

Evonik

Leading Beyond Chemistry

Q1 2025
Earnings Conference Call

May 12, 2025

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

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

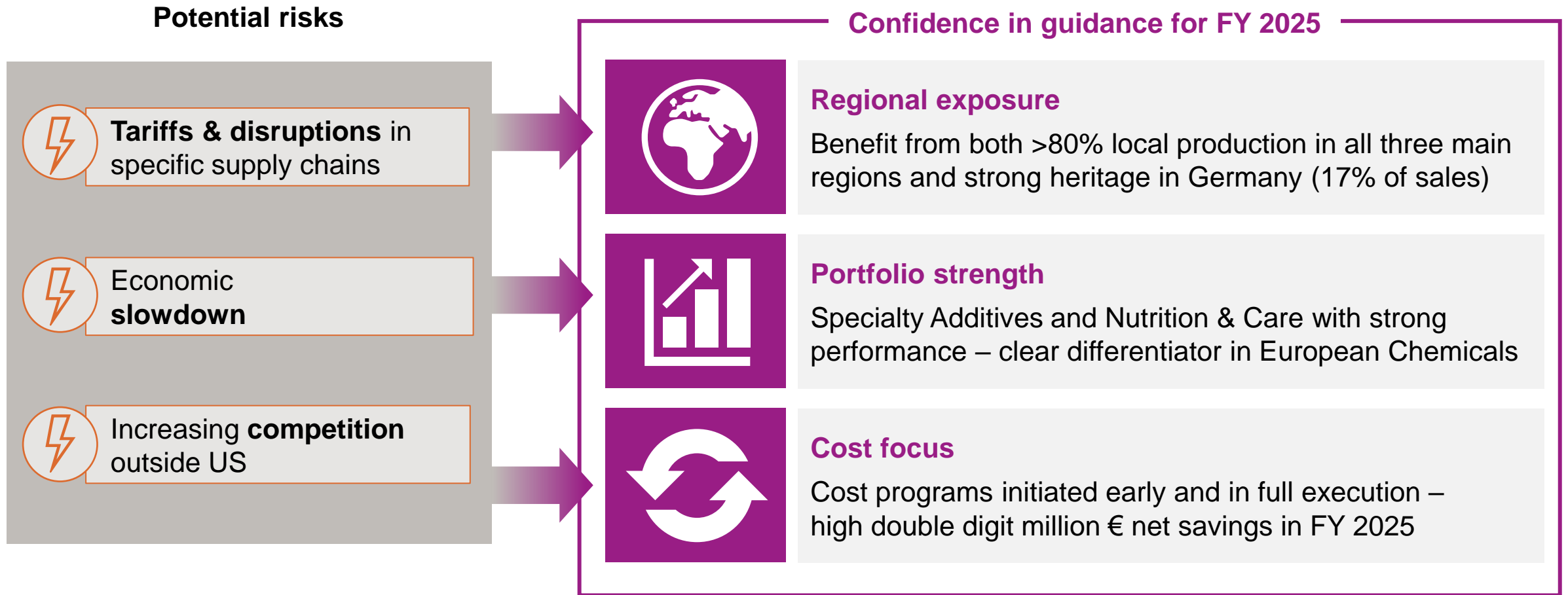
Confidence in delivering on FY guidance through own strengths

Strong and differentiating portfolio, cost programs in execution, high share of local production

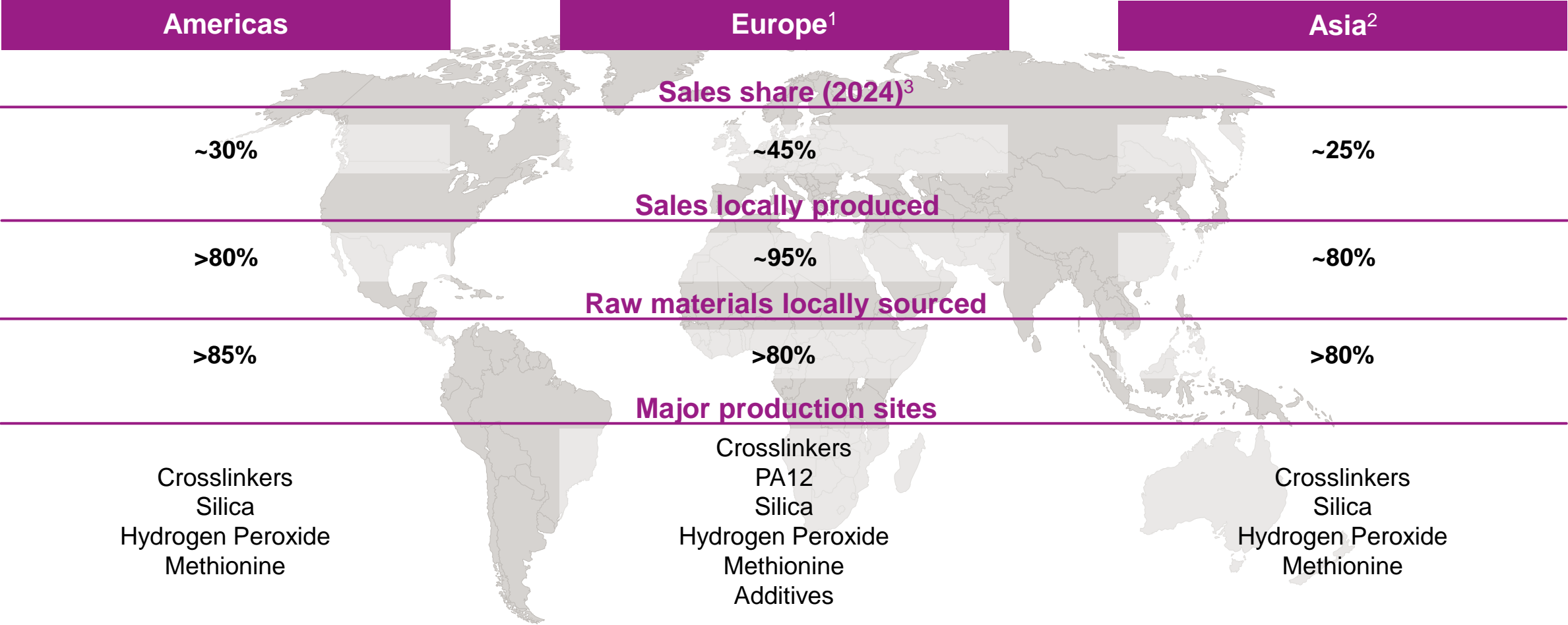
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1. Current environment
2. Financial performance Q1 2025
3. Outlook FY 2025

Confidence in delivering on FY guidance through own strengths



High share of local production with major production platforms in every region

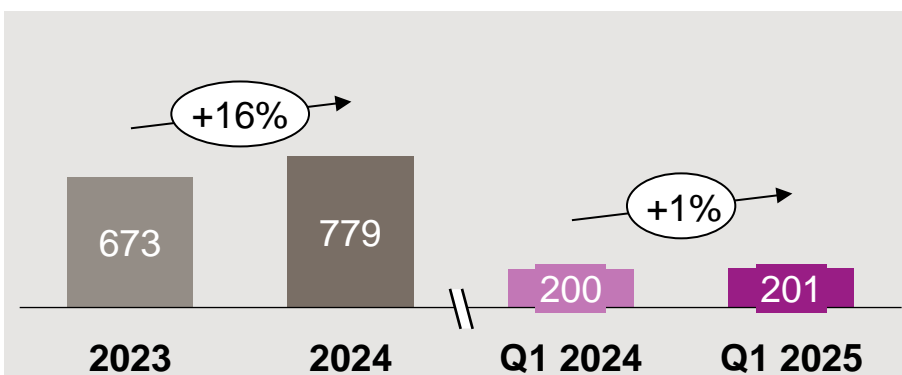


1. Europe, Middle East & Africa | 2. Asia Pacific incl. China | 3. Excluding Performance Intermediates (C4)

Strong and differentiating performance in SP and NC – and several factors already supporting solid perspective into Q2

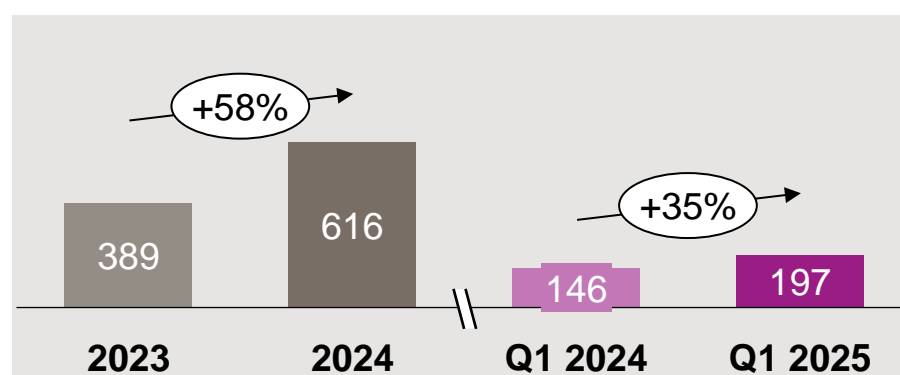
Drivers of positive performance in Q1 (adj. EBITDA in € m)

Specialty Additives



- Solid volume development in most businesses (esp. Coating Additives & Crosslinkers)

Nutrition & Care



- Solid volumes & pricing in Animal Nutrition
- Recovery of Health Care from lower level (yoy)
- Supported by low double-digit m € one-time effect in Q1 2025

Factors for Q2

- ~€20 m EBITDA support from license payment in Hydrogen Peroxide
- Ongoing solid and resilient performance in Animal Nutrition
- Further ramp-up of cost savings measures
- Negative impact from larger maintenance shutdown in PA12

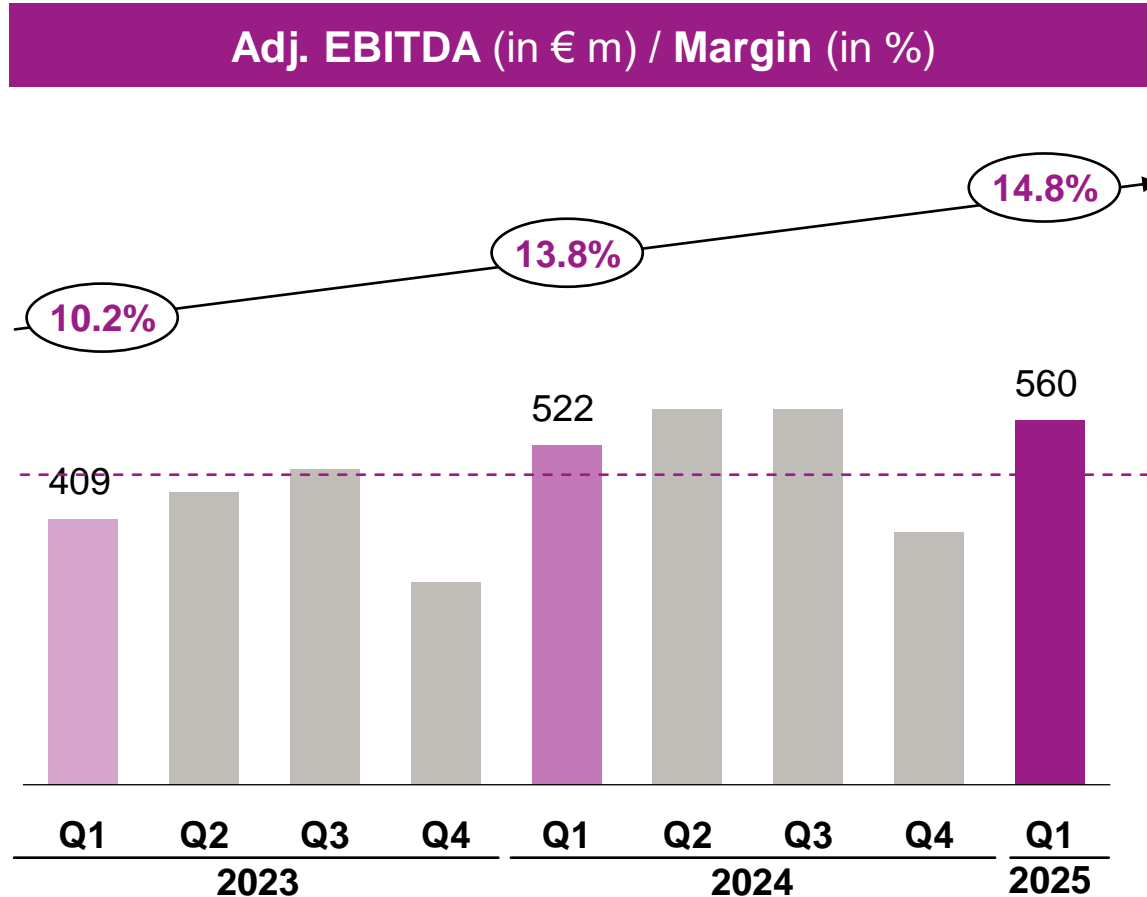
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Q1 2025 results overview

Sales (in € m)	Adj. EBITDA (in € m)	Free cash flow (in € m)	Adj. EPS (in €)
3,777 (Q1 2024: 3,796)	560 (Q1 2024: 522)	195 (Q1 2024: 127)	0.59 (Q1 2024: 0.42)
Positive volumes (+2%); lower prices (-2%)	Positive yoy performance mainly driven by Nutrition & Care and cost discipline	Another strong quarter of cash generation	Supported by low adj. tax rate (~11%)

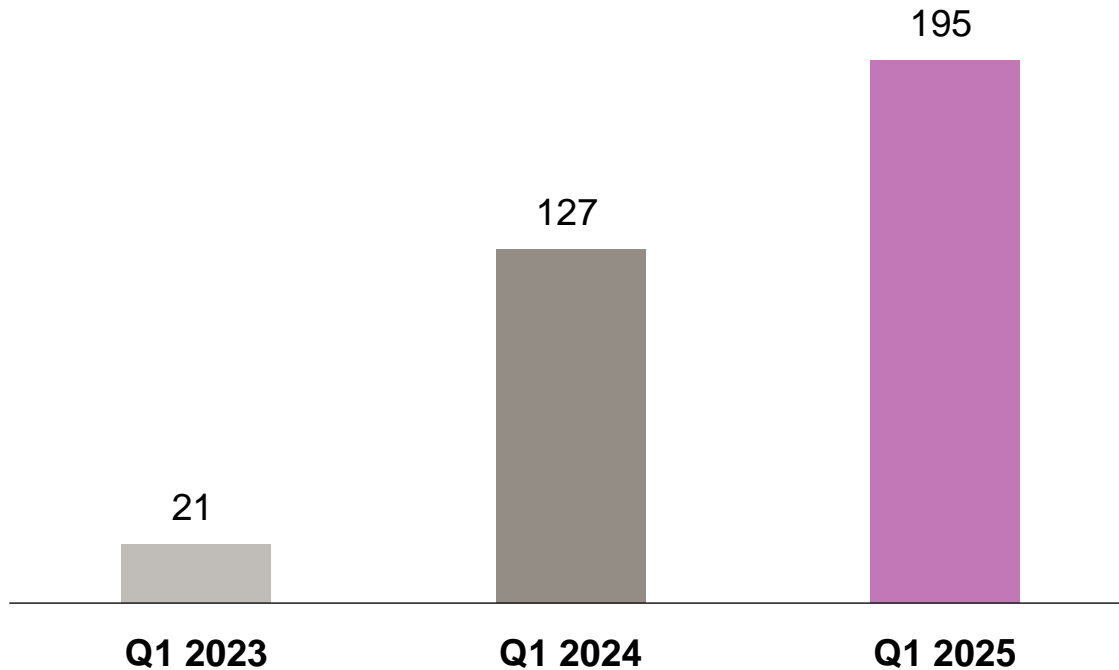
Delivering on our promises: “Adj. EBITDA in Q1 above previous year”



- Another quarter with **yoy EBITDA growth** – as promised with FY reporting in early March
- **Ongoing margin improvement** in still challenging environment
- **Adj. EBITDA development** supported by
 - 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

Free Cash Flow in Q1 clearly ahead of last year's level

Free Cash Flow (in € m)



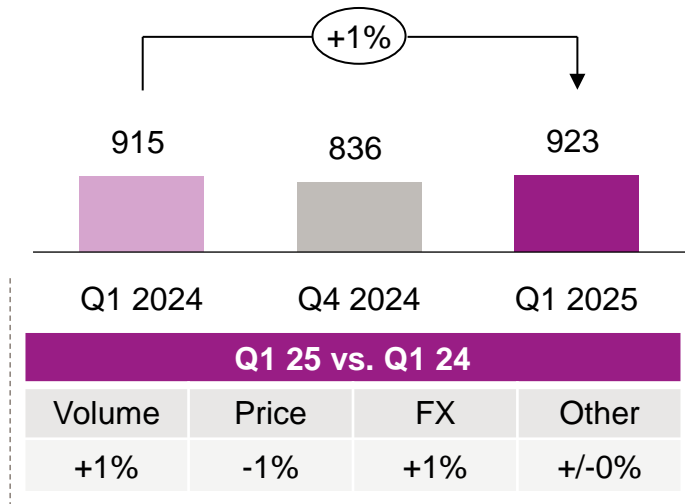
- FCF ~€70 m ahead of last year

Positive factors in Q1:

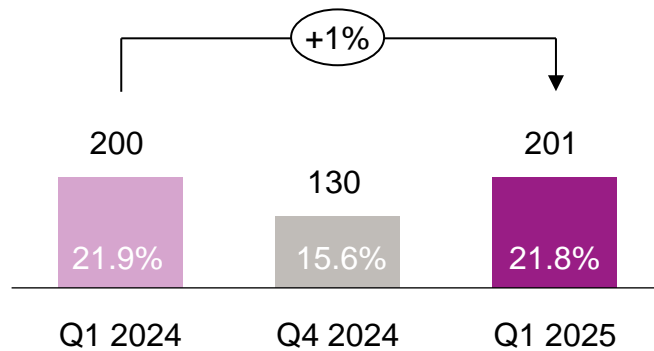
- Higher EBIT
- Lower cash outflow for NWC yoy (including positive cash effect from CO₂ certificates)
- Lower capex

Specialty Additives

Sales (in € m)



Adj. EBITDA (in € m) / margin (in %)



- 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

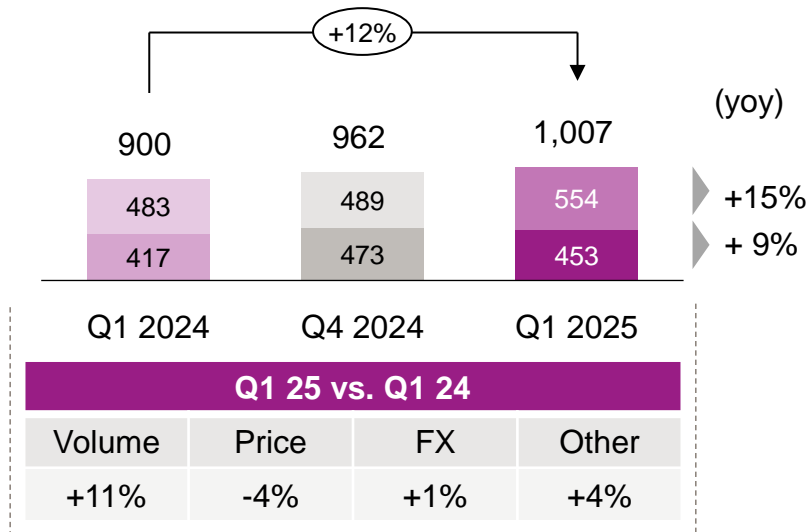


Nutrition & Care

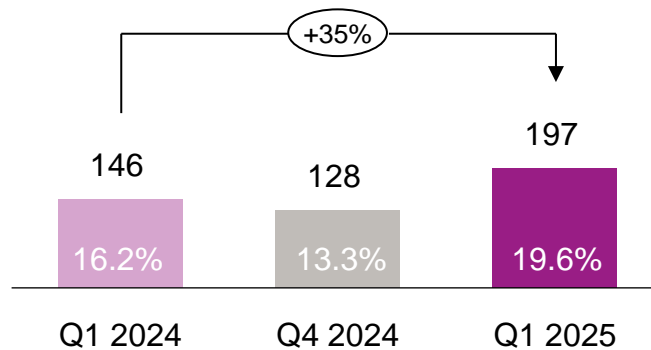
Sales (in € m)

Animal
Nutrition

Health &
Care



Adj. EBITDA (in € m) / margin (in %)



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)



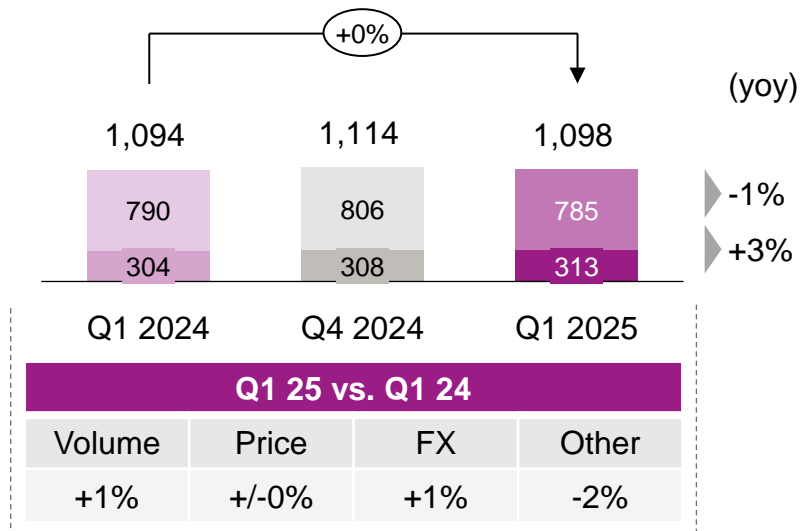
Smart Materials

Sales

(in € m)

Inorganics

Polymers

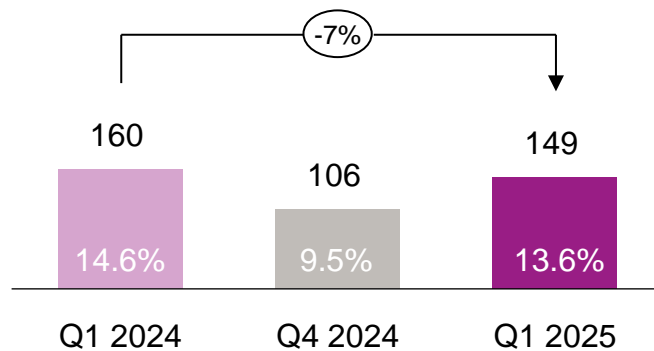


Adj. EBITDA

(in € m)

/ margin

(in %)



- 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 yoy
 - Fully explained by license income in H₂O₂ in Q1 last year

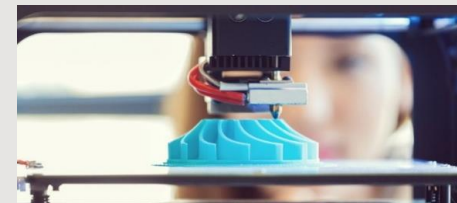


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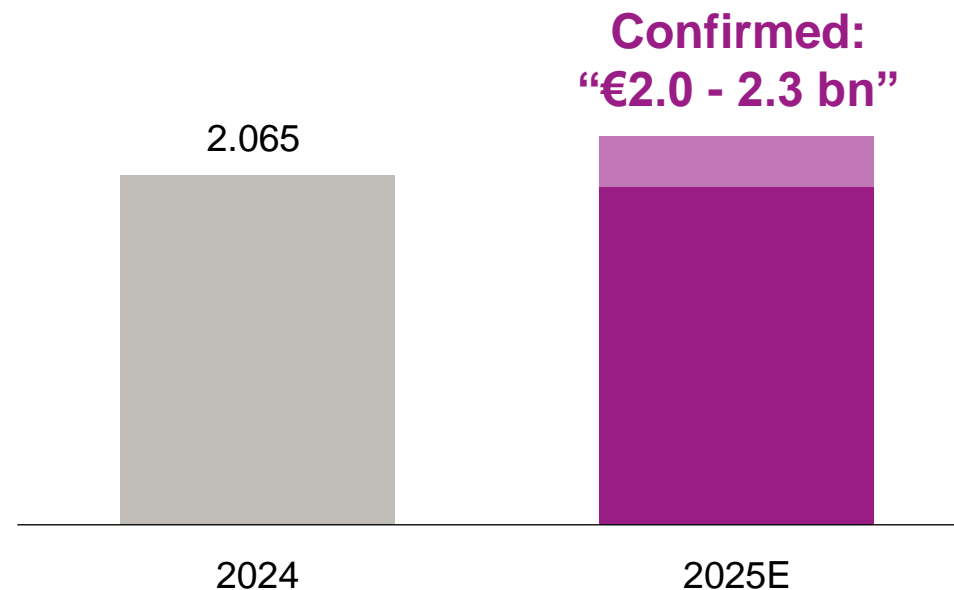
1. Current environment
2. Financial performance Q1 2025
- 3. Outlook FY 2025**

Both opportunities & risks ahead – FY 2025 outlook confirmed

Opportunities

- Stimulus package creating a more positive sentiment in Germany and Europe
- More constructive policy measures in China
- Market opportunities from our local presence behind tariff borders
- Continued favourable market environment in Animal Nutrition

Adj. EBITDA (in € bn)



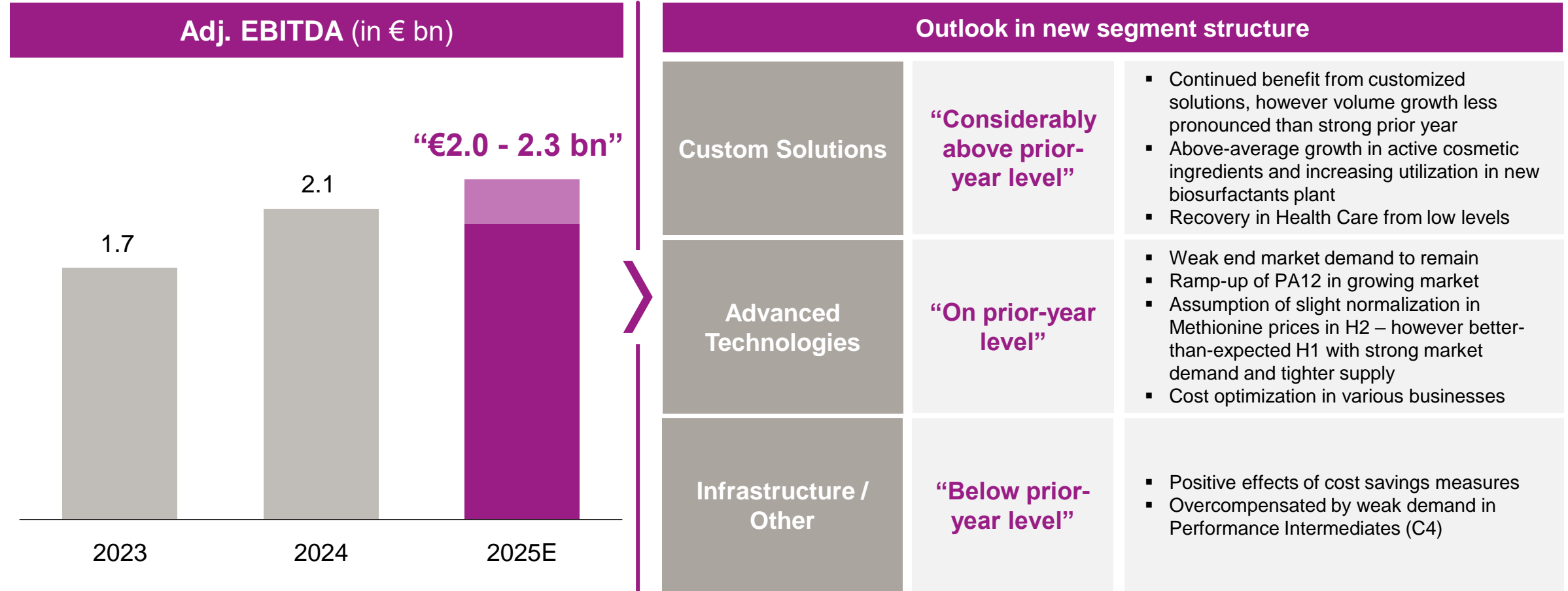
Assumptions

GDP: +2.2% | Slightly falling energy costs
EUR/USD: 1.10 (previously: 1.08)

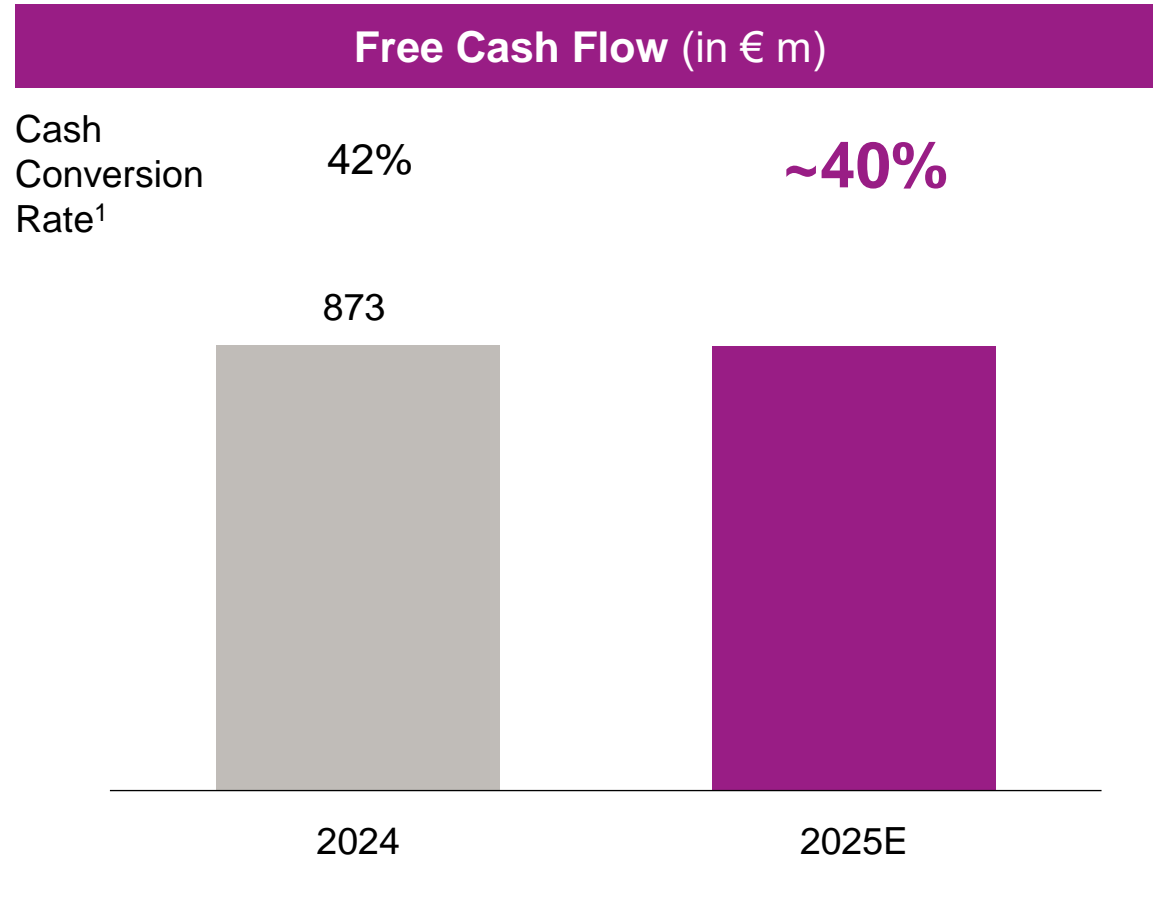
Potential risks

- Very low visibility
- Weakening customer & end consumer confidence
- Further escalating trade and tariff tensions
- Higher inflation and lower growth in the US
- Lower global growth / recession risk
- Weaker USD (underlying assumption for outlook already changed to 1.10 (from 1.08 previously))

Adj. EBITDA: Growth driven by strong positioning in Custom Solutions



Free Cash Flow: Confidence to again deliver ~40% cash conversion



Expected building blocks for FCF development

Capex of ~€850 m stable yoy

Higher **bonus payments** in FY 2025 (for 2024)

NWC with positive effect yoy (high level of 18% NWC/sales at year-end provides flexibility for FY 2025)

Positive cash effect from **CO₂ certificates** (realized already in Q1)

1. Free Cash Flow conversion (FCF / adj. EBITDA)

EVONIK CAPITAL MARKETS DAY 2025

May 22nd, 2025
Hybrid event *(in Essen & virtually)*

- 11.45 am Welcome & Registration
- 12.30 am Presentations of four board members, followed by Q&A
- Strategy update
 - Financial perspective
 - Overview new segments: Custom Solutions & Advanced Technologies
- 03.00 pm Informal lunch with Evonik board and IR team
- 04.00 pm End of event

Meet our Executive Board Members





EVONIK

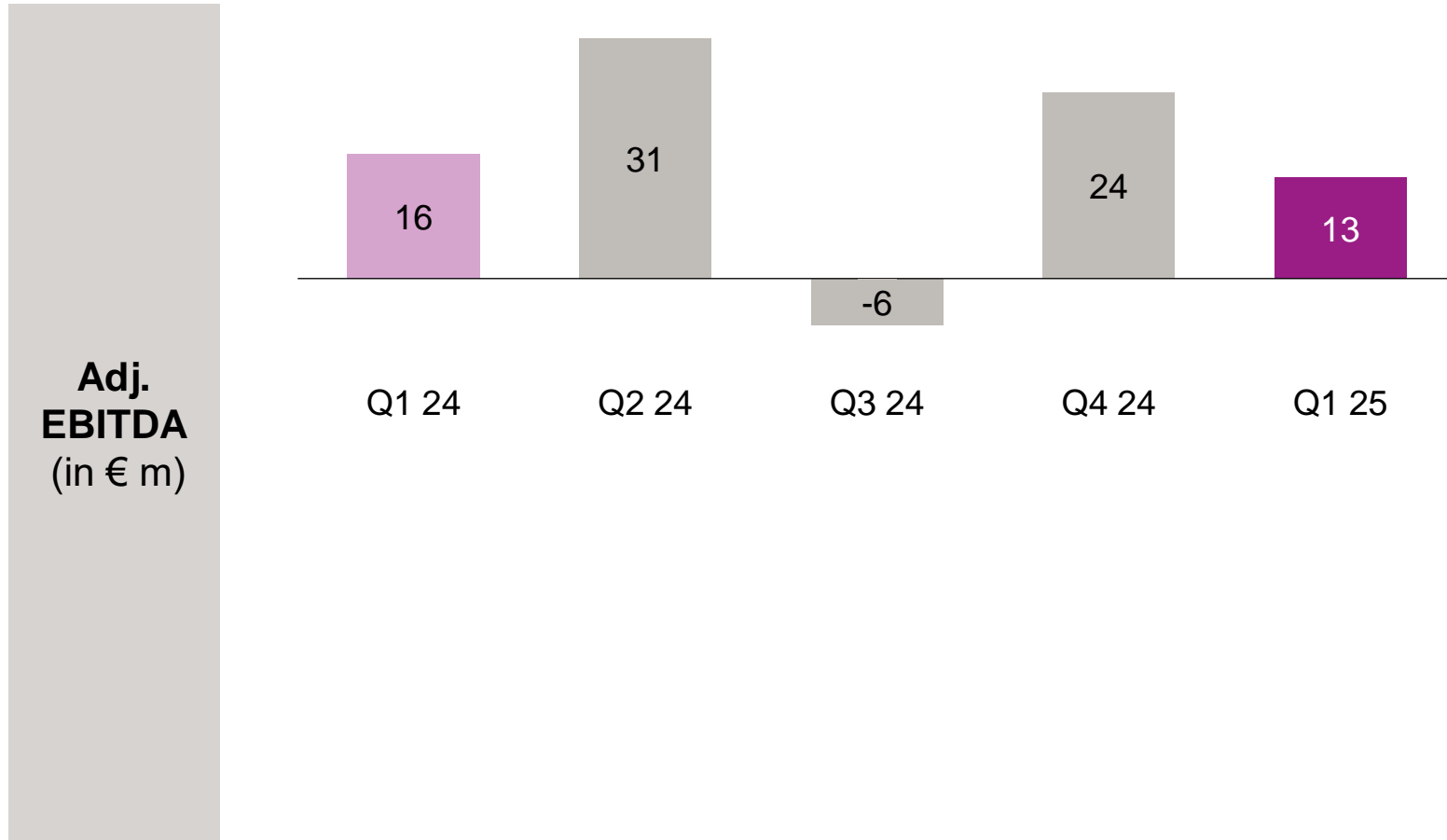
Leading Beyond Chemistry

Additional indications for FY 2025 (all unchanged)

Sales	between €15 and 17 bn (2024: €15.2 bn)
ROCE	above level of 2024 (2024: 7.1%)
Capex¹	~€850 m (2024: €840 m)
EUR/USD sensitivity²	+/-1 USD cent = -/+ ~€7-8 m adj. EBITDA (FY basis)
Adj. D&A	around prior-year level (2024: €1,038 m)
Adj. net financial result	around prior-year level (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)

1. Cash outflow for investment in intangible assets, pp&e | 2. Including transaction effects (after hedging) and translation effects; before secondary / market effects

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 still including Superabsorber business

Adjusted income statement Q1 2025

in € m	Q1 2024	Q1 2025	Δ
Sales	3,796	3,777	-1%
Adj. EBITDA	522	560	+7%
Depreciation & amortization	-256	-251	
Adj. EBIT	266	309	+16%
Adj. net financial result	-33	-29	
D&A on intangible assets	35	34	
Adj. income before income taxes	268	314	+17%
Adj. income tax	-67	-36	
Adj. income after taxes	201	278	+38%
Adj. non-controlling interests	-4	-3	
Adj. net income	197	275	+40%
Adj. earnings per share (in €)	0.42	0.59	

Adj. net financial result (-€29 m)

- Small improvement yoy due to tax interest refund

Adj. income tax (-€36 m)

- Low adj. tax rate (~11%) due to taxes related to other periods, lower foreign tax rates and tax-exempt income

Adjustments (-€10 m in Q1 2025)

- Restructuring measures -€12 m
- Acquisitions & divestments -€11 m
- Other special items +€13 m

Cash flow statement Q1 2025

in € m	Q1 2024	Q1 2025
Income before financial result and income taxes (EBIT)	252	299
Depreciation and amortization	265	240
Δ Net working capital	-137	-98
Change in provisions for pensions & other post-employment benefits	-31	-4
Change in other provisions	76	37
Change in miscellaneous assets/liabilities	-28	-100
Cash inflows/outflows from income taxes	-14	-2
Others	-5	13
Cash flow from operating activities	378	385
Cash outflows for investment in intangible assets, pp&e	-251	-190
FCF	127	195
Cash flow from investing activities	-252	-509
Cash flow from financing activities	-85	400

CF from operating activities (€385 m)

- Higher (reported) EBIT as starting point
- NWC lower outflow yoy (change in inventories of +€78 m yoy driven by positive cash effect from CO₂ certificates)
- Other provisions: Cashout for reorganization programs (e.g. Evonik Tailor Made)
- Misc. assets: Amongst others, one-time EBIT effect in NC (ACA business) not yet cash-relevant

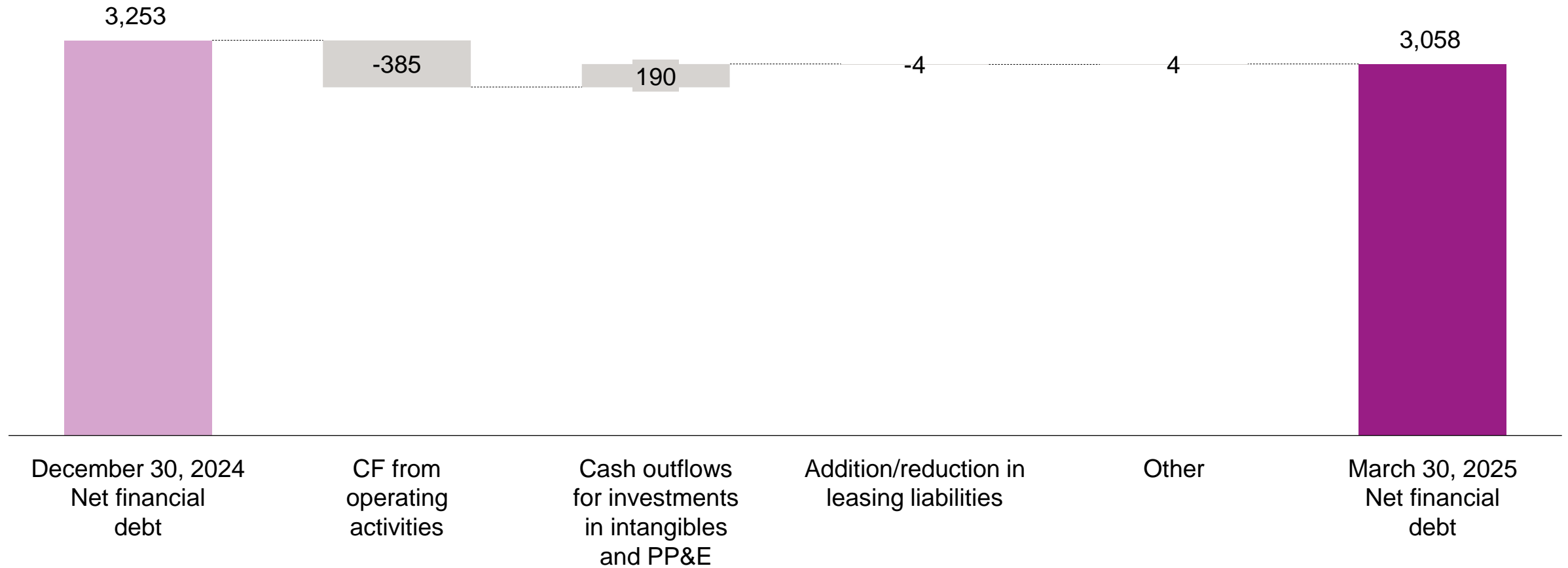
CF from investing activities (-€509 m)

- Lower capex (phasing between Q4 and Q1)

CF from financing activities (€400 m)

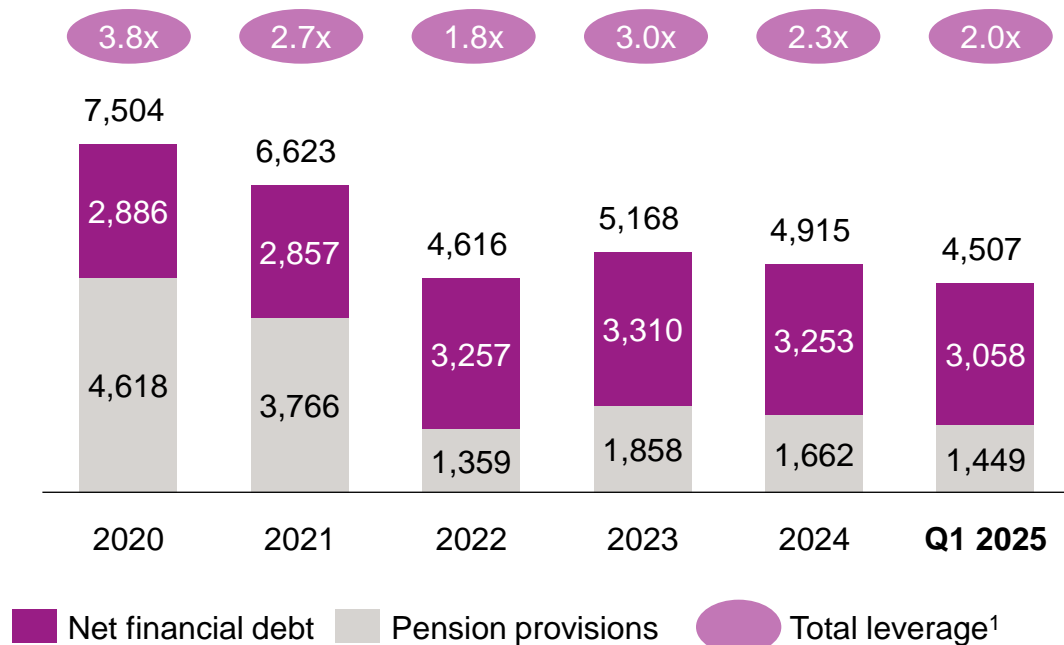
- Issuance of €500 m green bond

Net financial debt development Q1 2025



Development of debt and leverage over time

(in € m)



Adj. net debt ²	7,254	6,373	4,366	4,918	4,665	4,258
Adj. EBITDA (last 12 months)	1,906	2,383	2,490	1,656	2,065	2,103
German pension discount rate (%)	0.90	1.30	4.10	3.50	3.60	4.00

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

Net financial debt (€3,058 m)

- Net financial debt decreased vs year-end thanks to positive FCF in Q1
- Higher adj. EBITDA leading to decrease of net financial debt leverage to 1.3x³

Pension provisions (€1,449 m)

- Decreased vs year-end due to higher discount rate
- Solid funding level of >80%
- Long-dated pension obligations with ~14 years duration
- Pension provisions partly balanced by corresponding deferred tax assets of ~€0.2 bn

Segment overview by quarter (new structure from April 1, 2025)

More detailed
financials in new
structure available on
our website

Sales (in € m)	Q1/24	Q2/24	Q3/24	Q4/24	FY 2024	Q1/25 ²
Custom Solutions	1,392	1,472	1,465	1,408	5,737	1,426
Advanced Technologies	1,517	1,533	1,535	1,504	6,089	1,604
Infrastructure / Other ¹	887	925	833	687	3,331	749
Evonik Group	3,796	3,930	3,832	3,599	15,157	3,777

Adj. EBITDA (in € m)	Q1/24	Q2/24	Q3/24	Q4/24	FY 2024	Q1/25 ²
Custom Solutions	231	281	287	179	978	256
Advanced Technologies	275	267	296	185	1,023	291
Infrastructure / Other ¹	16	31	-6	24	64	13
Evonik Group	522	578	577	388	2,065	560

1. Including former Performance Materials division | 2. Not yet audited

Divisional overview by quarter (old structure until March 31, 2025)

Sales (in € m)	Q1/24	Q2/24	Q3/24	Q4/24	FY 2024	Q1/25
Specialty Additives	915	951	904	836	3,607	923
Nutrition & Care	900	905	996	962	3,764	1,007
Smart Materials	1,094	1,149	1,099	1,114	4,455	1,098
Infrastructure / Other ¹	887	925	833	687	3,331	749
Evonik Group	3,796	3,930	3,832	3,599	15,157	3,777

Adj. EBITDA (in € m)	Q1/24	Q2/24	Q3/24	Q4/24	FY 2024	Q1/25
Specialty Additives	200	230	218	130	779	201
Nutrition & Care	146	144	198	128	616	197
Smart Materials	160	173	167	106	607	149
Infrastructure / Other ¹	16	31	-6	24	64	13
Evonik Group	522	578	577	388	2,065	560

1. Including former Performance Materials division

Upcoming IR events

Conferences & roadshows

May 13, 2025	Citi Chemicals Conference, London
May 23, 2025	BofA Beautiful Day Field Trip, Virtual
May 27, 2025	Kepler ESG Conference, Virtual
June 4, 2025	Exane CEO Conference, Paris
June 10, 2025	London Roadshow (Citi)
June 10, 2025	Frankfurt Roadshow (Oddo)
June 10, 2025	Zürich Roadshow (UBS)
June 16, 2025	US Roadshow (Kepler Cheuvreux)

Upcoming reporting dates & events

May 22, 2025	Capital Markets Day
May 28, 2025	Evonik Annual General Meeting
August 1, 2025	Q2 2025 Reporting
November 4, 2025	Q3 2025 Reporting

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