

WACKER

CREATING TOMORROW'S SOLUTIONS

WACKER – Accelerating Proven Successes

Wacker Chemie AG

August 2023

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Front page:

BIOSOLUTIONS: FERMOPURE® – plant-based L-cystine and L-cysteine, 100% vegetarian flavors ideal for serving the growing demand for foods without animal ingredients

WACKER: At a Glance

Facts & Figures

€8.21bn
Sales in 2022

15,725
Employees

€2.09bn
EBITDA in 2022

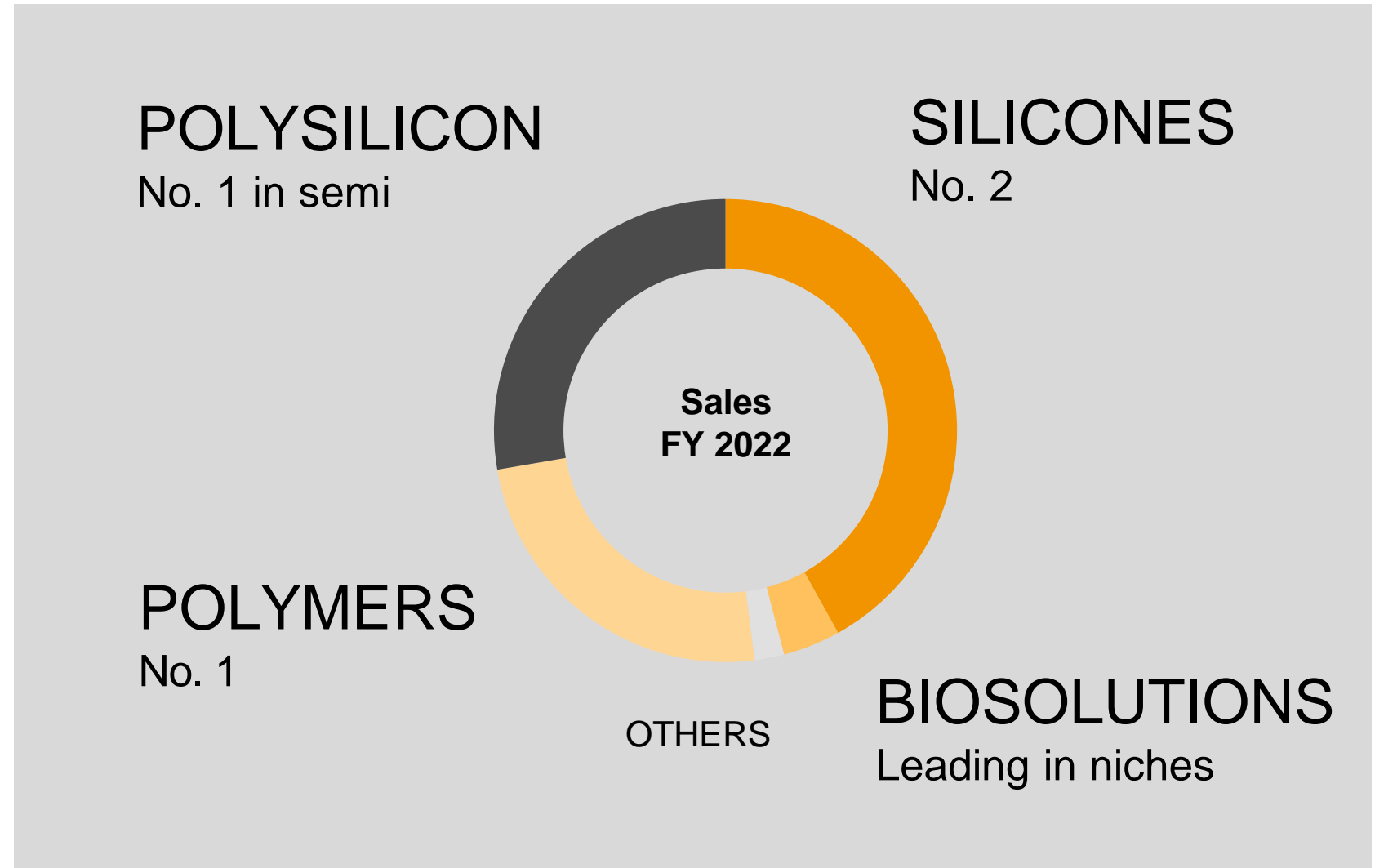
27
Production Sites

25.4%
EBITDA margin
in 2022

26
Technical Centers

4 Business
Segments

45 Scientific
collaborations



A New Phase with New Group Targets for 2030



Faster Growth, Bolder Moves, High Profitability

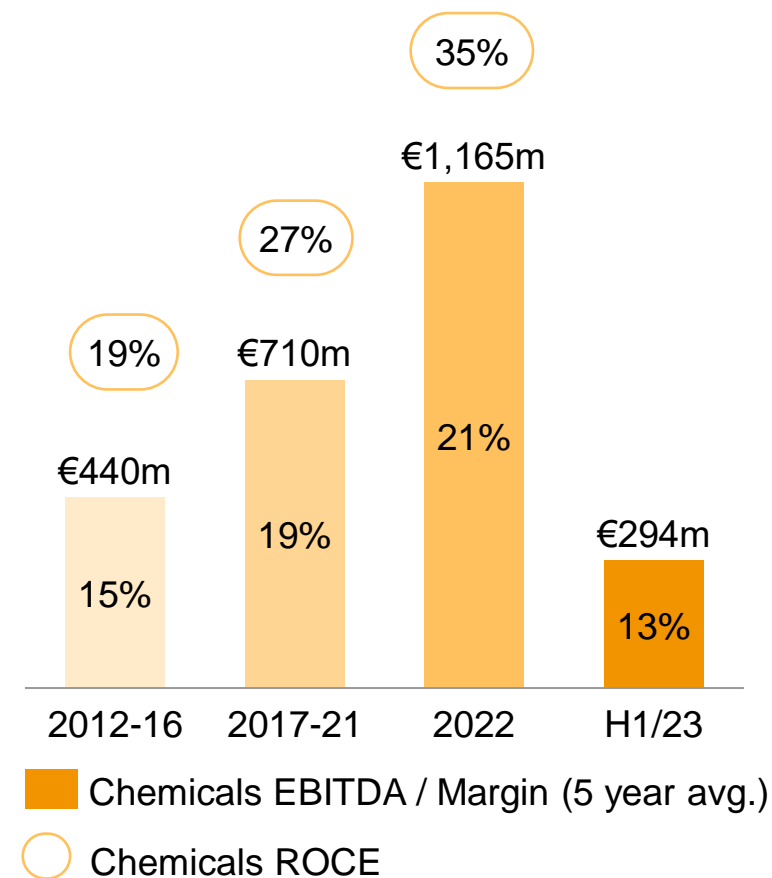
- ▶ SALES: >€10bn
- ▶ EBITDA Margin: >20%
- ▶ VOLUME/MIX CAGR: 1.5 – 2x historic
- ▶ ROCE: 2x Cost of Capital



Strategic Growth Projects

- ▶ SILICONES: Specialties
- ▶ POLYMERS: Tandems (VAE+DPP)
- ▶ BIOSOLUTIONS: Biologics
- ▶ POLYSILICON: Semi

Chemicals Financial KPIs



Ambitious Sustainability Targets for 2030



Value Up

100% Products meet sustainability criteria



Footprint Down

50% Reduction in absolute GHG¹ emissions (vs. 2020)

15% Reduction in specific water withdrawal (vs. 2020)

15% Reduction in specific energy consumption (vs. 2020)

0 Accidents



Collaboration Beyond

100% Key suppliers meet sustainability standards

25% Reduction in absolute upstream GHG emissions (vs. 2020)

Extend World-class “Verbund” sites and circular economy



Clear Commitment to 1.5°C Paris Agreement

Net Zero

1) GHG = Greenhouse gas

SILICONES: At a Glance



The Fully Integrated Specialty Supplier

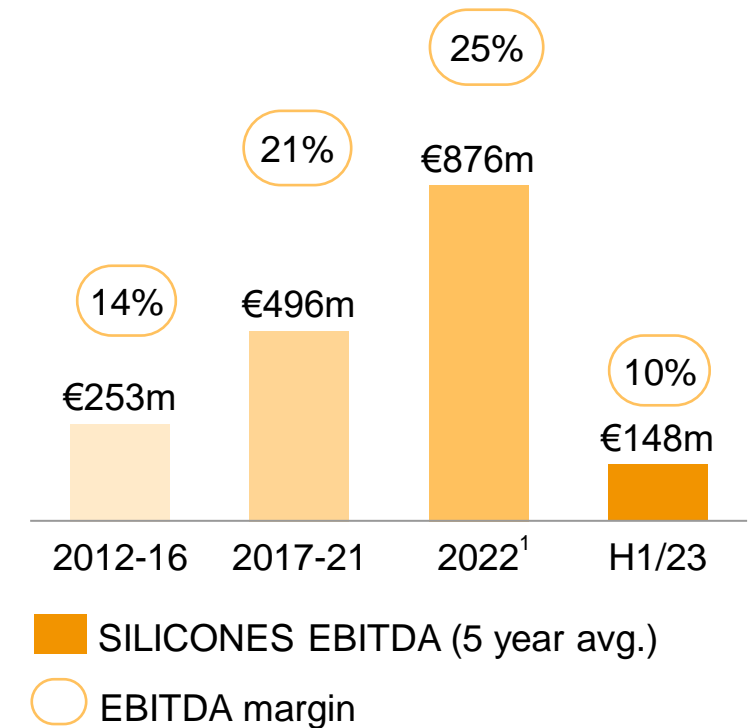
- ▶ Customer's first choice for innovative and customized solutions in all regions
- ▶ Benchmark production and service close to customers



Sustainability Pull For Specialty Solutions

- ▶ Silicones with unmatched performance & versatility
- ▶ Smart Construction, E-mobility, Renewable Energy, Sustainable Raw Materials

Financial Performance



1) 2022 EBITDA includes +€72m from the revaluation of an at equity JV participation in China

POLYMERS: At a Glance



VAE/DPP¹ Capacity Leader with World Class Tandems

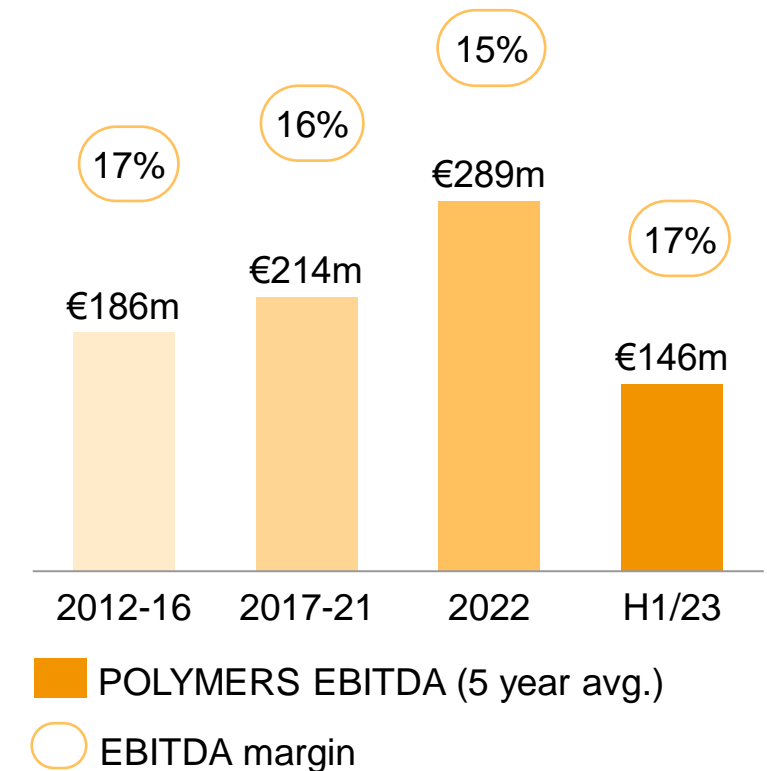
- ▶ Customized service to key accounts and local champions in the regions
- ▶ Addressing individual market requirements
- ▶ Innovation and in-depth formulating expertise



Pull from Sustainability and Smart Construction

- ▶ Performance-based substitution in construction and binder markets
- ▶ Lead transformation to high construction standards
- ▶ Sustainability driven “plastic to paper” trend

Financial Performance



1) DPP = Dispersible Polymer Powders VAE= Vinyl acetate-ethylene

BIOSOLUTIONS: At a Glance



Fast Growing Biotechnology Business

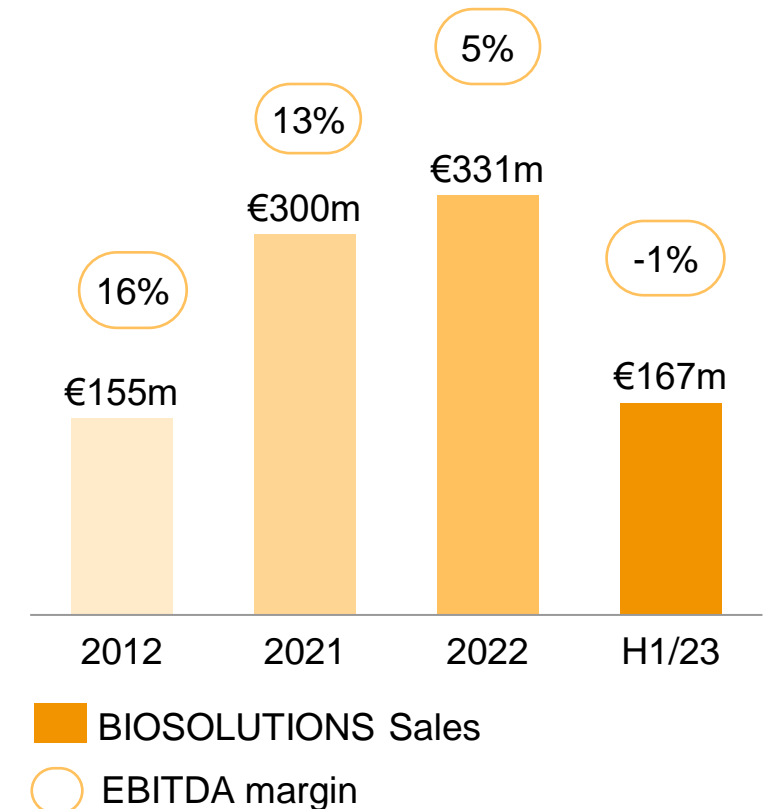
- ▶ Leading microbial manufacturing technologies
- ▶ Jump-started into advanced medicines (mRNA, pDNA)
- ▶ Successfully acquired and integrated 4 biotech sites



Pull from Advanced Medicine and Clean Food

- ▶ CDMO outsourcing trend with high potential
- ▶ Consumer focus on health and well being trend

Financial Performance



POLYSILICON: At a Glance



Leadership in High End Applications Established

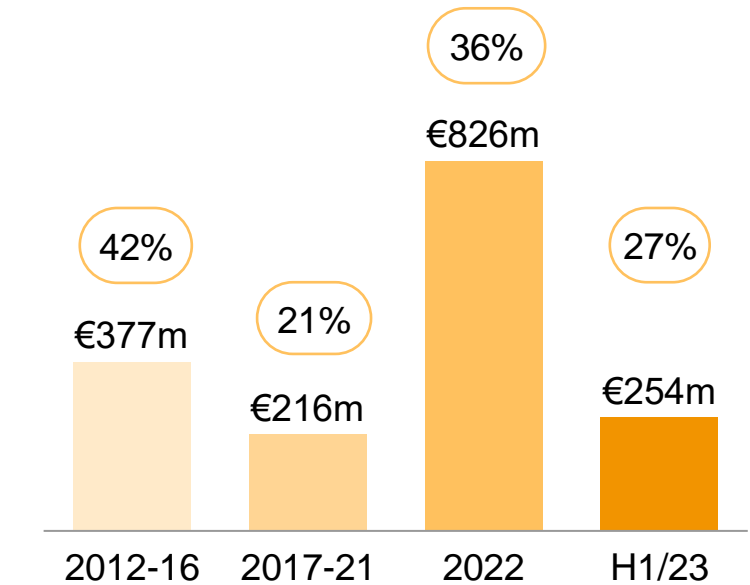
- ▶ #1 Position in Semi – doubled volumes sold in past 5 years
- ▶ Market leader for high-end n-type solar
- ▶ Strong long-standing cooperation with customers



Pull from Rapidly Growing Semi and Solar Markets

- ▶ Strong growing chip demand
- ▶ High efficiency modules require high quality polysilicon
- ▶ Best-in-class sustainability

Financial Performance



■ POLYSILICON EBITDA (5 year avg.)

○ EBITDA margin

Appendix

Progress Made on Achieving Ambitious Group Sustainability Targets

	2020	2021	2022	2030 Target
Net Zero by 2045				
Value Up				
Sustainable products	83%	89%	90%	100% of products meet defined sustainability criteria
Diversity: Woman in management	17%	19%	21%	33% of management positions held by woman
Regionalization: Management	27%	29%	30%	50% management positions outside Germany
Footprint Down				
CO ₂ e (Scope 1+2) emissions	100%	101%	89%	50% reduction in absolute CO ₂ e emissions
Energy consumption	100%	98%	99%	15% reduction in specific energy consumption
Water withdrawal	100%	98%	102%	15% reduction in specific water withdrawal
Collaboration Beyond				
CO ₂ e (Scope 3) emissions	100%	86%	80%	25% reduction in absolute CO ₂ e emissions
Sustainable supply chain	57%	60%	72%	100% of key suppliers meet defined TfS criteria
Health & Safety				
Chemical accidents with missed workdays ¹	3	4	10	0 days – reoccurring annual target
Severe process safety incidents			3	0 incidents – reoccurring annual target

1) 2022: incidents per million work hours: 3.5

Appendix

Guidance FY 2023

In €m	FY 2022	Outlook 2023
Sales	8,209	€6.5 – 6.8bn (Previously €7.0 – 7.5bn)
EBITDA	2,081	€0.8 – 1.0bn (Previously €1.1 – 1.4bn)
EBITDA margin (%)	25.4	Substantially lower than last year
Net cash flow	439	Positive, substantially lower than last year
CapEx	547	Around €650m
Net financial Assets	409	Low net financial debt
Net Income	1,282	Markedly lower than last year
Depreciation	402	Around €450m
ROCE (%)	34.7	Lower than cost of capital (Previously: Above cost of capital, substantially lower than last year)
Tax Rate (%)	20.7	Around 20%

Appendix

WACKER Q2 2023 Results

In €m	Q2 2023	Q2 2022	% YoY
Sales	1,753	2,174	-19%
EBITDA reported	256	626	-59%
EBITDA-Margin	14.6%	28.8%	
EBIT	153	529	-71%
EBIT-Margin	8.7%	24.3%	
Net income for the period	119	391	-70%
EPS	2.38	7.67	-69%
CapEx	145	100	46%
Net Cash Flow	-99	96	n.a.
Net Debt Position	270	-119	n.a.

Appendix

Q2 2023 Results – Breakdown by Business

In €m / %	Sales					EBITDA					EBITDA Margin (%)		
	Q2/23	Q2/22	% YoY	Q1/23	% QoQ	Q2/23	Q2/22	% YoY	Q1/23	% QoQ	Q2/23	Q2/22	Q1/23
Chemicals	1,115	1,490	-25%	1,188	-6%	128	368	-65%	167	-23%	11.4	24.7	14.0
SILICONES	699	936	-25%	760	-8%	52	277	-81%	96	-46%	7.4	29.5	12.6
POLYMERS	417	553	-25%	428	-3%	76	91	-17%	71	7%	18.1	16.5	16.6
BIOSOLUTIONS	91	84	8%	77	19%	-1	8	n.a.	-2	-69%	-0.6	9.4	-2.1
POLYSILICON	513	568	-10%	441	16%	156	214	-27%	98	60%	30.5	37.6	22.2
Others	38	40	-4%	45	-15%	-27	37	n.a.	19	n.a.	-71.6	93.9	42.3
Consolidation	-4	-7	-46%	-7	-42%	-1	-1	-44%	-1	-17%	12.8	12.5	9.0
WACKER Group	1,753	2,174	-19%	1,744	1%	256	626	-59%	281	-9%	14.6	28.8	16.1

Appendix

Strong Growth of Global PV Markets in 2023 Expected

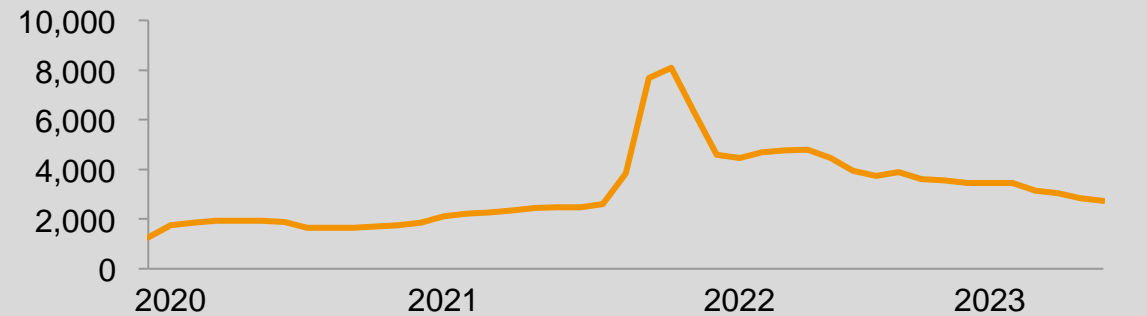
Country	2019	2020	2021	2022	2023e
Germany	4.0	4.8	5.3	7.9	7-10
Spain	4.7	2.6	3.8	7.5	7-10
Europe other	13.0	13.0	19.9	29.6	36-40
Europe total	21.7	21.2	29.0	45.0	50-60
USA	13.3	19.2	25	18.6	25-30
Japan	7.5	8.2	7.5	6.5	6-8
China	30.1	48.2	54.9	87.4	100-120
India	7.3	3.5	12.0	14.0	15-20
Rest of World	34.1	40.7	41.6	78.5	104-112
Total	118 GW	140 GW	170 GW	250 GW	300-350 GW

Sources: market surveys, industry announcements, WACKER estimates

Appendix

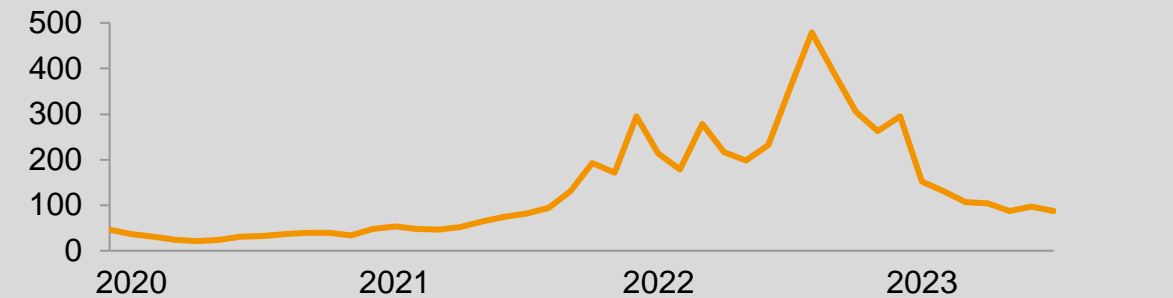
Key Raw Materials, Power and Gas

Si-Metal (€/mt)



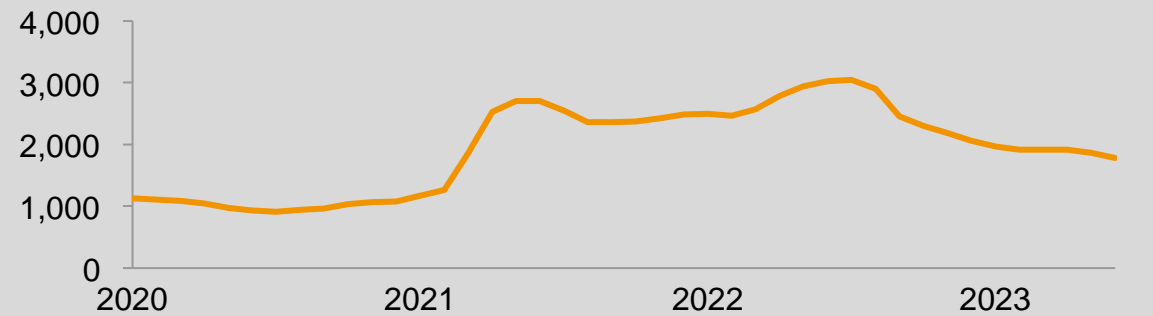
Source: CRU, Si-Metal Spot FD Europe

Electricity (€/MWh)



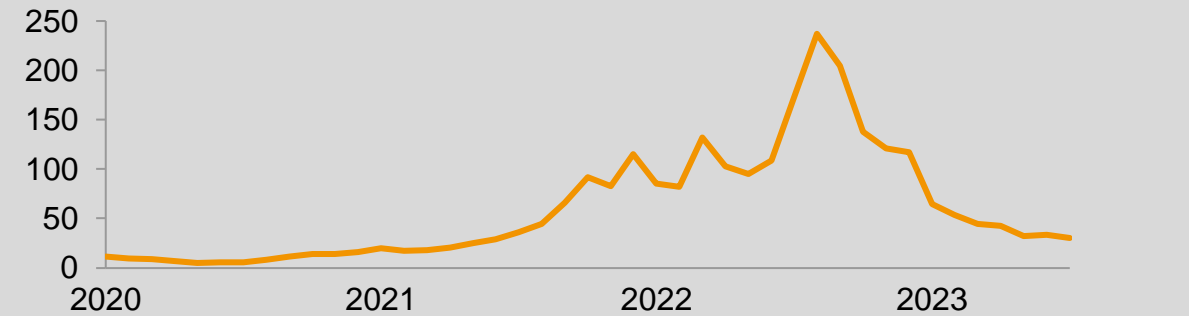
Source: EEX, Baseload Front Contract Avg. Month

VAM (€/mt)



Source: ICIS, Contract FD NWE

Natural Gas (€/MWh)



Source: PEGAS, Front Contract Avg. Month

WACKER: Issuer, Contact and Additional Information

Issuer and Contact

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Deutsche Börse WCH

Financial Calendar

10/26/23 Q3 2023 Results

Publications



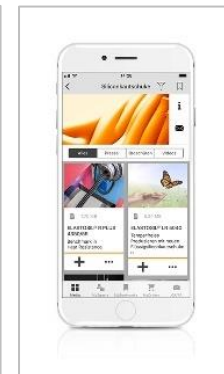
CUSTOMER
MAGAZINE



FACTBOOK



ANNUAL REPORT &
ESG DISCLOSURES



SQUARE
APP