

Ad hoc announcement pursuant to Art. 53 LR

The 2024 business year

CPH Group AG further expands its international presence

The CPH Group AG with its Chemistry and Packaging divisions generated net sales of CHF 323.3 million in 2024. EBITDA for the year amounted to CHF 53.8 million, producing an EBITDA margin of 16.6%. After inclusion of the CHF -29.8 million net first-half result for the spun-off Paper Division, the net result for 2024 amounted to CHF 4.6 million. The net result for the year for the remaining business divisions totalled CHF 34.4 million.

in CHF millions (remaining divisions)	2024	2023	±	± in %
Net sales	323.3	361.5	-38.2	-10.6%
Earnings before interest, taxes, depreciation and amortization (EBITDA)	53.8	65.0	-11.2	-17.2%
EBITDA margin	16.6%	18.0%	-1.4%	
Earnings before interest and taxes (EBIT)	39.2	51.9	-12.7	-24.5%
EBIT margin	12.1%	14.4%	-2.3%	
Net result	34.4	45.1	-10.7	-23.7%
Return on equity (ROE)	16.2%	n/a ¹		

Perlen, 25 February 2025 – The CPH Group AG was transformed in 2024 from a historically evolved industrial conglomerate (formerly known as CPH Chemie + Papier Holding AG) into a focused corporation with two remaining business divisions of Chemistry (Zeochem) and Packaging (Perlen Packaging). As part of this development, the company spun off its paper manufacturing business and the real-estate assets at its Perlen operating site into the newly founded Perlen Industrieholding AG in the course of the reporting year. The CPH Group AG today is active with its industrial divisions in international niche markets in two market segments: in specialty chemicals (molecular sieves and deuterated products) through its Zeochem business, and in pharmaceutical packaging solutions (blister films, bottles and containers) through its Perlen Packaging company.

Net sales for 2024 for the CPH Group AG with its two remaining divisions amounted to CHF 323.3 million, an 8.5% year-on-year decline that is attributable to lower materials costs. EBITDA

¹ Comparable value unavailable owing to the spin-off of the former Paper Division in the course of 2024

for the year amounted to CHF 53.8 million, producing a solid EBITDA margin of 16.6%. EBIT for the year totalled CHF 39.2 million. The net result for the year from the business activities of Zeochem and Perlen Packaging amounted to CHF 34.4 million.

“2024 saw us continue to drive our Group’s internationalization, in line with our overall strategy and with sizeable success, with the further expansion both of our Chemistry division through the acquisition of Sorbchem in India and of our Packaging division through our purchase of LOG Pharma with its presence in Israel and Hungary,” says Dr. Peter Schildknecht, CEO of the CPH Group AG. “At the same time, the spin-off of our former Paper division has given our newly grouped company a firmer focus on growth-oriented high-margin niche markets worldwide which makes it more predictable in business performance terms and will continue to enhance its appeal.”

Zeochem posts new record EBITDA for the year

Demand for deuterated products for use in electronics and nuclear magnetic resonance (NMR) procedures and for high-value molecular sieves for the manufacture of ethanol and the production of technical gases remained high in 2024. Weaker activity in the construction sector dampened the demand for molecular sieve powders. Lithium costs saw steep declines. This lowered Zeochem’s net sales from its lithium-based products which are used to concentrate industrial and medical oxygen, as the benefits of the lower procurement prices were passed on to customers. Zeochem’s production facilities in Switzerland, China and the USA were well utilized throughout the year. With its acquisition of Sorbead India and Swambe Chemicals in April 2024, Zeochem also established a presence of its own in the Indian chemicals and pharmaceutical markets. The newly acquired businesses now both operate under the Sorbchem India Pvt. Ltd. name. Zeochem generated total net sales for 2024 of CHF 117.3 million, a 9.1% decline from the previous year at constant currency and excluding acquisition effects. EBITDA was raised 3.5% to a new record high of CHF 22.8 million, and EBITDA margin was raised from the 17.8% of 2023 to 19.5%.

Perlen Packaging sees continued strong demand for high-barrier products

With medicines becoming ever more complex, and with a growing need to protect them from high humidity and exposure to oxygen in emerging markets, demand for high-barrier medicinal packaging products remained strong in 2024. Sales volumes of over-the-counter (OTC) medicines and dietary supplements declined, however, in view of the guarded economic mood.

The demand for pharmaceutical packagings was further diminished by shortages of medicinal products and bottlenecks in their delivery, in Europe in particular. With the exception of Brazil, the utilization of the Packaging division's production facilities declined accordingly as 2024 progressed. Raw materials such as PVC were widely available worldwide, and materials prices normalized over the course of the year. Perlen Packaging acquired the LOG Pharma company with its production sites in Israel and Hungary at the end of 2024. In doing so, the Packaging division has added bottles and containers as complementary primary packagings for medicines to its product range, while its new Hungarian operating site offers access to the attractive Eastern European pharmaceutical packaging market. The purchase transaction was successfully concluded at the beginning of February 2025.

The lower sales volumes and lower raw materials prices combined to reduce Perlen Packaging's net sales for 2024 to CHF 206.0 million, a 10.7% year-on-year decline at constant currency. While the product mix showed encouraging trends, this was insufficient to fully offset the lower sales volumes in the second half of the year. Net sales were down in Europe (as they were for all manufacturers in this market segment), while demand in Latin America remained intact. EBITDA for the year declined as anticipated, falling CHF 9.6 million to a still strong CHF 33.3 million, and producing an EBITDA margin of 16.1% (prior year: 18.1%). Perlen Packaging's earnings for 2024 were thus largely in line with their solid 2022 levels, following the exceptional earnings result achieved in 2023.

Investments in fixed assets at Zeechem and Perlen Packaging

The CPH Group AG invested a total of CHF 20.4 million at its various operating locations in 2024 in productivity improvements, efficiency enhancements and sustainable product development. Free cash flow for the remaining divisions declined from the CHF 54.8 million of the prior year to CHF 34.9 million after the previous year's figure had been boosted by CHF 19.1 million in proceeds from property sales. Personnel expense totalled CHF 67.3 million; and year-end headcount rose from 841 to 959 employees as a result of the acquisitions effected in the course of the year.

Still in sound financial health

The company held net cash of CHF 12.7 million at the end of 2024. And with an equity ratio of 63.0%, the CPH Group AG remains in sound financial health.

Dividend proposed of CHF 2.00 per share

The Board of Directors will propose to the Annual General Meeting in Lucerne on 18 March 2025 that a dividend of CHF 2.00 per share be distributed for the 2024 business year (prior year dividend: CHF 4.00 per share). This represents a dividend yield of 2.7%.

Outlook for 2025: many uncertainties remain

The International Monetary Fund (IMF) expects the global economy to grow by 3.3% in 2025. In the wake of the central banks' initiatives to lower interest rates to generate economic momentum and in view of the uncertain recent market trends, the business outlook remains vague. The still gloomy economic mood and the associated uncertainties, coupled with the geopolitical conflicts in Eastern Europe, the Middle East and Asia, only add to the general caution in the current economic environment. Nevertheless, Group CEO Dr. Peter Schildknecht says: "All in all, the CPH Group AG expects to report higher net sales for the present year at the Group level. Both our group EBIT and our net group result for 2025 should be an improvement on 2024." Net sales and EBITDA for Zeochem are expected to be slightly up on their prior-year levels, while Perlen Packaging anticipates an easing of market tensions from mid-2025 onwards and, as a consequence, improvements in both its net sales and its EBITDA results for the year. Further investments in tangible fixed assets are also envisaged for 2025 to both raise productivity and enhance efficiency.

The full CPH Group annual report for 2024 is available on the company's website at <https://reports.cph.ch/24/en/>.

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About CPH Group AG

CPH Group AG is an internationally active and focused industrial group which is headquartered in Switzerland. The CPH Group researches, develops, manufactures and distributes chemical products (www.zeochem.com) and pharmaceutical packaging (www.perlen-packaging.com). The company and its subsidiaries maintain production facilities in Switzerland, Germany, Bosnia and Herzegovina, Hungary, Israel, the USA, Brazil, China and India and have a total worldwide workforce of around 1,200 personnel. CPH Group AG (formerly known as CPH Chemie + Papier Holding AG) spun off its paper division (Perlen Papier AG) and the real-estate assets at its Perlen (Switzerland) operating site into the new off-exchange

Perlen Industrieholding AG company at the end of June 2024. The shares of CPH Group AG (ticker symbol: CPHN) are listed on the SIX Swiss Exchange. For further information visit www.cph.ch.

This media release contains future-oriented statements about the CPH Group that are subject to risk and uncertainties. These statements reflect the management's opinions at the time of the release's compilation, but actual future events may deviate therefrom.

Key figures

remaining divisions ¹ , in CHF millions	2024	2023	± in CHF	± in %
Net sales	323.3	361.5	-38.2	-10.6%
EBITDA	53.8	65.0	-11.2	-17.2%
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EBIT	39.2	51.9	-12.7	-24.5%
EBIT margin	12.1%	14.4%	-2.3%	
Net result	34.4	45.1	-10.7	-23.7%
Return on equity (ROE)	16.2%	n/a ²	n/a	
Chemistry				
Net sales	117.3	124.2	-6.9	-5.5%
EBITDA	22.8	22.1	+0.7	+3.5%
EBITDA margin	19.5%	17.8%	+1.7%	
Packaging				
Net sales	206.0	237.3	-31.3	-13.2%
EBITDA	33.3	42.9	-9.6	-22.4%
EBITDA margin	16.1%	18.1%	-2.0%	
Cash flow³	42.9	54.4	-11.5	-21.2%
Cash flow from operating activities	53.3	57.9	-4.6	-7.9%
Capital expenditures for fixed assets	20.4	17.9	+2.5	+14.4%
Free cash flow⁴	34.9	54.8	-19.9	-36.4%
Free cash flow margin ⁴	10.8%	15.2%	-4.4%	
Total assets	332.6	327.9	+4.7	+1.4%
Shareholders' equity	209.4	216.8	-7.4	-3.4%
Equity ratio	63.0%	66.1%	-3.1%	
Net cash	12.7	34.7	-22.0	-63.5%
Capital employed	208.3	192.8	+15.5	+8.0%
Net operating profit after tax (NOPAT)	32.2	42.8	-10.6	-24.8%
Return on capital employed (ROCE)	16.1%	21.4%	-5.3%	
Headcount (in full-time equivalents)	959	841	+118	+14.0%
Share information (in CHF)				
Share price as at 31.12	73.40	85.00	-11.60	-13.6%
Earnings per share	0.78	13.15	-12.37	-94.1%
Price-earnings ratio as at 31.12	94.7	6.5	+88.2	
Dividend per share	2.00 ⁵	4.00	-2.00	-50.0%
Dividend yield	2.7%	4.7%	-2.0%	
Market capitalization as at 31.12 (in CHF million)	440	510	-70	-13.6%
Adjusted (excluding spun-off paper division)				
Share price as at 31.12, remaining divisions	73.40	61.20 ⁵	+12.20	+19.9%
Earnings per share, remaining divisions ¹	5.74	7.50	-1.76	-23.5%
Price-earnings ratio as at 31.12, remaining divisions¹	12.8	8.2	+4.6	

¹ excluding the spun-off Paper division; derived from the consolidated financial statements for 2020-2024 and the accounting principles of CPH Group AG

² comparable value unavailable owing to spin-off of the Paper division

³ before change in non-financial net working capital

⁴ before purchase of subsidiaries

⁵ Board of Directors' proposal to the Annual General Meeting of 18 March 2025

⁶ adjusted for the indicative share of around 28% of Perlen Industrieholding AG determined on the basis of internal valuations

For supplementary definitions of financial ratios (alternative performance measures) please see Page 99 of the 2024 annual report.