

exentis group

Industrialized
Additive Manufacturing

Annual Report 2020

Exentis Group – Industrialized Additive Manufacturing

Exentis is the inventor and pioneer of Exentis 3D Mass Customization®, the 3D screen printing technology.

Exentis provides a comprehensively patented 3D technology platform. Exentis is the only 3D printing company in the world that is able to handle large-scale production: **Industrialized Additive Manufacturing. Offering a free choice of materials.**

Exentis is a **technology company** that develops comprehensive production solutions for its customers as part of **development projects** and also handles the **production** of components and semi-finished items. It particularly focuses on **developing customised materials.**

Customers can then **decide** whether **Exentis** should **make the components** or whether they should acquire their own production licence and **complete the manufacturing work at their own site themselves.** In the latter case, Exentis acts as a **one-stop shop** and supplies the process expertise, the Exentis 3D production unit(s), printing screens, pastes, and, if necessary, the operating personnel too.

The **Exentis 3D printing technology** can be used anywhere: for industrial parts made of metal and ceramics or for the clean-room production of pharmaceutical or bioprinting items.

Instead of converting machinery at great cost, the customer can implement any desired geometric adjustments within a few days using new screen sets. **Rapid tooling offers a considerable competitive advantage over injection moulding technology, for example.**

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Letter to the Shareholders

Dear shareholders,
Dear friends of our company,



A handwritten signature in black ink that reads "Ralf Brammer".

Ralf P. Brammer
Chairman of the Board of Directors

The Exentis Group AG, the solution provider using Industrialized Additive Manufacturing, has made a successful start to the 2021 financial year.

In operational terms, we have recorded the highest level of incoming orders for Exentis 3D production systems. This concerns 3D production systems for industrial applications as well as clean-room applications for producing active pharmaceutical ingredients.

The technology is increasingly being used for mass-production orders. Applications, which require ultra-fine structures, are just as much in demand as those in the ceramics and metal material classes.

A number of projects and 3D production and development systems on order dating back to the 2020 financial year will be fully completed in 2021. Numerous meetings with customers and workshops had to be postponed because of Covid-19. Exentis employees hardly had any opportunity to visit customers abroad. It was often impossible for foreign customers to travel to Switzerland. In terms of turnover and profits, the past year, which was dominated by Covid-19, must simply be viewed as a lost year; the lockdowns had a significant effect on business. However, we were able to achieve what any organised management team has to do – adjust costs and focus.

As a result, Exentis used this challenging time in the best possible way to emerge stronger both technologically and in terms of the market: Exentis was able to continue to significantly safeguard its own 3D screen printing technology as regards patents. Exentis now has a patent portfolio of more than 120 individual patents with more than 3,000 patent

claims; as a result, it has 1,000 more patent claims than one year ago.

Exentis continues to be the only solution provider in the 3D market that can offer the large-scale production of components with a free choice of materials and ultra-fine geometrical measurements. Industrialized Additive Manufacturing is creating a new degree of flexibility for 3D production processes and is replacing the time-consuming and costly production of tools, which is necessary if established production technologies are used.

Exentis is pursuing the strategy of focused growth. The broad range of applications for the Exentis 3D screen printing technology is therefore set to be spread across a limited number of strategic partners, who will then complete several projects with Exentis.

Within this framework, Exentis has now concluded eleven cooperation agreements – including one with ThyssenKrupp and another with the German Fraunhofer Institute too. Overall, we have already set up seven licence agreements in the fields of renewable energy, the 3D printing of active pharmaceutical ingredients and biomaterials or even the production of industrial parts. Exentis will continue to assign numerous licences in the fields of special applications and therefore generate more turnover from licence fees in addition to its contract manufacturing work and supplying 3D systems in the medium and long term.

The Covid-19 crisis has caused numerous governments to view with concern their dependence on countries like China, Pakistan and India for the production and supply of raw materials and active pharmaceutical ingredients; this is now seen as a restriction on the reliability of supplies for their citizens.

Exentis has already witnessed determined efforts in Europe, the USA, Australia and Japan to bring back important industrial applications and parts for producing tablets to their own countries since the summer of 2020.

Overall, the preliminary work from 2020 will materialise during the current financial year and also in the period after this. The year 2021, which has now started, makes us optimistic in terms of expectations.

The number of new development projects and cooperation plans is developing very positively. Alongside production orders from Europe, orders from Asia are expected during the first half of the year. As far as sectors are concerned, most of the orders are coming for industrial applications, automotive applications and 3D electronic printing.

As a result, Exentis is also on the verge of completing a process of successful internationalisation during the current financial year. Orders for Exentis 3D development and production systems have come from Germany, Australia and the USA. Exentis is therefore following its customers into new markets and is anchoring regional 3D production systems and also licences with appropriate production capabilities that will be fully used in the long term.

Exentis has been successfully certified in line with ISO 9001 at its headquarters in Stetten in Switzerland and also at all the other business sites of the Exentis Group in Germany. The globally recognised industrial norm underlines Exentis' aspiration to meet international standards. The unified processes and structures create space for further ordered growth and are a strong signal to customers and employees alike.

Letter to the Shareholders

Exentis is serving 12 mature market segments with a large number of projects at the current time. An additional focus on the three following strategic business fields is still being developed:

1. e-mobility
2. fuel cells and
3. medical engineering

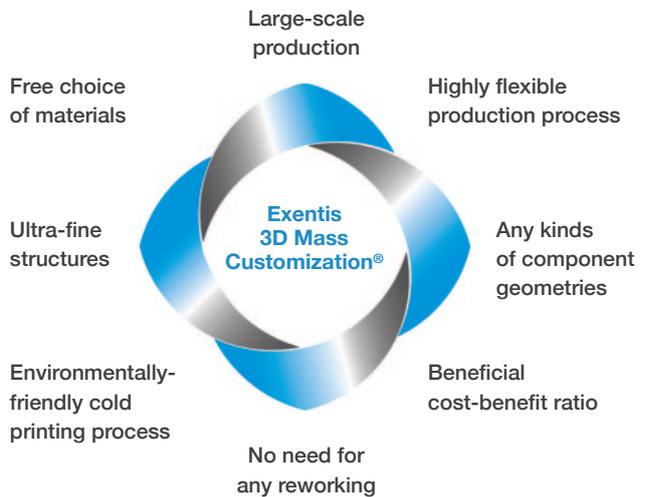
Exentis is working on a go-to-market strategy with two strong partners in each case in all three strategic business fields – an industrial partner, which offers market access and demand from existing customers and usually combines several projects, and an academic partner.

Exentis is therefore using the latest research results and innovations to achieve further growth. The strategic role played by Exentis as an all-round provider of solutions is becoming very clear in these partnerships, for large-scale production and therefore the 3D implementation of customer applications.

We have recognised that we need to raise the awareness of our technology even more. We are inspired to establish the 3D screen printing technology as the new industrial production standard in the market. To achieve this goal, we need to make it on to the shortlist for potential customers and even cooperation partners outside Switzerland and outside Europe. After all, we can offer our customers significant competitive advantages if they use the Exentis technology.

We have strengthened our management team for this. Exentis appointed Dr Gereon Heinemann as a member of the Management Board and the new CEO at the beginning of this year. Gereon Heinemann has taken on the responsibility for the two positions of

OUR PATENTED 3D SCREEN PRINTING TECHNOLOGY



Chief Executive Officer and Chief Operating Officer. He has extensive international experience in setting up and managing technology companies. Gereon Heinemann particularly brings with him many years of experience in the field of additive manufacturing in establishing successful business models in this growing market segment.

Covid-19 will continue to accompany us this year too, even if vaccinations allow us to expect a strong recovery. It will be necessary to continue making business decisions with some degree of uncertainty, because our customers can only present rather vague plans and forecasts about their own business development at the present time.

Despite this, Exentis is assuming at the moment that the 2021 financial year will be the most successful

year in the company's history based on the strong demand for the Exentis 3D screen printing technology.

If we look beyond the current year, it is abundantly clear that the Exentis technology offers customers many kinds of advantages – technologically, by preventing production processes upstream and downstream, which were necessary in the past, preventing any excess materials and naturally in terms of prices too. These benefits enable Exentis customers to significantly improve their own competitive position by using the innovative Exentis technology.

A glimpse at the USA illustrates the attractiveness and the remarkably high assessments that the US market attributes to 3D printing. Companies, which are economically and technologically comparable, are assessed very much more highly, even if they have not developed to such an extent as Exentis. Management will therefore have to deal with the issue of how Exentis can benefit from this trend during the coming months and in reliance on the operational success at Exentis. It will therefore be necessary to achieve greater proximity to the capital markets for this purpose.

On behalf of the Board of Directors, I would like to thank the whole team, all the employees, the management crew and particularly our screen printing experts for their outstanding commitment and their firm determination to establish the Exentis 3D technology as the industrial standard.

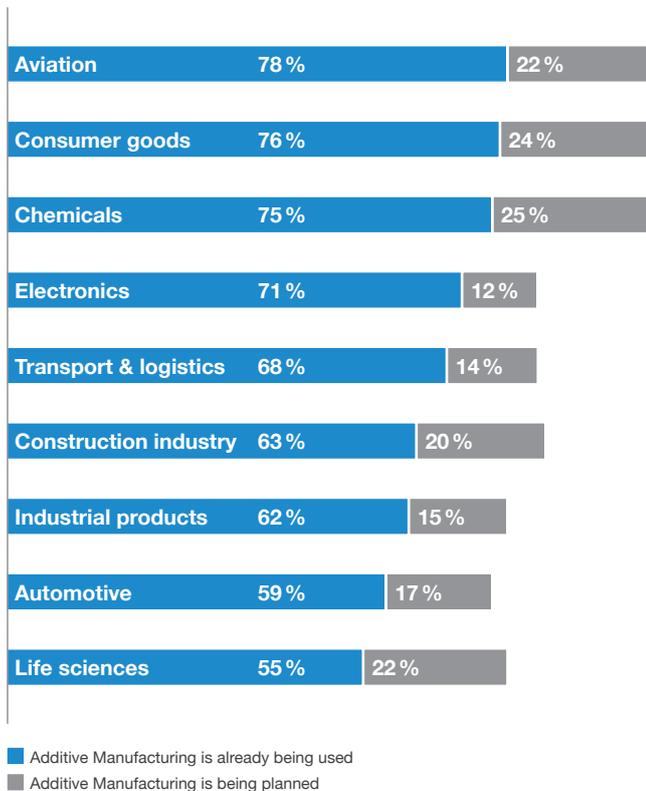
We would also like to thank our customers as well as partners and shareholders for their support and placing their trust in us.

Market Environment

The economic instability, which has been triggered by the COVID-19 pandemic, created enormous difficulties for the world during the past financial year of 2020. Logistical problems, national or regional lockdowns and the closure of borders negatively affected global supply chains. As a result, bottlenecks occurred with basic goods and medicines.

The spread of COVID-19 has brought with it numerous challenges. Corporate consolidation, mass unemployment, a shortage of production materials and travel restrictions combined with new challenges in the fields of health and safety at work. Optimism is largely based on the national vaccination programmes for the second half of 2021 because of the ongoing, associated uncertainty during the first few months of 2021.

APPLICATIONS OF ADDITIVE MANUFACTURING IN INDUSTRY



Most aviation, consumer goods and chemicals companies are planning to use additive manufacturing in future

Source: EY's Global 3D Printing Report 2019

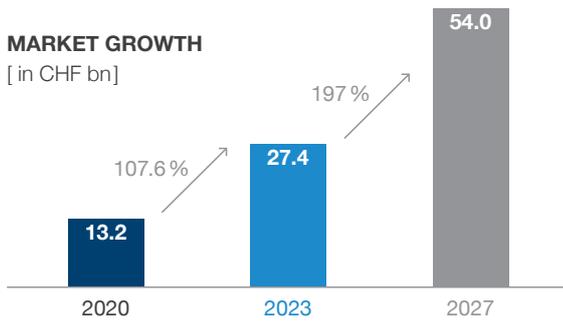
The COVID-19 pandemic has affected nearly all the sectors and caused extensive negative consequences. However, additive manufacturing plays a key role in times of global needs because it meets the need for on-demand production in the relevant countries and therefore helps to alleviate any interruption in supply chains.

This is illustrated by the market data for additive manufacturing in 2020 too. The global market for additive manufacturing exceeded the CHF 13 billion mark, following a figure of CHF 10 billion during the previous year. This means that market growth of 30 % has been achieved during a global pandemic. The additive manufacturing market already registered impressive growth during the last few years and is following the forecast trend, despite the damper on global economic growth. The main part of this market share, which has been achieved, continues to be the result of prototypes and pilot series, but not large-scale production, as is possible if the Exentis 3D technology is used.

One key factor for the positive growth is the development of new applications for 3D printing, which companies are increasingly tapping into alongside traditional production processes.

MARKET GROWTH

[in CHF bn]



The additive manufacturing market continues to be dominated by strategic partnerships, acquisitions and alliances:

January 2021:

Desktop Metal acquired EnvisionTEC and therefore entered the market for the additive production of plastics

November 2020:

EnvisionTEC and Henkel pooled their expertise in 3D printing and material know-how for final components

September 2020:

Stratasys entered a partnership with the Penske Team (an American motor sports organisation)

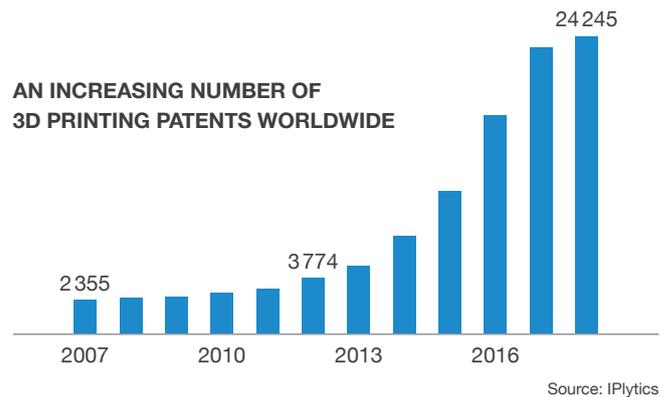
May 2020:

MakerBot brought Method Carbon Fiber 3D printers on to the market

April 2020:

Stratasys took over Origin Laboratories, Inc.

Two factors are driving the vibrant M&A activities in the additive manufacturing market: companies outside the sector are acquiring 3D technology firms to gain access to new production technologies. And purchasers are improving their position along the value-added chain by expanding their services through take-overs and cooperation schemes. These driving forces are underlined by the desire to increase their market share, which forms the basis for both existing players and also aspiring newcomers to the sector.

AN INCREASING NUMBER OF 3D PRINTING PATENTS WORLDWIDE

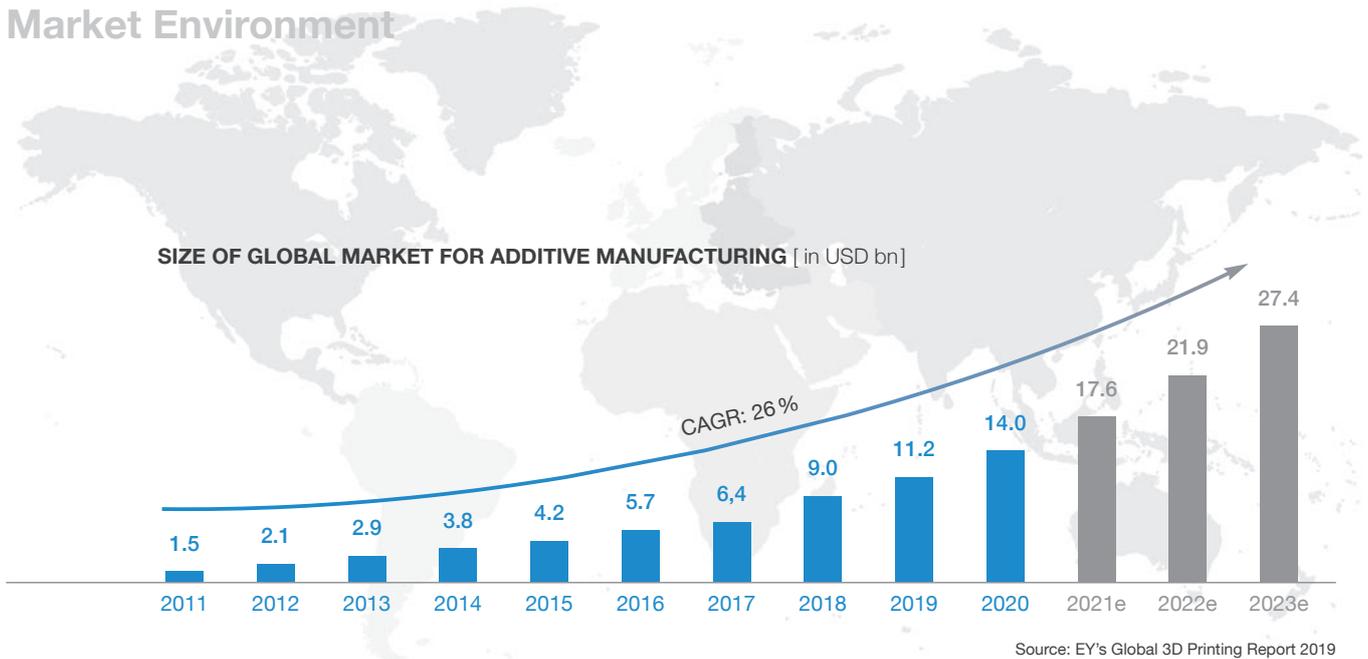
Almost all industries have now discovered the benefits of additive manufacturing. For companies in the additive manufacturing field, these trends ensure gratifying conformation of their efforts and offer further opportunities to bring new technologies, applications and innovations on to the market.

24 %
is the forecast average
annual growth rate for the
additive manufacturing market
during the next 5 years.

The market study by Fortune Business Insights believes that the global market for additive manufacturing will grow to more than CHF 54 billion by 2027. Renowned industrial experts from international consultancy firms believe that a turning point has been reached for additive manufacturing and are forecasting similarly strong market growth, as companies from various sectors are increasingly viewing additive manufacturing as more than just a rapid prototyping production process.

The current technology expansion stages, particularly the Industrialized Additive Manufacturing technology from Exentis, offer the opportunity of printing an almost unlimited number of materials even faster and with quality levels that do not have to be reworked subsequently.

Market Environment



Based on the findings of sector experts at Ernst & Young, 3D printing is viewed as an “essential element” in Industry 4.0 or the connection between advanced production and operating techniques and intelligent digital technologies, which is being described as the fourth industrial revolution. It is a forward-looking technology with significant growth and development potential.

The global market for additive manufacturing will grow to CHF 54 billion by 2027.

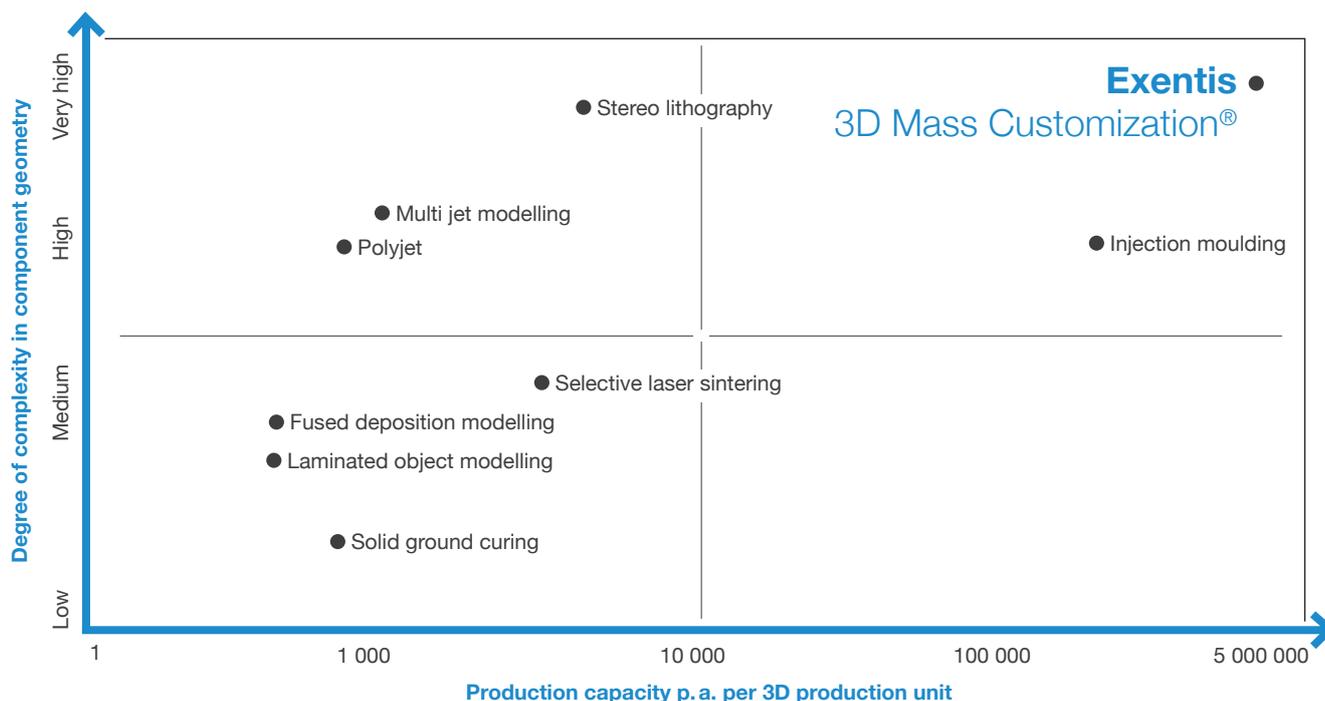
The speed of further developments in 3D technology has been remarkable, even during the past financial year. 3D metal printing continued its growth course in 2020, as new processes were created and existing technologies continued to be developed. The growing number of active companies within this segment reflects the increase in innovations in this field. Based on research, the number of 3D-printed components made of metal will overtake the components made of polymers during the next few years. Exentis has held a leading position in metal 3D printing for years. The company can also handle the 3D printing of ceramics like no other – and this is the top tier for processing materials in the 3D market.

As a result of the industrialisation of additive manufacturing, software applications are playing an increasingly important role in all parts of the work sequence. While software was always a crucial factor in the design and simulation of components, the production of components suitable for industry requires management software that matches the specific requirements of the additive manufacturing process. As a result, the software solutions for design and product development have become more advanced during the last few years and have used technologies like generative design and topology optimisation.

Additive manufacturing has become part of the general trend towards digitalisation within manufacturing industry. As producers are increasingly espousing digital strategies, the broad introduction of additive manufacturing will continue to increase and accelerate during the next few years.

The Exentis 3D Mass Customization® technology in the current market environment

The figure on the next page illustrates the comparison between the Exentis 3D Mass Customization® technology and other 3D printing technologies. The assessment made here is based on the degree of complexity of the printed components and the production capacity per Exentis 3D production system. The injection moulding process has also been



included in the overview as a reference point and to generally locate the Exentis 3D Mass Customization® technology in comparison with traditional production methods.

The results of the technology comparison show that the ability to handle large-scale or mass production with a free selection of materials is missing in all the existing 3D printing technologies. However, even compared to traditional production processes (including injection moulding), the benefits of the Exentis 3D screen printing technology are predominant, as highly complex component geometries can be handled. The time-consuming and costly production of moulds for injection moulding is also superfluous as a result of the “rapid tooling” that is available with Exentis. The appropriate tools at Exentis are not the moulds, but the screens themselves. Exentis manufactures them inexpensively at its own company premises within 24 hours and therefore enables the customer to directly make design adjustments in its printed products instead of having to produce moulds for injection moulding, a process that takes months.

This provides the Exentis Group with another outstanding unique selling point in its development of Exentis 3D Mass Customization®, Industrialized Additive Manufacturing, the unique and extensively patented 3D screen printing technology.

The future trends in additive manufacturing

It is already clear at this time that the 3D technology will challenge and change global production, logistical and business models. An article in the Global Trade Review specialist journal even goes one step further by proposing the idea that 3D printing could even replace 40 percent of global trade because of the disruptive changes to logistics and supply chains. Additive manufacturing is already changing the trade and production sequences around the globe by ensuring that production moves closer to customers, transport times are shortened, customised production can take place and warehouse storage is being reduced.

Exentis is focusing on three central aspects during the current year:

- Expanding its market leadership in production on an industrial scale with additive manufacturing (several million components per year from just one Exentis 3D production system)
- Industrial collaboration through cooperation schemes and alliances with industrial and research partners to achieve acceptance for 3D production processes
- The evolution of 3D printing towards a “classic” large-scale production process and away from a focus on just prototyping and making small batches of products

Market Environment

Partnerships can help accelerate the market penetration of 3D technologies.

3D-printed parts will play an important role in the production of electric vehicles. Automobile manufacturers and automobile suppliers (Original Equipment Manufacturers or OEMs) have to respond to the emerging developments in the field of e-mobility on the basis of the high level of demand from customers. As a result, automobile manufacturers are using 3D-printed solutions and parts to remain competitive in the age of Industry 4.0. While the automobile sector is migrating from internal combustion engines to electric drive systems, industrial 3D printing provides a technology that can accelerate production and fundamentally change experts' understanding when it comes to designing car parts. This production process enables manufacturers of electric vehicles to additively produce their batteries, engines and other components. Additive manufacturing overall helps the automobile manufacturers to produce electric vehicles faster.

The ongoing technological developments described below will reinforce the sustained, above-average growth in the 3D market in future. The list of materials used for 3D printing in the past was fairly small and far removed from the extensive variety of materials that are often used for producing parts. This variety of materials will now take hold in the 3D market too.

The greatest switch within the sector is taking place in the switch from polymer printing to metal printing, as already described. The processing of polymers will be adequate for prototypes and special components in future too. In contrast, the production of metal parts is a trillion-dollar market and is therefore by far the more important one.

The continuing increase in printing speeds will remain a crucial factor in future too. While the printing time can vary depending on the complexity of the geometry, the quality of the final component and the materials that are used, the 3D printers currently on the market are already twice as fast as those used just a few years ago.

More large companies will join the 3D market in future. As a result, the market will attract even greater attention from the media. This will create a situation where existing players will press ahead with innovations even more quickly. 3D printing will be more frequently and extensively used in all production departments during the next few years. Production processes, which have already been introduced, e.g. casting, forging, punching, pressing etc., will continue to dominate the field. However, even a few percentage points in a global industry worth trillions of Swiss francs – and the volume of annual production of metal parts is worth one trillion Swiss francs – is an impressive market for the “young” 3D sector.



Business Model and Strategy

Exentis business model

The Exentis Group AG basically offers its customers two possibilities for manufacturing their product idea on a large 3D scale using the Exentis 3D screen printing technology, the patented Exentis 3D Mass Customization®.

Exentis can handle the industrial production of the components or the customer completes the work directly at its premises. A development project often precedes this process to guarantee the best possible success for the customer.

The following text describes the development project and the customer's decision to "make or buy" in greater detail.

3D development project

A 3D development project is the key stage in the process between the customer's product idea or the customer's specific assignment and the subsequent large-scale 3D printing production. The findings generated by the development project are crucially important for the subsequent industrialised additive manufacturing process.

A number of Exentis specialists work very closely together during the development project. They first develop complex 3D models of the later component, for example. The goal is initially to clarify whether a new component can be produced by combining various individual components, shapes or functions in the 3D printing process, so that the new product is much more efficient and functional than one or several of the previous components. Traditional manufacturing processes are normally not able to handle these kinds of degrees of complexity or geometry – for example, hollow structures to reduce weight or component

web thicknesses that are no wider than a twentieth of a millimetre. Once the object design has been finalised, extensive simulations and statistical process and quality checks take place to assess the stability, the critical geometry areas and the feasibility of large-scale production at a later stage.

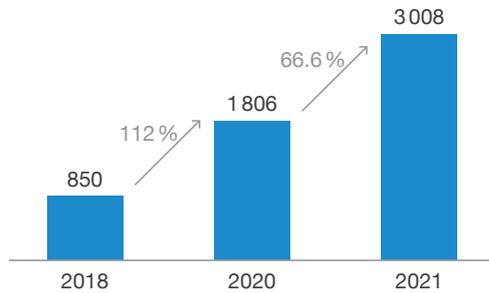
The 3D printing screens are developed and produced at one of our Exentis subsidiaries at this time. They are optimised regarding their application technology, coating thickness, resolution capacity, mesh geometry and material.

Exentis offers internal dual sourcing concepts – by having production in two different countries.

Exentis has the special screen meshes consisting of metal or polymers made in Japan and therefore has the technical facilities to optimise the printable structure with a threshold resolution of less than 25 micrometres. The mesh material and screen coating are matched with the material needing to be printed as part of the screen development related to the project. As a result, Exentis achieves component surfaces that hardly need any reworking and guarantee a long serviceable life for the screens.

The next stage involves developing the material or the paste. Material scientists, chemists and engineers work hand in hand here to meet the customer's set specifications regarding hardness, rigidity, the degree of porosity and the desired surface properties.

PATENT CLAIMS



This can take place at very short notice, if the customer makes use of the multi-faceted and varied Exentis materials that are already available for printing. This material development work becomes more time-consuming, but all the more individual if special requirements are expected, e.g. electrically conductible ceramics or multi-material components.

Once the paste systems have been produced, the suitable printing parameters and the multi-dimensional sintering curves for the component are developed. The customer then receives sample parts, which are subjected to extensive quality assurance procedures.

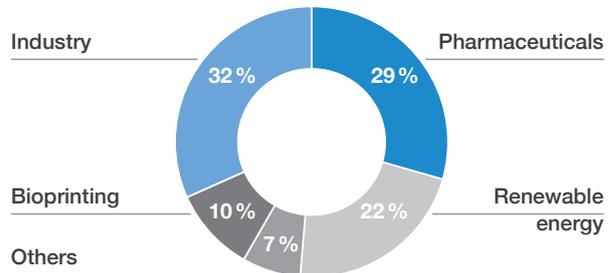
Once approved, the process parameters and the technologies needing to be used are documented. The customer receives comparable cost/benefit assessments for purchasing the parts from Exentis or manufacturing them at its own premises. Most customers opt for a dual source strategy. That is to say, the customer commissions Exentis to start the production work until a specified number of parts has been reached and establishes its own Exentis 3D screen printing production at its premises alongside this. Exentis is also able to offer the customer internal dual sourcing concepts in Germany and Switzerland in order to guarantee maximum reliability for supplies.

Industrial 3D production of customised components at Exentis

Exentis has had various production sites in Germany to serve the main market there and in Switzerland too since 2019.

These production sites are geared towards the production parameters, which are developed for

PATENT CLAIMS PER SECTOR



Industrialized Additive Manufacturing at the central Exentis 3D Innovation Centre at the company's headquarters in Stetten, near Zurich. Exentis provides its customers with a set price for producing each component. Variations or material changes to the final component are possible via the "rapid tooling" facility – i.e. adapting the geometry of the printing screens – within just 1-3 days. As a result, Exentis customers can have smaller numbers of parts produced in a flexible and prompt manner; this would not be possible with conventional production methods like injection moulding and the associated lengthy and costly toolmaking procedures.

Industrial 3D production at the customer's premises in the form of a one-stop shop

Once customers have decided whether to complete the manufacturing work at their own premises or ask Exentis to produce their components too, Exentis serves them from a single source.

Exentis supports customers from their product idea to 3D products that are printed millions of times.

The component geometries, the paste systems and the screens as well as the process parameters have already been defined and tested by now. Exentis then offers its services as a one-stop shop. That is to say, Exentis supplies everything that is required for customers to manufacture the components at their premises alone. The first step is to issue a production licence for the specific component, so that the

Business Model and Strategy

customer can make use of the extensively patented 3D screen printing technology to manufacture its own items and use the patented application for its own purposes too.

Despite all the flexibility of the Exentis 3D screen printing systems, it is necessary to specially tailor the 3D screen printing units to the components. This depends on the output quantity that is required – and the special production environments such as clean-room production for active pharmaceutical ingredients, bio-tissue or highly efficient production lines for industrial parts. Exentis supplies the necessary paste systems for the start of production, the screens, the process technology, training courses for the specific application and, if required, the operating personnel. If industrial parts are involved, Exentis completes its services by providing a sophisticated sintering furnace configuration.

The strategic role of Exentis as an all-round provider of solutions becomes clear within partnerships.

The Exentis strategy

The benefits of the Exentis 3D screen printing technology creates considerable added value for customers. The overriding goal is therefore to establish the patented Exentis 3D Mass Customization® process as the new industrial standard for industrial additive manufacturing.

Focused growth in three strategic business areas

Exentis currently serves 12 growing market segments with a variety of projects. An additional focus on three strategic business areas is being developed at the moment too:

1. e-mobility
2. fuel cells and
3. medical engineering

Exentis is working with two strong partners in all three strategic business areas using a go-to-market strategy – an industrial partner, which offers market access and demand from existing customers and can normally combine several projects – and an academic partner. The strategic role of Exentis as an all-round provider of solutions becomes clear within these partnerships for large-scale production and therefore implementing customer applications in 3D.

Repatriation as an opportunity due to Covid-19

The Covid-19 crisis has caused numerous governments to view with concern their dependence on countries like China, Pakistan and India for the production and availability of raw materials and active pharmaceutical ingredients; this is now seen as a restriction on the reliability of supplies for their citizens. Exentis has already witnessed determined efforts in Europe, the USA, Australia and Japan to bring back important industrial applications and parts for producing tablets to their own countries. This trend is usually described as repatriation.

Internationalisation to Australia and the USA

Exentis will check each individual project and prepare quotations whenever the innovative 3D manufacturing

FROM THE PRODUCT IDEA TO LARGE-SCALE PRODUCTION

Discussing the product idea or the challenge

Presenting 3D solution options

Agreeing a development project



A product idea manufactured on a large scale in 3D

Exentis supplies parts or production takes place at the customer's premises

Model for the process technology, sample parts and cost/benefit assessment

technology seems to particularly create value added. In this sense, Exentis is already following its customers to Australia and the USA in 2021 and creating regional production systems, licences and appropriate production capabilities that will be fully used in the long term.

Issuing further 3D production licences

Exentis has already successfully issued licences for fully developed technology fields, e.g. in the area of renewable energy, pharmacy or 3D bioprinting. Exentis adopts the view that third-party companies, which process their specific markets independently, are able to comprehensively establish the Exentis 3D screen printing technology in the market place more quickly. This is the reason why Exentis will not only

continue to act as an all-round provider of solutions, but develop variations of the Exentis 3D screen printing technology and issue some licences at a market or application level.

Exentis places great importance on its independence as a company. As market trends show, more and more major companies are complementing parts of their conventional production with additive solutions. As Exentis has the most promising technology – Industrialized Additive Manufacturing – at this time, Exentis assumes that it can develop this on its own and tap into the existing potential.

Exentis 3D Mass Customization®

The Exentis DNA, i.e. the complex interplay of fields of expertise, ranging from the initial material composition to industrial production and delivery of the 3D-printed components, essentially contains six cornerstones; Exentis is using them in a constantly developing technology that is protected by more than 3,000 patent claims: Exentis 3D Mass Customization®.

The Exentis DNA is a complex interplay of fields of expertise.

The goal is to solve customer requirements using the Exentis 3D screen printing technology and present innovative product solutions with functional value added on a large scale:

Technological cornerstone 1: selecting the material

The customer working with an Exentis project manager defines the specific material requirements for the component during the first stage. Selecting the right material from Exentis' material portfolio is therefore extremely important. In addition to pure materials like iron, copper or refractory metals or alloys such as steel (e.g. 1.4404 / 316L), the 3D screen printing process can also accommodate ceramics (e.g. aluminium oxide, zirconium oxide or silicon carbide), glass, polymers and even organic substances and biomaterials.

Thanks to their layered structure, it is also possible to combine different substances in both palisade-like and lamella-like layers, i.e. different substances both next to each other (palisade-like) or deliberately on top of each other (lamella-like).

Composite materials, which can also be processed very well with 3D screen printing, complete the range.

To ensure that the components have the properties specified by the customer after passing through the entire process chain, particular attention must be paid to the choice of the starting material in powder form for ceramic and metallic substances.

The properties of the powder have a direct effect on the way that it can be processed into a screen printing paste, its printing behaviour and even the specification of suitable screen meshes. This means that the powder has a crucial impact on defining the printing resolution that can be achieved. A precise understanding and control of the powder's properties is therefore essential to realising extremely fine structures with wall thicknesses of down to 50 micrometres, which are the equivalent of the thickness of a human hair.

The choice of powder influences the print resolution and is crucial for the resulting material properties. By carefully selecting the particle shape and distribution of the grain size within the powder, Exentis can determine important component characteristics such as porosity, electrical and thermal conductivity or the mechanical properties.

Technological cornerstone 2: developing paste systems

The development of formulations for 3D paste systems, i.e. making powders suitable for printing, is a crucial technological element in the 3D printing process known as Exentis 3D Mass Customization®. This might be called the "Coca Cola formula" for the Exentis screen printing technology. It is possible to produce components made of ceramics, metal and

polymer systems using the 3D screen printing technology, but also biomaterials or active pharmaceutical ingredients.

The starting material in most cases is a powder and the 3D paste systems are made from this by inserting a series of additives and using specially formulated paste preparation processes. The choice of material and expertise in the field of paste production go hand in hand.

While the issue of the highest possible degree of isolation of the solid particles, so-called dispersion, is very important when producing pastes for metals and ceramics, the focus is on precisely setting the processing window with regard to temperature, moisture, oxygen content and light sensitivity for polymers and biomaterials.

These parameters must be defined individually for each material system and reflected accordingly when formulating and producing the paste. In this respect, Exentis is synonymous with precision, which is necessary to ensure that the desired properties can be reproduced, i.e. manufactured on an industrial scale. The precise configuration of so-called rheological behaviour of the 3D screen printing paste is also very important in paste production. Rheology deals with the formation and flow behaviour of matter and is crucial to the success of printing. The flow behaviour of screen-printing paste can be steered in the desired direction by selecting the suitable powder and using associated binding agents, plasticisers and other additives. The necessary viscosity profile of a paste is defined by the geometry that is required for the component.

It is essential to know all about how materials combine in order to guarantee the defined material properties in the component.

The option of not only processing pastes with screens, but also so-called templates plays a major role in determining the rheological behaviour of the pastes. Templates make it possible to maximise the printing height of each layer for special components.

It is not only necessary to consider the technical printing aspects when making the pastes, but also what is required in the component after sintering. The chemical composition, porosity, mechanical and physical properties of sintered components can be markedly affected by supplying additives to modify the pastes.

Technological cornerstone 3: screen production for specific components

The production of highly accurate screens for 3D screen printing on a large scale involves complex requirements as regards the resolution capacity, the perfect flow of the paste, the sharpness of edges, the serviceable life of screens and the accuracy and precision in establishing the vertical structure.

Thanks to a strategic cooperation arrangement with the global technological market leader for polymer screen meshes in Japan, Exentis has unrivalled access to high-quality meshes as the basis for manufacturing each individual Exentis production screen.

Exentis 3D Mass Customization®

The combination of an optimised screen frame with maximum torsion resistance, high-performance meshes from Japan and a high-precision clamping technology creates a clamping quality that provides a long serviceable life for the screens with high levels of resolution precision and reproducibility within the production process.

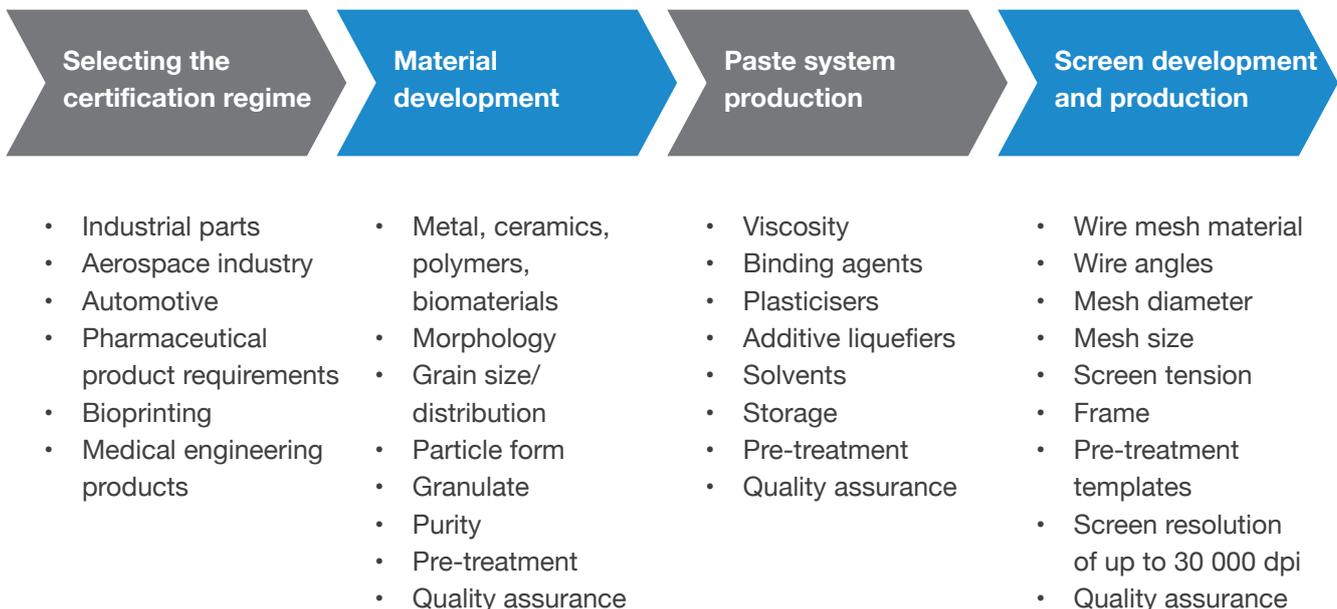
The screen production process involves a photopolymer coating in clean-room conditions with the narrowest of tolerances for the thickness of the application and surface roughness. The specific, final printing layout is then completed with high-resolution photo plots, which create very detailed reproductions that incorporate even the finest structures.

Completed by tactile and visual measurements in the quality control department, the Exentis screen leaves the in-house, industrial screen production department and becomes a value-adding tool for each Exentis 3D production system.

Technological cornerstone 4: the 3D screen printing process

By integrating the z-axis into the industrial manufacturing process using the Exentis 3D Mass Customization® technology and specially developed 3D production systems, Exentis makes high resolution and highly productive screen printing accessible for 3D component manufacture. Exentis is able to draw on its extensive experience in the field of conventional 2D screen printing technology, a

THE EXENTIS 3D SCREEN PRINTING TECHNOLOGY



process, which has been established and accepted for decades in manufacturing industry, e.g. in the large-scale production of solar cells, printed circuit boards and vehicle windows.

However, mastering 3D screen printing technology places its own special demands on understanding and controlling the crucial printing parameters. The essential parameters here are the precise adjustment of the lift-off, the squeegee speed, the squeegee pressure, the squeegee inclination, the squeegee material, the shore hardness or the amount of paste on the screen. In addition, there are parameters that are particularly important for the 3D screen-printing technology, such as the exact, micrometre-exact alignment of the printing screen to the component that has already been printed for every printed layer

and accurately determining the application thickness for each print layer.

The challenge for ensuring the highest quality standards in the industrial 3D screen printing production process lies in mastering the interaction of the aforementioned parameters and is based on the models of dynamics and interfacial physics.

As a silk screen printing process, the Exentis 3D screen printing technology is predestined for high z-axis values and printing ultra-thin structures in the range below 20 micrometres. This is the equivalent of two hundredths of a millimetre or one third of the thickness of newsprint, making it a process that enables super-fine and extremely precise component dimensions and geometries.

COMBINING A LARGE NUMBER OF FIELDS OF EXPERTISE



- Printing parameters
- Squeegee material/angle
- Printing speed
- Paste consistency
- Drying technologies
- Quality assurance

- Full automation in multi-layer operations
- Multi-table or inline layout
- Suitable for large-scale industrial production
- Printing cycle time of 2 - 3 seconds
- Integrated material drying
- Quality assurance

- Dwell time
- Temperature
- Cooling
- Air, inert gas
- Shrinkage
- Geometry
- Tray material
- Documentation
- Traceability
- Quality assurance

Exentis 3D Mass Customization®

Technological cornerstone 5: 3D production systems for specific components

Thanks to Exentis 3D Mass Customization®, new kinds of production concepts based on the 3D screen printing technology are being developed and they are increasing productivity many times over and now enable annual production of more than 5 million components per individual 3D production system per annum for selected products.

Exentis designs, develops and documents the production systems, which are then individually set up in special machines on an exclusive basis. The 3D production units are structured in line with a modular system so that it is possible to meet customers' wishes in a flexible manner. Production units perfectly match the customers' requirements. Printing heights, process speeds, quality assurance systems, drying lines, the paste feed and output quantities can be optimally adapted for each component by the customer in cooperation with Exentis.

Permanent monitoring of the workpiece properties using electronically controlled optical systems with high-resolution cameras is used for in-line quality assurance. This direct control of the component quality during the printing process is a crucial success factor for the Exentis production systems.

Ensuring the highest precision and accuracy in the machine technology is particularly important for the Exentis production systems, so that the printing screen can be exactly positioned layer by layer and each printing cycle follows on perfectly from the previous one. If required, climate-controlled and air-conditioned enclosures enable the precise control of the print room climate to ensure that tight printing tolerances are met.

The 3D screen printing technology is a manufacturing process where each layer applied is dried individually in a well-defined manner to enable the adhesive application of the next layer.

New Exentis manufacturing concepts enable 3D production systems with millions of components per annum.

UV (ultra-violet) curing process systems can also be made available to dry the layers in addition to IR radiation, if customers request this. The ultra-violet systems cover wavelengths of 100 - 400 nanometres. UV-curing pastes are fundamentally different from IR-hardening systems and particularly enable decisive advantages when constructing polymer components. The hardening process to form the final component here takes place using UV-induced polymerisation and achieves its effects without any subsequent heat treatment (debinding, sintering); this is particularly beneficial for polymers – because of their low-temperature stability compared to metals and ceramics. As a result, it is possible to turn polymers or even conducting pastes into 3D structures.

Biomaterials and pharmaceutical pastes require different production conditions to ceramics, metals or polymers. They involve large-scale production in clean rooms with appropriately certified production systems. Exentis has appropriately authorised management, documentation and production systems that meet all the common requirements for manufacturing medical and pharmaceutical products.

Automated screen changes handle layout adjustments within the component geometry and even optional changes of pastes are possible to vary the functions of components. Exentis has screen change and management software, which can be timed within the production process without any operator.

Technological cornerstone 6: sintering

In addition to selecting materials, making the paste systems and screens and the 3D screen printing process for 3D production systems for specific components, sintering is another important area of expertise to achieve the desired component properties.

The materials only develop their appropriate properties by sintering the individual imprinted solid particles of the so-called 'green body', which exists immediately after printing; this is done using heat treatment just below the melting temperature of the respective material to create a pore-free, dense and solid material and give the component its final shape and final material properties.

Sintering 3D screen-printed components is a two-stage process. The first stage involves debinding, where the organic additives dissipate completely from the so-called 'green bodies'. The second phase, actual sintering, takes place at considerably higher temperatures and leads to the consolidation and solidification of the 'green body' by using complex material transfer processes.

The structure of the 'green body', its porosity, its additive content, the particle size distribution of the solid particles, the heating and holding times during debinding and sintering and even the cooling rate of the finished components all make it possible to

precisely set the desired material and component parameters. This involves a sound understanding of each material system to guarantee customer success and achieve perfect sintering results.

Some materials undergo phase transformation during sintering or require special furnace atmospheres and technology. To investigate thermal reactions during sintering, Exentis cooperates with leading research institutes in order to design the sintering programmes and component-specific sintering curves cost-effectively; this is possible by using the most modern methods and analytical technology and it gives the components their specified properties. Exentis has experienced experts who can then transform this fundamental data into optimised sintering curves.

The perfect interaction between an understanding of materials, in-depth analysis of the sintering processes and adapting them to industrial furnace units forms the basis for the success of 3D screen-printed components. Exentis can therefore guarantee the reproducibility and high quality of the desired component, material and surface properties in the industrial manufacturing process.

These six cornerstones are the foundation and main unique selling feature of the Exentis 3D screen printing technology. They guarantee technological and economic success in industrial production technology with the comprehensively patented Exentis 3D Mass Customization® process.

Applications and Success Stories

Ultra-fine structures

The strengths of the Exentis 3D technology platform were confirmed during the last financial year: for example, manufacturing ultra-fine structures with wall thicknesses and channel diameters as narrow as a human hair. They are unique selling features and they offer customers clear value added. These kinds of structures, particularly for components that are less than half a millimetre high, can hardly be manufactured using conventional production methods or other additive processes.

The spectrum of application areas is continually growing. Exentis has manufactured successful 3D applications with latticed micro-structures in the fields of consumer goods, electronics, parts for the automobile industry and energy technology.

Heat exchangers made of ceramics

One example would be heat exchangers made of ceramics, i.e. aluminium oxide with wall thicknesses of 70 micrometres and a clear width between the ligaments measuring 150 micrometres, which is the equivalent of the breadth of two hairs.

The customer had originally tried to manufacture the heat exchangers using ceramic injection moulding, a special procedure for ceramics. However, the project quickly ran into trouble in terms of tool costs and latitude in the component geometry and dimensions. It was possible to overcome all of these by using 3D screen printing. The component can now be manufactured by Exentis on a large industrial scale at a much lower price.

Components for the electrical industry that do not need to be reworked

Exentis has completed ceramic components for customers in the electrical industry and they have a surface structure and precision in the structures so that there is no need to rework them and provide a subsequent coating. As the extremely thin ceramic structures could not be manufactured conventionally, they had to be produced at the customer's premises with a height that was much greater than was needed so that they did not shatter. It was necessary to grind them down and rework them for days in order to achieve the required component specifications. Using the Exentis 3D screen printing technology, the components are created with their intended height and processing only involves the amount of material that is actually required. By preventing the working processes upstream and downstream, which were originally required, component prices can be achieved that are far below the earlier production costs.

Metallic micro-filters for hydraulic pumps

Metallic micro-filters for hydraulic pumps are another successfully new developed 3D-printed component. High precision components have been manufactured and are being used in the automobile industry. By using 3D printing for ultra-fine and particularly burr-free screen channels, it has been possible to complete an application so that the oil, which flows through, is not contaminated by the production swarf that occurred in earlier production methods. Thanks to the Exentis technology, hundreds of thousands of these micro-filters can now be produced every day.

Die stamps with integrated waste channels

Another significant 3D printing success has been achieved for security printing in the field of paper

processing. The value added achieved by the Exentis technology has been demonstrated very impressively. The metal die stamps have been equipped with micro-channels, which allow the printing medium to be quickly removed and therefore permit much higher stamping speeds. Considerable cost savings have been made compared to the earlier production process.

Redesigning tool concepts

Another product customer project has been successfully concluded in the field of aluminium low-pressure die casting. The findings, which were discovered by using the new kind of printed applications, were surprising for the customer and led to a fundamental reworking of the previous tool concept. The 3D screen printing technology will play a significant role in the production and designing of new cast tools for this customer in future.

Competitive benefits for customers by using the Exentis technology

These examples clearly illustrate the variety of benefits that the Exentis technology offers customers – technologically, in preventing previous production processes upstream and downstream, preventing any excess materials and naturally in terms of prices. These benefits provide Exentis customers with clear advantages to significantly improve their own competitiveness by using the innovative Exentis technology.

On a par with conventional production technologies in terms of output, but significantly better as regards costs

Selected customer projects impressively illustrate that the Exentis 3D screen printing technology is

already on a par with conventional production procedures in terms of productivity. However, it offers significant cost benefits. This particularly applies in comparison with injection moulding procedures, etching technologies, punching or laser procedures. The last three processes mentioned cannot match the advantages of the Exentis technology – particularly for flat and small, delicate components. The company will focus on these applications in future to transfer more successful customer applications to large-scale production.

Extending cooperation arrangements for faster growth with new applications

Some successful developments have emerged in terms of cooperation arrangements. Exentis can make use of a broad network of 11 cooperation partners in the fields of industry and universities. This network consists of partners that operate in the fields of research, development, engineering or material supplies. There are also some companies that have recognised the value added of the technology in producing components that are made of specific materials and they are using the benefits derived from this for their own purposes. Other partners will follow.

Sustainability

Alongside excellent compliance and a sophisticated risk management system, sustainability management has become established as the standard for many companies. This system actively shapes the way that we deal with our environment and resources and evaluates the impact of our own business model and technology on the environment. The aim is to align all company processes in a responsible manner so that they will also protect the world for our grandchildren.

The Exentis technology offers the advantages of making industrial manufacturing technologies more sustainable and forward-looking.

The generic term ‘sustainability’ embraces issues that preserve our environment and our future and make it more worth living. The Covid-19 pandemic also shows that sustainability involves more than just environmental management. It also includes social and health aspects. In order to protect the health of employees, Exentis is supporting the hygiene measures enacted by the Swiss authorities and is actively implementing them within the company. They include providing Covid-19 tests, protective masks and body temperature-measuring equipment. Travel activities have been limited to the bare essentials and far-reaching measures to prevent infection have been introduced at our premises in both Switzerland and Germany. Exentis is thereby also contributing to the containment of the pandemic. At Exentis, responsible action is a top priority, not only for customers, employees and shareholders, but for our environment as well.

Additive manufacturing is viewed as a disruptive technology, particularly for large-scale industrial production. Because it will significantly change the way that products are made, it is necessary to draw up at an early stage perspectives and principles, which do justice to the significance of market shares that will grow disproportionately.

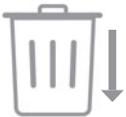
The Exentis technology, involving Industrialized Additive Manufacturing, offers four strong advantages to make industrial manufacturing processes more sustainable and more viable for the future:

1. Material efficiency

The Exentis technology is fundamentally different to traditional manufacturing technologies such as milling, grinding or punching, where up to 90 % of the initial material is removed to create the necessary geometry for the component. Material waste, which has to be disposed of, does not occur with 3D screen printing. 3D screen printing processes enable components to be made through the efficient use of materials and energy resources. Only the amount of material that the component requires is processed.

In comparison with other additive 3D printing processes, Exentis 3D Mass Customization® also offers significant benefits. Exentis 3D screen printing does not require any support powder like other 3D printing processes, which is then removed after a printing job in an elaborate procedure and then has to be processed before it is used again. Exentis 3D screen printing only requires exactly the amount of material to make the component. It is not necessary to initially fill the construction area with expensive building materials in a general way – one size fits all – in order to start the

Sustainability



MATERIAL EFFICIENCY

- In contrast with conventional processes, only the required material is printed
- No scrap or excess material



SAVING RESOURCES

- Previous 3D printing processes consume considerable resources in terms of energy and water
- Exentis has a gentle cold printing process



OPTIMISING THE LOGISTICS CHAIN

- Optimisation of just-in-time production through improved supply chains
- No time-consuming or costly toolmaking or mould production is required



REORGANISING INDUSTRIAL SYSTEMS

- Optimisation through new local production methods
- Outlook: hybrid process chains involving traditional and industrialized additive manufacturing processes

job. This reduces the amount of material used to the absolute minimum for Exentis 3D Mass Customization®.

2. Making savings in transport operations – repatriating production to Europe

The Covid-19 crisis has prompted a rethink among many decision-makers. The interruption to complex supply chains came as a surprise to many companies and has led to noticeable upheavals in the entire economy. Exentis 3D Mass Customization® meets

all the requirements for producing supply-critical components, medical consumables and drugs cost-effectively and flexibly in Europe again or in other parts of the world, as is happening in Australia at this time.

Because screens are produced in-house in a very short time, customers can exactly tailor the volumes and geometries of components that are produced to the needs of their final customers. No production for stockpiling takes place. Exentis 3D Mass Customization® therefore offers the possibility of producing a range of product variations promptly, flexibly and cost-effectively for the first time. When compared to injection moulding technology, which allows output volumes similar to those of Exentis 3D Mass Customization®, time-consuming and costly toolmaking and mould construction are no longer necessary. The highly flexible Exentis production technology has many advantages for customers. It minimises warehouse stocks and storage costs, and the fast and easily convertible screen printing technology can produce spare parts on demand. The reduction in international transport operations represents another advantage to help use resources responsibly and sensibly.

3. Only using sustainable raw materials

Exentis 3D Mass Customization® manages without having to use environmentally-detrimental solvents or UV-hardening polyurethanes, acrylates or epoxies. The main components used to formulate the Exentis 3D screening printing pastes are biologically compatible, do not damage water supplies, are non-toxic and are not classified as hazardous substances.

Sustainability

The raw materials are based on standardised products, which can be made by either using petrochemicals or as part of a hydrogen-based closed-loop economy in future too.

4. Complete recyclability and energy savings

Any Exentis 3D screen printing paste, which has not been consumed, can be reprocessed and the valuable metal or ceramic powder can be fully reused for new pastes. No expensive disposal is necessary. Exentis 3D Mass Customization® makes ideal use of energy sources. Even when designing the printing screens, the arrangement of the components is optimised to make best possible use of the space available. This is beneficial for printing and also guarantees an ideal use of the furnace space during the subsequent sintering process. Instead of sintering processes related to individual parts, as is the case in other 3D printing processes, thousands of industrial components are combined at Exentis and are sintered at the same time during a final and separate process stage. This saves energy and eases the burden on the environment.

Exentis is therefore playing a leading role in establishing new, flexible production technologies that will also protect the world for our grandchildren. The more the Exentis technology becomes established, the greater the effects that can be achieved for human beings and the environment.



Business Development in 2020

The global recession in 2020 left its mark on business development at the Exentis Group too. The pathway of growth adopted by Exentis at the beginning of 2020 was unexpectedly halted by the abrupt spread of the pandemic that affected global value-added chains.

The unpredictable economic and epidemiological development, and particularly the resulting uncertainty at our customers and partner companies, created a situation where we have to describe the 2020 financial year as a year that was lost from a financial and economic point of view.

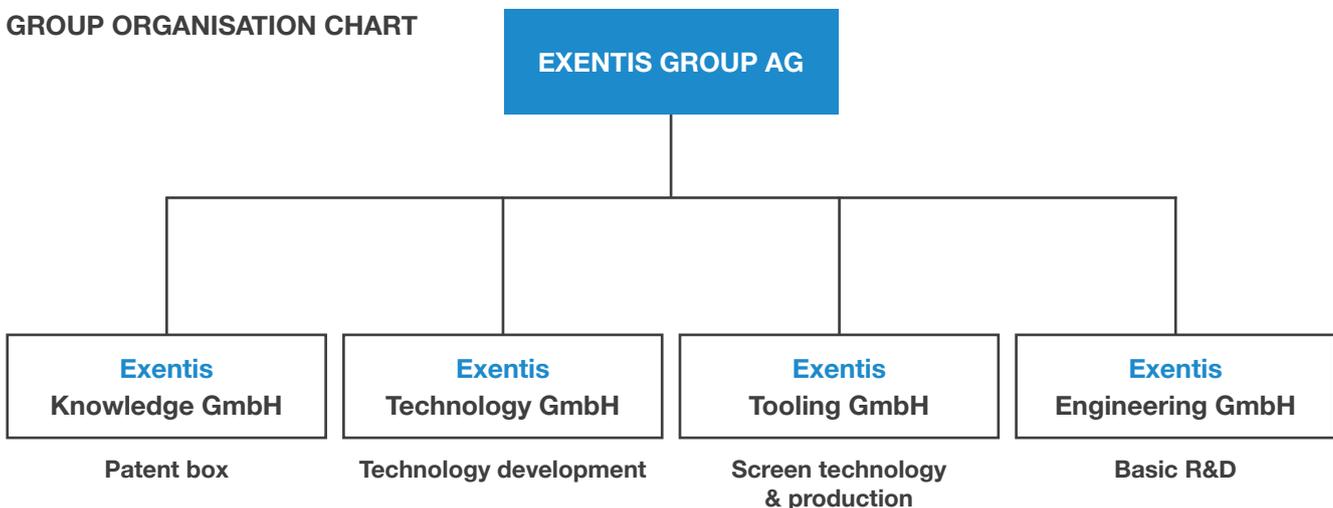
The numerous lockdowns in Germany, Austria and Switzerland and in other Exentis sales markets left their mark. Many customer appointments and workshops had to be postponed because of Covid-19. It has still not been possible to make up for most of them during to the current epidemiological restrictions.

In addition, Exentis sales staff had hardly any opportunities to visit their customers abroad. Business trips to Switzerland by foreign customers and partners were often turned down by the authorities.

For these reasons, the past financial year must simply be viewed as a lost year in terms of turnover and profits due to Covid-19. Most of the shares of turnover and profits from the sale of 3D production systems and licence agreements, which have been postponed to this year, have not been lost. However, they weigh on the annual accounts and have created significantly negative overall results.

The following statements not only relate to the 2020 financial year, but also the developments until the end of April 2021 in order to enable as complete a picture of business development as possible.

GROUP ORGANISATION CHART



Strategy of focused growth during the 2020 Covid-19 crisis year

Exentis Group AG, Operating Holding, Stetten

The Exentis Group AG, as the Group's operating holding company, manages and coordinates the operational business of the complete Exentis Group. It is the central company at the headquarters in Stetten and has full decision-making powers for the Group.

The outbreak of the global pandemic interrupted the ambitious growth plans of the Exentis Group. After the priority in the 2019 financial year was placed on the creation of growth and production capacity, managers were able to recognise the first signals of capacity adjustments in the market place at an early stage. Thanks to pursuing a strategy of focused growth, which also related to the global Covid-19 pandemic, the process of structural change continued to accelerate and move ahead within the Exentis Group.

For Exentis, the target of pursuing focused growth meant evaluating the resources and capacities available at that time and deliberately making adjustments to the market situation created by Covid-19. Restructuring in terms of personnel and administrative cost reduction programmes was initiated. The state subsidy programmes were used in Switzerland and Germany in order to cushion the effects of the Covid-19 pandemic.

However, focused growth also meant for the Exentis Group focusing even more on the market and the final component application and exploring even more efficient growth potential – supported by slim

operational and administrative processes – and implementing this at a project level.

The broad range of applications for the Exentis screen printing technology will be distributed to a limited number of strategic partners, which will then complete several projects with Exentis.

The conclusion of what are now eleven cooperation agreements provides evidence of the successful focus on strategic partners. They include arrangements with ThyssenKrupp, maxon motor, WZR ceramic solutions and with the German Fraunhofer Institute too. Seven licence agreements have already been arranged in the fields of renewable energy, 3D printing for active pharmaceutical ingredients and biomaterials or even the production of industrial parts in Exentis' strategic growth markets.

Exentis will continue to issue numerous licences in special application fields and therefore generate more turnover from these licence agreements in addition to its contract manufacturing and supplying 3D systems in the medium and long term.

Contract production of components and supplying 3D systems to customers as turnover and value drivers

Dr Gereon Heinemann will consistently pursue this strategy of focused growth too. Exentis appointed Dr Gereon Heinemann as CEO at the beginning of

Business Development in 2020

2021. Dr Heinemann will be responsible for the two positions of Chief Executive Officer and Chief Operating Officer. He has extensive international experience in setting up and managing technology companies. Dr Gereon Heinemann particularly brings with him market experience in establishing successful business models in this growing market segments, particularly due to his many years of experience in the field of additive manufacturing.

The other Management Board positions are also occupied by experienced directors: Dr Srdan Vasic is Head of Business Development, Dr Martin Dressler heads the technology division and Klaus Radakovics is responsible for the financial and administrative division.

The Exentis Group will continue to expand its number of employees during the next few financial years to process the development projects and production orders from the wide variety of business segments that have been successfully gained during 2021. This process will particularly affect the production, application management and business development departments. Full-time jobs will gradually be established in the administration department and in the support functions to enable the Exentis Group to fulfil its administrative and organisational tasks.

Generally, all the positions and vacancies will be subject to ongoing planning and assessments of needs so as to continue to guarantee a slim and efficient organisation.

Exentis successfully certified in line with ISO 9001
Exentis has been successfully certified in line with ISO 9001 at its headquarters in Stetten in Switzerland

and at all the other Exentis Group business sites in Germany. This globally recognised industrial norm underlines Exentis' aspiration to meet international standards. The standardised processes and structures create space for further ordered growth and are a strong signal to customers and employees alike.

Exentis Technology GmbH, Operating Subsidiary, Jena

Alongside the universities of Jena, Erfurt and Ilmenau, the Fraunhofer Institute for Ceramics is also located in the Free State of Thuringia in Germany. It is a geographical innovative cluster devoted to material development. This innovative environment is designed to help Exentis Technology develop new topics to production maturity as part of development projects.

Material engineers, application managers and screen printing experts all work for Exentis Technology at the business site in Jena.

Exentis Tooling GmbH, Operating Subsidiary, Velden

One major area of expertise in the Exentis DNA involves developing and producing high-quality screens for permanent use.

In order to be able to guarantee consistently high quality in the production of screens and templates, the Exentis Group operates its own company for screen development and production in southern Germany, Exentis Tooling GmbH.

Customers are appreciably beginning to understand that, by using the Exentis 3D screen printing technology, there is no need to use time-consuming and

costly tools. On the contrary, the company offers to produce screens within 24 hours – what is known as ‘rapid tooling’ – so that customers can directly introduce and make the geometry adjustments that are required.

The screens for the Exentis 3D Mass Customization® technology represent nothing more than the tools in other production technologies. However, the Exentis screens can be made within a few hours using the company’s integrated CAD computer technology and are far cheaper than conventional tools for traditional production techniques. This guarantees a high level of flexibility for the Exentis Group and its customers because of the short response times to changes in customers’ wishes.

Exentis Engineering GmbH, Non-Operating Subsidiary, Hillscheid

The fundamental development work for the Exentis 3D Mass Customization® screen printing technology, part of which took place in Hillscheid, has been concluded and has been fully transferred to the Exentis Group business sites in Stetten and Jena.

The technology can be used at all times within the Exentis Group thanks to a smooth transfer of the technology between the subsidiaries.

Exentis Knowledge GmbH, Non-Operating Subsidiary, Stetten

Exentis Knowledge GmbH exclusively serves as the central “patent box” and pools all the patents and patent claims within the Exentis Group.

The number of patent claims for the Exentis Group has continued to grow significantly. This positive

development is a strong technological signal and the result of continual investments in the technological and process technology developments by the Exentis Group in 3D screen printing expertise.

Exentis was able to continue safeguarding its proprietary 3D screen printing technology in terms of patents during the last financial year. Exentis now has a patent portfolio of more than 120 individual patents with more than 3,000 patent claims; this means that it has over 1,000 patent claims more than 12 months ago.

As a technology company, deliberate and professional investments in ongoing research work and technology development are absolutely essential. For this reason, a large number of other patents are currently being prepared in order to protect the ongoing technological and process developments in the Exentis 3D Mass Customization® technology in a comprehensive manner and in the international arena.

Expanding technology leadership Continuing to develop the Exentis 3D Mass Customization® technology

It was possible to introduce further printable material classes and successfully produce even more complex component geometries based on the in-house technology at Exentis and its protective measures in the form of patents during the 2020 financial year.

Establishing a “one-stop-shop” for customers

Business development is crucially important for the Exentis Group. As an all-round provider of solutions, the Exentis Group enables its customers to manufacture components on a large scale with a free selection of materials and ultra-fine geometries.

Business Development in 2020

Successful business development in the view of Exentis is based on an interdisciplinary approach and is achieved by focusing on customers or customer requirements. Technical training and excellent specialist expertise are basic prerequisites for the Exentis Business Development Manager. As a result, the business development employees within the Exentis Group can communicate with their customers on an equal technological level.

Exentis acts as a solution provider for its customers. Exentis is breaking new ground, particularly in the fields of its public image and customer communications. Short communications relationships with clearly defined and efficient customer responsibility areas, which clients value highly, exist because of the company's customer communications based on a "single point of contact".

Regardless of whether customers decide to have Exentis produce the components or acquire their own production licence and manufacture the items at their own premises, all the services are made available to customers as a "one-stop shop" service. This includes extensive process and operational expertise, the Exentis 3D production units tailored to the production volumes and component requirements, the printing screens individually manufactured by Exentis and the defined paste systems as well as employee training courses and the operating personnel too, if required. This provides an "all-round-carefree-package" for all Exentis customers.

Attending selected trade fairs

The trade fair world was strongly impacted by the Covid-19 pandemic too. While most of the annual trade fairs and network meetings were cancelled, innovative trade fair organisers looked to use purely digital solutions. The Exentis Group made use of this new opportunity of being present in digital form.

The Exentis Group attended the following specialist trade fairs as an exhibitor or speaker:

Trade fairs

Digital / online trade fair:

- Mission Hydrogen (October 2020)

Physical trade fairs:

- 4th Additive Manufacturing Forum (March 2020)
- Customer Days Bystronic (October 2020)

The 3D technologies currently available in the market and the continual exchange of ideas with customers show that the Exentis 3D Mass Customization[®] technology continues to be the only 3D printing technology that is suitable for large-scale production in the market place.

It is important to make contact with customers, network and establish a possible cooperation arrangement in the form of development projects with the interested visitors to the digital or physical specialist trade fairs.

The Exentis Group's presence at digital and physical trade fairs and the deliberate digital communications with customers are becoming very important during the ongoing expansion of the company. This is continuing to enhance familiarity with Exentis Industrialized Additive Manufacturing.

Outlook

Focused growth as the future pathway for Exentis

The continuing market environment caused by the Covid-19 pandemic is challenging for the whole of the industry and its full implications cannot yet be finally assessed at this time.

Consistently pursuing the chosen path

Despite everything, first signs of economic and epidemiological recovery in northern Asia are sending positive signals to the major economic powers. Current forecasts assume above-average growth in the EU, China and the USA. These positive geopolitical signals and the growth potential of the Exentis Group and the market interest in Exentis production systems during the first half of 2021 are strengthening the view of the Board of Directors and the Management Board to consistently pursue the chosen path.

The number of new development projects and cooperation plans is developing in a positive manner during the first half of 2021. Alongside manufacturing orders from Europe, orders from Asia are also expected during the first six months of the year. The process of internationalisation at Exentis as part of customer and project orders outside Germany, Austria and Switzerland is just round the corner. Orders for Exentis 3D development and production systems have come from Germany, Australia and the USA.

Covid-19 will continue to be a significant factor during the next few months too. Even if vaccinations and successful contact tracing pave the way for a recovery, business decisions will continue to be

made with some degree of uncertainty, because our customers can only present rather vague plans and forecasts about their own business development at the present time. Despite this, Exentis is now assuming that the 2021 financial year will be the most successful year in the company's history based on the demand for the Exentis 3D screen printing technology.

The major guarantees for success along this joint pathway are:

- an enhancement of existing sales and development cooperation arrangements and the establishment of new ones
- recruiting highly qualified employees and creating further growth capacity
- focusing on the 3 strategic business fields of e-mobility, fuel cells and medical engineering
- rolling out the Exentis Industrialized Additive Manufacturing technology internationally



You can discover more about Exentis on YouTube at "Exentis Group"

Corporate Governance



Corporate Governance Report

Corporate structure

The Exentis Group AG is the pioneer and inventor of the 3D screen printing technology, the patented Exentis 3D Mass Customization® process.

The innovative 3D screen printing technology enables the Exentis Group AG to be the only 3D technology company in the world to handle industrial large-scale production by using Industrialized Additive Manufacturing.

As an integrated solution provider, the Exentis Group AG enables the large-scale series production of components with a free choice of materials and ultra-fine geometries. Industrialized Additive Manufacturing creates a new degree of flexibility in 3D manufacturing processes and replaces time-consuming and costly toolmaking that is required when using established manufacturing technologies. Exentis optimises the entire process chain from the development project to the industrial production of millions of components, among other things, for strategic applications such as e-mobility, fuel cells or medical engineering.

The company's headquarters are located at Im Stetterfeld 2, 5608 Stetten, Switzerland. The consolidated group of companies encompasses the following (correct in April 2021):

- Exentis Technology GmbH, Jena, Germany
- Exentis Tooling GmbH, Velden, Germany
- Exentis Engineering GmbH, Hillscheid, Germany
- Exentis Knowledge GmbH, Stetten, AG

You can find detailed information about the consolidated group of companies in the audited financial statement.

Shareholders

Approximately 70 % of the share capital of the Exentis Group AG was held by the founders, major individual shareholders and management on 31 December 2020. The remaining 30 % of the share capital was held by more than 130 individual shareholders and employees.

Capital structure

The share capital of the Exentis Group AG amounted to CHF 1,255,128.30 and consisted of 12,551,283 registered shares with restricted transferability and a par value per share of CHF 0.10 on 31 December 2020. The share capital on 31 December 2020 was fully paid in.

At the time of preparing the 2020 financial statement at the beginning of May 2021, the share capital amounted to CHF 1,259,428.30, consisting of 12,594,283 registered shares with restricted transferability and a par value per share of CHF 0.10. The share capital was also fully paid in.

The shares carry full voting and dividend rights. There are no preference shares. The Exentis Group AG did not hold any treasury shares on the balance sheet reporting date of 31 December 2020. Each share grants each shareholder one equal vote.

Annual shareholders' meeting in June 2020

The annual shareholders' meeting of the Exentis Group AG took place on 26 June 2020. Those attending voted on the following agenda items:

1. Approval of the annual financial statements of the Exentis Group AG for the 2019 financial year and the report of the statutory auditor, BDO AG
2. Using the 2020 balance sheet profits
3. Exonerating the members of the Board of Directors for the 2019 financial year
4. Authorised capital
5. Election of the auditor

All the items on the agenda were adopted by a large majority of the shareholders who attended the meeting.

Issue price for Exentis shares

The value of one Exentis Group AG share was CHF 7.50 on 31 December 2020; technically, the market capitalisation of the company was therefore worth CHF 94.1 million.

Advisory Board

The Advisory Board of the Exentis Group acts as an independent advisory body. It supports and advises the Board of Directors, and in certain cases the Management Board too, both strategically and as a sparring partner.

It is gradually attracting many renowned business personalities who, by combining integrity and their own corporate success, can pass on experience and establish relations in their own networks as stakeholders in the company.

The Advisory Board consists of 4 members:

Dr Gero Büttiker

Dr Büttiker has had decades of experience as a successful entrepreneur and investor in the steel industry and related sectors.

Prof. Dr Michael Klein

Professor Klein has had broad professional expertise and personal experience as a manager at the interface between business, science and politics, for example, as Secretary General of acatech (The German Academy of Science and Engineering).

Prof. Dr Jens Günster

Professor Günster is a professor at the University of Goslar and is head of department at Germany's Federal Office for Material Science.

Prof. Dr Ulrich S. Schubert

Professor Schubert is a professor at the University of Jena and has developed a polymer portfolio with several thousand variants.

The appointment of leading academics to the Advisory Board provides the Exentis Group AG with additional specialist know-how in the field of materials science and research, as well as enhanced access to industrial customers.

No physical meetings were able to take place in 2020 because of the restrictions caused by Covid-19. The Advisory Board will hold a physical meeting again during the second half of 2021.

Board of Directors

The Board of Directors is the Group's top management body and normally performs its duties as a committee. The Board of Directors at the Exentis Group AG consists of four members.

The responsibilities of the Board of Directors are regulated in the Swiss Code of Obligations and also in the statutes of the Exentis Group AG. The members of the Board of Directors are elected by the annual shareholders' meeting for a period in office lasting three years. The President is elected by the members of the Board of Directors for a period in office lasting three years. There are no restrictions on re-election for the Members or the President of the Board of Directors.

Ralf P. Brammer, Chairman of the Board of Directors

- Responsible for coordinating the Board of Directors and the Management Board; represents the company outwardly
- Ralf P. Brammer has extensive expertise in establishing and managing young companies. He is an entrepreneur, a Supervisory Board, an investor with many years of experience and was CFO in the financial services industry with a focus on capital markets and value management
- Studied industrial engineering and computer studies; MBA (Seattle, USA)

David L. Deck, Member of the Board of Directors

- David L. Deck has a profound knowledge of financial management and a broad network of contacts in the field of corporate finance
- He has been involved in setting up numerous companies in the fields of medical engineering, biotechnology and innovative production methods

Maximilian Büttiker,**Member of the Board of Directors**

- Maximilian Büttiker has had many years of experience in and a broad knowledge of steel production and the financial sector
- He worked for many years at management level in the machining department for a steel group in the USA and Canada; and successfully introduced CRM and SAP in the sales department
- He worked for a large Swiss bank in corporate and investment banking for many years. He has supported and finalised several transactions in the SME field and has in-depth experience in the M&A and structured finance fields
- A master's degree in communication sciences & media research from the University of Fribourg

Dr Marco Siegrist,**Member of the Board of Directors**

- Dr Marco Siegrist has extensive experience in the industrial implementation of challenging, material-driven innovation projects
- The winner of numerous awards for young entrepreneurs
- Manages change processes in industry as a management consultant and interim manager
- A master's degree in material sciences and a PhD in metal physics and technology from ETH Zurich

The Board of Directors, in its capacity as the highest supervisory and organisational body, supported the development of the company in 4 face-to-face meetings and 5 further video conferences and has held 2 video conferences during the current year up to April. Numerous other consultations also took place between the President of the Board of Directors and the other Members of the Board.

The major focus of discussions was on topics like how the company should cope with the effects of the Covid-19 pandemic, economic and technological developments at Exentis and developments in the 3D sector as well as assessing them, particularly in Europe and the USA.

Management Board

The Management Board is responsible for the operational management of the company. Three members left the Management Board, some of them for age reasons, during the 2020 financial year. Dr Gereon Heinemann was appointed as a new member of the Management Board during the first quarter of 2021. The members of the Management Board are responsible for the following portfolios:

Dr Gereon Heinemann, Chief Executive Officer and Chief Operating Officer

(since 1 January 2021)

- As CEO, Gereon Heinemann coordinates the Management Board at Exentis and is responsible for the corporate results.
As COO, he combines the positions of Head of Production and Plant Manufacturing
- Gereon Heinemann has extensive international experience in setting up and managing technology companies. He has held various positions at boardroom level during the last 10 years, including at Fritz Studer AG, IRPD AG and SLM Solutions Group AG
- He has had many years of experience in establishing successful business models in the field of additive manufacturing
- He has a PhD in engineering with a major focus on production technologies and material sciences

Dr Srdan Vasic, Chief Sales Officer

(since 1 December 2020;

previously Chief Technology Officer since 2017)

- Dr Vasic is responsible for acquiring customers and business transactions with customers for the Exentis Group
- He is responsible for the following companies: Exentis Technology GmbH, Exentis Tooling GmbH, Exentis Engineering GmbH and Exentis Knowledge GmbH
- His experience combines materials technology and process technology expertise with a clear reference to customers. He previously worked for Oerlikon Balzers Coating AG, Novartis, the Swiss Federal Institute of Technology and the Swiss Federal Laboratories for Materials Testing and Research (EMPA)
- Has a PhD and is a graduate in materials engineering

Dr Martin Dressler, Chief Technology Officer

(since 1 December 2020; previously Deputy Chief Technology Officer since 2019)

- Dr Dressler is responsible for application management as the Chief Technology Officer, the application teams in Jena and Stetten and the Exentis technological DNA, including the ongoing coordination of innovations
- Has had 15 years of experience in leading research facilities for additive manufacturing processes, including Fraunhofer IFAM, Swiss Federal Lab and EMPA
- Has a PhD in material sciences

Klaus Radakovics, Chief Financial Officer

(has held this position since 2018)

- Mr Radakovics is responsible for the financial, controlling, administration, personnel and IT departments
- He has had extensive management and project experience at international banks, consultancy and auditing companies, e.g. KPMG, Synpulse, the Austrian Trade Commission in Chicago
- He handles all the tasks in the financial and administrative division. He has broad experience in risk management, financial modelling and corporate valuation
- He has a master's degree in finance and accounting from the University of St Gallen, a business management degree from the Vienna University of Economics and is a certified valuation analyst (CVA)

Uwe Bögershausen, Chief Executive Officer

(appointed on 1 May 2020, left the company on 30 August 2020)

- Mr Bögershausen has extensive boardroom experience
- He was responsible for successful growth funding and IPOs during the last 13 years at companies like SLM Solutions Group AG, aleo solar AG and Derby Cycle AG
- Has a degree in economics

Urs Hirsiger, Chief Sales Officer

(left the company on 31 December 2020 to retire)

- Mr Hirsiger has had more than 25 years of international management experience in the industrial sector, primarily in setting up global sales structures and product portfolios
- Professional experience in various management positions at Vortex Solutions, Extrude Hone, Tornos, Alphasem, GF Machining Solutions, Vaillant and Hunkeler
- A business economics and executive MBA from the Lorange Institute of Business Zurich and Corporate Governance for the Board of Directors at the Swiss Board School at the University of St Gallen

André Stämpfli, Chief Operating Officer

(left the company on 30 September 2020)

- Mr Stämpfli was responsible for parts production, screen production, supply chain management as well as quality management and purchasing as COO
- He had more than 15 years of practical experience in the completion of sustainable structural and process optimisation and supply chain management as well as project and change management
- He has a degree in mechanical engineering (ETH) and a master's degree in corporate and technology management and business administration (MAS ETH MTEC/BWI)



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CONSOLIDATED PROFIT AND LOSS STATEMENT

[in CHF]	Notes	01.01.2020 – 31.12.2020	01.01.2019 – 31.12.2019
Turnover revenues	4.1	622 176	4 059 531
Production costs for the services provided to achieve the turnover revenues		(432 251)	(2 757 550)
Gross profits		189 925	1 301 981
Other revenue		60 008	236 328
Personnel expenses	4.2	(5 165 637)	(4 132 596)
Administration expenses	4.3	(3 083 567)	(3 047 409)
Operating profit before amortisation/depreciation		(7 999 271)	(5 641 696)
Amortisation/depreciation and impairment on property, plant and equipment and intangible assets		(1 729 566)	(2 332 434)
Operating results		(9 728 837)	(7 974 130)
Financial income	4.4	302	2 746
Financial expenses	4.4	(58 692)	(326 856)
Pre-income tax operating results		(9 787 227)	(8 298 240)
Income tax expenses	4.5	1 651 609	308 626
Net losses		(8 135 618)	(7 989 614)

As regards the results after income taxes, the following were attributable to:

Shareholders in the parent company		(8 135 618)	(7 989 614)
Non-controlling shareholders		–	–

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

[in CHF]	Notes	01.01.2020 – 31.12.2020	01.01.2019 – 31.12.2019
Net profit		(8 135 618)	(7 989 614)
Non-reclassifiable amounts			
Actuarial gains and losses from defined benefit pension plans	6.1.6	393 160	(723 259)
Reclassifiable amounts			
Currency conversion of foreign business operations		(199 267)	56 295
Other result		193 893	(666 964)
Total result		(7 941 725)	(8 656 578)
As regards the total result, the following were attributable to:			
Shareholders in the parent company		(7 941 725)	(8 656 578)
Non-controlling shareholders		–	–

CONSOLIDATED BALANCE SHEET

[in CHF]	Notes	31.12.2020	31.12.2019
Assets			
Property, plant and equipment	5.2	3 306 241	5 156 329
Intangible assets	5.1	13 998 611	14 717 611
Other financial assets		77 831	77 880
Deferred tax assets	4.7	1 059 252	–
Non-current assets		18 441 935	19 951 820
Trade accounts receivable		6 255 259	4 444 185
Other receivables		159 459	218 304
Inventory (advance payments) ¹		1 252 806	–
Turnover revenue not yet invoiced		1 305 241	2 444 646
Accruals		19 993	108 096
Cash and cash equivalents	5.6	765 542	4 197 563
Current assets		9 758 300	11 412 795
Balance sheet total		28 200 235	31 364 615
Liabilities			
Subscribed capital	5.4	1 255 128	1 172 380
Profit-neutral changes to equity		(771 828)	(965 722)
Reserves and additional paid-in capital		35 753 892	30 687 478
Balance carried forward		(16 894 975)	(8 759 358)
Share of equity attributable to the parent company's shareholders		19 342 217	22 134 778
Share of minority shareholders		–	–
Equity		19 342 217	22 134 778
Pension provisions	6.1	1 164 874	1 403 431
Non-current rent liabilities		442 654	1 963 213
Loan liabilities	5.3	3 294 871	1 268 687
Deferred tax liabilities		–	543 640
Non-current debts		4 902 399	5 178 971
Trade accounts payable		941 255	482 327
Current rent liabilities		258 155	435 417
Other liabilities		786 741	793 868
Deferred income	5.5	1 969 468	2 339 254
Current debts		3 955 619	4 050 866
Debts		8 858 018	9 229 837
Balance sheet total		28 200 235	31 364 615

¹Based on progress made in projects, offset against outstanding invoices

CONSOLIDATED CASH FLOW STATEMENT

[in CHF]	Notes	01.01.2020 – 31.12.2020	01.01.2019 – 31.12.2019
Cash flow from operating activities			
Net losses (profits in previous year)		(8 135 618)	(7 989 614)
Correction to net losses by the expenses/earnings not affecting liquidity:			
Depreciation and amortisation		1 729 566	2 332 434
Changes to the consolidated group of companies		–	–
Share-based remuneration with compensation through equity instruments		1 193 282	1 179 973
Other non-cash transactions		(1 858 430)	(575 414)
Changes to assets and liabilities			
Increase/decrease in trade accounts receivable		(1 811 074)	3 592 639
Increase/decrease in inventory and turnover revenue not yet invoiced		1 139 405	524 146
Increase/decrease in accrued income, other receivables and taxes paid or owed		146 948	(206 165)
Increase/decrease in trade accounts payable		458 928	87 768
Increase/decrease in other liabilities and leasing liabilities		257 314	762 923
Increase/decrease in accrued expenses, current provisions and other liabilities		369 786	(666 903)
Net outflow of cash and cash equivalents from operating activities		(7 249 465)	(958 212)
Cash flow from investment activities			
Interest received		302	2 746
Payments for property, plant and equipment		(557 496)	(1 465 208)
Payments for non-current inventory		(1 252 806)	–
Payments for non-current financial assets (deposits)		–	66 876
Payments for intangible assets		–	–
Changes to the consolidated group of companies		–	–
Net outflow of cash and cash equivalents from investment activities		(1 810 000)	(1 529 338)
Cash flow from financial activities			
Incoming payments from the issue of company equity instruments (net minus payments of commission)	5.3	3 876 933	3 775 996
Incoming payments from loans received from third parties		2 101 080	1 000 000
Incoming payments from loans received from associated parties		–	–
Repayments of loans		–	–
Leasing payments (rental charges)		(314 684)	(441 703)
Interest paid		(19 198)	(37 665)
Net inflow of cash and cash equivalents from financial activities		5 644 132	4 296 628
Net increase/decrease in cash and cash equivalents		(3 415 333)	1 809 077
Cash and cash equivalents at the start of the financial year		4 197 563	2 409 243
Effects of changes in currency exchange rates		(16 688)	(20 757)
Cash and cash equivalents at the end of the financial year		765 542	4 197 563

CONSOLIDATED STATEMENT OF CHANGES TO EQUITY

[in CHF]

	Subscribed capital	Profit-neutral changes in equity
Figures on 31.12.2018	1 078 670	(298 757)
Annual losses		
Currency effects		56 295
Equity component on convertible loan		
Actuarial profits and losses from defined benefit pension plans		(723 259)
Overall results		
Increases in share capital (net minus costs of increasing capital)	93 710	
Participation programmes		
Figures on 31.12.2019	1 172 380	(965 722)
Annual losses		
Currency effects		(199 267)
Equity component on convertible loan		
Actuarial profits and losses from defined benefit pension plans		393 160
Overall results		
Increases in share capital (net minus costs of increasing capital)	82 748	
Participation programmes		
Figures on 31.12.2020	1 255 129	(771 829)

	Reserves and agio	Balance carried forward	Equity	Ratio of minority shareholders	Equity held by Group shareholders
	25 772 879	(769 744)	25 783 048	-	25 783 048
		(7 989 614)	(7 989 614)	-	(7 989 614)
			56 295		56 295
	52 340		52 340		52 340
			(723 259)		(723 259)
			(8 604 238)		(8 604 238)
	3 682 286		3 775 996		3 775 996
	1 179 973		1 179 973		1 179 973
	30 687 478	(8 759 358)	22 134 779	-	22 134 779
		(8 135 618)	(8 135 618)	-	(8 135 618)
			(199 267)		(199 267)
	78 948		78 948		78 948
			393 160		393 160
			(7 941 725)		(7 941 725)
	3 794 184		3 876 933		3 876 933
	1 193 282		1 193 282		1 193 282
	35 753 892	(16 894 975)	19 342 217	-	19 342 217

Notes on the Consolidated Accounts for the 2020 Financial Year

1. General information

The Exentis Group AG (“Exentis”) is an independent, premium provider of intelligent mass production solutions with its patented 3D screen printing technology, known as Exentis 3D Mass Customization®; it offers individual component geometries for large-scale production with free choice of materials. The Group focuses on customised product solutions, which Exentis either handles and prints itself or the customer completes by means of a production licence. These solutions particularly include customised products for the automotive, industrial or renewable energy sectors.

Exentis is convinced that it can offer customers value added with its specially selected or in-house developed product solutions, which use a wide range of materials and optimise printing concepts. Guided by the requirements of its customers, Exentis offers 3D printing solutions to optimise product specifications, design and performance and achieve above-average increases in profits for its customers. The financial year matched the calendar year for all the companies that were part of the consolidated group. The valuation used in the consolidated accounts is based on historical purchase and production costs. The profit and loss statement is structured according to the total cost method. The accounts for the parent company and its subsidiaries are included in the consolidated accounts, based on standard accounting methods.

Amounts in the consolidated accounts are listed in Swiss francs (CHF), unless otherwise stated. Both individual and total figures represent the value with the smallest difference due to rounding up or down. If the individual figures that have been entered are added up, slight differences may occur compared to the totals that have been reported.

The Board of Directors of the Exentis Group AG voluntarily commissioned the preparation of these consolidated financial accounts and approved them on 18 May 2021.

2. Principles of accounting

2.1. Standards used

The consolidated accounts have been prepared in line with the International Financial Reporting Standards (IFRS) and in accordance with the stipulations in Swiss law. The accounting methods used in the consolidated accounts valid on 31 December 2020 comply with the methods used in the previous year, apart from the exceptions explained below.

The following new or amended IFRS standards had to be used for the first time for the 2020 financial year:

Standard / Interpretation	Effects
IAS 1, IAS 8 Definition of “substantial”	None
IFRS 3 Definition of a business operation	None
IFRS 9, IAS 39, IFRS 7 Reform of the reference interest rates	None

The following new or amended standards or interpretations have already been adopted by the IASB, but did not yet have to be used during the 2020 financial year. The company will not use the new standards prematurely.

Standard / Interpretation		For use from	Expected effects
IFRS 17	Insurance agreements	01.01.2023	None
IAS 37	Onerous contracts – the costs of performing agreements	01.01.2022	No major effects expected
IFRS 10, IAS 28	Changes to IFRS 10 and IAS 28: Sale or capital contribution of assets between an investor and an associated company or joint venture	Pending	Cannot yet be finally assessed
IAS 1	Classifying liabilities as current or non-current	01.01.2023	No major effects expected

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 and they 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 at this time. If the changes affect the current and the following reporting periods, they are considered in this period and the following one.

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 next 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 external 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.

3. Major accounting methods

3.1. Principles of consolidation

The consolidated accounts contain the statements for the parent company and the companies that it controls (subsidiaries). The Company controls another firm if it:

- can exercise authority over the holding company to dispose of it,
- is exposed to fluctuating profits from its holding, and
- can affect the profits because of its powers of disposal.

Control over subsidiaries is exclusively derived from holding the majority of voting rights in the companies concerned within the Exentis Group.

Subsidiaries are included in the accounts for the first time when they are acquired. This is the time when the Company achieved control over its subsidiary. If control is lost, the subsidiaries are removed from the consolidated group of companies.

The initial consolidation of subsidiaries takes place according to the acquisition method. It envisages an assessment of the assets acquired and debts taken over by the parent company using their fair values at the time of the acquisition. The purchase costs for the acquisition match the fair value of the service that is provided in return. If the purchase costs of the acquisition plus the value of the shares of other shareholders and the fair value of any shares held before achieving control (gradual acquisition) exceed the fair value of the identified assets and liabilities, the Company estimates goodwill. Conversely, the Company recognises the difference in the amount as directly affecting net income after once again reviewing the purchase price allocation.

Goodwill from acquisitions is not amortised according to schedule, but its value is reviewed every year (impairment test) and is amortised to its lower realisable amount if its value has fallen.

Internal Group transactions, balances and unrealisable profits from supply and performance relations between the companies in the consolidated group have been fully eliminated. The same applies to unrealised losses, unless the transaction indicates a fall in value of the asset that is carried forward.

3.2. Changes to the consolidated group of companies

There were no changes to the consolidated group of companies during the year under review.

3.3 Information about subsidiaries

Name of the subsidiary	Main business	Located	Share of voting rights 31.12.2020	Capital share 31.12.2020
Fully consolidated subsidiaries				
Exentis Knowledge GmbH	Marketing its own and outside technological expertise using industrial property rights	Stetten (CH)	100 %	100 %
Exentis Engineering GmbH	Research and development into its own and outside 3D technologies	Hillscheid (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 3D screen technology	Velden (DE)	100 %	100 %

3.4. Revenue recognition

Revenues are assessed at the fair value of the consideration received or is to be received and are reduced by expected customer returns, discounts and other similar deductions. The Company generates turnover revenue from completing development projects, developing and marketing paste system and screen technologies, the 3D printing of customer products and issuing production licence agreements as well as making available 3D process technologies and 3D production units. Revenue is recognised according to IFRS 15 as soon as control of the goods and services has passed to the customer. This can take place at a point in time or over a period. As regards the development and marketing of the paste system and screen technologies (sale of production systems), the revenue is recognised over the development period, as the customer controls the asset value that is generated. This involves customised production units; no alternative use is possible. When production systems are sold, individual payment deadlines are agreed, which differ from the revenue recognition over the development period. The Company uses the following revenue recognition principles:

Recognising revenue at the time when control passes:	Recognising revenue over a period of time:
<ul style="list-style-type: none"> Development projects (milestones) 	<ul style="list-style-type: none"> Sale of production systems (making available 3D process technologies and production systems)
<ul style="list-style-type: none"> Production and development licence agreements (when signed) 	
<ul style="list-style-type: none"> Sale of paste systems and screen technologies (when supplied) 	<ul style="list-style-type: none"> Services and maintenance for 3D production systems (over the term of the agreement)
<ul style="list-style-type: none"> 3D printing of customer projects (when goods are supplied) 	

The guarantee risk for the Company is low. It is true that normal guarantees are provided, but the Company can make use of the suppliers' guarantee systems for any technical guarantee cases. Customers normally purchase maintenance contracts from the Company for the production systems too.

3.5. Income taxes

The expenses on income tax represent the total current tax expenses and deferred taxes.

Current or deferred taxes are recognised in the profit and loss statement, unless they are connected to items that are either recognised under 'Other results' or directly under 'Equity'. In this case, the current and deferred tax is also recognised under 'Other results' or directly under 'Equity'. Deferred taxes, which result from the first entry of a corporate merger on the balance sheet, are considered as part of the revaluation of the net assets in the acquired company.

The current tax expenses are determined on the basis of the taxable income for the year. The taxable income is different from the annual profits in the consolidated profit and loss statement because of expenses and revenue that are taxable in later years or are never taxable or are deductible for tax purposes. The Group's liability for current taxes is calculated on the basis of current tax rates or those due to apply in the near future.

Deferred taxes are recognised for the differences between the carrying amounts of assets and liabilities in the consolidated accounts and the relevant tax values. Deferred tax liabilities are generally recognised on the balance sheet for all temporary taxable differences; deferred tax assets are recognised if it is probable that taxable profits will be available to offset the losses from reversing deductible temporary differences. The Company does not estimate any deferred tax assets and liabilities for temporary differences if they result from the initial recognition of goodwill or from a business transaction that is not a corporate merger and do not affect the tax results or the results according to IFRS at the time of its initial recognition.

The carrying amount of deferred tax assets is reviewed on the reporting date every year and their value is reduced if it is no longer probable that adequate taxable income will be available to fully or partially realise the asset.

Deferred tax liabilities and assets are determined on the basis of expected tax rates or tax laws that will probably apply at the time of settling the debt or realising the asset.

3.6. Intangible assets

3.6.1. Technology

The Company has an intangible asset in the form of the 3D screen printing technology in conjunction with numerous patents. The asset was assessed when IFRS standards were used for the first time. This value is used as the purchase price. Amortisation is recognised as an expense on a linear basis over the expected period of usage of 20 years; the amortisation starts when the first revenue is recognised. The expected period of usage and the amortisation method are reviewed on each reporting date. The Company takes into consideration any changes in estimates prospectively.

The Company reviews on each reporting date whether there are any indications that the value of the technology has been impaired. Possible indications for impairment can come from a delay to the market entry of the products to be manufactured with the technology or unexpected difficulties in developing the products for commercial viability. If any such indications can be identified, the Company checks whether it is possible to generate a net inflow of liquid funds by selling parts of the technology or individual patents or by using them internally so that at least the carrying amount of the asset is covered. If this is not the case, the Company recognises impairment in value in the profit and loss statement amounting to the difference that affects the net income.

There were no indications to suggest possible impairment of the technology in the current financial year or the previous one. The increasing number of development projects and the demand for our technology from customers confirm this. The restricting factor is currently the availability of the input systems (production units) and personnel to complete the projects.

The Company also has contractually agreed rights, which guarantee royalties for the Company. If these rights are purchased, they are capitalised at their purchase price and later amortised in line with the incoming royalties. The Company reviews on each annual reporting date whether there are any indications of impairment of the rights. Indications for impairment can come from delays to the relevant applications, as a result of which royalties may be received later or not in the amount that is expected. If these indications can be recognised, the Company checks whether the new cash values of the royalties, which are then expected during the term, at least cover the carrying amount of the rights. If this is not the case, the Company recognises impairment amounting to the difference that affects the net income on the profit and loss statement.

There were no indications of possible impairment of the rights in the current financial year or the previous one.

If the reason for the impairment, which was recognised in the past, no longer applies in part or completely during the following period, the carrying amount of the asset must be increased to affect net income. The appreciation in value must be restricted to the value that would have resulted if no impairment had been recognised for the asset or the unit generating the cash flow in previous years. The realisable net inflow of cash through the asset in cash and cash equivalents may not be exceeded by the appreciation in value either.

3.6.2 Goodwill

The goodwill resulting from a corporate merger is recognised on the balance sheet at the purchase costs minus any necessary impairment in value and this must be reported separately on the consolidated balance sheet.

For the purposes of checking for any impairment, the goodwill is divided into the Group units that generate cash and cash equivalents through the acquisition, if there is an expectation that they can create a benefit from the synergies created by the merger.

Units generating cash and cash equivalents, to which one part of the goodwill has been assigned, must be checked at least once a year for any impairment. If there are any indications of impairment for a unit, it may be necessary to complete impairment tests more frequently.

Impairment exists if the realisable amount of a cash-generating unit is less than its carrying value. The realisable amount is the higher figure arising from the value in use and the fair value minus any sale costs. The expenses on any impairment primarily diminishes the carrying amount of the goodwill assigned to a cash-generating unit. Any remaining amount must be proportionately assigned to the other non-current assets in the unit on the basis of their carrying amounts.

Any impairment of goodwill is directly recognised in the profit and loss statement. Any impairment of goodwill may not be reversed in future periods.

3.6.3 Research and development costs

Research costs are not capitalised, but recognised as expenses at the time when they are incurred. Development costs are only capitalised as an intangible asset if an intangible asset can be identified, which provides a future economic benefit, and if the costs of this asset can be reliably determined.

3.6.4 Other intangible assets

Patents and trademarks are reported on the balance sheet at their purchase or production costs minus any accumulated amortisation. The balance sheet entries for intangible assets from corporate mergers like trademarks, patents and customer relations are made at purchase costs that match the market value at the time of acquisition, minus any accumulated amortisation. The scheduled amortisation of patents is based on the term of the industrial property rights.

3.7 Non-current assets kept for sale

A non-current asset or a group of disposable assets must be classified as 'kept for sale' if the associated carrying amount is realised mainly through a sales transaction, rather than through its continued usage. This condition is only considered to have been met if the non-current asset or a group of disposable assets is immediately available for sale in its current state and the sale is highly likely. In this sense, it must be assumed that the sales transaction, to which management has committed itself, must be concluded as quickly as possible after this kind of classification. Any impairment arising from the initial classification is recognised in the profit and loss statement. Any assets kept for sale and groups of disposable assets are no longer amortised.

3.8 Inventory (advance payments)

The valuation of advance payments for unfinished products is made using the lower value arising from the purchase costs and net sale value. The purchase costs for acquired inventory are determined after deducting allowances and price discounts. A similar degree of completion is used as for the sales transactions in question. The net sale value is determined as estimated sales revenue in the normal course of business, minus the estimated costs until completion and the estimated costs that are required for the sale.

3.9 Property, plant and equipment

The usage rights for property (IFRS 16), office and business equipment, IT systems and technical installations and machines, covered by property, plant and equipment, are recognised at their purchase or production costs minus any accumulated depreciation and any impairment in value.

Depreciation is calculated according to the linear method over a period of use of 3 - 20 years. The expected periods of use, residual values and depreciation methods are reviewed on each annual reporting date and all the necessary estimation changes are taken into consideration prospectively. If any units that are already being used are taken over, the usage period is adapted accordingly.

Type of unit	Period of usage that applies
Usage rights for property	According to the agreement in question, normally 5-10 years
IT equipment and furniture	3 – 8 years
Production machines	5 – 8 years
Tenant improvements	8 – 20 years
Advance payments for machines	No depreciation

Property, plant and equipment must be removed from the balance sheet at the time of its disposal or when no further economic benefit is expected from it. The profit or loss arising from the sale or decommissioning of any property, plant or equipment is determined as the difference between the sales revenue and the carrying amount of the asset and is recognised to affect net income.

3.10 Accounts receivable

The Company capitalises accounts receivable at the time when an enforceable claim is incurred. Initial recognition takes place at their fair value plus any transaction costs. The following assessment takes place at amortised purchase costs according to the effective interest method.

Any impairment of accounts receivable is recognised if the cash value of the expected inflow of cash does not cover the carrying amount of the account receivable. When assessing whether any impairment exists, the Company is guided by the payment behaviour of its debtors and other information received, which might indicate economic difficulties on the part of the debtor. The cash value is determined using the effective interest rate for the financial asset. If the reason for any impairment made in previous years disappears, appreciation must be made to the minimum figure arising from the realisable amount and the amortised purchase costs to affect net income.

3.11 Cash and cash equivalents

Cash and cash equivalents are assessed at their purchase costs. This involves cash holdings.

3.12 Provisions

Provisions are formed if the Group has a current liability (of a legal or factual nature) arising from a past event and it is probable that the fulfilment of the liability is linked to the outflow of resources and a reliable estimate of the amount of the provision is possible.

The amount of provision entered is the best estimate that is required on the annual reporting date to meet the current liability. Any inherent risks and uncertainties in the liability must be taken into consideration. If a provision is assessed on the basis of the estimated cash flows required to meet the liability, these cash flows must be discounted, if the interest effect is considerable.

If it can be assumed that outside third parties will reimburse parts of or all the economic benefits required to settle the provision, this claim is capitalised as an asset, provided that the reimbursement is almost certain to happen and its amount can be reliably estimated.

3.13 Financial liabilities

Financial liabilities are recognised if a Group company becomes the contractual party for a financial instrument. Its acquisition valuation is set at the fair value minus any transaction costs.

3.14 Currency conversion

The annual 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 annual exchange rate. 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]	31.12.2020	31.12.2019
Annual average exchange rate (converting revenue and expenses)	1.07045	1.11242
Final exchange rate for the year (converting assets and liabilities)	1.08155	1.08700

3.15 Employee pension scheme

The actuarial calculations of the expenses and obligations arising from defined benefit retirement plans are performed by qualified experts according to the projected unit credit method. The last actuarial assessment was made on 31 December 2020. The current service costs, the past service costs from changes to the scheme and plan settlements as well as the administrative costs are recognised under 'Personnel expenses' and the interest costs on the net liability are recognised under 'Financial expenses'. Actuarial profits and losses are recognised under 'Other overall earnings'.

3.16 Public sector grants

Any grants promised by the public sector, which are not specifically earmarked for the purchase of property, plant and equipment, are realised as 'Other income' over the term of the relevant support programmes. Recognition takes place, as soon as it is conceivable that the Company will provide the services and the support was agreed.

3.17 Leases

The Group is using IFRS 16 for any agreements that were identified as leases or non-current rental arrangements and were recognised on the balance sheet as operating leases according to IAS 17 or were leases that were concluded or amended after 1 January 2019. As the lessee, the Group recognises usage rights and leasing liabilities on the balance sheet for leases that largely have transferred all the risks and opportunities associated with the ownership of the underlying asset to the Group. In the case of property leasing agreements (non-current rental agreements), the Group has decided to refrain from any separation of non-leasing components and instead recognise leasing and any non-leasing components as a single leasing component on the balance sheet.

The Group has used a number of simplification provisions when using IFRS 16 for leases. In greater detail, the Group has:

- neither estimated usage rights nor leasing liabilities in the case of any leases if their term ended within 12 months after the time of its first use,
- neither estimated usage rights nor leasing liabilities (e.g. photocopying machines) in the case of any leases where the underlying asset value is low,
- not taken into consideration the initial direct costs when assessing the usage right at the time of its first use, and
- determined the term of leases retrospectively.

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]	01.01.2020 – 31.12.2020	01.01.2019 – 31.12.2019
Turnover revenue from the sale of production systems	222 108	3 480 928
Turnover revenue from services and licences	400 069	578 603
Subtotal	622 176	4 059 531
Minus revenue reductions (discounts)	-	-
Total	622 176	4 059 531

Turnover revenue from external customers comes from selling production systems, providing services and selling licences. Revenue from services (including support for services) and licences 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 outside completion of the most important components in the production systems by the suppliers.

4.2 Summary of personnel expenses

[in CHF]	01.01.2020 – 31.12.2020	01.01.2019 – 31.12.2019
Wages and salaries	4 414 778	3 473 497
Social security expenses	284 190	211 719
Plans with defined benefits/employee benefits	402 072	362 534
Other personnel expenses	64 597	84 846
Total	5 165 637	4 132 596

4.3 Other operating expenses

The classification of the remaining operating expenses for the financial year can be summarised as follows:

[in CHF]	01.01.2020 – 31.12.2020	01.01.2019 – 31.12.2019
Cleaning and rental ancillary costs	188 628	(29 178)
Vehicle expenses	23 678	14 248
Maintenance and energy expenses	367 085	334 777
Charges and fees, insurance policies	28 773	31 980
Expenses for consultancy services, accounting and the Board of Directors	1 681 343	1 526 849
Advertising, sales and travel expenses	84 630	391 628
Travel and representation expenses	146 577	242 486
Electricity, water, waste disposal	67 608	58 035
Administrative expenses	388 252	387 728
Other operating expenses (including capital taxes)	106 992	88 856
Losses from the disposal of fixed assets	-	-
Total	3 083 567	3 047 409

4.4 Financial earnings and expenses

[in CHF]	01.01.2020 – 31.12.2020	01.01.2019 – 31.12.2019
Interest on bank accounts	(6 083)	(134)
Interest on loans	(35 671)	(37 531)
Total interest expenses	(41 754)	(37 665)
Foreign currency losses (net)	(16 938)	(289 191)
Total financial expenses	(58 692)	(326 856)
Interest earnings on financial assets	302	2 746
Foreign currency profits (net)	-	-
Total financial earnings	302	2 746

4.5 Income taxes

4.5.1 Income taxes recognised in the profit and loss statement

[in CHF]	01.01.2020 – 31.12.2020	01.01.2019 – 31.12.2019
Current taxes		
Income tax earnings/expenses in the current financial year	(97)	(67 495)
Deferred taxes		
Deferred tax expenses recognised during the year under review	1 651 706	376 122
Tax expenses recognised for the current period	1 651 609	308 626

The tax expenses for the financial year can be transferred as follows to the net income for the period:

[in CHF]	01.01.2020 – 31.12.2020	01.01.2019 – 31.12.2019
Pre-tax earnings	(8 135 618)	(8 298 240)
Tax expenses/income with a tax rate of 18.6 % (18.6% in the previous year)	1 513 225	1 825 614
Deferred tax income on the capitalised technology	131 874	131 874
Adjusting the deferred tax liability because of changes to tax rates	–	(746 399)
Amortisation of deferred tax assets due to losses	–	–
Effects of non-tax-deductible expenses and earnings	(214 885)	(453 512)
Effects of profits, for which no deferred tax claims were recognised	–	–
Effects of losses, for which deferred tax assets were recognised	–	–
Effects of losses, for which no deferred tax claims were recognised	177 555	(473 286)
Tax rate differences	43 840	24 336
Income tax expenses recognised in the profit and loss statement	1 651 609	308 626

An average income tax rate of 18.6 % (18.6 % in the previous year) was assumed to determine the current taxes on the profits that were generated. This expected average tax rate matches the weighted average for tax rates within the consolidated companies.

4.5.2 Deferred tax assets and liabilities

Please find below an analysis of deferred tax assets and liabilities. The deferred tax liabilities concern the intangible assets if their tax value lies below the IFRS carrying amount.

[in CHF]	01.01.2020 – 31.12.2020	01.01.2019 – 31.12.2019
Deferred tax assets	3 303 142	1 818 197
Deferred tax liabilities	(2 243 890)	(2 361 837)
Recognition on the balance sheet	1 059 252	(543 640)

Deferred tax assets

Tax losses carried forward	3.086 476	1 557 159
Pension provision	216 666	261 038
Gross amount	3 303 142	1 818 197
Value adjustments	-	-
Balancing figures	(2 243 890)	-
Balance sheet value	1 059 252	1 818 197

Deferred tax liabilities

Intangible assets	(2 217 942)	(2 349 975)
Conversion loan	(25 948)	(11 862)
Property, plant and equipment	-	-
Gross amount	(2 243 890)	(2 361 837)
Value adjustments	-	-
Balancing figures	(2 243 890)	(1 818 197)
Balance sheet value	-	(543 640)

Based on the expectations of the Board of Directors, the tax losses carried forward in Switzerland can most probably be used within the statutory deadline, which is why appropriate deferred tax assets have been created.

Temporary deductible differences, unused tax losses and unused tax credits, for which no deferred tax assets were recognised, can be summarised as follows:

[in CHF]	01.01.2020 – 31.12.2020	01.01.2019 – 31.12.2019
Tax losses	608 012	473 286
Total	608 012	473 286

4.6 Earnings after income taxes

The annual earnings can be attributed to the shareholders as follows:

[in CHF]	01.01.2020 – 31.12.2020	01.01.2019 – 31.12.2019
Shareholders in the parent company	(8 135 618)	(7 989 614)
Non-controlling shareholders	-	-
Total	(8 135 618)	(7 989 614)

The annual earnings include the following expenses, among other things:

4.6.1 Impairment and appreciation of assets

[in CHF]	01.01.2020 – 31.12.2020	01.01.2019 – 31.12.2019
Impairment of intangible assets	-	(89 803)
Impairment of trade accounts receivable	-	-
Appreciation of trade accounts receivable	-	-
Impairment of deferred tax assets	-	-
Total	-	(89 803)

4.6.2 Amortisation/depreciation

[in CHF]	01.01.2020 – 31.12.2020	01.01.2019 – 31.12.2019
Scheduled depreciation of property, plant and equipment	703 973	1 081 655
Scheduled amortisation of usage rights from leases	306 320	441 703
Scheduled amortisation of intangible assets	719 273	809 076
Impairment of financial assets	-	-
Total	1 729 566	2 332 434

4.6.3 Research and development costs immediately recognised as expenses

[in CHF]	01.01.2020 – 31.12.2020	01.01.2019 – 31.12.2019
Research and development expenses (contained in production costs)	(82 680)	(106 797)

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]	31.12.2020	31.12.2019
Technology (including patents)	11 915 274	12 634 275
Goodwill	-	-
Rights	2 083 333	2 083 333
Software	1	1
Total	13 998 609	14 717 610

[in CHF]	Technology	Software	Rights	Goodwill	Total
Acquisition and production costs					
Figures on 31.12.2018	14 446 585	4 456	2 083 333	89 803	16 624 176
Accruals					
Accruals from in-house developments					
Acquisitions through corporate mergers					
Disposals					
Figures on 31.12.2019	14 446 585	4 456	2 083 333	89 803	16 624 176
Accruals					
Accruals from in-house developments					
Acquisitions through corporate mergers					
Disposals					
Figures on 31.12.2020	14 446 585	4 456	2 083 333	89 803	16 624 176
Accumulated amortisation and impairment					
Figures on 31.12.2018	1 093 035	4 454	-	-	1 097 490
Amortisation expenses	719 274	-	-	-	719 274
Disposals					
Impairment				89 803	89 803
Others					
Figures on 31.12.2019	1 812 309	4 454	-	89 803	1 906 567
Amortisation expenses	719 001	-	-	-	719 001
Disposals					
Impairment				-	-
Others					
Figures on 31.12.2020	2 531 310	4 454	-	89 803	2 625 568
Carrying amount on 31.12.2020	11 915 274	1	2 083 333	-	13 998 609

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, a number of factors have a major influence on the valuation; however, the Group is unable to influence some of these factors.

Annual impairment test on 31 December 2020

There were no signs of the need to impair any carrying amounts on 31 December 2020, which is why no detailed impairment test was performed.

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]	31.12.2020	31.12.2019
IT equipment and furniture	156 941	177 984
Production machines	1 450 084	1 911 605
Tenant improvements	329 428	100 950
Usage rights for property	702 886	2 392 344
Advance payments for machines	666 900	573 444
Total	3 306 240	5 156 327

[in CHF]	IT equipment and furniture	Machines	Improvements	Advanced payments	Usage rights	Total
Acquisition and production costs						
Figures on 31.12.2018	216 985	1 879 057	72 315	575 908	-	2 744 265
Accruals	108 124	1 310 934	33 384	12 766	2 834 047	4 299 255
Transfers			15 230	(15 230)		-
Disposals	(1 838)	(430)				(2 268)
Figures on 31.12.2019	323 271	3 189 561	120 929	573 444	2 834 047	7 041 252
Accruals	40 187	159 154	250 000	93 456		557 496
Transfers					(1 383 138) ²	(1 383 138)
Disposals	(5 721)					(5 721)
Figures on 31.12.2020	357 737	3 348 715	370 929	666 900	1 450 909	6 195 190

Accumulated amortisation and impairment

Figures on 31.12.2018	73 973	995 177	12 504	-	441 703	1 479 089
Amortisation expenses	(383)					(383)
Disposals						
Impairment						
Figures on 31.12.2019	145 286	1 277 955	19 979	-	441 703	1 884 924
Amortisation expenses	55 510	620 675	21 522		306 320	1 004 027
Disposals						
Impairment						
Transfers						
Figures on 31.12.2020	200 796	1 898 631	41 501	-	748 023	2 888 950
Carrying amount on 31.12.2020	156 941	1 450 084	329 428	666 900	702 886	3 306 240

² Non-current liabilities are corrected to a similar degree.

5.3 Loan liabilities

[in CHF]	31.12.2020	31.12.2019
Convertible loan from 2019	957 484	933 923
Convertible loan from 2020	1 504 092	
State-guaranteed loan (COVID loan)	500 000	
Loans from third parties	333 294	334 764
Total	3 294 870	1 268 687

The Company has taken out a new loan with a right of conversion. The Company is paying interest of 6 % on this loan 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.

5.4 Subscribed capital

[in CHF]	31.12.2020
Subscribed capital on 31.12.2019	1 172 380.00
Capital increases during the year under review	82 748.00
12 551 280 fully paid for registered shares	1 255 128.00

	Number of shares	Subscribed capital CHF
Figures on 31.12.2018	10 786 700	1 078 670.00
Changes during the previous year	937 100	93 710.00
Figures on 31.12.2019	11 723 800	1 172 380.00
Changes during the year under review	827 480	82 748.00
Figures on 31.12.2020	12 551 280	1 255 128.00

The shares have a par value of CHF 0.10, each with one voting right, and they are entitled to attract a dividend.

	Number of shares	Subscribed capital CHF
Authorised capital (Article 3d)	5 638 017	563 801.70
Total	5 638 017	563 801.70
Contingent capital (employee shares Article 3c)	2 941 352	294 135.20

5.5 Deferred income

[in CHF]	31.12.2020	31.12.2019
Deferrals for work on the financial statement [1]	10 800	30 813
Deferrals for auditing [1]	45 000	45 000
Deferrals for other consultancy work [1]	–	–
Deferrals for work not yet performed [2]	481 290	–
Deferrals for outstanding tax payments [4]	24 688	87 310
Deferrals for outstanding invoices [3]	1 275 097	1 955 742
Other current accruals and deferrals [4]	132 593	220 520
Total	1 969 467	2 339 254

[in CHF]	[1] Advisory services	[2] Outstanding work	[3] Outstanding invoices	[4] Others	Total deferred income
Figures on 31.12.2018	67 265	–	2 643 220	295 672	3 006 157
Estimate of additional provision	75 813		1 965 689	184 586	
Usage	(58 993)		(2 674 522)	(172 427)	
Reversals	(8 272)				
Effects from currency differences					
Figures on 31.12.2019	75 813	–	1 955 742	307 830	2 339 254
Estimate of additional provision		481 290	997 830	67 800	1 546 920
Usage	(20 013)		(1 678 475)	(218 219)	(1 916 707)
Reversals					
Effects from currency differences					
Figures on 31.12.2020	55 800	481 290	1 275 097	157 280	1 969 467

5.6 Cash and cash equivalents

For the purposes of the consolidated cash flow statements, cash and cash equivalents involve cash holdings and credit in bank accounts.

[in CHF]	31.12.2020	31.12.2019
Cash and cash equivalents and credit at banks	765 473	4 196 751
Cash holdings (cash in hand)	69	812
Total	765 542	4 197 563

6. Other information

6.1 Pension provisions (benefits for employees after the end of their working relationship)

In the case of defined benefit pension plans, the costs for providing the benefits are determined using the projected unit credit method; an actuarial assessment is performed on each reporting date (most recently on 31 December 2020). Revaluations consisting of actuarial profits and losses, changes arising from the use of the asset ceiling and the yield from the plan assets (excluding interest on the net liability) are directly recognised under 'Other results' and are therefore directly part of the consolidated balance sheet. The revaluations recognised under 'Other results' form part of the retained earnings and are no longer reclassified in the consolidated profit and loss statement. Past service costs are recognised as expenses if a change to the plan occurs.

The net interest is calculated by multiplying the discount rate by the net liability (pension obligation minus plan assets) or the net asset, which is calculated if the plan assets exceed the pension obligation, at the start of the financial year. The defined benefit costs contain the following elements:

- Service costs (including current service costs, past services costs and any profits or losses from a change or reduction to the plan)
- Net interest expenses or income on the net liability or the net asset
- Revaluation of the net liability or the net asset

The Group reports the first two elements in the consolidated profit and loss statement under 'Administrative expenses' ('Personnel expenses').

The defined benefit obligation recognised on the consolidated balance sheet represents the current shortfall in the Group's defined benefit pension plans.

Payments for contribution-related pension schemes are recognised if the employees have performed the work that entitles them to the contributions.

6.1.1 Legal framework and responsibilities

Employee pension schemes (in Switzerland) must be handled by a pensions company that is separate from the employer. Swiss law, which prescribes minimum benefits, applies, as the personnel subject to these rules are only employed in Switzerland at the moment.

Occupational benefit schemes for the employees in Switzerland to protect against the economic consequences of old age, invalidity and death are provided by "Swiss Life Sammelstiftung 2. Säule". The highest body at this pension institution consists of an equal number of employee and employer representatives.

In line with IAS 19 (IFRS), the pension scheme must be classified as "defined benefit". The insurance scheme is defined in the rules of the collective pension foundation, in the affiliation contract and in the pension plan related to this affiliation.

The employer and employee contributions are generally defined as a percentage of the pensionable salary. The old-age pension is calculated from the retirement assets that exist at the time when the pension is taken and they are multiplied by the conversion factors laid down in the rules. The employee has the option of drawing the old-age benefits as a lump sum. The invalidity and spouse pensions are defined as a percentage of the pensionable salary.

The assets are invested by "Swiss Life Sammelstiftung 2. Säule" jointly for all the affiliations with the same investment profile. The assets are invested at the Swiss Life Additional Collective Pension Foundation as part of the reinsurance agreement with Swiss Life AG (full value insurance policy).

6.1.2 Risks for the employer

The foundations can change their funding system (contributions and future benefits) at any time. If any shortfall exists in the sense of pension law (Article 44 of the Order on Occupational Retirement, Survivors' and Disability Pension Plans or BVV2) and if other measures are not effective, the foundation may impose restructuring contributions on the employer.

6.1.3 Special events

The Exentis Group AG switched from the Bâloise Collective Foundation to the Swiss Life Collective Foundations (plan amendment) during the current reporting period. There are three new schemes (two for the managers and one for the rest of the employees) and they were valid from 1 January 2020. As a result, the benefits changed (a reduction in the risk contributions and an increase in the conversion rates).

6.1.4 Assumptions and methods in the sensitivity analysis

Sensitivity analyses were performed on the most important assumptions that are used to calculate the liabilities. The discount factor and the assumption that salaries will rise were increased or reduced by set percentage points. Mortality sensitivity was calculated by reducing or increasing mortality by a flat-rate factor so that life expectancy for most of the age categories was increased or reduced by about one year.

6.1.5 Asset-liability matching

Swiss Life Sammelstiftung 2. Säule has concluded an agreement to reinsure the death and invalidity risks of those who are actively insured with Swiss Life AG. The companies connected to Swiss Life Sammelstiftung 2. Säule and those insured jointly bear the investment risks.

The Swiss Life Additional Collective Foundation has taken out a comprehensive insurance policy with Swiss Life AG to cover the insurance and investment risks.

6.1.6 Funding arrangements

Contributions amounting to percentage rates of the pensionable salary are collected from the employees and the employer to fund the benefits.

Statutory provisions

An employee pension scheme must be handled by a pension institution that is separate from the employer. The law prescribes minimum benefits.

[in CHF]	2020	2019
Deriving the financial situation from the balance sheet		
Cash value of the liability on 31.12.	2 944 508	3 915 863
Fair value of the asset on 31.12.	1 779 634	2 512 432
Liability/(credit) on 31.12.	1 164 874	1 403 431
Adjustments (asset ceiling)	–	–
Pension provision (net) on 31.12.	1 164 874	1 403 431

[in CHF]	2020	2019
Components in the pension expenses		
Current service costs, reduced by contributions by employees and administrative costs	392 451	202 746
Past service costs	-	142 180
Interest expenses on pension liabilities	10 850	18 437
Interest on plan assets	-6 417	-15 125
Administrative expenses	1 958	597
Expenses recognised in the profit and loss statement	398 842	348 835
Revaluation of pension plans (actuarial gains/losses on liability)	-385 673	850 793
Profits from plan assets (without interest)	-7 487	37 732
Expenses/earnings recognised under Other results	-393 160	888 525
Changes to the pension obligation		
Pension obligation on 1.1.	3 915 863	1 193 228
Interest expenses on the pension obligation	10 850	18 437
Current service costs	392 451	202 746
Employee contributions	217 117	134 080
Past service costs	-	142 180
Contributions paid in and benefits paid out (net)	-1 208 058	1 373 802
Administrative expenses	1 958	597
Actuarial profits / (losses)	-385 673	850 793
Pension obligation on 31.12.	2 944 508	3 915 863
Changes to the plan assets		
Plan assets on 1.1.	2 512 432	826 036
Interest earnings on the plan assets	6 417	15 125
Employer contributions	244 239	201 121
Employee contributions	217 117	134 080
Contributions paid in and benefits paid out	-1 208 058	1 373 802
Profits on plan assets (without interest)	7 487	-37 732
Plan assets on 31.12.	1 779 634	2 512 432
[in CHF]	2020	2019
Actuarial assumptions		
Discount interest rate on 1.1.	0.90 %	0.90 %
Discount interest rate on 31.12.	0.30 %	0.30 %
Expected wage increase rate	1.50 %	1.50 %
Expected pension increases in future	0.00 %	0.00 %
Average life expectancy at age 65 – men (number of years)	22.26	22.26
Average life expectancy at age 65 – women (number of years)	24.32	24.32

The average weighted term of the defined benefit obligation on 31 December 2020 was 22.7 years (22.2 years in 2019).

[in CHF]	-0.50 % / -1 year	2020	+0.50 % / +1 year
Sensitivity analysis of cash value of the obligations			
Change in life expectancy	2 902 436		2 986 952
Change in future wage increases	2 849 880	2 944 508	3 047 835
Change in the discount interest rate	3 312 777		2 640 834

[in CHF]	
Sensitivity analysis of the expectation of service costs in future	
Current estimate of service costs for 2021	415 555
Expected service cost expenses in 2021 with a 0.50 % change in the discount rate	354 431
Expected service cost expenses in 2021 with a 0.25 % change in the expected interest earnings	426 664

6.2 Further information about financial instruments

6.2.1 Capital risk management

The Group manages its capital with the aim of ensuring that all the Group companies can operate as a going concern and also maximise the earnings of the shareholders by optimising the relationship between equity and outside capital.

The capital structure within the Group consists of net debts and the Group's equity. This consists of the equivalent value of issued shares, the capital reserves and the balance carried forward.

The Group is not subject to any capital requirements imposed from outside.

The net debt ratio on the balance sheet reporting date can be summarised as follows:

[in CHF]	31.12.2020	31.12.2019
Debts (without any deferred tax liabilities)	(8 858 018)	(8 686 197)
Cash and cash equivalents	765 542	4 197 563
Net debts	(8 092 475)	(4 488 634)
Equity	19 342 217	22 134 778
Ratio of net debt to equity	41.8 %	20.3 %

6.2.2 Liquidity risk management

Ultimately, the responsibility for liquidity risk management lies with the Board of Directors, which has established an appropriate concept to manage the current, medium-term and long-term funding and liquidity requirements.

Funding risk (liquidity risk)

The Company is currently still in the development and set-up phase, which is why the operational cash flows together with the cash flow from investment activities are creating an outflow of cash. The Board of Directors has therefore drawn up and introduced funding to safeguard the ongoing development work. The ability to continue the Company depends on whether it generates the funds required to finance the development costs that will be needed in future and the purchase costs of the production units – and whether the development and licence partners can and will meet their obligations. As significant third-party orders are being implemented and ongoing discussions with potential investors are developing in a positive manner, the Board of Directors believes that there is no major threat to the Company's ongoing existence.

6.2.3 Market risks

Currency risks

Changes to exchange rates can lead to value losses in financial instruments and negative changes in future cash flows from planned transactions. Because of the current focus of the Group's business on Switzerland, the main currency risks exist in the exchange rate between CHF and EUR. The effect of any change in the exchange rate of +/- 10 % is estimated to be approx. +/- CHF 100,000 based on the transactions planned so far and the financial instruments that are available.

Interest rate risks

Interest rate risks exist because of potential changes in the market interest rate and can create a change in the fair value for financial instruments with a fixed interest rate and interest payment fluctuations for financial instruments with a variable interest rate. The following table shows that there is no major interest rate risk for the Company at the moment.

6.2.4 Default risks

A default risk involves the risk of financial losses if a customer or the contractual party to a financial instrument does not meet its contractual obligations. A default risk exists principally in connection with trade accounts receivable or turnover revenue that has not yet been invoiced. A default risk is mainly influenced by the customer's individual features. The Board of Directors considers the potential involved in future business relations and the underlying business idea (e.g. turnover opportunities if customers purchase production systems). Because it is establishing new business opportunities, the Group bears a higher default risk and is therefore permanently monitoring its major customer relations. No securities are demanded for trade accounts receivable, but production systems are only delivered if full payment is believed to be highly probable.

The following table shows the contractual residual terms of the Group's non-derivative financial liabilities. The table is based on non-discounted cash flows from financial liabilities on the earliest date when the Group could be obliged to make a payment.

[in CHF]	Weighted average effective interest rate	Less than 1 month	1-3 months	3 months up to 1 year	1-5 years	Over 5 years	Total	Carrying amount
31.12.2019								
Non-interest bearing		-	482 327	793 868			1 276 195	1 276 195
Finance leasing		-						
Variable interest-bearing instruments		-						
Fixed interest-bearing instruments	3.7 %	-			1 334 763		1 334 763	1 334 763
Total		-	482 327	793 868	1 334 763		2 610 958	2 610 958
31.12.2020								
Non-interest bearing		-	941 255	786 741			1 727 996	1 727 996
Finance leasing		-						
Variable interest-bearing instruments		-						
Fixed interest-bearing instruments	4.0 %	-			3 554 258		3 554 258	3 554 258
Total		-	941 255	786 741	3 554 258		5 282 254	5 282 254

6.3 Categories of financial instruments

[in CHF]	31.12.2020	31.12.2019
Financial assets valued at their amortised purchase costs		
Cash and cash equivalents	765 542	4 197 563
Trade accounts receivable	6 255 259	4 474 085
Other receivables	159 459	218 304
Other financial assets	77 831	77 880
Financial liabilities valued at their amortised purchase costs		
Trade accounts payable	941 255	482 327
Other liabilities	786 741	793 868
Loan liabilities	3 294 871	1 268 687

The fair value of the financial instruments roughly matches their carrying amount. There were no value adjustments or overdue amounts related to financial receivables.

6.4 Business transactions with associated companies and persons

Account balances and business transactions between the Company and its subsidiaries, which are associated companies, were eliminated during the consolidation process and are not explained in these notes. Details of business transactions between the Group and other associated companies and persons are specified below.

Associated companies pre-financed expenses to fund the Company's activities on the reporting date and this has accrued to subsequent accounting years in this statement.

[in CHF]	Sales of goods and services		Purchases of goods and services	
	2020	2019	2020	2019
Consultancy services by associated persons/companies (management and the Board of Directors)	-	-	987 454	1 022 866
Contribution of goods by associated persons/companies			-	-

The following balances were outstanding at the end of the reporting period:

[in CHF]	Sales of goods and services		Purchases of goods and services	
	2020	2019	2020	2019
Outstanding consultancy services by associated persons/companies	-	-	146 160	-

Loans to or from associated companies and persons

[in CHF]	Loans to associated companies		Loans from associated companies	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Shareholders	-	-	-	-
Members of the Board of Directors	-	-	-	-
Total	-	-	-	-

6.5 Share-based remuneration

The employee share purchase plan is designed to create long-term incentives for managers, current and future employees to achieve long-term profits for shareholders. Shares are offered to the participants at their par value within the plan and are created by a contingent capital increase. The participant obtains the right to the shares over a period of up to 3 years. The shares are managed in a blocked deposit account until they accrue and cannot be sold. The Board of Directors determines those who are entitled to receive the shares and the number of shares that are assigned.

[in CHF]	2020	2019
Shares issued as part of the employee share purchase plan	174 600 shares	265 400 shares
Fair value at the time of commitment to the employee share purchase plan (used to determine the personnel expenses, based on an assessment of share prices offered by third parties as part of capital increases, conditions for new convertible loans and figures offered by third parties as part of funding planning at the time of commitment to the scheme)	CHF 6.00/share	CHF 6.00/share
Personnel expenses recognised from share-based remuneration	1 193 282	1 179 973

	2020	2019
Total number of all the shares issued without any accrual at the start of the period	140 478	21 111
Newly issued shares	174 600	265 400
Newly accrued shares	205 811	146 033
Total number of all the shares issued without any accrual at the end of the period	109 267	140 478

6.6 Leases as a lessee

The Group rents office accommodation, factories and warehouse space. The term of the lease agreements is typically 5 years with the option of extending the leasing agreements after this time. The Group particularly took over new factory space in Stetten during the year under review. The following tables provide information about leases, in which the Group is the lessee:

[in CHF]	2020	2019
Usage rights		
Figures on 1 January	2 392 344	-
Discontinued	(1 383 138)	-
Amount amortised during the financial year	(306 320)	(441 703)
Additions to usage rights	-	2 834 047
Reductions to usage rights	-	-
Figures on 31 December	702 886	2 392 344

[in CHF] 31.12.2020 31.12.2019**Amounts recognised in the profit and loss statement**

Interest expenses for leasing liabilities	4 330	(6 286)
Earnings from sub-leasing usage rights, recognised under 'Other turnover revenue'	84 766	84 766
Expenses for leases involving a low-value asset	(15 775)	(6 482)
Amortisation of usage rights	(306 320)	(441 703)

[in CHF] 31.12.2020 31.12.2019**Due date analysis**

Leasing liabilities currently due (12 months)	258 154	435 417
Due between 1 and 5 years	442 654	1 963 213
Due later than in 5 years	-	-
Total rent liability	700 808	2 398 630

Extension options

Some property leases contain extension options, which the Group can exercise up to one year before the expiry of the non-terminable term of the contract. The extension options can only be exercised by the Group and not by the lessor. The Group assesses on the appropriate date whether exercising extension options is sufficiently safe and reviews this if any events occur when or just before the time when the extension option is about to expire.

The Group estimates that future potential lease payments would create a leasing liability of CHF 2 800 000, if the extension options (involving 5 more years of use in each case) are exercised.

6.7 Employees

The average number of employees was 12. The following number of employees worked for the Company on the balance sheet reporting date.

	31.12.2020	31.12.2019
Employees	28	29
External consultants / freelancers	15	15

The consultants and advisers whom the Company uses from outside do not primarily work for the Company. The details provide the number of persons.

6.8 Covid-19 virus

The rapid spread of the COVID-19 virus in 2020 led to a considerable number of infections. The measures adopted by different governments to curb the virus adversely affected business activities. The Group has adopted a number of measures to minimise the effects of the COVID-19 pandemic on our business activities, such as behaviour rules for the safety and health of our employees (e.g. physical distance within the company and, where possible, working from home). It is not yet possible to precisely assess the financial effects on the Exentis Group at this time. The Board of Directors is permanently assessing the situation and does not believe at this time that the virus poses a risk to ongoing business operations.

6.9 Events after the balance sheet reporting date

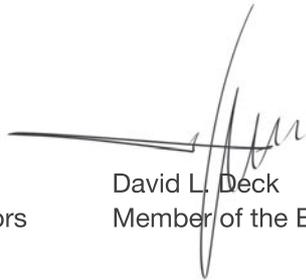
The following noteworthy events took place after the balance sheet reporting date:

- The Group is currently involved in a structured process of gaining new investors so as to be able to fund and complete its future growth projects. In this connection, the Company is also working on options to provide improved availability of production units to accompany its ongoing growth process. The Board of Directors is confident that the ongoing discussions with investors can be successfully concluded and that funding will be available for the Company's further growth. There are also clear indications that the sales of production systems, which were postponed because of the pandemic, will soon materialise.

Stetten, 18 May 2021



Ralf P. Brammer
Chairman of the Board of Directors



David L. Deck
Member of the Board of Directors



Auditor's Report to the Board of Directors on the consolidated financial statements of Exentis Group AG in Stetten AG

In accordance with your instructions, we have audited the accompanying consolidated financial statements of Exentis Group AG, which comprise the consolidated balance sheet as at 31 December 2020, the consolidated profit and loss statement, the consolidated statement of comprehensive income, the consolidated cash flow statement, the consolidated statement of equity changes and the notes for the year then ended.

Board of Directors' Responsibility

The Board of Directors is responsible for the preparation of these consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) and the requirements of Swiss law. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Swiss law, Swiss Auditing Standards and International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control system relevant to the entity's preparation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the existence and effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements for the year ended 31 December 2020 give a true and fair view of the financial position, the results of operations and the cash flows in accordance with International Financial Reporting Standards (IFRS) and comply with Swiss law.

Zurich, 18 May 2021

BDO Ltd

Christoph Tschumi
Swiss Certified Accountant

Sebastian Woschitz
Swiss Certified Accountant

exentis group

Industrialized
Additive Manufacturing

Annual Report 2020

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