Press release

Key Financial Data: January 1 to December 31, 2024 / Outlook 2025

March 5, 2025

Evonik clearly beats previous year's results and aims for further growth

- Adjusted EBITDA rises 25 percent
- Outlook 2025: adjusted EBITDA of €2.0-2.3 billion
- Restructuring and cost-cutting measures take effect

Essen, Germany. Evonik posted a strong increase in operating profit in 2024. Adjusted EBITDA rose 25 percent to €2.065 billion, within the guided range of €1.9 billion to 2.2 billion. The company had raised its guidance in the summer amid good performance over the course of the year. At €15.2 billion, sales were roughly on par with the previous year. Accordingly, profitability improved significantly, with the adjusted EBITDA margin rising from 10.8 percent to 13.6 percent year-over-year.

"We advanced during the economic and political headwinds of last year! We have become more robust," says Chief Executive Officer Christian Kullmann. "That will continue to pay off this year, even though the environment remains difficult. We have to keep pushing."

The focus on free cash flow during 2024 proved successful. At €873 million, free cash flow for 2024 was 9 percent above the already good level of the previous year (€801 million), thanks mainly to the higher operating profit and ongoing discipline regarding capital expenditures. The cash conversion rate reached 42 percent, beating the targeted 40 percent once more.

At the bottom line, Evonik reported a positive net income of €222 million in 2024. The return on capital employed (ROCE) improved to 7.1 percent (2023: 3.4 percent). Sales volumes rose 4 percent in 2024, outpacing global economic growth. Prices fell by an average of 2 percent.

Evonik is confident for the current fiscal year. In the first quarter, Evonik expects adjusted EBITDA above the level of the prior-year period (€522 million). For the full year, adjusted EBITDA is anticipated to be between €2.0 and 2.3 billion. The cash

Joerg Wagner
Head of External Communications
Phone +49 201 177 3408
Mobile +49 152 563 86040
Joerg2.Wagner@evonik.com

Richard Weiss
External Communications
Phone +49 201 177 2532
Mobile +49 174 233 8658
Richard.Weiss@evonik.com

Evonik Industries AG
Rellinghauser Straße 1-11
45128 Essen
Germany
Phone +49 201 177-01
Fax +49 201 177-3475
www.evonik.com

Supervisory Board
Bernd Tönjes, Chairman
Executive Board
Christian Kullmann, Chairman
Dr. Harald Schwager, Deputy Chairman
Maike Schuh, Thomas Wessel

Registered Office is Essen
Register Court Essen Local Court
Commercial Registry B 19474

conversion rate is expected to be around 40 percent. The ROCE will improve further.

“The uncertain economic situation requires us to work all the harder in 2025,” says Chief Financial Officer Maike Schuh. “It is in our own hands: With disciplined management of costs and capital expenditures, we are laying the foundation for higher profitability and returns.”

The positive cash flow trend allows for another year of stable dividends. The Executive and Supervisory Boards will propose an unchanged annual dividend of €1.17 per share to the Annual Shareholders' Meeting on May 28. This currently corresponds to a dividend yield of around 6 percent.

The group-wide efficiency program Evonik Tailor Made is in full implementation mode. By the end of 2026, it will reduce annual costs by around €400 million. “We promised to carry out the reorganization in a socially responsible manner and we are keeping our word: the reorganization and the planned job cuts are going according to plan and in close consultation with employee representatives. Parallel improvement programs, for example in animal nutrition and health care, are also making good progress,” says Thomas Wessel, Chief Human Resources Officer and Labor Director.

Complexity is decreasing. In the future, Evonik will bundle its chemical businesses into two segments, which will be steered in a differentiated manner by members of the Executive Board. Lauren Kjeldsen and Claudine Mollenkopf, the two executives responsible for these segments, will join the Executive Board and oversee the new segments “Custom Solutions” and “Advanced Technologies”. With the elimination of the division level, an entire management level in the operating business will be eliminated as of April 1. Just as important: The new setup allows for a more targeted management of the individual chemical businesses and will provide them with the appropriate resources for innovation and investment.

As part of its new innovation strategy, Evonik is focusing its resources on the most promising ideas: bio-based solutions, the energy transition, and the circular economy. The company's Next Generation Solutions, products and applications with a proven sustainability advantage for customers, are also developing very successfully: They now account for 45 percent of Group sales (2023: 43 percent).

The split of the former Technology & Infrastructure division into infrastructure services for the sites and central strategic technology expertise was implemented on January 1, 2025. The German sites in Marl and Wesseling will be carved out later this year. This will ensure that Evonik remains a technology leader and can better focus on its chemical businesses.

Development of the chemical divisions

Specialty Additives:
In the Specialty Additives division, sales grew by 2 percent to €3,578 million, driven by considerably higher volumes, but held back by a reduction in selling prices, mainly because lower raw material costs were passed on to customers, and slightly negative currency effects. Demand for products for the construction and coatings industries was significantly higher, while selling prices declined slightly. Overall, sales were considerably higher than in the previous year. Sales of oil additives increased due to higher volumes. Sales of additives for polyurethane foams and consumer durables declined slightly as a result of a slight downward trend in selling prices. Crosslinkers posted lower sales than in the previous year due to price trends in highly competitive conditions. Adjusted EBITDA improved by 11 percent to €744 million in the Specialty Additives division. The main factors here were the considerable rise in volumes, the resulting increase in capacity utilization in production plants, and cost savings. The adjusted EBITDA margin increased from 19.1 percent in the prior year to 20.8 percent.

Nutrition & Care:
In the Nutrition & Care division, sales rose 4 percent to €3,764 million. As well as a slightly higher volumes, this was attributable to a year-on-year rise in selling prices in the Animal Nutrition business. The essential amino acids business (Animal Nutrition) benefited from slightly higher volumes and, above all, higher

selling prices, resulting in considerably higher sales. Health & Care sales were around the prior-year level. As in previous years, our system solutions for active cosmetic ingredients posted a pleasing performance. The production facility for innovative rhamnolipids (biosurfactants) in Slovakia made its first contribution to sales in 2024. Adjusted EBITDA improved 54 percent to €601million in the Nutrition & Care division. This was mainly attributable to higher selling prices for essential amino acids and cost savings resulting from the optimization of the business model for this business. The adjusted EBITDA margin therefore increased from 10.8 percent in the prior year to 16.0 percent.

Smart Materials:
Sales in the Smart Materials division were around the prior-year level at €4,450 million, with the impact of higher volumes and lower selling prices offsetting each other. There was higher demand for inorganic products, especially silicas and catalysts. However, as a result of lower selling prices, sales were only on the prior-year level. We also observed a positive volume trend in the Polymers business, with our polyamide 12, for example, reporting slightly higher sales despite lower selling prices. Adjusted EBITDA rose by 11 percent to €601 million in the Smart Materials division, driven principally by higher volumes and lower variable costs. The adjusted EBITDA margin increased from 12.1 percent to 13.5 percent.

Excerpt from the income statement

in € million	4th quarter 2023	4th quarter 2024	4th quarter Change in %	Full year 2023	Full year 2024	Full year Change in %
Sales	**3,604**	**3,599**	**–**	**15,267**	**15,157**	**-1**
Adjusted EBITDA	**312**	**388**	**24**	**1,656**	**2,065**	**25**
Adjusted EBIT	**32**	**111**	**247**	**521**	**1,027**	**97**
Adjustments	-2	-202		-764	-450	
Financial result	-50	-30		-108	-143	
Income before income taxes, continuing operations	**-20**	**-121**	**–**	**-351**	**434**	**–**
Income taxes	-124	-28		-101	-194	
Income after taxes, continuing operations	**-144**	**-149**	**-3**	**-452**	**240**	**–**
Income after taxes, discontinued operations	–	1		–	–	
Income after taxes	**-144**	**-148**	**-3**	**-452**	**240**	**–**
thereof attributable to non-controlling interests	2	4		13	18	
Net Income	**-146**	**-152**	**-4**	**-465**	**222**	**–**
Adjusted net income	**-56**	**74**	**–**	**370**	**777**	**110**

Division performance – 4th quarter

in € million	Sales			Adjusted EBITDA		
	2023	2024	Change in %	2023	2024	Change in %
Specialty Additives	811	828	2	134	131	-2
Nutrition & Care	908	962	6	115	126	10
Smart Materials	1,054	1,112	6	119	106	-11
Technology & Infrastructure[a]	818	683	-17	38	103	171
Enabling functions, other activities, consolidation	13	14	8	-94	-78	17
Evonik Group	**3,604**	**3,599**	**–**	**312**	**388**	**24**

[a] Prior-year figures restated.

Division performance – Full year

in € million	Sales			Adjusted EBITDA		
	2023	2024	Change in %	2023	2024	Change in %
Specialty Additives	3,520	3,578	2	673	744	11
Nutrition & Care	3,611	3,764	4	389	601	54
Smart Materials	4,461	4,450	–	540	601	11
Technology & Infrastructure[a]	3,622	3,314	-9	328	441	34
Enabling functions, other activities, consolidation	53	51	-4	-274	-322	-18
Evonik Group	**15,267**	**15,157**	**-1**	**1,656**	**2,065**	**25**

[a] Prior-year figures restated.

Employees by division

	Dec. 31, 2023	**Dec. 31, 2024**
Specialty Additives	3,492	3,391
Nutrition & Care	5,630	5,514
Smart Materials	8,103	7,942
Technology & Infrastructure[a]	9,935	8,866
Enabling functions, other activities, consolidation	6,249	6,217
Evonik Group	**33,409**	**31,930**

[a] Prior-year figures restated.

Company information
Evonik is one of the world leaders in specialty chemicals. The company is active in more than 100 countries around the world and generated sales of €15.2 billion and an operating profit (adjusted EBITDA) of €2.1 billion in 2024. Evonik goes far beyond chemistry to create innovative, profitable, and sustainable solutions for customers. About 32,000 employees work together for a common purpose: We want to improve life today and tomorrow.

Disclaimer
In so far as forecasts or expectations are expressed in this press release or where our statements concern the future, these forecasts, expectations or statements may involve known or unknown risks and uncertainties. Actual results or developments may vary, depending on changes in the operating environment. Neither Evonik Industries AG nor its group companies assume an obligation to update the forecasts, expectations or statements contained in this press release.