

EVONIK GROUP DEVELOPMENT

Positive start into the year – FY guidance confirmed

- Further earnings increase vs already good 2024 level:
Adj. EBITDA in Q1 at €560 m – up +7% yoy
- Further Free Cash Flow increase vs already good 2024 level:
FCF in Q1 at €195 m – up >50% yoy
- Guidance range for FY 2025 adj. EBITDA confirmed at €2.0 to 2.3 bn
... underpinned by positive Q1 as well as solid start and several supporting factors for Q2
- Confidence in delivering on FY guidance through own strengths:
Strong and differentiating portfolio, cost programs in execution, high share of local production

Income Statement

- **Sales** largely stable at €3,777 m (Q1 2024: €3,796 m)
 - Positive volume growth continuing (+2% yoy); all three divisions with positive volumes yoy, especially strong Nutrition & Care (+11% yoy; mainly Animal Nutrition and Health Care)
 - Price -2%; FX +1%; negative “Other” (-2%) due to sale of Superabsorber business last year
- **Adj. EBITDA** up by +7% yoy to €560 m (Q1 2024: €522 m)
 - Continued strict cost discipline and ongoing business optimization programs
 - Animal Nutrition with clearly higher volumes; Health Care with improving performance
 - Continued strength in Specialty Additives
 - Supported by low double-digit m € one-time effect in Nutrition & Care (ACA business)
- **Adj. EBITDA margin** increased yoy by 100bp to 14.8% (Q1 2024: 13.8%) despite challenging environment
- **Adj. EBIT** of €299 m (Q1 2024: €252 m)
- **Adj. EPS** of €0.59 (Q1 2024: €0.42); supported by lower adj. tax rate of ~11%

Cash Flow Statement

- **Q1 2025 FCF** of €195 m; clearly ahead of last year's level of €127 m
 - Higher EBIT, lower cash outflow for NWC yoy (including positive cash effect from CO₂ certificates) and lower capex

Balance Sheet

- **Net financial debt** (€3,058 m) decreased vs. end of Q4 (€3,253 m), mainly driven by positive FCF in Q1
- **Pension provisions** of €1,449 m; decreased vs year-end (€1,662 m) due to higher discount rate of 4.0% (up from 3.6% in Q4)
- **Leverage** of 2.0x at end of Q1 2025 (end of last year: 2.3x)

DIVISIONAL BUSINESS DEVELOPMENT

Specialty Additives (SP)

- Sales, earnings and margin solid on good prior year level
- Volumes robust, esp. in coating additives and crosslinkers
- No noticeable pre-buying ahead of tariffs, but visibility remains low with order frequency higher at smaller amounts
- US stable yoy in Q1; cautiously monitoring the situation
- EU stable, APAC improving yoy

Nutrition & Care (NC)

- Health & Care
 - Recovery of Health Care from lower level in Q1 2024
 - Care Solutions with slightly lower volumes yoy
- Animal Nutrition
 - Strong volumes & solid pricing in Animal Nutrition
 - Veramaris continues on a strong and profitable growth path at improved cost position
 - Supported by low double-digit m € one-time effect in acrolein cyanohydrinacetate (ACA) business (agreement with customer to terminate take-or-pay-contract)

Smart Materials (SM)

- Moderate start into the year: Stable sales yoy (volumes and prices stagnating on prior year level)
- High Performance Polymers with solid volume growth
- Solid demand for Precipitated Silica
- Adj. EBITDA lower -7% yoy; fully explained by license income in H₂O₂ in Q1 last year

Infrastructure / Other

- Infrastructure / Other combined slightly below last year
- Supported by strong cost discipline and Evonik Tailor Made savings
- Lower earnings yoy in C4 business due to weak market conditions
- Last year's numbers still including Superabsorber business

OUTLOOK FY 2025

Basis for outlook

- Global GDP growth: +2.2% (previously: 2.5%, last year: 2.7%)
- Slightly falling energy costs
- EUR/USD: 1.10 (previously: 1.08)

Group outlook (all unchanged)

- **FY adj. EBITDA 2025 confirmed:** between €2.0 and 2.3 bn (FY 2024: €2.1 bn)
- **ROCE:** above level of 2024 (FY 2024: 7.1%)
- **FCF:** again targeting ~40% conversion (FY 2024 cash conversion: 42%; FCF €873 m)
- **Capex:** ~€850 m (FY 2024: €840 m)

New: Outlook in new segment structure

Historic financials for FY 2019 – 2024 in new structure see IR-website (under “Q1 reporting”)

- **Custom Solution:** “Considerably above prior-year level”
 - Continued benefit from customized solutions, however volume growth less pronounced than strong prior year
 - Above-average growth in active cosmetic ingredients and increasing utilization in new biosurfactants plant
 - Recovery in Health Care from low levels
- **Advanced Technologies:** “On prior-year level”
 - Weak end market demand to remain
 - Ramp-up of PA12 in growing market
 - Assumption of slight normalization in Methionine prices in H2 – however better-than-expected H1 with strong market demand and tighter supply
 - Cost optimization in various businesses
- **Infrastructure (incl. C4) / Other:** “Below prior-year level”
 - Positive effects of cost savings measures
 - Overcompensated by weak demand in Performance Intermediates (C4)

Additional indications for FY 2025 (all unchanged)

- **Sales:** between €15 and 17 bn (FY 2024: €15.2 bn)
- **EUR/USD sensitivity:** +/-1 USD cent = +/- ~€7-8 m adj. EBITDA (FY basis)
- **Adj. D&A:** around prior-year level (FY 2024: €1,038 m)
- **Adj. net financial result:** around prior-year level (FY 2024: -€143 m)
- **Adj. tax rate:** around long-term sustainable level of ~30% (2024: 23% due to treatment of deferred tax assets in Germany in 2024)

Key Financials Q1 2025

Evonik Group							
in € million	Q1 2024	Q1 2025	yoy Δ%	Q4 2024	Q1 2025	qoq Δ%	Q1 2025 Consensus*
External sales	3,796	3,777	-1%	3,599	3,777	5%	3,818
Volumes (%)			2%				3%
Prices (%)			-2%				0%
Exchange Rates (%)			1%				1%
Other (incl. M&A; %)			-2%				-4%
Adjusted EBITDA	522	560	7%	388	560	44%	543
Adjusted EBITDA Margin (%)	13.8%	14.8%	1.0 pp	10.8%	14.8%	4.0 pp	14.4%
Adjusted EBIT	266	309	16%	111	309	>100%	289
Adjustments	-14	-10		-202	-10		-17
EBIT	252	299	19%	-91	299	>400%	266
Adjusted net income	197	275	40%	74	275	>200%	209
Adjusted earnings per share in €	0.42	0.59		0.16	0.59		0.45
Capex (cash-out)	251	190	-24%	266	190	-29%	
Net financial position	-3,212	-3,053		-3,253	-3,053		
Cash flow from operating activities, cont. ops.	378	385	2%	438	385	-12%	
Free cash flow, cont. ops.	127	195	54%	172	195	13%	

Specialty Additives							
External sales	915	923	1%	836	923	10%	949
Volumes (%)			1%				
Prices (%)			-1%				
Exchange Rates (%)			1%				
Other (incl. M&A; %)			0%				
Adjusted EBITDA	200	201	0%	130	201	55%	207
Adjusted EBITDA Margin (%)	21.9%	21.8%	-0.1 pp	15.6%	21.8%	6.2 pp	21.6%

Nutrition & Care							
External sales	900	1,007	12%	962	1,007	5%	957
Volumes (%)			2%				
Prices (%)			1%				
Exchange Rates (%)			-1%				
Other (incl. M&A; %)			0%				
Sales Animal Nutrition	483	554	15%	489	554	13%	
Sales Health & Care	417	452	8%	473	452	-4%	
Adjusted EBITDA	146	197	35%	128	197	54%	167
Adjusted EBITDA Margin (%)	16.2%	19.6%	3.4 pp	13.3%	19.6%	6.3 pp	17.0%

Smart Materials							
External sales	1,094	1,098	0%	1,114	1,098	-1%	1,136
Volumes (%)			1%				
Prices (%)			0%				
Exchange Rates (%)			1%				
Other (incl. M&A; %)			-2%				
Sales Inorganics	790	785	-1%	806	785	-3%	
Sales Polymers	302	313	4%	307	313	2%	
Adjusted EBITDA	160	149	-7%	106	149	41%	166
Adjusted EBITDA Margin (%)	14.6%	13.6%	-1.0 pp	9.5%	13.6%	4.1 pp	14.5%

Infrastructure / Other (incl. Performance Materials)							
External sales	887	749	-16%	687	749	9%	799
Adjusted EBITDA	16	13	19%	24	13	46%	12

* Vara Consensus March 27, 2025