



# WE GO BEYOND TO ENABLE TRANSFORMATION

Company Presentation Q3 2024



# Table of contents

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1. **Evonik at a glance**
2. Consistent strategy execution coming through in the numbers
3. Financial performance Q3 2024

# Evonik at a glance (until April 2025)

**€15.3 bn**

Sales

**€1.7 bn** (10.8%)

Adj. EBITDA (margin)

**€801 m** (48%)

Free Cashflow (conversion)

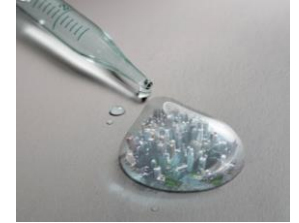
**€1.17** (>6%)

Dividend (yield)

**LEADING  
BEYOND  
CHEMISTRY**

## Specialty Additives

Small amount –  
big effect



## Nutrition & Care

Life at heart.  
Systems in mind.  
Partners at hand.



## Smart Materials

We find solutions  
for the needs  
of today and tomorrow





# Evonik well positioned as enabler of transformation

## ENSURE HEALTH & WELL-BEING

### DRUG DELIVERY SYSTEMS

- ⊕ Advanced oral & parenteral drug delivery systems (e.g. mRNA LNP)



### FUTURE MOBILITY

- ⊕ Lightweight solutions
- ⊕ Solutions for hybrid & full battery cars



## FIGHT CLIMATE CHANGE

### SPECIALTY ADDITIVES

- ⊕ for environmentally-friendly solutions, e.g. water-based artificial leather



### ENVIRONMENT & UTILITIES

- ⊕ Membranes for biogas separation / hydrogen
- ⊕ New process catalysts



## WE GO BEYOND TO ENABLE TRANSFORMATION

### CIRCULAR ECONOMY

- ⊕ Circular plastic & PU additive solutions
- ⊕ Specialty hydrogen peroxides solutions



### BIO-BASED SOLUTIONS

- ⊕ Bio-based & fully bio-degradable surfactants
- ⊕ Natural active cosmetics ingredients



### SUSTAINABLE NUTRITION

- ⊕ Omega-3 fatty acids from natural marine algae
- ⊕ Gut health solutions



## DRIVE CIRCULARITY

## SAFEGUARD ECOSYSTEMS

# Next Generation Evonik: Our strategy

Three major strategic levers...

... with sustainability fully integrated ...

... delivering on ambitious targets

## Next Generation Portfolio

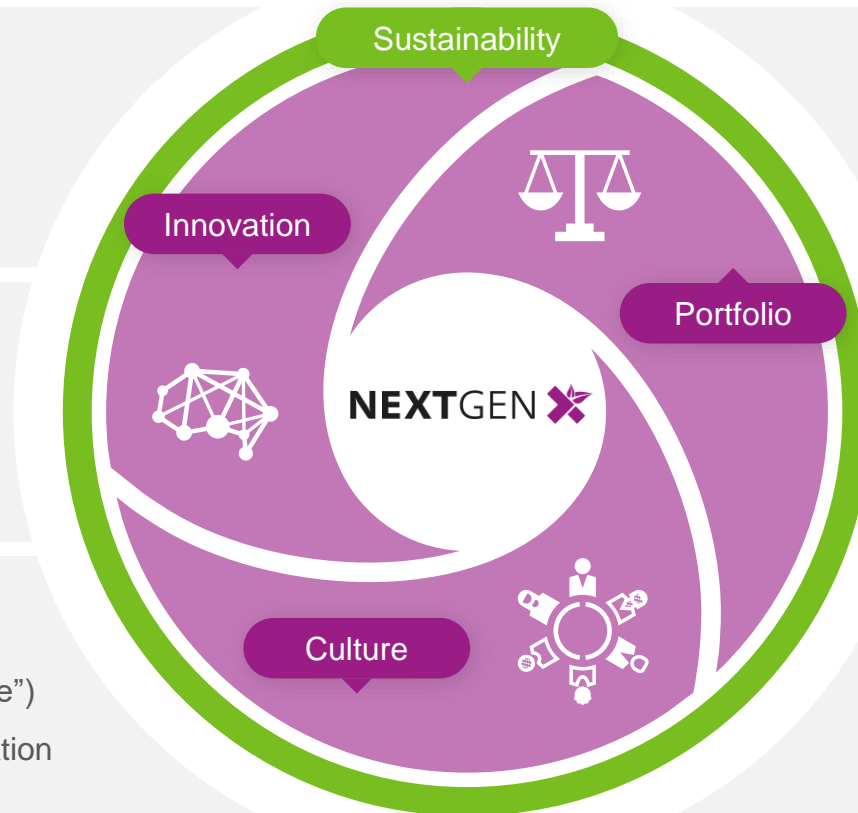
- + Exit Performance Materials division
- + Balanced approach with two main segments

## Next Generation Innovation

- + €1.5 bn additional sales from 3 Innovation Growth Areas by 2032

## Next Generation Culture

- + Employee empowerment (“Evonik Tailor Made”)
- + ESG targets integrated into mgmt. compensation



## ESG Targets<sup>1</sup>

- + >50% sales share of **NEXTGEN Solutions** ✦
- + -25% CO<sub>2</sub> emission reduction, e.g. via **NEXTGEN Technologies** ✦

## Financial Targets







- + Organic growth >4%
- + EBITDA margin 18-20%
- + ROCE ~11%
- + FCF Conversion >40%

1. Until 2030

# New Innovation Growth Areas revealed – €1.5 bn additional sales targeted




## Addressing our most relevant sustainability trends


### Previous Innovation Growth Fields

		
Advanced Food Ingredients	Additive Manufacturing	Sustainable Nutrition
		
Cosmetic Solutions	Membranes	Healthcare Solutions

- Introduced in 2016
- Targeted €1 bn additional sales until FY 2025
- €650 m achieved end of FY 2023 with EBITDA margin well above Group average
- Further growth in FY 2024 despite difficult macro

### WE GO BEYOND TO ENABLE THE GREEN TRANSFORMATION

	<b>Advance Precision Biosolutions</b>	Leveraging biotechnology to enhance human health and quality of life while protecting our ecosystems
	<b>Enable Circular Economy</b>	Helping to close material cycles and paving the way for a sustainable future of our customers
	<b>Accelerate Energy Transition</b>	Addressing not only emission reduction, but also the capture, utilization, and storage of CO <sub>2</sub>






**€1.5 bn additional sales by 2032<sup>1</sup>**

1. Vs base year 2023

# Overview of new Innovation Growth Areas and selected innovation fields

## WE GO BEYOND TO ENABLE THE GREEN TRANSFORMATION

Innovation Growth Areas		Selected innovation fields
 <p><b>Advance Precision Biosolutions</b></p>	<p>Leveraging biotechnology to enhance human health and quality of life while protecting our ecosystems</p>	<ul style="list-style-type: none"> <li>▪ Biosurfactants</li> <li>▪ Skin Microbiome</li> <li>▪ Nucleic Acid Based Medicines</li> </ul>
 <p><b>Enable Circular Economy</b></p>	<p>Helping to close material cycles and paving the way for a sustainable future of our customers</p>	<ul style="list-style-type: none"> <li>▪ PU-Recycling</li> <li>▪ Ceramic Membranes for Lithium Recovery</li> <li>▪ Specialty Chemicals from CO<sub>2</sub></li> </ul>
 <p><b>Accelerate Energy Transition</b></p>	<p>Addressing not only emission reduction, but also the capture, utilization, and storage of CO<sub>2</sub></p>	<ul style="list-style-type: none"> <li>▪ AEM for Water Electrolysis</li> <li>▪ Additives for Spray-Foams &amp; Insulation Panels</li> <li>▪ Carbon Capture</li> </ul>

# Sustainability integrated in portfolio and strategic management processes

## Excellent Rankings



### Sector leading rankings

Evonik leading in most relevant ratings – “AA” MSCI ESG, “Top 5%” Sustainalytics, EcoVadis “Platin”, “B” ISS Oekom and “A-” CDP

## Environmental Targets

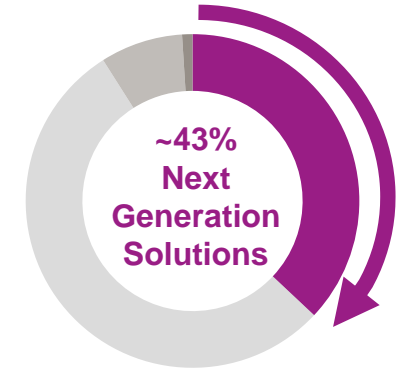


reduction of scope 1 and scope 2 emission until 2030 (vs. 2021)

### Ambitious environmental targets

Evonik’s sustainability strategy with ambitious targets  
Evonik will be climate neutral by 2050

## Portfolio Management



### Portfolio aligned to sustainability

Sales share with solutions with a clearly positive sustainability profile; target of >50% by 2030



# Leaner and more differentiated Evonik with new Group structure (from April 2025)

## CUSTOM SOLUTIONS

- Sales: €5.6 bn; adj. EBITDA: €852 m; ~7,000 employees
- Innovation-driven businesses with tailored solutions for customers
- Stronger role as growth driver with superior EBITDA growth

### Additives Sales €3.7 bn

Main products:  
Additives for CASE<sup>2</sup> industry  
Lubricant additives  
PU foam additives  
Catalysts

### Health & Care Sales €1.9 bn

Care Solutions  
Health Care

## ADVANCED TECHNOLOGIES

- Sales: €6.0 bn; adj. EBITDA: €752 m; ~8,000 employees
- Efficiency-driven businesses with leading technology & cost position
- Stronger financing role with superior cash flow generation

### Organics Sales €1.7 bn

Crosslinkers  
High Performance Polymers

### Inorganics Sales €2.5 bn

Silica  
Hydrogen Peroxide

### Animal Nutrition Sales €1.8 bn

Amino acids (e.g. Methionine)

TECHNOLOGY & INFRASTRUCTURE <sup>1)</sup> / OTHER (Sales: €3.7 bn; adj. EBITDA €52 m)

# Two segments reflecting different business archetypes

Custom Solutions

Advanced Technologies

Tailored Solutions

**Winning Argument**

Technology/Cost (Economies of Scale)

Product/Project/Solution

**Innovation Focus**

Process

Expand Position

**Market Position**

Maintain leading Position

Product Excellence (incl. Time-to-Market)

**Excellence Focus**

Operational Excellence

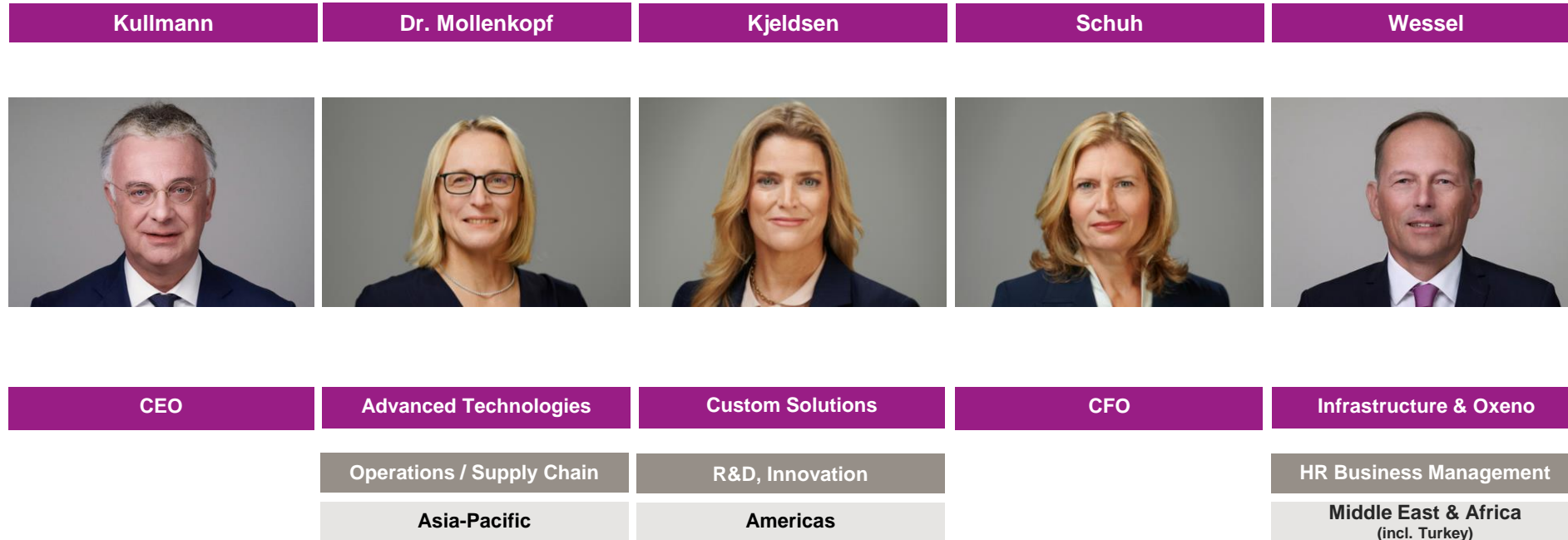
Offering/Market

**Driver of Complexity**

Assets/Sites

# Executive Board

## New set-up as of April 1<sup>st</sup>, 2025



# Table of contents

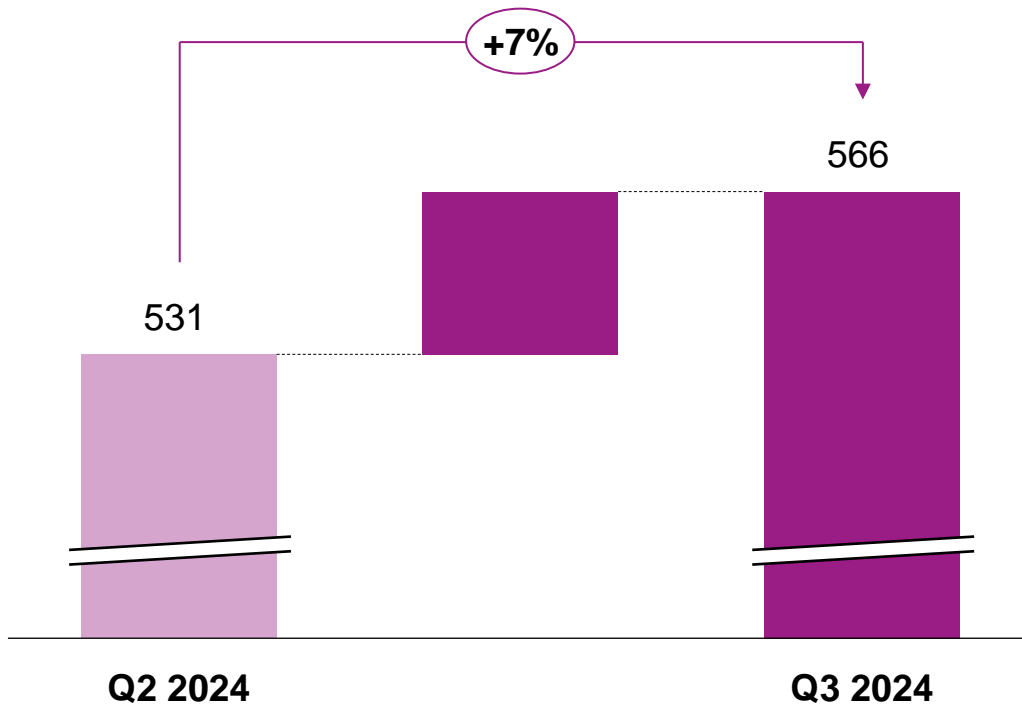
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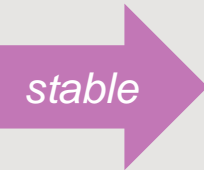


# Three core divisions up sequentially

## Core divisions<sup>1</sup> adj. EBITDA (in € m)



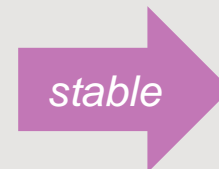
## Q3 vs Q2 2024



- Continued solid performance across virtually all businesses
- Volumes only marginally lower qoq
- Active cost management continued



- Driven by Animal Nutrition: higher volumes after expansion shutdown; healthy market growth and solid pricing
- Continued positive momentum in Care Solutions



- EBITDA close to Q2 level; margin stable due to lower fixed & variable costs
- Stable development across virtually all businesses

1. Specialty Additives, Nutrition & Care & Smart Materials

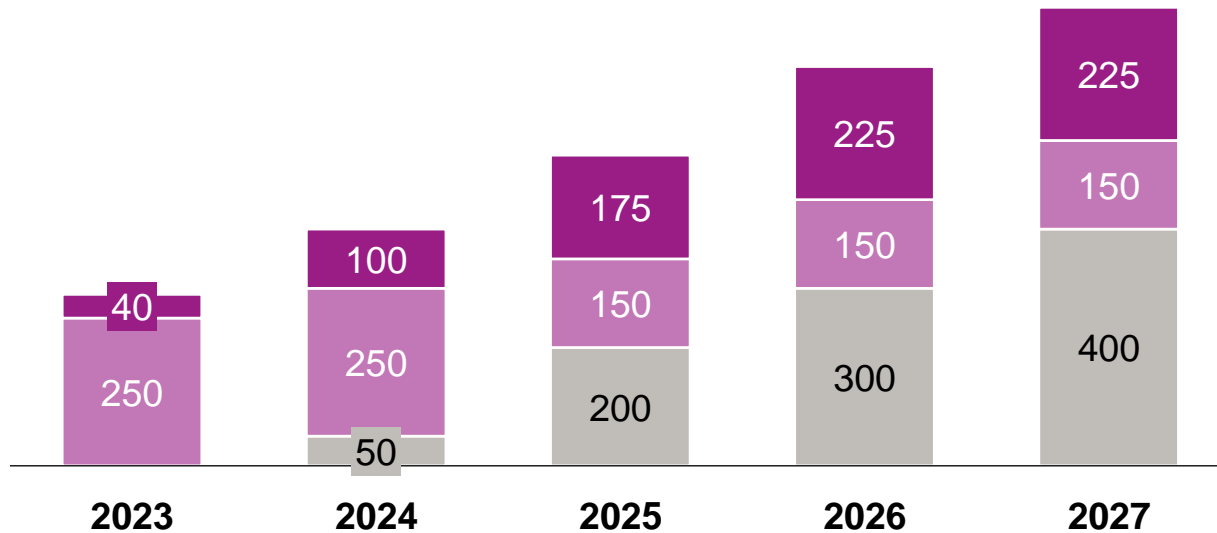
# Cost savings programs continue to support earnings and margins

## Further ramp-up into FY 2025

### Overview gross savings (in € m)

■ Evonik Tailor Made ■ Contingencies ■ Business Optimization

*Gross savings partly countered by factor cost increases*



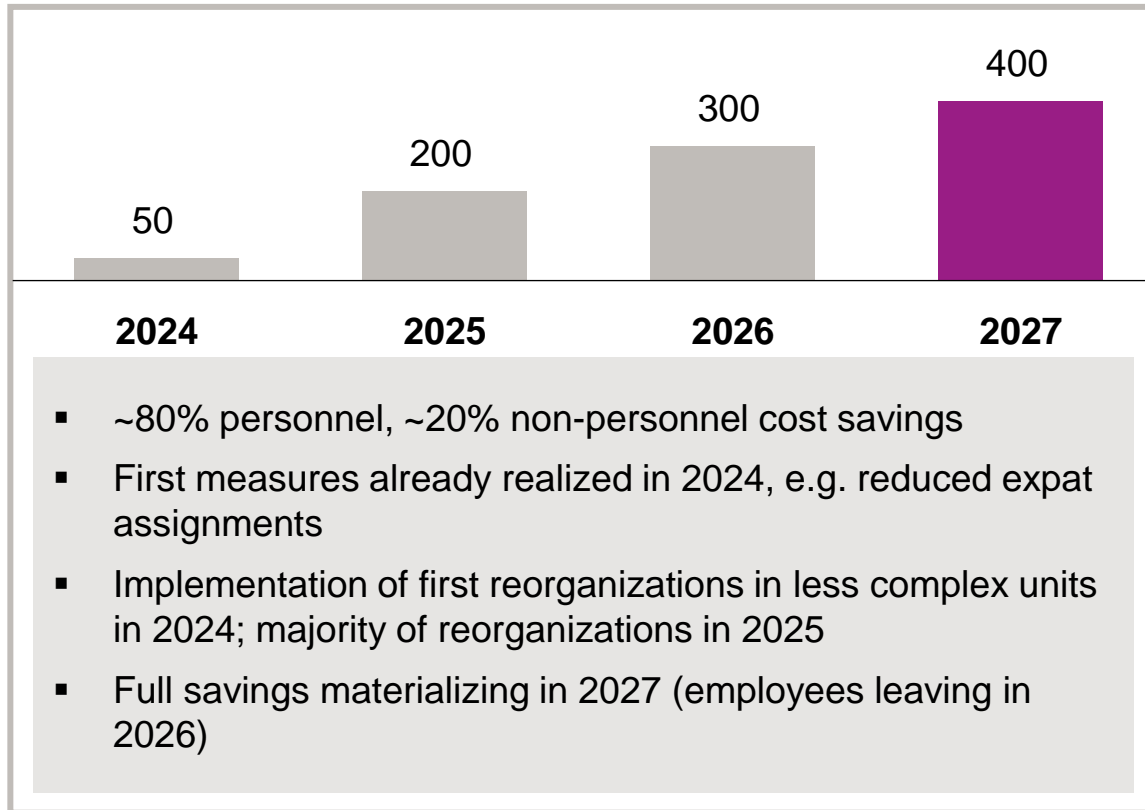
### Effects in FY 2025

- Business optimization: **Additional gross ~€75 m** from measures in Animal Nutrition (started in 2023, full effect in FY 2026) as well as Coating Adhesive Resins and Health Care (started H2 2024)
- Short-term contingencies: Introduced in FY 2023, will be **partly reversed** in FY 2025 (**-€100 m**) to support business recovery seen this year
- “Evonik Tailor Made”: **Additional ~€150 m** gross savings in FY 2025

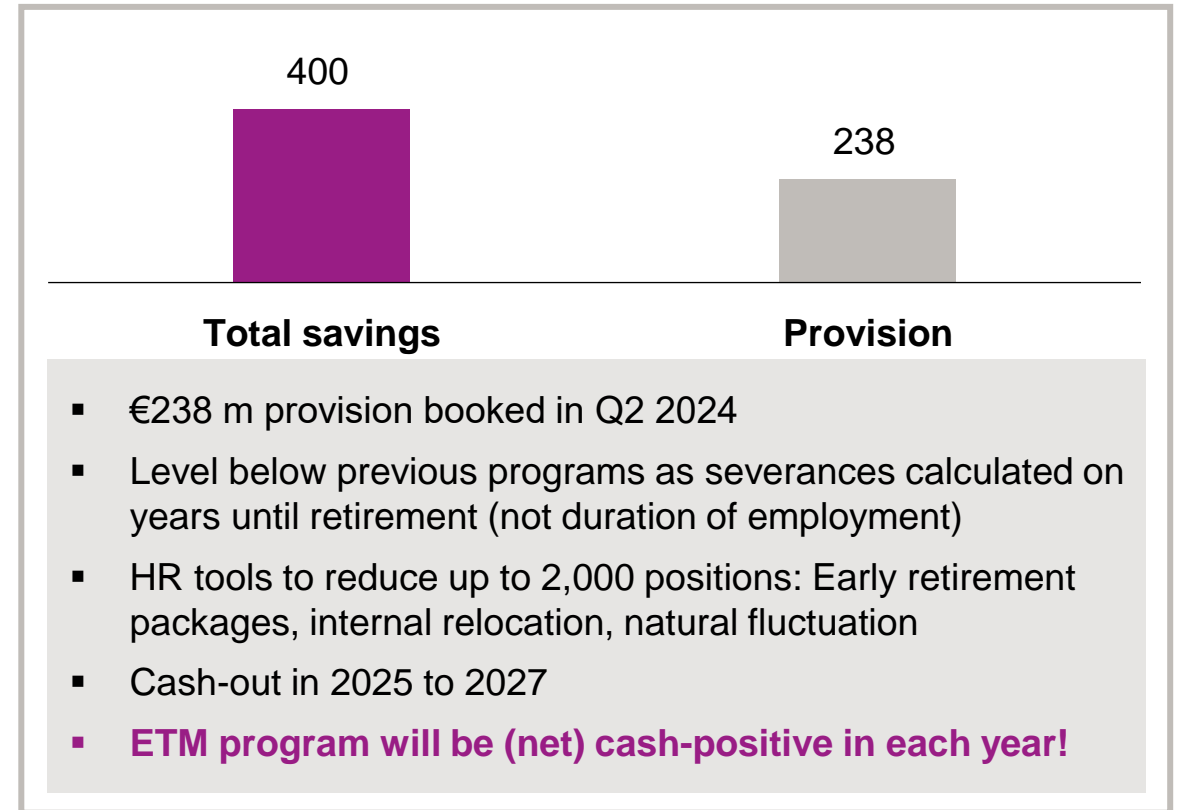
# Evonik Tailor Made

First material savings in FY 2025 - (net) cash-positive in each year

## Phasing of cost savings (cumulated; in € m)

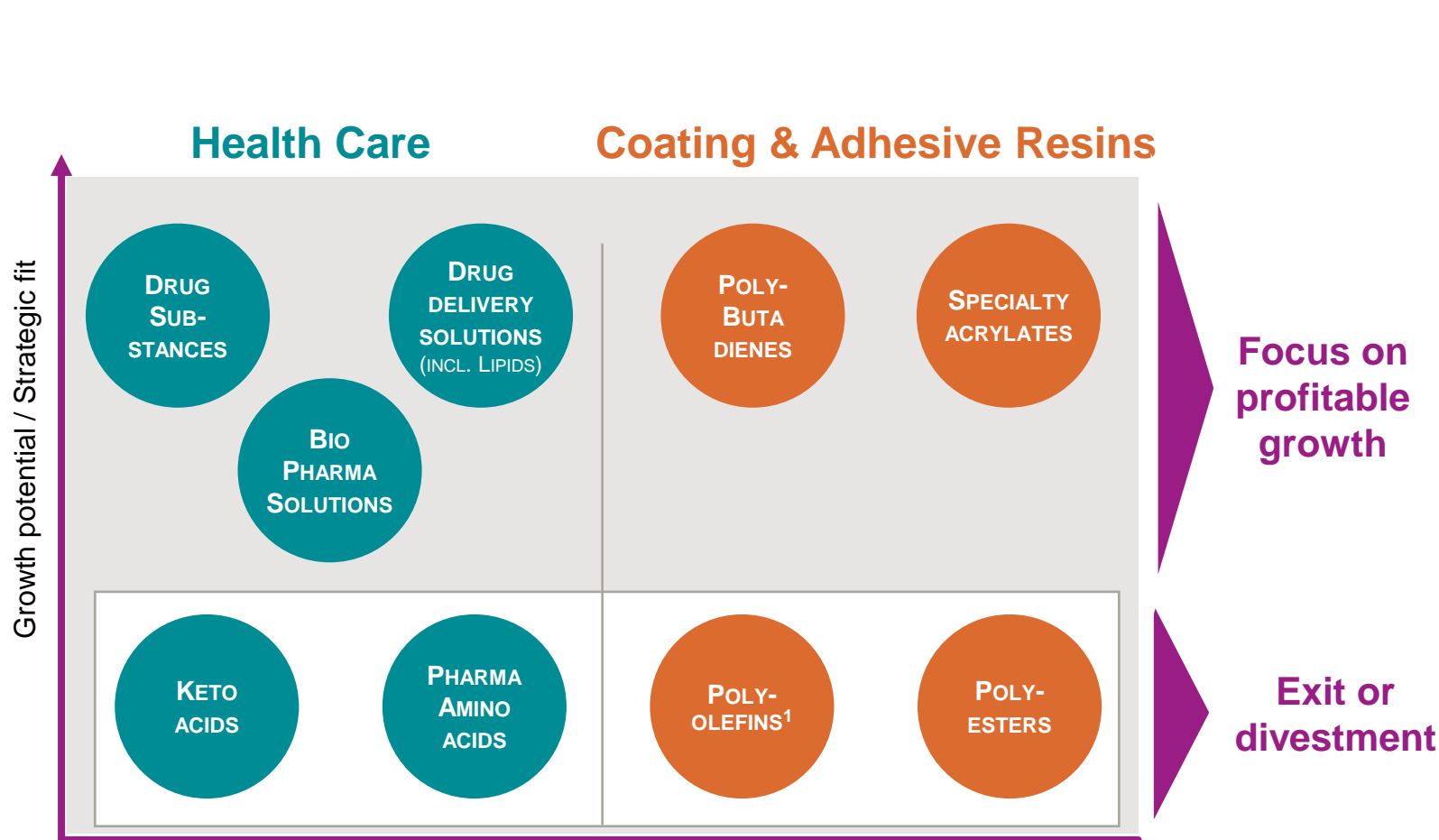


## Total savings and Provision



# Realignment of business lines Health Care and Coating & Adhesive Resins

## Portfolio adjustments enable focus on profitable growth



- Constant review of portfolio also on Business Line level
- **Focus of management resources & capex** on areas with best strategic fit and strongest growth potential
- Businesses to be exited or divested with combined sales of ~€350 m
- Resulting in **improvement of KPIs** (EBITDA & ROCE)
- Full effect of measures from 2026 onwards

1. Polyolefins will be transferred to Performance Intermediates (C<sub>4</sub> chain), then to be sold as part of this business



# Table of contents

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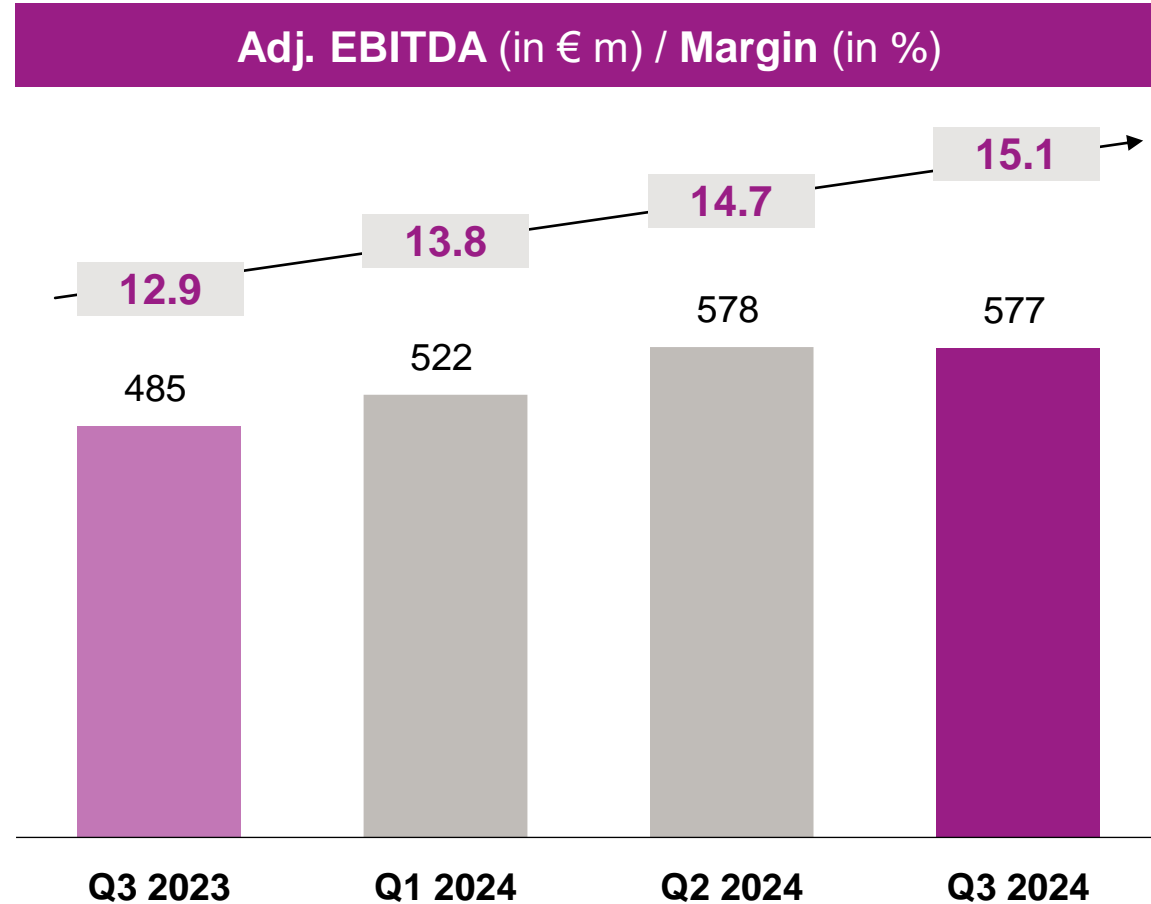
1. Evonik at a glance
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## Q3 2024 results overview

Sales (in € m)	Adj. EBITDA (in € m)	Free cash flow (in € m)	Adj. EPS (in €)
<b>3,832</b> (Q3 2023: 3,771)	<b>577</b> (Q3 2023: 485)	<b>357</b> (Q3 2023: 469)	<b>0.58</b> (Q3 2023: 0.41)
Positive volumes (+5% yoy), negative “Other” due to sale of superabsorbers business	Strong performance mainly driven by increasing utilization, cost savings and lower input costs	Another strong quarter of cash generation yoy higher EBIT(DA) compensated by NWC outflow	Low adj. tax rate due to tax effects in Germany in connection with “Evonik Tailor Made”

# Delivering on our promises: “Q3 at least on Q2 level”

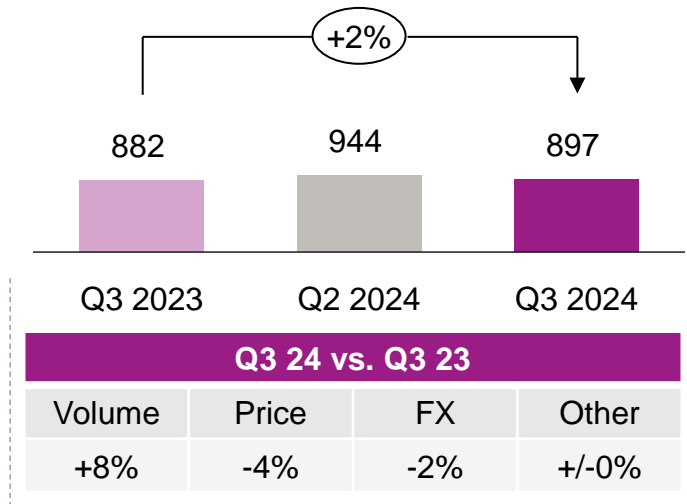
## Continued positive margin trend since beginning of FY 2023



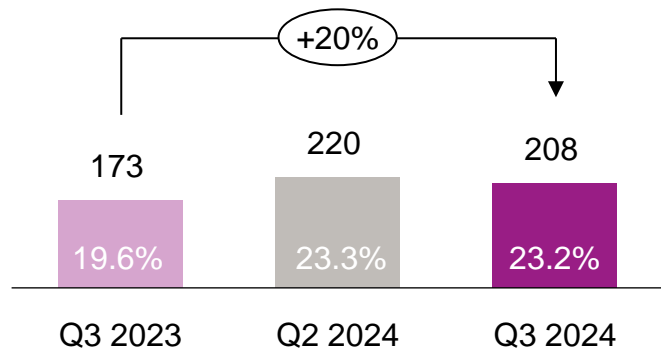
- Another quarter of **margin improvement** (despite qoq slightly lower sales)
- Margin **improved by 5pp** from trough at 10% in Q1 2023
- **Adj. EBITDA development** supported by
  - Continued strict cost discipline across all businesses
  - Animal Nutrition with clearly higher volumes after maintenance shutdown in Q2

# Specialty Additives

**Sales**  
(in € m)



**Adj. EBITDA**  
(in € m)  
**/ margin**  
(in %)



- Strong volume growth continues with +8% yoy; sequentially slightly lower volumes during summer months
- Continued strong performance across virtually all businesses; Crosslinkers in continued tough competitive environment
- Margin maintained above 23% thanks to improved utilization, lower input costs and high cost discipline

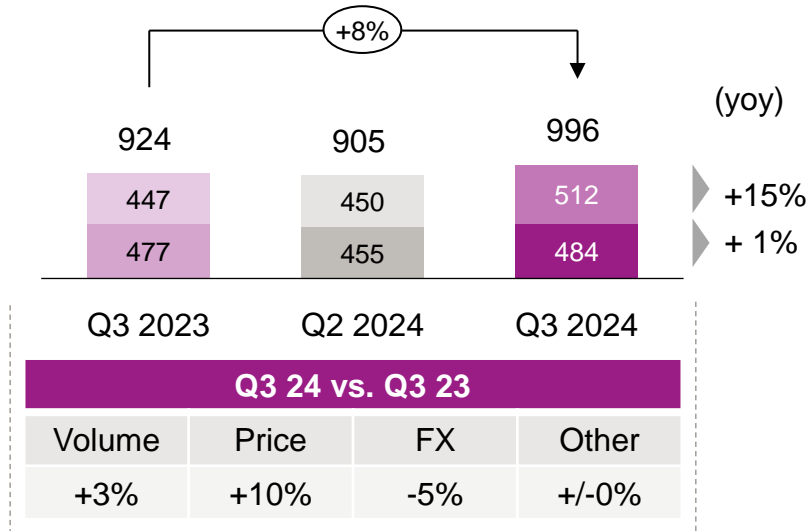




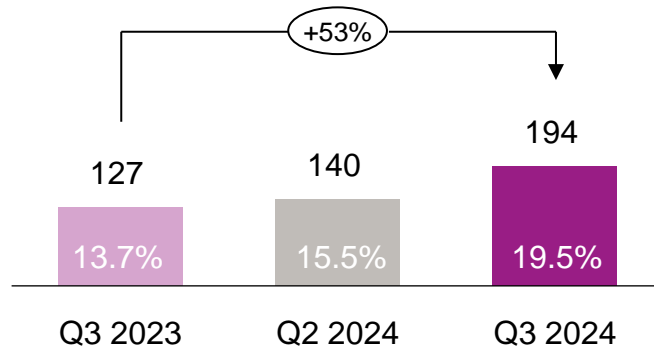
# Nutrition & Care

## Sales (in € m)

Animal  
Nutrition  
---  
Health &  
Care



## Adj. EBITDA (in € m) / margin (in %)



## Health & Care

- Care Solutions with positive volumes and pricing in Cosmetic and Cleaning solutions
- Health Care below expectations due to lower sales in Drug Delivery and Drug Substance as well as some operational challenges

## Animal Nutrition

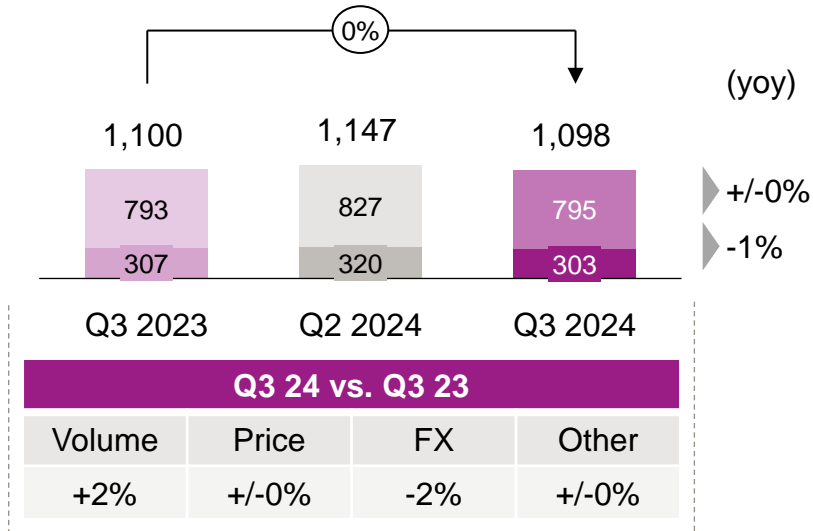
- Benefit from higher volumes and positive inventory effect after expansion shut-down in Singapore in Q2
- Strong demand especially in Asia; continued solid price level
- Veramaris continues strong & profitable growth path of last two years; continuous growth of aquaculture industry and widening supply gap for omega-3; strong focus on process improvement



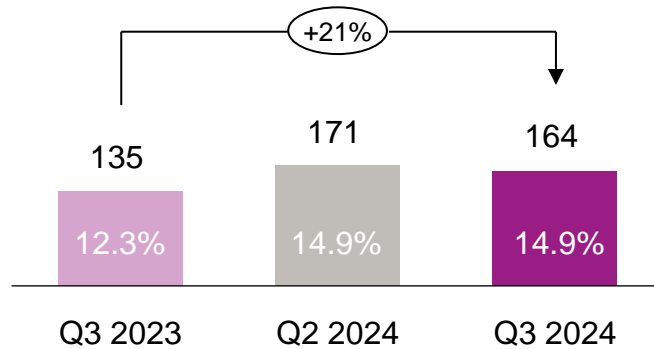
# Smart Materials

## Sales (in € m)

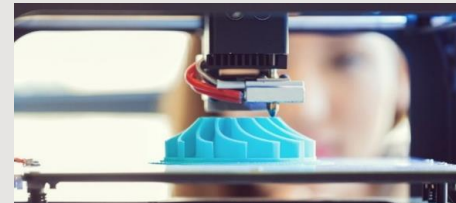
Inorganics  
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Polymers



## Adj. EBITDA (in € m) / margin (in %)

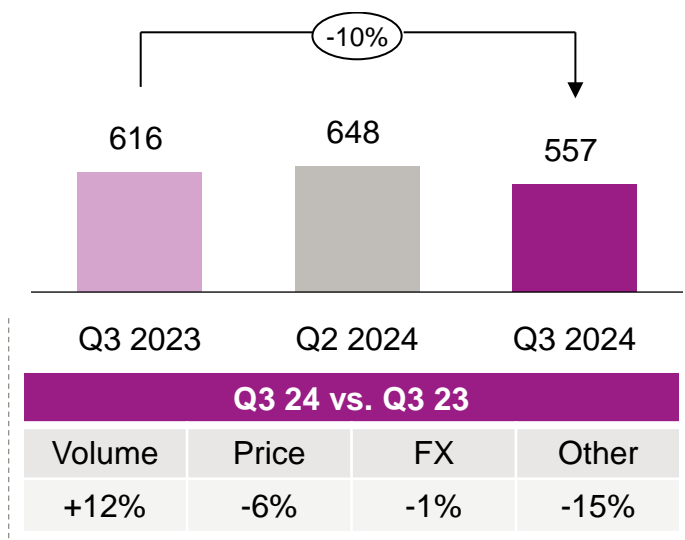


- Positive volume growth continues with +2% yoy; although slightly lower volumes sequentially due to seasonality
  - Silica with continued solid performance, broad-based across industries – supported by higher volumes in Special Oxides
  - Solid quarter for catalysts, e.g. high demand for biodiesel catalysts in Americas
  - Demand for hydrogen peroxide remains subdued in Asia
- Margin secured at 15% qoq, well above prior year
  - attributable to higher volumes, variable costs effects and fixed costs discipline

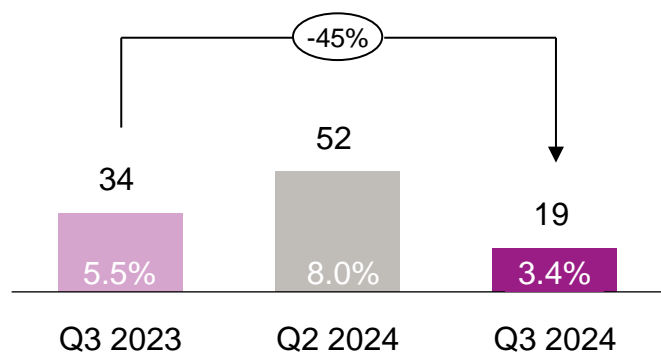


# Performance Materials

**Sales**  
(in € m)



**Adj. EBITDA**  
(in € m)  
**/ margin**  
(in %)



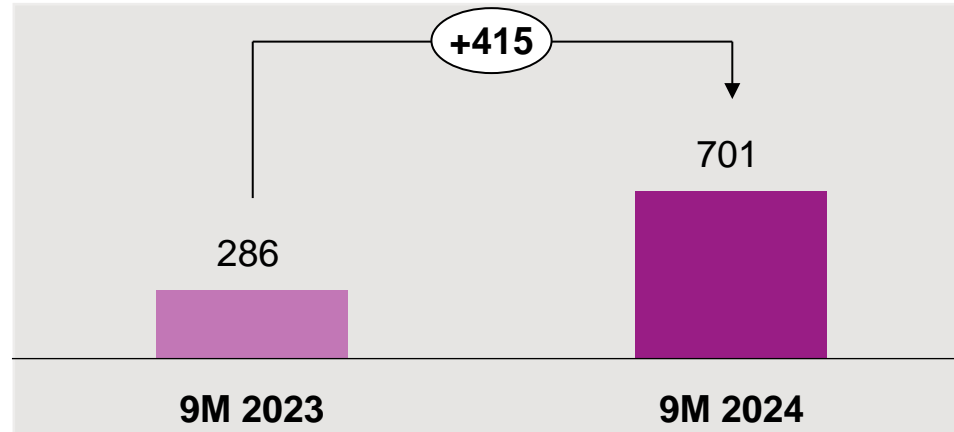
- Q2 benefitted from disruptions of global supply chains in oxo-alcohol and plasticizers business; market longer again in Q3
- MTBE margin normalized; still on decent levels however below H1
- Butadiene: Weak end market demand in rubber, tires and automotive persisting
- Sale of superabsorbers business completed on August 31, sales and earnings contributions no longer included, no restatement of this year's or prior year's financials (~€900 m sales in FY 2023)



# Free Cash Flow 9M clearly ahead of last year's level

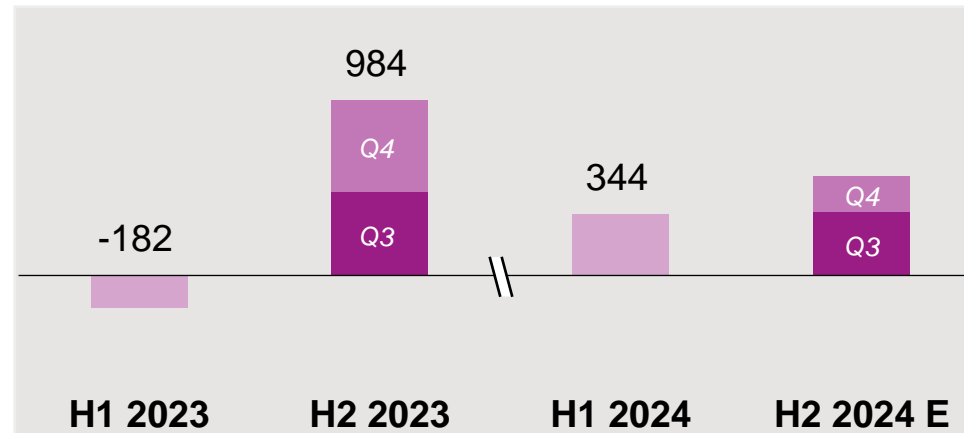
## Well on track for 40% cash conversion rate

### FCF 9M (in € m)



- FCF 9M **>€400 m ahead of last year**
- **Q3 FCF of €357 m** (vs. €469 m prior-year)
  - Higher adj. EBITDA as starting point
  - ...compensated by higher outflows for NWC (in line with higher sales) and capex (different phasing yoy)

### FCF distribution (in € m)

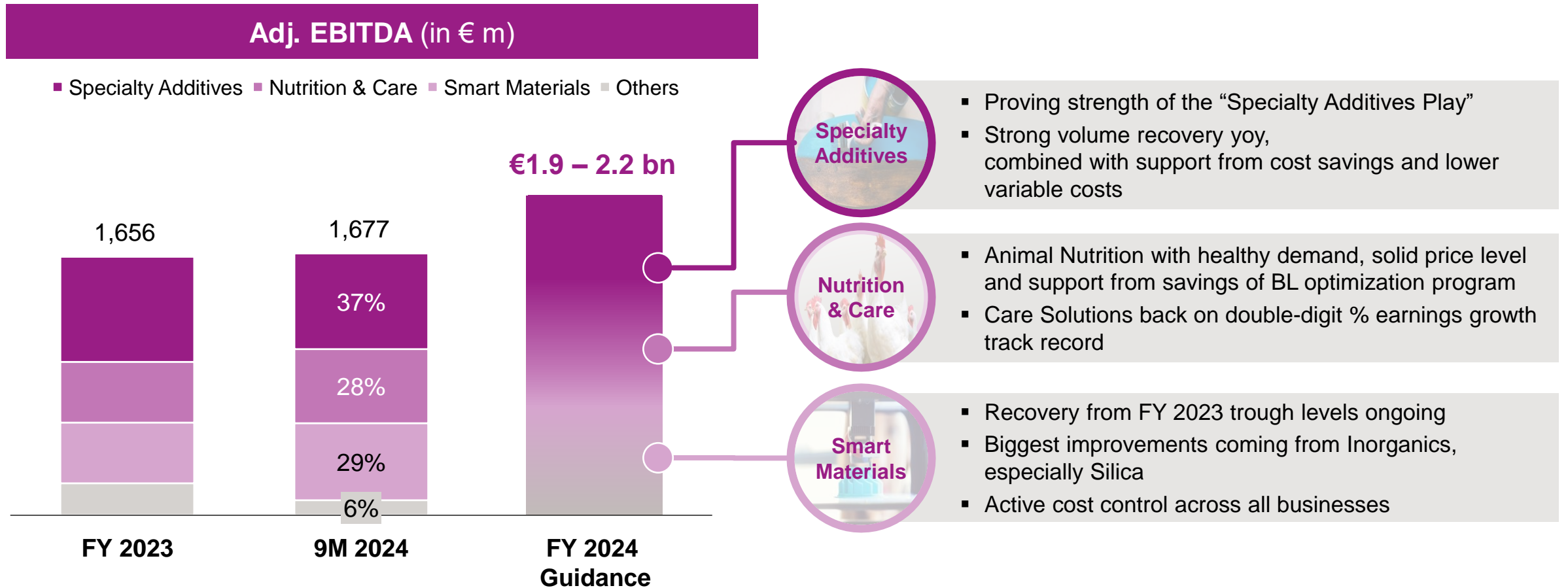


- **Cash generation in 2024 more evenly distributed between H1 and H2**
  - Different to last year, no need to bring down high NWC levels in Q4
  - Well on track to reach ~40% cash conversion for FY 2024

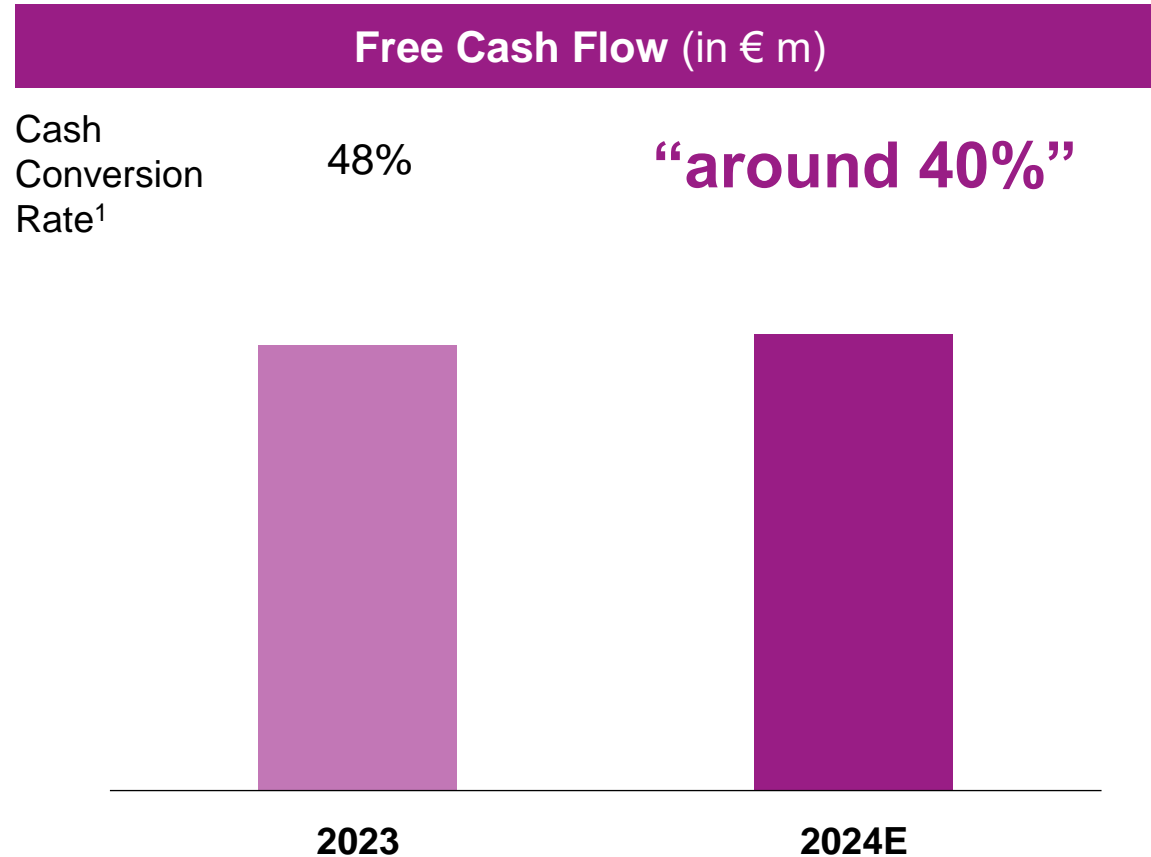


# Guidance range confirmed at €1.9 to 2.2 bn

## ... well underpinned by solid achievement level after first 9 months



# Free Cash Flow outlook confirmed: Targeting ~40% conversion







**Building blocks for FCF development**

- Better **operating result** yoy
- Continued **capex**<sup>2</sup> discipline:  
~€750 m targeted; ~€40 m lower yoy
- ~€100 m yoy lower **bonus payments** in FY 2024 (for 2023)
- NWC** outflow expected  
(vs exceptionally high inflow in 2023)
- Slightly lower **cash taxes** expected

1. Free cash flow conversion (FCF / adj. EBITDA) | 2. Cash outflow for investment in intangible assets, pp&e

# Outlook updated for two divisions

	Former outlook	Updated outlook
 <p><b>Specialty Additives</b></p>	<p>“slightly above prior-year level” (2023: €673 m)</p>	<p>“considerably above prior-year level”</p>
 <p><b>Nutrition &amp; Care</b></p>	<p>“significantly above prior-year level” (2023: €389 m)</p>	<p>unchanged</p>
 <p><b>Smart Materials</b></p>	<p>“Considerably above prior-year level” (2023: €540 m)</p>	<p>unchanged</p>
 <p><b>Performance Materials</b></p>	<p>“significantly above prior-year level” (2023: €111 m)</p>	<p>“slightly above prior-year level”</p>

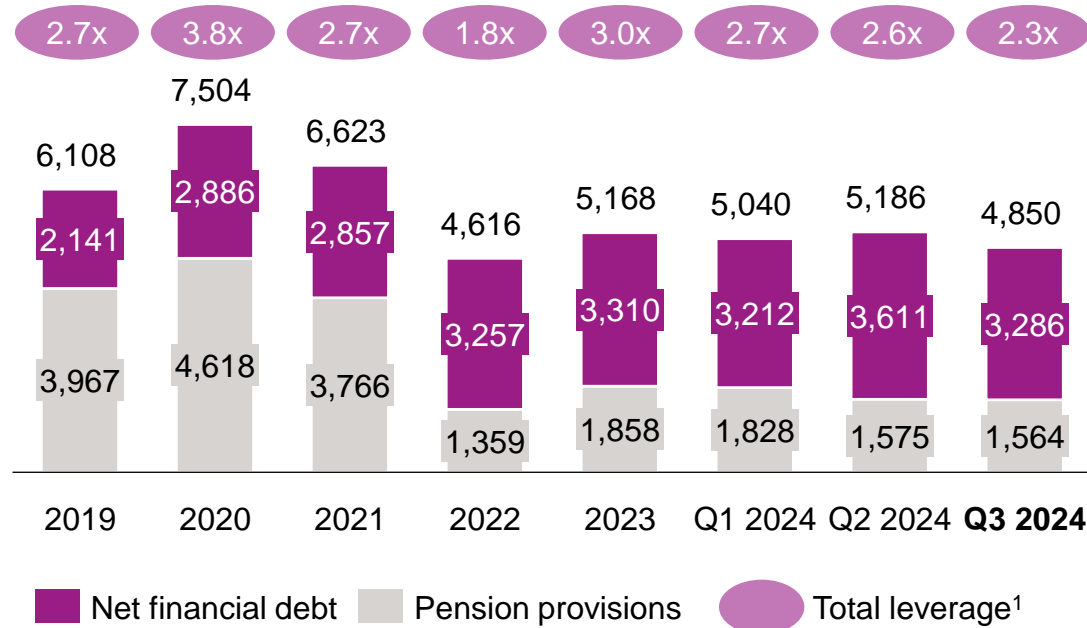
## Additional indications for FY 2024 (only change in adj. tax rate)

<b>Sales</b>	<b>between €15 and 17 bn</b> (FY 2023: €15.3 bn)
<b>ROCE</b>	<b>significantly above the low level of 2023</b> (FY 2023: 3.4%)
<b>Capex<sup>1</sup></b>	<b>around €750 m</b> (2023: €793 m)
<b>EUR/USD sensitivity<sup>2</sup></b>	+/-1 USD cent = +/- ~€10 m adj. EBITDA (FY basis)
<b>Adj. EBITDA T&amp;I / Other<sup>3</sup></b>	<b>slightly negative adj. EBITDA</b> (2023: -€57 m); positive effect from termination of “service dividend”, negative effect from higher bonus provisions
<b>Adj. D&amp;A</b>	<b>around €1 bn</b> (FY 2023: €1,135 m)
<b>Adj. net financial result</b>	<b>slightly more negative than prior year</b> due to interest rate increase vs previous year (FY 2023: -€103 m)
<b>Adj. tax rate</b>	<b>~25%</b> due to treatment of deferred tax assets in Germany in 2024 (FY 2023: 33%); previous indication: ~30% Long-term sustainable level of ~30% unchanged

1. Cash outflow for investment in intangible assets, pp&e | 2. Including transaction effects (after hedging) and translation effects; before secondary / market effects | 3. Excl. “service dividend” (-€82 m in FY 2023)

# Development of debt and leverage over time

(in € m)



<b>Adj. net debt<sup>2</sup></b>	5,858	7,254	6,373	4,366	4,918	4,790	4,936	4,600
<b>Adj. EBITDA (last 12 months)</b>	2,153	1,906	2,383	2,490	1,656	1,769	1,897	1,989
<b>German pension discount rate (%)</b>	1.3	0.9	1.3	4.1	3.5	3.5	3.8	3.6

1. Adj. net debt / adj. EBITDA | 2. Net financial debt – 50% hybrid bond + pension provisions  
3. Before impairment

## Net financial debt (€3,286 m)

- Net financial debt decreased qoq due to strong free cashflow generation
- Leverage decreases qoq due to lower net financial debt and higher adj. EBITDA (LTM)

## Pension provisions (€1,564 m)

- Long-dated pension obligations with ~14 years duration
- Stable pension provisions qoq due to better performance of plan assets (despite lower discount rates)
- Pension provisions partly balanced by corresponding deferred tax assets of ~€0.7 bn<sup>3</sup>

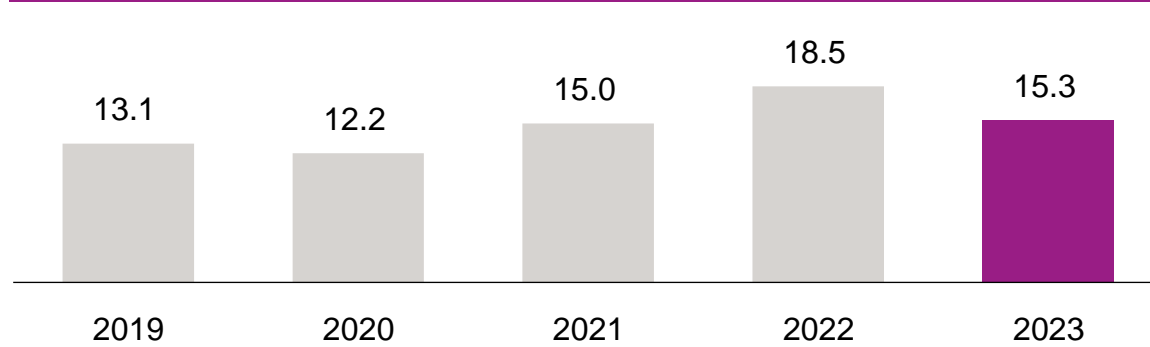
## Divisional overview by quarter

Sales (in € m)	FY 2022	Q1/23	Q2/23	Q3/23	Q4/23	FY 2023	Q1/24	Q2/24	Q3/24
Specialty Additives	4,184	921	906	<b>882</b>	811	3,520	908	944	<b>897</b>
Nutrition & Care	4,237	886	893	<b>924</b>	908	3,611	900	905	<b>996</b>
Smart Materials	5,240	1,188	1,119	<b>1,100</b>	1,054	4,461	1,093	1,147	<b>1,098</b>
Performance Materials	3,253	707	694	<b>616</b>	532	2,549	646	648	<b>557</b>
T&I / Other	1,574	303	274	<b>249</b>	300	1,126	249	286	<b>284</b>
<b>Evonik Group</b>	<b>18,488</b>	<b>4,005</b>	<b>3,886</b>	<b>3,771</b>	<b>3,604</b>	<b>15,267</b>	<b>3,796</b>	<b>3,930</b>	<b>3,832</b>

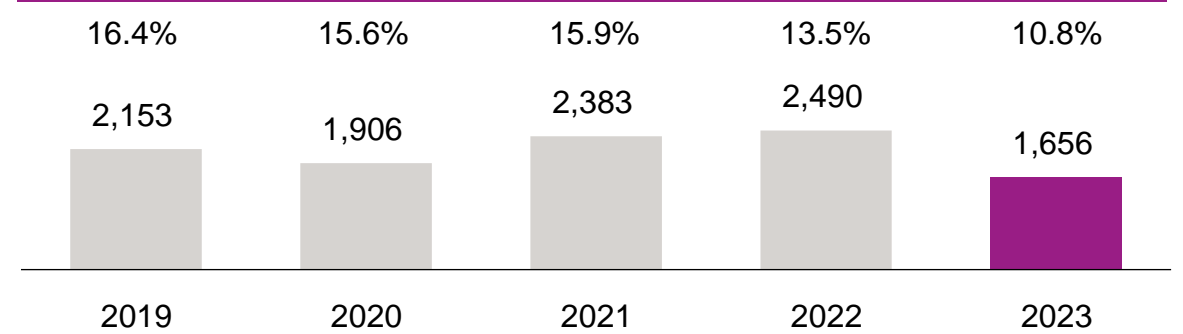
Adj. EBITDA (in € m)	FY 2022	Q1/23	Q2/23	Q3/23	Q4/23	FY 2023	Q1/24	Q2/24	Q3/24
Specialty Additives	946	168	199	<b>173</b>	134	673	185	220	<b>208</b>
Nutrition & Care	677	76	71	<b>127</b>	115	389	140	140	<b>194</b>
Smart Materials	743	164	122	<b>135</b>	119	540	159	171	<b>164</b>
Performance Materials	350	37	45	<b>34</b>	-4	111	43	52	<b>19</b>
T&I / Other	-226	-36	13	<b>16</b>	-50	-57	-5	-5	<b>-8</b>
<b>Evonik Group</b>	<b>2,490</b>	<b>409</b>	<b>450</b>	<b>485</b>	<b>312</b>	<b>1,656</b>	<b>522</b>	<b>578</b>	<b>577</b>

# Five-year financial review

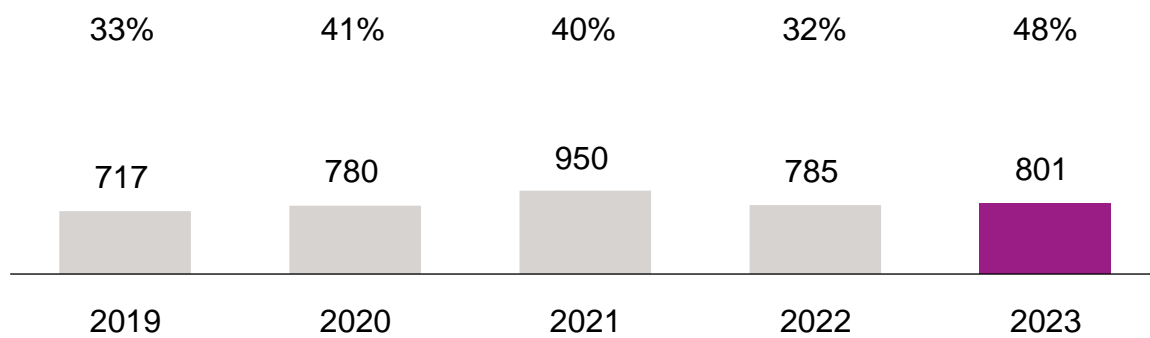
## Sales (in € bn)



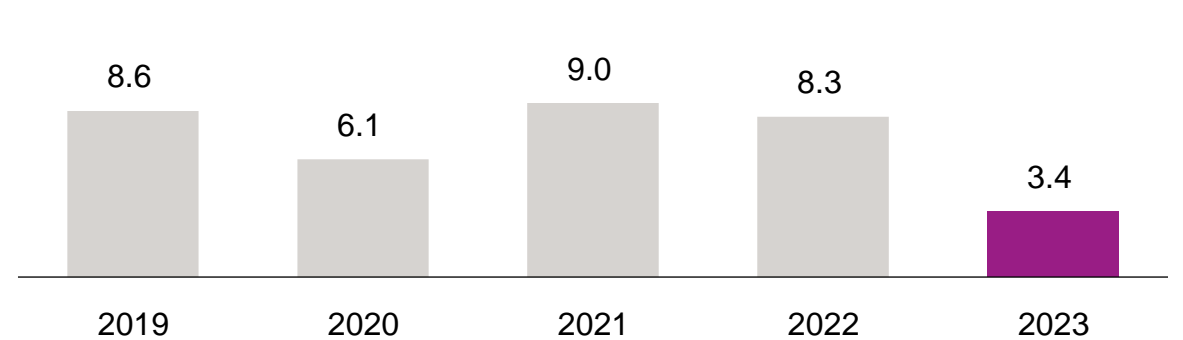
## Adj. EBITDA / Margin (in € m / in %)



## Free Cash Flow / Cash Conversion (in € m / in %)



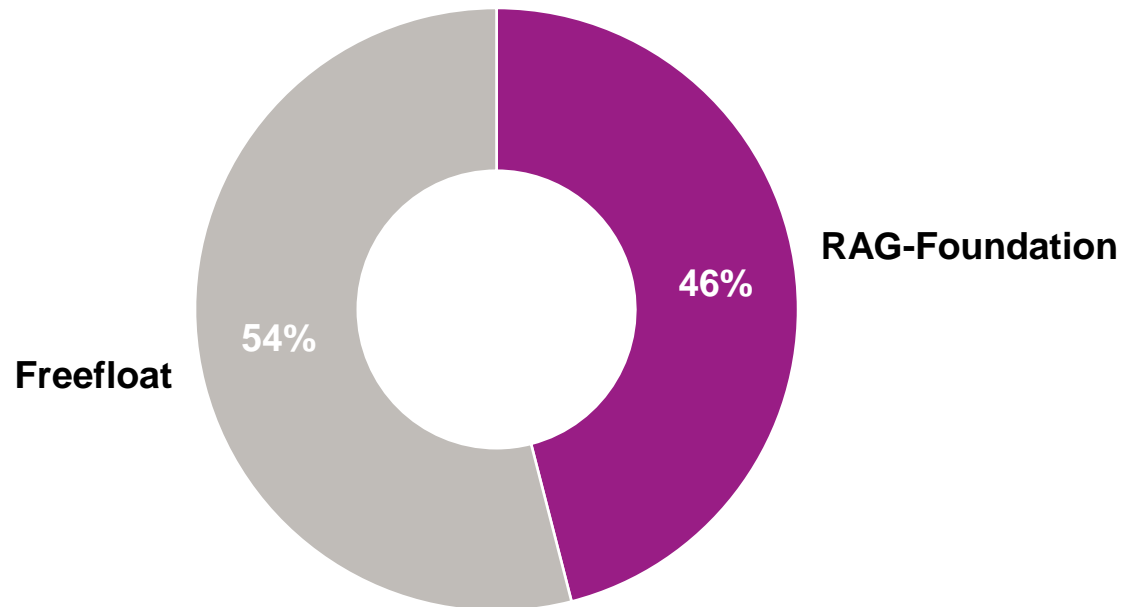
## ROCE (in %)





# Shareholder structure

## Shareholder structure of Evonik Industries AG



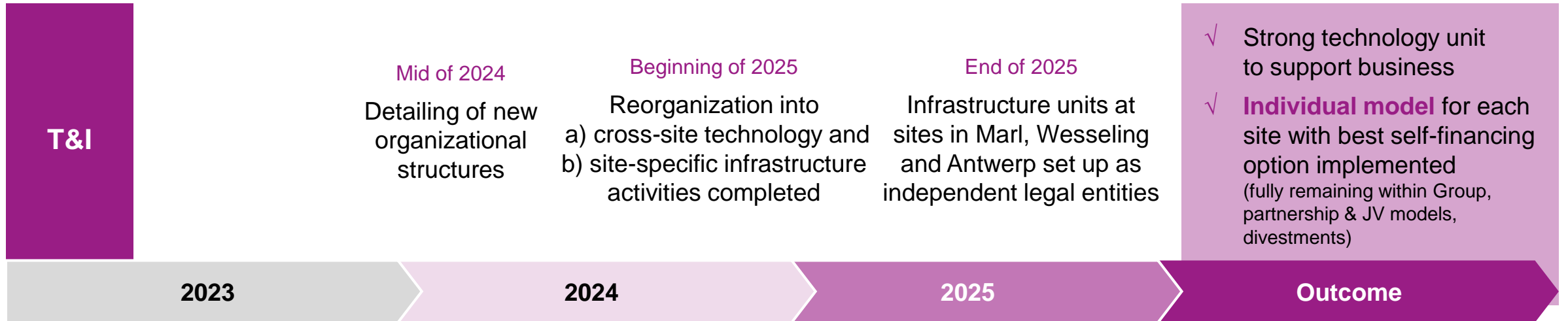
**ANNUAL PRESS CONFERENCE OF RAG-STIFTUNG,  
JUNE 11, 2024**

**Bernd Tönjes, chairman of the RAG-Stiftung:**

"The foundation will remain the largest shareholder and a strong anchor shareholder, currently holding just under 47% of the shares in Evonik. The long-term goal is **to hold 25.1%** in fixed assets. How close we are already to this goal becomes clear when you consider that **we currently still have exchangeable bonds with a volume of €2 billion outstanding. This corresponds to a further almost 20% of Evonik shares that we hold for a possible exchange at maturity.** If you have now done the math, you will find that there is not much missing from the aforementioned 25.1% and **thus the much-cited "overhang" no longer exists.**"

# Realignment of Technology & Infrastructure

to focus resources on operating businesses of three growth divisions



# Appendix

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1. Evonik at a glance
2. Consistent strategy execution coming through in the numbers
3. Financial performance Q3 2024
- 4. IR team and further presentations**

# Discover more in our presentations and factbooks



**Evonik**  
**Leading Beyond Chemistry**  
Q3 2024  
Earnings Conference Call

November 6, 2024

Christian Kullmann, Chief Executive Officer  
Maiko Schuh, Chief Financial Officer



**Q3 Earnings  
Conference Call  
Presentation**



**WE GO BEYOND  
TO ENABLE  
TRANSFORMATION**

Company Factbook 2024



**Evonik Company  
Factbook**



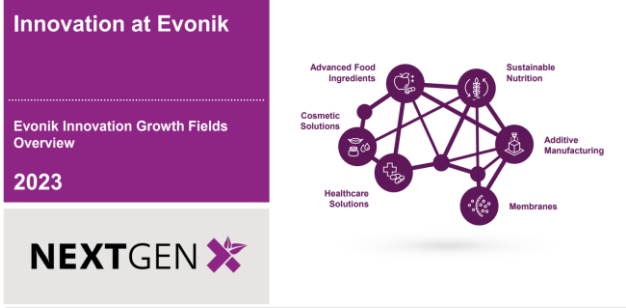
**Sustainability at  
Evonik.**

2024

Placeholder text Date | Presenter



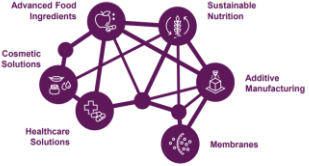

**Sustainability  
Factbook**



**Innovation at Evonik**

Evonik Innovation Growth Fields  
Overview

2023



**Innovation  
Factbook**

# Upcoming IR events

## Conferences & roadshows

<b>January 9, 2025</b>	Forum 2025, Lyon (Oddo BHF)
<b>January 14, 2025</b>	German Investment Seminar, New York (Commerzbank/Oddo)
<b>January 16, 2025</b>	German Corporate Day, Toronto (Baader)
<b>January 21, 2025</b>	German Corporate Conference, Frankfurt (KeplerCheuvreux/UniCredit)

## Upcoming reporting dates & events

<b>March 5, 2025</b>	Q4/FY 2024 Reporting
<b>May 12, 2025</b>	Q1 2025 Reporting
<b>May 28, 2025</b>	Annual Shareholders' Meeting
<b>August 1, 2025</b>	Q2 2025 Reporting
<b>November 4, 2025</b>	Q3 2025 Reporting

# Evonik Investor Relations team

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**EVONIK**

**Leading Beyond Chemistry**