

Herrliberg, July 15, 2022

MEDIA INFORMATION

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I. Half-year report 2022 of the EMS Group / Outlook 2022

Course of business

- **Successful new business with innovative specialties**
- **Net sales and net operating income exceed previous year**
- **Significant worsening of the global economy**
- **Massively higher raw material and energy 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**, achieved **net sales** amounting to CHF 1,284 million (1,166) and a **net operating income (EBIT)** of CHF 324 million (322) in the first half-year of 2022.

While the first quarter of 2022 was characterized by a positive consumer mood and generally high demand, the global economy worsened significantly in the second quarter. Particularly in Europe, the Ukraine conflict caused great uncertainty among consumers and companies. Massively increased energy costs caused raw material prices to rise abruptly and triggered additional surges in inflation. In China, rigorous lockdown measures forced customers to production shutdowns. Overheated demand in the USA was slowed by rising interest rates. As expected, the continuing shortage of semiconductors prevented any recovery by the global automotive industry.

EMS had already prepared for unstable economic developments at the beginning of the year. Innovative new business was realized successfully and new energy and cost-saving products were introduced into the market. Meanwhile, continual expansion of production capacity, together with local inventory stocks, safeguards delivery reliability. EMS was able to show overproportional growth compared to its markets. Rising inflation, in particular with regard to raw materials and energy costs, made corresponding sales price increases for customers inevitable.

Consolidated **net sales** rose compared to the previous year by 10.1% to close at CHF 1,284 million (1,166). **Net operating income (EBIT)** reached CHF 324 million (322) which is 0.8% above previous year. The operational cash flow (EBITDA) amounted to CHF 354 million (350) which is 1.2% above previous year. The EBIT margin reached 25.2% (27.6%), the EBITDA margin 27.6% (30.0%). Due to sales price increases, made necessary by higher raw material costs, net sales developed more strongly than the net operating income.

Provisional key figures *)

EMS Group January - June 2022

In million CHF	2022 (Jan-Jun)	2021 (Jan-Jun)
Net sales	1,284	1,166
Change to previous year	+10.1%	
In local currencies	+12.7%	
Operational Cash Flow (EBITDA) ¹⁾	354	350
Change to previous year	+1.2%	
In % of net sales	27.6%	30.0%
Net operating income (EBIT) ²⁾	324	322
Change to previous year	+0.8%	
In % of net sales	25.2%	27.6%

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 first half of the year at the beginning of July and publishes the definite 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	2022 (Jan-Jun)	%-dev. prev. year	2021 (Jan-Jun)
EMS Group			
Net sales	1,284	+10.1%	1,166
- In local currencies		+12.7%	
EBITDA	354	+1.2%	350
- In % of net sales	27.6%		30.0%
EBIT	324	+0.8%	322
- In % of net sales	25.2%		27.6%
High Performance Polymers			
Net sales	1,141	+9.7%	1,040
- In local currencies		+12.3%	
EBITDA	315	+0.6%	313
- In % of net sales	27.6%		30.1%
EBIT	288	+0.1%	288
- In % of net sales	25.3%		27.7%
Specialty Chemicals			
Net sales	143	+14.0%	126
- In local currencies		+16.7%	
EBITDA	39		36
- In % of net sales	27.1%	+6.6%	29.0%
EBIT	36	+6.5%	34
- In % of net sales	25.1%		26.9%

Outlook 2022

For the second half-year 2022, EMS is expecting a slower global economy. The shortage of semiconductors in the automotive industry will continue. The generally high inflation, pushed by energy prices, will have an increasingly negative effect on overall economic development. Further interest rate increases by central banks will have an additional slowing effect. In China, economic development will be strongly influenced by the extent of any further lockdown measures. A shortage of energy or a military escalation of the Ukraine conflict could have an enormous negative impact on Europe.

In these turbulent times, EMS will continue to follow the proven strategy of concentration on specialties. Focus will be on implementing planned development and expansion projects. Now more than ever, planned research and development projects will be driven ahead and new opportunities appearing in the market will be rapidly made use of. Innovative products and solutions providing customers savings on energy and overall costs will be given primary focus. The investment program announced last year, with more than CHF 300 million to increase capacity at the main production location in Domat/Ems, Switzerland, is being implemented. Other production locations outside of Switzerland are also undergoing major expansion. EMS considers delivery reliability to be top priority.

Despite the currently adverse environment, EMS continues to expect net sales and net operating income (EBIT) for 2022 to be slightly above previous year.

II. Financial report of EMS-CHEMIE HOLDING AG as at 30.04.2022

Net income of the EMS-CHEMIE HOLDING AG, with its business year ending on April 30th, amounts to CHF 549 million (458) for the business year from May 1, 2021 to April 30, 2022. Available earnings, including balance brought forward from the previous year, amount to CHF 924 million (773).

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 11, 2022, the Board of Directors intends to propose to the Annual General Meeting, distribution of an ordinary dividend of CHF 16.50 (13.00) and an extraordinary dividend of CHF 4.50

(4.00) per share. In this way, an overall dividend of CHF 21.00 (17.00) per share will be distributed.

Accordingly, the Annual General Meeting on August 13, 2022 will be asked to approve the following appropriation of available earnings:

Available earnings comprising:

Net income	CHF	548,804,383
Balance brought forward	<u>CHF</u>	<u>375,602,608</u>
Available earnings	CHF	924,406,990

To be appropriated as follows:

Ordinary dividend of CHF 16.50 gross/share	CHF	(385,918,962)
Extraordinary dividend of CHF 4.50 gross/share	<u>CHF</u>	<u>(105,250,626)</u>
Balance to be carried forward	<u>CHF</u>	<u>433,237,402</u>

Dividend payment will be on August 18, 2022 (payment date). Shares will be traded ex-dividend from August 16, 2022 (ex-date).

IV. Elections

At the Annual General Meeting on August 13, 2022, 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 BDO AG, Schiffbaustrasse 2, 8031 Zurich, for a one-year term as statutory auditor.

V. Schedule

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| - Annual General Meeting 2022 | August 13, 2022 |
| - Publication of the definitive half-year report as at June 30, 2022 | End of August 2022 |
| - Third-quarter report 2022 | October 2022 |
| - Media conference / Annual results 2022 | February 2023 |
| - First-quarter report 2023 | April 2023 |

The Annual Report 2021/2022 of the EMS Group is available from July 15, 2022 on the homepage of the EMS Group at www.ems-group.com/annualreports.

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