

Q4'21 AND 2021 INVESTOR AND ANALYST FACTSHEET

KEY FINANCIAL DATA

<i>in millions of euros</i>	Q4'21	Q4'20	Change	2021	2020	Change
Sales	2,500	1,985	+25.9%	9,519	7,884	+20.7%
Prices	+28.9%			+18.6%		
Volumes	-0.5%			+7.3%		
Currency	+3.4%			-1.1%		
Scope	-5.9%			-4.1%		
EBITDA	417	289	+44.3%	1,727	1,182	+46.1%
Specialty Materials ⁽¹⁾	359	261	+37.5%	1,503	1,018	+47.6%
Intermediates	80	42	+90.5%	316	231	+36.8%
Corporate	-22	-14		-92	-67	
EBITDA margin	16.7%	14.6%		18.1%	15.0%	
Specialty Materials	16.5%	15.9%		18.5%	15.8%	
Intermediates	25.6%	12.6%		22.9%	16.2%	
Recurring depreciation and amortization	-144	-145		-543	-563	
Recurring EBIT	273	144	+89.6%	1,184	619	+91.3%
REBIT margin	10.9%	7.3%		12.4%	7.9%	
PPA depreciation and amortization	-17	-14		-68	-57	
Non-recurring items	-92	-46		617	38	
Equity in income of affiliates	-1	-1		-1	-2	
Financial result	-13	-17	-23.5%	-56	-85	-34.1%
Income taxes	-42	-22	+90.9%	-369	-178	+107.3%
Net income - Group share	112	43	+160.5%	1,309	332	+294.3%
Adjusted net income	212	92	+130.4%	896	391	+129.2%
Adjusted EPS (€)	2.86	1.20	+138.3%	11.88	5.11	+132.5%
Recurring capital expenditure	-230	-198	+16.2%	-506	-460	+10.0%
Exceptional capital expenditure	-71	-50	+42.0%	-252	-140	+80.0%
Recurring cash flow ⁽²⁾	222	180	+23.3%	756	762	-0.8%
Free cash flow	108	116	-6.9%	479	651	-26.4%
Net debt incl hybrid bonds				1,177	1,910	

(1) Specialty Materials include the three following segments: Adhesive Solutions, Advanced Materials and Coating Solutions

(2) Recurring cash flow corresponds to the free cash flow before exceptional items. It excludes non-recurring cash flows and exceptional capital expenditure

SIMPLIFIED CASH FLOW

<i>in millions of euros</i>	Q4'21	Q4'20	Change	2021	2020	Change
EBITDA	417	289	+44.3%	1,727	1,182	+46.1%
Current taxes	-56	-35	+60.0%	-233	-121	+92.6%
Cost of debt	-12	-14	-14.3%	-52	-75	-30.7%
Change in working capital and fixed asset payables *	82	130	-	-238	212	-
Recurring capital expenditure	-230	-198	+16.2%	-506	-460	+10.0%
Others	21	8	-	58	24	-
Recurring cash flow	222	180	+23.3%	756	762	-0.8%
Exceptional capital expenditure	-71	-50	+42.0%	-252	-140	+80.0%
Non-recurring items	-43	-14	-	-25	29	-
Free cash flow	108	116	-6.9%	479	651	-26.4%
Impact of portfolio management	23	-136	-	909	6	-
Net cash flow	131	(20)	-	1,388	657	+111.3%

(*) Excluding non-recurring items and impact of portfolio management

PERFORMANCE BY SEGMENT

<i>in millions of euros</i>	Q4'21	Q4'20	Change	2021	2020	Change
Sales	2,500	1,985	+25.9%	9,519	7,884	+20.7%
Specialty Materials	2,179	1,645	+32.5%	8,111	6,434	+26.1%
Adhesive Solutions	580	512	+13.3%	2,278	1,996	+14.1%
Advanced Materials	874	644	+35.7%	3,087	2,527	+22.2%
Coating Solutions	725	489	+48.3%	2,746	1,911	+43.7%
Intermediates	312	334	-6.6%	1,378	1,425	-3.3%
EBITDA	417	289	+44.3%	1,727	1,182	+46.1%
Specialty Materials	359	261	+37.5%	1,503	1,018	+47.6%
Adhesive Solutions	69	69	+0.0%	316	261	+21.1%
Advanced Materials	168	123	+36.6%	662	496	+33.5%
Coating Solutions	122	69	+76.8%	525	261	+101.1%
Intermediates	80	42	+90.5%	316	231	+36.8%
Corporate	-22	-14		-92	-67	
EBITDA margin	16.7%	14.6%		18.1%	15.0%	
Specialty Materials	16.5%	15.9%		18.5%	15.8%	
Adhesive Solutions	11.9%	13.5%		13.9%	13.1%	
Advanced Materials	19.2%	19.1%		21.4%	19.6%	
Coating Solutions	16.8%	14.1%		19.1%	13.7%	
Intermediates	25.6%	12.6%		22.9%	16.2%	
Recurring EBIT	273	144	+89.6%	1,184	619	+91.3%
Specialty Materials	243	148	+64.2%	1,065	585	+82.1%
Adhesive Solutions	51	52	-1.9%	250	198	+26.3%
Advanced Materials	100	57	+75.4%	408	245	+66.5%
Coating Solutions	92	39	+135.9%	407	142	+186.6%
Intermediates	55	12	+358.3%	219	109	+100.9%
Corporate	-25	-16		-100	-75	

SALES BY BUSINESS LINE

<i>in millions of euros</i>	Q4'21	Q4'20	Change	2021	2020	Change
Sales Adhesive Solutions	580	512	+13.3%	2,278	1,996	+14.1%
Construction & Consumer	303	276	+9.8%	1,225	1,075	+14.0%
Industrial Assembly	277	236	+17.4%	1,053	921	+14.3%
Sales Advanced Materials	874	644	+35.7%	3,087	2,527	+22.2%
High Performance Polymers	347	201	+72.6%	1,139	757	+50.5%
Performance Additives	527	443	+19.0%	1,948	1,770	+10.1%
Sales Coating Solutions	725	489	+48.3%	2,746	1,911	+43.7%
Coating Resins ⁽³⁾	521	357	+45.9%	2,005	1,396	+43.6%
Coating Additives ⁽³⁾	204	132	+54.5%	741	515	+43.9%
Sales Intermediates	312	334	-6.6%	1,378	1,425	-3.3%

(3) As of 1 January 2021, a business representing around €50m annual sales has been transferred from Coating Resins Business Line to Coating Additives Business Line. Data for 2020 have not been restated.

SALES DEVELOPMENT

	Q4'21 SALES				2021 SALES			
	Price	Volume	Fx	Scope	Price	Volume	Fx	Scope
Total Group	+28.9%	-0.5%	+3.4%	-5.9%	+18.6%	+7.3%	-1.1%	-4.1%
Specialty Materials	+28.8%	-0.2%	+3.0%	+0.9%	+17.9%	+8.1%	-1.3%	+1.4%
Adhesive Solutions	+11.5%	-3.3%	+2.3%	+2.8%	+5.4%	+5.4%	-0.8%	+4.1%
Advanced Materials	+28.1%	+4.2%	+3.3%	+0.1%	+12.8%	+10.3%	-1.1%	+0.2%
Coating Solutions	+47.7%	-2.9%	+3.5%	-	+37.6%	+8.1%	-2.0%	-
Intermediates	+29.9%	-2.4%	+5.4%	-39.5%	+22.1%	+3.6%	+0.1%	-29.1%

DISCLAIMER

Balance sheet, income statement and cash flow statement data, as well as data relating to the statement of changes in shareholders' equity and information by segment included in this press release are extracted from the consolidated financial statement at 31 December 2021 as approved by Arkema's Board of Directors on 23 February 2022. Quarterly financial information is not audited.

Information by segment is presented in accordance with Arkema's internal reporting system used by management.

Details of the main alternative performance indicators used by the Group are provided in the tables appended to this press release. For the purpose of analyzing its results and defining its targets, the Group also uses EBITDA margin, which corresponds to EBITDA expressed as a percentage of sales, EBITDA equaling recurring operating income (REBIT) plus recurring depreciation and amortization of tangible and intangible assets, as well as REBIT margin, which corresponds to recurring operating income (REBIT) expressed as a percentage of sales.

For the purpose of tracking changes in its results, and particularly its sales figures, the Group analyzes the following effects (unaudited analyses):

- **scope effect:** the impact of changes in the Group's scope of consolidation, which arise from acquisitions and divestments of entire businesses or as a result of the first-time consolidation or deconsolidation of entities. Increases or reductions in capacity are not included in the scope effect;
- **currency effect:** the mechanical impact of consolidating accounts denominated in currencies other than the euro at different exchange rates from one period to another. The currency effect is calculated by applying the foreign exchange rates of the prior period to the figures for the period under review;
- **price effect:** the impact of changes in average selling prices is estimated by comparing the weighted average net unit selling price of a range of related products in the period under review with their weighted average net unit selling price in the prior period, multiplied, in both cases, by the volumes sold in the period under review;
- **volume effect:** the impact of changes in volumes is estimated by comparing the quantities delivered in the period under review with the quantities delivered in the prior period, multiplied, in both cases, by the weighted average net unit selling price in the prior period.

Building on its unique set of expertise in materials science, **Arkema** offers a portfolio of first-class technologies to address ever-growing demand for new and sustainable materials. With the ambition to become in 2024 a pure player in Specialty Materials, the Group is structured into 3 complementary, resilient and highly innovative segments dedicated to Specialty Materials -Adhesive solutions, Advanced Materials, and Coating Solutions- accounting for some 85,5 % of Group sales in 2021, and a well-positioned and competitive Intermediates segment. Arkema offers cutting-edge technological solutions to meet the challenges of, among other things, new energies, access to water, recycling, urbanization and mobility, and fosters a permanent dialogue with all its stakeholders. The Group reported sales of around €9.5 billion in 2021, and operates in some 55 countries with 20,200 employees worldwide.

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