

HALF-YEAR FINANCIAL REPORT 2022



Key performance figures

in EUR million	H1 2022	Change	H1 2021	Q2 2022	Veränderung	Q2 2021	2021
Revenue	570.6	-13.6%	660.8	293.6	-13.1%	337.7	1,182.2
EBITDA	75.2	-69.6%	247.5	38.7	-69.1%	125.3	361.8
EBITDA margin	13.2%	-24.3 PP	37.5%	13.2%	-23.9 PP	37.1%	30.6%
EBIT	48.4	-78.5%	224.6	24.7	-78.3%	113.8	315.0
EBIT margin	8.5%	-25.5 PP	34.0%	8.4%	-25.3 PP	33.7%	26.6%
Earnings after taxes	34.7	-80.0%	173.9	19.2	-78.3%	88.4	247.5
Earnings per share (EPS) ¹ , in EUR	1.68	-80.0%	8.42	0.93	-78.3%	4.29	11.99
Gross cash flow	47.0	-79.6%	230.5	17.4	-84.4%	111.9	323.4
Return on equity ²	12.4%	-64.1 PP	76.5%	6.9%	-32.0 PP	38.9%	45.7%

Balance sheet key figures

in EUR million	30.06.2022	Change	30.06.2021	31.03.2022	Change	31.03.2021	31.12.2021
Total assets	969.9	3.8%	934.6	996.7	15.2%	865.3	958.6
Equity	556.4	22.6%	453.8	560.4	41.5%	396.1	540.1
Equity ratio	57.4%	+8.8 PP	48.6%	56.2%	+10.4 PP	45.8%	56.3%
Additions to intangible assets and property, plant and equipment	20.3	-7.9%	22.0	10.0	-17.9%	12.2	56.4
Employees (at reporting date) ¹	6,936	-0.3%	6,956	7,007	0.1%	7,001	6,948

Sector and segment key figures

in EUR million	H1 2022	Change	H1 2021	Q2 2022	Change	Q2 2021	2021
Industrial Sector = Semperflex + Sempertrans + Semperform + Semperseal							
Revenue	372.3	38.9%	268.1	201.3	46.0%	137.9	556.1
EBITDA	68.0	64.4%	41.3	41.5	>100%	20.7	82.1
EBIT	54.5	88.0%	29.0	34.9	>100%	14.5	56.8
Semperflex							
Revenue	173.7	51.8%	114.4	93.9	57.1%	59.7	240.5
EBITDA	46.8	78.5%	26.2	27.3	95.9%	13.9	51.3
EBIT	40.9	98.1%	20.6	24.3	>100%	11.1	40.0
Sempertrans							
Revenue	69.8	36.5%	51.1	41.5	71.4%	24.2	104.5
EBITDA	6.6	>100%	1.8	5.3	>100%	0.8	6.8
EBIT	4.7	>100%	0.1	4.4	>100%	-0.1	3.2
Semperform							
Revenue	53.7	23.7%	43.4	27.5	16.3%	23.6	90.6
EBITDA	8.3	24.2%	6.6	5.0	40.5%	3.6	12.4
EBIT	6.1	27.9%	4.8	4.0	50.2%	2.6	8.5
Semperseal							
Revenue	75.1	27.1%	59.0	38.4	26.7%	30.3	120.5
EBITDA	6.3	-5.4%	6.6	3.9	62.1%	2.4	11.6
EBIT	2.8	-18.9%	3.4	2.3	>100%	0.8	5.1
Medical Sector = Sempermed							
Revenue	198.3	-49.5%	392.7	92.3	-53.8%	199.8	626.1
EBITDA	15.6	-92.9%	220.5	2.3	-98.0%	115.3	301.1
EBIT	2.9	-98.6%	210.6	-4.7	>100%	110.3	280.9

Note: Rounding differences in the totalling of rounded amounts and percentages may arise from the use of automatic data processing.

¹ Earnings per share are only attributable to the core shareholders of Semperit AG Holding (excl. remuneration from hybrid capital).

² Based on a full-year projection.

Group management report

As expected, the publicly listed Semperit Group recorded a decrease in earnings in H1 2022 in comparison with the exceptionally strong results in H1 2021. In the Industrial Sector, the result for the same period in the previous year was clearly exceeded – despite the difficult global market environment. Meanwhile, the corona pandemic-induced special economic cycle brought about in the Medical Sector by the pandemic came to an end as expected.

Economic environment

In the world economic update published by the International Monetary Fund (IMF) in July 2022, global growth is projected to slow from 6.1% last year to 3.2% in 2022, which is 0.4 percentage points lower than the update in April 2022. The growth forecasts for advanced economies like the USA (2021: 5.7%) and the Eurozone (2021: 5.4%) were adjusted by –1.4 and –0.2 percentage points compared to the figures of 3.7% and 2.8% projected in April 2022 (USA 2022: 2.3%, Eurozone 2022: 2.6%). The growth forecasts for emerging market and developing economies (2021: 6.8%) from April were also revised downward by 0.2 percentage points for 2022 owing to further lockdowns and the further escalation of the property sector crisis, being lowered from 3.8% to 3.6%.

These IMF economic forecasts reflect the timid recovery in 2021 and the gloomy developments in 2022. In summary, global production slumped in Q2 2022 due to slowdowns in China and Russia, while consumer spending in the US was lower than expected too. Weakened by the pandemic, the global economy finds itself faced with inflation that is higher than expected worldwide as well as with the economic downturn. Other factors curbing growth include waves of the coronavirus and the lockdowns instituted in response, along with other negative direct and indirect effects of the war in Ukraine.

Development of the raw materials markets

Over the course of H1 2022, prices on the relevant Asian commodity exchanges for natural rubber (most relevant for Sempertrans) and natural latex (relevant for Sempermed) increased compared with the same period of the previous year. The prices for natural rubber rose slightly by 3%, while natural latex jumped up by 7%.

In H1 2022, the average prices for the essential basic raw material butadiene (relevant for all segments) reached a significantly higher level than in H1 2021 in Asia (+25%) and in Europe (+54%) in particular. This, combined with a significant supply shortage in the face of sustained strong demand, led to a further sharp rise in the prices of butadiene derivatives, such as butadiene rubber, styrene butadiene rubber, and nitrile butadiene rubber, between January and June 2022. Another factor driving up costs for synthetic rubber in Europe was the skyrocketing price of gas (+350% compared to H1 2021). Since the end of H1 2021, the level of gas prices in Malaysia has virtually doubled – as a consequence of the deregulation of the Malaysian market in conjunction with global price increases for oil and gas.

Prices for nitrile latex, the most important raw material for Sempermed, continued to decline over the course of H1 2022 despite increased prices for butadiene due to declining market demand.

The price trend of heavy fuel oil (HFO), which in turn correlates closely with the general trend in crude oil prices, is a relevant indicator for the filler carbon black, which is used in the entire Industrial Sector. The average HFO price between January and June 2022 was more than 50% higher than in the same period of the previous year. Due to this development and a tight supply situation (made even worse since the outbreak of the war in Ukraine) as well as considerably higher energy and logistics costs, carbon black prices more or less doubled compared with H1 2021.

The price of iron ore – the basic raw material for wire rod – was highly volatile in H1 2022, with an average value of USD 142/tonne, putting it 23% under the corresponding value in the same period of the previous year.

In H1 2022, prices for wire rod – a raw material relevant for the Semperflex, Sempertrans, and Semperform segments – continued the rising trend that began in mid-2020, reaching a temporary peak at the end of Q1 2022. On average, the prices were approximately one third higher in H1 2022 than in H1 2021.

Russia-Ukraine conflict

On 24 February 2022, the Russia-Ukraine conflict reached a new level of escalation with Russia launching a war of aggression against Ukraine. Since the outbreak of this war, numerous international punitive sanctions have been imposed on Russia (and Belarus), covering measures in the energy, finance and transport sectors, technology import restrictions, export controls and visa restrictions. In addition to sanctions imposed against Russia's central bank, certain Russian financial institutions have also been excluded from the bank communication network SWIFT which allows international payments to be executed securely and quickly. The USA responded to Russia's invasion of Ukraine further by imposing a ban on imports of Russian oil and natural gas. The EU also approved a gradual ban on imports of coal, crude oil, and refined petroleum products (oil embargo) as well as on fossil fuels from Russia.

The Russian ruble (RUB) reacted with a massive decline in value and the Russian National Bank implemented comprehensive foreign exchange restrictions to stabilise the Russian currency market. In the meantime, the rating agencies have downgraded Russia's credit rating to "junk bond" status for high-risk financial investments. The Russian state defaulted on foreign debt as a consequence of the sanctions at the end of June 2022.

Energy prices reacted with record levels: In March 2022, market prices for Brent and WTI crude oil reached their highest levels in over 15 years in global wholesale trading. The prices for natural gas behaved similarly. In natural gas-intensive industrial sectors, temporary production shutdowns are already taking place.

In H1 2022, the direct and indirect consequences of these developments already being observed included material shortages, drastically increased and more volatile prices for energy, raw materials, input and intermediate products, transportation, and supply chain issues, changing interest rates and interest rate expectations, and further rising inflation. Under these conditions, there may be significant effects on the overall competitiveness of Europe as an industrial location.

In the context of the EU sanctions, the Semperit Group stopped deliveries to customers in Russia and Belarus shortly after the war started. See Note 2.2. "Revenue" for the Semperit Group's share of revenue from customers in the countries affected by the Russia-Ukraine conflict (Russia, Belarus, and Ukraine).

A shift in global procurement flows and inventory management is to be noted for key raw materials and consumables used in the manufacture of vulcanised rubber products as a result of the Russia-Ukraine conflict. The Semperit Group has long since stepped up international multiple sourcing activities. The materials are no longer procured from Russian companies included on the sanctions list or from companies owned by sanctioned individuals. This has led to further changes in sourcing by the Semperit Group and the procurement flows. Availability of relevant materials has been secured. Other significant influencing factors in connection with the war and in particular with the sanctions are the risks that special raw materials and consumables which are necessary for the production of vulcanised rubber products and / or further companies along the supply chain could be included on the sanctions list. This would lead to further shifts in procurement flows and to price increases.

In light of the strained situation, reserves of production-critical materials, such as certain fillers, have been increased. Storage capacities along the supply chain are used for this purpose. However, increasing reserves in relation to the rise in finished products increased the trade working capital to a level that is being temporarily consciously introduced in line with a proactive approach to securing production and delivery reliability on the understanding that it conflicts with the long-term objective of the Semperit Group. In regard to securing supplies, road freight transport has also seen constraints and an increase in the cost of European freight capacities due to the lack of Russian, Ukrainian, and Belarusian truck drivers.

Prices for synthetic rubber, paraffinic oils and fillers, such as carbon black and silicates, correlate strongly with the market price trend for crude oil and natural gas due to the energy intensity of their production. Suppliers are dropping out as a result of the sanctions, whereby price-driving surplus demand can also be observed. In light of this, the Semperit Group again anticipates price increases – in

some cases considerable – for key raw materials and consumables. Price pass-through opportunities will depend on the price sensitivity of the respective customers and the dynamics on the segment-specific product markets.

The market price trend for oil and natural gas in light of the Russia-Ukraine conflict led to an increase in expenses for energy. In addition, the Semperit Group continues to expect additional costs due to rising energy prices. The production of examination gloves in Kamunting (Malaysia) consumes the most natural gas by far within the Semperit Group. The non-European production sites are not directly affected by the price increases and volatility on the European gas market, however prices are also rising considerably on the international markets. For the Semperit Group, this is particularly relevant in Malaysia where gas prices are linked to Brent prices which have risen significantly as a result of the crisis. The current price increase is even more noticeable because of the de-regulation of gas prices in Malaysia since the end of 2021.

In this tense environment, a suspension of gas deliveries from Russia, whether as a Russian decision or potentially brought about as a result of further EU sanctions, can not be excluded. To be prepared for a possible stoppage of Russian gas supplies, the management of the Semperit Group has decided to use energy sources and technologies in the future which, unlike the steam boiler burners currently used, do not have to be fired with natural gas. This applies in particular to the sites in Wimpassing, Austria and in Odry, Czech Republic, as well as to the German sites. These alternatives should be operational in the course of H2 2022.

The Semperit Group's management is closely monitoring the geopolitical and market-related developments in connection with the Russia-Ukraine conflict and is taking a very prudent management approach to the situation. The few employees of the Semperit Group who were travelling in Russia, Belarus, or Ukraine, particularly in the course of their sales activities, were promptly and safely brought back to safe countries. Management initiated the evaluation of appropriate proactive measures to mitigate these developments at an early stage and is continuously conducting detailed analyses.

Revenue and earnings performance

Key figures Semperit Group

in EUR million	H1 2022	Change	H1 2021	2021
Revenue	570.6	-13.6%	660.8	1,182.2
EBITDA	75.2	-69.6%	247.5	361.8
EBITDA margin	13.2%	-24.3 PP	37.5%	30.6%
EBIT	48.4	-78.5%	224.6	315.0
EBIT margin	8.5%	-25.5 PP	34.0%	26.6%
Earnings after taxes	34.7	-80.0%	173.9	247.5
Additions to intangible assets and property, plant and equipment	20.3	-7.9%	22.0	56.4
Employees (at reporting date)	6,936	-0.3%	6,956	6,948

The Semperit Group recorded a decrease in revenue in H1 2022 of 13.6% to EUR 570.6 million compared with the previous year. Revenue in the Industrial Sector increased by 38.9% to EUR 372.3 million, whereas revenue in the Medical Sector decreased by 49.5% to EUR 198.3 million. The increase in revenue in the Industrial Sector was driven in particular by the rise in average selling prices in all segments (Semperflex +40.1%, Sempertrans +24.3%, Semperseal +31.8%, and Semperform +28.0%) compared with H1 2021, whereby raw material and energy-related price increases were promptly passed on. The increased sales volumes recorded by Sempertrans and Semperflex more than compensated for the decreased sales volumes recorded by Semperseal and Semperform. At Semperflex (+11.6%), this was due to a positive market environment as well as increases in the global market share of hydraulic and industrial hoses, while the increase in sales volumes in the Sempertrans segment (+12.2%) can be mainly attributed to the recovery of the market following the challenging pandemic years that came before. Sales volumes in the Semperform segment were down on last year in both the Handrails (owing to the temporary closure of the production sites in China due to the pandemic) and Engineered Solutions business units, while sales volumes in the Special Applications business unit (cable car rings and ski foils) continued to rise. The Semperseal segment also reported a slight decrease in sales volumes. The expected decrease in revenue in the Medical Sector was due in particular to the declining price level. Although sales prices were still above pre-Corona levels on average in H1 2022, they continued to decline steadily throughout the H1 2022. Container availability is still limited but has improved somewhat and sales volumes have increased slightly (+6.2%) as a result.

Picking up where it left off prior to the coronavirus pandemic, the Industrial Sector generated 65% of the Semperit Group's revenue, while the Medical Sector generated 35%. This means that compared to the same period in 2021, the relationship between the sales volumes is now the opposite of what it was (H1 2021: Medical Sector 59%, Industrial Sector 41%).

The inventory of own products increased by EUR 0.1 million in H1 2022 (H1 2021: EUR 21.0 million), with the build-up of inventory in the Industrial Sector being almost offset by inventory reduction in the Sempermed segment.

Other operating income decreased by EUR 0.8 million in total compared to the previous year. In H1 2021, this item included, among other things, a research grant of EUR 0.9 million, which has not yet been finally awarded this year.

The cost of materials (including energy and purchased services) increased in H1 2022 by EUR 34.9 million or 12.7% to EUR 308.9 million. The change was largely due to higher energy prices in both sectors, but also the increased cost of materials in the Industrial Sector. The market price trend for oil and natural gas in light of the Russia-Ukraine conflict led to an increase in expenses for energy – especially electricity (+56.7%) and natural gas (+108.9%). Around 13.1% (H1 2021: 12.1%) of the volume of production-related natural gas consumption was attributable to the European production sites in H1 2022; the production of examination gloves in Kamunting (Malaysia) consumes by far the most natural gas within the Semperit Group. Prices for synthetic rubber, paraffinic oils, and fillers (e.g. carbon black and silicates) correlate strongly with the market price trend for crude oil and natural gas due to the energy intensity of their production and led to an increase in the cost of materials. In addition, the lack of Russian, Ukrainian, and Belarusian truck drivers led to constraints and an increase in the cost of European freight capacities in road freight transport (see also section 2.6. on outgoing freight). Lower production and commodity volumes at Sempermed had an opposite effect.

Personnel expenses increased in H1 2022 to EUR 121.1 million (+10.3%). The main reasons for this were general wage and salary increases and increased costs for additional temporary workers and production staff.

At EUR 69.5 million, other operating expenses were up around 25.8% compared to the same period in the previous year (H1 2021: EUR 55.2 million). The increase can be attributed in particular to higher outbound freight expenses of around EUR 11.2 million and, to a lesser extent, to price-related increases in non-production-related energy and travel costs – particularly in connection with increased sales activities. Lower consultancy fees had an offsetting effect in H1 2022.

As expected, the EBITDA, which rose sharply over the past two years as a result of the corona-induced special economic cycle, fell considerably from EUR 247.5 million in H1 2021 to EUR 75.2 million in H1 2022 – a decline of 69.6%. The EBITDA margin was 13.2% (H1 2021: 37.5%).

Depreciation and amortisation increased to EUR 26.8 million in H1 2022 (+16.9%). This can be attributed mainly to the commissioning of new production lines in the glove plant in Kamunting. Six new production lines were commissioned here on 30 April 2022.

The EBIT decreased to EUR 48.4 million in H1 2022 from EUR 224.6 million in the previous year. The Semperit Group's EBIT margin decreased from 34.0% in H1 2021 to the current figure of 8.5%.

The negative financial result shrank to EUR –4.4 million, representing a significant year-over-year improvement (H1 2021: EUR –7.7 million). The other financial result increased by EUR 2.9 million, in particular due to a better net foreign currency result. In both H1 2022 and H1 2021, the net foreign currency result was driven in particular by the US dollar exchange rate trend, with the change compared to H1 2021 being caused in part by the repayment of Schuldschein loan tranches.

The tax expenses dropped to EUR 9.3 million in H1 2022 (H1 2021: EUR 43.1 million). The high tax expense in the previous year was due to the corona pandemic-induced special economic trend and the resulting increase in earnings in the Sempermed segment. In H1 2022, the tax rate was 19.8% (H1 2021: 19.6%).

Due to the expected lower operating result, earnings after tax amounted to EUR 34.7 million, down 80.0% on the previous year (H1 2021: EUR 173.9 million). The earnings per share attributable to shareholders of Semperit AG Holding for H1 2022 amounted to EUR 1.68 (H1 2021: EUR 8.42).

Second quarter 2022

Key figures Semperit Group / Second quarter

in EUR million	Q2 2022	Q2 2021	Change	Change in EUR million
Revenue	293.6	337.7	-13.1%	-44.1
EBITDA	38.7	125.3	-69.1%	-86.6
EBITDA margin	13.2%	37.1%	-23.9 PP	-
EBIT	24.7	113.8	-78.3%	-89.1
EBIT margin	8.4%	33.7%	-25.3 PP	-
Earnings after taxes	19.2	88.4	-78.3%	-69.2
Additions to intangible assets and property, plant and equipment	10.3	9.8	4.4%	0.4
Employees (at reporting date)	6,936	6,956	-0.3%	-19.4

In Q2 2022, the Semperit Group recorded a decrease in revenue of 13.1% to EUR 293.6 million compared with the same period in the previous year (Q2 2021: EUR 337.7 million). The Medical Sector recorded a 53.8% decrease in revenue, while the Industrial Sector recorded an increase in revenue of 46.0%. With regard to sales volumes and prices, the statements for H1 2022 basically also apply to Q2 2022.

In Q2 2022, the cost of materials increased by 13.3% compared to the previous year's period to EUR 155.1 million. This change was largely due to generally higher prices for energy and raw materials and in some cases higher production volumes within the Industrial Sector.

In Q2 2022, other operating expenses increased to EUR 36.5 million (Q2 2021: EUR 31.2 million) – largely due to increased freight, maintenance, and travel costs.

As expected, the EBITDA decreased considerably from EUR 125.3 million in the same period in the previous year to EUR 38.7 million in Q2 2022 owing to the sharp decline in results for the Medical Sector and despite the strong improvement in results for the Industrial Sector.

Dividends

A dividend of EUR 1.50 per share was resolved for the 2021 financial year at the Annual General Meeting held on 27 April 2022, which led to a total distribution of EUR 30.9 million. At a share price of EUR 29.30 at the end of 2021, this amounts to a dividend yield of 5.1%. A dividend of EUR 1.50 per share was also distributed in the previous year, which corresponded to a dividend yield of 6.2% based on the closing price of EUR 24.30 in 2020.

Assets and financial position

Balance sheet

The development of the balance sheet structure as at 30 June 2022 can be summarised as follows:

in EUR million	30.06.2022	Share	31.12.2021	Share	Change
Non-current assets	403.3	42%	407.4	43%	-1.0%
Current assets	566.6	58%	551.1	57%	+2.8%
ASSETS	969.9	100%	958.6	100%	+1.2%
Equity ¹	557.5	57%	541.2	56%	+3.0%
Non-current provisions and liabilities	144.1	15%	140.1	15%	+2.9%
Current provisions and liabilities	268.2	28%	277.3	29%	-3.3%
EQUITY AND LIABILITIES	969.9	100%	958.6	100%	+1.2%

¹ including non-controlling interests

The non-current assets remained largely unchanged compared to 31 December 2021.

Current assets increased since 31 December 2021, in particular due to an increase in trade receivables of EUR 45.3 million. In addition, the increase in current assets can be attributed to the EUR 20.4 million increase in inventories – in particular in the Sempertrans and Semperflext segments. The increase primarily relates to raw materials and consumables, finished goods as well as prepayments for inventories. This was counteracted by the decrease in cash and cash equivalents of EUR 42.2 million.

Equity increased due to the profits in the current period. This was counteracted by divided payments amounting to EUR 30.9 million in Q2 2022 (H1 2021: EUR 30.9 million). The return on equity was 12.4% (H1 2021: 76.5%). The currency translation reserve was reduced predominantly due to changes in the exchange rates for the US dollar (USD) and Malaysian ringgit (MYR).

There were minimal changes to the non-current liabilities compared to 31 December 2021.

The decrease in current liabilities resulted primarily from a decrease in liabilities from current taxes. This was counteracted by an increase in current trade payables. As of 30 June 2022, the Semperit Group had a net cash surplus of EUR 105.8 million, as cash and cash equivalents exceeded financial liabilities (31 December 2021: EUR 144.2 million). The calculated ratio between the net cash surplus (i.e., theoretical negative net indebtedness) and EBITDA as at 30 June 2022 was thus -0.6x (31 December 2021: -0.4x).

The existing credit facilities with a bank consortium and Österreichische Kontrollbank AG (OeKB) amounting to EUR 75 million and EUR 15 million, respectively, have not yet been used.

Cash flow

The development of the liquidity situation in H1 2022 can be summarised as follows:

in EUR million	H1 2022	Change	H1 2021	2021
Cash flows from operating activities	23.0	-87.7%	186.5	289.2
Cash flows from investing activities	-27.6	-60.3%	-69.5	-48.0
Free cash flow	-4.6	n.a.	117.0	241.2
Cash flows from financing activities	-43.9	-35.9%	-68.4	-155.6
Net increase / decrease in cash and cash equivalents	-48.4	n.a.	48.6	85.6
Cash and cash equivalents at the end of the period	193.3	-1.1%	195.4	235.5

The cash flow from operating activities was down compared with H1 2021 primarily due to the lower earnings but was also further reduced by EUR 32.3 million due to income taxes to be paid in the 2022 financial year as a result of the high previous year earnings particularly in the Sempermed segment. However, cash flow from working capital exhibited EUR 20.0 million lower absorption of funds compared with the same period in the previous year.

In H1 2021, cash flows from investing activities included the acquisition of money market fund units in the amount of EUR 49.9 million. Cash expenditures on intangible assets and property, plant and equipment amounted to EUR 28.4 million in H1 2022, putting them above the level of the same period in the previous year of EUR 18.8 million. The largest investments were as follows: EUR 11.2 million in Malaysia (H1 2021: EUR 6.7 million), EUR 7.5 million in Austria (H1 2021: EUR 4.5 million), EUR 2.6 million in the Czech Republic (H1 2021: EUR 2.2 million) and EUR 2.0 million in the USA (H1 2021: EUR 1.2 million).

In H1 2022, free cash flow totalled EUR -4.6 million compared with EUR 117.0 million in the same period in the previous year.

In H1 2022, the cash flow from financing activities most notably included the dividend payout to shareholders of Semperit AG Holding amounting to EUR 30.9 million (H1 2021: EUR 30.9 million) and the repayment of a current financial liability in Malaysia amounting to EUR 4.8 million. In the same period in the previous year, cash flow from financing activities included in particular the repayment of hybrid capital amounting to EUR 30.0 million and the payment of hybrid coupons amounting to EUR 0.8 million on top of the dividend payout.

Related-party transactions with companies and individuals

Please see the Interim Consolidated Financial Statements for more information on related-party transactions with companies and individuals.

Performance of sectors and segments

Industrial Sector

Key figures Industrial Sector

in EUR million	H1 2022	Change	H1 2021	Q2 2022	Change	Q2 2021	2021
Revenue	372.3	38.9%	268.1	201.3	46.0%	137.9	556.1
EBITDA	68.0	64.4%	41.3	41.5	>100%	20.7	82.1
EBITDA margin	18.3%	+2.8 PP	15.4%	20.6%	+5.6 PP	15.0%	14.8%
EBIT	54.5	88.0%	29.0	34.9	>100%	14.5	56.8
EBIT margin	14.6%	+3.8 PP	10.8%	17.3%	+6.8 PP	10.5%	10.2%
Additions to intangible assets and property, plant and equipment	9.6	-17.6%	11.6	5.3	10.4%	4.8	28.7
Employees (at reporting date) ¹	3,892	7.7%	3,615	3,892	7.7%	3,615	3,764

¹ The definition of the allocation key for overhead functions was adapted, resulting in slight shifts between the segments; the prior-year figures were adjusted accordingly.

In the Industrial Sector – comprising the Semperflex, Sempertrans, Semperseal, and Semperform segments – a continuously increasing and very positive development of revenue driven primarily by price increases was observed in H1 2022, although this varied in the individual segments. Following the above-average trend in H1 2021, a slight decrease in the demand level and the associated incoming orders has been observed since the second half of 2021. Nevertheless, the order books are still higher than they were in the same period of the previous year. At the same time, the continuous increases in raw material and energy prices, which were further exacerbated by the Russia-Ukraine war, the sharply increasing inflation and rising wage levels, are putting pressure on financial performance. The ongoing effort to pass on price increases in the various input factors to customers in a timely manner should counteract the pressure on margins resulting from these developments. In light of expected price increases, in some cases considerable, for key raw materials and consumables in H2 2022, price pass-through opportunities will depend on the price sensitivity of the respective customers and the dynamics on the segment-specific product markets.

Semperflex segment

Key figures Semperflex

in EUR million	H1 2022	Change	H1 2021	Q2 2022	Change	Q2 2021	2021
Revenue	173.7	51.8%	114.4	93.9	57.1%	59.7	240.5
EBITDA	46.8	78.5%	26.2	27.3	95.9%	13.9	51.3
EBITDA margin	27.0%	+4.0 PP	22.9%	29.0%	+5.7 PP	23.3%	21.3%
EBIT	40.9	98.1%	20.6	24.3	>100%	11.1	40.0
EBIT margin	23.5%	+5.5 PP	18.0%	25.8%	+7.3 PP	18.5%	16.6%
Additions to intangible assets and property, plant and equipment	3.0	32.9%	2.3	2.0	23.5%	1.6	8.0
Employees (at reporting date) ¹	1,849	10.6%	1,671	1,849	10.6%	1,671	1,753

¹ The definition of the allocation key for overhead functions was adapted, resulting in slight shifts between the segments; the prior-year figures were adjusted accordingly.

Semperflex customers demonstrated above-average demand in H1 2022, driven by good market demand as well as by the intentional inventory build-up on the customer side. This volume growth was further accelerated by supply-share-gains at defined target customers. This applied to hydraulic hoses as well as to industrial hoses. Order books remain at an above-average level compared with the pre-coronavirus level and the long-term average and are being resolutely processed. Order intake showed a necessary slowdown, reflecting the above-average order book levels combined with increasing uncertainty about global trends in 2023.

Revenue increased significantly. Reasons for this included the positive demand and the resulting increase in sales volumes, supported by the expansion of production volumes in Odry and the significant increases in output at all Semperflex plants (with the exception of the plant in China, due to lockdown), as well as the price adjustments required in connection with rising raw material and logistics expenses. The negative effects of the dramatically elevated and further rising raw material, transportation, and energy prices, which were further boosted by the war between Russia and Ukraine, placed a burden on earnings. However, just as with the wage increases and the effects of the tight availability of raw materials and containers, these effects were offset by considerable increases in sales volumes and the resulting volume advantages, efficiency gains, and price increases. Consequently, EBITDA and EBIT as well as the corresponding margins in H1 2022 exceeded the respective levels in the comparison period.

Results in the single quarter Q2 2022 showed clearly positive development compared to Q2 2021, similar to H1 2022.

Sempertrans segment

Key figures Sempertrans

in EUR million	H1 2022	Change	H1 2021	Q2 2022	Change	Q2 2021	2021
Revenue	69.8	36.5%	51.1	41.5	71.4%	24.2	104.5
EBITDA	6.6	>100%	1.8	5.3	>100%	0.8	6.8
EBITDA margin	9.5%	+5.9 PP	3.6%	12.9%	+9.6 PP	3.3%	6.6%
EBIT	4.7	>100%	0.1	4.4	>100%	-0.1	3.2
EBIT margin	6.7%	+6.5 PP	0.3%	10.5%	+10.8 PP	-0.2%	3.1%
Additions to intangible assets and property, plant and equipment	0.7	-57.5%	1.8	0.4	-66.7%	1.2	4.1
Employees (at reporting date) ¹	879	-3.7%	913	879	-3.7%	913	921

¹ The definition of the allocation key for overhead functions was adapted, resulting in slight shifts between the segments; the prior-year figures were adjusted accordingly.

As expected, the late-cycle business in the Sempertrans segment was able to realise steadily increasing results from the favourable development of the project pipelines in H1 2022. Demand for conveyor and transport belts also increased, driven by the price trend for mining products, which was favourable for Sempertrans' order situation, and global demand since 2021. This general market trend has so far remained unaffected by the Russia-Ukraine war; demand in particular for large-scale replacement projects is strong. The positive sentiment is reflected in the order books being at their highest level in the past three years.

As a result, a steady increase in sales was recorded in H1 2022. Although deliveries could still in part only be made after the end of the reporting period due to the overcrowded US ports, higher sales volumes and the sales-side price increases in the wake of the strong cost increases contributed strongly to the development of revenue in H1 2022. Despite rising input factor prices also driven by the Russia-Ukraine war, an increase in EBITDA and EBIT as well as in the corresponding margins also showed a significant increase compared to H1 2021 as well as Q2 2021 – double-digit margins were even achieved again in the single quarter Q2 2022.

Semperseal segment

Key figures Semperseal

in EUR million	H1 2022	Change	H1 2021	Q2 2022	Change	Q2 2021	2021
Revenue	75.1	27.1%	59.0	38.4	26.7%	30.3	120.5
EBITDA	6.3	-5.4%	6.6	3.9	62.1%	2.4	11.6
EBITDA margin	8.4%	-2.9 PP	11.2%	10.1%	+2.2 PP	7.9%	9.6%
EBIT	2.8	-18.9%	3.4	2.3	>100%	0.8	5.1
EBIT margin	3.7%	-2.1 PP	5.8%	5.9%	+3.3 PP	2.6%	4.2%
Additions to intangible assets and property, plant and equipment	4.0	-35.3%	6.1	2.1	71.1%	1.3	11.5
Employees (at reporting date) ¹	566	18.7%	477	566	18.7%	477	514

¹ The definition of the allocation key for overhead functions was adapted, resulting in slight shifts between the segments; the prior-year figures were adjusted accordingly.

Market development saw a further slight improvement on average in H1 2022 after a good recovery in the 2021 financial year. The level of the order books at the end of the H1 2022 reporting period exceeded that of H1 2021. The Russia-Ukraine crisis had a noticeable impact on incoming orders in H1 2022. The fact that the Semperit Group has terminated its business activities with Russian customers will also be reflected in the further development of the order book.

A noticeable revenue increase was achieved as a result of gradual implementation of price increases. At the same time, however, rising input factor prices put pressure on EBITDA and EBIT development in H1 2022, as the gradual increases could only be passed on only with a time lag. As a result, EBITDA, EBIT, and the corresponding margins were below the level of H1 2021.

However, the development of all key figures was positive in the single quarter Q2 2022. The incremental price increases, which had not yet taken full effect in Q1 2022, more than compensated for the cost increases in Q2 2022.

Production at the new rubber gasket plant in the United States (Newnan, Georgia) commenced in Q1 2022, and the formal opening was held in June due to the coronavirus pandemic. However, the first deliveries were already made in April; the second production line was commissioned in July and is now running at full capacity.

Semperform segment

Key figures Semperform

in EUR million	H1 2022	Change	H1 2021	Q2 2022	Change	Q2 2021	2021
Revenue	53.7	23.7%	43.4	27.5	16.3%	23.6	90.6
EBITDA	8.3	24.2%	6.6	5.0	40.5%	3.6	12.4
EBITDA margin	15.4%	+0.1 PP	15.3%	18.3%	+3.2 PP	15.2%	13.7%
EBIT	6.1	27.9%	4.8	4.0	50.2%	2.6	8.5
EBIT margin	11.4%	+0.4 PP	11.0%	14.4%	+3.3 PP	11.2%	9.4%
Additions to intangible assets and property, plant and equipment	1.9	25.0%	1.5	0.8	5.6%	0.7	5.2
Employees (at reporting date) ¹	599	8.0%	554	599	8.0%	554	576

¹ The definition of the allocation key for overhead functions was adapted, resulting in slight shifts between the segments; the prior-year figures were adjusted accordingly.

The Semperform segment presented a comparatively mixed picture with regard to the development of the individual business units in H1 2022. The special application in particular has recovered step by step – driven by the recovery of the winter tourism industry – and showed increased demand for replacement products, in particular cable car rings and ski foils. Healthy demand at an unchanged level was observed in the handrail business. Only Engineered Solutions recorded a slight decline in the niche markets of railway and households compared with the exceptionally high level in H1 2022. Thanks to these developments, order intake increased in H1 2022; order book volume at the end of H1 2022 exceeded the volume at the end of H1 2021 by a considerable margin. The Russia-Ukraine crisis has not had any noticeable impact on business performance. The negative effect of the lockdown in China in April and May was also successfully compensated with the revenues from the handrail business in Europe and the USA.

Revenue exceeded the level from H1 2021. This was due in particular to the change in the portfolio mix and the incrementally introduced price increases to compensate for the sharp rise in input factor prices. EBITDA, EBIT, and the corresponding margins therefore increased above the respective comparative periods in both H1 2022 and Q2 2022.

Medical Sector: Sempermed segment

Key figures Sempermed

in EUR million	H1 2022	Change	H1 2021	Q2 2022	Change	Q2 2021	2021
Revenue	198.3	-49.5%	392.7	92.3	-53.8%	199.8	626.1
EBITDA	15.6	-92.9%	220.5	2.3	-98.0%	115.3	301.1
EBITDA margin	7.9%	-48.3 PP	56.2%	2.5%	-55.2 PP	57.7%	48.1%
EBIT	2.9	-98.6%	210.6	-4.7	>100%	110.3	280.9
EBIT margin	1.5%	-52.2 PP	53.6%	-5.1%	-60.3 PP	55.2%	44.9%
Additions to intangible assets and property, plant and equipment	9.2	-6.4%	9.8	4.7	-1.3%	4.7	24.9
Employees (at reporting date) ¹	2,969	-7.2%	3,198	2,969	-7.2%	3,198	3,038

¹ The definition of the allocation key for overhead functions was adapted, resulting in slight shifts between the segments; the prior-year figures were adjusted accordingly.

The market development of the Sempermed segment in H1 2022 was defined in comparison with the same period of the previous year primarily by the end of the corona-induced special cycle caused by the coronavirus pandemic and the consequences of the commissioning of new production capacities in the market: On the one hand, H1 2021 was still characterised by the significant increase in selling prices and reaching the plateau in Q2 2021. In contrast, H1 2022 – especially Q2 2022 – saw a continuation of the market price reduction that has been ongoing since H2 2021. On the other hand, sales volumes of examination gloves increased in Q1 2022 compared with the previous year, which partly offset the negative price effect. The increase in sales volumes was due to tender business and compared with shortened container transport times in H1 2021. This catch-up effect temporarily overcompensated for the negative impact of high inventory levels on the demand situation on the part of both wholesalers and end consumers. However, comparatively high raw material and container prices, sharp increases in gas and energy costs, and the raising of the minimum wage in Malaysia in Q2 2022 further impacted earnings.

The segment's key figures reflect these developments. Despite the negative effects, a margin level slightly above the pre-coronavirus level – supported by the overall significantly improved operating efficiency in recent years – was still achieved in H1 2022. As expected, however, Q2 2022 already saw a notable reduction in all key earnings figures. This is primarily due to the current drop in market demand as a result of inventory optimisation programs conducted by the customers and an associated temporary overcapacity in glove production.

Employees

The headcount as of 30 June 2022, at 6,936 employees (FTE, full-time equivalents), was only slightly lower (–0.3%) than the level on 30 June 2021 (6,956 employees). In the Industrial Sector, the number of employees increased in all segments except for Sempertrans when compared to 30 June 2021. The biggest increase in the workforce was seen in the Semperflex, Semperform, and Semperseal segments (10.6%, 8.0%, and 18.7% respectively), whereas the number of employees in the Sempertrans segment decreased by 3.7%. The number of employees in the Medical Sector fell by 7.2% year over year. The definition of the allocation key for overhead functions was adapted, resulting in slight shifts between the segments; the prior-year figures were adjusted accordingly.

Executive Board and Supervisory Board matters

The Supervisory Board appointed Dr Karl Haider as the new CEO of Semperit AG Holding at the beginning of January 2022. He began working on 11 January 2022, and his term of office runs until 31 March 2025.

At the 133rd Annual General Meeting on 27 April 2022, the number of members on the Supervisory Board was reduced within the limits specified in the Articles of Association from eight to a total of seven members elected by the Annual General Meeting. Herbert Ortner was re-elected to the Supervisory Board at the Annual General Meeting following the end of his term of office. Stephan Büttner was elected as a new member of the Supervisory Board.

Outlook

Following a successful H1 2022 that was characterised by exceptionally good results in the Industrial Sector, while at the same time the corona-induced special economic conditions of medical protective gloves have come to an end, the Semperit Group expects a significantly weaker result for H2 2022 and therefore confirms the outlook published in March. This is based on the following assumptions:

The second half of the year is generally the weaker half for the Semperit Group due to seasonal cyclicality. Regularly planned maintenance and plant closures in summer and Christmas reinforce this effect.

Following the end of the coronavirus-induced special cycle, a significantly weaker contribution from the medical sector is expected, which will put a strain on the Group's result. This can be attributed to the normalisation of price levels as well as to reduced demand due to high customer inventories, which can only be reduced gradually, and to the faster-than-expected return to a buyer's market. The additional production capacities created worldwide during the coronavirus pandemic are widening the current demand gap. Added to this is the overall economic slowdown expected by the end of 2022 at the latest, which will likely have a negative impact on the results of the Industrial Sector, too.

The annual result of the Semperit Group may of course also be considerably influenced by developments such as the Russia-Ukraine war. Immediately after the outbreak of the war, the Semperit Group stopped all deliveries to Russia and Belarus in line with the sanctions imposed by the European Union. The development of the energy crisis in Europe (energy prices and availability), which is closely linked to the Russian-Ukraine conflict, also plays a significant role in this context: A possible interruption or discontinuation of the gas supply from Russia represents a risk that the Semperit Group is mitigating with countermeasures (see below). Other significant influencing factors in connection with the war and in particular with the sanctions are the risks that special raw materials and consumables which are necessary for the production of vulcanised rubber products and / or further companies along the supply chain could be included on the sanctions list. This would lead to further shifts in procurement flows and to price increases. In addition to the general issue of global availability and price increases for necessary raw materials and consumables, there is also the risk that products whose production processes are energy-intensive will become more expensive depending on the price of oil and natural gas. In connection with functioning supply chains, there is also uncertainty regarding sufficient container availability to deliver the products and the availability of qualified staff. A possible further shortage and increase in the price of European road freight capacity would further exacerbate this problem.

Furthermore, it is still difficult to forecast the effects in connection with the further development of the coronavirus pandemic and its influence on the international production sites. This is evident, for example, in the recent developments in China.

To counteract material shortages, management has made the conscious decision to build up safety stocks of critical materials. This is reflected in a temporary increase in working capital, among other things. To be prepared for a possible stoppage of Russian natural gas supplies, the management of the Semperit Group has decided to use energy sources and technologies in the future which, unlike the steam boiler burners currently used, do not have to be fired with natural gas. This applies in particular to the sites in Wimpassing, Austria and in Odry, Czech Republic, as well as to the German sites. These alternatives should be operational in the course of H2 2022.

There is a high degree of uncertainty regarding sales volumes, since both in the Medical Sector and to some extent in the Industrial Sector, inventory optimisation programmes of customers can lead to an ordering behaviour of customers that deviate from the usual. This is also due to the cost increases, as price pass-through opportunities will depend on the price sensitivity of the respective customers and the dynamics in the segment-specific product markets.

Unclear and therefore also uncertain are the still unforeseeable further developments of further geopolitical trouble spots, such as the current situation in Taiwan. Added to this are the negative effects of inflation and foreign currency developments.

The management of the Semperit Group is acting prudently and has initiated the evaluation of appropriate proactive measures to mitigate these developments at an early stage; packages of measures, particularly in the area of materials management, are being successfully implemented. Current geopolitical and market developments are being closely monitored, as are their effects on capital goods markets and the market for business acquisitions.

Although the 2022 financial year will be marked by special challenges, the management will continue to focus on the strategic realignment: Although the transformation into an industrial rubber specialist was delayed by the coronavirus pandemic, this path will still be consistently pursued. This includes consideration of the next possible steps to achieve the separation from the Medical Sector. Strategic corporate development projects have the clear objective of inorganic and organic growth.

In line with this strategy, the Semperit Group has set the course for further organic growth at its giant hose plant in Odry, Czech Republic: A total of EUR 110 million will be invested in the coming years in the further expansion of one of the world's largest production facilities for industrial and hydraulic hoses, with special attention being paid to sustainability criteria and a high degree of automation. Operations are set to start up in the new production hall in 2025, where an extra 32 million metres of hydraulic hose will be added to the current production capacity.

Note


This outlook is based on the assessments of the Executive Board as of 16 August 2022 and does not take into account the impact of potential acquisitions, divestments, or other unforeseeable structural and economic changes during the remainder of 2022. These assessments are subject to both known and unknown risks and uncertainties, which may result in actual events and outcomes differing from the statements made here.

Vienna 16 August 2022

The Executive Board



Karl Haider
CEO



Petra Preining
CFO



Kristian Brok
COO

Consolidated income statement

in EUR thousand	Note	H1 2022	H1 2021	Q2 2022	Q2 2021
Revenue	2.2	570,626	660,787	293,590	337,725
Changes in inventories		66	20,996	-3,247	10,592
Own work capitalised		1,886	1,880	895	1,047
Operating revenue		572,578	683,663	291,238	349,364
Other operating income	2.3	2,048	2,862	1,184	909
Cost of material and purchased services	2.4	-308,860	-273,960	-155,103	-136,927
Personnel expenses	2.5	-121,093	-109,812	-62,172	-56,803
Other operating expenses	2.6	-69,481	-55,225	-36,485	-31,238
Earnings before interest, tax, depreciation and amortisation (EBITDA)		75,192	247,529	38,661	125,305
Depreciation and amortisation of intangible assets and property, plant and equipment		-26,787	-22,905	-13,958	-11,501
Earnings before interest and tax (EBIT)		48,406	224,624	24,704	113,804
Finance income		317	187	226	109
Finance expenses		-1,452	-2,085	-692	-1,113
Profit / loss attributable to redeemable non-controlling interests		-3,089	-2,719	-1,756	-1,573
Other financial result	2.7	-127	-3,062	378	966
Financial result		-4,351	-7,678	-1,845	-1,610
Earnings before taxes		44,055	216,947	22,859	112,193
Income taxes	2.8	-9,341	-43,059	-3,684	-23,779
Earnings after taxes		34,714	173,887	19,175	88,414
thereof attributable to the shareholders of Semperit AG Holding – from ordinary shares		34,632	173,140	19,139	88,197
thereof attributable to the shareholders of Semperit AG Holding – from hybrid capital		0	388	0	0
thereof attributable to non-controlling interests		81	359	37	217
Earnings per share in EUR (diluted and undiluted)¹		1.68	8.42	0.93	4.29

¹ The earnings per share are solely attributable to the ordinary shareholders of Semperit AG Holding (excl. interest from hybrid capital).

Consolidated statement of comprehensive income

in EUR thousand	Note	H1 2022	H1 2021	Q2 2022	Q2 2021
Earnings after taxes		34,714	173,887	19,175	88,414
Other comprehensive income that will not be recognised through profit and loss in future periods		-286	49	0	146
Remeasurements of defined benefit plans		0	0	0	0
Income tax thereon		-286	49	0	146
Other comprehensive income that will be recognised through profit and loss in future periods		12,796	9,932	7,672	501
Measurement gain or loss from cash flow hedges		0	13	0	13
thereof reclassification to profit / loss for the period		0	-227	0	481
Currency translation differences		12,796	9,921	7,672	491
thereof reclassification to profit / loss for the period		0	-64	0	-64
Income tax thereon		0	-3	0	-3
Other comprehensive income - total		12,509	9,981	7,672	647
Comprehensive income		47,223	183,868	26,847	89,062
thereof on earnings attributable to the shareholders of Semperit AG Holding – from ordinary shares		47,110	183,052	26,767	88,666
thereof attributable to the shareholders of Semperit AG Holding – from hybrid capital		0	388	0	0
thereof on earnings attributable to non-controlling interests		113	428	80	396

Consolidated cash flow statement

in EUR thousand	Note	H1 2022	H1 2021
Earnings before taxes		44,055	216,947
Depreciation, amortisation, impairment and reversal of impairment of intangible assets and property, plant and equipment		26,787	22,905
Gain / loss from disposal of assets (including current and non-current financial assets)		138	278
Change in non-current provisions		657	-982
Profit / loss attributable to redeemable non-controlling interests		3,089	2,719
Net interest income (including income from securities)		1,132	1,897
Income taxes paid		-32,340	-16,326
Other non-cash income / expense		3,527	3,086
Gross cash flow		47,044	230,524
Change in inventories		-18,037	-22,246
Change in trade receivables		-41,261	-26,667
Change in other receivables and assets		10,535	-8,988
Change in trade payables		28,500	11,441
Change in other liabilities and current provisions		-3,772	2,429
Cash flows from operating activities		23,009	186,494
Proceeds from sale of property, plant and equipment		335	104
Purchases of intangible assets and property, plant and equipment		-28,376	-18,780
Interest received		310	177
Investment grants received		93	26
Proceeds from the repayment of financial assets		720	0
Acquisition of financial assets		-663	-49,868
Acquisition of a subsidiary, net of cash acquired		0	-1,126
Cash flows from investing activities		-27,582	-69,465
Repayment of current and non-current financial liabilities		-4,869	-21
Repayment of lease liabilities		-1,577	-1,576
Dividend to shareholders of Semperit AG Holding	5.1	-30,860	-30,860
Dividends to redeemable non-controlling interests in subsidiaries		-5,718	-4,211
Dividends to non-controlling interests in subsidiaries		0	-122
Repayment of liabilities from capital repayment to non-controlling interests in subsidiaries		-345	0
Disposal of shares of subsidiaries		0	168
Repayment of hybrid capital	7	0	-30,000
Coupon payments on hybrid capital	7	0	-785
Interest paid		-504	-1,014
Cash flows from financing activities		-43,873	-68,421
Net increase / decrease in cash and cash equivalents		-48,446	48,607
Currency translation differences		6,202	1,782
Cash and cash equivalents at the beginning of the period		235,539	144,972
Cash and cash equivalents at the end of the period		193,295	195,361

Consolidated balance sheet

in EUR thousand	Note	30.06.2022	31.12.2021
ASSETS			
Non-current assets			
Intangible assets	3.1	7,729	8,492
Property, plant and equipment	3.1	374,790	376,576
Other financial assets	6.1	6,165	7,430
Other assets		3,886	3,241
Deferred tax assets		10,757	11,707
		403,326	407,447
Current assets			
Inventories		207,279	186,834
Trade receivables	6.1	144,071	98,766
Other financial assets	6.1	2,631	1,536
Other assets		14,097	23,625
Current tax receivables		4,443	4,064
Cash and cash equivalents	6.1	193,295	235,539
		565,815	550,365
Non-current assets held for sale	4	764	764
		566,579	551,128
ASSETS		969,905	958,575
EQUITY AND LIABILITIES			
Equity			
Share capital		21,359	21,359
Capital reserves		21,503	21,503
Retained earnings		515,702	512,216
Currency translation reserve		-2,192	-14,956
Equity attributable to the shareholders of Semperit AG Holding	5	556,373	540,122
Non-controlling interests		1,141	1,028
		557,513	541,151
Non-current provisions and liabilities			
Provisions		43,999	42,824
Liabilities from redeemable non-controlling interests	6.2	15,344	11,941
Financial liabilities	6.2	51,724	51,685
Trade payables	6.2	155	154
Other financial liabilities	6.2	19,309	19,602
Other liabilities		2,082	1,948
Deferred tax assets		11,538	11,954
		144,150	140,108
Current provisions and liabilities			
Provisions		23,133	26,406
Liabilities from redeemable non-controlling interests	6.2	0	5,595
Financial liabilities	6.2	35,742	39,654
Trade payables	6.2	118,577	95,166
Other financial liabilities	6.2	13,183	12,826
Other liabilities		41,359	40,844
Current tax liabilities		36,249	56,826
		268,242	277,317
EQUITY AND LIABILITIES		969,905	958,575

Consolidated statement of the changes in equity

in EUR thousand	Note	Share capital	Capital reserves	Hybrid capital	Retained earnings	Currency translation reserve	Total	Non-controlling interests	Total equity
As at 01.01.2021		21,359	21,503	30,000	294,886	-35,483	332,266	2,331	334,597
Earnings after taxes		0	0	0	173,529	0	173,529	359	173,887
Other comprehensive income		0	0	0	59	9,852	9,912	69	9,981
Comprehensive income		0	0	0	173,588	9,852	183,440	428	183,868
Dividend	5.1	0	0	0	-30,860	0	-30,860	-122	-30,982
Coupon payments on hybrid capital	7	0	0	0	-785	0	-785	0	-785
Repayment of hybrid capital	7	0	0	-30,000	0	0	-30,000	0	-30,000
Disposal of shares of subsidiaries		0	0	0	-293	0	-293	462	168
As at 30.06.2021		21,359	21,503	0	436,535	-25,630	453,766	3,099	456,866
As at 01.01.2022		21,359	21,503	0	512,216	-14,956	540,122	1,028	541,151
Earnings after taxes		0	0	0	34,632	0	34,632	81	34,714
Other comprehensive income		0	0	0	-286	12,764	12,478	31	12,509
Comprehensive income		0	0	0	34,346	12,764	47,110	113	47,223
Dividend	5.1	0	0	0	-30,860	0	-30,860	0	-30,860
As at 30.06.2022		21,359	21,503	0	515,702	-2,192	556,373	1,141	557,513

Notes to the half-year consolidated financial statements

1. General

1.1. Basic compilation principles

The half-year consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as well as IAS 34 for interim financial statements.

For more information on accounting and valuation methods of the Semperit Group, please see the consolidated financial statements as at 31 December 2021, which in this regard form the basis for these half-year consolidated financial statements.

The reporting currency is the euro, with figures rounded to the nearest thousand, unless expressly stated otherwise. Rounding differences in the totalling of rounded amounts and percentages may arise from the automatic processing of data.

The half-year consolidated financial statements of the Semperit Group as at 30 June 2022 have not been fully audited or reviewed by the Group's auditor.

1.2. New and amended accounting standards

The following new/amended standards and interpretations were applied for the first time (in some cases early) in H1 2022:

		Endorsement	Mandatory application for the Semperit Group	Effects on the Semperit Group
Amended standards				
Miscellaneous	Amendments to IFRS 3, IAS 16 and IAS 37	28 June 2021	1 January 2022	no
Miscellaneous	Annual improvements to IFRS, cycle 2018–2020	28 June 2021	1 January 2022	no

2. Performance

2.1. Segment reporting

H1 2022 in EUR thousand	Semper-med	Semper-flex	Semper-trans	Semper-seal	Semper-form	Corporate Center	Total
Revenue	198,330	173,702	69,825	75,050	53,719	0	570,626
EBITDA	15,598	46,840	6,609	6,273	8,253	-8,380	75,192
EBIT	2,880	40,887	4,711	2,794	6,109	-8,975	48,406
Trade working capital	73,294	84,458	27,192	28,960	23,296	-4,427	232,773
Additions to intangible assets and property, plant and equipment ¹	9,155	3,024	746	3,952	1,870	1,530	20,276

H1 2021 in EUR thousand	Semper-med	Semper-flex	Semper-trans	Semper-seal	Semper-form	Corporate Center	Total
Revenue	392,713	114,447	51,147	59,044	43,436	0	660,787
EBITDA	220,518	26,243	1,825	6,628	6,645	-14,330	247,529
EBIT	210,560	20,637	131	3,447	4,776	-14,927	224,624
Trade working capital	101,709	51,665	20,131	18,335	18,463	-5,634	204,668
Additions to intangible assets and property, plant and equipment ¹	9,785	2,275	1,755	6,112	1,496	591	22,013

¹ Excluding right-of-use assets in accordance with IFRS 16

2.2. Revenues

H1 2022 in EUR thousand	Semper-med	Semper-flex	Semper-trans	Semper-seal	Semper-form	Group
Western Europe	98,651	103,799	23,724	60,917	33,827	320,918
North America	49,143	24,315	7,486	4,948	3,071	88,963
Eastern Europe	25,188	29,325	12,674	8,900	6,081	82,169
Asia	15,332	12,182	16,011	279	9,932	53,735
Central and South America	7,311	2,398	3,114	7	701	13,531
Africa	1,269	1,154	4,692	0	91	7,206
Australia and Oceania	1,436	527	2,124	0	17	4,104
Revenue	198,330	173,702	69,825	75,050	53,719	570,626

H1 2021 in EUR thousand	Semper-med	Semper-flex	Semper-trans	Semper-seal	Semper-form	Group
Western Europe	210,683	65,046	18,085	46,952	23,587	364,353
North America	85,826	10,417	2,702	2,898	2,264	104,107
Eastern Europe	42,808	24,022	8,805	8,764	5,152	89,551
Asia	40,375	13,565	11,857	424	11,620	77,841
Central and South America	9,200	871	3,131	6	607	13,815
Africa	2,284	325	3,862	0	161	6,631
Australia and Oceania	1,537	201	2,705	0	46	4,489
Revenue	392,713	114,447	51,147	59,044	43,436	660,787

In H1 2022, Semperit Group revenues with customers in countries impacted by the Russia-Ukraine conflict accounted for around 1.3% of total revenue (H1 2021: 2.6%). No orders for customers in Russia or Belarus have been accepted since mid-March 2022. Semperit Group revenues with customers in countries impacted by the Russian conflict in Ukraine break down by segment and country as follows:

2022 in EUR thousand	Semper-med	Semper-flex	Semper-trans	Semper-seal	Semper-form	Group
Russia	1,652	2,682	350	990	10	5,683
Ukraine	-6	714	545	24	11	1,288
Belarus	0	258	61	4	0	324
Total	1,646	3,654	956	1,018	21	7,296

2021 in EUR thousand	Semper-med	Semper-flex	Semper-trans	Semper-seal	Semper-form	Group
Russia	1,184	6,440	1,209	3,004	308	12,146
Ukraine	982	1,128	1,862	64	7	4,043
Belarus	70	798	0	10	0	878
Total	2,236	8,366	3,071	3,078	315	17,066

As of 30 June 2022, gross trade receivables from customers in Russia, Ukraine, and Belarus totalled EUR 1,162 thousand (31 December 2021: EUR 1,150 thousand); credit insurance or secure

payment terms were in place for over 90% of this amount. Up to and including March 2022, the political risk for Ukrainian customers was also covered by credit insurance. Since then, deliveries to Ukrainian customers have only been made against prepayment.

2.3. Other operating income

The other operating income includes government grants in the amount of EUR 428 thousand (H1 2021: EUR 311 thousand) that the Semperit Group received in the form of pandemic-related support payments in H1 2022. The grants were awarded in Austria and China.

2.4. Cost of materials and purchased services

in EUR thousand	H1 2022	H1 2021
Cost of materials	258,822	242,731
Energy expenses	40,904	22,834
Production-related maintenance costs	5,988	4,968
Purchased services	3,146	3,427
Total	308,860	273,960

For key raw materials and consumables used in the manufacture of vulcanised rubber products, a shift in global procurement flows and inventory management was observed in H1 2022 as a result of the Russia-Ukraine conflict. Prices for synthetic rubber, paraffinic oils, and fillers (e. g., carbon black and silicates) correlate strongly with the market price trend for crude oil and natural gas due to the energy intensity of their production and led to an increase in the cost of materials. In addition, the lack of Russian, Ukrainian, and Belarusian truck drivers led to restrictions and an increase in the cost of European freight capacities in road freight transport (see also section 2.6. on outgoing freight).

The market price trend for oil and natural gas in light of the Russia-Ukraine conflict led to an increase in expenses for energy – especially electricity (+56.7%) and natural gas (+108.9%). Expenses for energy in H1 2022 at the European production sites totalled EUR 16,582 thousand (H1 2021: EUR 8,106 thousand), and EUR 24,322 thousand (H1 2021: EUR 14,728 thousand) at the non-European production sites. Around 13.1% (H1 2021: 12.1%) of the volume of production-related natural gas consumption was attributable to the European production sites in H1 2022; the production of examination gloves in Kamunting (Malaysia) consumes by far the most natural gas within the Semperit Group.

2.5. Personnel expenses

in EUR thousand	H1 2022	H1 2021
Wages	44,923	39,879
Salaries	52,000	47,289
Severance payments	738	1,828
Retirement benefit expenses	528	689
Statutory social security expenses and other compulsory wage-related payments	19,569	17,752
Other social security expenses	3,336	2,373
Total	121,093	109,812

2.6. Other operating expenses

in EUR thousand	H1 2022	H1 2021
Outgoing freight	31,714	20,483
Legal, consulting and auditing fees	6,842	10,037
Maintenance and external services	5,450	4,906
Insurance premiums	3,035	2,576
Software licence expenses	2,791	1,828
Energy costs unrelated to production	2,334	1,091
Rental and lease expenses	1,994	1,501
Travel expenses	1,968	633
Commission and advertising expenses	1,889	1,894
Waste disposal	1,240	1,278
Other taxes	1,179	861
Fees, subscriptions and donations	756	604
Office equipment	530	566
Communications	508	440
Training and education expenses	374	333
Bank expenses and hedging costs	235	275
Complaint costs	138	-705
Valuation allowances (+) / income from the release of valuation allowances (-)	-298	-111
Miscellaneous	6,802	6,734
Total	69,481	55,225

2.7. Other financial result

in EUR thousand	H1 2022	H1 2021
Expense (+) / income (-)		
Other financial result		
Net foreign currency result	-1,461	4,043
Net result from the FVPL and FV measurement categories - hedging instruments	1,591	-1,237
Miscellaneous	-4	256
Total	127	3,062

2.8. Income taxes

in EUR thousand	H1 2022	H1 2021
Current income tax	8,983	42,460
Deferred tax expense (+) / deferred tax income (-)	358	599
Total	9,341	43,059

3. Non-current assets

3.1. Tangible and intangible assets

Additions to assets in H1 2022 (excl. rights of use in accordance with IFRS 16) in the Semperit Group totalled EUR 20,276 thousand (H1 2021: EUR 22,013 thousand). EUR 8,503 thousand thereof (H1 2021: EUR 8,713 thousand) was attributable to Malaysia, EUR 5,118 thousand (H1 2021: EUR 3,779 thousand) to Austria, EUR 1,862 thousand (H1 2021: EUR 1,242 thousand) to the USA, EUR 1,606 thousand (H1 2021: EUR 283 thousand) to the Czech Republic, and EUR 1,589 thousand (H1 2021: EUR 5,117 thousand) to Germany.

Significant estimates and assumptions for the Sempermed segment

Due to the coronavirus pandemic and the boom in demand for protective equipment resulting from it, both in the Medical Sector and in other areas (e.g., food services and the hotel industry), the former buyer's market for examination and protective gloves became a seller's market. This special economic development was evidenced by considerable excess demand and skyrocketing prices. In the 2021 financial year, the price rally drew to a close by around mid-year. Since then, the average sales price (ASP) has continuously fallen, as expected, but remained more than 20% higher in H1 2022 than budgeted – supported in part by development in the EUR/USD exchange rate. The management of Sempermed now expects prices to return to pre-coronavirus levels by the end of the 2022 financial year. The expected return to a post-coronavirus buyer's market became apparent at the end of H1 2022. The renewed surplus supply is currently being further reinforced by the reduction of (excess) stocks of examination and protective gloves along the entire distribution chain. Inventory optimisation programmes are therefore (once again) leading to customers ordering outside usual practices, to temporary underutilisation of production capacities on the market that are in part newly created, and to a general decline in profitability in the industry. The volume trends for the surgical gloves produced at the Austrian location in Wimpassing are stable. Profitability is impacted by price and availability risks relating to the natural gas used to generate heat in the drying process. However, it has been possible to pass on to customers some of the increases in the purchase prices for natural gas.

Recoverability of the segment assets was confirmed for the Sempermed segment as of 31 December 2021; the result of the impairment test primarily depended on the estimates and assumptions relevant to the valuation regarding the market dynamics for examination and protective gloves. A certain base effect can still be assumed in relation to rising demand during the coronavirus pandemic as a result of heightened awareness of hygiene and health. Where the relative competitive situation of Sempermed pro futuro is concerned, it will be essential to sustainably secure production and cost efficiency even in a post-coronavirus environment with increased set-up and downtime (resulting from renewed product differentiation and preventive maintenance work). The first packages of measures have already been implemented and others are currently being developed. The duration and further intensity of the coronavirus pandemic, the speed of the return to a buyer's market, changes in customer ordering behaviour, the development of competitors' production capacities, the pressure for industry consolidation in the market for examination and protective gloves, and the development of foreign exchange rates and interest rates are leading to a sharp increase in forecast uncertainty. The estimates and assumptions relevant to valuation are regularly reviewed and reflected in the medium-term planning process. This could lead to a readjustment of the carrying amounts of the segment assets. However, the actual amounts realised for Sempermed's segment assets – which ultimately also depend on mode of realisation – may deviate from the carrying amounts reported in the balance sheet. The fundamental decision to separate from the medical business, taken by the Executive Board and Supervisory Board of Semperit AG Holding on 28 January 2020, remains in effect.

4. Non-current assets held for sale

The non-current assets held for sale include the property and the buildings of the closed French plant of Sempertrans France Belting Technology S.A.S. The disposal is delayed due to the ongoing instances in a legal proceeding noted in the land register. The finalization of the disposal is currently expected for H2 2022.

5. Equity

5.1. Dividends

For the financial year 2021, a dividend of EUR 1.50 per share was distributed in the financial year 2022. A dividend payment was made in the previous year in the same amount.

6. Disclosures on financial instruments

6.1. Disclosures on financial assets

The three levels in the fair value hierarchy are defined as follows:

Level 1: measurement based on quoted prices on an active market for a specific financial instrument

Level 2: measurement based on quoted market prices for similar instruments or on the basis of valuation models based exclusively on inputs that are observable on the market

Level 3: measurement based on models with significant inputs that are not observable on the market

The following table shows the carrying amounts of the individual financial assets classified in accordance with the measurement categories pursuant to IFRS 9.

in EUR thousand	Measurement category according IFRS 9 ¹	Level	Carrying amount 30.06.2022	Carrying amount 31.12.2021
Trade receivables	AC	–	144,071	98,766
Other financial assets				
Securities	FVPL	1	5,665	6,435
Derivative financial instruments	FVPL	2	11	22
Miscellaneous other financial assets	AC	–	3,119	2,509
Cash and cash equivalents			193,295	235,539

¹ FVPL (fair value through profit and loss); AC (at cost)

The derivative financial instruments (freestanding financial instruments) are foreign exchange forward contracts.

The fair values of the foreign exchange forward contracts are determined using accepted actuarial valuation models. Future payment flows are simulated using the yield curves published at the reporting date. The credit risk of the contractual partners is also taken into account in the valuation.

6.2. Disclosures on financial liabilities

in EUR thousand	30.06.2022	Thereof non-current	Thereof current	31.12.2021	Thereof non-current	Thereof current
Corporate Schuldschein loan	87,421	51,724	35,697	86,476	51,682	34,794
Liabilities to banks	44	0	44	4,863	3	4,860
Total	87,465	51,724	35,742	91,339	51,685	39,654

The following table shows the carrying amounts of the individual financial liabilities classified in accordance with the measurement categories pursuant to IFRS 9.

in EUR thousand	Measurement category according IFRS 9 ¹	Level	Carrying amount 30.06.2022	Carrying amount 31.12.2021
Liabilities from redeemable non-controlling interests	AC	–	15,344	17,536
Corporate Schuldschein loan	AC	3	87,421	86,476
Liabilities to banks	AC	–	44	4,863
Trade payables	AC	–	118,732	95,320
Other financial liabilities				
Derivative financial liabilities	FVPL	2	661	19
Derivative financial liabilities	FVPL	3	1,648	1,622
Lease liabilities	AC	–	20,750	20,716
Miscellaneous other financial liabilities	AC	–	9,433	10,071

¹ FVPL (fair value through profit and loss); FVOCI (fair value through OCI); AC (at cost)

The derivative financial instruments (freestanding financial instruments) are foreign exchange forward contracts as well as a contingent purchase price liability from the acquisition of M+R Dichtungstechnik GmbH.

The fair values of the foreign exchange forward contracts are determined using accepted actuarial valuation models. Future payment flows are simulated using the yield curves published at the reporting date. The credit risk of the contractual partners is also taken into account in the valuation. The fair values correspond to the carrying amounts for all financial assets and liabilities, with the exception of those stated below and the liabilities from redeemable non-controlling interests. Actuarial valuation methods are used to determine the fair value of financial instruments for which no active market is available. The parameters relevant to valuation for determining fair value are based in part on forward-looking assumptions.

The fair value of the contingent purchase price liability is derived from an average adjusted EBITDA of M+R Dichtungstechnik GmbH for the years 2022 to 2024 and a multiplier. The minimum purchase price is EUR 1,000 thousand less any sales bonuses paid to the managing partner in accordance with the contract. The maximum purchase price is in principle unlimited. The contingent purchase price liability is calculated using probability-weighted purchase price scenarios based on the future development of the business activities of M+R Dichtungstechnik GmbH, and is discounted with a cost of equity rate typically applied on the market.

in EUR thousand	Measurement category according IFRS 9 ¹	Level	Fair value 30.06.2022	Fair value 31.12.2021
Liabilities				
Corporate Schuldschein loan	AC	3	88,234	91,297

¹ AC (at cost)

The fair value of the corporate *Schuldschein* loan was determined by discounting the contractual payment streams with current interest rates. The comparable interest rates at the reporting date were derived from capital market yields with matching terms and then adjusted for the current risk and liquidity costs that are observable on the market. These comparable interest rates were derived based on a current assessment of the rating of the Semperit Group.

For information on the valuation of liabilities from redeemable non-controlling interests, please refer to the explanations in the consolidated financial statements as at 31 December 2021.

7. Other

7.1. Related-party transactions with companies and individuals

Outstanding balances and transactions between Semperit AG Holding and its subsidiaries were eliminated in the course of consolidation and are not further discussed here.

B&C KB Holding GmbH is the direct majority shareholder of Semperit AG Holding, and B&C Privatstiftung is the controlling legal entity. B&C Holding Österreich GmbH is the indirect majority shareholder which draws up and publishes consolidated financial statements in which the Semperit Group is consolidated. According to IAS 24, B&C Privatstiftung and all its subsidiaries, joint ventures and associates are related parties of the Semperit Group.

Related parties of the Semperit Group include the members of the Executive and Supervisory Boards of Semperit AG Holding, the managing directors and Supervisory Board members of all companies which directly or indirectly hold a majority stake in Semperit AG Holding, and finally the members of the Executive Board of B&C Privatstiftung and the close family members of these Executive and Supervisory Board members and managing directors.

The following transactions were conducted with the companies mentioned below and the following balances existed as at the reporting date:

The Group conducted transactions with unit-IT Dienstleistungs GmbH & Co KG totalling EUR 262 thousand (H1 2021: EUR 278 thousand). These transactions related to the maintenance of SAP licences and were conducted at arm's length. There were outstanding liabilities to unit-IT Dienstleistungs GmbH & Co KG amounting to EUR 2 thousand as at 30 June 2022 (31 December 2021: EUR 28 thousand).

Transactions amounting to EUR 15 thousand were concluded with Grohs Hofer Rechtsanwälte GmbH in H1 2022 (H1 2021: EUR 98 thousand). These transactions related to legal consulting services and were conducted at arm's length. There were outstanding liabilities to Grohs Hofer Rechtsanwälte GmbH amounting to EUR 15 thousand as at 30 June 2022 (31 December 2021: EUR 123 thousand).

Transactions amounting to EUR 23 thousand were concluded with B&C KB Holding GmbH in H1 2022 (H1 2021: EUR 25 thousand). These transactions related to administrative support services for the Supervisory Board. There were outstanding liabilities to B&C KB Holding GmbH amounting to EUR 15 thousand as at 30 June 2022 (31 December 2021: EUR 0 thousand).

Due to the repayment of the last tranches of hybrid capital already completed in March 2021, no payment of hybrid coupons was made to B&C Holding Österreich GmbH in H1 2022 (H1 2021: EUR 785 thousand).

There were no outstanding liabilities to B&C Holding GmbH as at 30 June 2022 (31 December 2021: EUR 0 thousand).

There is an ongoing consulting agreement with Patrick Lackenbacher – who was appointed Managing Director of B&C Holding Österreich GmbH with effect from 1 November 2021. Transactions amounting to EUR 120 thousand were concluded with Grohs Hofer Rechtsanwälte GmbH in H1 2022 (H1 2021: n.a.). These transactions related to consulting services and were conducted at arm's length. There were outstanding liabilities to Patrick Lackenbacher amounting to EUR 20 thousand as at 30 June 2022 (31 December 2021: EUR 20 thousand).

The remaining level of transactions with associated companies and other related companies and individuals is low, and these are all conducted at arm's length.

8. Events after the reporting date

Promissory note loans with a nominal value of EUR 34,000 thousand were repaid at the end of July 2022.

Vienna, 16 August 2022

The Executive Board



Karl Haider
CEO



Petra Preining
CFO



Kristian Brok
COO

Statement of all legal representatives

Pursuant to Section 125 (1) (3) of the Austrian Stock Exchange Act

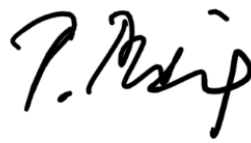
We confirm to the best of our knowledge that the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group as required by the applicable accounting standards and that the group management report gives a true and fair view of important events that have occurred during the first six months of the financial year and their impact on the interim consolidated financial statements, of the principal risks and uncertainties for the remaining six months of the financial year and of the major related party transactions to be disclosed

Vienna, 16 August 2022

The Executive Board



Karl Haider
CEO



Petra Preining
CFO



Kristian Brok
COO

Contact

Semperit AG Holding

Am Belvedere 10
1100 Vienna, Austria
Tel.: +43 1 79 777 0
Fax: +43 1 79 777 600
www.semperitgroup.com/en

Financial Calendar 2022

17.8.2022	Half-year financial report 2022
16.11.2022	Report on Q1-3 2022

Investor Relations

Judit Helenyi
Director Investor Relations
Tel.: +43 1 79 777 310
www.semperitgroup.com/en/ir

Addresses of the Semperit Group

www.semperitgroup.com/en/contact

Contacts of the Semperit Group

Ownership and publisher: Semperit Aktiengesellschaft Holding, Am Belvedere 10, 1100 Vienna, Austria, Produced in-house with firesys GmbH, www.firesys.de

Disclaimer

The terms "Semperit" or "Semperit Group" in this report refer to the group; "Semperit AG Holding" or "Semperit Aktiengesellschaft Holding" is used to refer to the parent company (individual company).

We have prepared this report and verified the information it contains with the greatest possible care. Nevertheless, rounding, typesetting and printing errors cannot be ruled out. Rounding of differences in the summation rounded amounts and percentages may arise from the automatic processing of data.

The forecasts, plans and forward-looking statements contained in this report are based on the knowledge and information available and the assessments made at the time that this report was prepared (editorial deadline: 16 August 2022). As is true of all forward-looking statements, these statements are subject to risk and uncertainties. As a result, actual events may deviate significantly from these expectations. No liability whatsoever is assumed for the accuracy of projections or for the achievement of planned targets or for any other forward-looking statements. Words such as "expect," "want", "believe," "anticipate," "includes," "plan," "assumes," "estimate," "projects," "intends," "should," "will," "shall," or variations of such words are generally part of forward-looking statements.

Furthermore, there is no guarantee that the contents are complete.

Statements referring to people are valid for both men and women.

This report has been written in German and English. In case of doubt, the German version shall take precedence.

SEMPERIT