



FY 2024 Results

Investor & Analyst Conference Call

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Thomas Dippold (CFO)

Wiesbaden | March 20, 2025



Agenda

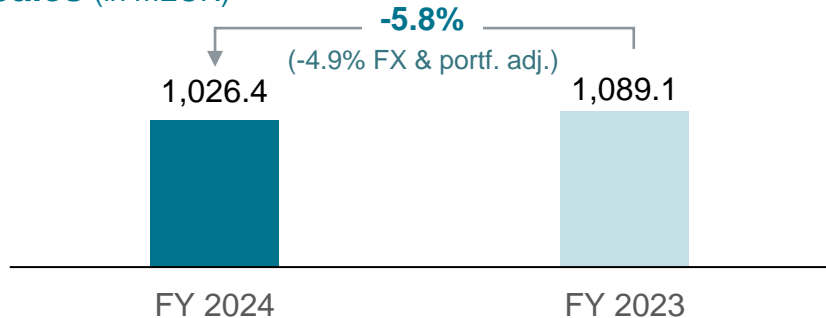
1. **Details on FY 2024**
2. **Determining factors for fiscal year 2025**
3. **SGL's business focus and forecast for 2025**

1 Details on FY 2024

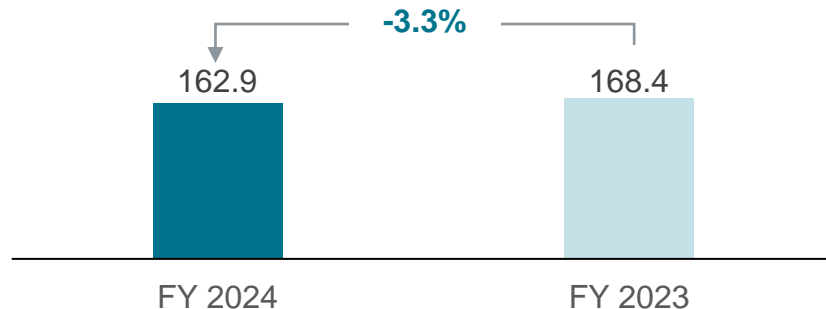
“FY 2024 development in line with given guidance”

Product mix change has positive effect on EBITDApre margin

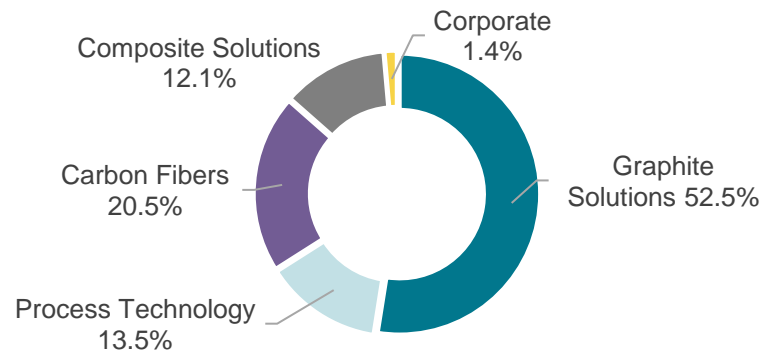
Sales (in mEUR)



EBITDApre (in mEUR)



Sales split (in %)

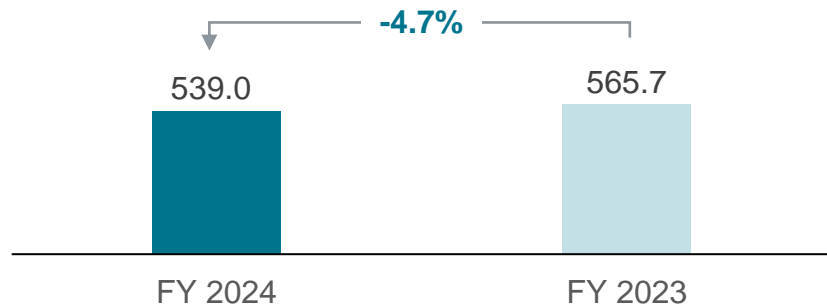


Key developments

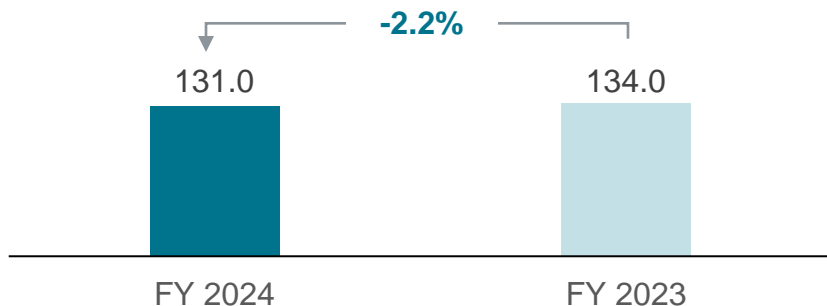
- Ongoing strong performance in PT; GS flat; weakness in CF continues, CS burdened from project termination
- Product mix changes lead to EBITDApre margin increase from 15.5% to 15.9% in y-o-y comparison

Graphite Solutions (GS) – improved profitability, but demand in most market segments weakened

Sales (in mEUR)



EBITDApre (in mEUR)



Key developments

Sales

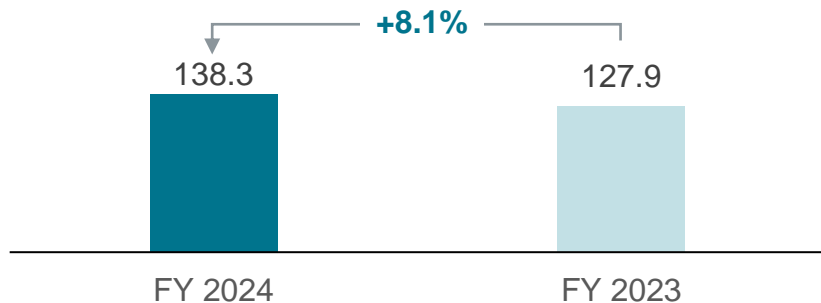
- Good start into 2024; decline in H2 due to EV sales drop weighs on sales and profitability
- Most market segments declining: Semiconductor & LED (-4.3% yoy), Industrial Applications (-5.3% yoy), Solar (-26.2% yoy)

EBITDApre

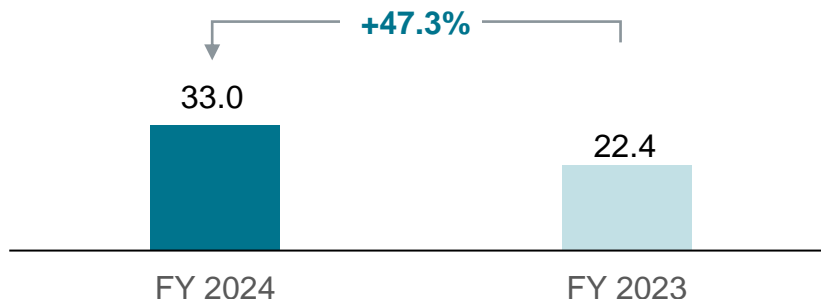
- Positive effects due to product mix and lower input costs
- EBITDApre margin increased from 23.7% to 24.3%

Process Technology (PT) – outperforming good figures from 2023

Sales (in mEUR)



EBITDApre (in mEUR)



Key developments

Sales

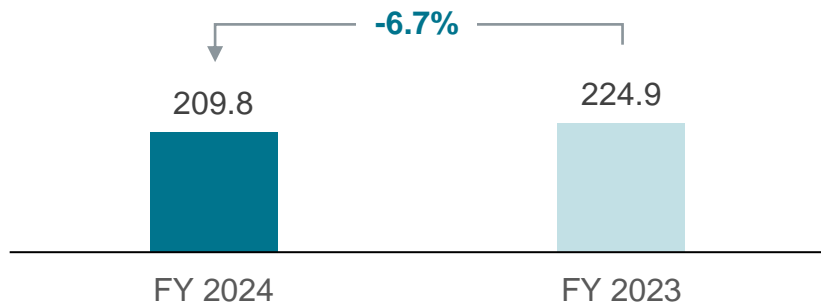
- Good development from 2023 continues in 2024
- All regions contributed to growth
- Order book still well filled, but signs of slowdown in new orders since Q3 2024

EBITDApre

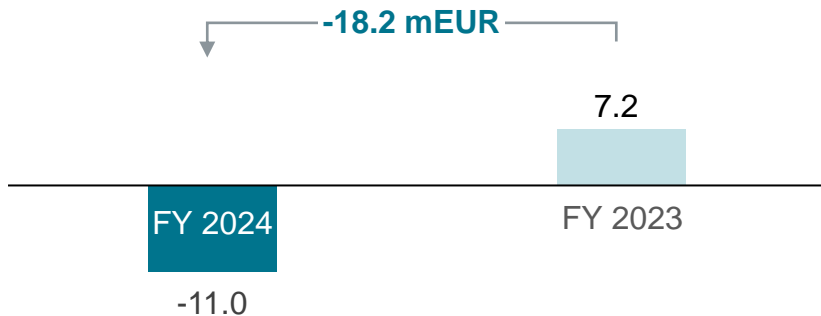
- Stronger share of higher margin service business combined with attractive large-scale projects
- Margin increase in 2024 to 23.9% (2023: 17.5%)

Carbon Fibers (CF) – restructuring on its way

Sales (in mEUR)



EBITDApre (in mEUR)



Key developments

Sales

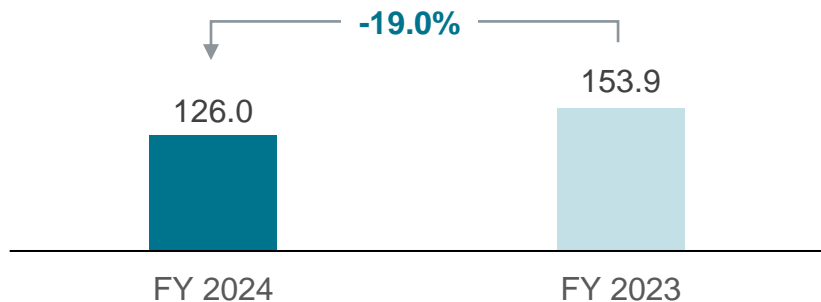
- Further sales decrease in nearly all CF market segments. Especially low demand from main market wind industry continues
- Increasing global overcapacity
- Negative price trend for commodity products

EBITDApre

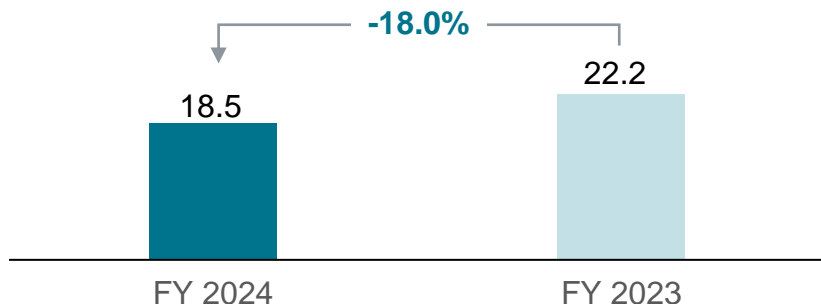
- Positive effects from restructuring measures outweighed by missing fix cost absorption
- BSCCB impact on CF EBITDApre of 15.9 mEUR in 2024 (2023: 18.3 mEUR)
- Due to updated market expectations, impairment of 76.5 mEUR on assets of CF in 2024

Composite Solutions (CS) – termination of big automotive contract impacting sales and earnings

Sales (in mEUR)



EBITDApre (in mEUR)



Key developments

Sales

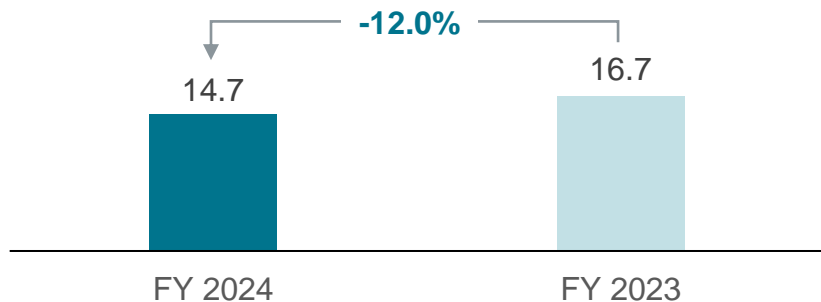
- Termination of a major automotive project contract resulted in lower volumes and sales
- Volatile demand from the automotive industry
- Stable volumes from luxury car segment for car body components

EBITDApre

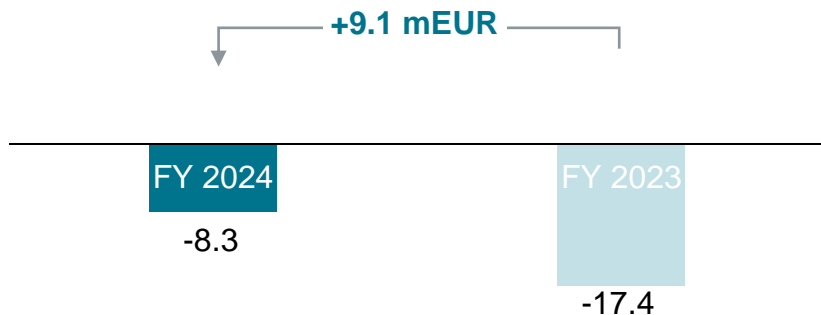
- Lower EBITDApre due to lower sales
- EBITDApre-margin kept stable with 14.6% (2023: 14.4%) resulting from compensation payment (3.0 mEUR)

Corporate – Significantly lower costs

Sales (in mEUR)



EBITDApre (in mEUR)



Key developments

Sales

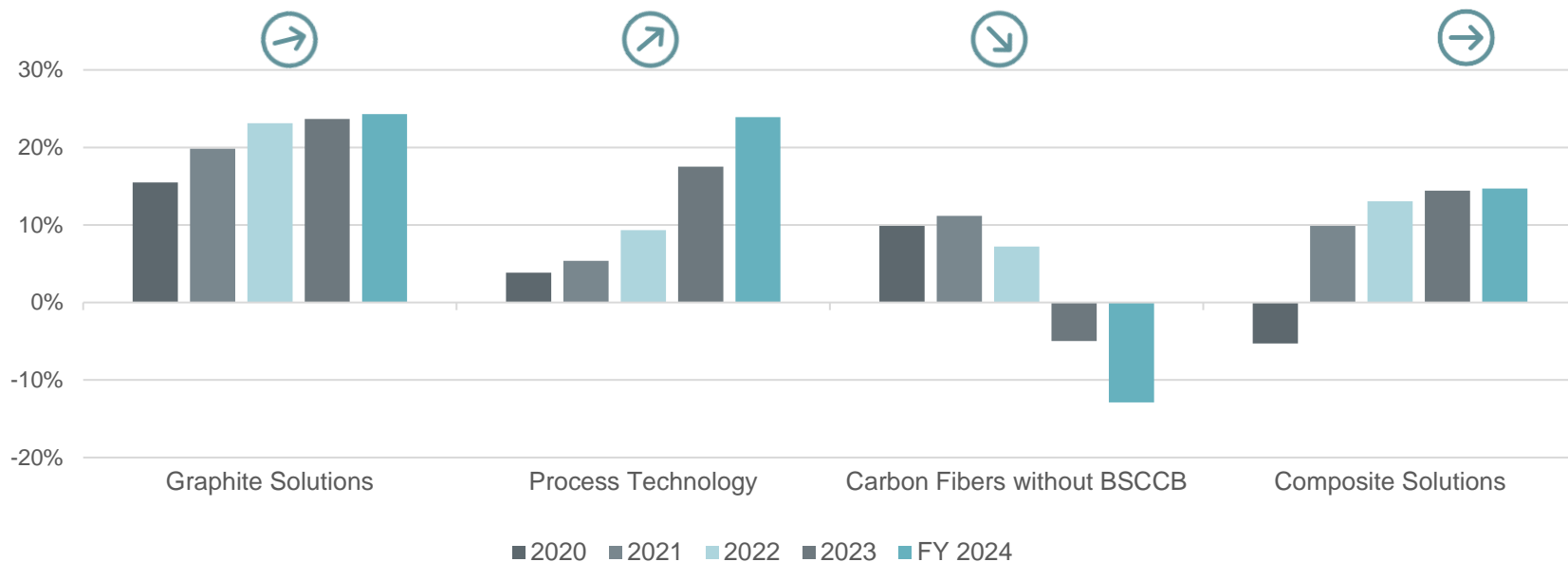
- Disposal of sites in Gardena (US) and Pune (India) in 2023 impacted sales

EBITDApre

- Significantly lower costs for indirect spend as well as for variable bonus provisions with positive impact on EBITDApre

Continued positive margin development in three business units; CF continues to report losses

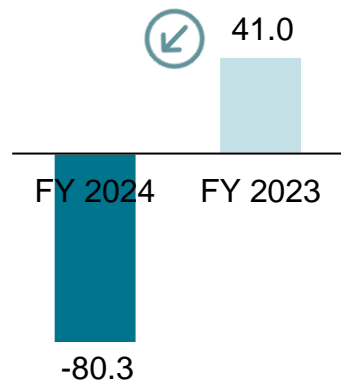
EBITDApre margins (in %)



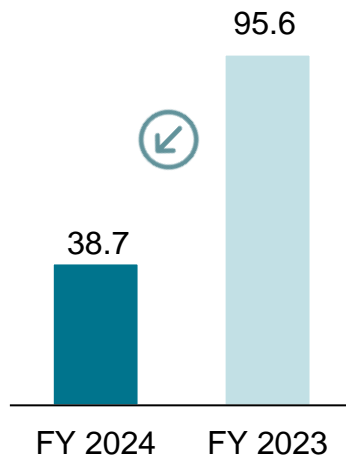
Net result impacted by impairment; net debt declined further

Key figures (in mEUR)

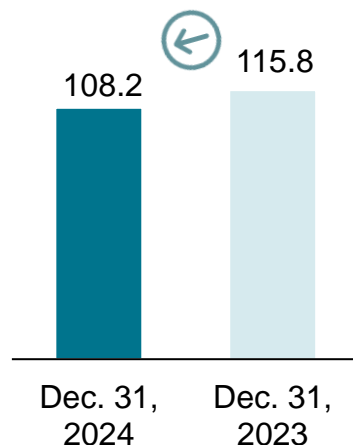
Net result



Free cash flow (FCF)



Net financial debt



Key developments

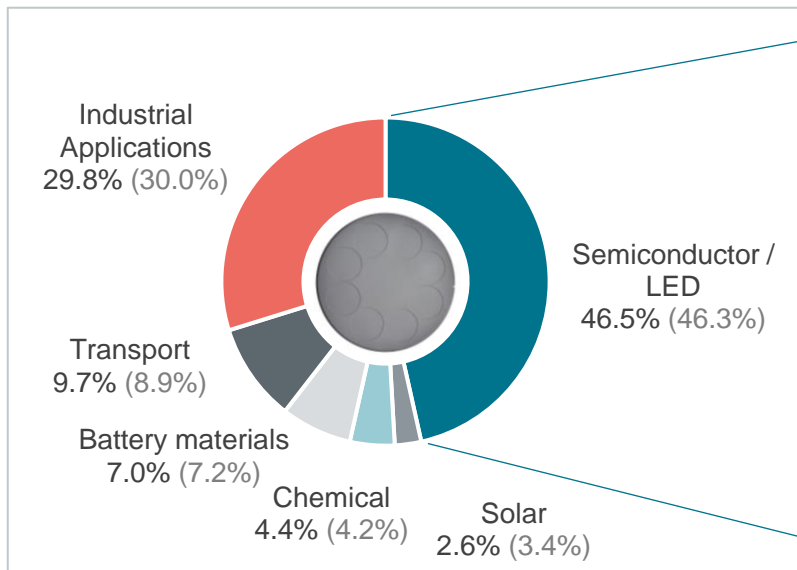
- Strong decrease in **net result** due to impairment and restructuring costs of €118.5 million in 2024
- **Net financial debt** with slight decrease (-6.6%)
- **Leverage ratio** of 0.7
- **Equity ratio** with 41.5% stable
- **ROCE** with 11.4% nearly unchanged (Dec. 31, 2023: 11.3%)

2 Determining factors for fiscal year 2025

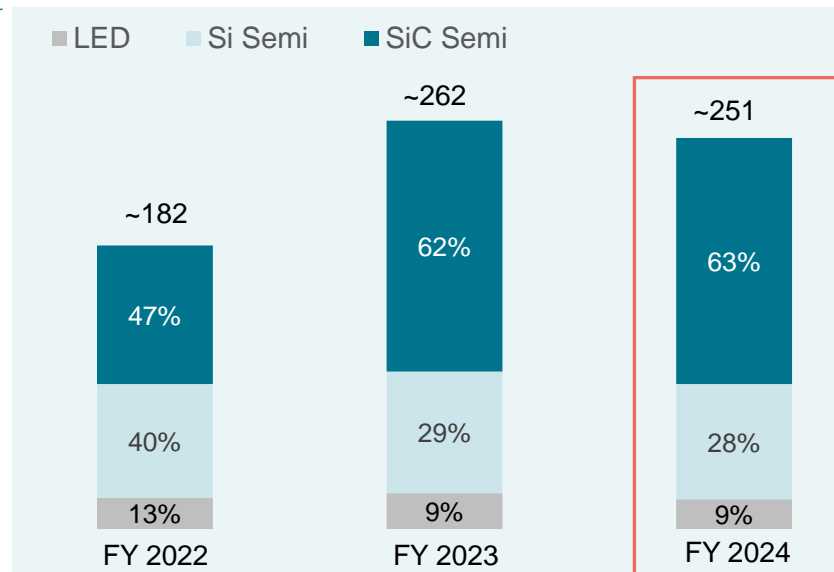
“EV / SiC market weakening and restructuring Carbon Fibers”

Cool down of the semiconductor market in the course of 2024

Sales split GS by market segment in FY 2024 versus FY 2023 (in %)



Sales split Semi/LED market segment (in mEUR)

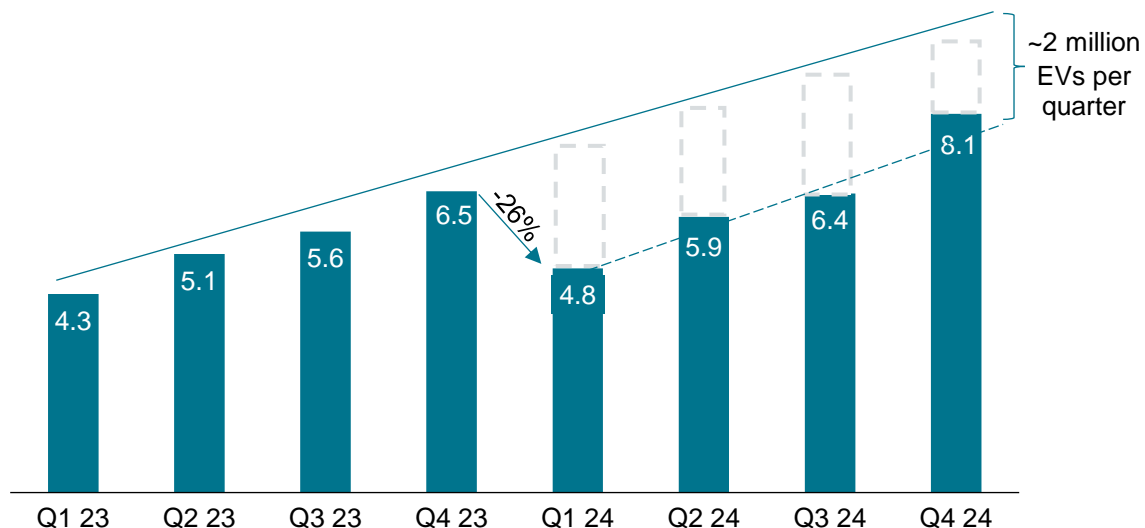


Lower than expected growth in EVs in 2024 slows SiC-semi demand

Electric vehicles sold per quarter 2023 and 2024

Electric Vehicles
[in millions]

EVs sold



Current obstacles

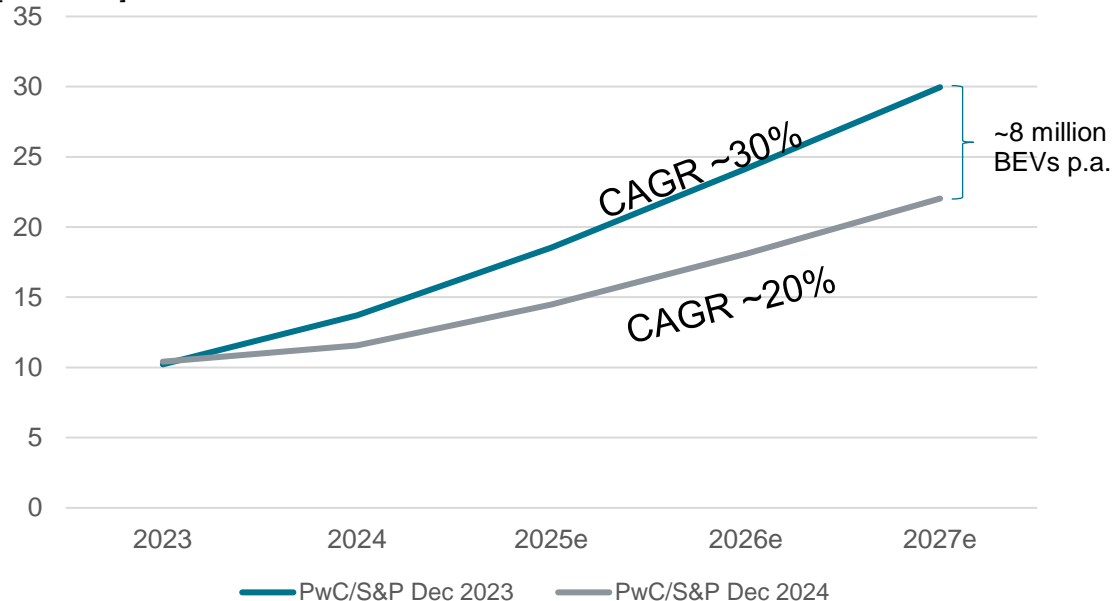
- EV represents #1 application (70-80% share in SiC)
- Q1 2024: slowed growth in EV demand by end-customers after strong Q4 2023
- Q2-Q4 2024: recovery in demand mainly driven by sales in China
- Adoption rate of SiC lower than expected
- Delay of new EV model launches
- But SiC importance unchanged

BEV sales delay of around two years expected till 2027

Significant change in BEV forecasts

Electric Vehicles (BEV)

[in millions]



Source: PwC strategy;

Current obstacles

- BEV growth from 2023 to 2024 significantly below forecast: 11% versus 30%
- CAGR (2023-2027) now 20% projected versus 30% before
- Strong inventory increase in the entire value chain
- Mid-term growth is still intact

Delay in EV and SiC market affects SGL business

Market development

- Slowing market growth due to weaker BEV demand, but still expected to grow at 20% CAGR₂₃₋₂₇
- Customers: Focus shifted from growth to inventory & cash management
- All regions affected
- No growth in SiC demand expected for 2025

SGL

- **Temporary slowdown** at our SiC customers
- **SGL strong positioned**
 - Quality leader
 - “One-Stop-Shop” semi-customers
 - Support of local markets due to site network
 - Structure of SiC customer contracts
- **Strict cost management**
- **Opportunity:** Acceleration SiC penetration in other markets (e.g. PV systems, wind turbines)

Restructuring of Carbon Fibers

Process started

- Complete sale of the business unit currently not achievable
- Significant reduction of loss-making Carbon Fibers business activities and focus on profitable core
- Individual solutions for all seven CF-sites including potential closure of unprofitable sites
- JV Brembo SGL Carbon Ceramic Brakes S.p.A. (BSCCB), is not affected by the restructuring
- Expected one-time cash effects of approx. €50 million over the next two years



3 SGLs business focus and forecast for 2025

“Safeguard sales and profitability”

2025 is a year of sales and strict cost discipline to counterbalance slowdown in key markets

Focus in 2025



Sales focus to fill capacities to counteract low demand from key markets e.g.,

- Sales into broader markets
- Scout for new applications



Cost efficiency to counterbalance underutilization by e.g.,

- Optimize headcount setup
- Strict cash management

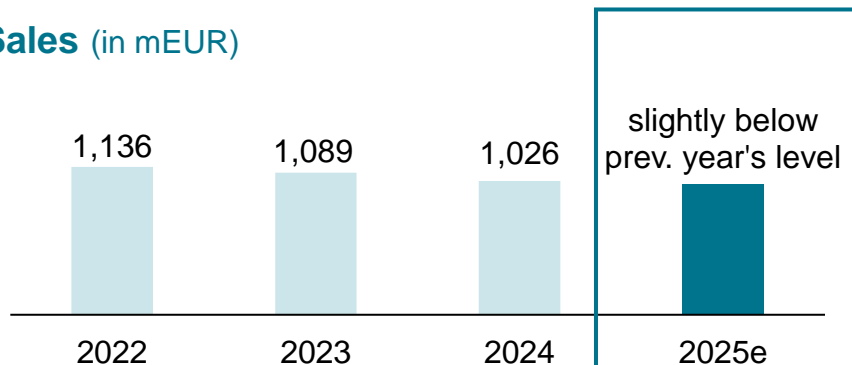


Safeguard result 2025:

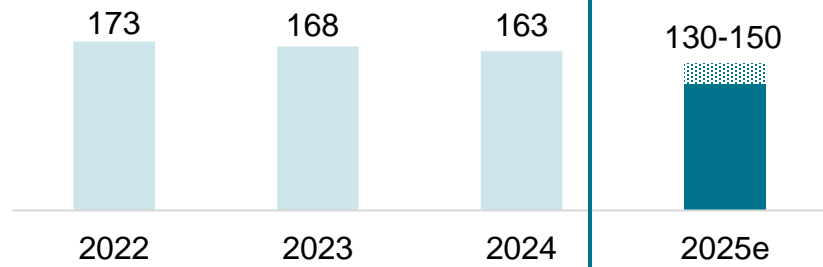
Focusing of resources to stabilize topline and secure bottom line by optimizing costs

Low momentum in key markets leads to decline in profitability

Sales (in mEUR)



EBITDApre (in mEUR)



Factors affecting the 2025 outlook

- Semiconductor expected to remain at a low level in 2025. Increase in demand depending on EV sales
- Demand from automotive industry associated with high uncertainty, e.g. US tariffs, EV-regulation

Business Unit level

- GS: Sales dependent on demand from semiconductor industry. Earliest pick-up in H2 2025 but uncertain
- PT: Satisfactory business performance expected, but sales and earnings below record year 2024
- CF: Continued low capacity utilization and high price pressure. Restructuring started
- CS: Depending on the development of the automotive industry. Higher price pressure expected

Temporary drop in 2025, but mid-term growth outlook unchanged

1. SGL as focused advanced materials player with innovative and customer-oriented products and excellent market positioning
2. Restructuring of Carbon Fibers business
3. All businesses will benefit from megatrends: digitization, renewable energies and climate-friendly mobility
4. Mid- to long-term growth in demand for special graphite components for SiC-based semiconductor industry is intact
5. Selective investments to increase production capacities

Q&A

We are looking forward to your questions

Financial calendar and IR contact details

Financial calendar

March 20, 2025

- Publication of the Annual Report 2024
- Conference call for investors and analysts

May 8, 2025

- Statement on the First Quarter 2025
- Conference call for analysts and investors

May 21, 2025

- Annual General Meeting (virtual)

August 7, 2025

- Report on the First Half Year 2025
- Conference call for investors and analysts

November 6, 2025

- Statement on the First Nine Months 2025
- Conference call for investors and analysts

Contact

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