

# FULL YEAR RESULTS 2021

## UMICORE ANNOUNCES ALL-TIME RECORD RESULTS AND CASH FLOWS

***Substantial growth in revenues and earnings driven by strong underlying operational performance in all business groups, further supported by an exceptional precious metal price environment***

Umicore posted all-time record revenues and earnings in 2021, despite the severe disruption in global car production in the second half of the year as a result of the semiconductor shortage. This outstanding achievement reflects a substantial outperformance of the automotive market and high operational efficiency in Catalysis, a sharp demand recovery in key end-markets and higher sales volumes of EV cathode materials in Energy & Surface Technologies as well as a robust operational performance and optimized input mix in Recycling. The exceptional precious metal price environment provided an additional tailwind to this strong underlying growth and operational performance, contributing approximately € 270 million to adjusted EBIT compared to 2020.

Revenues for the full year grew by 22% to € 4.0 billion and adjusted EBIT increased 81% to € 971 million. Excluding the approximate € 270 million precious metal price impact, adjusted EBIT increased 30% to reach approximately € 700 million. Adjusted net profit of the Group and adjusted EPS more than doubled to € 667 million and € 2.77 per share respectively. Cash conversion came in at record levels with adjusted EBITDA growing 56 % to € 1,251 million, net working capital decreasing by € 167 million and capital expenditures stabilizing at € 389 million. Net financial debt was reduced by € 454 million to € 960 million or 0.77 times LTM adjusted EBITDA. Umicore recently signed its inaugural sustainability-linked loan.

A gross annual dividend of € 0.80 per share, of which € 0.25 was already paid out in August 2021, will be proposed at the Annual General Meeting in April.



Revenues in **Catalysis** reached record levels with strong growth across business units. Automotive Catalysts outperformed the global car market. This was enabled by market share gains and a favorable platform mix in the European and Chinese light-duty gasoline markets, particularly strong demand for Umicore's China V heavy-duty diesel catalysts in the first half. Sales volumes of fuel cell catalysts were also well up. This strong operational performance was further supported by efficiency improvements and high PGM prices and resulted in a record adjusted EBIT of € 326 million.



Revenues and earnings in **Energy & Surface Technologies** increased, reflecting higher sales volumes of EV cathode materials in Rechargeable Battery Materials and an extraordinarily strong contribution of the Cobalt & Specialty Materials and – to a lesser extent - Metal Deposition Solutions business units. Adjusted EBIT increased to € 139 million, despite higher fixed costs related to recent and ongoing expansions and higher R&D spending in battery materials.



**Recycling** posted record revenues and earnings, significantly above the previous record levels of 2020, driven by a robust operational performance in the various business units, a strong contribution from the trading activities and an exceptional precious metals price environment.



## Outlook

Umicore expects again a strong underlying performance in 2022 across all of its business groups, despite the cost inflation and provided that geopolitical developments, the pandemic or supply-chain constraints will not result in additional material disruptions to the economy or Umicore's operations. Assuming current metal prices prevail for the remainder of the year, earnings (including the effect of strategic hedging) would still include a significant precious metal price uplift versus 2020, albeit below the € 270 million uplift of 2021.

**Catalysis** is expected to continue to benefit from its strong market position in gasoline catalyst applications in Europe and China as well as from the further ramp-up of its fuel cell activity, despite the limited visibility on automotive demand due to the ongoing semiconductor shortage. Adjusted EBIT is expected to be somewhat below the record levels of 2021 through the absence of tailwinds that benefited the business in the first half of last year, such as the China V effect and peak PGM prices.

In **Energy & Surface Technologies**, Umicore expects to grow sales and earnings in Rechargeable Battery Materials versus 2021. Assuming that the business units Cobalt & Specialty Materials and Metals Deposition Solutions will not repeat the extraordinary performance of 2021, adjusted EBIT of Energy & Surface Technologies is expected to show a slight uplift in 2022 versus 2021.

The **Recycling** business group is expected to continue to benefit from a supportive supply mix as well as robust volumes in Precious Metals Refining. Current precious metal prices are situated well below the peak levels of 2021. However, assuming current precious metal prices were to prevail throughout the year, it is expected that the business group will deliver another strong performance in 2022, albeit not at the record level achieved in 2021.

## KEY FIGURES

Revenues of € 4.0 billion (+22%)

Adjusted EBITDA of € 1,251 million (+56%)

Adjusted EBIT of € 971 million (+81%)

EBIT adjustments of - € 75 million

ROCE of 22.2%  
(compared to 12.1% in 2020)

Adjusted net profit (Group share) of € 667 million  
and adjusted EPS of € 2.77 (+107%)

Cashflow from operations of € 1,405 million  
(vs € 603 million in 2020); free cashflow from operations  
of € 989 million (vs € 167 million in 2020)

Capital expenditures amounted to € 389 million  
(vs € 403 million in 2020)

Net debt at € 960 million, down from € 1,414 million at the  
end of 2020. This corresponds to a Net debt/ LTM adj.  
EBITDA ratio of 0.77.

Proposed gross annual dividend of € 0.80, of which € 0.25  
was already paid out in August 2021.

*Note: All references to revenues in this document refer to revenues excluding metals (i.e. all revenue elements less the value of purchased metals)*



## Reflections of Mathias Miedreich, now 4 months at the helm of Umicore

*“Umicore has a strong embedded purpose and a track record of continuous transformation. The Umicore teams around the world with their very diverse and strong talent base and high expertise levels, are committed to contribute to a more sustainable tomorrow. In our strategic choices we are addressing fundamental global trends such as the transition to cleaner mobility and a circular economy.*

*The complementarity of our activities has proven to be a true competitive edge. In Energy & Surface Technologies and Catalysis we serve the automotive market by enabling electrification on a mass scale and by offering cutting-edge technologies for clean combustion engines. Through our Recycling activities, we close our and our customers’ materials loop and offer a unique sustainable and circular approach that will be ever more important in a world of raw materials scarcity.*

*We have already made significant progress in preparing Umicore for its next chapter of growth and are further strengthening our competitive leadership positions in the different value chains. At the same time, we are developing the strategic directions for Umicore towards 2030. I am looking forward to sharing our ambitions at the upcoming Umicore Capital Markets Day which will take place on 22 June.”*

## Shaping of Umicore’s future strategy and Capital Markets Day to be held on 22 June

Umicore is setting out its strategic roadmap to further build on its leadership positions in clean mobility materials and recycling and its pioneering approach to sustainability, with the overarching goal of creating superior value for its stakeholders and contributing to a more sustainable future for all.

At its Capital Markets Day Umicore’s Management Board will set out:

- Umicore’s views on the growth prospects in its key markets and in particular the expected drive train transitions in the automotive and transport industry;
- Umicore’s ambition and capabilities to fully capture the anticipated exponential growth in demand for Rechargeable Battery Materials to power EVs while delivering sustainable returns;
- The value creation potential over the next decade of Umicore’s Automotive Catalysts activities in a context of declining internal combustions engines volumes;
- The resilience and strong underlying performance of the Umicore businesses, including Precious Metals Refining, in less favorable metal price conditions;
- Umicore’s ambition and plan to capture growth from the next-wave of sustainability-driven markets, such as fuel-cell catalysts and battery recycling;
- Umicore’s initiatives to secure its position as an industry leader in sustainability, technology and operational excellence;
- Update on our ambitious Let’s go for Zero roadmap.

### Investors relations

<https://www.umicore.com/en/investors/>

### Webcast for investors, analysts and media

<https://www.umicore.com/en/investors/info/full-year-results-2021-webcast/>

[www.umicore.com](http://www.umicore.com)

<b>Key figures</b> (in million €)	<b>H2 2020</b>	<b>H2 2021</b>	<b>2020</b>	<b>2021</b>
Turnover	10,743	11,376	20,710	24,054
Revenues (excluding metal)	1,675	1,814	3,239	3,963
Adjusted EBITDA	429	489	804	1,251
Adjusted EBIT	293	346	536	971
of which associates	5	10	8	21
EBIT adjustments	(165)	(36)	(237)	(75)
Total EBIT	129	310	299	896
Adjusted EBIT margin	17.2%	18.5%	16.3%	24.0%
Effective adjusted tax rate	24.2%	19.5%	24.2%	23.1%
Adjusted net profit, Group share	174	240	322	667
Net profit, Group share	40	219	131	619
R&D expenditure	116	127	223	245
Capital expenditure	251	223	403	389
Net cash flow before financing	10	198	99	787
Total assets, end of period	8,341	9,045	8,341	9,045
Group shareholders' equity, end of period	2,557	3,113	2,557	3,113
Consolidated net financial debt, end of period	1,414	960	1,414	960
Gearing ratio, end of period	35.0%	23.3%	35.0%	23.3%
Net debt / LTM adj. EBITDA	1.76x	0.77x	1.76x	0.77x
Capital employed, end of period	4,457	4,377	4,457	4,377
Capital employed, average	4,455	4,364	4,451	4,384
Return on capital employed (ROCE)	13.2%	15.9%	12.1%	22.2%
Workforce, end of period (fully consolidated)	10,859	11,050	10,859	11,050
Workforce, end of period (associates)	2,460	2,589	2,460	2,589
Accident frequency rate	3.63	3.95	2.52	3.70
Accident severity rate	0.85	0.12	0.47	0.12

## Key figures per share

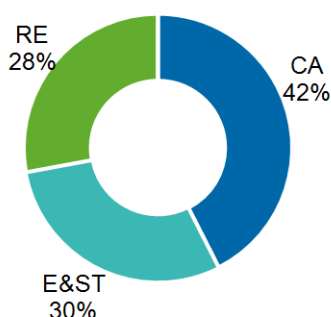
(in € / share)

	H2 2020	H2 2021	2020	2021
Total number of issued shares, end of period	246,400,000	246,400,000	246,400,000	246,400,000
of which shares outstanding	240,666,315	241,199,005	240,666,315	241,199,005
of which treasury shares	5,733,685	5,200,995	5,733,685	5,200,995
Average number of shares outstanding				
basic	240,611,676	241,050,476	240,589,550	240,868,119
diluted	241,795,201	242,162,530	241,773,075	241,980,163
Basic adjusted EPS	0.72	0.99	1.34	2.77
Basic EPS	0.16	0.91	0.54	2.57
Diluted EPS	0.16	0.90	0.54	2.56
Dividend payout*	0.25	0.25	0.25	0.75
Net cash flow before financing, basic	0.04	0.82	0.41	3.27
Total assets, end of period	34.66	37.50	34.66	37.50
Group shareholders' equity, end of period	10.63	12.91	10.63	12.91

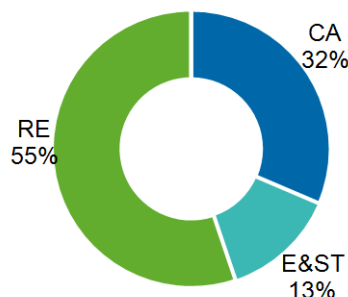
\*On 30 April 2020 the ordinary shareholders' meeting approved to reduce the dividend for 2019 to € 0.375 per share, which corresponded to the amount of the interim dividend for 2019 which had been already paid out in the second half of 2019. Therefore, there was no dividend payout in the first half of 2020. The Supervisory Board proposed a gross annual dividend for the financial year 2020 of € 0.75 per share at the Annual General Meeting on 29 April 2021. Taking into account the interim dividend of € 0.25 per share paid out on 25 August 2020, a gross amount of € 0.50 per share was paid out on 5 May 2021 after shareholder approval. Taking into account the interim dividend of € 0.25 per share paid out on 24 August 2021 and subject to shareholder approval, a gross amount of € 0.55 per share will be paid out on 4 May 2022.

## Segment split

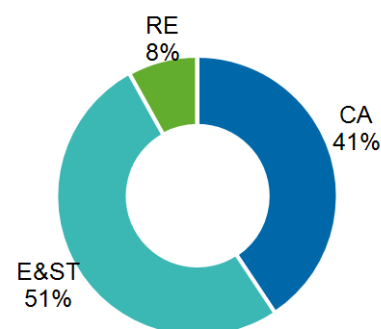
**Revenues**  
(excluding metal)



**EBIT**  
(adjusted)



**Capital employed**  
(average)



CA = Catalysis, E&ST = Energy & Surface Technologies, RE = Recycling  
Corporate not included

## Strong operational business performance improvement and significant precious metal price effects

Strong operational performance drove approximately a € 160 million year-on-year increase in adjusted EBIT. This corresponds to some 30% adjusted EBIT growth compared to the 2020 adjusted EBIT of € 536 million and reflects a significant and sustainable performance uplift, growing adjusted EBIT over-proportionally to the underlying revenues and thus improving EBIT margin.

On top of this, it is estimated that the year-on-year price impact of the exceptional precious metal price context on Umicore's 2021 adjusted EBIT amounted to approximately € 270 million, including the effect of strategic hedges and the price benefit on higher volumes. More than 75% of this tailwind was in Recycling and was linked to the higher rhodium price.

PGM prices, in particular rhodium and palladium, increased substantially since 2019, reflecting a tighter market, driven by growing demand from the automotive industry as a result of more stringent emission norms. Both metals reached their historical peak price in the first half of 2021, followed by a price correction in the second half of 2021 due to the impact of the semiconductor shortage on global car production which in turn impacted PGM demand for automotive catalysts. Despite ending the year below the price levels at the start of 2021, the average prices for these metals for the full year 2021 remained well above the average price levels of 2020. Other precious metal prices such as gold and silver equally traded at prices well above historic averages in 2021.

Due to significant existing strategic hedges, Umicore was less exposed to the fluctuation in the gold and palladium price. It was, however, fully exposed to the fluctuation in the rhodium price. We refer to the financial review section for more details on Umicore's current strategic metal hedges.

## Catalysis

### Catalysis key figures

(in million €)	H2 2020	H2 2021	2020	2021
Total turnover	3,529	3,868	5,917	8,155
Total revenues (excluding metal)	794	780	1,364	1,687
Adjusted EBITDA	173	160	234	402
Adjusted EBIT	132	122	154	326
Total EBIT	130	103	96	308
Adjusted EBIT margin	16.7%	15.7%	11.3%	19.3%
R&D expenditure	67	69	139	142
Capital expenditure	31	45	64	70
Capital employed, end of period	1,727	1,551	1,727	1,551
Capital employed, average	1,644	1,699	1,596	1,743
Return on capital employed (ROCE)	16.1%	14.4%	9.6%	18.7%
Workforce, end of period (fully consolidated)	3,073	3,007	3,073	3,007

### Overview 2021 performance

The **Catalysis** business group delivered a record performance in 2021, posting an increase in **revenues** of 24% to reach € 1,687 million and with strong growth across business units. **Automotive Catalysts** outperformed the global car market, which was severely impacted by the semiconductor shortage and contracted by 1.7% year on year for ICE (internal combustion engine) vehicles, including HEV/PHEVs. This outstanding performance was driven by further market share gains and a favorable platform mix in light-duty gasoline applications in Europe and China as well as strong demand for China V heavy-duty diesel catalyst technologies in the first half of 2021 - ahead of the nationwide adoption of China VI. The business group also benefited from a substantial increase in sales volumes in the **Fuel Cell Catalysts** activity, reflecting a successful expansion of its customer portfolio in China, as well as higher revenues in the **Precious Metals Chemistry** business unit.

**Adjusted EBIT and adjusted EBITDA**, which amounted to € 326 million and € 402 million respectively, also reached record levels, reflecting a strong operating leverage effect from the combination of substantially higher revenues with structural cost reductions resulting from production footprint adjustments as well as strict manufacturing and SG&A cost management. The favorable PGM metal price environment provided an additional uplift in earnings. This record performance was particularly driven by a strong first half of the year, as the release of pent-up demand, high plant productivity, the strong demand for China V heavy-duty diesel technologies and record PGM prices converged into peak margins. Margins in the second half normalized well above historic levels on the back of lower volumes due to the semiconductor shortage, some cost inflation towards the end of the year and lower PGM prices.

### Outlook 2022

Visibility on automotive demand remains limited today considering the ongoing disruptions caused by the global semiconductor shortage, which are expected to further hamper car production well into 2022. Notwithstanding this limited visibility, Catalysis is expected to continue to benefit from its strong market position in gasoline catalyst applications in Europe and China as well as the further ramp-up of its fuel cell activity. Adjusted EBIT is expected to be somewhat below the record levels of 2021 due to higher costs and in the absence of tailwinds that benefited the business in the first half of last year, such as the China V effect and peak PGM prices.

## 2021 Business Review

The year 2021 turned out to be another challenging year for the automotive industry, after an already difficult 2020 in which global car production was profoundly impacted by the COVID-19 pandemic. While the start of 2021 showed promising signs for a recovery of the automotive industry, with a 27% year-on-year increase in the first half of 2021, car production plummeted in the second half as a result of a severe shortage in semiconductors supply, which caused car OEMs to reduce production or even completely stop assembly lines. As a result of this downfall in the second half, global ICE car production for the full year 2021 contracted by 1.7%.

Against this challenging backdrop, Umicore's **Automotive Catalysts** delivered record results, outperforming the global ICE car market both in volumes and revenues (+18.5% year on year). This growth, although more weighted in the first half as a result of the specific market context, reflected a favorable platform mix and market share gains in light-duty gasoline technologies, particularly in Europe and China, as well as strong demand for Umicore's China V compliant catalysts for heavy-duty diesel applications. The increase in adjusted EBIT was even more pronounced, supported by cost savings resulting from previously implemented footprint adjustments and operational excellence initiatives in manufacturing and SG&A. Umicore's light-duty and heavy-duty catalyst production capacity expansions in China were successfully commissioned and start of production is expected in Q1 2022.

### Light-duty vehicles

The light-duty vehicle segment represented 81% of Automotive Catalysts' revenues in 2021, of which 78% for gasoline technologies.

The Chinese ICE car market, which represented 28% of Umicore's global light-duty catalyst volumes, decreased by -5.4% over the full year, reflecting a profound impact of the semiconductor supply shortage in the second half of the year. While Umicore's sales volumes were not immune to this downward trend in the second half, it outperformed the Chinese market for the full year both in volumes and revenues (+13.2%), benefitting from its favorable customer and platform exposure.

In Europe, which represented 30% of Umicore's light-duty catalyst volumes, Umicore substantially outperformed ICE car production, which declined by -5.9% over the year, both in volumes and revenues (+16%). This performance was driven by further market share gains in the gasoline segment and confirms Umicore's strong position in gasoline catalyst technologies.

Umicore also outperformed both the North American and South American car markets, which combined represent 25% of Umicore's light-duty catalyst volumes, reflecting a favorable platform mix in both regions.

In Asia, Umicore benefited in particular from the ramp-up of new platforms in India, Japan and Korea and outperformed the car market both in volumes and revenues.

### Heavy-duty diesel vehicles

The heavy-duty diesel segment represented 19% of the business unit's revenues in 2021.

Umicore's heavy-duty diesel catalyst activity has been growing steadily in the past years and the business unit established a strong position, particularly in the Chinese and European heavy-duty diesel markets with each region representing respectively 58% and 30% of Umicore's global heavy-duty sales volumes. In Europe, Umicore's revenues (+31.9%) strongly outperformed the market (+15.2%), reflecting the ramp-up of new platforms. In China, Umicore benefited in particular from strong demand for its China V catalyst technologies in the first half, ahead of the nationwide implementation of China VI emission norms. Umicore's revenues (+33.6%) therefore significantly outperformed the Chinese HDD market (-17%).

The supply chain constraints caused by semiconductor shortage also affected the heavy-duty diesel market in the second half of the year, in particular in Europe. In China, its impact was less material as heavy-duty diesel production in the region declined significantly after the strong China V buying in the first half.



The transfer of Umicore's heavy-duty diesel catalyst activity in Frederikssund, Denmark to the expanding high-efficiency plant in Tianjin, China, announced earlier, has been completed. This footprint adjustment will allow Umicore to leverage scale-effects in its state-of-the-art Tianjin plant and contribute to a lower fixed costs base for the heavy-duty diesel business going forward.

Revenues for **Precious Metals Chemistry** were well up year on year driven by peak demand levels for homogenous catalysts from the high-end pharmaceutical and fine chemicals industries as a result of strong post-COVID-19 recovery. Following the severe downturn in the automotive industry in 2020, demand for inorganic chemicals also benefited from a strong recovery at the start of the year while the impact of the global semiconductor shortage on car production dampened second half volumes

Revenues for **Fuel Cells & Stationary Catalysts** were also strongly up compared to 2020, driven by high growth in the fuel cell catalyst business, while revenues in stationary catalysts remained stable. Volumes in 2021 for proton-exchange-membrane (PEM) fuel cell catalysts used in hydrogen powered transportation almost doubled compared to 2020, positioning Umicore now at 40% global market share in the mobility segment. This is a result of strong demand from both existing customers in Korea and China and market share gains in China, where Umicore contracted several new customers throughout the year. This positive development fuels a growing contribution of the Fuel Cell Catalyst segment to the business group's earnings. In stationary catalysts, demand from the power, refinery and chemicals end-markets is project-driven in nature and felt in 2021 the repercussions of project postponements in the COVID-19 context. The last months of the year showed early signs of recovery with order book levels gradually increasing.

## Energy & Surface Technologies

<b>Energy &amp; Surface Technologies key figures</b> (in million €)	<b>H2 2020</b>	<b>H2 2021</b>	<b>2020</b>	<b>2021</b>
Total turnover	1,351	1,825	2,811	3,534
Total revenues (excluding metal)	488	580	1,045	1,174
Adjusted EBITDA	76	125	186	262
Adjusted EBIT	21	61	75	139
of which associates	3	4	5	8
Total EBIT	(79)	62	(36)	141
Adjusted EBIT margin	3.8%	10.0%	6.7%	11.2%
R&D expenditure	35	37	58	64
Capital expenditure	170	114	252	219
Capital employed, end of period	2,133	2,275	2,133	2,275
Capital employed, average	2,161	2,233	2,209	2,198
Return on capital employed (ROCE)	2.0%	5.5%	3.4%	6.3%
Workforce, end of period (fully consolidated)	3,761	3,836	3,761	3,836
Workforce, end of period (associates)	727	792	727	792

### Overview 2021 performance

**Revenues** in Energy & Surface Technologies amounted to € 1,174 million in 2021, up 12% compared to the previous year, with all business units contributing to that growth. In **Rechargeable Battery Materials**, sales volumes of cathode materials for EVs were well up, particularly in the first half of the year, with high demand for Umicore's NMC cathode materials for the European EV market. Revenues in **Cobalt & Specialty Materials** and **Metals Deposition Solutions** increased substantially, boosted by a sharp post-COVID-19 recovery in demand in key end-markets as well as a supportive price environment. Revenues in **Electro-Optic Materials** benefited from a recovery in demand and new customer wins.

**Adjusted EBIT and adjusted EBITDA** in Energy & Surface Technologies were up 85% and 41% respectively, reaching € 139 million and € 262 million respectively. This significant increase in earnings was primarily driven by an extraordinary contribution from the **Cobalt & Specialty Materials** business unit.

### Outlook 2022

As announced in December, Umicore expects to continue to grow its EV cathode material sales volumes in 2022, albeit below the anticipated global market growth. Through its current customer portfolio, Umicore is exposed to mid-nickel platforms which are being replaced, much faster than initially anticipated, by high-nickel platforms. Accordingly, customers are scaling back demand projections for mid-nickel cathode material applications. Umicore is actively diversifying its customer- and platform exposure and is currently in advanced qualifications with its high-nickel cathode material technology with various cell and car customers. Upon successful qualification, production for those applications is expected to ramp-up to significant volumes in the course of the second half of 2023. The expected resulting broader and more diversified revenue base should better absorb future individual platform demand fluctuations.

Umicore expects to grow sales and earnings in **Rechargeable Battery Materials** versus 2021. Assuming that the business units **Cobalt & Specialty Materials** and **Metals Deposition Solutions** will not repeat the extraordinary performance of 2021, adjusted EBIT of **Energy & Surface Technologies** is expected to show a slight uplift in 2022 versus 2021.

## 2021 Business Review

Revenues in **Rechargeable Battery Materials** were up year on year reflecting primarily higher sales volumes of EV NMC cathode materials. This increase was driven by strong demand from the European market, particularly in the first half of the year, whereas in China, Umicore's NMC volumes reflected an unfavorable customer and platform mix. Shipments of NMC cathode materials used in energy storage benefited from a pick-up in demand in Korea, while sales volumes of high energy LCO cathode materials used in portable electronics were below the level of previous year.

Despite the adverse impact of the semiconductor supply shortage on the automotive industry, global sales of EVs in 2021 more than doubled versus 2020, while demand for EV NMC materials increased 74% year on year. Growth of Umicore's sales volumes did, however, not match the global growth in NMC battery materials. After a strong first half, growth of Umicore's sales volumes slowed down in the second half, affected by production schedule adjustments of qualified platforms and an unfavorable customer and platform mix in China.

Over the course of 2021, Umicore successfully entered into advanced customer qualifications for new high-nickel EV platforms in Europe and China with different battery manufacturers and car OEMs. It is currently expected that upon successful qualifications, the first sizable portion of these platforms will start commercial production in the course of the second half of 2023.

EV sales in Europe increased substantially compared to the previous year, supported by stringent CO2 targets and subsidy schemes in most European countries. Umicore's sales of NMC cathode material grew in line with the market demand for battery materials, which was up by 48%, reflecting its strong position in the region. Umicore is currently serving the European EV market out of its Korean plant awaiting the start of commercial production at its greenfield plant in Nysa, Poland. This greenfield plant was successfully commissioned in 2021 and the qualification, of its flexible production lines with high- and mid-nickel capabilities, are ongoing with start of production foreseen mid-2022. Based on the growing demand from its customers in Europe, and as announced previously, Umicore is further expanding the greenfield plant in Nysa with additional production lines, which are set to come on stream by the end of 2023. This project is well on track and the engineering phase of these additional high-nickel technology lines has started. Upon finalization of this expansion, the Nysa plant will have a total production capacity of 20 GWh.

Sales of EVs in China recorded significant growth in 2021. While the semiconductor supply constraints weighed on overall vehicle production, car manufacturers in the region prioritized EV production where possible to meet the Chinese New Energy Vehicle (NEV) credit targets. The growth in China was primarily driven by a substantial increase in sales of short-range LFP-based vehicles, while demand for NMC battery materials increased to a much more modest extent. Umicore's volume growth did not match demand growth due to an unfavorable platform and customer mix. As a result, production in Umicore's Chinese plant remained below capacity.

Umicore and Volkswagen AG announced in December their intention to create a joint venture for the production of precursor and cathode materials in Europe to supply Volkswagen AG's European battery cell production. This partnership, which will be the first of its kind in Europe, is anticipated to start with an initial annual production of 20 GWh in 2025 for supply to Volkswagen AG's plant in Salzgitter, Germany, and has the ambition to grow to an annual production capacity of up to 160 GWh by the end of the decade. It will provide Umicore with secured access to an important part of the European demand for EV cathode materials and provide Volkswagen AG access to Umicore's advanced precursor and cathode materials, proven production capabilities and upstream expertise. The partnership is expected to unlock significant economies of scale and will allow to share investment requirements between its partners while protecting critical IP and know-how for Umicore. In the context of the joint venture, Umicore and Volkswagen AG will furthermore collaborate on the sustainable and responsible sourcing of raw materials, which is a strong area of expertise of Umicore. Both parties aim to include at a later stage, battery recycling and elements of refining into the scope of the JV. The planned JV is subject to final agreements and customary conditions, including regulatory approvals.

Revenues for **Cobalt & Specialty Materials** were well up compared to the previous year, reflecting a sharp recovery of customer demand in key end markets, after the particularly severe impact of COVID-19 on its 2020 activity levels. Earnings further benefited from the context of increasing cobalt and nickel prices.

Revenues from the cobalt and nickel chemicals and related distribution activities increased substantially driven by significantly higher volumes at favorable conditions. Order levels for cobalt and nickel chemicals were well up in the first half of 2021, reflecting a sharp post-COVID-19 recovery in demand and related customer restocking behavior. Demand remained at an exceptionally high level in the second half of the year, with increasing cobalt and nickel prices triggering additional inventory build-up.

Revenues from the tool materials activity were also well up driven by a recovery in demand from the construction sector resulting in high order levels for alloyed powders. Revenues from carboxylates increased compared to an already robust 2020, reflecting solid demand from the coating and paint industries as well as higher order levels for naphthenic acid.

Revenues for **Metal Deposition Solutions** were well up compared to the previous year, driven by higher revenues in both the electroplating and thin film product activities. Order levels of decorative applications for the jewelry sector and platinized applications for industrial use benefited from customer restocking after the COVID-19-related slowdown in demand in 2020. Revenues from base metal finishing applications were also higher driven by the successful launch of a new connector application which allowed the business unit to further extend its customer portfolio. Finally, sales in micro-electronics and optics were also up, benefiting from a strong recovery in demand for electronics in the semiconductor industry.

Revenues for **Electro-Optic Materials** were up year on year. The business unit saw a clear recovery in demand for high purity chemicals used in optical fibers with the pick-up of 5G projects worldwide. Volume growth in germanium substrates also accelerated, mainly in the second half of the year, driven by strong demand from the space industry for both traditional geo-satellites and low earth orbit constellations. Through new customers wins, Umicore continued to expand its germanium recycling solutions. Moreover within infrared solutions, new business wins in Europe and North America in the security and surveillance segment compensated for the normalization of demand in 2021 for infrared cameras, which recorded a COVID-19 related spike in the previous year.

## Recycling

### Recycling key figures

(in million €)	H2 2020	H2 2021	2020	2021
Total turnover	6,914	7,114	13,904	15,609
Total revenues (excluding metal)	396	457	836	1,108
Adjusted EBITDA	202	236	425	640
Adjusted EBIT	171	202	362	573
Total EBIT	121	194	311	529
Adjusted EBIT margin	43.1%	44.3%	43.3%	51.7%
R&D expenditure	4	6	10	13
Capital expenditure	44	53	72	83
Capital employed, end of period	447	461	447	461
Capital employed, average	513	349	502	345
Return on capital employed (ROCE)	66.6%	116.0%	72.0%	165.9%
Workforce, end of period (fully consolidated)	2,769	2,867	2,769	2,867

### Overview 2021 performance

The **Recycling** business group set another all-time record performance in 2021, significantly above the previous record result achieved in 2020. Revenues reached € 1,108 million and adjusted EBIT amounted to € 573 million, representing an increase of 33% and 58% respectively compared to 2020. Adjusted EBITDA amounted to € 640 million, representing an increase of 51%. This exceptional performance was driven by a continued strong operational performance and high activity levels in the various business units, a strong contribution from the trading activities and an exceptionally strong precious metals price environment with peaking PGM prices in the first half. The Precious Metals Refining business unit took full advantage of this exceptional metal price environment by leveraging its unique recycling technology to optimize its intake of complex PGM-rich input materials.

### Outlook

The **Recycling** business group is expected to continue to benefit from a supportive supply mix as well as robust volumes in Precious Metals Refining which, taking into account the impact of the scheduled maintenance shutdown in the second half of the year, are expected to be roughly in line with the high levels reached in 2021. Current precious metal prices are situated well below the peak levels of 2021. However, assuming current precious metal prices were to prevail throughout the year, it is expected that the business group will deliver another strong performance in 2022, albeit not at the record level achieved in 2021.

### 2021 Business Review

Revenues and earnings for **Precious Metals Refining** increased significantly compared to the previous year reflecting an exceptional precious metals price environment and in particular for PGMs in the first half of the year, as well as an excellent supply environment and robust operations with high processed volumes. The business unit took full benefit from the extraordinary market environment by actively leveraging its unique recycling technology to maximize intake of highly complex PGM materials, which resulted in an absolute record year in terms of revenues and earnings.

Supply of industrial by-products and end-of-life materials remained strong and Umicore managed to maintain total processed volumes in line with the high levels of 2020, despite the challenges induced by COVID-19-induced quarantine rules. The Hoboken plant benefited from previously implemented innovations and debottlenecking investments in its PGM refinery which allowed to maximize input of highly complex PGM materials, such as spent automotive catalysts and industrial catalysts. The regular maintenance shutdown in the second half of the year was completed as scheduled and operations restarted smoothly.

### Update on environmental investments

Umicore continues to invest and takes measures to further reduce the emissions of the Hoboken plant and the impact of its operations on the environment. Over the past decades, this commitment has considerably improved environmental performance and as a result, the levels of lead in the blood of the children living close to the plant decreased steadily. There had been an unexpected rise of lead in blood levels in July 2020, due to exceptional drought and unusually strong winds in combination with children spending more time at home due to the COVID-19 lockdown. Umicore has since taken various additional measures to prevent dust from spreading into the environment and as a result of this, the lead in blood values resumed their decline of previous years. The most recent monitoring reading of November 2021 came again very close to the lowest average level to date of 2019.

Additionally, in consultation with the authorities, Umicore has made a voluntary offer to the residents of an area closest to the plant to buy their houses in view of transforming this area into a 5 hectares closed green zone, increasing the distance between the site and the residential area. So far, as part of this offer close to 200 houses have been purchased. This green zone will be complemented by an adjacent green zone of 1 hectare on the site's premises.

Umicore is convinced, that altogether these measures will allow for a long-term sustainable co-existence of the site and its neighbors.

Revenues for **Jewelry & Industrial Metals** were well up compared to the previous year, driven by a strong performance across product lines. Revenues for platinum engineered materials increased substantially reflecting a recovery in demand for high-quality and high-grade glass applications as well as market share gains in performance catalysts following a successful expansion of its customer portfolio. Demand for precious metal-based investment products remained high, in particular for silver coins and gold bars which are seen as safe haven investments in a context of the economic and geopolitical uncertainty. Sales volumes of jewelry products also increased, driven by a strong recovery in demand from the luxury sector following the pandemic-related slowdown in 2020. The performance of the business unit was further supported by a strong contribution of the refining activities which benefited from the favorable precious metal price environment.

The earnings contribution from **Precious Metals Management** remained broadly in line with the exceptionally strong performance in 2020. This outstanding performance was supported by continued strong demand for gold and silver from the industry and investment end-markets as well as very favorable trading conditions as a result of the high precious metals price volatility.

## Corporate

### Corporate key figures

(in million €)	H2 2020	H2 2021	2020	2021
Adjusted EBITDA	(23)	(32)	(40)	(52)
Adjusted EBIT	(31)	(40)	(54)	(67)
of which associates	2	7	3	13
Total EBIT	(43)	(49)	(72)	(81)
R&D expenditure	9	14	16	27
Capital expenditure	6	10	16	17
Capital employed, end of period	149	89	149	89
Capital employed, average	137	83	144	98
Workforce, end of period (fully consolidated)	1,256	1,340	1,256	1,340
Workforce, end of period (associates)	1,733	1,797	1,733	1,797

### Corporate Review

In 2021, corporate costs increased, partly offset by a higher contribution from associates.

The increase in corporate costs results amongst others from higher R&D and innovation initiatives linked to Umicore's mid- to long-term technology roadmap and additional digitalization initiatives with related information system costs. Corporate costs are expected to continue to increase above inflation in 2022 as Umicore is committed to its longer-term innovation and digitalization and is preparing its systems and organization to accommodate for future expansion.

The contribution from **Element Six Abrasives** to Umicore's adjusted EBIT was strongly up compared to previous year's COVID-19-hit net earnings. This reflects the combination of substantially higher revenues with cost savings and efficiency gains across activities. Sales of carbide-based materials exceeded the already significant order levels recorded in 2020 driven by continued solid demand from the mining, agricultural and road paving end-markets. Revenues from oil & gas drilling equipment were also well up reflecting the gradual recovery of the global drilling industry after its abrupt standstill in 2020 and the related rebuilding of stocks by customers, while precision tooling products benefited from a recovery in demand from the automotive industry.

### Research & development

R&D expenditures in fully consolidated companies amounted to € 245 million, 10% higher than the € 223 million in the same period last year. The increase results from higher R&D costs related to new product and process technologies in Rechargeable Battery Materials and Fuel Cell Catalysts, increased effort on battery recycling and advanced technology development related to decarbonization and emission reduction programs to meet our ambitious sustainability programs. In addition, Umicore also increased its efforts in its corporate mid- to long-term technology development and open innovation collaboration programs.

The R&D spend represented 6% of Umicore's 2021 revenues and capitalized development costs accounted for € 28 million of the total amount.

## People

Umicore places great emphasis on maintaining and promoting the health of its employees. In light of the ongoing COVID-19 pandemic, strict health and safety precautionary measures remain implemented at all Umicore sites.

When it comes to safety, Umicore is committed to ensuring the highest level of occupational safety in all its facilities, with an ambition to achieve zero work related injuries. The performance in 2021 was unsatisfactory with 73 lost time accidents compared to 49 in 2020. The frequency rate was 3.70 (2.52 in 2020) and the severity rate was 0.12 (0.47 in 2020). Over the course of the year, Umicore continued with the roll-out of its programs aimed at creating a more prominent safety culture with a focus on growing the safety mindset and lowering the risk tolerance level. The Group is also further reinforcing processes and safety standards, in particular in those business units and sites where the safety performance was unsatisfactory.

The number of employees in the fully consolidated companies rose to 11,050 at the end of 2021 from 10,859 at the end of 2020. This most significant increase relates to the further development of the cathode materials production site in Poland.



## Financial review

### Financial result and taxation

Adjusted net financial charges totaled € 100 million, compared to € 104 million in the same period last year with lower foreign exchange related costs more than offsetting somewhat higher net interest charges. The latter takes into account the issuance of a convertible bond in June 2020 which in 2021 carried a full year of interest. When excluding these non-cash interest charges on the convertible bond, cash net interest charges for the Group decreased.

The adjusted tax charge for the period amounted to € 196 million, up compared to € 103 million last year as a result of the substantial year-on-year increase in taxable profit combined with a slightly lower adjusted effective group tax rate (23.1% versus 24.2% in the same period last year). Taking into account the tax effects on adjustments, the net tax charge for the Group amounted to € 179 million. The total tax paid in cash over the period amounted to € 175 million and was also well up from € 79 million last year.

### Cashflows and financial debt

Cashflow generated from operations including changes in net working capital more than doubled to a record level of € 1,405 million, compared to € 603 million last year. After deducting € 416 million of capital expenditures and capitalized development expenses, the resulting free cash flow from operations was € 989 million, compared to € 167 million in the same period last year.

Adjusted EBITDA was € 1,251 million, up 56 % compared to € 804 million generated in 2020. This corresponds to a record adjusted EBITDA margin of 31.0 % for the Group, substantially up versus 24.6 % in the same period last year, driven by higher margins across Business Groups, particularly in Recycling and Catalysis. Some 60 % of adjusted EBITDA was generated in the first half, reflecting in particular the lower PGM prices and global car sales in the second half versus the first half.

Net working capital for the Group decreased by € 167 million since the end of 2020. This is a further reduction of € 137 million compared to end of June 2021 which benefited from some temporary cut-off effects. Working capital came down in all Business Groups, but most so in Catalysis where it reflects lower precious metal prices and softer volumes in the second half. At current metal prices, working capital in 2022 is expected to increase from the levels of end of 2021.

Capital expenditures totaled € 389 million, compared with € 403 million the previous year, and € 166 million spent in the first half. Energy & Surface Technologies accounted for close to 60 % of Group capex, driven by Rechargeable Battery Materials' European expansion investments. This implies a temporary slow-down in Energy & Surface Technologies' capex compared to 2020 but is expected to result in some capex spill-over effect into 2022. In Catalysis and Recycling, capex only slightly increased compared to the low spending levels of 2020. In Catalysis, Automotive Catalysts continued to focus on production footprint optimization investments and targeted capacity expansions. In Recycling, the capex increase was earmarked for environmental and safety-related investments in Precious Metals Refining. Capitalized development expenses amounted to € 28 million, slightly down versus 2020. Umicore's accelerated growth investments in Rechargeable Battery Materials including the above mentioned spill-over effect, are expected to result in higher Group capex in 2022 versus previous year.

Dividend payments over the period amounted to € 181 million while the net cash outflow related to the exercise of stock options and the purchase of treasury shares to cover stock option plans and share grants amounted to € 22 million. The acquisition of the remaining 8.8 % minority shares in the listed subsidiary Allgemeine Gold- und Silberscheideanstalt AG and its subsequent delisting resulted in a cash out of € 54 million in the second half.

The 2021 record free cash flow drove a reduction in net financial debt from € 1,414 million at the end of 2020 to € 960 million at 31 December 2021, corresponding to 0.77 LTM adjusted EBITDA. Equity of the Group was € 3,167 million, corresponding to a net gearing ratio (net debt / net debt + equity) of 23.3%.

## Adjustments

Adjustments had a negative impact of - € 75 million on EBIT of which - € 39 million was already accounted for in the first half. Environmental-related provisions took up € 58 million of this total with additional provisions for the creation of a green zone neighboring the Hoboken plant accounting for the bulk. This reflects the success of the voluntary offer to purchase neighboring houses. The creation of the green zone is a key building block of the site's plan to further reduce the impact on its neighbors. Taking into account the use of the provision over the period, the total provision for the creation of the green zone at December 31 amounted to € 44 million.

EBIT adjustments also include € 34 million of restructuring charges of which € 23 million have been accounted for in the second half and are mainly related to a decision to stop a development program in Precious Metals Chemistry linked to the semiconductor industry.

Impairment charges took up € 18 million of the total EBIT adjustments and were close to entirely accounted for in the first half and were mostly linked to the closure of Automotive Catalysts' heavy-duty diesel operations in Frederikssund, Denmark as well as the impairment of certain related IP.

A positive EBIT adjustment of € 40 million was recognized related to a tax credit in Brazil resulting from a landmark ruling by the Brazilian Supreme Court in May of this year covering multiple years.

Including positive adjustments to financial and tax items of € 9 million and € 17 million respectively, the total adjustments to net group earnings over the period corresponded to - € 49 million.

## Hedging

Umicore entered into forward contracts to cover part of its expected structural price exposure to certain precious metals for 2022, 2023 and 2024. For 2022, based on the respective currently expected exposures, the following lock-ins have been secured: close to two thirds for palladium, more than half for gold, somewhat less than half for silver and close to one third for platinum and rhodium. For 2023, the expected lock-in ratios are: close to a third for gold, silver and palladium and a minor portion for platinum and rhodium. For 2024, only a minor portion was locked-in for the expected gold, silver and palladium exposures.

Next to strategic metal hedges, the Group typically manages a portion of its forward energy price risks by entering into energy hedges. Currently, Umicore has hedges in place that cover a minority portion of its expected European electricity, natural gas and fuel needs for 2022 and following years. These hedges particularly cover future energy needs in Belgium, Finland and Poland. While these contracts are expected to mitigate a portion of the energy price inflation effect on next year's earnings, Umicore remains largely exposed to energy market price fluctuations. Hence it expects, based on the current market price outlook, a material energy cost headwind effect in 2022, particularly for its Belgian operations.

## Dividend and shares

The Supervisory Board will propose a gross annual dividend of € 0.80 per share at the Annual General Meeting on 28 April 2022. This compares to a full dividend of € 0.75 per share paid out for the financial year 2020. Taking into account the interim dividend of € 0.25 per share paid out on 24 August 2021 and subject to shareholder approval, a gross amount of € 0.55 per share will be paid out on 4 May 2022.

During the year Umicore used 1,692,190 of its treasury shares in the context of the exercise of stock options and 110,500 for shares granted. In the course of 2021, Umicore bought back 1,270,000 own shares. On 31 December 2021, Umicore owned 5,200,995 of its own shares representing 2.11% of the total number of shares issued as at that date.

## Statutory auditor's note on the consolidated financial information for the year ended on 31 December 2021

The statutory auditor, EY Bedrijfsrevisoren BV, represented by Marnix Van Dooren and Eef Naessens, has confirmed that the audit, which is substantially complete, has to date not revealed any material misstatement in the consolidated income statement, the consolidated statement of comprehensive income, the consolidated balance sheet, the consolidated statement of changes in equity or the consolidated statement of cash flow as included in this press release.

Brussels, 15 February 2022

### Management responsibility statement

I hereby certify that, to the best of my knowledge, the Consolidated Financial Information of 2021 prepared in accordance with International Financial Reporting Standards, as adopted by the European Union, and with the legal requirements applicable in Belgium, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and the undertakings included in the consolidation. The commentary on the overall performance of the Group from page 1 to 19 includes a fair review of the development and performance of the business and the position of the Group and its undertakings included in the consolidation.

Brussels, 15 February 2022

Mathias Miedreich  
Chief Executive Officer

## Consolidated financial information for the year ended on 31 December 2021

### Consolidated income statement

(in million €)

	2020	2021
Turnover	20,710.1	24,054.4
Other operating income	80.6	176.9
Operating income	20,790.7	24,231.4
Raw materials and consumables	(18,819.3)	(21,644.3)
Payroll and related benefits	(798.5)	(853.1)
Depreciation and impairments	(362.5)	(338.8)
Other operating expenses	(506.6)	(517.3)
Operating expenses	(20,486.9)	(23,353.6)
Income (loss) from other financial assets	0.8	1.2
<b>Result from operating activities</b>	<b>304.6</b>	<b>878.9</b>
Financial income	4.0	13.9
Financial expenses	(77.8)	(80.7)
Foreign exchange gains and losses	(30.4)	(23.5)
Share in result of companies accounted for using the equity method	(5.3)	17.3
<b>Profit (loss) before income tax</b>	<b>195.1</b>	<b>806.0</b>
Income taxes	(59.1)	(179.0)
<b>Profit (loss) from continuing operations</b>	<b>135.9</b>	<b>626.9</b>
Profit (loss) of the period	135.9	626.9
of which minority share	5.4	8.0
of which Group share	130.5	619.0
(in € / share)		
Basic earnings per share from continuing operations	0.54	2.57
Total basic earnings per share	0.54	2.57
Diluted earnings per share from continuing operations	0.54	2.56
Total diluted earnings per share	0.54	2.56
Dividend payout per share*	0.25	0.75

\*On 30 April 2020 the ordinary shareholders' meeting approved to reduce the dividend for 2019 to € 0.375 per share, which corresponded to the amount of the interim dividend for 2019 which had been already paid out in the second half of 2019. Therefore, there was no dividend payout in the first half of 2020. The Supervisory Board proposed a gross annual dividend for the financial year 2020 of € 0.75 per share at the Annual General Meeting on 29 April 2021. Taking into account the interim dividend of € 0.25 per share paid out on 25 August 2020, a gross amount of € 0.50 per share was paid out on 5 May 2021 after shareholder approval. Taking into account the interim dividend of € 0.25 per share paid out on 24 August 2021 and subject to shareholder approval, a gross amount of € 0.55 per share will be paid out on 4 May 2022.

## Consolidated statement of comprehensive income

(in million €)

	2020	2021
<b>Profit (loss) of the period from continuing operations</b>	135.9	626.9
<b>Items in other comprehensive income that will not be reclassified to P&amp;L</b>		
Changes in post employment benefits, arising from changes in actuarial assumptions	(25.2)	46.0
Changes in deferred taxes directly recognized in other comprehensive income	7.3	(11.8)
<b>Items in other comprehensive income that may be subsequently reclassified to P&amp;L</b>		
Changes in financial assets at FV through OCI reserves	(4.2)	0.0
Changes in cash flow hedge reserves	17.3	65.7
Changes in deferred taxes directly recognized in other comprehensive income	(3.5)	(19.8)
Changes in currency translation differences	(122.3)	86.7
<b>Other comprehensive income from continuing operations</b>	(130.5)	166.8
<b>Total comprehensive income for the period</b>	5.4	793.7
of which Group share	2.9	784.1
of which minority share	2.4	9.6

## Consolidated balance sheet

(in million €)

	31/12/2020	31/12/2021
<b>Non-current assets</b>	2,895.7	3,102.8
Intangible assets	346.9	339.8
Property, plant and equipment	2,163.7	2,351.1
Investments accounted for using the equity method	139.8	155.1
Financial assets at fair value through Other Comprehensive Income	8.4	14.1
Loans granted	3.3	2.6
Trade and other receivables	11.8	20.7
Deferred tax assets	221.9	219.2
<b>Current assets</b>	5,445.2	5,942.5
Loans granted	0.1	0.2
Inventories	2,718.1	2,869.1
Trade and other receivables	1,677.2	1,832.0
Income tax receivables	39.6	46.8
Cash and cash equivalents	1,010.3	1,194.4
<b>Total assets</b>	<b>8,340.9</b>	<b>9,045.2</b>
<b>Equity of the Group</b>	2,621.9	3,167.3
Group shareholders' equity	2,557.2	3,112.9
Share capital and premiums	1,384.3	1,384.3
Retained earnings	1,749.6	2,151.3
Currency translation differences and other reserves	(367.8)	(196.4)
Treasury shares	(208.9)	(226.3)
Minority interest	64.7	54.4
<b>Non-current liabilities</b>	2,359.9	2,398.4
Provisions for employee benefits	426.4	387.2
Financial debt	1,705.2	1,724.0
Trade and other payables	23.5	47.4
Deferred tax liabilities	22.8	24.3
Provisions	182.0	215.5
<b>Current liabilities</b>	3,359.1	3,479.6
Financial debt	719.2	430.8
Trade and other payables	2,418.9	2,808.0
Income tax payable	160.7	197.5
Provisions	60.3	43.3
<b>Total equity &amp; liabilities</b>	<b>8,340.9</b>	<b>9,045.2</b>

## Consolidated statement of changes in the equity of the Group

(in million €)

	Share capital & premiums	Reserves	Currency translation & other reserves	Treasury shares	Minority interest	Total for continuing operations
<b>Balance at the beginning of 2020</b>	<b>1,384.3</b>	<b>1,678.3</b>	<b>(284.5)</b>	<b>(184.7)</b>	<b>67.0</b>	<b>2,660.5</b>
Result of the period	-	130.5	-	-	5.4	135.9
Other comprehensive income for the period	-	-	(127.6)	-	(2.9)	(130.5)
Total comprehensive income for the period	-	130.5	(127.6)	-	2.4	5.4
Changes in share-based payment reserves	-	-	10.1	-	-	10.1
Convertible Bond - conversion rights*	-	-	37.7	-	-	37.7
Dividends	-	(60.1)	-	-	(4.8)	(64.9)
Transfers	-	0.9	(3.6)	2.7	-	-
Changes in treasury shares	-	-	-	(26.9)	-	(26.9)
<b>Balance at the end of 2020</b>	<b>1,384.3</b>	<b>1,749.6</b>	<b>(367.8)</b>	<b>(208.9)</b>	<b>64.7</b>	<b>2,621.8</b>
<b>Restated balance at the beginning of 2021</b>	<b>1,384.3</b>	<b>1,749.6</b>	<b>(367.8)</b>	<b>(208.9)</b>	<b>64.7</b>	<b>2,621.8</b>
Result of the period	-	619.0	-	-	8.0	626.9
Other comprehensive income for the period	-	-	165.2	-	1.6	166.8
Total comprehensive income for the period	-	619.0	165.2	-	9.6	793.7
Changes in share-based payment reserves	-	-	14.3	-	-	14.3
Dividends	-	(180.5)	-	-	(6.0)	(186.5)
Transfers	-	1.1	(5.9)	4.8	-	-
Changes in treasury shares	-	-	-	(22.2)	-	(22.2)
Changes in scope**	-	(37.9)	(2.1)	-	(13.8)	(53.9)
<b>Balance at the end of 2021</b>	<b>1,384.3</b>	<b>2,151.3</b>	<b>(196.4)</b>	<b>(226.3)</b>	<b>54.4</b>	<b>3,167.3</b>

\* The conversion rights embedded in the EUR 500 million convertible bond issued on June 23 2020 were valued at EUR 37.7 million net of transaction costs and deferred taxes. This value according to IFRS rules will not be remeasured over time, nor at conversion nor at maturity.

\*\*The change in scope movements over the year are mainly related to the squeeze-out to acquire the remaining 8.8 % of the shares in Agosi (Allgemeine Gold- und Silberscheideanstalt AG, Germany) for € 53.9 million.



## Consolidated cashflow statement

(in million €)

	2020	2021
Profit (loss) from continuing operations	135.9	626.9
Adjustments for profit of equity companies	5.3	(17.3)
Adjustment for non-cash transactions	449.0	399.9
Adjustments for items to disclose separately or under investing and financing cashflows	116.1	228.6
Change in working capital requirement	(103.8)	167.2
Cashflow generated from operations	602.6	1,405.3
Dividend received	2.0	5.0
Tax paid during the period	(79.0)	(175.0)
Government grants received	2.7	23.3
<b>Net operating cashflow</b>	<b>528.3</b>	<b>1,258.6</b>
Acquisition of property, plant and equipment	(391.5)	(379.6)
Acquisition of intangible assets	(44.1)	(36.9)
Acquisition of new subsidiaries, net of cash acquired	(0.2)	-
Acquisition in additional shareholding in subsidiaries	-	(53.9)
Acquisition of financial assets	(1.6)	(5.0)
New loans extended	(0.8)	(0.2)
Sub-total acquisitions	(438.1)	(475.5)
Disposal of property, plant and equipment	1.5	2.0
Disposal of intangible assets	6.6	0.6
Disposal of subsidiaries and associates, net of cash disposed	0.5	1.4
Sub-total disposals	8.6	4.0
<b>Net cashflow generated by (used in) investing activities</b>	<b>(429.5)</b>	<b>(471.4)</b>
Own shares	(26.9)	(22.2)
Payment of lease liabilities	(19.8)	(19.5)
Interest received	3.4	12.1
Interest paid	(59.7)	(54.5)
New loans and repayments	806.0	(331.7)
Dividends paid to Umicore shareholders	(60.2)	(180.5)
Dividends paid to minority shareholders	(4.8)	(6.0)
<b>Net cashflow generated by (used in) financing activities</b>	<b>638.0</b>	<b>(602.4)</b>
Effect of exchange rate fluctuations	25.5	(20.1)
<b>Total net cashflow of the period</b>	<b>762.4</b>	<b>164.7</b>
<b>Net cash and cash equivalents at the beginning of the period for continuing operations</b>	<b>239.2</b>	<b>1,001.6</b>
<b>Net cash and cash equivalents at the end of the period for continuing operations</b>	<b>1,001.6</b>	<b>1,166.3</b>
of which cash and cash equivalents	1,010.3	1,194.4
of which bank overdrafts	(8.7)	(28.1)

## Condensed segment information 2020

(in million €)

	Catalysis	Energy & Surface Technologies	Recycling	Corporate	Eliminations	Total Continued operations	Total
Total segment turnover	5,916.9	2,811.1	13,903.6	25.7	(1,947.1)	20,710.1	20,710.1
of which external turnover	5,783.8	2,750.4	12,150.2	25.7	-	20,710.1	20,710.1
of which inter-segment turnover	133.0	60.6	1,753.5	-	(1,947.1)	-	-
Total segment revenues (excluding metal)	1,364.2	1,045.0	836.0	-	(6.5)	3,238.7	3,238.7
of which external revenues (excluding metal)	1,362.6	1,044.9	831.1	-	-	3,238.7	3,238.7
of which inter-segment revenues (excluding metal)	1.6	0.1	4.9	-	(6.5)	-	-
Adjusted EBIT	153.7	75.3	361.8	(54.4)	-	536.4	536.4
of which from operating result	153.7	70.4	361.8	(57.9)	-	528.0	528.0
of which from equity method companies	-	4.9	-	3.5	-	8.3	8.3
EBIT adjustments	(57.3)	(111.5)	(50.9)	(17.3)	-	(237.1)	(237.1)
of which from operating result	(57.3)	(111.5)	(50.9)	(3.6)	-	(223.4)	(223.4)
of which from equity method companies	-	-	-	(13.7)	-	(13.7)	(13.7)
Total EBIT	96.3	(36.2)	310.9	(71.7)	-	299.3	299.3
of which from operating result	96.3	(41.1)	310.9	(61.5)	-	304.6	304.6
of which from equity method companies	-	4.9	-	(10.2)	-	(5.3)	(5.3)
Capital expenditure	63.8	251.7	71.6	16.1	0.1	403.2	403.2
Depreciation & amortization	80.5	110.5	62.9	14.0	-	267.9	267.9

## Condensed segment information 2021

(in million €)

	Catalysis	Energy & Surface Technologies	Recycling	Corporate	Eliminations	Total Continued operations	Total
Total segment turnover	8,154.9	3,533.8	15,609.4	34.8	(3,278.4)	24,054.4	24,054.4
of which external turnover	7,989.7	3,478.4	12,551.6	34.8	-	24,054.4	24,054.4
of which inter-segment turnover	165.2	55.5	3,057.8	-	(3,278.4)	-	-
Total segment revenues (excluding metal)	1,687.4	1,173.7	1,108.1	-	(5.9)	3,963.3	3,963.3
of which external revenues (excluding metal)	1,685.7	1,173.4	1,104.2	-	-	3,963.3	3,963.3
of which inter-segment revenues (excluding metal)	1.7	0.2	3.9	-	(5.9)	-	-
Adjusted EBIT	326.4	139.2	572.9	(67.1)	-	971.4	971.4
of which from operating result	326.4	131.5	572.9	(80.0)	-	950.8	950.8
of which from equity method companies	-	7.7	-	12.9	-	20.5	20.5
EBIT adjustments	(18.6)	1.3	(44.3)	(13.6)	-	(75.1)	(75.1)
of which from operating result	(18.6)	1.3	(44.3)	(10.4)	-	(71.9)	(71.9)
of which from equity method companies	-	-	-	(3.2)	-	(3.2)	(3.2)
Total EBIT	307.8	140.5	528.6	(80.7)	-	896.3	896.3
of which from operating result	307.8	132.8	528.6	(90.4)	-	878.9	878.9
of which from equity method companies	-	7.7	-	9.7	-	17.3	17.3
Capital expenditure	70.1	218.7	83.1	16.8	0.0	388.6	388.6
Depreciation & amortization	75.2	122.6	66.9	14.8	-	279.5	279.5

Adjustments included in the results, including discontinued operations

<b>Impact of adjustments</b> (in million €)	<b>Total</b>	<b>of which: adjusted</b>	<b>Adjustment</b>
<b>H1 2020</b>			
Profit from operations	172.7	239.8	(67.1)
of which income from other financial investments	0.5	0.2	0.3
Result of companies accounted for using the equity method	(1.9)	3.3	(5.2)
EBIT	170.8	243.0	(72.3)
Finance cost	(44.5)	(44.5)	-
Tax	(33.9)	(47.5)	13.6
Net result	92.4	151.1	(58.7)
of which minority share	1.5	2.7	(1.2)
of which Group share	90.9	148.4	(57.5)
<b>H2 2020</b>			
Profit from operations	131.9	288.3	(156.3)
of which income from other financial investments	0.2	0.1	0.1
Result of companies accounted for using the equity method	(3.4)	5.1	(8.5)
EBIT	128.5	293.3	(164.8)
Finance cost	(59.7)	(59.7)	-
Tax	(25.3)	(55.3)	30.0
Net result	43.5	178.3	(134.8)
of which minority share	3.9	4.3	(0.4)
of which Group share	39.6	174.1	(134.4)
<b>2020</b>			
Profit from operations	304.6	528.0	(223.4)
of which income from other financial investments	0.7	0.3	0.4
Result of companies accounted for using the equity method	(5.3)	8.3	(13.7)
EBIT	299.3	536.4	(237.1)
Finance cost	(104.2)	(104.2)	-
Tax	(59.1)	(102.7)	43.6
Net result	135.9	329.4	(193.5)
of which minority share	5.4	7.0	(1.6)
of which Group share	130.5	322.4	(191.9)
<b>H1 2021</b>			
Profit from operations	577.8	614.6	(36.8)
of which income from other financial investments	0.2	0.2	-
Result of companies accounted for using the equity method	8.3	10.4	(2.2)
EBIT	586.1	625.1	(39.0)
Finance cost	(46.2)	(51.9)	5.8
Tax	(134.6)	(140.1)	5.4
Net result	405.3	433.1	(27.8)
of which minority share	5.2	5.2	-

of which Group share	400.1	427.9	(27.8)
<b>H2 2021</b>			
Profit from operations	301.1	336.2	(35.1)
of which income from other financial investments	1.0	0.0	1.0
Result of companies accounted for using the equity method	9.1	10.1	(1.0)
EBIT	310.2	346.3	(36.1)
Finance cost	(44.1)	(47.7)	3.5
Tax	(44.4)	(56.2)	11.8
Net result	221.6	242.4	(20.8)
of which minority share	2.8	2.8	-
of which Group share	218.8	239.6	(20.8)
<b>2021</b>			
Profit from operations	878.9	950.8	(71.9)
of which income from other financial investments	1.2	0.2	1.0
Result of companies accounted for using the equity method	17.3	20.5	(3.2)
EBIT	896.3	971.4	(75.1)
Finance cost	(90.3)	(99.6)	9.3
Tax	(179.0)	(196.3)	17.3
Net result	626.9	675.5	(48.5)
of which minority share	8.0	8.0	-
of which Group share	619.0	667.5	(48.5)

### Note: Contingencies, accounting estimates and adjusting events

As previously disclosed, the Group has a pending file that can be qualified as a contingent liability according to the definition of IFRS. A subsidiary of Element Six Abrasives received notice of a local tax assessment for € 24.9 million to be grossed up with statutory interests, estimated at 31 December 2021 at € 14.5 million. Having taken expert advice, Element Six Abrasives submitted an appeal contesting the assessment and recognised the file as a contingent liability. Umicore retains a 40.22 % interest in Element Six Abrasives and accounts for the company using the equity method.

### Forward looking statements

This document contains forward-looking information that involves risks and uncertainties, including statements about Umicore's plans, objectives, expectations and intentions. Readers are cautioned that forward-looking statements include known and unknown risks and are subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of Umicore. Should one or more of these risks, uncertainties or contingencies materialize, or should any underlying assumptions prove incorrect, actual results could vary materially from those anticipated, expected, estimated or projected. As a result, neither Umicore nor any other person assumes any responsibility for the accuracy of these forward-looking statements.

## For more information

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[Link to all documents related to Umicore's 2021 FY results.](#)

## Glossary

For a glossary of used financial and technical terms please refer to:

<https://www.umicore.com/en/investors/glossary>

## Financial calendar

25 March 2022	Publication of the annual report 2021
28 April 2022	Annual General Meeting
2 May 2022	Ex-dividend trading date
3 May 2022	Record date for the dividend
4 May 2022	Payment date for the dividend
22 June 2022	Capital Markets Day
29 July 2022	Half year results 2022

## Umicore profile

Umicore is a global materials technology and recycling group. It focuses on application areas where its expertise in materials science, chemistry and metallurgy makes a real difference. Its activities are organised in three business groups: Catalysis, Energy & Surface Technologies and Recycling. Each business group is divided into market-focused business units offering materials and solutions that are at the cutting edge of new technological developments and essential to everyday life.

Umicore generates the majority of its revenues and dedicates most of its R&D efforts to clean mobility materials and recycling. Umicore's overriding goal of sustainable value creation is based on an ambition to develop, produce and recycle materials in a way that fulfils its mission: materials for a better life.

Umicore's industrial and commercial operations as well as R&D activities are located across the world to best serve its global customer base. The Group generated revenues (excluding metal) of € 4.0 billion (turnover of € 24.1 billion) and employed 11,050 people in 2021.

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A conference call and audio webcast for **analysts and investors** will take place today at 09:45 CET. Please visit: <https://www.umicore.com/en/investors/info/full-year-results-2021-webcast/>

A conference call and audio webcast for **media** will take place today at 8:30 CET. Please visit: <https://www.umicore.com/en/investors/info/full-year-results-2021-webcast/>

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