deferred tax liabilities		22 544		29 887	
Employee benefit liabilities		65 583		70 125	
Total non-current liabilities		**165 363**	**19.2**	**184 938**	**20.2**
Total liabilities		**359 049**	**41.5**	**374 455**	**40.9**
Equity					
Share capital	5	147 445		147 445	
Capital reserves		209 634		212 149	
Retained earnings		228 190		250 339	
Treasury shares		-271		-389	
Translation differences		-79 631		-69 033	
Total equity		**505 367**	**58.5**	**540 511**	**59.1**
TOTAL EQUITY AND LIABILITIES		**864 416**	**100.0**	**914 966**	**100.0**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the first half of 2023

in CHF 1 000	Share capital	Treasury shares	Capital reserves	Retained earnings	Translation differences	Total equity
January 1, 2022	**49 148**	**-475**	**116 729**	**220 348**	**-47 383**	**338 367**
Translation differences	–	–	–	–	-7 310	-7 310
Reassessment of net defined benefit liability (asset), net of tax	–	–	–	10 472	–	10 473
Total other comprehensive income	**–**	**–**	**–**	**10 472**	**-7 310**	**3 162**
Net income attributable to Feintool shareholders	–	–	–	8 541	–	8 541
Total comprehensive income attributable to Feintool shareholders	**–**	**–**	**–**	**19 013**	**-7 310**	**11 702**
Capital increase [1]	98 297	–	100 372	–	–	198 669
Dividend	–	–	-2 457	-2 457	–	-4 914
Share-based management remuneration [2]	–	322	-282	–	–	40
June 30, 2022	**147 445**	**-153**	**214 362**	**236 904**	**-54 693**	**543 865**
January 1, 2023	**147 445**	**-389**	**212 149**	**250 339**	**-69 033**	**540 511**
Translation differences	–	–	–	–	-10 598	-10 598
Reassessment of net defined benefit liability (asset), net of tax	–	–	–	1 761	–	1 761
Total other comprehensive income	**–**	**–**	**–**	**1 761**	**-10 598**	**-8 837**
Net income attributable to Feintool shareholders	–	–	–	-21 406	–	-21 406
Total comprehensive income attributable to Feintool shareholders	**–**	**–**	**–**	**-19 645**	**-10 598**	**-30 244**
Dividend [3]	–	–	-2 504	-2 504	–	-5 008
Share-based management remuneration [2]	–	118	-11	–	–	107
June 30, 2023	**147 445**	**-271**	**209 634**	**228 190**	**-79 631**	**505 367**

1) On May 13, 2022, 9 829 684 new shares, each with a nominal value of CHF 10, were issued as capital increase.

2) The share based management remuneration involves payment of part of the salary in shares.

3) The General Meeting held on April 25, 2023 approved the Board of Directors' proposed dividend distribution of CHF 0.34 per registered share from earnings for the financial year ended December 31, 2022.

CONSOLIDATED STATEMENT OF CASH FLOWS

for the first half of 2023

	Note	1st HY 2023 01/01/-06/30/2023 in CHF 1 000	1st HY 2022 01/01/-06/30/2022 in CHF 1 000
Net income attributable to Feintool shareholders		-21 406	8 541
Depreciation, amortization and impairment		28 099	28 638
(Gain)/loss on disposal of property, plant and equipment		26	8
Loss on disposal of discontinued operation	2	27 889	–
Increase/(decrease) in provisions and valuation allowances		374	67
Other non-cash changes		-1 177	-2 764
Income taxes		1 692	3 490
Received / paid Income taxes		-2 396	-1 783
Financial result		762	2 525
Cash flows from operating activities before change in net working capital (NWC)		**33 863**	**38 722**
Increase/decrease in:			
Accounts receivables		-26 790	3 000
Inventories and net contract assets		11 542	-17 677
Prepaid and accrued expenses and income		8 351	4 659
Accounts payables		2 832	-21 539
Cash flows from operating activities		**29 798**	**7 165**
Investments in property, plant and equipment		-23 273	-4 142
Disposals of property, plant and equipment		727	428
Investments in intangible assets		-1 452	-3 049
Disposals of intangible assets		3	6
Increase in financial assets		-99	-8
Decrease in financial assets		67	148
Interest received		68	120
Other financial income		-23	16
Purchase of consolidated investments net of cash		–	-52 169
Disposal of discontinued operation net of cash	2	-6 209	–
Cash flows from investing activities		**-30 190**	**-58 650**
Free cash flow [1)]		**-392**	**-51 485**

1) Includes the cash flows from operating activities and the cash flows from investing activities

	Note	1st HY 2023 01/01/-06/30/2023 in CHF 1 000	1st HY 2022 01/01/-06/30/2022 in CHF 1 000
Capital increase		–	198 669
Dividends paid		-5 008	-4 914
Other changes in equity		-11	-282
Borrowing of interest-bearing liabilities		6 313	162 508
Repayment of interest-bearing liabilities		-4 613	-270 040
Payment of financial lease liabilities		-4 265	-7 290
Interest paid		-1 078	-3 280
Cash flows from financing activities		**-8 662**	**75 371**
Translation differences Cash and cash equivalents		-1 983	610
Change in cash and cash equivalents		**-11 038**	**24 495**
Cash and cash equivalents at the beginning of the period		79 706	51 763
Cash and cash equivalents at the end of the period		68 668	76 258

Lease payments are classified as follows on the statement of cash flows:
– Cash payments for the amortization portion are recognized as financing activities.
– Cash payments for the interest portion are recognized in cash flow from financing activities.
– Cash payments for non-capitalized leases are recognized in cash flow from operating activities.

NOTES TO THE HALF-YEAR REPORT

as at June 30, 2023

GENERAL PRINCIPLES

This unaudited, consolidated half-yearly financial statement of the Feintool Group is based on the individual financial statements of the Group companies as of June 30, 2023, which were prepared in accordance with uniform accounting policies, and released for publication by the Board of Directors on August 14, 2023.

With the exception of the changes to the accounting principles outlined below, the consolidated half-year result has been created according to the same valuation guidelines as the annual financial statement of December 31, 2022 and corresponds to the International Financial Reporting Standards (IFRS) in accordance with IAS 34 Interim Financial Reporting and the requirements of SIX Swiss Exchange. This half-year report does not include all the information and disclosures that are disclosed in the annual report of the Feintool Group as of December 31, 2022, and for that reason should be read in conjunction with it.

The consolidated half-yearly financial statement is shown in Swiss francs (CHF), rounded to the nearest thousand. It is produced in German and English. The half-yearly financial statement in German is the authoritative version.

CHANGES TO THE ACCOUNTING PRINCIPLES

With the exception of newly issued or revised Standards and Interpretations, which are applicable or have been modified in the reporting year, essentially the same accounting policies were applied as in the previous year.

On January 1, 2023, Feintool introduced the following new (adapted) Standards and Interpretations:

- IFRS 17 – Insurance Contracts (January 1, 2023)
- IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies (January 1, 2023)
- IAS 8 – Definition of Accounting Estimate (January 1, 2023)
- IAS 12 – International Tax Reform – Pillar Two Model Rules – Amendments (May 23, 2023)
- IAS 12 – Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction (January 1, 2023)
- IFRS 17 and IFRS 9 – Comparative Information (January 1, 2023)

Feintool is either unaffected by these changes, or the changes have no material effect on its financial position, results of operations or cash flows.

FUTURE CHANGES TO ACCOUNTING PRINCIPLES

Feintool constantly examines the effects of newly published accounting principles on the Group’s financial position, results of operations or cash flows.

- IAS 1 – Classification of liabilities as current or non-current (January 1, 2024)
- IFRS 16 – Lease Liability in a Sale and Leaseback (January 1, 2024)
- IAS 1 – Non-current Liabilities with Covenants (January 1, 2024)

Feintool is assessing the impacts of the revised Standards and Interpretations. Based on its initial findings, Feintool does not foresee any significant impacts on its financial position, results of operations or cash flows.

DISCONTINUED OPERATION

On June 7, 2023, Feintool sold Feintool Technologie AG, Lyss, Feintool Equipment Corp., Cincinnati, USA and Feintool Fineblanking Technology (Shanghai) Co., Ltd., Shanghai, China to the German Certina Group. All activities of the “Fineblanking Technology” segment and related areas that are sold are reported in the statement of comprehensive income in a separate item “discontinued operation”. The half-year 2022 figures have been adjusted accordingly (see also note 2 “Disposal of discontinued operation”).

KEY ESTIMATES

The preparation of the consolidated half-yearly financial statements requires that the management makes assessments and assumptions which influence the amounts of assets and liabilities, the statement of contingent receivables and liabilities, as well as income and expenditure. Areas in which estimates have a significant influence on the carrying amount include the calculation of provisions, the economic useful life of the fixed assets, the assumptions of the “value in use” calculation for goodwill, the expected future cash flow from capitalized development costs, the valuation of long-term construction contracts, the assessment of expected and deferred taxes, and the actuarial assumptions in the calculation of pension obligations. These estimates may differ from the actual results and hence have a significant impact on the Group’s financial position, results of operations or cash flows.

Management and Board of Directors believe that the planning principles and assumptions are realistic.

IMPACTS OF OECD GLOBAL MINIMUM TAX RATE

Switzerland has enacted new tax legislation to implement the global minimum top-up tax. Feintool expects to be subject to the top-up tax in relation to its operations in Hungary, where the statutory profit tax rate is around 10 percent. However, since the newly enacted tax legislation in Switzerland is effective only from January 1, 2024, there is no current tax impact in the period ended June 30, 2023.

Feintool has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

CONTINGENT LIABILITIES/PURCHASE COMMITMENTS

The contingent liabilities arising from received funding, which has certain conditions attached, amount to CHF 4.4 million (previous year CHF 4.6 million). Failure to comply with these terms and conditions may result in the funds or part of it must be repaid.

Feintool owns properties at some locations that are either contaminated or suspected of being contaminated. Under the supervision of the local authorities, Feintool is remediating these plots of land to remove the corresponding pollution and contaminants. Based on our current assessment, these activities are not expected to have a significant impact on the Feintool Group’s net assets, financial position, or results of operations.

At the end of the reporting period, Feintool was not involved in any other court proceedings. However, disputes relating to product liability, promotional activities, labor law and unfair dismissals, anti-trust law, securities trading, sales and marketing practices, health and safety, environmental and tax-related claims, state investigations and copyright law are always a possibility. Such proceedings could result in substantial claims being brought against Feintool that may not be covered by insurance policies. Feintool believes, however, that any such proceedings would not have a significant effect on the Group’s financial position, operating results or cash flows.

The Feintool Group has undertaken to purchase property, plant and equipment and inventories amounting to CHF 33.2 million (previous year CHF 10.0 million).

The Feintool Group used the following exchange rates in the half-years:

		06/30/2023		12/31/2022	06/30/2022
		Closing rate	Average rate	Closing rate	Average rate
China	CNY 100	12.3784	12.9343	13.3544	14.4977
Eurozone	EUR 1	0.9788	0.9881	0.9847	1.0235
Japan	JPY 100	0.6228	0.6562	0.7001	0.7673
Czech Republic	CZK 100	4.1227	4.1828	4.0832	4.1601
USA	USD 1	0.9008	0.9142	0.9232	0.9453

BASIS OF CONSOLIDATION

The consolidated half-yearly financial statements encompass the half yearly financial statement of Feintool International Holding AG, Lyss (Switzerland), in addition to the half-yearly financial statements of all Group companies in which Feintool International Holding AG directly or indirectly owns more than 50 % of the voting rights or which it controls in any other way. A list of all the subsidiaries is contained in the Annual Financial Report of December 31, 2022, page 79.

On June 7, 2023 Feintool sold Feintool Technologie AG, Lyss, Feintool Equipment Corp., Cincinnati, USA and Feintool Fine-blanking Technology (Shanghai) Co., Ltd., Shanghai, China (see "Discontinued operation").

On June 1, 2023, Feintool Engineering Co. Ltd., Atsugi, Japan was merged with Feintool Japan Co. Ltd. The sales and expenses are reported in the half-years 2023 and 2022 in the System Parts Asia segment.

On January 1, 2023, Feintool System Parts Lyss AG, Switzerland was merged with Feintool International Holding AG, Switzerland.

On March 1, 2022, Feintool Holding GmbH, Bayreuth, Germany, acquired 100 % of the shares of the German company Kienle + Spiess GmbH, located in Sachsenheim, Germany, with its subsidiary Kienle + Spiess Hungary Kft., located in Tokod, Hungary.

FINANCIAL COVENANTS

Feintool has a syndicated loan of CHF 100 million (previous year CHF 120 million), promissory notes in the amount of EUR 75 million (previous year EUR 75 million), bilateral credit loans and several leasing and rental contracts (more details in the Annual Financial Report of December 31, 2022 note 20). On June 30, 2023, the company had utilized EUR 5 million of the syndicated loan (previous year CHF 0 million).

The syndicated loan, the promissory note loan, and the bilateral loan agreements contain covenants customary in the market, in particular:

- A minimum equity ratio
- A minimum profitability level

In the event that the group or individual companies fail to comply with these covenants, the banks would have the right to terminate the loans at short notice. As of June 30, 2023, all of the covenants were met. As of June 30, 2023, Feintool had CHF 218.4 million (previous year: CHF 246.0 million) of unused, confirmed lines of credit with banks.

SEASONALITY

The business segments of Feintool are subject to no significant seasonal fluctuations. The earnings arising from contract assets recognized over a specific period of time are distributed over the period.

1 SEGMENT INFORMATION

1.1 Products and services 1st HY 2023 in CHF 1 000	System Parts Europe	System Parts USA	System Parts Asia	Total segments	Finance/ Other	Eliminations	Total continued operation	Discontinued operation [1)]	Total incl. discontinued operation
Net sales	321 496	91 113	39 701	**452 310**	–	-4 735	**447 575**	13 102	**460 677**
- Intercompany income	-1 988	-194	-102	**-2 284**	–	4 735	**2 451**	-2 451	**–**
Total net sales – Group [2)]	**319 508**	**90 919**	**39 599**	**450 026**	**–**	**–**	**450 026**	**10 651**	**460 677**
EBITDA	**27 740**	**12 606**	**5 667**	**46 013**	**-10 734**	**4 985**	**40 264**	**-2 963**	**37 301**
Depreciation and amortization	-18 046	-5 220	-4 612	**-27 878**	-1 358	1 137	**-28 099**	-666	**-28 765**
Operating profit (EBIT)	**9 694**	**7 386**	**1 055**	**18 135**	**-12 092**	**6 122**	**12 165**	**-3 629**	**8 536**
Financial expenses							**-8 282**		
Financial income							**4 293**		
Income taxes							**-1 693**		
Net income attributable to Feintool Holding shareholders							**6 483**		
Number of employees	**2 229**	**559**	**458**	**3 246**	**38**	**–**	**3 284**		
Assets	**532 755**	**139 149**	**126 062**	**797 966**	**306 413**	**-239 965**	**864 414**		
Net working capital [3)]	**84 674**	**28 971**	**18 321**	**131 966**	**18 099**	**-27 573**	**122 492**		
Investments in property, plant and equipment/ intangible assets (incl. leases)	**14 133**	**6 710**	**5 396**	**26 239**	**7 728**	**-7 815**	**26 152**		

1.2 Geographical areas 1st HY 2023	Switzerland	Europe excl. Switzerland	America	Asia	Total
Total net sales – Group [4)]	**3 612**	**301 942**	**99 847**	**44 625**	**450 026**
thereof Germany		192 376			
thereof USA			69 251		
thereof Japan				15 437	
thereof China				24 697	
Fixed and intangible assets	**29 270**	**351 291**	**60 023**	**72 427**	**513 011**

1.3 Products and services 1st HY 2022 in CHF 1 000	System Parts Europe	System Parts USA	System Parts Asia	**Total segments**	Finance/ Other	Eliminations	**Total continued operation**	Discontinued operation [1]	**Total incl. discontinued operation**
Net sales	255 017	101 632	43 379	**400 028**	–	-2 383	**397 645**	13 827	**411 472**
- Intercompany income	-1 387	–	-996	**-2 383**	–	2 383	**–**	–	**–**
Total net sales – Group [2]	**253 630**	**101 632**	**42 383**	**397 645**	**–**	**–**	**397 645**	**13 827**	**411 472**
EBITDA	**32 592**	**9 261**	**7 527**	**49 380**	**-5 346**	**–**	**44 034**	**-841**	**43 193**
Depreciation and amortization	-16 662	-5 598	-5 511	**-27 771**	-1 129	1 110	**-27 790**	-848	**-28 638**
Operating profit (EBIT)	**15 930**	**3 663**	**2 016**	**21 609**	**-6 475**	**1 110**	**16 245**	**-1 689**	**14 556**
Financial expenses							**-9 968**		
Financial income							**7 551**		
Income taxes							**-3 423**		
Net income attributable to Feintool Holding shareholders							**10 404**		
Number of employees	**2 335**	**544**	**457**	**3 336**	**35**	**–**	**3 371**		
Key figures as of 12/31/2022									
Assets	**560 447**	**130 519**	**143 140**	**834 106**	**331 504**	**-295 171**	**870 439**		
Net working capital [3]	**93 503**	**25 906**	**18 095**	**137 504**	**-8 729**	**1 235**	**130 010**		
Investments in property, plant and equipment/ intangible assets (incl. leases)	**25 579**	**6 849**	**4 091**	**36 519**	**2 848**	**-13**	**39 354**		

1.4 Geographical areas 1st HY 2022	Switzerland	Europe excl. Switzerland	America	Asia	**Total**
Total net sales – Group [4]	**2 147**	**240 398**	**107 199**	**47 901**	**397 645**
thereof Germany		154 528			
thereof USA			71 166		
thereof Japan				13 184	
thereof China				30 228	
Fixed and intangible assets	**27 986**	**366 759**	**60 312**	**77 849**	**532 906**

The following footnotes are applicable to the 2023 and 2022 half-year periods.

1) As of June 2023, Feintool sold the segment “Fineblanking Technology”, in which the companies Feintool Technologie AG, Lyss, Feintool Equipment Corp., Cincinnati, and Feintool Fineblanking Technology (Shanghai) Co., Ltd. have been included, to the German Certina Group. Accordingly, the segment will be reported ad “discontinued operations” in the helaf-years 2023 and 2022. Feintool Engineering Co. Ltd. is reported in the half-years 2023 and 2022 in the System Parts Asia segment.

2) Total net sales include “Sales from products transferred over time” about CHF 4.8 million (prior year CHF 3.3 million). The net sales have been recognized in the discontinued operations. The remaining net sales in this segment mainly consist of tool sales and services.

3) Net working capital comprises trade receivables, inventories, net assets of construction contracts and prepaid expenses and accrued income less trade payables, advance payments received from customers and accrued expenses and deferred income. The remaining receivables and liabilities is included in the calculation for “Finances/Other”.

4) Net sales is allocated to countries based on the customer’s domicile.

Segment reporting is in accordance with internal reporting, and the one-time effects demonstrated have thus been factored into the group performance assessment by the Board of Directors and the management.

The following explanations on the segment information apply to the half-years 2023 and 2022.

The System Parts Europe, USA and Asia segments develop, produce and sell high-precision system components and assemblies using fineblanking and forming technology as well as electrolamination sheet stamping. The segments also sell production-specific tools to third-party customers. The production and internal sale of tools is also included in this segments.

“Finances/Other” essentially comprises the figures for Feintool International Holding AG, the German sub-holding company Feintool Holding GmbH.

The item discontinued operation includes the disposal of the segment “Fineblanking Technology”, in which the companies Teintool Technologie AG, Lyss, Feintool Equipment Corp., Cincinnati, USA and Feintool Fineblanking Technology (Shanghai) Co., Ltd., Shanghai, China have been included.

The operating profit/loss comprises all operating income and expenses directly attributable to the individual segments. This includes all cross-segment expenses, which are charged directly. Feintool’s financing is undertaken at the Group level. Financial expenses and income, financial liabilities as well as taxes, are therefore reported only at the Group level and do not appear in the segment reports.

There is no reconciliation of data in management reports and data contained in the financial reports, as internal and external reporting are subject to the same valuation principles.

2 DISCONTINUED OPERATION

As of June 7, 2023, Feintool sold the segment “Fineblanking Technology”, in which the companies Feintool Technologie AG, Lyss, Feintool Equipment Corp., Cincinnati, and Feintool Fineblanking Technology (Shanghai) Co., Ltd. have been included, to the German Certina Group. With the divest of the capital good business, the Feintool Group has positioned itself as a pure player in the business area of high volume parts production manufactured by the technologial processes of finebalnking, forming and electrolamniation stamping. Feintool and Certina Group are pursuing close technological cooperation, particularly in the area of hydrogen technologies. Feintool therefore retains a strategic minority intererst of 15 % in Feintool Technologie AG.
The assets and liabilities of these companies were not yet reported separately as held for sale or discontinued operations in the annual report as of December 31, 2022.

2.1 Results of discontinued operation	1st HY 2023 in CHF 1 000	1st HY 2022 in CHF 1 000
Net sales	10 651	13 827
Total operating expenses	-14 280	-15 516
Operating profit (EBIT)	**-3 629**	**-1 689**
Financial result	-132	-107
Net income before income tax	**-3 761**	**-1 796**
Income tax	-155	-67
Net income from discontinued operations	**-3 916**	**-1 863**
Loss from sale of discontinued operation	-23 973	–
Effect on net income of the period	**-27 889**	**-1 863**
Earnings per share in CHF		
Basic earnings per share	-1.89	-0.23
Diluted earnings per share	-1.89	-0.23
Cash flow		
From operating activities (incl. change in NWC)	-5 473	-844
From investing activities	628	-229
From financing activities	3 508	-452
Net cash flow for the period	**-4 845**	**-1 073**
Effect on the financial position of Feintool Group		
Cash and cash equivalents	-4 767	
Receivables and accrued income	-6 053	
Inventories and net contract assets	-20 611	
Non-current assets	-5 405	
Deferred tax assets	-1 323	
Financial liabilities	3 776	
Payables	4 762	
Deferred income and provisions	7 804	
Employee benefit liabilities	4 875	
Net assets and liabilities	**-16 942**	
Consideration paid in cash	-1 442	
Cash and cash equivalents disposed of	-4 767	
Net cash outflow	**-6 209**	

3 FINANCIAL LIABILITIES

3.1 Reconciliation of financial liabilities	06/30/2023 in CHF 1 000	12/31/2022 in CHF 1 000
Start of period	**120 675**	**172 511**
Cash flows net [1]	-2 565	-131 121
Non-cash changes	-6 630	74 249
thereof acquisition	–	76 677
thereof disposals	-3 776	–
thereof changes of lease contracts	-2 854	-2 428
Translation differences	8 630	5 036
End of period	**120 110**	**120 675**

[1] This item includes the borrowing of interest-bearing debt of kCHF 6 313 (previous year kCHF 156 660), the repayment of interest-bearing lease liabilities of kCHF 4 265 (previous year repayment kCHF 8 396) and the repayment of interest-bearing debt of kCHF 4 613 (previous year kCHF 279 385).

4 FINANCIAL RESULT AND DERIVATIVE FINANCIAL INSTRUMENTS

4.1 Financial expenses	1st HY 2023 in CHF 1 000	1st HY 2022 in CHF 1 000
Interest expense	2 097	2 375
Other finance costs [1]	1 445	1 516
Foreign exchange losses	4 740	6 077
Total financial expenses	**8 282**	**9 968**

[1] Besides bank charges, other financial expenses include annual amortization of establishing cost for the promissory note/syndicated loan, market making costs and valuation expenses from hedging.

4.2 Financial income	1st HY 2023 in CHF 1 000	1st HY 2022 in CHF 1 000
Interest income	70	118
Other financial income	-23	9
Foreign exchange gains	4 246	7 424
Total financial income	**4 293**	**7 551**

4.3 Fair value hierarchy

Feintool has measured financial instruments at fair value and uses the following hierarchy to determine fair value:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices)
Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Feintool holds only financial instruments in Level 2. These include currency forwards.

4.4 Derivative financial instruments outstanding in CHF 1 000	Fair values positive	Fair values negative	Contract volumes
Futures contracts	17	202	10 568
Currency instruments	**17**	**202**	**10 568**
Total derivative financial instruments as at 06/30/2023	**17**	**202**	**10 568**
Futures contracts	210	18	4 206
Currency instruments	**210**	**18**	**4 206**
Total derivative financial instruments as at 12/31/2022	**210**	**180**	**4 206**

Currency instruments primarily relate to the hedging of foreign-currency risks in euros. The life of the foreign exchange futures is a few months.

4.5 Fair Values

The carrying amounts of the financial assets and liabilities do not differ materially from their fair values.

5 EQUITY

5.1 Share capital	**06/30/2023** Number/CHF	**12/31/2022** Number/CHF
Number of shares	14 744 526	14 744 526
Nominal value	10	10
Share capital	147 445 260	147 445 260

On May 13, 2022, the Feintool Group concluded a capital increase. The transaction resulted in the creation of 9 829 684 new Feintool shares with a par value of CHF 10 each at the transaction price of CHF 20.51 each.

5.2 Major shareholders		Disclosure according to FinMIA
Artemis Beteiligungen I AG und Michael Pieper	50.1 %	50.1 % on 21.05.2022
Geocent AG	9.8 %	9.7 % on 12.11.2008

Information on significant shareholders are based on the shareholders register or on notifications received by Feintool. A disclosure obligation exists if a person or group(s) is/are subject to the disclosure requirement when reaching, exceeding or falling below the threshold of 3, 5, 10, 15, 20, 25, 33.3, 50 or 66.6 percent of the voting rights of Feintool International Holding AG. Disclosure reports made during the reporting year in accordance with Art. 120 of the Financial Market Infrastructure and Market Conduct in Securities and Derivatives Trading (FinMIA) and the provisions of the Financial Market Infrastructure Ordinance (FinMIO) can be viewed on the reporting and publication platform of SIX Swiss Exchange (https://www.six-exchange-regulation.com/de/home/publications/significant-shareholders.html).

5.3 Capital Band

By resolution of the General Assebly on April 25, 2023, the Board of Directors is authorized, for a period ending on April 30, 2026, to increase the share capital in one or more stages to a maximum of CHF 176 934 310 (upper limit of the capital band) by issuing a maximum of 2 948 905 registered shares with a par value of CHF 10.00 and to reduce the share capital in one or more steps to not less than CHF 140 073 000 (lower limit of the capital band) either by cancelling a maximum of 737 226 registered shares at a par value of CHF 10.00 each or by a corresponding reduction of the par value of the registered shares. A reduction and a re-increase may take place simultaneously.

6 DIVIDEND

On the occasion of the Annual General Meeting of Feintool International Holding AG on April 25, 2023, the shareholders approved the distribution of a dividend of CHF 0.34 (previous year CHF 1.00) per share for financial year 2022. This led to a dividend payout of CHF 5.0 million (previous year: CHF 4.9 million).

7 EVENTS AFTER THE BALANCE SHEET DATE

There were no significant events after the balance sheet date.

ADDRESSES OF OUR OPERATING COMPANIES

as at June 30, 2023

Company	Address	Phone/Fax	Mail
Switzerland			
Feintool International Holding AG	Industriering 8 3250 Lyss Switzerland	Phone +41 32 387 51 11 Fax +41 32 387 57 81	feintool-fih@feintool.com
Feintool International Holding AG (System Parts)	Industriering 53 3250 Lyss Switzerland	Phone +41 32 387 51 11 Fax +41 32 387 57 79	feintool-pbel@feintool.com
Feintool International Holding AG (Tooling/Engineering)	Industriering 3 3250 Lyss Switzerland	Phone +41 32 387 51 11 Fax +41 32 387 57 79	feintool-pbel@feintool.com
Europe			
Feintool System Parts Ettlingen GmbH	Englerstrasse 18 76275 Ettlingen Germany	Phone +49 7243 320 20 Fax +49 7243 320 240	feintool-pbee@feintool.com
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