



CREATING TOMORROW'S SOLUTIONS



WACKER – Accelerating Proven Successes

Wacker Chemie AG

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Ticker: WCH
www.wacker.com

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WACKER: At a Glance

Facts & Figures

€1.54bn
EBITDA in 2021

14,400
Employees

€6.21bn
Sales in 2021

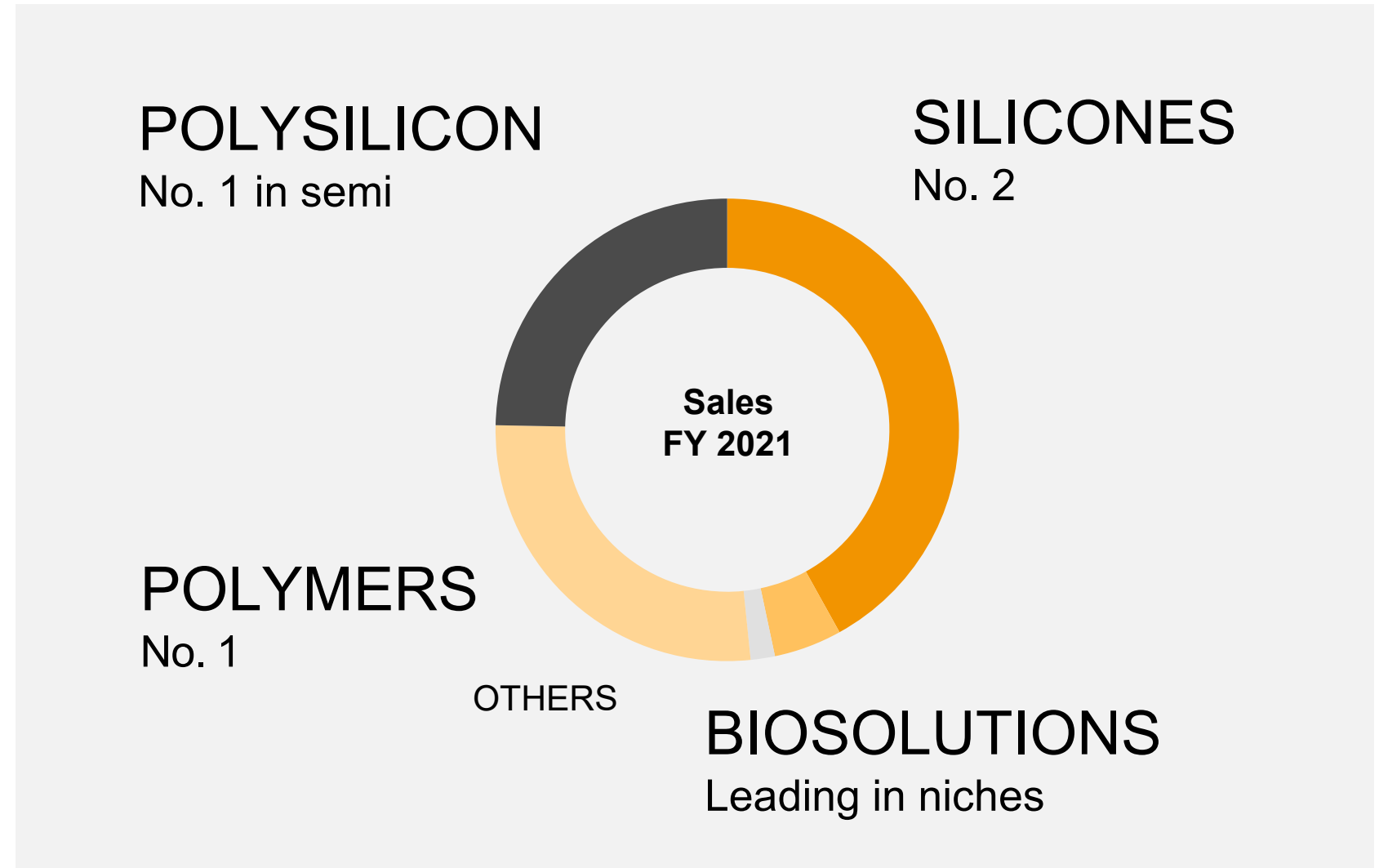
26
Production Sites

24.8%
EBITDA margin
in 2021

23
Technical Centers

4 Business
Segments

45 Scientific
collaborations



SILICONES: At a Glance



The Fully Integrated Specialty Supplier

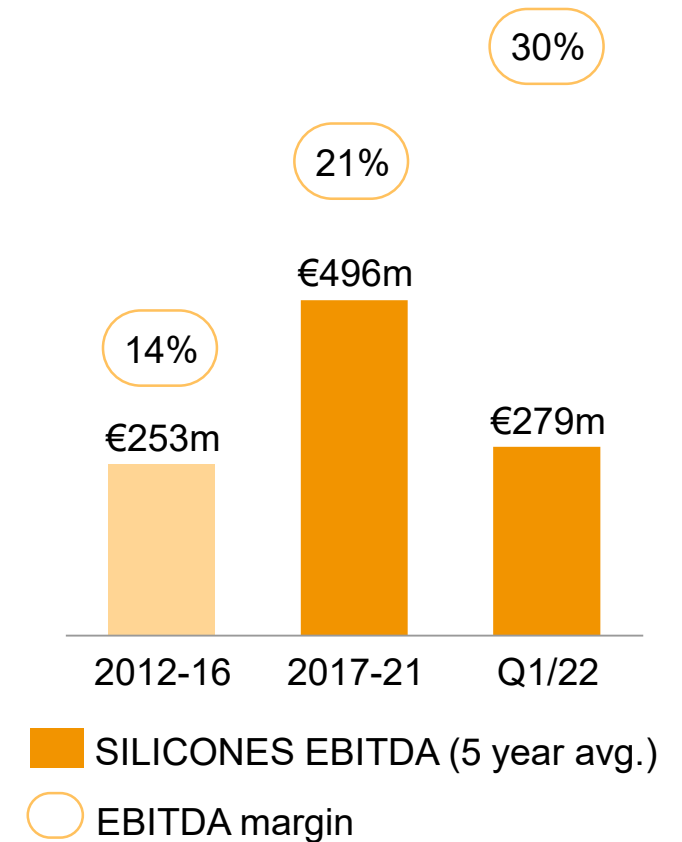
- ▶ Customer's first choice for innovative and customized solutions in all regions
- ▶ Benchmark production and service close to customers



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 Capacity Leader with World Class Tandems

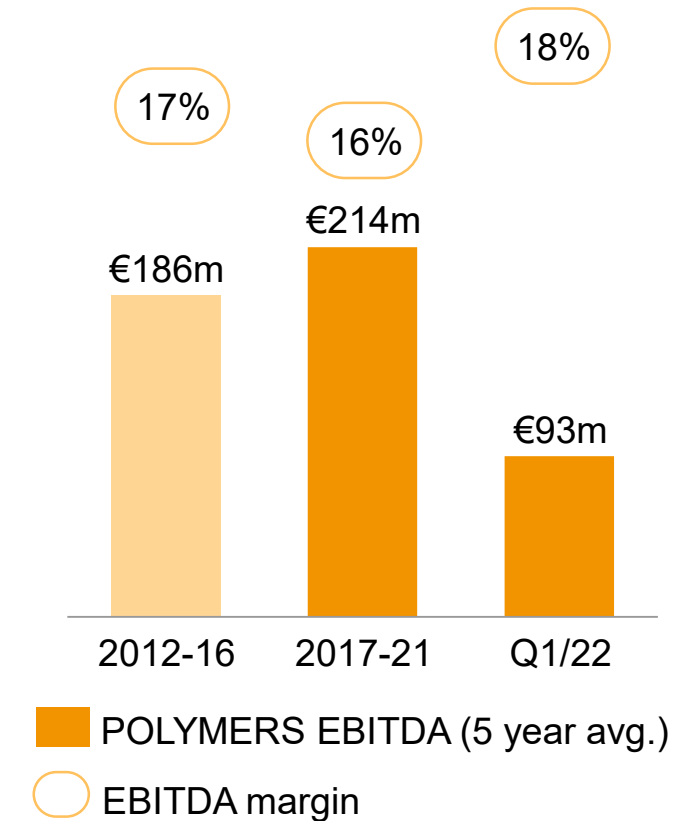
- ▶ Customized service to key accounts and local champions in the regions
- ▶ Addressing individual market requirements
- ▶ Innovation and in-depth formulating expertise



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

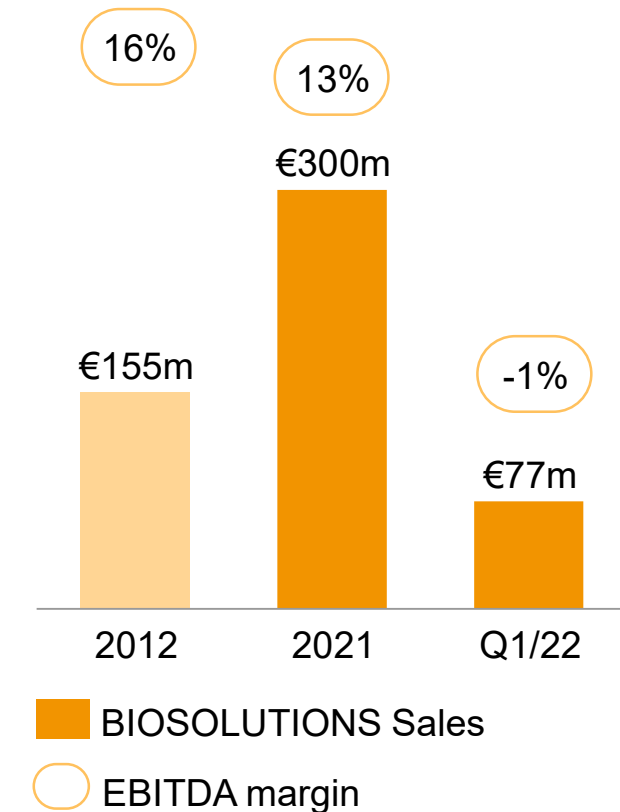
- ▶ Leading microbial manufacturing technologies
- ▶ Jump-started into advanced medicines (mRNA, pDNA)
- ▶ Successfully acquired and integrated 4 biotech sites



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

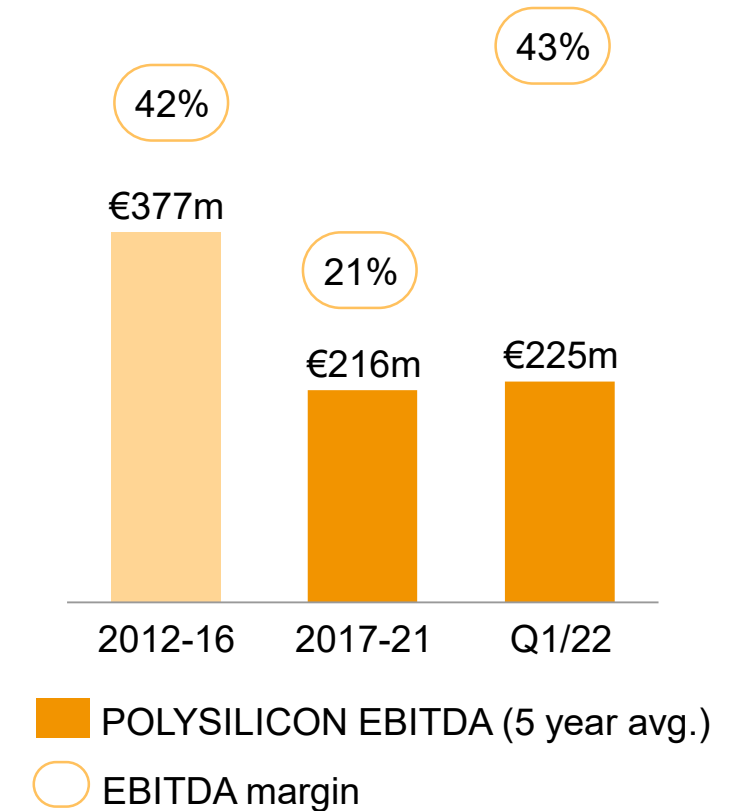
- ▶ #1 Position in Semi – doubled volumes sold in past 5 years
- ▶ Market leader for high-end n-type solar
- ▶ Strong long-standing cooperation with customers



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



Guidance FY 2022

In €m	FY 2021	Outlook 2022
Sales	6,208	Around €7,500m (Previously around €7,000m)
EBITDA	1,539	€1,200 – 1,500m (trending towards upper end of range)
EBITDA margin (%)	24.8%	Substantially lower than last year
Net cash flow	761	Clearly positive, substantially lower than last year
CapEx	344	€550 – 600m
Net financial debt	-547	Positive net financial assets
Net Income	828	Markedly lower than last year
Depreciation	404	Around €400m
ROCE (%)	28.3%	Substantially higher than the cost of capital
Tax Rate (%)	24.3%	Approximately 25%

BOLD = New Guidance

CMD 2022

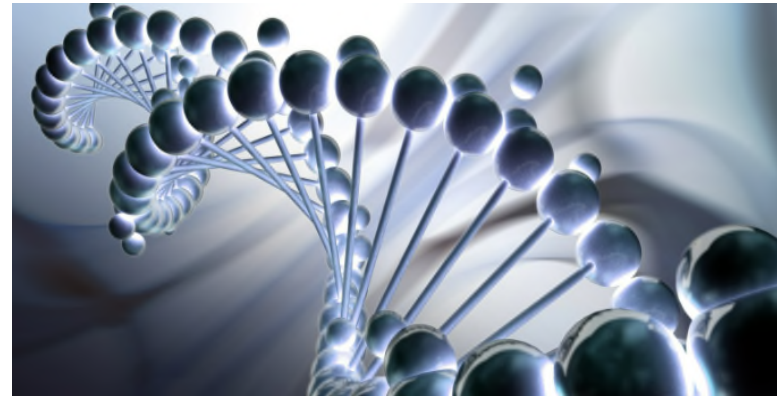
Proven Successes – Transformation to Full Specialty Setup



CHEMICALS

Specialty transformation

- ▶ Strong profitability
- ▶ Regional expansion
- ▶ Focused investments



BIOSOLUTIONS

Biotechnology foundation

- ▶ Innovation and technologies
- ▶ Bolt-on acquisitions
- ▶ Leading microbial and advanced medicines CDMO



POLYSILICON

High-end focus

- ▶ #1 in semi
- ▶ Improved mix
- ▶ Reduced costs

CHEMICALS

Accelerate Growth

- ▶ Demand pull from sustainability
- ▶ First choice for innovative and customized solutions
- ▶ Further expansion of global presence, close to customers

Chemicals 2030 targets

- ▶ Volume/Mix CAGR: 6-10%
- ▶ EBITDA Margin: >20%
- ▶ ROCE: >2x Cost of Capital

BIOSOLUTIONS

Incubate, Innovate, Grow

- ▶ Demand pull from advanced medicine and clean food
- ▶ Strong investments in innovation
- ▶ Bolt-on acquisitions

Biosolutions 2030 targets

- ▶ Sales of €1bn by 2030
- ▶ EBITDA Margin: >25%
- ▶ ROCE: >>1x Cost of Capital

POLYSILICON

Strengthen Semi Position

- ▶ Demand pull from rapidly growing semi/solar markets
- ▶ Strong long-standing cooperation with customers
- ▶ Best-in-class sustainability

Polysilicon 2030 targets

- ▶ Double semi volumes sold by 2030
- ▶ EBITDA Margin: >30%
- ▶ ROCE: >2x Cost of Capital

CMD 2022

Clear Path Forward: Focus On Growth And Value

Key Initiatives and Performance Indicators 2022 - 2026

CHEMICALS

- ▶ Further regionalizing supply chain and earnings-accretive bolt-ons
- ▶ Volume / sales growth p.a.:
1.5-2x historic volume/mix CAGR,
from 4-5% historically to 6-10%
- ▶ CapEx p.a. > 400 €m
- ▶ ROCE > 2x Cost of Capital

BIOSOLUTIONS

- ▶ Strong investment in innovation and early-stage bolt-ons
- ▶ Volume / sales growth p.a.:
Organic growth: > 10%
Inorganic growth: 5-10%
- ▶ CapEx p.a. > 80 €m
- ▶ ROCE ≤ Cost of Capital

POLYSILICON

- ▶ Investments in semi and cost efficiency
- ▶ Volume / sales growth p.a.:
Portfolio shift to semi
- ▶ CapEx p.a. ~ 100 €m
- ▶ ROCE > Cost of Capital

CMD 2022

Maintaining Resilience

Sourcing Initiatives

- ▶ Long-term strategies and short-term actions to mitigate price volatility

Selective backward integration

- ▶ Continuous modernization and expansion of silicon metal in Holla
- ▶ Supply chain stability, margin stabilization

Pricing Power

- ▶ Successful pricing initiatives
- ▶ Stable financial performance allows for continuous CapEx to serve customer needs

POLYMERS

- ▶ Several price increases and temporary surcharges

SILICONES

- ▶ Active pricing initiatives started to address surging silicon metal in Q4/2021

Lean Cost Structure

- ▶ **Overall cost “Shape the future” 2022e savings €200m**
 - ▶ creating a faster and leaner organization
 - ▶ addressing all indirect/non-operative functions
 - ▶ reducing personnel expenses and indirect spend
- ▶ **Operational efficiency avg savings p.a. 2017-21 €75m**
 - ▶ Continuous improvement
 - ▶ Cost roadmaps

▶ **Strong Balance Sheet: Resilience for Growth**

CMD 2022

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, extend value chain in CHEMICALS

1

SHAREHOLDER RETURNS

Dividends

Strong Commitment to Shareholders

- ▶ Continued policy of ~50% payout of net income from continuing operations
- ▶ For 2021, proposed dividend of 8 EUR per share (~400 m€ payout) 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
- ▶ Pension liability could reduce from introduction of new payout option (~ 200 €m) and with sensitivity of interest rate (+0.5%-point: ~ 400 €m)

3

New and More 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



1) GHG = Greenhouse gas

Appendix:

Q1 2022 Results – P&L

In €m	Q1 2022	Q1 2021	% YoY	Q4 2021	% QoQ
Sales	2,076	1,360	53%	1,688	23%
EBITDA	644	258	>100%	513	26%
EBITDA margin	31.0%	19.0%	-	30.2%	-
EBIT	550	166	>100%	382	44%
EBIT margin	26%	12%	-	23%	-
Net income for the period	403	118	>100%	272	48%
EPS in €	7.92	2.29	>100%	5.34	48%
Capital expenditures	71	42	100%	147	-43%
Depreciation / amortization	94	92	3%	129	-27%
Net cash flow	18	131	-86%	-4 ¹	n.a.

¹⁾ incl €250m contribution to a CTA for previously unfunded pension liabilities

Appendix:

Q1 2022 Results – Breakdown by Business

In €m / %	Sales					EBITDA					EBITDA Margin (%)		
	Q1 2022	Q1 2021	% YoY	Q4 2021	% QoQ	Q1 2022	Q1 2021	% YoY	Q4 2021	% QoQ	Q1 2022	Q1 2021	Q4 2021
Chemicals	1,438	963	49%	1,109	30%	372	172	>100%	203	83%	25.9	17.8	18.3
SILICONES	921	613	50%	657	40%	279	122	>100%	137	>100%	30.3	19.9	20.8
POLYMERS	518	350	48%	451	15%	93	50	87%	66	40%	17.9	14.1	14.7
BIOSOLUTIONS	77	68	14%	80	-3%	0	6	n.a.	10	n.a.	-0.5	9.2	12.3
POLYSILICON	525	298	76%	470	12%	225	51	>100%	256	-12%	42.7	17.1	54.5
Others	40	34	19%	37	10%	45	30	52%	42	7%	>100	87.9	>100
Consolidation	-5	-3	50%	-6	-23%	3	-1	n.a.	-1	n.a.	n.a.	n.a.	n.a.
WACKER Group	2,076	1,360	53%	1,688	23%	644	258	>100%	510	26%	31.0	19.0	30.2

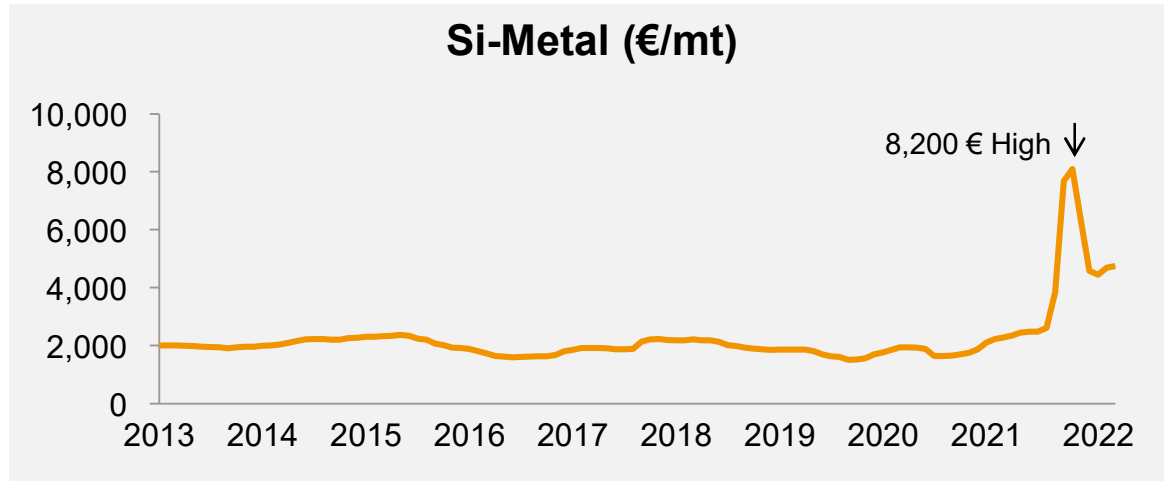
Appendix:

Strong Growth of Global PV Markets in 2022 Expected

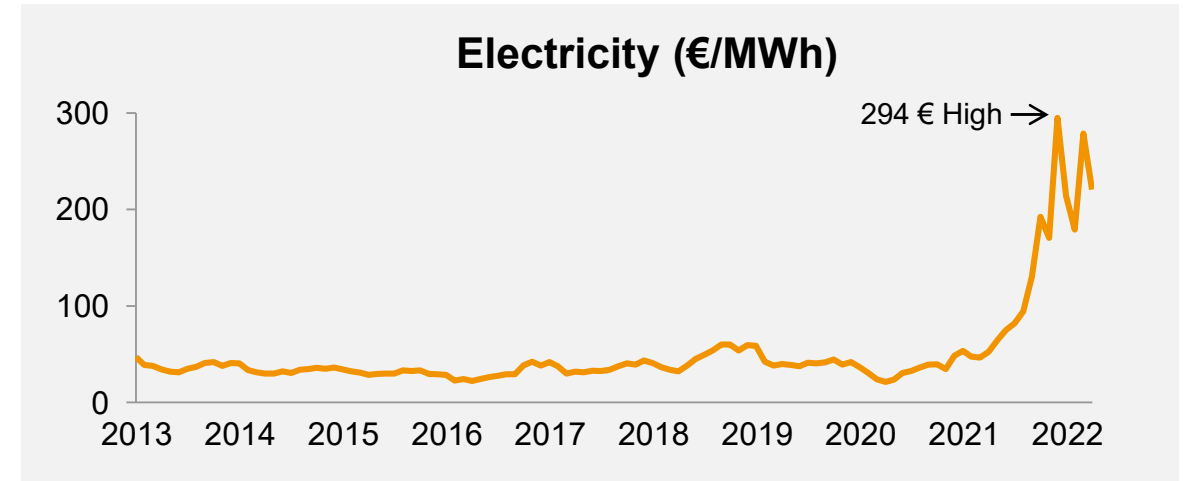
Country	2017	2018	2019	2020	2021	2022e
Germany	1.8	3.0	4.0	4.9	5.3	6.0 – 8.0
Spain	0.1	0.4	4.7	3.3	3.8	4.0 – 6.0
Europe other	4.9	8.1	13.0	13.0	19.9	22.0 – 26.0
Europe total	6.8	11.5	21.7	21.2	29.0	32.0 – 40.0
Australia	1.3	3.8	4.4	5.1	5.2	4.0 – 5.0
China*	52.8	44.3	30.1	48.2	54.9	75.0 – 90.0
India	9.6	8.5	7.3	3.2	12.0	11.0 – 14.0
Japan	7.4	7.0	7.5	8.2	7.5	6.0 – 8.0
USA	10.6	10.6	13.3	19.2	25.0	20.0 – 25.0
Rest of Americas	3.4	6.0	8.0	6.0	7.0	12.0 – 14.0
Rest of World	8.1	13.3	26.0	28.9	29.4	40.0 – 44.0
Total	100 GW	105 GW	118 GW	140 GW	170 GW	200 – 240 GW

Sources: SPE, IHS, industry announcements, WACKER estimates; *China official data adjusted for installed/not connected capacity

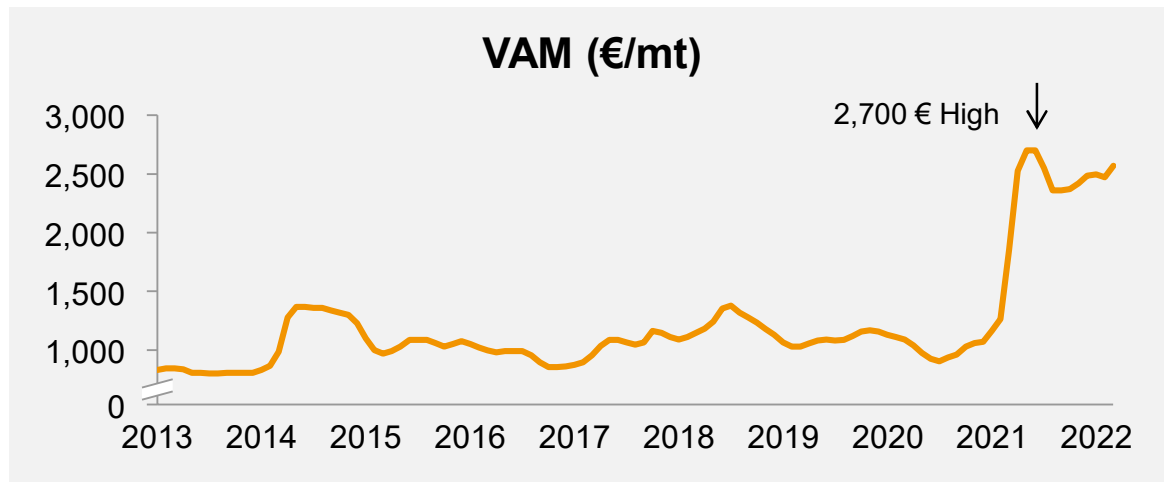
Appendix: Raw Materials, Power and Gas Show Strong Price Inflation



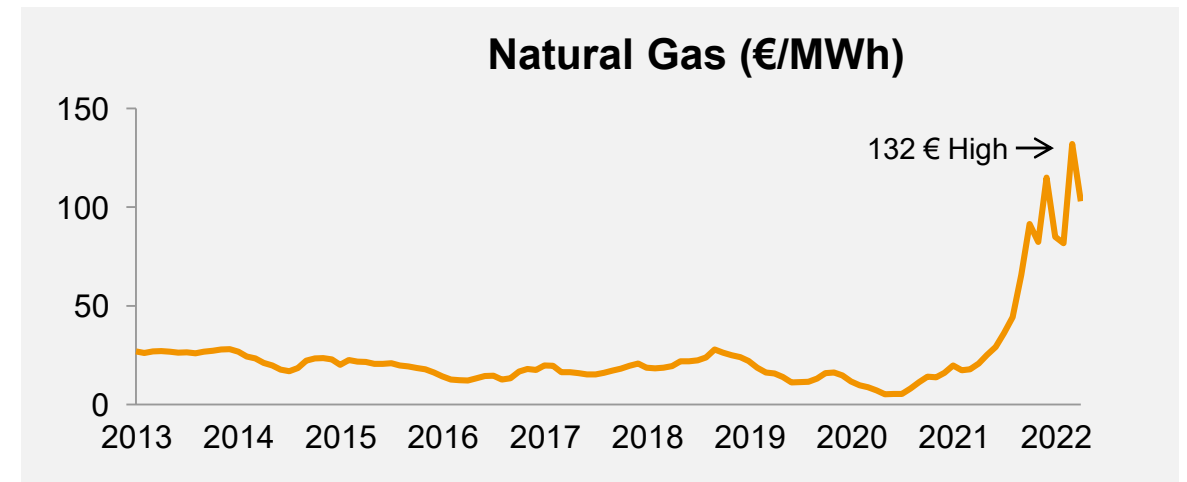
Source: CRU, Si-Metal Spot FD Europe



Source: EEX, Baseload Front Contract



Source: ICIS, Contract FD NWE



Source: PEGAS, Front Contract

WACKER: Issuer, Contact and Additional Information

Issuer and Contact

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Additional Information



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DE000WCH8881
WCH888
WCH

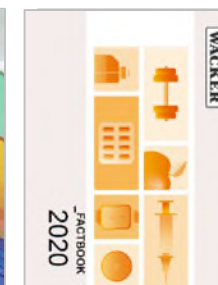
Financial Calendar

05/20/22	Annual General Meeting
07/28/22	Q2 2022 Results
10/27/22	Q3 2022 Results

Publications



CUSTOMER
MAGAZINE



FACTBOOK



SUSTAINABILITY
REPORT



SQUARE
APP