

Q2'22 INVESTOR AND ANALYST FACTSHEET

KEY FINANCIAL DATA

<i>in millions of euros</i>		Q2'22	Q2'21 *	Change	H1'22	H1'21 *	Change
Sales		3,184	2,395	+32.9%	6,071	4,621	+31.4%
Prices		+28.5%			+30.0%		
Volumes		-5.3%			-3.8%		
Currency		+8.1%			+6.7%		
Scope		+1.6%			-1.5%		
EBITDA		705	478	+47.5%	1,324	836	+58.4%
Specialty Materials ⁽¹⁾		600	423	+41.8%	1,156	729	+58.6%
Intermediates		129	81	+59.3%	223	156	+42.9%
Corporate		-24	-26		-55	-49	
EBITDA margin		22.1%	20.0%		21.8%	18.1%	
Specialty Materials		21.0%	20.4%		21.2%	18.5%	
Intermediates		40.1%	25.7%		37.6%	23.6%	
Recurring depreciation and amortization		-135	-133		-266	-268	
Recurring EBIT		570	345	+65.2%	1,058	568	+86.3%
REBIT margin		17.9%	14.4%		17.4%	12.3%	
PPA depreciation and amortization		-21	-17		-40	-34	
Non-recurring items		-35	732		-70	708	
Equity in income of affiliates		0	2		-1	1	
Financial result		-6	-15	-60.0%	-14	-28	-50.0%
Income taxes		-106	-220	-51.8%	-201	-263	-23.6%
Net income - Group share		401	826	-51.5%	730	950	-23.2%
Adjusted net income		443	267	+65.9%	819	426	+92.3%
Adjusted EPS (€)		5.99	3.50	+71.1%	11.07	5.58	+98.4%
Recurring capital expenditure		-99	-93	+6.5%	-171	-165	+3.6%
Exceptional capital expenditure		-26	-64	-59.4%	-66	-117	-43.6%
Recurring cash flow ⁽²⁾		235	245	-4.1%	261	298	-12.4%
Free cash flow		211	313	-32.6%	188	297	-36.7%
Net debt incl hybrid bonds		2,789	1,281		2,789	1,281	

(*) Integrates reclassification of the upstream of PVDF in the Advanced Materials segment (from Intermediates segment)

(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>		Q2'22	Q2'21	Change	H1'22	H1'21	Change
EBITDA		705	478	+47.5%	1,324	836	+58.4%
Current taxes		-117	-68	+72.1%	-218	-117	+86.3%
Cost of debt		-13	-14	-7.1%	-26	-27	-3.7%
Change in working capital and fixed asset payables *		-217	-53	-	-628	-240	-
Recurring capital expenditure		-99	-93	+6.5%	-171	-165	+3.6%
Others		-24	-5	-	-20	11	-
Recurring cash flow		235	245	-4.1%	261	298	-12.4%
Exceptional capital expenditure		-26	-64	-59.4%	-66	-117	-43.6%
Non-recurring items		2	132	-	-7	116	-
Free cash flow		211	313	-32.6%	188	297	-36.7%
Impact of portfolio management		-11	912	-	-1,507	896	-
Net cash flow		200	1,225	-	-1,319	1,193	-

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

PERFORMANCE BY SEGMENT

in millions of euros

	Q2'22	Q2'21 *	Change	H1'22	H1'21 *	Change
Sales	3,184	2,395	+32.9%	6,071	4,621	+31.4%
Specialty Materials	2,852	2,072	+37.6%	5,459	3,946	+38.3%
Adhesive Solutions	779	575	+35.5%	1,449	1,130	+28.2%
Advanced Materials	1,113	785	+41.8%	2,188	1,537	+42.4%
Coating Solutions	960	712	+34.8%	1,822	1,279	+42.5%
Intermediates	322	315	+2.2%	593	661	-10.3%
EBITDA	705	478	+47.5%	1,324	836	+58.4%
Specialty Materials	600	423	+41.8%	1,156	729	+58.6%
Adhesive Solutions	111	82	+35.4%	201	168	+19.6%
Advanced Materials	282	184	+53.3%	556	326	+70.6%
Coating Solutions	207	157	+31.8%	399	235	+69.8%
Intermediates	129	81	+59.3%	223	156	+42.9%
Corporate	-24	-26		-55	-49	
EBITDA margin	22.1%	20.0%		21.8%	18.1%	
Specialty Materials	21.0%	20.4%		21.2%	18.5%	
Adhesive Solutions	14.2%	14.3%		13.9%	14.9%	
Advanced Materials	25.3%	23.4%		25.4%	21.2%	
Coating Solutions	21.6%	22.1%		21.9%	18.4%	
Intermediates	40.1%	25.7%		37.6%	23.6%	
Recurring EBIT	570	345	+65.2%	1,058	568	+86.3%
Specialty Materials	482	309	+56.0%	923	504	+83.1%
Adhesive Solutions	92	65	+41.5%	165	136	+21.3%
Advanced Materials	215	116	+85.3%	422	191	+120.9%
Coating Solutions	175	128	+36.7%	336	177	+89.8%
Intermediates	114	64	+78.1%	193	117	+65.0%
Corporate	-26	-28		-58	-53	

SALES BY BUSINESS LINE

in millions of euros

	Q2'22	Q2'21 *	Change	H1'22	H1'21 *	Change
Sales Adhesive Solutions	779	575	+35.5%	1,449	1,130	+28.2%
Construction & Consumer	356	316	+12.7%	704	618	+13.9%
Industrial Assembly	423	259	+63.3%	745	512	+45.5%
Sales Advanced Materials	1,113	785	+41.8%	2,188	1,537	+42.4%
High Performance Polymers	506	302	+67.5%	1,015	602	+68.6%
Performance Additives	607	483	+25.7%	1,173	935	+25.5%
Sales Coating Solutions	960	712	+34.8%	1,822	1,279	+42.5%
Coating Resins	703	531	+32.4%	1,322	934	+41.5%
Coating Additives	257	181	+42.0%	500	345	+44.9%
Sales Intermediates	322	315	+2.2%	593	661	-10.3%

SALES DEVELOPMENT

	Q2'22				H1'22			
	Price	Volume	Fx	Scope	Price	Volume	Fx	Scope
Total Group	+28.5%	-5.3%	+8.1%	+1.6%	+30.0%	-3.8%	+6.7%	-1.5%
Specialty Materials	+28.5%	-3.4%	+7.9%	+4.6%	+30.7%	-2.2%	+6.6%	+3.2%
Adhesive Solutions	+17.4%	-6.2%	+6.6%	+17.7%	+16.6%	-5.4%	+4.9%	+12.1%
Advanced Materials	+38.4%	-4.1%	+8.3%	-0.8%	+38.8%	-3.0%	+7.2%	-0.6%
Coating Solutions	+26.7%	-0.4%	+8.5%	-	+33.4%	+1.7%	+7.4%	-
Intermediates	+29.2%	-18.1%	+9.5%	-18.4%	+26.0%	-14.1%	+7.6%	-29.8%

(*) Integrates the reclassification of the upstream of PVDF in Advanced Materials (High Performance Polymers) from Intermediates

RESTATED 2021 DATA

integrating the reclassification of the upstream of PVDF from the Intermediates segment to the Advanced Materials (High Performance Polymers Business Line)

Advanced Materials

<i>in millions of euros</i>	Q1'21	Q2'21	Q3'21	Q4'21	FY'21
Sales	752	785	837	933	3,307
High Performance Polymers	300	302	351	406	1,359
Performance Additives	452	483	486	527	1,948
EBITDA	142	184	176	169	671
EBITDA margin	18.9%	23.4%	21.0%	18.1%	20.3%
Recurring depreciation and amortization	-67	-68	-70	-78	-283
Recurring operating income (REBIT)	75	116	106	91	388
REBIT margin	10.0%	14.8%	12.7%	9.8%	11.7%
Depreciation and amortization related to PPA allocation	-4	-3	-4	-4	-15
Other income and expenses	-8	-134	-1	-66	-209
Operating income	63	-21	101	21	164

Intermediates

<i>in millions of euros</i>	Q1'21	Q2'21	Q3'21	Q4'21	FY'21
Sales	346	315	244	253	1,158
EBITDA	75	81	72	79	307
EBITDA margin	21.7%	25.7%	29.5%	31.2%	26.5%
Recurring depreciation and amortization	-22	-17	-14	-15	-68
Recurring operating income (REBIT)	53	64	58	64	239
REBIT margin	15.3%	20.3%	23.8%	25.3%	20.6%
Depreciation and amortization related to PPA allocation	-	-	-	-	-
Other income and expenses	0	904	4	-5	903
Operating income	53	968	62	59	1,142

DISCLAIMER

Balance sheet, income statement and cash flow statement data, as well as information by segment included in this document are extracted from the condensed consolidated financial statements at 30 June 2022 as approved by Arkema's Board of Directors on 28 July 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.

Investor relations contacts

Béatrice Zilm	+33 (0)1 49 00 75 58	beatrice.zilm@arkema.com
Peter Farren	+33 (0)1 49 00 73 12	peter.farren@arkema.com
Mathieu Briatta	+33 (0)1 49 00 72 07	mathieu.briatta@arkema.com
Caroline Chung	+33 (0)1 49 00 74 37	caroline.chung@arkema.com

Media contacts

Gilles Galinier	+33 (0)1 49 00 70 07	gilles.galinier@arkema.com
Véronique Obrecht	+33 (0)1 49 00 88 41	veronique.obrecht@arkema.com

A French *société anonyme* (limited company) with share capital of €742,860,410 – Registered in Nanterre: RCS 445 074 685 Nanterre

Arkema

420 rue d'Estienne d'Orves
92705 Colombes Cedex
France
P +33 (0)1 49 00 80 80
arkema.com

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