



Third Quarter 2024 Results

November 5, 2024



Dr. ILHAM KADRI
Chief Executive Officer



CHRISTOPHER DAVIS
Chief Financial Officer



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Agenda

1

Third Quarter
2024 Review

2

Third Quarter 2024
Financial Review

3

2024
Outlook





THIRD QUARTER 2024 REVIEW

Dr. ILHAM KADRI
Chief Executive Officer



Third Quarter 2024 Group Highlights

- Return to **volume and net sales growth**, led by Composite Materials and Novecare
- **Robust gross margin** performance, including -€12 million of net pricing
- **EBITDA margin increased** by 80 bps QoQ, led by Specialty Polymers, Technology Solutions and Novecare
- **81%** cash conversion^[1]
- Announced **€300 million share buyback program**

NET SALES

€1.63_{bn}

+5% volumes
-4% pricing

GROSS PROFIT

€572_{mn}

35.0% margin
+90bps QoQ

EBITDA

€374_{mn}

22.9% margin
+80bps QoQ

FREE CASH FLOW

€27_{mn}

Executing our growth strategy

Syensqo introduces more sustainable polymers on the new **Trek Madone road bike**



Syensqo and General Motors' Innovative Battery Module Wins **2024 Altair Enlighten Award**



Syensqo introduces **Riza**, a new range of natural flavors and antioxidants for food preservation



Syensqo unveils ambitious **water stewardship targets**



Syensqo and ZF win prestigious **SPE Automotive Award 2024**



Syensqo debuts at **Semicon Taiwan 2024**



Syensqo unveils innovative material solutions at **Fakuma 2024**



Ajedium™ PEEK film technology named 2025 **Automotive News PACE Pilot Awards** finalist



→ JULY

→ AUGUST

→

→ SEPTEMBER

→ OCTOBER

→

SEPTEMBER - OCTOBER

→

FINANCIAL MILESTONES & INVESTMENTS

North American **strategic pension risk management** initiative



Euronext **Paris Delisting** completed



€75 million LTIP share purchase program completed



New **€300 million share buyback** program



Third Quarter 2024

Segment Highlights

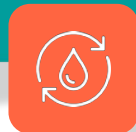


MATERIALS

- Strong YoY growth in Composite Materials; Defense & Civil Aviation up double digits
- Improving momentum in Specialty Polymers with flat YoY volumes; growth in Electronics
- Positive net pricing in both Composite Materials and Specialty Polymers
- 200 bps of QoQ underlying EBITDA margin expansion to 32.7%, led by Specialty Polymers

CONSUMER & RESOURCES

- Improved volume momentum with 12% YoY growth, led by Novecare & Technology Solutions
- Higher YoY and QoQ gross margin in Technology Solutions
- Sales recovery in Agro
- 70 bps of QoQ underlying EBITDA margin expansion to 18.1%





THIRD QUARTER 2024 FINANCIAL REVIEW

CHRISTOPHER DAVIS
Chief Financial Officer

Summary of 3rd quarter & 9 month 2024 Financial Results

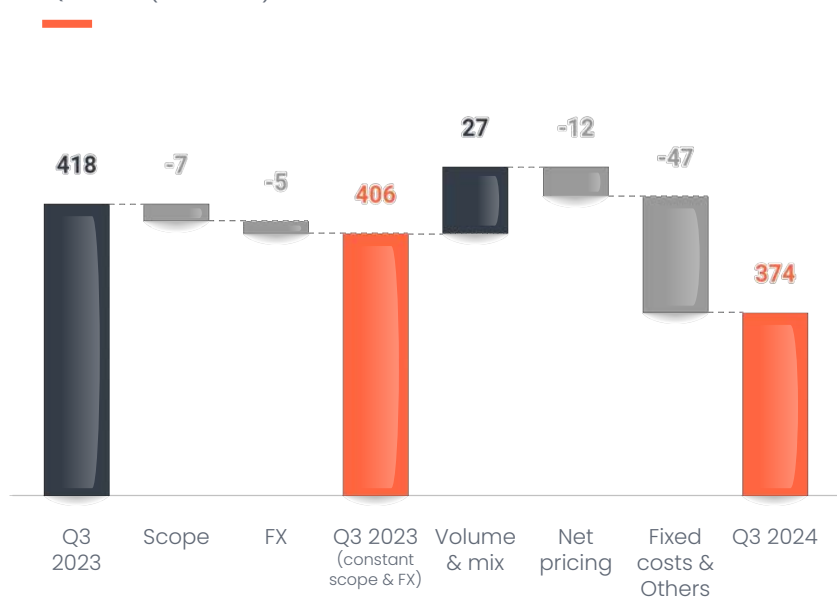
(€ million)	Q3 2024	Q3 2023	Q2 2024	YoY change	YoY organic	QoQ change
Net sales	1,633	1,629	1,708	0.2%	1.6%	-4.4%
Gross profit	572	592	582	-3.4%	-	-1.7%
Gross margin	35.0%	36.4%	34.1%	-130 bps	-	100 bps
Underlying EBITDA	374	418	378	-10.5%	-7.9%	-0.9%
Underlying EBITDA margin	22.9%	25.7%	22.1%	-280 bps	-	80 bps
Operating cash flow [1]	210	423	43	-50.4%	-	388%
Free cash flow [1]	27	216	-120	-87.5%	-	-123%
Cash conversion (LTM) [1]	69%	n.a.	77%	n.a.	-	-800 bps
ROCE (LTM)	8.1%	n.a.	8.8%	n.a.	-	-70 bps

9M 2024	9M 2023	YoY change	YoY organic
4,965	5,257	-5.6%	-4.1%
1,737	1,890	-8.1%	-
35.0%	35.9%	-100 bps	-
1,114	1,324	-15.8%	-13.3%
22.4%	25.2%	-270 bps	-
497	1,080	-54.0%	-
65	483	-86.5%	-
n.a.	n.a.	n.a.	-
n.a.	n.a.	n.a.	-

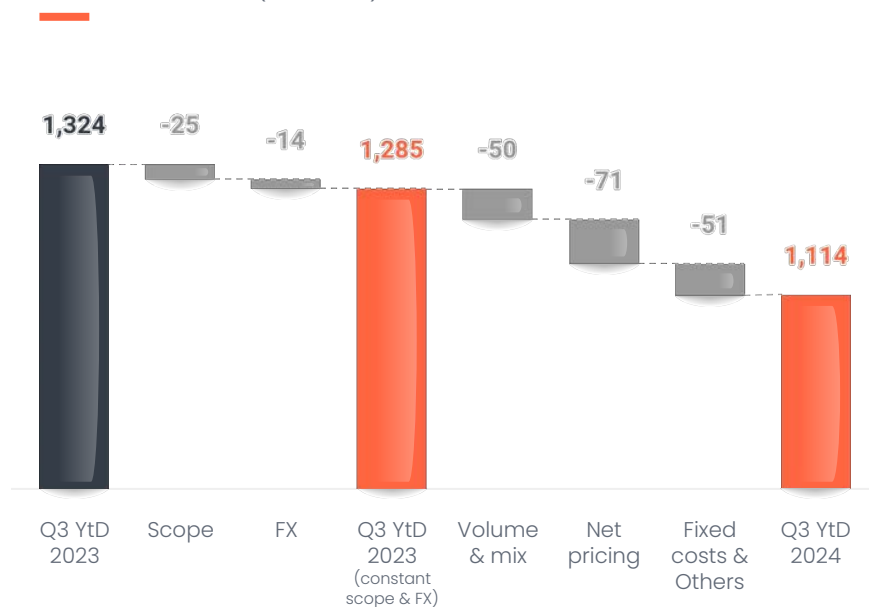
For LTM figures, see Glossary for definition,
[1] excludes the €167 million payment to NJDEP made in Q2 2024

Third quarter & YTD underlying EBITDA 2024

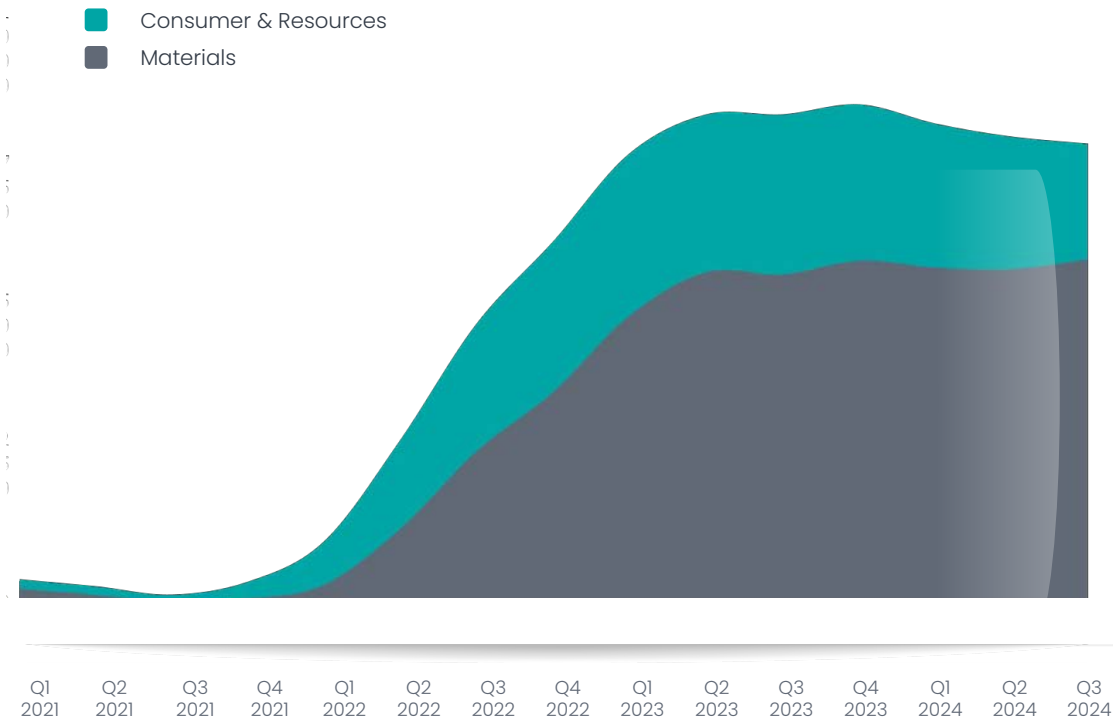
Q3 2024 (€ million)



Year to date 2024 (€ million)



Structural net pricing gains, in line with expectations

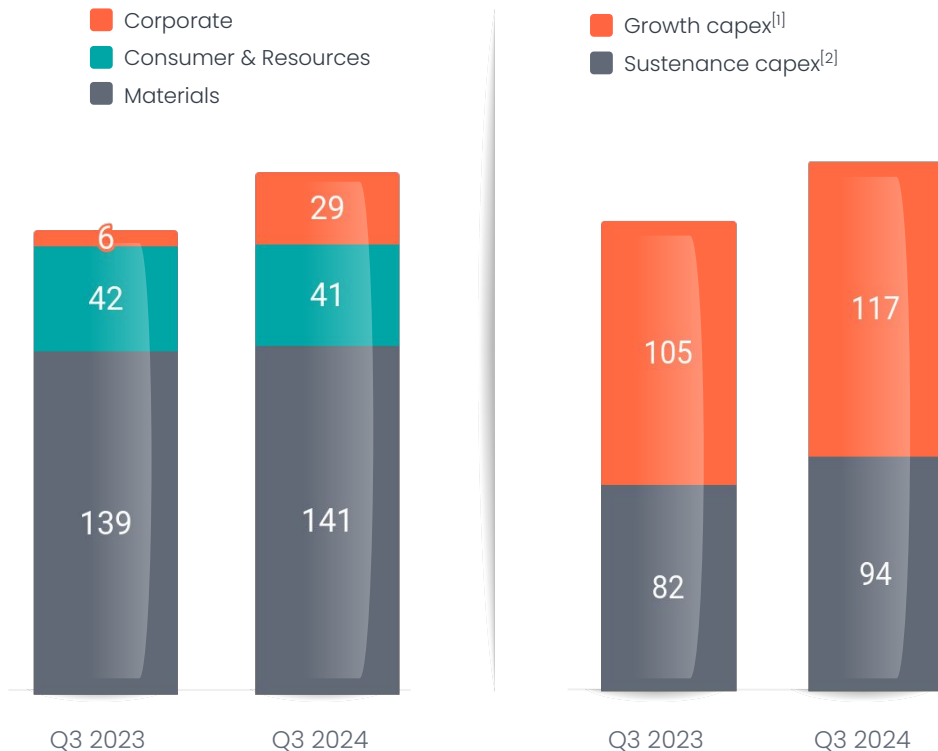


Year-to-date net pricing impact of -€71 million

- Flat YTD net pricing in Materials
- Novecare net pricing impact offset by increased volumes to maximise value
- ~€20 million of the reduction from Aroma and Oil & Gas

Capital expenditure focused on value creation

€ million



Sustenance capital driven by

- Planned maintenance in Q3
- Investments in new digital architecture

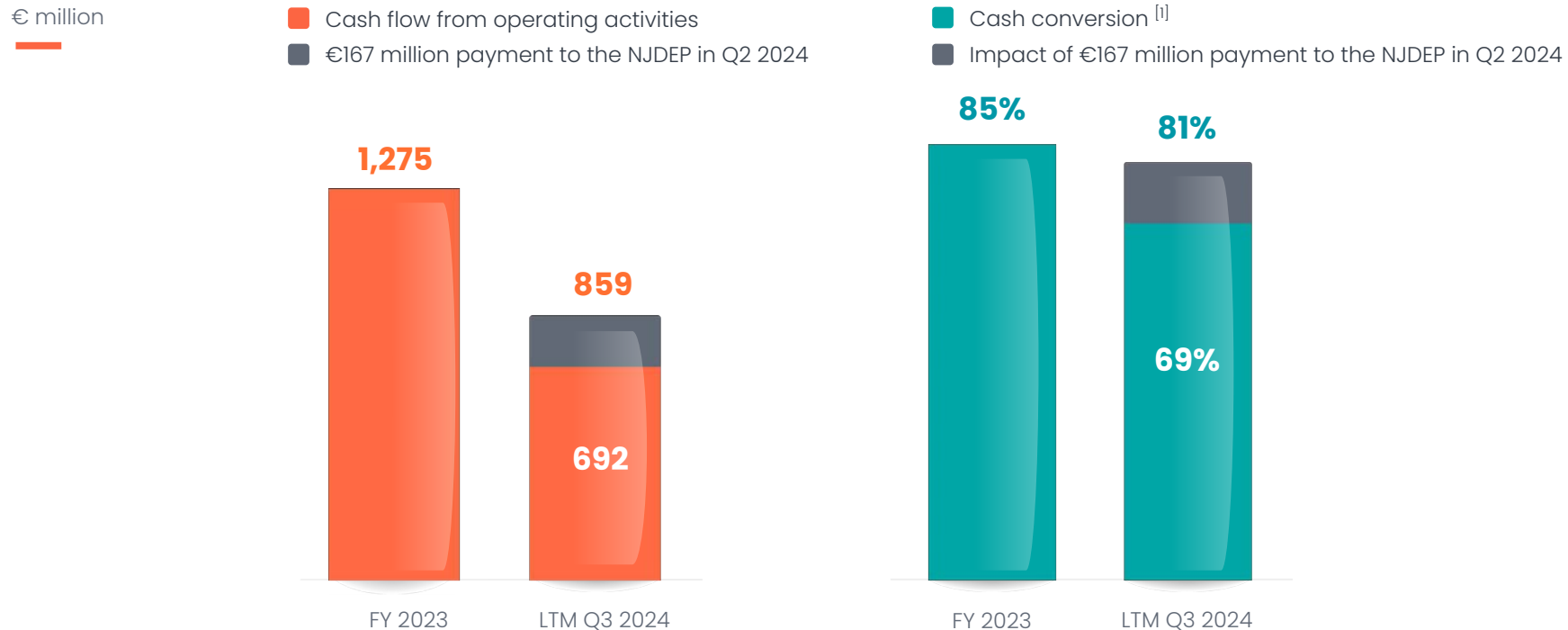
Growth capital driven by

- Tavaux expansion: PVDF (auto, oil & gas, electronics), PVDC (food & pharma packaging)
- Sulfones (healthcare & water treatment)
- Green solvents (agro & metal coatings)

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

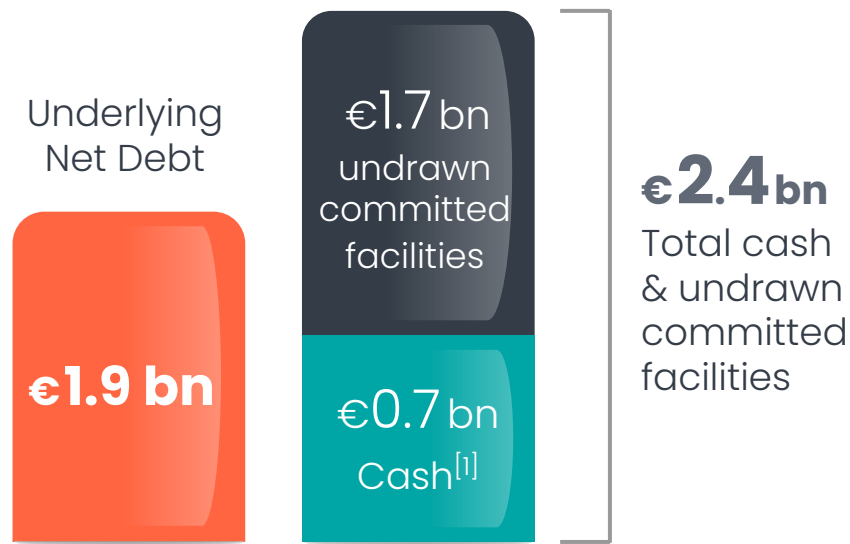
[2] Sustenance capex includes investments in maintenance, leasing, One Planet and digital transformation

Strong cash conversion



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

Strong financial position



GEARING^[2]

22%

NET DEBT
leverage ratio^[3]

1.3x

Strong investment
grade rating

S&P

Stable outlook

BBB+

MOODY'S

Stable outlook

Baa1

[1] Cash + other current financial instruments

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

[3] 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.

Share buyback program

Successful completion
of share purchase
program

- covers **current and future obligations** under Syenqo's current Long Term Incentive Plan for employees
- **983k shares** purchased at an average price of **€75.64** per share

EUR 300 million share buyback program

aligned with
commitment to
**create
shareholder value**
& maintaining
**strong
investment grade**
credit rating

designed to
**enhance capital
structure** through
the right amount
of **financial
leverage**

to be executed
in multiple
tranches,
starting on
**November 5,
2024**



2024 OUTLOOK

Dr. ILHAM KADRI
Chief Executive Officer



Updated FY 2024 Outlook

EBITDA [3]

€1.4 – 1.44 bn

Comments

- Year-on-year volume growth to continue in Q4
- Outlook reflects Q4 seasonality, the expected impact of the strike at Boeing and its related support chain disruption
- €50-100 million net pricing reduction remains unchanged
- Dissynergies (€30-40 million) in 2024 related to separation

FREE CASH FLOW [2]

**Approximately
€400 mn [1]**

Comments

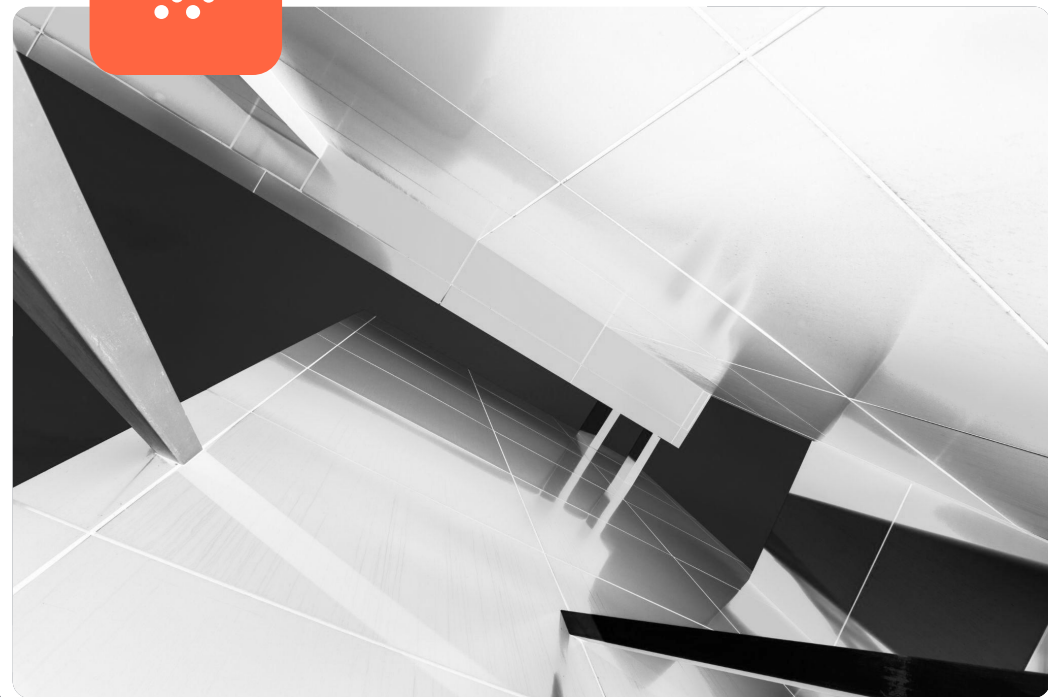
- €232 million generated in 9M 2024 [1]
- Q4 impact from the Boeing strike and related supply chain disruptions
- Capex of €600-650 million

[1] Excludes the payment to the NJDEP, separation costs
[2] Free cash flow to shareholders
[3] Underlying EBITDA

Q&A



SUPPLEMENTARY INFORMATION



Q3 & 9M 2024 Key figures

(€ million)	IFRS			Underlying			
	Q3 2024	Q3 2023	% YoY	Q3 2024	Q3 2023	% YoY	YoY organic
Net sales	1,633	1,629	0.2%	1,633	1,629	0.2%	1.6%
EBITDA	352	414	-15.0%	374	418	-10.5%	-7.9%
EBITDA margin	21.6%	25.4%	-390 bps	22.9%	25.7%	-280 bps	-
EBIT	188	263	-28.3%	243	302	-19.4%	-
Net financial charges	-35	-60	-41.5%	-32	-64	-49.5%	-
Income tax expenses	-153	-99	54.2%	-49	-59	-17.7%	-
Profit / (loss) attributable to Syensqo shareholders	-1	102	n.m.	162	177	-8.8%	-
Basic EPS (in €)	0.00	0.97	n.m.	1.55	1.68	-7.8%	-

(€ million)	IFRS			Underlying			
	9M 2024	9M 2023	% YoY	9M 2024	9M 2023	% YoY	YoY organic
Net sales	4,965	5,257	-5.6%	4,965	5,257	-5.6%	-4.1%
EBITDA	1,005	1,106	-9.1%	1,114	1,324	-15.8%	-13.3%
EBITDA margin	20.2%	21.0%	-80 bps	22.4%	25.2%	-270 bps	-
EBIT	535	658	-18.7%	745	978	-23.9%	-
Net financial charges	-100	-126	-20.7%	-111	-131	-15.3%	-
Income tax expenses	-308	-128	141.3%	-158	-197	-20.0%	-
Profit / (loss) attributable to Syensqo shareholders	128	402	-68.1%	477	647	-26.3%	-
Basic EPS (in €)	1.22	3.80	-67.8%	4.54	6.11	-25.8%	-

Segment performance: **Materials**

Strong YoY growth in Composite Materials with flat volumes Specialty Polymers; 200 basis points of QoQ EBITDA margin expansion

Underlying (€ million)	Q3 2024 (€m)	Q3 2023 (€m)	Q2 2024 (€m)	YoY change (%)	YoY change (org %)	QoQ change (%)	9M 2024 (€m)	9M 2023 (€m)	YoY change (%)	YoY change (org %)
Net Sales	941	960	988	-2%	-1%	-5%	2,869	3,077	-7%	-6%
Specialty Polymers	649	702	679	-8%	-7%	-4%	1,979	2,299	-14%	-12%
Composite Materials	292	258	309	13%	14%	-6%	889	778	14%	14%
EBITDA	307	325	303	-5%	-5%	2%	921	1,051	-12%	-12%
EBITDA Margin	32.7%	33.8%	30.6%	-110 bps	-	200 bps	32.1%	34.2%	-210 bps	-

Q3 2024 HIGHLIGHTS

- **Specialty Polymers:** YoY volumes remained flat Lower net sales primarily driven by the automotive and healthcare end markets as well as the phase-out of certain fluorosurfactant products, partially offset by growth in the Construction and Electronics end markets
- **Composite Materials:** YoY growth was driven by higher pricing and volumes, with both civil aerospace and space and defense applications contributing to the strong year-on-year performance
- **EBITDA margin of 32.7%,** decreased by approximately 110 basis points year-on-year, primarily driven by:
 - unfavourable sales mix, partially offset by
 - higher Composite Materials EBITDA margin
- Sequentially, **EBITDA margin** increased by approximately **200 basis points**, driven by Specialty Polymers

Segment performance: **Consumer & Resources**

12% YoY volume growth & 6% YoY net sales growth, led by Novecare; 70 basis points of QoQ EBITDA margin expansion

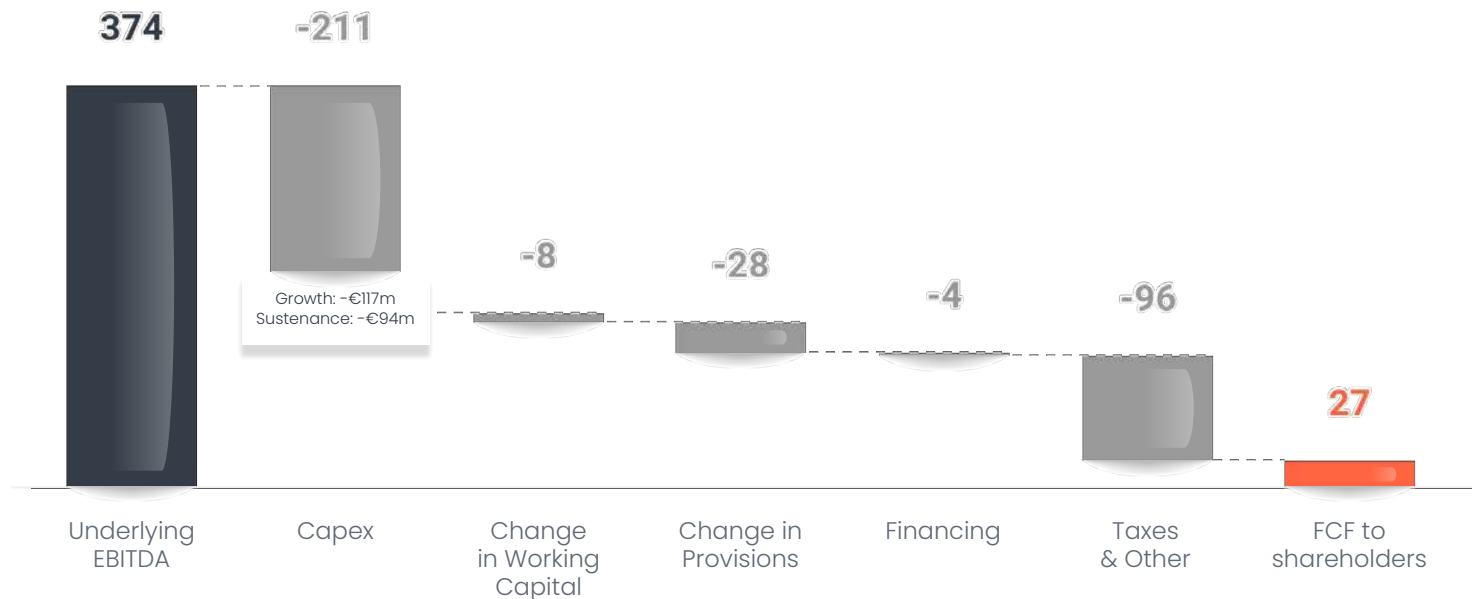
Underlying (€ million)	Q3 2024 (€m)	Q3 2023 (€m)	Q2 2024 (€m)	YoY change (%)	YoY change (org %)	QoQ change (%)	9M 2024 (€m)	9M 2023 (€m)	YoY change (%)	YoY change (org %)
Net Sales	692	669	720	3%	6%	-4%	2,096	2,176	-4%	-2%
Novecare	353	325	350	8%	10%	1%	1,051	1,049	0%	1%
Tech Solutions	162	159	182	2%	6%	-11%	498	516	-4%	-2%
Aroma Performance	75	82	83	-8%	-7%	-9%	240	269	-11%	-10%
Oil & Gas	102	103	105	-1%	2%	-3%	308	341	-10%	-7%
EBITDA	125	120	125	5%	10%	0%	357	378	-6%	-2%
EBITDA Margin	18.1%	17.9%	17.4%	20 bps	-	70 bps	17.0%	17.4%	-40 bps	-

Q3 2024 HIGHLIGHTS

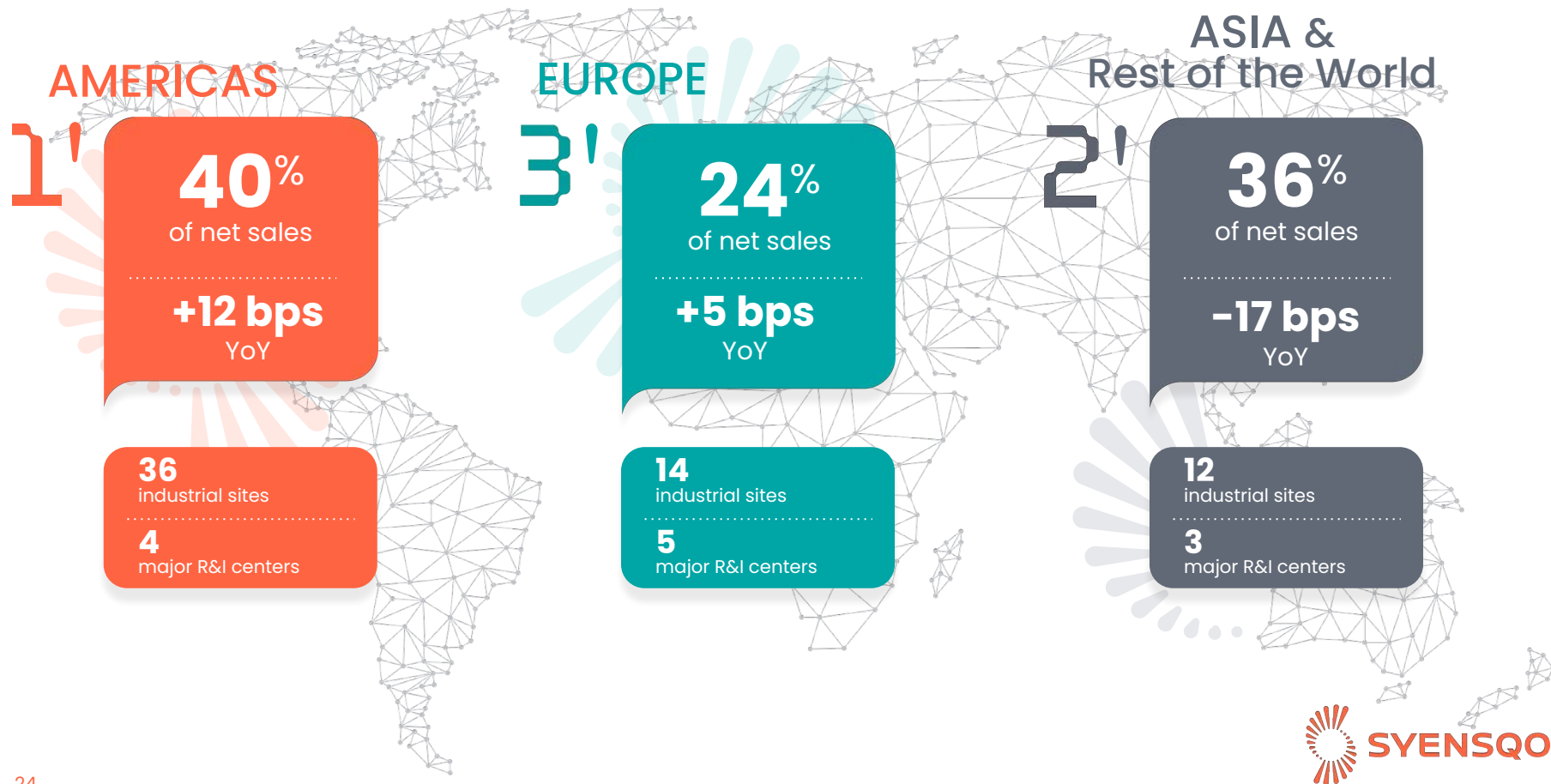
- **Novecare:** YoY broad-based volume increases, particularly in the Agro, Consumer, Chemicals, and Construction end market. This was partially offset by lower pricing, most notably in the Agro and Consumer end markets
- **Technology Solutions:** YoY higher volumes in both mining solutions and polymer additives
- **Aroma Performance:** YoY higher volumes the food, flavor and fragrance markets, offset by lower pricing
- **Oil & Gas:** YoY higher volumes, partially offset by modestly lower pricing.
- **EBITDA margin of 18.1%**, increased approximately 20 basis points year-on-year, driven by:
 - Favorable sales mix
 - higher margin in Technology Solutions, partially offset by lower underlying EBITDA margin in Aroma and Oil & Gas
- Sequentially, **EBITDA margin** increased by approximately **70 basis points** driven by higher margin improvements in Technology Solutions and, to a lesser extent, Novecare.

Third quarter 2024 underlying EBITDA to Free Cash Flow bridge

€ million



Third quarter 2024 regional sales mix



THANK YOU

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IMPORTANT DATES

- Feb 27, 2025: FY 2024 results
- May 6, 2025: Annual General Meeting
- May 15, 2025: Q1 2025 results
- July 31, 2025: Q2 2025 results
- Nov 6, 2025: Q3 2025 results

INVESTOR CONFERENCES

- Nov 14, 2024: KBCS' Global Leaders Paris Conference (Paris)
- Nov 20, 2024: Van Lanschot Kempen London Conference (London)
- Dec 2, 2024: Berenberg European Conference 2024 (London)
- Dec 3, 2024: BOFA European Materials Conference 2024 (London)
- Jan 9-10, 2025: ODDO BHF Forum (Lyon)



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