



Solvay

Q2 2023 Highlights

Q2 2023 Performance Highlights



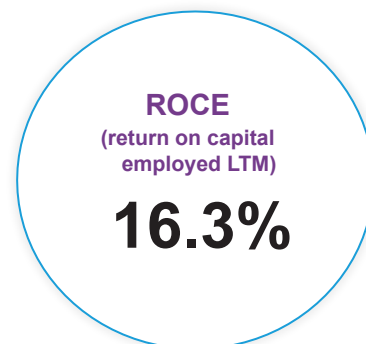
-9.2% org. vs.
Q2 2022



-2.6% org. vs.
Q2 2022



17th quarter of positive
cash generation



+2.6 pp above Q2
2022

Investments for future value creation



- New biobased polymers for hair and skin
- New PEEK compound for electric-motors
- Green hydrogen hub in Italy to decarbonize our operations
- Collaborations in the aero industry: polymer collaboration with Zotefoams & strategic collaboration with Spirit
- Strategic collaboration with Spirit focused on advancing production rate and cost of future aircraft processes
- Help to enable the EU energy transition by providing a large-scale clean energy storage solution for compressed air or hydrogen in the form of...salt caverns!



Strong cash generation and sustained margins amid weak demand environment

Materials

Q2 2023 performance

Net sales
y/y organic **+7%**

EBITDA
y/y organic **+9%**

EBITDA
margin **33.4%**

Chemicals

Q2 2023 performance

Net sales
y/y organic **-9%**

EBITDA
y/y organic **+10%**

EBITDA
margin **30.4%**

Solutions

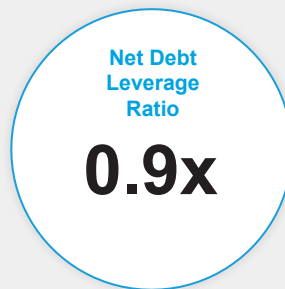
Q2 2023 performance

Net sales
y/y organic **-23%**

EBITDA
y/y organic **-40%**

EBITDA
margin **17.3%**

Structural Cost Reduction and Sustained Cash Flow Generation



€502m surpassed cost reduction
commitment to be
delivered by 2024

17th consecutive quarter of
positive free cash flow

2023 Outlook confirmed

Results for the first half 2023 are in line with expectations. The macroeconomic environment remains challenging and persistent demand weakness is expected to continue to weigh on volume recovery across most markets. With this macroeconomic context, the company expects to maintain strong margins and cost discipline.

EBITDA (underlying)

**Between +2% to -5% growth or
€2.9 billion to €3.1 billion at
prevailing foreign exchange rates**

Free cash flow (continuing operations)

A minimum of €900m



I'm pleased that we continue to meet our customers' needs whilst maintaining strong net pricing across the majority of our portfolio. The accelerated achievement of our 2024 target of €500m in structural costs savings helped to sustain our industry-leading margins notwithstanding the weaker demand environment. We increased investments in the future success of EssentialCo and SpecialtyCo, reinforced working capital discipline and delivered €556 million of free cash flow in the quarter. We remain focused on adapting the posture of all our businesses with speed as we continue to face a particularly challenging macro environment, ready to deploy all levers within our control to maintain our competitive edge and drive superior performance. We recently announced target capital structures of the future entities, and we are on track to take the next steps in our journey to separate into two strong, investment-grade rated companies later this year.

Ilham Kadri, Solvay CEO