

Solvac: Dividend stable in 2021 compared to 2020

- 2021 dividend is stable at € 5.44 per share compared to 2020 (see point 3 on page 2).

The cash revenue¹, powered by the inflow of dividends from its participation in Solvay, came to € 122.3 million a little higher than the 2020 revenue, as the number of Solvay shares held by Solvac increased (acquisition of 110 854 Solvay shares in June 2020) as shown in the table below:

	2020	2021
<i>Solvay dividend per share – January (in EUR)</i>	1.50	1.50
<i>Number of Solvay shares held by Solvac (in million)</i>	32.5	32.6
Solvay dividend received in January (in million EUR) (a)	48.8	48.9
<i>Solvay dividend per share – May (in EUR)</i>	2.25	2.25
<i>Number of Solvay shares held by Solvac (in million)</i>	32.5	32.6
Solvay dividend received in May (in million EUR) (b)	73.1	73.4
Cash revenue (a) + (b)¹ (in million EUR)	121.9	122.3
Administrative costs ²	-1,6	-1,8
Cost of borrowing (in million EUR)	-3.7	-3.1
Exceptional Donation to the Solvay Solidarity Fund	-2,3	-0
Cash income¹ (in million EUR)	114.3	117.4

Insofar as the company statutory accounts authorise, it is on the basis of cash income¹, that the Board of Directors determines the dividend amounts proposed for distribution by Solvac.

- The Board of Directors has prepared the Solvac consolidated financial statements at December 31, 2021. These accounts have been submitted to the Statutory Auditor. They are presented according to IFRS standards.

Consolidated income statement

<i>EUR million</i>	2020	2021
<i>Profit / (Loss) from investments accounted for under the equity method</i>	-304.1	298,3
<i>Operating expenses</i>	-4.0	-1.8
<i>Cost of borrowings</i>	-3.7	-3.1
Net income	-311.8	293.4
Net earnings and diluted earnings per share (EUR)²	-14.6	13.7

¹ 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 15, page 16 of current press release.

² 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 2020 and in 2021

Solvac recorded for the year end December 31, 2021 net consolidated income of € 293.4 million (namely, € 13.7 per share) versus € -311.8 million (namely, € -14.6 per share) in 2020, as a result of the change in income from applying the equity method to Solvay.

The 2021 net result of the participation calculated by the equity method is higher than the result in 2020. This improvement is explained on the one hand by the impairments recognized in 2020, related to the Composites and Technology Solutions activities for an amount of 1.46 GEUR, and on the other hand by the increase in 2021 in market demand and increase in selling prices and margins.

3. The Board of Directors reports the figures of the statutory accounts relating to Solvac SA in 2021 :

<i>EUR thousand</i>	<i>2020</i>	<i>2021</i>
<i>Financial result</i>	<i>118.394</i>	<i>119.187</i>
<i>Operating result</i>	<i>-3.996</i>	<i>-1.812</i>
<i>Profit before tax</i>	<i>114.398</i>	<i>117.375</i>
<i>Profit after tax</i>	<i>114.398</i>	<i>117.375</i>
<i>Gross payment to shareholders</i>	<i>116.280</i>	<i>116.280</i>
<i>Retained earnings</i>	<i>-1.882</i>	<i>-1.095</i>

The 2021 net income is € 117.4 million (versus € 114.4 million in 2020). The increase of € 3.0 million mainly comes from a decrease of costs from € 4.0 million in 2020 to € 1.8 million in 2021. This decrease is mainly due to a non-recurrent cost accounted for in 2020 related to Solvac's contribution to the Solvay Solidarity Fund in 2020. This cost corresponds to the difference of the amount of € 10 million paid by Solvac to the Solvay Solidarity Fund and the Solvac shareholders' contributions to the Fund lodged at the King Baudouin Foundation for a total amount of € 7.8 million.

4. Two interim dividend payments were made, respectively on August 17, 2021 and on December 28, 2021, the second representing in principle the balance due, which the General Shareholders Meeting will be asked to approve. In total, each share received in 2021 a gross compensation stable compared to 2020 :

<i>EUR</i>	<i>2020</i>	<i>2021</i>
<i>A first deposit</i>	<i>3.26</i>	<i>3.26</i>
<i>A second deposit</i>	<i>2.18</i>	<i>2.18</i>
<i>Gross dividend per share</i>	<i>5.44</i>	<i>5.44</i>

5. The Board of Directors of **Solvay** decided on February 22, 2022 to pay on May 19, 2022 the balance due on the dividend for the financial year 2021, which comes to € 2.35 gross per share.

Taking into account the interim dividend of € 1.50 paid in January 2021, the gross dividend of Solvay sets at € 3.85 for the fiscal year 2021, an increase of € 0.10 per share compared to the gross dividend for the fiscal year 2020.

The Board of Directors of Solvac took note of the increase of the Solvay dividend compared to 2020.

NOTES

1. Report of the statutory auditor

Deloitte confirmed that its audit work on the consolidated financial statements of Solvac SA, in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium, is substantially completed. Deloitte confirms that the financial information contained in this press release requires no comment on its part and is consistent with the consolidated financial statements of Solvac SA. The full audit report of the consolidated financial statements and the full report of the Commissioner on the audit of the annual financial information included in the annual report 2021 will be published on the internet (www.solvac.be) on April 1, 2022.

2. Content

This press release contains regulated information and is drafted in compliance with the applicable IFRS standards. The risk management analysis is included in the notes to the consolidated financial statements as well as in the annual report, which will be available on the Internet (www.solvac.be).

3. Solvac shares

	2020	2021
Number of shares issued at the end of the period	21,375,033	21,375,033
Average number of shares for calculating IFRS earnings per share	21,375,033	21,375,033
Average number of shares for calculating IFRS diluted earnings per share	21,375,033	21,375,033

4. Statement by the responsible persons

M. Jean-Marie Solvay, Chairman of the Board of Directors and M. John Kraft de la Saulx, member of the Board of Directors, confirm that to the best of their knowledge:

- the annual financial statements, prepared in accordance with applicable accounting standards, give a true and fair view of the assets, liabilities, the financial position and the profit or loss of the issuer and of the undertakings included in the consolidation;
- the management report includes a fair review of the development and performance of the business and the position of the issuer and of the undertakings included in the consolidation, together with a description of the principal risks and uncertainties that it faces;

Key dates for financial communications

- April 1, 2022: Publication of the 2021 annual report on www.solvac.be
- May 10, 2022: Ordinary General Meeting of the Shareholders (2:30 pm)
- July 29, 2022: Result from the first half of 2022 and announcement of the first interim dividend for financial year 2022
- August 17, 2022: Payment of the first interim dividend for financial year 2022
- December 15, 2022: Announcement of the second interim dividend for financial year 2022
- December 30, 2022: Payment of the second interim dividend for financial year 2022

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Dit persbericht is ook in het Nederlands beschikbaar - Ce communiqué de presse est également disponible en français

Solvac – Consolidated financial statements

The following financial statements were approved by the Board of Directors on February 24, 2022. They were prepared in compliance with IFRS accounting standards described in the following pages.

Consolidated income statement

EUR million	Notes	2020	2021
Profit / (Loss) from investments accounted for under the equity method	(1)	-304	298
Operating expenses		-4	-2
Cost of borrowings	(2)	-4	-3
Net income		-312	293
Net earnings and diluted earnings per share (EUR)	(3)	-14.6	13.7

Statement of total comprehensive income

EUR million	Notes	2020	2021
Net income		-312	293
Other comprehensive income¹			
Recyclable components			
Gains and losses on hedging instruments in a cash-flow hedge		14	-5
Currency translations differences (activities abroad)		-221	160
Non-recyclable components			
Gains and losses on equity instruments re-measured at fair value through other comprehensive income		0	10
Re-measurement of the net defined benefit liability		-54	177
Income tax relating to components of other comprehensive income			
Income tax relating to components of other comprehensive income.		-1	-24
Other comprehensive income net of related tax effects		-262	318
Comprehensive income	(4)	-574	611

¹ 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.

Cash flow statement

EUR million	Notes	2020	2021
Net result		-312	293
Cost of borrowings		4	3
(Profit) / Loss from investments accounted for under the equity method	(1)	304	-298
Changes in working capital		-1	0
Dividends received from Solvay		122	122
Cash flow from operating activities		117	120
Acquisition of Solvay shares	(1)	-8	0
Sale of Solvay shares		0	0
Cash flow from investing activities		-8	0
Capital increase		0	0
Acquisition of treasury shares		0	0
Increase in borrowing	(2) (5) (11)	51	50
Repayment of borrowing	(2) (5) (11)	-40	-51
Interest paid	(2)	-4	-3
Dividends paid	(6)	-116	-116
Changes in taxes linked to dividends paid		0	0
Cash flow from financing activities		-109	-120
Net changes in cash and cash equivalents		0	0
Opening cash balance		0	0
Closing cash balance		0	0

Statement of financial situation

EUR million	Notes	2020	2021
ASSETS			
Tangible assets		0	0
Non-current assets : investments in associates	(1)	2,619	3,094
Goodwill	(1)	343	343
Investments in associates excluding goodwill		2,276	2,751
Current assets : short-term receivables	(7)	49	49
Cash and cash equivalents		0	0
Total assets		2,668	3,143
EQUITY AND LIABILITIES			
Equity	(8)	2,450	2,926
Capital		192	192
Reserves		2,258	2,734
Non-current liabilities : long term financial debt	(2) (11)	150	150
Current liabilities		68	67
Short-term financial debts	(5) (11)	51	50
Tax liabilities		13	13
Other current liabilities		4	4
Total equity and liabilities		2,668	3,143

Statement of changes in equity

	Capital	Issue premiums	Treasury shares	Coupon of Perpetual Hybrid Bond	Retained earnings	Currency translation, fair value differences and defined benefit pension	Total equity
EUR million							
Balance as at 31/12/2019	192	568	0	544	2,250	-379	3,175
Profit of the year					-312		-312
Other elements of the comprehensive income						-262	-262
<i>Comprehensive income</i>					-312	-262	-574
Dividends					-116		-116
Perpetual Hybrid bond (Issuance)				-157	-1		-158
Perpetual Hybrid bond (Emissions)				156			156
Acquisition / sale of treasury shares							0
Scope and other variations					-33		-33
Balance as at 31/12/2020	192	568	0	543	1,788	-641	2,450
Profit of the year					293		293
Other elements of the comprehensive income						318	318
<i>Comprehensive income</i>					293	318	611
Dividends					-116		-116
Perpetual Hybrid bond (Payments)							
Perpetual Hybrid bond (Emissions)							
Acquisition / sale of treasury shares							0
Scope and other variations					-19		-19
Balance as at 31/12/2021	192	568	0	543	1,946	-323	2,926

Notes to the consolidated financial statements

IFRS accounting policies

The primary accounting policies used in the preparation of these consolidated financial statements are the following:

I. General information and applicable IFRS standards

Solvac is a “société anonyme” under Belgian law and quoted on Euronext Brussels. The company’s main activity is its 30.81% shareholding in Solvay SA.

The consolidated financial statements for the financial year ending December 31, 2021 have been prepared in accordance with IFRS (International Financial Reporting Standards) as adopted by the European Union.

Mandatory changes of accounting methods

No changes have been made to the accounting principles compared to those used for the preparation of the last consolidated financial statements established on December 31, 2020, with the exception of the following standards applicable for the annual period beginning on or after January 1st, 2021 and detailed below.

- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform – Phase 2
- Amendment to IFRS 16 Leases: COVID-19-Related Rent Concessions (applicable for annual periods beginning on or after 1 June 2020)
- Amendments to IFRS 4 Insurance Contracts – Extension of the Temporary Exemption from Applying IFRS 9 to 1 January 2023 (applicable for annual periods beginning on or after 1 January 2021)

The impact of the future application of these standards and the interpretations on the Solvay Group accounts is more detailed in its annual financial report.

Standards in force after the closing date of the financial year

Solvac did not anticipate application of new and amended standards and interpretations which come into force after December 31st, 2021, namely:

- Amendment to IFRS 16 Leases: COVID-19-Related Rent Concessions beyond 30 June 2021 (applicable for annual periods beginning on or after 1 April 2021)
- Amendments to IAS 16 Property, Plant and Equipment: Proceeds before Intended Use (applicable for annual periods beginning on or after 1 January 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 1 January 2022)
- Amendments to IFRS 3 Business Combinations: Reference to the Conceptual Framework (applicable for annual periods beginning on or after 1 January 2022)
- Annual Improvements to IFRS Standards 2018–2020 (applicable for annual periods beginning on or after 1 January 2022)
- IFRS 17 Insurance Contracts (applicable for annual periods beginning on or after 1 January 2023)
- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (applicable for annual periods beginning on or after 1 January 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 1 January 2023, but not yet endorsed in the EU)
- Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (applicable for annual periods beginning on or after 1 January 2023, but not yet endorsed in the EU)
- 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 1 January 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 annual report. Their application at the level of Solvac should not have any significant impact on the consolidated financial statements.

II. Consolidation

Since the Board of Directors believes that Solvac has a significant influence on Solvay, the shareholding in Solvay S.A. has been integrated into Solvac's consolidated financial statements using the equity method. This method takes into account the Solvac S.A. share in the financial statements of the Solvay Group, prepared on December 31st of the financial year using Solvay's IFRS accounting standards (cfr Solvay Annual Report). According to the equity method, a shareholding in an associated company is initially reported at cost in the consolidated statement of the financial situation, then it is adjusted later to account for the Group share in the net revenue and the other elements of the total revenue of the associated company.

III. Segment information

Given the nature of the holding company, there is no need to present segment or geographical information. The data on shareholding in Solvay is available in the Solvay S.A. financial statements.

IV. Impairment of assets

At the end of each accounting year, the Group reviews the book value of its share for indications of the potential impairment of assets. If such indications exist, the recoverable value of the asset is estimated in order to establish the extent of any impairment loss.

V. Financial instruments

Bank loans

Bank loans and overdrafts are accounted for in the net amount received. Financial expenses, including any settlement or redemption premiums, are covered for the estimated period of availability.

Cash and cash equivalents

Cash and cash equivalent consist of cash and demand deposits, short-term investments (less than 3 months) and highly liquid investments readily convertible into known amounts of cash or subject to an insignificant risk of any change in value.

Other receivables

Other receivables follow a management model with the objective of collecting the contractual cash flows. They are measured at amortized cost, that is, the amount of initial recognition plus or minus accumulated amortization of any difference between this initial amount and the amount at maturity, and reduced by any impairment loss or non – recoverability.

The other receivables are recorded under “Current assets – short term receivables”.

VI. Recognition of revenue

Revenue is recognized when it is likely to be acquired and as soon as its value can be reliably measured. Interest earnings are recorded in the income statement on a pro rata basis taking account of the effective interest rate of the investment.

VII. Estimates and significant judgments when applying an accounting method

Over and above the estimates and significant judgments made by Solvay when applying accounting methods (see Solvay's Annual Report), the key estimate made by the Board of Directors on December 31st, 2021 concerns the recoverable value of its holding in Solvay. An impairment test is performed if there is any indication that the investment may be impaired. The impairment test involves comparing the book value of the investment to its market value. In the event of a crisis on the market with excessive price volatility, reference may be made in addition to the “target prices” for Solvay shares, as estimated by financial analysts.

As of the close of the financial year, Solvac considers that there was no sign of a loss of value. Therefore, no investment impairment test was conducted.

Finally, the Board of Directors believes that Solvac has a significant influence and therefore consolidates the accounts of this group according to the equity method.

VIII. Risk management

VIII.1. Solvac property risk linked to the Solvay underlying risk

The sole investment of Solvac being its investment in Solvay, the primary risks to which the Company is exposed are similar to those of Solvay. The financial situation and results of Solvac are influenced by the results of Solvay, either through the dividends received (financial statutory statements) or through consolidation using the equity method (consolidated accounts).

Solvac is exposed to market risk (changes in Solvay's share price), which implies a valuation risk. Although the share price is subject to market volatility, the Board considers that in the long run, it constitutes a reliable indicator of valuation. The book value of the Solvay shares on the Solvac consolidated balance sheet is € 94.84 per share including goodwill (€ 82.70 in the statutory accounts).

VIII.2 Financial risk

Solvac is exposed to an interest rate risk resulting from bank loans at fixed rates for a total of € 150 million. The company monitors this risk through the periodic calculation of the fair market values of these loans.

Solvac is exposed to liquidity risk, particularly when it has to resort to short term bank loans. The short-term debt, moderate, has been decreased compared to last year (€ 49.9 million at end 2021 against € 51 million at end 2020) and it is repaid as follows: € 33.5 million at January 18, 2022 (date of payment by Solvay its interim dividend) and € 16.4 million at 31 January 2022. The payment of the latter amount following the maturity of the short term loan at January 2022, is made possible by a drawn of € 17 million within an existing short term loan agreement as from January 28, 2022 till May 19, 2022, the date at which Solvay pays the dividend balance. Not only is short-term debt of short duration, but furthermore on average over the year, the company experiences a situation of a positive average short-term cash position¹. Therefore, the Board is confident of the ability of Solvac to raise the funds needed in the short term and repay them with the flow of dividend paid by Solvay.

A bank counterparty risk exists. It is relating to cash deposits and available assets. The counterparties of Solvac are banks with a minimum rating of A.

VIII.3 Compliance and Legal risk

Risks related to internal processes and to the laws and regulations are subject of a specific analysis performed by the Manager, under the authority of the President and annually presented to the Board. Internal procedures and responsibilities are defined as well as the specific rules concerning signing powers and the representation of the Company. A nearly daily control is performed by the Director. Where appropriate Solvac uses law or tax firms. A Dealing Code has been drawn up and communicated to those persons with managerial responsibilities.

VIII.4. Operational and Administrative risks

The operational and administrative risks are essentially linked to the information systems and to the dependence of third parties keeping the register of third parties. The information systems as well as the cyber-security are regularly reviewed by the IT Departments of Solvay. The keeping of the Register of Solvac Shareholders is organized with Euroclear.

Solvac has and applies procedures for all payments to third parties. Solvac also performs services for the Solvay Company regarding the registration of registered shares, the dividend payments and the administration of the stock options.

¹ The average net cash position is a non-IFRS performance indicator which is defined as the sum of all short-term funding (-), commercial paper investments (+) and cash on current account in the current year weighted by their respective duration.

Notes to the consolidated financial statements

(1) Investments in associates

Solvac holds a 30.81 % stake in Solvay. Nevertheless the percentage used in the consolidated statements is 31.48 % because the treasury shares held by Solvay are deducted from the total amount of shares representing the capital of Solvay. Solvay S.A. is a “société anonyme” under Belgian law and quoted on Euronext in Brussels and Paris. The Solvay Group is an international chemical group.

The value of the holding under the equity method amounts to € 3,094 million (of which € 343 million EUR is goodwill and € 2,751 million of value excluding goodwill). Based on the stock exchange price of December 31st, 2021 the value amounts to € 3,334 million.

Changes in goodwill are as follows:

EUR million	2020	2021
Value at 1 January	343	343
Sold during the year	0	0
Acquired during the year	0	0
Value at 31 December	343	343

Goodwill corresponds to the difference between the sum of the acquisition costs of Solvay shares and the sum of the values of Solvay's equity per share acquired.

The changes in shareholding using the equity method excluding goodwill are as follows:

EUR million	2020	2021
Value at 1 January	2,991	2,276
Sold during the year	0	0
Acquired during the year	8	0
Result	-304	298
Distribution	-122	-122
Currency translation differences	-221	160
Fair Value differences	-42	157
Change in consolidation scope and others	-32	-18
Hybrid loan	-2	0
Value at 31 December	2,276	2,751

No share has been acquired in 2021. In 2020, Solvac has acquired 110,458 Solvay shares for a total amount of € 8 million.

In 2021, the share of Solvac in the net income of the Solvay Group, excluding minority interests, amounted to € 298 million (2020: € -304 million), this includes the share of Solvac in the results from “Discontinued Operations” of € 1 million in 2020 (in 2020: € 51 million).

The value of the investment at December 31st corresponds to Solvay's equity listed in “Solvay Shareholders” ¹ multiplied by the holding percentage (31.48 % in 2021 and 31.62 % in 2020).

¹ This is the equity of Solvay reduced by the non-controlling interests.

The condensed consolidated financial statements of the Solvay Group are the following:

EUR million	2020	2021
<u>Financial position</u>		
Non-current assets	12,308	13,216
Current assets	4,484	6,833
Assets	16,792	20,049
Equity	7,304	8,851
Solvay stock holders	7,198	8,739
Non-controlling interests	106	112
Non-current liabilities	6,713	5,667
Financial Debt	3,233	2,576
Current liabilities	2,775	5,531
Financial Debt	287	773
Equity and liabilities	16,792	20,049
<u>Income statement</u>		
Sales	8,965	10,105
Profit / Loss (-) from continuing operations	-1,092	985
Profit / Loss (-) from discontinued operations	163	4
Profit / Loss (-) for the year	-929	989
Share attributed to non controlling interests participations	33	41
Solvay share in the Profit / Loss (-)	-962	948
<u>Comprehensive income</u>		
Other comprehensive income	-837	1,017
Total comprehensive income	-1,766	2,006
Dividends received	122	122

(2) Long-term debt

Debts with a maturity of more than one year remain stable compared to 2020 and amount to € 150 million (loans from BNP Paribas Fortis) as of December 31st, 2021. This represents the structural indebtedness of Solvac: a loan of € 50 million (maturing in 2025; fixed rate of 2.75%), a loan of € 50 million (maturing in 2027; fixed rate of 1.47%) and a renewal of a loan of € 50 million (maturing in 2029, fixed rate of 1.16%, compared to the debt maturing in 2023; fixed rate of 1.50%) The interest on loans longer than one year amounted to € 2.9 million for the financial year 2021 (€ 3.6 million EUR in 2020).

(3) Net earnings per share

The net earnings per share and diluted net earnings per share are identical. The number of Solvac shares was 21,375,033 at the end of 2021 (21,375,033 at the end of 2020).

(4) Total income

The primary changes are related to the assessment of the obligations under defined employee benefit plans in accordance with the revised IAS 19 and conversion differences related to Solvay, investments accounted for under equity method.

(5) Short-term borrowing

Short-term borrowing decreased with € 1.1 million compared to 2020. At December 31st, 2021, they are composed by four "Straight Loans":

- a) One contracted on December 20, 2021 for an amount of € 16 million (maturing at January 31, 2022)
- b) One contracted on December 20, 2021 for an amount of € 1 million (maturing at January 18, 2022)
- c) One contracted on December 23, 2021 for an amount of € 32.5 million (maturing at January 18, 2022)
- d) One contracted on December 23, 2021 for an amount of 0.4 million (maturing at January 31, 2022).

(6) Dividends paid

The dividends paid (€ 5.44 gross per share in 2021, stable compared to 2020) during the period amounted to € 116.3 million including the interim 2021 dividend paid on August 17, 2021 (€ 3.26 gross per share).

The second instalment of the 2021 dividend was paid on December 28, 2021 and amounted to € 2.18 per share.

(7) Short-term receivables

This primarily consists of the interim dividend to be received from Solvay in January 2022.

(8) Equity

Total equity amounts to € 2,926 million. It was mostly impacted during financial year 2021 by:

- the payment of the two interim dividends of € 5.44 gross per share (€ 5.44 gross per share in 2020), for a total amount of € 116 million;
- the share in certain items of the total income coming from Solvay (€ 160 million relating to conversion rate differences and actuarial profits from the pension plans for € 153 million net of taxes); and
- the consolidated income of the period of € 293 million.

Reference is made to the proposal of beneficiary allocation that will be presented in the annual management report.

(9) Treasury shares

In 2021, Solvac did not acquire any treasury shares.

(10) Financial instruments

EUR million	2020		2021	
	Net carrying amount	Fair value	Net carrying amount	Fair value
Receivables (including cash and cash equivalents)	49.4	49.4	49.6	49.6
Financial liabilities measured at amortized cost (includes trade liabilities)	218	220	217	218

In order to reflect the importance of the data used when estimating fair market value, Solvac classifies these valuations according to a hierarchy consisting of the following levels:

- level 1: the prices (non adjusted) quoted on the securities markets for identical assets or liabilities;
- level 2: data other than the prices quoted at level 1 which are observable for the asset or liability concerned, either directly (namely, prices) or indirectly (namely data derived from prices);
- level 3: data relating to the asset or liability which are not based on the observable data of the market (non-observable data).

For receivables, book value is a good approximation of fair market value. With regard to financial liabilities at an amortised cost, the net book value of the long-term financial debt (€ 150 million, see note 2) is less than their fair value (estimated at € 151 million). The fair market value of the fixed interest debt was calculated using the Discounted Cash Flow method. The net book value of other financial liabilities is a good approximation of their fair market value. Thus, the determined fair market values are categorised as Level 2 in the fair market value hierarchy.

(11) Change of financial liabilities

The tables below mention the reconciliations in 2021 and 2020 between the financial debts included in the consolidated balance sheet and the amounts from the consolidated statement of cash flows:

EUR million	At 1 January 2021	Cash flow variation	At 31 December 2021
Long term financial debt	150	0	150
Short term financial debt	51	-1	50
Total	201	-1	200

The cash flow variation mentioned in the table here below reconciles with the consolidated statement of cash flows as follows:

EUR million	At 31 December 2021
Cash flow variation	-1
Of which : Increase in borrowing	50
Repayment of borrowing	-51

For the year 2020, the reconciliation between the consolidated financial debts and the flows from the cash flow statement was as follows :

EUR million	At 1 January 2020	Cash flow variation	At 31 December 2020
Long term financial debt	150	0	150
Short term financial debt	40	11	51
Total	190	11	201

The cash flow variation mentioned in the table here below reconciled with the consolidated statement of cash flows as follows:

EUR million	At 31 December 2020
Cash flow variation	11
Of which : Increase in borrowing	51
Repayment of borrowing	-40

(12) Relationships with directors of the consolidating company

Compensation and pensions: from early 2014, the directors have been exclusively paid by a gross attendance fee of € 2,000 per meeting for each Director and a gross fee of € 4,000 per meeting for the Chairman of the Board.

Advances and loans provided by the consolidating company or by an affiliated company: the current account with Solvay S.A. (zero balance in 2021 and 2020) is compensated at the Solvay Group's internal financing rate.

(13) Off-balance sheet rights and commitments

Real coverage by the company on its own assets: collateralisation of 3.254.955 Solvay shares in favour of

- BNP Paribas Fortis 2.664.955 shares for a sum of € 272 million (valued at the share rate at December 31, 2021)
- KBC 590.000 shares for a sum of € 60 million (valued at the share rate at December 31, 2021)

The number of shares pledged represents 10.0% of the total number of Solvay shares held by Solvac.

(14) List of consolidated companies

The Solvay Group is integrated using the equity method.

(15) Reconciliation between cash revenue and consolidated net income for the years 2020 and 2021

EUR million	2020	2021
Cash revenue	121.9	122.3
<i>Operating result</i>	<i>-3.9</i>	<i>-1.8</i>
<i>Cost of borrowings</i>	<i>-3.7</i>	<i>-3.1</i>
<i>Other financial charges and income</i>	<i>0.0</i>	<i>0.0</i>
Cash result	114.3	117.4
<i>Minus Solvay dividend received in January 2020 and January 2021, recorded in the net income of year 2019 and 2020, respectively</i>	<i>-48.8</i>	<i>-48.9</i>
<i>Plus Solvay dividend received in January 2021 and January 2022, recorded in the net income of year 2020 and 2021, respectively</i>	<i>48.9</i>	<i>48.9</i>
Net Result Statutory Accounts	114,4	117,4
<i>Taxes</i>	<i>0.0</i>	<i>0.0</i>
<i>Cancellation of Solvay dividends, reversed in consolidation</i>	<i>-122.1</i>	<i>-122.3</i>
<i>Share of Solvay net result during the year</i>	<i>-304.1</i>	<i>298.3</i>
Net income Solvac - Consolidated financial statement	-311.8	293.4