

Press release

Armacell Financial Highlights 2023

- Net sales rose by 3.7% to EUR 836.1 million by the end of 2023
- Adjusted EBITDA at EUR 154.6 million resulted in an adjusted EBITDA margin of 18.5%
- CEO transition well under way

Luxembourg, 22 February 2024 – 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 2023.

In 2023, Armacell realised net sales of EUR 836.1 million, an increase of 3.7% on 2022 (EUR 806.2 million). This performance was driven by higher volumes in the company's key insulation segments, contributions from new products, additional sales from M&A activities, and sales price increases implemented to compensate for higher input costs. Growth was partially offset by weaker demand in the wind market and in residential equipment, to which Armacell only has limited exposure.

Armacell generated an adjusted EBITDA of EUR 154.6 million, which was EUR 33.9 million higher than in 2022 (EUR 120.7 million) and mainly driven by volume growth, additional cost efficiencies, price increases to cover for inflation and M&A. The adjusted EBITDA margin was 18.5% (2022: 15.0%).

Commenting on the financial performance of the Group, Patrick Mathieu, President & CEO, said: *"For Armacell, it was a historically successful year despite geopolitical tensions and high inflation rates in raw materials, energy and our general fixed costs. Our markets continued to be driven by greater energy efficiency awareness, and we did well in our key destination markets."* Regarding the company's financial strength, he added: *"With our reinforced diversification strategy we also confirmed Armacell's resilience in the face of tougher macroeconomic conditions."*

Armacell pursued the consolidation and specialisation of selected manufacturing plants. This footprint optimisation will result in better service and efficiency, while strengthening the industrial flexible elastomeric foams (FEF) centres of excellence in Münster, Germany, and Mebane (North Carolina), USA, as well as a specialised polyethylene (PE) centre of excellence in Sroda Slaska, Poland. Some smaller plants are being consolidated into larger sites or transformed from

manufacturing sites into distribution centres. In addition, the company established a process excellence and corporate services centre in Poland.

In 2023, Armacell again strengthened its passive fire protection and acoustic businesses. With innovation an integral part of Armacell's DNA, recent launches such as ArmaGel® HTF have played a key role in reinforcing the company's industrial insulation offering. District heating, also an increasingly important market, is being served by Armacell Austria and Armacell Serbia, both acquired in 2022. In the U.S., the company established Armacell AIS, a joint venture for manufacturing insulation jackets and operating from Armacell's existing facility in Yukon (Oklahoma).

The CEO transition announced earlier this month is well on track. At the end of March 2024, Patrick Mathieu will be appointed as a Non-Executive Director to the Supervisory Board and step down from his current role. With effect from April 2024, Laurent Musy (Terreal Group) will join Armacell as President and CEO.

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 25 production plants in 19 countries, the company operates two main businesses, Advanced Insulation and Engineered Foams, and generated net sales of EUR 836 million and an adjusted EBITDA of EUR 155 million in 2023. 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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