



WACKER

CREATING TOMORROW'S SOLUTIONS

Q2 2024 – Conference Call Note

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Front page: WACKER has reached a milestone on June 3rd by opening an mRNA competence center at its biotech site in Halle (Saale), Germany. The new facility enables the large-scale production of active ingredients based on messenger ribonucleic acid (mRNA), such as anti-Covid mRNA vaccines.

WACKER Q2 2024 Highlights

Financials



€1.5bn

Sales (-16% yoy)

Driven primarily by lower solar-poly volumes

€160m

EBITDA

(Q2/23: €256m)

10.9%

EBITDA Margin

(Q2/23: 14.6%)

€35m

Net Income

(Q2/23 €119m)

€661m

Net Debt

(31.12.23: €84m)

Operations



Higher Demand

Drives Chemicals EBITDA higher yoy and qoq

Lower Energy Costs

Support higher qoq EBITDA in POLYSILICON

Efficiency Measures

Ongoing focus on costs and driving specific operating costs lower

Sustainability



Enabling Sustainable Products

WACKER presents new Silicone products to improve the performance & safety of lithium batteries for EV automobiles at the Battery Show Europe 2024

Official Opening of the New mRNA Competence Center in Halle on June 3rd



mRNA Competence Center

- ▶ Production of mRNA vaccines / therapies multiple indications
- ▶ Four new production lines more than triple capacity in Halle



Pandemic Preparedness Plan

- ▶ WACKER / CordenPharma cover the entire mRNA vaccine production chain
- ▶ 80m vaccine doses p.a. for the German government if needed
- ▶ Part of the capacity is available to Germany for an annual stand-by fee

Fast Growing mRNA CDMO Market

- ▶ mRNA enable advanced therapies for multiple indications
- ▶ 1000+ clinical studies ongoing
- ▶ Focus areas: Covid, flu, malaria, tuberculosis, oncology, personalized medicine



Profit & Loss Statement

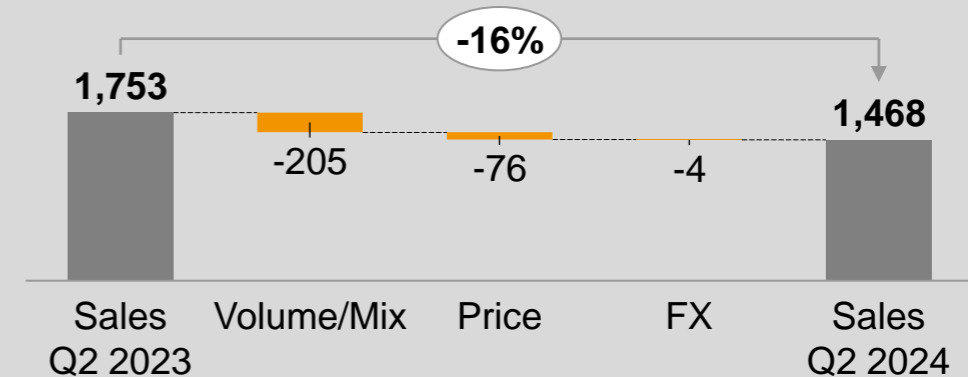
Group Q2/24 EBITDA at €160m, with Chemicals EBITDA +€21m Higher YoY

Profit & Loss (€m)

	Q2 2024	Q2 2023
Sales	1,468	1,753
Gross profit from sales	224	326
Gross margin	15.3%	18.6%
EBITDA	160	256
EBITDA margin	10.9%	14.6%
EBIT	43	153
EBIT margin	2.9%	8.7%
Net income	35	119
EPS	0.58	2.38

Q2 Comments

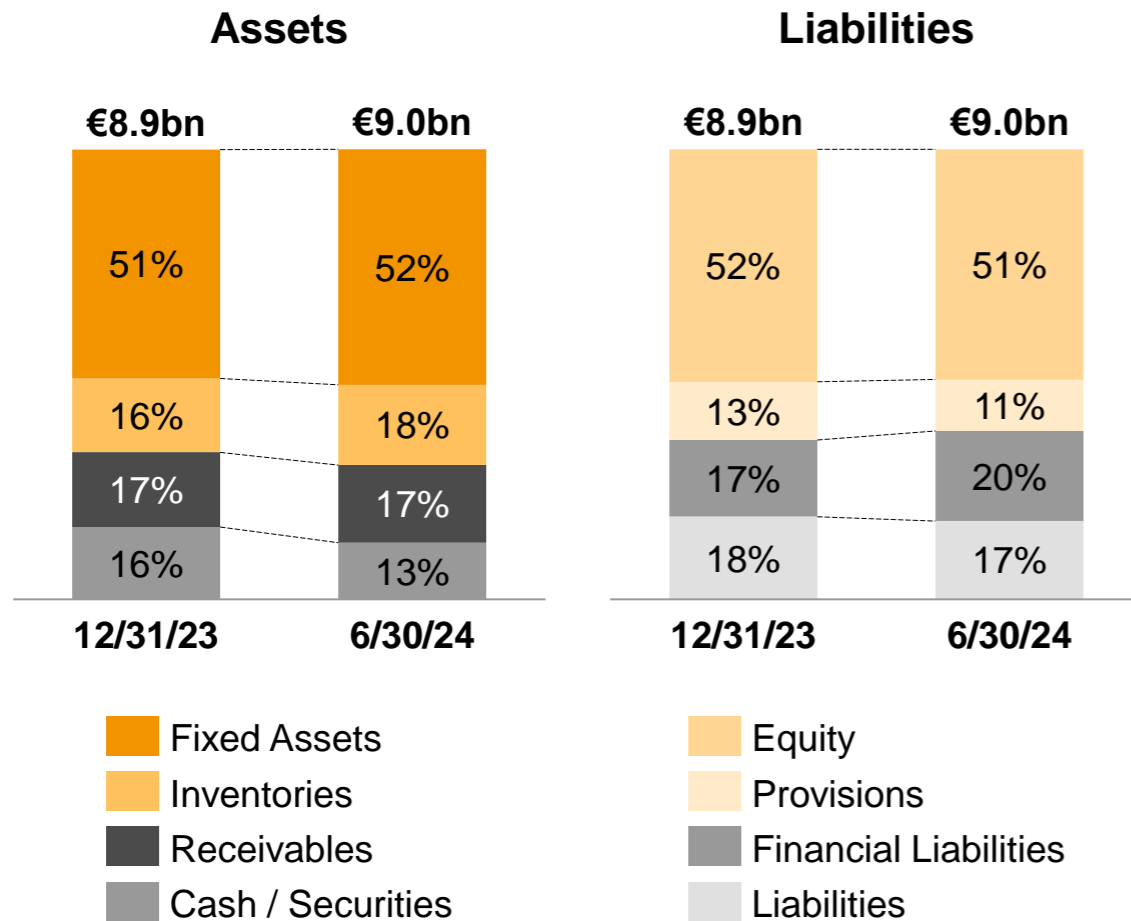
- ▶ Sales -16% yoy
Volume/Mix -14%, Price -5%, FX -0.3%
- ▶ Group EBITDA -37% yoy
Performance defined by lower solar-poly volumes but supported by higher silicone specialties demand & lower energy costs



Balance Sheet Composition

Resilient Financials with €4.6bn in Equity and €1.1bn in Liquidity

Balance sheet (%)

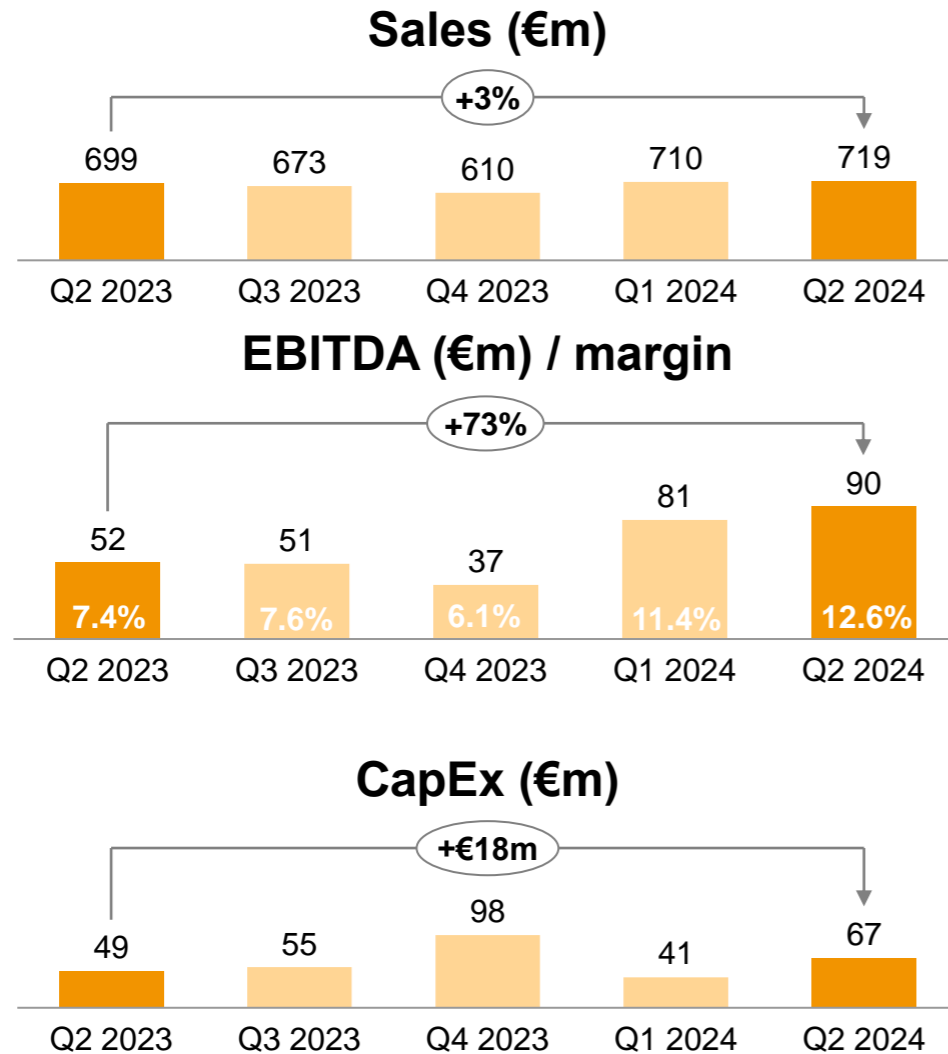


Characteristics 6/30/24

- ▶ Cash & Securities:
High level of liquidity at €1.1bn
- ▶ Working Capital:
+€278m higher due to seasonal higher sales in Chemicals and higher inventory in POLYSILICON
- ▶ Pension Provisions:
Slightly lower at €751m on higher discount rates
- ▶ Shareholder Equity:
+€40m higher at €4.6bn

SILICONES

Q2/24 EBITDA at €90m, Supported by High Specialties Demand



Comments Q2

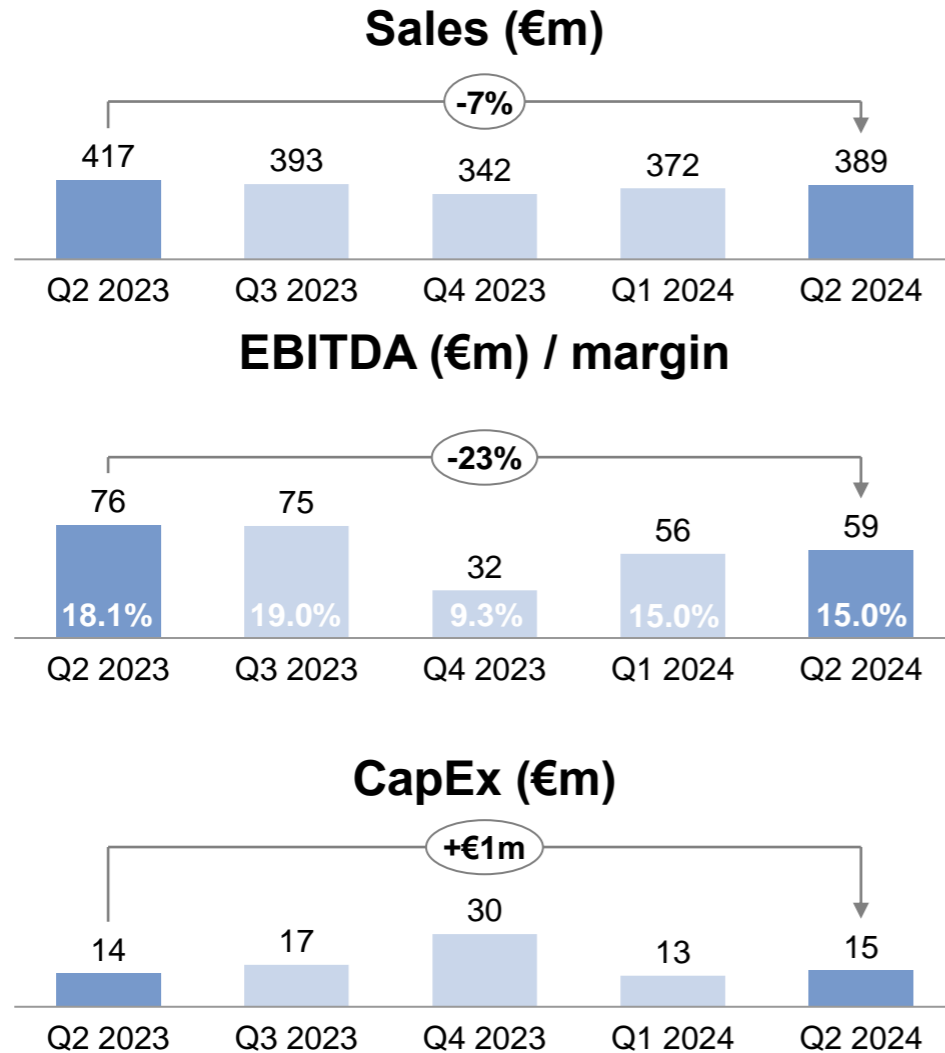
- ▶ Specialties clearly higher yoy & ongoing high volumes qoq
- ▶ Standards with limited plant availability, price pressure in Asia remains
- ▶ EBITDA supported by good mix, better plant loading & lower raw material costs
- ▶ Turnaround completed ahead of schedule

FY 2024 Outlook Updated

- ▶ Sales on PY level, with a low-double-digit % EBITDA margin
- ▶ Sales in all regions at PY level
- ▶ Higher volumes in Specialties
- ▶ Uneven order patterns remain

POLYMERS

Q2/24 EBITDA at €59m, Higher Demand YoY and Seasonally-Higher Volumes QoQ



Comments Q2

- ▶ Volumes up qoq & yoy, consumer-related binders with good demand
- ▶ Weak construction markets in W. Europe & China offset by demand growth in S.E Asia, Americas and Middle East
- ▶ Prices lower yoy and comparable qoq
- ▶ EBITDA up qoq with improved asset utilization rates

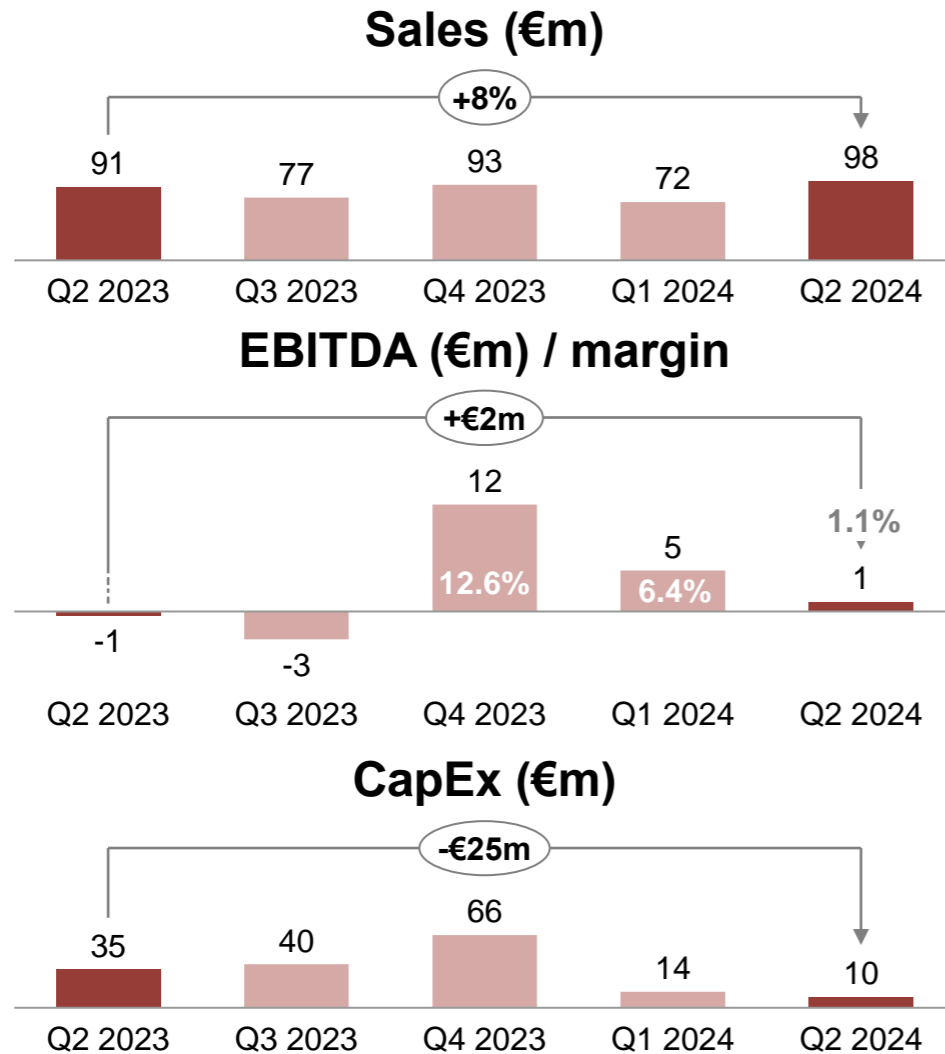
FY 2024 Outlook

- ▶ Sales lower (high-single-digit %) than PY with an EBITDA margin of around 15%
- ▶ Lower ASP with higher volumes in Dispersions and stable volumes in DPP¹, regional dynamics unchanged to PY
- ▶ Consumer markets show growth, construction markets expected to remain soft in 2024

1) DPP = Dispersible Polymer Powder

BIOSOLUTIONS

Q2/24 EBITDA at €1m, New mRNA Facility Successfully Started and Certified



Comments Q2

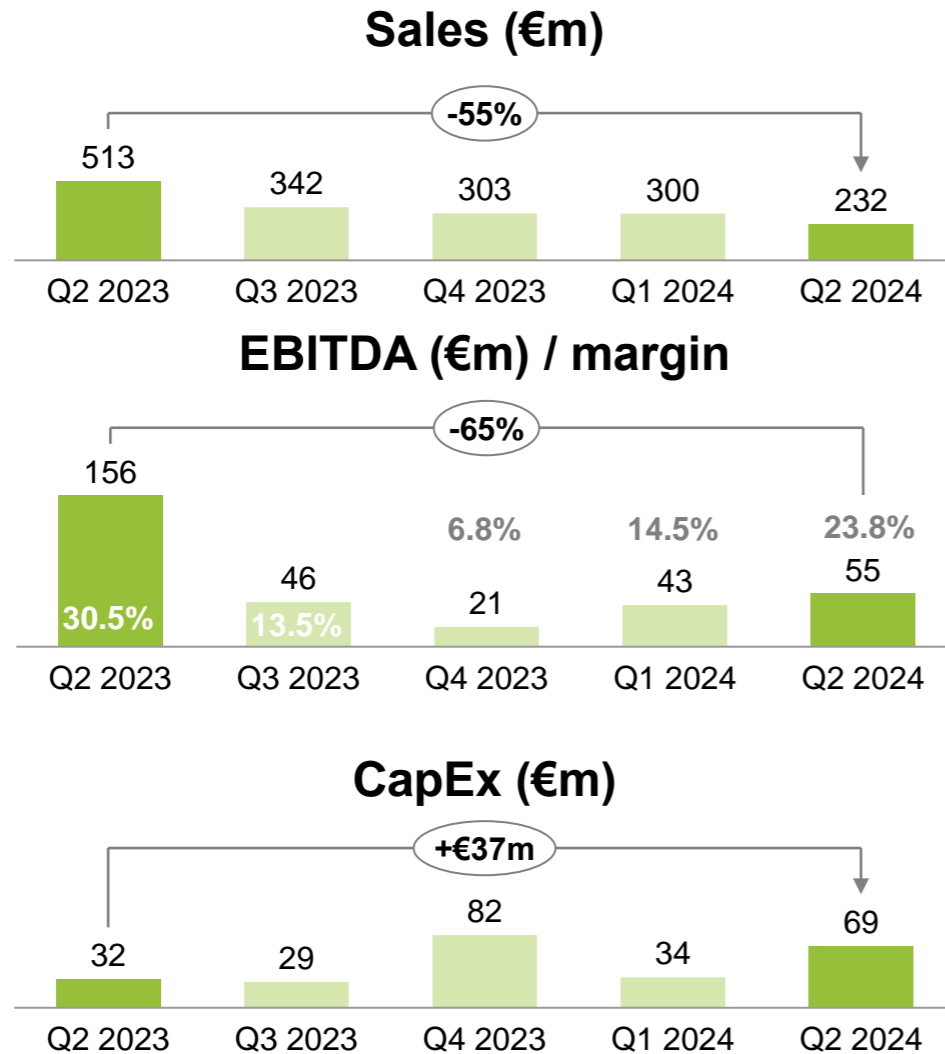
- ▶ mRNA facility start-up completed and certified by the Federal Government
- ▶ Sales growth yoy and qoq driven by BioPharma
- ▶ EBITDA held back by upfront and integration costs

FY 2024 Outlook

- ▶ Sales approx. 10% higher than PY with a significantly higher EBITDA
- ▶ Sales growth driven by BioPharma and BioIngredients
- ▶ Growth in sales and earnings in H2/24

POLYSILICON

Q2/24 EBITDA at €55m, Supported by Semi & US Solar Market



Comments Q2

- ▶ Sales decline yoy and qoq due to lower Solar-grade volumes sold
- ▶ No further sales at low China domestic prices
- ▶ EBITDA higher qoq on better average pricing & cost position
- ▶ Tennessee plant successfully ramped

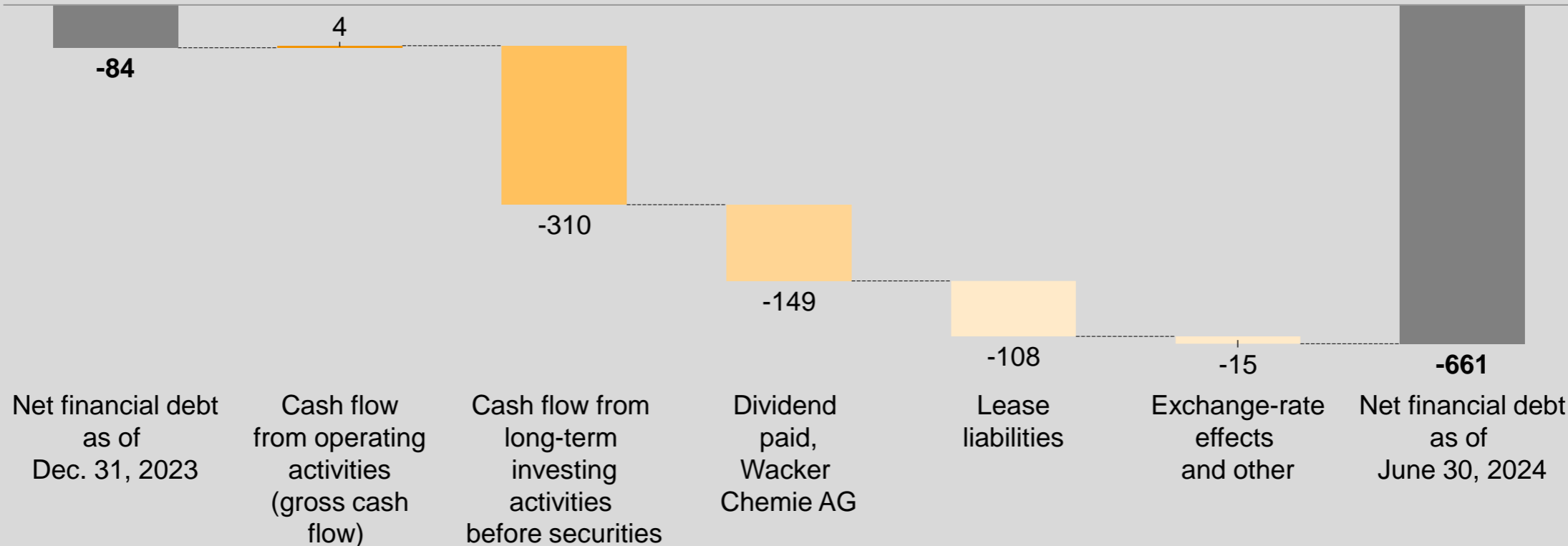
FY 2024 Outlook Updated

- ▶ Sales in the range of €1.1 – 1.4bn, with an EBITDA in the range of €200 – 300m
- ▶ Mix improvement and continued cost reductions
- ▶ H2 with uncertainty on volume development

Net Financial Position

Financials with a Net Debt of €661m

Net Financial Position Bridge per 6/30/2024 (€m)



Appendix

Q2 2024 Results

In €m	Q2 2024	Q2 2023	% YoY
Sales	1,468	1,753	-16%
EBITDA reported	160	256	-37%
EBITDA-Margin	10.9%	14.6%	
EBIT	43	153	-72%
EBIT-Margin	2.9%	8.7%	
Net income for the period	35	119	-71%
EPS	0.58	2.38	-75%
CapEx	177	145	22%
Net Cashflow	-179	-99	82%
Net Debt	661	270	145%

Appendix

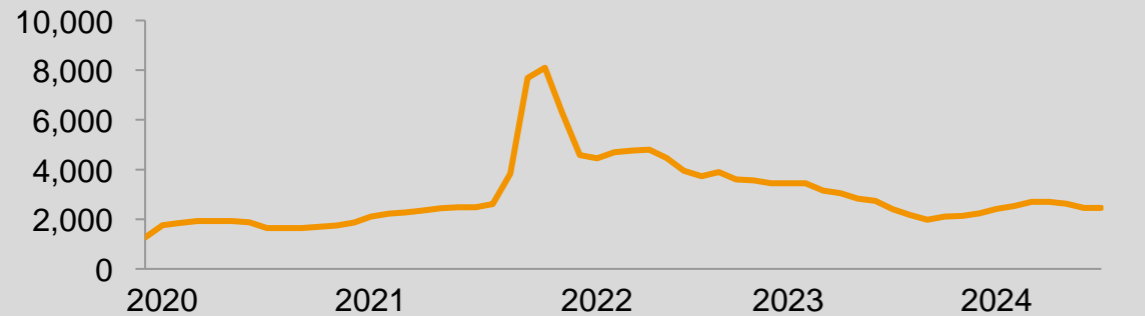
Q2 2024 Results – Breakdown by Business

In €m / %	Sales					EBITDA					EBITDA Margin (%)		
	Q2/24	Q2/23	% YoY	Q1/24	% QoQ	Q2/24	Q2/23	% YoY	Q1/24	% QoQ	Q2/24	Q2/23	Q1/24
Chemicals	1,108	1,115	-1%	1,083	2%	149	128	17%	137	9%	13.4	11.4	12.6
SILICONES	719	699	3%	710	1%	90	52	73%	81	11%	12.6	7.4	11.4
POLYMERS	389	417	-7%	372	5%	59	76	-23%	56	5%	15.0	18.1	15.0
BIOSOLUTIONS	98	91	8%	72	37%	1	-1	-	5	-	1.1	-0.6	6.4
POLYSILICON	232	513	-55%	300	-23%	55	156	-65%	43	27%	23.8	30.5	14.5
Others	34	38	-10%	39	-13%	-45	-27	-	-13	-	-	-	-
Consolidation	-4	-4	-	-4	-	0	-1	-	0	-	-	-	-
WACKER Group	1,468	1,753	-16%	1,490	-1%	160	256	-37%	172	-7%	10.9	14.6	11.6

Appendix

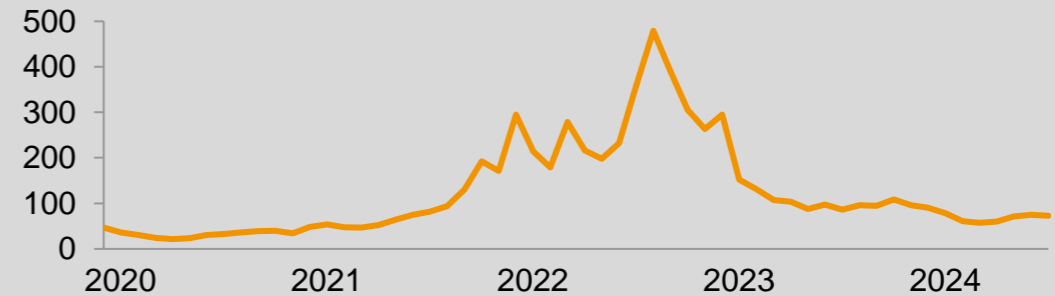
Key Raw Materials, Power and Gas

Si-Metal (€/mt)



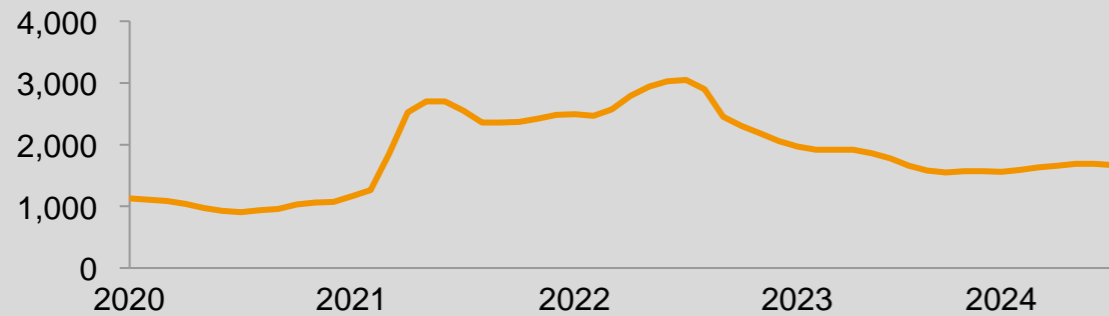
Source: CRU, Si-Metal Spot FD Europe

Electricity (€/MWh)



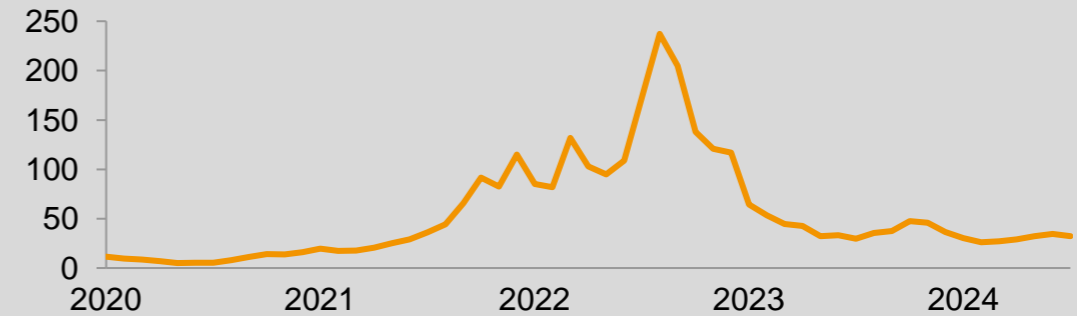
Source: EEX, Baseload Front Contract Avg. Month

VAM (€/mt)



Source: ICIS, Contract FD NWE

Natural Gas (€/MWh)



Source: PEGAS, Front Contract Avg. Month

Appendix

Guidance: FY EBITDA Now Expected in Upper Half of Range

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%

WACKER: Issuer, Contact and Additional Information

Issuer and Contact

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Financial Calendar

09/18+19/24 CMD Burghausen

10/29/24 Q3 2024 Results

Publications



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FACTBOOK



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