

Press release

Armacell Financial Highlights 2020

- Net sales of EUR 591 million
- Adjusted EBITDA of EUR 120 million with adjusted EBITDA margin of 20.2%
- Proving a resilient and customer-focused business model in a challenging year

Luxembourg, 17 March 2021 – 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 2020.

In 2020, Armacell achieved net sales of EUR 590.5 million, a decrease of 8.4% vs. 2019 (EUR 644.4 million) and generated an adjusted EBITDA of EUR 119.6 million (2019: EUR 133.5 million). The adjusted EBITDA margin reached 20.2% (2019: 20.7%). The EBITDA margin resilience was mainly driven by the diversification in terms of geography, segments, market applications as well as Armacell's diversified product portfolio together with its ability to adjust the company's cost base.

Commenting on the financial performance, Patrick Mathieu, Armacell's President & CEO, said: *"In a complex and challenging environment our business model again proved resilient. With our global reach and multi-segment activity, we ended the year in relatively good shape. We took the appropriate measures to navigate changing circumstances and ensure we come out of the pandemic stronger than before. Our utmost priority was always to safeguard the health of our employees, maintain operations and continuously support our customers."*

Armacell made significant strategic investments to fuel future growth and profitability. Throughout 2020, Armacell sustained a regular supply of leading-edge products, adjusted capacity and technology requirements, launched ArmaGel™ DT for cryogenic and dual-temperature applications, expanded its existing system solutions portfolio and strengthened the company's passive fire protection business.

Expanding the company's global production footprint, Armacell successfully completed the extension of its PET foaming line in Suzhou, China, finalised construction of its new plant for elastomeric foams in Cheonan, South Korea, and consolidated its Italian insulation activities in a new building in Turin.

In the context of the global pandemic, Armacell supported regional relief projects by contributing insulation material to new hospitals in China, Turkey and the USA, as well as materials to make protective face shields in Europe and North America.

“After the successful closure of our capital market refinancing in February 2020, our shareholders PAI Partners and KIRKBI expressed their commitment to our ongoing growth strategy. In 2021, we look forward to partnering with our customers in adding value to their businesses,” added Patrick Mathieu.

Wim Van Acker, CFO of the Armacell Group, commented: *“Despite the market turbulence and the global pandemic which impacted our revenue growth predominantly in H1 2020, we continued to make significant strategic investments into production site upgrades, product portfolio extensions and into innovation while delivering a positive adjusted free cash flow.”*

Armacell is rated B (negative) by Standard & Poor’s and B3 (stable) 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 3,000 employees and 23 production plants in 15 countries, the company operates two main businesses, Advanced Insulation and Engineered Foams, and generated net sales of EUR 591 million and adjusted EBITDA of EUR 120 million in 2020. 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

Media & Investor Contact

Tom Anen
Director Corporate Communications
+352 2484 9828
press@armacell.com