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Interim Report January 1 - June 30, 2021

IMPORTANT CONSOLIDATED FIGURES AT A GLANCE

in EUR'000	H1 / 2021	H1 / 2020
Sales revenues	**70,915**	**60,745**
Semiconductor Systems	51,602	40,791
Industrial Systems	19,313	19,954
Gross profit	**21,031**	**18,938**
in % sales revenues	29.7	31.2
R&D expenses	2,579	2,184
EBITDA	**9,439**	**8,132**
in % sales revenues	13.3	13.4
EBIT	**7,052**	**6,104**
in % sales revenues	9.9	10.0
Consolidated net result	**4,625**	**4,144**
in % sales revenues	6.5	6.8
Total assets	**186,793**	**177,245***
Shareholders' equity	**74,087**	**69,314***
Equity ratio in %	39.7	39.1*
Employees as of June 30	**557**	**532**
Incoming orders	**97,783**	**41,744**
Book-to-bill-ratio	1.38	0.69
Order backlog	**150,729**	**151,472**
Cash Flow from operating activities	**9,229**	**-1,058**
Net financial position	**36,689**	**26,778**

*) As of December 31

CONTENT

Dear Shareholders and Business Partners,

The first half of fiscal 2021 remained challenging and unusual on account of the coronavirus pandemic and the associated restrictions on customer contact. We have successfully adapted to this situation, continuing to operate at a high level and even achieving our highest half-year sales revenues in more than ten years.

Market situation in the semiconductor industry

Industry experts are forecasting global growth on the semiconductor market of around 20% in the current fiscal year. At 23.5%, the highest rate of growth is anticipated in the Asia-Pacific region, followed by Europe at 21.1%, Japan at 12.7% and the Americas at 11.1%. Digitization, e-mobility/5G and other areas are driving demand for PVA TePla products. We anticipate this in the years ahead as well. The PVA TePla Group is benefiting from this development in several ways: Manufacturers of silicon and silicon carbide wafers will increase their capacity in the medium and long term in order to match rising demand. The focus here is increasingly shifting to crystal growing systems. Furthermore, demand is also on the rise for quality inspection and plasma systems, driven by both market growth and advances in miniaturization, and thus rising quality requirements.

High incoming orders – Project pipeline packed

The PVA TePla Group's incoming orders have more than doubled as against the same period of the previous year to EUR 97.8 million. The main drivers of this development were orders from the semiconductor industry, which will safeguard our ongoing growth in the years ahead. The order backlog remains at a high level overall of EUR 150.7 million as of June 30, 2021. The project pipeline is extremely promising for the second half of the year as well. The medium- and long-term prospects for our innovative products and solutions are thus still good.

Earnings for first half-year in line with planning

The PVA TePla Group increased its sales revenues by 16.7% to EUR 70.9 million in the first six months of fiscal 2021 (H1/2020: EUR 60.7 million). The second quarter of 2021 saw a significant increase in sales revenue in both divisions compared to the first quarter of 2021. EBITDA likewise increased significantly to EUR 9.4 million in the first half of fiscal 2021 (H1/2020: EUR 8.1 million).

The PVA TePla Group is therefore well on its way to achieving its goals for fiscal 2021.

We are therefore still expecting sales revenues in the range of EUR 140 to EUR 150 million and EBITDA of between EUR 18 and EUR 20 million in fiscal 2021.

We would like to express our thanks for the dedication and commitment of the entire PVA TePla team during what have been, at times, difficult conditions in connection with the coronavirus pandemic.

We would like to thank our shareholders for their trust and commitment to our company.

Wettenberg, August 4, 2021

Manfred Bender
Chief Executive Officer

Jalin Ketter
Chief Financial Officer

Oliver Höfer
Chief Operating and
Quality Management Officer

Dr. Andreas Mühe
Chief Technology Officer

Interim Group Management Report of the PVA TePla Group for the First Half of 2021

1. Basic principles of the PVA TePla Group

Changes in the organizational structure

The organizational structure of the PVA TePla AG Group is unchanged as against December 31, 2020.

Employees

The PVA TePla Group employed 557 people as of June 30, 2021 (December 31, 2020: 553).

Research and development

At EUR 2.6 million, the costs of research and development were slightly higher in the first half of 2021 than in the same period of the previous year (H1 2020: EUR 2.2 million). This is due to ongoing investment in system and process technologies. Furthermore, the PVA TePla Group regularly carries out product and process developments in conjunction with customer orders.

Research and development activities are focused on the following projects in the current reporting period:

Research in ultrasound metrology continued to focus on Industry 4.0 issues in the first half of 2021. This mainly means solutions for inline inspection control using ultrasound electron scanning microscopes. Software solutions for the logistics infrastructure of customers (manufacturing execution system (MES) and the GEM/SECS communications interface) were refined and added to with further standards. Artificial intelligence (AI) were implemented in the algorithms for the automatic analysis of defects for the first time.

Crack detection methods for analyzing power modules were already installed for industrial customers in the first quarter of 2021. Wafer inspection systems will be delivered in the third quarter. AI allows precise, 100% defect detection without subsequent assessment by an operator. This massively accelerates our customers' production processes and qualifies them for the next stage in automation. The first ultrasound probes with double elements were developed and successfully tested with a view to increasing throughput. This new technology allows a further reduction of inspection time by a factor of 2.

Research and development activities in the vacuum systems product area focused on the ongoing development of control software for diffusion brazing systems. Until now the control software formula has required the input of specific process parameters, such as temperature or press force, and therefore corresponding technical expertise on the part of the operator. The newly developed software module combines the PVA TePla Group's unique process expertise with the special sensor technology of the diffusion bonding system to create a full, intelligent, autonomous system. This gives customers a tool, if needed, to use diffusion brazing safely and reproducibly without having to possess extensive expertise in materials science and process technology of their own. This innovation will further reduce the barriers to the broader industrial use of this high-performance technology.

2. ECONOMIC REPORT

Macroeconomic and sector environment

MACROECONOMIC ENVIRONMENT

Growth prospects remain good in the short term on account of successful vaccination campaigns and extensive stimulus packages. The world economy is expected to grow by more than 6% this year. There are essentially two risks. Firstly, the virus could mutate and thereby cause problems with the vaccination campaigns. Secondly, inflation could exceed expectations and force the central banks to take the corresponding monetary policy steps earlier than expected. (Deutsche Bank Research, World Economic Outlook, June 1, 2021, Frankfurt/Main):

- In Germany, GDP is expected to rise by 4.0% in 2021.
- In the euro area, an increase in GDP of 4.6% as against 2020 is predicted for 2021.
- In China, forecasts indicate GDP growth of 9.5% in 2021.
- In the US, GDP in 2021 is expected to climb by 7.0% as against the previous year.

SECTOR ENVIRONMENT

Development in the individual industries.

- The European Semiconductor Industry Association (ESIA) is forecasting growth of 19.7% for the semiconductor market in the current year, which would be equivalent to a market of USD 527 billion.
- The German Mechanical Engineering and Plant Manufacturing Association (VDMA) reports that global industrial production rose by 9.9% in the first four months of the current year.

Independently of these economic developments and industry trends, the PVA TePla Group has excellent visibility in its order backlog into 2023.

Business development

SALES REVENUES

The PVA TePla Group increased its sales revenues by 16.7% to EUR 70.9 million in the first six months of fiscal 2021 (H1/2020: EUR 60.7 million). The second quarter of 2021 saw a significant increase in sales revenue in both divisions compared to the first quarter of 2020. The PVA TePla Group is therefore well on its way to achieving its goals for fiscal 2021.

Sales revenues by division	H1 2021 EUR ‘000	H1 2020 EUR ‘000
Semiconductor Systems	51,602	40,791
Industrial Systems	19,313	19,954
Total	**70,915**	**60,745**

Sales revenues in the Semiconductor Systems division amounted to EUR 51.6 million in the first half of 2021, significantly higher than in the same period of the previous year (EUR 40.8 million). The crystal growing systems and ultrasonic measurement systems product areas were once again the Semiconductor Systems division's strongest source of sales revenues.

With sales revenues of EUR 19.3 million, the Industrial Systems division was down slightly on the same period of the previous year (H1 2020: EUR 20.0 million). However, for the second quarter it was significantly higher than the first quarter of 2021 at EUR 12.3 million (EUR 7.0 million). In particular, this was mainly for brazing systems for the processing of materials or parts on various end markets.

ORDERS

The PVA TePla Group's incoming orders more than doubled to EUR 97.8 million in the first six months of fiscal 2021 (H1 2020: EUR 41.7 million). The book-to-bill ratio is an indicator of future growth and is 1.38 for the first half of 2021 (H1 2020: 0.69).

The Semiconductor Systems division generated incoming orders of EUR 83.4 million in the first half of 2021 (H1 2020: EUR 26.4 million). In particular, the crystal growing systems and ultrasound measuring systems product areas performed extremely well in this division.

Order intake in the Industrial Systems division amounted to EUR 14.4 million in the first half of 2021 (H1 2020: EUR 15.3 million). Orders for plasma nitriding and heat treatment systems made a particularly strong contribution to the order book.

The order backlog remained at a high level at EUR 150.7 million as of June 30, 2021 (June 30, 2020: EUR 151.5 million).

The Semiconductor Systems division contributed EUR 115.9 million to this order backlog as of June 30, 2021 (June 30, 2020: EUR 99.3 million).

The Industrial Systems division has an order backlog of EUR 34.8 million as of June 30, 2021 (June 30, 2020: EUR 52.2 million).

RESULTS OF OPERATIONS

Based on a flexible business model with low vertical integration (asset-light model) in production, operating EBITDA increased significantly to EUR 9.4 million in the first half of 2021 (H1 2020: EUR 8.1 million) with an EBITDA margin of 13.3% (H1 2020: 13.4%). EBIT amounts to EUR 7.1 million (H1 2020: EUR 6.1 million), resulting in an EBIT margin unchanged year-on-year of 9.9% (H1 2020: 10.0%).

At EUR 7.3 million, distribution costs were higher than the previous year's level in the first half of 2021 on account of higher commission expenses and the further expansion of the distribution structure (H1 2020: EUR 6.3 million). Administrative costs climbed to EUR 5.8 million owing to higher profit participation obligations (H1 2020: EUR 4.6 million).

R&D costs amounted to EUR 2.6 million (H1 2020: EUR 2.2 million). This is due to the projects described above with a view to future growth in various technology areas and to enhance our growth.

Net interest income and interest expenses amounted to EUR -0.2 million in the first half of 2021, the same figure as in the previous year (H1 2020: EUR -0.2 million).

Earnings before taxes amounted to EUR 6.8 million in the first six months of fiscal 2021 (H1 2020: EUR 5.9 million) and earnings after taxes to EUR 4.6 million (H1 2020: EUR 4.1 million). Income taxes amounted to EUR 2.2 million (H1 2020: EUR 1.8 million).

FINANCIAL AND ASSET POSITION

Asset position

The total assets of the PVA TePla Group amounted to EUR 186.8 million as of June 30, 2021, higher than at the end of fiscal 2020 (December 31, 2020: EUR 177.2 million).

At EUR 10.8 million as of June 30, 2021, intangible assets were essentially unchanged year-on-year (December 31, 2020: EUR 11.1 million), as were property, plant and equipment at EUR 28.8 million (December 31, 2020: EUR 28.6 million). Deferred tax assets decreased slightly to EUR 4.2 million as of June 30, 2021 (December 31, 2020: EUR 4.5 million). In total, non-current assets amounted to EUR 47.0 million as of June 30, 2021 as against EUR 47.3 million as of December 31, 2020.

Investments were offset by depreciation and amortization of EUR 2.4 million in the first half of 2021 (H1 2020: EUR 2.0 million).

Current assets increased to EUR 139.7 million as of June 30, 2021 (December 31, 2019: EUR 129.9 million). Trade receivables and other receivables were largely stable at EUR 24.4 million as of June 30, 2021 (December 31, 2020: EUR 24.8 million). In line with the high level on incoming orders, contract assets rose to EUR 12.5 million as of the reporting date (December 31, 2020: EUR 7.7 million). Cash funds rose significantly from EUR 29.7 million (December 31, 2020) to EUR 39.1 million (June 30, 2021). This is also due to the strong growth in incoming orders and the associated advance payments by customers.

Financial position

The equity and liabilities side of the statement of financial position essentially shows a constant development in non-current liabilities. These were virtually unchanged year-on-year at EUR 23.4 million as of June 30, 2021 (December 31, 2020: EUR 23.2 million). This also accurately describes the pension provisions contained in this figure of EUR 17.0 million (December 31, 2020: EUR 17.3 million). Current liabilities amounted to EUR 89.3 million as of June 30, 2021 (December 31, 2020: EUR 84.7 million) and mainly consist of trade payables, contract liabilities, liabilities to employees and other current provisions. Trade payables amounted to EUR 8.4 million as of June 30, 2021 (December 31, 2020: EUR 8.0 million). Like contract assets, contract liabilities rose significantly in line with the strong incoming orders to EUR 63.5 million as of June 30, 2021 (December 31, 2020: EUR 62.9 million). Liabilities to employees amounted to EUR 7.0 million as of June 30, 2021 (December 31, 2020: EUR 4.8 million) and other current provisions to EUR 3.8 million (December 31, 2020: EUR 3.6 million).

Equity climbed to EUR 74.1 million as of June 30, 2021 (December 31, 2020: EUR 69.3 million), and the equity ratio thus rose slightly to 39.7% (December 31, 2020: 39.1%).

Liquidity

Cash flow from operating activities was positively influenced by the advance payments received in connection with the good incoming orders, and amounted to EUR 9.2 million in the first six months of fiscal 2021 (H1 2020: EUR -1.1 million).

Cash flow from investing activities amounted to EUR 2.0 million in the first half of 2021 as a result of cash inflows from financial assets (H1 2020: EUR -4.6 million). Cash flow from financing activities was EUR -0.9 million in the first half of 2021 (H1 2020: EUR -0.6 million). The net financial position (cash funds less current and non-current financial liabilities) amounted to EUR 36.7 million as of June 30, 2021 (December 31, 2020: EUR 26.8 million).

3. RISK, OPPORTUNITIES AND FORECAST REPORT

In the reporting period, no other significant risks or opportunities were identified in addition to those risks and opportunities described in the annual report for fiscal 2020. Other risks and opportunities that are not currently known or that are currently considered immaterial could also affect the business activities of the subsidiaries of the PVA TePla Group. Currently no risks have been identified that, either individually or collectively, could pose a risk to the company as a going concern.

Forecast business and financial performance, outlook

It has to be assumed that the general economic environment – influenced by COVID-19 – will remain complex. Despite this, management is confident that the business of the PVA TePla Group will continue to enjoy a strong performance in the second half of fiscal 2021 as well.

The forecast for the sales revenues and earnings figures for the current fiscal year, published in connection with the figures for 2020 on March 25, 2021, remain unchanged. Based on the current project structure in the order backlog, the Management Board is still expecting sales revenues in the range of EUR 140 to EUR 150 million and EBITDA of between EUR 18 and EUR 20 million in fiscal 2021.

Wettenberg, August 4, 2021

INTERIM GROUP FINANCIAL STATEMENTS

January 1 - June 30, 2021

CONDENSED CONSOLIDATED BALANCE SHEET
as at June 30, 2021

ASSETS in EUR'000	June 30, 2021	Dec 31, 2020
Non-current assets		
Right-of-use assets	2,419	2,695
Intangible assets	10,791	11,081
Property, plant and equipment	28,827	28,596
Non-current investments	769	393
Deferred tax assets	4,239	4,531
Total non-current assets	**47,045**	**47,296**
Current assets		
Inventories	63,525	67,627
Trade and other receivables	24,411	24,802
Contract assets	12,453	7,674
Income tax assets	268	116
Cash and cash equivalents	39,091	29,730
Total current assets	**139,748**	**129,949**
Total	**186,793**	**177,245**

LIABILITIES AND SHAREHOLDERS‘ EQUITY EUR'000	Jun, 30, 2021	Dec, 31, 2020
Shareholders‘ equity	**74,087**	**69,314**
Non-current liabilities	**23,393**	**23,220**
Current liabilities	**89,313**	**84,711**
Total	**186,793**	**177,245**

CONDENSED CONSOLIDATED INCOME STATEMENT
January 1 - June 30, 2021

in EUR '000	Apr 1 – June 30, 2021	Apr 1 – June 30, 2020	Jan 1 – June 30, 2021	Jan 1 – June 30, 2020
Sales revenues	**47,118**	**34,323**	**70,915**	**60,745**
Cost of sales	-33,141	-23,324	-49,884	-41,807
Gross profit	**13,977**	**10,999**	**21,031**	**18,938**
Selling and distributing expenses	-3,799	-2,787	-7,337	-6,275
General administrative expenses	-3,532	-2,274	-5,771	-4,591
Research and development expenses	-1,604	-1,070	-2,579	-2,184
Other operating income	1,737	613	3,085	1,431
Other operating expenses	-1,037	-830	-1,377	-1,215
Operating result (EBIT)	**5,742**	**4,651**	**7,052**	**6,104**
Financial result	**-144**	**-107**	**-205**	**-198**
Net result before tax	**5,598**	**4,544**	**6,847**	**5,906**
Income taxes	-1,323	-1,342	-2,222	-1,762
Consolidated net result for the period	**4,275**	**3,202**	**4,625**	**4,144**
of which attributable to				
Shareholders of PVA TePla AG	4,275	3,202	4,625	4,144
Minority interest	0	0	0	0
Earnings per share (basic/diluted)				
Earnings per share (basic) in EUR	0.20	0.15	0.21	0.19
Earnings per share (diluted) in EUR	0.20	0.15	0.21	0.19

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
January 1 - June 30, 2021

in EUR'000	Apr, 1 – June 30, 2021	Apr 1 – Jun 30, 2020	Jan 1 – June 30, 2021	Jan 1 – June 30, 2020
Consolidated net result for the period	**4,275**	**3,202**	**4,625**	**4,144**
of which attributable to shareholders of PVA TePla AG	4,275	3,202	4,625	4,144
of which attributable to minority interest	0	0	0	0
Other comprehensive income				
Items that may be reclassified to profit or loss				
Currency changes	-81	-61	148	-8
Income taxes	0	0	0	0
Changes in the amount recognized in equity (currency differences)	**-81**	-61	**148**	-8
Total of items that may be reclassified to profit or loss	**-81**	**-61**	**148**	**-8**
Total comprehensive income	**4,194**	**3,141**	**4,773**	**4,136**
of which attributable to shareholders of PVA TePla AG	4,194	3,141	4,773	4,136
of which attributable to minority interest	0	0	0	0

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

January 1 - June 30, 2021

in EUR'000	Jan 1 – June 30, 2021	Jan 1 – June 30, 2020
= Cash flow from operating activities	**9,229**	**-1,058**
= Cash flow from investing activities	**2,003**	**-4,690**
= Cash flow from financing activities	**-888**	**-645**
Net change in cash and cash equivalents	10,344	-6,393
+/- Effect of exchange rate fluctuations on cash	-983	-24
+ Cash and cash equivalents at the beginning of the period	29,730	25,570
= Cash and cash equivalents at the end of the period	**39,091**	**19,153**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

January 1 - June 30, 2021

EUR'000	Shared issues		Revenue reserves	Other reserves: Currency conversion	Other reserves: Provisions for pensions	Total share-holders' interest	Minority interest	Total
	Number							
As at January 1, 2020	21,749,988	21,750	40,949	458	-5,842	57,315	0	57,315
Total income			12,729	-445	-285	11,999	0	11,999
As at December 31, 2020	21,749,988	21,750	53,678	13	-6,127	69,314	0	69,314
As at January 1, 2020	21,749,988	21,750	40,949	458	-5,842	57,315	0	57,315
Total income			4,144	-8	0	4,136	0	4,136
As at June 30, 2020	21,749,988	21,750	45,093	450	-5,842	61,451	0	61,451
As at January 1, 2021	**21,749,988**	**21,750**	**53,678**	**13**	**-6,127**	**69,314**	**0**	**69,314**
Total income			4,625	148	0	4,773	0	4,773
As at June 30, 2021	**21,749,988**	**21,750**	**58,303**	**161**	**-6,127**	**74,087**	**0**	**74,087**


PVA TePla
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Condensed Notes to the Interim Consolidated Financial Statements for the First Half of 2021

A. Basis of Preparation of the Condensed Interim Consolidated Financial Statements

Reporting company

PVA TePla AG, Wettenberg (PVA TePla AG) is a stock corporation in accordance with German law. It is domiciled at Westpark 10-12, 35435 Wettenberg, Germany. The company is entered in the commercial register of the Giessen Local Court under HRB 6845. PVA TePla AG's shares are listed in the Prime Standard of the Frankfurt Stock Exchange (ISIN: DE0007461006).

PVA TePla AG and its subsidiaries ("PVA TePla Group") offer their customers systems for the production and refinement of high-quality materials, which are processed under high temperature, vacuum, high pressure and in plasma, among other things. With locations in Germany, Italy, the US, China, Taiwan and Singapore, the PVA TePla Group maintains business relationships around the world. Its business activities are divided into two segments: Industrial Systems and Semiconductor Systems.

Accounting principles

The condensed interim consolidated financial statements of the PVA TePla Group for the reporting period from January 1, 2021 to June 30, 2021 ("consolidated half-year financial statements") pursuant to section 117 in conjunction with sections 114 and 115 of the German Securities Trading Act (WpHG) have been prepared in accordance with the International Financial Reporting Standards (IFRS) formulated by the International Accounting Standards Board (IASB) as well as section 53 of the Exchange Rules for the Frankfurt Stock Exchange. All the standards and interpretations published by the International Accounting Standards Board (IASB) and effective for fiscal 2021 were applied to the extent that they have been endorsed by the European Union. The interim consolidated financial statements comply with the requirements of IAS 34 and have not been audited or reviewed by a statutory auditor.

These interim consolidated financial statements are based on the consolidated financial statements for the year ended December 31, 2020. In accordance with IAS 34, a condensed scope of reporting has been selected compared to the consolidated financial statements. These financial statements do not contain all the information required for complete consolidated financial statements at the end of a fiscal year. They have been prepared using the accounting policies applied in preparing the consolidated financial statements for the year ended December 31, 2020, taking into account all current transactions, accruals and deferrals that management considers necessary to ensure an accurate view of the interim results. Income taxes were calculated on a best estimate basis. Management believes that the information and disclosures presented are suitable to give a true and fair view of the net assets, financial position and results of operations. The results for the interim reporting period do not necessarily allow forecasts to be made with regard to the further course of business.

These condensed notes to the consolidated financial statements mainly contain details of items in which there have been significant changes as against the consolidated financial statements of the PVA TePla Group for fiscal 2020.

These interim consolidated financial statements were prepared in euro (EUR). All amounts are shown in thousands of euro (EUR thousand) unless expressly stated otherwise. The figures in this interim report may contain rounding differences of +/- one unit (EUR, %, etc.) for calculation reasons.

The consolidated half-year financial statements for the reporting period ended June 30, 2021 were approved for publication by the Management Board of PVA TePla AG on August 4, 2021.

B. Changes in Accounting Policies

The accounting policies applied in preparing the consolidated half-year financial statements of the PVA TePla Group for the reporting period ended June 30, 2021 are the same as for the consolidated financial statements for fiscal 2020.

C. Changes in the Companies Included in Consolidation

The condensed interim consolidated financial statements for the period ended June 30, 2021 include PVA TePla AG and the subsidiaries it controls ("PVA TePla Group"). The companies included in consolidation by the PVA TePla AG Group are unchanged as against fiscal 2020.

D. Management Judgments and Estimate Uncertainty

For the PVA TePla Group's consolidated half-year financial statements for the reporting period ended June 30, 2021, it is necessary to make a limited number of estimates and assumptions that affect the amount and presentation of recognized assets and liabilities, income and expenses and contingent liabilities. These estimates and judgments are unchanged compared to the information presented in the consolidated financial statements of the PVA TePla Group for fiscal 2020. Changes in the economic situation that deviate from the assumptions applied and that lie beyond the control of management may result in the actual amounts differing from the original estimates.

E. Selected Notes to the Consolidated Income Statement

1. Sales revenues

Revenues by activity area

[EUR'000]	Jan 1 - June 30, 2021	%	Jan 1 - June 30, 2020	%
Systems	55,445	78	50,240	83
After-sales service/IP	11,723	16	8,325	14
Contract processing	2,551	4	2,033	3
Others	1,196	2	147	0
Total	**70,915**	**100**	**60,745**	**100**

Revenues by time of performance

[EUR'000]	Jan 1 - June 30, 2021	%	Jan 1 - June 30, 2020	%
Revenue recognized at a point in time	63,080	89	49,398	81
Revenue recognized over time	7,835	11	11,347	19
Total	**70,915**	**100**	**60,745**	**100**

See segment reporting under Note 7 for more information on sales revenues breakdowns.

2. Income taxes

[EUR'000]	Jan 1 - June 30, 2021	Jan 1 - June 30, 2020
Current tax expense (-)/income (+)	-1,393	-492
Deferred tax expenses (-)/income (+)	-829	-1,270
Income taxes	**-2,222**	**-1,762**

Income taxes for the current reporting period are calculated on the basis of the expected income tax rate for the full year. The reported tax expense for the first six months of fiscal 2021 in the amount of EUR -2,222 thousand (H1 2020: EUR -1,762 thousand) corresponds to a tax rate of 32.5% (H1 2020: 29.8%).

3. Earnings per share

	Jan 1 - June 30, 2021	Jan 1 - June 30, 2020
Numerator [in EUR '000]:		
Consolidated net result for the year before minority interests	4,625	4,144
Denominator [in shares]:		
Weighted average number of no-par shares outstanding	21,749,988	21,749,988
Earnings per share [EUR]: (Basic/diluted)	**0.21**	**0.19**

F. Selected Notes to the Consolidated Statement of Financial Position

4. Inventories

[EUR'000]	June 30, 2021	Dec 31, 2020
Raw materials and operating supplies	18,830	20,417
Work in progress	49,311	51,905
Finished products and goods	1,113	1,722
Gross value	**69,254**	**74,044**
Less impairment losses	-5,729	-6,417
Inventories	**63,525**	**67,627**

5. Trade and other receivables and contract assets

[EUR'000]	June 30, 2021	Dec 31, 2020
Trade receivables concerning product sales and services	17,019	14,080
Advance payments	2,919	2,929
Other current receivables	4,667	8,001
Contract assets (net exposure)	12,453	7,674
Gross value	**37,058**	**32,684**
Less impairment losses	-194	-208
Trade and other receivables and contract assets	**36,864**	**32,476**

Accounts receivable are not interest-bearing and are generally due within 30 to 90 days.

[EUR'000]	June 30, 2021	Dec 31, 2020
POC receivables (gross value)	7,785	4,661
less advance payments received	-4,062	-2,475
Subtotal	**3,723**	**2,186**
Contract assets (not including POC method)	3,682	1,244
Unconditional payment entitlements (down payment invoices)	5,048	4,244
Contract assets (net exposure)	**12,453**	**7,674**

6. Contract liabilities

[EUR'000]	June 30, 2021	Dec 31, 2020
Contract liabilities (net exposure)	867	3,259
Advance payments received concerning product sales and services	62,644	59,600
Contract liabilities	**63,511**	**62,859**

[EUR'000]	June 30, 2021	Dec 31, 2020
Advance payments received (progress billing)	4,755	9,799
less contract costs incurred (incl. share of profit)	-3,888	-6,540
Contract liabilities (net exposure)	**867**	**3,259**

G. Selected Notes to the Consolidated Statement of Changes in Equity

As of June 30, 2021, the issued share capital of PVA TePla AG was unchanged as against December 31, 2020 at 21,749,988 no-par value shares each with a nominal value of EUR 1.00. As previously, there was no contingent capital as of June 30, 2021.

The dividend payment by PVA TePla AG is based on the single-entity financial statements of PVA TePla AG in accordance with German commercial law. The Annual General Meeting on June 18, 2021 resolved that there would be no dividend payment for fiscal 2020.

H. Other Disclosures

7. Segment reporting

Segment reporting follows the management approach in accordance with IFRS 8. As in fiscal 2020, the management allocates resources and evaluates the performance of the PVA TePla Group on the basis of the internal organizational and management reporting system for the Industrial Systems and Semiconductor Systems divisions.

Sales revenues by division

[EUR'000]	Jan 1 - June 30, 2021		Jan 1 - June 30, 2020	
segment information	External sales revenues	Internal sales revenues	External sales revenues	Internal sales revenues
Industrial Systems	19,313	2,009	19,954	1,856
Semiconductor Systems	51,602	351	40,791	352
Total PVA TePla Group	**70,915**	**2,360**	**60,745**	**2,208**

Operating result (EBIT) by division ("segment earnings")

[EUR'000]	Jan 1 - June 30, 2021	Jan 1 - June 30, 2020
segment information		
Industrial Systems	804	1,426
Semiconductor Systems	8,863	6,469
Holding costs	-2,593	-1,996
Consolidation	-22	205
Total PVA TePla Group	**7,052**	**6,104**

Reconciliation of segment earnings to earnings after taxes

[EUR'000]	Jan 1 - June 30, 2021	Jan 1 - June 30, 2020
Operating result (EBIT)	**7,052**	**6,104**
Financial result	-205	-198
Results before taxes	6,847	5,906
Income taxes	-2,222	-1,762
Earnings after taxes	**4,625**	**4,144**

Sales revenues by region

[EUR'000]	Jan 1 - June 30, 2021	in %	Jan 1 - June 30, 2020	in %
Asia	39,914	56	35,344	58
Germany	11,388	16	11,168	18
Europe (without Germany)	11,753	17	11,254	19
North America	7,755	11	2,877	5
Other	105	0	102	0
Total PVA TePla Group	**70,915**	**100**	**60,745**	**100**

8. Financial instruments: fair value disclosures

As of June 30, 2021, the fair values of financial assets and financial liabilities largely corresponded to the carrying amounts recognized.

The carrying amounts (= fair values) by class of the financial assets and financial liabilities measured at fair value are shown below:

[EUR'000]	June 30, 2021	Dec 31, 2020
Other current receivables		-
Other long-term liabilities	-	-
Other current liabilities	645	637

The PVA TePla Group's financial instruments measured at fair value are allocated to "level 2" in accordance with IFRS 7 at which measurement is based on stock exchange or market prices of similar instruments or on measurement models based on input parameters observable in the market. The fair values of both forward exchange contracts and interest hedges were determined on the basis of discounted expected future cash flows. For the remaining durations of the finance instruments the relevant market interest rates are used.

The net result of EUR -113 thousand (H1 2020: EUR -141 thousand) from the financial assets and liabilities measured at fair value through profit or loss comprises changes in the market value of derivative hedging instruments.

9. Contingent liabilities and other financial obligations

The information contained in the consolidated financial statements of the PVA TePla Group for fiscal 2020 concerning contingent liabilities and other financial commitments remained largely unchanged.

10. Related party disclosures

The related parties for PVA TePla AG and Group companies are defined in accordance with IAS 24. There were no changes in the Supervisory Board between January 1, 2021 and June 30, 2021. Alfred Schopf (Chief Executive Officer) stepped down from the Management Board on June 18, 2021, the date of the Annual General Meeting.

There has been no material change in the scope of related party transactions compared to the consolidated financial statements for fiscal 2020.

In the first half of 2021 and the same period of the previous year (H1 2020), there were business relationships between PVA TePla AG and the main shareholder Peter Abel in connection with an existing consulting contract.

The volume of these business transactions amounted to EUR 240 thousand in the first half of 2021 (H1 2020: EUR 250 thousand). Furthermore, there were liabilities of EUR 100 thousand as of June 30, 2021 (December 31, 2020: EUR 212 thousand).

11. Auditor for Fiscal 2021

The Annual General Meeting on June 26, 2021 accepted the Supervisory Board’s proposal, whereby Ebner Stolz GmbH & Co. KG, Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Frankfurt/Main, Germany, was again elected as the auditor of the annual and consolidated financial statements for the fiscal year from January 1, 2021 to December 31, 2021.

12. Significant events after the end of the reporting period

In the period between June 30, 2021 and the approval of the half-yearly consolidated financial statements, there were no material changes to the company's situation or our industry environment that could have a material impact on the net assets, financial position and results of operation as at June 30, 2021. Moreover, we do not currently anticipate any major changes to the structure, administration or legal form of the Group or in terms of staff.

I. Responsibility statement

To the best of our knowledge and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim Group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the fiscal year.

Wettenberg, August 4, 2021

Manfred Bender
Chief Executive Officer

Jalin Ketter
Chief Financial Officer

Oliver Höfer
Chief Operating and
Quality Management Officer

Dr. Andreas Mühe
Chief Technology Officer

FINANCIAL CALENDAR

Date	Location
November 4, 2021	Interim Report as of September 30, 2021
November 22-24, 2021	German Equity Forum, Frankfurt

IMPRINT

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