



H1 2024 Results

Investor & Analyst Conference Call

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Thomas Dippold (CFO)

Wiesbaden | August 8, 2024



Agenda

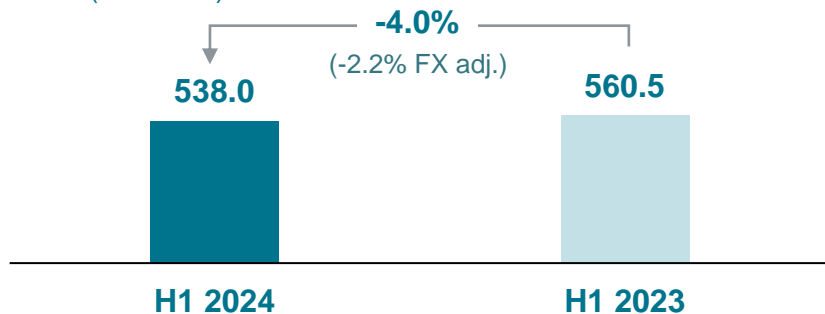
1. Details on H1 2024
2. SiC development and outlook

1 Details on H1 2024

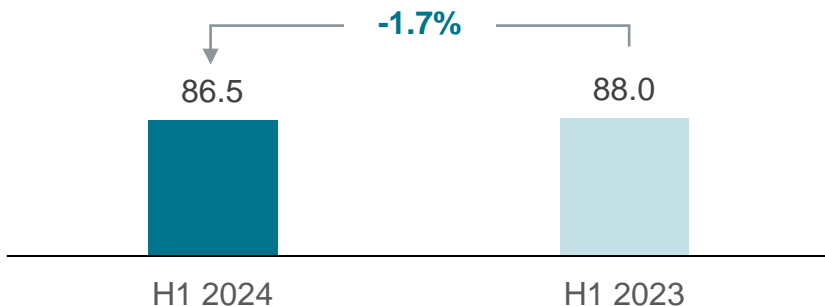
**“H1 2024 development in line with
FY 2024 guidance“**

Product mix change has a positive effect on EBITDApre margin

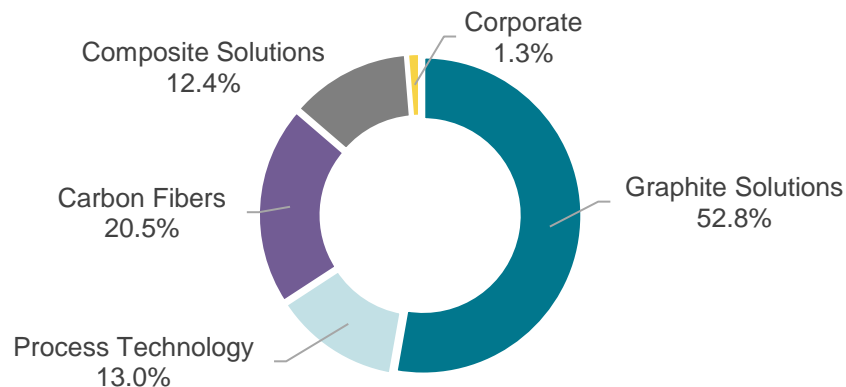
Sales (in mEUR)



EBITDApre (in mEUR)



Sales split (in %)

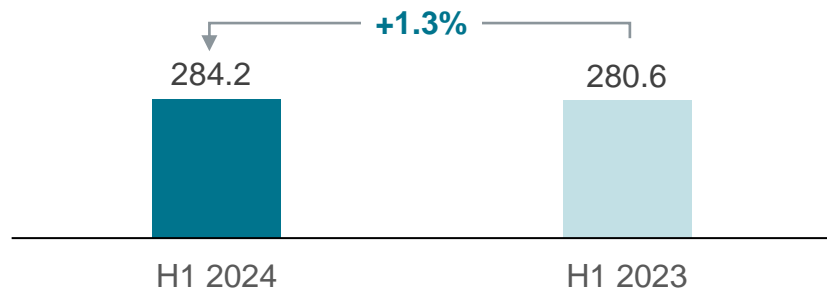


Key developments

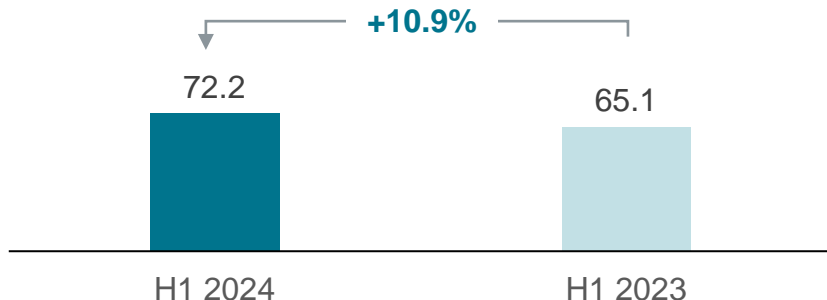
- Ongoing strong performance in GS and PT; weakness in CF continues, CS burdened from project termination
- Product mix changes lead to EBITDApre margin increase from 15.7% to 16.1% in six months comparison

Graphite Solutions (GS) – significantly improved profitability

Sales (in mEUR)



EBITDApre (in mEUR)



Key developments

Sales

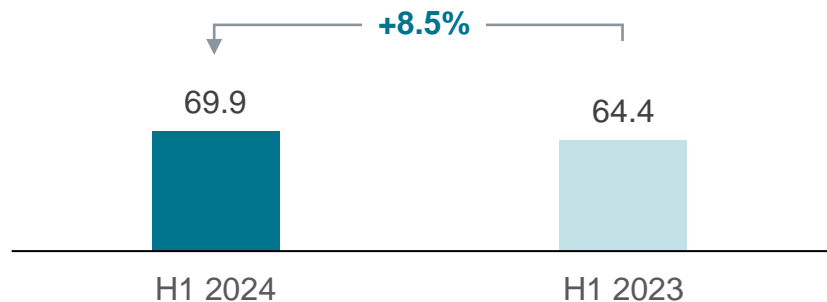
- Main driver: Semiconductor & LED increase by 13% yoy, but growth slowed in Q2 2024
- Other market segments burdened by macro economic weakness and hamper BU GS growth
- Customer down payments of 17 mEUR in H1 2024 to expand production capacities

EBITDApre

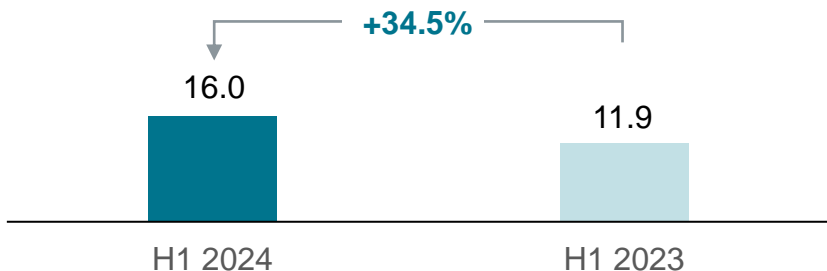
- Positive effects due to product mix and higher volumes
- EBITDApre margin increased from 23.2% to 25.4%

Process Technology (PT) – manages to top good figures from 2023

Sales (in mEUR)



EBITDApre (in mEUR)



Key developments

Sales

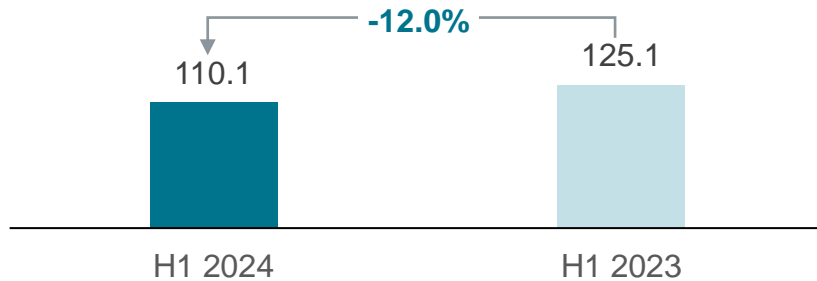
- Success from 2023 continues in H1 2024
- All three regions contribute to success
- Order book still well filled, but first signs of slowdown in new orders

EBITDApre

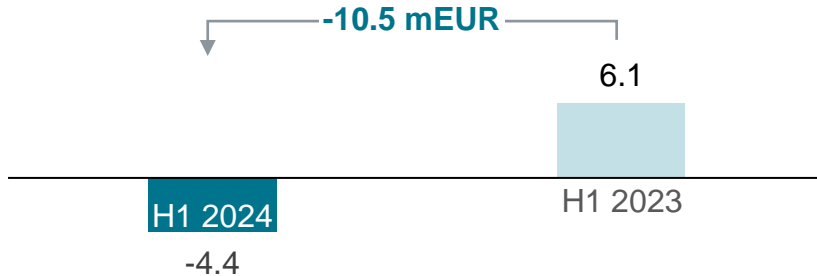
- Stronger share of higher margin service business combined with attractive large-scale projects
- Margin increase in H1 2024 to 22.9% (H1 2023: 18.5%)

Carbon Fibers (CF) – the perfect storm

Sales (in mEUR)



EBITDApre (in mEUR)



Key developments

Sales

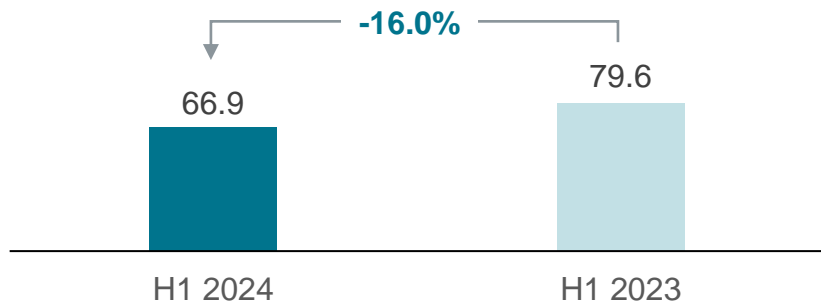
- Significant sales decrease in nearly all CF market segments due to demand weakness
- Negative price trend for commodity products

EBITDApre

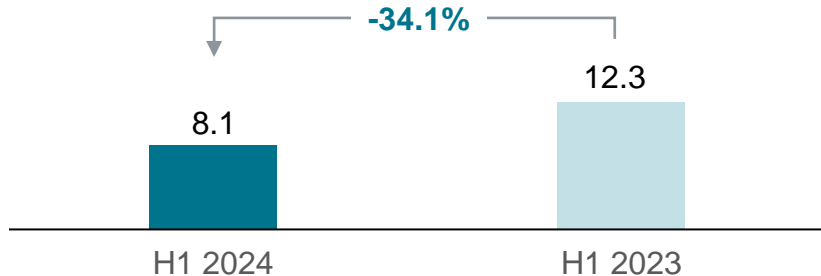
- Restructuring measures lead to lower cost structure and therefore a slightly better EBITDApre than in Q1 2024
- BSCCB JV impact on CF EBITDApre of 7.7 mEUR in H1 2024 (H1 2023: 11.0 mEUR)

Composite Solutions (CS) – Negative impact on sales and earnings due to termination of automotive contract

Sales (in mEUR)



EBITDApre (in mEUR)



Key developments

Sales

- Termination of an automotive customer contract resulted in lower volumes and sales
- Stable demand from luxury car segment for car body components

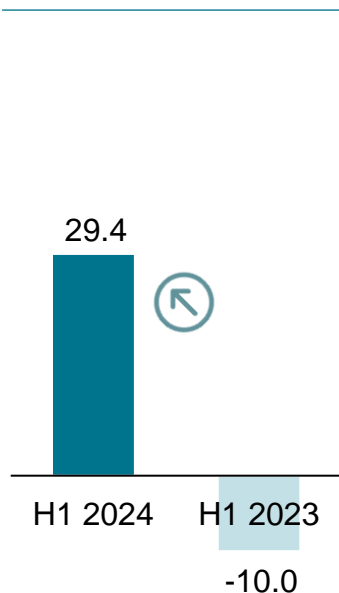
EBITDApre

- Lower EBITDApre due to lower sales, EBITDApre-margin declined to 12.1% (H1 2023: 15.5%)
- Main impact on EBITDApre from lower volumes and adverse changes in the product mix

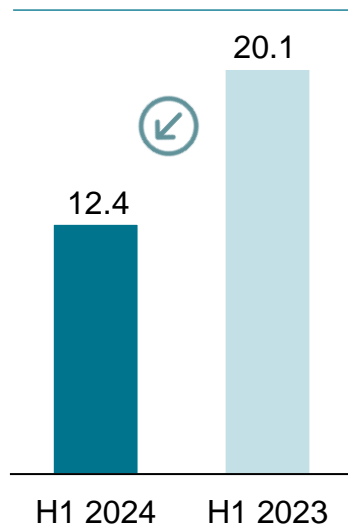
Another solid quarter

Key figures (in mEUR)

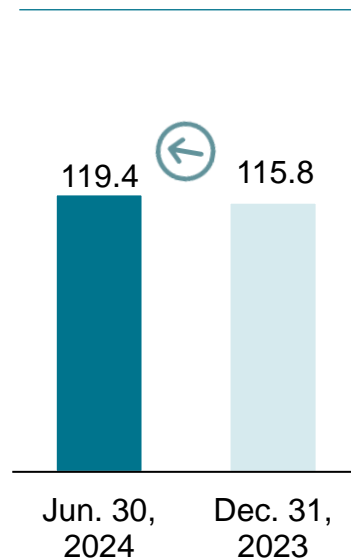
Net result*



Free cash flow (FCF)



Net financial debt



Key developments

- **Net result*:** Positive net result in H1 2024, prior year affected by impairment CF
- **Net financial debt** stable **leverage ratio** of 0.7
- **Equity ratio** increased by 3.2 ppt to 44.3%
- **ROCE** with 11.3% unchanged

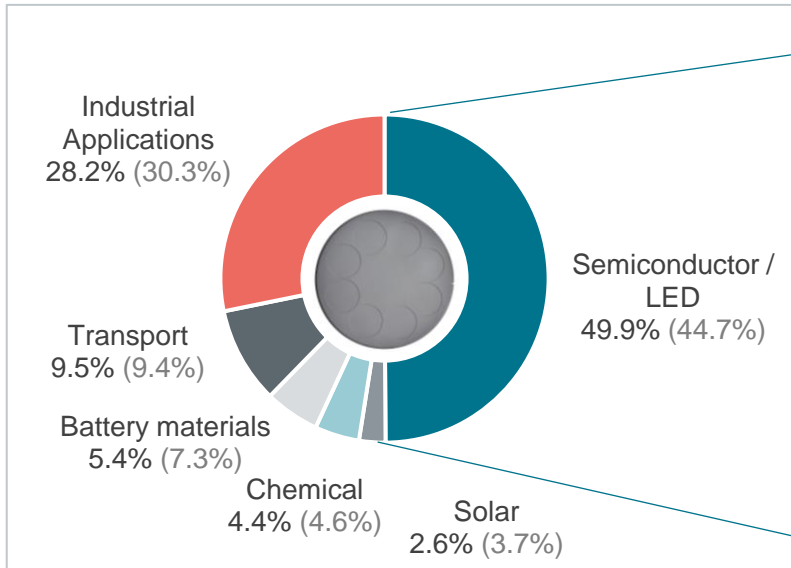
* attributable to parent company shareholders

2 SiC development and outlook

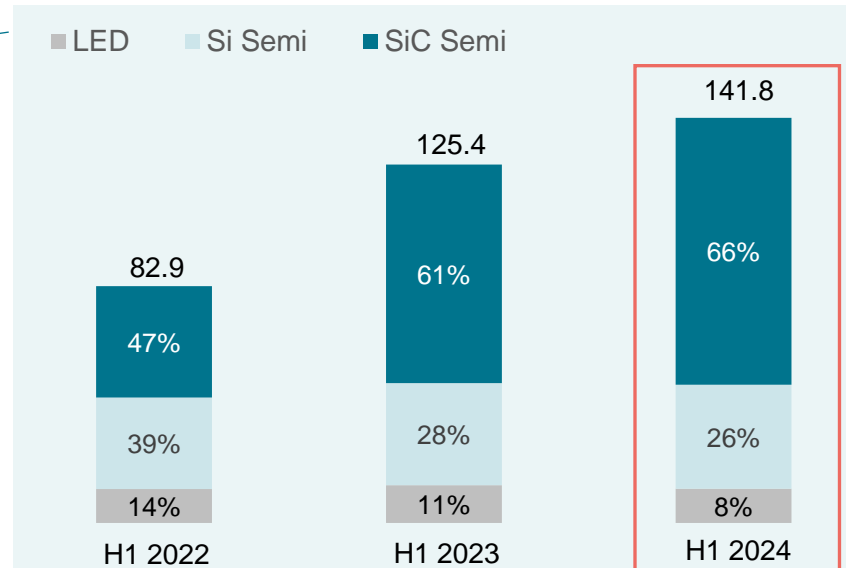
“We confirm our guidance 2024”

Semiconductor demand strong, but back to „healthy“ growth rates

Sales split GS by market segment in H1 2024 versus H1 2023 (in %)



Sales split Semi/LED market segment (in mEUR)

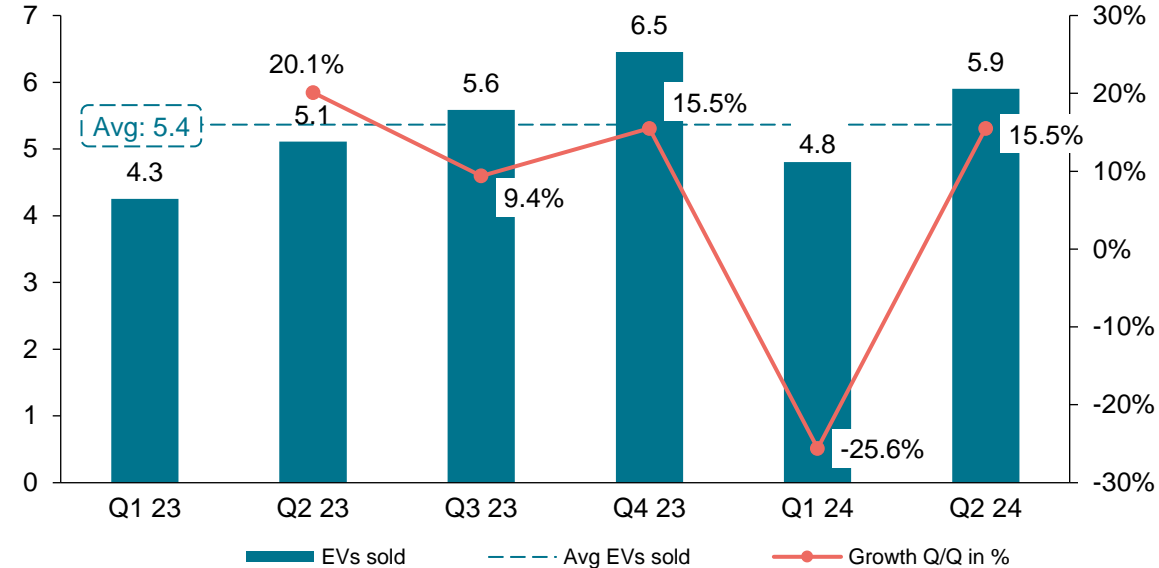


Lower than expected growth in EVs slows rising SiC-semi demand

Electric vehicles sold per quarter

Electric Vehicles

[in millions]



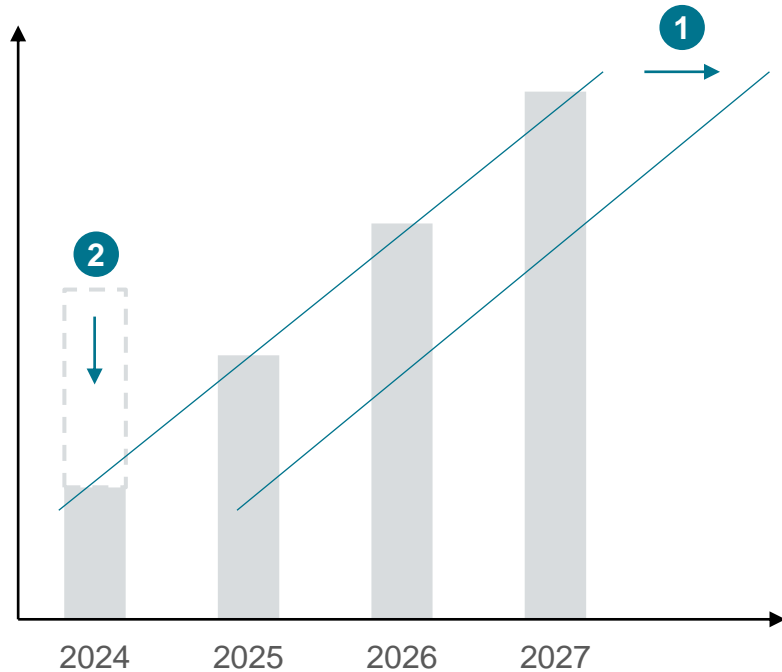
Source: PwC strategy; Comment: Total = Australia, Austria, Brazil, China, France, Germany, India, Indonesia, Italy, Japan, Netherlands, Norway, Poland, South Korea, Spain, Sweden, Switzerland, Turkey, UK, USA.

Current obstacles

- EV represents the #1 application (70-80% share in SiC)
- Q1 2024: slowed growth in EV demand by end-customers after very strong Q4 2023
- Q2 2024: recovery in demand mainly driven by China (+35.4%). Growth in Europe improved to 7.4% (Q1: +1.0%)

Growth expectations slowed, but despite delay intact

SiC-Industry growth outlook (schematic illustration)



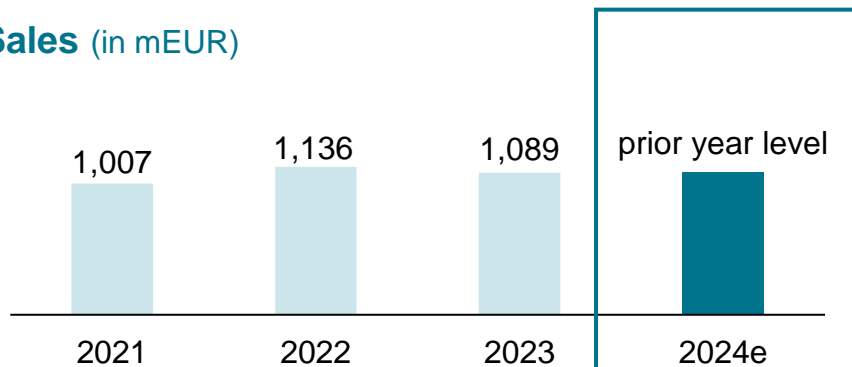
Source: SGL Carbon (2024); Yole Group; AutoVista24; Press releases

Major topics impacting the full value chain

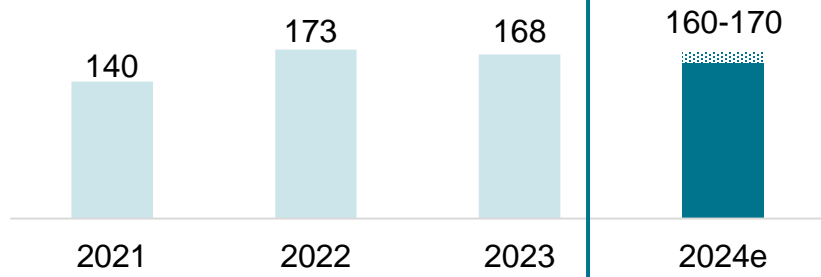
- 1 SiC Semi demand slowed due to lower than expected growth rates in EV market**
 - Slowed growth in EV demand by end-customers (17% expected in 2024 vs 35%)
- 2 Changes along the entire value chain**
 - Inventory adjustment by all industry players
 - Greater customer focus on cash management

Guidance on lower end of EBITDApre range confirmed

Sales (in mEUR)



EBITDApre (in mEUR)



Key drivers and current trends

- Long-term focus on established growth markets such as semiconductors, electromobility and renewable energies
- Growth driver remains semiconductor industry, but currently growth rates of underlying market EV sales slowed down – but trends remain intact
- CF: Persistently low demand from wind industry and current decline in commodity prices
- CS: Negatively affected by termination of customer contract
- PT: Better than expected business development
- Positive effects from product mix and increasing capacity for special graphite products

Q&A

We are looking forward to your questions

Financial calendar and IR contact details

Financial calendar

November 7, 2024

- Statement on the First Nine Months 2024
- Conference call for investors and analysts

Contact

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SGL Carbon to report EBIT / EBITDApre (exceptionals)

Definition of exceptionals (for 2024/2023)

- Depreciation in accordance with IFRS:
 - effects of impairment (IAS 36)
 - purchase price allocations (IFRS 3)
 - effects on assets held for sale in accordance with IFRS 5
- Restructuring expenses
- Proceeds from the sale of land and buildings
- Proceeds from insurance claims, provided they are not counterbalanced by any offsetting items during the reporting period
- Other material one-off effects which are not reflecting the underlying business development



Important Note

This presentation contains statements relating to certain projections and business trends that are forward-looking, including statements with respect to SGL Carbon's outlook and business development, including developments in SGL Carbon's Graphite Solutions (GS), Process Technology (PT), Carbon Fibers (CF) and Composite Solutions (CS) businesses, expected customer demand, expected industry trends and expected trends in the business environment, statements related to SGL Carbon's cost savings programs. You can generally identify these statements by the use of words like "may", "will", "could", "should", "project", "believe", "anticipate", "expect", "plan", "estimate", "forecast", "potential", "intend", "continue" and variations of these words or comparable words. These statements are no historical facts, but rather based on current expectations, estimates, assumptions and projections about SGL Carbon's businesses and future financial results, and readers should not place undue reliance on them. Forward-looking statements do not guarantee future performance and involve risks and uncertainties. These risks and uncertainties include, without limitation, changes in political, economic, legal and business conditions, particularly relating to SGL Carbon's main customer industries, competitive products and pricing, the ability to achieve sustained growth and profitability in SGL Carbon's Graphite Solutions (GS), Process Technology (PT), Carbon Fibers (CF) and Composite Solutions (CS) businesses, the impact of any manufacturing efficiencies and capacity constraints, widespread adoption of carbon fiber products and components in key end-markets of SGL Carbon, including the automotive and aerospace industries, the inability to execute additional cost savings or restructuring measures, availability of raw materials and critical manufacturing equipment, trade environment, changes in interest rates, exchange rates, tax rates, and regulation, available cash and liquidity, SGL Carbon's ability to refinance its indebtedness, development of the SGL Carbon pension obligations, share price fluctuation may have on SGL Carbon's financial condition and results of operations and other risks identified in SGL Carbon's financial reports. These forward-looking statements are made only as of the date of this document. SGL Carbon does not undertake to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise.