



Q1 2024 Results

Investor & Analyst Conference Call

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Thomas Dippold (CFO)

Wiesbaden | May 8, 2024



Agenda

1. Details on Q1 2024
2. Outlook

Q1 2024 in a nutshell

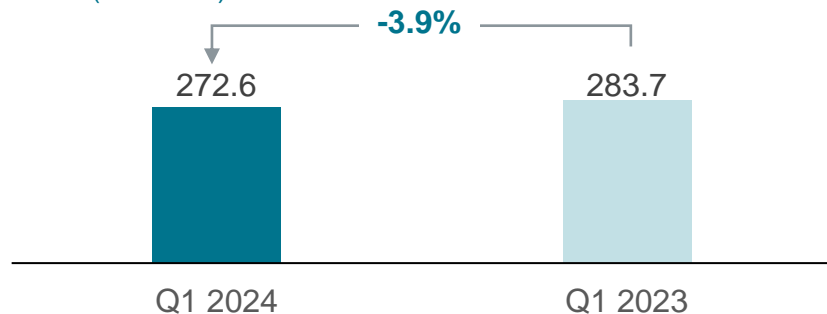
Financials		Business	Outlook
272.6 mEUR Group sales - 3.9% driven by weak demand in CF and divesture Pune/ Gardena in Corp.	EBITDApre margin improvement to 15.4% (Q1 2023: 14.1%)	Ongoing strong performance in GS and PT Weakness in CF continues CS with negative sales effects from project finalization	Guidance 2024 confirmed: Sales on previous year level EBITDApre 160 – 170 mEUR
Increase of EBITDApre by 5.0% to 42.1 mEUR	117.2 mEUR net financial debt Leverage 0.7	Encouraging development in SiC- semiconductor but we keep an eye on underlying markets like EV-sales	Focus on growth markets like semiconductor, renewable energy and e-mobility

1 Details on Q1 2024

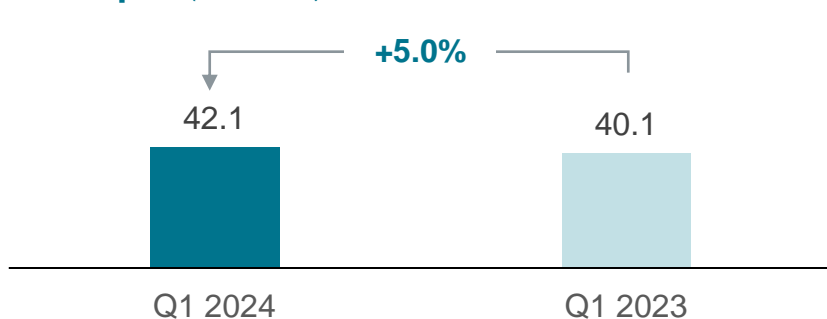
**“Q1 2024 development in line with
FY 2024 guidance”**

Improvement in EBITDApre despite slightly lower sales

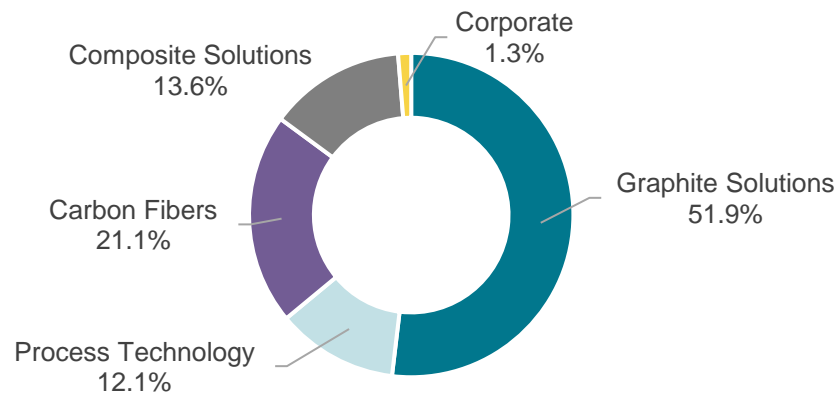
Sales (in mEUR)



EBITDApre (in mEUR)



Sales split (in %)

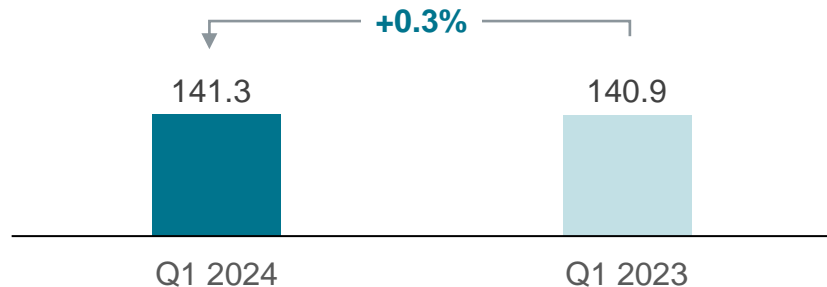


Key developments

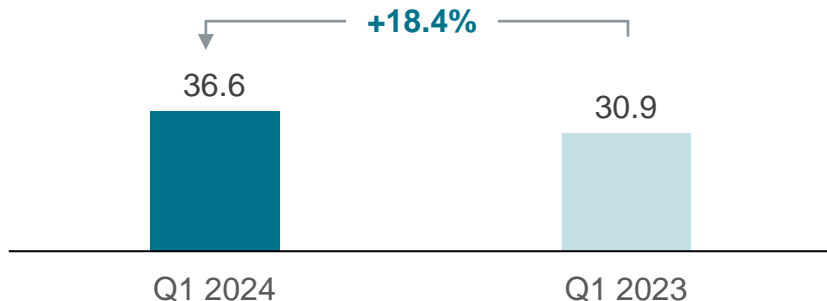
- Ongoing strong performance in GS and PT; weakness in CF continues
- Product mix changes lead to EBITDApre margin increase from 14.1% to 15.4% in three months comparison

Graphite Solutions (GS) – significantly improved profitability

Sales (in mEUR)



EBITDApre (in mEUR)



Key developments

Sales

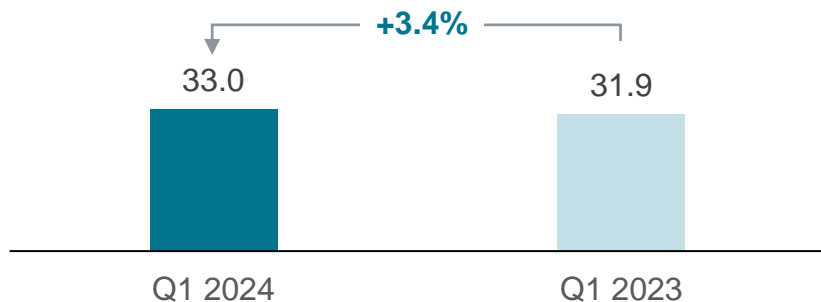
- Main driver: Semiconductor & LED increase by 34% yoy
- Full utilization of production capacities in semi business
- Other market segments burdened by macro economic weakness
- Customer down payments of 8 mEUR in Q1 2024 to expand production capacities

EBITDApre

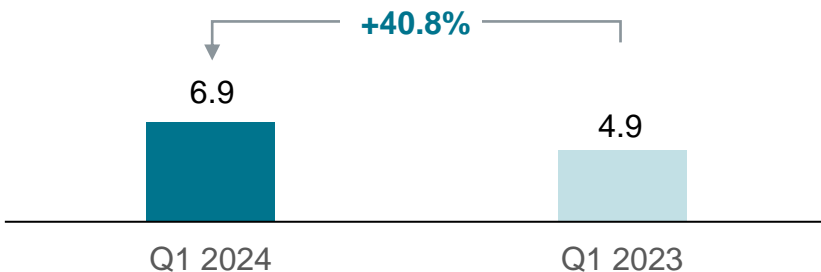
- Positive effects due to product mix and higher volumes
- EBITDApre margin increased from 21.9% to 25.9%

Process Technology (PT) – Strong demand continuing. Higher share of parts & service business supporting margin development

Sales (in mEUR)



EBITDApre (in mEUR)



Key developments

Sales

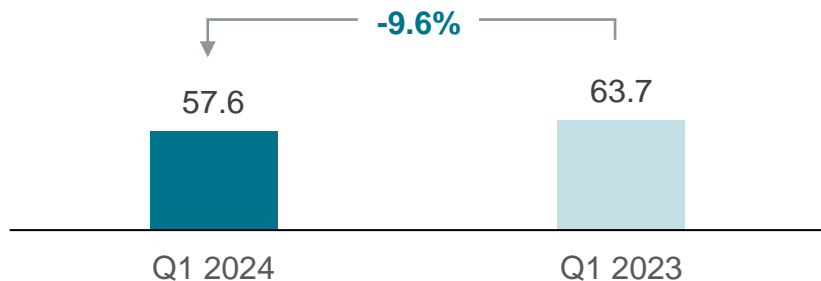
- Success from 2023 continued in Q1 2024
- Strong increase of parts & service business
- Sales growth esp. in Europe with more than 18%
- Order book still well filled

EBITDApre

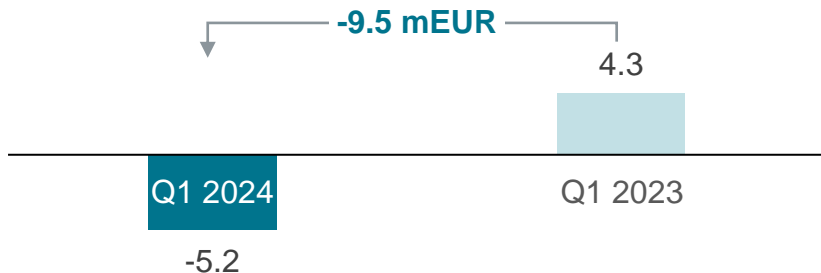
- Stronger share of higher margin service business combined with large-scale projects
- Margin increase in Q1 2024 to 20.9% (Q1 2023: 15.4%)

Carbon Fibers (CF) – Low demand from wind continuing, restructuring measures intensified

Sales (in mEUR)



EBITDApre (in mEUR)



Key developments

Sales

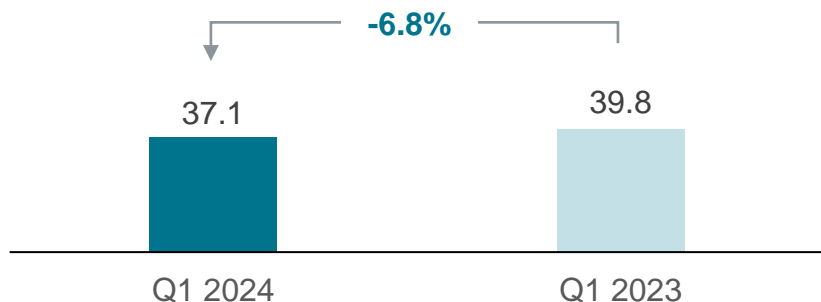
- Significant sales decrease in nearly all CF market segments due to demand weakness
- Negative price trend for commodity products

EBITDApre

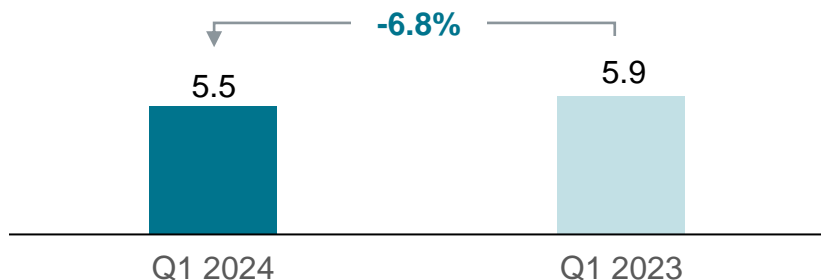
- Low demand resulting in utilization drop and shutdowns of production lines; lower fixed cost absorption
- Restructuring measures intensified
- BSCCB JV impact on CF EBITDApre of 4.4 mEUR

Composite Solutions (CS) – Slight negative impact on sales and earnings due to expiring automotive contract

Sales (in mEUR)



EBITDApre (in mEUR)



Key developments

Sales

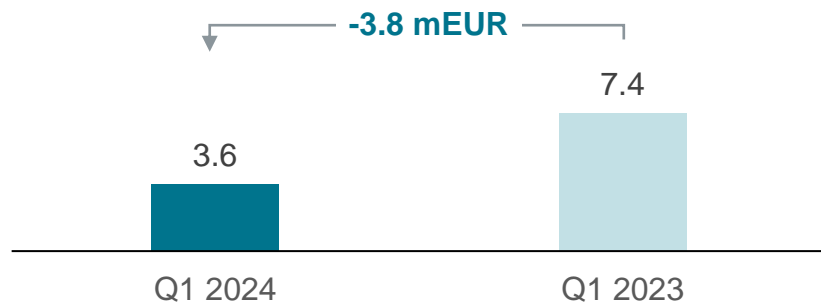
- Automotive nearly stable with 94% of BU sales
- Expiry of an automotive supply contract in North America resulted in lower volumes and sales
- Stable demand from luxury car segment

EBITDApre

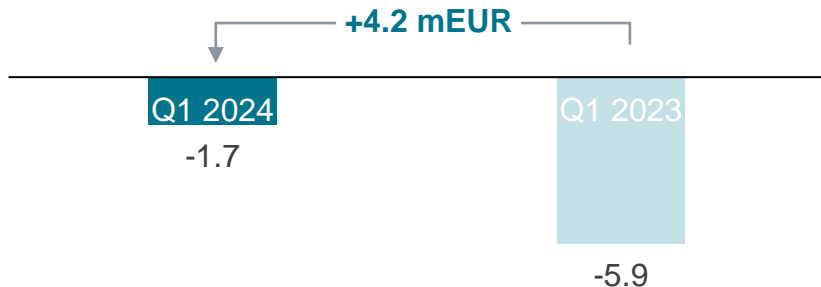
- Lower EBITDApre due to lower sales, EBITDApre-margin at prior year level (14.8%)
- Higher costs for wages and raw materials compensated by lower energy costs
- Focus on high margin products and price initiatives

Corporate – One-time effects impact sales and earnings

Sales (in mEUR)



EBITDApre (in mEUR)



Key developments

Sales

- Sale of Gardena (USA) and Pune (India) sites, allocated to Corporate in Q1 2023 until divestment resulted in significantly lower sales in Q1 2024

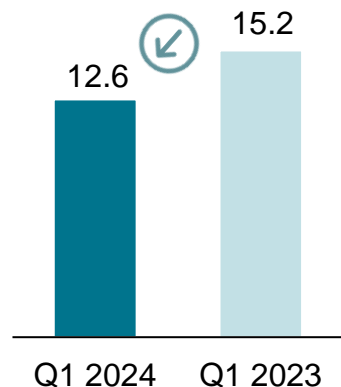
EBITDApre

- EBITDApre improved by 4.2 mEUR due to
 - Significantly lower provisions for variable compensation
 - Q1 2023 included operating losses from sold sites

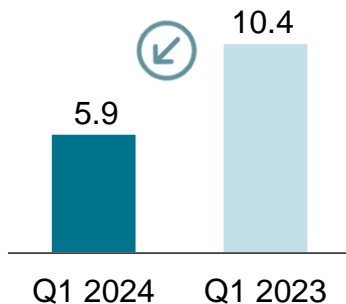
Another solid quarter with positive net result and free cash flow

Key figures (in mEUR)

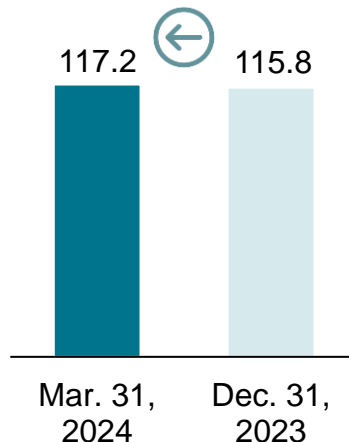
Net result*



Free cash flow (FCF)



Net financial debt



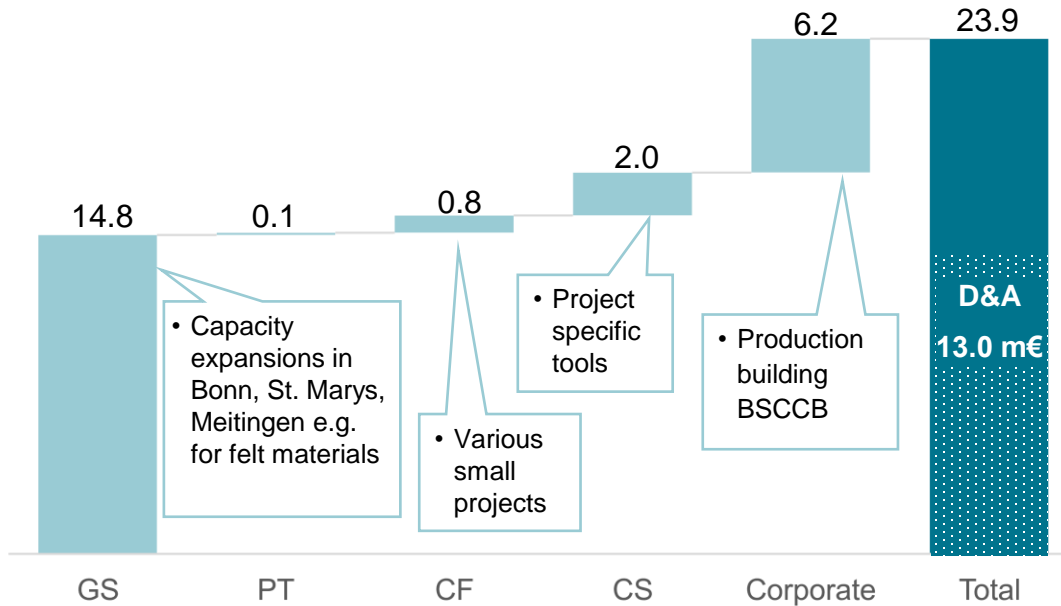
Key developments

- **Net result*:**
decrease of 2.6 mEUR due to higher non-recurring exp. (2.4 mEUR) and taxes (2.0 mEUR) as well as lower negative financial result (1.3 mEUR)
- **Net financial debt** stable
leverage ratio of 0.7
- **Equity ratio** increased by 0.9 ppt to 42.0%
- **ROCE** with 11.4% nearly unchanged

* attributable to parent company shareholders

Higher capex to increase GS and BSCCB production capacity

Capex per business unit in Q1 2024 (in mEUR)



Key developments

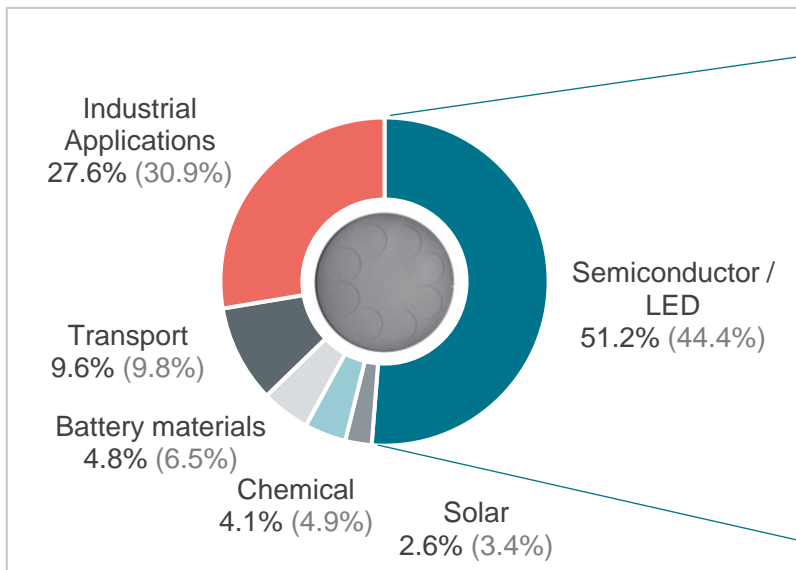
- **Capex:**
Higher capex in GS to increase capacities for semiconductors as well as building for BSCCB expansion
- **Depreciation & amortization** with 13.0 mEUR below previous year level (Q1 2023: 14.3 mEUR) due to CF impairment in 2023
- **Customer down payments** of 8 mEUR in Q1 2024, 70 mEUR in 2023 and 33 mEUR in 2022

2 Outlook

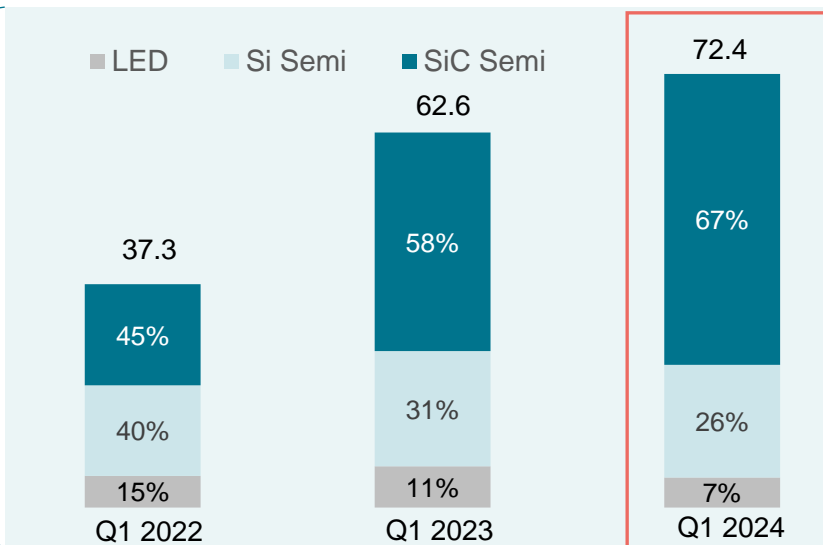
“We confirm our guidance 2024 and our portfolio strategy”

Semiconductors drive SGL's growth and profitability

Sales split GS by market segment in Q1 2024 versus Q1 2023 (in %)

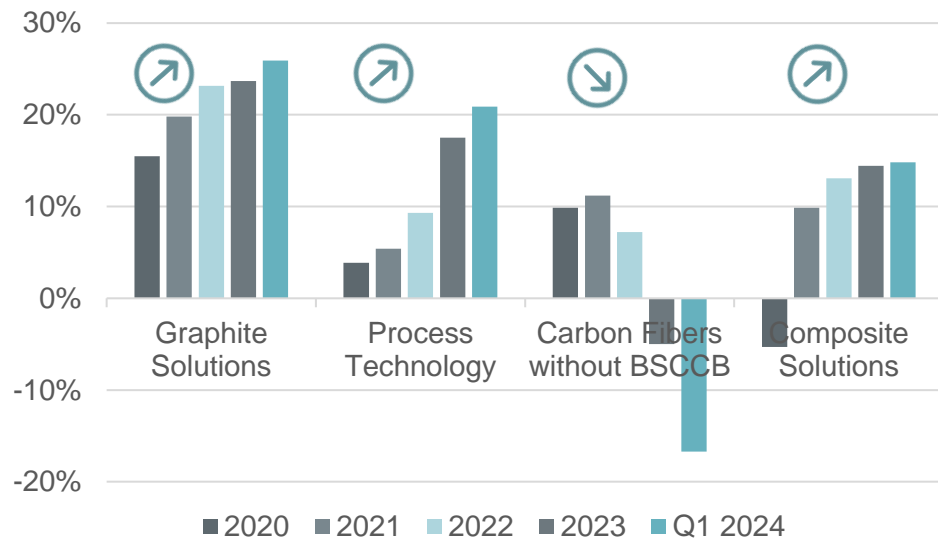


Sales split Semi/LED market segment
mEUR



Build a profitability-driven portfolio company for advanced materials

EBITDApre margins (in %)



SGL Carbon business portfolio strategy

- Focus on innovative and customized products
- Attractive markets with growth potential in which SGL Carbon has a leading market position
- Clear profitability targets for all product lines, sites and business units
- All options are reviewed for businesses that do not meet the profitability criteria

Q&A

We are looking forward to your questions

Financial calendar and IR contact details

Financial calendar

May 23, 2024

- Annual General Meeting (virtual)

August 8, 2024

- Report on the First Half Year 2024
- Conference call for investors and analysts

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.