

HALF YEAR FINANCIAL REPORT H1 2021

POLYTEC

An abstract, artistic background featuring a blurred city skyline and a drone in flight. The image is composed of various shades of blue, green, and yellow, with motion blur effects. A red dotted line and a solid red line intersect in the upper right quadrant, and another red dotted line and solid red line intersect in the lower right quadrant.

FORCING
THE PACE



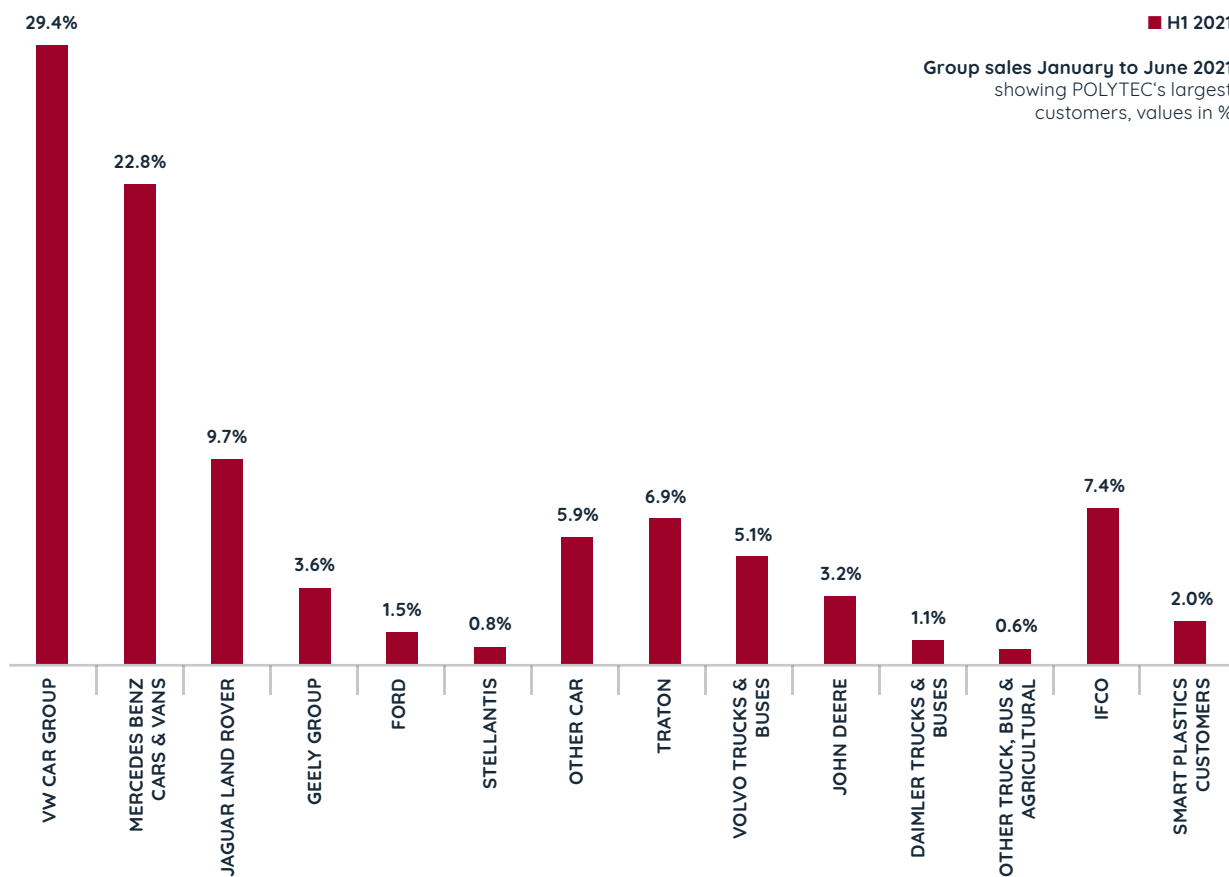
POLYTEC

KEY FIGURES

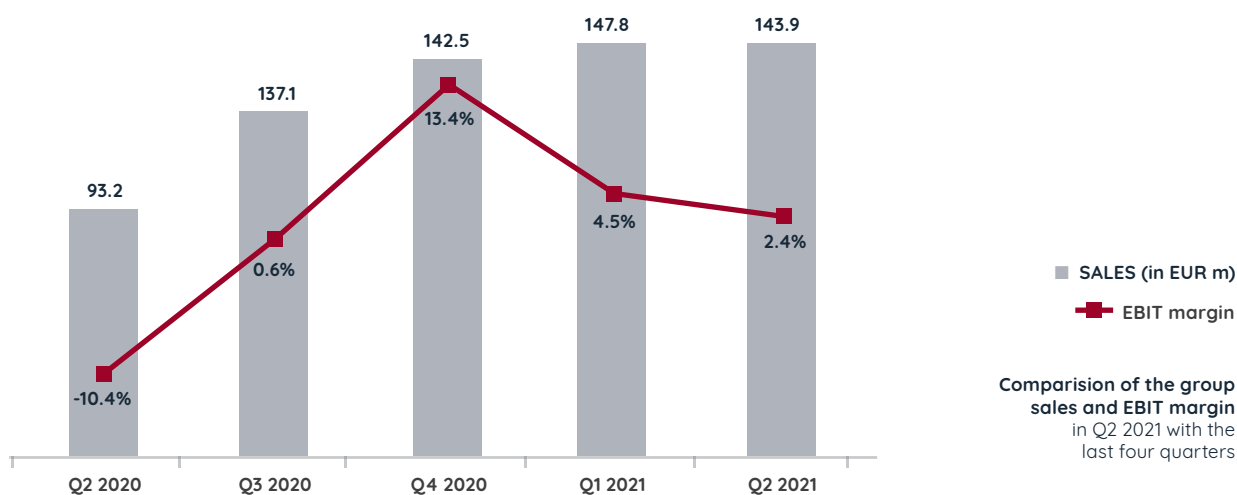
Key figures H1	Unit	H1 2021	H1 2020	Change
Sales	EUR m	291.7	242.3	20.4%
EBITDA	EUR m	24.2	10.7	125.7%
EBITDA margin (EBITDA/sales)	%	8.3%	4.4%	3.9% pts.
EBIT	EUR m	10.1	-7.0	144.4%
EBIT margin (EBIT/sales)	%	3.5%	-2.9%	6.4% pts.
Earnings after tax	EUR m	6.8	-8.9	76.9%
Earnings per share	EUR	0.30	-0.42	71.4%
Investments in tangible assets	EUR m	11.6	6.5	77.4%
Equity ratio (equity/balance sheet total)	%	44.2%	40.0%	4.2% pts.
Net working capital (NWC)	EUR m	117.1	120.9	-3.2%
Average capital employed	EUR m	386.8	426.9	-9.4%
Net debt (+)/assets (-)	EUR m	121.2	153.4	-21.0%
Employees (incl. leasing personnel) end of period	FTE	3,708	3,870	-4.2%

Key figures quarterly	Unit	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021
Sales	EUR m	93.2	137.1	142.5	147.8	143.9
EBITDA	EUR m	-1.0	9.9	27.7	13.8	10.4
EBITDA margin (EBITDA/sales)	%	-1.0%	7.2%	19.4%	9.3%	7.3%
EBIT	EUR m	-9.7	0.9	19.1	6.7	3.4
EBIT margin (EBIT/sales)	%	-10.4%	0.6%	13.4%	4.5%	2.4%
Earnings after tax	EUR m	-10.3	-1.5	19.8	4.8	2.1
Earnings per share	EUR	-0.48	-0.08	0.79	0.21	0.09
Investments in tangible assets	EUR m	0.7	5.9	1.8	6.0	5.6
Equity ratio (equity/balance sheet total)	%	40.0%	40.5%	42.6%	43.6%	44.2%
Net working capital (NWC)	EUR m	120.9	127.9	92.8	110.1	117.1
Capital employed	EUR m	417.7	421.5	373.8	393.1	399.9
Net debt (+)/assets (-)	EUR m	153.4	157.1	105.8	116.8	121.2
Employees (incl. leasing personnel) end of period	FTE	3,870	3,851	3,636	3,706	3,708

GROUP SALES BY CUSTOMERS



SALES & EBIT MARGIN



HALF YEAR FINANCIALREPORT H1 2021

This interim report has not been subject to an audit or a review.

KEY FIGURES	02
Group Sales by Customers	03
Sales & Ebit Margin	03
 GROUP MANAGEMENT REPORT H1 2021	 05
Automotive Industry Development	05
Group Results	06
Assets and Financial Status	08
Employees	09
Risks and uncertainties	09
Material transactions with related parties and companies	10
Material events after the reporting period	10
Outlook 2021 Financial year	10
 INTERIM CONSOLIDATED FINANCIAL STATEMENT ACCORDING TO IAS 34	 11
Consolidated Income Statement	11
Consolidated Balance Sheet	12
Consolidated Cash Flow Statement	13
Consolidated Statement of Changes In Equity	14
Consolidated Statement of Comprehensive Income	14
Selected Notes	15
 SHARE AND INVESTOR RELATIONS	 16
POLYTEC Share Price Development	16
Share Key Figures	16
Dividend Policy	17
Research Coverage	17
Shareholder Structure	17
 STATEMENT OF ALL LEGAL REPRESENTATIVES	 18

GROUP MANAGEMENT REPORT H1 2021

AUTOMOTIVE INDUSTRY DEVELOPMENT

The tables below show the numbers of new vehicle registrations during the period from January to June 2021 as compared to the figures from the previous year.

REGISTRATIONS OF NEW CARS IN THE MAJOR INTERNATIONAL MARKETS

in units	H1 2021	Share	H1 2020	Share	Change
China	9,830,000	39.9%	7,717,000	40.1%	27.4%
USA	8,294,100	33.7%	6,429,000	33.4%	29.0%
European Union (EU, EFTA and UK)	6,486,400	26.4%	5,101,700	26.5%	27.1%
Total three major markets	24,610,500	100%	19,247,700	100%	27.9%
Other selected countries					
Japan	2,043,400		1,826,000		11.9%
India	1,495,100		774,700		93.0%
Brazil	1,007,900		765,200		31.7%
Russia	870,700		636,000		36.9%

REGISTRATIONS OF NEW CARS IN EUROPE (EU, EFTA AND UK)

in units	H1 2021	Share	H1 2020	Share	Change
Germany	1,390,900	21.5%	1,210,600	23.7%	14.9%
France	922,800	14.2%	715,800	14.0%	28.9%
United Kingdom	910,000	14.0%	653,500	12.8%	39.3%
Italy	884,800	13.7%	584,200	11.5%	51.5%
Spain	456,800	7.0%	339,800	6.7%	34.4%
Other European countries	1,921,100	29.6%	1,597,800	31.3%	20.2%
EUROPE (EU, EFTA and UK)	6,486,400	100%	5,101,700	100%	27.1%

REGISTRATIONS OF NEW CARS IN EUROPE (EU, EFTA AND UK) - BY DRIVE TECHNOLOGY

in units	H1 2021	Share	H1 2020	Share	Change
Petrol-driven cars	2,753,700	42.5%	2,688,600	52.7%	2.4%
Diesel-driven cars	1,282,000	19.8%	1,422,200	27.9%	-9.9%
Battery electric vehicles (BEV)	492,000	7.6%	221,500	4.3%	122.1%
Plug-in hybrid electric vehicles (PHEV)	537,200	8.3%	178,800	3.5%	200.4%
Hybrid electric vehicles (HEV)	1,285,600	19.8%	515,000	10.1%	149.6%
Natural gas vehicles (NGV)	28,000	0.4%	25,800	0.5%	8.5%
Other alternatively-powered vehicles (APV)	105,300	1.6%	49,100	1.0%	114.5%
EUROPE (EU, EFTA and UK)	6,483,800	100%	5,101,000	100%	27.1%

REGISTRATIONS OF NEW COMMERCIAL VEHICLES IN EUROPE (EU, EFTA AND UK)

in units	H1 2021	Share	H1 2020	Share	Change
Light commercial vehicles <3,5 t	1,083,200	84.6%	758,100	83.3%	42.9%
Medium commercial vehicles >3.5 t to <16 t	33,400	2.6%	29,100	3.2%	14.8%
Heavy commercial vehicles >16 t	148,600	11.6%	107,700	11.8%	38.0%
Medium and heavy buses & coaches >3.5 t	15,500	1.2%	15,500	1.7%	-0.2%
EUROPE (EU, EFTA and UK)	1,280,700	100%	910,400	100%	40.7%

Sources: German Automotive Industry Association (VDA), European Automobile Manufacturers Association (ACEA)

GROUP RESULTS

SALES

In the first six months of 2021, consolidated POLYTEC GROUP sales revenues amounted to EUR 291.7 million and in spite of the lower comparative basis owing to COVID-19, were thus markedly higher than in the same period of the previous year (H1 2020: EUR 242.3 million). This increase in sales revenues is due primarily to the sharp rise in demand in the Passenger Cars & Light Commercial Vehicles

market area. Sales revenues from the Commercial Vehicles market area were slightly below the level of the previous year, while the lower sales revenues in the Smart Plastics & Industrial Applications market area can be traced to the deconsolidation of the "Industrial" business area, which was completed in December 2020.

SALES BY MARKET AREA

in EUR m	Q2 2021	Share	Q2 2020	H1 2021	Share	H1 2020
Passenger Cars & Light Commercial Vehicles	103.4	71.9%	52.2	215.2	73.7%	155.7
Commercial Vehicles	24.6	17.1%	21.8	49.2	16.9%	51.5
Smart Plastics & Industrial Applications	15.9	11.0%	19.2	27.3	9.4%	35.1
POLYTEC GROUP	143.9	100%	93.2	291.7	100%	242.3

Sales revenues in the Passenger Car & Light Commercial Vehicle market area during the first half of 2021 were up by 38.2% over those of same period in 2020 at EUR 215.2 million (H1 2020: EUR 155.7 million). As compared to the first six months of 2020, the share of this market area in the consolidated sales of the POLYTEC GROUP thus increased by 9.5 percentage points to 73.7% (H1 2020: 64.2%), which meant that its position as the group's strongest market area was further consolidated. This larger share was also partially the result of the sale of the "Industrial" business area.

As compared to the second quarter of 2020, sales revenues in the Commercial Vehicles market area during the same period of 2021 were up by 12.8%. Nonetheless, at

EUR 49.2 million sales in the first half of 2021 were slightly down on the level of the previous year (H1 2020: EUR 51.5 million). Consequently, the share of the Commercial Vehicles market area in consolidated POLYTEC GROUP sales during the first half of 2021 amounted to 16.9% (H1 2020 21.3%).

In comparison to the first half of the preceding year, the share of the Smart Plastics & Industrial Applications market area in the consolidated sales of the POLYTEC GROUP was 5.1 percentage points lower at 9.4% (H1 2020: 14.5%). In the first six months of 2021, overall this market area demonstrated a decline in sales revenues from EUR 35.1 million to EUR 27.3 million. A fall, that resulted directly from the sale of the "Industrial" business area.

SALES BY CATEGORY

in EUR m	Q2 2021	Share	Q2 2020	H1 2021	Share	H1 2020
Parts and other sales	126.8	88.1%	73.6	259.6	89.0%	212.5
Tooling and other engineering sales	17.1	11.9%	19.6	32.1	11.0%	29.8
POLYTEC GROUP	143.9	100%	93.2	291.7	100%	242.3

As compared to the first half of 2020, sales in the series production area during the first six months of 2021 showed a considerable rise of 22.2% to EUR 259.6 million. Tooling

and other engineering sales revenues, which are subject to cyclical fluctuations, were also 7.7% higher at EUR 32.1 million.

SALES BY REGION

in EUR m	Q2 2021	Share	Q2 2020	H1 2021	Share	H1 2020
Austria	17.5	12.2%	18.9	31.0	10.6%	30.0
Germany	69.9	48.6%	44.9	139.4	47.8%	117.6
United Kingdom	15.3	10.6%	6.2	30.2	10.3%	22.5
Other EU countries	33.7	23.5%	18.6	74.0	25.4%	59.0
Other countries	7.5	5.2%	4.6	17.1	5.9%	13.3
POLYTEC GROUP	143.9	100%	93.2	291.7	100%	242.3

GROUP EARNINGS FIGURES

The other financial indicators also serve to substantiate the business recovery.

	Unit	Q2 2021	Q2 2020	H1 2021	H1 2020
Sales	EUR m	143.9	93.2	291.7	242.3
EBITDA	EUR m	10.4	-1.0	24.2	10.7
EBITDA margin (EBITDA/sales)	%	7.3%	-1.0%	8.3%	4.4%
EBIT	EUR m	3.4	-9.7	10.1	-7.0
EBIT margin (EBIT/sales)	%	2.4%	-10.4%	3.5%	-2.9%
Earnings after tax	EUR m	2.1	-10.3	6.8	-8.9
Average capital employed	EUR m	386.8	426.9	386.8	426.9
Earnings per share	EUR	0.09	-0.48	0.30	-0.42

MATERIAL AND PERSONNEL EXPENSES

Owing to the disruptions in the international raw materials markets, the second quarter of 2021 witnessed a sudden, massive increase in purchasing prices. Whilst in the first three months of the year, as expected material costs demonstrated a pattern in line with previous periods, the raw material price rises in the second quarter resulted in material costs that were significantly over-budget. The material ratio in the first quarter of 2021

stood at 49.1%, but in the second quarter amounted to 52.5% and was thus 3.4 percentage points higher.

Group personnel expenses in the first half of 2021 totalled EUR 97.4 million. At 33.0%, the group personnel ratio was 1.1 percentage points lower than in the first half of 2019. Owing to the use of the COVID-19 short-time working model, a comparison with the initial six months of 2020 would be meaningless.

EBITDA AND EBIT

In the first six months of 2021, POLYTEC GROUP EBITDA totalled EUR 24.1 million (H1 2020: EUR 10.7 million) and in the same period the EBITDA margin amounted to 8.3%. In particular, the turbulent developments in the raw materials markets had a tangible negative impact upon results. In addition, during the first half of 2021, results continued to be burdened by the large number of production transfers to other POLYTEC plants, which emanated from the comprehensive restructuring measures and capacity adjustments of the preceding year (plant closures).

Depreciation in the first half of 2021 fell by EUR 3.7 million to EUR 14.1 million as a result of both the capacity adjustments, the deconsolidation of the "Industrial" business area and the low investment ratio of the previous year.

Group EBIT in the months from January to June 2021 totalled EUR 10.1 million (H1 2020: minus EUR 7.0 million), which corresponded with an EBIT margin of 3.5% (H1 2020: minus 2.9%).

FINANCIAL AND GROUP RESULT

The financial result for the first six months of 2021 totalled minus EUR 1.4 million (H1 2020: minus EUR 1.7 million). The POLYTEC GROUP tax ratio in the period from January to

June 2021 stood at 21.7% (H1 2020: minus 1.6%). The group net profit for the first half of 2021 amounted to EUR 6.8 million (H1 2020: minus EUR 8.9 million), which correlated with earnings per share of EUR 0.30 (H1 2020: minus EUR 0.42).

ASSETS AND FINANCIAL STATUS

INVESTMENTS

in EUR m	Q2 2021	Q2 2020	H1 2021	H1 2020
Investments in tangible assets	5.6	0.7	11.6	6.5

Investments in tangible assets in the first six months of 2021 amounted to EUR 11.6 million (H1 2020: EUR 6.5 million) and in particular were focused on the increases in capacity at

the Ebensee plant in Austria and the final completion measures at the plant in East London, South Africa.

GROUP KEY BALANCE SHEET AND FINANCIAL FIGURES

	Unit	30.06.2021	31.12.2020	Change
Equity	EUR m	256.9	247.5	3.8%
Equity ratio (equity/balance sheet total)	%	44.2%	42.6%	1.6% pts.
Balance sheet total	EUR m	581.1	581.5	-0.1%
Net working capital ¹⁾	EUR m	117.1	92.8	26.1%
Net working capital/sales	%	20.5%	17.8%	2.7% pts.

¹⁾ Net working capital = current assets less current liabilities

As compared to 31 December 2020, on 30 June 2021 the level of the group's balance sheet total was virtually unchanged at EUR 581.1 million. As opposed to the annual reporting date, the equity ratio improved by 1.6 percentage

points to stand at 44.2% and thus remained at a healthy level. By comparison with the 31 December 2020 reporting date, net working capital was 26.1%, or EUR 24.3 million, higher at EUR 117.1 million.

	Unit	30.06.2021	31.12.2020	Change
Net debt (+)/assets (-)	EUR m	121.2	105.8	14.5%
Net debt (+)/assets (-)/EBITDA	year	1.96	2.19	-10.5%
Gearing (net debt (+)/assets (-)/equity)	-	0.47	0.43	9.3%

By comparison with the 31 December 2020 reporting date, net debt increased by EUR 15.3 million to EUR 121.1 million. The key figure for the fictive debt repayment duration fell from 2.19 to 1.96 years. The gearing ratio was slightly higher

at 0.47 and thus remained at the 2020 year-end level. On the 30 June 2021 reporting date, the POLYTEC GROUP disposed over cash and cash equivalents totalling EUR 72.1 million.

EMPLOYEES

Employees (incl. leasing personnel) in terms of full-time equivalents (FTE)	End of period			Average period		
	30.06.2021	30.06.2020	Change	H1 2021	H1 2020	Change
Austria	491	503	-12	488	520	-32
Germany	1.799	1.988	-189	1.806	2.076	-270
United Kingdom	324	405	-81	335	414	-79
Other EU countries	982	910	72	948	959	-11
Other countries	112	64	48	93	99	-6
POLYTEC GROUP	3.708	3.870	-162	3.670	4.068	-398

In terms of a comparison with the same period of the preceding year, average group workforce numbers (including leasing personnel) were down by 398, or 9.8%, at 3,670 FTE (full time equivalents). The average leasing personnel quota amounted to 13.1% (H1 2020: 4.5%).

On the reporting date of 30 June 2021, POLYTEC had a total of 3,708 employees. As opposed to the figure on the reporting date for the same period of 2020 (3,870 FTE) this represented a reduction of 162, or 4.2%. No short-time working effects were taken into consideration in the statistics presented.

RISKS AND UNCERTAINTIES

In the course of its business operations, the POLYTEC GROUP is subject to numerous risks, which are indelibly linked to its entrepreneurial activities. Therefore, for POLYTEC risk management is an integral part of group strategy and all of its business practices.

2020 was a year characterised by the COVID-19 pandemic and in 2021 the global economy and hence the automotive industry continue to face the consequences and current effects of the corona crisis. As compared to the previous year, during the first six months of 2021, the international car and commercial vehicle markets once again demonstrated growth. However, despite this recovery, the pre-corona level will not be achieved until the end of the current year.

The present, tangible general economic upturn could be even more dynamic, if it were not for the disruptions to the supply chains. Innumerable force majeure reports from a diversity of raw materials suppliers, as well as interruptions to international logistical sequences have already caused considerable shortages and negative effects upon goods flows.

In particular, automotive manufacturers are being met with considerable supply problems in connection with electronic chips, which are causing repeated, temporary plant shut-downs and subsequent call-off reductions amongst suppliers. The abrupt nature of alterations to requirements complicates short-term (weeks) and medium-term (months) planning significantly and causes considerable extra costs.

A strong Smart Plastics & Industrial Applications area is able to compensate for the short-term cancellations in the automotive area, but despite the related increases in

capacity, it cannot fully make up for the temporary contribution losses from automotive business at other plants. Nonetheless, the medium-term call-offs from our customers indicate a sizeable recovery after the summer, although it should be added that in recent weeks these have also demonstrated a very high degree of volatility. In addition, owing to the sharply reduced availability of other raw materials such as individual types of synthetics, from a current perspective the possibility of additional delivery interruptions cannot be entirely excluded.

Since the beginning of the second quarter, numerous raw materials have been subject to sudden and sharp price rises. It seems probable that this phase of above-average purchasing prices in the raw material markets will continue throughout the whole of 2021. Experts are already referring to a raw material crisis and estimate that 2022 will see a prolongation of these uncertainties. Moreover, the predictions with regard to the duration of the shortages of electronic chips partially point to the middle of 2023.

At present, it is impossible to offer a comprehensive assessment of the extent to which the aforementioned risks and uncertainties will affect the development of the POLYTEC GROUP's sales revenues and income. Accordingly, the management continues to monitor events extremely closely and has initiated numerous measures in order to minimise the financial impacts upon the POLYTEC GROUP.

With regard to risk reporting, we also refer to the explanations under item 3. and item 4. in the group management report, as well as under item G. 2 in the notes to the consolidated financial statements published in the 2020 Annual Report.

MATERIAL TRANSACTIONS WITH RELATED PARTIES AND COMPANIES

To date, POLYTEC Holding AG has employed the consulting services of IMC Verwaltungsgesellschaft mbH, Hörsching, but these were terminated as per 30 June 2021. The services involved an annual, flat rate fee of EUR 260 k to be paid pro rata on a retroactive, quarterly basis. Otherwise, as compared to 31 December 2020, there were no material

changes regarding business transactions with related parties and companies, and therefore in this connection reference should be made to the notes contained in the consolidated financial statements of POLYTEC Holding AG as at 31 December 2020.

MATERIAL EVENTS AFTER THE REPORTING PERIOD

No events of material significance occurred after 30 June 2021.

OUTLOOK 2021 FINANCIAL YEAR

The POLYTEC GROUP management continues to anticipate consolidated sales revenues of about EUR 575 million for the 2021 financial year. On the basis of a reassessment of current risks, EBIT is likely to amount to around EUR 30 million.

Nonetheless, the realisation of this outlook is prone to a number of significant uncertainties. In particular, the drastic increases in raw material prices, which already had a considerable impact upon the result for the second quarter, will again constitute a considerable risk to profitability in the second half-year. In this connection, the cur-

rent negotiations with customers regarding compensation for the price rises are of vital importance to the realisation of the outlook forecasts. A continuation of the short-term reductions in automotive call-offs beyond the summer months, shortages of raw materials – in particular electronic chips – as well as the repeated disruptions to production, would also have an additional impact upon results.

In addition, the possible negative effects of the corona epidemic on consolidated sales revenues and the operative result further complicate the outlook.

INTERIM CONSOLIDATED FINANCIAL STATEMENT ACCORDING TO IAS 34

This interim report has not been subject to an audit or a review.

CONSOLIDATED INCOME STATEMENT

for the period from 1 January to 30 June 2021 with comparative figures from the previous year

in EUR k	01.04. - 30.06.		01.01. - 30.06.	
	2021	2020	2021	2020
Net sales	291,683	242,339	143,909	93,219
Other operating income	3,148	3,454	1,654	2,644
Changes in inventory	3,375	1,340	1,581	1,009
Other own work capitalised	613	469	191	14
Expenses for materials and services received	-151,557	-123,480	-77,196	-52,910
Personnel expenses	-97,449	-90,081	-47,831	-34,850
Other operating expenses	-25,575	-23,303	-11,867	-10,075
Earnings before interest, taxes and depreciation (EBITDA)	24,239	10,738	10,442	-950
Depreciation	-14,092	-17,769	-7,003	-8,756
Earnings before interest and taxes = operating result (EBIT)	10,147	-7,029	3,439	-9,706
Interest result	-1,289	-1,656	-512	-864
Other financial income	-135	-54	-178	-85
Financial result	-1,424	-1,710	-690	-949
Earnings before tax	8,722	-8,739	2,749	-10,655
Taxes on income	-1,889	-143	-667	319
Earnings after tax	6,834	-8,883	2,082	-10,336
thereof result of non-controlling interests	-140	-381	-73	-184
thereof result of the parent company	6,694	-9,264	2,009	-10,520
Earnings per share in EUR	0.30	-0.42	0.09	-0.48

CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2021

with comparative figures from the last balance sheet as at 31.12.2020

ASSETS

in EUR k	30.06.2021	31.12.2020
A. Non-current assets		
I. Intangible assets	5,418	5,120
II. Goodwill	12,643	12,643
III. Tangible assets	251,417	249,862
IV. Other non-current assets	2,137	2,035
V. Deferred tax assets	7,118	8,169
	278,732	277,829
B. Current assets		
I. Inventories	48,283	38,570
II. Trade accounts receivable	53,458	55,020
III. Revenues from contracts with customers	98,984	90,812
IV. Other current receivables	14,762	14,216
V. Income tax receivables	1,448	1,307
VI. Cash and cash equivalents	72,057	90,389
	288,991	290,315
VII. Assets held for sale	13,360	13,360
	302,351	303,675
	581,083	581,504

EQUITY AND LIABILITIES

in EUR k	31.06.2021	31.12.2020
A. Shareholder's equity		
I. Share capital	22,330	22,330
II. Capital reserves	37,563	37,563
III. Treasury stock	-1,855	-1,855
IV. Retained earnings	207,077	200,383
V. Other reserves	-12,206	-14,820
	252,912	243,601
VI. Non-controlling interests	4,025	3,885
	256,937	247,487
B. Non-current liabilities		
I. Non-current, interest-bearing liabilities	122,622	160,342
II. Provision for deferred taxes	2,002	1,803
III. Provisions for employees	27,062	26,899
	151,686	189,044
C. Current liabilities		
I. Current interest-bearing liabilities	72,612	37,889
II. Liabilities on income taxes	1,965	2,080
III. Trade accounts payable	47,043	52,703
IV. Liabilities from contracts with customers	9,014	5,365
V. Other current liabilities	28,058	31,718
VI. Current provisions	13,769	15,219
	172,460	144,974
	581,083	581,504

CONSOLIDATED CASH FLOW STATEMENT

for the period from 1 January to 30 June 2021 with comparative figures from the previous year

in EUR k	01.01. - 30.06.	
	2021	2020
Earnings before tax	8,722	-8,739
+(-) Depreciation on fixed assets	14,092	17,769
-(+) Interest result	1,424	1,740
+(-) Other non-cash expenses and income	-517	-749
+(-) Increase (decrease) in non-current provisions for employees	38	-432
-(+) Profit (loss) from fixed asset disposals	-465	-1,791
-(+) Increase (decrease) in inventories	-7,220	1,736
-(+) Increase (decrease) in trade and other receivables and contractual revenues	-6,085	6,443
+(-) Increase (decrease) in trade and other payables and contractual liabilities	-6,192	-9,735
+(-) Increase (decrease) in current provisions	-1,486	4,068
= Consolidated cash flow from current activities	2,312	10,310
+ Interest received	52	82
- Interest paid	-940	-1,393
- Taxes paid	-894	-568
= Consolidated cash flow from operating activities	530	8,431
- Investments in tangible assets	-11,562	-6,517
- Purchase of subsidiary less acquired cash and cash equivalents	0	-13
+ Payments from the disposal of intangible and tangible assets	655	7,615
= Consolidated cash flow from investing activities	-10,907	1,085
- Repayments of loan financing	-3,942	-3,803
+(-) Inflows (repayments) from real estate loan borrowings	-1,498	-1,618
- Outflows from leasing agreements	-3,455	-4,297 ¹⁾
+ Inflows from equity financing borrowings	0	11,000
+(-) Change of current financial liabilities	2,509	0
- Third party dividends	0	-250
+(-) Other equity changes	-1,372	250
= Consolidated cash flow from financing activities	-7,757	1,282
+(-) Consolidated cash flow from operating activities	530	8,431
+(-) Consolidated cash flow from investing activities	-10,907	1,085
+(-) Consolidated cash flow from financing activities	-7,757	1,282
= Change in cash and cash equivalents	-18,133	10,798
+(-) Effect from currency translations	-199	-262
+ Opening balance of cash and cash equivalents	90,389	55,609
= Closing balance of cash and cash equivalents	72,057	66,145

¹⁾ For better comparability, the previous year's period was adjusted to the changed disclosure.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

in EUR k	Share capital	Capital reserves	Treasury stock	Retained earnings	Other reserves	Shares of POLYTEC Holding AG stockholders	Non controlling interests	Total
As at 01.01.2021	22,330	37,563	-1,855	200,383	-14,822	243,601	3,885	247,486
Comprehensive income after tax	0	0	0	6,694	0	6,694	140	6,834
Other result after tax	0	0	0	0	2,616	2,616	0	2,616
Dividends	0	0	0	0	0	0	0	0
As at 30.06.2021	22,330	37,563	-1,855	207,077	-12,206	252,912	4,025	256,937

in EUR k	Share capital	Capital reserves	Treasury stock	Retained earnings	Other reserves	Shares of POLYTEC Holding AG stockholders	Non controlling interests	Total
As at 01.01.2020	22,330	37,563	-1,855	197,772	-11,289	244,523	8,060	252,584
Comprehensive income after tax	0	0	0	-9,264	0	-9,264	381	-8,883
Other result after tax	0	0	0	0	-5,186	-5,186	0	-5,186
Dividends	0	0	0	0	0	0	-250	-250
As at 30.06.2020	22,330	37,563	-1,855	188,509	-16,475	230,073	8,191	238,265

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

01.01. - 30.06.2021 in EUR k	Group	Non controlling interests	Total
Earnings after tax	6.694	140	6.834
Currency translations	2.616	0	2.616
Total result	9.310	140	9.450

01.01. - 30.06.2020 in EUR k	Group	Non controlling interests	Total
Earnings after tax	-9.264	381	-8.883
Currency translations	-5.187	0	-5.187
Total result	-14.450	381	-14.069

GENERAL INFORMATION

POLYTEC Holding AG (listed in the commercial register of the City of Linz under the number FN 197646 g) is an Aus-

trian holding company, which together with its group subsidiaries operates mainly in the automotive and plastics industries.

ACCOUNTING AND VALUATION METHODS

The interim report as at 30 June 2021 was prepared in accordance with the provisions of the International Financial Reporting Standards (IFRS) and in particular IAS 34 (Interim Financial Reporting). The remaining accounting and valuation methods from 31 December 2020 were retained.

The interim report does not contain all the information and statements issued in the POLYTEC Holding AG consolidated financial statements as at 31 December 2020 and therefore these should be referred to for further details.

SCOPE OF CONSOLIDATION

The consolidated financial statement includes all major Austrian and foreign companies in which POLYTEC Holding AG directly or indirectly holds a majority of voting

rights. The POLYTEC GROUP's scope of consolidation now includes 44 fully consolidated companies (previous year: 44) of which 33 (previous year: 33) are foreign entities.

EQUITY

At the 21st Ordinary Annual General Meeting of POLYTEC Holding AG, which was held on 13 July 2021, a dividend

payment of around EUR 6.6 million (previous year: no dividend) was approved and paid out on 21 July 2021. This corresponds with a dividend of EUR 0.30 per eligible share.

MATERIAL TRANSACTIONS WITH RELATED PARTIES AND COMPANIES

To date, POLYTEC Holding AG has employed the consulting services of IMC Verwaltungsgesellschaft mbH, Hörsching, but these were terminated as per 30 June 2021. The services involved an annual, flat rate fee of EUR 260 k to be paid pro rata on a retroactive, quarterly basis.

Otherwise, as compared to 31 December 2020, there were no material changes regarding business transactions with related parties and companies, and therefore in this connection reference should be made to the notes contained in the consolidated financial statements of POLYTEC Holding AG as at 31 December 2020.

BUSINESS SEASONALITY

The quarterly reporting of total POLYTEC GROUP sales revenues for a complete financial year correlates largely with the car manufacturing operations of the group's main customers. For this reason, quarters in which customers nor-

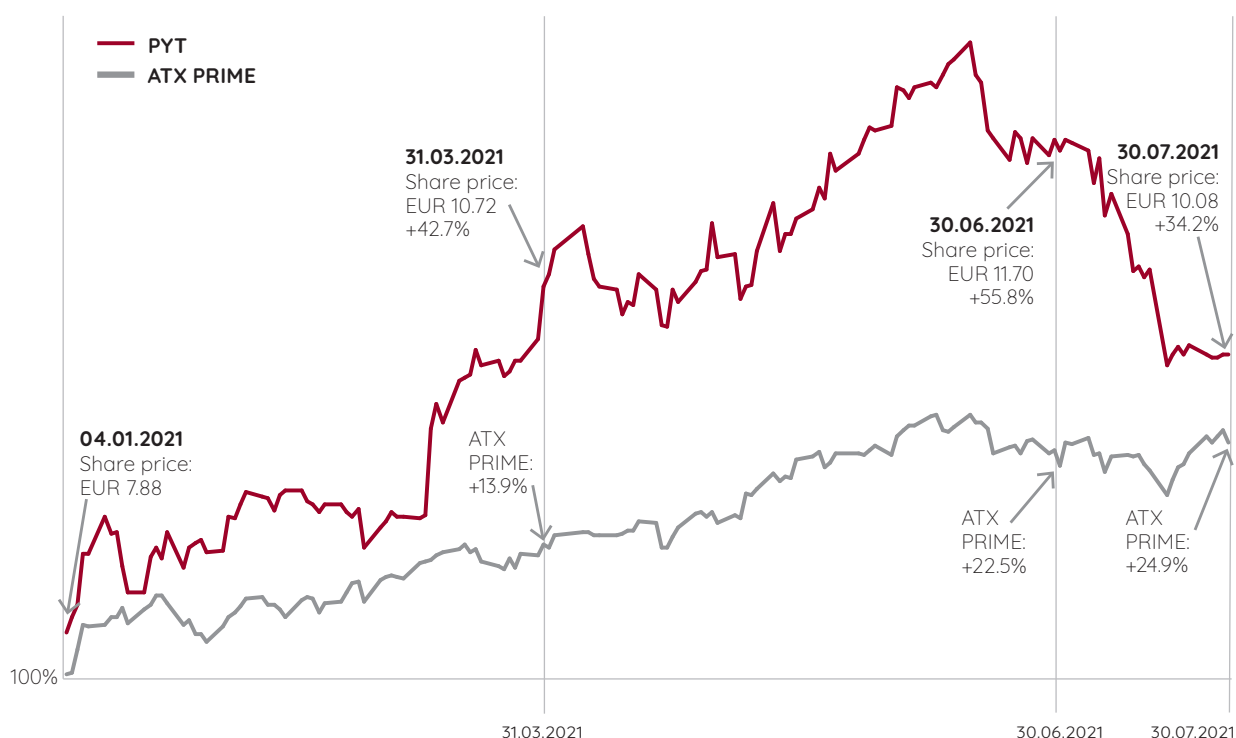
mally close plants for holidays generally produce lower sales revenues than quarters without such effects. In addition, sales from one quarter can also be influenced by the billing of large tooling or engineering projects.

MATERIAL EVENTS AFTER THE REPORTING PERIOD

No events of material significance occurred after 30 June 2021.

SHARE & INVESTOR RELATIONS

POLYTEC SHARE PRICE DEVELOPMENT



SHARE KEY FIGURES

Various stock performance indicators of the POLYTEC share for the period from January to June 2021 compared to the

same period of the previous year and further historical periods are contained in the following table:

POLYTEC-Aktie (AT0000A00XX9)	Unit	H1 2021	H1 2020	Change	H1 2019	H1 2018
Closing price last trading day of period	EUR	11.70	4.95	136.4%	8.76	12.22
Highest closing price during period (14 June 2021)	EUR	12.56	8.93	40.6%	10.64	21.00
Average closing price during period	EUR	10.17	6.05	68.1%	9.20	16.00
Lowest closing price during period (4 January 2021)	EUR	7.88	3.21	145.5%	8.36	12.14
Market capitalisation last trading day of period	EUR m	261.3	110.5	136.4%	195.6	272.9
Vienna Stock Exchange money turnover (double counting)	EUR m	91.9	56.2	63.5%	57.8	169.3
Vienna Stock Exchange share turnover (double counting)	Shares m	9.2	10.0	-8.0%	6.3	10.6
Share turnover (daily average, double counting)	Shares	73,745	80,179	-8.0%	50,822	86,225

Source: Vienna Stock Exchange

DIVIDEND POLICY

POLYTEC's dividend policy is based on the profitability, strategic growth perspectives and capital requirements of the group. In the 2020 business year, POLYTEC Holding AG's net profit amounted to EUR 152.8 million (2019: EUR 134.3 million). At the 21st Ordinary Annual General Meeting of POLYTEC Holding AG, which was held on

13 July 2021, a dividend payment of around EUR 6.6 million (previous year: no dividend) was approved and paid out on 21 July 2021. This corresponds with a dividend of EUR 0.30 per eligible share. On the basis of the average closing price for the year of EUR 5.92, a dividend yield of 5.1% results.

RESEARCH COVERAGE

The support of the POLYTEC GROUP by national and international investment banks is an important element in its comprehensive investor relations activities and plays a highly significant role in the visibility of the POLYTEC share within the investor community.

The following financial institutions publish reports on POLYTEC GROUP and the recommendations and price targets up to the editorial closing date (beginning of August 2021) are contained in the table below.

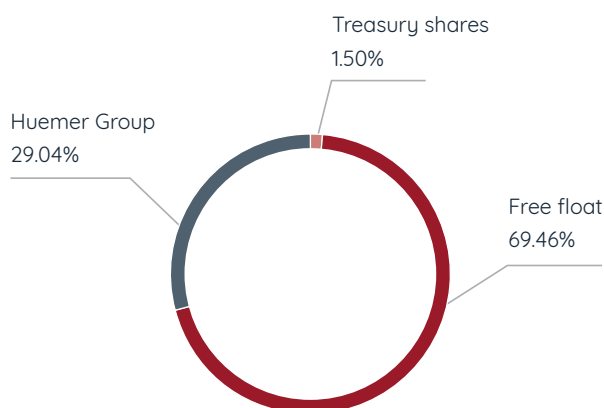
Institute	Recommendation	Price target	Updated
BAADER Helvea Equity Research, Munich	Buy	EUR 16.00	03.08.2021
ERSTE Group Research, Vienna	Buy	EUR 14.80	12.05.2021
M.M.Warburg Research, Hamburg	Buy	EUR 15.00	02.08.2021
Raiffeisen Research, Vienna	Buy	EUR 13.50	04.08.2021
Average price target		EUR 14.83	

The current recommendations and price targets can be called up from the Investor Relations, Share, Price Infor-

mation and Analyses section of the Group's new website, www.polytec-group.com

SHAREHOLDER STRUCTURE

On the editorial closing date of this interim report (beginning of August 2021), the shareholder structure of POLYTEC Holding AG had the following form:



STATEMENT OF ALL LEGAL REPRESENTATIVES

We confirm to the best of our knowledge that the condensed interim 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 condensed interim financial statements, and 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. This interim consolidated financial statement has not been subject to an audit or a review.

Hörsching, August 2021

The Board of Directors of POLYTEC Holding AG



MARKUS HUEMER
CEO, Chairman of the Board of Directors

Responsibilities: M & A, Investment Management,
Corporate Strategy, Corporate Communications,
Purchasing, IT, Human Resources, Legal Affairs



PETER HAIDENEK
CFO, Member of the Board
of Directors

Responsibilities: Finance, Controlling, Accounting,
Investor Relations, Internal Audit



HEIKO GABBERT
COO, Member of the Board
of Directors

Responsibilities: Operations, Innovation,
Industrial Engineering



PETER BERNSCHER
CSO, Member of the Board
of Directors

Responsibilities: Sales, Engineering,
Marketing



The Interim Report Q3 2021 to be published 11 November 2021

Current news see online in the section Investor Relations
of corporate website **www.polytec-group.com**

CONTACT

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NOTE

This interim report has not been subject to an audit or a review. This interim report has been prepared with the greatest possible care and every effort has been made to ensure the accuracy of the data that it contains. Nevertheless, rounding, typographical and printing errors cannot be excluded. The use of automatic calculating devices can result in rounding-related differences during the addition of rounded amounts and percentages. This interim report contains assessments and assertions relating to the future made on the basis of all the information currently available. Such future-related statements are usually introduced with terms such as “expect”, “estimate”, “plan”, “anticipate”, etc. We would draw your attention to the fact that various factors could cause actual conditions and results to deviate from the expectations outlined in this report. This interim report is published in German and English. In cases of doubt, the German version shall take precedence. This interim report H1 2021 was published on 12 August 2021.

IMPRINT

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