Conference call
FY20 results

Brussels, March 25, 2021

Tessenderlo Group
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KEY EVENTS

T-Power segment

In 2020, Tessenderlo Group started filing the relevant applications in order to participate in the Belgian Capacity Remuneration Mechanism (CRM) tender for the construction of a second gas-fired power station in Tessenderlo (Belgium). The project is on track to deliver all required inputs to participate in the CRM auction with respect to technology, permits, and commercial and financial requirements. If successful in the CRM auction, the new power plant should be operational by November 1, 2025.

Industrial Solutions segment

In September 2020, an incident occurred at the Bakken plant (North Dakota, USA) when a fire, which was caused by lightning, resulted in the loss of the production assets of Environmentally Clean Systems LLC (Industrial Solutions segment).

Following this incident, the group will be reviewing in the coming months the future of ECS as a viable business.

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KEY EVENTS
After the balance date

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Agro segment

Tessenderlo Kerley International is studying to build a new liquid fertilizer plant in Western Europe. Upon receiving the necessary permits and approvals, it will begin the construction of a Thio-Sul® (ammonium thiosulfate) manufacturing plant in Geleen (the Netherlands). The plant is currently scheduled to start production in Q2 2023. Tessenderlo Kerley International is also studying a major Thio-Sul investment in the Eastern European/CIS region as to support qualitative and productivity increases of agriculture in that region.

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Bio-valorization segment

In the first quarter of 2021, Tessenderlo Group created a new growth unit, “Violleau”, to support the growth of organic agricultural solutions in Europe.

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Update COVID-19

- In light of the latest developments concerning the corona pandemic, Tessenderlo Group is taking all the necessary steps to ensure that we keep our people safe and keep our various plants and businesses running.

- All of the plants and activities are currently running in line with expectations.

- Activities could be further impacted in the coming weeks or months if too many employees are affected by COVID-19 and/or if access to raw materials and auxiliary materials or means of transportation becomes more complicated, or if our customers are no longer able to process our products.

2H20 and 2020 RESULTS

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Operational key figures

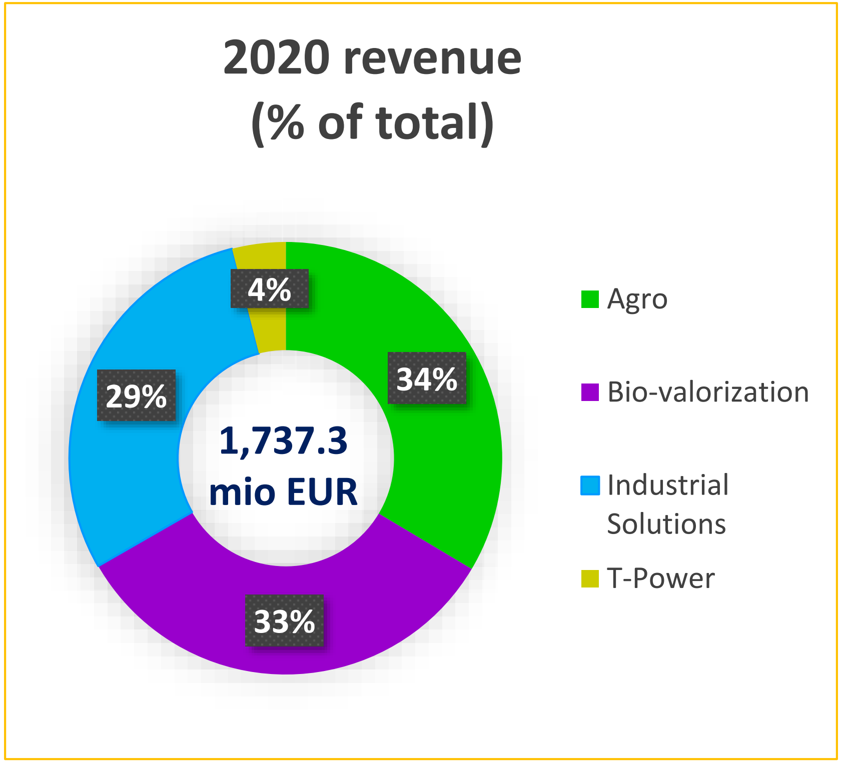
2H20	2H19	% Change excluding fx effect	% Change as reported	Million EUR	2020	2019	% Change excluding fx effect	% Change as reported
802.3	817.9	1.1%	-1.9%	**Revenue**	1,737.3	1,742.9	0.7%	-0.3%
132.6	122.8	16.1%	8.0%	**Adjusted EBITDA**	314.6	267.7	20.9%	17.5%
67.7	55.6	36.9%	21.7%	**Adjusted EBIT**	184.0	134.9	42.1%	36.4%
12.6	50.1		-74.9%	**Profit (+) / loss (-) for the period**	98.6	97.6		1.1%
8.3	54.6		-84.8%	**Total comprehensive income**	84.8	90.7		-6.5%
59.1	60.7		-2.7%	**Capital expenditure**	100.2	104.3		-4.0%
118.4	88.2		34.2%	**Cash flow from operating activities**	282.3	219.7		28.5%
72.7	45.9		58.3%	**Operational free cash flow**	213.7	145.7		46.7%
60.9	33.0		84.7%	**Operational free cash flow (Excl. IFRS 16)**	190.0	120.2		58.1%
201.3	347.5		-42.1%	**Net financial debt**	201.3	347.5		-42.1%

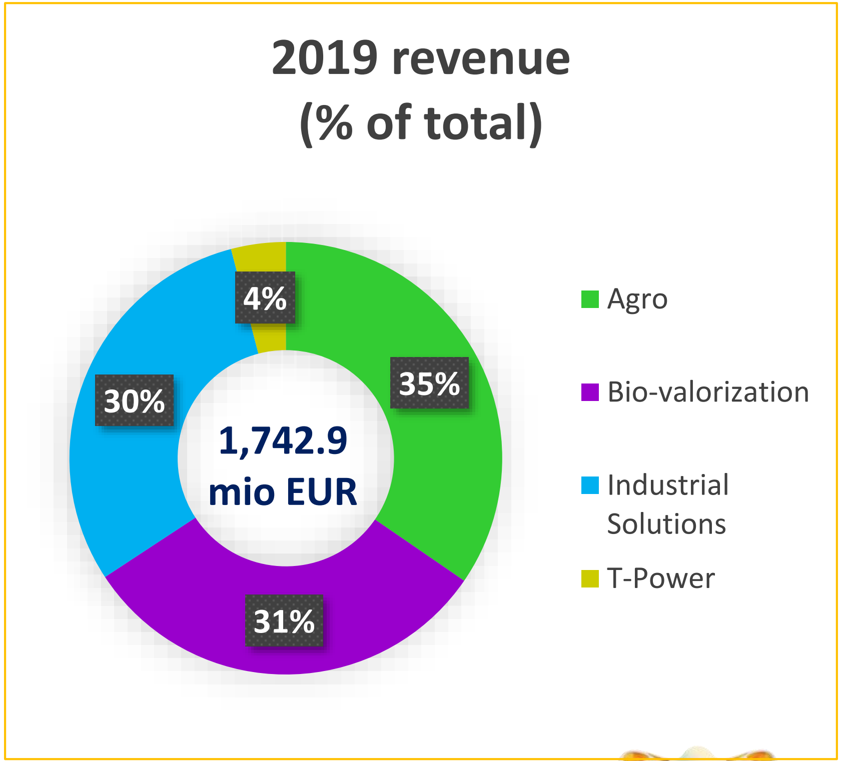
Adjusted EBITDA 2019	:	267.7 M EUR
FX effect	:	-9.1 M EUR
Impact acquisitions and disposals	:	+1.2 M EUR
Internal growth	:	**+54.8 M EUR**
= Adjusted EBITDA 2020	=	314.6 M EUR

Net result excluding FX gains/losses: 129 M EUR in 2020 compared to 90 M EUR in 2019.

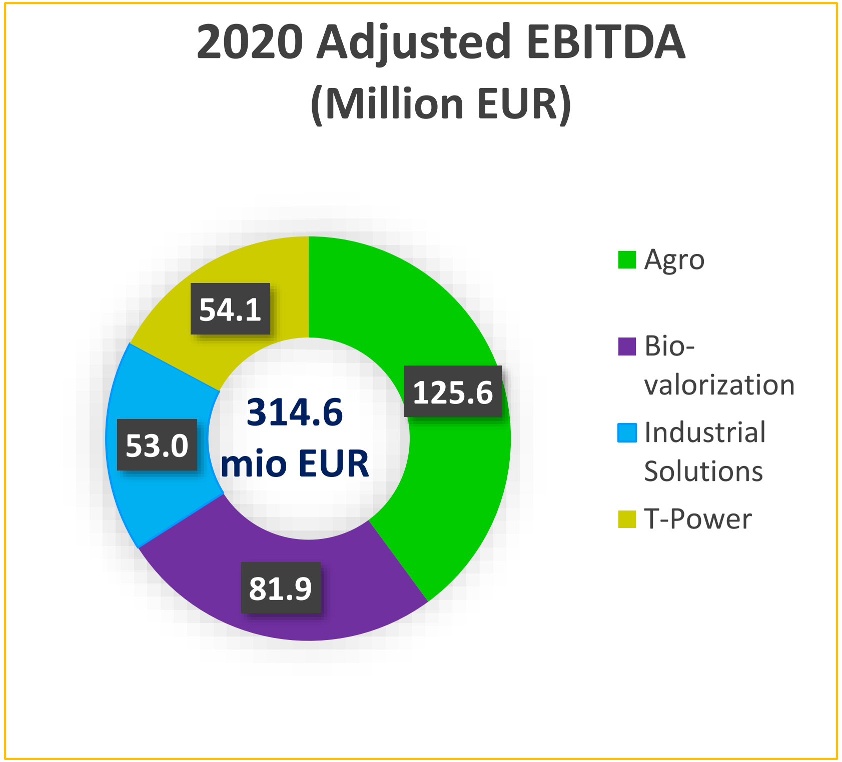
Remarks:
1) Adjusted EBITDA equals adjusted EBIT plus depreciation and amortization.
2) Adjusted EBIT is considered by the group to be a relevant performance measure in order to compare results over the period 2019-2020 as it excludes adjusting items from the EBIT (Earnings Before Interests and Taxes). 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.
3) Operational free cash flow equals to Adjusted EBITDA minus capital expenditure minus change in trade working capital.

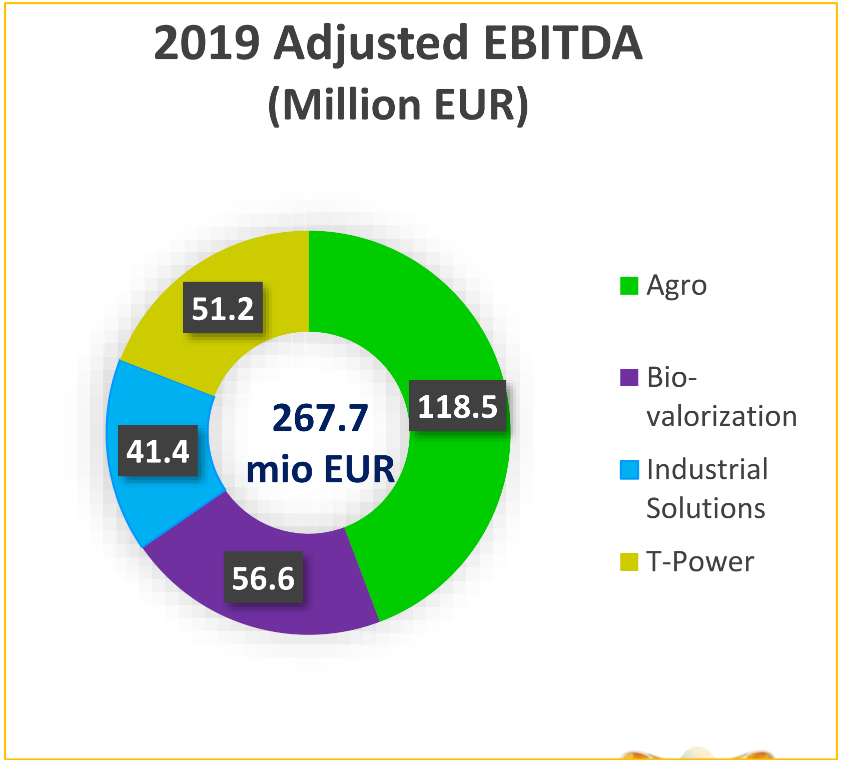
Group revenue per segment





Group Adjusted EBITDA per segment





Agro segment

AGRO								
2H20	**2H19**	**% Change excluding fx effect**	**% Change as reported**	**Million EUR**	**2020**	**2019**	**% Change excluding fx effect**	**% Change as reported**
220.7	250.1	-6.2%	-11.7%	**Revenue**	582.9	602.8	-1.9%	-3.3%
41.1	47.8	-5.2%	-13.9%	**Adjusted EBITDA**	125.6	118.5	8.0%	6.0%
18.6%	19.1%			**Adjusted EBITDA margin**	21.5%	19.7%		
26.5	32.9	-8.6%	-19.4%	**Adjusted EBIT**	95.8	88.4	10.6%	8.4%
12.0%	13.1%			**Adjusted EBIT margin**	16.4%	14.7%		

- Crop Vitality revenue remained stable in 2020 as the lower 2H20 volumes could be offset by higher volumes in 1H20. Volumes in 2H20 were in line with expectations as part of the agro season in the USA shifted from the second half to the first half of the year, being impacted by weather conditions.
- NovaSource revenue remained stable throughout 2020.
- 2020 revenue of Tessenderlo Kerley International decreased due to lower SOP volumes.

- Crop Vitality Adjusted EBITDA increased in 2020 thanks to favorable market circumstances
- The 2020 Adjusted EBITDA of NovaSource and Tessenderlo Kerley International remained stable.

Bio-valorization segment

BIO-VALORIZATION								
2H20	**2H19**	**% Change excluding fx effect**	**% Change as reported**	**Million EUR**	**2020**	**2019**	**% Change excluding fx effect**	**% Change as reported**
288.0	277.8	6.3%	3.7%	**Revenue**	575.7	543.1	7.1%	6.0%
36.6	31.5	32.9%	16.1%	**Adjusted EBITDA**	81.9	56.6	55.8%	44.6%
12.7%	11.3%			**Adjusted EBITDA margin**	14.2%	10.4%		
19.0	14.7	60.8%	29.3%	**Adjusted EBIT**	47.1	22.7	131.9%	107.6%
6.6%	5.3%			**Adjusted EBIT margin**	8.2%	4.2%		

- 2020 revenue of PB Leiner and Akiolis increased thanks to favorable market conditions and an improved product mix.

- The 2020 Adjusted EBITDA increased thanks to favorable market circumstances and realized efficiency improvements. The COVID-19 pandemic impacted the evolution of the revenue in 2H20, which also had an impact on the ageing of inventories, resulting in additional inventory write-offs in 2H20 for an amount of -7.0 million EUR (total write-offs amount to -8.2 million EUR in 2020) compared to only -0.9 million EUR in 2H19 (total amount of -2.2 million EUR in 2019).

Industrial Solutions segment

INDUSTRIAL SOLUTIONS								
2H20	**2H19**	**% Change excluding fx effect**	**% Change as reported**	**Million EUR**	**2020**	**2019**	**% Change excluding fx effect**	**% Change as reported**
258.6	253.7	3.2%	1.9%	**Revenue**	509.1	526.0	-2.7%	-3.2%
28.3	16.7	73.2%	69.6%	**Adjusted EBITDA**	53.0	41.4	29.2%	28.1%
10.9%	6.6%			**Adjusted EBITDA margin**	10.4%	7.9%		
14.5	2.0	637.0%	624.0%	**Adjusted EBIT**	24.5	11.9	108.2%	106.3%
5.6%	0.8%			**Adjusted EBIT margin**	4.8%	2.3%		

- The 2H20 revenue increase of DYKA Group, mainly thanks to the contribution of the acquired production plant in La Chapelle-Saint-Ursin (France), was able to compensate the 1H20 decrease, which was impacted by the corona pandemic (as the production at the French plant in Sainte-Austreberthe was disrupted and a number of JDP sales branches in the United Kingdom were temporarily closed).
- The cessation of the S8 Engineering activities led to a loss of revenue, while the revenue of the other activities within Industrial Solutions remained stable in 2020.

- The lower 1H20 Adjusted EBITDA of DYKA Group was more than offset by its result in 2H20, mainly thanks to the volume increase. The favorable development of input costs, as well as cost saving measures taken to mitigate the COVID-19 impact, further positively impacted the 2020 Adjusted EBITDA.
- While the Adjusted EBITDA of Performance Chemicals remained stable in 1H20, it increased in 2H20 as 2H19 was impacted by technical issues in Loos (France).
- The cessation of S8 Engineering had a positive impact on the 2020 evolution of the Adjusted EBITDA, while the 2020 Adjusted EBITDA of Mining & Industrial slightly increased.

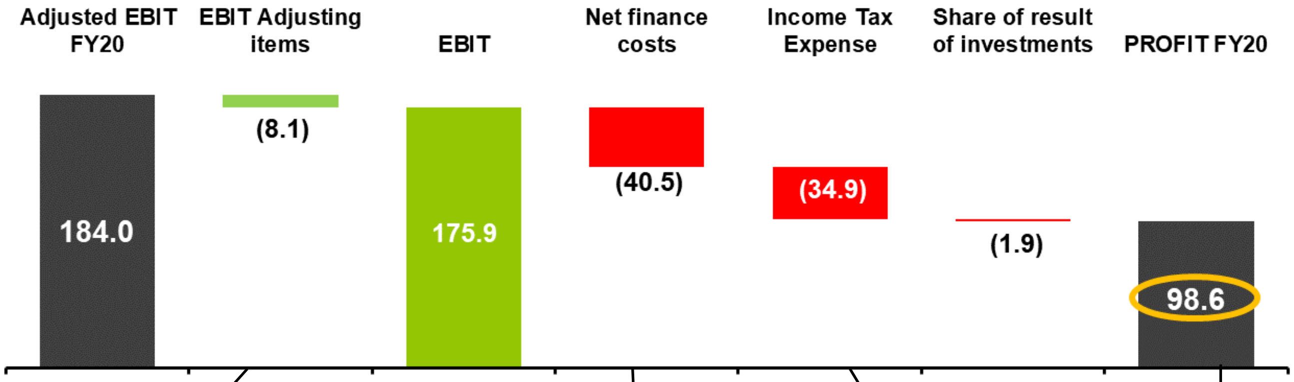
T-Power segment

T-POWER								
2H20	**2H19**	**% Change excluding fx effect**	**% Change as reported**	**Million EUR**	**2020**	**2019**	**% Change excluding fx effect**	**% Change as reported**
34.9	36.3	-3.9%	-3.9%	**Revenue**	69.5	71.1	-2.2%	-2.2%
26.6	26.9	-0.9%	-0.9%	**Adjusted EBITDA**	54.1	51.2	5.5%	5.5%
76.3%	74.0%			**Adjusted EBITDA margin**	77.8%	72.1%		
7.8	6.1	27.9%	27.9%	**Adjusted EBIT**	16.6	12.0	39.0%	39.0%
22.3%	16.7%			**Adjusted EBIT margin**	23.9%	16.8%		

- In 2020 T-Power contributed 69.5 million EUR to the revenue and 54.1 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 2020 Adjusted EBITDA improvement was mainly realized thanks to continued cost optimization, partially offset by ongoing development expenses for the construction of a second gas-fired power station in the Belgian municipality of Tessenderlo. At the beginning of July 2020, Tessenderlo Group started filing the relevant applications in order to participate in the Belgian Capacity Remuneration Mechanism (CRM) tender.

2020 Adjusted EBIT to profit details (Million EUR)



(Million EUR)	
Gains and losses on disposals	4.8
Restructuring	-0.5
Impairment losses	-3.0
Provisions and claims	-5.0
Other income and expenses	-4.3
Total	-8.1

The net finance costs (-40.5 million EUR) mainly include:
- borrowing costs for -9.3 million EUR, including the accrued interest charges on the bonds issued in 2015 with a maturity of 7 years and 10 years, the interest expenses on the term loan facility of T-Power nv, and the interest expenses on lease liabilities (in accordance with IFRS 16 *Leases*).
- Net foreign exchange gains and losses (including revaluation to fair value and realization of derivative financial instruments) for -29.8 million EUR, mainly explained by unrealized foreign exchange gains and losses on intercompany loans and cash and cash equivalents (mainly in USD), which are not hedged.

Tax expenses amount to -34.9 million EUR in 2020, versus -18.9 million EUR in 2019. The income tax expenses mainly relate to the operations in the United States.

The 2020 profit amounts to 99 million EUR compared to 98 million EUR in 2019. 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 2020 would have amounted to approximately 129 million EUR, compared to a result of approximately 90 million EUR in 2019.

Outlook

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

- The group anticipates a continued high level of uncertainty in the first half of 2021 due to the ongoing corona pandemic, where the development of customer demand and margin is exposed to increased risk. However, based on the current available information, the group expects that the 2021 Adjusted EBITDA will be in line with the 2020 Adjusted EBITDA. This guidance already takes into account the expected negative foreign exchange effect in 2021, following the weakening of the USD at the time of writing.

- The group would like to emphasize further that it currently operates in a volatile political, economic, financial and health environment.

Financial calendar

▪ Publication of annual report	April 6, 2021
▪ Annual General Meeting of Shareholders	May 11, 2021
▪ Half year 2021 results	August 26, 2021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Thank you

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