EVONIK GROUP DEVELOPMENT

Revised 2025 guidance achieved with strong cash generation – Aiming for broadly stable earnings in 2026

- Revised earnings outlook for FY 2025 achieved: Adj. EBITDA of €1,874 m; solid Q4 (adj. EBITDA €357 m; "only" -8% yoy); results mainly supported by Health Care as well as lower personnel costs
- Cash conversion rate of 37% for FY 2025 in upper half of guidance corridor (FCF of €695 m); strong finish to the year with €411 m of FCF generated in Q4 thanks to decisive NWC management
- Aiming for broadly stable earnings in FY 2026: Adj. EBITDA between €1.7 and 2.0 bn expected; tough environment mainly balanced out by further cost optimization; FCF conversion again at ~40%
- Consistent strategy execution key to reach our ROCE target of 11% as soon as possible; realization of growth projects in attractive niches and implementation of optimization programs as base for future success
- New dividend policy in two steps: 1) €1 for fiscal 2025; 2) 40-60% payout of adj. net income for years thereafter; combining an attractive dividend (~7% yield for 2025) with increased financial flexibility

Income Statement (Q4 2025)

- **Sales** down by -5% to €3,403 m (Q4 2024: €3,599 m)
  - Volume increase (+2%) compensated by lower prices (-2%), both mainly driven by Advanced Technologies; Custom Solutions with stable volumes and prices in Q4
  - Sales decline therefore solely attributable to FX (-5%; weak USD)

- **Adj. EBITDA** down -8% yoy to €357 m (Q4 2024: €388 m)
  - Custom Solutions with yoy higher earnings in Q4 (+3%) thanks to strong Health Care business
  - Advanced Technologies with flat earnings yoy in Q4; visible benefits of optimization programs able to offset tough competition
  - Lower personnel costs supportive: Structural reduction of >850 FTE yoy and further bonus provision release
- (**FY 2025 adj. EBITDA** of €1.874 m (FY 2024: €2,065 m), in line with guidance "around €1.9 bn")

- **Adj. EBITDA margin** stable at 10.5% (Q4 2024: 10.8%)
- **Adj. EBIT** of €105 m (Q4 2024: €111 m)
- **Adj. EPS** of €0.15 (Q4 2024: €0.16)
- (**FY 2025 adj. EPS** of €1.36 (FY 2024: €1.67) with adj. financial result slightly more negative yoy but adj. tax rate of 22% below long-term sustainable tax rate of ~30%)

Cash Flow Statement

- **Q4 2025 FCF** of €411 m; clearly above last year's level of €172 m
  - Reduced capex spend at year-end (-€65 m yoy in Q4)
  - Decisive NWC management: Delta NWC +€163 m in Q4 and NWC to sales ratio down to 17.2% at year-end (end of Q3: 19.4%; end of last year: 17.7%)
- **FY 2025 FCF** strong at €695 m (FY 2024: €873 m); with 37% cash conversion rate in upper half of guidance corridor

Balance Sheet

- **Net financial debt** (€3,311 m) slightly up yoy (€3,253 m) but declined vs. end of Q3 (€3,677 m)
- **Pension provisions** of €1,490 m decreased yoy (€1,662 m) due to higher discount rate
- **Leverage** of 2.4x at year-end (end of 2024: 2.3x); financial debt leverage of 1.6x (2024: 1.5x)

NEW DIVIDEND POLICY

Overall Rationale

- Capital allocation priorities remain unchanged
  1. Investments into organic growth (unchanged)
     - 50:50 smart preservation and disciplined growth capex
  2. Attractive dividend
     - New dividend policy → see below
  3. Additional value creation (unchanged)
     - De-leveraging and no M&A until 2027
     - Optional: additional shareholder returns

- Aiming to combine an attractive dividend with increased financial flexibility
- Rigid dividend of €1.17 not adequate in this tough market environment and for a company in transformation

Step 1: €1 per share proposed for FY 2025 (to be paid in 2026)

- Transition year from the past's fixed dividend level to a payout ratio in the future
- €1 per share highly attractive dividend in these difficult times: ~7% yield

Step 2: 40-60% payout ratio proposed from FY 2026 onwards (to be paid from 2027)

- Dividend tied to financial performance enables
  - Long-term sustainability of dividend
  - More financial flexibility for Evonik to reach its strategic and financial targets
  - Participation of investors in future growth
- 40-60% payout range allows for dividend continuity and reliability in Euro terms
  - i.e. higher payout ratio in weaker financial years and vice versa

DEVELOPMENT IN THE SEGMENTS (Q4)

Custom Solutions (CU)

- Differentiated steering of new segments visible:
  - Pricing focus paying off (+1%)
  - Volume stabilizing (+0%)
- But burdened by FX
- Earnings up yoy, driven by Health Care

- **Additives** (adj. EBITDA stable yoy)
  - Despite weak demand persisting, most additives with stable to positive volumes
  - Biodiesel catalysts and PU-additives with volume declines, mostly in Europe & US
- **Care** (adj. EBITDA up yoy)
  - Care Solutions suffering from still weak end customer demand in Base Ingredients, while Specialities developed well
  - Health Care with strong year end, mainly driven by phasing of customer campaigns and higher demand in oral drug delivery

Advanced Technologies (AT)

- **Inorganics** (adj. EBITDA up yoy)
  - Solid performance yoy for Silica: first visible effect of asset network optimization and ramp-up of metal oxides plant in Japan
- **Organics** (adj. EBITDA down yoy)
  - Positive volume trend in both businesses
  - Crosslinkers: ongoing price pressure and impact of stronger inventory reduction towards year end
  - Polymers: strong demand for PA12 in automotive, sport and consumer end markets, esp. in Asia
- **Animal Nutrition** (adj. EBITDA down yoy)
  - Strong volume development yoy offset by normalization of prices; strong impact from exchange rate effects
  - Market demand remains healthy

Infrastructure (incl. C4) / Other

- **Infrastructure** (adj. EBITDA up yoy)
  - Oxeno (C4 business) with continued weak market conditions
  - Stronger results from infrastructure business Marl and Wesseling due to lower costs and project business
- **Other** (adj. EBITDA down yoy)
  - Last year supported by positive effect of CO_2 certificates

OUTLOOK FY 2026

→ Assumptions for Outlook: see presentation page 11

Group Outlook
- **Adj. EBITDA** between €1.7 – 2.0 bn (FY 2025: €1.9 bn)
- **ROCE:** around prior-year level (2025: 6.1%)
- **FCF:** targeting ~40% cash conversion rate (FY 2025: 37%; FCF €695 m)
- **Capex:** ~€750 m (FY 2025: €748 m)

Additional Indications for FY 2026
- **Sales:** between €13.5 and 14.5 bn (2025: €14.1 bn)
- **EUR/USD sensitivity:** +/-1 USD cent = -/+ ~€5 m adj. EBITDA (FY basis)
- **Adj. D&A:** around prior-year level (2025: €1,013 m)
- **Adj. net financial result:** around prior year level (2025: -€162 m)
- **Adj. tax rate:** around long-term sustainable level of ~30% (2025: 22%)

Segment Outlook for Adj. EBITDA)
- **Custom Solutions:** "Slightly above prior-year level" (FY 2025: €909 m)
  - Slightly higher volumes expected in most businesses; increasing utilization of new plants
  - Slightly falling input costs
  - Health Care: positive effects from optimization program
- **Advanced Technologies:** "Slightly below prior-year level" (FY 2025: €944 m)
  - Less positive one-time-effects vs. PY
  - Continued competitive pressure for more standardized products
  - Normalization of methionine prices, partly offset by higher volumes and better cost position
  - Benefits from optimization programs
- **Infrastructure (incl. C4) / Other:** "Slightly above prior-year level" (FY 2025: €21 m)
  - More FTE reduction
  - Slight recovery for Oxeno (C4) possible, coming from a trough level in 2025

EVONIK Leading Beyond Chemistry

Please see “Key Financial Data” on our website (“Reporting”) for further detailed KPI’s and indications, including on sub-segment level

Key Financials Q4 / FY 2025

in € million	Q4 2024	Q4 2025	yoy Δ%	Q4 2025 Consensus*	FY 2024	FY 2025	yoy Δ%	FY 2025 Consensus*
Evonik Group								
External sales	3.599	3.403	-5%	3.336	15.157	14.069	-7%	14.003
Volumes (%)			*2%*	-3%			*-2%*	*-2%*
Prices (%)			*-2%*	0%			*-1%*	*-1%*
Exchange Rates (%)			*-5%*	-3%			*-2%*	*-2%*
Other (incl. M&A; %)			*0%*	0%			*-2%*	*-1%*
Adjusted EBITDA	388	357	-8%	363	2.065	1.874	-9%	1.879
Adjusted EBITDA Margin (%)	10,8%	10,5%	-0,3 pp	11	13,6%	13,3%	-0,3 pp	13,5%
Adjusted EBIT	111	105	-5%	98	1.027	861	-16%	853
Adjustments	-200	-37		-7	-450	-283		-253
EBIT	-91	68	-175%	83	577	578	0%	593
Adjusted net income	74	71	-4%	26	777	634	-18%	581
Adjusted earnings per share in €	0,16	0,15		0,06	1,67	1,36		1,25
Capex (cash-out)	266	201	-24%	-194	840	748	-11%	-750
Net financial position	-3.253	-3.311			-3.253	-3.311		
Cash flow from operating activities, cont. ops.	438	612	40%	551	1.713	1.443	-16%	1.382
Free cash flow, cont. ops.	172	411	139%	357	873	695	-20%	641
Custom Solutions								
External sales	1.408	1.359	-3%	1.290	5.737	5.492	-4%	5.424
Volumes (%)			0%				-3%	
Prices (%)			1%				1%	
Exchange Rates (%)			-5%				-3%	
Other (incl. M&A; %)			1%				1%	
Sales Additives	935	869	-7%	860	3.908	3.683	-6%	3.675
Sales Care	473	491	4%	453	1.829	1.809	-1%	1.772
Adjusted EBITDA	179	184	3%	192	978	909	-7%	917
Adjusted EBITDA Margin (%)	12,7%	13,5%	0,8 pp	14,5%	17,0%	16,6%	-0,4 pp	16,8%
Advanced Technologies								
External sales	1.504	1.415	-6%	1.407	6.089	5.973	-2%	5.964
Volumes (%)			2%				*2%*	
Prices (%)			-3%				*-2%*	
Exchange Rates (%)			-5%				*-3%*	
Other (incl. M&A; %)			0%				*1%*	
Sales Organics	408	395	-3%	379	1.664	1.634	-2%	1.618
Sales Inorganics	607	566	-7%	581	2.490	2.395	-4%	2.411
Sales Animal Nutrition	489	454	-7%	446	1.935	1.944	0%	1.914
Adjusted EBITDA	185	186	1%	171	1.023	944	-8%	930
Adjusted EBITDA Margin (%)	12,3%	13,1%	0,8 pp	12,0%	16,8%	15,8%	-1,0 pp	15,5%
Infrastructure (incl. C4 business) / Other								
External sales	687	629	-8%	624	3.331	2.604	-22%	2.600
Adjusted EBITDA	24	-13	-154%	0	64	21	-67%	33

* Vara Consensus January 19, 2026