

Herrliberg, February 12, 2021

## BRIEF MEDIA INFORMATION

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### Annual Results 2020 of the EMS Group:

- **Worldwide business recovering**
- **Strong new business and early measures safeguard high result margin**
- **Pleasing order situation at the beginning of the year**
- **Bottlenecks in global supply chains lead to price increases**

#### 1. Summary

The EMS Group, with its companies combined in the EMS-CHEMIE HOLDING AG, is globally active in the business areas **High Performance Polymers** and **Specialty Chemicals**. In 2020, **net sales** of CHF 1,802 million (2,153) and a **net operating income** of CHF 515 million (624) were achieved. While net sales in the first half-year were significantly lower due to COVID-19, sales recovered in the third quarter and exceeded previous year's figures in the fourth quarter. Thanks to the strong position with speciality products and measures taken at an early stage, EMS was able to maintain the net operating income margin (EBIT margin) at the previous year's level.

Demand for consumer and investment goods declined to historic low levels in the first half-year of 2020 and automotive plants worldwide closed for several weeks. However, demand recovered steadily in the second half of the year. Easing of COVID-19 measures in most countries and extensive state support programmes generated confidence and purchasing power for consumers and companies. Domestic demand in China already reached pre-crisis levels in the third quarter, while other regions in the world have still not achieved this. At many production plants, a need to catch up could be noticed.

Inventory stocks and capacity were generally reduced during the crisis. The sudden increase in demand in the second half of the year provoked various supply shortages in international supply chains as logistic capacity also reached its limits. A lack of semiconductors is having a damping effect on the global automotive industry.

EMS prepared particularly early for a slowing of the economy. A comprehensive efficiency programme and quickly implemented measures at all locations allowed rapid adjustment of costs to lower sales figures. In the second half-year, production plants in the world were successively ramped up to meet the strong demand.

In addition, development and expansion projects for new business were further followed. Due to the speciality position with innovative new business and decisive action taken at an early stage, EMS was able to achieve again a high operational cash flow margin (EBITDA) of 31.6% (31.4%). Net operating income (EBIT) amounted to CHF 515 million (624); the EBIT margin reached 28.6% (29.0%).

For the business year 2020, the Board of Directors intends to propose to the Annual General Meeting, distribution of an **ordinary dividend** of CHF 13.00 (15.60) per share and an **extra-ordinary dividend** of CHF 4.00 (4.40) per share. This means a total of CHF 17.00 (20.00) per share would be distributed.

For **2021**, EMS is expecting further economic recovery. Economic stimulus programmes and state support measures are encouraging demand although the exact course of economic recovery will further depend on the pandemic and the associated political interventions. Temporary instability in the global markets is, therefore, to be expected.

EMS has started well in the business year 2021. With its successful strategy of special products in the main area of High Performance Polymers, EMS is in good shape to continuously make quick and flexible use of market opportunities as they arise.

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

The following events will take place on Friday, February 12, 2021:

**at 09.00 a.m. the online media conference**  
and  
**at 02.00 p.m. the online financial analysts conference**

Detailed media information will be provided  
after the media conference at approx. 12.00 a.m.

## 2. Development of income 2020: Key figures EMS Group

in million CHF	2020	2019
<b>Net sales</b>	<b>1,802</b>	2,153
Change from previous year	<b>-16.3%</b>	
Organic development of net sales *	<b>-11.0%</b>	
<b>Operational Cash Flow (EBITDA) <sup>1)</sup></b>	<b>569</b>	677
Change from previous year	<b>-15.9%</b>	
In % of net sales	<b>31.6%</b>	31.4%
<b>Net operating income (EBIT) <sup>2)</sup></b>	<b>515</b>	624
Change from previous year	<b>-17.4%</b>	
In % of net sales	<b>28.6%</b>	29.0%
<b>Net financial income</b>	<b>-4</b>	-3
<b>Income taxes</b>	<b>-71</b>	-88
<b>Net income <sup>3)</sup></b>	<b>440</b>	532
Change from previous year	<b>-17.3%</b>	
In % of net sales	<b>24.4%</b>	24.7%
<b>Cash Flow <sup>4)</sup></b>	<b>494</b>	585
Change from previous year	<b>-15.5%</b>	
<b>Investments</b>	<b>48</b>	63
Change from previous year	<b>-23.2%</b>	
<b>Equity <sup>5)</sup></b>	<b>1,598</b>	1,663
In % of balance sheet total	<b>76.9%</b>	75.1%
Return on equity	<b>27.2%</b>	31.7%
Equity per share (in CHF) <sup>6)</sup>	<b>68.31</b>	71.09
<b>Number of employees</b>	<b>2,521</b>	2,648

\*) In local currencies, without the business unit EMS-PATVAG, sold per November 26, 2019

<sup>1)</sup> EBITDA = Earnings Before Interest, Taxes, Depreciation and Amortisation  
= Operational Cash Flow

<sup>2)</sup> EBIT = Earnings Before Interest and Taxes  
= Net operating income

<sup>3)</sup> Net income = Profit after taxes, including minority shareholders

<sup>4)</sup> Cash Flow = Net income plus amortisation of intangible assets, property, plants and equipment, plus value adjustments to securities

<sup>5)</sup> Equity = Equity without minorities

<sup>6)</sup> Average weighted number of registered shares as at 31.12.2020: 23,389,028 shares  
(31.12.2019: 23,389,028 shares)

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