



WACKER

CREATING TOMORROW'S SOLUTIONS

ANNUAL PRESS CONFERENCE FOR 2020

Dr. Rudolf Staudigl, President & CEO, March 16, 2021



WACKER

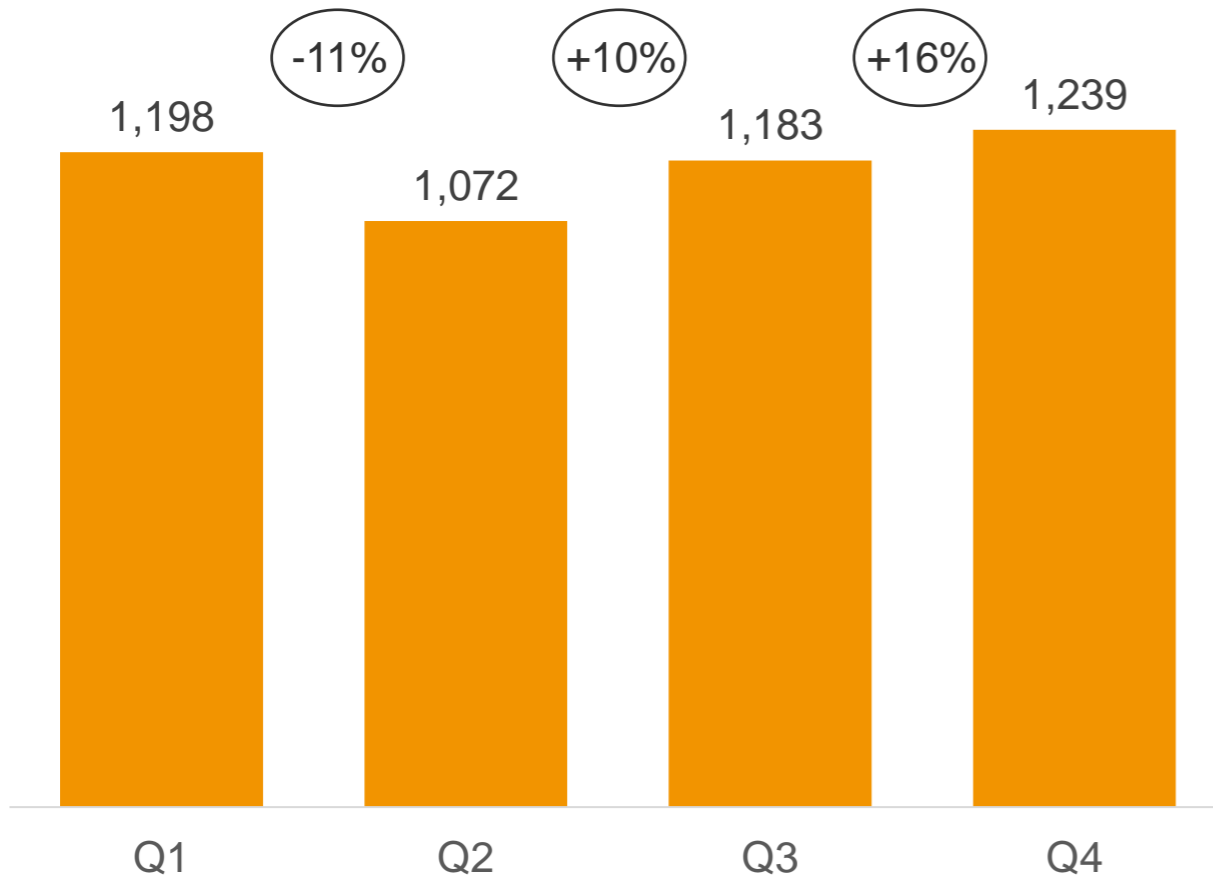
CREATING TOMORROW'S SOLUTIONS

ANNUAL PRESS CONFERENCE FOR 2020

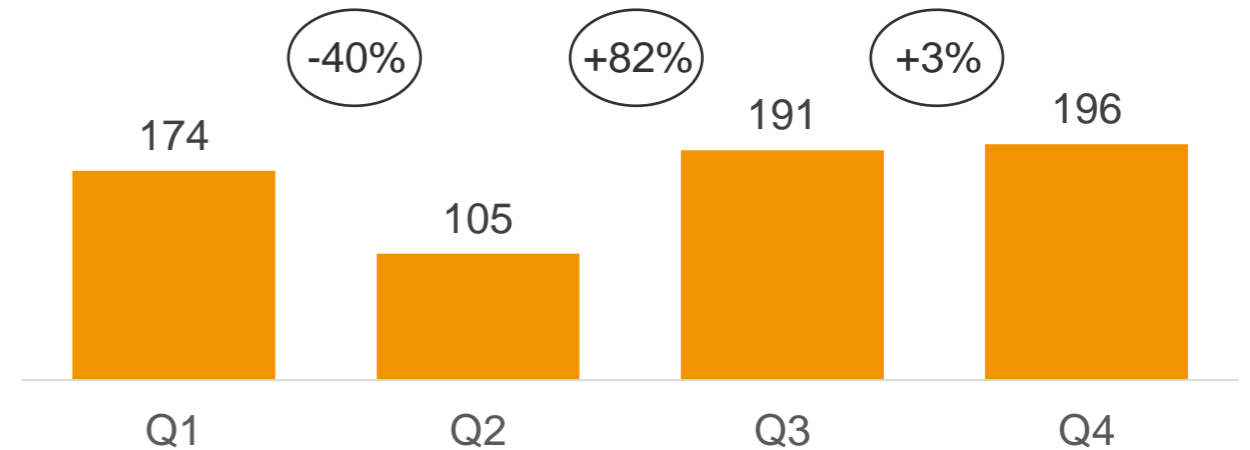
Dr. Rudolf Staudigl, President & CEO, March 16, 2021

After Pandemic-Induced Slump, WACKER Regains Some Ground in H2 2020

Group sales in 2020 (€ mn)

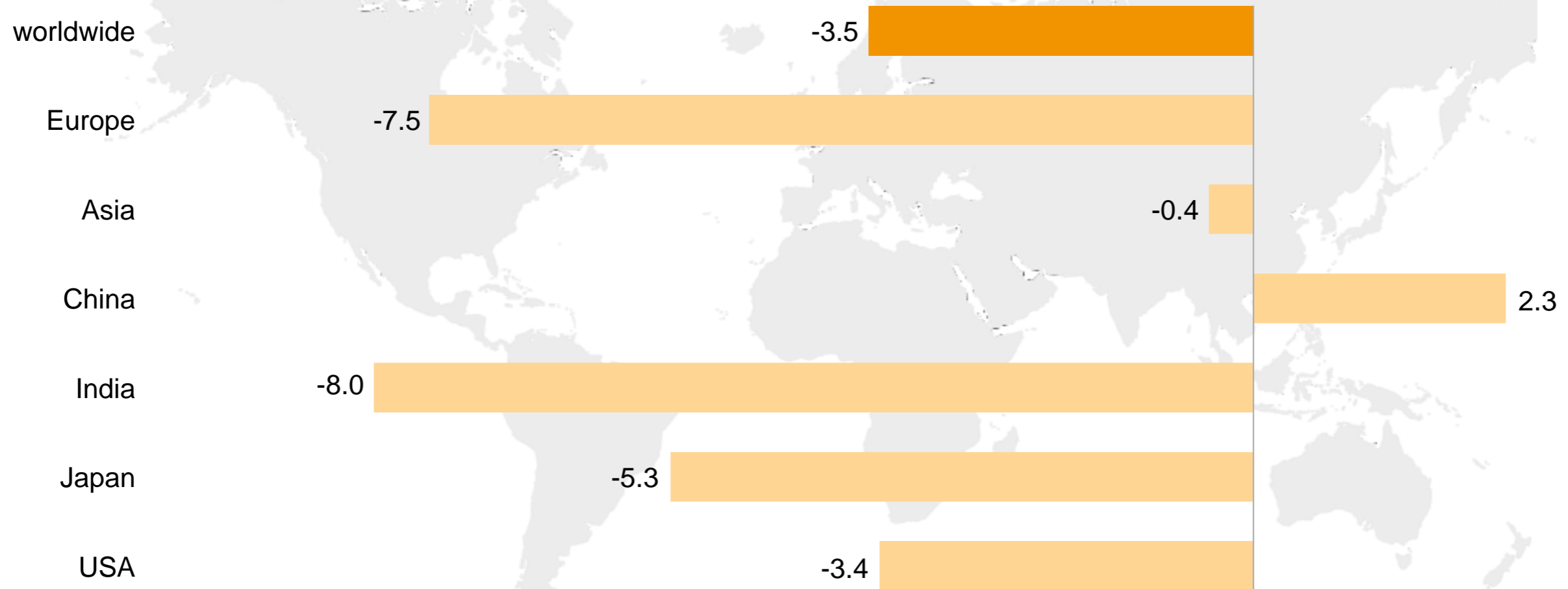


EBITDA in 2020 (€ mn)



Coronavirus Pandemic Led to Global Recession in 2020

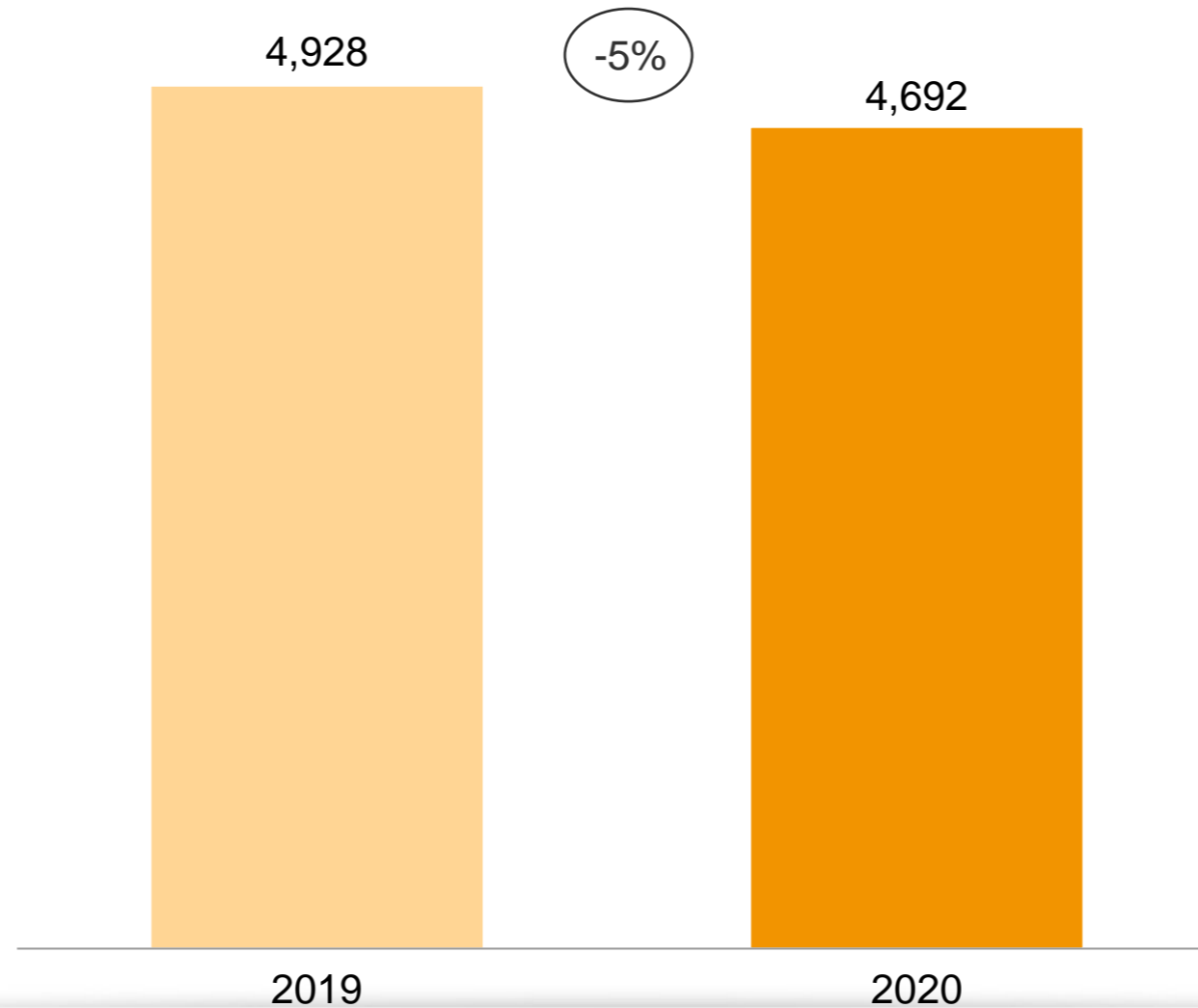
Worldwide GDP trend by region – actual year-over-year change (%)



Sources – worldwide: IMF; Europe: OECD; Asia: ADB; China: National Bureau of Statistics; India: ADB; Japan: OECD; USA: IMF

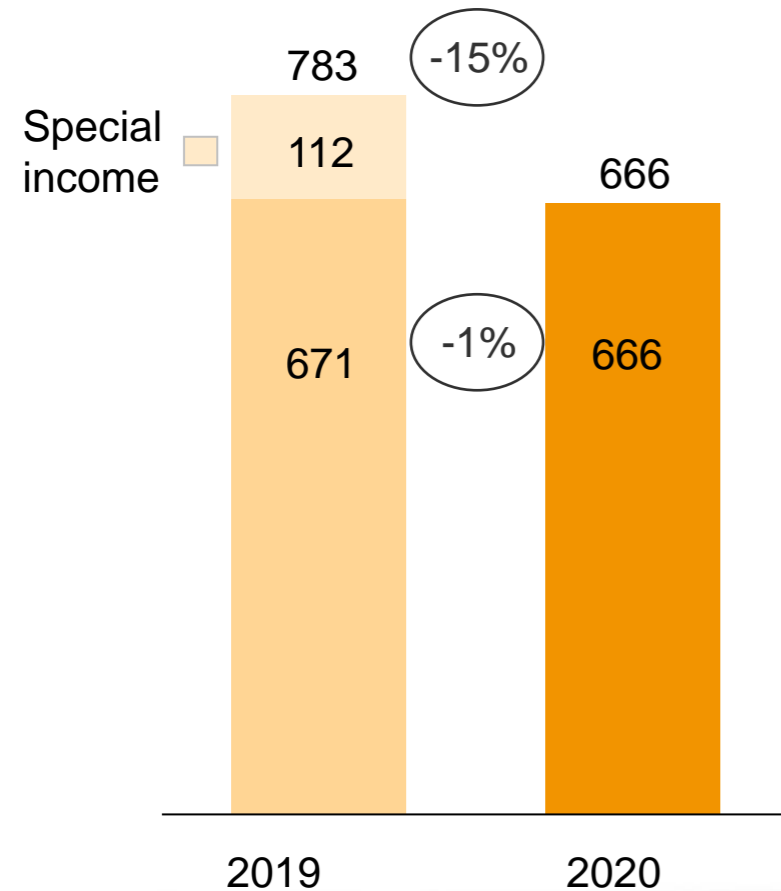
Group Sales Down by 5 Percent in 2020

Group sales in € million

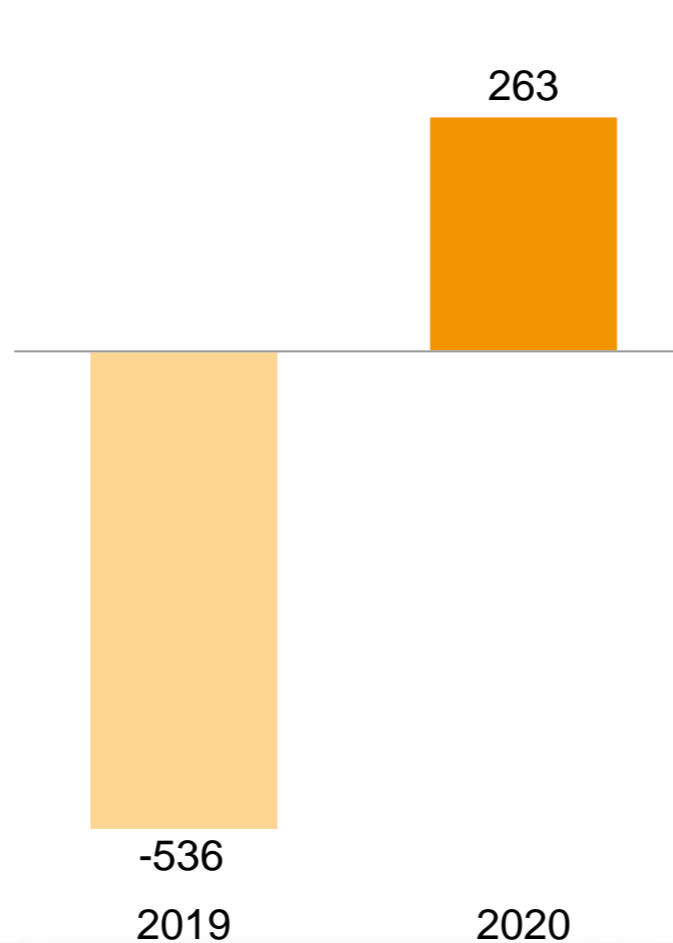


Adjusted EBITDA Slightly below Prior Year, with Positive Net Income in Triple Digits

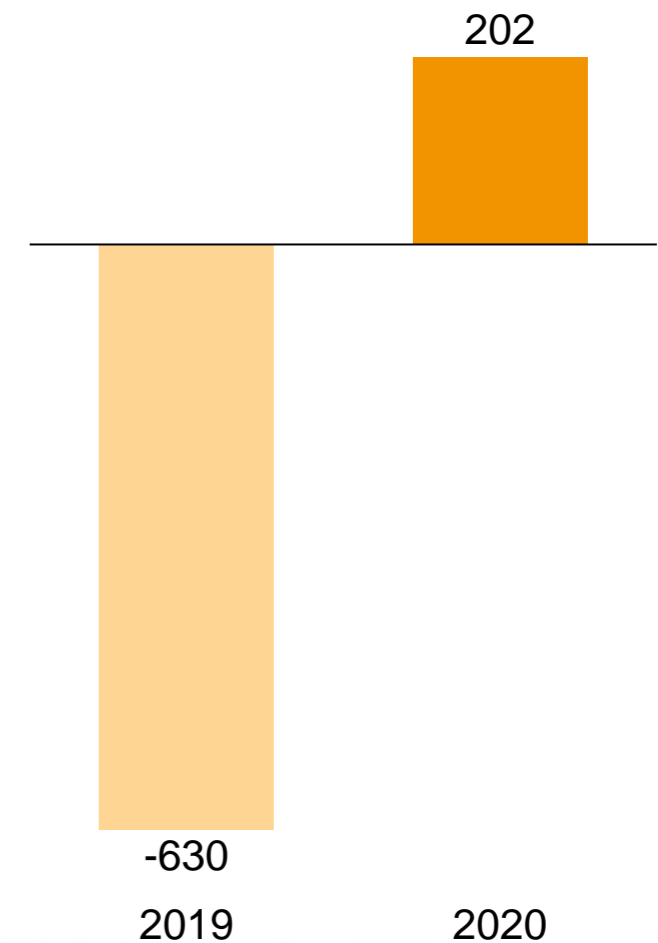
EBITDA in € million



EBIT in € million

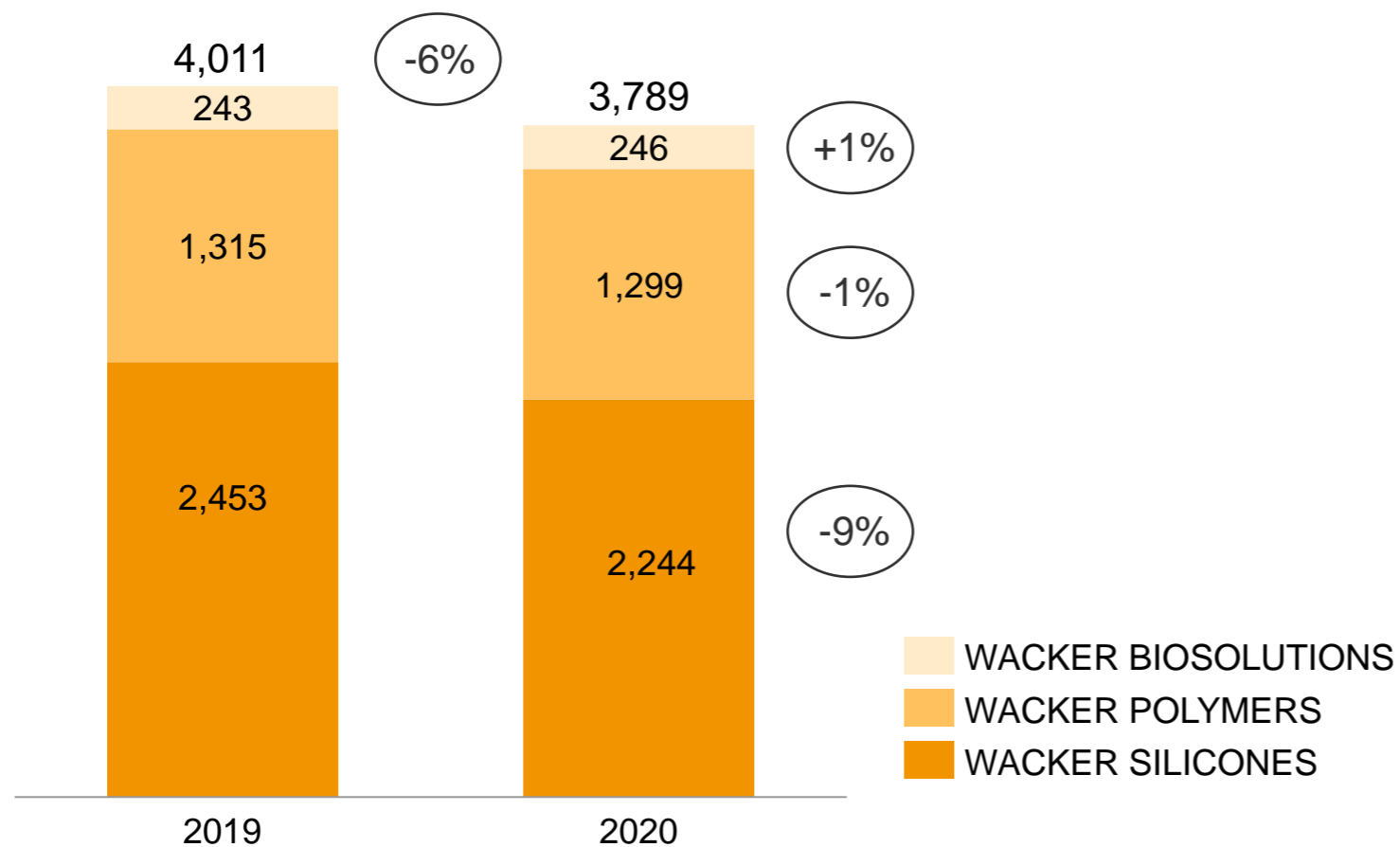


Net income in € million

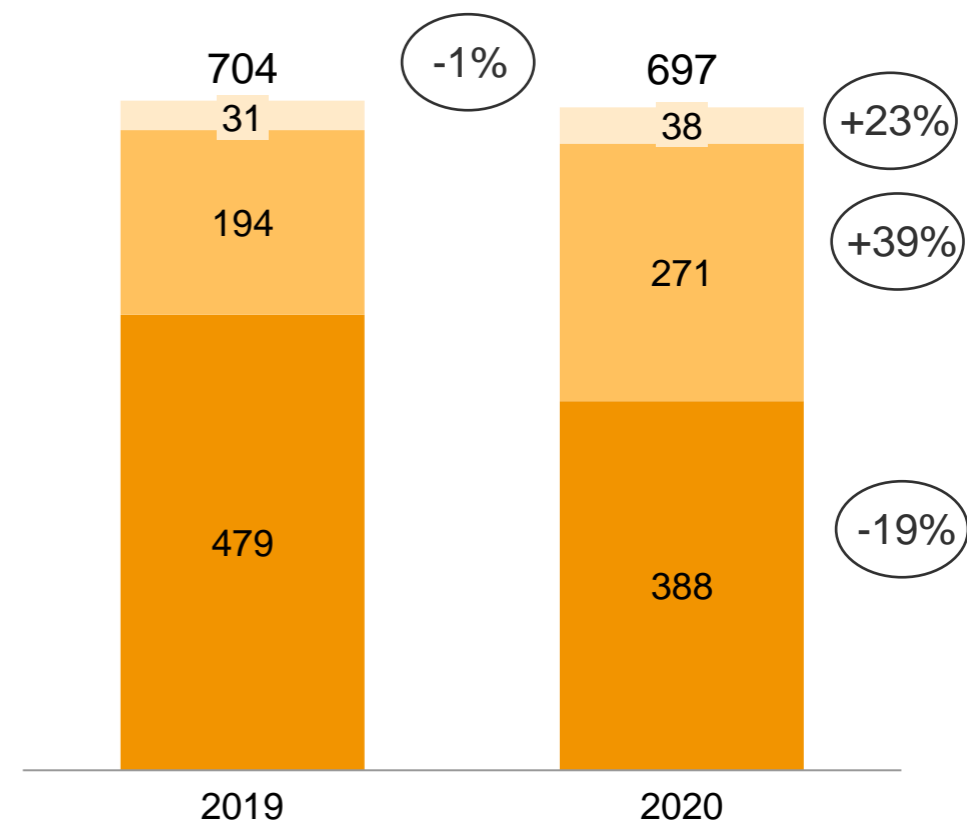


Chemical Sales 6 Percent Lower Year Over Year, with EBITDA Down 1 Percent

Sales in € million

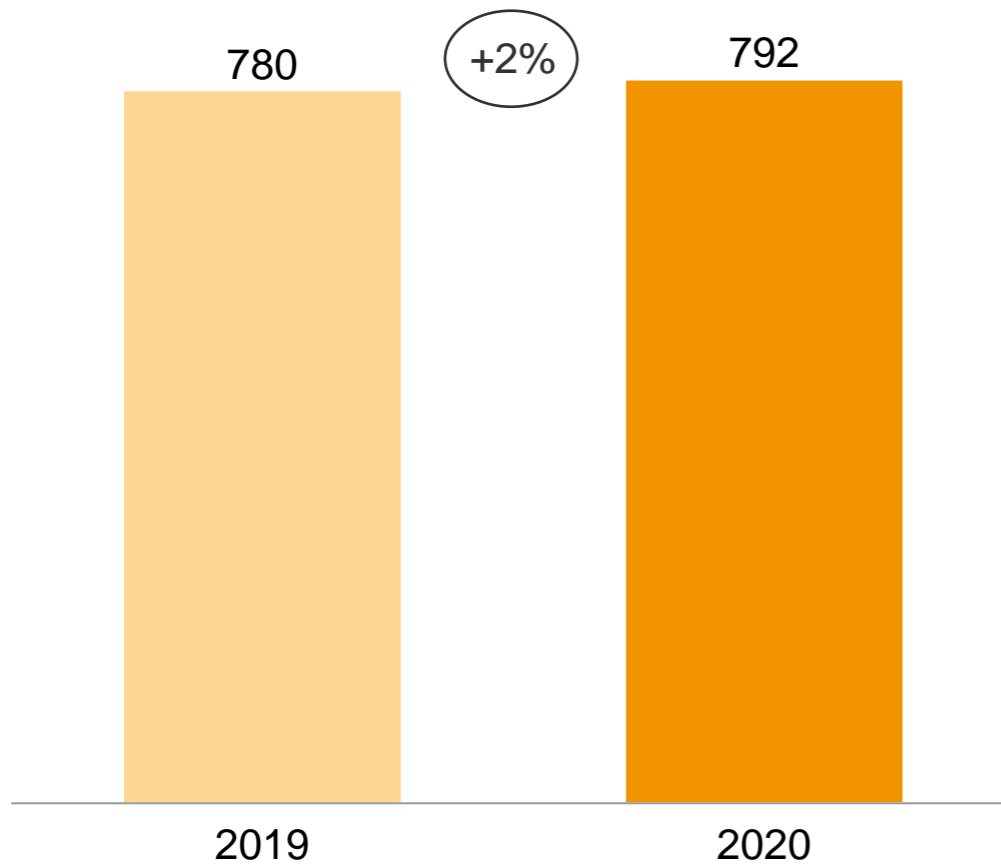


EBITDA in € million

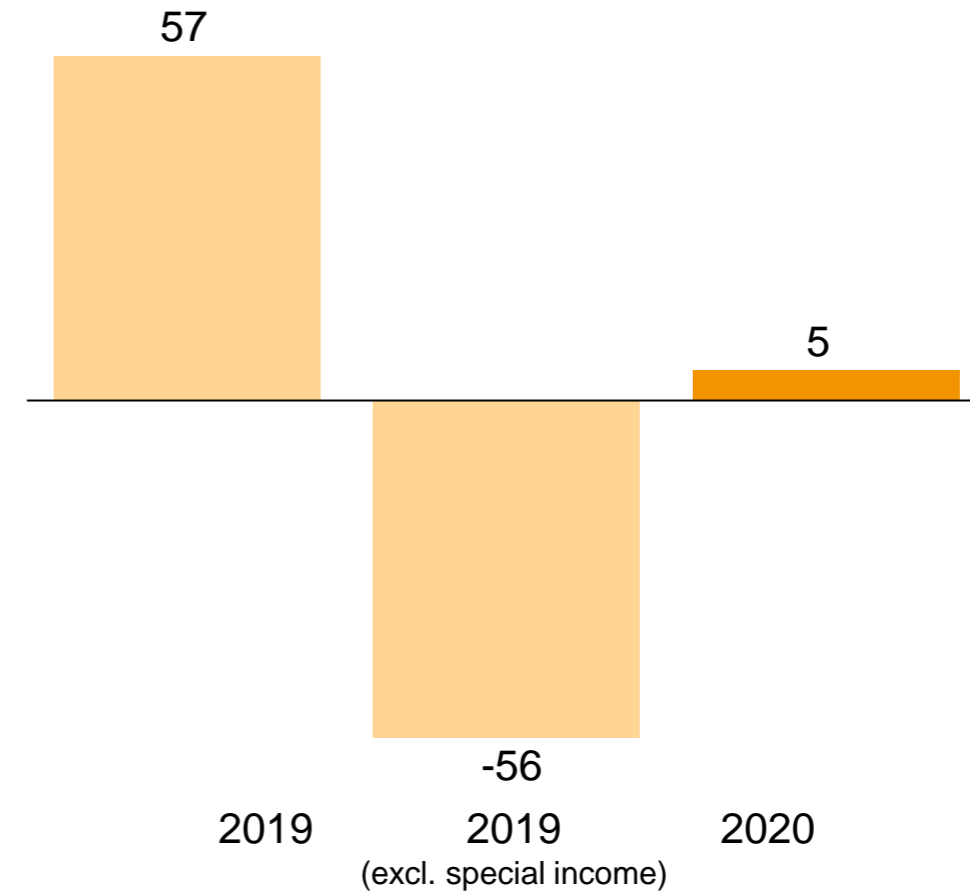


WACKER POLYSILICON Posts Sales Growth and Improved Operating EBITDA

Sales in € million

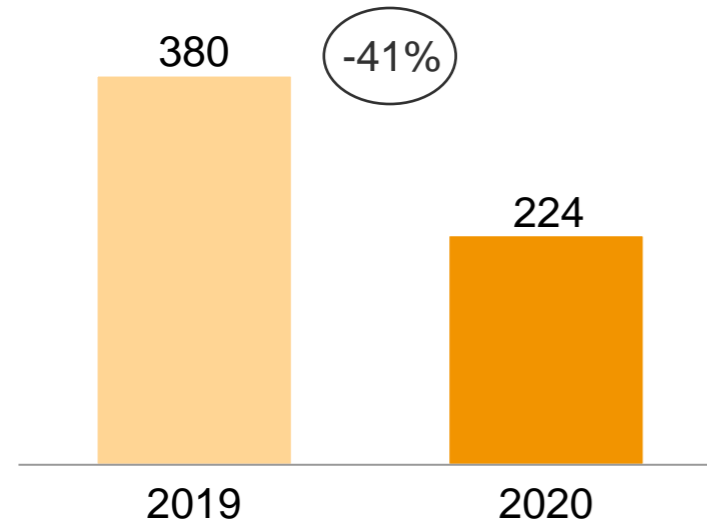


EBITDA in € million

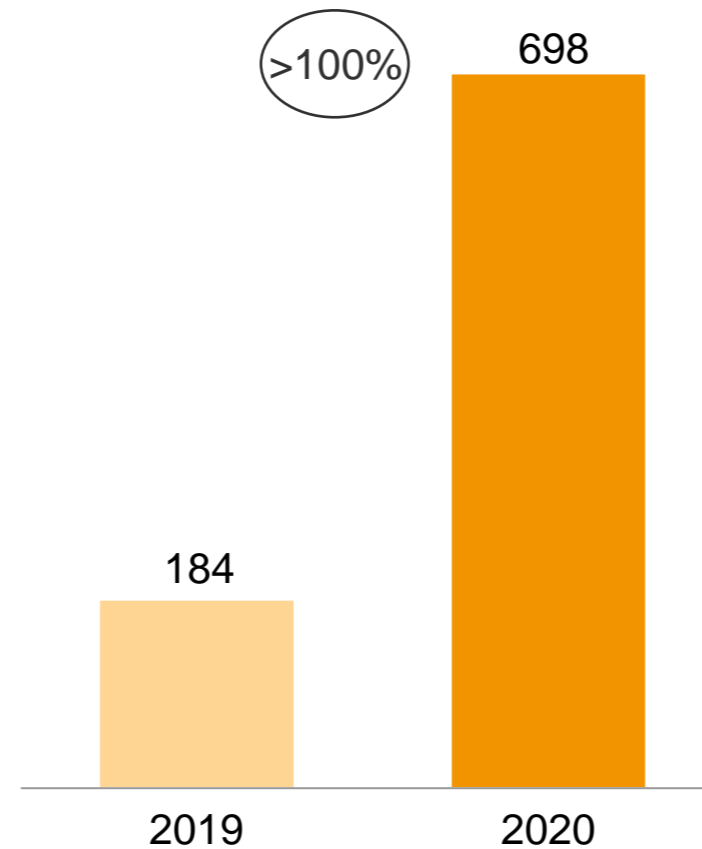


Net Cash Flow Almost Quadrupled, with Net Financial Debt Close to Zero

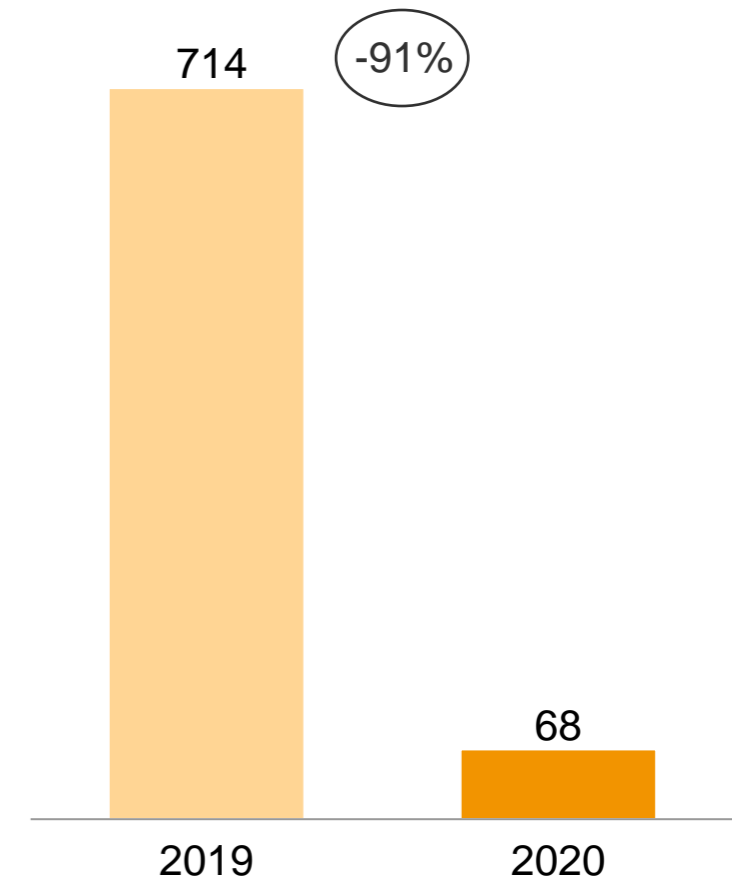
CAPEX in € million



Net cash flow in € million



Net financial debt in € million



WACKER Expands Capacity at Its Chemical Divisions



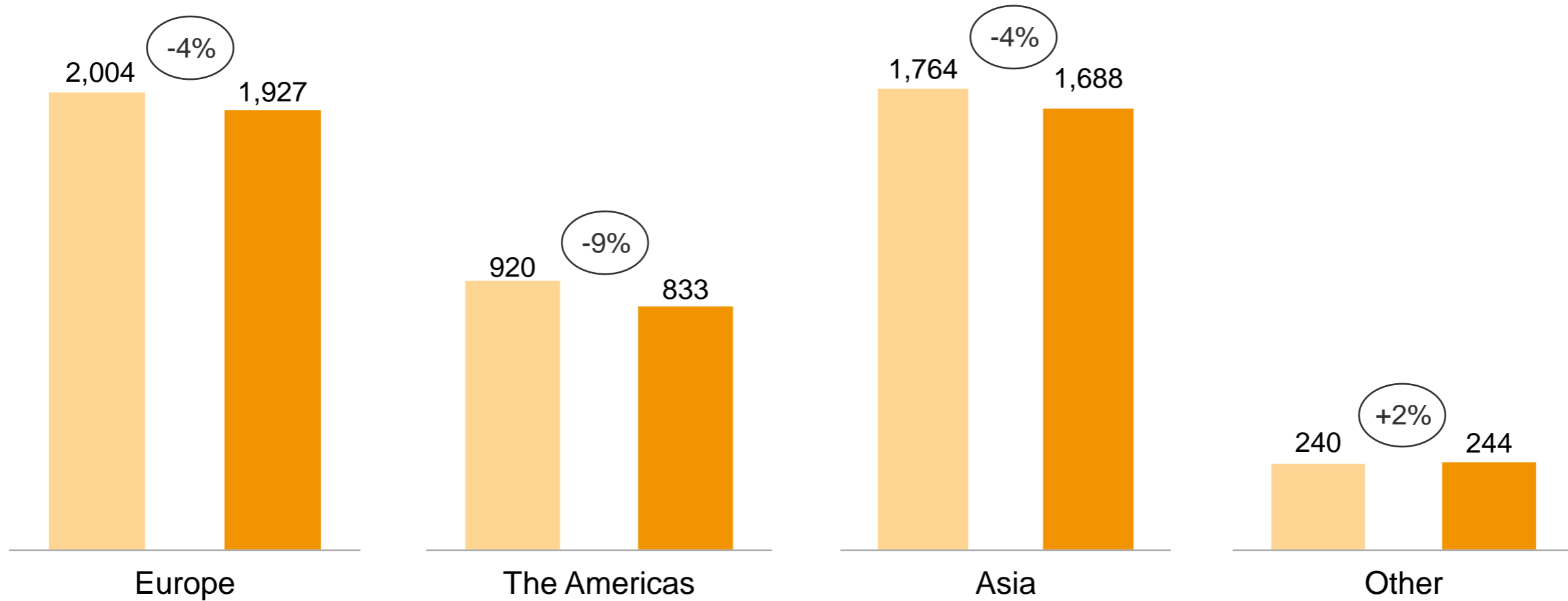
**Production of vaccines in Amsterdam
(Netherlands)**



**Plant for dispersions and dispersible
polymer powders in Nanjing (China)**

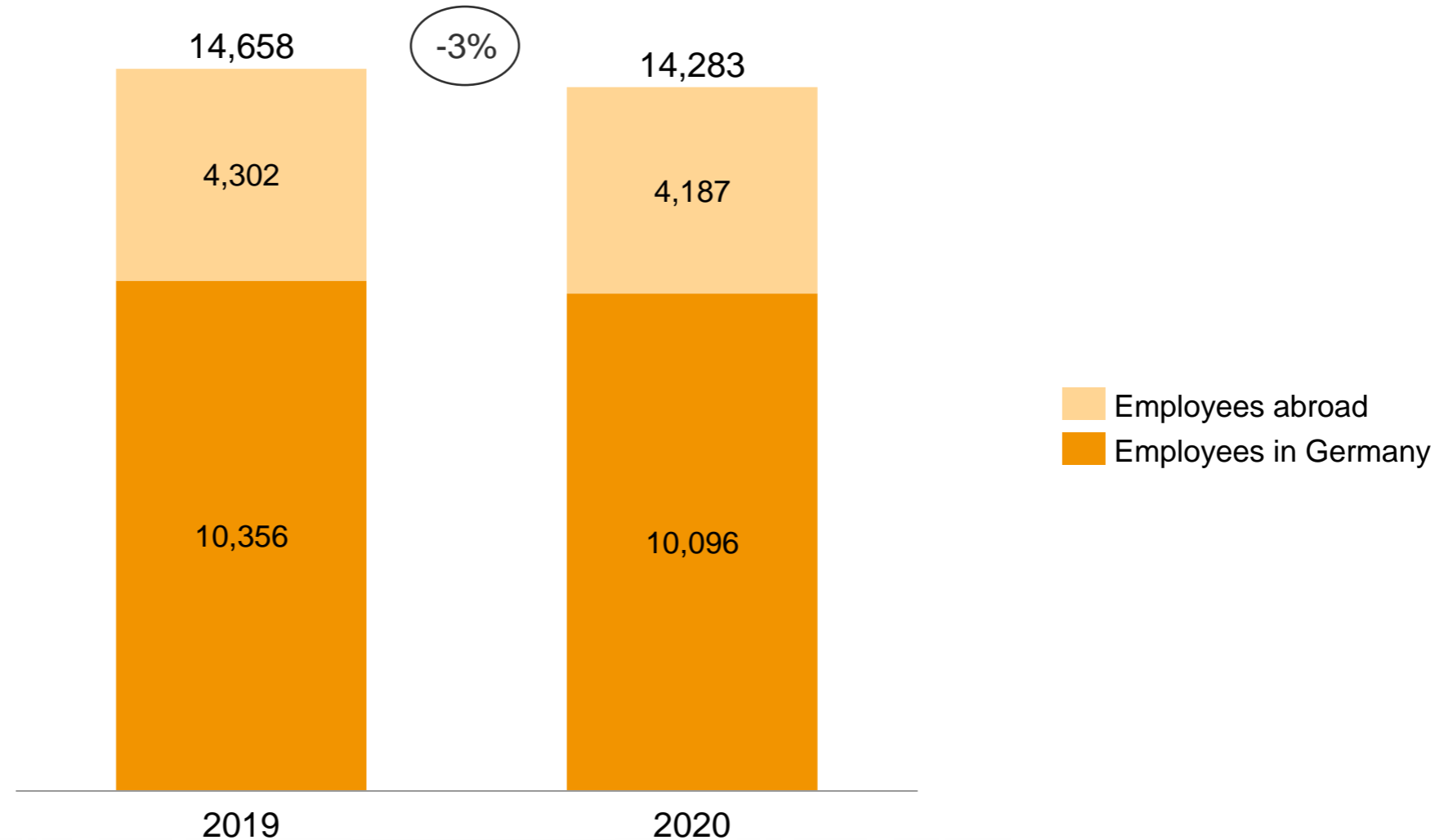
Sales Decline in All Major Regions Due to Coronavirus

Sales in € million



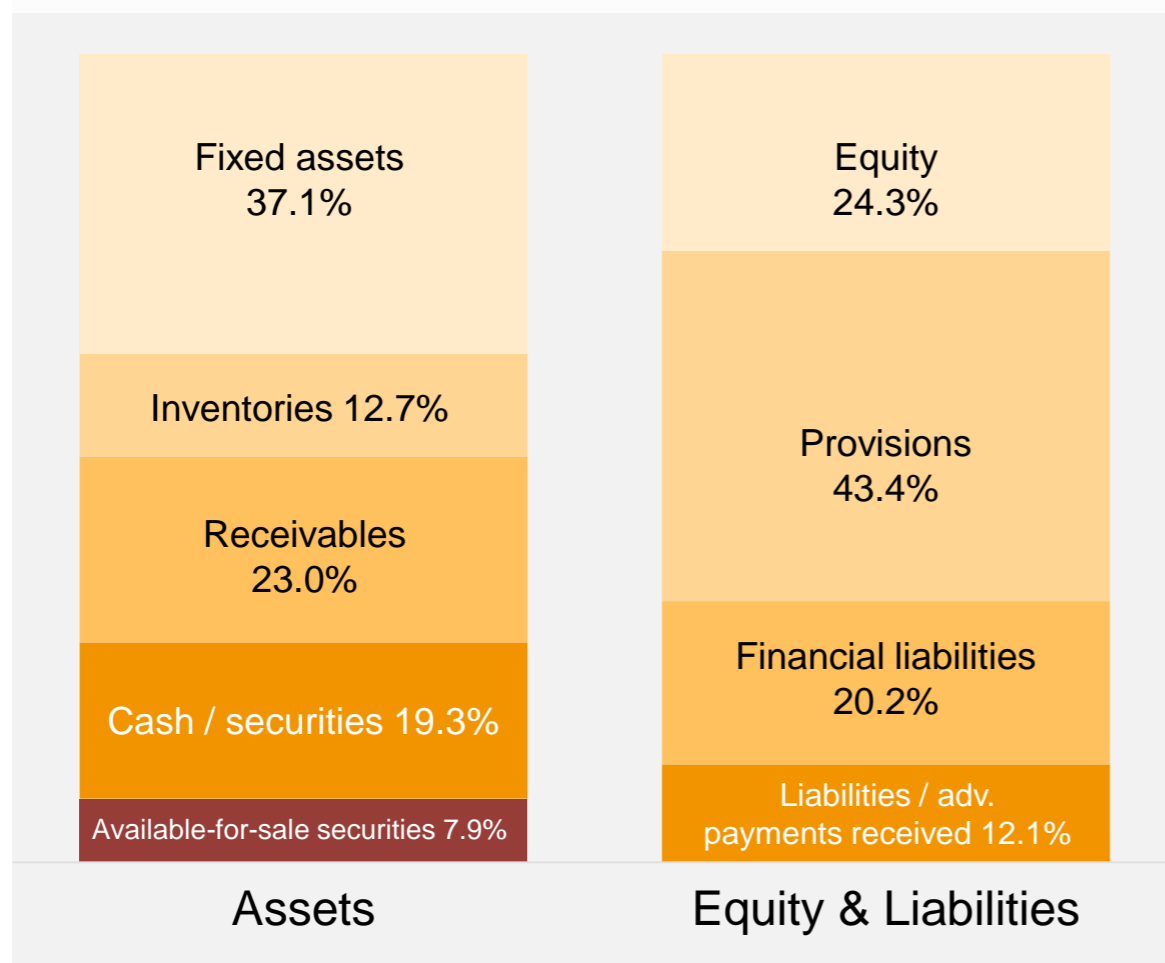
Number of Employees Down by 375 in 2020

Number of employees, as of December 31 for each year



Balance Sheet: High Liquidity, with Equity Ratio Falling Due to Rise in Provisions

Total assets, as of Dec. 31, 2020: €6.95 billion



Liquidity of €1.34 billion

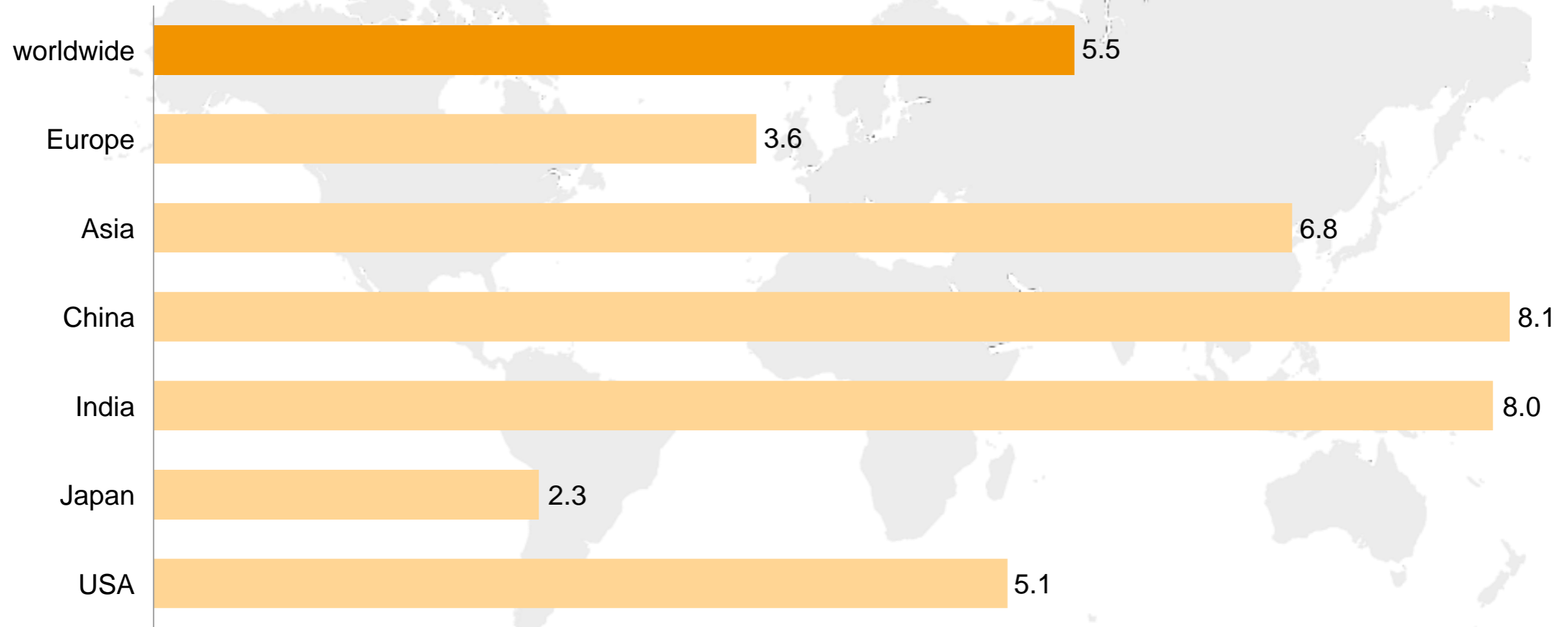
Unused lines of credit of more than €600 million

Low discount rates push up pension provisions

Equity ratio at 24 percent

Economic Experts Anticipate Global Growth for 2021

Worldwide GDP trend by region – actual year-over-year change (%)



Sources – worldwide: IMF; Europe: OECD; Asia: ADB; China: IMF; India: ADB; Japan: OECD; USA: IMF

WACKER SILICONES Expects Sales Growth and Slightly Higher EBITDA YoY in 2021



Strategic Focus

Adding value: strengthening the proportion of high-margin specialties

Innovation: tapping into new markets and applications

Costs: continuous improvements and high plant utilization

WACKER POLYMERS to Grow Sales in 2021, with EBITDA Clearly Lower YoY



Biocide-free powder paints enable the amounts used to be precisely measured, thereby reducing material consumption

Strategic Focus

Transformation: promoting the trend toward value-added construction materials

Substitution: replacing conventional products in existing applications

Innovation: developing new products and harnessing additional application fields

WACKER BIOSOLUTIONS Expects Sales Growth and Slightly Higher EBITDA in 2021



Strategic Focus

Market share: spurring growth of biotechnology business

Innovation: more commercialization of newly developed products

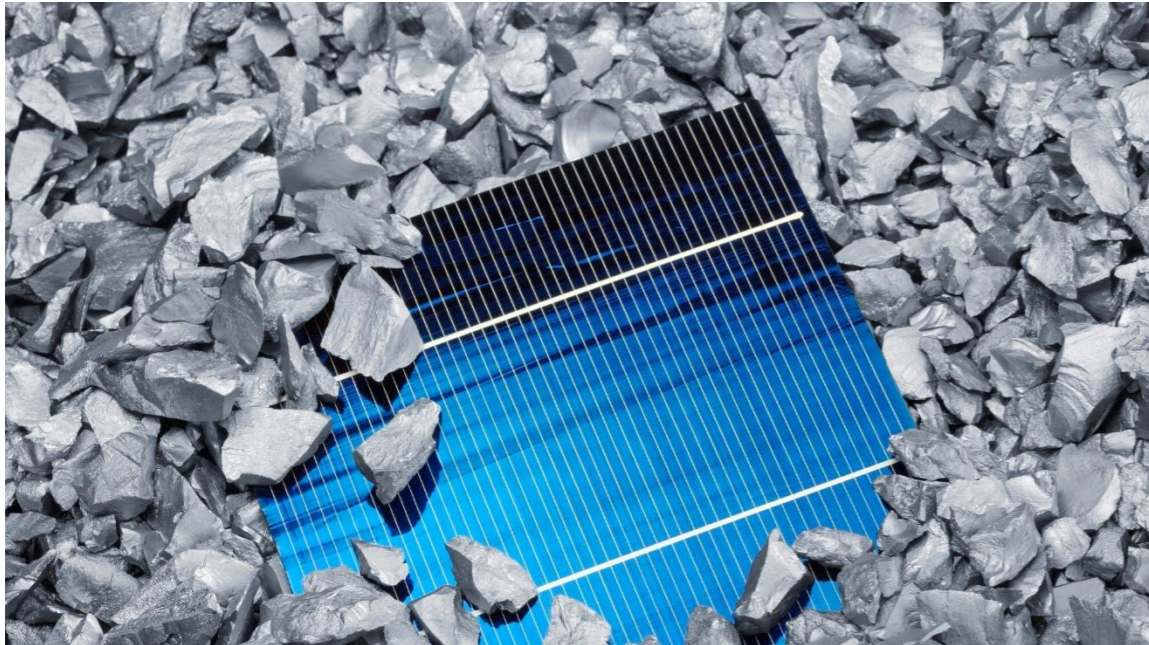
Costs: enhancing productivity and efficiency along supply chains

The PV Market Is Expected to Continue Growing in 2021

Development of newly installed PV capacity in megawatts	2020	2021
Germany	4,800	4,000 – 6,000
Rest of Europe	15,600	18,000 – 22,000
USA	19,000	22,000 – 24,000
Japan	8,200	7,000 – 8,000
China	48,200	50,000 – 60,000
India	3,500	4,000 – 7,000
Other regions	40,700	45,000 – 53,000
Total	140,000	150,000 – 180,000

Sources: Germany's Federal Network Agency, SEIA, China National Energy Agency, Ministry of New and Renewable Energy, market studies, WACKER's own market research

WACKER POLYSILICON to Lift Sales, with EBITDA Clearly Higher YoY



Hyperpure polysilicon: the starting material for semiconductors and solar cells

Strategic Focus

Efficiency: increasing the output of existing plants through process improvements

Costs: further reducing energy and raw-material use and cutting production costs

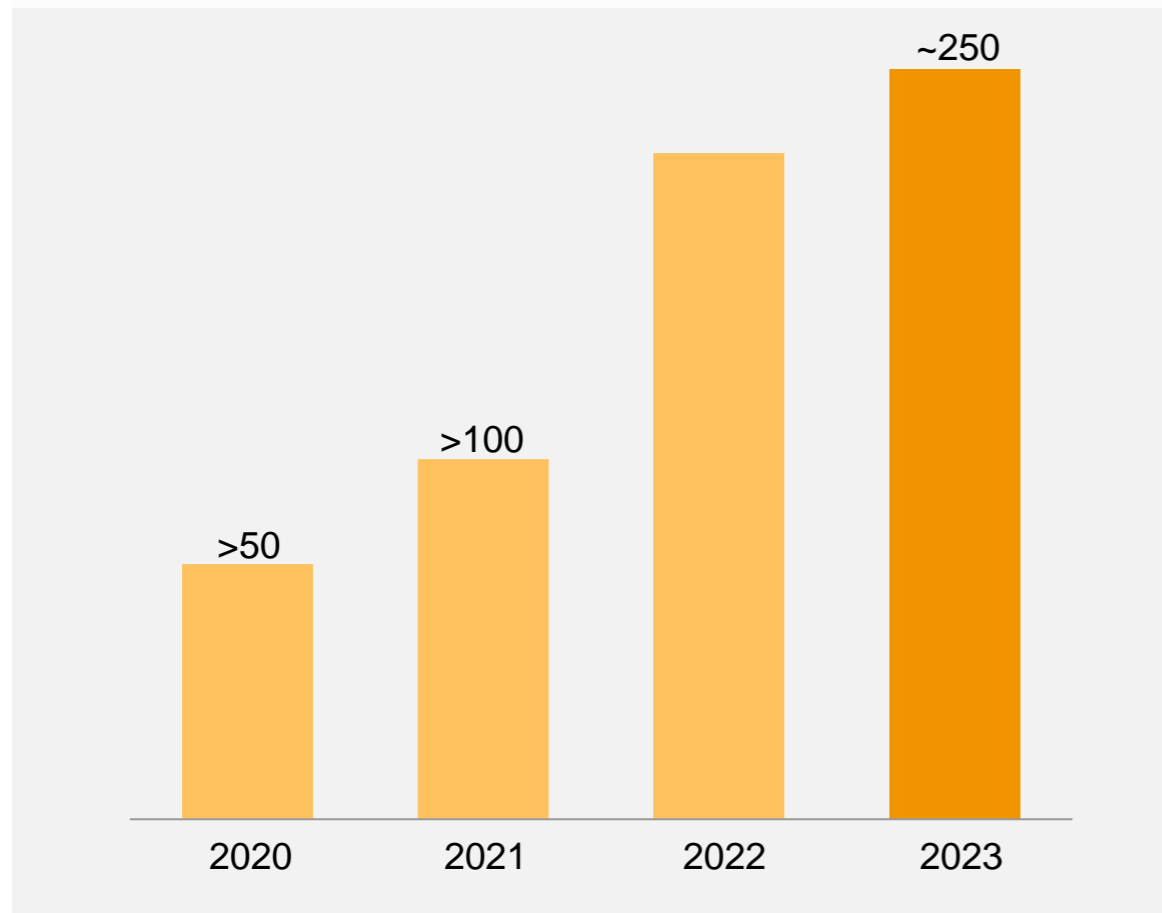
Quality: retaining our quality leadership as a polysilicon producer

Group Sales for 2021 Expected to Grow, with EBITDA Above Prior Year

Outlook for 2021	Reported for 2020	Outlook for 2021
Sales (€ million)	4,692	Mid-single-digit percentage increase
EBITDA (€ million)	666	10 to 20 percent higher than a year ago
EBITDA margin (%)	14.2	Slightly higher than last year
Capital expenditures (€ million)	224	Around 350
Depreciation / amortization (€ million)	404	Around 400
Net cash flow (€ million)	698	Clearly positive, substantially below last year
Net financial debt (€ million)	68	Positive net financial assets
Group net income (€ million)	202	Substantially higher than last year

“Shape the Future” Program: Cost-Savings of Over €50 Million in 2020

Cost-savings in € million



Goal: as of year-end 2022, cost-savings of around €250 million per year

Cost-savings half in non-personnel costs and half in personnel costs

Non-personnel costs: savings of over €50 million in 2020, and over €100 million expected in 2021

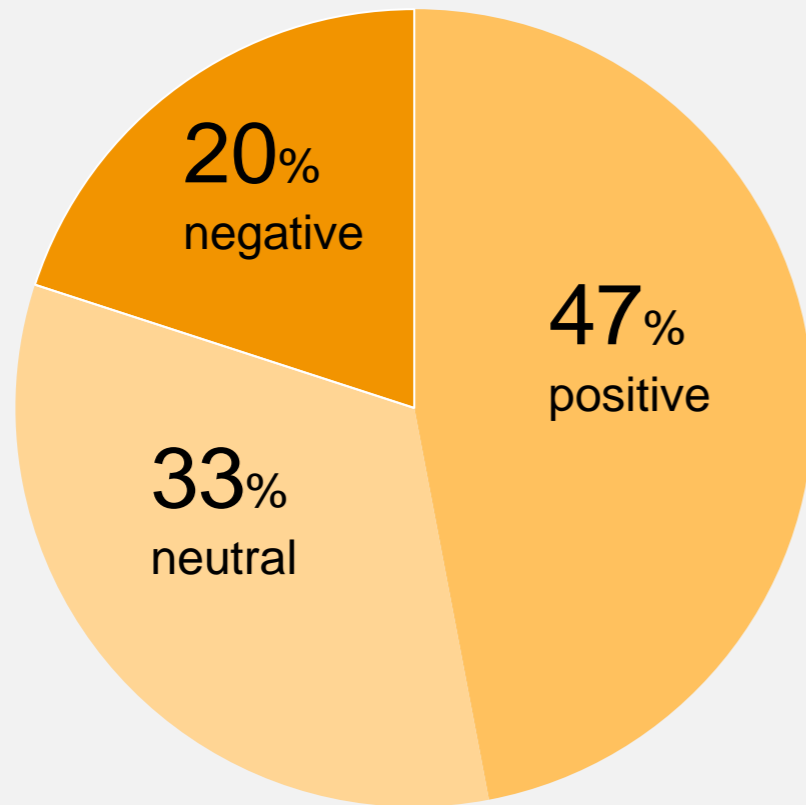
Some 1,200 jobs to be cut by end of 2022, around 1,000 of them in Germany

Framework agreements were concluded with employee representatives in October 2020

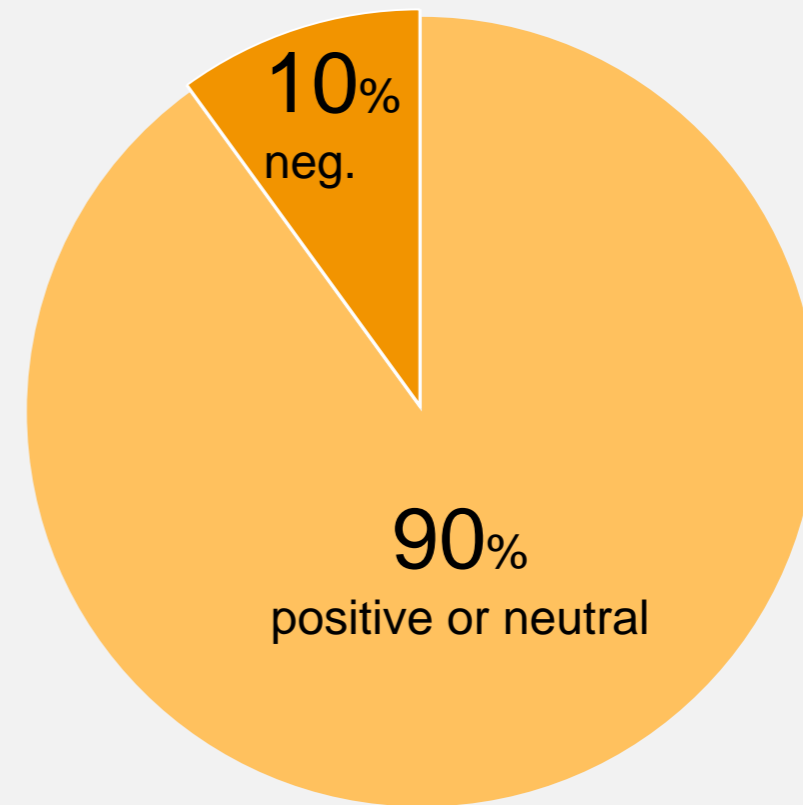
Voluntary program: nearly 500 phased-early-retirement and severance agreements

WACKER Is Systematically Enhancing Its Products' Sustainability Performance

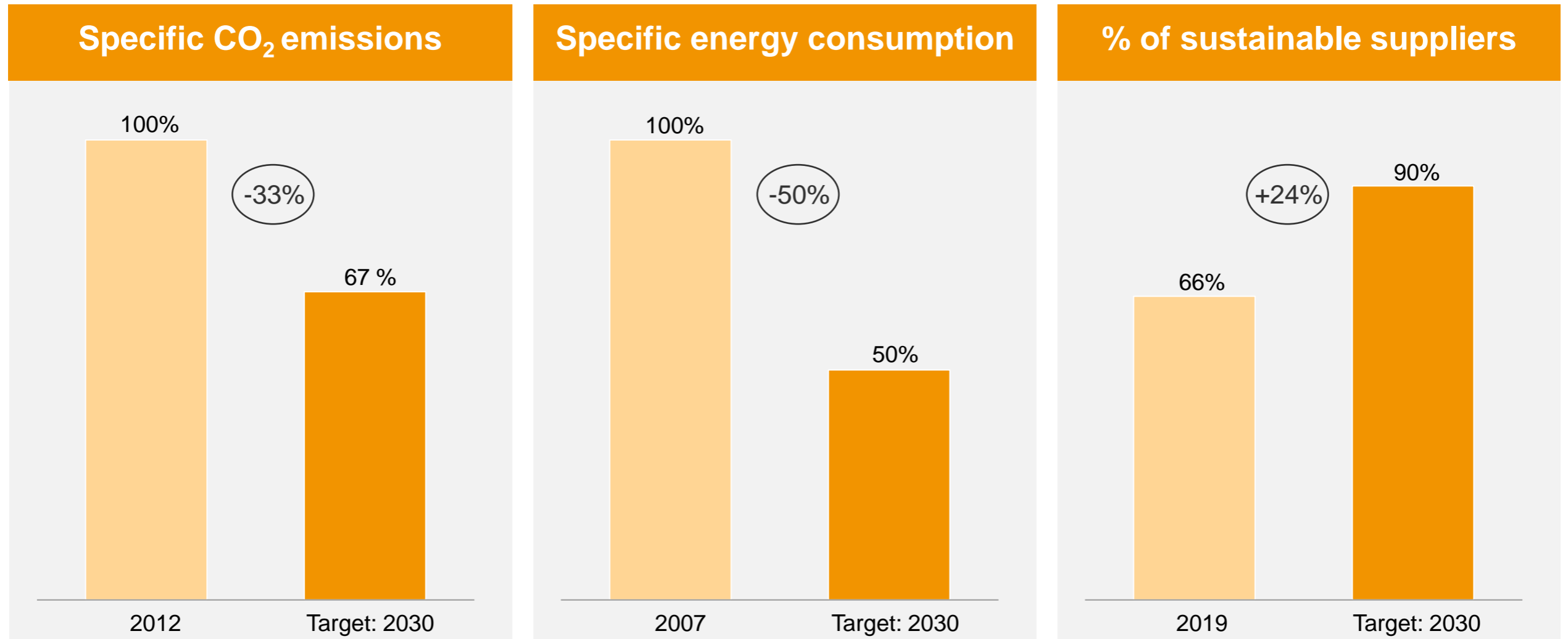
Portfolio's sustainability contribution: 2019



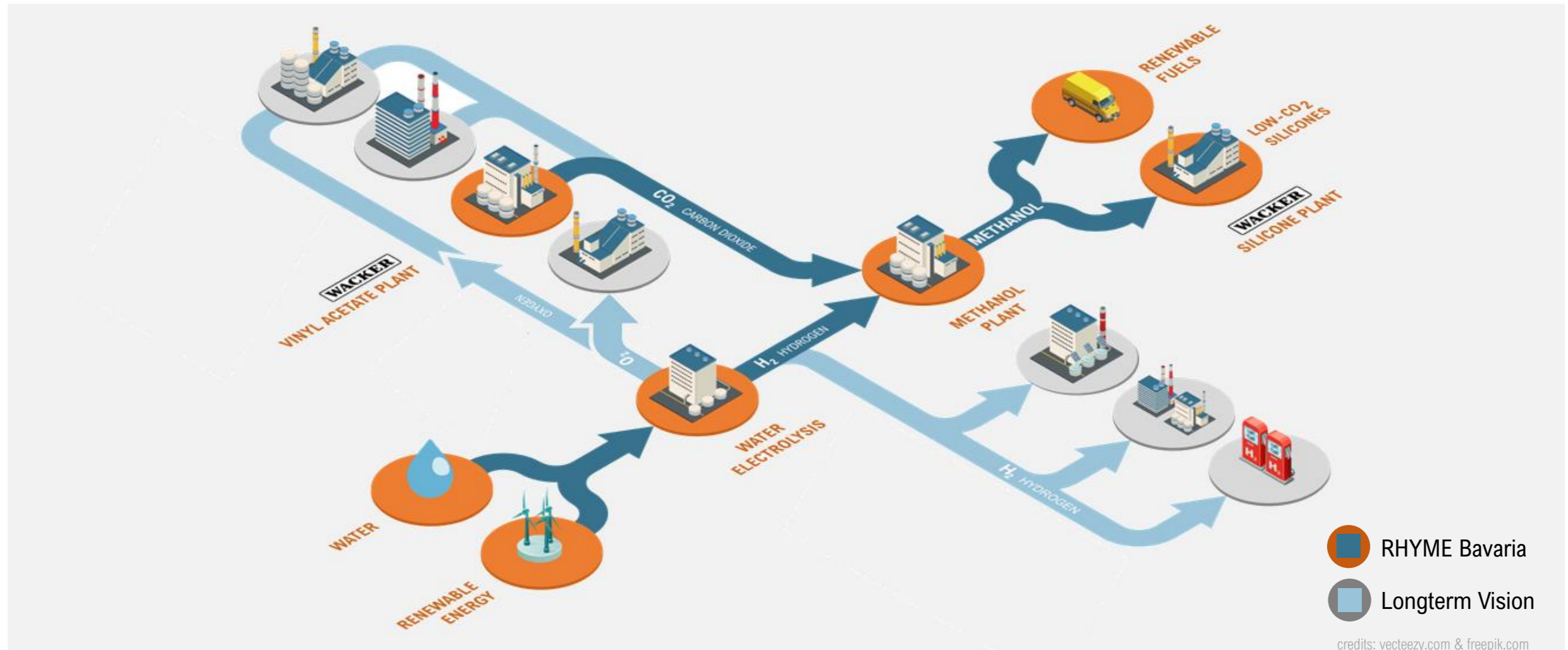
Target: sustainability contribution in 2030



Resource-Efficient Production and Sustainability in the Supply Chain

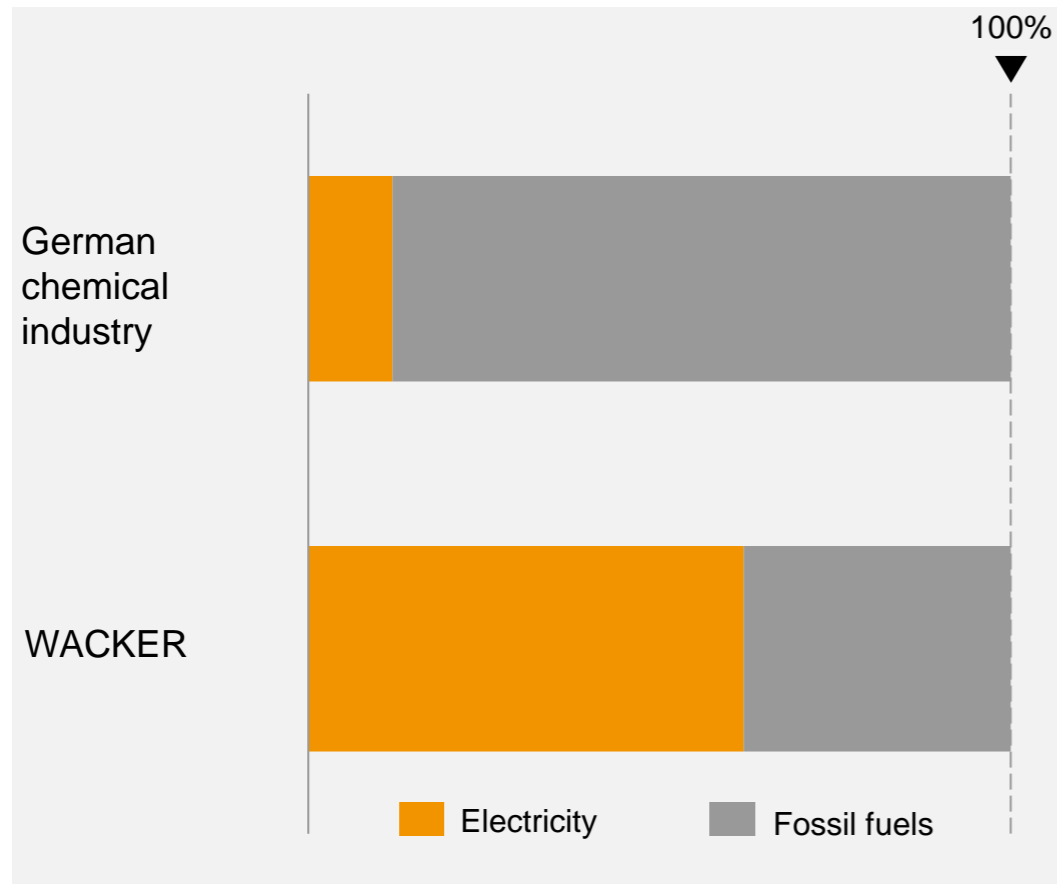


RHYME Bavaria - Renewable Hydrogen and Methanol Bavaria



Renewable Electricity Is the Most Important Basis for Climate Neutrality

Electrification rate in production



WACKER's products enable energy transition



One year's production of WACKER solar-grade polysilicon avoids 466 million metric tons of CO₂ emissions



30 grams of WACKER's dispersible polymer powder saves 10 kg of thick-bed mortar, thereby avoiding 2.4 kg of CO₂ emissions per square meter



WACKER

CREATING TOMORROW'S SOLUTIONS

ANNUAL PRESS CONFERENCE FOR 2020

Dr. Rudolf Staudigl, President & CEO, March 16, 2021