



Half-year results 2022

29 July 2022

Forward-looking statements

This presentation contains forward-looking information that involves risks and uncertainties, including statements about Umicore's plans, objectives, expectations and intentions.

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.

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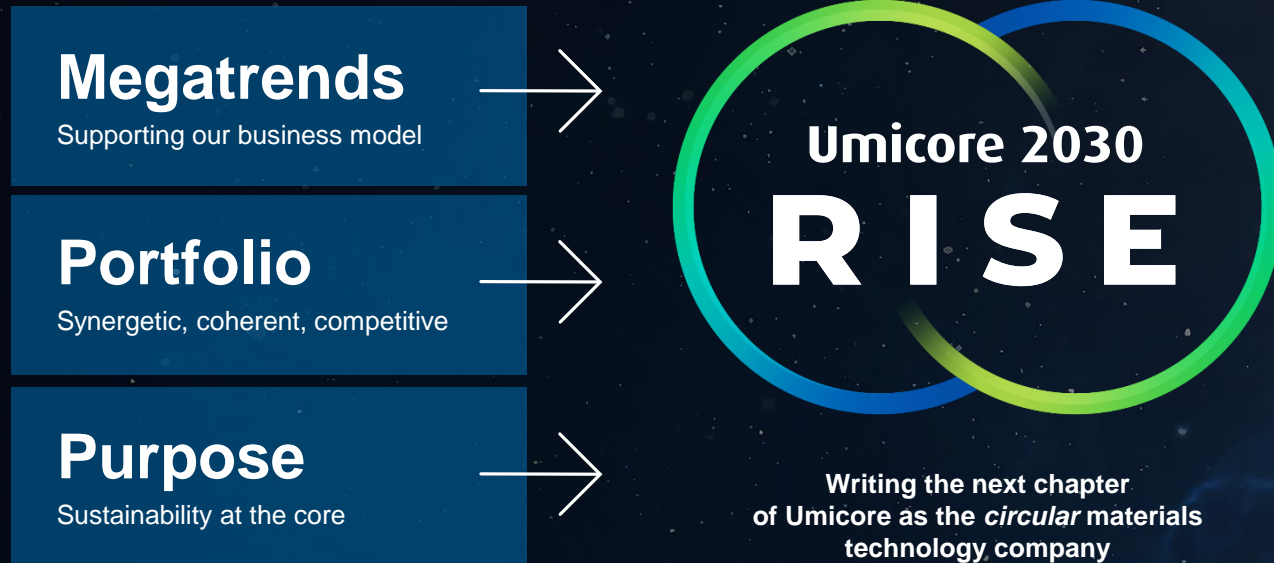
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Highlights H1 2022

We have set an ambitious growth strategy

Net beneficiary of a changing world



2030

GROWTH

>100%
Revenues

Grow like
a start-up

PROFIT

>20%
EBITDA
margin

Create
value as an
established
company

RETURN

15%
ROCE



Key highlights of H1 2022

Strong performance despite market environment characterized by significant external challenges

Catalysis: outperforming global car market driven by further market share gains in light-duty gasoline; adj. EBIT slightly below H1 2021 record level

Energy & Surface Technologies: strong performance of Cobalt & Specialty Materials and positive impact from unexpected spike in lithium price in Rechargeable Battery Materials

Recycling: second-highest level performance in business group history, despite lower precious metal prices

Strong operational cash flows including a less than anticipated increase in net working capital, resulting in stable net financial debt compared to end of 2021

Active implementation of RISE 2030 strategy with key milestones achieved

In Rechargeable Battery Materials:

- Announced plans to build local production footprint in Canada; important step in global rollout of **regional supply chains to three continents**
- Further build-out of long-term, **value creative customer partnerships**
- Inauguration of new global **R&D** center in Korea and agreement with Idemitsu Kosan Co. to jointly develop high-performance catholyte materials for solid-state batteries

Ambition to achieve net zero Scope 1 and 2 GHG emissions by 2035 complemented with ambitious target for **Scope 3**: 42% reduction of CO2e/ton of purchased materials by 2030

Long-term, **Strategic Supply Agreement** with **ACC** for supply of **CAM** materials in Europe



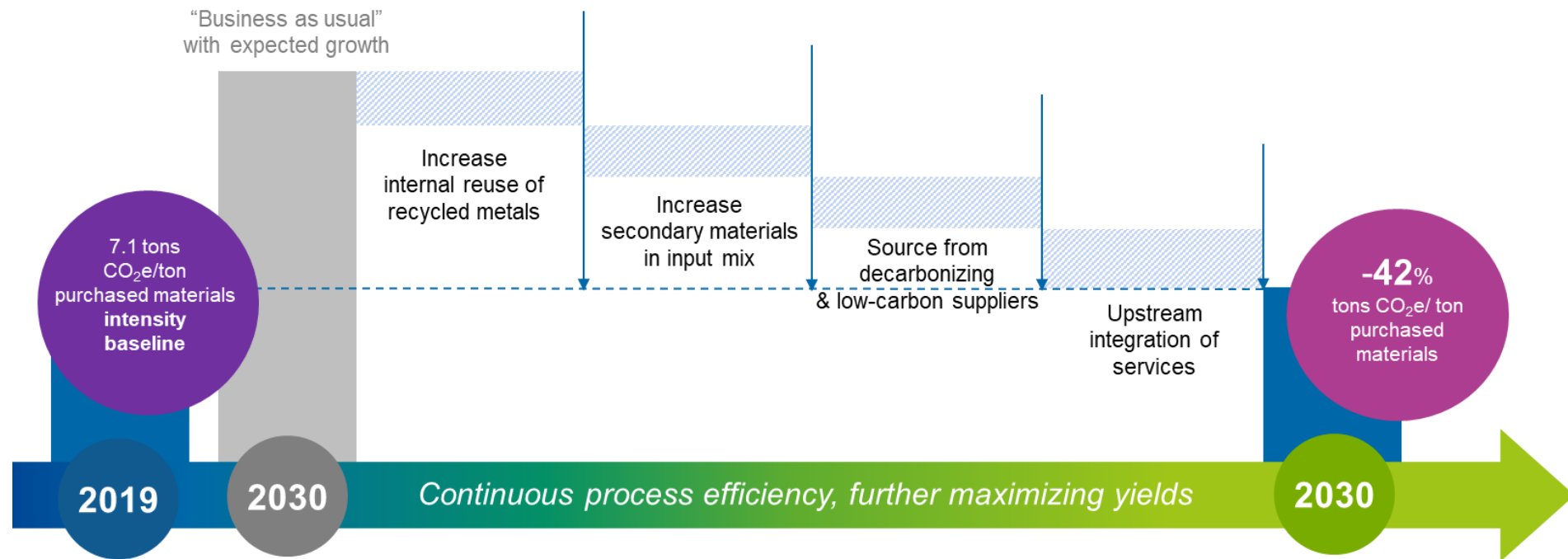
Signing of MoU
with **Canadian**
government on
Strategic
Innovation Fund
and agreement to
secure land with
intention to build
North-America
CAM and pCAM
footprint



Start of production in greenfield CAM plant in **Nysa**, Poland



Leveraging our raw materials approach to drive **Decarbonization** in the **Battery Value Chain**





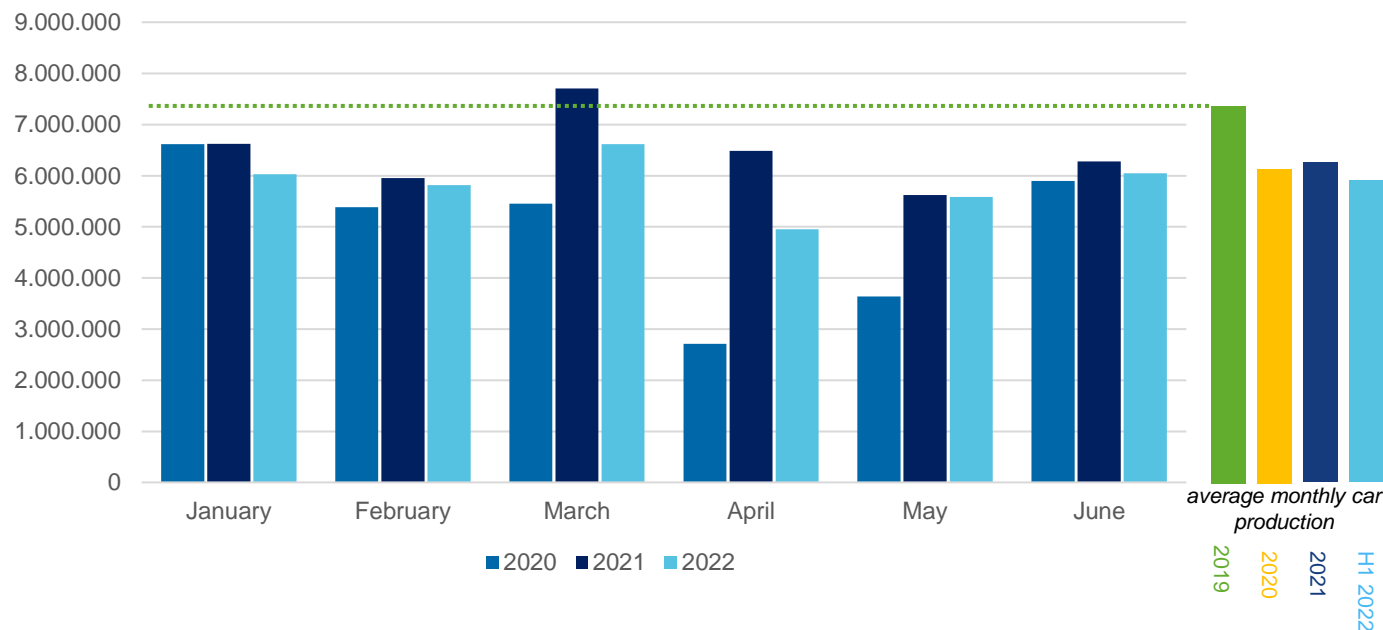
Half-year results

Business review

Auto industry significantly impacted by global supply-chain disruptions and COVID-19 resurgence

Monthly global passenger car production (all powertrains)

Source: IHS (Jul. 2022 update) & Umicore



- In addition to semi-conductor shortage, severe supply-chain disruptions from geopolitical conflict and COVID lockdowns in China in H1 2022
- **Global LDV ICE production -6.7% YoY : strong BEV production more than offset by decline in ICE**
- Chinese and European ICE car markets: resp. **-12.5% and -13.5% YoY**
- **H1 2022 global car production still 21% below pre-COVID levels of 2019**



Catalysis H1 2022

Revenues -1% and adj. EBITDA margin at 23%

Strong performance despite significant disruptions in global industries and supply-chains

Automotive Catalysts

Outstanding performance against challenging backdrop

Volumes down less than market, reflecting strong market position and market share gains in gasoline technologies for LDV

Revenues broadly flat YoY with product mix offsetting lower volumes. Earnings well up sequentially and close to H1 2021 record level despite cost inflation

Precious Metals Chemistry

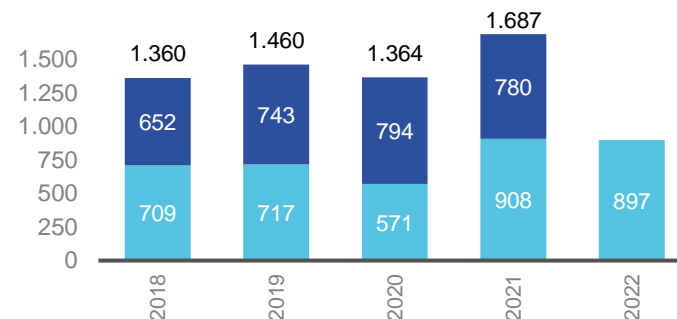
Higher revenues driven by strong demand for homogenous catalysts and inorganic chemicals

Fuel Cell & Stationary Catalysts

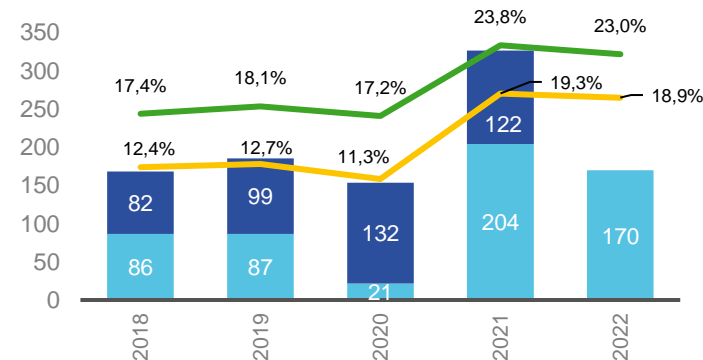
Lower revenues from PEM fuel cell catalysts reflecting COVID-19 lockdowns in major Chinese cities resulting in postponements of customers orders

Revenues (m€)

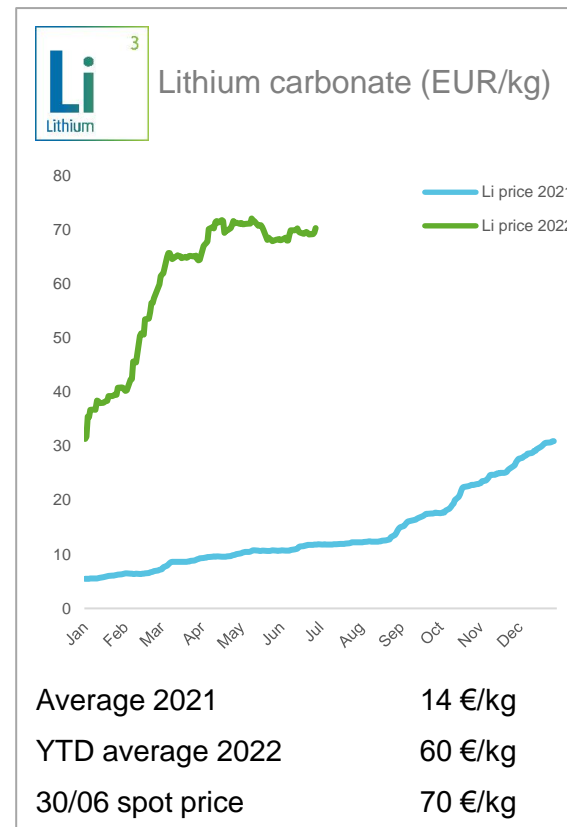
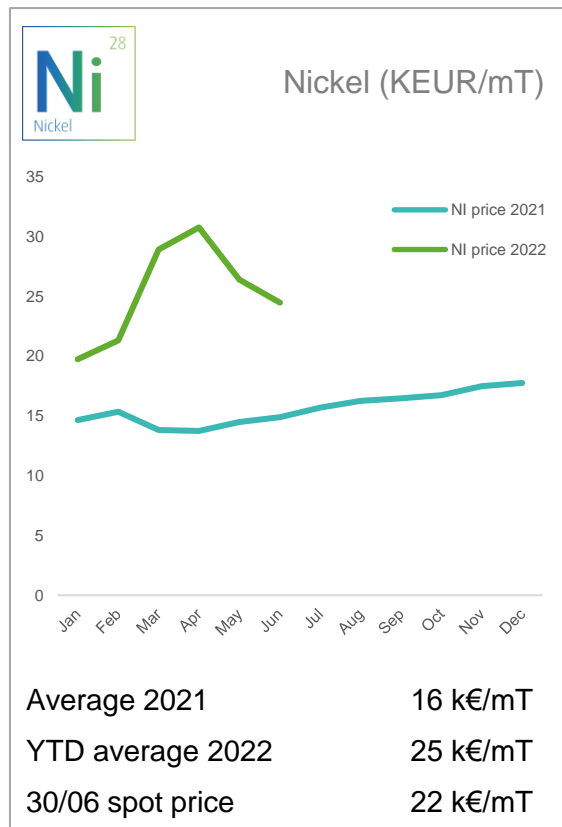
● H2 ● EBITDA margin
● H1 ● EBIT margin



Adjusted EBIT (m€) & EBIT(DA) margin



Volatile battery metal prices





E&ST H1 2022

Revenues +21% and adj. EBIT +44%, reflecting higher revenues and earnings in Cobalt & Specialty Materials and Rechargeable Battery Materials

Rechargeable Battery Materials

As anticipated and announced in December, cathode material volumes were subdued

Volumes headwinds more than offset by positive impact from unexpected spike in lithium price

Cobalt & Specialty Materials

Continued, exceptionally strong market demand in combination with favorable cobalt and nickel price environment in cobalt and nickel chemicals and related distribution activities

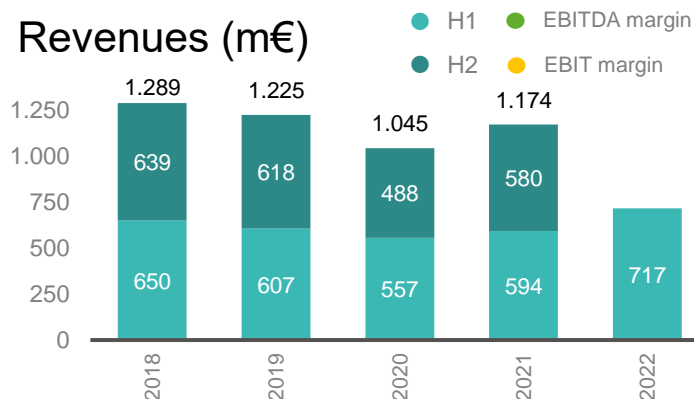
Metal Deposition Solutions

Stable revenues with higher order levels of decorative and platinized applications compensating lower demand for precious metal-based electrolytes

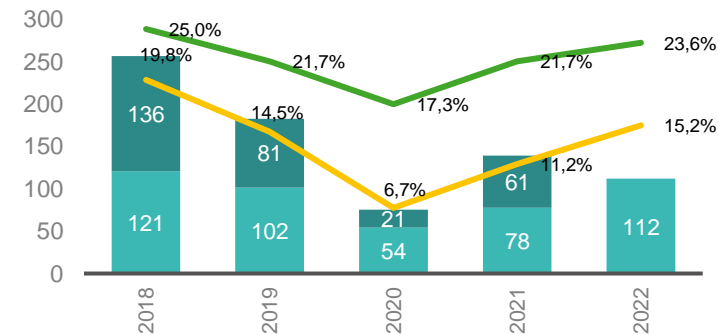
Electro-Optic Materials

Slightly higher revenues driven by strong demand for germanium substrates from the space and automotive industry

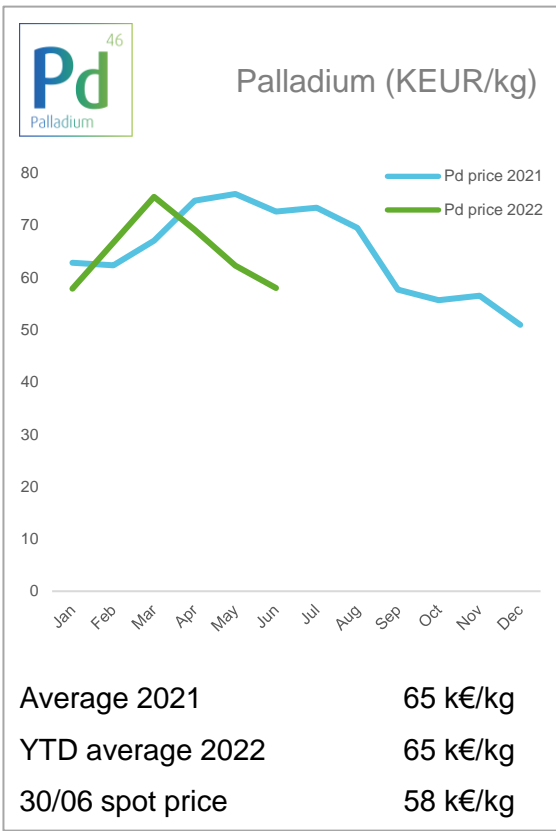
Revenues (m€)



Adjusted EBIT (m€) & EBIT(DA) margin



Volatile precious metal prices





Recycling H1 2022

Revenues -18% and adj. EBITDA margin 47.8%

Very strong performance, well above historical levels, albeit below record H1 21

Precious Metals Refining

Robust operational performance with stable volumes YoY

Below H1 21 record performance, reflecting impact of lower PGM-prices, a somewhat less favorable supply mix and cost inflation

Jewelry & Industrial Metals

Strong performance across all product lines

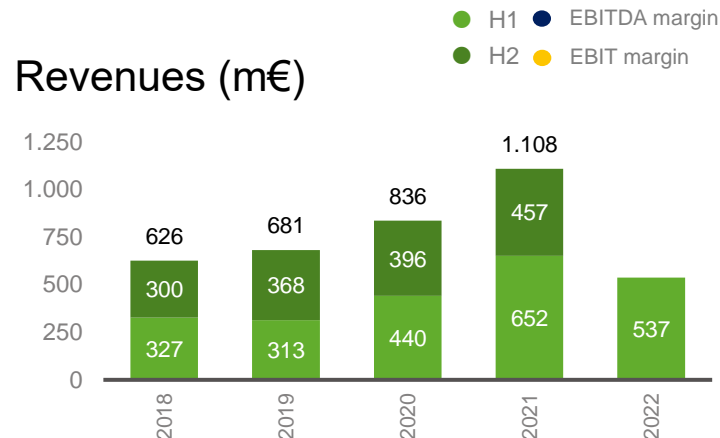
Continued strong demand for platinum engineered materials used in glass applications and performance catalysts

Higher volumes for investment products, benefitting from safe-haven buying

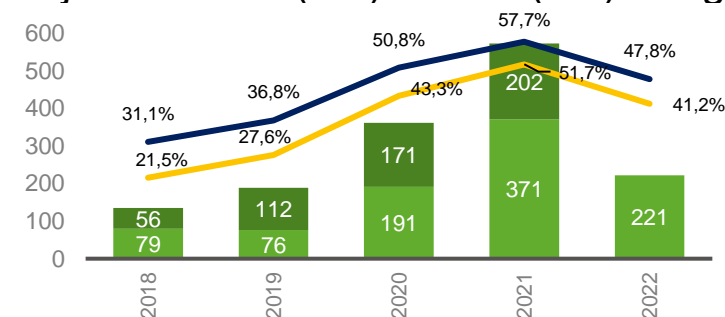
Precious Metals Management

Strong performance, however, below exceptional H1 21, reflecting less favorable trading conditions, in particular for rhodium

Revenues (m€)



Adjusted EBIT (m€) & EBIT(DA) margin





Half-year results

Financial review

Key figures H1 2022

REVENUES

€ 2.1 bn

Stable YoY

Adjusted EBIT

€ 461 m

-26% YoY

Free Operating Cash Flow

€ 320 m

Net debt stable at **€ 955 m**

Net debt / LTM Adj. EBITDA 0.88x

Adjusted NET PROFIT

(Group share)

€ 321 m

Adjusted EPS € 1.34

Interim dividend of € 0.25 per share

Adjusted EBITDA

€ 601 m

-21% YoY

CAPEX

€ 190 m

ROCE

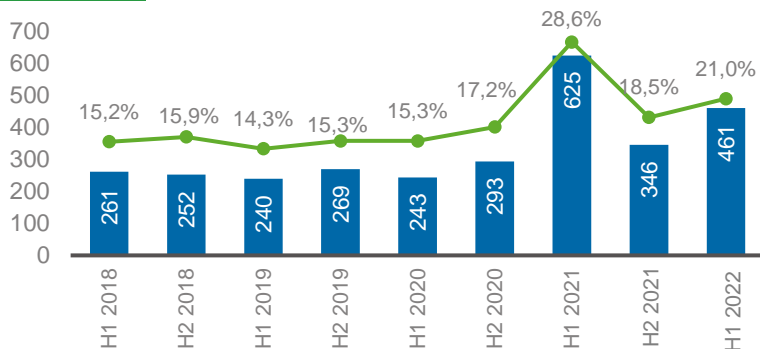
20.8%

Strong performance across business groups

Strong Adj. EBIT(DA) and margins

Close to 1H 2021 exceptional record performance despite challenging market context

Adj. EBIT & Adj. EBIT margin



Adjusted EBIT of € 461 million, down 26% compared to record level of H1 21 and up 33 % compared to H2 21

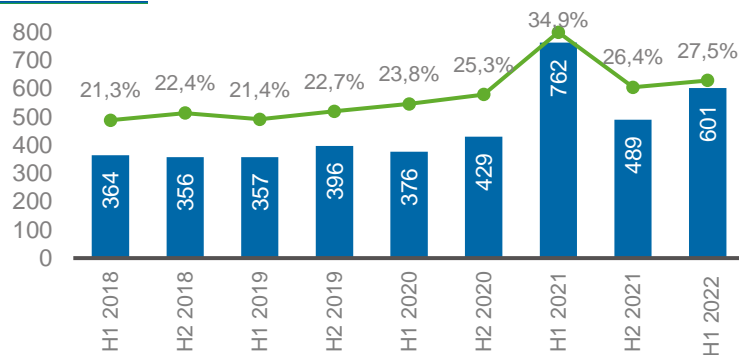
Strong operational performance

Less favourable precious metal price environment, volatile battery materials metal prices

Impact of higher costs linked to general cost inflation and innovation

Net forex tailwind

Adj. EBITDA & Adj. EBITDA margin

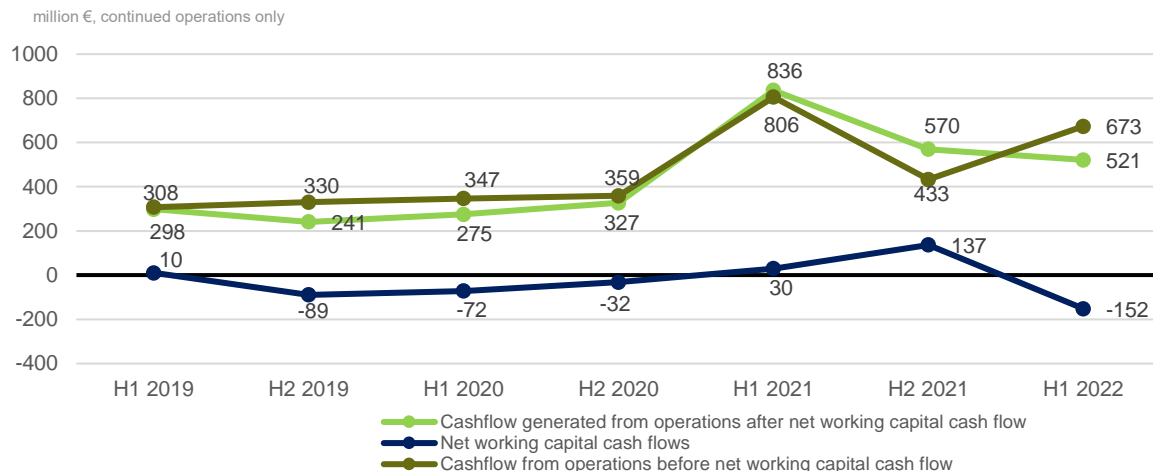


Adjusted EBITDA of € 601 million, down 21% compared to H1 21 and up 23 % compared to H2 21

Adjusted Group D&A slightly up

Continued margin uptrend following H1 21 peak

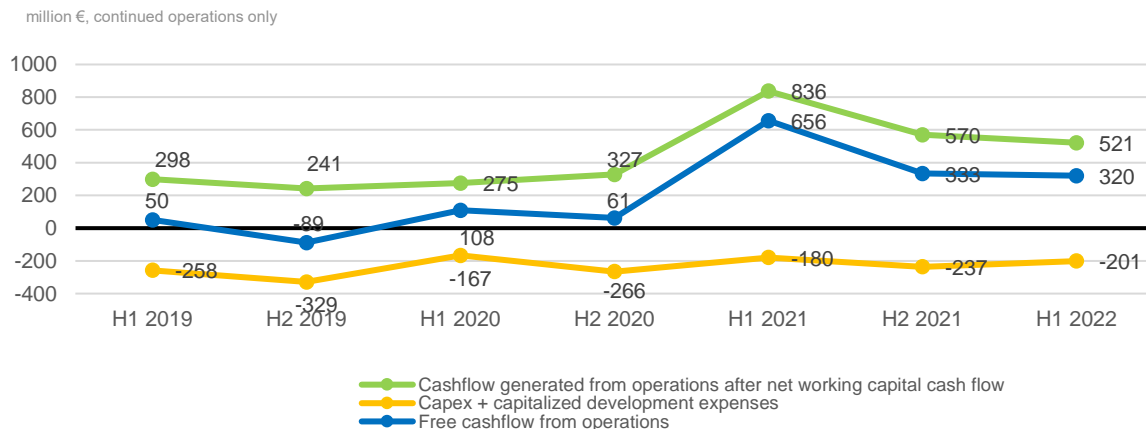
Strong free operating cash flow generation



Cash flow from operations after changes in working capital at € 521 million

Smaller than anticipated increase in cash working capital of € 152 million, reflecting working capital management, temporary positive effects in the month of June and lower than expected metal prices.

NWC increase in E&ST mitigated by a decrease in Catalysis and Recycling.



Free cash flow from operations of € 320 million

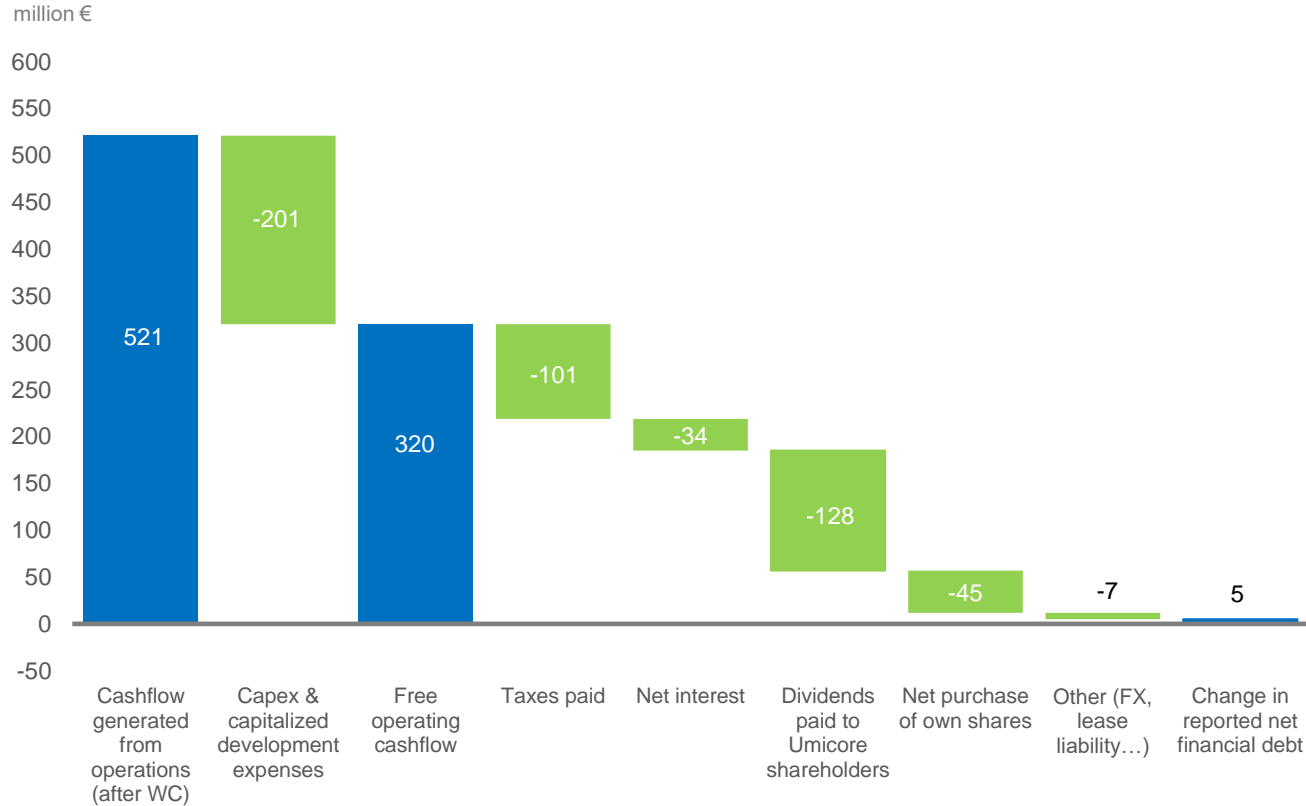
Capex and capitalized development expenses slightly up year on year to € 201 million

E&ST accounting for 2/3rd of Group capex, driven by RBM

Continued focus on capex efficiency across businesses

Net cash flow bridge

Stable net financial debt versus end 2021



Free operating cashflow of € 320 million, including € 152 million increase in working capital and € 201 million investments.

Funded a combined € 308 million cash outflow related to taxes, net interest charges, dividends & net purchase of own shares.

Resulting in a stable net financial debt vs December 2021 and a corresponding strong leverage ratio (0.88x LTM adj EBITDA).

Full P&L

Million €	H1 2021	H1 2022
Adjusted EBIT	625	461
- Net finance cost	(52)	(46)
- Adjusted Tax	(140)	(92)
Adjusted net result	433	323
- Minorities	(5)	(1)
Adjusted net result Group share	428	321
<i>Adjusted EPS</i>	<i>1.78</i>	<i>1.34</i>
Adjustments to EBIT	(39)	(20)
Adjustments to net result Group	(28)	(12)
Net result Group share	400	309

Adj. EBIT below last year's record level, reflected in lower Net result Group share

Decrease in adjusted net financial cost due to lower forex charges more than offsetting higher net interest charges

Lower adjusted tax charges reflecting the lower year on year taxable profit, as well as a lower adjusted effective group tax rate (22.8 % vs 24.9 %).

Limited adjustments to EBIT of - € 20 million, mainly linked to environmental provisions.



Outlook

2022 Outlook

Umicore expects another strong performance in 2022 across business groups in a severely disrupted market context

Based on the performance in the first half of the year and assuming precious metal prices remain at current¹ levels for the remainder of the year, Umicore expects its adjusted EBIT for the full year 2022 to be somewhat above consensus², including some € 220 million uplift from precious metal prices versus 2020 (taking into account the effect of strategic hedging).

This outlook incorporates a cost inflation headwind estimated less than € 150 million for the full year, excluding offsetting measures such as pricing, and assumes no further significant disruptions to the economy or Umicore's operations from geopolitical developments, the pandemic or additional supply-chain constraints.

¹ Current refers to the date of this publication i.e., 29 July 2022

² Umicore has engaged Vara Research GmbH to survey brokerage analysts to provide analysts' consensus estimates to the market. The most recent consensus is available on <https://vara-services.com/umicore/>. Consensus adjusted EBIT for Umicore Group in 2022 amounted to € 828 million at the time of this publication.

Guidance for full year 2022



CATALYSIS

It is anticipated that car production will remain impacted by the ongoing supply disruptions. Notwithstanding the related limited visibility, Umicore expects to continue to benefit from its strong market position in gasoline applications. Taking into account the strong performance in the first half of the year and the current assumptions on volumes for 2022, adjusted EBIT in **Catalysis** for the full year is expected to be close to the record level achieved in 2021, somewhat above consensus¹, despite the impact of cost inflation.



E&ST

Based on the first-half performance and anticipating a normalization in Cobalt & Specialty Materials, Umicore expects adjusted EBIT in **Energy & Surface Technologies** for the full year 2022 to be above the level of the previous year and above current consensus expectations².



RECYCLING

Umicore expects adjusted EBIT for **Recycling** for the full year 2022 to be in line with current consensus³. This is based on the assumption that current precious metal prices will continue to prevail. This also takes into account a somewhat improved supply mix in Precious Metals Refining compared to the first half.

As announced previously, **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 for future expansion.

¹ Catalysis adjusted EBIT for the FY 2021 amounted to 326 m€, Vara Research consensus adjusted EBIT for Catalysis amounted to 281 m€ at the time of this publication

² Energy & Surface Technologies adjusted EBIT for FY 2021 amounted to 139 m€ Vara Research consensus adjusted EBIT for E&ST amounted to 148 m€ at the time of this publication

³ Recycling adjusted EBIT for the FY 2021 amounted to 573 m€ Vara Research consensus adjusted EBIT for Recycling amounted to 475 m€ at the time of this publication



Wrap up

Wrap up

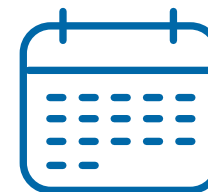




Q&A

Financial calendar

19 August 2022	Ex-interim dividend trading date
22 August 2022	Record date for the interim dividend
23 August 2022	Payment date for the interim dividend
16 February 2023	Full year results 2022





materials for a better life