

Key Financial Data: January 1 to March 31, 2025

May 12, 2025

Good start to the year for Evonik – outlook confirmed

- Adjusted EBITDA up 7 percent in first quarter
- Free cash flow much higher, sales volumes up
- Outlook confirmed despite increasing economic uncertainties

Essen, Germany. In the first three months of 2025, Evonik increased earnings versus the prior year despite a difficult economic environment. At €560 million, adjusted EBITDA was 7 percent above the good prior-year figure. The improvement was driven by higher sales volumes and better than expected prices in Animal Nutrition, as well as continued cost discipline.

“We had a good start to the year,” says Chief Executive Officer Christian Kullmann. “However, the combination of a looming global trade war and armed conflicts makes planning for the future more uncertain than ever. There is a risk of a further economic slowdown, particularly in the second half of the year.”

Evonik increased sales volumes by 2 percent in the first quarter compared to the same quarter in the previous year. Prices fell by 2 percent. Revenue remained roughly stable at €3.78 billion. The adjusted EBITDA margin rose by 1 percentage point to 14.8 percent. Net income amounted to €233 million, compared with €156 million in the same quarter of the previous year. Free cash flow rose by 53 percent to €195 million.

“Our efficiency efforts are taking hold. And that is urgently needed in view of resurgent economic concerns,” says Chief Financial Officer Maike Schuh. “The less predictable the environment, the clearer our path must be: Deliver on the improvements we promise.”

Economic conditions became more challenging in the first months of the year, and the escalating protectionist trade policies of the

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US add to the uncertainty. Nevertheless, following its good start to the year, Evonik is confirming its earnings forecast and continues to expect adjusted EBITDA of between €2.0 billion and €2.3 billion for the year 2025.

Better than expected pricing trends in the Animal Nutrition business supported earnings growth in the first quarter. This trend should continue at least for the second quarter. The cash conversion rate for 2025 should continue to be at around 40 percent. Capital expenditures are expected to remain roughly constant at around €850 million. ROCE will further improve this year.

Evonik is working on becoming less dependent on external factors with a focus on cost discipline and on structural improvements like the program Evonik Tailor Made and various optimization projects within its operating businesses. Tailor Made is on track to deliver a high double-digit million-€ earnings contribution in the current year, combined with the other improvement programs. Evonik also implemented a new corporate structure with a lean management model and a reduced number of corporate units. At the beginning of the second quarter, the division management level was eliminated. As a result, the chemical businesses, bundled into two segments, are now steered directly by members of the Executive Board.

Evonik will provide more information on strategic direction and targets during its Capital Markets Day on May 22, 2025.

Development of the chemical divisions

Specialty Additives:

Sales in the Specialty Additives division rose by 1 percent to €923 million in the first quarter of 2025. This was due to slightly higher volumes and positive currency effects. Selling prices were slightly below the previous year's level. Products for the paint and coatings industry performed well, with significantly higher sales volumes and sales noticeably above the previous year's level. Sales of crosslinkers increased on the back of higher volume demand. Oil additives also saw sales rise due to higher volumes worldwide. Additives for polyurethane foams and durable consumer goods posted lower sales compared to the prior year on lower sales volumes. Adjusted EBITDA increased by 1 percent to €201 million. The adjusted EBITDA margin was 21.9 percent, on par with the prior-year quarter (21.8 percent).

Nutrition & Care:

Sales in the Nutrition & Care division increased by 12 percent to €1,007 million in the first quarter of 2025, mainly due to higher sales volumes. Sales of essential amino acids (Animal Nutrition business) were higher due to a noticeable increase in volumes and a compensation payment from the termination of a supply contract by a customer. Sales in Health & Care increased because of stronger business with drug substances. Care products sales decreased year-over-year due to volume-related factors. The division's adjusted EBITDA improved by 35 percent to €197 million. This was mainly due to the noticeable volume increases, cost savings from the optimization of the Animal Nutrition business model, and the compensation payment. The adjusted EBITDA margin rose significantly from 16.2 percent in the prior-year quarter to 19.6 percent.

Smart Materials:

Sales in the Smart Materials division remained virtually unchanged in the first quarter of 2025 at €1,098 million, with volumes and selling prices roughly on par with the prior-year quarter. Inorganic products recorded slightly higher overall demand with stable selling prices. Still, sales declined slightly, partly due to lower

precious metal prices. In the Polymers business, sales rose on higher volumes and slightly better prices. Adjusted EBITDA was €149 million, 7 percent below the prior-year figure, which included licensing income. The adjusted EBITDA margin decreased from 14.6 percent in the prior-year quarter to 13.6 percent.

Excerpt from the income statement

in € million	1st quarter		
	2024	2025	Change in %
Sales	3,796	3,777	-1
Adjusted EBITDA	522	560	7
Adjusted EBIT	266	309	16
Adjustments	-14	-10	
Financial result	-33	-29	
Income before income taxes, continuing operations	219	270	23
Income taxes	-59	-34	
Income after income taxes, continuing operations	160	236	48
Income after taxes, discontinued operations	–	–	
Income after taxes	160	236	48
thereof attributable to non-controlling interests	4	3	
Net Income	156	233	49
Adjusted net income	197	275	40

Division performance – 1st quarter

in € million	Sales			Adjusted EBITDA		
	2024	2025	Change in %	2024	2025	Change in %
Specialty Additives	915	923	1	200	201	1
Nutrition & Care	900	1,007	12	146	197	35
Smart Materials	1,094	1,098	–	160	149	-7
Infrastructure	832	708	-15	66	61	-8
Enabling Functions, Other Activities, Consolidation	55	41	-25	-50	-48	4
Evonik Group	3,796	3,777	-1	522	560	7

Prior-year figures restated.

Employees by division

	Dec. 31, 2024	Mar. 31, 2025
Specialty Additives	5,048	5,020
Nutrition & Care	5,900	5,832
Smart Materials	8,486	8,361
Infrastructure	4,169	4,008
Enabling Functions, Other Activities, Consolidation	8,327	8,364
Evonik Group	31,930	31,585

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.

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