

# PRESS RELEASE

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## *Wacker Chemie AG's Figures for Q3 2024 (not audited)*

WACKER performed in Q3 2024 despite the ongoing difficult market environment

- ◆ GROUP SALES FOR Q3 2024 TOTAL €1.43 BILLION, DOWN 6 PERCENT YEAR OVER YEAR
- ◆ EBITDA ON PAR WITH PREVIOUS YEAR AT €152 MILLION
- ◆ NET INCOME FOR Q3 2024 AMOUNTS TO €34 MILLION
- ◆ NET CASH FLOW COMES IN AT €-99 MILLION
- ◆ “WE GENERATED STRONG EARNINGS IN OUR SPECIALTY CHEMICALS BUSINESS DESPITE CONSIDERABLE HEADWIND,” SAID PRESIDENT AND CEO CHRISTIAN HARTEL
- ◆ FULL-YEAR FORECAST CONFIRMED

**Munich**, October 28, 2024 – Wacker Chemie AG saw its sales decline in the third quarter of 2024 due to the ongoing difficult market environment. The chemical company generated sales of around €1.43 billion in the reporting quarter (Q3 2023: €1.52 billion), down 6 percent. This decline was mainly due to significantly lower volumes sold by the POLYSILICON division. Compared with Q2 2024 (€1.47 billion), sales decreased 3 percent.

In Q3 2024, WACKER posted EBITDA (earnings before interest, taxes, depreciation and amortization) of €152 million (Q3 2023: €152 million). Earnings were thus on par with last year, despite the lower volumes sold by the POLYSILICON division. Compared with the previous quarter's EBITDA (€160 million), earnings decreased 5

percent. The WACKER Group's EBITDA margin for Q3 2024 was 10.6 percent, after 10.0 percent a year earlier and 10.9 percent a quarter earlier.

Group earnings before interest and taxes (EBIT) amounted to €37.1 million in the reporting quarter. This was 24 percent less than a year earlier (€49 million) and corresponded to an EBIT margin of 2.6 percent (Q3 2023: 3.2 percent). As in the previous year, net income for the reporting quarter amounted to €34 million (Q3 2023: €34 million) and earnings per share came in at €0.56 (Q3 2023: €0.56).

WACKER has confirmed its full-year forecast for 2024. Its sales guidance remains in the range of €6.0 billion to €6.5 billion. EBITDA is likely to come in between €600 million and €800 million; WACKER continues to expect it to be in the upper half of this range.

"The economic environment and the level of demand in the chemical industry remain challenging for WACKER," said Group CEO Christian Hartel. "In view of this, the strong performance in our chemical business is impressive. Despite considerable headwind here, our earnings after the first three quarters of this year are higher than in the previous year," he explained on Monday in Munich.

"Many companies with direct sales to end consumers have curbed their production: the automotive and construction industries in particular are weak at the moment. This has repercussions for us," continued Hartel.

In view of the current business trend, he emphasized that "the majority of our customers are continuing to exercise caution when placing orders because they are facing weak demand. The lower demand for solar-grade polysilicon has impacted our POLYSILICON

division. The USA's ongoing antidumping investigations into solar imports from some countries in Southeast Asia has led to market uncertainty. By contrast, the hyperpure semiconductor-grade polysilicon business performed well. This shows that our long-term strategy is paying off. In our biopharmaceuticals business, the opening of our mRNA competence center in Halle a few months ago has been a growth driver.”

WACKER has focused firmly on efficiency and cost discipline for some time now in order to tackle the challenges posed by the ongoing difficult market environment.

The CEO remains optimistic about the company's long-term prospects: “we confirmed our growth and sustainability targets for 2030 at our Capital Markets Day in mid-September. We are investing extensively to be able to meet the needs of our customers in the various industries and regions. Even though we are currently in a difficult economic environment, we are convinced that we are well positioned for the future: we have a committed team of experts, high innovative strength, and products and solutions that address the megatrends of our time.”

To grow even further, WACKER is pursuing a comprehensive investment program to expand its capacities in all its business divisions and regions. For example, investments focus on specialty silicones in both China and Nünchritz, Germany; the expansion of its hyperpure semiconductor-grade polysilicon capacities for applications demanding extremely high quality; and strengthening of its biotech activities.

**Regions**

Sales performance varied from region to region in the third quarter of 2024. Sales in Asia decreased to €501 million, around 22 percent lower than a year earlier (Q3 2023: €642 million). Sales in the Americas totaled €273 million, up 9 percent versus a year earlier (Q3 2023: €250 million). Reporting-quarter sales in Europe totaled €572 million (Q3 2023: €551 million), up 4 percent versus a year earlier.

**Capital Expenditures and Net Cash Flow**

At €149 million, the Group's capital expenditures in Q3 2024 were 4 percent lower than a year earlier (Q3 2023: €155 million). Funds were invested primarily in expanding production capacities in the chemical divisions. Other investment spending was directed, for example, toward increasing capacity for biopharmaceuticals and semiconductor-grade polysilicon.

WACKER's net cash flow amounted to €-99 million in Q3 2024 (Q3 2023: €128 million). This decline mainly stems from higher investments in working capital.

**Employees**

The number of WACKER employees worldwide remained stable in the reporting quarter. The Group had 16,555 employees on September 30, 2024 (June 30, 2024: 16,461). At the end of the quarter, 10,596 employees worked at WACKER sites in Germany (June 30, 2024: 10,609) and 5,959 at international locations (June 30, 2024: 5,852).

**Business Divisions**

In Q3 2024, **WACKER SILICONES** generated total sales of €727 million (Q3 2023: €673 million), up by 8 percent year over year. Sales

and earnings benefited from the higher year-over-year volumes for specialty products. Compared with the preceding quarter (€719 million), sales increased by 1 percent. WACKER SILICONES' reporting-quarter EBITDA came in at €109 million, more than twice as high as the previous year (€51 million) and up 20 percent on the preceding quarter (€90 million). The positive earnings performance is primarily due to higher volumes. The EBITDA margin in Q3 2024 was 15.0 percent, after 7.6 percent in Q3 2023 and 12.6 percent in the preceding quarter.

Sales at **WACKER POLYMERS** totaled €365 million in the reporting quarter, 7 percent lower year over year (€393 million). This decline mainly stems from lower prices. Sales were down 6 percent compared with the preceding quarter (€389 million). WACKER POLYMERS posted EBITDA of €46 million in Q3 2024, down 38 percent compared with a year ago (€75 million). This was primarily due to lower prices. Compared with the prior quarter (€59 million), EBITDA was 21 percent lower due to the negative impact of a temporary shutdown at a key European supplier. The EBITDA margin was 12.6 percent in the reporting quarter, after 19.0 percent a year earlier and 15.0 percent in the preceding quarter.

**WACKER BIOSOLUTIONS** generated total sales of €100 million in Q3 2024. That was 29 percent higher than a year earlier (€77 million) and 2 percent more than the prior quarter (€98 million). Growth in WACKER's biopharmaceutical operations was one of the factors that supported the positive sales trend. EBITDA at WACKER BIOSOLUTIONS amounted to €14 million in the reporting quarter and was €17 million higher than a year earlier (€-3 million). Relative to the prior quarter (€1 million), EBITDA increased by €13 million. The

positive earnings trend was primarily due to the opening of the new mRNA competence center in Halle. The EBITDA margin was 13.7 percent, versus -4.0 percent a year earlier and 1.1 percent in the prior quarter.

**WACKER POLYSILICON** posted total sales of €209 million in the reporting quarter. That was 39 percent below the year-earlier figure (€342 million) and 10 percent less than in Q2 2024 (€232 million). This decline was due to low demand in view of the USA's ongoing antidumping investigations into imports of solar products from certain countries in Southeast Asia. WACKER POLYSILICON's reporting-quarter EBITDA came in at €29 million. Due especially to lower volumes, the division's earnings were 36 percent lower than the previous year (€46 million) and 46 percent below the previous quarter's EBITDA (€55 million). From July through September 2024, the division's EBITDA margin was 14.0 percent, after 13.5 percent in Q3 2023 and 23.8 percent in Q2 2024.

### **Outlook**

WACKER detailed its projections for the Group's performance this year in the Outlook section of its 2023 Annual Report.

The company has confirmed this forecast. WACKER expects business to be slightly down in 2024. Its sales guidance is in the range of €6.0 billion to €6.5 billion. EBITDA is predicted at between €600 million and €800 million; WACKER continues to expect it to be in the upper half of the range. The EBITDA margin is likely to be markedly lower than last year, with capital expenditures slightly below the prior-year figure. Investments will significantly exceed depreciation and amortization, which is expected at €450 million in 2024. WACKER expects net income to be substantially lower year

over year. Net financial debt is projected to be higher. Net cash flow is likely to be negative in 2024 and significantly below last year's figure. ROCE is expected to be considerably lower than last year.

WACKER is maintaining its strategy and targets for 2030, as recently announced at its Capital Markets Day.

**Note to editors:** *More information on the 2024 Capital Markets Day can be found on WACKER's website ([www.wacker.com](http://www.wacker.com)) under Investor Relations.*

The [2023 Annual Report](#) and the [2024 Half-Yearly Financial Report](#) can also be found at [www.wacker.com](http://www.wacker.com).

**Key Figures for the WACKER Group**

€ million	Q3 2024	Q3 2023	Change in %	9M 2024	9M 2023	Change in %
Sales	1,429.6	1,522.8	-6.1	4,387.0	5,019.6	-12.6
EBITDA	152.0	151.9	0.1	484.2	688.4	-29.7
EBITDA margin (%)	10.6	10.0	-	11.0	13.7	-
EBIT	37.1	48.9	-24.1	143.1	379.5	-62.3
EBIT margin (%)	2.6	3.2	-	3.3	7.6	-
Financial result	-8.1	-7.2	12.5	-19.1	-21.4	-10.7
Income before income taxes	29.0	41.7	-30.5	124.0	358.1	-65.4
Net income for the period	33.9	33.5	1.2	117.1	299.6	-60.9
Earnings per share (basic/diluted) (€)	0.56	0.56	0.0	2.04	5.85	-65.1
Capital expenditures excluding acquisitions	149.0	155.2	-4.0	443.1	404.6	9.5
Depreciation/amortization	114.9	103.0	11.6	341.1	308.9	10.4
Net cash flow	-99.2	127.6	n.a.	-404.7	78.4	n.a.
				<b>Sept. 30, 2024</b>	<b>Sept. 30, 2023</b>	<b>December 31, 2023</b>
Total assets				8,941.6	8,812.4	8,854.4
Equity				4,586.4	4,741.4	4,579.9
Equity ratio (%)				51.3	53.8	51.7
Financing liabilities				1,795.0	1,537.2	1,505.6
Net financial debt (-)/ net financial assets (+)				-771.9	-163.7	-83.7
Employees (number at end of period)				16,555.0	16,391.0	16,378.0







*This report contains forward-looking statements based on assumptions and estimates of WACKER's Executive Board. Although we assume the expectations in these forward-looking statements are realistic, we cannot guarantee they will prove to be correct. The assumptions may harbor risks and uncertainties that may cause the actual figures to differ considerably from the forward-looking statements. Factors that may cause such discrepancies include, among other things, changes in the economic and business environment, variations in exchange and interest rates, the introduction of competing products, lack of acceptance for new products or services, and changes in corporate strategy. WACKER does not plan to update its forward-looking statements, nor does it assume the obligation to do so.*

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WACKER is a global company with state-of-the-art specialty chemical products found in countless everyday items, with applications ranging from tile adhesives to computer chips. It has a worldwide network of 27 production sites, 22 technical competence centers and 48 sales offices with some 16,400 employees and annual sales of around €6.4 billion (2023).

WACKER operates through four business divisions. The chemical divisions WACKER SILICONES and WACKER POLYMERS supply products (silicones, polymeric binders) for the automotive, construction, chemical, consumer goods and medical technology industries. WACKER BIOSOLUTIONS, the life sciences division, specializes in bioengineered products such as biopharmaceuticals and food additives. WACKER POLYSILICON produces hyperpure polysilicon for the semiconductor and photovoltaic industries.