

Q4'23 AND FY'23 FACTSHEET

KEY FINANCIAL DATA

<i>in millions of euros</i>		Q4'23	Q4'22	Change	2023	2022	Change
Sales		2,222	2,507	-11.4%	9,514	11,550	-17.6%
Prices		-10.5%			-6.1%		
Volumes		+2.0%			-10.0%		
Currency		-3.2%			-2.2%		
Scope		+0.3%			+0.7%		
EBITDA		331	291	+13.7%	1,501	2,110	-28.9%
Specialty Materials ⁽¹⁾		312	286	+9.1%	1,373	1,900	-27.7%
Intermediates		40	24	+66.7%	213	306	-30.4%
Corporate		-21	-19		-85	-96	
EBITDA margin		14.9%	11.6%		15.8%	18.3%	
Specialty Materials		15.2%	12.3%		15.8%	18.1%	
Intermediates		24.8%	13.3%		26.7%	30.0%	
Recurring depreciation and amortization		-157	-145		-562	-550	
Recurring EBIT		174	146	+19.2%	939	1,560	-39.8%
REBIT margin		7.8%	5.8%		9.9%	13.5%	
PPA depreciation and amortization		-33	-58		-128	-118	
Non-recurring items		-59	-70		-130	-155	
Equity in income of affiliates		-2	-2		-9	-6	
Financial result		-26	-30		-70	-61	
Income taxes		-31	23		-177	-254	
Net income - Group share		20	11	+81.8%	418	965	-56.7%
Adjusted net income		107	88	+21.6%	653	1,167	-44.0%
Adjusted EPS (€)		1.43	1.16	+23.3%	8.75	15.75	-44.4%
Recurring capital expenditure		-259	-282	-8.2%	-608	-584	+4.1%
Exceptional capital expenditure		-9	-36	-75.0%	-26	-123	-78.9%
Recurring cash flow ⁽²⁾		325	238	+36.6%	761	933	-18.4%
Free cash flow		283	199	+42.2%	625	784	-20.3%
Net debt incl hybrid bonds		2,930	2,366		2,930	2,366	

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

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

SIMPLIFIED CASH FLOW

<i>in millions of euros</i>		Q4'23	Q4'22	Change	2023	2022	Change
EBITDA		331	291	+13.7%	1,501	2,110	-28.9%
Current taxes		-3	-32	-90.6%	-184	-326	-43.6%
Cost of debt		-17	-24	-29.2%	-53	-71	-25.4%
Change in working capital and fixed asset payables *		281	314		127	-176	
Recurring capital expenditure		-259	-282	-8.2%	-608	-584	+4.1%
Others		-8	-29		-22	-20	
Recurring cash flow		325	238	+36.6%	761	933	-18.4%
Exceptional capital expenditure		-9	-36	-75.0%	-26	-123	-78.9%
Non-recurring items		-33	-3		-110	-26	
Free cash flow		283	199	+42.2%	625	784	-20.3%
Impact of portfolio management		-664	-1		-708	-1,629	
Net cash flow		-381	198		-83	-845	

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

PERFORMANCE BY SEGMENT

in millions of euros

	Q4'23	Q4'22	Change	2023	2022	Change
Sales	2,222	2,507	-11.4%	9,514	11,550	-17.6%
Specialty Materials	2,051	2,317	-11.5%	8,678	10,489	-17.3%
Adhesive Solutions	642	692	-7.2%	2,714	2,898	-6.3%
Advanced Materials	857	1,022	-16.1%	3,562	4,341	-17.9%
Coating Solutions	552	603	-8.5%	2,402	3,250	-26.1%
Intermediates	161	181	-11.0%	797	1,020	-21.9%
EBITDA	331	291	+13.7%	1,501	2,110	-28.9%
Specialty Materials	312	286	+9.1%	1,373	1,900	-27.7%
Adhesive Solutions	94	75	+25.3%	380	366	+3.8%
Advanced Materials	149	148	+0.7%	666	941	-29.2%
Coating Solutions	69	63	+9.5%	327	593	-44.9%
Intermediates	40	24	+66.7%	213	306	-30.4%
Corporate	-21	-19		-85	-96	
EBITDA margin	14.9%	11.6%		15.8%	18.3%	
Specialty Materials	15.2%	12.3%		15.8%	18.1%	
Adhesive Solutions	14.6%	10.8%		14.0%	12.6%	
Advanced Materials	17.4%	14.5%		18.7%	21.7%	
Coating Solutions	12.5%	10.4%		13.6%	18.2%	
Intermediates	24.8%	13.3%		26.7%	30.0%	
Recurring EBIT	174	146	+19.2%	939	1,560	-39.8%
Specialty Materials	162	159	+1.9%	860	1,417	-39.3%
Adhesive Solutions	69	54	+27.8%	293	288	+1.7%
Advanced Materials	56	74	-24.3%	366	663	-44.8%
Coating Solutions	37	31	+19.4%	201	466	-56.9%
Intermediates	35	8	+337.5%	170	245	-30.6%
Corporate	-23	-21		-91	-102	

SALES BY BUSINESS LINE

in millions of euros

	Q4'23	Q4'22	Change	2023	2022	Change
Sales Adhesive Solutions	642	692	-7.2%	2,714	2,898	-6.3%
Construction & Consumer	289	310	-6.8%	1,250	1,349	-7.3%
Industrial Assembly	353	382	-7.6%	1,464	1,549	-5.5%
Sales Advanced Materials	857	1,022	-16.1%	3,562	4,341	-17.9%
High Performance Polymers	358	413	-13.3%	1,457	1,926	-24.4%
Performance Additives	499	609	-18.1%	2,105	2,415	-12.8%
Sales Coating Solutions	552	603	-8.5%	2,402	3,250	-26.1%
Coating Resins	397	434	-8.5%	1,743	2,358	-26.1%
Coating Additives	155	169	-8.3%	659	892	-26.1%
Sales Intermediates	161	181	-11.0%	797	1,020	-21.9%

SALES DEVELOPMENT

	Q4'23				2023			
	Price	Volume	Fx	Scope	Price	Volume	Fx	Scope
Total Group	-10.5%	+2.0%	-3.2%	+0.3%	-6.1%	-10.0%	-2.2%	+0.7%
Specialty Materials	-12.5%	+3.7%	-3.1%	+0.4%	-6.8%	-9.2%	-2.1%	+0.8%
Adhesive Solutions	-3.2%	-1.3%	-3.2%	+0.5%	+0.9%	-7.5%	-2.8%	+3.1%
Advanced Materials	-15.9%	+2.3%	-3.0%	+0.5%	-7.2%	-8.0%	-2.1%	-0.6%
Coating Solutions	-17.3%	+11.8%	-3.0%	-	-13.1%	-12.4%	-1.3%	+0.7%
Intermediates	+14.4%	-21.0%	-4.4%	-	+0.1%	-18.7%	-3.3%	-

DISCLAIMER

Balance sheet, income statement and cash flow statement data, as well as information by segment included in this document are extracted from the consolidated financial statement at 31 December 2023 as approved by Arkema's Board of Directors on 28 February 2024. 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; and
- **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 92 % of Group sales in 2023, 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 2023 and operates in some 55 countries with 21,100 employees worldwide.

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