

The background of the entire page is a dark blue field filled with numerous thin, curved lines in various colors including red, orange, yellow, green, and purple. These lines sweep across the frame from the top left towards the bottom right. Interspersed among these lines are small, glowing dots in similar colors, some appearing as bright points of light and others as softer, out-of-focus circles.

23

Semi-Annual Report

We Enable Energy

vonRoll

Group key figures in the first half of 2023

Net sales totaled CHF 122.6 million.

EBIT amounted to CHF 11.8 million.

EBIT margin was 9.6 %.

Earnings after taxes (EAT) were CHF 8.2 million.

| in CHF 1,000 | 1H 2023 | 1H 2022 |
|---|---------|---------|
| Order intake | 119,360 | 126,374 |
| Net sales | 122,569 | 116,682 |
| Earnings before interest, taxes, depreciation and amortization (EBITDA) | 17,297 | 15,215 |
| Operating result (EBIT) | 11,775 | 9,329 |
| Earnings after taxes (EAT) | 8,220 | 6,154 |
| Cash flow from operating activities | 3,908 | 5,380 |
| Capital expenditures for tangible assets and intangible assets | 5,428 | 4,389 |
| Equity | 212,732 | 207,079 |
| Equity ratio (%) | 79.5 | 77.0 |
| Number of employees (FTE) | 946 | 924 |

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We Enable Energy

Dear Shareholders,

In the first half of the current fiscal year 2023, the Von Roll Group was able to continue its positive business trend. In a persistently challenging market environment characterized by geopolitical tensions, sharp rises in energy prices and continuing high inflation, we were able to further increase both net sales and earnings.

Net sales were CHF 122.6 million in the first half of 2023 (first half of 2022: CHF 116.7 million), corresponding to a year-on-year sales growth at constant exchange rates of 9.3%. Once again, we recorded the highest regional sales growth in the USA with double-digit growth rates. With the successful start-up of a new lamination line at our headquarters in Breitenbach, the limitations on production resulting from the fire damage in 2021 were finally eliminated and production volumes could be increased.

The operating result (EBIT) amounted to CHF 11.8 million (first half of 2022: CHF 9.3 million) and corresponds to an EBIT margin of 9.6%. Group earnings after tax (EAT) for the first half of 2023 were CHF 8.2 million (first half of 2022: CHF 6.2 million).

Cash flow from operating activities amounted to CHF 3.9 million (first half of 2022: CHF 5.4 million). With an equity ratio of 79.5% as well as cash and cash equivalents of 78.6 million, Von Roll has a strong balance sheet and can currently benefit from the positive interest rate conditions. Nevertheless, the slightly negative financial result is due to exchange rate effects resulting from the strong appreciation of the Swiss franc.

Sales of our specialty tapes for electrical insulation systems showed a positive trend. This was again based on rising global energy demand and the associated expansion of power generation.

The newly developed specialty resins for use in electric vehicles and power electronics are met with a strong market response. Thanks to clear technical benefits combined with maximum environmental compatibility, we are included in a variety of promising tenders.

In the composites segment, our focus remains on the market launch of our innovative solutions for aviation and e-mobility.

The R&D pipeline, which has been well replenished in recent years, puts us in a strong position to participate in attractive emerging markets with differentiated products and particularly environmentally friendly materials.

Breitenbach, August 2023

P. Kalantzis

Dr. Peter Kalantzis
Chairman of the
Board of Directors

Dr. Christian Hennerkes

Dr. Christian Hennerkes
Chief Executive Officer

Financial Reporting

Consolidated income statement (unaudited)

| in CHF 1,000 | Note | 1H 2023 | 1H 2022 |
|---|------|----------------|----------------|
| Net sales | 2 | 122,569 | 116,682 |
| Other operating income | 3.2 | 345 | 5,181 |
| Total income | | 122,914 | 121,863 |
| Change in inventory of unfinished and finished goods | | 1,210 | 3,285 |
| Material cost | | -51,895 | -57,731 |
| Gross profit | | 72,229 | 67,417 |
| Personnel expenses | 3.2 | -35,140 | -32,345 |
| Other operating expenses | 3 | -19,792 | -19,857 |
| Depreciation and impairment of tangible assets | | -4,594 | -4,895 |
| Amortization and impairment of intangible assets | | -928 | -991 |
| Operating result (EBIT) | | 11,775 | 9,329 |
| Financial result | | -620 | 38 |
| Earnings before taxes (EBT) | | 11,155 | 9,367 |
| Income taxes | | -2,935 | -3,213 |
| Earnings after taxes (EAT) | | 8,220 | 6,154 |
| Of which attributable to: | | | |
| - Shareholders of Von Roll Holding AG | | 8,220 | 6,154 |
| - Non-controlling interests | | - | - |
| Basic earnings after taxes (EAT) per share (in CHF) | | 0.0235 | 0.0176 |
| Diluted earnings after taxes (EAT) per share (in CHF) | | 0.0235 | 0.0176 |

Consolidated balance sheet (unaudited)

Assets

| in CHF 1,000 | Note | 30.06.2023 | in % | 31.12.2022 | in % |
|-------------------------------------|------|----------------|----------------|----------------|----------------|
| Current assets | | | | | |
| Cash and cash equivalents | | 78,586 | | 81,069 | |
| Trade receivables | | 46,453 | | 41,401 | |
| Other receivables | | 11,966 | | 11,655 | |
| Inventories | | 46,616 | | 42,470 | |
| Accrued income and prepaid expenses | | 2,307 | | 2,053 | |
| Total current assets | | 185,928 | 69.5 % | 178,648 | 68.3 % |
| Non-current assets | | | | | |
| Tangible assets | | 73,908 | | 73,522 | |
| Financial assets | | 348 | | 348 | |
| Intangible assets | | 1,855 | | 2,785 | |
| Other non-current assets | | 2,281 | | 2,638 | |
| Deferred income tax assets | | 3,189 | | 3,443 | |
| Total non-current assets | | 81,581 | 30.5 % | 82,736 | 31.7 % |
| Total assets | | 267,509 | 100.0 % | 261,384 | 100.0 % |

Liabilities and equity

| in CHF 1,000 | Note | 30.06.2023 | in % | 31.12.2022 | in % |
|---|------|----------------|----------------|----------------|----------------|
| Liabilities | | | | | |
| Current liabilities | | | | | |
| Trade payables | | 12,535 | | 11,822 | |
| Other liabilities | | 6,547 | | 6,824 | |
| Provisions | | 2,180 | | 3,326 | |
| Accrued liabilities and deferred income | | 15,236 | | 13,568 | |
| Total current liabilities | | 36,498 | 13.6 % | 35,540 | 13.6 % |
| Non-current liabilities | | | | | |
| Employee benefit obligations | | 12,714 | | 12,743 | |
| Provisions | 3.1 | 4,229 | | 5,228 | |
| Deferred income tax liabilities | | 1,336 | | 1,831 | |
| Total non-current liabilities | | 18,279 | 6.9 % | 19,802 | 7.6 % |
| Total liabilities | | 54,777 | 20.5 % | 55,342 | 21.2 % |
| Equity | | | | | |
| Share capital | 4 | 35,743 | | 35,743 | |
| Capital reserves | | 574,235 | | 574,230 | |
| Treasury shares | | -7,240 | | -7,222 | |
| Accumulated losses | | -389,927 | | -396,630 | |
| Equity attributable to shareholders of Von Roll Holding AG | | 212,811 | | 206,121 | |
| Non-controlling interests | | -79 | | -79 | |
| Total equity | | 212,732 | 79.5 % | 206,042 | 78.8 % |
| Total liabilities and equity | | 267,509 | 100.0 % | 261,384 | 100.0 % |

Consolidated cash flow statement (unaudited)

| in CHF 1,000 | Note | 1H 2023 | 1H 2022 |
|---|------|---------------|---------------|
| Cash flow from operating activities | | | |
| Earnings after taxes (EAT) | | 8,220 | 6,154 |
| Income taxes (income (-)/expenses (+)) | | 2,935 | 3,213 |
| Financial result (profit (-)/loss (+)) | | 620 | -38 |
| Depreciation and impairment of tangible assets | | 4,594 | 4,895 |
| Amortization and impairment of intangible assets | | 928 | 991 |
| Earnings before interest, taxes, depreciation and amortization (EBITDA) | | 17,297 | 15,215 |
| Result from disposal of tangible assets and intangible assets (profit (-)/loss (+)) | | -4 | -21 |
| Interest and other financial income received | | 546 | 168 |
| Interest and other financial expenses paid | | -126 | -238 |
| Taxes paid | | -2,125 | -735 |
| Increase (+)/decrease (-) in provisions | | -2,002 | -4,367 |
| Increase (-)/decrease (+) in trade receivables | | -6,024 | -5,331 |
| Increase (-)/decrease (+) in inventories | | -4,964 | -5,417 |
| Increase (+)/decrease (-) in trade payables | | 400 | 1,086 |
| Increase (-)/decrease (+) in other net current assets | | 910 | 5,020 |
| Total cash flow from operating activities | | 3,908 | 5,380 |
| Cash flow from investing activities | | | |
| Capital expenditures for tangible assets and intangible assets | | -5,428 | -4,389 |
| Sale of tangible assets | | 4 | 31 |
| Total cash flow from investing activities | | -5,424 | -4,358 |
| Cash flow from financing activities | | | |
| Decrease of financial liabilities | | - | -218 |
| Purchase of treasury shares | | -164 | -571 |
| Sale of treasury shares | | 151 | 504 |
| Total cash flow from financing activities | | -13 | -285 |
| Increase (+)/decrease (-) in cash and cash equivalents | | -1,529 | 737 |
| Cash and cash equivalents as at January 1 | | 81,069 | 69,437 |
| Change in cash and cash equivalents | | -1,529 | 737 |
| Currency effects on cash and cash equivalents | | -954 | 154 |
| Cash and cash equivalents as at June 30 | | 78,586 | 70,328 |

Consolidated statement of changes in equity (unaudited)

In the first half of 2023, 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 | | |
| Balance as at January 1, 2023 | 35,743 | 574,230 | -7,222 | -10,968 | -18,902 | -366,760 | 206,121 | -79 | 206,042 |
| Earnings after taxes (EAT) | - | - | - | - | - | 8,220 | 8,220 | - | 8,220 |
| Purchase/sale of treasury shares | - | 5 | -18 | - | - | - | -13 | - | -13 |
| Currency effects | - | - | - | - | -1,517 | - | -1,517 | - | -1,517 |
| Balance as at June 30, 2023 | 35,743 | 574,235 | -7,240 | -10,968 | -20,419 | -358,540 | 212,811 | -79 | 212,732 |

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 | | |
| Balance as at January 1, 2022 | 35,667 | 573,866 | -7,514 | -10,968 | -14,721 | -376,381 | 199,949 | -78 | 199,871 |
| Earnings after taxes (EAT) | - | - | - | - | - | 6,154 | 6,154 | - | 6,154 |
| Conversion of convertible bond | 76 | 674 | - | - | - | - | 750 | - | 750 |
| Purchase/sale of treasury shares | - | -249 | 182 | - | - | - | -67 | - | -67 |
| Currency effects | - | - | - | - | 371 | - | 371 | - | 371 |
| Balance as at June 30, 2022 | 35,743 | 574,291 | -7,332 | -10,968 | -14,350 | -370,227 | 207,157 | -78 | 207,079 |

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

1. Significant accounting policies

General information

This report contains the consolidated semi-annual financial statements for the period ended June 30, 2023, of Von Roll Holding AG and its subsidiaries.

Von Roll Holding AG (the “company”) and its subsidiaries (together “Von Roll”) is an international manufacturing and services corporation. Its primary activities are outlined in Note 2.1 on the business segments. The company is a publicly traded company listed on the Swiss stock exchange (SIX Swiss Exchange AG). Its registered office is in Breitenbach, Switzerland. Its domicile is at Passwangstrasse 20, 4226 Breitenbach, Switzerland.

Principles

The 2023 Semi-Annual Report comprises the unaudited interim consolidated financial statements for the six months ended June 30, 2023. The 2023 interim consolidated financial statements have been prepared in accordance with FER 31 (Complementary recommendation for listed entities). This was carried out under application of Swiss GAAP FER (Accounting and Reporting Recommendations) and on the basis of the unchanged accounting policies of Von Roll Group as set out in the 2022 annual consolidated financial statements. They should be read in conjunction with the latter, as the interim consolidated financial statements are an update of information previously published and do not include all the information and disclosures required in the annual consolidated financial statements.

The interim consolidated 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.

Significant management assumptions and estimates

The preparation of the interim consolidated financial statements requires the management to exercise judgment and make estimates and assumptions. These can significantly affect recognized assets and liabilities, reported income and expenses and disclosures. Estimates and assumptions are based on historical experience and expectations of future events that are believed to be reasonable under the circumstances. Actual amounts may differ from these estimates. Any revisions to estimates and assumptions are recognized and disclosed in the period in which they are identified.

Apart from the release of provisions for environmental restoration disclosed in note 3.1, management did not make any new assumptions and estimates in the interim consolidated financial statements compared to the annual consolidated financial statements as of December 31, 2022.

Currency translation

The main exchange rates used for the currency translation are:

| Currency | Average rates | | Spot rates | |
|----------|---------------|---------|------------|------------|
| | 1H 2023 | 1H 2022 | 30.06.2023 | 31.12.2022 |
| EUR | 0.989 | 1.031 | 0.979 | 0.985 |
| USD | 0.918 | 0.937 | 0.901 | 0.923 |
| GBP | 1.127 | 1.226 | 1.140 | 1.110 |
| INR | 0.011 | 0.012 | 0.011 | 0.011 |
| BRL | 0.179 | 0.185 | 0.185 | 0.175 |
| CNY | 0.133 | 0.146 | 0.124 | 0.134 |

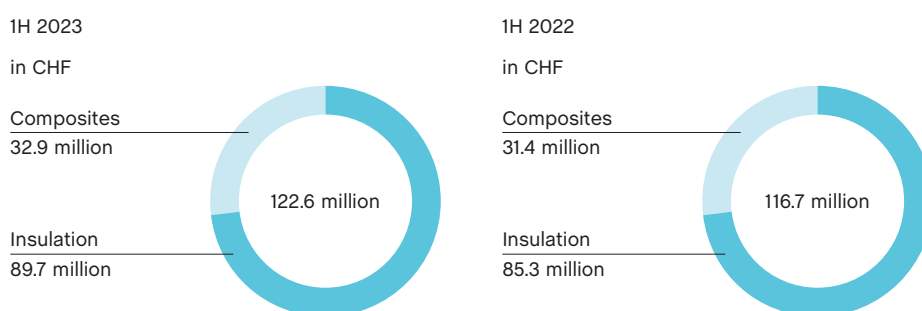
2. Net sales

2.1 Business segments

The primary operating activities of Von Roll have been organized into the two segments “Von Roll Insulation” and “Von Roll Composites.” These form the basis for segment reporting. The 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 information on the net sales of the business segments is outlined below:



The financial operating results per segment are not disclosed because 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.

2.2 Geographical information by customer location

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

| in CHF 1,000 | 1H 2023 | in % | 1H 2022 | in % | Δ in % |
|------------------------|----------------|----------------|----------------|----------------|--------------|
| EMEA | 60,965 | 49.7 % | 56,280 | 48.2 % | 8.3 % |
| America | 32,358 | 26.4 % | 28,221 | 24.2 % | 14.7 % |
| Asia | 29,246 | 23.9 % | 32,181 | 27.6 % | -9.1 % |
| Total net sales | 122,569 | 100.0 % | 116,682 | 100.0 % | 5.0 % |

2.3 Analysis of net sales

At constant exchange rates, sales were CHF 10.8 million higher than in the first half of 2022, which is equivalent to an increase in the core business of 9.3 %.

| in CHF 1,000 | 1H 2023 | 1H 2022 | Δ in % |
|---|----------------|----------------|--------------|
| Net sales | 122,569 | 116,682 | 5.0 % |
| (+/-) Currency effects ¹ | 4,925 | | |
| Total net sales at constant exchange rates | 127,494 | 116,682 | 9.3 % |

¹ Effect of translating sales using the average exchange rates of the previous year.

3. Significant events in the first half-year

3.1 First half of 2023

After no claims based on judgments and decrees or contractual agreements were asserted for a site divested in 2003, and the sold site is classified as “not subject to monitoring or remediation” based on current publicly available information, management has concluded that the provision for environmental remediation of CHF 1.0 million recognized for this site is no longer necessary. The reversal through profit or loss is included in other operating expenses.

3.2 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. Equity

At the 200th Annual General Meeting of Von Roll Holding AG on April 19, 2023, amendments to the Articles of Incorporation were approved. The amendments included a deletion of the conditional and authorized capital and the introduction of a capital band. The Board of Directors is authorized at any time until April 18, 2028, within the upper limit of CHF 53,615,070.60 and the lower limit of CHF 17,871,690.20, to carry out one or more increases and/or reductions of the share capital by issuing up to 178,716,902 fully paid bearer shares or cancelling up to 178,716,902 bearer shares with a par value of CHF 0.10 each, or by increasing or reducing the par value of the existing bearer shares. Further regulations on the capital band can be found in Article 5a of the Articles of Incorporation, which can be viewed at www.vonroll.com/en/group/investors/corporate-governance.

5. 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 10, 2023.

Business address and domicile

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Stock exchange listing

SIX Swiss Exchange (symbol: ROL)
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The Von Roll Annual Report is originally prepared in German and translated into English. In the event of any discrepancy, the German version prevails.

The Annual Report is available on the Internet at 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.