



WACKER – Cash, Growth and Sustainability

Wacker Chemie AG

July 2021

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WACKER: At a Glance

Facts & Figures

€666m
EBITDA in 2020

14,300
Employees

€4,692m
Sales in 2020

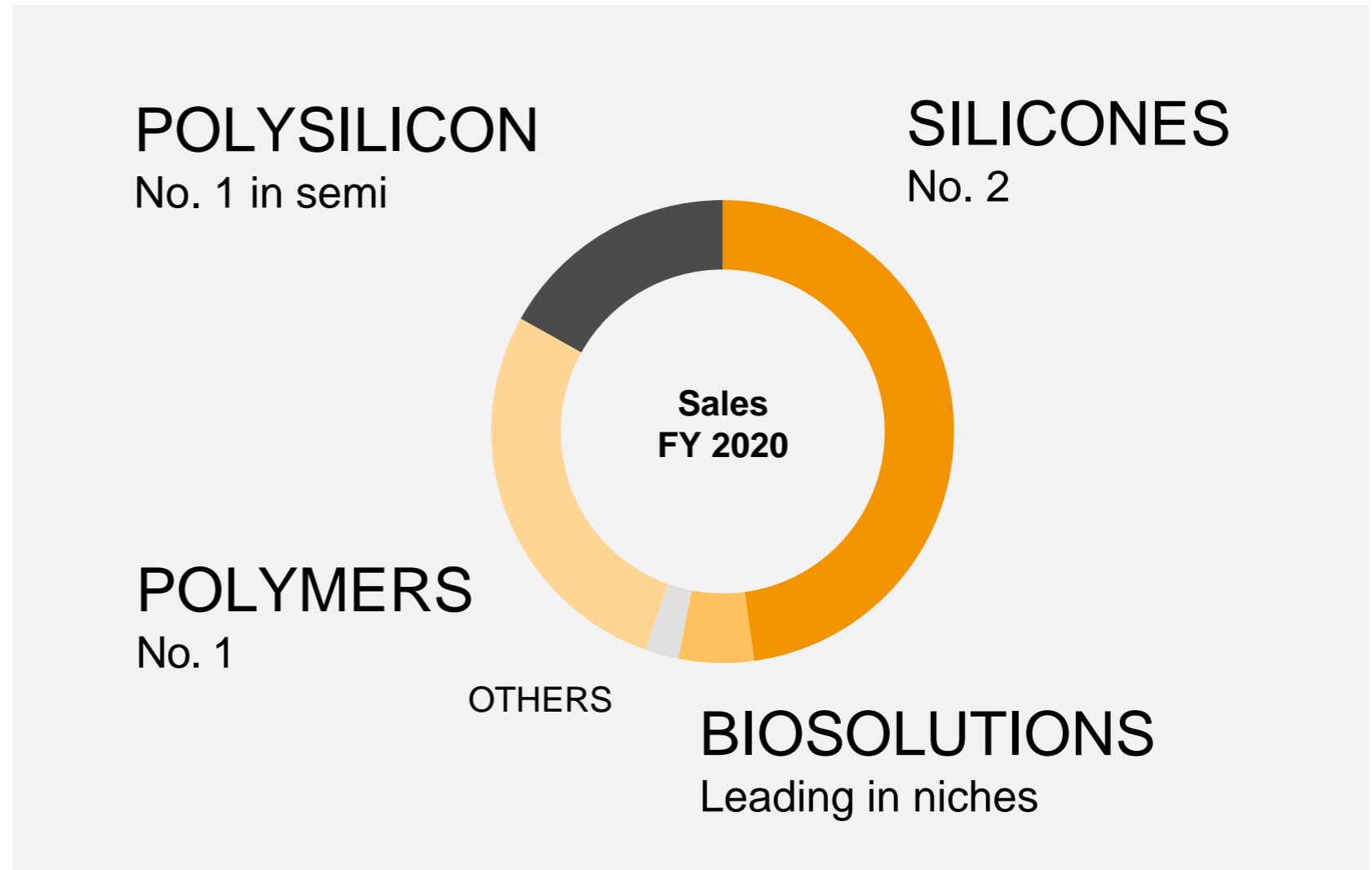
26
Production Sites

14.2%
EBITDA margin
in 2020

23
Technical Centers

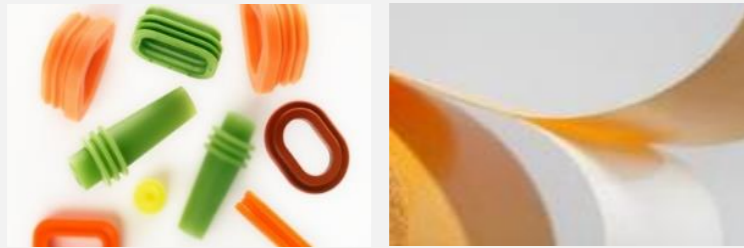
4 Business
Segments

45 Scientific
collaborations



SILICONES: At a Glance

Full Portfolio Supplier with Focus on Specialties



Downstream specialty business:

- ▶ Customization, innovation, localization of service
- ▶ Preferred development partner

Upstream:

- ▶ Benchmark costs, centralized „Verbund“ approach

Silicones: a Basis for Unlimited Applications



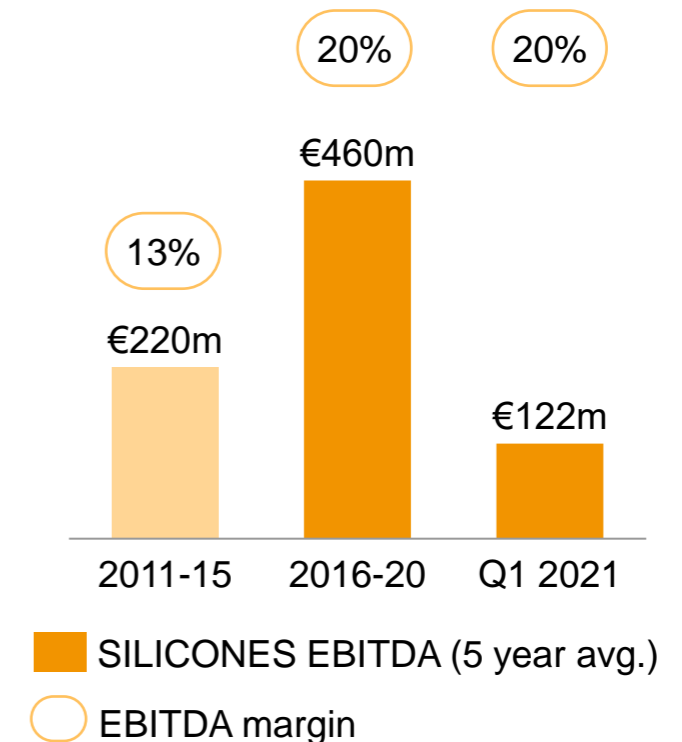
Broad range of adjustable properties:

- ▶ Hydrophobic / hydrophilic, adhesive / release, el. conducting / insulating

Customized products with unique properties:

- ▶ UV and heat stability, weather, chemical and microbial resistant

Financial Performance



POLYMERS: At a Glance

Global Presence with Tandem Sites (DPP + VAE)¹



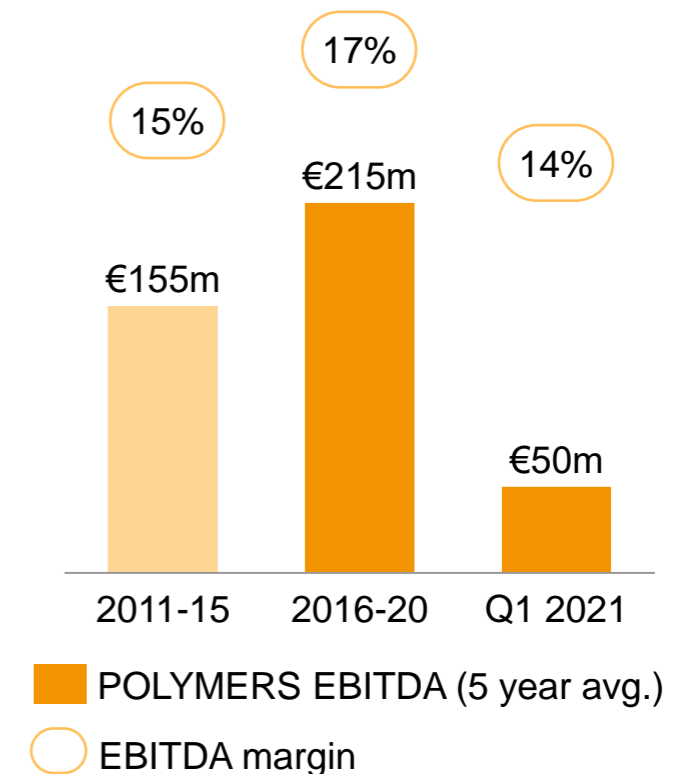
- ▶ Serving customers in all key markets
- ▶ Addressing individual regional market requirements
- ▶ Innovation and in-depth formulating expertise
- ▶ 16 technical centers globally

Creating Value in a Wide Range of Applications



- ▶ Value-based substitution
- ▶ Enable smart construction
- ▶ Higher building standards
- ▶ Material savings & labor productivity

Financial Performance



1) DPP = Dispersible Polymer Powders VAE= Vinyl acetate-ethylene

BIOSOLUTIONS: At a Glance

Accelerated Growth in BioPharma & BioIngredients



BioPharma:

- ▶ GMP contract manufacturing of biologics, vaccines, live microbials, mRNA, pDNA

BioIngredients:

- ▶ Nutraceuticals, Cysteine, Cyclodextrins

Focus on Efficiency & Cash in Life Science Chemicals



Gum:

- ▶ Food-grade polyvinyl acetate for gum base

Advanced Intermediates:

- ▶ Acetylacetone, organosilanes & fine chemicals

New 2030 Ambition

€1bn Sales in BIOSOLUTIONS with >25% EBITDA by 2030

- ▶ Expand BioPharma capacities to support strong growth
- ▶ Innovation and M&A to accelerate growth

POLYSILICON: At a Glance

Benchmark Quality for Semi and Solar Grade Polysilicon



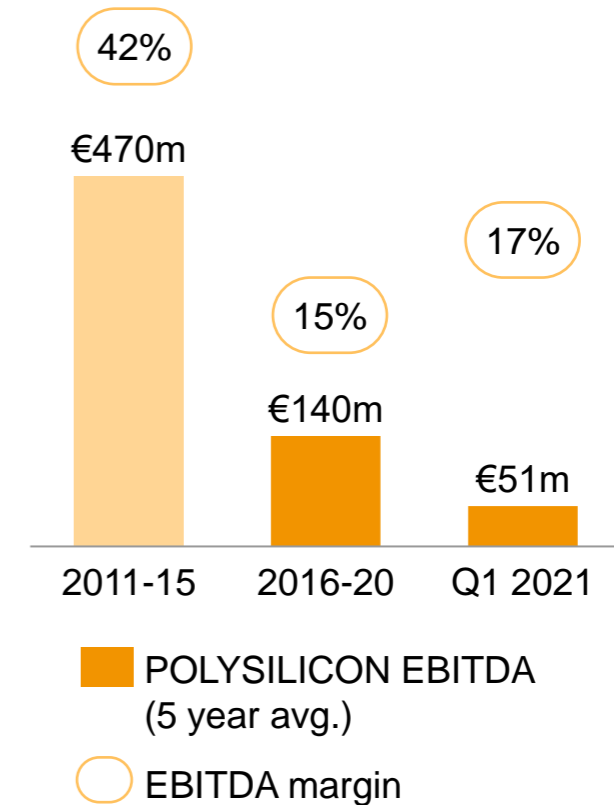
- ▶ Specialty strategy with Clear #1 market position in semiconductor polysilicon
- ▶ WACKER enables high-efficiency PV solar
- ▶ Leading supplier to high-efficiency N-type mono - the next design rule for PV solar

Aggressive Cost Reductions at all Sites



- ▶ Successful execution of cost roadmap & targets
- ▶ Target¹: Costs down by 30% till end 2021 and additional 20% by 2024

Financial Performance



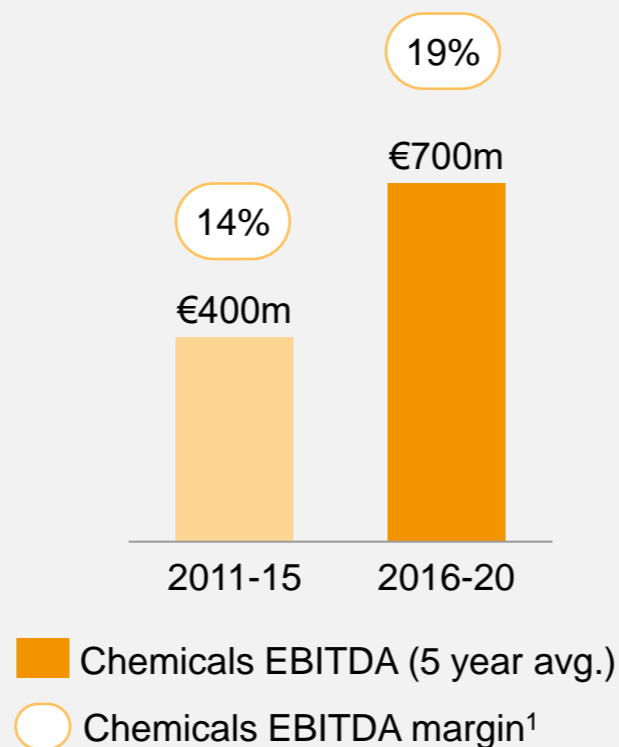
1) Solar Materials Cost Road Map: 30% reduction till 2021 (based year 2017), 20% reduction by 2014 base year 2021

Solid Track Record on Achieving Our 5 Targets...

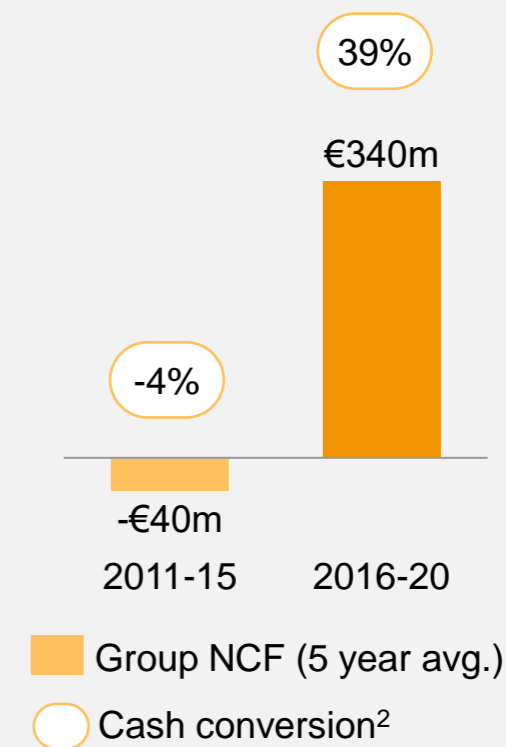
5 Targets

1. CapEx – Extend Leverage Phase ✓
2. Grow Above Chemical Production ✓
3. Focus Strongly on Sustainability ✓
4. Sustain Attractive Margins Over the Cycle ✓
5. Generate Cash ✓

Specialties Strategy Improves Margins



Strong Group NCF on Lower Capital Intensity



... Ready for the Next Step

1) Chemicals = SILICONES, POLYMERS and BIOSOLUTIONS 2) Cash conversion = Net cash flow / Group EBITDA

Trading Update:

For Q2 2021 WACKER Expects Sales of ~€1.5bn with an EBITDA of €300-350m

SILICONES

- ▶ Strong demand for specialties across diversified industries
- ▶ Continued specialties growth supported by mid- and downstream investments

POLYMERS

- ▶ Continued demand growth in DPP¹ and adhesives
- ▶ Price increases and surcharges to address unprecedented rise in raw material costs

BIOSOLUTIONS

- ▶ BioPharma continues strong, but significant ramp and integration costs in Q2 following Amsterdam expansion & acquisition of pDNA specialist in the US

POLYSILICON

- ▶ Strong solar volumes, lean inventory levels and increasingly higher prices
- ▶ Strong demand from semiconductors

1) DPP = Dispersible Polymer Powders

Appendix: WACKER Guidance FY 2021

In €m	FY 2020	Outlook 2021
Sales	4,692	Around 5.5 €bn¹
EBITDA	666	Between 900€m and 1.1 €bn
EBITDA margin (%)	14.2%	Slightly higher than last year
Net cash flow	698	Clearly positive, substantially lower than last year
CapEx	224	Around 350
Net financial debt	68	Positive net financial assets
Net Income	202	Markedly above last year's level
Depreciation	404	Around 400
ROCE (%)	5.6%	Substantially higher than last year
Tax Rate (%)	7.1%	Around 25% of taxable income

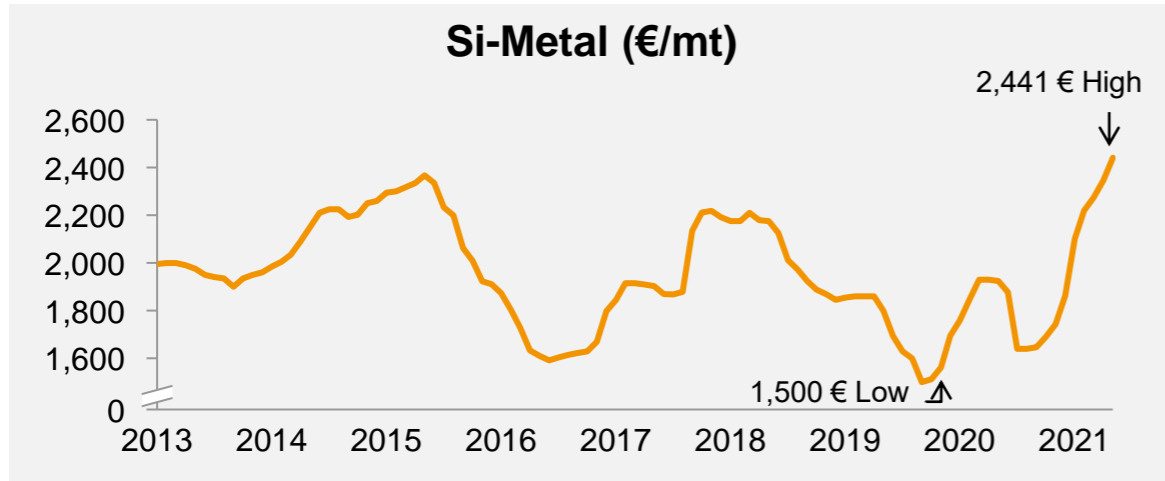
¹⁾ **BOLD** = New Guidance June 2021

Appendix: FY 2020 and Q1 2021 Results – Breakdown by Business

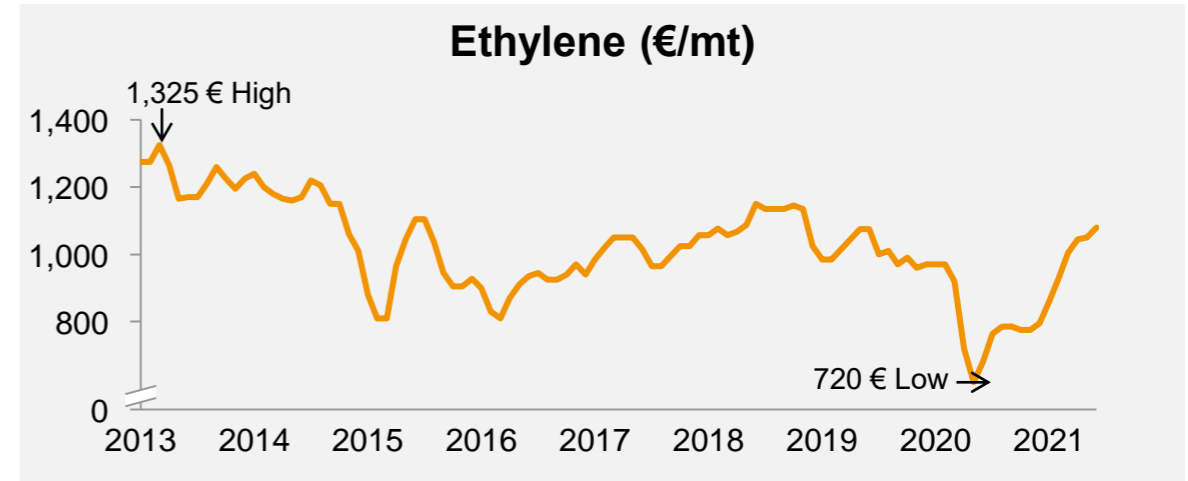
In €m / %	FY 2020			FY 2019			Q1 2021			Q1 2020		
	SALES	EBITDA	EBITDA MARGIN	SALES	EBITDA	EBITDA MARGIN	SALES	EBITDA	EBITDA MARGIN	SALES	EBITDA	EBITDA MARGIN
Chemicals	3,789	696	18.4%	4,011	704	17.5%	1,031	178	17.2%	984	189	19.2%
SILICONES	2,244	388	17.3%	2,453	479	19.5%	613	122	19.9%	590	119	20.1%
POLYMERS	1,299	271	20.8%	1,315	194	14.8%	350	50	14.1%	331	62	18.6%
BIOSOLUTIONS	246	38	15.5%	243	31	12.8%	68	6	9.2%	63	9	13.4%
POLYSILICON	792	5	0.6%	780	57 ²	7.3%	298	51	17.1%	184	-14	-7.4%
Others	128	-35	n.a.	158	22	14.2%	34	19	54.6%	35	0	n.a.
Consolidation	-17	1	n.a.	-21	0	n.a.	-3	-1	n.a.	-6	-1	n.a.
WACKER Group	4,692	666¹	14.2%	4,928	783²	15.9%	1,360	246	18.1%	1,198	174	14.5%

¹⁾ incl. "Shape the future" restructuring provision of €49m ²⁾ incl. insurance compensation of €112.5m from 2017 incident in Charleston

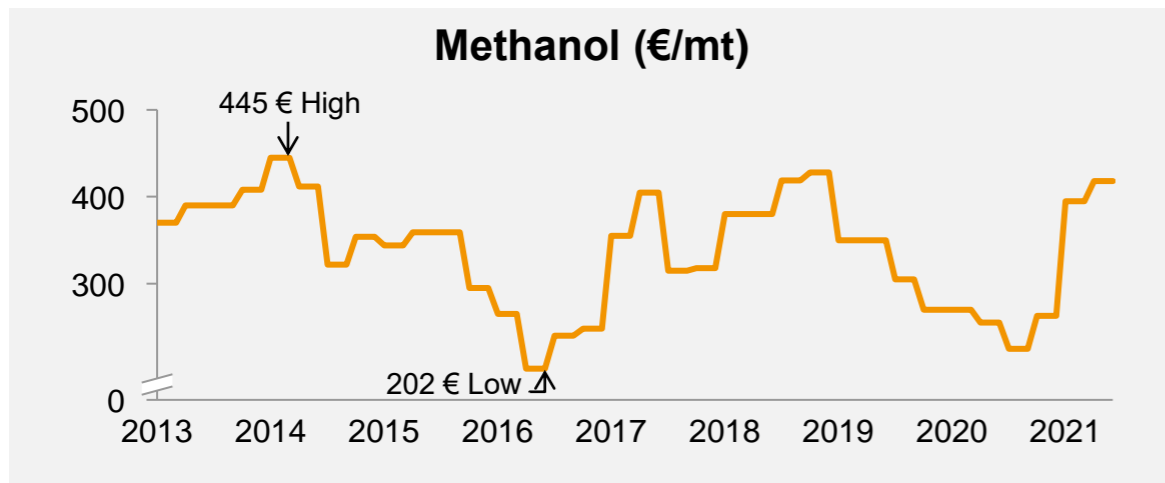
Appendix: Unprecedented Rise in Raw Materials



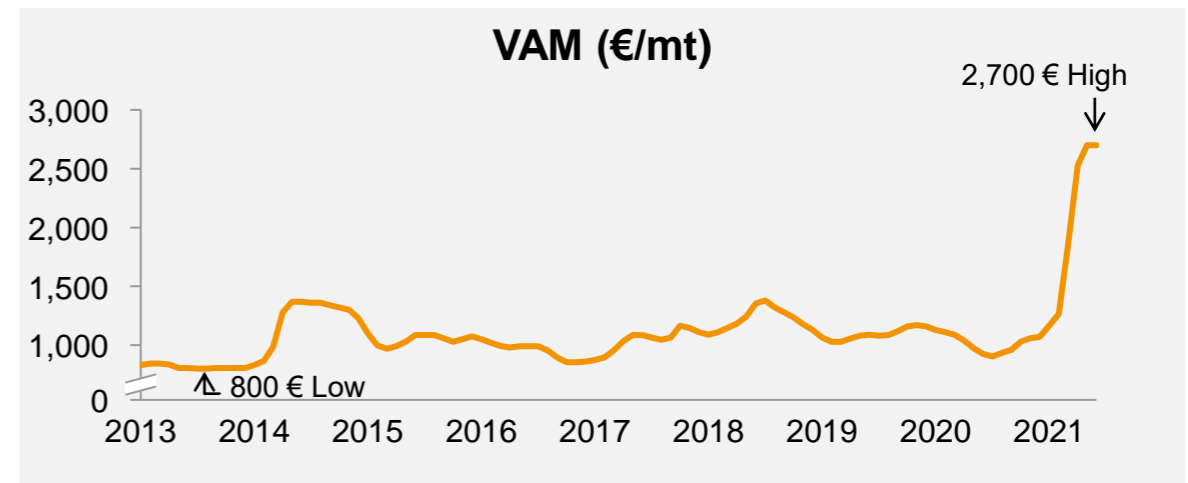
Source: CRU, Si-Metal Spot FD Europe



Source: ICIS, EN Contract FD NWE



Source: ICIS, MeOH Contract, FOB RDM



Source: ICIS, VAM Contract FD NWE

WACKER: Issuer, Contact and Additional Information

Issuer and Contact

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Additional Information



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Deutsche Börse	WCH

Financial Calendar

08/05/21	Q2 Results 2021
10/28/21	Q3 Results 2021
Q4 2021	Virtual CMD Series: ESG & POLYSILICON
Q1 2022	WACKER Strategy Update: New Group Targets & Ambitions

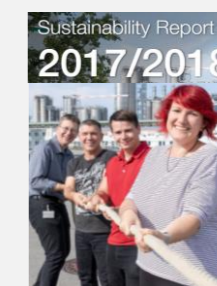
Publications



CUSTOMER
MAGAZINE



FACTBOOK



SUSTAINABILITY
REPORT



SQUARE
APP