

# Income statement

in CHF thousands	Note	2024	2023
Interest income		4 269	8 447
Other financial income		256	1
<b>Total financial income</b>		<b>4 525</b>	<b>8 448</b>
Service income		6 211	5 539
Other operating income		187	142
<b>Total operating income</b>		<b>10 923</b>	<b>14 129</b>
Personnel expense		-5 604	-3 714
Other operating expense		-3 210	-2 213
Depreciation on tangible fixed assets		-	-20
Interest expense	3	-211	-1 330
Other financial expense		-521	-2 880
Income taxes		-210	-408
<b>Net result</b>		<b>1 167</b>	<b>3 564</b>

# Balance sheet

in CHF thousands	Note	31.12.2024	31.12.2023
<b>Assets</b>			
Cash and cash equivalents		1 757	31 788
Other receivables from third parties		2 531	6 110
Other receivables from group companies		867	1 322
Prepayments and accrued income		285	10
<b>Total current assets</b>		<b>5 440</b>	<b>39 230</b>
Loans granted to group companies	1	101 269	259 016
Investments	2	88 071	88 671
<b>Total fixed assets</b>		<b>189 340</b>	<b>347 687</b>
<b>Total assets</b>		<b>194 780</b>	<b>386 917</b>
<b>Equity and liabilities</b>			
Interest-bearing liabilities due to third parties	3	10 000	-
Other payables due to third parties		624	389
Accrued liabilities and deferred income		2 423	1 163
<b>Total current liabilities</b>		<b>13 047</b>	<b>1 552</b>
Share capital	4	900	1 200
Statutory capital contribution reserves		7	7
Treasury shares	5	-400	-408
Statutory retained earnings		10 016	10 016
Unrestricted retained earnings		170 043	370 986
Net result for the year		1 167	3 564
<b>Total shareholders' equity</b>		<b>181 733</b>	<b>385 365</b>
<b>Total equity and liabilities</b>		<b>194 780</b>	<b>386 917</b>

# Notes to the financial statements

## Accounting principles

### Presentation

The annual financial statements of CPH Group AG (formerly CPH Chemie+Papier Holding AG) have been compiled in accordance with the provisions on commercial accounting of the Swiss Code of Obligations.

The company provides consolidated financial statements in accordance with Swiss GAAP FER accounting standards. In view of this, the company has elected not to provide expanded notes to these financial statements, a management report and a cash flow statement.

The major balance sheet items have been presented as follows:

### Receivables and loans

Receivables are stated at their nominal value less any necessary individual value adjustments. Such value adjustments are determined on the basis of maturity structures and identifiable credit risks.

### Investments

Investments are stated at their purchase price less appropriate value adjustments for likely long-term impairments. Investments are valued individually if and insofar as they generate separate cash flows.

### Interest-bearing liabilities

Interest-bearing liabilities are stated at their nominal value. Those with a residual term to maturity of up to one year are shown under current liabilities; those with a residual term to maturity of more than one year are shown under non-current liabilities.

### Foreign currency translation

Transactions effected in foreign currencies are translated into Swiss francs at the exchange rate valid as at the date of the transaction. Assets and liabilities in foreign currencies are translated into Swiss francs at the exchange rate valid as at the balance sheet date, and in accordance with the imparity principle.

## Notes to individual items of the financial statements

### 1. Loans granted to group companies

Loans granted to group companies decreased by CHF 157.7 million in 2024. The reduction is primarily attributable to the spinning-off of the Paper Division with effect from 25 June 2024.

### 2. Investments

	Currency	31.12.2024		31.12.2023	
		Capital in thousands	Shareholding	Capital in thousands	Shareholding
<b>Chemistry</b>					
Zeochem AG, Rüti ZH, Switzerland <sup>1</sup>	CHF	1 000	100 %	1 000	100 %
Zeochem LLC, Louisville, USA	USD	36 547	100 %	36 547	100 %
Zeochem d.o.o., Zvornik, Bosnia and Herzegovina	BAM	2	100 %	2	100 %
Jiangsu Zeochem Technology Co. Ltd., Lianyungang, China <sup>1</sup>	CNY	82 800	100 %	82 800 <sup>2</sup>	100 % <sup>2</sup>
Zeochem Pte. Ltd., Singapore, Singapore	SGD	1	100 %	1	100 %
Sorbchem India Pvt. Ltd., Vadodara, India <sup>3</sup>	INR	876 508	100 %	n/a	n/a
<b>Packaging</b>					
Perlen Packaging AG, Root, Switzerland <sup>1</sup>	CHF	24 000	100 %	24 000	100 %
Perlen Packaging L.L.C., Whippany, USA	USD	1 000	100 %	1 000	100 %
Perlen Packaging GmbH, Müllheim, Germany	EUR	1 300	100 %	1 300	100 %
Perlen Packaging (Suzhou) Co., Ltd., Suzhou, China	USD	13 000	100 %	13 000	100 %
Perlen Packaging Anápolis Indústria e Comércio Ltda., Anápolis, Brazil	BRL	142 465 <sup>4</sup>	100 %	18 174	100 %
<b>Spun-off Paper Division with real estate<sup>5</sup></b>					
Perlen Industrieholding AG, Root, Switzerland <sup>6</sup>	CHF	n/a	n/a	n/a	n/a
Perlen Papier AG, Root, Switzerland	CHF	n/a	n/a	81 000	100 %
APS Altpapier Service Schweiz AG, Root, Switzerland	CHF	n/a	n/a	100	100 %
Perlen Deutschland GmbH, Munich, Germany	EUR	n/a	n/a	100	100 %
Perlen Immobilien AG, Root, Switzerland	CHF	n/a	n/a	500	100 %
Perlen Papier Immobilien AG, Root, Switzerland	CHF	n/a	n/a	1 000	100 %
Hotel & Gasthaus Die Perle AG, Root, Switzerland <sup>7</sup>	CHF	n/a	n/a	100	100 %

<sup>1</sup> held directly by CPH Group AG

<sup>2</sup> until 18 September 2023: 92 % of CNY 90 million; see Note 32 to the consolidated financial statements

<sup>3</sup> acquired on 29 April 2024; see Note 33 to the consolidated financial statements

<sup>4</sup> BRL 124 million capital increase effective 9 December 2024

<sup>5</sup> spin-off of Paper Division effective 25 June 2024; see Note 34 to the consolidated financial statements

<sup>6</sup> founded with a share capital of CHF 0.3 million on 20 March 2024

<sup>7</sup> founded on 6 September 2023

### 3. Interest-bearing liabilities

Interest-bearing liabilities include an unsecured short-term bank loan which was procured to finance the acquisition of Sorbchem India Pvt. Ltd. and the spinning-off of the Paper Division.

### 4. Share capital

The share capital of CHF 0.9 million consists of 6 000 000 registered shares of CHF 0.15 nominal value. Share capital was reduced by CHF 0.3 million from its previous CHF 1.2 million (and the shares' nominal value by CHF 0.05 from the previous CHF 0.20 per share) with the spin-off of the Paper Division effective 25 June 2024.

## 5. Treasury shares

Number of shares	2024	2023
Treasury shares as at 1 January	4 830	-
Purchases	7 390	6 863
Sales	- 129	-
Share-based remuneration	- 2 465	- 1 016
Transfer to group companies	- 3 426	- 1 017
Treasury shares as at 31 December	6 200	4 830

A total of 7 390 (prior year: 6 863) treasury shares were purchased in 2024 at an average purchase price of CHF 67.88 (prior year: CHF 85.54) per share. A total of 129 treasury shares were sold in the year under review (prior year: none) at an average sale price of CHF 83.40 per share. A total of 2 465 (prior year: 1 016) shares with a vesting period of three years (with no further performance, profit or other vesting conditions) were definitively awarded in 2024 in the form of share-based remuneration. The resulting personnel expense at a share price on assignment of CHF 84.73 (prior year: CHF 88.54) per share amounted to CHF 0.2 million (prior year: CHF 0.1 million). A further 3 426 (prior year: 1 017) treasury shares were transferred to group companies for their share-based remuneration at an average transaction value of CHF 84.73 (prior year: CHF 88.54) per share.

## 6. Number of full-time-equivalent employees

The average number of employees (in full-time equivalents) was below ten in both the year under review and the prior year.

## 7. Off-balance-sheet leasing obligations

As at the balance sheet date and as at the prior-year balance sheet date, there were no off-balance-sheet leasing obligations.

## 8. Guarantees to third parties

Total guarantees for obligations to third parties amount to CHF 19.2 million (prior year: CHF 11.8 million). As in the prior year, CPH Group AG continues to provide a guarantee of up to CHF 10.0 million for the obligations of Zeochem AG, Rüti (Switzerland) towards Canton Zurich in respect of the lake bed clean-up in Uetikon (Switzerland): see also Note 20, Provisions in the notes to the consolidated financial statements. Further guarantees totalling CHF 9.2 million exist for group companies' liabilities (prior year: CHF 1.8 million).

## 9. Contingent liabilities

Under the corresponding group taxation provisions, CPH Group AG is jointly and severally liable for the value-added tax obligations of its Swiss-domiciled companies.

## 10. Asset transfers

One group company transferred assets of CHF 125 million to CPH Group AG under a contractual agreement of 16 May 2024 in preparation for the spinning-off of the Paper Division. CPH Group AG also transferred assets of CHF 180 million to a group company under a contractual agreement of 10 June 2024 to the same end. These asset transfers had no impact on employees.

## 11. Events after the balance sheet date

No events occurred between the balance sheet date and 18 February 2025, the date of the approval and release for publication of these annual financial statements by the Board of Directors, which would require adjustments to the company's assets, equity and liabilities or would need to be disclosed here. These financial statements are also subject to the approval of the Annual General Meeting of 18 March 2025.

# Appropriation of retained earnings

## Proposal of the Board of Directors to the Annual General Meeting of 18 March 2025

in CHF thousands	2024	2023
<b>Net result for the year</b>	1 167	3 564
Retained earnings carried forward from prior year	-	-
<b>Retained earnings at the end of the year</b>	1 167	3 564
Allocation from unrestricted retained earnings	10 833	20 436
Dividend payment	-12 000	-24 000
<b>Retained earnings to be carried forward to next year</b>	-	-

The Board of Directors will propose to the Annual General Meeting of 18 March 2025 that CHF 10.8 million be released from reserves from retained earnings and that a dividend of CHF 2.00 per share be distributed to shareholders.

# Report on the audit of the financial statements

## Opinion

We have audited the financial statements of CPH Group AG (the Company), which comprise the income statement for the year ended 31 December 2024, the balance sheet as at 31 December 2024 and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 101 to 105) comply with Swiss law and the Company's articles of incorporation.

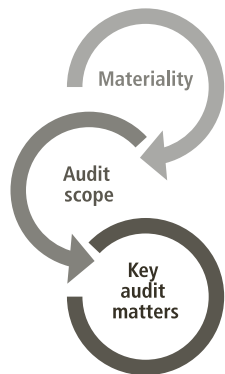
## Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). 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 Company 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 1 900 000

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 Company, the accounting processes and controls, and the industry in which the Company operates.

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

Assessment of the valuation of loans granted to group companies and of investments.

## 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.

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<b>Overall materiality</b>	CHF 1 900 000
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<b>Benchmark applied</b>	Total assets
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<b>Rationale for the materiality benchmark applied</b>	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.
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## 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.

## Key audit matters

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.

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## Assessment of the valuation of loans granted to group companies and of investments

### Key audit matter

We consider the assessment of the valuation of loans granted to group companies and of investments to be a key audit matter. These items are recognised in the balance sheet at CHF 101.3 million and CHF 88.1 million respectively.

We are focusing on this area due to the significant size of these items in the balance sheet and the fact that the valuation of loans granted to group companies and of investments is largely dependent on the subsidiaries' financial and earnings position.

Please refer to the disclosures in paragraphs 1 and 2 of the notes to the financial statements.

### How our audit addressed the key audit matter

We tested the valuation of significant loans granted to group companies and investments based either on net assets or, if necessary, further considerations by management of net asset or capitalised earnings.

In cases where capitalised earnings value considerations were included in the assessment, we performed the following specific audit procedures:

- Review of the valuation performed by management for methodological appropriateness and mathematical correctness.
- Reconciliation of the net results used in the capitalised earnings value calculations with the target figures approved by the Board of Directors.
- Assessment of the capitalisation rate applied.
- Comparison of the planned figures with the results achieved to assess the accuracy of planning in previous years.

Based on the results of our audit, we consider management's choice of approach to assess the valuation of the loans granted to group companies and of the investments to be appropriate.

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### Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the consolidated financial statements, the remuneration report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of 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 Company'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 Company 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 SA-CH 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 on EXPERTSuisse's website: <http://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.



### Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the financial statements.

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

PricewaterhouseCoopers AG



Norbert Kühnis  
Licensed audit expert  
Auditor in charge



Josef Stadelmann  
Licensed audit expert

Zürich, 18 February 2025

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