

22

# Semi-Annual Report

We Enable Energy

**vonRoll**

## Group key figures in the first half of 2022

Order intake reached CHF 126.4 million.

Net sales totaled CHF 116.7 million.

EBIT amounted to CHF 9.3 million.

EBIT margin was 8.0 %.

Earnings after taxes (EAT) was CHF 6.2 million.

in CHF 1,000	1H 2022	1H 2021
Order intake	126,374	123,948
Net sales	116,682	108,616
Earnings before interest, taxes, depreciation and amortization	15,215	32,776
Operating result (EBIT) <sup>1</sup>	9,329	14,023
Earnings after taxes (EAT) <sup>2</sup>	6,154	26,326
Cash flow from operating activities	5,380	986
Capital expenditures for tangible assets and intangible assets	4,389	3,804
Equity	207,079	197,840
Equity ratio (%)	77.0	74.8
Number of employees (FTE)	924	933

<sup>1</sup> 1H 2021: This included CHF 6.7 million from the sale of operational property and CHF 1.4 million from the divestment of the wire plant in France.

<sup>2</sup> 1H 2021: This included CHF 12.9 million proceeds from the sale of non-operating real estate.

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We Enable Energy

## Dear Shareholders,

The past half-year was again impacted by isolated lockdowns, particularly in Asia, due to COVID-19. This was compounded by macropolitical turbulence triggered by the Ukraine conflict, which put additional strain on already fragile supply chains. Despite the ongoing turbulence, Von Roll held up well in this environment and can look back on a strong first half of 2022. Group sales and earnings were only marginally affected by the Ukraine conflict in the first half of the year.

Net sales in the first half of 2022 were CHF 116.7 million (first half of 2021: CHF 108.6 million), representing year-on-year sales growth of 8.1% before currency effects.

The operating result (EBIT) amounted to CHF 9.3 million, corresponding to an EBIT margin of 8%. In the previous year, the operating result was CHF 14.0 million, but includes one-off effects of CHF 6.7 million from the sale of real estate used for operational purposes, as well as CHF 1.4 million from the divestment of the wire plant in France. Adjusted for this one-off effect, the operating EBIT margin for the first half of the year increased from 5.5% in 2021 to 8% in 2022.

Group earnings after tax (EAT) for the first half of 2022 amounted to CHF 6.2 million. In the same period of the previous year, the Group result after tax amounted to CHF 26.3 million and, in addition to the one-off effects of CHF 8.1 million already explained in the operating result, included non-operating income of CHF 12.9 million from the sale of real estate in Switzerland not used for operations.

The operating cash flow from operating activities was CHF 5.4 million (half-year 2021: CHF 1 million). With an equity ratio of 77% and cash and cash equivalents of CHF 70.3 million, Von Roll is in a very solid financial position and thus has the most robust balance sheet in its direct competitive environment.

Despite the energy crisis currently prevailing in Europe, we expect demand for our core products to remain strong in the coming months. Von Roll benefits from the accelerated energy transition and the associated increased expansion of renewable energies, including the renaissance of nuclear energy, in which our insulation systems take a leading market position worldwide.

In addition, our new products for electric vehicles to optimize thermal management have met with a very positive response. We recently won another series production order from Automotive Cells Company (ACC). This is one of the most important European battery joint ventures of the car manufacturers Stellantis, Mercedes-Benz and the oil group TotalEnergies.

In the low-voltage and composites business units, we expanded our R&D capacities in order to build on our strengths as an innovative development partner for the industry. We expect initial results as early as the end of the year with the launch of a new product line of specialty resins.

Breitenbach, August 2022



Dr. Peter Kalantzis  
Chairman of the  
Board of Directors



Dr. Christian Hennerkes  
Chief Executive Officer

# Financial Reporting

## Consolidated income statement (unaudited)

in CHF 1,000	Note	1H 2022	1H 2021
Net sales	3.3	116,682	108,616
Other operating income	4.1	5,181	9,300
<b>Total income</b>		<b>121,863</b>	<b>117,916</b>
Change in inventory of unfinished and finished goods		3,285	1,071
Material cost		-57,731	-46,797
<b>Gross profit</b>		<b>67,417</b>	<b>72,190</b>
Personnel expenses		-32,345	-35,441
Depreciation and impairment/reversal of an impairment tangible assets (operational)		-4,895	-4,696
Amortization and impairment of intangible assets		-991	-1,029
Other operating expenses	4.1	-19,857	-17,001
<b>Operating result (EBIT)</b>		<b>9,329</b>	<b>14,023</b>
Financial result		38	1,528
<b>Ordinary result</b>		<b>9,367</b>	<b>15,551</b>
Non-operating result		0	12,802
<b>Earnings before taxes (EBT)</b>		<b>9,367</b>	<b>28,353</b>
Income taxes		-3,213	-2,027
<b>Earnings after taxes (EAT)</b>		<b>6,154</b>	<b>26,326</b>
Of which attributable to:			
- Shareholders of Von Roll Holding AG		6,154	26,326
- Non-controlling interests		0	0
Basic earnings after taxes (EAT) per share (in CHF)		0.0176	0.0753
Diluted earnings after taxes (EAT) per share (in CHF)		0.0176	0.0751

## Consolidated balance sheet (unaudited)

### Assets

in CHF 1,000	Note	30.06.2022	in %	31.12.2021	in %
<b>Current assets</b>					
Cash and cash equivalents		70,328		69,437	
Trade receivables		45,353		40,050	
Other receivables		10,177		11,223	
Inventories		47,324		41,952	
Accrued income and prepaid expenses		12,014		15,268	
<b>Total current assets</b>		<b>185,196</b>	<b>68.9 %</b>	<b>177,930</b>	<b>67.6 %</b>
<b>Non-current assets</b>					
Tangible assets		74,343		74,387	
Financial assets		350		351	
Intangible assets		3,746		4,670	
Other assets		2,662		2,517	
Deferred income tax assets		2,591		3,384	
<b>Total non-current assets</b>		<b>83,692</b>	<b>31.1 %</b>	<b>85,309</b>	<b>32.4 %</b>
<b>Total assets</b>		<b>268,888</b>	<b>100.0 %</b>	<b>263,239</b>	<b>100.0 %</b>

### Liabilities and equity

in CHF 1,000	Note	30.06.2022	in %	31.12.2021	in %
<b>Liabilities</b>					
<b>Current liabilities</b>					
Financial liabilities		0		979	
Trade payables		14,762		13,326	
Other liabilities		7,353		6,808	
Provisions		1,310		2,723	
Accrued liabilities and deferred income		16,359		15,492	
<b>Total current liabilities</b>		<b>39,784</b>	<b>14.8 %</b>	<b>39,328</b>	<b>14.9 %</b>
<b>Non-current liabilities</b>					
Employee benefit obligations	4.1	14,720		17,054	
Provisions		5,619		6,168	
Deferred income tax liabilities		1,686		818	
<b>Total non-current liabilities</b>		<b>22,025</b>	<b>8.2 %</b>	<b>24,040</b>	<b>9.1 %</b>
<b>Total liabilities</b>		<b>61,809</b>	<b>23.0 %</b>	<b>63,368</b>	<b>24.1 %</b>
<b>Equity</b>					
Share capital		35,743		35,667	
Capital reserves		574,291		573,866	
Treasury shares		-7,332		-7,514	
Accumulated losses		-395,545		-402,070	
<b>Equity attributable to shareholders of Von Roll Holding AG</b>		<b>207,157</b>		<b>199,949</b>	
Non-controlling interests		-78		-78	
<b>Total equity</b>		<b>207,079</b>	<b>77.0 %</b>	<b>199,871</b>	<b>75.9 %</b>
<b>Total liabilities and equity</b>		<b>268,888</b>	<b>100.0 %</b>	<b>263,239</b>	<b>100.0 %</b>

## Consolidated cash flow statement (unaudited)

in CHF 1,000	Note	1H 2022	1H 2021
<b>Cash flow from operating activities</b>			
<b>Earnings after taxes (EAT)</b>		<b>6,154</b>	<b>26,326</b>
Income taxes (income (-)/expenses (+))		3,213	2,027
Financial result (profit (-)/loss (+))		-38	-1,528
Depreciation and impairment/reversal of an impairment tangible assets (operational)		4,895	4,696
Depreciation and impairment/reversal of an impairment investment properties		0	226
Amortization and impairment of intangible assets		991	1,029
<b>Earnings before interest, taxes, depreciation and amortization</b>		<b>15,215</b>	<b>32,776</b>
Result from disposal of tangible assets and intangible assets (profit (-)/loss (+))		-21	-21,100
Interest and other financial income received		168	98
Interest and other financial expenses paid		-238	-161
Taxes paid		-735	-1,516
Increase (+)/decrease (-) in provisions		-4,367	-2,196
Increase (-)/decrease (+) in trade receivables		-5,331	-6,965
Increase (-)/decrease (+) in inventories		-5,417	-7,018
Increase (+)/decrease (-) in trade payables		1,086	4,699
Increase (-)/decrease (+) in other net current assets		5,020	2,369
<b>Total cash flow from operating activities</b>		<b>5,380</b>	<b>986</b>
<b>Cash flow from investing activities</b>			
Capital expenditures for tangible assets and intangible assets		-4,389	-3,804
Sale of tangible assets		31	25,013
Sale of investments		0	1,428
<b>Total cash flow from investing activities</b>		<b>-4,358</b>	<b>22,637</b>
<b>Cash flow from financing activities</b>			
Decrease of financial liabilities	5	-218	0
Purchase of treasury shares		-571	-371
Sale of treasury shares		504	393
<b>Total cash flow from financing activities</b>		<b>-285</b>	<b>22</b>
<b>Increase (+)/decrease (-) in cash and cash equivalents</b>		<b>737</b>	<b>23,645</b>
<b>Cash and cash equivalents as at January 1</b>		<b>69,437</b>	<b>48,271</b>
Change in cash and cash equivalents		737	23,645
Currency effects on cash and cash equivalents		154	1,930
<b>Cash and cash equivalents as at June 30</b>		<b>70,328</b>	<b>73,846</b>



## Consolidated statement of changes in equity (unaudited)

In the first half of 2022, consolidated equity changed as follows:

in CHF 1,000	Equity attributable to shareholders of Von Roll Holding AG							Non-controlling interests	Total equity
	Share capital	Capital reserves	Treasury shares	Offsetting goodwill	Currency effects	Other accumulated losses	Total		
<b>Balance as at January 1, 2022</b>	<b>35,667</b>	<b>573,866</b>	<b>-7,514</b>	<b>-10,968</b>	<b>-14,721</b>	<b>-376,381</b>	<b>199,949</b>	<b>-78</b>	<b>199,871</b>
Earnings after taxes (EAT)	0	0	0	0	0	6,154	6,154	0	6,154
Conversion of convertible bond	76	675	0	0	0	0	750	0	750
Purchase/sale of treasury shares	0	-249	182	0	0	0	-67	0	-67
Currency effects	0	0	0	0	371	0	371	0	371
<b>Balance as at June 30, 2022</b>	<b>35,743</b>	<b>574,291</b>	<b>-7,332</b>	<b>-10,968</b>	<b>-14,350</b>	<b>-370,227</b>	<b>207,157</b>	<b>-78</b>	<b>207,079</b>

In the first half of 2021, consolidated equity changed as follows:

in CHF 1,000	Equity attributable to shareholders of Von Roll Holding AG							Non-controlling interests	Total equity
	Share capital	Capital reserves	Treasury shares	Offsetting goodwill	Currency effects	Other accumulated losses	Total		
<b>Balance as at January 1, 2021</b>	<b>35,656</b>	<b>572,139</b>	<b>-8,462</b>	<b>-10,968</b>	<b>-15,739</b>	<b>-404,641</b>	<b>167,985</b>	<b>-77</b>	<b>167,908</b>
Restatement capital reserves	0	2,547	0	0	0	-2,547	0	0	0
<b>Balance as at January 1, 2021 restated</b>	<b>35,656</b>	<b>574,686</b>	<b>-8,462</b>	<b>-10,968</b>	<b>-15,739</b>	<b>-407,188</b>	<b>167,985</b>	<b>-77</b>	<b>167,908</b>
Earnings after taxes (EAT)	0	0	0	0	0	26,326	26,326	0	26,326
Purchase/sale of treasury shares	0	-608	630	0	0	0	22	0	22
Currency effects	0	0	0	0	3,585	0	3,585	-1	3,584
<b>Balance as at June 30, 2021</b>	<b>35,656</b>	<b>574,078</b>	<b>-7,832</b>	<b>-10,968</b>	<b>-12,154</b>	<b>-380,862</b>	<b>197,918</b>	<b>-78</b>	<b>197,840</b>

# Condensed notes to the consolidated Semi-Annual Report (unaudited)

## 1. Accounting principles

### General information

This report contains the consolidated semi-annual financial statements for the period ended June 30, 2022, of Von Roll Holding AG and its subsidiaries.

Von Roll Holding AG (the “company”) and its subsidiaries (collectively “Von Roll”) is an international manufacturing and services corporation. Its primary activities are outlined in the section below on the business segments. The company is a publicly traded company listed on the Swiss stock exchange (SIX Swiss Exchange). Its domicile is at Passwangstrasse 20, 4226 Breitenbach, Switzerland.

The primary operating activities of Von Roll are divided into the two business segments, Von Roll Insulation and Von Roll Composites, which form the basis for segment reporting. Von Roll business segments encompass all activities relating to production processes.

The primary activities are as follows:

- » Von Roll Insulation – production and distribution of electrical insulation materials, winding wires, resins and varnishes
- » Von Roll Composites – production and distribution of composites

The financial operating results per segment are not disclosed because continuing disclosure entails a risk of significant competitive disadvantage. The target markets within these segments are predominantly market niches with a relatively homogeneous product range. The key competitors in the markets relevant for Von Roll either are unlisted companies or do not disclose comparable segment information.

### Significant accounting policies

The 2022 Semi-Annual Report has been prepared in accordance with all guidelines set out in the Swiss GAAP FER Accounting and Reporting Recommendations and should be read in conjunction with the consolidated annual financial statements prepared for the financial year ended on December 31, 2021. This is because the consolidated semi-annual financial statements do not include all disclosures from the annual financial statements. The consolidated Semi-Annual Report presents a true and fair view of Von Roll’s financial position, cash flows and result of operations. The financial statements also comply with the listing rules of the SIX Swiss Exchange and of the Swiss stock corporation law.

The preparation of the Semi-Annual Report in accordance with Swiss GAAP FER requires the management to estimate values and to make assumptions that affect the income, expenses, assets and liabilities reported as well as the disclosure of contingent liabilities. If, in the future, these estimates and assumptions, based on the management’s best judgment at the date of the semi-annual financial statements, differ from the current circumstances, then the estimates will be modified in the period in which the circumstances change.

The consolidated semi-annual financial statements are presented in Swiss francs (CHF) and refer to CHF 1,000 (TCHF). Due to the chosen number format, minor rounding differences may arise.

## 2. Foreign currencies

The following exchange rates were applied for the translation of foreign currencies into Swiss francs (CHF):

Currency	Average rates		Spot rates	
	1H 2022	1H 2021	30.06.2022	31.12.2021
EUR	1.031	1.094	0.996	1.033
USD	0.937	0.905	0.959	0.912
GBP	1.226	1.255	1.161	1.230
INR	0.012	0.012	0.012	0.012
BRL	0.185	0.167	0.184	0.164
CNY	0.146	0.140	0.143	0.144

## 3. Net sales

### 3.1 Business segments

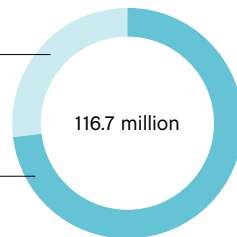
Net sales per business segment are as follows:

1H 2022

in CHF

Composites  
31.4 million

Insulation  
85.3 million

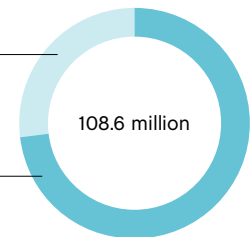


1H 2021

in CHF

Composites  
29.0 million

Insulation  
79.6 million



### 3.2 Geographical information

The following table provides a breakdown of net sales by geographic markets.

in CHF 1,000	1H 2022	in %	1H 2021	in %	Δ in %
EMEA	56,280	48.2 %	55,322	50.9 %	1.7 %
America	28,221	24.2 %	23,482	21.6 %	20.2 %
Asia	32,181	27.6 %	29,812	27.5 %	7.9 %
<b>Total net sales</b>	<b>116,682</b>	<b>100.0 %</b>	<b>108,616</b>	<b>100.0 %</b>	<b>7.4 %</b>

### 3.3 Special effects

After currency effects, sales were CHF 8.8 million higher than in the first half of 2021, which is equivalent to an increase in the core business of 8.1%.

in CHF 1,000	1H 2022	1H 2021	Δ in %
<b>Net sales</b>	<b>116,682</b>	<b>108,616</b>	<b>7.4 %</b>
(+/-) Currency effects <sup>1</sup>	756		
<b>Total net sales adjusted after currency effects</b>	<b>117,438</b>	<b>108,616</b>	<b>8.1 %</b>

<sup>1</sup> Effect of translating sales using the average exchange rates of the previous year.

## 4. Other topics

### 4.1 First half of 2022

Other operating income in the first half of 2022 mainly comprises insurance payments of CHF 4.7 million in connection with a fire incident in 2021. This includes in particular CHF 1.1 million for lost contribution margin from a customer business that was realized with a lower margin.

The other operating expenses include the ongoing expenses associated with the fire in the amount of CHF 3.1 million.

Accruals for insurance benefits are presented gross in the balance sheet.

The decrease in employee benefit obligations is mainly due to the change in the discount rate used in the US.

### 4.2 First half of 2021

Operating and non-operating real estate in Breitenbach, Switzerland, was sold in the first half of 2021. The result of CHF 19.6 million was recognized as follows:

- » CHF 12.9 million non-operating income  
(proceeds from the sale of non-operating real estate)
- » CHF 6.7 million other operating income  
(proceeds from the sale of operating real estate)

## 5. Financial liabilities

Convertible bond 2016 – 22:

in CHF 1,000	1.00% conv. bond 2016–22
Liability component on issue (net of issue costs)	127,136
Amortization of difference between liability component/redemption amount	9,576
Conversion of bond into bearer shares (accumulated up to December 31, 2021)	-135,736
Conversion of bond into bearer shares (first half of 2022)	-750
Compounding first half of 2022	-8
Repayment at maturity date	-218
<b>Net liability component (carrying amount) as at June 30, 2022</b>	<b>0</b>
Open nominal value	0

The convertible bond matured on April 11, 2022, and the unconverted balance was repaid on time.

## 6. Events after the balance sheet date

There were no significant events between the balance sheet date and the approval of the report by the Board of Directors.

The Board of Directors approved the consolidated semi-annual financial statements for publication on August 29, 2022.







**Business address and domicile**

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**Stock exchange listing**

SIX Swiss Exchange (symbol: ROL)  
Security number: 324.535  
ISIN: CH0003245351

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The Annual Report is available on the Internet at [www.vonroll.com](http://www.vonroll.com)

Von Roll Holding AG with registered office in CH-4226 Breitenbach (Canton Solothurn) has been listed on the SIX Swiss Exchange (symbol: ROL, security number: 324.535, ISIN: CH0003245351) since August 11, 1987.