



Creating two strong industry leaders

June 16, 2023

160 YEARS





With you today



Ilham Kadri
CEO

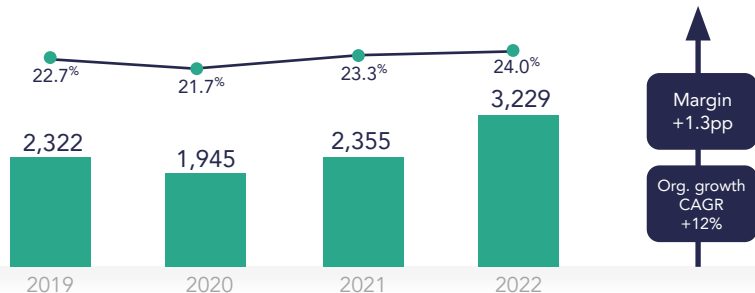
Karim Hajjar
CFO



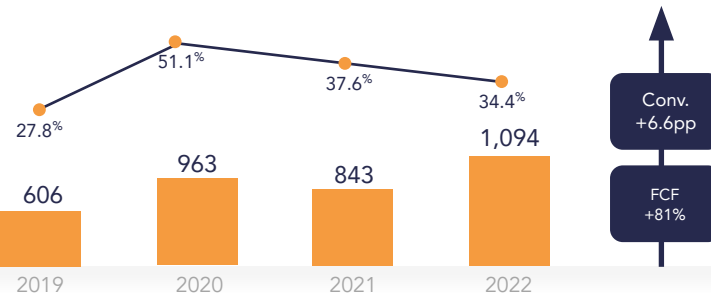
Solvay is delivering strongly on all financial metrics



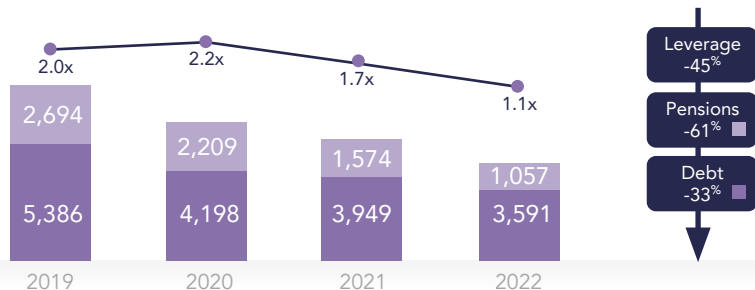
Underlying EBITDA (€ MM) & Margin (%)



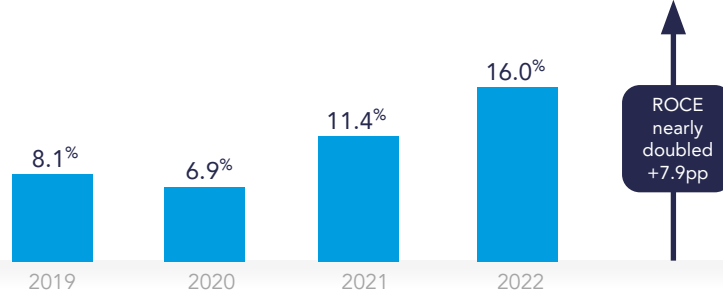
Free Cash Flow (€ MM) and Conversion (%)



Underlying Net Debt & Pension (€ MM) and Leverage (x)



Return on Capital Employed (%)



Extensive progress on ESG

Climate



- Reduce our GHG emissions (scope 1 & 2)
- Phase out coal solid fuels
- Reduce pressure on biodiversity

Progress

2030
targets

-19% (-15% structural)

-30%

15%

100%

28%

-30%

Delivered
2x Paris
Agreement

Resources



- Sustainable solutions, % of Group sales
- Double our sales from circular economy
- Reduce non-recoverable industrial waste
- Reduce intake of freshwater

55%

65%

9.3%

10%

-36%

-30%



-5%

-25%

Better life



- Aim for zero accident
- Accelerate DEI and parity in mid & senior management

-20%

0

26.5%

50%



Progress in 2022 versus 2018 baseline
Accident progress is 2022 comparison versus 2019
DEI: Diversity, Equity and Inclusion

Positioned for greater value creation



SpecialtyCo

2022 Net Sales: €7.9 Bn

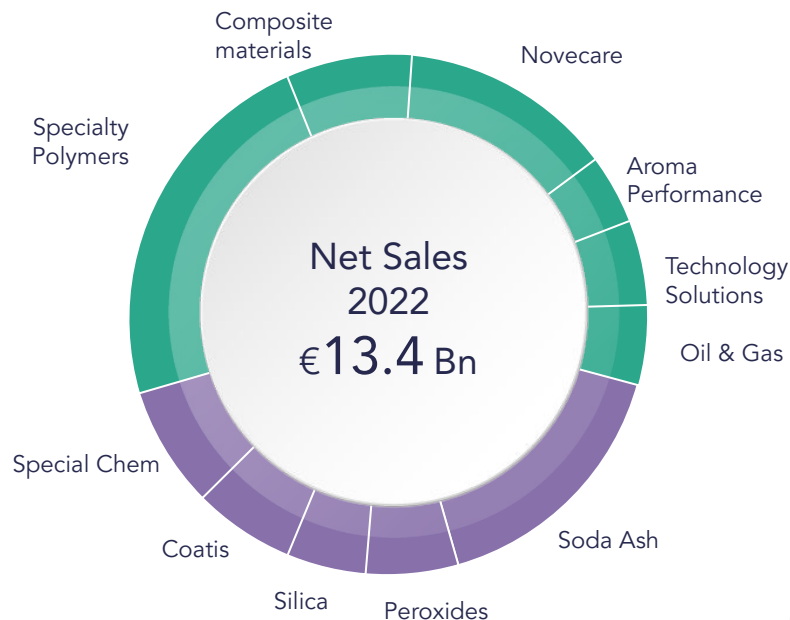
2022 uEBITDA: €1.9 Bn

SOLVAY

EssentialCo

2022 Net Sales: €5.6 Bn

2022 uEBITDA: €1.3 Bn



- ✓ Creates two strong, independent companies
- ✓ Focused strategies and operating models to better serve customers
- ✓ Potential for greater value creation
- ✓ Distinct equity investment opportunities

SpecialtyCo is a market leader in Materials & Consumers



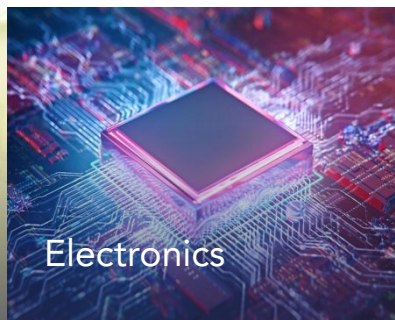
MARKET POSITION

MATERIALS	Specialty Polymers	#1	High-performance polymers; leading position in thermoplastic composites Battery Materials, Thermoplastic composites, Green Hydrogen, Renewable materials & Biotechnology
	Composites	#2 #1	Composites for civil aerospace Composites for defense
CONSUMER & RESOURCES	Novecare	#2	Specialty surfactants and polymers
	Aroma	#1	Flavors & Fragrances; Natural Vanillin
	Technology Solutions	#1	Mining reagents
	Oil and Gas Solutions	#1	Biocides for recycled water

€7.9Bn
2022 Net sales



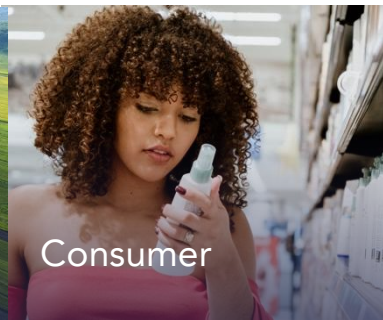
Transportation
Auto/Aero



Electronics



Agriculture



Consumer



Healthcare

SpecialtyCo is a leader with superior growth potential



Attractive end markets

supported by
tailwinds from
sustainability
driven
megatrends



Above market growth

at superior returns
and
industry-leading
margins



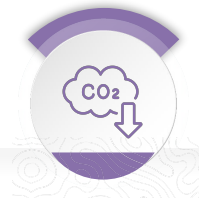
Innovation leadership evidenced

by unique and
patented solutions



Partner of choice

for leading OEMs
and FMCG
companies, with
strong customer
intimacy



Strong sustainability roadmap,

with path to
achieving it carbon
neutrality goals

SpecialtyCo has outperformed the industry



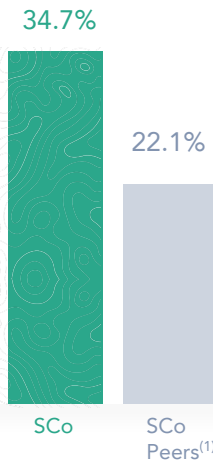
Net Sales CAGR, 2020-22 (%)



Strong top line growth above leading specialty peers



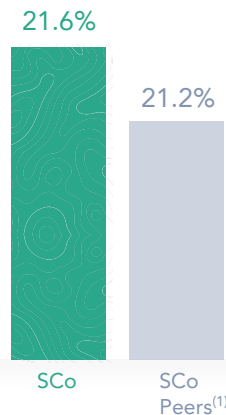
uEBITDA CAGR 2020-22 (%)



Volume growth and value-based pricing



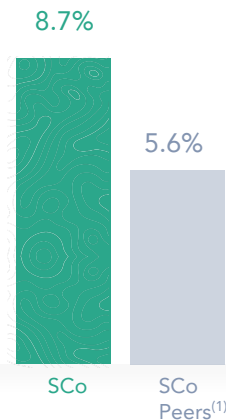
uEBITDA Margin Average, 2020-22 (%)



Strong profitability profile



ROCE Average 2020-22 (%)



Superior return based on well-defined capital allocation policy



Source: Capital IQ, Company Information

Notes: (1) Peers include Akzo Nobel, Ashland, Avient, Celanese, Clariant, Croda, EMS-Chemie, Hexcel, Victrex
2020-2022 unaudited figures

EssentialCo is a resilient market leader



MARKET POSITION

Soda Ash & Derivatives	#1	Soda Ash (global) Bicarbonate (global)
Peroxides	#1	Hydrogen Peroxide (global)
Silica	#1	Silica for tires (global)
Coatis	#1	Coatis (Latin America)
Special Chem	#1	Rare earths for automotive catalysts (global)

€5.6Bn

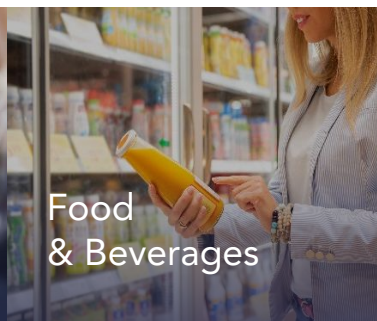
2022 Net sales



Building &
Construction



Auto



Food &
Beverages



Health &
Environment



Industrial

EssentialCo masters cost and cash leadership



**Resilient and
attractive
markets**
backed by
megatrends



**Global
leadership
positions in key
segments**
in concentrated
markets, driving
strong & resilient
cash generation



**Process
technology
leadership**
driving efficiency
and cost
competitiveness



**Supplier of
choice**
with world-class
global assets

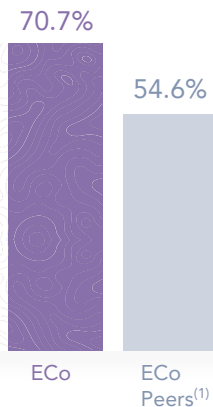


**Accelerating
sustainability
roadmap**
with path to
carbon neutrality
by 2050

EssentialCo has one of the strongest profitability and cash generation profiles amongst its peers



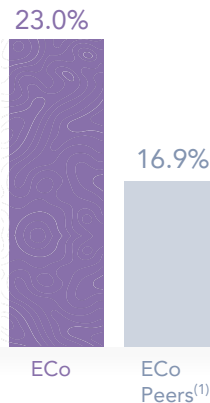
Cash Conversion
Average 2020-22 (%)



Industry leading cash conversion



uEBITDA Margin
Average 2020-22 (%)



Strong and resilient profitability through the cycle



Capital Intensity
Average 2020-22 (%)



Efficiency proven by leading capital intensity levels



Source: Company information

Notes: Peers include Arkema, Elementis, Evonik, Genesis, Imerys, Kemira, Mineral Technologies, Sisecam Resources, Tata Chemicals
2020-2022 unaudited figures

Deep financial foundation leads to two solid credit profiles



SpecialtyCo

€1.9Bn underlying EBITDA
Margin of 23.6%

Key strengths

- ✓ Leading market positions offering higher than market growth
- ✓ Deep R&I capabilities protect and extend market leadership
- ✓ Balanced geography and diverse end-markets
- ✓ Leading EBITDA margin thanks to effective pricing linked to innovations and market leadership
- ✓ Excellent financial flexibility

EssentialCo

€1.3Bn underlying EBITDA
Margin of 22.7%, Cash conversion of 71%

Key strengths







- ✓ Leading market positions in key segments (soda ash, peroxide, silica)
- ✓ Balanced geographical and end-market split
- ✓ Resilient cash flow generation
- ✓ Cost leadership
- ✓ Solid EBITDA margins



Figures are based on 2022 full year data - unaudited
Cash conversion ratio is defined as (uEBITDA – Capex)/uEBITDA

Differentiated and optimized capital structures to support value creation of both future entities



In € bn		Solvay	SpecialtyCo	EssentialCo
	Expected rating	→ Baa2 / BBB	Baa1 / BBB+	Baa3 / BBB-
	Expected outlook	→ stable / neg	stable / stable	stable / stable
	Gross debt	→ 5.3	2.8	2.5
	Net debt	→ ~3.5	~1.6	~1.9
	Net pension liabilities	→ 0.9	0.3	0.7
	Environmental liabilities	→ 0.7	0.3	0.4

- ✓ Enhanced credit profile
- ✓ Balanced debt maturity profile; assumes hybrid bonds will not be part of permanent capital structures
- ✓ Strong balance sheets and financial flexibility



“Will you keep the
Solvay name?”



Branding EssentialCo

MASTERY

Ernest and Alfred Solvay, mastering the soda ash technological breakthrough,
which has enabled many other disruptive processes.

Manifesto



Life is made of elements coming together.
We are mastering the elements.

Over the past 160 years, our obsession to reach excellence
has been driving us to achieve mastery of our processes.

Invisible and yet so vital, our products are at the heart of everyone's life.
The essential solutions of continuous progress
for our planet and its people. Generation after generation.

We are EssentialCo,
mastering the elements essential to our world.

FROM ...



...TO



SOLVAY



SpecialtyCo new brand

A black and white photograph of the Solvay Conference of 1927. It shows a large group of men, including Albert Einstein, Niels Bohr, and Max Planck, gathered around a long table in a grand room. Some are seated at the table, while others stand behind them. The room has high ceilings and large windows.

EXPLORERS

The Conferences gathering the most brilliant and visionary minds
to collaborate on the future of science.

Manifesto



The future is rich with unexplored possibilities.
We are explorers.

People from many horizons who
dream the impossible, solve the unsolvable,
partnering to pioneer the future of science.

Because a sustainable future starts with our commitment,
our solutions and innovations are the catalysts
that open new frontiers for the planet and its people.

We are SpecialtyCo,
explorers creating breakthroughs that advance humanity.



Time to unveil the
new brand...

SYENSQO



It symbolizes the gathering of the 24 great minds who participated in the first Solvay Conference of 1911.

SYENSQO



SY : A reference to Solvay letters

EN : A reference to Ernest Solvay

SYENS : A reference to our heritage in Science since 1911

Q : In reference to the title of the first Solvay Congress :
Radiation and the Quanta, who laid the foundations of quantum physics

QO: is for company



SYENSQO

We are explorers creating
breakthroughs that advance humanity.

SOLVAY

We are mastering the elements
essential to our world.

On track for the creation of two new champions



Unlocking greater value for all stakeholders



Leverages strong foundation following strategic transformation



Establishes two strong industry leaders poised to win



Management focus and strategic flexibility to drive even greater long-term success



Tailored capital structures for differentiated strategic mandates backed by investment grade ratings



Improved investment thesis for differentiated investor needs



Creating two
strong industry
leaders



Q&A



Ilham Kadri
CEO



Karim Hajjar
CFO





Follow up with
media.relations@solvay.com

Disclaimer (1 of 2)



The contemplated separation is subject to general market conditions and customary closing conditions, including final approval by Solvay's Board of Directors, consent of certain financing providers and shareholder approval at an extraordinary general meeting, and is expected to be completed in December 2023. There can be no assurance, however, regarding the ultimate timing of the separation or that the separation will actually be completed. The Company will keep the market informed if and when appropriate.

Certain statements contained herein may be forward-looking statements including, but not limited to, the statements about the potential separation of the Company into EssentialCo and SpecialtyCo, as well as other statements that are predictions of or indicate plans, strategies, goals, future events or intentions. Undue reliance should not be placed on such statements because, by their nature, they are subject to known and unknown risks, uncertainties and assumptions. Should one or more of these risks and uncertainties materialize, or should any underlying assumptions prove incorrect or any other factor impact those statements, the Company's and the Solvay Group's actual results, plans and objectives, as well as the timing and consummation of the transactions described herein, may differ materially from those expressed or implied in the forward looking statements. The inclusion of such statements should not be regarded as a representation that such results, plans or objectives will be achieved. Important factors that could cause actual results, plans and objectives to differ materially from those expressed in such statements include, among others, the Company's ability to satisfy the necessary conditions to consummate the contemplated separation, or that such separation will be completed, within the expected time frame, on the expected terms or at all; the Company's ability to realize the anticipated benefits of the potential separation, in full or at all; the expected tax treatment of the potential separation; potential uncertainty during the pendency of the contemplated separation that could affect the Company's financial performance; the possibility of disruption, including changes to existing business relationships, disputes, litigation or unanticipated costs in connection with the contemplated separation and related transactions; uncertainty of EssentialCo's and SpecialtyCo's financial performance and ability to succeed as standalone publicly traded companies following completion of the separation; negative effects of the announcement or pendency of the separation and related transactions on the market price of the Company's securities and/or on its financial performance; general economic factors, such as interest rate, currency exchange rate fluctuations and changing market conditions; competition, including technological advances, new products and patents attained by competitors; challenges inherent in new product research and development; the impact of business combinations, divestitures and restructurings, including any reorganizations to be carried out in connection with the contemplated transaction; adverse litigation or government action, including related to product liability claims; changes to applicable laws and regulations, including tax laws and import/export and trade laws; the impact of products withdrawals; regulatory approval processes; all-in scenario of R&I projects. The Company undertakes no obligation to publicly update or revise any of these forward-looking statements, whether to reflect new information, future events or circumstances or otherwise, except as required by applicable laws and regulations.

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This presentation is not a prospectus or other offering document for the purposes of Regulation (EU) 2017/1129 of June 14, 2017 (as amended, the "Prospectus Regulation"), and the allocation of shares of SpecialtyCo SRL to Solvay's shareholders as part of the contemplated partial demerger of Solvay is expected to be carried out in circumstances that do not constitute "an offer to the public" within the meaning of the Prospectus Regulation. SpecialtyCo SRL is currently preparing a registration document, which will become a constituent part of SpecialtyCo SRL's prospectus for purposes of the admission to trading of SpecialtyCo SRL's shares on the regulated markets of Euronext in Brussels and Paris. The registration document will be made available to investors at no cost on SpecialtyCo SRL's website <https://www.solvay.com/en/investors/creating-two-strong-industry-leaders> and at the registered office of SpecialtyCo SRL, at Rue de Ransbeek 310, 1120 Brussels, Belgium. The distribution of this presentation may be restricted by law in certain jurisdictions and persons into whose possession any document or other information referred to herein comes, should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This presentation is directed solely to persons in the United Kingdom who (i) have professional experience in matters relating to investments, such persons falling within the definition of "investment professionals" in Article 19(5) of the FSMA (Financial Promotion) Order 2005, as amended (the "Financial Promotion Order") or (ii) are persons falling within article 49(2)(a) to (d) of the Financial Promotion Order or other persons to whom it may lawfully be communicated or caused to be communicated, (all such persons together being referred to as "relevant persons"). This presentation is directed only to relevant persons and must not be acted on or relied on by persons who are not relevant persons.



This presentation contains certain financial information relating to Solvay SA ("Solvay"), as well as separate indicative financial information with respect to SpecialtyCo and EssentialCo. The financial information relating to Solvay has been derived from Solvay's audited consolidated financial statements for the periods indicated or from other published financial or management data. The indicative financial information relating to SpecialtyCo for the years 2020, 2021 and 2022 has been derived from the combined financial statements of SpecialtyCo. The indicative financial information for EssentialCo for the years 2020, 2021 and 2022 has been derived from the unaudited pro forma combined financial statements of EssentialCo. The combined financial statements of SpecialtyCo and the unaudited pro forma combined financial statements of EssentialCo are expected to be published shortly, and information derived therefrom in this document is qualified by the detailed information contained therein, including in the notes thereto.

Certain financial information for periods prior to 2020 relating to the business units of Solvay that are expected to become part of SpecialtyCo or EssentialCo is presented herein for purposes of illustrating indicative trends. However, the financial information for those business units was prepared on a basis that is different from the basis of preparation of the combined financial statements of SpecialtyCo and the unaudited pro forma combined financial statements of EssentialCo. Accordingly, the trend information presented herein may be different from the trends that would be shown had SpecialtyCo prepared combined financial statements or had EssentialCo prepared pro forma combined financial statements for such periods. Investors should not place undue reliance on such trend information.