

## Solvac: First interim gross dividend 2022 stable at €3.26

1. The cash revenue<sup>1</sup>, driven by dividends from the investment in Solvay amounts to €125.6 million compared to €122.3 million in 2021, and is higher compared to last year thanks to the increase of the unit dividend of Solvay, as indicated in the table below:

	<b>1<sup>st</sup> Half 2021</b>	<b>1<sup>st</sup> Half 2022</b>
<i>Solvay dividend per share – January (in €)</i>	1.50	1.50
<i>Number of Solvay shares held by Solvac (in million)</i>	32.6	32.6
Solvay dividend received in January (in million €) (a)	48.9	48.9
<i>Solvay dividend per share – May (in €)</i>	2.25	2.35
<i>Number of Solvay shares held by Solvac (in million)</i>	32.6	32.6
Solvay dividend received in May (in million €) (b)	73.4	76.7
<b>Cash revenue (a) + (b)<sup>1</sup> (in million €)</b>	<b>122.3</b>	<b>125.6</b>
Operating expenses (in million €)	-0.8	-1.1
Cost of borrowing (in million €)	-1.5	-1.5
<b>Cash income<sup>1</sup> (in million €)</b>	<b>120.0</b>	<b>123.1</b>

Solvac holds 30.81% in Solvay as of the end of June 2022, unchanged compared to December 31<sup>st</sup>, 2021. Insofar the company's statutory accounts authorize, it is on the basis of cash income, after covering expenses, that the Board of Directors determines the amounts proposed for distribution by Solvac.

2. The Board of Directors has prepared the Solvac consolidated financial statements on June 30<sup>th</sup>, 2022. These accounts have been approved by the Board of Directors on July 29<sup>th</sup>, 2022. These accounts have been submitted to the Statutory Auditor. They are presented according to IFRS standards as adopted in the European Union.

### Consolidated income statement

<i>€ million</i>	<b>1<sup>st</sup> Half 2021</b>	<b>1<sup>st</sup> Half 2022</b>
<i>Income from investments accounted for under the equity method</i>	102.8	327.8
<i>Operating expenses</i>	-0.8	-1.1
<i>Cost of borrowings</i>	-1.5	-1.4
<b>Net income</b>	<b>100.4</b>	<b>325.3</b>
<b>Net income and diluted earnings per share (€)<sup>2</sup></b>	<b>4.7</b>	<b>15.2</b>

<sup>1</sup> Solvac uses certain non-IFRS performance indicators that are defined here:

- Cash revenue refers to income received during the period. It is defined as the cash flow obtained by the payment of dividends received from Solvay.
- Cash income means the cash revenue reduced by the interest charges and other income and expenses (financial/operational). It is on the basis of this indicator that the Board of Directors determines the amounts proposed for distribution by Solvac. See detail of calculation in note 8, page 11 of current press release.

<sup>2</sup> The net income per share and the net diluted income per share are identical. The average weighted number of shares used for the calculation per share was 21,375,033 in June 2022 and in 2021

On June 30<sup>th</sup>, 2022 Solvac recorded a net consolidated income of €325.3 million (namely, €15.2 per share) versus €100.4 million (namely, €4.7 per share) in the same period in 2021, as a result of the evolution in the equity method applied to Solvac's results.

The 1<sup>st</sup> half 2022 net result of the participation calculated by the equity method (€327.8 million) is higher than the result of €102.8 million obtained in the same period 2021, reflecting the evolution of Solvac's net result in the first half of 2022, as published this 28<sup>th</sup> of July 2022. The increase in Solvac's net results in 2022 is a reflection of the good performance in all its business segments.

Furthermore, Solvac recalls that in its Press Release of March 15, 2022, the Company expressed its full support for Solvac's plan to explore its separation into two independent listed companies.

The Board of Directors reports the figures of the statutory accounts relating to Solvac SA (Belgian GAAP) for the 1<sup>st</sup> half of 2022:

€ million	1 <sup>st</sup> Half 2021	1 <sup>st</sup> Half 2022
<i>Financial result</i>	71.8	75.2
<i>Operating result</i>	-0.8	-1.0
<i>Profit before tax</i>	71.0	74.2
<i>Profit after tax</i>	71.0	74.2

The net income after tax is €74.2 million, up by 4.5% compared to the result at the 1<sup>st</sup> half 2021 (€ 71.0 million) due to the increase of the unit dividend obtained from Solvac.

3. In accordance with the dividend distribution policy of the company, the Board of Directors decided to set the first interim dividend at 60% of the total dividend of the previous year, being €3.26 gross. This amount is stable compared to the first interim dividend of 2021.

The net amount of the first interim dividend settles at €2.282, after deduction of a withholding tax of 30%<sup>(1)</sup>. This first interim dividend will be paid on August 17, 2022 and will lead to a gross distribution of €69.7 million. The Solvac shares will trade ex-dividend on Euronext Brussels, from August 4, 2022 and transactions must be notified to us on Tuesday August 9, 2022 at the latest. Any transaction not registered on this date must be recovered (purchase) or returned (sale) by the financial intermediary who executed the transaction.

The second interim dividend which will be decided by the Board, will be released on December 15, 2022 and will be paid on December 30, 2022.

In line with its policy of distributing almost all the Solvac dividends and considering Solvac decided to increase its ex- 2021 dividend from €3,75 to €3,85, the Board should decide in December 2022 to increase the total dividend ex- 2022 at €5,58 gross per share. This distribution would result in a cash outflow of €119.3 million in 2022.

The second interim dividend should settle at €2.32 gross per share, or €1.624 net per share (after deduction of a withholding tax of 30%).

(1) To our non-resident shareholders, Belgium has entered into international tax treaties with a certain number of foreign countries, which generally limit the burden of this withholding tax to 15% or even 10% (<https://www.solvac.be/actualites/communications-de-dividende/>). The first part of the form 276 DIV-AUT, duly completed, stamped by the foreign service of taxation on which the applicant depends and signed must arrive at Solvac on August 27, 2022.

## 4. Remarks

## Content

This press release contains regulated information and is prepared in accordance with the IAS 34 standard "Interim Financial Statements". The analysis of risk management is presented in the annual report, available on the Internet ([www.solvac.be](http://www.solvac.be)). There are no changes in the identification of risks on June 30<sup>th</sup> 2022 compared to December 31<sup>st</sup>, 2021.

## Solvac Shares

	<b>December 2021</b>	<b>June 2022</b>
Number of shares outstanding at end of period	21,375,033	21,375,033
Average number of shares for calculating results per share according to IFRS	21,375,033	21,375,033
Average number of shares for calculating diluted results per share according to IFRS	21,375,033	21,375,033

## 5. Statement of the accountable persons

Mr Jean Marie Solvay, Chairman of the Board of Directors, and Mr John Kraft de la Saulx, member of the Board of Directors declare that to their knowledge :

- the condensed financial statements, prepared in accordance with applicable accounting standards, give a true and fair view of the assets, of the financial position and the results of the issuer and the business included in the consolidation;
- the interim report includes a faithful statement on the development of the business, the results and the situation of the issuer and the business included in the consolidation, as well as a description of the main risks and uncertainties they face.
- The main risks and uncertainties are in accordance with the assessment disclosed in the Risk Management section of the Solvac 2021 Annual Report, taking into account the current economic and financial environment.

## Key financial reporting dates

- August 17<sup>th</sup>, 2022: Payment of the first interim dividend for the 2022 financial year
- December 15<sup>th</sup>, 2022: after 5:40 pm Press Release "Second interim dividend"
- December 30<sup>th</sup>, 2022: Payment of the second interim dividend for the 2022 financial year.

For more information, please contact:

**SOLVAC S.A.**

Investor Relations

Rue des Champs Elysées, 43 - 1050 Brussels

Tel.: 32/2/639 66 30

Fax: 32/2/639 66 31

Email: [investor.relations@solvac.be](mailto:investor.relations@solvac.be)

**Solvac** is a public limited company under the Belgian law founded in 1983 and listed on Euronext Brussels under the ISIN code BE0003545531 (**SOLV**). Its assets exclusively consist of a stake of more than 30 % in the capital of Solvay SA. Its titles are exclusively nominative. They may be freely held by natural persons, or subject to the approval of the Board of Directors, by legal persons or assimilated to the conditions set out in its accreditation policy. As of June 30<sup>th</sup>, 2022 its market capitalization was €1.9 billion.

# Solvac – Condensed Half Year Financial Statements IFRS

## Condensed Consolidated Statement of Financial Position

<i>€ million</i>	<i>Notes</i>	<i>December 31<sup>st</sup>, 2021</i>	<i>June 30<sup>th</sup>, 2022</i>
<b>ASSETS</b>			
Tangible fixed assets		0	0
Non-current assets : investment accounted for under the equity method	2	3,094	3,630
Goodwill		343	343
Participation accounted for under the equity method excluding goodwill		2,751	3,287
Current assets : short-term receivables		49	1
Cash and cash equivalents	3	0	60
<b>Total assets</b>		<b>3,143</b>	<b>3,691</b>
<b>EQUITY AND LIABILITIES</b>			
Equity	4	2,926	3,537
Capital		192	192
Reserves		2,734	3,345
Non-current liabilities : long term financial debt	5	150	150
<b>Current liabilities</b>		<b>67</b>	<b>4</b>
Short-term financial debt	5	50	0
Tax liabilities		13	0
Other current liabilities	6	4	4
<b>Total equity and liabilities</b>		<b>3,143</b>	<b>3,691</b>

## Condensed Consolidated Income Statement

<i>€ million</i>	<i>Notes</i>	<i>1<sup>st</sup> Half 2021</i>	<i>1<sup>st</sup> Half 2022</i>
Income from investment accounted for under the equity method	2	103	327
Operating expenses		-1	-1
Cost of borrowings	5	-2	-1
<b>Net income</b>		<b>100</b>	<b>325</b>
<b>Net income and diluted income per share (€)<sup>1</sup></b>		<b>4.7</b>	<b>15.2</b>

<sup>1</sup> The net income per share and the net diluted income per share are identical. The average weighted number of shares used for the calculation per share is 21,375,033 in June 2022 and June 2021.

# Condensed Consolidated Statement of Total Comprehensive Income

<i>€ million</i>	<i>1<sup>st</sup> Half 2021</i>	<i>1<sup>st</sup> Half 2022</i>
<b>Net income (a)</b>	<b>100</b>	<b>325</b>
<b>Other elements of comprehensive income <sup>1</sup></b>		
<b>Recyclable components</b>		
Gains and losses on hedging instruments in a cash-flow hedge	5	53
Currency translation differences (activities abroad)	75	228
<b>Non-recyclable components</b>		
Fair value adjustments	6	-3
Remeasurement of the net defined benefit liability	133	76
<b>Income tax relating to recyclable and non-recyclable elements</b>		
Income tax relating to components of other comprehensive income.	-21	-37
<b>Other elements of comprehensive income net of related tax effects (b)</b>	<b>198</b>	<b>317</b>
<b>Comprehensive income (a) + (b)</b>	<b>298</b>	<b>642</b>

<sup>1</sup> Other elements of the comprehensive income come from the statement of changes in equity of Solvay S.A. More information is available in the latter's press release.

## Condensed Consolidated Statement of Changes in Equity

€ million	Capital	Share premiums	Coupon of Perpetual Hybrid Bond	Retain ed earnin	Currency translation and fair value adjustments, and defined	Total equity
<b>Carrying amount as of 12/31/2020</b>	<b>192</b>	<b>568</b>	<b>543</b>	<b>1,788</b>	<b>-641</b>	<b>2,450</b>
Net income for the first half				100		100
Other elements of comprehensive income					198	198
<i>Comprehensive income</i>				100	198	298
Coupon of Perpetual Hybrid bond				-15		-15
Changes in scope and other				4		4
<b>Carrying amount as of 06/30/2021</b>	<b>192</b>	<b>568</b>	<b>543</b>	<b>1,877</b>	<b>-442</b>	<b>2,738</b>
Net income for the second half				193		193
Other elements of comprehensive income					120	120
<i>Comprehensive income</i>				193	120	313
Dividends				-116		-116
Coupon of Perpetual Hybrid bond				-9		-9
Changes in scope and other				1		1
<b>Carrying amount as of 12/31/2021</b>	<b>192</b>	<b>568</b>	<b>543</b>	<b>1,946</b>	<b>-323</b>	<b>2,926</b>
Net income for the first half				325		325
Other elements of comprehensive income					317	317
<i>Comprehensive income</i>				325	317	642
Coupon of Perpetual Hybrid bond				-17		-17
Changes in scope and other				-14		-14
<b>Carrying amount as of 06/30/2022</b>	<b>192</b>	<b>568</b>	<b>543</b>	<b>2,240</b>	<b>-6</b>	<b>3,537</b>

More information about the changes related to Solvay are available in Solvay's press release issued July 28<sup>th</sup>, 2022.

## Condensed Consolidated Statement of Cash Flows

<i>€ million</i>	<i>1<sup>st</sup> Half of 2021</i>	<i>1<sup>st</sup> Half of 2022</i>
Operational expenses	-1	-1
Change in working capital	1	1
Dividends received from Solvay	122	126
<b>Cash flows from operational activities (a)</b>	<b>122</b>	<b>126</b>
Acquisition of Solvay securities	0	0
Sale of Solvay securities	0	0
<b>Cash flows from investment activities (b)</b>	<b>0</b>	<b>0</b>
Acquisition of Own Shares	0	0
New Borrowings	0	0
Refund of borrowings	-51	-50
Interest paid	-2	-2
Changes in taxes linked to dividends paid	-14	-14
<b>Cash flows from financing activities (c)</b>	<b>-67</b>	<b>-66</b>
<b>Net change in cash (a) + (b) + (c)</b>	<b>55</b>	<b>60</b>
Cash and cash equivalent at opening	0	0
Cash and cash equivalent at closing	56	60

# Notes to the consolidated financial statements

## 1. Conformity Declaration and Accounting Principles

The condensed consolidated financial statements have been prepared in conformity with the IAS 34 *Interim Financial Statements* as adopted by the European Union.

These condensed consolidated financial statements were authorized for issue by the Board of Directors on July 29, 2022.

No modification has been brought to the accounting principles as compared to those utilized for the setup of the latest consolidated accounts set at December 31<sup>st</sup>, 2021, at the exception of the following standards applicable for the annual period open as from January 1<sup>st</sup>, 2022 and detailed as below :

### Standards applicable for the annual period beginning on January 1<sup>st</sup>, 2022

- Amendment to IFRS 16 Leases: COVID-19-Related Rent Concessions beyond June 30<sup>th</sup>, 2021 (applicable for annual periods beginning on or after April 1<sup>st</sup> 2021)
- Amendments to IAS 16 Property, Plant and Equipment: Proceeds before Intended Use (applicable for annual periods beginning on or after January 1<sup>st</sup>, 2022)
- Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts — Cost of Fulfilling a Contract (applicable for annual periods beginning on or after January 1<sup>st</sup>, 2022)
- Amendments to IFRS 3 Business Combinations: Reference to the Conceptual Framework (applicable for annual periods beginning on or after January 1<sup>st</sup>, 2022)
- Annual Improvements to IFRS Standards 2018–2020 (applicable for annual periods beginning on or after January 1<sup>st</sup>, 2022)

### Standards and interpretations published, but not yet applicable for the annual period beginning on January 1<sup>st</sup>, 2022:

- IFRS 17 Insurance Contracts (applicable for annual periods beginning on or after January 1<sup>st</sup>, 2023)
- Amendments to IFRS 17 Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information (applicable for annual periods beginning on or after January 1<sup>st</sup>, 2023, but not yet endorsed in the EU)
- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (applicable for annual periods beginning on or after January 1<sup>st</sup>, 2023, but not yet endorsed in the EU)
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting Policies (applicable for annual periods beginning on or after January 1<sup>st</sup>, 2023)
- Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (applicable for annual periods beginning on or after January 1<sup>st</sup>, 2023)
- Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (applicable for annual periods beginning on or after January 1<sup>st</sup>, 2023, but not yet endorsed in the EU)

The impact of future application of these standards and interpretations on the financial statements of Solvay Group is set out in detail in its half-year report. Their application at the level of Solvac should not have any significant impact on the consolidated financial statements.

The revenues perceived as dividends are generally higher in the first semester of the financial year than in the second semester.

There are no significant events after the half-year closing.



## 2. Participation accounted for using the equity method

Solvac holds a participation of 31.44 % in Solvay SA (after deduction of the own shares held by Solvay).

The value of the participation equity amounts to €3,630 million (of which €343 million of goodwill and €3,287 non-goodwill), or €111.29 held per Solvay share compared to the share price of €77.32 on June 30<sup>th</sup>, 2022.

At closing date, Solvac considered, in application of IFRS standards, that there was an indication of impairment on its stake in Solvay given that the share price on the closing date was lower than the value of participation in the consolidated accounts. Solvac has taken note of the assessment carried out by Solvay on (i) the identification of impairment indicators and on (ii) the related conclusion <sup>(1)</sup> not to carry out impairment tests as part of the closing of June 30. Solvac is not aware of any other elements that would lead it to recognize an impairment at its level. Based on these elements, Solvac concluded that there was no need to recognize any impairment on its stake in Solvay.

The changes in equity method, goodwill excepted, are as follows:

€ million	31/12/2021	1 <sup>st</sup> Half 2022
<b>Value at January 1<sup>st</sup></b>	2,276	2,751
Acquisitions of Solvay shares	0	0
Retained Earnings	298	327
Distribution	-122	-77
Currency Translation	160	228
Revaluation Reserve (Fair Value) and Defined Benefit pension plans	157	90
Changes in perimeter and others	-18	-14
Perpetual Hybrid Bond	0	-17
<b>Value at December 31<sup>st</sup> / June 30<sup>th</sup></b>	2,751	3,287

For the first half of 2022, the Solvac share in the net result of the Solvay Group, excluding non – controlling participations, amounts to €327 million (2021 : €298 million and first half of 2021 : €103 million).

## 3. Cash and Cash equivalents

Due to the low interest rates at the financial markets, Solvac has not invested the dividend cashed in May 2022 in cash notes. This amount is posted on the Solvac bank accounts. From the second half 2021 negative interests are charged by the banks on the amounts deposited by Solvac.

## 4. Equity

At the end of June 2022 the equity amounts to €3,537 million and includes the direct imputations and the own capital (other elements of the comprehensive income). The latter is mainly derived from the currency translations, the fair value adjustments of financial instruments from Solvay and the defined benefit pension plans.

## 5. Long and short term borrowings

At the end of June 2022, the non – current liabilities (€150 million) are stable compared to end 2021. At December 31<sup>st</sup>, 2021 a loan of €50 million at an interest rate of 1.50% and maturing in 2023 has been replaced by a loan of €50 million at an interest rate of 1.16% and maturing at 2029.

----

(1) Reference to Q2 Report of Solvay – page 21 – Section Market Capitalization

At June 30<sup>th</sup> 2022, the structural long term financial debt is still composed as follows:

- A loan of €50 million at an interest rate of 2.75% - maturing in 2025
- A loan of €50 million at an interest rate of 1.47% - maturing in 2027
- A loan of €50 million at an interest rate of 1.16% - maturing in 2029

The short term borrowings for an amount of €49.9 million at December 31, 2021 have been reimbursed during the first half of 2022.

## 6. Other short term liabilities

It mainly concerns the interests paid, the debts to suppliers and the residual amounts to pay back to the shareholders.

## 7. Fair Value of financial instruments valued at their amortised cost

At the Statement of Financial Position of Solvac on June 30<sup>th</sup>, 2022 the fair value of its financial instruments does not represent a significant difference with the bookvalue.

## 8. Reconciliation between the cash revenue and the consolidated income statement for the first semesters 2022 and 2021

<i>€ million</i>	<i>1<sup>st</sup> Half 2021</i>	<i>1<sup>st</sup> Half 2022</i>
<b>Cash Income</b>	<b>122</b>	<b>126</b>
<i>Operational Result</i>	<i>-1</i>	<i>-1</i>
<i>Finance Costs</i>	<i>-2</i>	<i>-2</i>
<b>Cash Result</b>	<b>120</b>	<b>123</b>
<i>Minus the Solvay dividends paid in January 2021 and 2022, accounted for in the net result of 2020 et 2021, respectively</i>	<i>-49</i>	<i>-49</i>
<i>Cancellation of Solvay dividends, retrenched in consolidation</i>	<i>-73</i>	<i>-76</i>
<i>Share of the Solvay net result in the semesterr</i>	<i>103</i>	<i>327</i>
<b>Solvac Net Income - consolidated accounts</b>	<b>100</b>	<b>325</b>

## 9. Others - Power of 2

Solvac has become aware of Solvay's plan to explore its separation into two independent listed companies. In its press release of March 15, 2022 Solvac expressed its full support for this project.

## Statutory auditor's report to the board of directors of Solvac SA on the review of the condensed consolidated interim financial information as at 30 June 2022 and for the six-month period then ended

### Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of Solvac SA as at 30 June 2022, the condensed consolidated income statement, the condensed consolidated statements of total comprehensive income, changes in equity and the condensed consolidated statement of cash flows for the six-month period then ended, and notes ("the condensed consolidated interim financial information"). The board of directors is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

### Scope of Review

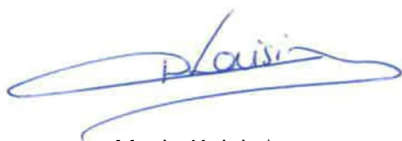
We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information as at 30 June 2022 and for the six-month period then ended is not prepared, in all material respects, in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union.

Diegem, 29 July 2022

EY Réviseurs d'Entreprises SRL/EY Bedrijfsrevisoren BV  
Statutory auditor  
represented by



Marie Kaisin\*  
Partner  
\*Acting on behalf of a BV/SRL

23MK0003