

## 2022 Half-Year Results

---

### Highlights:

- Strong revenue increase of 23.1% and REBITDA increase of 14.7% year-on-year
- Strong like-for-like revenue increase of 15.5% year-on-year, backed by selling price increases in order to face the significant raw material and energy price inflation. Like-for-like REBITDA increase of 8.6% year-on-year resulting from strong top-line increase and contained impact of inflation on overheads
- Significant increase in net recurring profit (Group share) at EUR 155 million (+16.5%)
- Increase in net financial debt to EUR 1,175 million mostly due to the acquisition of URSA
- Cautious outlook for FY 2022 in a challenging and uncertain macroeconomic context

**Comment from Bernard Delvaux, CEO of Etex:** *“In the first half of 2022, like many other industrial players, Etex had to cope with significant raw material and energy price inflation in the context of post-COVID disruptions and volatility and the war between Russia and Ukraine. To face this situation, we had to implement a number of price increases. Our volumes and margins have been impacted, but these measures allowed us to achieve a positive evolution of both top line and bottom line.*

*This challenging environment didn't stop us from making major strides on our strategic agenda. In May we completed the acquisition of URSA, the European leader in extruded polystyrene (XPS) and a top 3 player for glass mineral wool. URSA sits firmly at the forefront of global sustainability efforts, providing proven, workable solutions with the strongest sustainability performance overall compared to other insulation materials. In the first quarter of the year, we have accelerated our focus on our strategic shift towards sustainability, by setting up dedicated workstreams and defining clear ambitions for 2025-2030. Structured around our five priority areas (health, safety and well-being; decarbonisation; circularity; diversity, equity and inclusion; and customer engagement), these ambitions notably include the use of more than 20% of circular input as raw material, zero waste being sent to landfill, using 100% recycled packaging material or reducing our greenhouse gas emissions' intensity (scope 1 and 2) by 35% compared to 2018. These ambitions as well as the company's progress and achievements will be shared in detail in our second Sustainability Report, which will be published later this month.*

### **More information**

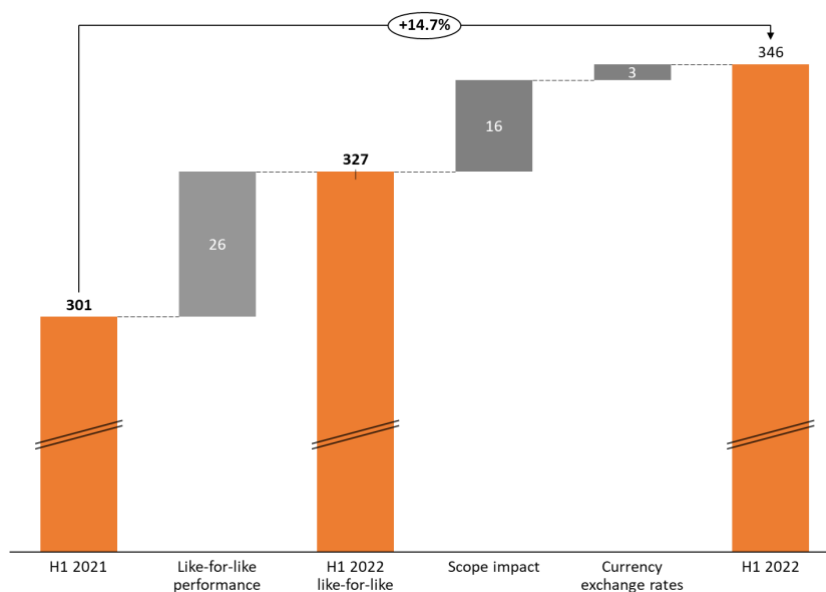
Lionel Groetaers | Head of Corporate Communications | Tel + 32 2 778 13 06 | [lionel.groetaers@etexgroup.com](mailto:lionel.groetaers@etexgroup.com)

**Etex NV** | PassPort Building | Luchthaven Brussel Nationaal | Gebouw 1K | 1930 Zaventem | Belgium  
+32 15 71 77 20 | [info@etexgroup.com](mailto:info@etexgroup.com) | [www.etexgroup.com](http://www.etexgroup.com)

*We must however remain cautious when assessing the financial performance of Etex over the full year. The ongoing volatility in raw material markets, energy price increases and availability of energy and materials could increasingly impact our results, together with lower demand. All divisions will continue to proactively manage their cost-to-price performance which is key in the current high inflation context. We also believe that the potential adversity that we could face in the second half should only partially offset the strong performance recorded in the first half and allow Etex to still achieve growth for the full year.”*

## Uplift of top-line and profitability backed by price increases in a tough environment

Contribution to REBITDA evolution from H1 2021 to H1 2022 (in EUR million)<sup>1</sup>



For the first six months of the year, Etex reports a revenue of EUR 1.794 billion, a like-for-like increase of 15.5% year-on year<sup>1</sup>. This growth was recorded in all divisions and geographies and is mostly attributable to increased average selling prices. Several price increases have been implemented throughout the period in order to face the significant raw material and energy price inflation, which is the result of both post-COVID disruptions and volatility and the war between Russia and Ukraine. The positive scope impact (+6.5%) is attributable to several acquisitions (major plasterboard business in Australia, E-loft, Evolucion Innovation, Horizon Offsite, Sigmat and URSA). The remaining favourable impact on revenue (+1.1%) is attributable to a positive currency translation from all foreign currencies except the Chilean and

### More information

Lionel Groetaers | Head of Corporate Communications | Tel + 32 2 778 13 06 | [lionel.groetaers@etexgroup.com](mailto:lionel.groetaers@etexgroup.com)

Etex NV | PassPort Building | Luchthaven Brussel Nationaal | Gebouw 1K | 1930 Zaventem | Belgium  
+32 15 71 77 20 | [info@etexgroup.com](mailto:info@etexgroup.com) | [www.etexgroup.com](http://www.etexgroup.com)



Argentinian peso and the Polish złoty. Including the impact of the change of scope and currency exchange rates, the revenue was up 23.1% year-on-year.

**The recurring operating cash flow (REBITDA) reached a value of EUR 346 million, a like-for-like increase of 8.6% year-on-year<sup>1</sup>.** This performance is mainly attributable to the strong top-line increase and the price increases implemented throughout the period. Despite these, the REBITDA margin was negatively impacted by significant raw material and energy price inflation. Overheads were contained in proportion to sales but increased in H1 2022 vs. H1 2021 due to the normalisation of the pandemic in most of our operational countries as well as to the inflation. The REBITDA margin stood at 19.3% of sales compared to 20.7% – its highest level ever – in the first half of 2021.

**Etex's net recurring profit (Group share) was up by 16.5% year-on-year to EUR 155 million in the first half of 2022.** The company's net profit reached EUR 134 million in H1 2022, up 25.7% year-on-year.

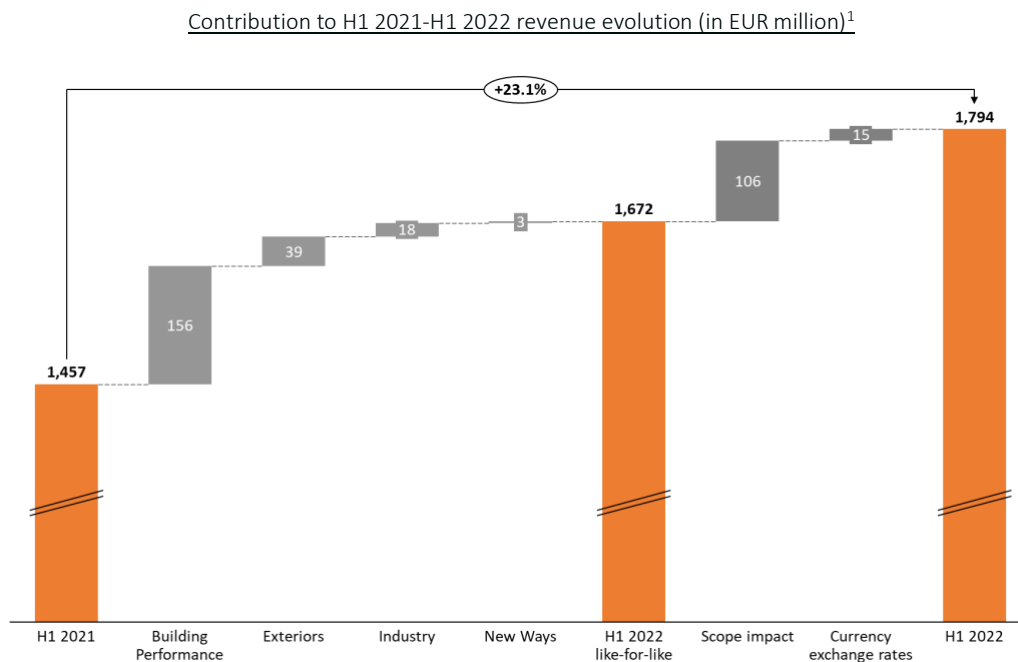
Over the last twelve months, **Etex's net financial debt strongly increased from EUR 214 million at the end of June 2021<sup>1</sup> to EUR 1,175 million at the end of June 2022.** This increase is mainly the result of several acquisitions which were made during the period (URSA in particular). The net financial debt/REBITDA (rolling 12 months, *pro forma* including URSA estimates for 12 months) ratio increased from 0.4 x at the end of June 2021<sup>1</sup> to 1.6 x at the end of June 2022. Including the non-recourse factoring debt, this ratio increased from 0.7x to 1.9x.

**More information**

Lionel Groetaers | Head of Corporate Communications | Tel + 32 2 778 13 06 | [lionel.groetaers@etexgroup.com](mailto:lionel.groetaers@etexgroup.com)

**Etex NV** | PassPort Building | Luchthaven Brussel Nationaal | Gebouw 1K | 1930 Zaventem | Belgium  
+32 15 71 77 20 | [info@etexgroup.com](mailto:info@etexgroup.com) | [www.etexgroup.com](http://www.etexgroup.com)

## Revenue by geography and division



All divisions have achieved revenue growth in all **regions**, with the exception of the UK, Chile and Peru (Exteriors) as well as Asia (Industry and Building Performance's fibre cement business) except Japan and India.

**Building Performance registered a like-for-like revenue increase of 16.0% year-on-year to reach EUR 1,225 million.** Despite slightly lower plasterboard volumes, the division delivered excellent results in the first half of this year, benefitting from several price increases which were implemented in several phases throughout the period in order to face the significant raw material and energy price inflation. The fibre cement and Promat businesses performed well.

**The revenue of our Exteriors division increased with 12.2% like-for-like year-on-year to EUR 369 million.** The division delivered an excellent sales performance backed by volume growth in the Equitone segment and selling price increases. Growth has been particularly strong in Eastern Europe and the Benelux, whereas the UK, Peru and Chile were down year-on-year.

**Our Industry division's revenue increased significantly with 20.6% like-for-like year-on-year to reach EUR 106 million.** Having suffered a lot last year from the impact of the COVID-19 pandemic (especially in

### More information

Lionel Groetaers | Head of Corporate Communications | Tel + 32 2 778 13 06 | [lionel.groetaers@etexgroup.com](mailto:lionel.groetaers@etexgroup.com)

**Etex NV** | PassPort Building | Luchthaven Brussel Nationaal | Gebouw 1K | 1930 Zaventem | Belgium  
+32 15 71 77 20 | [info@etexgroup.com](mailto:info@etexgroup.com) | [www.etexgroup.com](http://www.etexgroup.com)



the AMEA region), the division benefitted from a strong sales upswing in all segments and from price increases.

**The revenue of our New Ways division increased with 40.4% like-for-like year-on-year to EUR 45 million**, with a good performance recorded by our EOS business (steel frame solutions) in the UK driven by growing volumes and prices. *New Ways revenues exclude our non-consolidated participations in several joint ventures.*

**The Insulation division**, which was created in May 2022 when Etex completed the acquisition of URSA (*read more below*), has contributed EUR 50 million to the revenue of Etex in the first half of the year – this contribution is included in the scope impact in the graphic above.

## Key developments

At the beginning of the year, Etex has reached a major milestone on its strategic roadmap focusing on lightweight and more sustainable building solutions, with the **acquisition of URSA**. The company is a European leader in glass mineral wool and extruded polystyrene (XPS), present in more than 20 countries based on a network of 13 production operations. The operation signals our entry into the glass mineral wool and extruded polystyrene (XPS) insulation business, which is integrated as a separate division. Demand for insulation materials is being driven by EU regulations to tackle global warming. The acquisition has been completed at the end of May. Since then, URSA teammates have been warmly welcomed into the Etex group through several successful townhalls, roadshows and other events.

In June, Etex successfully finalised its **third Schuldschein issue, raising EUR 800 million**. It is Etex's first environmental, social and governance-linked Schuldschein issue and it represents the largest-ever ESG-linked Schuldschein issue by a non-German speaking company. A Schuldschein is a privately placed, medium to long-term unsecured debt governed by German law. The placement comprises three euro-denominated tranches with maturities of 3, 5 and 7 years, at fixed and floating rates. Despite the difficult geopolitical and challenging interest rate environment, the issue was oversubscribed several times. The proceeds of the Schuldschein will be used to finance a large portion of the acquisition of URSA. The balance of the acquisition will be financed through available cash and existing unused credit facilities.

### More information

Lionel Groetaers | Head of Corporate Communications | Tel + 32 2 778 13 06 | [lionel.groetaers@etexgroup.com](mailto:lionel.groetaers@etexgroup.com)

**Etex NV** | PassPort Building | Luchthaven Brussel Nationaal | Gebouw 1K | 1930 Zaventem | Belgium  
+32 15 71 77 20 | [info@etexgroup.com](mailto:info@etexgroup.com) | [www.etexgroup.com](http://www.etexgroup.com)

## Cautious outlook for FY 2022 in a challenging and uncertain macroeconomic context

Etex expects to experience a challenging second half of the year, due to a series of macroeconomic events whose impact are difficult to assess: the volatility in raw material markets, energy price increases and availability of energy and materials in the context of the current war between Russia and Ukraine and potential disruptions linked to new COVID-19 variants. These different elements could increasingly impact our results, together with lower demand. All divisions will continue to proactively manage their cost-to-price performance which is key in the current high inflation context. We also believe that the potential adversity that we could face in the second half should only partially offset the strong performance recorded in the first half should allow Etex to still achieve growth for the full year.

Later this month, Etex will release its **second Sustainability Report**, in line with the requirements of the Global Reporting Initiative (GRI), which will unveil its ambitious ‘Road to Sustainability 2030’ objectives. This major milestone confirms the group’s strategic shift towards more sustainable building solutions.

## Key figures for H1 2022<sup>1</sup>

EUR million	H1 2021	H1 2022	Var. (%)	Var. % like-for-like (same scope & exchange rates)
Revenue	1,457	1,794	23.1%	15.5%
Recurring operating cash flow (REBITDA)	301	346	14.7%	8.6%
% of revenue	20.7%	19.3%	-	-
Recurring operating income (REBIT)	217	251	15.6%	10.5%
% of revenue	14.9%	14.0%	-	-
Non-recurring items	-35	-33	-	-
Operating cash flow (EBITDA)	266	319	19.8%	-
Operating income (EBIT)	182	218	19.9%	-
% of revenue	12.5%	12.2%	-	-
Profit for the year	107	134	25.7%	-
Group share	103	130	25.3%	-
Non-controlling interests	4	5	-	-
Net recurring profit (Group share)	133	155	16.5%	-
Working capital <sup>2</sup>	261	438	-	-
Net financial debt (incl. lease debt)	214	1,175	-	-
Capital expenditure	36	76	-	-

<sup>1</sup> The June 2021 comparative figures in this press release differ from the figures disclosed in the 2021 half-year results. This is due to the fact that half-year 2021 internal reporting values had to be adjusted to comply with the IAS 34 Interim financial reporting standard and compare with half-year 2022 values. The differences include the accounting treatment of business combination (E-loft in January 2021, the Australian plasterboard business in February 2021 and Evolution Innovation in April 2021), the timing of recognition of one-off events (restructuring, disposal of assets, change in tax rates), the hyperinflation accounting treatment for Argentina and the presentation of non-recourse factoring financing, aligned with year-end in half-year financial statements.

### More information

Lionel Groetaers | Head of Corporate Communications | Tel + 32 2 778 13 06 | [lionel.groetaers@etexgroup.com](mailto:lionel.groetaers@etexgroup.com)

Etex NV | PassPort Building | Luchthaven Brussel Nationaal | Gebouw 1K | 1930 Zaventem | Belgium  
+32 15 71 77 20 | [info@etexgroup.com](mailto:info@etexgroup.com) | [www.etexgroup.com](http://www.etexgroup.com)

<sup>2</sup> Values are expressed excluding the favourable impact of the non-recourse factoring programme (EUR 176 million as of 30/06/2021 and EUR 212 million as of 30/06/2022).

*All figures and tables contained in this appendix have been extracted from Etex' unaudited condensed consolidated interim financial statements for the first six months of 2022, which have been prepared in accordance with IAS 34 Interim Financial Reporting, as adopted by the European Union.*

*The statutory auditor, PwC Bedrijfsrevisoren BV / Reviseurs d'Entreprises SRL, represented by Peter Van den Eynde, has reviewed these condensed consolidated interim financial statements and concluded that based on the review, nothing has come to the attention that causes them to believe that the condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34, as adopted by the European Union.*

*For the condensed consolidated interim financial statements for the first six months of 2022 and the review report of the statutory auditor we refer to [Etex' website](#) .*

## About Etex

Etex is a global building material manufacturer and pioneer in lightweight construction. Etex wants to inspire people around the world to build living spaces that are ever more safe, sustainable, smart and beautiful.

Founded in 1905, headquartered in Zaventem, Belgium, Etex is a family-owned company with more than 13,500 employees globally. It operates more than 140 sites in 45 countries and recorded a revenue of EUR 3.0 billion and a REBITDA of EUR 570 million in 2021. Etex fosters a collaborative and caring culture, a pioneering spirit and a passion to always do better for its customers

Etex has five R&D centres supporting five global sales divisions:

- Building Performance: dry construction solutions including plasterboards and fibre cement boards, plasters and formulated products, passive fire protection and associated products.
- Exteriors: a range of aesthetic fibre cement materials for use in agriculture, architectural and residential exteriors.
- Industry: fire protection and high-performance insulation products for the construction and OEM (Original Equipment Manufacturer) industries.
- Insulation: glass mineral wool and extruded polystyrene (XPS) for thermal and acoustic insulation.
- New Ways: high-tech offsite modular solutions based on wood and steel framing

Etex's global portfolio includes leading commercial brands such as Cedral, Durlock, Equitone, Eternit, Gyplac, Kalsi, Pladur, Promat, Siniat, Superboard and URSA.

Etex is Inspiring Ways of Living, for more information, please visit our website: [www.etexgroup.com](http://www.etexgroup.com)

### More information

Lionel Groetaers | Head of Corporate Communications | Tel + 32 2 778 13 06 | [lionel.groetaers@etexgroup.com](mailto:lionel.groetaers@etexgroup.com)

**Etex NV** | PassPort Building | Luchthaven Brussel Nationaal | Gebouw 1K | 1930 Zaventem | Belgium  
+32 15 71 77 20 | [info@etexgroup.com](mailto:info@etexgroup.com) | [www.etexgroup.com](http://www.etexgroup.com)