

Press release

Armacell Financial Highlights 2022

- Net sales rose by 19% to EUR 806 million by end of 2022
- Adjusted EBITDA at EUR 121 million resulting in an adjusted EBITDA margin of 15%
- New additions to the product range and continued M&A activity in APAC and EMEA

Luxembourg, 23 February 2023 – 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 2022.

In 2022, Armacell realised net sales of EUR 806.0 million, an increase of 19.1% on 2021 (EUR 676.6 million). This performance was driven by sales price increases implemented to compensate for higher input costs, additional sales from M&A activities, as well as favourable FX developments. Growth was partially offset by lower volumes due to a general market slowdown and customers reducing inventory, a temporary slowdown in the wind blade industry, as well as continued supply chain disruptions and Covid-19 effects in certain geographies.

Armacell generated an adjusted EBITDA of EUR 120.7 million, which was EUR 3.9 million higher than in 2021 (EUR 116.8 million). The adjusted EBITDA margin was 15.0% (2021: 17.3%). The better EBITDA performance was mainly driven by the implemented price increases as well as M&A activities and partly offset by lower volumes, supply chain disruptions and investments in new strategic initiatives.

Commenting on the financial performance, Patrick Mathieu, Armacell's President & CEO, said: *"In 2022, our business model again proved resilient. In a complex environment with high transport and energy costs as well as ongoing supply chain disruptions, we continued to increase sales prices. The historical level of sales was further supported by the launch of new applications and product ranges and the continued M&A activity in APAC and EMEA."*

By acquiring two major manufacturers of pre-insulated pipes in Austria (Austroflex Rohr-Isoliersysteme GmbH) and in Serbia (A.D. IZOLIR), Armacell entered the energy-efficient and fast-growing district heating market. With the acquisition of the engineering business of SpiderPlus & Co. Ltd, the company strengthened its position in Japan's thermal insulation market. Growth in the Asia Pacific region was further supported by Arma CS Solutions, a new joint venture in Singapore, which serves the regional construction and HVAC industries.

In 2022, Armacell again maintained a high level of investment to advance its innovative products and green technology solutions. Recent examples include ArmaPET® Eco50, the first polymeric insulation material based on recycled PET, and ArmaGel® HTL, an innovative aerogel insulation solution designed to prevent corrosion under insulation. Additional investments in strategic initiatives such as passive fire protection and acoustics ranges, as well as the accelerated digitalisation of Armacell's operating processes, were contributing to sustaining the company's growth.

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

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About Armacell

As the inventor of flexible foam for equipment insulation and a leading provider of engineered foams, Armacell develops innovative and safe thermal 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 3,300 employees and 27 production plants in 19 countries, the company operates two main businesses, Advanced Insulation and Engineered Foams, and generated net sales of EUR 806 million and an adjusted EBITDA of EUR 121 million in 2022. Armacell focuses on insulation materials for technical equipment, high-performance foams for acoustic and lightweight applications, recycled PET products, next-generation aerogel technology and passive fire protection systems.

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

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