

Press release

Armacell Financial Highlights 2021

- Net sales rose by 15% to EUR 677 million by end of 2021
- Adjusted EBITDA at EUR 117 million resulting in an adjusted EBITDA margin of 17.3%
- Volume growth in all divisions confirms the strength of the business model and proves Armacell's resilience

Luxembourg, 24 February 2022 – Armacell, a global leader in flexible foam for the equipment insulation market and a leading provider of engineered foams, today reported its preliminary unaudited financial results for the year ending 31 December 2021.

In 2021, Armacell realised net sales of EUR 676.6 million, an increase of 14.6% on 2020 (EUR 590.5 million). This performance was driven by the continuing recovery in various markets, market share gains, sales price increases implemented to compensate for higher input costs as well as the growth of the new ArmaGel product range. This growth was partially offset by a temporary slowdown of the wind blade industry following changes in incentive schemes in the USA and China.

Armacell generated an adjusted EBITDA of EUR 116.8 million (2020: EUR 119.6 million). The adjusted EBITDA margin was 17.3% (2020: 20.2%). EBITDA growth was partially offset by significantly higher raw material and freight costs. Compensating price increases and other mitigating actions were implemented, but a degree of delay had to be respected.

Commenting on the financial performance, Patrick Mathieu, Armacell's President & CEO, said: *"In 2021, our business was affected by challenging economic circumstances: significantly higher raw material costs, raw materials in short supply, sea freight fraught with difficulties. In this context, our historically high sales were remarkable."* On pricing and cost increases, Mathieu added: *"In a year of fierce and substantial inflation of raw material and transport costs, we were able to proactively increase sales prices and absorb a large part of those changes. 2022 will see further increases as inflation now impacts all cost categories."*

Armacell maintained a high level of investment to advance its product portfolio and innovation. The company continued with its manufacturing capacity and warehouse expansion, including additional recycled PET production capacity, increased FEF production capacity in all regions and enlarged warehousing capacity to further improve its service to customers.

In 2021, Armacell put even greater emphasis on sustainability in its operations. In the development of innovative thermal, acoustic and mechanical solutions, the company is particularly concentrating on aspects of relevance to climate, energy consumption and carbon emissions.

Armacell's sustainable and innovative technologies are opening new business opportunities, for example by significantly reducing the density of flexible elastomeric foam products and advancing the company's passive fire protection business. Armacell's high-performance rPET foams, which are entirely manufactured from recycled plastic bottles, are also adding new opportunities with a focus on insulation.

Armacell is rated B by Standard & Poor's and B3 by Moody's.

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About Armacell

As the inventors of flexible foam for equipment insulation and a leading provider of engineered foams, Armacell develops innovative and safe thermal, acoustic and mechanical solutions that create sustainable value for its customers. Armacell's products significantly contribute to global energy efficiency making a difference around the world every day. With more than 3,200 employees and 24 production plants in 16 countries, the company operates two main businesses, Advanced Insulation and Engineered Foams, and generated net sales of EUR 677 million and adjusted EBITDA of EUR 117 million in 2021. Armacell focuses on insulation materials for technical equipment, high-performance foams for high-tech and lightweight applications and next generation aerogel blanket technology.

For more information, please visit: www.armacell.com

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