

Herrliberg, July 16, 2021

MEDIA INFORMATION

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I. Half-yearly report 2021 of the EMS Group / Outlook 2021

Course of Business

- **Pleasing course of business**
- **Net sales and net operating income at new record levels**
- **Recovery of global markets after COVID-19**
- **Delivery bottlenecks in supply chains**
- **Shortages of raw materials with rising prices**

The EMS Group, with its companies combined in the EMS-CHEMIE HOLDING AG and globally active in the business areas **High Performance Polymers** and **Specialty Chemicals**, increased **net sales** to CHF 1,166 million (845) and **net operating income (EBIT)** to CHF 321 million (227) in the first half year of 2021. These figures are well above those of the previous year and, due to currency influences, are new record levels in the 85-years of company history.

Compared to the previous year, consolidated **net sales** rose by 37.9% to close at CHF 1,166 million (845). After the slump caused by COVID-19, the global economy recovered noticeably, which had a positive influence on sales volumes. Strong growth could be achieved, in particular in the Chinese sales market. Significant state support and stimulus measures, above all in the USA, are generating confidence having a positive effect on consumer spending. Sudden surges in demand and delivery bottle necks in supply chains are forcing the automotive industry to reduce production. Shortages in the raw material markets and logistic capacity are causing prices to rise continuously.

During the pandemic, EMS continued to pursue ongoing development and generation of new business. With the successful strategy of speciality products in the main area of High Performance Polymers, EMS is in a good position to make use of all possible opportunities in the market. Expanded production capacity and local inventory stocks safeguard the delivery capability of all EMS companies, even with current high demand. Raw material shortages and corresponding continually rising prices are forcing EMS to implement sales price increases for customers.

Net operating income (EBIT) amounted to CHF 321 million (227), which is 41.6% above previous year. Compared to the previous year, operational cash flow (EBITDA) increased by 37.5% to CHF 349 million (254). The EBIT margin rose to 27.5% (26.8%), the EBITDA margin reached 29.9% (30.0%). Strong sales development and the strong position with speciality products influenced the result development and the result margin in a positive way. This was hampered, however, by strongly rising raw material prices which made sales price increases for customers inevitable.

Provisional key figures *)

EMS Group January - June 2021

In million CHF	2021 (Jan-Jun)	2020 (Jan-Jun)
Net sales	1'166	845
Change to previous year	+37.9%	
In local currency	+37.6%	
Operational Cash Flow (EBITDA) ¹⁾	349	254
Change to previous year	+37.5%	
In % of net sales	29.9%	30.0%
Net operating income (EBIT) ²⁾	321	227
Change to previous year	+41.6%	
In % of net sales	27.5%	26.8%

1) EBITDA = Earnings Before Interest, Taxes, Depreciation and Amortisation
= Operational Cash Flow

2) EBIT = Earnings Before Interest and Taxes
= Net operating income

*) EMS provides provisional key figures regarding the operative result of the first half year at the beginning of July and publishes the definitive half-year report at the end of August. The following gives the provisional key figures for the period ending June 30th. It may be assumed that these will not deviate significantly from the definitive figures.

Development of net sales and result by business area

In million CHF	2021 (Jan-Jun)	%-dev. prev. year	2020 (Jan-Jun)
EMS Group			
Net sales	1'166	+37.9%	845
- In local currency		+37.6%	
EBITDA	349	+37.5%	254
- In % of net sales	29.9%		30.0%
EBIT	321	+41.6%	227
- In % of net sales	27.5%		26.8%
High Performance Polymers			
Net sales	1'039	+40.3%	741
- In local currency		+40.0%	
EBITDA	312	+39.3%	224
- In % of net sales	30.0%		30.2%
EBIT	287	+43.8%	200
- In % of net sales	27.6%		27.0%
Specialty chemicals			
Net sales	126	+20.9%	104
- In local currency		+20.7%	
EBITDA	37	+24.0%	30
- In % of net sales	29.1%		28.4%
EBIT	34	+25.5%	27
- In % of net sales	26.9%		25.9%

Outlook 2021

For the business year 2021, EMS is expecting further economic recovery worldwide. The state stimulus programmes and low interest rates will come into their full effect and provide support for consumer spending and investment activities worldwide. Continuing instability, bottlenecks and price increases in global supply chains must, however, still be expected. The shortage of semi-conductors in the automotive industry will continue.

EMS will continue to follow its successful strategy of speciality products in the main area of High Performance Polymers. Customer demand for innovative products, solutions achieving weight savings and lower CO₂ emissions as well as cost reduction through metal replacement, is continually growing. This allows EMS to develop new business and further strengthen market positions. Innovative development expertise in close cooperation with customers enables EMS to quickly recognise market developments and to adapt flexibly to them.

Based on a comprehensive number of new and innovative customer projects, EMS is confident to further expand business in the next years. In order to satisfy this increasing market demand in future, EMS will invest in additional capacity increases. Over the next five years, EMS will invest more than CHF 300 million in expansion of the production site at Domat/Ems (Canton Grisons, Switzerland).

For 2021, EMS continues to expect higher net sales and a higher net operating income (EBIT) than in the previous year.

II. Financial Report of EMS-CHEMIE HOLDING AG as at 30.04.2021

Net income of the EMS-CHEMIE HOLDING AG, with its business year ending on April 30, amounts to CHF 458 million (485) for the business year from May 1, 2020 until April 30, 2021. Available earnings, including balance brought forward from the previous year, amount to CHF 773 million (783).

III. Payment of Dividends

EMS consistently follows a policy of result and liquid-oriented profit distribution. Funds not required for operative business are distributed to shareholders.

As announced at the media conference held on February 12, 2021, the Board of Directors intends to propose to the Annual General Meeting, distribution of an ordinary dividend of CHF 13.00 (15.60) and an extraordinary dividend of CHF 4.00 (4.40) per share. In this way, an overall dividend of CHF 17.00 (20.00) per share will be distributed.

Accordingly, the Annual General Meeting on August 7, 2021, will be asked to approve the following appropriation of available earnings:

Available earnings comprising:

Net income	CHF	458,097,133
Balance brought forward	<u>CHF</u>	<u>315,118,950</u>
Available earnings	CHF	773,216,084

To be appropriated as follows:

Ordinary dividend of CHF 13.00 gross/share	CHF	(304,057,364)
Extraordinary dividend of CHF 4.00 gross/share	<u>CHF</u>	<u>(93,556,112)</u>
Balance to be carried forward	<u>CHF</u>	<u>375,602,608</u>

Dividend payment will be on August 12, 2021 (payment date). Shares will be traded ex-dividend from August 10, 2021 (ex-date).

IV. Elections

At the Annual General Meeting on August 7, 2021, the Board of Directors will propose re-election of the current members of the board, Bernhard Merki (as Chairman of the Board and Member of the Remuneration Committee), Magdalena Martullo (as Member of the Board), Dr. Joachim Streu (as Member of the Board and Member of the Remuneration Committee), and Christoph Mäder (as Member of the Board and Member of the Remuneration Committee) for a further one-year term of office.

The Board of Directors will also propose to the Annual General Meeting, election of Ernst & Young AG, Maagplatz 1, 8010 Zurich, for a further one year term of office as Statutory Auditor. Ernst & Young AG has held this position since 2017.

V. Schedule

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|---|--------------------|
| - Annual General Meeting 2021 | August 7, 2021 |
| - Publication of the definitive half-year report
as at June 30, 2021 | End of August 2021 |
| - Third-quarter report 2021 | October 2021 |
| - Media conference / Annual results 2021 | February 2022 |
| - First-quarter report 2022 | April 2022 |

The Annual Report 2020/2021 of the EMS Group is available from July 16, 2021 on the homepage of the EMS Group at www.ems-group.com/annualreports.

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