

**WACKER**

CREATING TOMORROW'S SOLUTIONS



## **WACKER – Accelerating Proven Successes**

Wacker Chemie AG

May, 2024

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**Front page:** WACKER presents a range of selected silicone products for cosmetics and hair-care applications at this year's in-cosmetics Global. WACKER will be showcasing a formulation for water- and energy-saving leave-in hair lotions that no longer need to be rinsed out after shampooing. BELSIL® eco EG 3001 won the prestigious Fountain Award at the PCHi trade fair in China.

# WACKER: At a Glance

## Facts & Figures

**€6.4bn**  
Sales in 2023

**16,378**  
Employees

**€824m**  
EBITDA in 2023

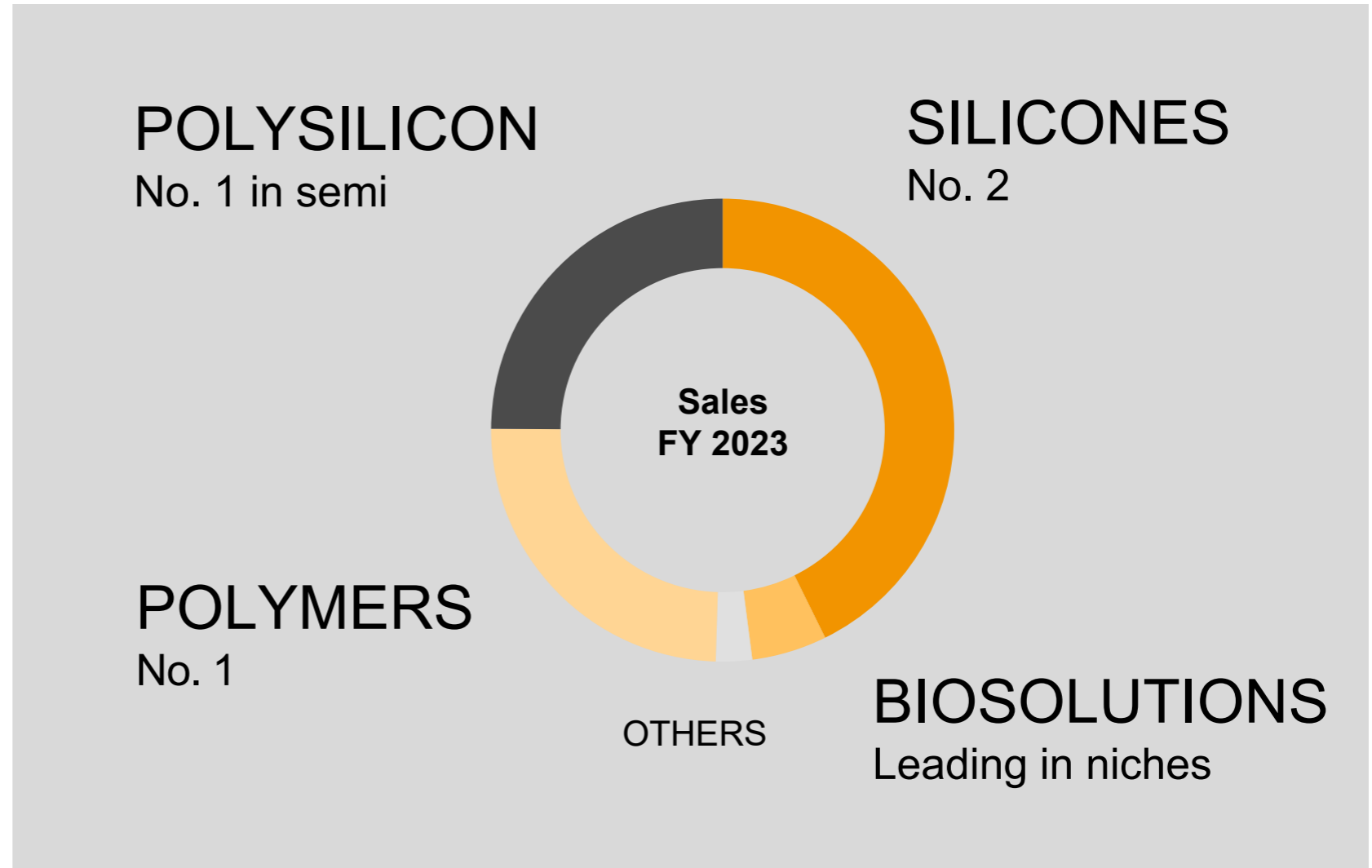
**27**  
Production Sites

**13%**  
EBITDA margin  
in 2023

**22**  
Technical Centers

**4** Business  
Segments

**45** Scientific  
collaborations



# SILICONES: At a Glance



## The Fully Integrated Specialty Supplier

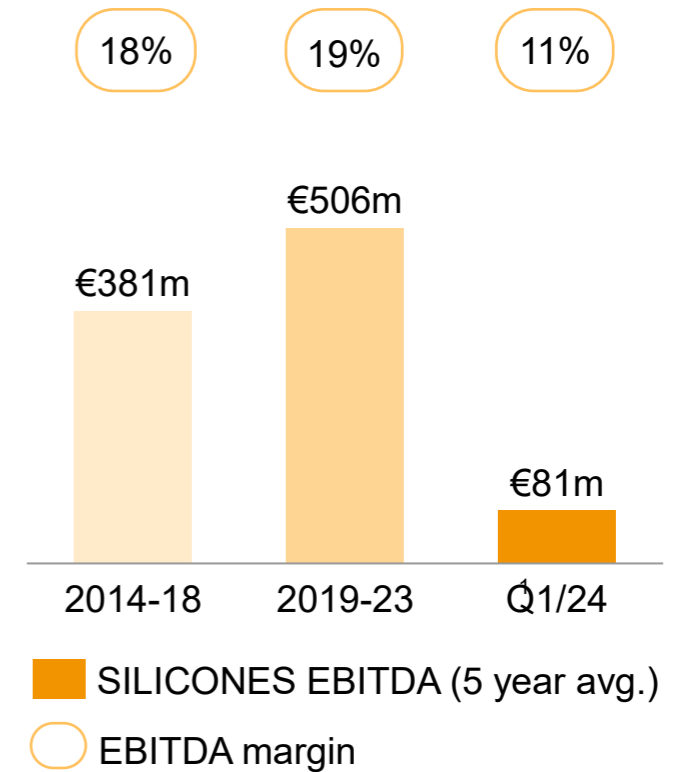
- ▶ Customer's first choice for innovative and customized solutions in all regions
- ▶ Benchmark production and service close to customers



## Sustainability Pull For Specialty Solutions

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

## Financial Performance



# POLYMERS: At a Glance



## VAE/DPP<sup>1</sup> Capacity Leader with World Class Tandems

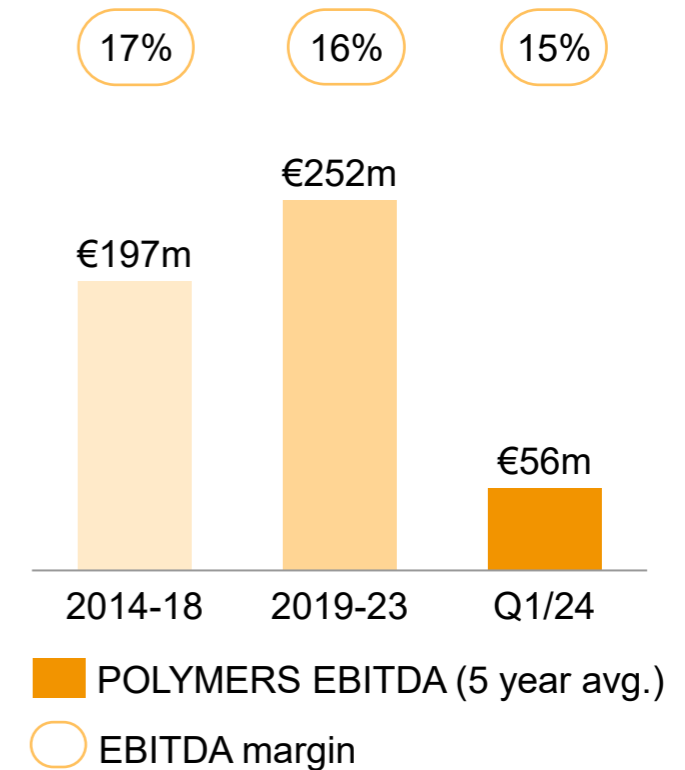
- ▶ Customized service to key accounts and local champions in the regions
- ▶ Addressing individual market requirements
- ▶ Innovation and in-depth formulating expertise



## 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

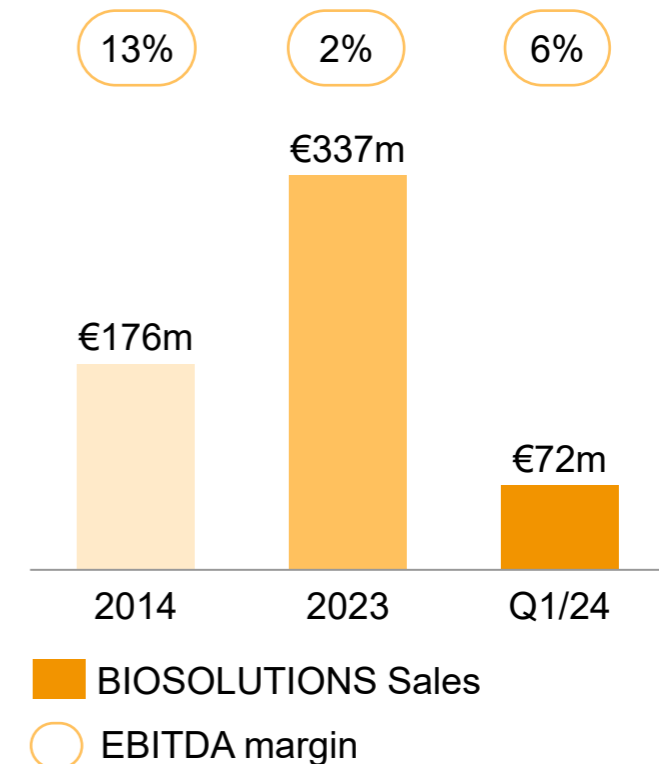
- ▶ Leading microbial manufacturing technologies
- ▶ Jump-started into advanced medicines (mRNA, pDNA)
- ▶ Successfully acquired and integrated biotech sites



## 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

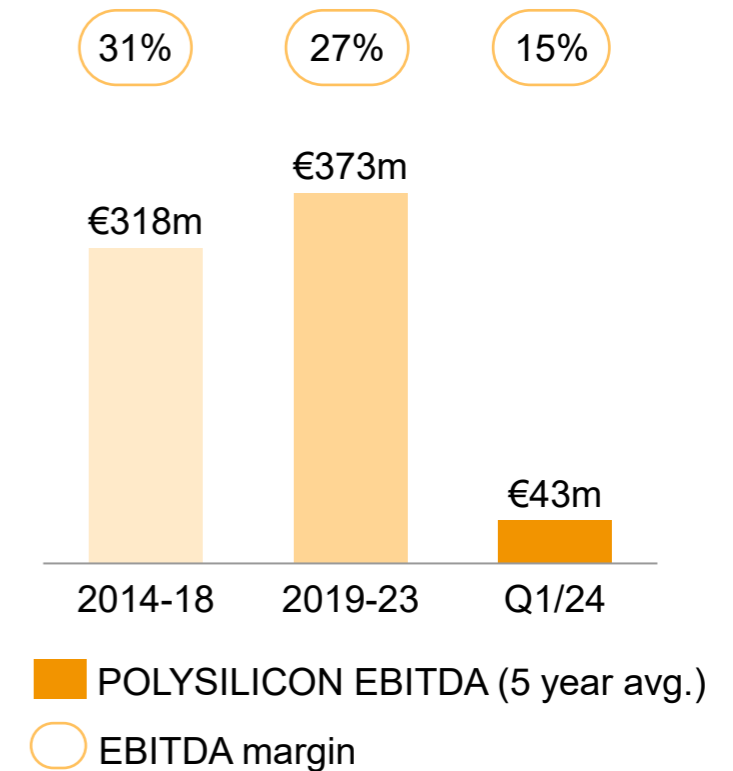
- ▶ #1 Position in Semi – doubled volumes sold in past 5 years
- ▶ Market leader for high-end n-type solar
- ▶ Strong long-standing cooperation with customers



## 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



# Committed to Achieve 2030 Group Targets



## Faster Growth, Bolder Moves, High Profitability

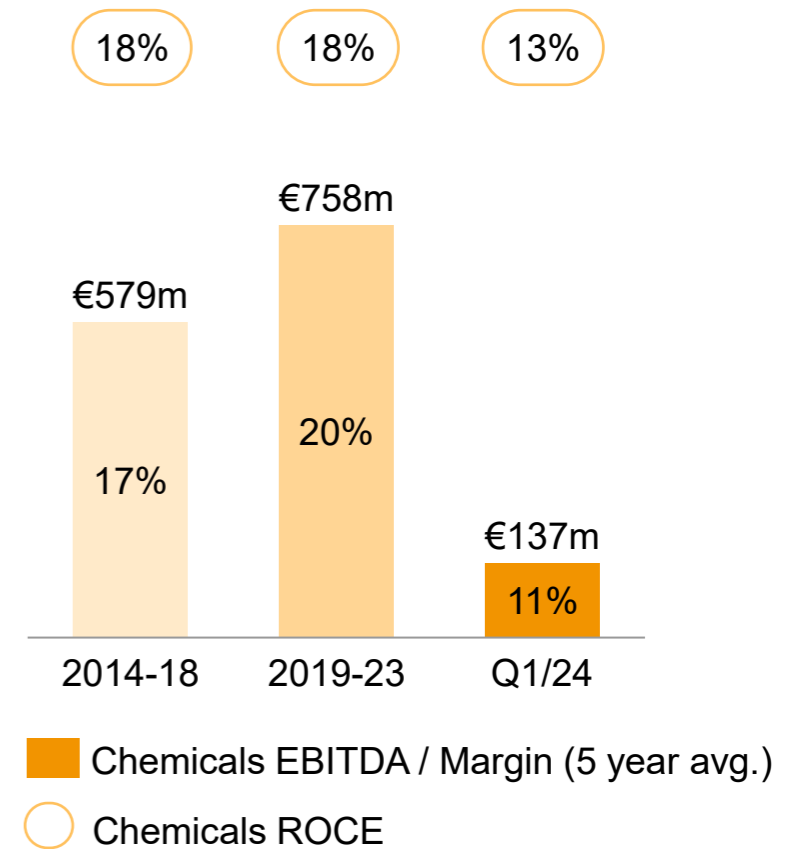
- ▶ Sales: >€10bn
- ▶ EBITDA Margin: >20%
- ▶ Volume/Mix CAGR: 1.5 – 2x historic
- ▶ ROCE: 2x Cost of Capital



## Strategic Growth Projects

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

## Chemicals Financial KPIs





# 2030 Targets - Capital Allocation Priorities

## GROWTH

CapEx and M&A

### High-Return Growth CapEx

- ▶ Accelerate chemical capacities in all regions, diversified portfolio of downstream projects
- ▶ Early-stage assets, create synergies in BIOSOLUTIONS; strengthen market position

1

## SHAREHOLDER RETURNS

Dividends

### Strong Commitment to Shareholders

- ▶ Continued policy of ~50% payout of net income from continuing operations
- ▶ For FY 2023, dividend proposal of €3 per share in-line with policy

2

## PENSIONS

Reform

### Initiatives Underway to Reduce Pension Deficit

- ▶ Modernization of our system to a fully funded defined contribution system, relevant for all new employees and everybody willing to switch over to it

3

# Ambitious Sustainability Targets for 2030



## Value Up

**100%** Products meet sustainability criteria



## Footprint Down

**50%** Reduction in absolute GHG<sup>1</sup> 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

# WACKER – FINANCIALS

## Q1 2024 Highlights

### Financials



€1.49bn

**Sales** (-15% yoy)  
Driven by lower prices

€172m

**EBITDA**  
(Q1/23: €281m)

€48m

**Net Income**  
(Q1/23 €147m)

11.6%

**EBITDA Margin**  
(Q1/23: 16.1%)

€308m

**Net Debt**  
(31.12.23: €84m)

### Operations



**Higher Chemicals Demand**

Customer restocking drives volume improvements

**Lower Energy Costs**

Support higher qoq EBITDA in POLYSILICON

**Efficiency Measures**

Ongoing focus on costs and driving specific operating costs lower

### Sustainability



**Silicone Gel Wins Sustainability Award**

BELSIL® eco EG 3001 wins the prestigious Fountain Award at the PCHi<sup>1</sup> trade fair in China

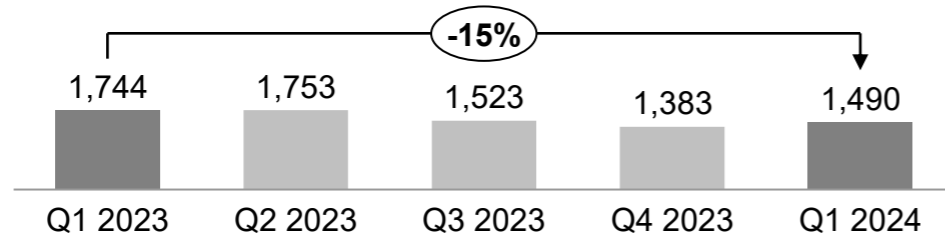
The new silicone elastomer gel consists of >80% renewable raw materials

1) PCHi =Personal Care and Homecare Ingredients

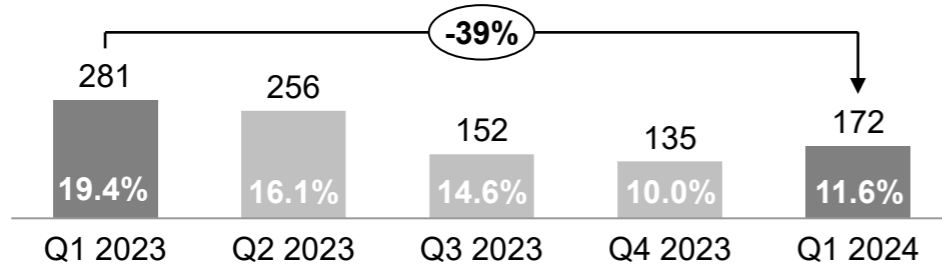
# WACKER – FINANCIALS

## Q1 EBITDA at €172m, Lower Prices but Higher Volumes YOY due to Restocking

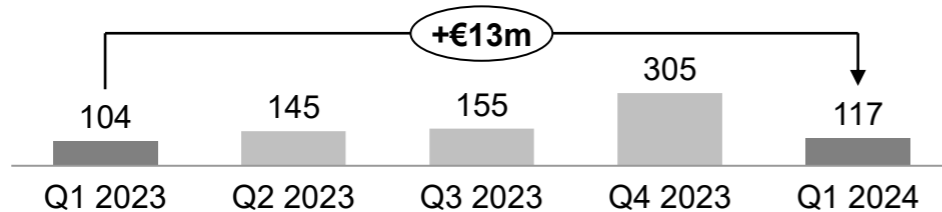
### Sales (€m)



### EBITDA (€m) / margin



### CapEx (€m)



### Comments Q1

- ▶ Chemicals (SILICONES & POLYMERS) EBITDA ~2x higher qoq on higher volumes. Strong demand for SILICONES specialties, seasonal support for POLYMERS
- ▶ POLYSILICON with resilient Semi and lower energy costs, but low solar ASP
- ▶ EBITDA held supported by higher utilization rates, at-equity contributions
- ▶ We continue to see overall weak markets, uneven order patterns, and low prices defining results

# WACKER – FINANCIALS

## Q1 2024 Results – Breakdown by Business

In €m / %	FY 2023			FY 2022			Q1 2024			Q1 2023		
	SALES	EBITDA	EBITDA MARGIN	SALES	EBITDA	EBITDA MARGIN	SALES	EBITDA	EBITDA MARGIN	SALES	EBITDA	EBITDA MARGIN
<b>Chemicals</b>	4,321	490	11.3	5,449	1,165	21.4	1,083	137	12.6	1,188	167	14.0
SILICONES	2,741	236	8.6	3,453	876 <sup>1</sup>	25.4	710	81	11.4	760	96	12.6
POLYMERS	1,580	253	16.0	1,996	289	14.5	372	56	15.0	428	71	16.6
<b>BIOSOLUTIONS</b>	337	7	1.9	331	17	5.0	72	5	6.4	77	-2	-2.1
<b>POLYSILICON</b>	1,599	321	20.0	2,287	826	36.1	300	43	14.5	441	98	22.2
Others	162	8	4.6	171	73	42.7	39	-13	-31.9	45	19	42.3
Consolidation	-18	-1	-	-29	1	-	-4	0	7.9	-7	-1	9.0
<b>WACKER Group</b>	<b>6,402</b>	<b>824</b>	<b>12.9</b>	<b>8,209</b>	<b>2,081<sup>1</sup></b>	<b>25.4</b>	<b>1,490</b>	<b>172</b>	<b>11.6</b>	<b>1,744</b>	<b>281</b>	<b>16.1</b>

1) includes €72m exceptional non-cash revaluation of JV in China (SILICONES)

# WACKER – FINANCIALS

## Guidance FY 2024

In €m	FY 2023	Outlook 2024
Sales	6,402	€6,000 – 6,500m
EBITDA	824	€600 – 800m
EBITDA margin (%)	12.9	Substantially lower than last year
Net cash flow	166	Negative, substantially lower than last year
CapEx	710	Slightly lower than last year
Net Debt	84	Higher than last year
Net Income	327	Substantially lower than last year
Depreciation	419	Around €450m
ROCE (%)	6.9	Substantially lower than last year
Tax Rate (%)	15.4	Around 20%

# Appendix

## Q1 2024 Results

In €m	Q1 2024	Q1 2023	% YoY
Sales	1,490	1,744	-15%
EBITDA reported	172	281	-39%
EBITDA-Margin	11.6%	16.1%	-
EBIT	63	178	-65%
EBIT-Margin	4.2%	10.2%	-
Net income for the period	48	147	-67%
EPS	0.89	2.90	-69%
CapEx	117	104	13%
Net Cashflow	-126	49	-
Net Debt	308	- 446	-

# Appendix

## Q1 2024 Results – Breakdown by Business

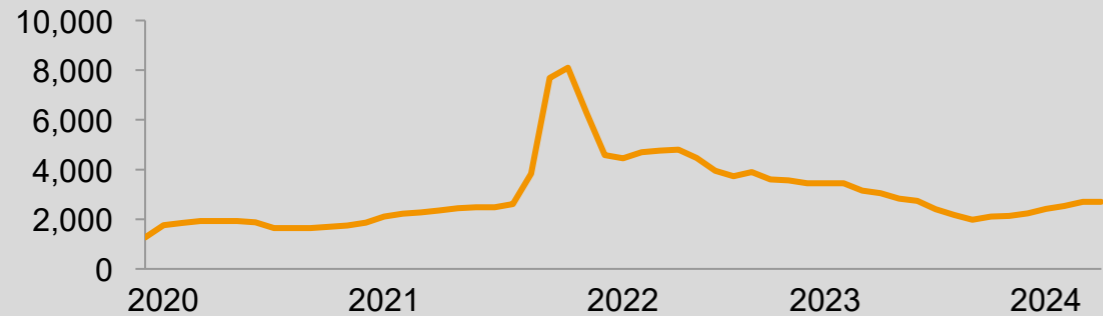
In €m / %	Sales					EBITDA					EBITDA Margin (%)		
	Q1/24	Q1/23	% YoY	Q4/23	% QoQ	Q1/24	Q1/23	% YoY	Q4/23	% QoQ	Q1/24	Q1/23	Q4/23
<b>Chemicals</b>	1,083	1,188	-9%	952	14%	137	167	-18%	69	98%	12.6	14.0	7.3
SILICONES	710	760	-7%	610	17%	81	96	-15%	37	>100%	11.4	12.6	6.1
POLYMERS	372	428	-13%	342	9%	56	71	-21%	32	75%	15.0	16.6	9.3
<b>BIOSOLUTIONS</b>	72	77	-6%	93	-22%	5	-2	-	12	-61%	6.4	-2.1	12.6
<b>POLYSILICON</b>	300	441	-32%	303	-1%	43	98	-56%	21	>100%	14.5	22.2	6.8
Others	39	45	-12%	39	0%	-13	19	-	34	-	-31.9	42.3	86.8
Consolidation	-4	-7	-43%	-4	0%	0	-1	-	0	0%	7.9	9.0	7.9
<b>WACKER Group</b>	1,490	1,744	-15%	1,383	8%	172	281	-39%	135	27%	11.6	16.1	9.8



# Appendix

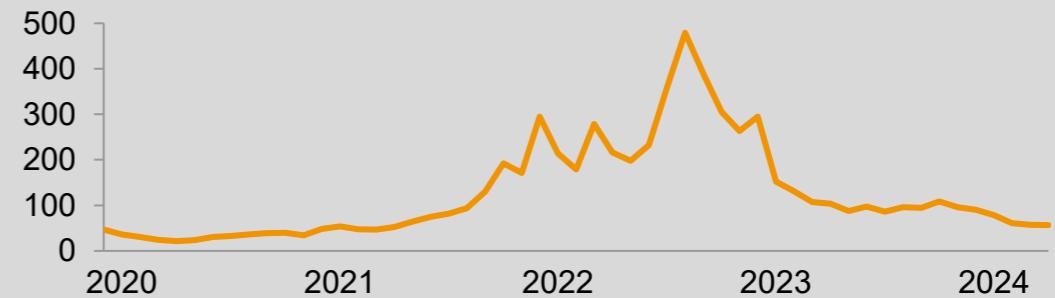
## Key Raw Materials, Power and Gas

### Si-Metal (€/mt)



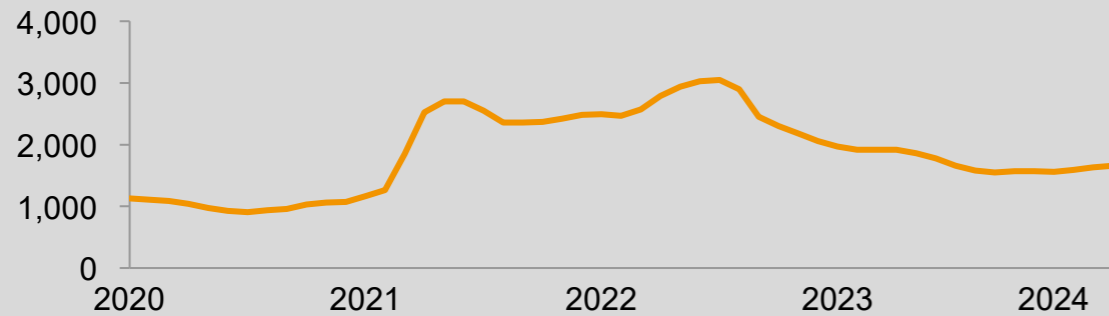
Source: CRU, Si-Metal Spot FD Europe

### Electricity (€/MWh)



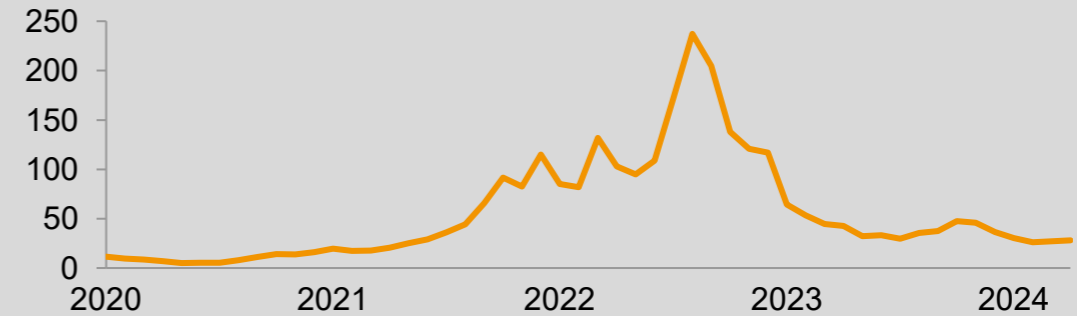
Source: EEX, Baseload Front Contract Avg. Month

### VAM (€/mt)



Source: ICIS, Contract FD NWE

### Natural Gas (€/MWh)



Source: PEGAS, Front Contract Avg. Month

# Appendix

## Progress Made on Achieving Ambitious Group Sustainability Targets

	2020	2021	2022	2023	2030 Target
<b>Net Zero</b>	100%	93%	87%	72%	100% reduction by 2045
<b>Value Up</b>					
Sustainable products	83%	89%	90%	94%	100% of products meet defined sustainability criteria
Diversity: Woman in management	17%	19%	21%	21%	33% of management positions held by woman
Regionalization: Management	27%	29%	30%	32%	50% management positions outside Germany
<b>Footprint Down</b>					
CO <sub>2</sub> e (Scope 1+2) emissions	100%	101%	89%	86%	50% reduction in absolute CO <sub>2</sub> e emissions
Energy consumption	100%	98%	99%	103%	15% reduction in specific energy consumption
Water withdrawal	100%	98%	102%	104%	15% reduction in specific water withdrawal
<b>Collaboration Beyond</b>					
CO <sub>2</sub> e (Scope 3) emissions	100%	86%	80%	62%	25% reduction in absolute CO <sub>2</sub> e emissions
Sustainable supply chain	57%	60%	72%	79%	100% of key suppliers meet defined TfS criteria
<b>Health &amp; Safety</b>					
Chemical accidents with missed workdays <sup>1</sup>	3	4	10	2	0 days – reoccurring annual target
Severe process safety incidents	1	3	3	0	0 incidents – reoccurring annual target

1) 2023: incidents per million work hours: 3.3 Target: <2

# WACKER: Issuer, Contact and Additional Information

## Issuer and Contact

### INVESTOR RELATIONS CONTACTS

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## Additional Information



**ISIN**  
**WKN**  
**Deutsche Börse**

DE000WCH8881  
WCH888  
WCH

## Financial Calendar

<b>05/08/24</b>	Annual General Meeting, Munich
<b>07/26/24</b>	Q2 2024 Results
<b>09/18+19/24</b>	CMD Burghausen
<b>10/29/24</b>	Q3 2024 Results

## Publications



CUSTOMER  
MAGAZINE



FACTBOOK



ANNUAL REPORT &  
ESG DISCLOSURES



SQUARE  
APP