

## TESSENDERLO GROUP: STRONG 2021 RESULTS IN LINE WITH REVISED OUTLOOK

### 1. KEY EVENTS

- In the fourth quarter of 2021, the Performance Chemicals business unit changed its name to Kuhlmann Europe (Industrial Solutions segment). Kuhlmann Europe terminated its operating agreement in 2021 for the production of sulfur derivatives in Tessenderlo, Belgium (Kuhlmann Belgium). The deteriorating market conditions, the continuing limited availability of raw materials, and increased electricity prices made the sulfur derivatives activity economically unfeasible. In the 2021 results, Tessenderlo Group recognized restructuring expenses in accordance with the termination clauses of the operating agreement, while the yearly contribution of sulfur derivatives to the group's results was not significant.
- At the end of 2021, Tessenderlo Kerley, Inc. (TKI) announced its plans to construct a new plant in Defiance, Ohio (US), serving the Eastern Great Lakes region. The new facility will focus on the leading liquid sulfur-based crop nutrition brands Thio-Sul<sup>®</sup>, KTS<sup>®</sup>, K-Row 23<sup>®</sup>, as well as sulfite chemistries for the industrial markets. The plant is expected to become operational in the first quarter of 2024 (Agro and Industrial Solutions segments).
- In December 2021, Tessenderlo Group agreed to acquire the assets of Fleuren Tankopslag B.V., a tank storage and transshipment company for liquid products in the Port of Cuijk (the Netherlands). The acquisition is expected to be completed in the second quarter of 2022. After completion of the acquisition, the group will integrate the Fleuren Tankopslag operations within the Tessenderlo Kerley International business unit (Agro segment). The transaction will have no material impact on the results of the group.
- PB Shengda (Zhejiang) Biotechnology Co., Ltd, a 50% joint-venture between Tessenderlo Group and Zhejiang Shengda Ocean Co., Ltd., was established in June 2020 for the construction of a marine collagen peptides plant. Both partners agreed in 2021 to terminate the joint-venture agreement. This will have no material impact on the results of the group. PB Leiner however confirms its ambition to become active in the marine collagen market (Bio-valorization segment).
- Construction works at Tessenderlo Kerley International's new Thio-Sul<sup>®</sup> (ammonium thiosulfate) manufacturing plant in Geleen (the Netherlands) are scheduled to start in the third quarter of 2022. The factory is expected to be operational as from the third quarter of 2023.

### After the balance sheet date:

- In February 2022, Tessenderlo Group announced that it intends to acquire the production plant and the associated business of Pipelife France in Gaillon (Eure, France). The Gaillon plant specializes in the manufacturing of pipes for gas, water, and cable protection. The transaction is expected to reach completion in the course of 2022. After completion of the acquisition, Tessenderlo Group intends to integrate the business within the DYKA Group business unit (Industrial Solutions segment). This transaction will not materially impact the results of Tessenderlo Group.
- The group also announced that its growth unit Violleau plans to construct a new production line for organic fertilizers in Vénérolles (Aisne, France). The new line will focus on the production of organic pellets, responding to the rising demand for organic fertilizers. It is scheduled to be operational from the first quarter of 2023 and it will be constructed on the site of Akiolis' manufacturing plant in Vénérolles. With effect from 2022, Violleau will be included in the Agro segment.
- In February 2022, Tessenderlo Group repurchased 35.0 million EUR of its outstanding 2022 bonds at a price of 102.875%. This repurchase resulted in a cash-out of 36.0 million EUR and the remaining amount of outstanding "2022 bonds" maturing in July 2022 stands at 130.5 million EUR. Also in February 2022, the group agreed two term loan credit facilities for 30.0 million EUR each, with a maturity of 7 years (starting April 2022) and a maturity of 5 years (starting August 2022) respectively. These loans, with quarterly capital reimbursements, have a fixed interest rate of 1.16% and 0.94% respectively, and contain no financial covenants. Both transactions will further reduce the liquidity risk as well as the interest costs of the group.
- In early March 2022, Tessenderlo Group submitted a new permit application to the Flemish Region for the construction of a new 900 MW combined cycle steam and gas turbine (CCGT) power plant in Tessenderlo, Belgium. With a view to future auctions, Tessenderlo Group adjusted its previously submitted project (an

<sup>1</sup> The enclosed information constitutes regulated information as defined in the Royal Decree of November 14, 2007, regarding the duties of issuers of financial instruments which have been admitted for trading on a regulated market.



investment of approximately 500 million EUR) to respond to the objections that led to the refusal of that application.

- The current conflict in Eastern Europe and the subsequent economic and financial sanctions imposed are negatively affecting the supply and the cost prices of both raw materials and energy. In particular, MOP (muriate of potash) is the key raw material used for the production of SOP (sulfate of potash) fertilizers that are produced at Tessenderlo Kerley Ham (Belgium). Tessenderlo Group currently sources MOP from Russia and Belarus, as well as some other countries. In this connection, the group is in the process of reviewing its sourcing mix, and it is therefore currently not possible to determine what the effect on the production would be, if any, although no significant impact is expected in the first half of 2022. At present, it is also difficult to estimate the impact on the other activities of the group.

2H21	2H20	% Change excluding fx effect	% Change as reported	Million EUR	2021	2020	% Change excluding fx effect <sup>2</sup>	% Change as reported
1,060.5	802.3	30.6%	32.2%	<b>Revenue</b>	2,081.5	1,737.3	21.1%	19.8%
169.5	132.6	25.5%	27.8%	<b>Adjusted EBITDA<sup>3</sup></b>	354.2	314.6	14.7%	12.6%
104.4	67.7	50.2%	54.1%	<b>Adjusted EBIT<sup>4</sup></b>	223.8	184.0	24.7%	21.6%
91.0	12.6		623.0%	<b>Profit (+) / loss (-) for the period</b>	188.3	98.6		90.9%
106.2	8.3		1,182.4%	<b>Total comprehensive income</b>	227.8	84.8		168.7%
54.8	59.1		-7.2%	<b>Capital expenditure</b>	95.9	100.2		-4.2%
94.2	118.4		-20.4%	<b>Cash flow from operating activities</b>	248.1	282.3		-12.1%
59.4	72.7		-18.3%	<b>Operational free cash flow<sup>5</sup></b>	188.9	213.7		-11.6%
48.7	60.9		-20.1%	<b>Operational free cash flow (Excl. IFRS 16)</b>	167.2	190.0		-12.0%
74.8	201.3		-62.8%	<b>Net financial debt<sup>6</sup></b>	74.8	201.3		-62.8%

The half-year information included in the press release is unaudited.

## 2. REVENUE

2H21 revenue increased by +32.2% (or increased by +30.6% when excluding the foreign exchange effect) compared to the same period last year. Excluding the foreign exchange effect, the revenue of Agro increased by +67.2% helped by favorable market circumstances and higher sales prices, implemented to compensate the increase of raw material, energy and transportation costs. The revenue of Bio-valorization increased by +19.1%, while Industrial Solutions revenue increased by +15.9%. The revenue of T-Power remained stable.

2021 revenue increased by +19.8% (or by +21.1% when excluding the foreign exchange effect). The revenue of all four segments increased (Agro: +31.4%, Industrial Solutions: +21.2%, Bio-valorization: +12.8% and T-Power: +2.5%).

## 3. ADJUSTED EBITDA

The 2H21 Adjusted EBITDA amounts to 169.5 million EUR compared to 132.6 million EUR one year earlier (+27.8%). When excluding the impact of the foreign exchange effect, the Adjusted EBITDA increased by +33.9 million EUR (+25.5%) compared to prior year. While the contribution of the operating segments Agro (+71.4%) and Industrial Solutions (+18.6%) increased, the contribution of Bio-valorization and T-Power remained stable.

The 2021 Adjusted EBITDA amounts to 354.2 million EUR, compared to 314.6 million EUR in 2020 (+12.6%). When excluding the foreign exchange effect, the Adjusted EBITDA has increased by +46.4 million EUR compared to 2020 (+14.7%). The negative foreign exchange effect of -6.7 million EUR is mainly caused by the weakening of the USD compared to one year ago (average EUR/USD rate of 1.18 in 2021 versus 1.14 in 2020). The Adjusted EBITDA of Agro (+21.1%) and Industrial Solutions (+43.9%) increased, while the contribution of Bio-valorization (-1.8%) and T-Power (-3.5%) to the Group Adjusted EBITDA was in line with prior year.

<sup>2</sup> As the group results might be impacted significantly by foreign exchange changes, the group reports some key financial indicators excluding any foreign exchange impact. The "% change excluding foreign exchange effect" is calculated by translating the 2021 result of foreign currency entities at the average exchange rate of 2020. The variance between this calculated result and the previous year result shows the effective result variance excluding any foreign exchange impact.

<sup>3</sup> Adjusted EBITDA equals Adjusted EBIT plus depreciation and amortization.

<sup>4</sup> Adjusted EBIT is considered by the group to be a relevant performance measure in order to compare results over the period 2020-2021 as it excludes adjusting items from the EBIT (Earnings Before Interests and Taxes). EBIT adjusting items principally relate to restructuring, impairment losses, provisions, gains or losses on significant disposals of assets or subsidiaries and the effect of the electricity purchase agreement.

<sup>5</sup> Operational free cash flow equals to Adjusted EBITDA minus capital expenditure minus change in trade working capital.

<sup>6</sup> Net financial debt equals non-current and current loans and borrowings and bank overdrafts, minus cash and cash equivalents and short term investments.

#### 4. NET FINANCIAL DEBT

As per year-end 2021, group net financial debt amounts to 74.8 million EUR, which implies a leverage of 0.2x (2020: 201.3 million EUR or a leverage of 0.6x). Short-term borrowings for 211.4 million EUR and 193.6 million EUR long-term borrowings are partially compensated by cash and cash equivalents (320.3 million EUR) and short-term investments (10.0 million EUR of short-term bank notes with maturity date in January 2022). The short-term borrowings include the bond, issued in 2015 with a maturity of 7 years, for an amount of 165.5 million EUR, which will mature in July 2022. Excluding the IFRS 16 lease liabilities, group net financial debt would have amounted to 20.8 million EUR compared to 147.8 million EUR as per year-end 2020.

#### 5. PROFIT (+) / LOSS (-) FOR THE PERIOD

The 2021 profit amounts to 188.3 million EUR compared to 98.6 million EUR in 2020. The profit (+) / loss (-) was impacted by exchange gains and losses, mainly on non-hedged intercompany loans and cash and cash equivalents in USD. Excluding these exchange gains and losses, the profit (+) / loss (-) for 2021 would have amounted to approximately 173 million EUR, while the 2020 result would have amounted to approximately 129 million EUR.

#### 6. OPERATIONAL FREE CASH FLOW

The 2021 operational free cash flow amounts to 188.9 million EUR, compared to 213.7 million EUR in 2020. This decrease, despite the increase of the Adjusted EBITDA (+39.7 million EUR), can be explained by the movement of trade working capital, which increased by +69.4 million EUR in 2021 while it remained stable in 2020 (+0.7 million EUR). This increase is impacted by the higher activity and increasing purchase and sales prices. Capital expenditure amounted to 95.9 million EUR in 2021, in line with prior year (100.2 million EUR). The operational free cash flow excluding the impact of IFRS 16 *Leases* amounts to 167.2 million EUR in 2021 compared to 190.0 million EUR in 2020.

### Outlook

The following statements are forward-looking and actual results may differ materially.

The group anticipates a continued high level of uncertainty in 2022 due to the current conflict in Eastern Europe, the difficult supply chain circumstances, and other challenges following the coronavirus pandemic. The development of customer demand and sales margin could come under pressure during the coming months. However, based on currently available market information, the group expects that the 2022 Adjusted EBITDA will be in line with the 2021 Adjusted EBITDA, taking into account the expected positive foreign exchange effect in 2022 following the strengthening of the USD. This guidance, however, does not include the risk of further deteriorating economic and financial market conditions.

## OPERATING SEGMENTS PERFORMANCE REVIEW

GROUP KEY FIGURES – SECOND HALF YEAR				
Million EUR	2H21	2H20	% Change excluding fx effect	% Change as reported
<b>Revenue Group</b>	<b>1,060.5</b>	<b>802.3</b>	<b>30.6%</b>	<b>32.2%</b>
<b>Agro</b>	375.8	220.7	67.2%	70.2%
<b>Bio-valorization</b>	345.8	288.0	19.1%	20.0%
<b>Industrial Solutions</b>	302.9	258.6	15.9%	17.2%
<b>T-Power</b>	36.0	34.9	3.2%	3.2%
<b>Adjusted EBITDA Group</b>	<b>169.5</b>	<b>132.6</b>	<b>25.5%</b>	<b>27.8%</b>
<b>Agro</b>	72.3	41.1	71.4%	75.6%
<b>Bio-valorization</b>	36.6	36.6	-2.1%	0.1%
<b>Industrial Solutions</b>	34.0	28.3	18.6%	20.4%
<b>T-Power</b>	26.6	26.6	-0.1%	-0.1%
<b>Adjusted EBIT Group</b>	<b>104.4</b>	<b>67.7</b>	<b>50.2%</b>	<b>54.1%</b>
<b>Agro</b>	56.6	26.5	107.6%	113.5%
<b>Bio-valorization</b>	19.3	19.0	-2.1%	1.4%
<b>Industrial Solutions</b>	20.7	14.5	40.8%	43.2%
<b>T-Power</b>	7.8	7.8	0.2%	0.2%
<b>EBIT adjusting items</b>	-0.0	-12.3	nm	nm
<b>EBIT</b>	<b>104.3</b>	<b>55.4</b>	<b>83.6%</b>	<b>88.2%</b>

The half-year information included in the press release is unaudited.

GROUP KEY FIGURES - FULL YEAR				
Million EUR	2021	2020	% Change excluding fx effect	% Change as reported
<b>Revenue Group</b>	<b>2,081.5</b>	<b>1,737.3</b>	<b>21.1%</b>	<b>19.8%</b>
<b>Agro</b>	749.3	582.9	31.4%	28.5%
<b>Bio-valorization</b>	643.2	575.7	12.8%	11.7%
<b>Industrial Solutions</b>	617.8	509.1	21.2%	21.3%
<b>T-Power</b>	71.2	69.5	2.5%	2.5%
<b>Adjusted EBITDA Group</b>	<b>354.2</b>	<b>314.6</b>	<b>14.7%</b>	<b>12.6%</b>
<b>Agro</b>	147.4	125.6	21.1%	17.4%
<b>Bio-valorization</b>	78.5	81.9	-1.8%	-4.2%
<b>Industrial Solutions</b>	76.1	53.0	43.9%	43.6%
<b>T-Power</b>	52.2	54.1	-3.5%	-3.5%
<b>Adjusted EBIT Group</b>	<b>223.8</b>	<b>184.0</b>	<b>24.7%</b>	<b>21.6%</b>
<b>Agro</b>	116.4	95.8	25.7%	21.5%
<b>Bio-valorization</b>	43.8	47.1	-3.5%	-7.0%
<b>Industrial Solutions</b>	49.1	24.5	100.0%	100.0%
<b>T-Power</b>	14.5	16.6	-12.6%	-12.6%
<b>EBIT adjusting items</b>	1.9	-8.1	nm	nm
<b>EBIT</b>	<b>225.7</b>	<b>175.9</b>	<b>31.5%</b>	<b>28.3%</b>

AGRO				
Million EUR	2021	2020	% Change excluding fx effect	% Change as reported
Revenue	749.3	582.9	31.4%	28.5%
Adjusted EBITDA	147.4	125.6	21.1%	17.4%
Adjusted EBITDA margin	19.7%	21.5%		
Adjusted EBIT	116.4	95.8	25.7%	21.5%
Adjusted EBIT margin	15.5%	16.4%		

2021 revenue increased by +31.4%, when excluding the foreign exchange effect. Revenue was impacted by higher volumes and an increase of sales prices, implemented in 2021 to compensate the higher raw material, energy and transportation costs. Also the start of the partnership agreement between Tessenderlo Kerley International and Kemira Oyj (Kemira), announced in 2020, under which Kemira produces premium SOP fertilizers (both standard and water-soluble grade) at its plant in Helsingborg (Sweden) and Tessenderlo Kerley International partially markets these products, positively impacted revenue.

When excluding the foreign exchange effect, the Adjusted EBITDA increased by +21.1% compared to prior year. The Adjusted EBITDA of Crop Vitality and Tessenderlo Kerley International increased thanks to favorable market circumstances, while the Adjusted EBITDA of NovaSource remained stable.

BIO-VALORIZATION				
Million EUR	2021	2020	% Change excluding fx effect	% Change as reported
Revenue	643.2	575.7	12.8%	11.7%
Adjusted EBITDA	78.5	81.9	-1.8%	-4.2%
Adjusted EBITDA margin	12.2%	14.2%		
Adjusted EBIT	43.8	47.1	-3.5%	-7.0%
Adjusted EBIT margin	6.8%	8.2%		

Revenue increased by +12.8% when excluding the foreign exchange effect, mainly thanks to an improved product mix and market prices for fats and proteins that increased substantially.

The 2021 Adjusted EBITDA remained stable compared to prior year (-1.8% when excluding the foreign exchange effect) as favorable market circumstances for fats and proteins were offset by lower margins of some gelatin products.

INDUSTRIAL SOLUTIONS				
Million EUR	2021	2020	% Change excluding fx effect	% Change as reported
Revenue	617.8	509.1	21.2%	21.3%
Adjusted EBITDA	76.1	53.0	43.9%	43.6%
Adjusted EBITDA margin	12.3%	10.4%		
Adjusted EBIT	49.1	24.5	100.0%	100.0%
Adjusted EBIT margin	7.9%	4.8%		

Industrial Solutions revenue, when excluding the foreign exchange effect, increased by +21.2% in 2021, mainly thanks to DYKA Group, where revenue was positively impacted by higher sales volumes and increased sales prices, implemented to compensate the higher raw material, energy and transportation costs. 2021 volumes were positively impacted by the full year contribution of the production plant in La Chapelle-Saint-Ursin in France, which was acquired in HY20. Also, the growth of the product portfolio positively impacted DYKA Group sales volumes, while HY20 DYKA Group volumes were negatively impacted by the corona pandemic.

The Adjusted EBITDA increased to 76.1 million EUR or increased by +43.9% when excluding the foreign effect, being impacted by the increase of DYKA Group sales volumes, an improved product mix and a further increase of production efficiency based on investments made. The significant increase of raw material, energy and transportation costs was offset by timely pricing management.

The cessation of S8 Engineering had a positive impact on the 2021 evolution of the Adjusted EBITDA. The contribution of Kuhlmann Europe increased, offset by a decrease of the Adjusted EBITDA of moleko.

T-POWER				
Million EUR	2021	2020	% Change excluding fx effect	% Change as reported
Revenue	71.2	69.5	2.5%	2.5%
Adjusted EBITDA	52.2	54.1	-3.5%	-3.5%
Adjusted EBITDA margin	73.3%	77.8%		
Adjusted EBIT	14.5	16.6	-12.6%	-12.6%
Adjusted EBIT margin	20.4%	23.9%		

In 2021 T-Power contributed 71.2 million EUR to the revenue and 52.2 million EUR to the Adjusted EBITDA of the group. These results were in line with expectations, as T-Power nv fulfilled all tolling agreement requirements.

The Adjusted EBITDA decrease in 2021 was due to the development expenses incurred for the intended construction of a second gas-fired power station in the Belgian municipality of Tessenderlo.



## CONSOLIDATED FINANCIAL INFORMATION AT DECEMBER 31, 2021

CONSOLIDATED INCOME STATEMENT		
Million EUR	2021	2020
<b>Revenue</b>	<b>2,081.5</b>	<b>1,737.3</b>
Cost of sales	-1,534.5	-1,255.8
<b>Gross profit</b>	<b>546.9</b>	<b>481.4</b>
Distribution expenses	-120.2	-105.6
Sales and marketing expenses	-62.2	-58.5
Administrative expenses	-124.2	-112.3
Other operating income and expenses	-16.5	-20.9
<b>Adjusted EBIT</b>	<b>223.8</b>	<b>184.0</b>
EBIT adjusting items	1.9	-8.1
<b>EBIT (Profit (+) / loss (-) from operations)</b>	<b>225.7</b>	<b>175.9</b>
Finance costs	-15.1	-42.2
Finance income	19.6	1.8
<b>Finance (costs) / income – net</b>	<b>4.5</b>	<b>-40.5</b>
Share of result of equity accounted investees, net of income tax	0.7	-1.9
<b>Profit (+) / loss (-) before tax</b>	<b>230.9</b>	<b>133.6</b>
Income tax expense	-42.6	-34.9
<b>Profit (+) / loss (-) for the period</b>	<b>188.3</b>	<b>98.6</b>
Attributable to:		
- Equity holders of the company	<b>187.8</b>	<b>99.1</b>
- Non-controlling interest	<b>0.5</b>	<b>-0.5</b>
Basic earnings per share (EUR)	4.36	2.30
Diluted earnings per share (EUR)	4.36	2.30

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME		
Million EUR	2021	2020
<b>Profit (+) / loss (-) for the period</b>	<b>188.3</b>	<b>98.6</b>
Translation differences	21.0	-13.8
Net change in fair value of derivative financial instruments, before tax	1.9	-0.2
Share in other comprehensive income of joint-ventures accounted for using the equity method	-	-0.0
Other movements	0.2	-0.2
Income tax on other comprehensive income	-0.5	0.1
<b>Items of other comprehensive income that are or may be reclassified subsequently to profit or loss</b>	<b>22.6</b>	<b>-14.2</b>
Remeasurements of the net defined benefit liability, before tax	18.2	-0.7
Income tax on other comprehensive income	-1.2	1.1
<b>Items of other comprehensive income that will not be reclassified subsequently to profit or loss</b>	<b>17.0</b>	<b>0.4</b>
<b>Other comprehensive income, net of income tax</b>	<b>39.5</b>	<b>-13.9</b>
<b>Total comprehensive income</b>	<b>227.8</b>	<b>84.8</b>
Attributable to:		
- Equity holders of the company	227.0	85.6
- Non-controlling interest	0.8	-0.8

CONSOLIDATED STATEMENT OF FINANCIAL POSITION		
Million EUR	31/12/2021	31/12/2020
<b>ASSETS</b>		
<b>Total non-current assets</b>	<b>1,105.4</b>	<b>1,105.9</b>
Property, plant and equipment	886.6	862.2
Goodwill	32.3	33.4
Intangible assets	109.2	135.6
Investments accounted for using the equity method	19.2	20.0
Other investments and guarantees	11.8	10.3
Deferred tax assets	33.5	32.2
Trade and other receivables	12.9	12.3
<b>Total current assets</b>	<b>1,101.6</b>	<b>860.5</b>
Inventories	393.4	332.1
Trade and other receivables	371.8	270.8
Current tax assets	5.5	7.5
Derivative financial instruments	0.6	0.0
Short term investments	10.0	20.0
Cash and cash equivalents	320.3	230.1
<b>Total assets</b>	<b>2,207.0</b>	<b>1,966.4</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Total equity</b>	<b>1,131.4</b>	<b>904.1</b>
<b>Equity attributable to equity holders of the company</b>	<b>1,130.0</b>	<b>903.0</b>
Issued capital	216.2	216.2
Share premium	238.0	238.0
Reserves and retained earnings	675.8	448.8
<b>Non-controlling interest</b>	<b>1.3</b>	<b>1.1</b>
<b>Total liabilities</b>	<b>1,075.6</b>	<b>1,062.3</b>
<b>Total non-current liabilities</b>	<b>477.9</b>	<b>700.6</b>
Loans and borrowings	193.6	385.1
Employee benefits	55.8	67.6
Provisions	138.3	141.8
Trade and other payables	4.1	14.5
Derivative financial instruments	20.7	25.3
Deferred tax liabilities	65.4	66.3
<b>Total current liabilities</b>	<b>597.7</b>	<b>361.6</b>
Bank overdrafts	0.1	0.0
Loans and borrowings	211.4	66.2
Trade and other payables	365.9	269.9
Derivative financial instruments	8.6	11.8
Current tax liabilities	1.6	2.4
Employee benefits	0.7	0.9
Provisions	9.5	10.4
<b>Total equity and liabilities</b>	<b>2,207.0</b>	<b>1,966.4</b>



CONSOLIDATED STATEMENT OF CASH FLOWS		
Million EUR	31/12/2021	31/12/2020
<b>OPERATING ACTIVITIES</b>		
<b>Profit (+) / loss (-) for the period</b>	<b>188.3</b>	<b>98.6</b>
Depreciation, amortization and impairment losses on tangible assets and intangible assets	132.3	133.6
Changes in provisions	-3.5	10.0
Finance costs	15.1	42.2
Finance income	-19.6	-1.8
Loss / (profit) on sale of non-current assets	-3.6	-5.0
Share of result of equity accounted investees, net of income tax	-0.7	1.9
Income tax expense	42.6	34.9
Other non-cash items	2.3	-3.1
Changes in inventories	-50.5	-27.7
Changes in trade and other receivables	-94.7	-2.0
Changes in trade and other payables	83.9	33.2
Change in accounting estimates - inventory write off	2.5	10.7
Net change in emission allowances recognized within intangible assets	1.1	-0.3
Revaluation electricity forward contracts	-0.8	-0.4
Bargain purchase recognized following the acquisition of the activities of DYKA Tube SAS	-	-2.4
<b>Cash generated from operations</b>	<b>294.7</b>	<b>322.5</b>
Income tax paid	-46.6	-40.3
Dividends received	0.1	0.1
<b>Cash flow from operating activities</b>	<b>248.1</b>	<b>282.3</b>
<b>INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	-95.7	-99.5
Acquisition of intangible assets	-0.3	-0.7
Acquisition of investments accounted for using the equity method	-	-2.0
Acquisition of subsidiary, net of cash acquired	-	-5.7
Proceeds from the sale of property, plant and equipment	7.0	5.8
Proceeds from the sale of subsidiaries, net of cash disposed of	-	-0.1
Cash deposit paid for prequalification CRM auction (T-Power)	-16.3	-
Cash deposit reimbursed for prequalification CRM auction (T-Power)	16.3	-
Acquisition of short term investments	-40.0	-20.0
Proceeds from sale of short term investments	50.0	-
<b>Cash flow from investing activities</b>	<b>-79.0</b>	<b>-122.2</b>
<b>FINANCING ACTIVITIES</b>		
Repurchase of own shares	-	-4.2
Payment of lease liabilities	-20.6	-22.6
Proceeds from new borrowings	1.3	7.5
Reimbursement of borrowings	-48.7	-47.2
Interest paid	-15.1	-16.3
Interest received	0.4	0.5
Other finance costs paid	-1.0	-1.5
Decrease/(increase) of long-term receivables	4.2	0.2
Dividends paid to non-controlling interests	-0.6	-0.0
<b>Cash flow from financing activities</b>	<b>-80.1</b>	<b>-83.6</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>89.1</b>	<b>76.5</b>
Effect of exchange rate differences	1.1	-0.8
Cash and cash equivalents less bank overdrafts at the beginning of the period	230.0	154.4
Cash and cash equivalents less bank overdrafts at the end of the period	320.2	230.0



### 3. DIVIDEND

The Board of Directors will propose to the shareholders, at the annual shareholders' meeting of May 10, 2022, not to pay out a dividend for the 2021 financial year.

### 4. STATEMENT OF THE STATUTORY AUDITOR

The statutory auditor, KPMG Bedrijfsrevisoren - Réviseurs d'Entreprises, represented by Patrick De Schutter, has confirmed that the audit procedures, which have been substantially completed, have not revealed any material misstatement in the accounting information included in the Company's annual announcement.

### 5. FINANCIAL CALENDAR

The annual report for the 2021 financial year will be available with effect from April 6, 2022, on the corporate website [www.tessenderlo.com](http://www.tessenderlo.com).

- |  |                 |
|--|-----------------|
| ▪ Annual General Meeting of shareholders | May 10, 2022    |
| ▪ Half year 2022 results                 | August 25, 2022 |

#### Agenda for March 24, 2022:

3pm CET/2pm UK - conference call and webcast for analysts and investors.

Registration details are available at: [www.tessenderlo.com](http://www.tessenderlo.com).

#### ***About Tessenderlo Group***

*Tessenderlo Group is a diversified industrial group that focuses on agriculture, valorizing bio-residuals, energy, and providing industrial solutions with a focus on water. The group employs approximately 4,800 people, is a leader in most of its markets and recorded a consolidated revenue of 2.1 billion EUR in 2021. Tessenderlo Group is listed on Euronext Brussels and is part of Next 150 and BEL Mid indices. Financial News wires: Bloomberg: TESB BB – Reuters: TESB.BR – Datastream: B:Tes*

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This **press release** is available in **Dutch and English** on the corporate website [www.tessenderlo.com](http://www.tessenderlo.com).

#### *Disclaimer*

*This document may contain forward-looking statements. Such statements reflect the views of management regarding future events at the date of this document. Furthermore, they involve known and unknown risks, uncertainties and other factors that may cause actual results to be different from any results, performance or achievements expressed or implied by such forward-looking statements. Tessenderlo Group provides the information in this press release as at the date of publication and, subject to applicable legislation, does not undertake any obligation to update, clarify or correct any forward-looking statements contained in this press release in light of new information, future events or otherwise. Tessenderlo Group disclaims any liability for statements made or published by third parties (including any employees who are not explicitly mandated by Tessenderlo Group) and, subject to applicable legislation, does not undertake any obligation to correct inaccurate data, information, conclusions or opinions published by third parties in relation to this or any other press release it issues.*