



First Quarter 2024 Results

May 16, 2024



Dr. ILHAM KADRI
Chief Executive Officer



CHRISTOPHER DAVIS
Chief Financial Officer



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Agenda

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First Quarter
2024 Review

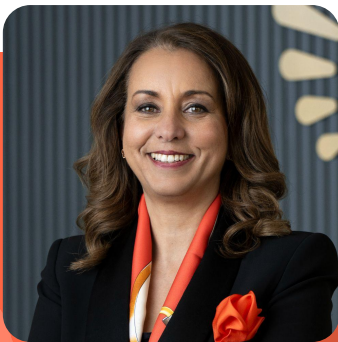
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First Quarter
2024 Financial
Review

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2024
Outlook

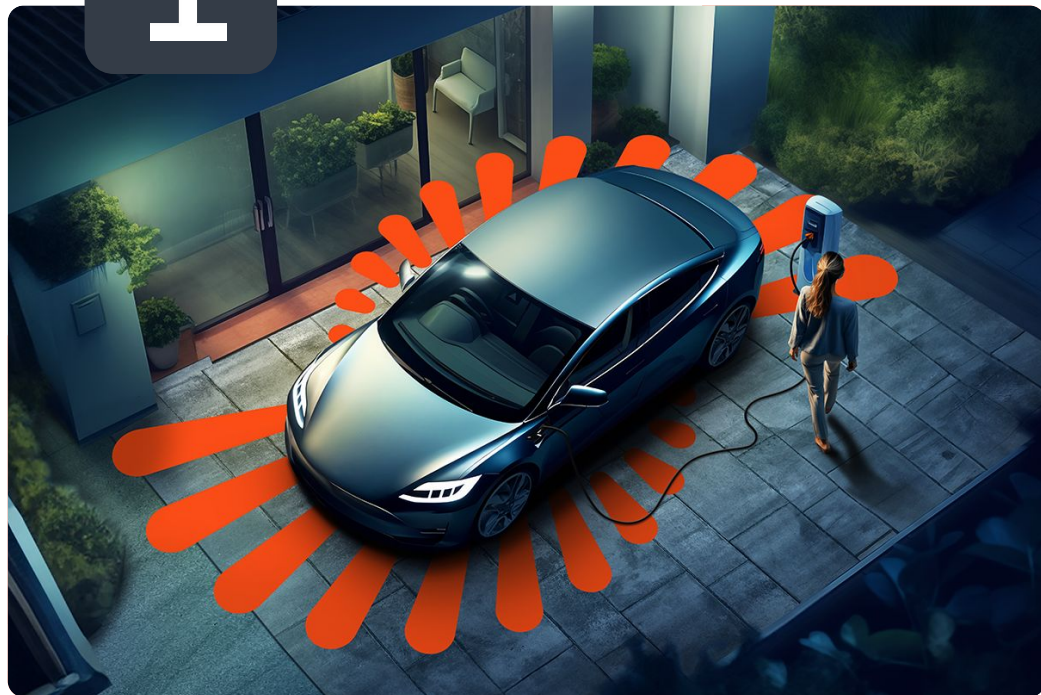




FIRST QUARTER REVIEW

Dr. ILHAM KADRI
Chief Executive Officer

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First Quarter 2024 Highlights

- **Improved volume momentum**
- **Underlying EBITDA** in-line with expectations
- **Strong sequential margin improvement**
- **89%** cash conversion^[1]
- Net debt reduced to **€1.5bn**

NET SALES

€1.62_{bn}

-2% volumes
-6% pricing

GROSS PROFIT

€583_{mn}

35.9% margin

EBITDA

€363_{mn}

22.3% margin

LEVERAGE RATIO

1.0_x

[1] Cash conversion = (underlying EBITDA +/- changes in working capital - Sustainance Capital Expenditure) / (underlying EBITDA) on a last twelve months basis

Accelerating our growth strategy

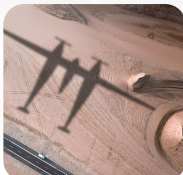
Sponsorship
of **DS PENSKE**
Formula E Team



Strategic
partnership with
Ellen MacArthur
Foundation



Climate impulse:
A non-stop 9 day
flight around the
world, emission-free,
powered by green
hydrogen



**Innovation
Week** to
showcase our
investments in
innovation



Offsite visits
with Board
members and
key customers



Inaugural
**2023 annual
integrated
report**



JANUARY

FEBRUARY

MARCH

APRIL

INVESTMENTS

Investment in
Bioeutectics,
advancing our
leadership
green solvents



Investment in
new
**Application
Development
Lab** in Bollate,
Italy



Groundbreaking of
production in
Augusta, GA to
support U.S. **EV
battery supply
chain**



Acquisition of
ceramides
specialist
JinYoung Bio to
broaden our
portfolio in
beauty biotech



First Quarter 2024

Segment Highlights

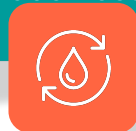


MATERIALS

- Strong YoY growth in Composite Materials; Aero and defence up double digits
- YoY decline in Specialty Polymers following record Q1 2023
- QoQ growth in PVDF sales, driven by non-auto applications
- Underlying EBITDA margin increased by 500 bps QoQ to 33.1%

CONSUMER & RESOURCES

- Improved momentum in most end markets, esp. Construction, HPC and Industrial applications
- Balancing price/volume to maximise value
- Continued soft demand in Agro
- Strong Q&Q underlying EBITDA margin expansion to 15.5%, with improvements in all business units





FIRST QUARTER FINANCIAL REVIEW

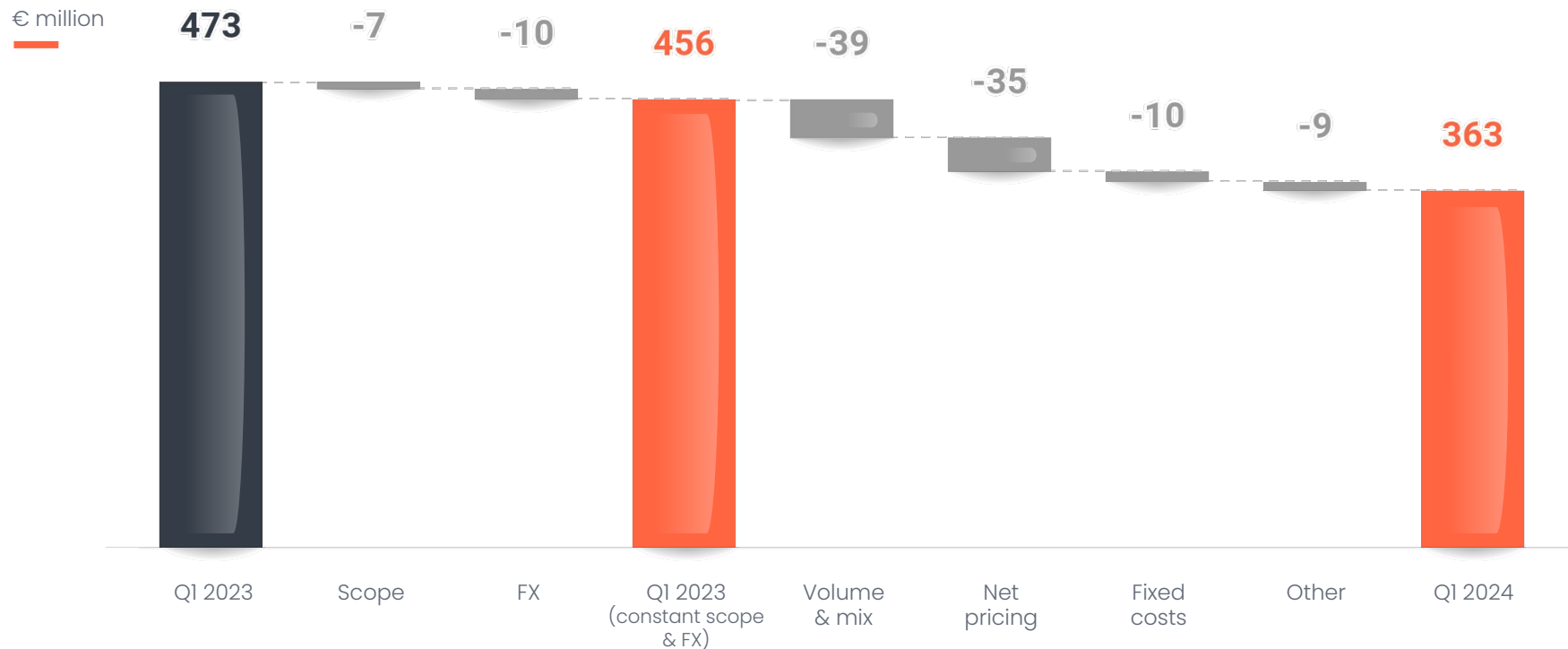
CHRISTOPHER DAVIS
Chief Financial Officer



Summary of First Quarter 2024 Financial Results

Underlying (€ million)	Q1 2024	Q1 2023	YoY reported	YoY organic	Q4 2023	QoQ reported
Net sales	1,624	1,813	-10%	-8%	1,577	3%
EBITDA	363	473	-23%	-20%	294	23%
EBITDA margin	22.3%	26.1%	-380 bps	-	18.7%	370 bps
Operating Cash Flow	244	412	-41%	-	n.a.	-
Profit / (loss) attributable to Syensqo shareholders	156	258	-40%	-	n.a.	-
Basic EPS (in € per share)	1.48	2.43	-39%	-	n.a.	-
Return on capital employed (ROCE)	9.6%	n.a.	-	-	n.a.	-

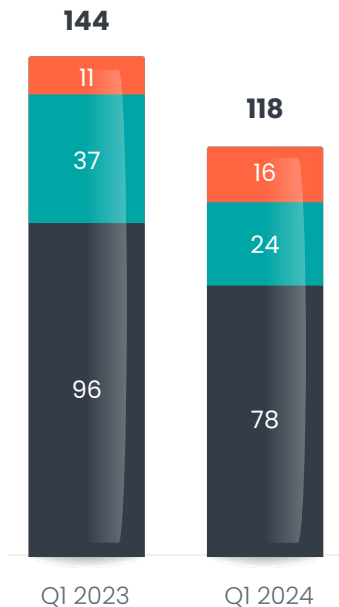
First quarter 2024 underlying EBITDA in-line with outlook



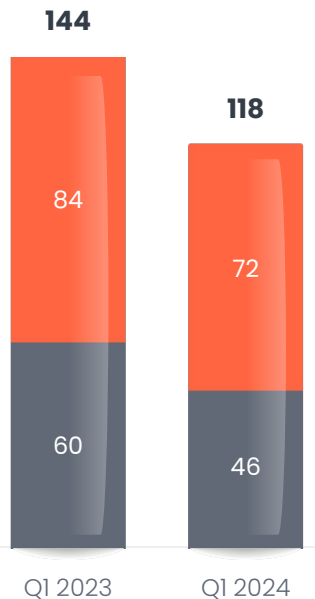
Capital expenditure focused on growth projects

€ million

■ Corporate
■ Consumer & Resources
■ Materials



■ Growth capex^[1]
■ Sustenance capex^[2]



Growth capital to support future value creation

- **Battery materials:** PVDF expansion in Tavaux, France and Augusta
- **Growth Platforms:** investments in next generation additives and solvents for high-voltage batteries
- **Digital & Excellence** investments to increase productivity

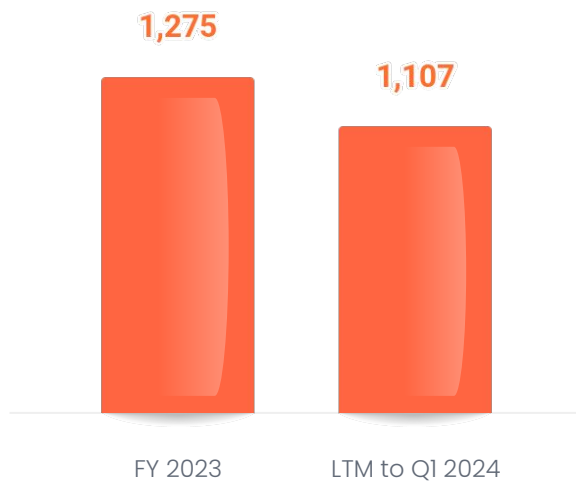
[1] Growth capex includes investments in growth platforms and new capacities

[2] Sustenance capex includes investments in maintenance, leasing, One Planet and digital transformation

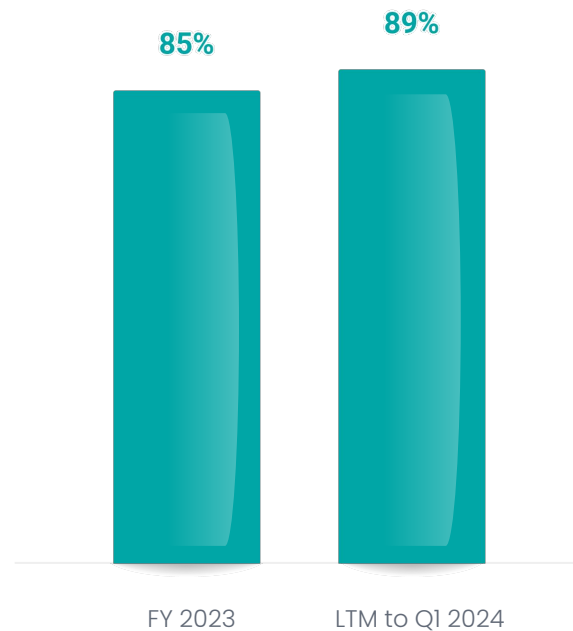
Strong cash conversion

€ million

■ Cash flow from operating activities



■ Cash conversion ^[1]



[1] Cash conversion = (EBITDA +/- change in working capital - Sustenance Capex)/EBITDA)

Strong financial position

Net debt of €1.5 billion and leverage ratio of 1.0x



GEARING^[1]

17%

NET DEBT
leverage ratio^[2]

1.0x

Strong investment
grade rating

S&P

Stable outlook

BBB+

MOODY'S

Stable outlook

Baa1

[1] Gearing ratio: Underlying net debt / (underlying net debt + equity)

[2] Net financial debt: Non-current financial debt + current financial debt – cash & cash equivalents – other financial instruments. Underlying net debt reclassified as debt 100% of the hybrid perpetual bonds, considered as equity under IFRS.



2024 OUTLOOK

Dr. ILHAM KADRI
Chief Executive Officer



Reiterated FY 2024 Outlook

EBITDA^[3]

€ 1.4 – 1.55
billion

Comments

- €50-100 million net pricing reduction
- Dissynergies (~€30 million) in 2024 related to separation
- R&I and IT investments, cost saving initiatives

Q2 2024: Positive momentum set to continue, **aligned with current consensus expectations**

FREE CASH FLOW^[2]

€ 400–500
million^[1]

Comments

- Capex of €600-650 million
- Cash flows from working capital: approximately flat

Q2 2024: Net debt will include cash outflows related to the PFAS settlement and the dividend payment ^[4]

[1] Excludes NJDEP settlement for PFAS, separation costs

[2] Free cash flow to shareholders

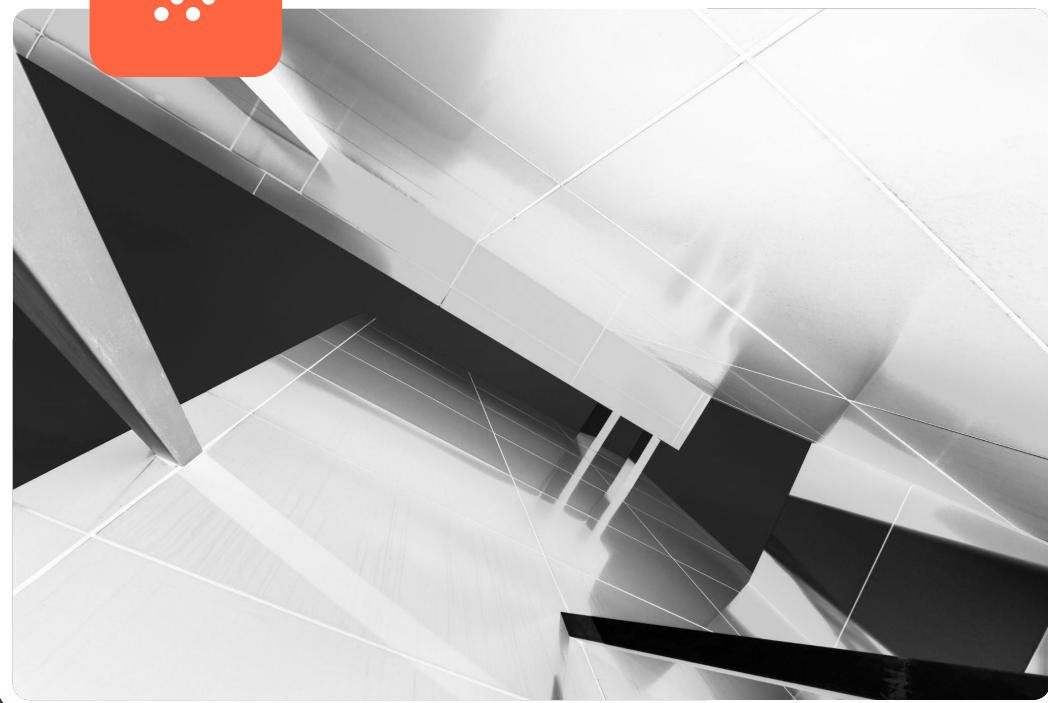
[3] Underlying EBITDA

[4] Subject to shareholder approval at the Annual General Meeting on May 23, 2024, with payment on May 31, 2024

Q&A



SUPPLEMENTARY INFORMATION



First Quarter 2024 key figures

(€ million)	IFRS			Underlying			
	Q1 2024	Q1 2023	% YoY	Q1 2024	Q1 2023	% YoY	% organic
Net sales	1,624	1,813	-10.4%	1,624	1,813	-10.4%	-8.3%
EBITDA	317	537	-40.9%	363	473	-23.4%	-20.4%
EBITDA margin	19.5%	29.6%	-1,010 bps	22.3%	26.1%	-380 bps	-
EBIT	173	386	-55.3%	252	356	-29.4%	-
Net financial charges	-22	-34	35.4%	-35	-35	-1.8%	-
Income tax expenses	-50	-67	24.4%	-60	-63	4.6%	-
Profit / (loss) attributable to Syensqo shareholders	100	285	-65.0%	156	258	-39.6%	-
Basic EPS (in €)	0.95	2.69	-64.8%	1.48	2.43	-39.2%	-

Segment performance: **Materials**

Strong YoY growth in Composite Materials, lower volumes and pricing in Specialty Polymers versus record Q1 2023

	Q1 2024 (€m)	Q1 2023 (€m)	YoY change (%)	YoY change (org %)	Q4 2023 (€m)	QoQ change (%)
Materials Net Sales	940	1,023	-8%	-6%	927	1%
Specialty Polymers	652	773	-16%	-13%	637	2%
Composite Materials	288	249	16%	16%	290	-1%
Materials EBITDA	311	362	-14%	-13%	261	19%
EBITDA Margin	33.1%	35.4%	-230 bps		28.1%	500 bps

Q1 2024 HIGHLIGHTS

- **Specialty Polymers:** lower volumes in Electronics, Distributor and Healthcare, partially offset by growth in EV batteries
- **Composite Materials:** strong year-on-year growth in driven by higher demand across civil aerospace and space & defense
- **EBITDA margin of 33.1%,** decreased by 230 basis points year-on-year, driven by:
 - higher Composite Materials EBITDA margin (higher volumes and net pricing), offset by
 - lower Specialty Polymers EBITDA margin (lower volumes and net pricing) versus strong Q1 2023
- On a sequential basis, **EBITDA margin increased by approximately 500 basis points,** driven by strong margin improvements in both Composite Materials and Specialty Polymers

Segment performance: **Consumer & Resources**

YoY performance driven by lower pricing; strong sequential growth in volumes and EBITDA

	Q1 2024 (€m)	Q1 2023 (€m)	YoY change (%)	YoY change (org %)	Q4 2023 (€m)	QoQ change (%)
Net Sales	684	788	-13%	-11%	650	5%
Novecare	348	386	-10%	-8%	318	9%
Tech Solutions	153	182	-16%	-14%	171	-10%
Aroma Performance	82	99	-18%	-15%	78	5%
Oil & Gas	101	121	-17%	-12%	83	22%
EBITDA	106	151	-30%	-27%	79	33%
EBITDA Margin	15.5%	19.2%	-370bps		12.2%	330bps

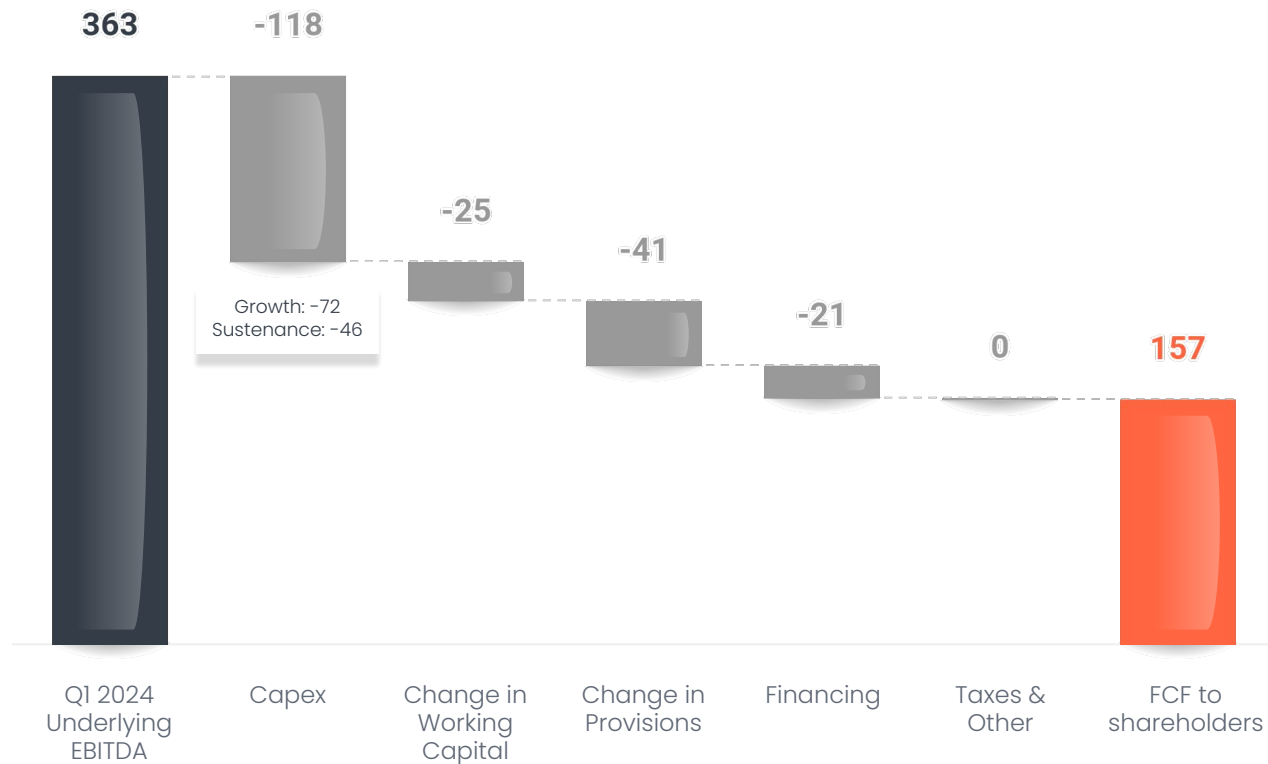
Q1 2024 HIGHLIGHTS

- **Novecare:** lower pricing, partially offset by higher volumes in all markets (except Agro)
- **Technology Solutions:** lower volumes from mining and phosphorus specialties versus strong Q1 2023 performance
- **Aroma Performance:** strong price competition in the food, flavor and fragrance markets; volumes approximately flat YoY
- **Oil & Gas:** lower drilling activity in US & lower natural gas demand
- **EBITDA margin of 15.5%**, declined by 370 basis points year-on-year, driven by:
 - lower margins in Aroma Performance, Technology Solutions and Oil & Gas
- On a sequential basis, **EBITDA margin increased by approximately 330 basis points** driven by higher margins in all business units, most notably in Novecare

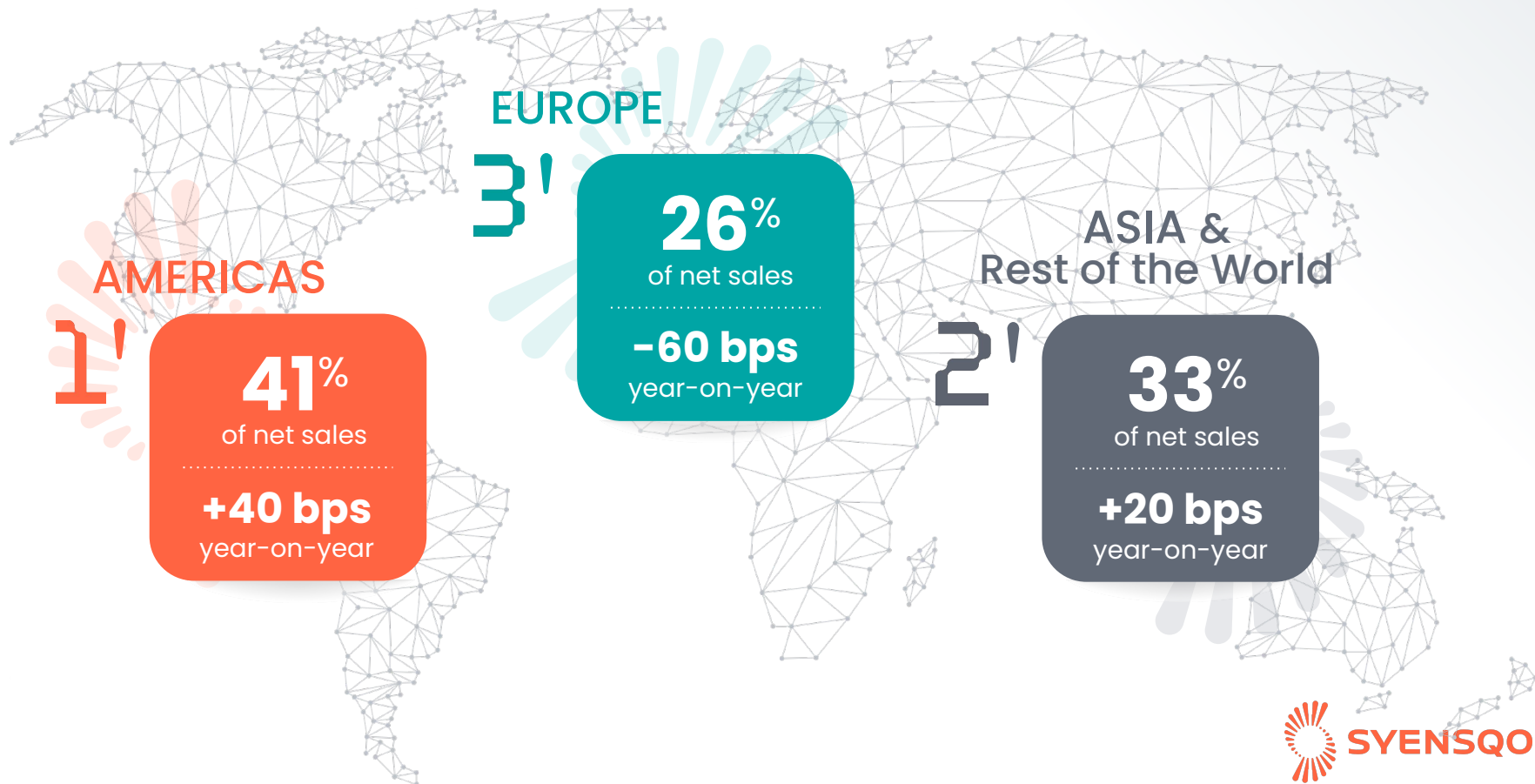


First quarter 2024 underlying EBITDA to Free Cash Flow bridge

€ million



First quarter 2024 regional mix



THANK YOU

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