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Consolidated income statement

in CHF thousand	Note	2021	2020
Net sales	1	496 693	445 189
Changes to semi-finished and finished inventories		5 900	1 227
Other operating income	2	25 186	5 623
Goods and services on own account		98	246
Total income		527 877	452 285
Material expense		306 013	214 413
Energy expense		61 187	47 481
Personnel expense	3	92 367	93 131
Outsourced maintenance/repairs		17 662	17 375
Other operating expense	4	24 930	24 734
Earnings before interest, taxes, depreciation and amortization (EBITDA)		25 718	55 151
Depreciation on tangible fixed assets	17	27 013	29 214
Depreciation on intangible assets	16	1 372	1 274
Impairment	5	150 000	0
Earnings before interest and taxes (EBIT)		-152 667	24 663
Financial income	6	685	212
Financial expense	7	4 544	4 864
Financial result		-3 859	-4 652
Earnings before taxes and non-operating/extraordinary items		-156 526	20 011
Non-operating result	8	7 311	6 841
Extraordinary result	9	0	12 000
Earnings before taxes		-149 215	38 852
Income taxes	10	2 195	-8 111
Net result for the year		-151 410	46 963
- attributable to shareholders of CPH Chemie + Papier Holding AG		-151 559	46 901
- attributable to minorities		149	62
in CHF	Note	2021	2020
Net result after minorities per share	33	-25.26	7.82
Diluted net result per share	33	-25.26	7.82

Consolidated balance sheet

	Note	31.12.2021		31.12.2020	
		in CHF thousand	in %	in CHF thousand	in %
Assets					
Liquid funds	11	95 084	17	116 265	17
Securities	11	32	0	20	0
Trade accounts receivable	12	69 271	12	52 892	8
Other receivables	13	28 524	5	17 167	2
Prepaid expenses and accrued income	14	9 189	2	6 673	1
Inventories	15	87 528	16	78 323	11
Short-term financial receivables		75	0	0	0
Total current assets		289 703	52	271 340	39
Intangible assets	16	5 835	1	5 565	1
Tangible fixed assets	5/17	196 474	35	352 563	50
Long-term financial assets	18	10 000	2	10 000	1
Assets from employer contribution reserves	3/19	11 301	2	11 189	2
Pension scheme assets	3/19	12 867	2	11 550	2
Other long-term receivables	20	21 135	4	29 614	4
Deferred tax assets	21	13 083	2	12 412	2
Total fixed assets		270 695	48	432 893	61
Total assets		560 398	100	704 233	100
Equity and liabilities					
Trade accounts payable	22	84 787	15	56 751	8
Other payables	23	3 920	1	4 576	1
Accrued liabilities and deferred income	24	18 263	3	16 815	2
Short-term financial liabilities	25/27	3 227	1	8 088	1
Short-term provisions	26	7 368	1	3 331	0
Total current liabilities		117 565	21	89 561	13
Long-term financial liabilities	27	6 595	1	9 746	1
Corporate bonds issued	27	100 000	18	100 000	14
Pension scheme liabilities	3/19	1 356	0	1 157	0
Other long-term liabilities		263	0	369	0
Long-term provisions	28	24 125	4	31 533	4
Total long-term liabilities		132 339	24	142 805	20
Total liabilities		249 904	45	232 366	33
Share capital		1 200	0	1 200	0
Capital reserves		-56	-0	4 150	1
Treasury shares	34	0	0	-27	-0
Goodwill		-63 021	-11	-63 021	-9
Retained earnings		522 562	93	481 513	68
Net result for the year		-151 559	-27	46 901	7
Total equity excluding minorities		309 126	55	470 716	67
Minorities		1 368	0	1 151	0
Total equity including minorities		310 494	55	471 867	67
Total equity and liabilities		560 398	100	704 233	100

Consolidated cash flow statement

in CHF thousand	Note	2021	2020
Net result for the year (including minorities)		-151 410	46 963
Depreciation on tangible and intangible assets	16/17	28 385	30 488
Asset value impairments	5/17	150 000	0
Loss/(Profit) on fixed-asset sales		-7 547	-5 042
Change in employer contribution reserves, pension scheme assets/liabilities	19	-1 230	168
Book gains on securities and other non-cash currency effects		-17	5
Share-based compensation	3/34	180	180
Change in provisions	26/28	356	-16 057
Release of/(Increase in) deferred taxes	21	-652	-11 967
Further non-cash income/expense		-1 406	1 103
Cash flow		16 659	45 841
Decrease/(Increase) in securities		5	0
Decrease/(Increase) in trade accounts receivable	12	-15 521	20 486
Decrease/(Increase) in other receivables and prepaid expenses	13/14	-7 196	-143
Decrease/(Increase) in inventories	15	-9 578	-4 059
Increase/(Decrease) in trade accounts payable	22	30 742	-9 002
Increase/(Decrease) in other and accrued liabilities	23/24	727	1 835
Decrease/(Increase) in net current assets		-821	9 117
Cash flow from operating activities		15 838	54 958
Investments in tangible fixed assets	17	-22 965	-17 507
Disposals of tangible fixed assets	17	5 212	5 234
Investments in intangible assets	16	-1 630	-1 268
Investments in business activities/minorities	29	0	-1 600
Investments in financial and other long-term receivables	20	-78	-258
Disposals of financial and other long-term receivables	20	243	124
Cash flow from investment activities		-19 218	-15 275
Free cash flow		-3 380	39 683
Increase in short-term financial liabilities	25	0	1 370
Decrease in short-term financial liabilities	25	-6 914	-5 759
Increase/(Decrease) in long-term financial liabilities	27	0	0
Increase/(Decrease) in other long-term liabilities		-106	-231
Treasury share purchases	34	-394	-1 543
Treasury share sales	34	235	1 355
Nominal value reduction		0	-10 798
Dividends to shareholders		-10 798	-16
Cash flow from financing activities		-17 977	-15 622
Currency translation effects		176	-892
Net change in cash and cash equivalents		-21 181	23 169
Cash and cash equivalents at 1 January		116 265	93 096
Change		-21 181	23 169
Cash and cash equivalents at 31 December		95 084	116 265

Consolidated statement of changes in equity

in CHF thousand	Share capital	Capital reserves	Treasury shares	Goodwill	Retained earnings	Equity excluding minorities	Minorities	Equity including minorities
As at 31.12.2019	12 000	4 174	-45	-61 736	485 318	439 711	1 578	441 289
Distribution to shareholders						0	-16	-16
Purchases in minorities				-1 285		-1 285	-315	-1 600
Nominal value reduction	-10 800	2				-10 798		-10 798
Net result for the year					46 901	46 901	62	46 963
Treasury share purchases			-1 543			-1 543		-1 543
Treasury share sales		-20	1 375			1 355		1 355
Share-based compensation		-6	186			180		180
Currency translation effects					-3 805	-3 805	-158	-3 963
As at 31.12.2020	1 200	4 150	-27	-63 021	528 414	470 716	1 151	471 867
Distribution to shareholders		-4 200			-6 598	-10 798	0	-10 798
Net result for the year					-151 559	-151 559	149	-151 410
Treasury share purchases			-394			-394		-394
Treasury share sales		-6	241			235		235
Share-based compensation			180			180		180
Currency translation effects					746	746	68	814
As at 31.12.2021	1 200	-56	0	-63 021	371 003	309 126	1 368	310 494

The statutory reserves of the holding company and its subsidiaries as at 31 December 2021 amounted to CHF 27.4 million (prior year: CHF 24.0 million). Of this amount, CHF 17.2 million (prior year: CHF 9.5 million) cannot be distributed.

The company held no treasury shares as at 31 December 2021 (prior year: 376 shares). For further details see Note 34.

Goodwill amounting to CHF 1.3 million was offset against equity in 2020 as a result of the acquisitions of minority holdings (see also Notes 16 and 29).

Consolidated accounting principles

General remarks

The consolidated financial statements of the CPH Group are compiled in full accordance with the currently valid Swiss GAAP Accounting and Reporting Recommendations (FERs). These consolidated financial statements give a true and fair view of the financial positions, earnings and cash flows, and are based on historical values.

The Swiss GAAP FERs were unchanged in 2021, and the consolidated accounting principles below are also unchanged from the prior year. The capitalization and valuation principles for intangible assets were expanded with the addition of those for carbon credits.

Coronavirus crisis and significant management estimates

For the compilation of the consolidated financial statements, estimates and assumptions must be made which may impact on the accounting principles to be used and on the amounts shown under assets, liabilities, income and expenditures and the presentation thereof. In view of the coronavirus crisis, possible ramifications were studied in detail in 2020. On the basis of these studies, the Board of Directors and Group Executive Management considered various scenarios, none of which offered any indication that business could not continue as a going concern. The situation continues to be constantly monitored.

Definitions

'Goodwill' is an intangible asset that arises when a company or part thereof is acquired.

In accordance with the Swiss GAAP FERs, the cash flow statement shows as funds only cash and cash equivalents (excluding securities and fixed-term deposits of more than 90 days). Cash flow is calculated using the Indirect Method.

'Related parties' are regarded as any company or person that either exerts a substantial influence on the CPH Group or is controlled by the same, together with the occupational pension schemes of group member companies.

Alternative performance measures and indicators not defined in the Swiss GAAP FERs

For the reader's benefit, CPH has added certain specific intermediate totals which can be deduced from the tables concerned. An overview of the alternative performance measures currently used by CPH is available for download from the CPH website under 'Investors / Alternative performance measures' ([https://cph.ch/en/investors/Alternative performance measures](https://cph.ch/en/investors/Alternative%20performance%20measures)).

Consolidation principles

Scope and method of consolidation

The consolidated financial statements consist of the annual financial statements of CPH Chemie + Papier Holding AG, Perlen and of those CPH Group member companies in and outside Switzerland in which CPH Chemie + Papier Holding AG, Perlen directly or indirectly holds more than 50% of voting rights. The balance sheet date for all CPH Group member companies is 31 December. In accordance with the Purchase Method used for fully consolidated companies, assets and liabilities and income and expenditures are incorporated in full. Intercompany balances and transactions have been eliminated. The shares of minority shareholders or minority partners in the equity and in the results of consolidated companies are shown separately but also as part of the consolidated equity and result. Intermediate profits on stocks from intragroup deliveries have been eliminated.

Group member companies acquired in the course of the year are consolidated from the date of CPH's assumption of control. Group member companies disposed of in the course of the year are deconsolidated from the date of CPH's cession of control. When a company is acquired, its net assets are determined at their current value and integrated using the Purchase Method. The resulting goodwill is offset against equity. In the case of successive acquisitions of minorities, the goodwill is determined separately for each acquisition step. If the purchase price of an acquisition includes elements that are linked to future earnings, the value of these elements is estimated as accurately as possible at the time of acquisition for goodwill calculation purposes. Should there be deviations from these estimates when the final purchase price is determined, the goodwill offset against group equity is adjusted accordingly.

For the scope of consolidation and changes thereto in 2021, please see Note 29 in the 'Additional information on the consolidated financial statements' and the 'List of major shareholdings' on Page 80.

Foreign currency translation

The consolidated financial statements are presented in Swiss francs (CHF). The financial statements of the Group's constituent companies are presented in the local currency. The financial statements of subsidiaries which are in currencies other than the Swiss franc are translated into Swiss francs as follows:

All assets and liabilities on the balance sheets are translated into Swiss francs at the exchange rate ruling on the balance sheet date (the Effective Date Method). Any differences arising from the use of differing translation rates in the course of such translation are taken to equity. Foreign-currency income and expenditure in the income statements are translated at the average rates ruling for the year. Any translation differences resulting from the application of different exchange rates in the balance sheet (effective date) and the income statement (average rate) are taken to equity with no impact on the

income statement. In the event of the disposal of a foreign subsidiary, the associated translation differences to date are taken straight to the income statement. Any translation differences arising from long-term intragroup financing of an equity nature are also taken directly to group equity.

Positions held in foreign currencies are translated using the Effective Date Method. All assets and liabilities are translated at the exchange rate ruling on the balance sheet date. Transactions in foreign currencies are translated at the exchange rate ruling on the date of the transaction. The effects of these foreign currency adjustments are taken straight to the income statement.

For the most important foreign currencies, the following CHF translation rates were used:

	2021	2020
Balance sheets: year-end rates		
EUR	1.0360	1.0820
USD	0.9110	0.8840
CNY (CHF per 100 CNY)	14.30	13.52
SGD	0.6760	0.6690
BAM	0.5297	0.5532
BRL	0.1640	0.1700
Income statements/ cash flow statements: average rates		
EUR	1.0810	1.0710
USD	0.9140	0.9380
CNY (CHF per 100 CNY)	14.18	13.60
SGD	0.6800	0.6800
BAM	0.5527	0.5476
BRL	0.1700	0.1840

Capitalization and valuation principles

Liquid funds

Liquid funds consist of cash on hand, postal and bank account balances and fixed-term deposits originally maturing in 90 days or less.

Securities

Securities are readily marketable financial and capital investments managed internally or externally. They are stated at their current market value.

Trade accounts receivable

Trade accounts receivable consist of amounts due for deliveries made and services rendered which have been invoiced but for which payment has not yet been received. Their values are generally adjusted individually. Such individual adjustments include any amounts overdue for at least 120 days. Blanket adjustments are also made, based on past experience.

Other receivables

Other receivables consist of short-term claims that are not based on deliveries made and/or services rendered. Other receivables are stated at their nominal value, less any value adjustments.

Prepaid expenses and accrued income

This item consists of expenses paid in the current accounting period that will be incurred in a later accounting period, and of income not accounted until after the balance sheet date.

Inventories

Inventories are stated at their average purchase price or production cost, but at no higher than their realizable liquidation value. Any discounts received on purchases are treated as purchase price reductions. The Lower of Cost or Market Value Principle is applied. The values of semi-finished and finished inventories include an appropriate proportion of their production overheads. Value adjustments are effected for obsolete stock.

Short-term financial receivables

These include interest-bearing receivables with a maturity of up to one year, and are reported at nominal value less any value adjustments.

Intangible assets

Intangible assets include licences, patents, brands and software acquired from third parties. These are valued at their purchase price or manufacturing cost less any amortization required. Amortization is effected on a straight-line basis over the item's useful life, up to a maximum five-year period.

Intangible assets also include the carbon credits issued free of charge by the Swiss Federal Office for the Environment, which are initially capitalized at zero nominal value. In accordance with the provisions of Swiss GAAP FER 10, such carbon credits are subsequently valued at acquisition price. Carbon credits are realized upon their use or sale. Any income from such sales is shown under other operating income.

The goodwill deriving from acquisitions is offset against retained earnings at the time of acquisition. In the event of the disposal of a part of the business, any associated goodwill previously offset against equity is taken to the income statement. The impact of any theoretical capitalization and amortization is shown in the notes. For theoretical accounting purposes, goodwill is basically written down over its useful economic life, and generally over five years. Impairments are effected if required.

Tangible fixed assets

Land is capitalized at its purchase price less any devaluation. Other tangible fixed assets (buildings, structures, production plant, machinery, installations, vehicles, movable property, other equipment and production and business facilities) are capitalized at a maximum of their purchase price or manufacturing cost less any depreciation required under normal business practice. The useful lives assumed for depreciation purposes are as follows:

Residential property	50–100 years
Office buildings	33–66 years
Industrial buildings and infrastructure	25–50 years
Installations, production plant and machinery	5–30 years
Other plant and equipment	5–15 years
IT hardware (HW)	3–8 years
Installations in rented premises	Rental period
Vehicles	5–15 years

All depreciation is effected using the straight-line method.

Long-term financial assets

This item comprises all holdings of 20% or less in the capital of other organizations. These are shown at their purchase price less any value adjustments required.

Long-term financial receivables

This item comprises all long-term interest-bearing loans with a maturity of more than one year, which are shown at their (undiscounted) nominal value less any value adjustments.

Assets from employer contribution reserves

In accordance with Swiss GAAP FER 16, employer contribution reserves or comparable positions are listed as assets. Any differences from the corresponding value in the prior accounting period are taken to the income statement as personnel expense.

Pension scheme assets

Any economic benefits deriving from occupational pension schemes are capitalized here. Such economic benefits will be capitalized if the benefit concerned can be used for the company's future pension scheme obligations. Any differences from the corresponding value in the prior accounting period are taken to the income statement as personnel expense.

Asset impairments

All assets are assessed for any impairment in value on the balance sheet date. This assessment is based on any developments and/or indications which suggest that an asset may have been overvalued in its book value. If the asset's book value exceeds its realizable value (i.e. the higher of its net market value and its value in use), the resulting impairment will be taken to the income statement. If the factors previously considered in the calculations of an asset's realizable value have significantly improved, an impairment effected in an earlier accounting period will subsequently be wholly or partially reversed via the income statement.

Other long-term receivables

This item includes all other non-interest-bearing long-term receivables due for payment more than one year after the balance sheet date.

Trade accounts payable

Trade accounts payable include all non-interest-bearing short-term liabilities resulting from ordinary business activities. They are stated at their nominal value.

Other payables

Other payables are short-term liabilities that are not classified as financial liabilities but derive from business activities. They are reported at their nominal value.

Accrued liabilities and deferred income

This item consists of liabilities incurred before the balance sheet date that will not be due for payment until a later accounting period, and of income accrued before the balance sheet date for a product or service to be provided in a later accounting period.

Short-term financial liabilities

This item consists of interest-bearing liabilities maturing in up to one year. These are stated at their nominal value.

(Short-term and long-term) provisions

Provisions are effected for likely liabilities arising from an event in the past (i.e. before the balance sheet date) whose extent and/or incurrence is uncertain but may be estimated. All provisions made are regularly reappraised (at least every year). Any release of provisions is effected via the same position through which the provision was originally effected. A distinction is made between short-term provisions (for liabilities likely to be incurred in up to one year) and long-term provisions (for liabilities likely to be incurred later than this). The changes in provisions are listed in the notes to the consolidated financial statements.

Long-term financial liabilities

This item consists of interest-bearing financial liabilities (bank loans and bonds) with a contractually agreed maturity of more than one year. They are shown at nominal value.

Corporate bonds

Corporate bonds are shown at nominal value.

Pension scheme liabilities

Any economic liabilities deriving from occupational pension schemes are capitalized here. Such liabilities will be capitalized if the criteria for making appropriate provisions are met. Any differences from the corresponding value in the prior accounting period are taken to the income statement as personnel expense. The Group's Swiss-based subsidiaries maintain legally autonomous occupational pension schemes which are financed by employer's and employees' contributions. The economic impact on the Group through such schemes' overfunding or underfunding is determined on the basis of the schemes' annual financial statements and Swiss GAAP FER 26. Any economic liabilities deriving from pension schemes outside Switzerland which meet the criteria for making appropriate provisions are capitalized.

Other long-term liabilities

This item consists of non-interest-bearing liabilities with a maturity of more than one year. They are shown at nominal value.

Leases

Finance lease agreements are shown in tangible fixed assets and other financial liabilities if the associated benefits and risks are largely transferred to the CPH group member company concerned upon the lease's signing. Investment properties are shown at the lower of the cash value of the minimum leasing instalments or the current market value. The corresponding finance lease obligations are shown under liabilities. Leasing instalments are divided into interest expense and repayment amounts using the Annuity Method. The item leased is depreciated over the shorter of its estimated service life or the lease's duration. Operating lease payments are taken to the income statement as other operating expense over the lease's duration.

Derivative financial instruments

Derivative financial instruments are treated according to their underlying motives. Hedges intended to offset currency movements are shown at their market value on the balance sheet date, with the resulting changes in value taken straight to the income statement. Hedges of future cash flows are not capitalized, but are shown in the notes to the consolidated financial statements (under Note 32.4).

Share-based compensation

Share-based compensation is valued at the share price applicable on the shares' assignment, and is shown under both equity and personnel expense. The definitively assigned shares are subject to a three-year vesting period, during which the number of shares assigned is not contingent on any further performance, results or other vesting conditions. The difference between the share price on assignment and the purchase price of the treasury shares concerned is shown in capital reserves.

Treasury shares

Treasury shares are shown at their original purchase price. The treasury shares held are shown as a negative item in equity. If they are later sold, the resulting profit or loss is taken directly to capital reserves.

Net sales and recording of sales

Net sales comprise the sales of products and services resulting from ordinary business activities. A sale is recorded when it is likely that its economic benefit will accrue to the Group and its amount can be reliably calculated. The sale is regarded as realized with the transfer to the customer of the benefit and the risks concerned. Silicate chemistry products, newsprint, magazine paper and coated films are the Group's main sales generators: sales from its services are of negligible importance. Net sales are sales less such deductions as price reductions, rebates, discounts, special distribution charges and value-added tax.

Changes to semi-finished and finished inventories

This item contains the changes to semi-finished inventories, to work in progress and to finished inventories.

Other operating income

The operating income shown under this item derives mainly from energy sales, from sales of carbon credits and from leases and rentals of business premises.

Material expense

This item contains all the costs of raw, auxiliary and operating materials, the cost of merchandise and expenses incurred through the outside manufacture or processing of the company's own products (third-party services).

Personnel expense

Personnel expense comprises all the amounts paid to employees who are members of the group workforce under employment law for the work they provide. It also includes all compulsory and voluntary social security contributions. It further includes other personnel expense such as the costs of temporary personnel, recruitment, initial and further training and the reimbursement of expenses incurred in connection with professional training.

Energy expense

Energy expense includes the costs of electricity and steam obtained from outside suppliers, heating oil, natural gas, water and fuel wood.

Outsourced maintenance/repairs

This item contains the costs of repairs and maintenance performed by third parties (including the materials used) which are not capitalized, plus the materials used for the Group's own maintenance and repair activities.

Research and development

Research costs are taken straight to the income statement. Development costs are only capitalized if a future economic benefit can be demonstrated. If it cannot, these are also taken straight to the income statement for the accounting period in which they are incurred.

Other operating expense

This item contains sales and administration costs and further operating expenses.

Non-operating result

The non-operating result contains any income or expenses deriving from business or events that are clearly separate from operating activities.

Extraordinary result

The extraordinary result contains any income or expenses which derive extremely rarely from ordinary business activities and cannot be foreseen.

Income taxes

Provisions are made for all tax liabilities, regardless of when they are due for payment. Deferred income tax amounts are calculated for all temporary differences using the Balance Sheet Liability Method. Such temporary differences arise from deviations between the Swiss GAAP FER values and the taxable values of assets and liabilities.

If the taxable result differs from the consolidated profit for the year based on uniform valuation principles, provisions are made for any additional taxes anticipated. Such differences result from the use of fiscally approved degressive depreciation methods and value adjustments. The deferred taxes due on these deviation amounts are calculated using the local tax rates that are expected to apply. In the event of any changes to such rates or deviations therefrom, the deferred tax amounts are adjusted accordingly. Any change in provisions for deferred tax amounts is taken straight to the income statement.

Deferred taxes on temporary differences may only be recognized if they are likely to be fiscally offset through future profits. Deferred taxes on losses carried forward are not capitalized, in accordance with the consolidated accounting principles.

Additional information on the consolidated financial statements

1. Segment information

1.1 Net sales by region

in CHF thousand	2021	%	2020	%
Switzerland	53 925	11	48 289	11
Europe (excluding Switzerland)	275 655	56	276 755	62
The Americas	100 553	20	64 602	15
Asia	54 194	11	49 461	11
Rest of the world	12 366	2	6 082	1
Total	496 693	100	445 189	100

Total net sales were 11.6% (CHF 51.5 million) up on their prior-year level, or 12.6% (CHF 56.0 million) up based on prior-year currency translation rates. The impact of currency movements amounted to -1.0% (CHF -4.5 million). The average EUR/CHF currency exchange rate was 0.9% up on the previous year, while the average USD/CHF rate showed a 2.6% decline.

1.2 Income statement by division

2021 in CHF thousand	Chemistry	Paper	Packaging	Other/ consolidation	Group
Net sales	95 146	230 877	170 670		496 693
EBITDA	20 456	-8 007	11 916	1 353	25 718
in % of net sales	21.5	-3.5	7.0		5.2
EBIT before impairment	15 308	-24 888	5 686	1 227	-2 667
in % of net sales	16.1	-10.8	3.3		-0.5
EBIT	15 308	-174 888	5 686	1 227	-152 667
in % of net sales	16.1	-75.7	3.3		-30.7

2020 in CHF thousand	Chemistry	Paper	Packaging	Other/ consolidation	Group
Net sales	73 286	209 581	162 322		445 189
EBITDA	9 467	17 369	27 819	496	55 151
in % of net sales	12.9	8.3	17.1		12.4
EBIT	4 612	-2 035	21 626	460	24 663
in % of net sales	6.3	-1.0	13.3		5.5

2. Other operating income

in CHF thousand	2021	2020
Energy sales	3 214	3 116
Sales of carbon credits	18 104	0
Rental income from business premises	508	507
Income from production waste	1 040	676
Miscellaneous	2 320	1 324
Total	25 186	5 623

Other operating income was substantially higher in 2021 than it had been the previous year owing to the sales of carbon credits which had been issued to Perlen Papier AG between 2018 and 2021 (see also Note 16). 'Miscellaneous' for 2021 includes government grants (in the USA) amounting to CHF 1.4 million (prior year: CHF 0.0 million).

3. Personnel expense

in CHF thousand	2021	2020
Salaries and wages	77 704	76 914
Pension scheme contributions and other social security expense	13 022	14 346
Other personnel expense	1 641	1 871
Total	92 367	93 131

Personnel expense for 2021 was 0.8% (CHF 0.8 million) below its prior-year level. Personnel numbers were increased in the Chemistry Division in response to the high product demand, while personnel expense for the Paper and Packaging divisions were below those of 2020. The Paper Division received short-time working compensation amounting to CHF 0.2 million (prior year: CHF 1.6 million). In addition to the contributions to state social security institutions, 'Pension scheme contributions and other social security expense' includes the contributions to company pension schemes described in Note 19. Members of Group Executive Management were assigned a total of 2 682 shares in 2021 under their share-based compensation provisions. Based on a share price of CHF 66.80, the corresponding expense, which is included under 'Salaries and wages', amounted to CHF 0.18 million.

4. Other operating expense

The CHF 24.9 million of other operating expense (prior year: CHF 24.7 million) includes sales and administrative costs and further operating expenses.

5. Impairment

The fixed assets of the Paper Division were tested for impairment as at 31 December 2021.

The European market for graphic printing paper has been undergoing radical structural change for over ten years now. Print newspapers are losing ground to digital platforms as a news medium. The trend is accompanied by consolidation within the media market. So not only are newspapers shrinking in print run and page volume terms: numerous titles have been merged or have closed entirely. As a result, the demand for newsprint has been falling in Western Europe since 2008 by some 6–8% a year. The decline has also prompted adjustments to production capacities. But since such reductions take longer to effect, overcapacities have developed, and with them strong pricing pressures. This in turn has halved paper prices from their previous highs.

With substantially less paper manufactured during the coronavirus pandemic, less waste paper was also available for recycling use. The industry thus faced a shortage of recovered paper in 2021 when demand for its products picked up again in the course of the year. The situation was exacerbated by higher demand from the cardboard packaging sector, which used both waste cardboard and waste paper as raw materials to provide sufficient volumes of packaging for the booming online sales segment. As a result, recovered paper prices rose to historic highs, and waste paper supply lines were tested to the extreme. Steep rises were also seen in electricity and thermal energy prices.

No medium-term easing of the European paper and raw materials market situation is currently in sight. Margins will remain under pressure, accentuated by still-high raw materials and energy prices. In view of the continuing predatory competition and the substantially higher raw materials and energy prices, an impairment of CHF 150 million (prior year: CHF 0) was effected to net market value (see also Note 17). As a result, the assets concerned are now valued on the basis of their net market value, which is negligibly above their value in use. An impairment of CHF 4.1 million (prior year: CHF 0) was also recognized in theoretical goodwill movement (see Note 16).

6. Financial income

in CHF thousand	2021	2020
Interest income	39	32
Other financial income	626	179
– currency exchange rate gains	573	143
– further financial income	53	36
Income from securities	20	1
Total	685	212

Financial income was CHF 0.5 million up on its prior-year level, owing to exchange rate gains on amounts held in foreign currencies.

7. Financial expense

in CHF thousand	2021	2020
Interest expense	2 493	2 693
– interest paid	2 495	2 690
– changes in deferred interest due	–2	3
Other financial expense	2 050	2 166
– currency exchange rate losses	1 584	1 856
– further financial expense	466	310
Expenditure on securities	1	5
Total	4 544	4 864

Financial expense was CHF 0.3 million below its prior-year level owing to lower currency exchange rate losses.

8. Non-operating result

The non-operating income of CHF 7.7 million (prior year: CHF 7.3 million) comprises rental income and proceeds from the sale of real estate not required for operations in Buchrain (CHF 4.6 million, prior year CHF 5.2 million) and Full-Reuenthal (CHF 3.1 million, prior year CHF 0.1 million). Prior-year non-operating income also includes the release of CHF 2.0 million of provisions made for environmental protection measures to clean up the Rotholz waste disposal site in Meilen, Canton Zurich. The non-operating expense of CHF 0.4 million (prior year: CHF 0.5 million) consists of expenditure relating to the sale and management of non-operating real estate in Uetikon, Perlen, Buchrain and Full-Reuenthal.

9. Extraordinary result

There was no extraordinary income or extraordinary expense in 2021. In the previous year, the provisions for the lake bed clean-up at the former Uetikon site were reduced by CHF 12.0 million, with the release effected via the extraordinary result by analogy to the original creation in 2016 of the provisions concerned (see Notes 26/28).

10. Income taxes

in CHF thousand	2021	2020
Current income taxes	2 238	3 745
Deferred income taxes	-43	-11 856
Total	2 195	-8 111

Income tax expense for 2021 amounted to CHF 2.2 million. In the previous year an intragroup transfer of real estate at the Perlen site resulted in deferred tax assets and corresponding deferred tax income of CHF 11.9 million.

Tax rates varied in 2021 between 10% and 34% (prior year: between 10% and 34%) depending on the country and the location.

Income taxes for 2021	Tax rate in %	Tax amount in CHF thousand
Earnings before taxes		-149 215
Weighted average tax rate expected/estimated tax expense	11.6	-17 286
Impact of losses carried forward not recognized in current year in tax terms		22 306
Impact of losses carried forward not recognized in prior years in tax terms		-2 292
Taxes paid in prior years		-35
Other effects		-498
Tax rate/tax expense as per income statement	-1.5	2 195

The Group's expected income tax rate for 2021 amounted to 11.6% (prior year: 18.2%). This is the weighted average tax rate based on the individual profits/losses before taxes and tax rates for each group member company. The change in this expected income tax rate is due to the profit/loss situation and changed tax rates at the various group member companies. The difference in the year under review between the estimated income tax expense and the income tax expense shown in the income statement is attributable largely to the non-recognition of losses carried forward from 2021 (primarily the fixed assets impairment at Perlen Papier AG).

In accordance with the consolidated accounting principles, deferred taxes on losses carried forward are not capitalized. Uncapitalized losses carried forward increased in 2021 to CHF 285.7 million (prior year: CHF 65.2 million), with a potential tax impact of CHF 20.8 million (prior year: CHF 7.4 million), paying due regard to the multi-year plan and the provisions of and possibilities under the relevant national tax laws. The change is attributable in particular to the fixed assets impairment. CHF 3.3 million of the losses carried forward are of indefinite duration (prior year: CHF 0.0 million), and CHF 13.4 million thereof (prior year: CHF 5.2 million) will expire within a year.

Income taxes for 2020	Tax rate in %	Tax amount in CHF thousand
Earnings before taxes		38 852
Weighted average tax rate expected/estimated tax expense	18.2	7 080
Impact of losses carried forward not recognized in current year in tax terms		140
Impact of losses carried forward not recognized in prior years in tax terms		-3 656
Impact of intragroup real-estate transaction resulting in use of losses carried forward not recognized in prior years in tax terms		-11 929
Taxes paid in prior years		-135
Other effects		389
Tax rate/tax expense as per income statement	-20.9	-8 111

In 2020 Perlen Papier AG transferred real estate at the Perlen site to Perlen Papier Immobilien AG at market rates. The transaction was effected using a previously uncapitalized CHF 97.1 million of tax losses carried forward. The intragroup transaction resulted in deferred tax assets and corresponding deferred tax income of CHF 11.9 million, as the purely tax-related upward revaluation generated a deductible temporary difference.

11. Liquid funds and securities

Liquid funds decreased from CHF 116.3 million to CHF 95.1 million in 2021 as a result of the negative free cash flow developments and the repayment of financial liabilities.

12. Trade accounts receivable

in CHF thousand	2021	2020
Receivables from third parties	75 455	60 032
Receivables from associates	0	0
Provisions for doubtful debts	-6 184	-7 140
– individual adjustments	-6 184	-7 135
– blanket adjustments		-5
Total	69 271	52 892

Trade accounts receivable were CHF 16.4 million above their prior-year level, owing to the higher net sales.

Individual adjustments are effected to certain doubtful receivables. Such adjustments were CHF 1.0 million lower in 2021 than they had been for the prior year. The levels of such adjustments could be reduced in the Paper and Packaging divisions.

13. Other receivables

Other receivables were CHF 11.4 million up on their prior-year level. The increase is attributable largely to a reclassification of short-term receivables relating to the lake bed clean-up and to real estate activities.

14. Prepaid expenses and accrued income

The CHF 2.5 million change in prepaid expenses and accrued income is attributable to outstanding state 'KEV' compensation for green energy generated.

15. Inventories

15.1 Inventories by division

in CHF thousand	2021	2020
Chemistry	29 353	28 468
Paper	27 154	23 567
Packaging	31 021	26 288
Total	87 528	78 323

15.2 Inventories by type

in CHF thousand	2021	2020
Raw materials	19 406	17 367
Auxiliary and operating materials	15 294	13 997
Finished and semi-finished products	51 723	46 257
Goods for resale	1 105	702
Total	87 528	78 323

Inventories were CHF 9.2 million above their prior-year levels, owing primarily to the increases in raw materials prices.

Inventories were subjected to an overall impairment of CHF 4.7 million (prior year: CHF 4.4 million).

16. Intangible assets

Intangible assets in 2021 in CHF thousand	Software, licences and patents	Other intangible assets	Total intangible assets
At purchase values			
Opening balance on 1.1.2021	16 848	1 139	17 987
Currency impact on opening balance	-81	49	-32
Additions	1 620		1 620
Disposals/reclassifications	-1 323		-1 323
Currency impact on movements	-3		-3
Closing balance on 31.12.2021	17 061	1 188	18 249
Depreciation			
Opening balance on 1.1.2021	11 980	442	12 422
Currency impact on opening balance	-60	9	-51
Depreciation for the period	1 352	20	1 372
Disposals/reclassifications	-1 323		-1 323
Currency impact on movements	-6		-6
Closing balance on 31.12.2021	11 943	471	12 414
Book value on 1.1.2021	4 868	697	5 565
Book value on 31.12.2021	5 118	717	5 835

'Additions' above include major investments in ERP system software in the Packaging Division.

The intangible assets as at 31 December 2021 include zero carbon credits (prior year: 214 504 credits) issued free of charge by the Swiss Federal Office for the Environment to Perlen Papier AG, which are initially capitalized at zero nominal value. These carbon credits are realized upon their use or sale. Any income deriving from such sales is shown under other operating income.

Intangible assets in 2020 in CHF thousand	Software, licences and patents	Other intangible assets	Total intangible assets
At purchase values			
Opening balance on 1.1.2020	15 769	1 173	16 942
Currency impact on opening balance	-24	-34	-58
Additions	1 268		1 268
Disposals/reclassifications	-167		-167
Currency impact on movements	2		2
Closing balance on 31.12.2020	16 848	1 139	17 987
Depreciation			
Opening balance on 1.1.2020	10 912	434	11 346
Currency impact on opening balance	-17	-14	-31
Depreciation for the period	1 251	23	1 274
Disposals/reclassifications	-167		-167
Currency impact on movements	1	-1	0
Closing balance on 31.12.2020	11 980	442	12 422
Book value on 1.1.2020	4 857	739	5 596
Book value on 31.12.2020	4 868	697	5 565

The goodwill deriving in 2020 from the acquisitions of business activities and minorities was offset directly against equity (see Note 29).

Goodwill is offset against equity (retained earnings) at the time of its acquisition. The impact of a theoretical capitalization of goodwill with five-year straight-line amortization on the balance sheet and the income statement is shown below:

Theoretical goodwill movement

in CHF thousand	2021	2020
At purchase values		
Opening balance on 1.1	63 021	61 736
Additions	0	1 285
Closing balance on 31.12	63 021	63 021
Depreciation		
Opening balance on 1.1	51 467	44 264
Depreciation for the period	5 430	7 203
Impairment to Paper Division goodwill	4 135	0
Closing balance on 31.12	61 032	51 467
Net book value of goodwill on 1.1	11 554	17 472
Net book value of goodwill on 31.12	1 989	11 554

Impact of goodwill on the income statement

in CHF thousand	2021	2020
Earnings before interest and taxes (EBIT)	-152 667	24 663
EBIT margin in % of net sales	-30.7	5.5
Depreciation of goodwill	-5 430	-7 203
Impairment to Paper Division goodwill	-4 135	0
Theoretical earnings before interest and taxes (EBIT) including depreciation of goodwill	-162 232	17 460
Theoretical EBIT in % of net sales	-32.7	3.9
Net result for the year	-151 410	46 963
Depreciation of goodwill	-5 430	-7 203
Impairment to Paper Division goodwill	-4 135	0
Theoretical net result for the year including depreciation of goodwill	-160 975	39 760

Impact of goodwill on the balance sheet

in CHF thousand	2021	2020
Equity as per balance sheet	310 494	471 867
Equity in % of balance sheet total	55.4	67.0
Theoretical capitalization of net book value of goodwill	1 989	11 554
Theoretical equity including net book value of goodwill	312 483	483 421
Theoretical equity including net book value of goodwill in % of balance sheet total	55.6	67.5

17. Tangible fixed assets

Tangible fixed assets for 2021	Undeveloped land	Developed land and buildings	Plant and equipment	Other facilities and IT HW	Fixtures in rented property	Vehicles	Assets under construction	Total
in CHF thousand								
At purchase values								
Opening balance on 1.1.2021	6 893	332 384	699 794	333 018	7 165	11 006	19 007	1 409 267
Currency impact on opening balance	86	-143	129	-114	37	18	-47	-34
Investments		899	9 073	2 286	22	663	8 209	21 152
Disposals		-17	-4 810	-4 638	-5	-370		-9 840
Reclassifications		1 565	6 531	618		7	-8 721	0
Currency impact on movements		-43	-109	-14			-55	-221
Closing balance on 31.12.2021	6 979	334 645	710 608	331 156	7 219	11 324	18 393	1 420 324
Depreciation								
Opening balance on 1.1.2021	119	153 055	425 134	223 993	2 724	8 943		813 968
Currency impact on opening balance	7	125	7	-104	36	14		85
Depreciation for the period	32	5 035	15 203	5 698	450	595		27 013
Disposals		-17	-4 810	-4 638	-5	-370		-9 840
Reclassifications								0
Currency impact on movements		-13	-96	-9	-1	7		-112
Closing balance on 31.12.2021	158	158 185	435 438	224 940	3 204	9 189	0	831 114
Impairments								
Opening balance on 1.1.2021	0	53 225	138 732	50 779	0	0	0	242 736
Currency impact on opening balance								0
Impairments for the period		54 207	64 992	30 801				150 000
Impairment reversals for the period								0
Disposals								0
Reclassifications								0
Closing balance on 31.12.2021	0	107 432	203 724	81 580	0	0	0	392 736
Opening balance on 1.1.2021	6 774	126 104	135 928	58 246	4 441	2 063	19 007	352 563
Closing balance on 31.12.2021	6 821	69 028	71 446	24 636	4 015	2 135	18 393	196 474

Tangible fixed assets for 2021 include a net book value of CHF 0.3 million for leased assets (vehicles) capitalized through finance leases maturing between 2022 and 2024. Leasing liabilities amount to some CHF 0.3 million, of which CHF 0.2 million are short-term.

The production facilities of the Paper Division were tested for impairment as at 31 December 2021. This resulted in an impairment charge of CHF 150.0 million (see also Note 5).

Investments in the Chemistry Division in 2021 included various expansion projects at the Rütli ZH/CH, Zvornik/BA, Louisville/USA and Lianyungang/CN sites. The Paper Division invested in maintaining and further raising the efficiency of its production plant. In addition to efficiency enhancement and infrastructure modernization projects, the Packaging Division primarily invested a substantial amount in 2021 in its new coating plant in Anápolis/BR.

Tangible fixed assets for 2020	Undeveloped land	Developed land and buildings	Plant and equipment	Other facilities and IT HW	Fixtures in rented property	Vehicles	Assets under construction	Total
in CHF thousand								
At purchase values								
Opening balance on 1.1.2020	5 743	336 824	695 585	329 944	7 290	11 315	16 075	1 402 776
Currency impact on opening balance	-14	-2 347	-4 666	-246	-149	-44	-160	-7 626
Investments	1 050	214	7 529	3 463	25	177	6 031	18 489
Disposals	119	-2 524	-929	-519		-442		-4 295
Reclassifications	0	230	2 319	393			-2 942	0
Currency impact on movements	-5	-13	-44	-17	-1		3	-77
Closing balance on 31.12.2020	6 893	332 384	699 794	333 018	7 165	11 006	19 007	1 409 267
Depreciation								
Opening balance on 1.1.2020	102	151 274	412 399	218 670	2 397	8 816	0	793 658
Currency impact on opening balance	-3	-973	-3 380	-154	-142	-33		-4 685
Depreciation for the period	20	5 139	16 983	6 001	471	600		29 214
Disposals		-2 364	-778	-519		-442		-4 103
Reclassifications								0
Currency impact on movements	0	-21	-90	-5	-2	2		-116
Closing balance on 31.12.2020	119	153 055	425 134	223 993	2 724	8 943	0	813 968
Impairments								
Opening balance on 1.1.2020	0	53 225	138 732	50 779	0	0	0	242 736
Currency impact on opening balance								0
Impairments for the period								0
Impairment reversals for the period								0
Disposals								0
Reclassifications								0
Closing balance on 31.12.2020	0	53 225	138 732	50 779	0	0	0	242 736
Opening balance on 1.1.2020	5 641	132 325	144 454	60 495	4 893	2 499	16 075	366 382
Closing balance on 31.12.2020	6 774	126 104	135 928	58 246	4 441	2 063	19 007	352 563

Tangible fixed assets for 2020 included a net book value of CHF 0.5 million for leased assets (vehicles) capitalized through finance leases maturing between 2021 and 2023. Leasing liabilities amounted to some CHF 0.5 million, of which CHF 0.3 million were short-term.

As at 31 December 2020 there were no indications that any impairment might be required on any production facilities.

18. Long-term financial assets

in CHF thousand	Long-term financial assets
At purchase values	
Opening balance on 1.1.2021	10 000
Investments	0
Disposals	0
Currency impact on movements	0
Closing balance on 31.12.2021	10 000
At purchase values	
Opening balance on 1.1.2020	10 000
Investments	0
Disposals	0
Currency impact on movements	0
Closing balance on 31.12.2020	10 000

As in 2020, the long-term financial assets consist of the 10% equity holding in waste incinerator company Renergia Zentralschweiz AG, Root, with which a supply agreement has been concluded for the provision of low-pressure steam to the Perlen paper factory.

19. Assets from employer contribution reserves and pension schemes

19.1 Pension schemes in Switzerland (542 working insureds)

Employer contribution reserve (ECR) in CHF thousand	Nominal value	Appropriation waiver	Other value adjustments	Discount	Balance sheet	Balance sheet	ECR result in personnel expense	
	31.12.2021	31.12.2021	31.12.2021	31.12.2021	31.12.2021	31.12.2020	2021	2020
Pension schemes	11 301				11 301	11 189	-112	-111
Total	11 301	0	0	0	11 301	11 189	-112	-111

Economic benefit/economic obligation and pension scheme expense in CHF thousand	Funding surplus/shortfall as per Swiss GAAP FER 26	Economic interest of company		Change from prior year or recognized in income statement	Accrued contributions for the period	Pension scheme expense in personnel expense	
	31.12.2021	31.12.2021	31.12.2020	31.12.2021	31.12.2021	2021	2020
CPH Group Pension Scheme							3 800
Pension schemes without funding surplus/shortfall	0	0	0	0	0	0	3 800
CPH Group Pension Scheme	14 737				3 824	3 824	
Pension schemes with funding surplus	14 737	0	0	0	3 824	3 824	0
UBV Uetikon Betriebs- und Verwaltungs AG Staff Welfare Fund (in liquidation)	0						
Perlen Group Assistance Fund	12 867	12 867	11 550	-1 317	0	-1 317	-200
Employers' funds	12 867	12 867	11 550	-1 317	0	-1 317	-200
Total	27 604	12 867	11 550	-1 317	3 824	2 507	3 600

Under the investment regulations of the CPH Group Pension Scheme, the scheme is considered to have a funding surplus if it has a fluctuation reserve amounting to 16.5% or more of its total asset investments (calculated using the Value-at-Risk Method).

The CPH Group Pension Scheme is a defined-contributions pension scheme offering old-age, death and disability benefits. Employer's contributions are strictly defined in the scheme's regulations and deed of trust. The companies concerned do not bear any primary risk, i.e. the insurance and investment risks are borne primarily by the pension scheme itself. Actuarial recalculations are regularly conducted.

The latest static recalculation of actuarial capital was performed as at 31 December 2020, based on an actuarial interest rate of 2.0%, the actuarial foundations of the BVG 2015 Generation Table and a conversion factor of 5.8%. Actuarial capital has since been further developed in line with insuree numbers effective 31 December 2021. In accordance with a board of trustees' resolution of 10 November 2021, the actuarial interest rate was reduced from 2.0% to 1.75% and the scheme newly adopted the currently valid BVG 2020 actuarial foundations. With the exception of the employer contribution reserve of CHF 11.3 million (prior year: CHF 11.2 million), all the scheme's surpluses are payable solely to its beneficiaries. According to its provisional balance sheet, the scheme had a funding ratio of 127% as at 31 December 2021 (prior-year actual funding ratio: 118%).

The UBV Uetikon Betriebs- und Verwaltungs AG Staff Welfare Fund

The UBV Uetikon Betriebs- und Verwaltungs AG Staff Welfare Fund was an employer's fund for all employees at the CPH Group's Uetikon and Rüti sites which provided provident benefits for employees and financial assistance for employees and their families in hardship situations. Contributions to it were made solely by the employer. The Canton Zurich occupational pension law and occupational pension fund supervisory authority approved an application from the Fund's board of trustees for the Fund's liquidation and the transfer of its assets and liabilities to The Perlen Group Assistance Fund, Perlen effective 1 January 2021 in accordance with a corresponding transfer agreement of 18 November 2021. The Fund's freely disposable trust capital (including fluctuation reserves) amounted to CHF 0.0 million on 31 December 2021 (prior year: CHF 0.8 million).

The Perlen Group Assistance Fund, Perlen

The Perlen Group Assistance Fund is an employer's fund for all employees in Switzerland. The Fund provides provident benefits for employees and financial assistance for employees and their families in hardship situations. Contributions to it are made solely by the employer. The Fund can also be used to finance employer's contributions to the occupational pension schemes of the Group's Perlen-based companies. The Fund paid CHF 0.0 million to these schemes for such purposes in 2021 (prior year: CHF 0.0 million). The Fund's freely disposable trust capital (including fluctuation reserves) amounted to CHF 15.3 million on 31 December 2021 (prior year: CHF 13.7 million). As for 2020, economic interest was calculated based on freely disposable trust capital excluding fluctuation reserves.

19.2 Pension schemes outside Switzerland

Economic benefit/ economic obligation	Funding surplus/ shortfall		Economic interest of company		Change from prior year or recognized in income statement	Accrued contributions for the period	Pension scheme expense in personnel expense	
	31.12.2021	31.12.2021	31.12.2020	31.12.2021			31.12.2021	2021
Pension scheme expense in CHF thousand								
USA						427	427	474
Pension schemes without funding surplus/shortfall	0	0	0	0	0	427	427	474
USA	-1 356	-1 356	-1 157	199	0	199	479	
Pension schemes with funding shortfall	-1 356	-1 356	-1 157	199	0	199	479	
Total	-1 356	-1 356	-1 157	199	427	626	953	

In the USA the CPH Group has one defined-contributions and one defined-benefits occupational pension scheme.

The 401(k) defined contribution plan is a purely contributions-based savings scheme that does not expose the company to any liability and has neither a surplus nor a shortfall.

The defined-benefits scheme was frozen on 1 January 2016. As a result, there have been no further increases in pension obligations to beneficiaries since this date, and no further beneficiaries have been admitted. The scheme had 97 members as of 31 December 2021 (prior year: 101 members). The scheme currently has a funding shortfall of USD 1 489 000 (prior year: USD 1 309 000). The calculations were made using the Current Liability Method, under which no regard is paid to future salary increases or expected investment returns.

The Group's pension schemes in its other countries of operation are of insignificant size, and provide all the social benefits prescribed by law.

19.3 Breakdown of pension scheme costs

in CHF thousand	In Switzerland	Outside Switzerland	2021	2020
Pension scheme contributions from employers	3 824	427	4 251	4 274
Total contributions	3 824	427	4 251	4 274
+/- changes in ECR through asset development, value adjustments etc.	-112		-112	-111
Contributions and changes in employer contribution reserves	3 712	427	4 139	4 163
Decrease/Increase in companies' economic benefit from funding surplus	-1 317		-1 317	-200
Decrease/Increase in companies' economic obligation towards funding shortfall		199	199	479
Change in economic impact on companies of funding surpluses/shortfalls	-1 317	199	-1 118	279
Pension scheme expense as part of personnel expense for the period	2 395	626	3 021	4 442

20. Other long-term receivables

Other long-term receivables consist of a CHF 21.1 million (prior year: CHF 29.6 million) remaining receivable from Canton Zurich in connection with the sale in 2016 of the former Uetikon operating site and the cost of cleaning up the adjacent lake bed (a total of CHF 32.0 million was originally retained in this regard from the sale proceeds of CHF 52.0 million). Following a downward adjustment of the originally estimated CPH share of the lake bed clean-up costs from CHF 32 million to CHF 20 million in May 2020, some CHF 12 million should be returned to CPH after the project's completion in 2024. For further information see also Notes 26 and 28 on short-term and long-term provisions. The use of CHF 6.0 million of provisions expected in the following year (prior year: CHF 1.4 million) was reclassified as other short-term receivables.

21. Deferred tax assets

The deferred tax assets for 2021 stem primarily from temporary differences deriving from an intragroup real estate transaction in 2020, which resulted in deferred tax assets of CHF 11.9 million. The remaining CHF 1.2 million (prior year: CHF 0.5 million) of this item relates to further temporary differences arising from deviations between the group consolidated value and the tax value of assets, equity and liabilities.

22. Trade accounts payable

in CHF thousand	2021	2020
To third parties	84 775	56 742
To related parties and companies	12	9
Total	84 787	56 751

Trade accounts payable increased in 2021 owing to the higher product demand and the substantial rises in raw materials prices.

23. Other payables

in CHF thousand	2021	2020
To third parties	3 920	4 576
To related parties and companies	0	0
Total	3 920	4 576

The change in other payables for 2021 is due to lower customer prepayments in the Chemistry Division.

24. Accrued liabilities and deferred income

in CHF thousand	2021	2020
Accrued interest expense	433	495
Income tax owed	1 266	1 561
Accrued personnel expense	5 992	6 508
Other accrued liabilities and deferred income	10 572	8 251
Total	18 263	16 815

25. Short-term financial liabilities

in CHF thousand	2021	2020
Towards third parties	3 227	8 088
– towards banks	3 000	7 818
– financial leasing liabilities	227	270
Total	3 227	8 088

Details of short-term financial liabilities are shown in Note 27.

26. Short-term provisions

in CHF thousand	Environmental protection measures	Restructuring provisions	Guarantee obligations	Other provisions	Total short-term provisions
Opening balance on 1.1.2020	2 579	477	766	0	3 822
Currency impact on opening balance			–2		–2
Additions			711		711
Use	–556	–37	–207		–800
Releases	–2 023		–302		–2 325
Reclassifications	1 925				1 925
Currency impact on movements					0
Closing balance on 31.12.2020	1 925	440	966	0	3 331
Opening balance on 1.1.2021	1 925	440	966	0	3 331
Currency impact on opening balance			–1		–1
Additions			242		242
Use	–3 636	–93	–199		–3 928
Releases			–57		–57
Reclassifications	7 786				7 786
Currency impact on movements			–5		–5
Closing balance on 31.12.2021	6 075	347	946	0	7 368

The environmental protection measures relate to the lake bed clean-up at the former Uetikon site and to future waste disposal site obligations (see Note 28 for further details). The provisions for the clean-up of the Rotholz waste disposal site in Meilen were released in 2020.

The restructuring provisions relate to the closure of the Uetikon site (and the associated lake bed clean-up).

The guarantee obligations stem from the Paper and Packaging divisions, and relate to any claims or entitlements arising from customer complaints.

27. Long-term financial liabilities

2021 in CHF thousand	Current + 1 year	Current + 2 years	Current + 3 years	Current + 4 years	Current + 5 years	After + 5 years	Total 2021
Long-term bank loans	6 500						6 500
Corporate bond ¹⁾	100 000						100 000
Financial leasing liabilities	79	16					95
Total	106 579	16	0	0	0	0	106 595

¹⁾ unsecured bond, SIX Swiss Exchange 'CPH18', issued 12.10.2018

2020 in CHF thousand	Current + 1 year	Current + 2 years	Current + 3 years	Current + 4 years	Current + 5 years	After + 5 years	Total 2020
Long-term bank loans	3 000	6 500					9 500
Corporate bond ¹⁾		100 000					100 000
Financial leasing liabilities	164	82					246
Total	3 164	106 582	0	0	0	0	109 746

¹⁾ unsecured bond, SIX Swiss Exchange 'CPH18', issued 12.10.2018

Financial liabilities for 2021

Instrument	Currency	Amount in currency (thousand)	Amount in CHF (thousand)	Interest rate	Duration	Covenants
Short-term financial liabilities						
Bank loan	CHF		1 500	2.41	30.06.2022	¹⁾
Bank loan	CHF		1 500	2.41	31.12.2022	¹⁾
Financial leasing liabilities	CHF	227		–	various	
Total			3 227			
Long-term financial liabilities						
Corporate bond	CHF		100 000	2.00	12.10.2023	
Bank loan	CHF		6 500	2.41	20.03.2023	¹⁾
Financial leasing liabilities	CHF	95		–	various	
Total			106 595			
Total financial liabilities			109 822			

¹⁾ Repayment in steps; debt ratio max. 2.5 (from 31.12.2019). The debt ratio is calculated as follows: total financial liabilities/EBITDA for the Packaging Division for the last 12 months. This requirement was still being met as of 31.12.2021.

The CPH Group also has an additional CHF 40 million credit facility with Swiss banks (until 2022/23).

Financial liabilities for 2020

Instrument	Currency	Amount in currency (thousand)	Amount in CHF (thousand)	Interest rate	Duration	Covenants
Short-term financial liabilities						
Bank loan	CHF		1 500	2.41	30.06.2021	¹⁾
Bank loan	CHF		1 500	2.41	31.12.2021	¹⁾
Bank loan (PPPA Paycheck Protection Program loan, SBA USA)	USD	1 550	1 370	1.25	open	
Industrial bond	USD	3 900	3 448	4.44	01.08.2021	
Financial leasing liabilities	CHF		270	–	various	
Total			8 088			
Long-term financial liabilities						
Corporate bond	CHF		100 000	2.00	12.10.2023	
Bank loan	CHF		9 500	2.41	20.03.2023	¹⁾
Financial leasing liabilities	CHF		246	–	various	
Total			109 746			
Total financial liabilities			117 834			

¹⁾ Repayment in steps; debt ratio max. 2.5 (from 31.12.2019). The debt ratio is calculated as follows: total financial liabilities/EBITDA for the Packaging Division for the last 12 months. This requirement was still being met as of 31.12.2020.

28. Long-term provisions

in CHF thousand	Major repairs and renovations	Environmental protection measures	Other provisions	Deferred tax liabilities	Total long-term provisions
Opening balance on 1.1.2020	3 702	35 156	1 943	6 667	47 468
Currency impact on opening balance			–1	–72	–73
Additions				339	339
Use		–294			–294
Releases		–12 000	–1 755	–227	–13 982
Reclassifications		–1 925			–1 925
Currency impact on movements			–1	1	0
Closing balance on 31.12.2020	3 702	20 937	186	6 708	31 533
Opening balance on 1.1.2021	3 702	20 937	186	6 708	31 533
Currency impact on opening balance			–8	–84	–92
Additions			8	632	640
Use					0
Releases			–154	–23	–177
Reclassifications		–7 786			–7 786
Currency impact on movements			6	1	7
Closing balance on 31.12.2021	3 702	13 151	38	7 234	24 125

The provisions for major repairs and renovations relate to the work required on the Perlen weir. The corresponding project has been approved by Canton Lucerne, enabling the work to be performed in the next few years.

Environmental risks arise as a result of the Group's business activities.

In connection with the CHF 52.0 million sale of the Uetikon operating site in 2016, provisions of CHF 32.0 million (80% of the CHF 40.0 million estimated total costs) were made at the time for CPH's share in the expense of cleaning up the adjacent lake bed. The remaining 20% of these costs are being met by Canton Zurich. Since the site's sale was concluded, a pilot project and inspections were conducted for the planned lake bed clean-up between 2016 and 2018. A tender invitation for the clean-up work was issued in 2019, and a study was also commissioned on the options available. In May 2020 Canton Zurich awarded the commission for the work to a general contractor. As a result of this, the Canton now expects the total cost of this work to be CHF 25.0 million, of which 80% or CHF 20.0 million will be borne by the CPH Group. In view of this, the corresponding provisions were reduced by CHF 12.0 million, in the form of extraordinary income, in May 2020. The clean-up work commenced in November 2021, and will take around two to three years. The corresponding provisions amounted to CHF 15.4 million at the end of 2021 (prior year: CHF 19.0 million), of which CHF 6.0 million are short-term provisions and CHF 9.4 million are long-term provisions.

The further CHF 3.8 million of provisions for environmental protection measures (CHF 0.1 million short-term, CHF 3.7 million long-term) relate to future waste disposal site running cost obligations and a possible transfer thereof to the Canton Zurich Waste Disposal Site Aftercare Fund.

'Other provisions' include provisions for personnel-related obligations in Germany.

All provision amounts expected to be paid in the following year are reclassified as short-term provisions (see Note 26).

29. Purchase of business activities and minority shareholdings

The CPH Group acquired no significant business activities in 2021.

In the previous year Perlen Packaging AG had acquired the remaining 40% of the capital of Perlen Packaging Anápolis Indústria e Comércio Ltda., Anápolis, State of Goia (Brazil) on 4 December 2020. The consideration amounted to CHF 1.6 million, of which CHF 0.3 million was taken to minorities and CHF 1.3 million to goodwill.

30. Additional corporate governance information

30.1 Capital structure

	2021	2020
Share capital in CHF thousand	1 200	1 200
Registered shares issued	6 000 000	6 000 000
Nominal value per share in CHF	0.2	0.2
Market capitalization in CHF thousand	366 000	435 600

The registered shares of CPH Chemie + Papier Holding AG are listed on the SIX Swiss Exchange in the Swiss Reporting Standard segment. The company's share capital amounts to CHF 1.2 million and is fully paid in. The share capital consists of 6 000 000 registered shares with a nominal value of CHF 0.20 each.

30.2 Transactions with related parties and companies

All balances and business transactions between companies within the scope of consolidation were eliminated during consolidation and are not shown here. As in the previous year, all transactions with related parties and companies in 2021 were conducted at market rates. The following transactions were effected for services rendered with companies associated with the CPH Group and members of its Board of Directors:

in CHF thousand	2021	2020
UBV Immobilien Treuhand Perlen AG, Root		99
UBV Immobilien Treuhand AG, Uetikon	12	0
Niederer Kraft Frey AG (Manuel Werder)	56	20
Weber Schaub & Partner (Peter Schaub)	66	42
Total transactions	134	161
Total open liabilities at year-end	12	9

As in the previous year, no loans or credits were granted to related parties in 2021.

UBV Immobilien Treuhand Perlen AG, Root/CH was integrated into CPH Immobilien AG, Root/CH by merger on 22 November 2021.

Uetikon Industrieholding AG, which had previously been the main shareholder of CPH Chemie + Papier Holding AG with a holding of 49.99%, was acquired by the latter through a merger by absorption effective 11 June 2021. Under the merger transaction, the previous shareholders of Uetikon Industrieholding AG exchanged their shares therein for a commensurate number of shares of CPH Chemie + Papier Holding AG, and have thence held direct CPH shareholdings. Under the merger agreement, further assets and liabilities of a net value of CHF 0.2 million were also acquired for a payment of CHF 0.2 million.

30.2.1 Shares held by members of the Board of Directors and Group Executive Management

Shares held by members of the Board of Directors (including related parties):

Number of shares	2021			2020
	Own	Related parties	Total	
Member				
Peter Schaub	833	1 233	2 066	400
Tim Talaat	10 806	134 736	145 542	52 216
Manuel Werder	34 698	93 649	128 347	50 020
Christian Wipf	400	0	400	400
Total	46 737	229 618	276 355	103 036

Shares held by members of Group Executive Management (including related parties):

Number of shares	2021 shares vested until			
	2023	2024	2021	2020
Member				
Peter Schildknecht	793	894	1 887	993
Gerold Brüttsch	0	0	0	0
Klemens Gottstein	397	447	844	397
Wolfgang Grimm	397	447	904	457
Richard Unterhuber	397	447	1 094	647
Alois Waldburg-Zeil	397	447	1 244	797
Total	2 381	2 682	5 973	3 291

CPH Chemie + Papier Holding AG introduced a long-term incentive (LTI) programme for the members of its Group Executive Management in 2020. The general contractual foundations and the vesting conditions thereof are detailed in the Remuneration Report. A total of 2 682 shares (prior year: 2 381 shares) with a vesting period of three years were awarded under the programme in 2021.

30.2.2 Significant shareholders and numbers of shares held

Name	2021	2020
Uetikon Industrieholding AG		2 999 800
Swiss Industrial Finance AG*	889 946	90 000
Ella Schnorf-Schmid estate*	1 124 989	429 320
J. Safra Sarasin Investmentfonds AG	300 250	300 250
Total	2 315 185	3 819 370

* linked through a shareholders' agreement

31. Net financial liabilities

in CHF thousand	2021	2020
Liquid funds and securities	95 116	116 285
Short-term financial receivables	75	0
Total liquid funds and financial receivables	95 191	116 285
Short-term financial liabilities to banks	3 000	7 818
Short-term financial leasing and other liabilities	227	270
Total short-term financial liabilities	3 227	8 088
Corporate bonds	100 000	100 000
Long-term financial liabilities to banks	6 500	9 500
Long-term financial leasing and other liabilities	95	246
Total long-term financial liabilities	106 595	109 746
Net debt	14 631	1 549
EBITDA	25 718	55 151
Net debt to EBITDA ratio	0.6	0.0

32. Contingent liabilities and off-balance-sheet business

32.1 Contingent liabilities

As in the prior year, there were no guarantees towards third parties as of 31 December 2021.

32.2 Pledged assets

Real estate of Jiangsu Zeochem Technology Co. Ltd., China with a book value of CHF 3.3 million (prior year: CHF 3.2 million) was subject to a CHF 3.1 million (prior year: CHF 3.0 million) lien as at 31 December 2021. Liquid funds with a value of CHF 0.6 million (prior year: CHF 0.7 million) are pledged.

32.3 Other off-balance-sheet obligations

Operating lease agreements with notice periods of more than one year amounted to CHF 0.9 million (prior year: CHF 0.8 million), and relate mainly to vehicle leases. They show the following maturities:

in CHF thousand	2021	2020
Less than 1 year	549	421
1 to 5 years	340	330
More than 5 years	0	0
Total	889	751

Off-balance-sheet obligations relating to rental agreements amounted to CHF 6.1 million (prior year: CHF 4.0 million), and relate largely to rental agreements in Rüti (Switzerland), Utzenstorf (Switzerland), Whippany (USA) and Anápolis (Brazil). They show the following maturities:

in CHF thousand	2021	2020
Less than 1 year	1 368	1 159
1 to 5 years	4 102	2 788
More than 5 years	631	100
Total	6 101	4 047

Purchase obligations for the acquisition of tangible fixed assets and intangible assets totalled CHF 19.0 million as at 31 December 2021 (prior year: CHF 12.3 million).

32.4 Derivative financial instruments and foreign-currency hedges

As in the prior year, no derivative financial instruments subject to balance sheet reporting were held as at 31 December 2021.

Open foreign-currency hedges as at 31 December 2021

in CHF thousand		2021			2020			
Instrument	Contract value	Positive replacement value	Negative replacement value	Purpose	Contract value	Positive replacement value	Negative replacement value	Purpose
Forward foreign-exchange contracts in EUR	100 932	3 685	0	Cash flow hedge	91 888	0	1 392	Cash flow hedge
Forward foreign-exchange contracts in USD	7 594	20	79	Cash flow hedge	9 726	533	0	Cash flow hedge
Total	108 526	3 705	79	Cash flow hedge	101 614	533	1 392	Cash flow hedge

The open foreign-currency hedges are forward contracts designed to secure future cash flows.

33. Net result per share

Net result per share is calculated by dividing the net result for the year by the average number of shares entitled to dividend issued, less any treasury shares. The company held an average of 188 treasury shares in 2021 (prior year: 474 shares). Since no authorized or conditional capital is currently outstanding, diluted net result per share is identical to the net result per share amount.

	2021	2020
Net result as per consolidated income statement (in CHF thousand) after minorities	-151 559	46 901
Weighted average number of shares entitled to dividend	5 999 812	5 999 526
Net result per share (in CHF)	-25.26	7.82

34. Treasury shares

	2021			2020		
	Number	Transaction price (CHF)	Value (CHF thousand)	Number	Transaction price (CHF)	Value (CHF thousand)
Opening balance on 1.1	376	72.61	27	572	79.20	45
Purchased	5 593	70.45	394	21 438	71.97	1 543
Sold	3 287	71.49	-235	19 253	70.38	-1 355
Share-based compensation	2 682	66.80	-180	2 381	75.75	-180
Profit/loss			-6			-26
Closing balance on 31.12	0		0	376	72.61	27

The company held no treasury shares at the end of 2021 (prior year: 376 shares).

A total of 5 593 treasury shares were purchased on the SIX Swiss Exchange in the course of 2021 (prior year: 21 438 shares) at an average purchase price of CHF 70.45 (prior year: CHF 71.97) per share. A total of 3 287 treasury shares were sold via the SIX Swiss Exchange in the course of 2021 (prior year: 19 253 shares) at an average sale price of CHF 71.49 (prior year: CHF 70.38) per share. A total of 2 682 shares with a vesting period of three years were awarded in 2021 in the form of share-based compensation.

35. Subsequent events

No significant events occurred between 31 December 2021 and 11 February 2022 which would require adjustments to the book values of the Group's assets, equity and liabilities or would need to be divulged here. There are also no exceptional pending business items or risks which would need to be mentioned in the income statement.

In response to a cyber attack, the IT systems of the CPH Group were shut down in a controlled manner on 7 January 2022 and production had to be halted at the Perlen and Müllheim sites. Once the key IT systems were back in operation, production was resumed at the sites concerned in the course of 13 January 2022. The CPH Group does not expect this incident to have any material impact on its 2022 business results.

The Board of Directors approved these consolidated financial statements at its meeting of 11 February 2022. They are also subject to the approval of the Ordinary General Meeting of 17 March 2022.

List of major shareholdings

	Registered office	Currency	Capital in thousand	Consolidation in %	Consolidation method
CPH Chemie + Papier Holding AG	Root/CH	CHF	1 200	100	F
CPH Immobilien AG	Root/CH	CHF	500	100	F

Consolidated Chemistry companies:

Zeochem AG	Rüti ZH/CH	CHF	1 000	100	F
Zeochem L.L.C.	Louisville/USA	USD	36 547	100	F
Zeochem d.o.o.	Zvornik/BA	BAM	2	100	F
Jiangsu Zeochem Technology Co. Ltd.	Lianyungang/CN	CNY	90 000	92	F
Zeochem Pte. Ltd.	Singapore/SG	SGD	1	100	F

Consolidated Paper companies:

Perlen Papier AG	Root/CH	CHF	81 000	100	F
Perlen Papier Immobilien AG	Root/CH	CHF	1 000	100	F
APS Altpapier Service Schweiz AG	Root/CH	CHF	100	100	F
Perlen Deutschland GmbH	Munich/D	EUR	100	100	F

Consolidated Packaging companies:

Perlen Packaging AG, Perlen	Root/CH	CHF	24 000	100	F
Perlen Packaging L.L.C.	Whippany/USA	USD	1 000	100	F
Perlen Packaging GmbH, Müllheim	Müllheim/D	EUR	1 300	100	F
Perlen Packaging (Suzhou) Co., Ltd.	Suzhou/CN	USD	13 000	100	F
Perlen Packaging Anápolis Indústria e Comércio Ltda.	Anápolis/BR	BRL	2 464	100	F

Consolidation method:

F = fully consolidated

Changes in the scope of consolidation for 2021:

- CPH Immobilien AG, Root/CH was founded on 29 April 2021.
- UBV Immobilien Treuhand Perlen AG, Root/CH was acquired with the Uetikon Industrieholding AG merger of 11 June 2021. The assets, equity and liabilities of this company were then integrated into CPH Immobilien AG, Root/CH by merger on 22 November 2021.

Changes in the scope of consolidation for 2020:

- The remaining 40% of the capital of Perlen Packaging Anápolis Indústria e Comércio Ltda., Anápolis, State of Goia (Brazil), was acquired on 4 December 2020.
- Perlen Papier Immobilien AG, Root/CH was founded on 7 December 2020.

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of CPH Chemie+Papier Holding AG and its subsidiaries (the Group), which comprise the consolidated income statement for the year ended 31 December 2021, consolidated balance sheet as at 31 December 2021, consolidated cash flow statement and consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

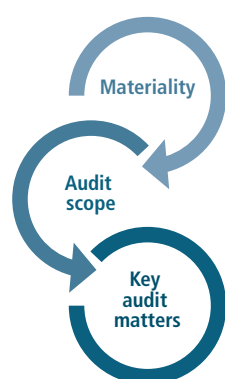
In our opinion, the consolidated financial statements (pages 52 to 80) give a true and fair view of the consolidated financial position of the Group as at 31 December 2021 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Swiss GAAP FER and comply with Swiss law.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of our report.

We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit approach



Overview

Overall Group materiality: CHF 5 000 000

Full scope audit work was concluded at six Group companies in four countries. For two additional companies, specified audit procedures were performed. Our audit scope addressed 90% of the net sales of the Group.

Additionally, we concluded reviews at a further two Group companies, which represented an additional 7% of the net sales of the Group.

As key audit matters the following areas of focus have been identified:
Impairment testing of fixed assets of Perlen Papier
Assessment of the adequacy of the provisions for environmental measures.

Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the consolidated financial statements as a whole.

Overall Group materiality	CHF 5 000 000
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Benchmark applied	Net sales
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Rationale for the materiality benchmark applied	We chose net sales as the benchmark because, in our view, it is an appropriate benchmark given the Group's volatile earnings performance in recent years, and it is a generally accepted benchmark for materiality considerations.
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Audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

The audit strategy for the audit of the consolidated financial statements was determined taking into account the work performed by the Group auditor and the component auditors from the PwC network and from a third party. Where audits were performed by component auditors, we ensured that, as Group auditor, we were sufficiently involved in the audit in order to assess whether sufficient appropriate audit evidence was obtained from the work of the component auditors to provide a basis for our opinion. The involvement of the Group

auditor was based on audit instructions and standardised reporting. In addition, it included telephone conferences with the component auditors and participation in audit discussions for selected components in which local management, the local auditor and selected Group representatives also participated.

Report on key audit matters based on the circular 1/2015 of the Federal Audit Oversight Authority

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment testing of fixed assets of Perlen Papier

Key audit matter

The business environment of the Paper Division continues to be challenging and volatile. Owing to the sustained deterioration in profitability in the 2021 financial year, fixed assets of Perlen Papier were tested for impairment. This test showed that the carrying value of fixed assets to date was not covered by the net selling price or the value in use of the assets and, therefore, an impairment loss of CHF 150 million was recorded. As a result, the carrying value of the fixed assets concerned has been reduced to the recoverable value.

In view of the size of the assets and the significant scope for judgement in estimating the net selling value and future cash flows that can be achieved with these assets, we consider the impairment testing of fixed assets of Perlen Papier as a key audit matter.

Please refer to notes 5, 16 and 17 in the notes to the consolidated financial statements.

How our audit addressed the key audit matter

We performed the following audit procedures with regard to the impairment testing of fixed assets of Perlen Papier:

- Inspection of the minutes of meetings of the Board of Directors and its committees.
- Discussion of the impairment tests with Management and with the Finance and Auditing Committee of the Board of Directors.
- Plausibility check of the value in use calculated by Management, in particular the assumptions used for sales trends, costs and margins, and the discount rate. Comparison of the assumptions used in the prior year's impairment tests with the actual results achieved in the year under review to determine, in hindsight, how accurate planning had been in the past.
- Check of the estimated net market value by examining the valuation reports of a real estate specialist and comparing the assumptions used with our own experience with the help of our specialists.
- Assessment of the presentation and disclosure in the consolidated financial statements.

On the basis of our audit results, we consider the impairment test and the presentation of the impairment in the consolidated financial statements by Management to be reasonable.

Assessment of the adequacy of the provisions for environmental measures

Key audit matter

As at the balance sheet date, short-term and long-term provisions for environmental measures amounting to CHF 19 million have been recognised in connection with the closure and disposal of the production site at Uetikon and the obligation to decontaminate and absorb the costs of various landfills and properties.

In view of the magnitude of the future costs of the environmental measures and the significant estimates involved in calculating them, we consider the completeness and accuracy of these provisions as a key audit matter.

Information regarding the provisions for environmental measures can be found in notes 26 and 28 of the notes to the consolidated financial statements.

How our audit addressed the key audit matter

We performed the following audit procedures:

- Discussions with Management and the Finance and Auditing Committee.
- Review and assessment of Management memos and file notes concerning the amount of provisions recognised.
- Sample-based testing of the calculations of and the assumptions relating to the cost estimates of the environmental measures.
- Inspection of the contract awards, expert opinions and bids on which the calculations are based and of the correspondence, meeting minutes and cost overviews of the joint working group set up with the environmental authority of the Canton of Zurich.
- Assessment of whether the disclosure of the provisions complies with the requirements of Swiss GAAP FER.

On the basis of our audit results, we consider the approach chosen by Management for recording the provisions for environmental measures and the corresponding disclosures to be reasonable.

Responsibilities of the Board of Directors for the consolidated financial statements

The Board of Directors is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with Swiss GAAP FER and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and Swiss Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located at the website of EXPERTSuisse: <http://expertsuisse.ch/en/audit-report-for-public-companies>. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists which has been designed for the preparation of consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

PricewaterhouseCoopers AG



Thomas Illi
Audit expert
Auditor in charge



Josef Stadelmann
Audit expert

Zürich, 11 February 2022

Income statement

in CHF thousand	Note	2021	2020
Net revenue from sale of goods and services	2.1	5 068	4 930
Other income		325	322
Personnel expense		-3 475	-3 246
Other operating expense		-2 139	-1 857
Additions of impairment losses on non-current assets	2.2	-77 440	0
Impairment reversals on non-current assets	2.2	15 258	0
Earnings before interest and taxes (EBIT)		-62 403	149
Financial income		18 206	16 928
– Income from investments	2.3	13 300	12 197
– Interest income	2.4	4 772	4 726
– Book gains on securities held		17	0
– Other financial income	2.5	117	5
Financial expense		-2 209	-2 553
– Interest expense	2.6	-2 067	-2 018
– Book losses on securities held		0	-5
– Other financial expense	2.7	-142	-530
Earnings before taxes and extraordinary items		-46 406	14 524
Extraordinary, non-recurring or prior-period income	2.8	0	0
Extraordinary, non-recurring or prior-period expense	2.8	0	0
Earnings before taxes (EBT)		-46 406	14 524
Direct taxes		-173	-189
Profit/Loss for the year		-46 579	14 335

Balance sheet

in CHF thousand	Note	31.12.2021	31.12.2020
Assets			
Cash and cash equivalents and assets held for short-term disposal with a quoted market price	2.9	32 624	52 176
Other short-term receivables	2.10	4 569	4 398
– From third parties		4 413	4 398
– From group member companies		156	0
Prepaid expenses and accrued income		0	0
Short-term financial receivables		0	0
Total current assets		37 193	56 574
Financial assets		359 677	336 099
– Long-term receivables from third parties		0	0
– Long-term receivables from group member companies	2.11	359 677	336 099
Investments	2.12	88 671	150 254
Property, plant and equipment		432	395
Total non-current assets		448 780	486 748
Total assets		485 973	543 322
Equity and liabilities			
Trade payables		287	46
– To third parties		287	46
– To group member companies		0	0
Short-term interest-bearing liabilities		59	21
– Towards third parties		59	21
– Towards group member companies		0	0
Other short-term liabilities		1	1
– Towards third parties	2.13	1	1
– Towards group member companies		0	0
Accrued expenses and deferred income	2.14	1 187	1 347
Total short-term liabilities		1 534	1 415
Long-term interest-bearing liabilities		100 000	100 000
– Corporate bond	2.15	100 000	100 000
– Towards group member companies		0	0
Total long-term liabilities		100 000	100 000
Total liabilities		101 534	101 415
Share capital	2.16	1 200	1 200
Legal capital reserves	2.17	7	4 207
– Capital contribution reserve		7	4 207
Legal retained earnings		10 016	10 016
Voluntary retained earnings		419 795	412 176
Earnings available for distribution		–46 579	14 335
– Balance brought forward from prior year		0	0
– Profit/Loss for the year		–46 579	14 335
Treasury shares	2.18	0	–27
Total equity		384 439	441 907
Total equity and liabilities		485 973	543 322

Additional information

1. Valuation principles used

These financial statements have been compiled in accordance with the provisions on business bookkeeping and accounting specified in the Swiss Code of Obligations (Article 957ff). The major balance sheet items have been capitalized as described below:

No cash flow statement or certain additional notes

Since CPH Chemie + Papier Holding AG provides consolidated financial statements in accordance with recognized (Swiss GAAP FER) accounting standards, it has – as permitted under the relevant legal provisions – elected not to provide details of auditors' fees or a cash flow statement in the present accounts.

Financial assets and investments

Financial assets are stated at their nominal value less any value adjustments required. Investments are stated at their purchase price less value adjustments. Investments are valued individually if they are material, and are not usually grouped together for such valuation because of any similarity.

Treasury shares

Treasury shares are shown at their original purchase price. The treasury shares held are shown as a negative item in equity. If they are later sold, the resulting profit or loss is taken directly to voluntary retained earnings.

Share-based compensation

Share-based compensation is valued at the share price applicable on the shares' assignment, and is shown under both equity and personnel expense. The definitively assigned shares are subject to a three-year vesting period, during which the number of shares assigned is not contingent on any further performance, results or other vesting conditions.

Foreign currency positions

Foreign currency positions have been translated into Swiss francs at the following conversion rates:

Foreign currency	2021 income statement	2021 balance sheet	2020 income statement	2020 balance sheet
EUR	1.0810	1.0360	1.0710	1.0820
USD	0.9140	0.9110	0.9380	0.8840

The balance sheet conversion rates are the rates that ruled on the balance sheet date of 31 December, while the conversion rates used for the income statement are the average rates for the full financial year.

2. Notes on the financial statements

CPH Chemie + Papier Holding AG domiciled in Root

The company employed an average of six persons in 2021 (prior year: six persons) in full-time-equivalent terms.

2.1 Net revenue from sale of goods and services

The CHF 5.1 million in this item (prior year: CHF 4.9 million) represents the net revenue from goods and services provided to subsidiaries by the holding company and invoiced accordingly.

2.2 Additions/Reversals of impairment losses on non-current assets

An impairment of CHF 77.4 million was effected in 2021 to the investment in Perlen Papier AG, Root/CH in view of its negative equity development following an impairment to its fixed assets. At the same time, CHF 15.3 million of a previous impairment to the investment in Zeochem AG, Rüti ZH/CH was reversed in view of positive business developments. There had been no such adjustments in 2020.

2.3 Income from investments

This item includes the profit distributions by subsidiaries.

2.4 Interest income

Interest income derives predominantly from intercompany loans. For 2021, these were subject to interest rates of between 1.00% and 2.25% (prior year: between 1.00% and 2.25%).

2.5 Other financial income

This item consists primarily of income from the net positive impact of currency movements on foreign-currency amounts held.

2.6 Interest expense

This item consists largely of the CHF 2.0 million (prior year: CHF 2.0 million) interest paid on the CHF 100 million 2.00% corporate bond (duration 12 October 2018 to 12 October 2023).

2.7 Other financial expense

Other financial expense for 2021 consisted largely of ordinary financial expense of CHF 0.1 million (prior year: CHF 0.1 million). Other financial expense for 2020 additionally included currency losses of CHF 0.4 million.

2.8 Extraordinary, non-recurring or prior-period income and expense

No such amounts were earned or incurred in 2021 or 2020.

2.9 Cash and cash equivalents and assets held for short-term disposal with a quoted market price

in CHF thousand	2021	2020
Cash and cash equivalents	32 592	52 156
Assets held for short-term disposal with a quoted market price	32	20
Total	32 624	52 176

2.10 Other short-term receivables

Other short-term receivables consisted largely of value-added tax credits in both 2021 and 2020.

2.11 Long-term receivables from group member companies

Long-term receivables from group member companies increased by a net CHF 23.6 million to CHF 359.7 million in 2021 as a result of investment needs.

2.12 Investments

Name and legal form	Domicile	Remarks	Currency	Holding in 2021		Holding in 2020	
				Capital in thousand	Capital/Voting rights	Capital in thousand	Capital/Voting rights
CPH Immobilien AG ¹⁾	Root/CH	Founded 29.4.2021	CHF	500	100 %		
Zeochem AG ¹⁾	Rüti ZH/CH		CHF	1 000	100 %	1 000	100 %
Zeochem L.L.C.	Louisville/USA		USD	36 547	100 %	36 547	100 %
Jiangsu Zeochem Technology Co. Ltd. ¹⁾	Lianyungang/CN		CNY	90 000	92 %	90 000	92 %
Zeochem d.o.o.	Zvornik/BA	Transferred 2021 to Zeochem AG	EUR	2	100 %	2	100 %
Perlen Papier AG ¹⁾	Root/CH		CHF	81 000	100 %	81 000	100 %
Perlen Papier Immobilien AG	Root/CH		CHF	1 000	100 %	1 000	100 %
APS Altpapier Service Schweiz AG	Root/CH		CHF	100	100 %	100	100 %
Perlen Deutschland GmbH	Munich/D		EUR	100	100 %	100	100 %
Perlen Packaging AG, Perlen ¹⁾	Root/CH		CHF	24 000	100 %	24 000	100 %
Perlen Packaging GmbH, Müllheim	Müllheim/D		EUR	1 300	100 %	1 300	100 %
Perlen Packaging L.L.C.	Whippany/USA		USD	1 000	100 %	1 000	100 %
Perlen Packaging (Suzhou) Co., Ltd.	Suzhou/CN		USD	13 000	100 %	13 000	100 %
Perlen Packaging Anápolis Indústria e Comércio Ltda.	Anápolis/BR		BRL	2 464	100 %	2 464	100 %

¹⁾ Directly held by CPH Chemie + Papier Holding AG

CPH Immobilien AG, Root/CH was founded on 29 April 2021. UBV Immobilien Treuhand Perlen AG was acquired with the merger of Uetikon Industrieholding AG of 11 June 2021. CPH Immobilien AG, Root/CH integrated the assets, equity and liabilities of UBV Immobilien Treuhand Perlen AG in a merger of 22 November 2021. Zeochem d.o.o., Zvornik/BA was transferred by CPH Chemie + Papier Holding AG to its subsidiary Zeochem AG, Rüti ZH/CH at book value in the course of 2021. There were no changes in 2020 to CPH Chemie + Papier Holding AG's directly held investments.

An impairment of CHF 77.4 million was effected in 2021 to the investment in Perlen Papier AG, Root/CH. At the same time, CHF 15.3 million of a previous impairment to the investment in Zeochem AG, Rüti ZH/CH was released from hidden reserves (see also Note 2.2).

2.13 Liabilities towards pension schemes

As in the previous year, there were no liabilities towards pension schemes as at 31 December 2021.

2.14 Accrued expenses and deferred income

Accrued expenses and deferred income for 2021 included accrued interest on corporate bonds of CHF 0.4 million (prior year: CHF 0.4 million), accruals on employees' salary and vacation entitlements of CHF 0.5 million (prior year: CHF 0.6 million) and pending tax payments and miscellaneous amounts of CHF 0.3 million (prior year: CHF 0.3 million).

2.15 Corporate bond

This item relates to the CHF 100.0 million 2.00% unsecured corporate bond (SIX code CPH18) issued on 12 October 2018 and maturing on 12 October 2023. The bond is listed on the SIX Swiss Exchange.

2.16 Share capital

Share capital consists of 6 000 000 registered shares with a nominal value of CHF 0.20 per share.

Uetikon Industrieholding AG, which had previously been the main shareholder of CPH Chemie + Papier Holding AG with a holding of 49.99%, was acquired by the latter through a merger by absorption effective 11 June 2021. Under the merger transaction, the previous shareholders of Uetikon Industrieholding AG exchanged their shares therein for a commensurate number of shares of CPH Chemie + Papier Holding AG, and have thence held direct CPH shareholdings. For the shares held by members of the Board of Directors and other significant shareholders, please see Note 30.2 in the 'Additional information on the consolidated financial statements'.

2.17 Legal capital reserves

The capital contribution reserve derives from the reduction in the nominal value of the CPH share in 2018. Following a distribution to shareholders, it was reduced in 2021 to a small remaining amount.

2.18 Treasury shares (and share-based compensation)

CPH Chemie+Papier Holding AG held no treasury shares at the end of 2021 (prior year: 376 shares, acquired at an average purchase price of CHF 72.61 per share). A total of 5 593 treasury shares were purchased on the SIX Swiss Exchange in the course of 2021 (prior year: 21 438 shares) at an average purchase price of CHF 70.45 (prior year: CHF 71.97) per share, and a total of 3 287 treasury shares were sold via the SIX Swiss Exchange in the course of 2021 (prior year: 19 253 shares) at an average sale price of CHF 71.49 (prior year: CHF 70.38) per share. A further 1 341 shares of a total value of CHF 0.09 million (prior year: CHF 0.09 million) were assigned to members of the management of CPH Chemie+Papier Holding AG; and a further 1 341 shares of a total value of CHF 0.09 million (prior year: CHF 0.09 million) were sold to subsidiaries for such assignment to their management members.

Guarantees to third parties

Contingent liabilities amount to CHF 31.5 million (prior year: CHF 37.9 million), of which CHF 21.5 million (prior year: CHF 27.9 million) consists of guarantees and securities issued by CPH Chemie+Papier Holding AG to Swiss banking institutions in respect of subsidiaries' credit limits and overdraft facilities. CPH Chemie+Papier Holding AG has also provided a guarantee of CHF 10.0 million (prior year: CHF 10.0 million) to Canton Zurich should Zeochem AG be unable to meet the outstanding costs of the inspection, monitoring and clean-up of a waste disposal site.

Pledged assets

Liquid funds with a value of CHF 0.7 million are pledged (prior year: CHF 0.7 million).

Joint and several liability

CPH Chemie+Papier Holding AG is jointly and severally liable towards the Swiss federal tax authorities in Bern for current and future value-added tax obligations of the CPH Group (group taxation).

Assets subject to reservation of ownership

The book value of leased tangible fixed assets amounts to CHF 0.1 million (prior year: CHF 0.0 million).

Leasing liabilities

The liabilities on leased vehicles amount to CHF 0.1 million (prior year: CHF 0.0 million).

Remuneration of members of the Board of Directors and Group Executive Management

The remuneration paid to members of the Board of Directors and Group Executive Management is detailed in the Remuneration Report on Pages 37 to 40.

Subordination agreements

Subordination agreements have been concluded between CPH Chemie+Papier Holding AG, Perlen and its subsidiaries Zeochem AG, Rütli ZH amounting to CHF 40.0 million (prior year: CHF 40.0 million) and Perlen Papier AG, Root amounting to CHF 5.0 million (prior year: CHF 0.0 million).

Subsequent events

No significant events occurred between 31 December 2021 and 11 February 2022.

In response to a cyber attack, the IT systems of the CPH Group were shut down in a controlled manner on 7 January 2022 and production had to be halted at the Perlen and Müllheim sites. Once the key IT systems were back in operation, production was resumed at the sites concerned in the course of 13 January 2022. The CPH Group does not expect this incident to have any material impact on its 2022 business results.

Recommendation on the appropriation of reserves

Movements in earnings available

in CHF thousand	2021	2020
Balance brought forward from prior year	14 335	52 553
Appropriation of reserves available for distribution by resolution of the General Meeting		
Release from capital contribution reserve	4 200	0
Distribution to shareholders	-10 800	0
To legal retained earnings	0	0
To voluntary retained earnings	-7 735	-52 553
Profit/Loss for the year	-46 579	14 335
Earnings available at end of year	-46 579	14 335

Board's recommendation to shareholders on the appropriation of reserves

in CHF thousand	2021 Board recommendation	2020 Board recommendation
Earnings available	-46 579	14 335
Release from capital contribution reserve	0	4 200
Distribution to shareholders	-7 800	-10 800
Transfer to/Release from voluntary retained earnings	54 379	-7 735
Balance of earnings to be carried forward	0	0

Distribution proposal

The Board of Directors will propose to the Ordinary General Meeting of 17 March 2022 that a distribution be awarded to shareholders of CHF 1.30 per share through a release from voluntary retained earnings.

For the 2020 financial year, the Ordinary General Meeting resolved that a distribution be awarded to shareholders of CHF 1.80 per share. Of this amount, CHF 1.10 per share derived from earnings available and CHF 0.70 per share from a release from the capital contribution reserve.

Report on the audit of the financial statements

Opinion

We have audited the financial statements of CPH Chemie+Papier Holding AG, which comprise the income statement for the year ended 31 December 2021, balance sheet as at 31 December 2021 and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 84 to 89) as at 31 December 2021 comply with Swiss law and the company's articles of incorporation.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the entity in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit approach

Overview



Overall materiality: CHF 4 000 000

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the entity, the accounting processes and controls, and the industry in which the entity operates.

As key audit matter the following area of focus has been identified:

Valuation of long-term receivables from Group companies and of investments in Group companies.

Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

Overall materiality CHF 4 000 000

Benchmark applied Total assets

Rationale for the materiality benchmark applied We chose total assets as the benchmark for determining materiality because it is a generally accepted benchmark for materiality considerations relating to a holding company.

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Report on key audit matters based on the circular 1/2015 of the Federal Audit Oversight Authority

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of long-term receivables from Group companies and of investments in Group companies

Key audit matter

We consider the valuation of long-term receivables from Group companies and of investments in Group companies as a key audit matter. These items are disclosed on the balance sheet in the amounts of CHF 360 million and CHF 89 million, respectively.

The valuation of long-term receivables from Group companies and of investments in Group companies depends on the financial substance and profitability of the subsidiaries. In the financial year 2021, the company recorded value adjustments on investments in Group companies in the amount of CHF 62 million net.

Please refer to notes 2.2, 2.11 and 2.12 in the notes to the financial statements.

How our audit addressed the key audit matter

We performed the following audit procedures with regard to the valuation of long-term receivables from Group companies and of investments in Group companies:

- For significant investments in Group companies and long-term receivables from Group companies, we tested the recoverability based on the net assets valued in accordance with Swiss GAAP FER or, if necessary, on the basis of other Management assessments of net asset or capitalised earnings.

- In addition, we examined, if necessary, whether appropriate provisions for letters of subordination agreements had been recorded.

Our audit supports the amounts recognised by Management with regard to long-term receivables from Group companies and investments in Group companies.

Responsibilities of the Board of Directors for the financial statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and Swiss Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the website of EXPERTSuisse: <http://expertsuisse.ch/en/audit-report-for-public-companies>. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We further confirm that the proposed appropriation of reserves complies with Swiss law and the company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG



Thomas Illi
Audit expert
Auditor in charge



Josef Stadelmann
Audit expert

Zürich, 11 February 2022