SYENSQO
ADVANCING HUMANITY

SECOND QUARTER 2025 RESULTS

PERFORMANCE HIGHLIGHTS

- Delivered on Q2 outlook in challenging macroeconomic environment
- 20 bps QoQ gross margin expansion driven by Materials
- 8% QoQ EBITDA growth, supported by Specialty Polymers & cost discipline; 190 bps of margin expansion
- Exited 85% of TSAs, including ERP & Shared Services
- Successfully completed €1.2 billion bond offering
- 50% of €300 million share buyback program completed

NET SALES	€1.59bn	-3% YoY volumes -1% YoY pricing
GROSS PROFIT	€506mn	31.9% margin
EBITDA	€335mn	21.1% margin
CASH CONVERSION	72% (Last Twelve Months)	

2025 OUTLOOK

- Based on the assumptions provided in conjunction with our full year 2024 results (on February 27, 2025), our 2025 outlook remains unchanged.
- For the balance of the year, we expect macroeconomic and demand weakness to continue across most of our end markets related to evolving tariff and geopolitical dynamics. These external factors are leading to reduced visibility as customers adapt to broader demand uncertainty. In addition, we have seen a significant strengthening of the Euro versus against major trading currencies, including the U.S. dollar.
- Based on current information and subject to potential changes in tariffs, we continue to believe our global manufacturing footprint and proximity to customers, coupled with our mitigation actions should serve us well to manage our direct exposures to these headwinds, with limited impact currently expected to our full year underlying EBITDA.
- Given the challenging and uncertain environment, our focus remains on executing our cost saving initiatives as well as accelerating restructuring and efficiency initiatives as we complete the separation from Solvay. We continue to expect the phasing of these cost saving measures to be weighted towards the second half of the year with more than €200 million of run rate savings by the end of 2026. We believe these cost saving and efficiency initiatives will provide a strong foundation for growth in 2026 and beyond.
- From a cash flow perspective, 2025 includes outflows related to the separation from Solvay and the final year of material investments related to the expansion of the Tavaux site in France, which are not expected to repeat in 2026.
- Therefore, including the combined impacts of foreign exchange movements and tariffs (based on current information) of approximately €100 million, our full year 2025 outlook is as follows:

EBITDA [1] (underlying)	FREE CASH FLOW [1] to shareholders	CAPEX
~ €1.3 billion	**~ €350 million**	**Below €600 million**

[1] Including the impacts of foreign exchange movements and tariffs (based on current information)

SECOND QUARTER 2025 SEGMENT HIGHLIGHTS

MATERIALS

NET SALES y/y organic	-5%
EBITDA y/y organic	-7%
EBITDA margin	29.6%

- **Specialty Polymers** decreased by 9% year-on-year driven by lower pricing, most notably in Automotive as well as lower volumes, primarily in Electronics. This was partially offset by higher volumes in Healthcare and Food & Pharmaceutical packaging end markets
- **Composite Materials** net sales decreased by 7% versus a strong second quarter of 2024. The decline was driven by lower volumes in civil aerospace, driven by the expected impact of the strike action at a major customer, as well as in automotive, which more than offset higher overall pricing
- **EBITDA margin of 29.6%** decreased by approximately 100 basis points versus the second quarter of 2024, driven by lower underlying EBITDA margin in Specialty Polymers as well as unfavourable net sales mix, as Composite Materials delivered stronger growth compared to Specialty Polymers

PERFORMANCE & CARE

NET SALES y/y organic	1%
EBITDA y/y organic	-10%
EBITDA margin	19.2%

- **Novecare** net sales declined by 1% on a reported basis but increased by 4% organically. The year-on-year growth was primarily driven by higher volumes, most notably in the Agro and Consumer end markets, partially offset by lower year-on-year sales in the Building end market
- **Technology Solutions** net sales decreased by 10% on a reported basis and 5% organically, compared to the second quarter of 2024, as higher volumes in mining were offset by lower volumes in phosphorus specialties
- **EBITDA margin of 19.2%** decreased by approximately 90 basis points on a reported basis year-on-year, as higher underlying EBITDA margin in Technology Solutions was offset by lower underlying EBITDA margin in Novecare

OTHER SOLUTIONS

NET SALES y/y organic	-7%
EBITDA y/y organic	-60%
EBITDA margin	4.9%

- **Aroma Performance** net sales decreased by 9% on a reported basis compared to the second quarter of 2024, driven by lower volumes and pricing
- **Oil & Gas** net sales decreased by 12% on a reported basis versus the second quarter of 2024 primarily due to lower drilling activity in the U.S. as well as higher competitive pressure
- **EBITDA margin of 4.9%** contracted by approximately 470 basis points on a reported basis versus the second quarter of 2024, driven by unfavorable product mix in both businesses

DR. ILHAM KADRI
CHIEF EXECUTIVE OFFICER

"The second quarter saw us deliver on our outlook in a challenging macroeconomic environment. Our strong value proposition, and continued focus on what we can control drove a 8 per cent sequential improvement in EBITDA, resulting in another quarter of resilient margin performance.

"This was also achieved against the backdrop of a significant strengthening of the Euro. Based on what we know today and the actions we are taking, we continue to expect a limited direct impact of tariffs on our full year results. Excluding these external factors, our full year outlook remains unchanged.

"We also remain focused on advancing our transformation and increasing our agility to capture market share. Through the disciplined exit from non-core businesses, we will become a purer play specialty company and following our successful IT and shared service separation, we can now accelerate cost savings initiatives during the second half of the year to go even further to support long-term profitable growth."