

FULL YEAR RESULTS 2022

UMICORE FULL YEAR RESULTS 2022: RESILIENT BUSINESS PERFORMANCE IN A VOLATILE MARKET

Key highlights

Revenues¹ of € 4.2 billion (+10%)

Adjusted EBITDA of € 1,151 million (-8%) and adjusted EBITDA margin of 27.3% (compared to 32.5% in 2021)

Adjusted EBIT of € 865 million (-11%)

EBIT adjustments of - € 32 million

ROCE of 19.2%
(compared to 22.2% in 2021)

Adjusted net profit (Group share) of € 593 million and adjusted EPS of € 2.47

Cashflow from operations of € 835 million (vs € 1,405 million in 2021); **free cashflow from operations of € 344 million** (vs € 989 million in 2021)

Capital expenditures amounted to **€ 470 million** (vs € 389 million in 2021)

Net debt at € 1,104 million, compared to € 960 million at the end of 2021. This corresponds to a **net debt/ LTM adj. EBITDA ratio of 0.96**.

Proposed gross **annual dividend** for 2022 of € 0.80 of which € 0.55 to be paid in May 2023, with an interim dividend of € 0.25 already paid out in August 2022.

Umicore posted a strong performance in 2022 in a context of severe market disruptions, cost inflation and a volatile precious metal price environment. Group revenues¹ for the full year amounted to € 4.2 billion, up 10% compared to the previous year, driven by a strong operational performance, higher volumes and prices. Adjusted EBITDA amounted to € 1,151 million, a decrease of 8% compared to the record level achieved in 2021, reflecting increased spending for innovation and growth preparation, cost inflation² and less favorable precious metal price levels³. Operational free cash flow remained strong at € 344 million, despite higher working capital requirements mainly driven by a record level lithium price, as well as higher capital expenditures. Net financial debt slightly increased to € 1.1 billion, resulting in a leverage ratio of 0.96x LTM adjusted EBITDA.

¹ All references to revenues in this document refer to revenues excluding metals (i.e. all revenue elements less the value of the following purchased metals: Au, Ag, Pt, Pd, Rh, Co, Ni, Pb, Cu, Ge, Li, Mn). Regarding the exclusion of lithium and manganese; please refer to page 3 and the Energy & Surface Technologies section for more information.

² The cost inflation headwind amounted to € 184 million over 2022.

³ In 2022, the impact from precious metal prices was € 70 million below the 2021 levels.



Revenues and earnings in **Catalysis** reached record levels. Automotive Catalysts outperformed the global car market, driven by a favorable platform and customer mix in light-duty applications as well as market share gains. Operational excellence and the ability to pass-through cost inflation resulted in record adjusted EBITDA of € 419 million.



Revenues and earnings in **Energy & Surface Technologies** increased substantially, achieving adjusted EBITDA of € 290 million. Cobalt & Specialty Materials benefited from an exceptionally strong demand and a supportive cobalt and nickel price environment in the first half of the year, before an expected normalization in the second half. The increased performance of Rechargeable Battery Materials included a favorable exposure to the increase of the lithium price. As anticipated and previously announced, sales volumes of cathode active materials remained subdued.



Recycling delivered another excellent operational performance with revenues in line with the level achieved in 2021. The Precious Metals Refining business unit benefited from solid volumes and an overall supportive supply environment. A slightly lower contribution of the trading activity in Precious Metals Management was offset by higher revenues in the Jewelry & Industrial Metals business unit. Adjusted EBITDA amounted to € 532 million, below the level of 2021 due to cost inflation and less favorable precious metal price levels compared to 2021.

2022 also marks the introduction of Umicore's "**2030 RISE**" strategy, designed to deliver significant, value creative growth. The Rechargeable Battery Materials business unit made significant progress by closing multiple long-term value creative customer contracts and supplier partnerships, as well as by achieving major milestones in executing its value chain presence in Europe and North America. The Catalysis and Recycling business groups again demonstrated their resilience, operational excellence and ability to generate strong free cash flows in a very challenging market context. These achievements reconfirm the ability of Umicore to balance growth, returns and cash flows over the time-frame of its 2030 RISE strategy and are proof points of its execution. The Group also diversified and extended its funding base at attractive conditions with newly issued sustainability linked debt instruments for a total amount of € 1,091 million. In addition, the [Science Based Target initiative \(SBTi\)](#) has validated Umicore's intermediate greenhouse gas reduction targets for 2030, an important milestone in its Let's go for Zero ambitions to achieve net zero greenhouse gases by 2035, an integral part of the 2030 RISE growth strategy.



Mathias Miedreich, CEO of Umicore commented: "*The year 2022 marks a successful start for our "2030 RISE" strategy, which is designed to accelerate value creative growth. We have delivered a strong business performance in a context of significant macroeconomic headwinds and have already demonstrated very tangible progress against key strategic and financial objectives. I am tremendously proud of the Umicore teams that have made this performance possible and I remain very confident that we are best positioned to capture the significant growth opportunities provided by the accelerating mobility transformation.*"

2023 Outlook



Automotive Catalysts is expected to benefit from its strong market position in gasoline catalyst applications, a supply chain recovery and an anticipated rebound of the Chinese heavy-duty diesel market. Therefore, adjusted EBITDA of the **Catalysis** business group is expected to show a further good uplift in 2023 versus 2022.



In **Energy & Surface Technologies**, it is expected that the earnings of the Rechargeable Battery Materials business unit will be in line with the 2022 level. Considering that in 2023 the Cobalt & Specialty Materials business unit will no longer benefit from the exceptional profitability that occurred in the first half of 2022, adjusted EBITDA of the Energy & Surface Technologies business group in 2023 is anticipated to be somewhat below the level of 2022.



In **Recycling**, the Precious Metals Refining business unit is expected to continue to benefit from an overall supportive supply environment. Assuming current precious metal prices are to prevail throughout the year, adjusted EBITDA in the Recycling business group in 2023 is expected to be below the level of 2022 due to full year effect of cost inflation.

Overall, adjusted EBIT and EBITDA for the Group are expected to be below the levels of 2022, in line with current market expectations.

Adapted revenue definition for Energy & Surface Technologies to enhance comparability

As lithium and manganese are increasingly valuable and volatile components in rechargeable battery materials, it was decided to no longer treat them as consumables but as hedged metals in order to make the accounting approach consistent with the revenue⁴ performance indicator used in Umicore's other business units. This will allow neutralizing distortions in revenues resulting from the volatility in the value of the purchased metals and enhance comparability of the underlying performance of the Rechargeable Battery Material business unit. Henceforth the pass-through value of the purchased lithium and manganese will therefore be excluded from the revenue calculation, as is currently already the case for cobalt and nickel. The Energy & Surface Technologies 2021 and 2022 revenues have been restated accordingly.

Rechargeable Battery Materials activities to be grouped within one legal entity

The business unit Rechargeable Battery Materials is at the core of Umicore's 2030 RISE strategy. As a next step in the execution of its strategy, Umicore intends to group the Rechargeable Battery Materials activities within one legal entity. This set-up will provide the best foundation for the business unit to scale within Umicore and maximize its financing options, while delivering on its ambitious 2030 RISE objectives.

⁴ Please refer to the glossary (<https://www.umicore.com/en/investors/glossary>) for the revenue definition.

Key figures

(in million €)

| | H2 2021 | H2 2022 | 2021 | 2022 |
|--|------------|------------|--------|--------|
| Turnover | 11,376 | 12,546 | 24,054 | 25,436 |
| Revenues (excluding metal) (*) | 1,737 | 2,093 | 3,791 | 4,155 |
| Adjusted EBITDA | 489 | 550 | 1,251 | 1,151 |
| Adjusted EBIT | 346 | 404 | 971 | 865 |
| of which associates | 10 | 5 | 21 | 16 |
| EBIT adjustments | (36) | (12) | (75) | (32) |
| Total EBIT | 310 | 392 | 896 | 832 |
| Adjusted EBIT margin (*) | 19.4% | 19.0% | 25.1% | 20.4% |
| Effective adjusted tax rate | 19.5% | 16.5% | 23.1% | 20.0% |
| Adjusted net profit, Group share | 240 | 272 | 667 | 593 |
| Net profit, Group share | 219 | 261 | 619 | 570 |
| R&D expenditure | 127 | 175 | 245 | 316 |
| Capital expenditure | 223 | 280 | 389 | 470 |
| Net cash flow before financing | 198 | (76) | 787 | 153 |
| Total assets, end of period | 9,045 | 9,942 | 9,045 | 9,942 |
| Group shareholders' equity, end of period | 3,113 | 3,516 | 3,113 | 3,516 |
| Consolidated net financial debt, end of period | 960 | 1,104 | 960 | 1,104 |
| Gearing ratio, end of period | 23.3% | 23.6% | 23.3% | 23.6% |
| Net debt / LTM adj. EBITDA | 0.77x | 0.96x | 0.77x | 0.96x |
| Capital employed, end of period | 4,377 | 4,716 | 4,377 | 4,716 |
| Capital employed, average | 4,364 | 4,595 | 4,384 | 4,511 |
| Return on capital employed (ROCE) | 15.9% | 17.6% | 22.2% | 19.2% |
| Workforce, end of period (fully consolidated) | 11,050 | 11,565 | 11,050 | 11,565 |
| Workforce, end of period (associates) | 2,589 | 2,664 | 2,589 | 2,664 |
| Accident frequency rate | 3.95 | 6.18 | 3.70 | 4.87 |
| Accident severity rate | 0.12 | 0.18 | 0.12 | 0.16 |

(*) Revenues of 2021 and 2022 have been restated to exclude the pass-through value of the purchased lithium and manganese

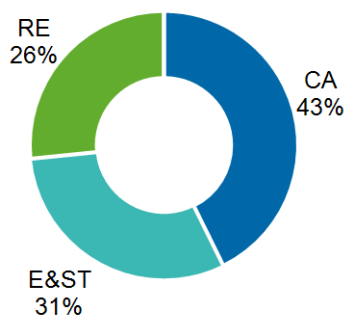
Key figures per share

(in € / share)

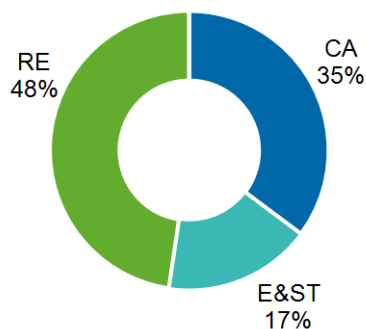
| | H2 2021 | H2 2022 | 2021 | 2022 |
|--|-------------|-------------|-------------|-------------|
| Total number of issued shares, end of period | 246,400,000 | 246,400,000 | 246,400,000 | 246,400,000 |
| of which shares outstanding | 241,199,005 | 240,200,659 | 241,199,005 | 240,200,659 |
| of which treasury shares | 5,200,995 | 6,199,341 | 5,200,995 | 6,199,341 |
| Average number of shares outstanding | | | | |
| basic | 241,050,476 | 240,123,853 | 240,868,119 | 240,340,705 |
| diluted | 242,162,530 | 240,469,079 | 241,980,163 | 240,685,931 |
| Adjusted EPS - basic | 0.99 | 1.13 | 2.77 | 2.47 |
| Basic EPS | 0.91 | 1.09 | 2.57 | 2.37 |
| Diluted EPS | 0.90 | 1.09 | 2.56 | 2.37 |
| Dividend payout | 0.25 | 0.25 | 0.75 | 0.80 |
| Net cash flow before financing, basic | 0.82 | -0.32 | 3.27 | 0.64 |
| Total assets, end of period | 37.50 | 41.39 | 37.50 | 41.39 |
| Group shareholders' equity, end of period | 12.91 | 14.64 | 12.91 | 14.64 |

Segment split

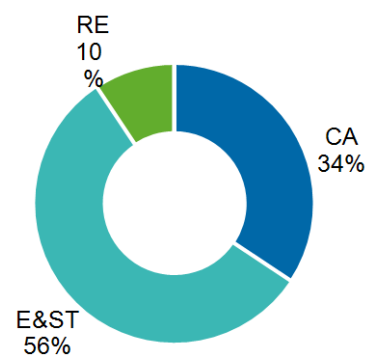
Revenues
(excluding metal)



EBIT
(adjusted)



Capital employed
(average)



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

Catalysis

Catalysis key figures

| (in million €) | H2 2021 | H2 2022 | 2021 | 2022 |
|---|------------|------------|-------|-------|
| Total turnover | 3,868 | 3,831 | 8,155 | 7,738 |
| Total revenues (excluding metal) | 780 | 879 | 1,687 | 1,776 |
| Adjusted EBITDA | 160 | 213 | 402 | 419 |
| Adjusted EBIT | 122 | 172 | 326 | 342 |
| Total EBIT | 103 | 163 | 308 | 331 |
| Adjusted EBIT margin | 15.7% | 19.6% | 19.3% | 19.2% |
| R&D expenditure | 69 | 68 | 142 | 139 |
| Capital expenditure | 45 | 45 | 70 | 67 |
| Capital employed, end of period | 1,551 | 1,564 | 1,551 | 1,564 |
| Capital employed, average | 1,699 | 1,525 | 1,743 | 1,522 |
| Return on capital employed (ROCE) | 14.4% | 22.6% | 18.7% | 22.5% |
| Workforce, end of period (fully consolidated) | 3,007 | 3,080 | 3,007 | 3,080 |

Overview 2022 performance

The **Catalysis** business group set another all-time record performance in 2022, with both revenues and earnings exceeding the previous record result achieved in 2021. Revenues reached € 1,776 million and adjusted EBITDA amounted to € 419 million, representing respective increases of 5% and 4% compared to the previous year. This exceptional performance was primarily led by Automotive Catalysts which significantly outperformed, both in volumes and revenues, a subdued global car market. This was driven by a favorable platform and customer mix in light-duty gasoline applications as well as by further market share gains in gasoline catalyst technologies in China. The business group also benefited from higher revenues in Precious Metals Chemistry while revenues in Fuel Cells & Stationary Catalysts remained in line with the previous year, impacted by COVID-19 lockdowns in China in the first half of the year. The higher revenues, combined with a favorable product mix, operational optimizations in Automotive Catalysts and a pass-through of cost inflation into pricing, resulted in margins well above historical levels. Adjusted EBIT amounted to € 342 million, representing an increase of 5% year on year.

2022 Business Review

The year 2022 proved to be another difficult year for the automotive industry, which was affected by severe supply constraints. Continued global logistic disruptions and shortages of semi-conductors, together with a resurgence of the COVID-19 pandemic in China in the first half of 2022, forced car manufacturers to reduce production despite strong global demand. As a result, global light-duty production for the full year 2022 remained broadly in line with the level of 2021 (+1.5%). This is however still well below the pre-pandemic level of 2019. Lower year on year car production in China and Europe was offset by strong growth in other regions, in particular in the second half of the year.

Despite this challenging backdrop, **Automotive Catalysts** delivered another set of record results, growing both revenues and earnings year on year. The business unit outperformed the global light-duty vehicle market both in volumes and revenues (+11% year on year) driven by a favorable platform and customer mix in China, North and South America, and India as well as further market share gains in gasoline catalyst applications in the Chinese market. This more than offset a decrease in revenues from the heavy-duty diesel segment, caused by a steep year on year decline in Chinese heavy-duty diesel production. Earnings were further supported by the product mix - with a higher portion of light-duty vehicles - and a favorable PGM price environment, and increased year on year despite cost inflation headwinds.

Light-duty vehicles

The light-duty vehicle segment represented 86% of Automotive Catalysts' revenues in 2022, of which 79% corresponds to gasoline technologies.

The Chinese ICE market, which represented 29% of Umicore's global light-duty catalyst volumes, declined 4.9% compared to the previous year. After a first half affected by a resurgence of the COVID-19 pandemic in major Chinese provinces, which resulted in temporary production suspensions in car manufacturer plants in March and April, car production rebounded strongly in the second half of 2022. Umicore substantially outperformed the Chinese market, both in volumes and revenues (+13.3%), benefitting from its strong customer mix and further market share gains with local car manufacturers.

The European ICE market, which represented 25% of Umicore's global light-duty catalyst volumes, decreased with 4.4% year on year, reflecting supply disruptions related to semiconductors and wiring harnesses, in particular in the first half of the year. Umicore's volumes and revenues (-4.7%) developed in line with the market.

The North and South American ICE markets, which represent 27% of Umicore's global light-duty catalyst volumes, increased compared to the previous year (+8%) reflecting robust consumer demand. Umicore substantially outperformed the car market in this region, both in terms of volumes and revenues (+30%), driven by a favorable customer and platform mix.

Umicore's revenues (+14.3%) and volumes were well above the Asia Pacific ICE market, which grew +3.7% year on year. This was primarily driven by a favorable customer and platform mix in India, which allowed Umicore to outpace a steeply growing Indian market.

Heavy-duty diesel vehicles

The heavy-duty diesel segment represented 14% of the business unit's revenues in 2022.

The Chinese heavy-duty diesel market, accounting for 49% of Umicore's global heavy-duty diesel volumes, contracted substantially in 2022 (-33%) reflecting continued supply chain disruptions which were further exacerbated by COVID-19 related production suspensions in the second quarter and compared to a year 2021 that was boosted by strong demand for China V technologies ahead of the nationwide implementation of China VI. Umicore's heavy-duty diesel volumes and revenues were down in this overall bearish market.

In Europe, Umicore's volumes and revenues substantially outperformed the heavy-duty diesel market, which increased 4.8% compared to 2021, reflecting a favorable customer and platform mix.

Revenues for **Precious Metals Chemistry** increased compared to the previous year. Volumes of inorganic chemicals benefited from strong demand from the automotive industry. Revenues from homogenous catalysts were slightly below the record level of the previous year, with higher sales volumes of homogenous catalysts used in bulk applications offset by lower revenues from the life science applications segment. The performance of the business unit was also supported by a favorable PGM price environment.

Revenues for **Fuel Cells & Stationary Catalysts** remained in line with the previous year. Revenues from proton-exchange-membrane (PEM) fuel cell catalysts used in the transportation segment declined, affected by the COVID-19 related lockdowns in China in the first half of the year. Over the course of the year, Umicore entered into additional collaboration agreements with leading OEMs in China, thereby successfully extending its customer portfolio in the region. Based on the growing number of customer contracts and ongoing qualifications, Umicore announced an expansion of its PEM-fuel cell catalyst mass-production capabilities with a greenfield plant in Changshu, China, which is set to start production mid-2025. This plant, which will be the world's largest fuel cell catalyst plant by that time, will be scalable to align with the future growth of the business unit's customer portfolio.

The lower revenues from the fuel cell activity were offset by higher revenues from stationary catalysts which benefited, after a more difficult year 2021 impacted by COVID-19 related project postponements, from a recovery in demand from the chemical, refining and manufacturing end-markets. Earnings for the business unit decreased, reflecting cost inflation as well as costs related to the construction of the plant in Changshu.

Energy & Surface Technologies

Energy & Surface Technologies

key figures

(in million €)

| | H2 2021 | H2 2022 | 2021 | 2022 |
|---|------------|------------|-------|-------|
| Total turnover | 1,825 | 2,745 | 3,534 | 4,974 |
| Revenues (excluding metal) (*) | 504 | 646 | 1,001 | 1,278 |
| Adjusted EBITDA | 125 | 118 | 262 | 290 |
| Adjusted EBIT | 61 | 55 | 139 | 166 |
| of which associates | 4 | 2 | 8 | 5 |
| Total EBIT | 62 | 57 | 141 | 169 |
| Adjusted EBIT margin (*) | 11.5% | 8.2% | 13.1% | 12.6% |
| R&D expenditure | 37 | 66 | 64 | 107 |
| Capital expenditure | 114 | 167 | 219 | 296 |
| Capital employed, end of period | 2,275 | 2,751 | 2,275 | 2,751 |
| Capital employed, average | 2,233 | 2,617 | 2,198 | 2,498 |
| Return on capital employed (ROCE) | 5.5% | 4.2% | 6.3% | 6.7% |
| Workforce, end of period (fully consolidated) | 3,836 | 3,991 | 3,836 | 3,991 |
| Workforce, end of period (associates) | 792 | 821 | 792 | 821 |

(*) Revenues of 2021 and 2022 have been restated to exclude the pass-through value of the purchased lithium and manganese

Adapted revenue definition for Energy & Surface Technologies to enhance comparability

As lithium and manganese are increasingly valuable and volatile components in rechargeable battery materials, it was decided to no longer treat them as consumables but as hedged metals in order to make the accounting approach consistent with the revenue performance indicator used in Umicore's other business units. This will allow to neutralize distortions in revenues resulting from the volatility in the value of the purchased metals and enhance comparability of the underlying performance of the Rechargeable Battery Material business unit. Henceforth the pass-through value of the purchased lithium and manganese will therefore be excluded from the revenue calculation, as is currently already the case for cobalt and nickel. The Energy & Surface Technologies 2021 and 2022 revenues have been restated accordingly.

Overview 2022 performance

In 2022, revenues⁵ in **Energy & Surface Technologies** amounted to € 1,278 million and adjusted EBITDA to € 290 million, up respectively 28% and 11% compared to the previous year, driven by higher revenues and earnings in Rechargeable Battery Materials and Cobalt & Specialty Materials. The Cobalt & Specialty Materials business unit benefitted from exceptionally strong demand and a supportive price environment in the cobalt and nickel chemicals and related distribution activities in the first half of the year, before an expected normalization of demand patterns in the second half. As anticipated and previously announced, sales volumes of cathode active materials in Rechargeable Battery Materials remained subdued. Revenues of the business unit, however, were well up compared to the previous year, reflecting a favorable transactional exposure to the lithium price in 2022.

⁵ All references to revenues in Energy & Surface Technologies henceforth exclude the value of all the purchased metals (Co, Ni, Li, Mn).

As mentioned, this sensitivity of revenues and earnings to the price of lithium will decrease throughout 2023 and be minimized from 2024 through forward contracts and hedging mechanisms. Adjusted EBIT of the business group amounted to € 166 million, up 20% year on year, including the increase in D&A following the production start of the plant in Nysa as of mid-2022.

2022 Business Review

Revenues in **Rechargeable Battery Materials** were well above the levels of the previous year, including a favorable transactional lithium price impact resulting from the time lapse between the conversion of purchased raw materials into cathode materials and the sale of these materials to customers.

Despite a challenging context for the automotive industry, global sales of electric vehicles increased +56% compared to the previous year, driven by a strong demand in China and Europe. An important milestone was reached in 2022, with sales of full electric vehicles for the first time accounting for 10% of all new vehicles sales worldwide, demonstrating the rapid ascent of this new drivetrain technology and the speed of transformation that the automotive industry is going through.

Sales of electric vehicles in Europe were well up (+15%) year on year with demand for battery materials growing +22%. Sales volumes of Umicore's NMC (nickel, manganese, cobalt) cathode materials grew in line with the market demand for battery materials, confirming Umicore's strong position in the region. In September, Umicore officially inaugurated its greenfield production plant for cathode active materials in Nysa, Poland. This plant, which is fully powered by renewable electricity, is Europe's very first gigafactory for cathode active materials and makes Umicore the only company in Europe with a complete circular and sustainable battery materials value chain. As previously announced, it will be further expanded with additional production lines set to come on stream in 2023. Upon finalization of this expansion, the plant will have a total production capacity of 20 GWh.

Sales of electric vehicles in China nearly doubled (+83%) compared to 2021. The increase in demand for NMC cathode materials was, however, less pronounced (+65% year on year) as the majority of the growth in China was driven by sales of shorter-range, LFP-based, vehicles. As anticipated and previously announced, Umicore's volume evolution did not match the NMC demand growth in China due to an unfavorable customer mix for certain mid-nickel platforms.

Electric vehicles sales in North America grew substantially in 2022 (+52%), albeit it from a smaller base, reflecting strong customer demand as well as a growing number of electric vehicle models introduced by car OEMs in the region. It is expected that the recently passed Inflation Reduction Act (IRA), which provides for significant investments in clean energy and transportation technologies, will further boost local demand for electric vehicles through consumer and commercial tax credits and will strongly incentivize the creation of a domestic EV supply chain. In July, before the electrification impetus provided by the IRA, Umicore announced its plans to construct a manufacturing facility for cathode materials and related precursor materials in Ontario, Canada based on growing customer traction and ongoing qualifications in North America. The cathode materials produced in this facility are intended to be covered by the IRA⁶ and allow eligibility for the respective tax credits mechanisms in the US. Pending the closing of customer contracts, Umicore is targeting to start construction of the plant in 2023 and operations at the end of 2025 with the potential to reach, by the end of the decade, an annual production capacity capable of powering approximately one million EVs. In the meantime, Umicore is serving its North American customers out of its cathode materials production plant in Korea. Umicore's sales volumes of cathode materials in the region increased substantially compared to last year, reflecting the strong momentum in the North American EV sales.

⁶ Based on the information known at the time this press release was written.

Over the year, Umicore made strong progress in the execution of its “2030 RISE” strategy in Rechargeable Battery Materials and reached **key milestones in the build out of long-term, value creative strategic customer and supplier partnerships**. As battery-ecosystems are being established in key regions, car manufacturers become increasingly direct involved in the selection of the performance-critical cathode materials and their precursors. In this context, Umicore is pioneering long-term customer partnerships and simultaneously diversifying its customer and platform exposure.

- In **Europe**, Umicore signed a joint venture agreement for precursor and cathode material production with PowerCo, the battery company of Volkswagen⁷. From 2025 onwards, this joint venture will supply PowerCo's European battery cell factories with key materials. The partners aim to produce by the end of the decade cathode materials and their precursors for 160 GWh cell capacity per year, which compares to an annual production capacity capable of powering about 2.2 million full electric vehicles.

Umicore also signed a long-term strategic supply agreement for EV cathode materials with Automotive Cells Company (ACC), set to start with an annual offtake commitment of 13 GWh in early 2024 with the ambition to grow yearly supplied volumes to at least 46 GWh by 2030.⁸

- In **North America**, Umicore and PowerCo announced an intention to explore a strategic long-term supply agreement to serve PowerCo's future battery Gigafactory in the region.⁹ This planned, non-exclusive agreement, would make PowerCo an important customer for Umicore's planned battery materials production plant in Ontario, Canada.
- Umicore also recently signed an agreement with Terrafame Ltd. for the long-term supply of low carbon, sustainable high-grade nickel sulphate. This agreement will cover a substantial part of the future nickel requirements of Umicore's cathode materials manufacturing plant in Poland and reconfirms Umicore's strong commitment to establish a sustainable battery materials value chain in Europe.

Through its continued R&D efforts Umicore remains at the forefront of Li-ion battery technologies thereby ensuring **the best array of today's and next generation's design-to-cost and design-to-performance technologies** to its customers. In the framework of its broad technology and innovation roadmap, Umicore agreed with Idemitsu Kosan Co., Ltd to jointly develop high-performance catholyte materials for solid-state batteries, combining both players' expertise in cathode active materials and solid electrolytes, and aiming to provide the technological breakthrough to extend the driving range and thereby propel e-mobility¹⁰. After the close of the year, Umicore announced¹¹ that it is starting the industrialization of its manganese-rich HLM (high lithium, manganese) cathode active materials technology and targets commercial production and use in electric vehicles in 2026. By adding HLM to its portfolio, Umicore introduces a distinctly competitive battery technology to other design-to-cost technologies. This complements Umicore's broad range of NMC battery materials for high performance, long-range EVs. HLM is gaining traction with car and battery cell manufacturers as a differentiating lower cost, high energy-density and sustainable battery technology.

Umicore also continues to build further on its **pioneering approach in terms of responsibly sourced materials**. As founding member of the Global Battery Alliance, Umicore is co-developing the Battery Passport¹² with the aim of setting up a global vision of a sustainable, responsible and circular battery materials value chain, based on standardized, comparable and auditable data. The proof of concept was launched at the World Economic Forum's Annual Meeting in Davos in January 2023.

⁷ Please refer to the press release of September 26th, 2022, available on the [Umicore website](#).

⁸ Please refer to the press release of June 22nd, 2022, available on the [Umicore website](#).

⁹ Please refer to the press release of December 1st, 2022, available on the [Umicore website](#).

¹⁰ Please refer to the press release of April 27th, 2022, available on the [Umicore website](#).

¹¹ Please refer to the press release of February 13th, 2023, available on the [Umicore website](#).

¹² Please refer to the press release of January 18th, 2023, available on the [Umicore website](#).

The business unit Rechargeable Battery Materials is at the core of Umicore's 2030 RISE strategy. As a next step in the execution of its strategy, Umicore intends to group the Rechargeable Battery Materials activities within one legal entity. This set-up will provide the best foundation for the business unit to scale within Umicore and maximize its financing options, while delivering on its ambitious 2030 RISE objectives.

Revenues for **Cobalt & Specialty Materials** increased substantially year on year. The cobalt and nickel chemicals and related distribution activities generated an exceptionally strong performance in the first half of the year driven by high activity levels in key end-markets and inventory build-up of customers in a context of high demand and increasing cobalt and nickel prices. As anticipated, performance normalized in the second half reflecting an expected slowdown in demand in a competitive market environment and a cobalt price that fell back substantially from the peak level reached in May. Revenues from the tool materials activity increased, benefiting from strong demand for hard metal and diamond tools, in particular in the first half of the year. Revenues from carboxylates were also higher, reflecting high demand from the coating and painting industries.

Revenues for **Metal Deposition Solutions** were stable compared to the previous year. Higher revenues for decorative applications and platinized compounds used in electrocatalytic materials offset the impact of lower demand for precious metal-based electrolytes used in portable devices and printed circuit boards used in the electronics industry. Revenues of thin film products remained in line with previous year, with a slowdown in demand from the micro-electronics industry compensated by higher order levels for optic applications.

Revenues for **Electro-Optic Materials** remained stable year on year. Revenues from infra-red solutions increased, driven by strong demand for optical lenses used in infra-red vision applications. This was offset by lower revenues from germanium solutions, reflecting a less favorable product mix and slightly lower volumes in high purity chemicals used in optical fibers and lower demand for germanium substrates.

Recycling

Recycling key figures

| (in million €) | H2 2021 | H2 2022 | 2021 | 2022 |
|---|------------|------------|--------|--------|
| Total turnover | 7,114 | 7,212 | 15,609 | 15,338 |
| Total revenues (excluding metal) | 457 | 569 | 1,108 | 1,107 |
| Adjusted EBITDA | 236 | 275 | 640 | 532 |
| Adjusted EBIT | 202 | 241 | 573 | 463 |
| Total EBIT | 194 | 246 | 529 | 463 |
| Adjusted EBIT margin | 44.3% | 42.4% | 51.7% | 41.8% |
| R&D expenditure | 6 | 11 | 13 | 24 |
| Capital expenditure | 53 | 52 | 83 | 81 |
| Capital employed, end of period | 461 | 347 | 461 | 347 |
| Capital employed, average | 349 | 386 | 345 | 415 |
| Return on capital employed (ROCE) | 116.0% | 125.0% | 165.9% | 111.6% |
| Workforce, end of period (fully consolidated) | 2,867 | 2,996 | 2,867 | 2,996 |

Overview 2022 performance

The **Recycling** business group delivered another excellent performance in 2022 with revenues reaching € 1,107 million, in line with the record level achieved in 2021. The Precious Metals Refining business unit benefited from solid volumes and an overall supportive metal price environment, despite diverging pricing trends per metal. A slightly lower contribution from the trading activity in Precious Metals Management was offset by higher revenues in the Jewelry & Industrial Metals business unit, which benefited from high demand from the investment, jewelry and high purity glass end-markets. Adjusted EBITDA amounted to € 532 million and adjusted EBIT to € 463 million. Although well above historical levels, earnings were below the record level achieved in 2021 reflecting substantial cost inflation headwinds.

2022 Business Review

Revenues for **Precious Metals Refining** were close to the record level achieved in the previous year. Earnings, however, were impacted by significant cost inflation driven primarily by higher energy prices. As previously indicated, the long-term fixed contracts allowed only a limited pass-through of inflation to pricing.

The year 2022 was marked by volatile precious and PGM prices. Prices of rhodium and palladium peaked in the first half before declining substantially, while platinum, silver and gold prices significantly fluctuated throughout the entire year. Against this volatile background and taking into account the existing strategic metal hedges concluded in previous years, a lower average received price for rhodium was offset by higher average received prices for most other precious as well as non-precious metals.

Operational performance of the Hoboken plant was robust and processed volumes remained broadly in line with the levels of the previous year. The regular maintenance shutdown of the smelter in the last quarter was completed successfully and operations restarted as planned. The global logistic disruptions, which affected the input mix in the first half of the year, eased during the summer months. In the second half of the year, the business unit was able to catch-up and process the delayed supplies of complex PGM-rich materials from the first six months of the year. Availability of spent automotive catalysts, however, remained constraint throughout the year due to lower volumes of end-of-life vehicles and collectors holding on longer to scrap material in current volatile PGM price environment.

Precious Metals Refining continues to invest and take measures to reduce the impact of its operations on the environment. In 2022, the business unit built windshields around storage areas where raw materials are loaded and unloaded and created a green buffer zone on the site's premises in order to further minimize dust spreading. The results of the most recent monitoring of lead in blood values, carried out in November 2022¹³, showed the lowest average level ever achieved, well below legal norms. This is a testimony of the success of Umicore's long-standing and continued efforts to minimize its impact on the environment and the plant's surroundings. Additional measures will take place in 2023 with the construction of a closed green zone outside the plant to increase the distance between the plant and the residential area. Altogether these measures should allow for a long-term sustainable co-existence of the site and its neighbors.

Revenues for **Jewelry & Industrial Metals** increased compared to the previous year reflecting a strong performance in most product lines. Revenues from platinum engineered materials used in high purity glass applications were well up, reflecting industry-leading product performance that resulted in higher order levels from existing customers as well as a successful extension of the customer base. Order levels of silver coins increased driven by safe-haven consumer buying, while sales volumes of jewellery products continued to benefit from strong demand from the luxury end-market. This more than offset subdued demand for platinum based performance catalysts used in the industrial and agricultural industries. The contribution from the refining and recycling activities remained overall in line with the previous year.

The earnings contribution from **Precious Metals Management** was slightly below the level of the previous year reflecting primarily a less favorable PGM price environment, in particular for rhodium. Revenues from the physical delivery of metals remained broadly in line with the previous year, with strong industrial demand for silver offset by lower order levels for gold and silver bars from the institutional investment industry.

Driven by accelerating vehicle electrification, volumes of battery production scrap and "end-of-life" batteries are set to increase exponentially towards 2030. Sustainable and environmentally sound recycling solutions for the processing of these batteries will be critical, as evidenced by the stringent regulatory battery recycling requirements that are being introduced in key regions. At the same time, the rapidly increasing penetration of electric vehicles will result in a sharp increase in demand for key metals used in batteries such as nickel, lithium and cobalt, and a challenge will be to meet this growing demand in a sustainable and circular way. Umicore's recently created **Battery Recycling Solutions** business unit will be a key enabler for the sustainable electrification of the automotive industry providing regional access to critical metals and allowing closed-loop, environmentally friendly, low carbon battery manufacturing. Based on growing customer engagements and more than 15 running commercial partnerships, Umicore announced a significant scale-up of its battery recycling activities in Europe with a 150,000 ton battery recycling plant. This plant, which will be the biggest battery recycling plant in the world, will deploy Umicore's latest proprietary technology which allows to recover nickel, lithium, cobalt and copper into their purest battery-grade form in an eco-efficient way.

¹³ Please refer to the press release of December 8th 2022, available on the [Umicore website](#).

Corporate

Corporate key figures

| (in million €) | H2 2021 | H2 2022 | 2021 | 2022 |
|---|------------|------------|-------|-------|
| Adjusted EBITDA | (32) | (56) | (52) | (91) |
| Adjusted EBIT | (40) | (64) | (67) | (106) |
| of which associates | 7 | 4 | 13 | 11 |
| Total EBIT | (49) | (74) | (81) | (130) |
| R&D expenditure | 14 | 30 | 27 | 46 |
| Capital expenditure | 10 | 17 | 17 | 25 |
| Capital employed, end of period | 89 | 55 | 89 | 55 |
| Capital employed, average | 83 | 67 | 98 | 76 |
| Workforce, end of period (fully consolidated) | 1,340 | 1,498 | 1,340 | 1,498 |
| Workforce, end of period (associates) | 1,797 | 1,843 | 1,797 | 1,843 |

Corporate Review

As anticipated, corporate costs increased over 2022 compared to 2021. This is explained by important R&D expenditures linked to Umicore's technology and innovation roadmap. In particular, Umicore invested in the development of new state-of-the-art battery technologies such as high-performance catholyte materials for solid-state batteries and manganese-rich HLM cathode active materials in the design-to-cost segment. Corporate costs also included investments related to digitalization efforts. It is to be expected that corporate costs will further increase over 2023 in the framework of Umicore's future expansion and growth in line with its 2030 RISE strategy.

Element Six Abrasives' contribution to Umicore's adjusted EBITDA was stable compared to the previous year reflecting a robust business performance, the impact of operational excellence programs and cost discipline efforts, and a favorable exchange rate effect. Revenues from the oil & gas drilling activity were well up, driven by a further recovery of the drilling industry, which reached pre-COVID-19 production levels again in the second half of 2022. Revenues of carbide-based materials increased compared to an already strong performance in 2021, driven by operational efficiencies and end-market demand growth. Revenues in the precision tooling activity were somewhat below the level of the previous year, reflecting a more challenging context in the automotive end-market, in particular in the first half of the year

Research & development

In 2022, R&D expenditures in fully consolidated companies amounted to € 316 million, up 29% compared to € 245 million in 2021. This significant step-up reflects primarily increased spending in Rechargeable Battery Materials related to next generation design-to-performance and design-to-cost product and process technologies as well as ongoing customer qualifications. Umicore also increased R&D expenditures in battery recycling and advanced technology development related to decarbonization and emission reduction programs to meet its ambitious sustainability programs. In addition, efforts in corporate mid- to long-term technology development and open innovation collaboration programs were also higher. Over the course of the year, Umicore filed 72 new patent applications.

The R&D spend represented 7.6% of Umicore's 2022 revenues and capitalized development costs accounted for € 21 million of the total amount.

Progress in sustainability roadmap¹⁴

In 2022, building on the ambitions of its Let's Go for Zero targets, Umicore announced its mission to be a Sustainability Champion as a pillar of its 2030 RISE strategy. It is designed to accelerate the transition to a sustainable future through low carbon, sustainable and circular products and services. The Group's sustainability approach addresses climate resilience, aims for ambitious decarbonization targets and engages the value chain to drive meaningful impact.

Umicore supports the goals of the Paris Agreement and continues to act decisively on the path towards its ambitious objectives and timeline of reaching net-zero scope 1+2 Greenhouse Gas emissions by 2035, with intermediate milestones of a 20% reduction by 2025 and a 50% reduction by 2030 (vs. 2019 baseline). In addition, Umicore announced in 2022 its ambitious scope 3 target to reduce the carbon intensity of purchased materials by 42% by 2030 (vs. 2019 baseline). In November 2022, the Science Based Target initiative (SBTi) validated Umicore's intermediate greenhouse gas reduction targets for 2030 as science-based and aligned with the United Nations' Paris Agreement to limit the global temperature rise to 1.5 or well below 2 degrees Celsius this century.

Umicore prioritized energy and process efficiency programs in 2022 and concluded several green Power Purchase agreements for its global activities. It secured 35% of its global electricity needs from renewables in 2022, up from 17% in the previous year. Access to renewables infrastructure around the world is a key piece in achieving short term decarbonization. Given the large share of its energy use occurring in Europe, Umicore set an objective to reach 100% renewable electricity in the region by 2025. Umicore's European activities were powered by 55% renewable electricity in 2022.

Umicore actively invests in attracting and retaining the brightest and most talented people across the globe, and as such, in 2022 continued its efforts to increase diversity, be it gender, nationality or experience, and to ensure Zero Inequality. The number of employees in the fully consolidated companies increased from 11,050 at the end of 2021 to 11,565 in 2022 with most of the growth coming from new hires for Umicore's greenfield cathode materials plant in Nysa, Poland and cobalt refining and precursor production facility in Kokkola, Finland.

In the framework of ensuring Zero Harm, Umicore is committed to the highest level of occupational and process safety in all facilities, with an ambition to achieve zero work-related injuries. Umicore ramped up programs to create a more prominent caring safety culture in 2022, focusing on developing safety coaching skills. As part of the efforts to address safety performance, Umicore introduced the use of a Total Recordable Injury Rate (TRIR), in line with best industry practice, to provide a more comprehensive understanding of safety performance for both Umicore staff and contractors. While in 2022 the Group's lost time accidents (for staff only) were below expectations at 96 compared to 73 in 2021, Umicore's TRIR improved from 2021 levels¹⁵. In 2022 Umicore continued to take decisive actions in line with the Group's commitment to minimizing the impact of its operations on the communities and ecosystems where it operates (measures linked to activities in the Hoboken plant, Belgium can be found on p.14). In addition, Umicore conducted water risk assessments for its global operations, resulting in a roll out of a water stewardship program for all industrial activities facing water stress in 2022. It also conducted a global biodiversity impact analysis resulting in the design of a new program to be rolled out in the course of 2023.

Umicore remains deeply committed to sustainable and responsible sourcing. In 2022, building on a long-standing approach of ethically sourced cobalt, an area in which Umicore is an industry leader, Umicore accelerated its sustainable battery materials sourcing journey by securing low-carbon nickel supply and long-term supply agreements for zero-carbon lithium.

As part of its commitment to pursuing best in class governance, Umicore's Supervisory Board established two new committees on February 14, 2023: the Investment Committee and the Sustainability Committee. The committees will assist the Supervisory Board in its oversight of the Group's capital expenditure that supports the growth linked to the 2030 RISE strategy on the one hand, and in delivering in line with the Sustainability Champion ambitions, on the other.

¹⁴ Full 2022 ESG (Environmental, Social and Governance) performance data will be published on March 28, 2023, in the integrated annual report.

¹⁵ Umicore introduced the audited TRIR metric as of 2022, 2021 levels are therefore estimated.

Financial review

Financial result and taxation

Adjusted net financial charges totaled € 125 million, compared to € 100 million in the same period last year, reflecting higher net interest charges, in particular on short term loans, and somewhat higher foreign exchange related costs.

The adjusted tax charge for the period amounted to € 145 million, down compared to € 196 million last year as a result of a year on year decrease in taxable profit in combination with a lower adjusted effective group tax rate (20.0% versus 23.1% in the same period last year). Taking into account the tax effects on adjustments, the net tax charge for the Group amounted to € 138 million. The total tax paid in cash over the period amounted to € 216 million and was also well up from € 175 million last year.

Cashflows and financial debt

Cashflow generated from operations including changes in net working capital amounted to a level of € 835 million, compared to the record level of € 1,405 million last year. As expected, working capital requirements in Energy & Surface Technologies were well up, mainly on the back of increased battery material metal prices. After deducting € 491 million of capital expenditures and capitalized development expenses, the resulting free cash flow from operations was € 344 million, compared to € 989 million in the same period last year.

At 31 December 2022 adjusted EBITDA amounted to € 1,151 million, down 8% compared to last year's record of € 1,251 million. This corresponds to a robust adjusted EBITDA margin of 27.3% for the Group, after the all-time record of 32.5% in the same period last year. While margins in Energy & Surface Technologies and Recycling decreased respectively due to ramp-up costs and energy inflation, the Catalysis business group maintained margins in line with previous year.

Net working capital for the Group increased by € 342 million compared to the end of 2021. While higher battery metal prices increased working capital in Energy & Surface Technologies, working capital needs remained stable in Catalysis and decreased in Recycling thanks to a temporary positive impact. At current metal prices, working capital at the end of 2023 is expected to increase from the levels of end of 2022, including the reversal of some temporary cash inflows in Recycling and anticipating volume growth in Energy & Surface Technologies.

Capital expenditure totaled € 470 million at the end of 2022, compared with € 389 million the previous year. Energy & Surface Technologies accounted for more than 60% of the Group's capital expenditure, driven by investments in the expansion of the Rechargeable Battery Materials business unit European's footprint. In the Catalysis and Recycling business segments capital expenditure slightly decreased. In Catalysis, the Automotive Catalysts business unit continued to focus on investments in production footprint optimization and targeted capacity expansions. In Recycling, the increase in capital expenditure was related to environmental and safety investments in the Precious Metals Refining business unit. Capitalized development expenses amounted to € 21 million, down versus 2021. The further expansion of the Rechargeable Battery Materials business unit's footprint in Europe, combined with the expected investments in North America, should result in higher Group capital expenditure in 2023 versus previous year.

Dividend payments over the period amounted to € 192 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 € 43 million.

The increase in working capital requirements and capital expenditures drove a moderate increase of net financial debt from € 960 million at the end of 2021 to € 1,104 million at 31 December 2022. The leverage ratio amounted to 0.96x LTM adjusted EBITDA. The group's equity amounted to € 3,566 million at 31 December 2022, corresponding to a net gearing ratio¹⁶ of 23.6%. The sustainability linked US Private Placement Notes, issued in November¹⁷ 2022, has been drawn in January 2023.

Adjustments

Adjustments had a negative impact of - € 32 million on EBIT of which - € 20 million was already accounted for in the first half. These adjustments were mainly related to the increase of some environmental provisions linked to legacy remediation initiatives and include € 12 million of restructuring charges in the stationary catalyst business in Denmark.

Including positive adjustments to financial and tax items of respectively € 3 million and € 7 million, the total adjustments to net group earnings over the period corresponded to negative impact of - € 23 million.

Hedging

Umicore entered into forward contracts to cover part of its expected structural price exposure to certain precious metals for 2023, 2024 and 2025. For 2023, based on the respective currently expected exposures, the following lock-ins have been secured: more than a third for silver and gold, somewhat less than half for palladium and close to a quarter for platinum and rhodium. For 2024, the expected lock-in ratios are: close to half for gold and palladium, more than a third for silver and close to a quarter for platinum and rhodium. For 2025, close to a quarter was locked-in for the expected gold and silver 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 majority portion of its expected European electricity, natural gas and fuel needs for 2023. These hedges particularly cover future energy needs in Belgium, Finland and Poland and are expected to reduce Umicore's exposure to energy market price fluctuations in particular for its Belgian operations in 2023. For 2024 and 2025, close to a third of the electricity needs and two thirds of the natural gas needs for the European activities are hedged.

Dividend and shares

The Supervisory Board will propose a gross annual dividend of € 0.80 per share at the Annual General Meeting on 27 April 2023. This compares to a full dividend of € 0.80 per share paid out for the financial year 2021. Taking into account the interim dividend of € 0.25 per share paid out on 23 August 2022 and subject to shareholder approval, a gross amount of € 0.55 per share will be paid out on 4 May 2023.

During the year Umicore used 198,050 of its treasury shares in the context of the exercise of stock options and 103,604 for shares granted. In the course of 2022, Umicore bought back 1,300,000 own shares. On 31 December 2022, Umicore owned 6,199,341 of its own shares representing 2.52% of the total number of shares issued as at that date.

¹⁶ (net debt / net debt + equity)

¹⁷ Please refer to the press release of November 24th 2022, available on the [Umicore website](#).

Statutory auditor's note on the consolidated financial information for the year ended on 31 December 2022

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 2023

EY Bedrijfsrevisoren BV

Statutory auditor
Represented by

Marnix Van Dooren*
Partner

*Acting on behalf of a BV/SRL

Eef Naessens*
Partner

*Acting on behalf of a BV/SRL

Management responsibility statement

I hereby certify that, to the best of my knowledge, the Consolidated Financial Information of 2022 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 17 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 2023

Mathias Miedreich
Chief Executive Officer

Consolidated financial information for the year ended on 31 December 2022

Consolidated income statement

(in million €)

| | 2021 | 2022 |
|--|--------------|--------------|
| Turnover | 24,054.4 | 25,435.5 |
| Other operating income | 176.9 | 184.6 |
| Operating income | 24,231.4 | 25,620.1 |
| Raw materials and consumables | (21,644.3) | (22,875.5) |
| Payroll and related benefits | (853.1) | (906.5) |
| Depreciation and impairments | (338.8) | (328.4) |
| Other operating expenses | (517.3) | (696.6) |
| Operating expenses | (23,353.6) | (24,807.1) |
| Income (loss) from other financial assets | 1.2 | 5.7 |
| Result from operating activities | 878.9 | 818.7 |
| Financial income | 13.9 | 7.3 |
| Financial expenses | (80.7) | (101.7) |
| Foreign exchange gains and losses | (23.5) | (27.7) |
| Share in result of companies accounted for using the equity method | 17.3 | 13.5 |
| Profit (loss) before income tax | 806.0 | 710.0 |
| Income taxes | (179.0) | (137.6) |
| Profit (loss) from continuing operations | 626.9 | 572.4 |
| Profit (loss) of the period | 626.9 | 572.4 |
| of which minority share | 8.0 | 2.5 |
| of which Group share | 619.0 | 569.9 |
| (in € / share) | | |
| Basic earnings per share from continuing operations | 2.57 | 2.37 |
| Total basic earnings per share | 2.57 | 2.37 |
| Diluted earnings per share from continuing operations | 2.56 | 2.37 |
| Total diluted earnings per share | 2.56 | 2.37 |
| Dividend payout per share | 0.75 | 0.80 |

Consolidated statement of comprehensive income

(in million €)

| | 2021 | 2022 |
|---|--------|--------|
| Profit (loss) of the period from continuing operations | 626.9 | 572.4 |
| Items in other comprehensive income that will not be reclassified to P&L | | |
| Changes in post employment benefits, arising from changes in actuarial assumptions | 46.0 | 92.6 |
| Changes in deferred taxes directly recognized in other comprehensive income | (11.8) | (26.2) |
| Items in other comprehensive income that may be subsequently reclassified to P&L | | |
| Changes in financial assets at FV through OCI reserves | 0.0 | 8.0 |
| Changes in cash flow hedge reserves | 65.7 | (49.4) |
| Changes in deferred taxes directly recognized in other comprehensive income | (19.8) | 11.2 |
| Changes in currency translation differences | 86.7 | 18.9 |
| Other comprehensive income from continuing operations | 166.8 | 55.1 |
| Total comprehensive income for the period | 793.7 | 627.5 |
| of which Group share | 784.1 | 627.0 |
| of which minority share | 9.6 | 0.5 |

Consolidated balance sheet

(in million €)

| | 31/12/2021 | 31/12/2022 |
|---|----------------|----------------|
| Non-current assets | 3,102.8 | 3,394.1 |
| Intangible assets | 339.8 | 343.4 |
| Property, plant and equipment | 2,351.1 | 2,532.3 |
| Investments accounted for using the equity method | 155.1 | 158.9 |
| Financial assets at fair value through Other Comprehensive Income | 14.1 | 22.2 |
| Loans granted | 2.6 | 2.6 |
| Trade and other receivables | 20.7 | 18.7 |
| Deferred tax assets | 219.2 | 316.0 |
| Current assets | 5,942.5 | 6,548.3 |
| Loans granted | 0.2 | 1.3 |
| Inventories | 2,869.1 | 3,393.7 |
| Trade and other receivables | 1,832.0 | 1,830.5 |
| Income tax receivables | 46.8 | 82.9 |
| Cash and cash equivalents | 1,194.4 | 1,239.9 |
| Total assets | 9,045.2 | 9,942.4 |
| Equity of the Group | 3,167.3 | 3,566.1 |
| Group shareholders' equity | 3,112.9 | 3,516.5 |
| Share capital and premiums | 1,384.3 | 1,384.3 |
| Retained earnings | 2,151.3 | 2,526.1 |
| Currency translation differences and other reserves | (196.4) | (127.9) |
| Treasury shares | (226.3) | (266.0) |
| Minority interest | 54.4 | 49.6 |
| Non-current liabilities | 2,398.4 | 2,242.0 |
| Provisions for employee benefits | 387.2 | 286.5 |
| Financial debt | 1,724.0 | 1,626.2 |
| Trade and other payables | 47.4 | 48.0 |
| Deferred tax liabilities | 24.3 | 30.0 |
| Provisions | 215.5 | 251.3 |
| Current liabilities | 3,479.6 | 4,134.3 |
| Financial debt | 430.8 | 717.3 |
| Trade and other payables | 2,808.0 | 3,110.1 |
| Income tax payable | 197.5 | 262.0 |
| Provisions | 43.3 | 45.0 |
| Total equity & liabilities | 9,045.2 | 9,942.4 |

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 |
|--|--------------------------|----------------|---------------------------------------|-----------------|-------------------|---------------------------------|
| Balance at the beginning of 2021 | 1,384.3 | 1,749.6 | (367.8) | (208.9) | 64.7 | 2,621.8 |
| 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) |
| Balance at the end of 2021 | 1,384.3 | 2,151.3 | (196.4) | (226.3) | 54.4 | 3,167.3 |
| Restated balance at the beginning of 2022 | 1,384.3 | 2,151.3 | (196.4) | (226.3) | 54.4 | 3,167.3 |
| Result of the period | - | 569.9 | - | - | 2.5 | 572.4 |
| Other comprehensive income for the period | - | - | 57.1 | - | (2.1) | 55.1 |
| Total comprehensive income for the period | - | 569.9 | 57.1 | - | 0.5 | 627.5 |
| Changes in share-based payment reserves | - | - | 11.8 | - | - | 11.8 |
| Dividends | - | (192.1) | - | - | (5.3) | (197.4) |
| Transfers | - | (3.1) | (0.5) | 3.5 | - | - |
| Changes in treasury shares | - | - | - | (43.2) | - | (43.2) |
| Balance at the end of 2022 | 1,384.3 | 2,526.1 | (127.9) | (266.0) | 49.6 | 3,566.1 |

(*) The change in scope movements in 2021 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 €)

| | 2021 | 2022 |
|---|----------------|----------------|
| Profit (loss) from continuing operations | 626.9 | 572.4 |
| Adjustments for profit of equity companies | (17.3) | (13.5) |
| Adjustment for non-cash transactions | 399.9 | 411.8 |
| Adjustments for items to disclose separately or under investing and financing cashflows | 228.6 | 206.6 |
| Change in working capital requirement | 167.2 | (342.2) |
| Cashflow generated from operations | 1,405.3 | 835.1 |
| Dividend received | 5.0 | 12.2 |
| Tax paid during the period | (175.0) | (216.1) |
| Government grants received | 23.3 | 2.9 |
| Net operating cashflow | 1,258.6 | 634.2 |
| Acquisition of property, plant and equipment | (379.6) | (458.9) |
| Acquisition of intangible assets | (36.9) | (32.4) |
| Acquisition in additional shareholdings in subsidiaries | (53.9) | - |
| Acquisition of financial assets | (5.0) | - |
| New loans extended | (0.2) | (2.1) |
| Sub-total acquisitions | (475.5) | (493.4) |
| Disposal of property, plant and equipment | 2.0 | 6.1 |
| Disposal of intangible assets | 0.6 | 0.1 |
| Disposal of subsidiaries and associates, net of cash disposed | 1.4 | 6.2 |
| Repayment of loans | - | 0.2 |
| Sub-total disposals | 4.0 | 12.6 |
| Net cashflow generated by (used in) investing activities | (471.4) | (480.8) |
| Own shares | (22.2) | (43.2) |
| Payment of lease liabilities | (19.5) | (20.1) |
| Interest received | 12.1 | 3.9 |
| Interest paid | (54.5) | (70.2) |
| New loans and repayments | (331.7) | 214.6 |
| Dividends paid to Umicore shareholders | (180.5) | (192.1) |
| Dividends paid to minority shareholders | (6.0) | (5.6) |
| Net cashflow generated by (used in) financing activities | (602.4) | (112.5) |
| Effect of exchange rate fluctuations | (20.1) | 14.2 |
| Total net cashflow of the period | 164.7 | 55.0 |
| Net cash and cash equivalents at the beginning of the period for continuing operations | 1,001.6 | 1,166.3 |
| Net cash and cash equivalents at the end of the period for continuing operations | 1,166.3 | 1,221.3 |
| of which cash and cash equivalents | 1,194.4 | 1,239.9 |
| of which bank overdrafts | (28.1) | (18.5) |

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 | 1,001.2 | 1,108.1 | - | (5.9) | 3,790.8 | 3,790.8 |
| of which external revenues (excluding metal) (*) | 1,685.7 | 1,000.9 | 1,104.2 | - | - | 3,790.8 | 3,790.8 |
| 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 result from operating activities | 326.4 | 131.5 | 572.9 | (80.0) | - | 950.8 | 950.8 |
| of which share in result of companies accounted for using the equity method | - | 7.7 | - | 12.9 | - | 20.5 | 20.5 |
| EBIT adjustments | (18.6) | 1.3 | (44.3) | (13.6) | - | (75.1) | (75.1) |
| of which result from operating activities | (18.6) | 1.3 | (44.3) | (10.4) | - | (71.9) | (71.9) |
| of which share in result of companies accounted for using the equity method | - | - | - | (3.2) | - | (3.2) | (3.2) |
| Total EBIT | 307.8 | 140.5 | 528.6 | (80.7) | - | 896.3 | 896.3 |
| of which result from operating activities | 307.8 | 132.8 | 528.6 | (90.4) | - | 878.9 | 878.9 |
| of which share in result of companies accounted for using the equity method | - | 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 |

(*) Revenues of 2021 and 2022 have been restated to exclude the pass-through value of the purchased lithium and manganese

Condensed segment information 2022

(in million €)

| | Catalysis | Energy & Surface Technologies | Recycling | Corporate | Eliminations | Total Continued operations | Total |
|--|-----------|-------------------------------------|-----------|-----------|--------------|----------------------------------|----------|
| Total segment turnover | 7,738.0 | 4,974.1 | 15,338.0 | 44.2 | (2,658.8) | 25,435.5 | 25,435.5 |
| of which external turnover | 7,570.3 | 4,957.5 | 12,863.5 | 44.2 | - | 25,435.5 | 25,435.5 |
| of which inter-segment turnover | 167.7 | 16.6 | 2,474.5 | - | (2,658.8) | - | - |
| Total segment revenues (excluding metal) (*) | 1,776.5 | 1,277.6 | 1,106.6 | - | (5.4) | 4,155.2 | 4,155.2 |
| of which external revenues (excluding metal) (*) | 1,775.1 | 1,277.4 | 1,102.7 | - | - | 4,155.2 | 4,155.2 |
| of which inter-segment revenues (excluding metal) | 1.3 | 0.2 | 3.9 | - | (5.4) | - | - |
| Adjusted EBIT | 341.8 | 166.4 | 462.9 | (106.5) | 0.0 | 864.6 | 864.6 |
| of which result from operating activities | 341.8 | 161.5 | 462.9 | (117.8) | 0.0 | 848.4 | 848.4 |
| of which share in result of companies accounted for using the equity method | - | 4.9 | - | 11.3 | - | 16.2 | 16.2 |
| EBIT adjustments | (11.2) | 2.1 | (0.1) | (23.2) | - | (32.5) | (32.5) |
| of which result from operating activities | (11.2) | 2.1 | (0.1) | (20.5) | - | (29.7) | (29.8) |
| of which share in result of companies accounted for using the equity method | - | - | - | (2.7) | - | (2.7) | (2.7) |
| Total EBIT | 330.6 | 168.5 | 462.7 | (129.7) | 0.0 | 832.1 | 832.1 |
| of which result from operating activities | 330.6 | 163.6 | 462.7 | (138.3) | 0.0 | 818.7 | 818.7 |
| of which share in result of companies accounted for using the equity method | - | 4.9 | - | 8.5 | - | 13.5 | 13.5 |
| Capital expenditure | 67.4 | 295.7 | 81.3 | 25.5 | 0.0 | 469.9 | 469.9 |
| Depreciation & amortization | 77.0 | 123.8 | 69.3 | 15.9 | - | 285.9 | 285.9 |

(*) Revenues of 2021 and 2022 have been restated to exclude the pass-through value of the purchased lithium and manganese

Adjustments included in the results, including discontinued operations

Impact of adjustments

(in million €)

| | Total | of which: adjusted | Adjustment |
|--|---------|-----------------------|------------|
| H1 2021 | | | |
| Result from operating activities | 577.8 | 614.6 | (36.8) |
| of which income (loss) from other financial assets | 0.2 | 0.2 | - |
| Share in result of companies accounted for using the equity method | 8.3 | 10.4 | (2.2) |
| EBIT | 586.1 | 625.1 | (39.0) |
| Net financial result (*) | (46.2) | (51.9) | 5.8 |
| Income taxes | (134.6) | (140.1) | 5.4 |
| Profit (loss) of the period | 405.3 | 433.1 | (27.8) |
| of which minority share | 5.2 | 5.2 | - |
| of which Group share | 400.1 | 427.9 | (27.8) |
| H2 2021 | | | |
| Result from operating activities | 301.1 | 336.2 | (35.1) |
| of which income (loss) from other financial assets | 1.0 | 0.0 | 1.0 |
| Share in result of companies accounted for using the equity method | 9.1 | 10.1 | (1.0) |
| EBIT | 310.2 | 346.3 | (36.1) |
| Net financial result (*) | (44.1) | (47.7) | 3.5 |
| Income taxes | (44.4) | (56.2) | 11.8 |
| Profit (loss) of the period | 221.6 | 242.4 | (20.8) |
| of which minority share | 2.8 | 2.8 | - |
| of which Group share | 218.8 | 239.6 | (20.8) |
| 2021 | | | |
| Result from operating activities | 878.9 | 950.8 | (71.9) |
| of which income (loss) from other financial assets | 1.2 | 0.2 | 1.0 |
| Share in result of companies accounted for using the equity method | 17.3 | 20.5 | (3.2) |
| EBIT | 896.3 | 971.4 | (75.1) |
| Net financial result (*) | (90.3) | (99.6) | 9.3 |
| Income taxes | (179.0) | (196.3) | 17.3 |
| Profit (loss) of the period | 626.9 | 675.5 | (48.5) |
| of which minority share | 8.0 | 8.0 | - |
| of which Group share | 619.0 | 667.5 | (48.5) |
| H1 2022 | | | |
| Result from operating activities | 430.5 | 450.1 | (19.6) |
| of which income (loss) from other financial assets | 5.9 | (0.5) | 6.3 |
| Share in result of companies accounted for using the equity method | 10.1 | 10.9 | (0.9) |
| EBIT | 440.5 | 461.0 | (20.5) |
| Net financial result (*) | (44.6) | (46.3) | 1.7 |
| Income taxes | (85.7) | (92.2) | 6.5 |
| Profit (loss) of the period | 310.3 | 322.6 | (12.3) |
| of which minority share | 1.3 | 1.3 | - |

| | | | |
|--|---------|---------|--------|
| of which Group share | 309.1 | 321.3 | (12.3) |
| H2 2022 | | | |
| Result from operating activities | 388.2 | 398.3 | (10.1) |
| of which income (loss) from other financial assets | (0.2) | (0.2) | - |
| Share in result of companies accounted for using the equity method | 3.4 | 5.3 | (1.9) |
| EBIT | 391.6 | 403.6 | (12.0) |
| Net financial result (*) | (77.6) | (78.5) | 0.9 |
| Income taxes | (51.9) | (52.8) | 0.8 |
| Profit (loss) of the period | 262.1 | 272.3 | (10.2) |
| of which minority share | 1.2 | 0.6 | 0.7 |
| of which Group share | 260.8 | 271.7 | (10.9) |
| 2022 | | | |
| Result from operating activities | 818.7 | 848.4 | (29.8) |
| of which income (loss) from other financial assets | 5.7 | (0.7) | 6.3 |
| Share in result of companies accounted for using the equity method | 13.5 | 16.2 | (2.7) |
| EBIT | 832.1 | 864.6 | (32.5) |
| Net financial result (*) | (122.1) | (124.8) | 2.7 |
| Income taxes | (137.6) | (144.9) | 7.3 |
| Profit (loss) of the period | 572.4 | 594.9 | (22.5) |
| of which minority share | 2.5 | 1.9 | 0.7 |
| of which Group share | 569.9 | 593.1 | (23.2) |

*Net financial result is calculated as the sum of financial income, financial expenses and foreign exchange gains and losses as reported in the consolidated income statement

Note:

The full year 2022 turnover includes a reclassification adjustment made to the first half 2022 turnover as reported in the half year 2022 results press release published on July 29th 2022. This adjustment consists of a netting of certain metal trading-related transactions in the first half of 2022 as entered into by the business unit Precious Metals Management; and solely affects the business group Recycling. This adjustment has had no impact on Umicore's first half 2022 key performance indicators (revenues, earnings, related margins or cash flows) nor on any of the period's business review as published on July 29th 2022. Compared to the first half 2022 financial statements published on July 29th 2022, the adjustment solely impacts the consolidated income statement and consists of a decrease of both the cost of raw materials and consumables and the turnover by € 949 million respectively. Consequently, operating expenses and operating income decreased by the same amount.

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.

Glossary

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

<http://www.umicore.com/en/investors/financial-data/glossary/>

For more information

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[Link to all documents related to Umicore's 2022 FY results.](#)

Financial calendar

| | |
|---------------|---------------------------------------|
| 28 March 2023 | Publication of the annual report 2022 |
| 27 April 2023 | Annual General Meeting |
| 2 May 2023 | Ex-dividend trading date |
| 3 May 2023 | Record date for the dividend |
| 4 May 2023 | Payment date for the dividend |
| 28 July 2023 | Half year results 2023 |

Umicore profile

Umicore is the *circular* materials technology 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 € 4.2 billion (turnover of € 25.4 billion) in 2022 and currently employs more than 11,000 people.

A conference call for **media** will take place today at 08:30 AM CET: <https://umico.re/FYR-2022-MediaCall>

A conference call and audio webcast for **analysts and investors** will take place today at 09:30 AM CET. Please visit: https://channel.royalcast.com/landingpage/umicore/20230216_1/
